

Initial Application Part I

Received: 08/05/2019

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

RECEIVED: 08/05/2019	REVIEWER:	TYPE: SWD	APP NO: pMAM1921749714
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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: AWR Disposal LLC **OGRID Number:** 328805
Well Name: Bench SWD #1 **API:** _____
Pool: Proposed: SWD, Devonian, Fusselman, Montoya **Pool Code:** _____

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

SWD-2230

- 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

<u>FOR OCD ONLY</u>	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	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.

Randy Hicks (agent)

 Print or Type Name

Print or Type Name

 Signature

Signature

08/02/2019

 Date

505 238 9515

 Phone Number

r@rthicksconsult.com

 e-mail Address

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

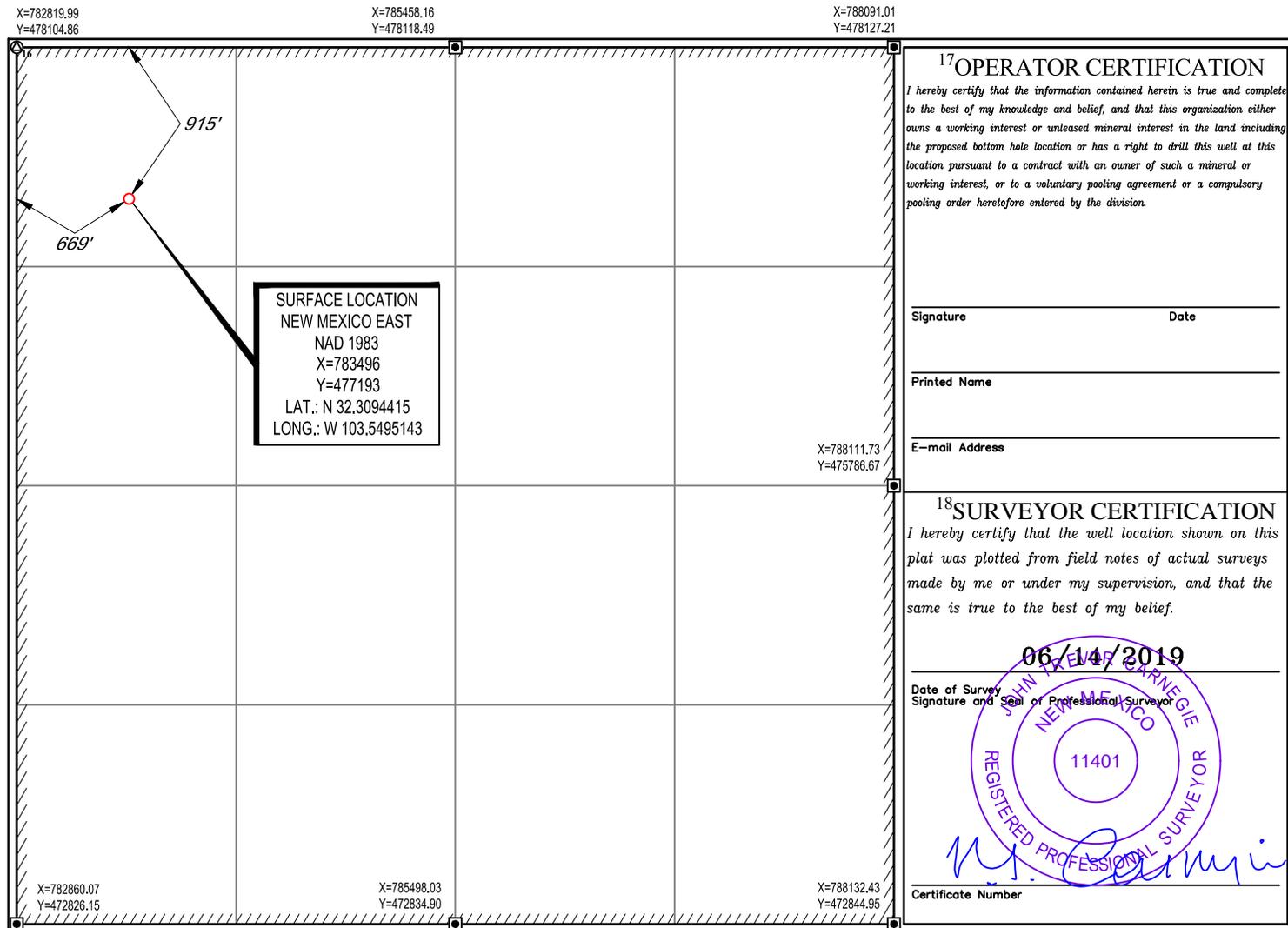
¹ API Number	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name BENCH SWD	
	⁶ Well Number 1	
⁷ OGRID No. 328805	⁸ Operator Name AWR DISPOSAL, LLC	⁹ Elevation 3633'

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
D	14	23-S	33-E	-	915'	NORTH	669'	WEST	LEA

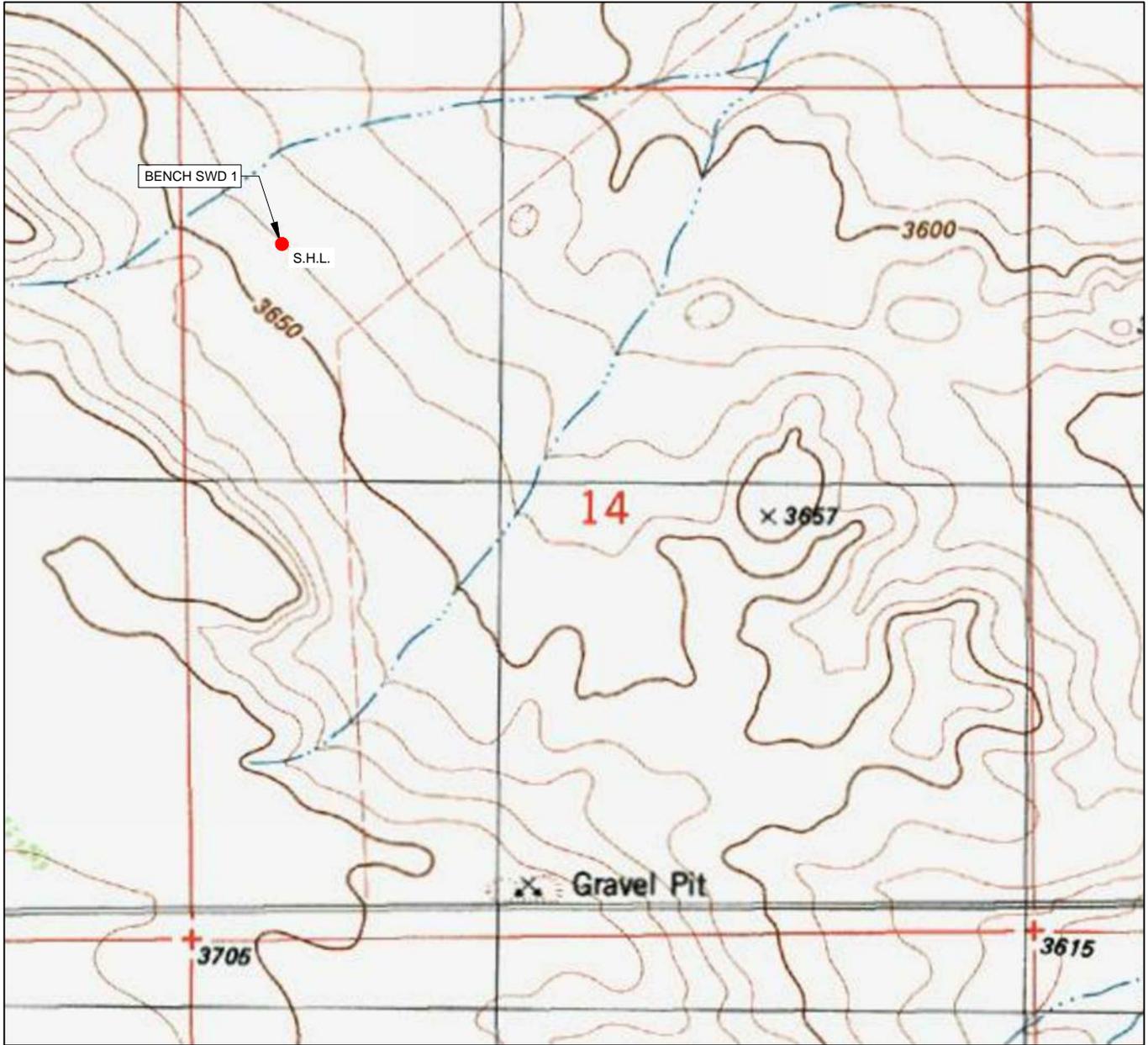
¹¹ Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

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.



LOCATION & ELEVATION VERIFICATION MAP

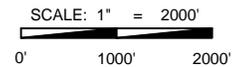


AWR DISPOSAL, LLC

LEASE NAME & WELL NO.: BENCH SWD 1

SECTION 14 TWP 23-S RGE 33-E SURVEY N.M.P.M.
 COUNTY LEA STATE NM ELEVATION 3633'
 DESCRIPTION 915' FNL & 669' FWL

LATITUDE N 32.3094415 LONGITUDE W 103.5495143



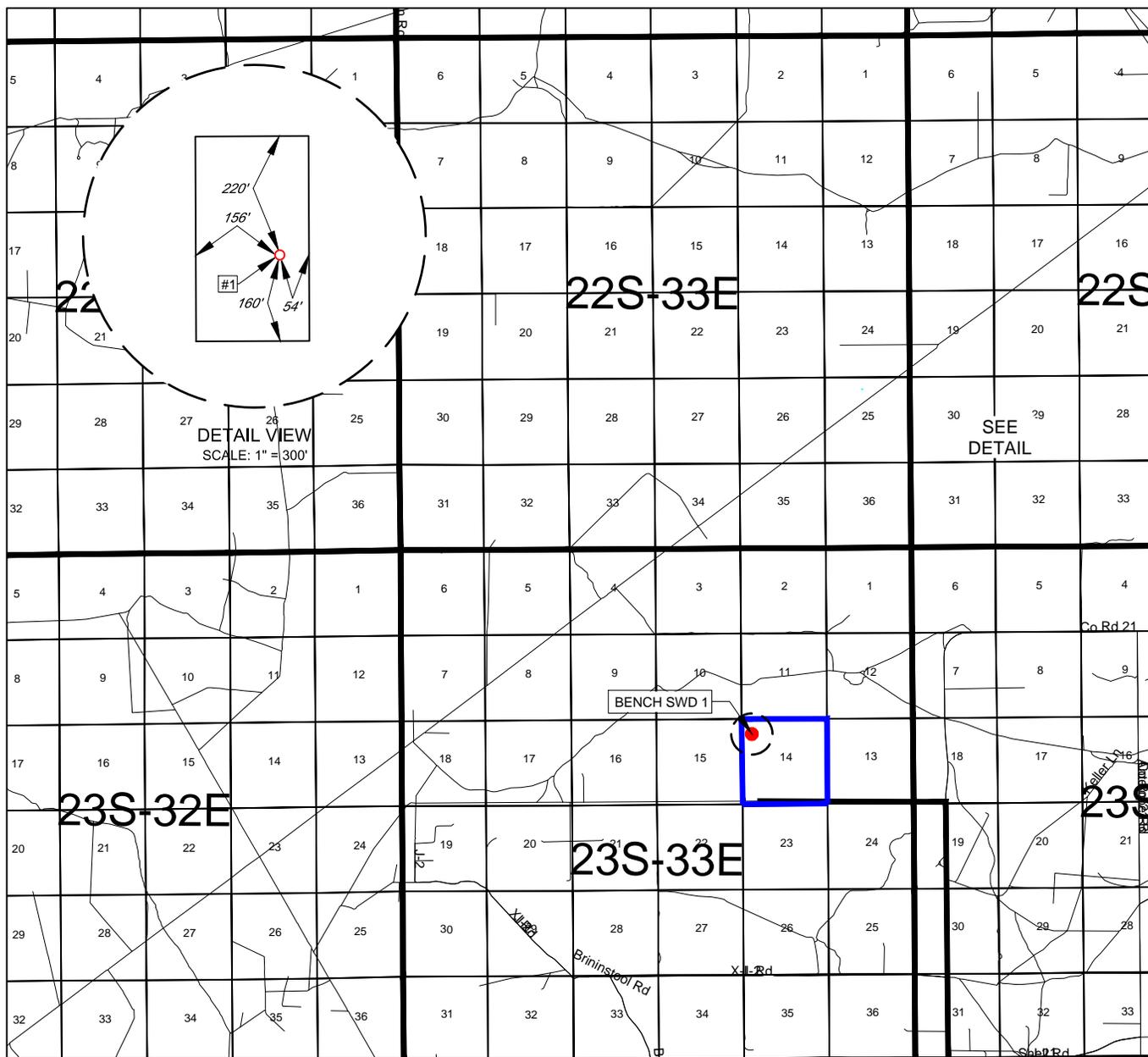
THIS EASEMENT/SERVITUDE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY AWR DISPOSAL, LLC. THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM, EAST ZONE OF THE NORTH AMERICAN DATUM 1983, U.S. SURVEY FEET.



1400 EVERMAN PARKWAY, Ste. 146 • FT. WORTH, TEXAS 76140
 TELEPHONE: (817) 744-7512 • FAX (817) 744-7554
 2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705
 TELEPHONE: (432) 682-1653 OR (800) 767-1653 • FAX (432) 682-1743
 WWW.TOPOGRAPHIC.COM

EXHIBIT 2
VICINITY MAP



AWR DISPOSAL, LLC

LEASE NAME & WELL NO.: _____ BENCH SWD 1 _____

SECTION 14 TWP 23-S RGE 33-E SURVEY N.M.P.M.

COUNTY _____ LEA _____ STATE _____ NM _____

DESCRIPTION _____ 915' FNL & 669' FWL _____

DISTANCE & DIRECTION

FROM INT. OF NM-128 & DELAWARE BASIN RD., GO NORTH ON DELAWARE BASIN RD. ±6.0 MILES, THENCE WEST (LEFT) ON LEASE RD. ±2.4 MILES, THENCE NORTH (RIGHT) ON LEASE RD. ±3.6 MILES, THENCE NORTHEAST (RIGHT) ON PADUCA BREAKS LN. ±3.2 MILES, TO A POINT ±750 FEET SOUTHEAST OF THE LOCATION.



SCALE: 1" = 10000'
0' 5000' 10000'



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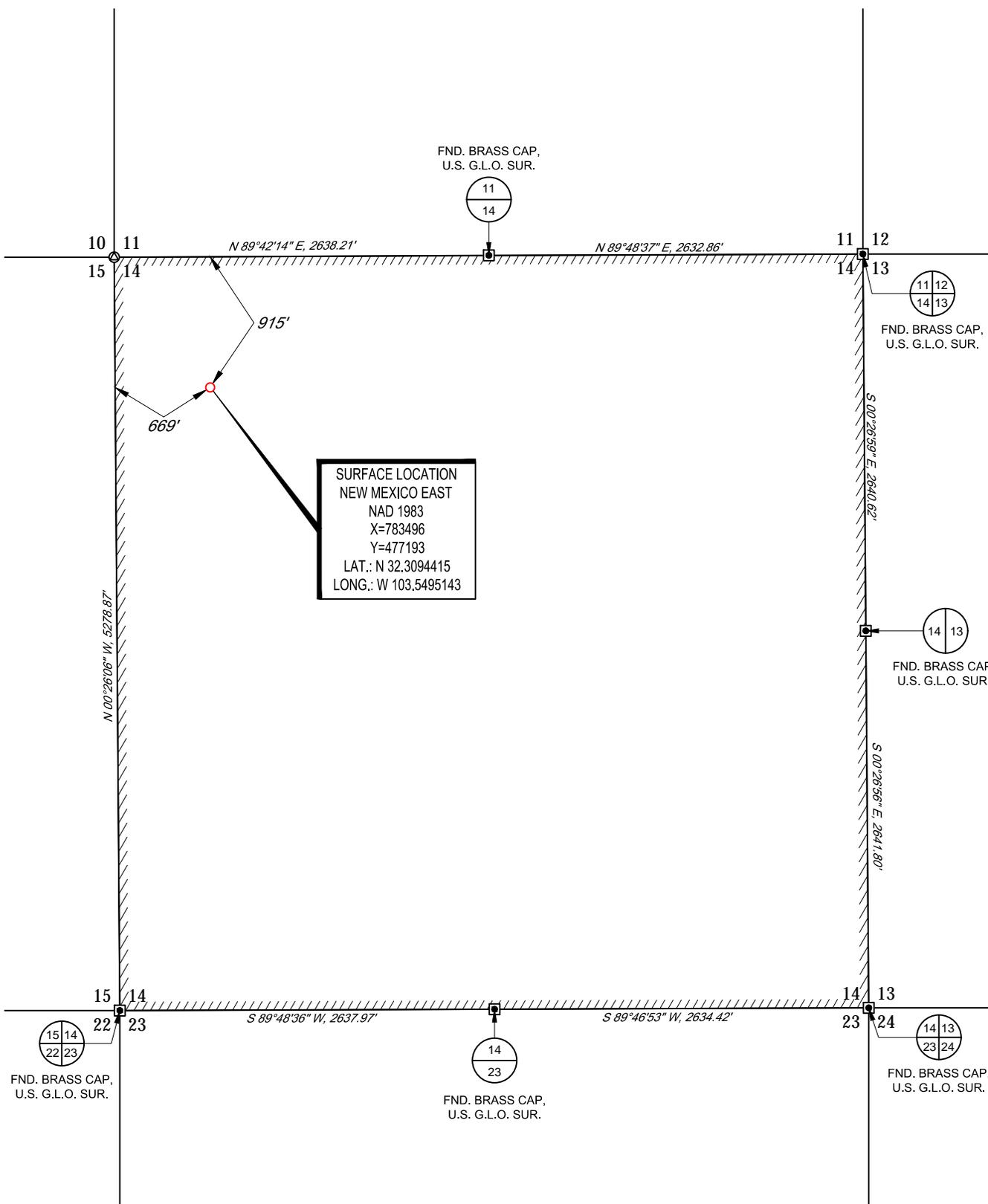
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ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM, EAST ZONE OF THE NORTH AMERICAN DATUM 1983, U.S. SURVEY FEET.

SCALE: 1" = 1000'
 0' 500' 1000'

EXHIBIT 2A AWR DISPOSAL, LLC

SECTION 14, TOWNSHIP 23-S, RANGE 33-E, N.M.P.M.
 LEA COUNTY, NEW MEXICO



LEASE NAME & WELL NO.: BENCH SWD 1

SECTION 14 TWP 23-S RGE 33-E SURVEY N.M.P.M.
 COUNTY LEA STATE NM
 DESCRIPTION 915' FNL & 669' FWL

DISTANCE & DIRECTION
 FROM INT. OF NM-128 & DELAWARE BASIN RD., GO NORTH ON DELAWARE
 BASIN RD. ±6.0 MILES, THENCE WEST (LEFT) ON LEASE RD. ±2.4 MILES,
 THENCE NORTH (RIGHT) ON LEASE RD. ±3.6 MILES, THENCE NORTHEAST
 (RIGHT) ON PADUCA BREAKS LN. ±3.2 MILES, TO A POINT ±750 FEET
 SOUTHEAST OF THE LOCATION.

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID
 BASED UPON THE NEW MEXICO COORDINATE SYSTEM, EAST ZONE OF THE NORTH
 AMERICAN DATUM 1983, U.S. SURVEY FEET

THIS EASEMENT/SERVITUDE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND
 UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF
 SURVEY, AND DATA PROVIDED BY AWR DISPOSAL, LLC. THIS CERTIFICATION IS MADE AND LIMITED TO
 THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS
 SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.



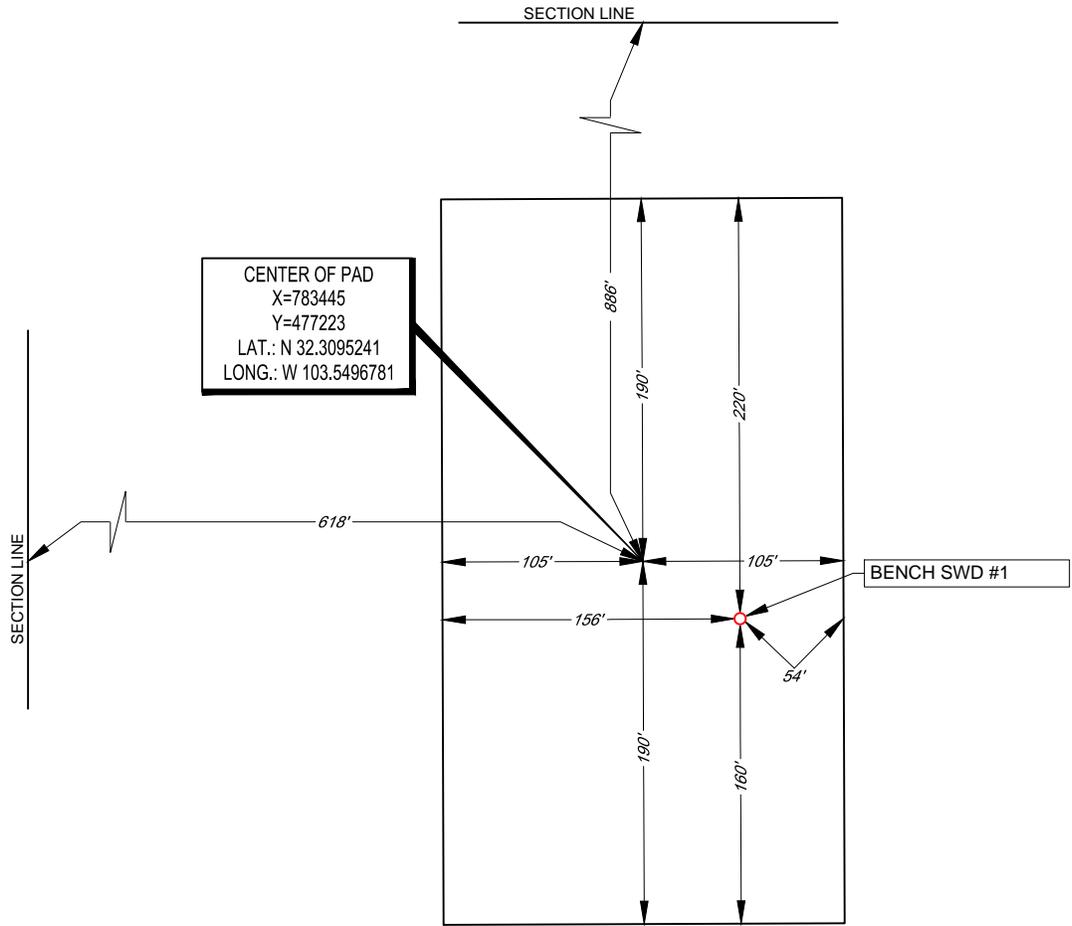
John Trevor Carnegie, P.S. No. 11401
 JUNE 14, 2019



1400 EVERMAN PARKWAY, Ste. 146 • FT. WORTH, TEXAS 76140
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 2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705
 TELEPHONE: (432) 682-1653 OR (800) 767-1653 • FAX (432) 682-1743
 WWW.TOPOGRAPHIC.COM

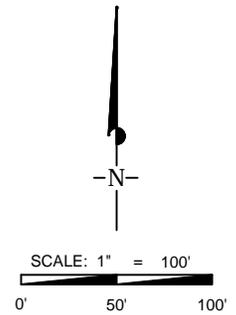
EXHIBIT 2B AWR DISPOSAL, LLC

SECTION 14, TOWNSHIP 23-S, RANGE 33-E, N.M.P.M.
LEA COUNTY, NEW MEXICO



LEASE NAME & WELL NO.: _____ BENCH SWD 1
 1 LATITUDE N 32.3094415 1 LONGITUDE W 103.5495143

CENTER OF PAD IS 886' FNL & 618' FWL



ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM, EAST ZONE OF THE NORTH AMERICAN DATUM 1983, U.S. SURVEY FEET

THIS PROPOSED PAD SITE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY AAWR DISPOSAL, LLC, THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.

TOPOGRAPHIC
 LOYALTY INNOVATION LEGACY
 1400 EVERMAN PARKWAY, Ste. 146 • FT. WORTH, TEXAS 76140
 TELEPHONE: (817) 744-7512 • FAX (817) 744-7554
 2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705
 TELEPHONE: (432) 682-1653 OR (800) 767-1653 • FAX (432) 682-1743
 WWW.TOPOGRAPHIC.COM

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: _____ Secondary Recovery _____ Pressure Maintenance Disposal _____ Storage
Application qualifies for administrative approval? Yes _____ No
- II. OPERATOR: AWR Disposal, LLC
ADDRESS: 3300 N. A Street, Ste 220, Midland, Texas 79705
CONTACT PARTY: Randall Hicks (agent) PHONE: 505 238 9515
- 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:
- Proposed average and maximum daily rate and volume of fluids to be injected;
 - Whether the system is open or closed;
 - Proposed average and maximum injection pressure;
 - Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
 - 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: Randall Hicks TITLE: Agent
- SIGNATURE:  _____ DATE: 08/02/2019
- E-MAIL ADDRESS: r@rthicksconsult.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.

INJECTION WELL DATA SHEET

Tubing Size: See attachments Lining Material:

Type of Packer:

Packer Setting Depth:

Other Type of Tubing/Casing Seal (if applicable):

Additional Data

1. Is this a new well drilled for injection? X Yes No

If no, for what purpose was the well originally drilled?

2. Name of the Injection Formation:

3. Name of Field or Pool (if applicable): Proposed: SWD, Devonian, Fusselman, Montoya

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. No

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: See attachments

Attachments to C-108

Copy of well bore diagram

Section III-XII Written descriptions to supplement C-108

Plates referenced in written descriptions

Tables referenced in written descriptions

OSE well logs referenced in written descriptions

Section XIII Proof of Notice

Directions

Date Spudded: TBD

AWR Disposal LLC

Bench SWD #1

Unit Letter D, Sec 14, T23S R33E

915' FNL, 669' FWL

Lea County, NM

Latitude 32°18'33.99"N, Longitude 103°32'58.25"W

From Carlsbad:

20", 133#, J-55 casing @ 1,050'.
Cmt w/ 450 sks, 13.7 lead and 450 sks,
14.8 tail

24" Hole →

13-3/8", 68# L-80 EZ-GO FJ3 casing @ 4,550'.
DV Tool w/ 10' pkr at 4,000'

1st Stg Cmt w/ 1000 sks 11.8 ppg lead & 400 sks 13.2 ppg tail.

2nd Stg Cmt w/ 1000 sks 11.8 ppg lead & 380 sks 13.2 ppg tail.

← 17.5" Hole

9-5/8", 35.5#, HCP-110 BTC casing @ 11,000'.

Upper DV Tool w/ 10' pkr at 7,000'
Lower DV Tool w/ 10' pkr at 9,000'

1st Stg Cmt w/ 600 sks 11.8 ppg lead & 400 sks 13.2 ppg tail.

2nd Stg Cmt w/ 600 sks 11.8 ppg lead & 380 sks 13.2 ppg tail.

3rd Stg Cmt w/ 600 sks 11.8 ppg lead & 380 sks 13.2 ppg tail.

← 5.5" Tubing

12.25" Hole →

← 5" Tubing

Maximum Proposed Injection Rate: 40,000 BBL S PER DAY

Maximum Proposed Injections Pressure: 3,000 psi

7-5/8" Liner, 39#, P-110 casing @ 16,760'.

Cmt w/ 230 sks 11.9 ppg Class C

Injection Interval: 8.5" Hole →

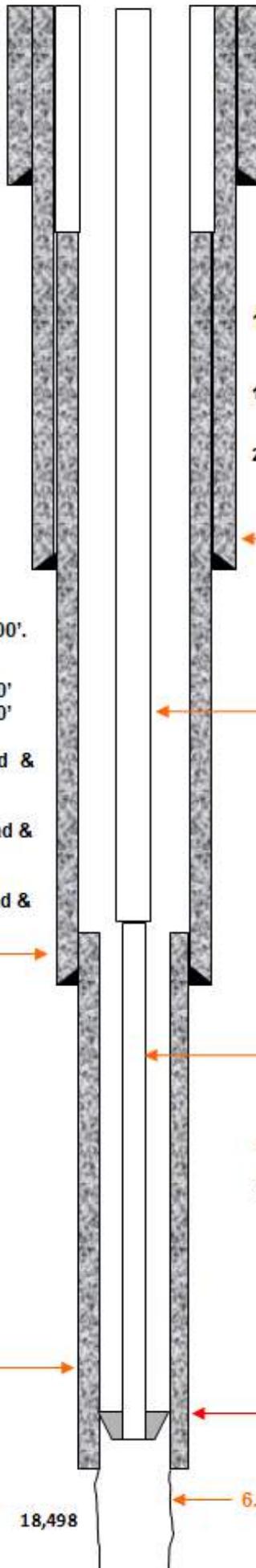
16,760	-	17,623
17,623	-	18,113
18,113	-	18,498

SLRN
FSLM
MNTY

← Packer set @ 16,660

TD: 18,498

← 6.5" Openhole



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

Lease Name: Bench SWD #1

Unit Letter D, Section 14, T23S R33E, 915 FNL, 669 FWL

Limestone Basin Prop Ranch LLC owns surface upon which the SWD is located.

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

The attached Wellbore Data Sheet provides all of the design specifics required and a tabulation of these data are shown on the diagram.

The formation tops for the Bench SWD #1 were established by Geologist Herb Wacker TBPG license #4517. Tops for Devonian to Simpson are picked from the Amerada Bell Lake North Fed 3 (API 30-025-33077) 3.3 miles northeast

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

5-1/2" (20#) internal plastic coated tubing swaged down to 5" (18#) with setting depth of 16,660'

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

Tryton Tools, 7" Arrow Set 1-X Nickel Plated Injection Packer will be set at 16,660'.

Bench SWD #1 Sec.14, T23S, R33E		
	GL	3,650
	KB	3,680
	MD	SS
Dockum	321	3,359
Santa Rosa	330	3,350
Dewey Lake	901	2,779
Rustler	1,233	2,447
Salt	1,551	2,129
Castile	3,746	(66)
Delaware	5,107	(1,427)
Bell Canyon	5,165	(1,485)
Cherry Canyon	6,041	(2,361)
Brushy Canyon	7,367	(3,687)
Bone Spg Lime	8,970	(5,290)
Bone Spg	8,970	(5,290)
Avalon	9,788	(6,108)
1st Bone Spg SS	10,125	(6,445)
2nd Bone Spg SS	10,838	(7,158)
BSGC3	11,286	(7,606)
3rd Bone Spg SS	11,949	(8,269)
Wolfcamp	12,273	(8,593)
Strawn	13,990	(10,310)
Atoka	14,194	(10,514)
Morrow	14,713	(11,033)
Barnett	15,641	(11,961)
Miss Lime	16,326	(12,646)
Woodford	16,592	(12,912)
Devonian	16,731	(13,051)
Fusselman	17,623	(13,943)
Montoya	18,113	(14,433)
Simpson	18,528	(14,848)
Top of Interval	16760	Devonian + 3
Bottom of Interval	18498	Simpson - 30
TD	18498	Simpson - 30

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

The proposed injection intervals include the Devonian, Fusselman and Montoya in an open-hole interval.

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

The depth interval of the open-hole injection interval is 16,760-18,498 (1,738 feet).

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

The well will be drilled for disposal.

(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

There are no perforated intervals, only the open-hole completion described above.

(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 Oil & Gas Zone (Using GL of 3650’):

Bone Spring	8875
Bone Spring Lime	8878
Avalon	9707
1st Bone Spring SS	10044
2nd Bone Spring SS	10757
3rd Bone Spring SS	11876
Wolfcamp	12207
Strawn	13879
Atoka	14178
Morrow	14765
Morrow Shale	15590
Miss Limestone	16226

Underlying Oil & Gas Zones:

Devonian	16731
----------	-------

Table 1 shows no wells within the AOR penetrating underlying oil and gas zones.

The proposed injection intervals in the Pre-Mississippian Carbonates are well cemented and will provide the necessary open hole integrity while allowing salt water to be injected. Because of the competency of the rock, the open hole section has very little chance of collapsing.

IV. Is this an expansion of an existing project

No.

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

Plate 1a identifies all OCD listed wells and API numbers and shows circles with radii of 0.5, 1.0, and 2.0 miles. Note that where numerous wells are closely-spaced, the API number may not be labeled for clarity. New wells, active wells, plugged wells, and canceled wells have color-coded symbols. Plate 1b shows only new and active wells and circles with radii of 0.5 and 1.0 miles.

Table 1 lists all of the wells shown on Plate 1a within the circle having a 2.0 mile radius.

Plate 2 identifies the leases within 2-miles of the proposed SWD as well as leases within the 1-mile area of review.

- Plate 2a presents the lease numbers for the SLO and BLM oil and gas leases. Also shown is mineral rights owned by the U.S. that are unleased at this time.
- Plate 2b presents land ownership for the same area and identifies the oil and gas mineral rights ownership.

Table 2a lists the BLM leaseholders for the lease numbers within the 1-mile AOR presented on Plate 2a.

Table 2b lists the SLO leaseholders for the lease numbers within the 1-mile AOR presented on Plate 2a.

Table 2c presents surface ownership information for the private land within the 1-mile AOR.

Table 2d lists the mineral ownership information for the private land within the 1-mile AOR.

The Bench SWD #1 location is on private land owned by Limestone Basin Prop Ranch LLC (Plate 2b and Table 2c).

Note that Plate 2a shows all of the land within the AOR is leased by the U.S. or State of New Mexico.

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

According to the data presented in Table 1, no wells penetrate the injection zone within a 2-mile radius.

VII. Attach data on the proposed operation, including:

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

Proposed Maximum Injection Rate: 40,000 bbl/day

Proposed Average Injection Rate: 30,000 bbl/day

2. Whether the system is open or closed

This is will be an open system. All AWR Disposal, LLC SWDs may receive produced water from recycling storage facilities, such as in-ground containments or above-ground steel-walled containments, which are registered or permitted under Rule 34.

3. Proposed average and maximum injection pressure

Proposed Maximum Injection Pressure: 3,000 psi

Proposed Average Injection Rate: 2,000 psi

4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water

The attached Table 3 "Produced Water Chemistry of Nearby Wells" provides the requisite analyses. The Delaware and Bone Spring Formations are the subjects of the analyses. These formations and the Wolfcamp will provide most of the produced water to the proposed SWD. At the time of writing, we are unaware of any problems associated with disposal of produced water derived from the Delaware, Avalon, Bone Spring or Wolfcamp Formations into the Devonian, Fusselman and Montoya injection zone.

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.).

Table 4 presents formational water quality data from the Go-Tech site for Devonian-Fusselman-Montoya producing wells. As stated above, we are unaware of any problems associated with disposal of produced water derived from the Delaware, Avalon, Bone Spring, and Wolfcamp Formations into the Devonian, Fusselman and Montoya injection zone.

***VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth.**

The proposed injection intervals include the Devonian, Fusselman and Montoya in an open-hole interval. The proposed injection intervals in the Pre-Mississippian Carbonates are well cemented and will provide the necessary open hole integrity while allowing salt water to be injected. Because of the competency of the rock, the open hole section has very little chance of collapsing.

As indicated in Section III.A.2, the approximate depths to the top of the Devonian and the base of the Montoya are 16,731 and 18,528 respectively. The depth interval of the injection interval is 16,760' – 18,498' (1,738 feet), within the Devonian, Fusselman and Montoya Formations.

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 Rustler Formation and the Chinle Formation yield water to supply wells in southeastern Eddy County and southwestern Lea County. In the immediate area of the Bench SWD #1, the closest water well (well C-3582) is used to supply fresh water for E&P operations and is about 850 feet north of the proposed SWD location. This well has a driller's log that does not agree with data from nearby borings logged by professional geologists. Well C-3582 was drilled and completed to a depth of 590 feet.

In this area of Lea County, the Chinle yields water to wells from 100-200 feet below the ground surface (bgs) to a depth of about 900 feet. The upper portion of the Rustler Formation yields fresh water to wells in Eddy County and in the area of the Bench SWD #1, the depth interval of this potential source of fresh water is about 1200-1350 feet. This data suggests that C-3582 accesses water within the Chinle Formation.

The locations of all water supply wells listed in public databases are shown in Plate 3b. As stated above, one active water supply well is documented by Google Earth images within 1.5 miles of the proposed location. The location of nearby mapped surface water bodies are shown in Plate 4. We could find no evidence of the mapped well C-3563, which is supposed to be near a corral and excavated stock tank about 1.25 miles east-northeast of the proposed SWD.

IX. Describe the proposed stimulation program, if any

A cleanup acid job may be used to remove mud and drill cuttings from the formation. However, no other formation stimulation is currently planned.

***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 to OCD upon completion of the well.

***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**

No analyses are available from the active water supply well within one mile of the proposed SWD. Data from various sources permit a conclusion that groundwater within the Chinle Formation is potable. In this area, groundwater in the underlying Rustler formation may be relatively brackish.

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

Randall T. Hicks, a Professional Geologist with decades of experience in hydrogeology, affirms, on behalf of AWR Disposal, LLC, that

- The USGS has mapped quaternary faults in New Mexico and no such faults are mapped in the area of the proposed Bench SWD #1¹
- The Texas Bureau of Economic Geology has mapped older faults (e.g. basement and Woodford) in New Mexico and the closest mapped fault is 1.6 miles to the east²
- With respect to migration of produced water from the injection zone to underground sources of drinking water via faults or other natural conduits, the following conditions were considered
 - The lowest underground source of drinking water is the middle and upper Rustler Formation.
 - More than 15,000 feet of sedimentary rock separates the bottom of the Rustler Formation and the top of the injection zone. Many of the formations that lie between the injection zone and the lowermost aquifer are permeable and contain oil, gas or water at various pressures. Any excursion of injected fluids from the Devonian disposal zone would undoubtedly enter these permeable formations prior to moving through the 2800-foot low-permeability salt zone that underlies the Rustler Formation.
 - There is no evidence that the pressure regime in the oil and gas reservoirs is sufficient to cause the upward migration of formation water through the bedded salt and into the Rustler or Chinle aquifers.

¹ <https://usgs.maps.arcgis.com/apps/webappviewer/index.html?id=5a6038b3a1684561a9b0aadf88412fcf>

² Bureau of Economic Geology (Accessed April 2019). University of Texas at Austin. Basement Faults (Ewing 1990, Tectonic Map of Texas); Precambrian Faults (Frenzel et al. 1988, Figure 6); Woodford Faults (Comer 1991, plate 1). [Http://www.beg.utexas.edu/resprog/permianbasin/gis.htm](http://www.beg.utexas.edu/resprog/permianbasin/gis.htm)

- There is no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water