AE Order Number Banner

Application Number: pMSG2415738006

SWD-2620

Spur Energy Partners LLC [328947]

RECEIVED:	REVIEWER:	TYPE:	APP NO:	
		ABOVE THIS TABLE FOR OCD DIVISIO	DN USE ONLY	
	- Geologi	CO OIL CONSERVAT cal & Engineering B rancis Drive, Santa F	ureau -	A COMPANY OF MET AND
	ADMINIST			
TH	IS CHECKLIST IS MANDATORY FOR A REGULATIONS WHICH RI	LL ADMINISTRATIVE APPLICATIC EQUIRE PROCESSING AT THE DIV		ON RULES AND
Applicant: <u>Spu</u> Well Name: <u>Fair</u> Pool: <u>SWI</u>			OGRID Nu API: <u>30-015</u> Pool Code	
A. Locatio	PLICATION: Check those on – Spacing Unit – Simul NSL	taneous Dedication		
[] Co	one only for [1] or [1] mmingling – Storage – <i>N</i> DHC DCTB P ection – Disposal – Pressu WFX PMX S	LC PC OLS Dre Increase – Enhand	ced Oil Recovery	FOR OCD ONLY
A. Offs B. Roy C. App D. Noti E. Noti F. Surf G. For	ON REQUIRED TO: Check et operators or lease hole alty, overriding royalty o plication requires publish ification and/or concurre ace owner all of the above, proof o notice required	lders wners, revenue owne ed notice ent approval by SLO ent approval by BLM		Notice Complete Application Content Complete
administrativ understand	ON: I hereby certify that we approval is accurate that no action will be ta are submitted to the Div	and complete to the ken on this application	best of my knowled	ge. I also

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Ben Stone

Print or Type Name

5/20/2024 Date

936-377-5696

Phone Number

ben@sosconsulting.us e-mail Address

Sec	- Xa	n
	0	

Signature



Oil & Gas Accounting - Regulatory Processing Assistance - Oil Field Technical Assistance

May 20, 2024

SOS Consulting, LLC

New Mexico Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505

Attn: Mr. Dylan Fuge, Director

Re: Application of Spur Energy Partners, LLC to recomplete and otherwise permit for salt water disposal its Fairchild 24 SWD #1, (API 30-015-28151) located in Section 24, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico.

Dear Mr. Fuge,

Please find enclosed form C-108 Application for Authority to Inject, supporting the above-referenced request to permit for disposal the subject prospective well. By authorizing the proposed SWD, the applicant can increase much needed disposal capacity for its operations on adjacent leases.

Spur Energy seeks to optimize efficiency, both economically and operationally, of all its operations in southeast New Mexico. Approval of this application is consistent with that goal as well as the NMOCD's mission of preventing waste and protection of correlative rights.

Published legal notice ran in the May 9, 2024, edition of the Artesia Daily Press and offset operators and other affected parties have been notified individually. All required information and attachments are included for a complete Form C-108. The well is located on fee lease, private land and minerals.

I respectfully request that the approval of this salt water disposal well proceed swiftly and if you or your staff requires additional information or has any questions, please do not hesitate to call or email me.

Best regards,

Ben Stone, Partner SOS Consulting, LLC Agent for Spur Energy Partners, LLC

Cc: Application attachment and file

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, New Mexico 87505 FORM C-108 Revised June 10, 2003

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: **SWD Reinstatement** and the application **qualifies** for administrative approval.
- II. OPERATOR: Spur Energy Partners, LLC (Ogrid 328947) ADDRESS: 9655 Katy Freeway, Ste.500, Houston, Texas 77024
 - CONTACT PARTY: Sarah Chapman, Spur Regulatory Director (832) 930-8502 Agent: SOS Consulting, LLC – Ben Stone (936) 377-5696
- III. WELL DATA: All well data and applicable wellbore diagrams are ATTACHED hereto.
- IV. This is not an expansion of an existing project.
- V. A map is ATTACHED that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- *VI. A tabulation is ATTACHED of data on all wells of public record within the area of review which penetrate the proposed injection zone. (1 AOR well penetrates the subject interval.) The data includes a description of each well's type, construction, date drilled, location, depth, and a schematic of any plugged well illustrating all plugging detail.
- VII. The following data is ATTACHED on the proposed operation, including:
 - 1. Proposed average and maximum daily rate and volume of fluids to be injected;
 - 2. Whether the system is open or closed;
 - 3. Proposed average and maximum injection pressure;
 - 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
 - 5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- *VIII. Appropriate geologic data on the injection zone is ATTACHED including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
- IX. The well may be acidized to clean perforations and formation w/ approximately 7500 gals 15% HCl or less.
- *X. A log strip of the subject well is annotated and is ATTACHED.
- *XI. State Engineer's records indicate there is 4 water well within one mile the proposed SWD analysis of 1 well is ATTACHED.
- XII. An affirmative statement is ATTACHED that available geologic and engineering data has been examined and no evidence was found of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. "Proof of Notice" section on the next page of this form has been completed and ATTACHED. There are 2 offset operators; on Private Land, all have been noticed.
- XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME:	Ben Stone	\bigcirc	TITLE	🗄 SOS Consulting, LLC age	ent / consultant	for Spur	Energy Partners, LLC
SIGNATU	JRE:	Sen.	Sam			DATE:	5/20/2024

E-MAIL ADDRESS: ben@sosconsulting.us

- * If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal:
- DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office

Page 2

- III. WELL DATA The following information and data is included and ATTACHED:
- A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:
 - (1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.
 - (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
 - (3) A description of the tubing to be used including its size, lining material, and setting depth.

(4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

- B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.
 - (1) The name of the injection formation and, if applicable, the field or pool name.
 - (2) The injection interval and whether it is perforated or open-hole.
 - (3) State if the well was drilled for injection or, if not, the original purpose of the well.
 - (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
 - (5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE pursuant to the following criteria is ATTACHED.

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates and pressures; and,
- (4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

n/a

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

X AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT ² Pool Code ¹ API Number ³ Pool Name 96184 30-015-28151 SWD; Canyom ⁴ Property Code ⁵ Property Name ⁶ Well Number Fairchild 24 SWD TBD 1 ⁸ Operator Name 7 OGRID No. ⁹ Elevation 328947 Spur Energy Partners, LLC 3413 ¹⁰ Surface Location UL or lot no. Section Township Feet from the North/South line Feet from the East/West line Range Lot Idn County Е 24 19S 25E 2100' FNL 900' FWL Eddy ¹¹ Bottom Hole Location If Different From Surface UL or lot no. Lot Idn Feet from the North/South line Feet from the East/West line Section Township Range County same ¹² Dedicated Acres ³ Joint or Infill ¹⁴ Consolidation Code 15 Order No.

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

SWD-pending

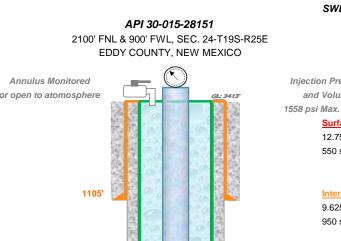
16	¹⁷ OPERATOR CERTIFICATION
	I hereby certify that the information contained herein is true and complete
	to the best of my knowledge and belief, and that this organization either
	owns a working interest or unleased mineral interest in the land including
	the proposed bottom hole location or has a right to drill this well at this
	location pursuant to a contract with an owner of such a mineral or working
,00	interest, or to a voluntary pooling agreement or a compulsory pooling
2100'	order heretofore entered by the division.
	5/14/2024
	Signature Date
	Ben Stone
	Printed Name
	ben@sosconsulting.us
900'	E-mail Address
	¹⁸ SURVEYOR CERTIFICATION
	<i>I hereby certify that the well location shown on this</i>
	plat was plotted from field notes of actual surveys
	made by me or under my supervision, and that the
	same is true and correct to the best of my belief.
	Sontombor 26, 1004
	September 26, 1994
	Signature and Seal of Professional Surveyor:
	Senarue and Sea of Polessional Surveyor.
	Dan R. Reddy
	5412
	Certificate Number

Received by OCD: 5/20/2024 3:16:23 PM

SPUR

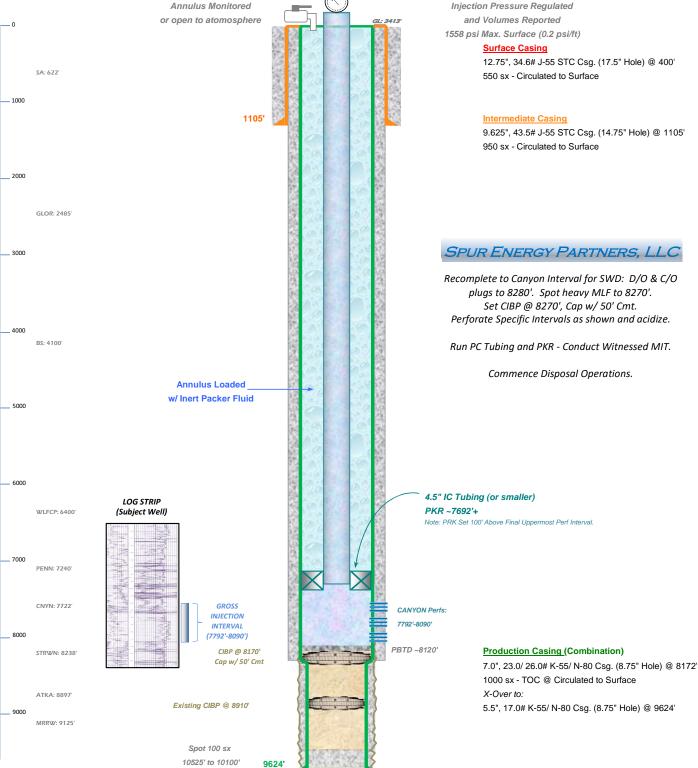
ENERGY PARTNERS





SWD; Canyon (96184)

Spud Date: 10/26/1994 Re-Config SWD Dt (Est): ~12/15



DTD @ 9624



C-108 ITEM XIII – PROOF OF NOTIFICATION AFFECTED PARTIES LIST

ALL AFFECTED PARTIES ARE PROVIDED A NOTICE LETTER VIA US CERTIFIED MAIL CONTAINING UNIQUE 6 CHARACTER DOCUMENT ACCESS CODES FOR SECURE DOWNLOAD OF A PDF COPY OF THE SUBJECT C-108 APPLICATION. AFFECTED PARTIES MAY ALSO REQUEST A PDF COPY VIA SENT EMAIL.

"AFFECTED PERSON" MEANS THE DIVISION DESIGNATED OPERATOR; IN THE ABSENCE OF AN OPERATOR, A LESSEE WHOSE INTEREST IS EVIDENCE BY A WRITTEN CONVEYANCE DOCUMENT EITHER OF RECORD OR KNOWN TO THE APPLICANT AS OF THE DATE THE APPLICANT FILES THE APPLICATION; OR IN THE ABSENCE OF AN OPERATOR OR LESSEE, A MINERAL INTEREST OWNER WHOSE INTEREST IS EVIDENCED BY A WRITTEN CONVEYANCE DOCUMENT EITHER OF RECORD OR KNOWN TO THE APPLICANT AS OF THE DATE THE APPLICANT FILED THE APPLICATION FOR PERMIT TO INJECT.; PER OCD RULES NMAC 19.15.26.7, A. AND 19.15.26.8, B.2.

SURFACE OWNER			
NOTICE #	ENTITY	US CERTIFIED TRACKING	SOS DOC ACCESS CODE
1	LAJ Corporation ET AL P.O Box 106265 Midland, TX 79702	7018 2290 0001 2038 8579	
OFFSET MINERALS	LESSEES and/ or OPERATORS		
	SPUR ENERGY PARTNERS, LLC	n/a	

	SFOR ENERGY FARMERS, LEC		N N
	~ Applicant ~		
2	MEWBOURNE OIL COMPANY	7018 2290 0001 2038 8586	\bowtie
	P.O. Box 5270		
	Hobbs, NM 88241		
3	SILVERBACK OPERATING II, LLC	7018 2290 0001 2038 8593	
	19707 IH10 West, Suite 201		
	San Antonio, TX 78257		

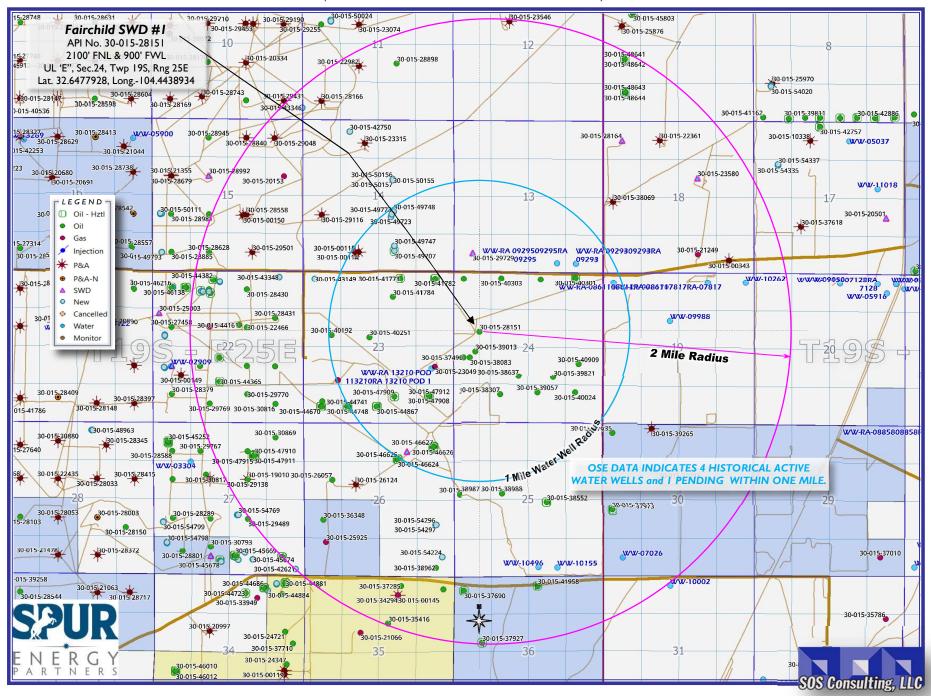
REGULATORY

NM OIL CONSERVATION DIVISION

1220 S. St. Francis Dr. Santa Fe, NM 87505 Filed via OCD Online e-Permitting

Fairchild 24 SWD #1 - Area of Review / 2 Miles

(Attachment to NMOCD Form C-108 - Item V)



Form C-108 Item VI - Tabulation of AOR Wells

	Top of Proposed CANYON Interval 7792			1	Well Penetrates Pr	oposed Inte	erval.	
API Subject Well	Current Operator	Well Name	Туре	Status	ULSTR	Lease	Spud Date	VDepth
30-015-28151	Spur Energy Partners LLC	FAIRCHILD 24 #001	Oil	Active	E-24-19S-25E	Private	10/26/1994	9624'
					Current and	d Proposed V	Vellbore Diagram	s Attached
30-015-41782	Silverback Operating II, LLC	ABUNDANCE AVZ #002H	Oil	Active	B-23-19S-25E	Private	1/23/2014	5037'
30-015-23049	Spur Energy Partners LLC	PARINO #001	Gas	Active	I-23-19S-25E	Private	2/26/2010	9460'
PB Comp	oletion: N. 7Rvrs/Glr/Yeso Perfs 2502'-2946'; 9.6	25" (12.25" hole)@ 2501' w/ 1500 sx - Circ. to surface; 4.8	5" (8.75" hole)	@ 9460'w/1	375 sx - Circ. to sur	face; CICR (@ 331' w/ Cmt; P	BTD @ 3295'.
30-015-40303	MEWBOURNE OIL CO	WYATT DRAW 13 NC #001H	Oil	Active	C-24-19S-25E	Private	1/26/2013	2715'
30-015-38306	MEWBOURNE OIL CO	WYATT DRAW 13 MD #001H	Oil	Active	D-24-19S-25E	Private	6/24/2012	2691'
30-015-38637	MEWBOURNE OIL CO	WYATT DRAW 24-25 NF FEDERAL COM #001H	Oil	Active	K-24-19S-25E	Federal	6/5/2011	2708'
30-015-39013	Spur Energy Partners LLC	FAIRCHILD 24 #002H	Oil	Active	L-24-19S-25E	Private	6/6/2011	5035'
30-015-37490	MEWBOURNE OIL CO	WYATT DRAW 24 L #001	Oil	Active	L-24-19S-25E	Private	3/13/2010	4300'
30-015-38083	MEWBOURNE OIL CO	WYATT DRAW 24-25 LE #001H	Oil	Active	L-24-19S-25E	Private	9/16/2010	2731'
30-015-38307	MEWBOURNE OIL CO	WYATT DRAW 24 KC #001H	Oil	Active	N-24-19S-25E	Private	3/5/2011	2722'

SUMMARY: 1 well penetrates proposed disposal interval.



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Received by OCD: 5/20/2024 3:16:23 PM

C-108 ITEM VII – PRODUCED WATER ANAYLSES

Item VII.4 – Water Analysis of Source Zone Water

Glorieta/ Yeso Bone Spring

Item VII.5 – Water Analysis of Disposal Zone Water

Cisco/ Canyon

Water Analyses follow this page.

e-Permitting

C-108 Submittal

Attachment Category

Seismicity Analysis

For High Volume Devonian Wells (NOT APPLICABLE TO THIS APPLICATION)

Please Note: While the Fairchild 24 SWD well is in a designated SRA, Spur Energy believes that injection into the Canyon interval poses no additional risk to seismicity in the area. However, Spur will participate in voluntarily monitoring seismic activity as warranted and share its data with any agencies responsible for investigating. If any seismic activity occurs, Spur will abide by the OCD SRA protocol based on magnitude and proximity.

C-108 ITEM VII – PROPOSED OPERATION

The Fairchild 24 SWD State #1 will be operated as a private disposal well to service Spur Energy Partners area operations. Source and disposal zone formation waters are compatible (*representative analyses of several zones are included herein*).

Note: Spur Energy Partners has acquired hundreds of wells since 2019. As all operations and assets have effectively been evaluated, Spur Energy Partners believes retention of this SWD asset will protect the environment and prevent waste as described below.

<u>The cost to dispose of produced water via trucking has become cost prohibitive</u> <u>and if continued, would certainly reduce lease economics and create waste by</u> <u>unnecessary trucking costs including fuel</u>. The average daily rate of this SWD would eliminate approximately three dozen transport truck trips per day. Reinstating the well to lease disposal will allow the operator to maintain sufficient in-house disposal volume and continue economic viability for their operated wells in the area. <u>The well will not be open for commercial disposal from other</u> <u>operators' leases</u>.

The system will be closed utilizing a small tank battery and injection pump facility on site with flowlines from the serviced wells. The tanks and associated equipment are inside an appropriate lined berm area to contain 150% of the largest tank volume.

Injection pressure will be 1558 psi (0.2 psi/ft) with and maximum rate of 6500 bwpd. Average daily rate is expected to be 3500 bwpd or less.

Routine maintenance will be ongoing, and any releases will be reported within 24 hours to OCD on form C-141 pursuant to various portions of 19.15.29 and 30 NMAC. Remediation would commence immediately upon assessment and planning to include all required documentation and reporting.

The facility will not be manned but will be available for inspections at any time deemed necessary by OCD.

SOS Consulting, LLC



Oil & Gas Accounting - Regulatory Processing Assistance - Oil Field Technical Assistance

May 8, 2024

NOTIFICATION TO INTERESTED PARTIES via U.S. Certified Mail – Return Receipt Requested

To Whom It May Concern:

Spur Energy Partners, Houston, Texas, has made application to the New Mexico Oil Conservation Division to permit for salt water disposal its Fairchild 24 #1. The SWD operation will be for private water disposal from Spur's area operations. As indicated in the notice below, the well is located in Section 24, Township 19 South, Range 25 East in Eddy County, New Mexico.

The published notice states that the interval will be from 7,792 feet to 8,090 feet into the Canyon formation. Following is the notice published in the Artesia Daily Press, Artesia, New Mexico on or about May 9, 2024.

LEGAL NOTICE

Spur Energy Partners, LLC, 9655 Katy Freeway, Ste.500, Houston, TX 77024, is filing Form C-108 (Application for Authority to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for a salt water disposal well. The Fairchild 24 #1 (API No.30-015-28151) is located 2100 feet from the North line and 900 feet from the West line (Unit E) of Section 24, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico. Produced water from Spur's area production will be privately disposed (not open to commercial disposal) into the [Pennsylvanian] Canyon formation at depths between 7792' to 8090' at a maximum surface pressure of 1558 psi, maximum daily rate of 6500 bwpd and an average rate of 3500 bwpd. The subject SWD well is located approximately 13.2 miles south of Artesia, NM.

Interested parties wishing to object to the proposed application must file with the New Mexico Oil Conservation Division, 1220 St. Francis Dr., Santa Fe, NM 87505, (505)476-3460 within 15 days of the date of this notice. Additional information may be obtained from the applicant's agent, SOS Consulting, LLC, (936)377-5696 or, email info@sosconsulting.us.

You have been identified as a party who may be interested as an offset lessee or operator.

<u>You are entitled to a full copy of the application</u>. SOS Consulting has deployed a new app for the explicit secure delivery of a full PDF copy of the application. Any user employed with **Affected Party** may log into the system and when prompted for a *Document Access Code*, enter **0000XX** to View or Download the document as desired. Using the *SOS Client and Affected Party Document Access* app takes about one minute, start to finish instructions are included, and only name, email and company name are needed to access the system.

Thank you for your attention in this matter.

Best regards,

Ben Stone, SOS Consulting, LLC Agent for Spur Energy Partners, LLC

Cc: Application File

District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 District IV

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3470 Fax: (505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

CONDITIONS

Operator:	OGRID:
Spur Energy Partners LLC	328947
9655 Katy Freeway	Action Number:
Houston, TX 77024	346027
	Action Type:
	[C-108] Fluid Injection Well (C-108)
CONDITIONS	

Created By	Condition	Condition Date
mgebremichael	None	6/5/2024

Page 16 of 16

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Action 346027