

Initial Application Part I

Received: 07/10/2019

This application is placed in file for record. It MAY or MAY NOT have been reviewed to be determined Administratively Complete

RECEIVED: 07/10/2019	REVIEWER:	TYPE: SWD	APP NO: pMAM1919140119
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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: XTO Permian Operating, LLC	OGRID Number: 373075
Well Name: Poker Lake Unit 4 Jackson Fed SWD #1	API: TBA
Pool: SWD: Devonian-Silurian	Pool Code: 97869

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

1) **TYPE OF APPLICATION:** Check those which apply for [A] SWD-2187

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.

Tracie J. Cherry, Regulatory Lead

Print or Type Name

Date 07/10/19

432-221-7379

Phone Number

tracie_cherry@xtoenergy.com

e-mail Address

Signature

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division

Receipt of Fee Application Payment



PO Number: M2Y40-190710-C-1080

Payment Date: 7/10/2019 9:30:44 AM
Payment Amount: \$500.00
Payment Type: Credit Card

Application Type: Application for a fluid injection well permit.
Fee Amount: \$500.00
Application Status: Pending Document Delivery

OGRID: 373075
First Name: Tracie
Last Name: Cherry
Email: Tracie_Cherry@xtoenergy.com

IMPORTANT: If you are mailing or delivering your application, you must print and include your receipt of payment as the first page on your application. All mailed and delivered applications must be sent to the following address: 1220 S. St. Francis Dr., Santa Fe, NM 87505. For inquiries, reference the PO Number listed above.

Oil Conservation Division * 1220 South St. Francis Drive * Santa Fe, New Mexico 87505
(505) 476-3441 * ocd.fees@state.nm.us * www.emnrd.state.nm.us/OCD

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: Secondary Recovery Pressure Maintenance XX Disposal Storage
Application qualifies for administrative approval? XX Yes No
- II. OPERATOR: XTO Permian Operating, LLC (373075)
ADDRESS: 6401 Holiday Hill Rd. Bldg 5, Midland, TX 79707
CONTACT PARTY: Tracie J. Cherry, Regulatory Coordinator PHONE: 432-221-7379
- 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 XX 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: Tracie J. Cherry

TITLE: Regulatory Lead

SIGNATURE: 

DATE: 07/10/19

E-MAIL ADDRESS: tracie_cherry@xtoenergy.com

- * 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: _____

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. 1) Lease name: **Poker Lake Unit 4 Jackson Fed SWD**
 Well #: **1** API # **TBA**
 Section: **4**
 Township: **24S**
 Range: **30E**
 Footage: **330' FNS & 2,160' FEL**

2) Casing Info:

Casing size	Set depth	Sacks cmt	Hole size	TOC	Method
18-5/8", 87.5# J-55 BTC	530'	1520 sx C	24	Surf	Circ
13-3/8" 68# HCL-80 BTC	3,770'	1970 sx Poz/C	17-1/2"	Surf	Circ
		840 sx C			
9-5/8" 53.5# HCP-110 BTC	11,640'	Stage 1	12-1/4"	Surf	Circ
		2,165 sx Poz/H			
DV @ 3,870'		Stage 2			
		1,065 sx Poz/H			
7" 32# HCP-110 BTC	11,200'-16,170'	790 sx Poz/H	8-1/2"	11,200'	Circ

3) Tubing to be used (size, lining material, setting depth):

Tapered String

5-1/2" , 17#, P-110 IPC to 10,700'

4-1/2" , 13.65#, P-110 IPC tubing @ 10,700'-16,070'

4) Name, model, and depth of packer to be used:

Baker Series F nickle plated permanent packer @ 16,070'

B. 1) Name of the injection formation and, if applicable, the field or pool name:

SWD; Devonian-Silurian

2) The injection interval and whether it is perforated or open hole:

Open hole, 16,170'-17,312' (or to the base of the Fusselman as determined by mud logs)

3) State if the well was drilled for injection or, if not, the original purpose of the well:

This well is being drilled for the purpose of injection

4) Give the depths of any other perforated intervals and detail on the sacks of cement or BPs used to seal off such perforations:

N/A

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:

Higher: Bell Canyon (+/- 4,107') Cherry Canyon (+/-4,802') Brushy Canyon (+/-6,310'),

Bone Spring (+/-8,677'), Wolfcamp (+/-11,030'), Atoka (+/-13,265'), Morrow (+/-13,898')

Lower: None

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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name PLU JACKSON 4 FED SWD	
⁷ OGRID No. 260737	⁸ Operator Name XTO PERMIAN OPERATING, LLC.	⁶ Well Number 1 ⁹ Elevation 3,420'

¹⁰ Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	4	24 S	30 E		330	SOUTH	2,160	EAST	EDDY

¹¹ 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
¹² Dedicated Acres		¹³ 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.

¹⁶ SEC. 32	SEC. 33 T23S R30E <div style="text-align: center;"> </div>	SEC. 34	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 interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature _____ Date _____ Printed Name _____ E-mail Address _____
SEC. 5	SEC. 4 T24S R30E A	SEC. 3	¹⁸ SURVEYOR CERTIFICATION 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. 06-03-2019 Date of Survey _____ Signature and Seal of Professional Surveyor: _____ <div style="color: red; text-align: center;"> PRELIMINARY. THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT </div>
SEC. 8	SEC. 9 C	SEC. 10 D	MARK DILLON HARP 23786 Certificate Number _____ AW 2019051206

PLU Jackson 4 Fed SWD #1

Proposed SWD Schematic (July 1, 2019)

County: Eddy
SHL: 33' FSecL, 2160' FEL
Sec 4, T 24S, R 30E

BHL: 330' FNL, 2160' FEL
Sec 4, T 24S, R 30E



API # N/A
Elevation GL 3420', KB 3452' (32' AGL)
Rig: TBD (RKB 32')

Geology	Casing & Cement	Wellhead	Hole Size	General Notes
(Tech Data Sheet)				
TVD Formation				
352' Rustler	<u>Lead (100% OH excess)</u> 540 sx 12.8ppg Class C Top of Tail @ 0' <u>Tail (100% OH excess)</u> 980 sx 14.8ppg Class C Top of Tail @ 400' 18-5/8" 87.5# J-55 BTC	530' MD	24"	
702' Top Salt	<u>Lead (150% OH excess)</u> 1970 sx 12.8ppg Poz/C Top of Lead @ 0 <u>Tail (100% OH excess)</u> 840 sx 14.8ppg Class C Top of Tail @ 3000'		17-1/2"	
3,652' Base Salt	13-3/8" 68# HCL-80 BTC	3770' MD		
3,873' Delaware	<u>Stg 2 Lead (100% OH excess)</u> 665 sx 11.5ppg Poz/H Top of Lead @ 0' <u>Stg 2 Tail (100% OH excess)</u> 400 sx 14.8ppg Poz/H Top of Tail @ 3000' DV tool at 3870'		12-1/4" 5-1/2" 17# P-110 IPC tbg 0 - 10,700'	
7,697' Bone Spring	<u>Stg 1 Lead (100% OH excess)</u> 1610 sx 11.5ppg Poz/H Top of Lead @ 3870'	11200' MD	Crossover @ 10,700'	
10,994' Wolfcamp	<u>Stg 1 Tail (100% OH excess)</u> 555 sx 14.8ppg Poz/H Top of Tail @ 10640'		4-1/2" 13.65# P-110 IPC tbg 10,700' - 16,070'	
11,488' Wolfcamp B	9-5/8" 53.5# HCP-110 BTC	11640' MD		
13,032' Strawn 13,265' Atoka 13,898' Morrow	<u>Tail (40% OH excess)</u> 790 sx 14.5ppg Poz/H Top of Tail @ 11200'		8-1/2"	
15,502' Mississippian Lm 15,807' Woodford 16,152' Devonian	7" 32# HCP-110 BTC	16170' MD	Baker Series F Nickle Plated Permanent pkr @ 16,070'	
17,211' Base of Fusselman			6"	
17,312' TVD at BHL	Open hole completion	17,312' MD 17,312' TVD		
Approvals				
Prepared by: _____	Peer Reviewed by: _____ Date _____			
Reviewed by: _____	Approved by: _____			

C-108 DATA

- 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.

Maps attached (Exhibit A & Exhibit B).

- 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 wells type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

(Exhibit C)

One (1) plugged and abandoned is within the one-mile Area of Review. The well does not penetrate the proposed injection interval

- VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected:

20,000 average, 40,000 maximum BWPD

2. Whether the system is open or closed: **closed**

3. Proposed average and maximum injection pressure: **2,000 psi average, 3,557 psi maximum**

4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water: **Well will be part of a multi-well SWD system taking Permian waters. The majority of the produced water will come from Delaware, Bone Spring and Wolfcamp formations with minor amounts from Atoka and Morrow.**

An analysis of water to be disposed is attached (Exhibit D)

5. If injection is for disposal purposes into a zone not productive of oil & gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water:

No disposal wells are within one mile of the proposed well.

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 TDS 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 :

VIII.

Lithologic Detail: Carbonates (Dolomite and Limestone)

Geological Name: Devonian (Silurian-Devonian)

Thickness: Est. 1,160'

Depth: Est. 16152' to 17312' (includes 100' buffer)

The Dewey Lake Red Beds consisting of alluvial sandstones, siltstones, and shales are present from the surface to the top of the Rustler Anhydrite. The top of the Rustler Anhydrite is estimated to be at approximately 352 feet below the surface in this PLU Jackson 4 Fed SWD 1 well. These Dewey Lake Red Beds may contain fresh water throughout this geographic area, but it is not likely of drinking water quality (TDS of 10,000 mg/L or less).

Based on published maps, the Capitan Reef Aquifer is not present in this area

No sources of fresh water are known to exist below the proposed disposal zone.

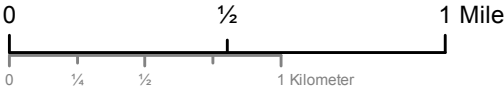
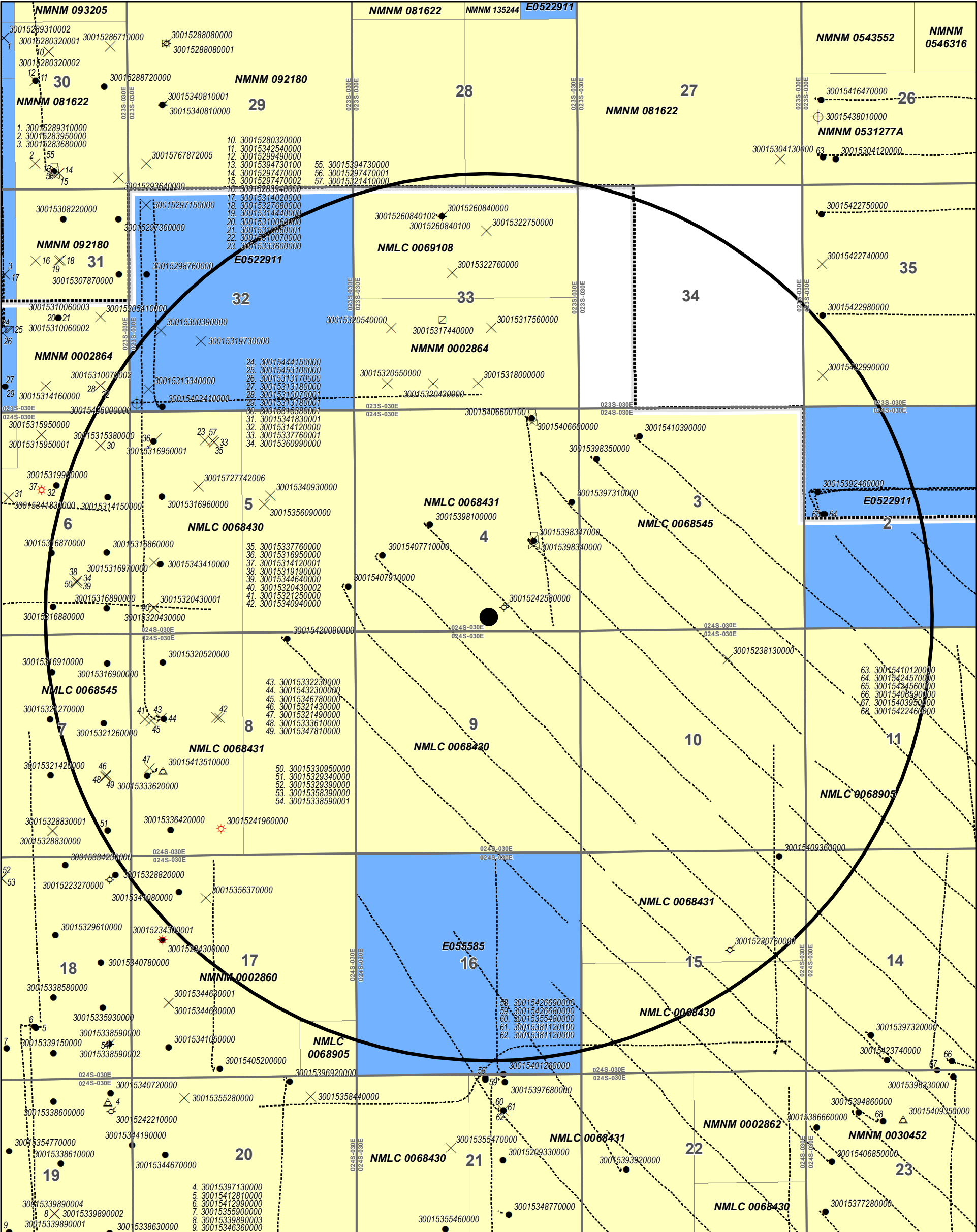
- IX. Describe the proposed stimulation program, if any:
Acid stimulate with approximately 5000 gallons of 15% NEFE HCL acid.
- X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted.)
Logs will be submitted with completion papers when well is drilled.
- 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.
According to the New Mexico State Engineers database, there are no active water wells or points of diversion within a one-mile radius of the proposed SWD location.

(Exhibit E)

- 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 hydrology connection between the disposal zone and any underground sources of drinking water.
(Exhibit F)

- XIV. Proof of Notice
(Exhibit G)

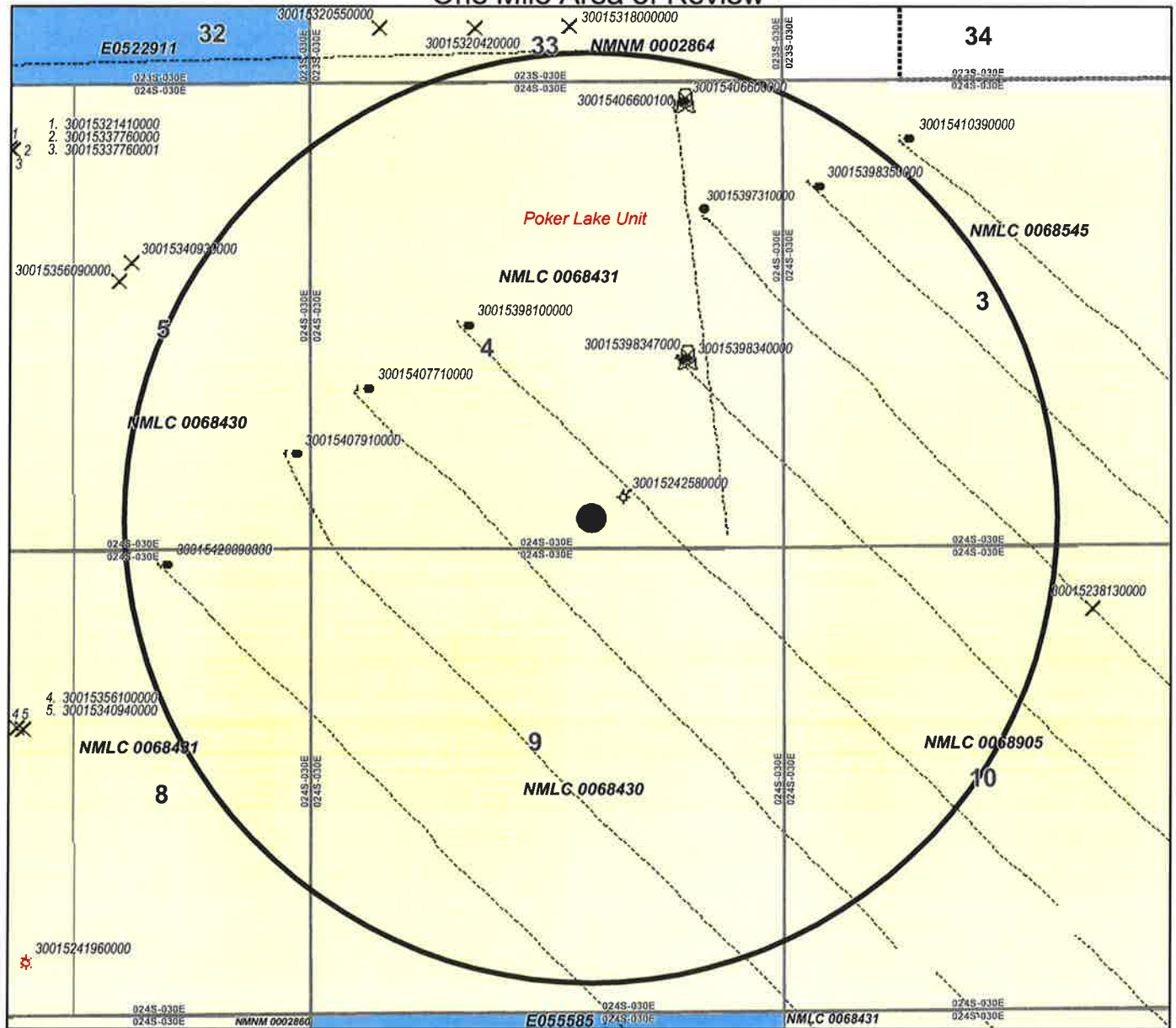
PLU Jackson 4 FED SWD 1
Eddy County, New Mexico
Two Mile Buffer



- wellbore
State Lease
Federal Lease
two mile buffer
BLM Active Unit -
Poker Lake
- Well Status Name**
GAS
INJECTION
MULTI OIL AND GAS PRODUCER
OIL
OIL AND GAS PRODUCER
MULTIPLE GAS PRODUCER
MULTIPLE OIL PRODUCER
ABANDONED
DRILLING
- NON-PRODUCING OTHER
CO2
DRY
STORAGE
CBM
OTHER PRODUCING
WATER SUPPLY WELL
WELL PERMIT
WELL START

known operators in buffer
BASS ENTRPRS PROD CO
BASS PERRY R
BEPCO LP
BETTIS BOYLE&STOVALL
BOPCO LP
XTO PERMAN OPER LLC

PLU Jackson 4 FED SWD 1 Eddy County, New Mexico One Mile Area of Review



----- wellbore	Well Status Name	<input checked="" type="checkbox"/> NON-PRODUCING OTHER	known operators in buffer
State Lease	GAS	<input type="checkbox"/> CO2	BASS PERRY R
Federal Lease	INJECTION	<input type="checkbox"/> DRY	BOPCO LP
one mile buffer	MULTI OIL AND GAS PRODUCER	<input type="checkbox"/> STORAGE	XTO PERMAN OPER LLC
BLM Active Unit - Poker Lake	OIL	<input type="checkbox"/> CBM	
	OIL AND GAS PRODUCER	<input type="checkbox"/> OTHER PRODUCING	
	MULTIPLE GAS PRODUCER	<input type="checkbox"/> WATER SUPPLY WELL	
	MULTIPLE OIL PRODUCER	<input type="checkbox"/> WELL PERMIT	
	ABANDONED	<input type="checkbox"/> WELL START	
	DRILLING		

Exhibit B

Wells With in One-Mile Radius											
API	wellname	section	township	range	unit_ltr	ogrid_name	spud_year	directional_status	pool_id_list	Well Type	Well Status
30-015-39835	POKER LAKE UNIT #332H	3	24S	30E	4	XTO PERMIAN OPERATING LLC.	2012	0	[96046] POKER LAKE, DELAWARE, NORTHWEST;		
30-015-24258	POKER LAKE UNIT #054	4	24S	30E	D	PERRY R BASS	1982	0	[97821] WILDCAT, DELAWARE	Oil	Active
30-015-39731	POKER LAKE UNIT #318H	4	24S	30E	H	XTO PERMIAN OPERATING LLC.	2012	0	[96046] POKER LAKE, DELAWARE, NORTHWEST	Oil	Plugged (Site Released)
30-015-39810	POKER LAKE UNIT #320H	4	24S	30E	N	XTO PERMIAN OPERATING LLC.	2012	0	[47545] NASH DRAW, DELAWARE/BS (AVALON SAND)	Oil	Active
30-015-39834	POKER LAKE UNIT #319H	4	24S	30E	I	XTO PERMIAN OPERATING LLC.	2012	0	[47545] NASH DRAW, DELAWARE/BS (AVALON SAND)	Oil	Active
30-015-40660	POKER LAKE CVX JV RB #001H	4	24S	30E	1	XTO PERMIAN OPERATING LLC.	2012	H	[97798] WILDCAT G-06 S243026M, BONE SPRING	Oil	Active
30-015-40771	POKER LAKE UNIT #321H	4	24S	30E	L	XTO PERMIAN OPERATING LLC.	2013	H	[96047] POKER LAKE, DELAWARE, SOUTHWEST	Oil	Active
30-015-40791	POKER LAKE UNIT #322H	5	24S	30E	P	XTO PERMIAN OPERATING LLC.	2014	H	[47545] NASH DRAW, DELAWARE/BS (AVALON SAND)	Oil	Active
30-015-42009	POKER LAKE UNIT #323H	8	24S	30E	B	XTO PERMIAN OPERATING LLC.	2014	H	[47545] NASH DRAW, DELAWARE/BS (AVALON SAND)	Oil	Active

Complete Water Analysis Report

Customer: **XTO ENERGY INC**
 Region: **Carlsbad, NM**
 Location: **Nash Draw 8**
 System: **Production System**

Equipment: **NASH DRAW 8 FEDERAL001H SWD**
 Sample Point: **Well Head**
 Sample ID: **AL07041**
 Acct Rep Email: **Anthony.Baeza@ecolab.com**

Collection Date: **06/08/2018**
 Receive Date: **06/21/2018**
 Report Date: **06/25/2018**
 Location Code: **343691**

Field Analysis

Bicarbonate	48 mg/L	Dissolved CO2	400 mg/L	Dissolved H2S	9 mg/L
Pressure Surface	20 psi	Temperature	97° F	pH of Water	6.3
Oil per Day	0 B/D	Gas per Day	0 Mcf/D	Water per Day	6500 B/D

Sample Analysis

Calculated Gaseous CO2	0.81 %	Calculated pH	6.30	Conductivity (Calculated)	319277 µS - cm3
Ionic Strength	4.15	Resistivity	0.031 ohms - m	Specific Gravity	1.175
Total Dissolved Solids	204372.5 mg/L				

Cations

Iron	30.5 mg/L	Manganese	4.8 mg/L	Barium	5.18 mg/L
Strontium	1420 mg/L	Calcium	19900 mg/L	Magnesium	2960 mg/L
Sodium	44800.00 mg/L	Potassium	1340 mg/L	Boron	25 mg/L
Lithium	15.2 mg/L	Copper	0.037 mg/L	Nickel	0.019 mg/L
Zinc	0.377 mg/L	Lead	0.084 mg/L	Cobalt	0.014 mg/L
Chromium	0.002 mg/L	Silicon	5.26 mg/L	Aluminum	0.078 mg/L
Molybdenum	0.02 mg/L	Phosphorus	0.857 mg/L		

Anions

Bromide	1407.806 mg/L	Chloride	134917 mg/L	Sulfate	286.045 mg/L
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PTB Value

	Barite PTB	Calcite PTB	Celestite PTB	Gypsum PTB	Halite PTB	Iron Carbonate PTB	Iron Sulfide PTB
50°	2.87	6.39	117.45	0.00	0.00	0.00	5.48
75°	2.61	5.82	97.91	0.00	0.00	0.00	4.88
100°	2.20	5.35	85.10	0.00	0.00	0.00	4.42
125°	1.59	5.00	78.13	0.00	0.00	0.00	4.08
150°	0.77	4.80	75.51	0.00	0.00	0.00	3.86
175°	0.00	4.74	75.65	0.00	0.00	0.00	3.75
200°	0.00	4.80	77.23	0.00	0.00	0.00	3.73
225°	0.00	4.97	79.35	0.00	0.00	0.00	3.78
250°	0.00	5.23	81.43	0.00	0.00	0.00	3.90
275°	0.00	5.55	83.16	0.00	0.00	0.00	4.05
300°	0.00	5.91	84.45	0.00	0.00	0.00	4.22
325°	0.00	6.29	85.31	0.00	0.00	0.00	4.40
350°	0.00	6.68	85.77	0.00	0.00	0.00	4.58
375°	0.00	7.04	85.77	0.00	0.00	0.00	4.74
400°	0.00	8.16	84.99	0.00	0.00	0.00	5.87

Saturation Index

	Barite SI	Calcite SI	Celestite SI	Gypsum SI	Halite SI	Iron Carbonate SI	Iron Sulfide SI
50°	1.15	0.77	0.46	-0.06	-0.80	-0.74	1.77
75°	0.82	0.69	0.35	-0.18	-0.82	-0.72	1.47
100°	0.55	0.62	0.29	-0.24	-0.84	-0.69	1.25
125°	0.32	0.58	0.26	-0.29	-0.85	-0.66	1.10
150°	0.13	0.55	0.25	-0.33	-0.87	-0.63	1.00
175°	-0.04	0.54	0.25	-0.38	-0.88	-0.60	0.94
200°	-0.18	0.55	0.25	-0.44	-0.89	-0.57	0.91
225°	-0.30	0.56	0.27	-0.51	-0.90	-0.55	0.92
250°	-0.41	0.59	0.28	-0.58	-0.91	-0.53	0.94
275°	-0.52	0.63	0.28	-0.66	-0.92	-0.53	0.97
300°	-0.63	0.66	0.29	-0.72	-0.92	-0.54	1.01
325°	-0.73	0.70	0.29	-0.76	-0.93	-0.57	1.06
350°	-0.84	0.73	0.29	-0.76	-0.93	-0.61	1.10
375°	-0.96	0.76	0.29	-0.68	-0.94	-0.68	1.13
400°	-1.09	0.92	0.29	-0.52	-0.94	-0.63	1.48

Scaling predictions calculated using Scale Soft Pitzer 2017

Scaling predictions dependent on provided field data. Incomplete/partial field data may impact results generated by scaling software.

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 06/27/2018

Exhibit D

Complete Water Analysis Report

Customer: XTO ENERGY INC

Region: Carlsbad, NM

Location: Nash Draw 8

System: Production System

Equipment: NASH DRAW 8 FEDERAL001H SWD

Sample Point: Well Head

Sample ID: AL07041

Acct Rep Email: Anthony.Baeza@ecolab.com

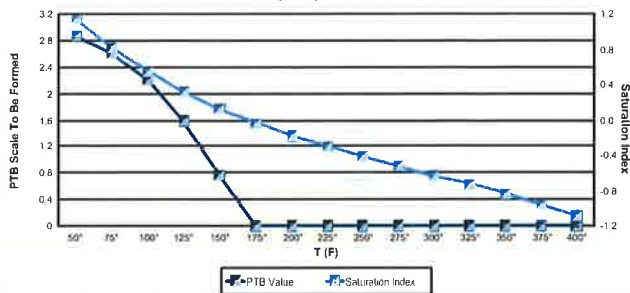
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Receive Date: 06/21/2018

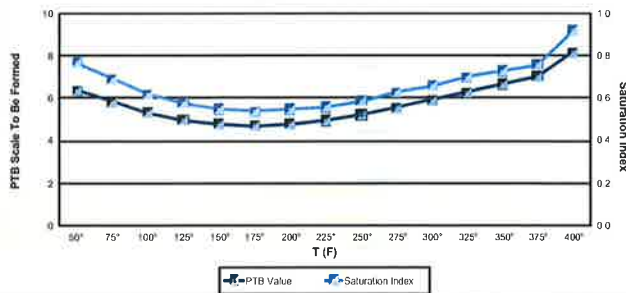
Report Date: 06/25/2018

Location Code: 343691

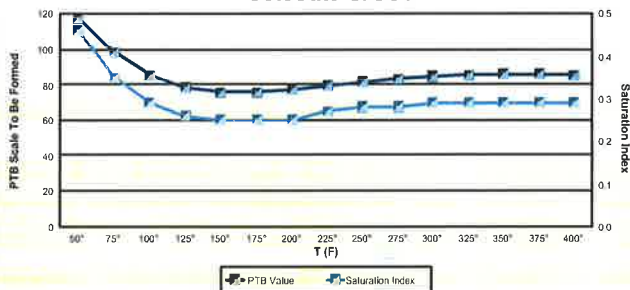
Barite BaSO₄



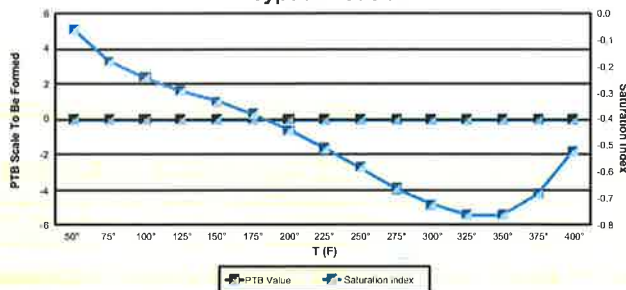
Calcite CaCO₃



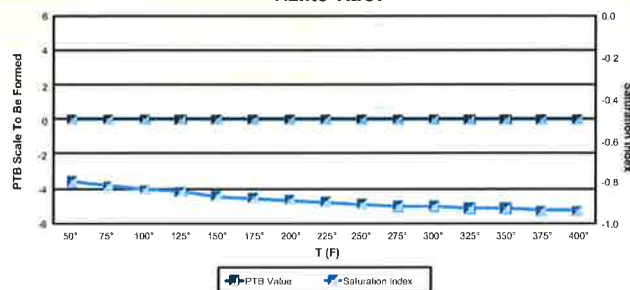
Celestite SrSO₄



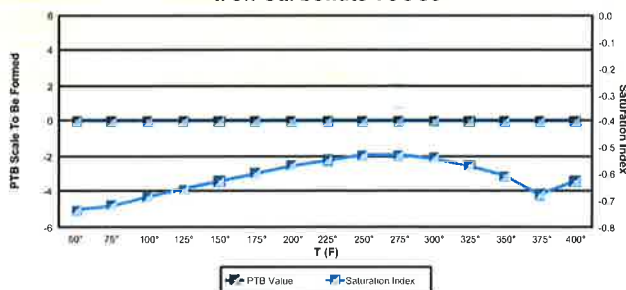
Gypsum CaSO₄



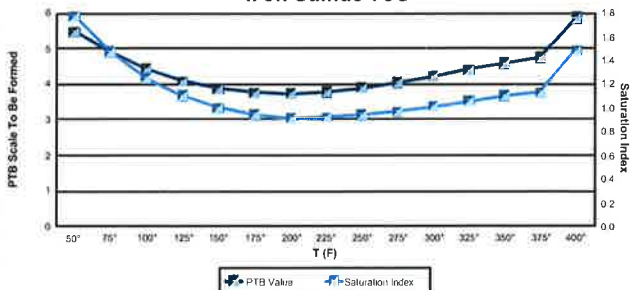
Halite NaCl



Iron Carbonate FeCO₃



Iron Sulfide FeS



Comments

Scaling predictions calculated using Scale Soft Pitzer 2017

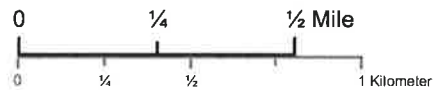
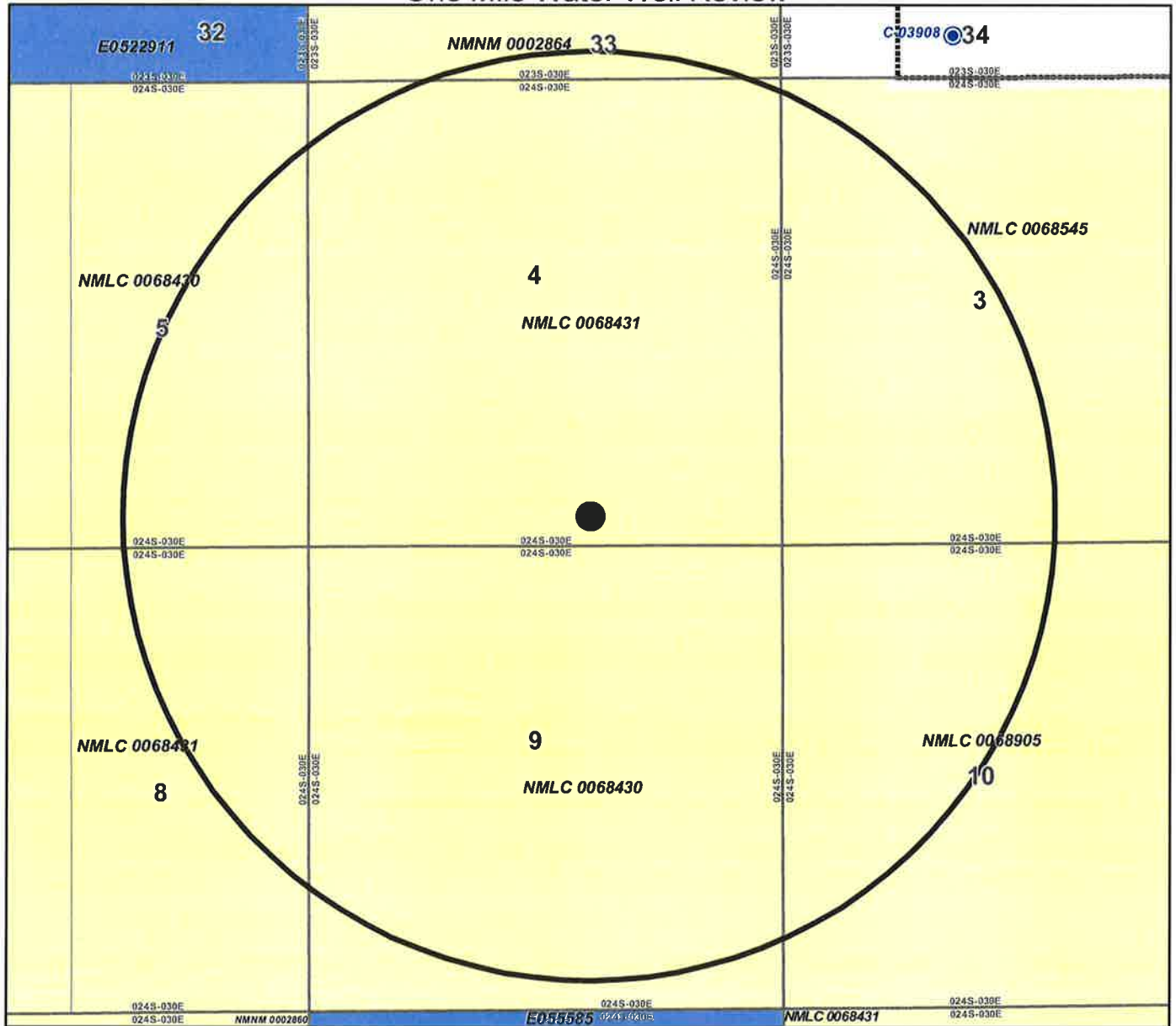
Scaling predictions dependent on provided field data. Incomplete/partial field data may impact results generated by scaling software.

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06/27/2018

Page 2 of 2

PLU Jackson 4 FED SWD 1 Eddy County, New Mexico One Mile Water Well Review










-  water well location
-  surface declaration
-  surface permit
-  State Lease
-  Federal Lease
-  one mile buffer
-  BLM Active Unit - Poker Lake

Exhibit E



New Mexico Office of the State Engineer
Active & Inactive Points of Diversion
(with Ownership Information)

No PODs found.

PLSS Search:

Section(s): 3-5 Township: 24S Range: 30E

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

7/5/19 1:09 PM

ACTIVE & INACTIVE POINTS OF DIVERSION



New Mexico Office of the State Engineer
Active & Inactive Points of Diversion
 (with Ownership Information)

(acre ft per annum)										(R=POD has been replaced and no longer serves this file, C=the file is closed)										(quarters are 1=NW 2=NE 3=SW 4=SE) (quarters are smallest to largest) (NAD83 UTM in meters)																	
WR File Nbr		Sub		basin Use		Diversion		Owner		County		POD Number		Well		Tag		Code		Grant		Source		64 16 4		Sec		Tws		Rng		X		Y			
C-02108		CUB		STK		3		A PARTNERSHIP M&M CATTLE CO		ED		C-02108												1		3		08		24S		30E		602702		3566487*	

Record Count: 1

PLSS Search:

Section(s): 8-10 **Township:** 24S **Range:** 30E

Sorted by: File Number

*UTM location was derived from PLSS - see Help

The data is furnished by the NMOSI/ISC and is accepted by the recipient with the expressed understanding that the OSI/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

7/5/19 1:11 PM

ACTIVE & INACTIVE POINTS OF DIVERSION

Water well is outside 1-mile buffer

July 9, 2019

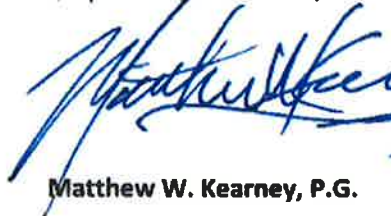
New Mexico, Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Geology Statement per Question XII on the Application for Authorization to Inject Form C-108 for
XTO Energy Inc., an ExxonMobil subsidiary
PLU Jackson 4 Fed SWD 1,
Section 4, Township 24 South, Range 30 East,
Eddy County, New Mexico

To whom it may concern:

XTO Energy, Inc., an ExxonMobil subsidiary, has examined available geological data at the above-mentioned well located at 330 feet from south line and 2,160 feet from east line of Section 4, Township 24 South, Range 30 East, Eddy County, New Mexico; and finds no evidence of open faults or other hydrologic connection between the disposal zone and the underground sources of drinking water.

Respectfully Submitted,



Matthew W. Kearney, P.G.



Geoscientist

XTO Energy Inc., an ExxonMobil subsidiary
22777 Springwoods Village Parkway
Spring, Texas 77389

Exhibit F

CARLSBAD
CURRENT-ARGUS

AFFIDAVIT OF PUBLICATION

**Ad No.
0001290752**

Tracie J Cherry
XTO ENERGY
6401 HOLIDAY HILL RD. BLDG 5

MIDLAND TX 79707


I, a legal clerk of the **Carlsbad Current-Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

07/09/19



Legal Clerk

Subscribed and sworn before me this
9th of July 2019.


State of WI, County of Brown
NOTARY PUBLIC

5-15-23

My Commission Expires

**NOTICE OF APPLICATION FOR WATER
DISPOSAL WELL PERMIT**

XTO Permian Operating, Inc. has applied to the New Mexico Oil Conservation Division for a permit to dispose of produced water into a porous formation not productive of oil or gas.

The applicant proposes to dispose of produced water into the **Poker Lake Unit 4 JacksonFed SWD #1** (Siluro-Devonian and Fusselman Formations). The maximum injection pressure will be 3,557 psi and the maximum rate will be 40,000 bbls. produced water per day. The proposed disposal well is located approximately 11 miles East of Malaga, New Mexico in Section 04, T24S, R30E; 330' FSL & 2,160' FEL, Eddy County, New Mexico. The produced water will be disposed at a subsurface depth of 16,170'-17,312'.

Any questions concerning this application should be directed to Tracie J Cherry, Regulatory Coordinator, XTO Energy, Inc, 6401 Holiday Hill Rd, Bldg 5, Midland, Texas 79707, (432) 221-7379.

Interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 S. St. Francis Dr., Santa Fe, New Mexico 87505 within 15 days.

July 9, 2019

Ad#:0001290752
P O : Poker Lake Unit 4
of Affidavits :0.00

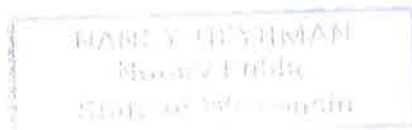


Exhibit G

CERTIFIED MAILING LIST
XTO PERMIAN OPERATING, LLC
POKER LAKE UNIT 4 JACKSON SWD #1

Surface/Minderal Owner: **Cert #7018 1130 0001 5531 4514**
Bureau of Land Management
620 E. Greene Street
Carlsbad, NM 88220-6292

Grazing Lessee: **Cert #7018 1130 0001 5531 4316**
Henry McDonald
PO Box 597
Loving, NM 88256

Offset Notice: **Cert #7018 1130 0001 5531 4323**
Chevron USA Inc
630 Deauville
Midland, TX 79706-2964

I, Tracie J Cherry, do hereby certify the surface owner and offset parties for the well shown were furnished a copy of XTO Permian Operating, LLC's application for salt water disposal, via certified mail on this date.

Signed: 

Tracie J. Cherry
Regulatory Lead

Title:
Date:

07/10/19



Statements Regarding Seismicity

XTO has performed a seismicity risk assessment associated with the proposed Poker Lake Unit Jackson 4 SWD Well by investigating historic seismicity, the presence of deep faulting, orientation of faults relative to the current stress regime and the potential for pore pressure build up that might cause a fault to slip. The analysis was done utilizing Stanford's Fault Slip Potential Tool version 2.0 (FSP; Walsh et al. 2017). To accommodate the tool's analytics, a simplified spatial relationship between the proposed well and possible faulting was established.

As part of our risk assessment we also consider mitigation options to address inherent uncertainties associated with the evaluation of possible seismicity. XTO has developed and will implement, as a precautionary measure, a seismicity monitoring plan to address the inherent uncertainty in the subsurface characterization, future rates of disposal and reservoir response.

A summary of the evaluation and seismicity monitoring plan follows:

Historic Seismicity

There is 1 seismic event reported by the USGS within ~6 miles of the proposed well. The New Mexico Tech Seismological Observatory determined that the March 18, 2012 event was linked to the collapse of a potash mine. Additionally, the Texas Bureau of Economic Geology's TexNet website shows no recent earthquakes in Texas within ~25 miles of the New Mexico border in the Delaware Basin (Figure 1).

Deep Faulting

Utilizing licensed 3D seismic data in the area of the proposed SWD well, XTO has interpreted three faults and/or linear features. Additionally, there are several seismic discontinuities that are interpreted as karst features in the Devonian section that do not appear to have significant lateral continuity.

Stress Regime

Utilizing data and analysis from Snee and Zoback, 'State of Stress in the Permian Basin, Texas and New Mexico: Implications for Induced Seismicity' (Feb 2018, The Leading Edge) the region of the proposed well is primarily a normal faulting regime (Figure 1).

Geomechanical Modeling

A simple screening level geometric / geomechanical assessment of the faults was performed utilizing the FSP tool. The models were run using the Aphi option which makes a simplifying and conservative assumption that faults are critically stressed and thus close to failure. Additionally, given the uncertainties in the geophysical interpretation and stress information, probabilistic scenarios were run varying fault and stress characteristics. FSP model deterministic and uncertainty inputs and results of the modeling are shown in Figure 2

Pore Pressure Modeling

A screening level investigation of possible pore pressure increases due to the proposed SWD well was performed utilizing the FSP tool and a range of reservoir parameters. For this screening level analysis a 'high-side', flat rate model was run assuming disposal of 40,000 BWPD beginning in

2019 and continuing at that rate until 2040. Sensitivities were performed by varying several reservoir parameters. Deterministic models, snap shots of the calculated pore pressure increases in 2025 and 2040 and cross-plots of pore pressure uncertainty analysis and fault slip probabilities are shown in Figure 3.

Integration of Geomechanical and Pore Pressure Modeling

Integration of the geomechanical and hydrological elements of the assessment was performed using the FSP Integrated module. The results are shown in Figure 4. Note the y-axis in the lower right hand colored graphs in Figure 4 are labeled 'Fault Slip Potential'. This is a labeling convention within the tool but overstates the efficacy of the analysis. The FSP output should not be taken as calculating a reliable probability of a fault slipping but rather a screening method for assessing the relative potential of faults to slip.

Uncertainty

The analysis presented is a screening level approach that encompasses a range of uncertainties in several components that are difficult to individually constrain due to the limited static and dynamic data available for deep disposal wells. Accordingly, the analysis was done by varying key inputs to understand the relative importance of each and guide the focus of future data collection efforts.

Monitoring Plan

To manage the inherent uncertainty, XTO has contracted with a third party to provide seismicity monitoring using public seismometers augmented by a private array in the area of the proposed well. This will allow for a better determination of baseline seismicity as well as early detection should there be anomalous events. Additionally, XTO will determine the original pore pressure of the disposal interval prior to initiating operations. Upon request, XTO will share the results of this work with the EMNRD's UIC staff.



Tim Tyrrell
XTO Geoscience Technical Manager

PLU Jackson 4 Fed SWD 1 Well - Geomechanics

Stress Regime: Normal Faulting

Stress Regime Inputs

Use A-Phi Model	
Vertical Stress Gradient (psf/ft)	1.5
A-Phi Parameter	0.62
Min Horiz Stress Grad Available (psf/ft)	
Max Horiz Stress Direction (deg N CV)	72
Initial Res Pressure Gradient (psf/ft)	0.47
Reference Depth for Calculations (ft)	10250

Maximum Injection Rate: 40,000 bbl/day

Uncertainty Ranges

Strike Angles (varying, degrees)	15
Dip Angles (varying, degrees)	15
Max Horiz Stress Dir (72 degrees)	15
Friction Coeff Mu (0.6)	0
A-Phi Parameter (0.62)	0.2

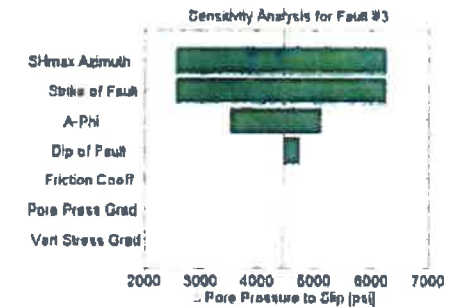
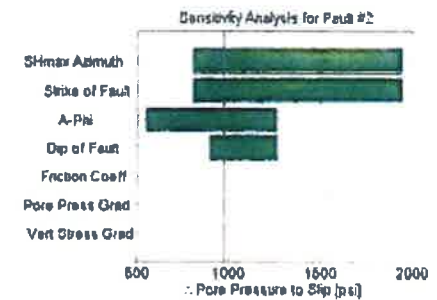
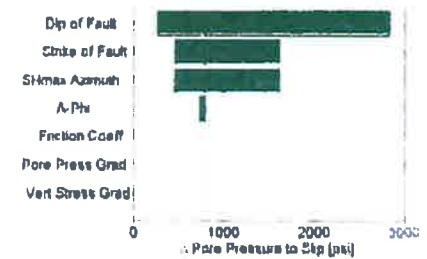
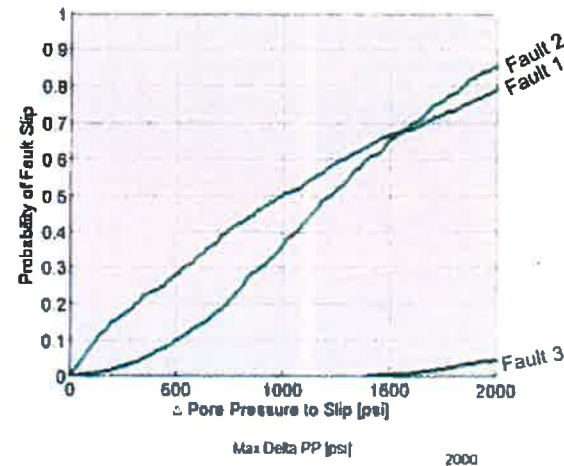
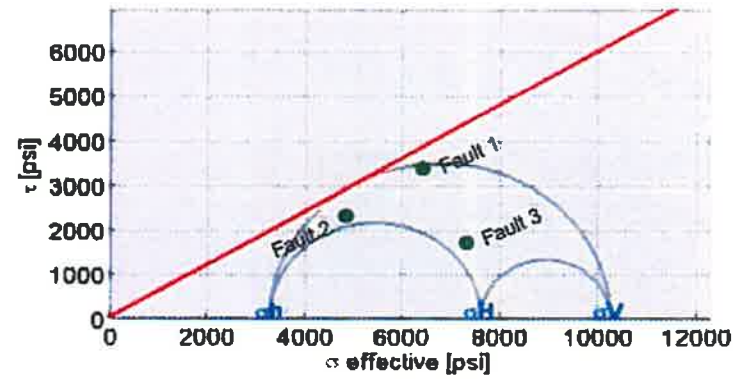
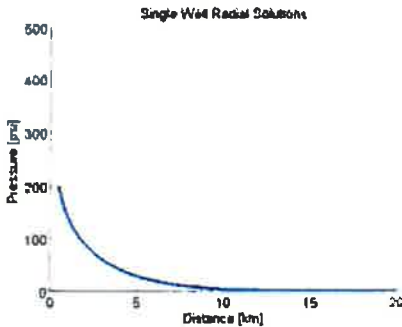
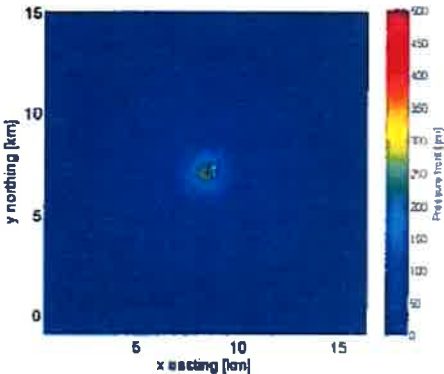


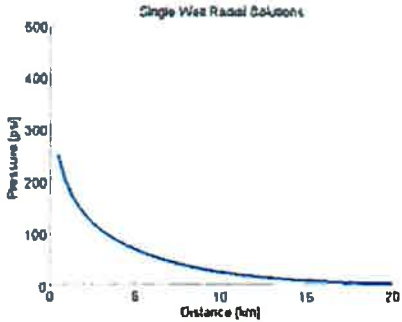
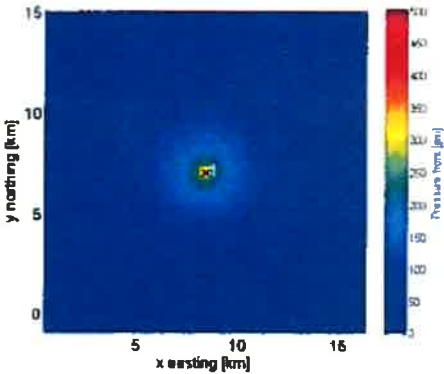
Figure 2

PLU Jackson 4 Fed SWD 1 Well – Pore Pressure

2025 Snapshot



2040 Snapshot



Uncertainty Ranges

Aquifer Thickness [750 ft]	7%
Porosity [%]	3%
Permeability [75 mD]	15%

Figure 3

PLU Jackson 4 Fed SWD 1 - Geomechanical / Pore Pressure Integration

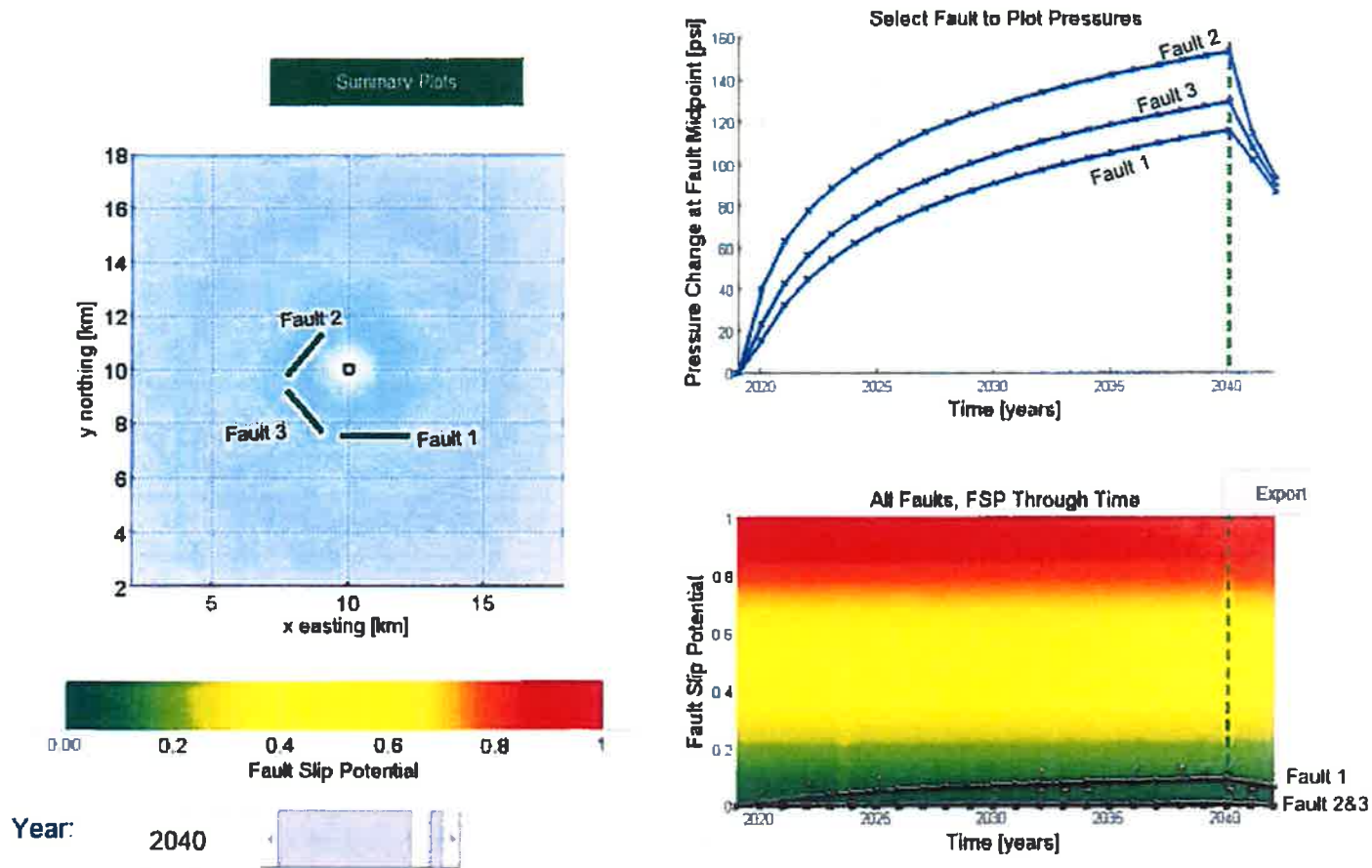


Figure 4

CERTIFIED MAILING LIST
XTO PERMIAN OPERATING, LLC
POKER LAKE UNIT 4 JACKSON SWD #1

Surface/Minderal Owner: **Cert #7018 1130 0001 5531 4514**
Bureau of Land Management
620 E. Greene Street
Carlsbad, NM 88220-6292

Grazing Lessee: **Cert #7018 1130 0001 5531 4316**
Henry McDonald
PO Box 597
Loving, NM 88256

Offset Notice: **Cert #7018 1130 0001 5531 4323**
Chevron USA Inc
630 Deauville
Midland, TX 79706-2964

I, Tracie J Cherry, do hereby certify the surface owner and offset parties for the well shown were furnished a copy of XTO Permian Operating, LLC's application for salt water disposal, via certified mail on this date.

Signed: 

Tracie J. Cherry

Title: Regulatory Lead

Date: 