

AE Order Number Banner

Application Number: pMSG2509032866

SWD-2647

AMERICO ENERGY RESOURCES LLC [228051]



January 10, 2025

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

Subject: Americo Energy Resources, LLC
Application for Authorization to Inject
Stiletto 16 State #4

OCD Director,

Americo Energy Resources, LLC (Americo) is applying for administrative approval of the attached Application for Authorization to Inject (Form C-108) for their Stiletto 16 State #4 (API# 30-015-34812). The application is requesting authorization to dispose of saltwater from Americo's oil and gas production in the area via non-commercial disposal into the Cisco formation in Eddy County, NM.

The Stiletto 16 State #4 is a dry gas well (spudded in 2006) and is Americo's lowest volume gas well that is also viable as an SWD (per discussions with the State Land Office). The Stiletto 16 State #4 is currently shut-in because decreased natural gas prices and increased produced water disposal costs resulted in it being uneconomic to produce. Recompletion of the Stiletto 16 #4 as an SWD would not only increase the utility of an otherwise uneconomic gas well but would simultaneously provide a more cost-effective produced water disposal solution, which would increase the economics of the remainder of the wells in the field.

Questions regarding this application or the included materials can be directed to Nate Alleman (Americo Regulator Advisor Contractor) via telephone at 918-237-0559 or via email at nate.alleman@aceadvisors.com.

Sincerely,

A handwritten signature in black ink that reads "Nate Alleman".

Nate Alleman
Chief Regulatory Advisor
Ace Energy Advisors

Revised March 23, 2017

| | | | |
|-----------|-----------|-------|---------|
| RECEIVED: | REVIEWER: | TYPE: | APP NO: |
|-----------|-----------|-------|---------|

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: _____ OGRID Number: _____
 Well Name: _____ API: _____
 Pool: _____ Pool Code: _____

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

1) **TYPE OF APPLICATION:** Check those which apply for [A]

A. Location – Spacing Unit – Simultaneous Dedication

☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD

B. Check one only for [I] or [II]

[I] Commingling – Storage – Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

2) **NOTIFICATION REQUIRED TO:** Check those which apply.

- A. ☐ Offset operators or lease holders
 B. ☐ Royalty, overriding royalty owners, revenue owners
 C. ☐ Application requires published notice
 D. ☐ Notification and/or concurrent approval by SLO
 E. ☐ Notification and/or concurrent approval by BLM
 F. ☐ Surface owner
 G. ☐ For all of the above, proof of notification or publication is attached, and/or,
 H. ☐ No notice required

FOR OCD ONLY

- ☐ Notice Complete
☐ Application Content Complete

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

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

 Print or Type Name

 Date

 Phone Number

 Signature

 e-mail Address

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: _____ Secondary Recovery _____ Pressure Maintenance _____ Disposal _____ Storage
Application qualifies for administrative approval? _____ Yes _____ No
- II. OPERATOR: _____
ADDRESS: _____
CONTACT PARTY: _____ PHONE: _____
- III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.
Additional sheets may be attached if necessary.
- IV. Is this an expansion of an existing project? _____ Yes _____ No
If yes, give the Division order number authorizing the project: _____
- V. Attach a map 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. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
- VII. Attach data 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. Attach appropriate geologic data on the injection zone 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. Describe the proposed stimulation program, if any.
- *X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).
- *XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.
- 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: _____ TITLE: _____
SIGNATURE: Nathan Allman DATE: _____
E-MAIL ADDRESS: _____
- * 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

Side 2

III. WELL DATA

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

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.

III. Well Data

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.**

Operator: Americo Energy Resources, LLC (OGRID# 228051)

Lease/Well Name & Number: Stiletto 16 State #4

Legal Location: 1,650' FNL & 990' FWL - Unit E – Section 16 T20S R25E – Eddy County

Coordinates: 32.5763611, -104.4951389

- (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.**

| Casing String | Hole Size (in) | Casing Size (in) | Casing Depth (ft) | Sacks Cement (sx) | Top of Cement (ft) | Method Determined |
|---------------|----------------|------------------|-------------------|-------------------|--------------------|-------------------|
| Surface | 12-1/4 | 8-5/8 | 1,494 | 1,410 | 0 | Circulation |
| Production | 7-7/8 | 5-1/2 | 9,679 | 1,300 | 0 | Circulation |

A wellbore diagram is included in **Attachment 1**.

- (3) A description of the tubing to be used including its size, lining material, and setting depth.**

2-3/8" IPC tubing set at 7,220' (within 100' of the top of the injection interval)

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

Arrowset AS1X packer (or equivalent) set at 7,220' (within 100' of the top of the injection interval)

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.**

Injection Formation Name - Cisco

Pool Name - SWD; Cisco

Pool Code – 96099

- (2) The injection interval and whether it is perforated or open-hole.**

Cased-hole injection between 7320' - 8520'

- (3) State if the well was drilled for injection or, if not, the original purpose of the well.**

Well is currently an active well producing uneconomic gas volumes from the Morrow formation.

- (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.**

The Morrow formation is currently perforated from 9,80' – 9,441' and 9,463' – 9,521'. These formations will be sealed off with a Cast Iron Bridge Plug and 100' cement plug to isolate them from the proposed overlying Cisco injection interval.

- (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.**

- **Overlying**
 - San Andres (825')
 - Yeso (2,620')
- **Underlying**
 - Morrow (9,250')

V. AOR Maps

Attach a map 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.

The following figures are included in **Attachment 2**:

- AOR Well Map & List
- Leaseholder Map
- Mineral Ownership Map
- Surface Ownership Map

VI. AOR List

Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

Details of the wells within the 0.5-mile AOR are included in **Attachment 2**.

VII. Operational Information

Attach data on the proposed operation, including:

- (1) Proposed average and maximum daily rate and volume of fluids to be injected;**

Maximum: 3,000 bpd
Average: 2,000 bpd

- (2) Whether the system is open or closed;**

The system will be closed.

- (3) Proposed average and maximum injection pressure;**

Maximum: 1,464 psi (surface)
Average: approx. 1,000 psi (surface)

- (4) Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water;**

It is anticipated that produced water from Americo's Morrow, San Andres-Yeso production wells in the area will be injected into the proposed SWD. Therefore, water analyses from these formations were obtained and are included in **Attachment 3**.

- (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.).**

The proposed injection interval for this SWD is the Cisco Canyon formation, which is a non-productive zone known to be compatible with formation water from the Morrow, San Andres-Yeso formations. The closest produced water sample from the Cisco formation was located approx. 3.3 miles west of the proposed SWD. The analysis of this produced water sample is included in **Attachment 4**.

VIII. Geologic Description

Attach appropriate geologic data on the injection zone 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.

The Cisco formation is an Upper Pennsylvanian-aged marine limestone shelf deposit with depths of approximately 7,320 ft– 8,520 ft bgs. The total thickness of the formation is approximately 1,200 ft with porosity lenses ranging from approximately 4-16% porosity.

Overlying geologic confinement for the proposed Cisco injection interval is provided by low permeability portions of the Wolfcamp formation (approx. 218 ft thick).

The underlying geologic confinement is provided by low permeability layers in the upper Strawn formation (approx. 113 ft thick). The Subject SWD will terminate in the Cisco formation at a depth of approx. 8,520 ft and the underlying impermeable formations will provide a barrier to ensure that injectate does not communicate with the lower Ordovician-aged Ellenburger, the Cambrian, or Precambrian basement rock below. In this area, Precambrian basement rock is expected to occur at a depth of approximately 11,500 ft bgs. Therefore, the proposed injection zone lies approximately 2,963 ft above the Precambrian basement.

Groundwater wells in the area range in depth from 90 ft – 500 ft bgs and depth to water ranging from approximately 30 ft – 270 ft bgs; therefore, the top of the injection interval (7,320 ft bgs) is separated from domestic groundwater sources in the area by approximately 7,050 ft of rock.

Attachment 5 includes a Seismic Risk Assessment associated with operation of the proposed SWD.

IX. Proposed Stimulation Program

Describe the proposed stimulation program, if any.

A minor acid job utilizing 15-20% hydrochloric acid may be used to cleanup the wellbore.

X. Logging and Test Data

Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).

Logs will be run and submitted to the Division once the well is completed.

XI. Groundwater Wells

Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

Based on data obtained from the New Mexico Office of the State Engineer (OSE), a total of 2 groundwater wells are present within the 1-mile radius. Interviews with the water well owners revealed that one water well has been plugged and abandoned and the other water well has not been in service for many years. Therefore, none of the water wells within 1-mile meet the sampling criteria and no water well samples were collected.

Attachment 6 includes a table with details of the water wells within 1-mile and map of the water well locations in relation to the proposed SWD.

XII. No Hydrologic Connection Statement

Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

A geologic review conducted on offset wireline log data and published regional studies did not identify any faulting in the vicinity of the proposed locations that would allow for the hydraulic communication between the injection interval and overlying USDWs. An Affirmative Statement is included in **Attachment 7**.

XIII. Proof of Notice

Applicants must complete the "Proof of Notice" section on the reverse side of this form.

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.

A copy of the application was mailed to the Affected Persons, including the OCD District Office, surface owner, leasehold operators within the AOR, and BLM/SLO if they own minerals within the AOR. **Attachment 8** includes a list of the Affected Persons receiving notice of the application and the associated certified mailing receipts (green sheets).

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.

A Public Notice was published in the Carlsbad Current-Argus, a newspaper of general circulation in the area, and the associated affidavit is included in **Attachment 8**.

Attachment 1

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|--------------------|--|-------------------------------------|
| API Number | Pool Code 74640 | Pool Name CEMETARY, MORROW (GAS) |
| Property Code | Property Name STILETTO "16" STATE | Well Number 4 |
| OGRID No. 06742 | Operator Name ECHO PRODUCTION COMPANY | Elevation 3483' |

Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| E | 16 | 20 S | 25 E | | 1650' | NORTH | 990' | WEST | EDDY |

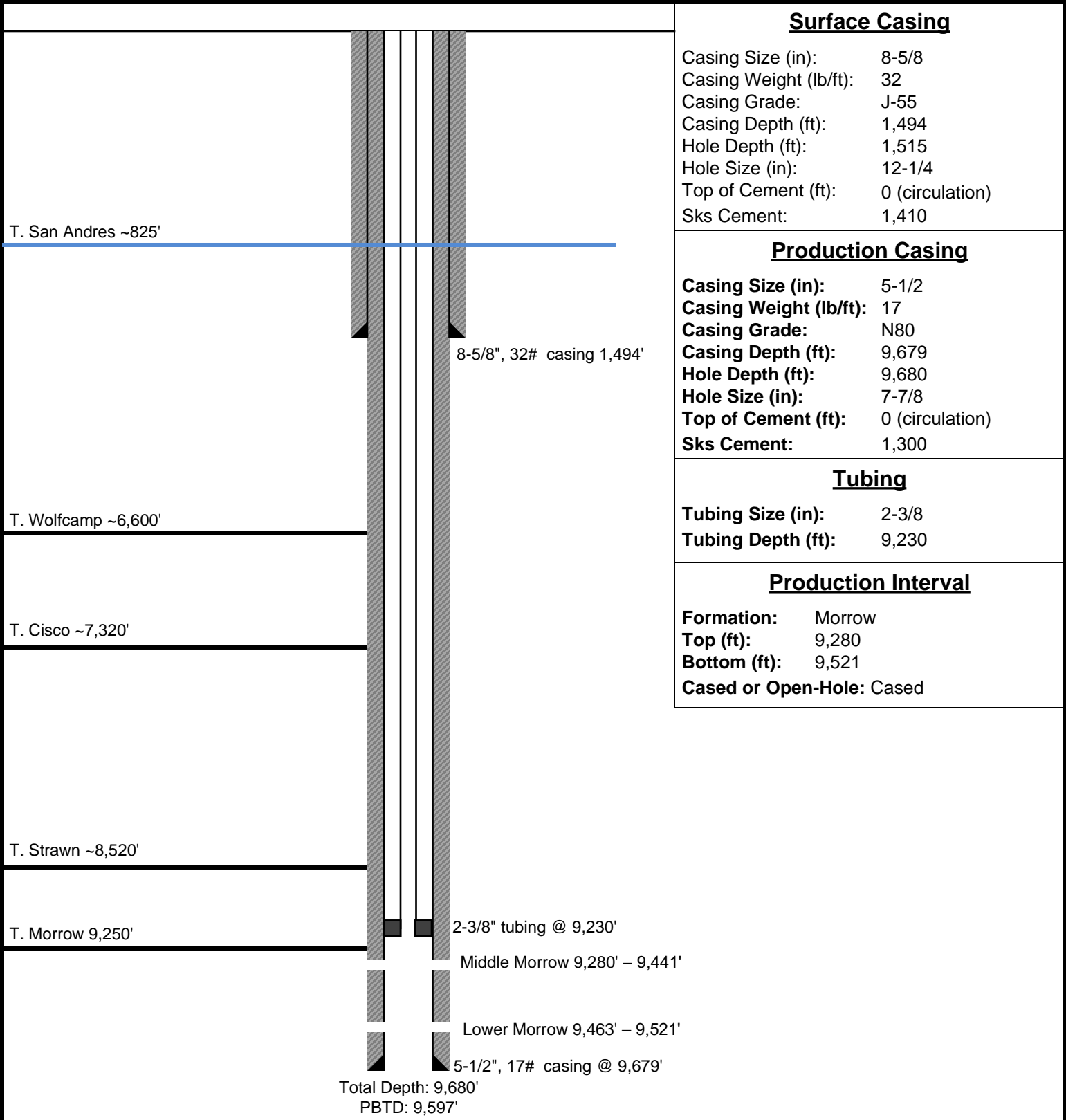
Bottom Hole Location If Different From Surface

| | | | | | | | | | |
|----------------------------|-----------------|--------------------|-----------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| | | | | | | | | | |
| Dedicated Acres 160.32c | Joint or Infill | Consolidation Code | 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

| | | |
|--|--|---|
| | <p>RECEIVED</p> <p>APR 21 2006</p> <p>OCD-ARTESIA</p> | <p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><u>Ken Seligman</u> Signature</p> <p>Ken Seligman Printed Name</p> <p>Engineer Title</p> <p>4/19/06 Date</p> |
| | <p> LAT-N32°34'34.9" LONG-W104°29'42.5" (NAD-83) </p> <p> LAT-N32°34'08.8" LONG-W104°29'42.3" (NAD-83) </p> <p> STILETTO "16" #2 725' </p> | <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this 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.</p> <p>APRIL 04, 2006</p> <p>Date Surveyed</p> <p>Signature of Seal of Professional Surveyor</p> <p>GARY L. JONES W.O. No. 641 Certification No. Gary L. Jones 7977</p> <p>PROFESSIONAL LAND SURVEYOR</p> |

Americo Energy
Stiletto 16 State #4
30-015-34812
Current Wellbore Diagram



Note: Listed depths and cement volumes are approximates based on available information.

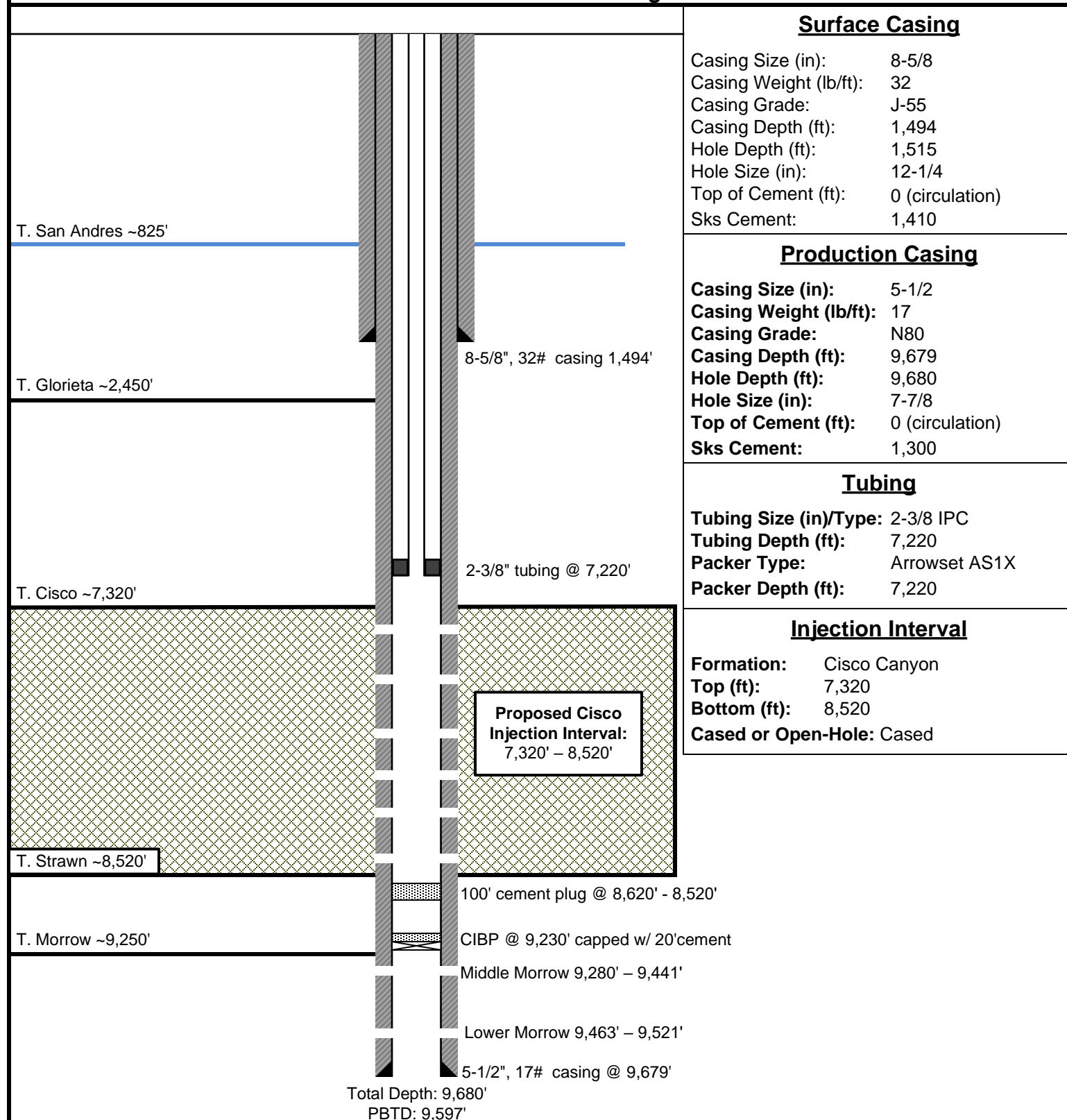
NOT TO SCALE

Americo Energy

Stiletto 16 State #4

30-015-34812

PROPOSED Wellbore Diagram



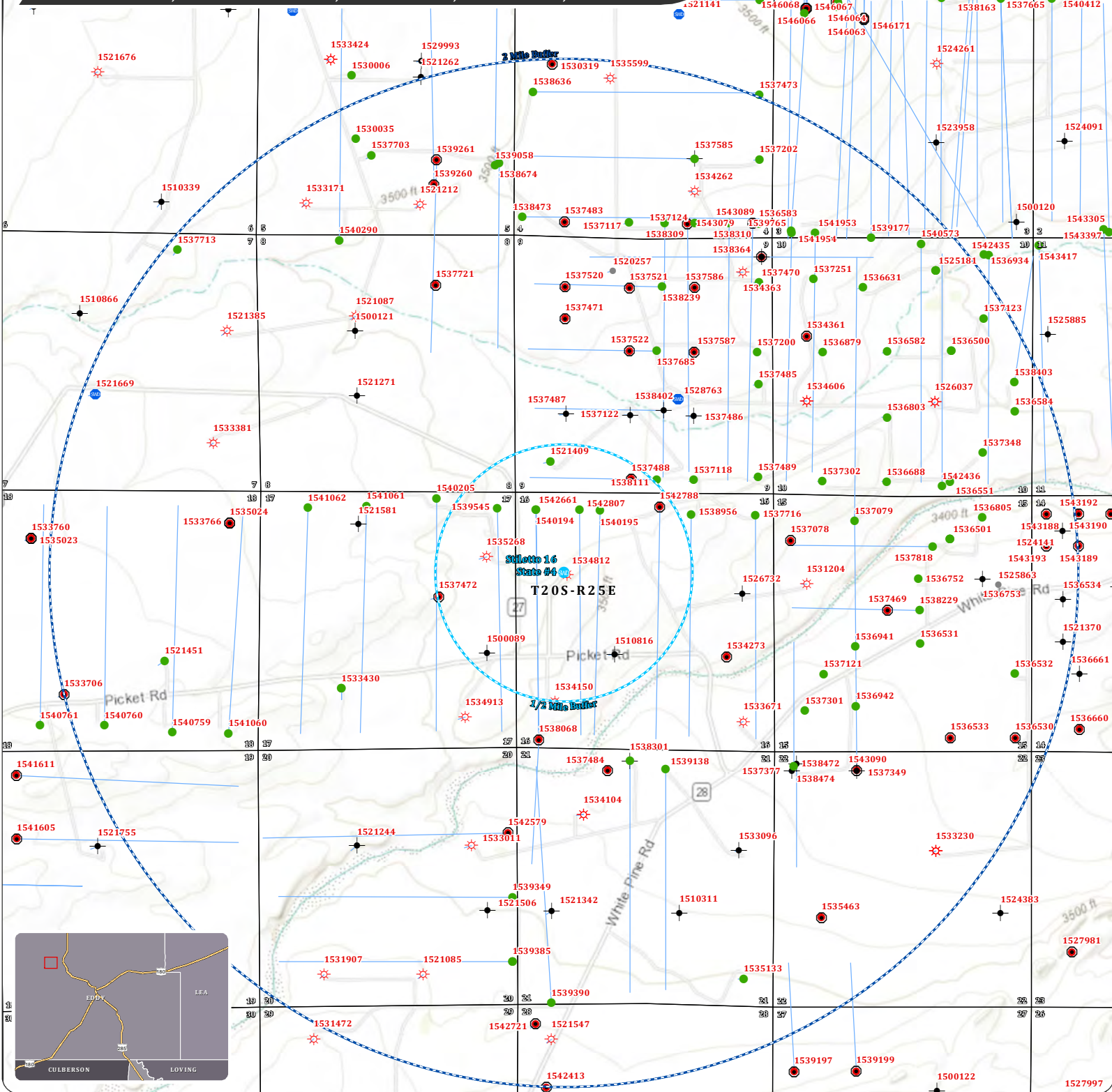
Note: Listed depths and cement volumes are approximates based on available information.

NOT TO SCALE

Attachment 2

WELL MAP

SECTION 16, TOWNSHIP 20 SOUTH, RANGE 25 EAST, EDDY COUNTY, NEW MEXICO



1:33,000 0 2,000 4,000 6,000 Feet

Legend

- Proposed SWD
- 1/2 Well Buffer
- 2 Mile Buffer
- Oil
- Gas
- Disposal
- Drilling
- Permitted
- Cancelled/Expired Permit
- P/A
- TA

Stiletto 16 State #4

OPERATOR:
AMERICO ENERGY RESOURCES, LLC

AmeriCo
Energy Resources, LLC

Project Managed By:
ACE
Energy Advisors

(918) 237-0559
nate.allman@aceadvisors.com

Map Prepared By:

COOSA
CONSULTING

(432) 631-4738
info@coosaconsulting.com

Coordinate System:
NAD 1983 StatePlane New Mexico East FIPS 3001 Feet
Projection: Transverse Mercator
Datum: North American 1983
False Easting: 541,337.5000
False Northing: 0.0000
Central Meridian: -104.3333
Scale Factor: 0.9999
Latitude Of Origin: 31.0000
Units: Foot US



0.5-Mile AOR Well List (Injection Interval: 7,320' - 8,520')

| Well Name | API# | Well Type | Operator | Status | Legal Location | Spud Date | Total Vertical Depth (ft) | Penetrate Inj. Zone? |
|---------------------------------------|--------------|-----------|---------------------------------|-----------|----------------|------------|---------------------------|----------------------|
| PINE BOX 17 FEDERAL COM #2 | 30-015-35268 | Gas | MEWBOURNE OIL CO** | Active | H-17-20S-25E | 2/28/2007 | 9,700 | Yes |
| 1ST NATIONAL BANK OF ALBUQUERQUE A #1 | 30-015-21409 | Oil | MEWBOURNE OIL CO** | Active | M-09-20S-25E | 9/3/2009 | 9,660 | Yes |
| ROYAL A #1 | 30-015-10816 | Gas | BABER WELL SERVICING CO | Plugged | K-16-20S-25E | 5/14/1966 | 9,620 | Yes |
| BROWN HUMBLE #1 | 30-015-00089 | Oil | THE GEORGE R. BROWN PARTNERSHIP | Plugged | C-16-20S-25E | 12/5/1960 | 9,600 | Yes |
| STILETTO 16 STATE #7H | 30-015-40194 | Oil | AMERICO ENERGY RESOURCES LLC** | Active | C-16-20S-25E | 11/1/2014 | 2,883 | No |
| STILETTO 16 STATE #8H | 30-015-42661 | Oil | AMERICO ENERGY RESOURCES LLC** | Active | D-16-20S-25E | 11/25/2014 | 2,854 | No |
| STILETTO 16 STATE #9H | 30-015-42807 | Oil | AMERICO ENERGY RESOURCES LLC** | Active | D-16-20S-25E | 12/14/2014 | 2,853 | No |
| PINE BOX 17 AP FEDERAL COM #1H | 30-015-39545 | Oil | MEWBOURNE OIL CO** | Active | A-17-20S-25E | 12/20/2011 | 2,581 | No |
| GUNSMOKE 9 N #1N | 30-015-37488 | Oil | MEWBOURNE OIL CO | Cancelled | N-09-20S-25E | N/A | 0 | No |
| STILETTO 16 STATE #8C | 30-015-40195 | Oil | EMKEY COMPANIES, LLC | Cancelled | C-16-20S-25E | N/A | 0 | No |
| STILETTO 16 STATE #11H | 30-015-42788 | Oil | AMERICO ENERGY RESOURCES LLC | Cancelled | B-16-20S-25E | N/A | 0 | No |
| PINE BOX 17 G FEDERAL #1 | 30-015-37472 | Oil | MEWBOURNE OIL CO | Cancelled | G-17-20S-25E | N/A | 0 | No |
| GUNSMOKE 9 NM #1H | 30-015-38111 | Oil | MEWBOURNE OIL CO** | Active | O-09-20S-25E | 1/30/2011 | 4,860 | No |

Horizontal Wells w/ Surface Location Outside the 0.5-mile AOR (Injection Interval: 7,320' - 8,520')

| Well Name | API# | Well Type | Operator | Field | Status | TVD (ft) |
|-----------------------------|--------------|-----------|--------------------------------|--------------------------------|--------|----------|
| STILETTO 16 STATE - 6H | 30-015-38956 | Oil | AMERICO ENERGY RESOURCES LLC** | N. SEVEN RIVERS; GLORIETA-YESO | Active | 7,017 |
| PINE BOX 17 BO FEDERAL - 1H | 30-015-40205 | Oil | MEWBOURNE OIL CO** | MALJAMAR; YESO, WEST | Active | 2,589 |

Notes:

- Four wells penetrate the injection interval within the AOR.
- Two drilled, active horizontal wellbores intersect the AOR radius, but do not penetrate the injection interval within the AOR.
- ** Operators of active, drilled well within AOR and will receive notification of this application.

Penetrating Well Casing and Cement Details

| Well Name | API# | Type | Hole | Size | Depth | Sacks | TOC | Method |
|---------------------------------------|--------------|--------------|---------------|---------|--------|-------|---------|-------------|
| PINE BOX 17 FEDERAL COM #2 | 30-015-35268 | Surface | 12-1/4" | 8-5/8" | 1,160' | 700 | Surface | Circulation |
| | | Production | 7-7/8" | 4-1/2" | 9,700' | 1,875 | Surface | Circulation |
| 1ST NATIONAL BANK OF ALBUQUERQUE A #1 | 30-015-21409 | Surface | 17-1/2" | 13-3/8" | 295' | 300 | Surface | Circulation |
| | | Intermediate | 11" | 8-5/8" | 1,250' | 550 | Surface | Circulation |
| | | Production | 7-7/8" | 4-1/2" | 9,660' | 600 | Surface | Circulation |
| ROYAL A #1 | 30-015-10816 | Surface | 12-1/4" & 11" | 8-5/8" | 2,300' | 1,325 | Surface | Circulation |
| | | Production | 7-7/8" | 4-1/2" | 9,620' | 815 | 5,550' | TS |
| BROWN HUMBLE #1 | 30-015-00089 | Surface | 17-1/2" | 13-3/8" | 1,001' | 800 | Surface | Circulation |
| | | Production | 8-3/4" | 5-1/2" | 9,584' | 360 | 7,900' | N/A |

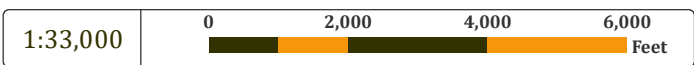
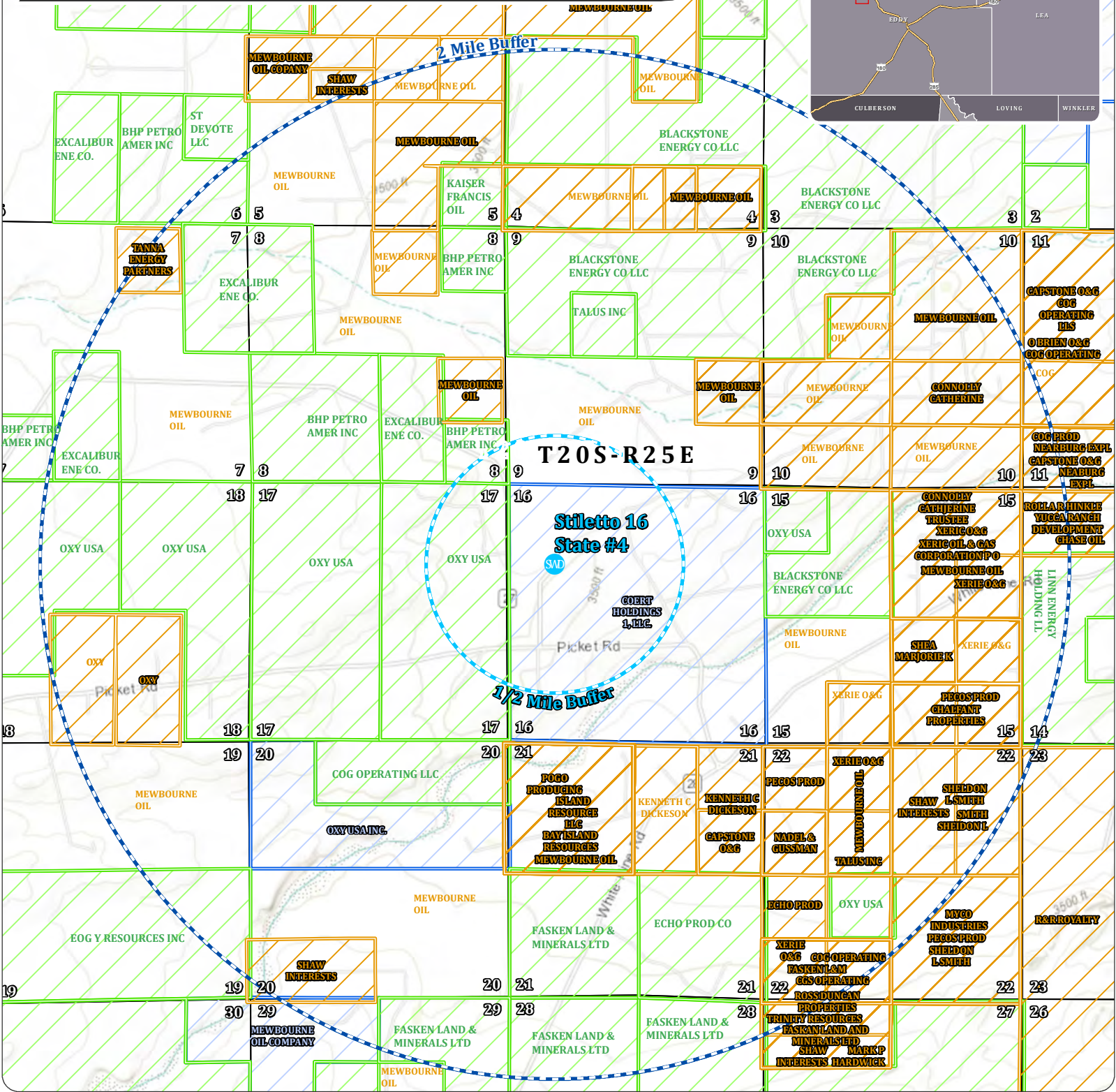
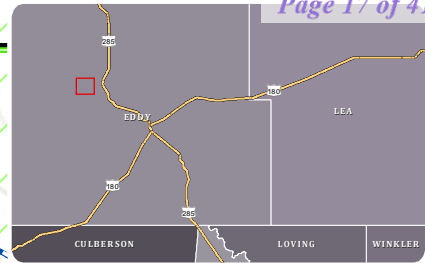
* calculated assuming 20% washout and 1 cubic ft per sack of cement

Plugging

| Well Name | API# | Perfs | Casing Pulled | Plugs | Notes |
|-----------------|--------------|--|------------------|--|--|
| ROYAL A #1 | 30-015-10816 | 4-1/2" casing 9,407' - 9,580' 8-5/8" casing 1,075' - 1,088' | 5,000' of 4-1/2" | 4-1/2" casing shot and pulled @ 5,000' | Annular cement isolates injection interval and four cement plugs are present between the top of the injection interval at 7,320 ft and underground sources of drinking water, isolating and protecting underground drinking water resources. |
| | | | | 4-1/2" casing shot and pulled @ 5,000' | |
| | | | | 50 sx 4,862' - 5,035' | |
| | | | | 35 sx 3,500' - 3,379' | |
| | | | | 50 sx 2,212' - 2,385' | |
| | | | | 75 sx @ 1,076' | |
| BROWN HUMBLE #1 | 30-015-00089 | 9,346' - 9,434' | 5,502' of 5-1/2" | 10 sx @ surface | Five cement plugs are present between the top of the injection interval at 7,320 ft and underground sources of drinking water, isolating and protecting underground drinking water resources. |
| | | | | CIBP @ 9,250' | |
| | | | | Cap w/ cement to 9,210' | |
| | | | | Cut 5-1/2" casing @ 7,023'. Unable to pull | |
| | | | | Cut 5-1/2" casing @ 6,248'. Unable to pull | |
| | | | | Cut 5-1/2" casing @ 5,502' and pulled. | |
| | | | | 35 sx 5,402' - 5,502' | |
| | | | | 35 sx 4,700' - 4,800' | |
| | | | | 35 sx 3,000' - 3,100' | |
| | | | | 35 sx 2,250 - 2,350' | |
| | | | | 70 sx 950' - 1,050' | |
| | | | | Cement 0' - 20' | |

LEASEHOLDER MAP

SECTION 16, TOWNSHIP 20 SOUTH, RANGE 25 EAST, EDDY COUNTY, NEW MEXICO



Project Managed By:

(918) 237-0559
nate.allen@aceadvisors.com

Map Prepared By:

(432) 631-4738
info@coosaconsulting.com

Coordinate System:
NAD 1983 StatePlane New Mexico East FIPS 3001 Feet
Projection: Transverse Mercator
Datum: North American 1983
False Easting: 541,337.5000
False Northing: 0.0000
Central Meridian: -104.3333
Scale Factor: 0.9999
Latitude Of Origin: 31.0000
Units: Foot US

Legend

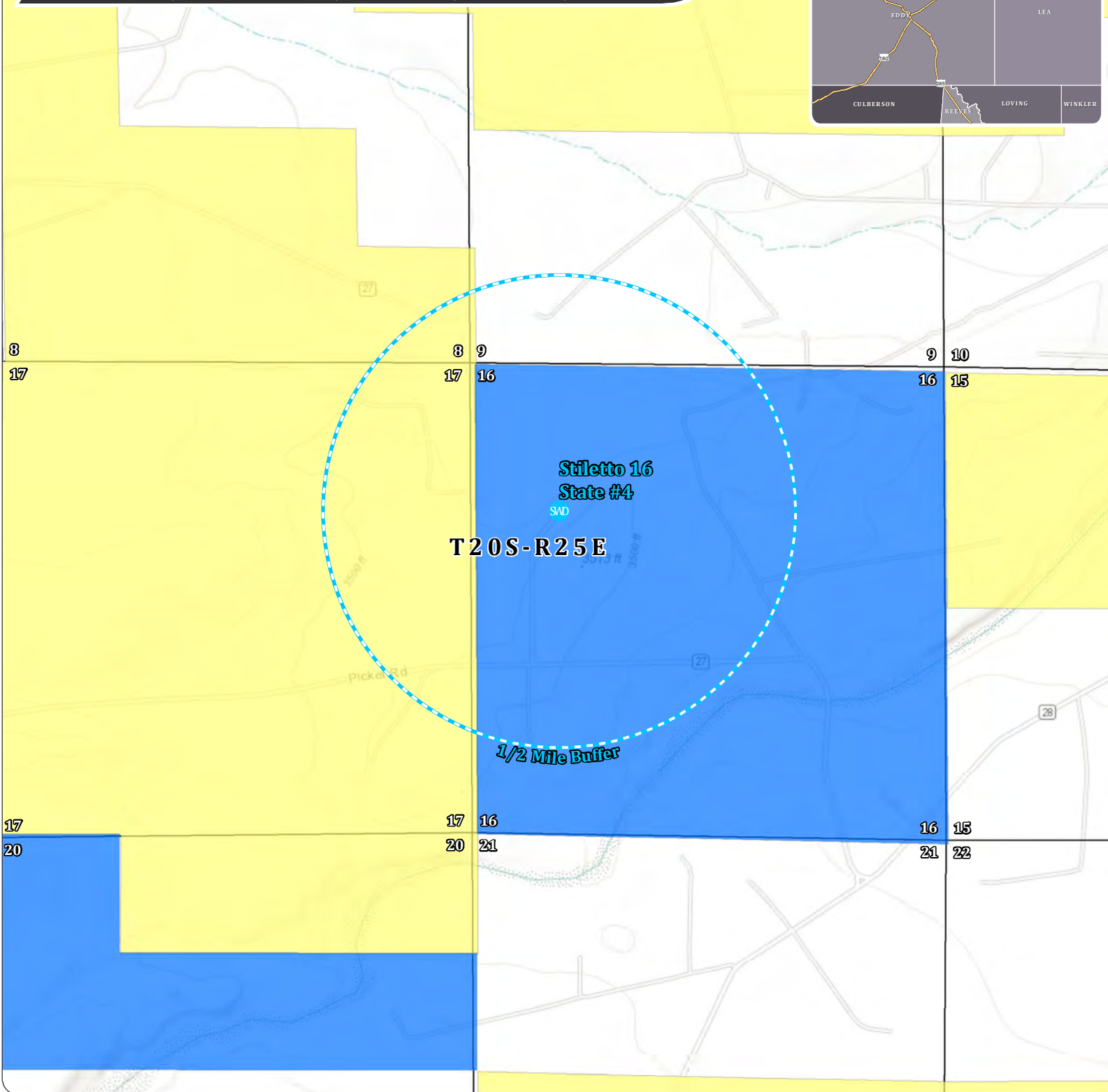
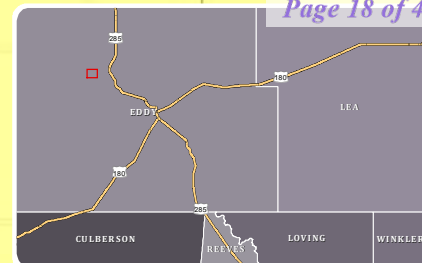
- Proposed SWD
- 1/2 Mile Buffer
- 2 Mile Buffer
- BLM Mineral Leases
- NMSLO Mineral
- Private Mineral

Stiletto 16 State #4

OPERATOR:
AMERICO ENERGY RESOURCES, LLC

MINERAL OWNERSHIP MAP






SECTION 16, TOWNSHIP 20 SOUTH, RANGE 25 EAST, EDDY COUNTY, NEW MEXICO



1:18,000

0 1,000 2,000 3,000 Feet

Legend

-  Proposed SWD
-  1/2 Mile Buffer
-  Subsurface minerals (NMSLO)
-  All minerals are owned by U.S. (BLM)
-  Private minerals

Project Managed By:

ACE
Energy Advisors
(918) 237-0559
nate.alleman@aceadvisors.com

Map Prepared By:


(432) 631-4738
info@coosaconsulting.com

Coordinate System:

NAD 1983 StatePlane New Mexico East FIPS 3001 Feet

Projection: Transverse Mercator

Datum: North American 1983

False Easting: 541,337.5000

False Northing: 0.0000

Central Meridian: -104.3333

Scale Factor: 0.9999

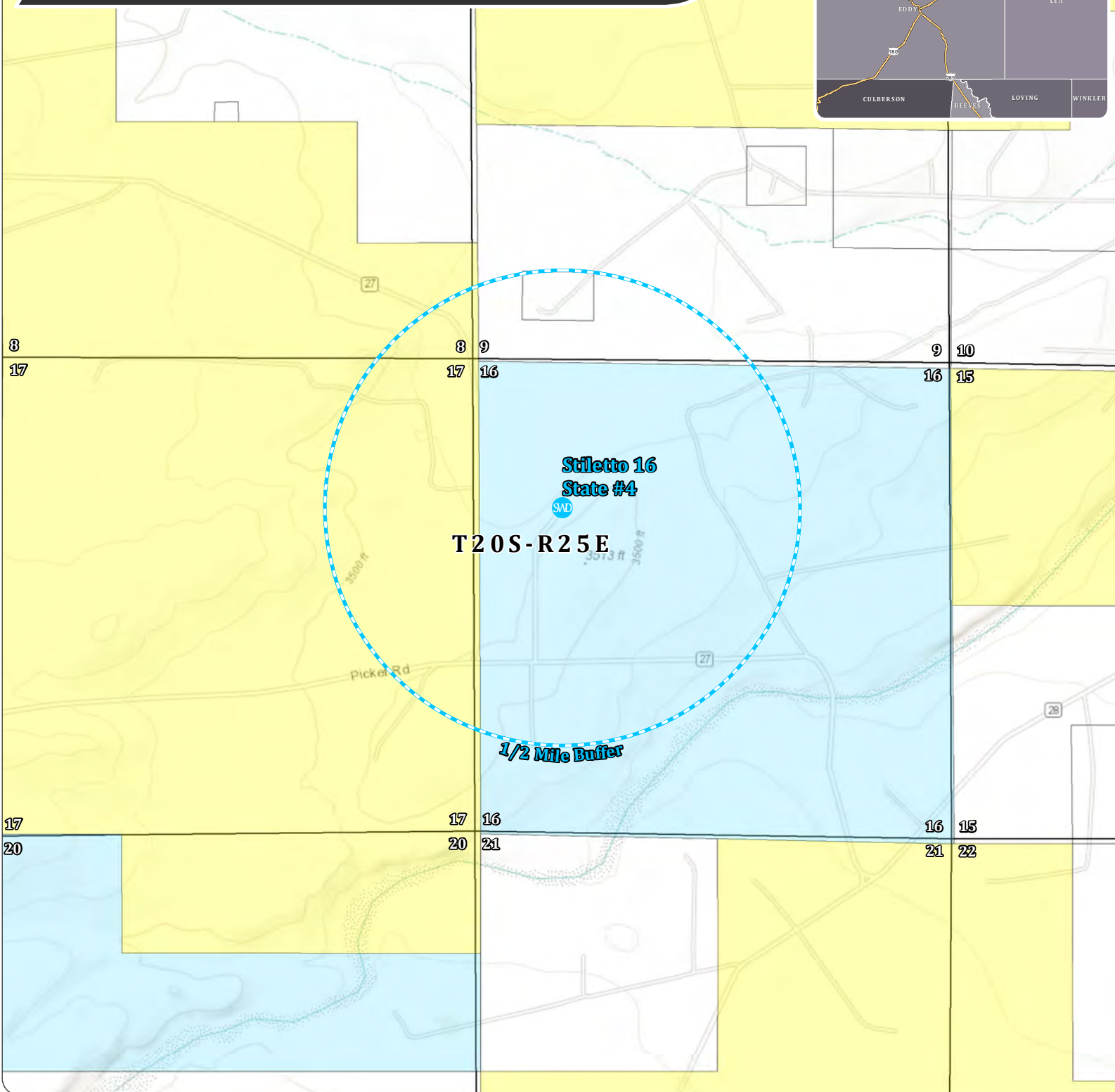
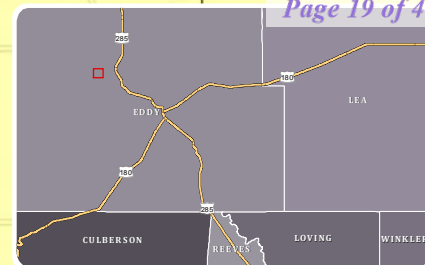
Latitude Of Origin: 31.0000

Units: Foot US

**Stiletto 16 State #4****OPERATOR:****AMERICO ENERGY RESOURCES, LLC**


SURFACE OWNERSHIP MAP






SECTION 16, TOWNSHIP 20 SOUTH, RANGE 25 EAST, EDDY COUNTY, NEW MEXICO



1:18,000

0 1,000 2,000 3,000 Feet

Legend

-  Proposed SWD
-  1/2 Mile Buffer
-  Federal Land
-  State of NM Land
-  Private Land

Stiletto 16 State #4

OPERATOR:
AMERICO ENERGY RESOURCES, LLC

AmeriCo
Energy Resources, LLC

Project Managed By:
ACE
Energy Advisors
(918) 237-0559
nate.alleman@aceadvisors.com

Map Prepared By:
COOSA
CONSULTING
(432) 631-4738
info@coosaconsulting.com

Coordinate System:
NAD 1983 StatePlane New Mexico East FIPS 3001 Feet
Projection: Transverse Mercator
Datum: North American 1983
False Easting: 541,337.5000
False Northing: 0.0000
Central Meridian: -104.3333
Scale Factor: 0.9999
Latitude Of Origin: 31.0000
Units: Foot US



Attachment 3

| Source Formation Water Analysis | | | | | | | | | | | | | | | | | | | | | | |
|----------------------------------|--------------|------------|--------------|---------|----------|-------|------|-------|-------|--------|-------|-----------------|---------|------|------------|---------------|----------------|-------------|------------------|-----------------|--------------------|----------------|
| Well Name | API | Latitude | Longitude | Section | Township | Range | Unit | FtgnS | Ftgew | County | State | Formation | Sampled | PH | TDS (Mg/L) | Sodium (Mg/L) | Calcium (MG/L) | Iron (MG/L) | Magnesium (MG/L) | Chloride (MG/L) | Bicarbonate (MG/L) | Sulfate (MG/L) |
| INDIAN BASIN GAS COM #001 | 30-015-00037 | 32.4659195 | -104.5794144 | 23 | 21S | 23E | E | 1980N | 660W | EDDY | NM | MORROW | | | 83.623 | | | | | | | |
| THOMAS #001 | 30-015-05917 | 32.6775208 | -104.5005188 | 08 | 19S | 25E | H | 1980N | 660E | EDDY | NM | SAN ANDRES/YESO | | | 13.248 | | | | | 5226 | 1236 | 2412 |
| THOMAS #001 | 30-015-05917 | 32.6775208 | -104.5005188 | 08 | 19S | 25E | H | 1980N | 660E | EDDY | NM | SAN ANDRES/YESO | | | 49.145 | | | | | 31050 | 354 | 1656 |
| LOWE STAPLE AMR FEDERAL COM #001 | 30-015-10040 | 32.4623413 | -104.4872971 | 22 | 21S | 24E | K | 1650S | 2310W | EDDY | NM | MORROW | 2001 | 7.1 | | | 1680 | 2.5 | 536 | 5112 | 671 | 1875 |
| INDIAN FEDERAL GAS COM #001 | 30-015-10355 | 32.4662247 | -104.5359268 | 19 | 21S | 24E | G | 1980N | 1980E | EDDY | NM | MORROW | | | 45.925 | | | | | | | |
| BOYD BN COM #001 | 30-015-20153 | 32.6627655 | -104.4661713 | 15 | 19S | 25E | H | 1980N | 660E | EDDY | NM | MORROW | 2000 | 6.4 | | | 2120 | 60.0 | 536 | 38340 | 329 | 13 |
| NDDUP UNIT #138 | 30-015-21478 | 32.6262703 | -104.4918442 | 28 | 19S | 25E | N | 660S | 1980W | EDDY | NM | MORROW | 2000 | 8.51 | 7.125 | 1475 | 569 | 0.2 | 141 | 2066 | 737 | 1898 |
| NDDUP UNIT #138 | 30-015-21478 | 32.6262703 | -104.4918442 | 28 | 19S | 25E | N | 660S | 1980W | EDDY | NM | MORROW | 1999 | 7.6 | 10.988 | 2935 | 725 | 4.5 | 121 | 4296 | 670 | 2195 |
| NDDUP UNIT #138 | 30-015-21478 | 32.6262703 | -104.4918442 | 28 | 19S | 25E | N | 660S | 1980W | EDDY | NM | MORROW | 1999 | 7.3 | 206.220 | 87741 | 2503 | 46.4 | 369 | 135729 | 502 | 4411 |
| NDDUP UNIT #138 | 30-015-21478 | 32.6262703 | -104.4918442 | 28 | 19S | 25E | N | 660S | 1980W | EDDY | NM | MORROW | 1999 | 8.79 | 6258 | 1607 | 425 | 0.1 | 78 | 1783 | 385 | 1931 |
| STATE ES #001 | 30-015-22280 | 32.5348358 | -104.4405746 | 36 | 20S | 25E | C | 810N | 1980W | EDDY | NM | MORROW | 1977 | 6.4 | 82.312 | | | | | 50000 | 293 | 260 |
| STATE ES #001 | 30-015-22280 | 32.5348358 | -104.4405746 | 36 | 20S | 25E | C | 810N | 1980W | EDDY | NM | MORROW | 1977 | 7.9 | 189,050 | | | | | 111000 | 610 | 3600 |
| ALLISON CQ FEDERAL COM #002 | 30-015-22935 | 32.6738396 | -104.5480881 | 12 | 19S | 24E | L | 1980S | 660W | EDDY | NM | MORROW | 1985 | 6.1 | 3.852 | 115 | 1000 | 14.0 | 200 | 2500 | 112 | 40 |
| RIO PENASCO KD COM #001 | 30-015-23227 | 32.684597 | -104.4577332 | 02 | 19S | 25E | N | 660S | 1980W | EDDY | NM | MORROW | 2001 | 6.1 | | | 2800 | 50.0 | 2188 | 40896 | 171 | 50 |
| ROUTH DEEP SWD #002 | 30-015-23585 | 32.6665802 | -104.5566483 | 14 | 19S | 24E | B | 660N | 1980E | EDDY | NM | MORROW | 2000 | 7.98 | 7.511 | 1673 | 571 | 0.3 | 166 | 2254 | 865 | 1922 |
| NORTH INDIAN BASIN UNIT #015 | 30-015-28305 | 32.5094452 | -104.5757141 | 02 | 21S | 23E | F | 1980N | 1830W | EDDY | NM | MORROW | 1999 | 7.6 | 7.221 | 1734 | 536 | 2.0 | 121 | 2513 | 643 | 1584 |
| TWEEDY 9 SWD #001 | 30-015-28763 | 32.5861244 | -104.487709 | 09 | 20S | 25E | J | 1980S | 1980E | EDDY | NM | MORROW | 1998 | 5.93 | 14.118 | 2692 | 1027 | 89.8 | 214 | 8072 | 364 | 19 |

Attachment 4

| Injection Formation Water Analysis | | | | | | | | | | | | | | | | | | | | | |
|---|------------|------------|--------------|---------|----------|-------|------|-----------|-----------|--------|-------|-----------|--------------|-----|------------|----------------|-------------|------------------|-----------------|--------------------|----------------|
| Well Name | API | Latitude | Longitude | Section | Township | Range | Unit | Ftg (N/S) | Ftg (E/W) | County | State | Formation | Date Sampled | PH | TDS (MG/L) | Calcium (MG/L) | Iron (MG/L) | Magnesium (MG/L) | Chloride (MG/L) | Bicarbonate (MG/L) | Sulfate (MG/L) |
| JOHN AGU #002 | 3001526468 | 32.5792274 | -104.5523987 | 14 | 20S | 24E | A | 660N | 660E | EDDY | NM | CISCO | 2000 | 6.1 | 216236 | 4576 | 1000 | 463 | 53321 | 72619 | 952 |
| Note: the nearest Cisco produced water sample (above) was located approx. 3.3 miles west of the proposed SWD. No closer Cisco formation produced water samples were fidentified after a search of both public and private data. | | | | | | | | | | | | | | | | | | | | | |

Attachment 5



SEISMIC RISK ASSESSMENT

Well Information

Stiletto 16 State #4
Americo Energy Resources LLC

Well Location

1650 FNL & 990 FWL
Sec 16 Township 20S Range 25 E
Eddy County, New Mexico

Evaluation Performed By:

Jason Currie
Geologist. TXBG-PG Lic# 10329
Point Bar Energy

December 18, 2024

OVERVIEW

GENERAL INFORMATION

Americo Energy Resources LLC (Americo) Stiletto 16 State #4 (Subject SWD) is in Section 16 Township 20S, Range 25E, about 19.5 miles northwest of Carlsbad, NM. Americo proposes open-hole injection of produced water for disposal within the Cisco Formation at depths of 7,320 ft – 8,520 feet (ft) below ground surface (bgs).

This report assesses the potential for concerns associated with induced seismicity associated with recorded faulting and seismicity as well as a description of the geologic isolation of the injection zone from known underground potable water sources.

INJECTION INTERVAL DESCRIPTION

The Cisco formation is an Upper Pennsylvanian-aged marine limestone shelf deposit with depths of approximately 7,320 ft– 8,520 ft bgs. The total thickness of the formation is approximately 1,200 ft with approximately 25 ft of discontinuous lenses ranging in porosity from approximately 4-16%. The Cisco is overlaid by the Wolfcamp and underlain by the Strawn with confinement being provided by low permeability rock with each formation.

GROUNDWATER SOURCES

Groundwater wells in the area range in depth from 90 ft – 500 ft bgs and depth to water ranging from approximately 30 ft – 270 ft bgs.

VERTICAL MIGRATION OF FLUIDS

Overlying geologic confinement for the proposed Cisco injection interval is provided by low permeability portions of the Wolfcamp formation (approx. 218 ft thick). The top of the Cisco injection interval (7,320 ft bgs) is separated from domestic groundwater sources by approximately 7,050 ft of rock.

The underlying geologic confinement is provided by low permeability layers in the upper Strawn formation (approx. 113 ft thick). The Subject SWD will terminate in the Cisco formation at a depth of approx. 8,520 ft and the underlying impermeable formations will provide a barrier to ensure that injectate does not communicate with the lower Ordovician-aged Ellenburger, the Cambrian, or Precambrian basement rock below. In this area, Precambrian basement rock is expected to occur at a depth of approximately 11,500 ft bgs. Therefore, the proposed injection zone lies approximately 2,963 ft above the Precambrian basement.

SEISMIC RISK ASSESSMENT

Historical Seismicity

Review of the USGS and New Mexico Tech earthquake catalogs identified 26 seismic events within $\geq M2.0$ within the 6-mile Seismic Area of Interest (Seismic AOI) (Fig. 1 & Table 1). The closest recorded seismic events were an M3.0 and M3.4 located approx. 1.91 miles and 0.67 miles away, respectively. Both of these nearest seismic events were recorded by USGS in 2004 prior to the establishment of New Mexico Tech's seismic monitoring array. Additionally, depths for both events are recorded as 5.0km which is the default depth used by USGS for events when the actual depth is unknown. These findings indicate that the locations of these two nearest seismic events are not accurate.

Additionally, the depths for all other earthquake events within the Seismic AOI were recorded as the default 5.0-km, with one earthquake event at 10,794 bgs within the Dev-Silurian formation or at depths below the top of the Precambrian basement rock (11,500 ft bgs).

Faults and Subsurface Conditions

As shown in Figure 1, the nearest known fault to the Subject SWD is a basement-rooted fault located approximately 10.6 miles to the southwest. No known faults are located within the 6-mile Seismic AOI of the Subject SWD.

Since no known faults are located within the 6-mile Seismic AOI, a Fault Slip Potential (FSP) model was not applicable; therefore, an FSP model was not performed.

CONCLUDING STATEMENTS

Based on the available data, the seismic potential of the Subject SWD is expected to be minimal because of the following:

1. There is approx. 2,963 ft of rock between the bottom of the injection interval and Pre-Cambrian basement rock with numerous confining low permeability barriers preventing downward fluid migration which could result in hydrologic communication with Precambrian basement rock.
2. There are no known faults within the 6-mile Seismic AOI.
3. The locations of the seismic events recorded as occurring nearest to the Subject SWD are likely inaccurate based on the few USGS station counts present at the time of their occurrence to calculate an accurate location.
4. The remaining seismic events within the Seismic AOI either did not have enough station count data to calculate a depth, indicating an overall inaccuracy of the data, or the depth was recorded as being within the Precambrian Basement rock.

Figure1. Seismic Event and Fault Map with structural contours of the Precambrian basement in feet below sea level.

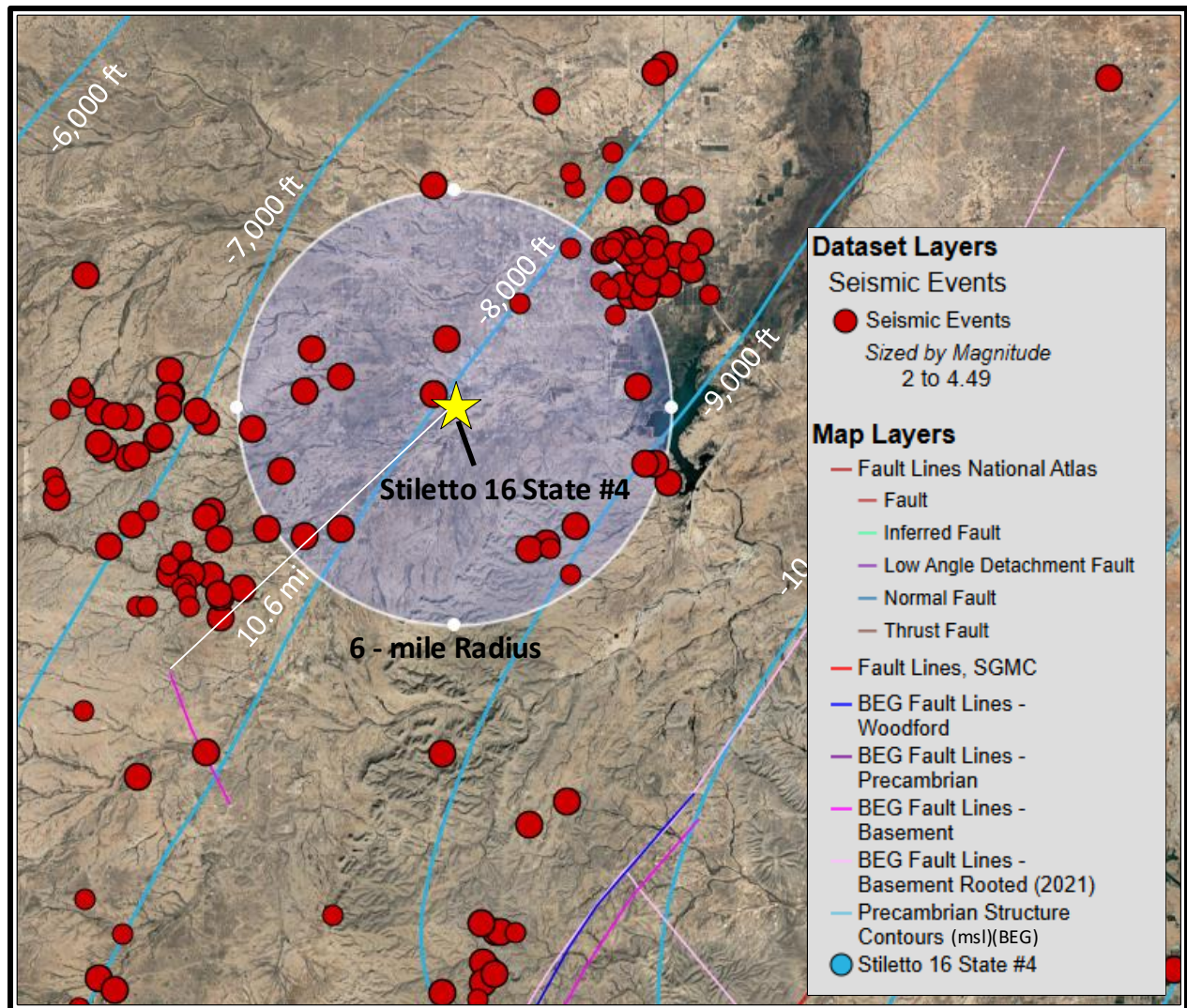


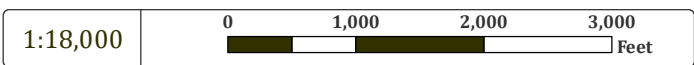
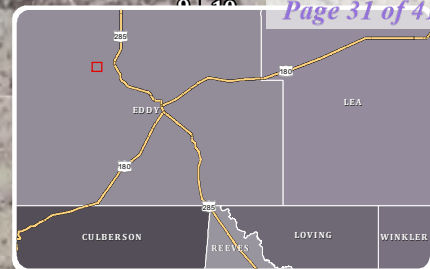
Table 1. Seismic Event Details (B3 Insights, NM Tech, USGS)

| Date | Magnitude | Depth (km) | Depth (ft) | Station Count | Source |
|------------|-----------|------------|------------|---------------|---------|
| 07/26/2024 | 2.33 | 10.02 | 32,874 | 14 | NM Tech |
| 06/27/2024 | 2.60 | 5.00 | 16,404 | 22 | USGS |
| 06/27/2024 | 2.59 | 9.99 | 32,776 | 13 | NM Tech |
| 06/16/2024 | 2.05 | 3.29 | 10,794 | 19 | NM Tech |
| 03/01/2024 | 2.75 | 6.00 | 19,685 | 22 | NM Tech |
| 02/26/2024 | 2.02 | 8.16 | 26,772 | 11 | NM Tech |
| 02/24/2024 | 2.17 | 5.99 | 19,652 | 12 | NM Tech |
| 02/23/2024 | 2.85 | 12.42 | 40,748 | 20 | NM Tech |
| 01/06/2024 | 2.15 | 21.67 | 71,096 | 12 | NM Tech |
| 07/23/2023 | 2.21 | 5.00 | 16,404 | 13 | NM Tech |
| 06/05/2023 | 3.26 | 5.00 | 16,404 | 28 | NM Tech |
| 04/24/2023 | 2.51 | 5.00 | 16,404 | 31 | NM Tech |
| 11/30/2022 | 2.10 | 5.00 | 16,404 | 16 | NM Tech |
| 05/19/2022 | 2.09 | 5.00 | 16,404 | 20 | NM Tech |
| 04/03/2022 | 2.08 | 5.00 | 16,404 | 22 | NM Tech |
| 04/02/2022 | 2.90 | 5.00 | 16,404 | 32 | NM Tech |
| 03/25/2022 | 2.69 | 5.00 | 16,404 | 7 | NM Tech |
| 03/20/2006 | 3.00 | 5.00 | 16,404 | | USGS |
| 01/27/2006 | 3.10 | 5.00 | 16,404 | | USGS |
| 01/27/2006 | 2.70 | 5.00 | 16,404 | | USGS |
| 12/22/2005 | 3.60 | 5.00 | 16,404 | | USGS |
| 12/19/2005 | 4.10 | 5.00 | 16,404 | | USGS |
| 10/28/2004 | 3.00 | 5.00 | 16,404 | | USGS |
| 08/26/2004 | 3.40 | 5.00 | 16,404 | | USGS |
| 05/23/2004 | 4.00 | 5.00 | 16,404 | 2 | USGS |
| 08/09/1999 | 2.90 | 5.00 | 16,404 | | USGS |

Attachment 6

WATER WELL MAP

SECTION 16, TOWNSHIP 20 SOUTH, RANGE 25 EAST, EDDY COUNTY, NEW MEXICO



Project Managed By:

(918) 237-0559
nate.alleman@aceadvisors.com

Map Prepared By:

(432) 631-4738
info@coosaconsulting.com

Coordinate System:
NAD 1983 StatePlane New Mexico East FIPS 3001 Feet
Projection: Transverse Mercator
Datum: North American 1983
False Easting: 541,337.5000
False Northing: 0.0000
Central Meridian: -104.3333
Scale Factor: 0.9999
Latitude Of Origin: 31.0000
Units: Foot US

Legend

- Proposed SWD
- 1 Mile Buffer
- NMOSE Points of Diversion
- Active
- Pending
- Changed Location of Well
- Inactive
- Capped
- Plugged
- Unknown

Stiletto 16 State #4

OPERATOR:
AMERICO ENERGY RESOURCES, LLC

| Water Well Sampling Table | | | | | | | |
|---------------------------|------------|---------------------------|---|--------------------|-----------|-------------|---|
| Water Well ID | OSE Status | Owner | Available Contact Information | Use | Latitude | Longitude | Notes |
| RA-04349 | Active | Herman & George Brown | 1133 Petroleum Life Bldg. Midland, TX 79705 | Domestic | 32.570899 | -104.503686 | Owner stated that the water well has been plugged |
| RA-05383 | Pending | Bureau of Land Management | 620 Greene St., Carlsbad, NM 88220-6292 | Livestock watering | 32.571806 | -104.500431 | Owner stated that the water well is not in service. |
| Note: | | | | | | | |

Attachment 7



Subject C-108 Application for Authorization to Inject
 Americo Energy Resources, LLC
 Stiletto 16 State #4
 11650 FNL & 990 FWL, Sec 16 T20S R25E Eddy County, New Mexico

I have examined available geological and engineering data and found no evidence of open faults or any other hydrological connection between the proposed injection zone and any underground sources of drinking water.

A handwritten signature in black ink, appearing to read "Jason N. Currie". The signature is written in a cursive style and is positioned above a horizontal line.

Jason Currie
Geologist. TXBG-PG Lic# 10329
Ace Energy Advisors, LLC.

Date 12/11/2024

Attachment 8

Americo Energy Resources, LLC, 7575 San Felipe, Ste 200, Houston, TX 77063, (OGRID# 228051), is filing Form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for commercial saltwater injection into its Stiletto 16 State SWD #4 (30-015-34812). This is an existing well located 1,650' FNL & 990' FWL in Section 16 Township 20S Range 25E in Eddy County, NM, which is approximately 19 miles NW of Carlsbad, NM. The purpose of the well is to inject produced water from permitted oil and gas wells in the area for non-commercial disposal into the Cisco Canyon formation at depths of 7320' – 8520' at a maximum surface injection pressure of 1,464 psi and a maximum injection rate of 3,000 barrels of water per day.

Objections or requests for hearing must be filed with the New Mexico Oil Conservation Division within fifteen (15) days. Any objection or request for hearing should be mailed to the Oil Conservation Division, 1220 South St. Francis Dr. Additional information may be obtained by contacting the operator contact, Nate Alleman, at (918) 237-0559 or info@aceadvisors.com.

AFFIDAVIT OF PUBLICATION

CARLSBAD CURRENT-ARGUS
PO BOX 507
HUTCHINSON, KS 67504-0507

STATE OF MINNESOTA } SS
COUNTY OF REDWOOD }

Account Number: 226
Ad Number: 25890
Description: Stiletto 16 State SWD 4
Ad Cost: \$69.81

Sherry Groves, being first duly sworn, says:

That she is the Agent of the the Carlsbad Current-Argus, a Weekly newspaper of general circulation, printed and published in Carlsbad, Eddy County, New Mexico; that the publication, a copy of which is attached hereto, was published in said newspaper on the following dates:

December 14, 2024

That said newspaper was regularly issued and circulated on those dates.

SIGNED:

Sherry Groves

Agent

Subscribed to and sworn to me this 14th day of December 2024.

Leanne Kaufenberg

Leanne Kaufenberg, Notary Public, Redwood County
Minnesota

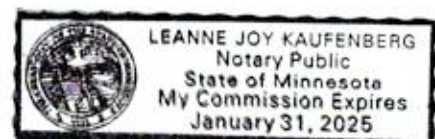
PUBLIC NOTICE

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Published in the Carlsbad Current-Argus December 14, 2024.
#25890

NATHAN ALLEMAN
ACE ENERGY ADVISORS
100 ESSEX LANE
BARTLESVILLE, OK 74006
paul.keeler@aceadvisors.com



Statement of Affected Person Notification

A copy of the C-108 application has been provided to the following Affected Persons as notification of the subject Application for Authorization to Inject (C-108).

| Entity Name | Entity Address | Mailing Date |
|----------------------------------|--|--------------|
| Site Surface Owner | | |
| State Land Office | 602 N Canal, Suite B Carlsbad, NM 88220 | 01/10/2025 |
| Applicable Mineral Owners | | |
| Bureau of Land Management | Oil and Gas Division 620 E Greene St. Carlsbad, NM 88220 | 01/10/2025 |
| State Land Office | 602 N Canal, Suite B Carlsbad, NM 88220 | 01/10/2025 |
| OCD District Office | | |
| OCD - District 2 | 506 W. Texas Ave. Artesia, NM 88210 | 01/10/2025 |
| Leaseholders within AOR | | |
| Coert Holdings 1, LLC | 20 Horseneck Lane Greenwich, CT 06830 | 01/10/2025 |
| BHP Petro Amer. Inc. | P.O. Box 977 Farmington, NM 87499 | 01/10/2025 |
| OXY USA Inc | P.O. Box 4294 Houston, TX 77210 | 01/10/2025 |
| Mewbourne Oil Co. | PO Box 5270 Hobbs, NM 88241 | 01/10/2025 |
| Well Operators within AOR | | |
| Mewbourne Oil Co. | PO Box 5270 Hobbs, NM 88241 | 01/10/2025 |
| Americo Energy Resources, LLC | 7575 San Felipe, Ste 200 Houston, TX 77063 | 01/10/2025 |

Nathan Alleman
Ace Energy Advisors
501 Se Fph Blvd Ste 201
BARTLESVILLE OK 74003-3931



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State Land Office
602 N Canal St Ste B
Carlsbad NM 88220-5826

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Bureau of Land Management
620 E Greene St
Carlsbad NM 88220-6292

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OCD - District 2
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Coert Holdings 1, LLC
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Greenwich CT 06830-6327

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 PO Box 977
 Farmington NM 87499-0977

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Oxy USA Inc.
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 Houston TX 77210-4294

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Mewbourne Oil Co.
 PO Box 5270
 Hobbs NM 88241-5270

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Americo Energy Resources, LLC
 7575 San Felipe St Ste 200
 Houston TX 77063-1778

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/oed/contact-us>

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

CONDITIONS

Action 419611

CONDITIONS

| | |
|---|--|
| Operator: AMERICO ENERGY RESOURCES LLC 7575 San Felipe Houston, TX 77063 | OGRID: 228051 |
| | Action Number: 419611 |
| | Action Type: [C-108] Fluid Injection Well (C-108) |

CONDITIONS

| Created By | Condition | Condition Date |
|---------------|-----------|----------------|
| mgebremichael | None | 3/31/2025 |