Protested SWD Application

COG OPERATING, LLC Jan. 8, 2020



January 8, 2020

VIA EMAIL & US MAIL

Ms. Adrienne Sandoval, Director
Oil Conservation Division
New Mexico Department of Energy, Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505
ocd.hearings@state.nm.us

Re: Application of Vista Disposal Solutions, LLC for salt water disposal in Section 25, Township 25 South, Range 34 East, N.M.P.M., Lea County, New Mexico.

Dear Director Sandoval:

COG Operating LLC ("Concho"), as an interest owner and operator within one mile of the proposed SWD well, hereby objects to the Vista Disposal Solutions, LLC's ("Vista") Application for Authorization to Inject in the **Justin Federal SWD #2**, Section 25, Township 25 South, Range 34 East, N.M.P.M., Lea County, New Mexico;

Vista's application notices are attached hereto for your reference. Concho requests these applications be set for hearing at the OCD's next available docket.

Sincerely,

Michael Rodriguez

Attorney

COG Operating LLC

CC:

Via U.S. Mail
Vista Disposal Solution, LLC
12444 NW 10th St., BLDG G
Suite 202-512
Yukon, Oklahoma 73099

<u>Via Email</u> Mr. Phillip Goetze, Examiner phillip.goetze@state.nm.us

Rick Romano, Jr.
Vice President and Manager
Vista Disposal Solution, LLC
rick@vistadisposal.com

Dan Arthur, P.E., SPEC President and Chief Engineer ALL Consulting 1718 South Cheyenne Tulsa, Oklahoma 74119

Dan Arthur, P.E., SPEC
President and Chief Engineer
ALL Consulting
darthur@all-llc.com



January 2, 2020

COG Production, LLC 600 W. Illinois Ave. Midland, TX 79701



Subject: Vista Disposal Solutions, LLC – Notice of Application for Authorization to Inject CLARIFICATION

To Whom It May Concern:

The Purpose of this letter is to clarify that the Notice of Application for the Justin Federal SWD #2, sent on December 16, 2019, is for injection into the Bell Canyon formation. Below is the text of the previously sent notice letter with the Bell Canyon injection formation name listed.

"The purpose of this letter is to provide notice that Vista Disposal Solutions, LLC (Vista) of Yukon, Oklahoma, is applying for administrative approval of the Justin Federal SWD #2 Class IID injection well in Lea County, New Mexico, for the purpose of disposing of produced fluid from oil and natural gas wells into the <u>Bell Canyon</u> formation. Please see the attached Application for Authorization to Inject for detailed information regarding the proposed well and associated injection operations.

Any interested party may file an objection to the application or may request a public hearing. Any objection or request for hearing must be filled with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505 within 15 days from the date this letter is received."

Dan Arthur, P.E., SPEC President/Chief Engineer

Attachment

Application for Authorization to Inject Well Name: Justin Federal SWD #2

General Well Information

Operator: Vista Disposal Solutions, LLC (OGRID No. 329051)

Lease Name & Well Number: Justin Federal SWD #2

Well Footage: 2,401' FNL & 194' FEL Location: Unit Letter H, S25 T25S R34E

County: Lea

Casing Information

Туре	Hole Size	Casing Size	Casing Weight	Setting Oepth	Sacks of Cement	Estimated TOC	Method Determined
Surface	24"	20"	133.0 lb./ft	1,055'	1,060	Surface	Circulation
Intermediate 1	14-3/4"	13-3/8"	68.0 lb./ft	5,395'	1,205	Surface	Circulation
Production	12-1/4"	9-5/8"	53.5 lb./ft	6,330'	370	5,200'	CBL.

Tubing Information

5.5" (20# N-80 LTC) of fiberglass-coated injection tubing with setting depth of 5,425'

Packer Information Baker Hornet or equivalent packer set at 5,425'

Geology Information

Injection Formation Name: Bell Canyon

Injection Interval: Perforated injection between 5,445' - 6,230'

Drilling Purpose: New Drill for Saltwater Disposal

Other Perforated Intervals: No other perforated intervals exist.

Overlying Oil and Gas Zones: No overlying oil and gas zones exist.

Underlying Oil and Gas Zones: Below are the approximate formation tops for known oil and gas

producing zones in the area:

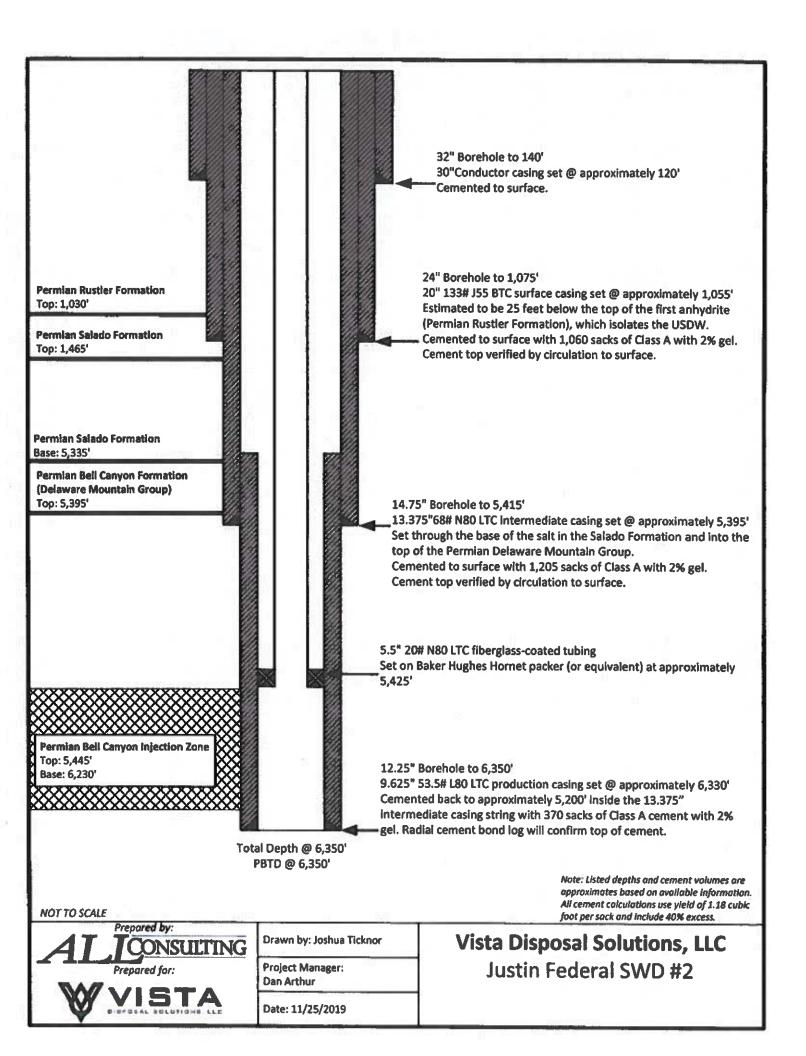
• Bone Springs (9,275')

Proposed Operation

Proposed Maximum Injection Rate: 25,000 bpd Proposed Average Injection Rate: 12,500 bpd

Proposed Maximum Surface Injection Pressure: 1,089 psi (based on 0.2 psi per foot)

Proposed Average Surface Injection Pressure: approximately 750 psi



Simmons, Kurt, EMNRD

To: nalleman@all-llc.com

Subject: RE: Justin Federal SWD #2 (API 30-025-Pending; Admin. Appl. No pBL1935131307) Unit letter H,

T25S-R34E, NMPM, Lea County

Mr. Alleman,

The OCD was notified by the COG Operating, LLC, that they are protesting this application. This party has been identified as an affected person for the location being considered. Because of the protest, the application can no longer be reviewed administratively. You are being notified that for this application to be considered, Vista Disposal Solutions, LLC, currently has two options; the first is to go to hearing, the second is to negotiate a resolution with the protesting party. If the protest is withdrawn, then the application can be reviewed administratively. In the meantime, the application will be retained pending a hearing or other resolution. Please continue to provide OCD with information regarding the standing of this application and feel free to call me with any questions.

Contact for Protestant:

COG Operating, LLC

Michael Rodriguez, Attorney

1048 Paseo De Peralta

Santa Fe, NM 87501

Phone: 505.780.8000

E-mail: mrodriguez@concho.com; lortiz@concho.com

Regards,

Kurt M. Simmons

Petroleum Specialist

NMOCD