BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF VISTA DISPOSAL SOLUTIONS LLC, FOR A SALT WATER DISPOSAL WELL, IN LEA COUNTY, NEW MEXICO.

Case No.

APPLICATION FOR SALT WATER DISPOSAL

Vista Disposal Solutions LLC, by and through its undersigned attorney, applies for an order approving a salt water disposal well, and in support thereof, states:

- 1. Applicant seeks an order proposing a salt water disposal well for its James Federal SWD #1, (Pool Code 96769) to be drilled at a location 1,776' FSL and 229' FWL, Unit L, Section 34, Township 25 South, Range 35 East, N.M.P.M., Lea County, New Mexico.
- 2. Applicant proposes to set a packer at 5,275' feet below the surface of the earth and then inject into the Bell Canyon formation at depths between 5,295' through 5,970' open hole, as stated in the attached C-108.
 - 3. Attached hereto as Exhibit A is the C-108.
 - 4. The granting of this application will prevent waste and protect correlative rights.

WHEREFORE, Applicant requests that, after notice and hearing, the Division enter its order approving this application.

Respectfully submitted,

PADILLA LAW FIRM, P.A.

/s/ ERNEST L. PADILLA

ERNEST L. PADILLA, Attorney for Vista Disposal Solutions, LLC PO Box 2523 Santa Fe, New Mexico 87504 505-988-7577 padillalaw@gwestoffice.net 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

II. OPERATOR: Vista Disposal Solutions, LLC
ADDRESS: 12444 NM 10th St., Building G, Suite 202-512, Yukon, OK 73099
CONTACT PARTY Nate Alleman PHONE: 918-382-7581
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 X 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: Dan Arthur, P.E., SPEC TITLE: President/Chief Engineer
SIGNATURE: 12/06/2019
E-MAIL ADDRESS: XV. If the information required under Sections VI, V ye has been previously submitted, it need not be resubmitted.
XV. If the information required under Sections VI, V Please show the date and circumstances of the earlier submittal: ye has been previously submitted, it need not be resubmitted.
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.

Application for Authorization to Inject Well Name: James Federal SWD #1

III - Well Data (The Wellbore Diagram is included as Attachment 1)

A.

(1) General Well Information:

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

Lease Name & Well Number: James Federal SWD #1 Location Footage Calls: 1,776' FSL & 229' FWL Legal Location: Unit Letter L, S34 T25S R35E

Ground Elevation: 3,191'

Proposed Injection Interval: 5,295' - 5,970'

County: Lea

(2) Casing Information:

Туре	Hole Size	Casing Size	Casing Weight	Setting Depth	Sacks of Cement	Estimated TOC	Method Determined
Surface	24"	20"	133.0 lb/ft	1,000'	1,020	Surface	Circulation
Intermediate 1	14-3/4"	13-3/8"	68.0 lb/ft	5,235'	1,170	Surface	Circulation
Production	12-1/4"	9-5/8"	53.5 lb/ft	6,200'	330	5,200'	CBL

(3) Tubing Information:

5.5" (20# N-80 LTC) of fiberglass-coated injection tubing with setting depth of 5,275'

(4) Packer Information: Baker Hornet or equivalent packer set at 5,275'

В.

(1) Injection Formation Name: Bell Canyon

Pool Name: SWD; BELL CANYON

Pool Code: 96769

- (2) Injection Interval: Cased hole injection between 5,295' 5,970'
- (3) Drilling Purpose: New Drill for Salt Water Disposal
- (4) Other Perforated Intervals: No other perforated intervals exist.
- (5) 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 (9,080')

V – Well and Lease Maps

The following maps are included in Attachment 2:

- 2-mile Oil & Gas Well Map
- 2-mile Lease Map
- 2-mile Mineral Ownership Map
- 2-mile Surface Owernship Map
- 1/2-mile Well Detail List
- Potash Lease Map

VI – AOR Well List

There are no wells within the 1/2-mile AOR, thus no wells within the ½-mile AOR penetrate the proposed injection zone.

A list of the wells within the 1/2-mile AOR is included in Attachment 2.

VII – Proposed Operation

- (1) Proposed Maximum Injection Rate: 25,000 bpd Proposed Average Injection Rate: 12,500 bpd
- (2) A closed system will be used.
- (3) Proposed Maximum Surface Injection Pressure: 1,059 psi (based on 0.2 psi per foot)
 Proposed Average Surface Injection Pressure: approximately 750 psi
- (4) Source Water Analysis: It is expected that the injectate will consist of produced water from production wells completed in the Wolfcamp and Bone Springs formations. Analysis of water from these formations is included in *Attachment 3*.
- (5) Injection Formation Water Analysis: The proposed SWD will be injecting water into the Bell Canyon Formation which is a non-productive zone known to be compatible with formation water from the Wolfcamp and Bone Springs Formations. Water analyses results were selected from intervals comparable to that of the injection zone in the Bell Canyon Formation Delaware Mountain Group. Water analysis from in the area are included in Attachment 4.

VIII - Geologic Description

The proposed injection interval includes the Bell Canyon Formations from 5,295 – 5,970 feet. This formation consists of clastic sandstones, interbedded with several tight limestone members. Several thick sections of porous sandstone capable of taking water are present within the subject formation in the area.

The base of the deepest Underground Source of Drinking Water (USDW) is at a depth of approximately 975 feet. Surface casing will be set at a depth of 1,000 feet, which is 25 feet below the top of the Rustler Formation, which isolates the USDW. Geophysical log assessment was conducted to accurately determine the top of the Rustler Formation, and the top and the base of the Salado Formation in this area. Water well depths in the area range from approximately 50 - 270 feet below ground surface.

IX – Proposed Stimulation Program

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

X – Logging and Test Data

Geophysical logs will be submitted to the Division upon completion of the well.

XI – Fresh Groundwater Samples

Based on a review of data from the New Mexico Office of the State Engineer, there is one groundwater well listed within 1-mile of the proposed SWD location. A conversation with Mr. Greg Fulfer (Owner) confirmed that well (CP-01305 Pod 1) was active, granted permission to sample well. However, during Cardinal Laboratory's field visit to the coordinates associated with the well according to the State Engineer's website, (32°05'06.5976", -103°21'03.3840"), they were unable to find the well. According to the New Mexico Office Of The State Engineer's website, the legal location listed on the Application For Permit To Appropriate was NW 1/4 SE 1/4 of Section 31 Township 25S Range 37E. The legal location listed on the application does not match the coordinates provided; however, we were able to verify the presence of a water well at the legal location from Google Earth. The actual location of this water well, NW 1/4 SE 1/4 of Section 31 Township 25S Range 37E, is outside of the 1-mile AOR, and therefore no water sample was collected.

A water well map of the area is included in Attachment 5.

XII – No Hydrologic Connection Statement & Technical Assessment & Feasbility for Injection

ALL Consulting (ALL) has examined all available public and published geologic and engineering data, and has found no evidence of open faults or any other hydrologic connection between the injection interval and overlying Underground Sources of Drinking Water (USDWs). Additionally, the casing, cementing, and completion program has been designed to further ensure that there will be no hydrologic connection, nor will it allow for migration of injectate below the proposed injection interval that could affect correlative rights issues.

Additionally, ALL Consulting has conducted an extensive technical review and geologic assessment of the alleged New Mexico Oil Conservation Division Delaware Mountain Group (DMG) saltwater disposal well impacts to production wells and drilling operations associated with the Brushy Canyon Formation. A letter from ALL's qualified geological expert not only addresses the issue of no hydrologic connection, but also states that the Bell Canyon Formation includes viable injection intervals with multiple confining zones is included in *Attachment 6*.

XIII - Proof of Notice

A Public Notice was filed with the Hobbs News - Sun newspaper and an affidavit is included in **Attachment 7**.

A copy of the application was mailed to the OCD District Office, landowner, and leasehold operators within 1-mile of the proposed SWD location. A list of the recipients, as well as delivery confirmations, are included in **Attachment 7**.

Attachment 1:

- C-102
- Wellbore Diagram

Attachment 2: Area of Review Information:

- 2-mile Oil & Gas Well Map
- 2-mile Lease Map
- 2-mile Mineral Ownership Map
- 2-mile Surface Ownership Map
- 1.5-mile Deep SWD Map (Devonian/Silurian SWDs)
- 1-mile Well Detail List
- Potash Lease Map

Attachment 3: Source Water Analyses

Attachment 4: Injection Formation Water Analyses

Attachment 5: Water Well Map and Well Data

Attachment 6: No Hydrologic Connection Statement & Technical Assessment & Feasibility for Injection

Attachment 7: Public Notice Affidavit and Notice of Application Confirmations

- C-102
- Wellbore Diagram

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

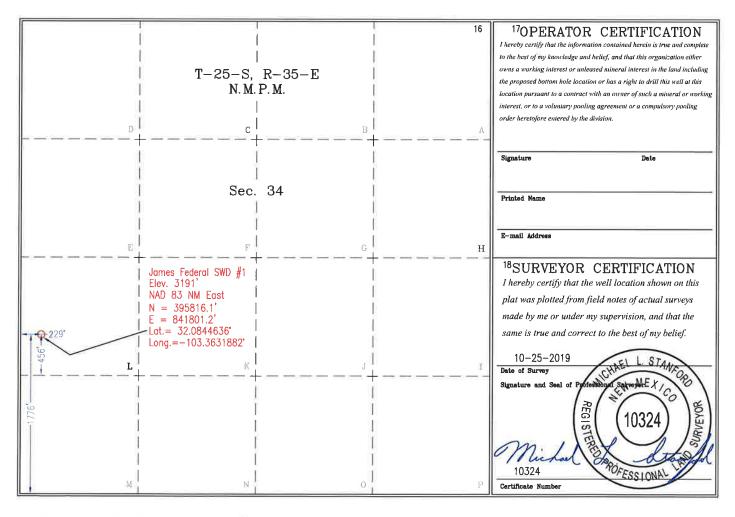
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

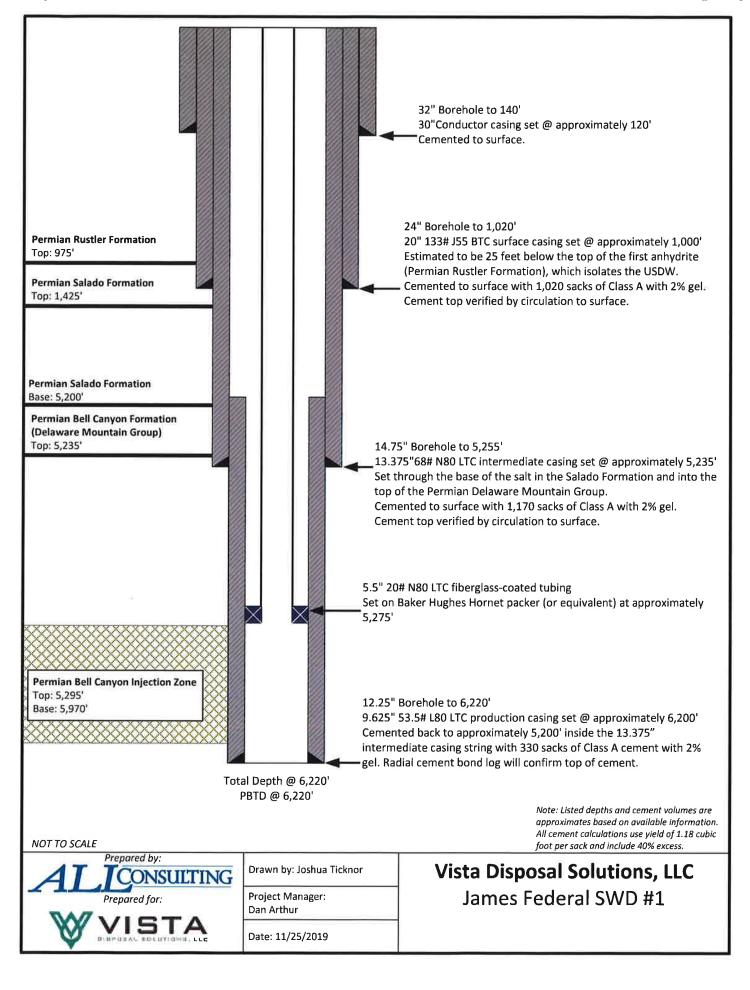
	¹ API Numbe	r			l Code		_	³ Pool Name			
				96769		SWD; Bell	Canyon				
[‡] Proper	ty Code	Ja	ames F	ederal		perty Name			Well Number		
70GRI 32905		Vi	*Operator Name Vista Disposal Solutions, LLC								
					¹⁰ Surface	Location					
L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
L	34	25-S	35-E		1776'	South	229'	West	Lea		
			¹¹ Bott	om Hol	e Location	If Different F	rom Surface				
L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
Dedicated Acre	s 13 Joint o	. T4211 14	Consolidation C	150	der 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.



10.1 Miles W-SW of Jal , New Mexico.

File No. _____A-12934



HORNET Packer

Product Family No. H64682

HORNET EL Packer

Product Family No. H64683

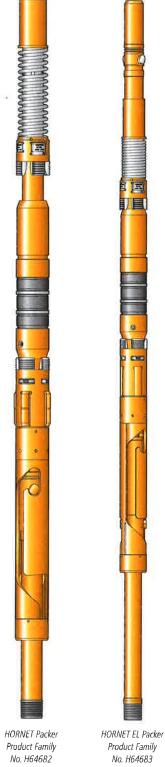
The mechanically set HORNET™ packer offers ease of operation with quarter-turn right to set and release. Converting it for wireline-setting applications is simple and inexpensive. The HORNET packer provides for landing in compression, tension, or neutral positions. Every component from the jay track, to the internal bypass, to the packing-element system and the upper slip assembly has been developed to ensure the HORNET's setting and releasing reliability.

The HORNET EL packer is run and set on electric line using an E-4[™] (Product Family No. H43702) with a slow-set power charge or a J^{-v} setting tool (Product Family No. H41371) and a special wireline adapter kit. An L-10[™] type on/off seal nipple is run on top of the packer to connect the tubing to the packer and to house a blanking plug when the packer is used as a temporary bridge plug.

Features and Benefits

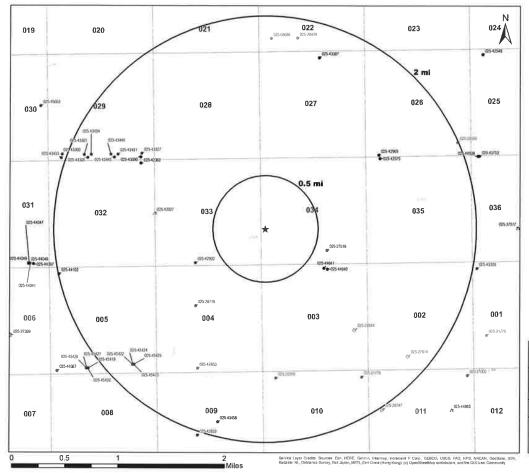
- Upper Slip Assembly:
 - Thoroughly tested across API minimum to maximum casing ID tolerances for each specified casing weight, for setting and releasing reliability
 - Slip-wicker configuration providing bidirectional-load support with solid upper cone to support highest tensile loads
 - Staged-release action eliminates high-overpull requirement
 - Minimal set-down weight required to anchor slips
- Internal Bypass Seal:
 - Durable bypass seal design provides sealing after unloading, under differential pressures
 - No O-ring sealing system
- Packing Element System:
 - Fully tested to combined ratings at the API's maximum ID tolerance

- Patented enhancements to control overboost
- High-performance, three-piece element system
- Lower Slip and Jay Assembly:
 - Slips and drag blocks tested to maximum API tolerance ID for positive set and ease of release
 - One-quarter-turn right setting and releasing action
 - Packoff of packing elements with applied tension or compression
 - Spacing in jay ensures opening of internal bypass, before slip releasing action beginsimportant to both ease of release and safety
 - Automatically returns to running position



Area of Review Information:

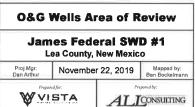
- 2-mile Oil & Gas Well Map
- 2-mile Lease Map
- 2-mile Mineral Ownership Map
- 2-mile Surface Ownership Map
- 1/2-mile Well Detail List w/ Casing Information for the Penetrating Wells
- Potash Lease Map

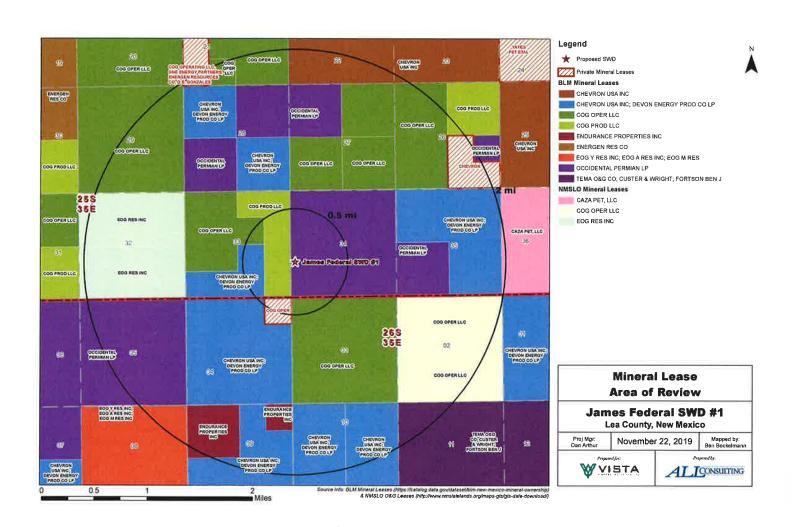


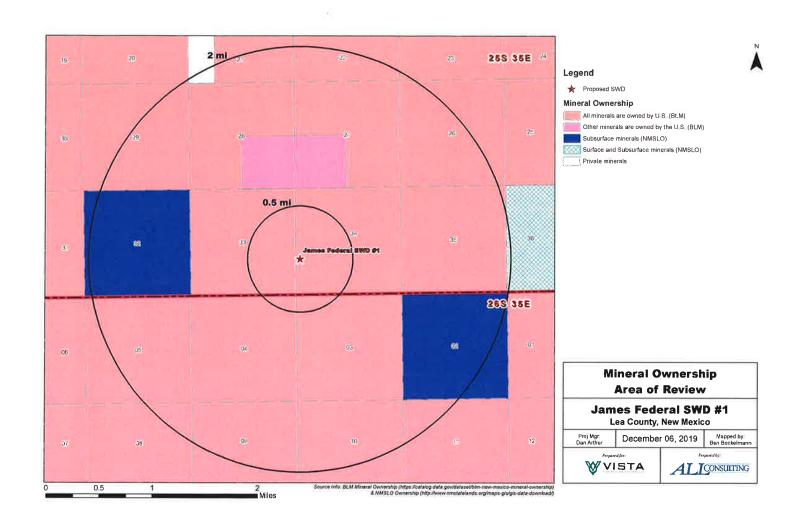
Legend

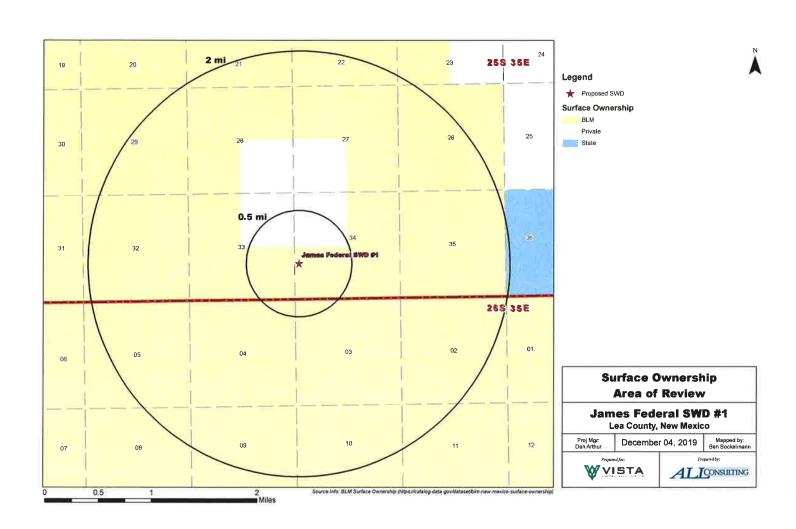
- ★ Proposed SWD
- ⇔ Gas, Active (1)
- Gas, Plugged (3)
- Oil, Active (18)
- Oil, New (22)
- Oil, Plugged (9)
- △ Salt Water Injection, Active (1)
- △ Salt Water Injection, New (2)

Source Info: NMOCD O&G Wells updated 7/30/2019 (http://www.emnrd.state.nm.us/OCD/ocdgis.html)









Well Name	APIN	Well Type	Operator	Spud Date	Location (Sec., Tn., Rng.)	Total Vertical Depth (feet)	Penetrate Inj. Zone



Legend

★ Proposed SWD

Ore Type - Indicated

Potash Leases Area of Review

James Federal SWD #1 Lea County, New Mexico

Proj Mgr. December 05, 2019 Mepped by: Ben Bockelman

WVISTA

Prepared by:
ALICONSULTING

Source Water Analyses



Water Analysis

Date: 23-Aug-11

2708 Wast County Road, Hobbs NM 88240 Phone (575) 392-5556 Fax (575) 392-7307

Company		Well Name	Draw 1+	County	State
		BD		F68.	New Mexico
Sample Source	Swab Sa	mple	Sample #	ddy	1-265-29
Formation			Depth		
Specific Gravity	1.170		SG (60°F	1.172
pН	6.30		S	Sulfides	Absent
Temperature (*F)	70		Reducing	Agents	
Cations					
Sodium (Calc)		in Mg/L	77,962	in PPM	66,520
Calcium		in Mg/L	4,000	in PPM	3,413
Magnesium		in Mg/L	1,200	In PPM	1,024
Soluable Iron (FE2)		in Mg/L	10.0	in PPM	9
Antons					
Chlorides		in Mg/L	130,000	in PPM	110,922
Sulfates		in Mg/L	250	in PPM	213
Bicarbonates		in Mg/L	127	in PPM	108
Total Hardness (as CaCO3))	in Mg/L	15,000	in PPM	12,799
Total Dissolved Solids (Cak	;)	in Mg/L	213,549	in PPM	182,209
Equivalent NaCl Concentrat	ion	in Mg/L	182,868	in PPM	156,031
icaling Tendencies					
Calcium Carbonate Index	amota / 500	000 - 1 000 000	Possible / Above 1	000 000 Probable	507,520
Calcium Sulfate (Gyp) Index		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			1,000,000
Nephronografia = 1		000 - 10,000,00	Possible / Above 1		
Tale Calculation is only an approx	dmation and	le only velid b	ofore treatment of	a well or severa	l weeks after

Report # 3188

Sec 22, T25,5,R28E

North Permian Basin Region P.O. Box 740 Sundown, TX 79372-0740 (806) 228-8121 Lab Team Leader - Shellz Hernandez (432) 485-7240

Bone Spring

Water Analysis Report by Baker Petrolite

Company:

Region: PERMIAN BASIN

Sales RDT:

Account Manager: TONY HERNANDEZ (575) 910-7135

Area:

ARTESIA, NM

Sample #: 534665

Lease/Platform:

Analysis ID #:

106795

33514.1

Entity (or well #): 2 H

PINOCHLE BPN' STATE COM

Analysis Cost:

\$90.00

Formation:

UNKNOWN

Sample Point:

WELLHEAD

Summary		Ar	alysis of Sa	mple 534665 @ 75	F	
Sampling Date: 03/10/11	Anlens	mg/i	meq/l	Cations	mg/l	heem
Analysis Date; 03/18/11	Chloride:	109618.0	3091.92	Sodium;	70275.7	3056.82
Analyst: SANORA GOMEZ	Bicarbonate:	2135.0	34.99	Megneslum:	195.0	16.04
TD6 (mg/l or g/m3): 184911.1	Carbonate:	0.0	a. \	Calcium:	844.0	42.12
	Sulfate:	747.0	15.55	Strontium:	220.0	5.02
Jensity (gicm3, tonneim3): 1.113 Anion/Cation Ratio: 1	Phosphale:			Badum:	0.8	0.01
	Borate:			Iron:	6.5	0.23
	Silicate:		1	Potessium:	889.0	22.22
			1	Aluminum:		
Carbon Dloxide: 0 50 PPM	Hydrogen Sullide:		0 PPM	Chromium:		
Oxygen:			_1	Copper:		
Comments:	pH at time of sampling	g:	71	Lead:		
Continue.	pH at time of analysis	:	ì	Manganese:	0.100	0.
	pH used in Calculati	on:	7	Nickel:		
			ì			

Cond	itions		Values Calculated at the Given Conditions - Amounts of Scale in lb/1990 bbl											
Temp Gauge Press.			eco ₃		Gypsum CaSO_12H, 0		Anhydrite Ca3O ₄		Celestite 8r\$O ₄		Barite BaSO_			
Ŧ	pel	index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	pel		
80	0	1.08	188.52	-1.20	0.00	-1.18	0.00	-0.11	0.00	0.56	0.29	1.72		
100	0	1.10	206.06	-1.29	0.00	-1.20	0.00	-0.15	0.00	0.35	0.29	2.35		
120	0	1.12	224.17	-1.38	0.00	-1.19	0.00	-0.17	0.00	0.16	0.00	3,17		
140	0	1.13	243.17	-1.42	0.00	-1.18	000	-0.18	0,00	0.00	0.00	4,21		

Note 1: When assessing the equality of the scale problem, both the saturation index (31) and amount of scale must be considered.

Note 2: Precipitation of each scale is considered separately. Total scale will be less than the sum of the amounts of the five scales.

Note 3: The reported CO2 pressure is notucity the calculated CO2 fugacity. It is usually nearly the same as the CO2 partial pressure.

Injection Formation Water Analyses

						V 1000		inje	itlan Forms	tian Weter	Analysis					2.11			
	10	OUTLAS				911-	Vista Dis	posal Soluth	een, LLC - D	elsware M	ountain Gro	oup Formati	on						100
Wellname	API	Lutitude	Longitude	Section	Township	Range	Unit	ften	ftgew	County	State	Company	Field	Formation	Depth	Tds_ingt	Chloride mgs	Bicarbonats_mgt	Sulfate mgt.
NORTH EL MAR UNIT #017	3007508430	32.016603	103.617691		265	13E	t.	1880N	660W	LEA	NM.		CLMAR	DELAWARE	4742	254758	159400	80	210
NORTH EL MAR UNIT 8057	3002508440	33.001946	-103.6131134	31	265	336	1	1935N	2090W	LEA	NA.		ELMAR	DELAWARE	4777	259554	163000	61	251
GOEDEKE MOOZ	3002508407	32.059799	-103.5579987	10	265	31.1	G	1980%	1980E	LEA	NM		SALADO DRAW	DELAWARE	5700	293925	184000	85	210
MARSHALL ROOL	1002508358	32.284832	-103.6176224	19	735	136	M	6605	660W	LEA	NM		CHUZ	DELAWARE	5237	238931	148600	127	156
NORTH EL MAR UNIT 1022	3002508278	12:011663	-101.6763207	25	765	12E	1	19805	19806	LEA	NAA		EL MAR	DELAWARE	4740	244815	153500	8.9	220
NORTH EL MAIL UNIT HO)2	3002508291	32.000019	103.6434479	26	265	320	0	6605	1940€	UA	NM		ELMAR	DELAWARE	4605	254895			
NORTH EL MAR UNIT 1028	3002508296	32.011654	-103.6521072	76	265	126	t.	19805	660W	LEA	NW		ELMAR	DELAWARE	4565	249479	156000	976	371
NORTH EL MAN UNIT HOES	3002508308	32,004387	-103.6381302	35	265	326	٨	660N	330E	LEA	NOA		CLMAR	DEEAWARE	4633	255115	160000	85	310
COTTON DRAW UNIT 8024	3002508176	32 143189	-103 6650956	10	255	121	K	19805	1980W	LEA	NM		PADUCA	DELAWARE	4787	246555	153600		939
COTTON DRAW UNIT POOS	3002508182	32.175053	-103.6693573	15	255	12f	M	5605	660W	LEA	NM		PADUCA	DELAWARE	4804	308600			
COTTON DRAW UNIT #001	30025/38182	32.125053	-103.6693573	15	255	32E	M	5605	660W	LEA	NM		PAOUCA	DELAWARE	4504	309990			
MONSANTO STATE #001	3002508196	32.128666	-103.6736145	16	255	32€	1	19805	660E	LEA	NM		PADUCA	GELAWARE	4500	224016	138600	129	462
COTTON DRAW UNIT #004	300250A221	37,121422	-103.6693649	22	255	32E	0	560N	SSOW	LEA	NM		PADUCA	DELAWARE	4685	276A79	170500	198	552
G E JORDAN NCT-1 #021	3002508226	32,107872	-101.6704103	27	255	121	D	330N	330W	ITA	NM		PADUCA	DELAWARE	6498	239464	147600		908
HANAGAN B FEDERAL #001	30023/08151	32,212124	-103.6603451	15	245	326	0	6605	1980E	LEA	NA		DOUBLE X	DELAWARE	4955	229878	147700	165	491
HANAGAN B FEDERAL #001	1007508151	32,212124	-103.6603851	15	245	32£	0	6605	1980E	LfA	NM		DOUBLE X	DELAWARE	4955	229709	142100	168	491

Water Well Map and Well Data



Legend

★ Proposed SWD

NMOSE PODs

Status

- Active (1)
- Pending (0)
- O Change Location of Well (0)
- Capped (0)
- Plugged (0)
- Incomplete (0)
- Unknown (0)



			Water Well Sampling Ra Vista Disposal Solutions, LLC - Jame			
SWD	Water Wells	Owner	Available Contact Information	Use	Sampling Required	Notes
James Federal SWD #1	CP-01305 Pod 1	Fulfer Oil & Cattle Company	P.O. 80x 578 Jal, NM 88252 Phone: 575-631-0522	Commercial Use	No	Spoke with Greg Fulfer on November 22nd, 2019, and he confirmed that water well CP-01305 Pod 1 was active, and granted permiss to sample. Cardinal Laboritory conducted a field visit to coordinates associated with well according the State Engineer's website, (32°05'06.597' 103°21'03.3840"), and were unable to find the well. According to the New Mexico Office of The State Engineer's website, the legal locatilisted in the Application For Permit To Appropriate was NW 1/4 SE 1/4 of Section 3 Township 25S Range 37E. This legal location does not match the coordinates provided; however, we were able to verify the presence a water well at the legal location from Google Earth. The actual location of this water well. NW 1/4 SE 1/4 of Section 31 Township 25S Range 37E, is outside of the 1-mile AOR, and therefore no water sample was collected.

No Hydrologic Connection Statement & Technical

Assessment & Feasibility for Injection



December 06, 2019

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

Subject: Vista Disposal Solutions, LLC - Hydrologic Connection Statement

To Whom It May Concern:

The purpose of this letter is to affirm that ALL Consulting (ALL), on behalf of Vista Disposal Solutions, LLC (Vista), has conducted an extensive technical review of the available geologic and engineering data and finds no evidence of open faults or any other hydrologic connection between the proposed Bell Canyon Formation disposal zone and any underground sources of drinking water.

Additionally, please find attached ALL's Technical Assessment and Feasibility document addressing injection into the Bell Canyon Formation at the proposed disposal well location.

Sincerely,

Tom Tomastik

Tom Tomastik, CPG Chief Geologist ALL Consulting



VISTA DISPOSAL SOLUTIONS

TECHNICAL ASSESSMENT AND FEASIBILITY FOR INJECTION INTO THE BELL CANYON FORMATION OF THE DELAWARE MOUNTAIN GROUP

ALL Consulting (ALL) has conducted an extensive technical review and geological assessment of the alleged New Mexico Oil Conservation Division (OCD) Delaware Mountain Group (DMG) saltwater disposal well (SWD) impacts to production wells and drilling operations associated with the Brushy Canyon Formation of the DMG in the Lea County, New Mexico area. This technical review included evaluation and analysis of the OCD DMG Cases and technical data submitted by both Chevron and Occidental (OXY) in defense of their disposal operations into the Bell Canyon and Cherry Canyon formations in Eddy County. OCD found in favor of both Chevron and OXY to continue disposal operations at their injection wells with additional technical requirements and testing. ALL is providing the following technical information in support of allowing the permitting of new disposal operations by Vista Disposal Solutions, LLC (Vista) into the Bell Canyon Formation (Bell Canyon).

- ALL will be submitting permit applications for Vista to dispose of oilfield waste fluids into only the Bell Canyon of the DMG.
- All disposal operations will be cased hole with perforations.
- There is approximately 600 to 800 feet of viable injection interval within the Bell Canyon with porosities ranging from 12 to 28% and averaging approximately 18%. These zones are consistent with the Bell Canyon across the area of interest (AOI) for Vista.
- All these proposed injection intervals show resistivity readings less than 10 ohm/meters, which is indicative of natural brine in the formation, so there is adequate porosity and permeability.
- Proposed bottom perforations would be approximate 100 to 150 feet above the top of the Cherry Canyon Formation and at least 1,500 to 1,600 feet above the top of the Brushy Canyon Formation.
- ALL has identified three to four consistent confining zones within the bottom of the Bell Canyon that have low porosities and high resistivities indicating that these zones will serve as barriers to downward fluid migration.
- There is no oil and gas production from the Bell Canyon or Cherry Canyon formations within a two-mile radius of the proposed SWD and there are adequate barriers and rock thickness to prevent fluid migration into the Brushy Canyon Formation.
- Injection pressures will be limited to the regulatory approved maximum allowable surface pressure based on 0.2 psi per foot.
- If OCD requires additional downhole testing requirements like was required in the Chevron and Oxy cases, Vista would be willing to perform the OCD required downhole testing such as initial pressure fall-off testing, radioactive tracer and temperature surveys,

- and record original bottom hole pressures to further demonstrate the technical feasibility of injection into the Bell Canyon.
- The potential for over pressurization of this injection interval can be addressed with the spacing of hundreds of perforations into porous and permeable zones within the Bell Canyon, which allows for injectate dispersion and reduces the potential for pressure build-up. Additionally, ALL has found several Bell Canyon SWDs in the OCD records that operated under a vacuum situation.
- With a sound pre-treatment and filtering system at the surface, issues such as skin effect and even potential formation damage can be avoided, which often leads to formation pressure build-up. ALL has extensive experience and expertise with pre-treatment and filtering systems to avoid these issues.
- Additional technical documentation can be provided by ALL if OCD deems additional information is necessary.

Public Notice Affidavit and Notice of Application Confirmations

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

> Beginning with the issue dated November 22, 2019 and ending with the issue dated November 22, 2019.

Publisher

Sworn and subscribed to before me this 22nd day of November 2019.

Business Manager

My commission over definition of the search of the search

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

LEGAL NOTICE NOVEMBER 22, 2019

APPLICATION FOR AUTHORIZATION TO INJECT

NOTICE IS HEREBY GIVEN: That Vista Disposal Solutions, LLC, 12444 NW 10th St., Building G, Suite 202-512, Yukon, OK 73099, is requesting that the New Mexico Oil Conservation Division administratively approve the APPLICATION FOR AUTHORIZATION TO INJECT as follows:

PURPOSE: The Intended purpose of the injection well is to dispose of salt water produced from parmitted oil and gas wells.

WELL NAME AND LOCATION: James Federal SWD #1

NW 14 SW 14. Section 34. Township 25S. Range 35E

1.776 FSL & 229 FWL

Lea County, NM

NAME AND DEPTH OF DISPOSAL ZONE: Bell Canyon (5.295' – 5.970')

EXPECTED MAXIMUM INJECTION RATE: 25.000 Bbls/day

EXPECTED MAXIMUM INJECTION PRESSURE: 1.059 psi (surface)

Objections or requests for hearing must be filed with the New Mexico Oil Conservation Division within lifteen (15) days, Any objection or request for hearing should be mailed to the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505.

Additional information may be obtained by contacting Nate Alleman at 918-382-7581.

67115320

00236265

DANIEL ARTHUR ALL CONSULTING 1718 S. CHEYENNE AVE. TULSA, OK 74119

APPLICATION FOR AUTHORIZATION TO INJECT

NOTICE IS HEREBY GIVEN: That Vista Disposal Solutions, LLC, 12444 NW 10th St., Building G, Suite 202-512, Yukon, OK 73099, is requesting that the New Mexico Oil Conservation Division administratively approve the APPLICATION FOR AUTHORIZATION TO INJECT as follows:

PURPOSE: The intended purpose of the injection well is to dispose of salt water produced from permitted oil and gas wells.

WELL NAME AND LOCATION: <u>James Federal SWD #1</u>

NW 1/4 SW 1/4, Section 34, Township 25S, Range 35E

1,776' FSL & 229' FWL

Lea County, NM

NAME AND DEPTH OF DISPOSAL ZONE: Bell Canyon (5,295' – 5,970')

EXPECTED MAXIMUM INJECTION RATE: 25,000 Bbls/day

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Additional information may be obtained by contacting Nate Alleman at 918-382-7581.

James Fede	ral SWD #1 - Notice of Application R	ecipients	y e feet ,		
Entity	Address	City	State	Zip Code	
	Landowner & Mineral Owner			INTO S	
New Mexico BLM	620 E Greene St.	Carlsbad	NM	88220	
	OCD District	32 E S/ 10 E W		STALLS.	
NMOCD District 1	1625 N. French Drive	Hobbs	NM	88240	
	Leasehold Operators			Contract of the second	
Chevron USA Inc. (CHEVRON USA INC)	6301 Deauville	Midland	TX	79706	
COG Operating, LLC (COG OPER LLC) (COG OPER) (COG PROD LLC)	600 W. Illinois Ave.	Midland	тх	79701	
Devon Energy Production Company, LP (DEVON ENERGY PROD CO LP)	333 W. Sheridan Ave.	Oklahoma City	ОК	73102	
Occidental Permian, LP (OCCIDENTAL PERMIAN LP)	5 Greenway Plaza, Suite 110	Houston	TX	77046	

Notes: The table above shows the Entities who were identified as parties of interest requiring notification on either the 1-mile well detail list (Attachment 2) or on the 2-mile Mineral Lease Map (Attachment 2). The names listed above in parenthesis, are the abbreviated entity names used on either the 1-mile well detail list (Attachment 2) or on the 2-mile Mineral Lease Map (Attachment 2).

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NMOCD District 1 1625 N. French Drive Hobbs NM 88240-9273

Occidental Permian, LP 5 Greenway Plaza, Suite 110 Houston TX 77046-0521

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