

ADDITIONAL INFORMATION

BC&D Operating Inc

SWD-2625

4-16-2026



April 16, 2026

New Mexico Oil Conservation Division
Engineering Bureau, UIC Section
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Attn: Mr. Phillip Goetze, UIC Program Manager

***Re: Supplemental Information – C-108 Application for BC & D Operating's Javelina 9-25-37
SWD #2 in Lea County, New Mexico***

Dear Mr. Goetze,

SOS Consulting, LLC, on behalf of BC & D Operating, Inc., hereby submits the attached materials as supplemental information in support of the pending C-108 application for the above-referenced proposed SWD.

As part of a recent internal review of the application materials, several items were identified that would benefit from clarification or additional supporting information. The enclosed amendment package addresses those items, including minor corrections to certain application details and the addition of supplemental technical information intended to further support the application record.

The amendment includes a revision to the top of the proposed injection interval based on additional evaluation of historical offset well logs and refined geologic interpretation. The bottom of the injection interval remains unchanged from the original proposal; accordingly, the revised interval remains within the originally proposed and advertised gross injection interval and does not constitute a major modification under UIC guidelines.

These supplemental materials are provided in response to recent guidance and review considerations communicated by the Division regarding San Andres disposal well applications on the Central Basin Platform. It is our intent that the additional information provided herein will assist in advancing the review of these applications toward timely and efficient approval, supporting continued operational development in the area.

These materials are submitted to supplement and strengthen the existing application record and to assist the New Mexico Oil Conservation Division in its review of San Andres disposal well proposals on the Central Basin Platform.

No other aspects of the originally proposed disposal well design or operational plan have been materially changed.

Please feel free to contact me if you have any questions or require any additional information.

Best regards,

Ben Stone, Partner
SOS Consulting, LLC
Agent for BC & D Operating, Inc.

BC & D Operating, Inc.

Javelina 9-25-37 SWD #2 - C-108

Submitted July 21, 2024

SWD-2625 | App ID: pMSG2420355736

Current Status: Application is in OCD's queue for administrative review.

Amendment Summary: The materials contained in this amendment package were developed as part of an internal review conducted by BC & D Operating, Inc. to address identified items and to supplement the original application with additional supporting information. These updates are intended to facilitate the OCD review process and support timely permit approval, consistent with recent guidance regarding San Andres SWD applications on the Central Basin Platform in southeastern New Mexico.

The amendment also includes a **revised top of the proposed injection interval** based on additional evaluation of historical offset well logs and refined geologic interpretation by a qualified geologist, consistent with current review considerations for San Andres SWD applications in the area.

The **bottom of the injection interval remains unchanged** from the original C-108 proposal; accordingly, the revised interval remains within the originally proposed and advertised gross interval and does not constitute a major modification under UIC guidelines.

Amendment Package Contents:

- Revised Wellbore Diagram
Proposed Wellbore Diagram revised to reflect updated injection intervals, formation tops and well construction detail table. Revised Interval: 4125' to 4890' (Original 3775' to 4890') 825 MSIP
- Revised Lease Map
The original C-108 included a 2-mile AOR map but did not depict all leases within the area. A revised lease map is included to show all leases within the 2-mile radius.
- Additional Notice
Burlington Resources was inadvertently overlooked as an Affected Party in the original C-108; A Notice Letter has been sent and proof of mailing is included in this amendment package.
- Improved Groundwater (USDW) Information
The groundwater exhibit has been revised to provide improved clarity and supporting data.

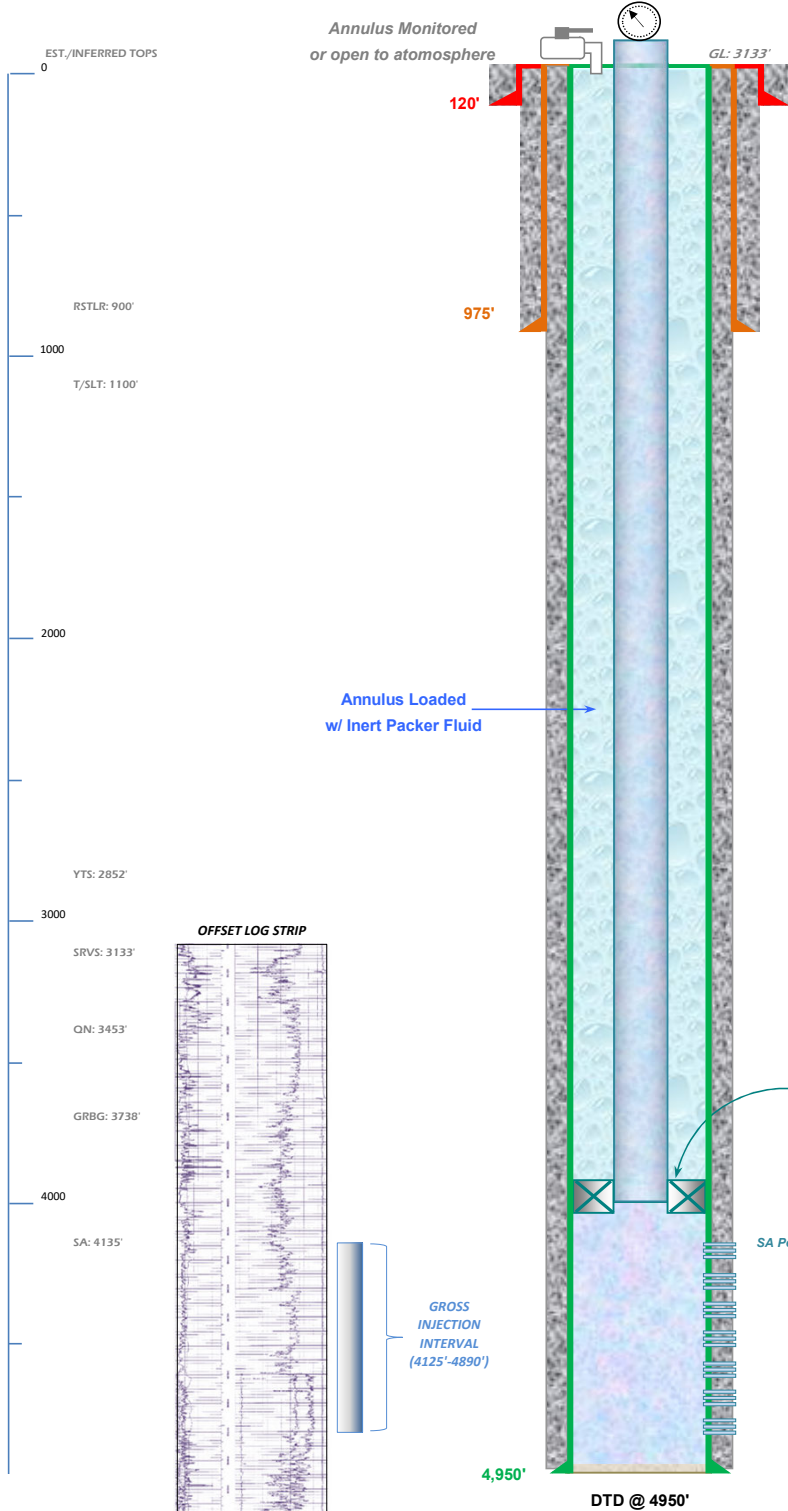


WELL SCHEMATIC - PROPOSED
Javelina 9-25-37 SWD #2

SWD; San Andres (96121)

API 30-025-xxxxx
 205' FNL & 515' FWL, SEC. 9-25S-R37E
 LEA COUNTY, NEW MEXICO

Spud Date: ~6/15/2026
 Config SWD Dt: ~7/01/2026



Injection Pressure Regulated
 and Volumes Reported
 825 psi Max. Surface (0.2 psi/ft)

Conductor Casing
 16.0" Csg. (20.0" Hole) @ 120'
 8 yds - Surface

Surface Casing
 9.625", 40.0# J-55 Csg. (12.25" Hole) @ 975'
 1255 sx - Circulated to Surface



Drill and Complete New SWD:
 Drill and set casing as shown (25%-50% excess Cmt).
 Perforate interval w/ 4-8 jsppf.
 Acidize w/ up to ~15,000 gals 15% HCl
 Run PC Tubing and PKR - Conduct Witnessed MIT.
 Commence Disposal Operations.
 File all appropriate sundries and C-105 Completion Report.

5.5" IC Tubing (or smaller)
 PKR ~4025+
 Note: PKR Set 100' Above Final Uppermost Perf Interval.

SA Perfs - 4125'-4890'

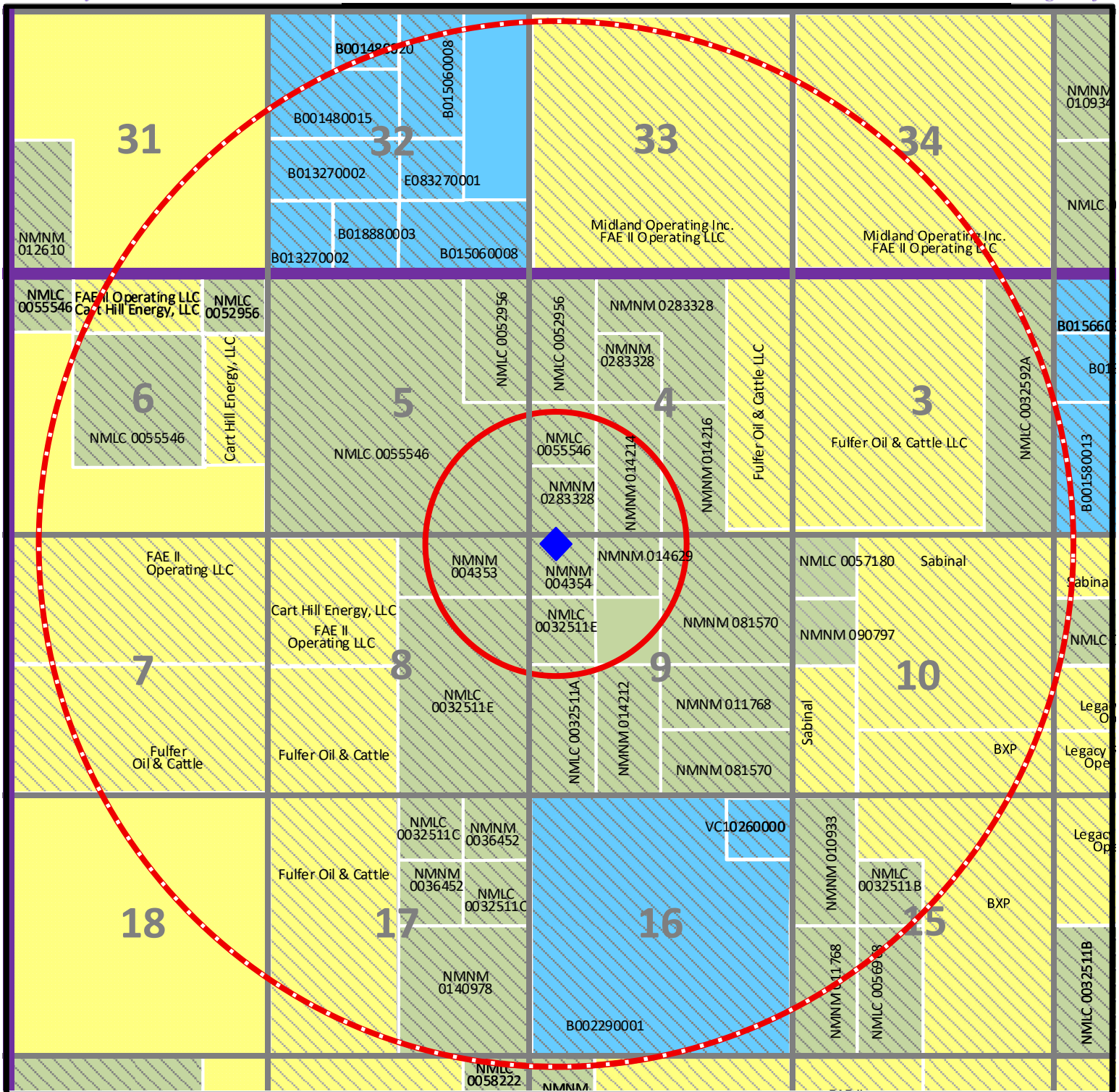
Production Casing
 7.625", 26.4# P-110 Csg. (8.75" Hole) @ 4,950';
 745 sx 'C' - Calc'd to Circ.

Drawn by: Ben Stone, Rvs'd 3/17/2026 ©



GLRTA: 5340

String	Size (in)	Weight (lb/ft)	Grade	Hole Size	Set Depth (ft)	Cement
Conductor	1 16			20	120'	8 yds
Surface	2 9.675	40.00	J-55	13.375	975'	1255 sx
Production	3 7	26	J-55	8.5	4950'	745 sx
Tubing	4 5.5	9.5	N-80	6.276	4025'	PKR



LEGEND

FEDERAL (BLM) MINERALS		STATE (SLO) MINERALS		PRIVATE MINERALS	
LEASED	UNLEASED	LEASED	UNLEASED	LEASED	UNLEASED
	2-MILE RADIUS		1/2-MILE RADIUS		PROPOSED SWD

0 1/8 1/4 1/2 1
MILES

2-Mile Lease Map
Javelina 9-25-37 SWD #2

T25S R35E Lea Co., NM

PREPARED BY:

ACE

Energy Advisors

C-108 ITEM XIII – PROOF OF NOTIFICATION AFFECTED PARTIES LIST

ALL AFFECTED PARTIES ARE PROVIDED A NOTICE LETTER VIA US CERTIFIED MAIL CONTAINING UNIQUE 6 CHARACTER DOCUMENT ACCESS CODES FOR SECURE DOWNLOAD OF A PDF COPY OF THE SUBJECT C-108 APPLICATION. AFFECTED PARTIES MAY ALSO REQUEST A PDF COPY VIA SENT EMAIL.

"AFFECTED PERSON" MEANS THE DIVISION DESIGNATED OPERATOR; IN THE ABSENCE OF AN OPERATOR, A LESSEE WHOSE INTEREST IS EVIDENCED BY A WRITTEN CONVEYANCE DOCUMENT EITHER OF RECORD OR KNOWN TO THE APPLICANT AS OF THE DATE THE APPLICANT FILES THE APPLICATION; OR IN THE ABSENCE OF AN OPERATOR OR LESSEE, A MINERAL INTEREST OWNER WHOSE INTEREST IS EVIDENCED BY A WRITTEN CONVEYANCE DOCUMENT EITHER OF RECORD OR KNOWN TO THE APPLICANT AS OF THE DATE THE APPLICANT FILED THE APPLICATION FOR PERMIT TO INJECT.; PER OCD RULES NMAC 19.15.26.7, A. AND 19.15.26.8, B.2.

BC & D Javelina 9-25-37 #2

SWD Amendment Packages

BURLINGTON RESOURCES
P.O. Box 51810
Midland, TX 79710

7018 2290 0001 2038 9668





April 15, 2026

NOTIFICATION TO INTERESTED PARTIES
via U.S. Certified Mail – Return Receipt Requested

To Whom It May Concern:

BC&D Operating, Inc., Hobbs, New Mexico, has made application to the New Mexico Oil Conservation Division to permit for salt water disposal the Javelina 9-25-37 SWD #2. The SWD operation will be for commercial disposal for area operations. As indicated in the notice below, the well is located in Section 9, Township 25 South, Range 37 East in Lea County, New Mexico.

The published notice states that the interval will be from 3,775 feet to 4,890 feet into the San Andres formation. Following is the notice published in the Hobbs News-Sun, Hobbs, New Mexico on or about June 19, 2024.

LEGAL NOTICE

BC&D Operating, Inc., Hobbs, New Mexico is filing Form C-108 (Application for Authority to Inject) with the New Mexico Oil Conservation Division seeking administrative approval to permit for salt water disposal its Javelina 9-25-37 SWD #2 (API No.30-025-TBD). The well will be located 205 feet from the North line and 515 feet from the West line (Unit I) of Section 9, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico. Produced water from area operators' production will be commercially disposed into the San Andres formation through perforations from 3775' to 4890' at a maximum surface pressure of 755 psi, maximum daily rate of 15,000 bwpd and an average rate of 12,500 bwpd. The subject SWD well is located approximately 2.7 miles northeast of Jal, New Mexico.

Interested parties wishing to object to the proposed application must file with the New Mexico Oil Conservation Division, 1220 St. Francis Dr., Santa Fe, NM 87505, (505)476-3460 within 15 days of the date of this notice. Additional information may be obtained from the applicant's agent, SOS Consulting, LLC, (936)377-5696 or, email info@sosconsulting.us.

You have been identified as a party who may be interested as an offset lessee or operator.

You are entitled to a full copy of the application. SOS Consulting has deployed a new app for the explicit secure delivery of a full PDF copy of the application. Any user employed with **Burlington** may log into the system and when prompted for a *Document Access Code*, enter **0000XX** to View or Download the document as desired. Using the *SOS Client and Affected Party Document Access* app takes about one minute, start to finish instructions are included, and only name, email and company name are needed to access the system.

Thank you for your attention in this matter.

Best regards,

Ben Stone, SOS Consulting, LLC
Agent for BC&D Operating, Inc.

Cc: Application File

C-108 - Item XIV

Proof of Notice (Certified Mail Receipts)

7016 2290 0001 2038 9668

U.S. Postal Service™													
CERTIFIED MAIL® RECEIPT													
<i>Domestic Mail Only</i>													
For delivery information, visit our website at www.usps.com ®.													
Midland, TX 79710													
OFFICIAL USE													
Certified Mail Fee	\$5.30												
Postage	\$0.75												
Total Postage and Fees	\$10.48												
<table border="1"> <tr> <td>Extra Services & Fees (check box, add fee as appropriate)</td> <td>\$4.40</td> </tr> <tr> <td><input type="checkbox"/> Return Receipt (hardcopy)</td> <td>\$0.00</td> </tr> <tr> <td><input type="checkbox"/> Return Receipt (electronic)</td> <td>\$0.00</td> </tr> <tr> <td><input type="checkbox"/> Certified Mail Restricted Delivery</td> <td>\$0.00</td> </tr> <tr> <td><input type="checkbox"/> Adult Signature Required</td> <td>\$0.00</td> </tr> <tr> <td><input type="checkbox"/> Adult Signature Restricted Delivery</td> <td>\$0.00</td> </tr> </table>		Extra Services & Fees (check box, add fee as appropriate)	\$4.40	<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00	<input type="checkbox"/> Return Receipt (electronic)	\$0.00	<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00	<input type="checkbox"/> Adult Signature Required	\$0.00	<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00
Extra Services & Fees (check box, add fee as appropriate)	\$4.40												
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<input type="checkbox"/> Return Receipt (electronic)	\$0.00												
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00												
<input type="checkbox"/> Adult Signature Required	\$0.00												
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00												
Sent To Street and Apt City, State, Zi PS Form 380													
Burlington Resources O&G P.O. Box 51810 Midland, TX 79710													
0360 07 Postmark Here 04/16/2026													

C-108 - Item VIII

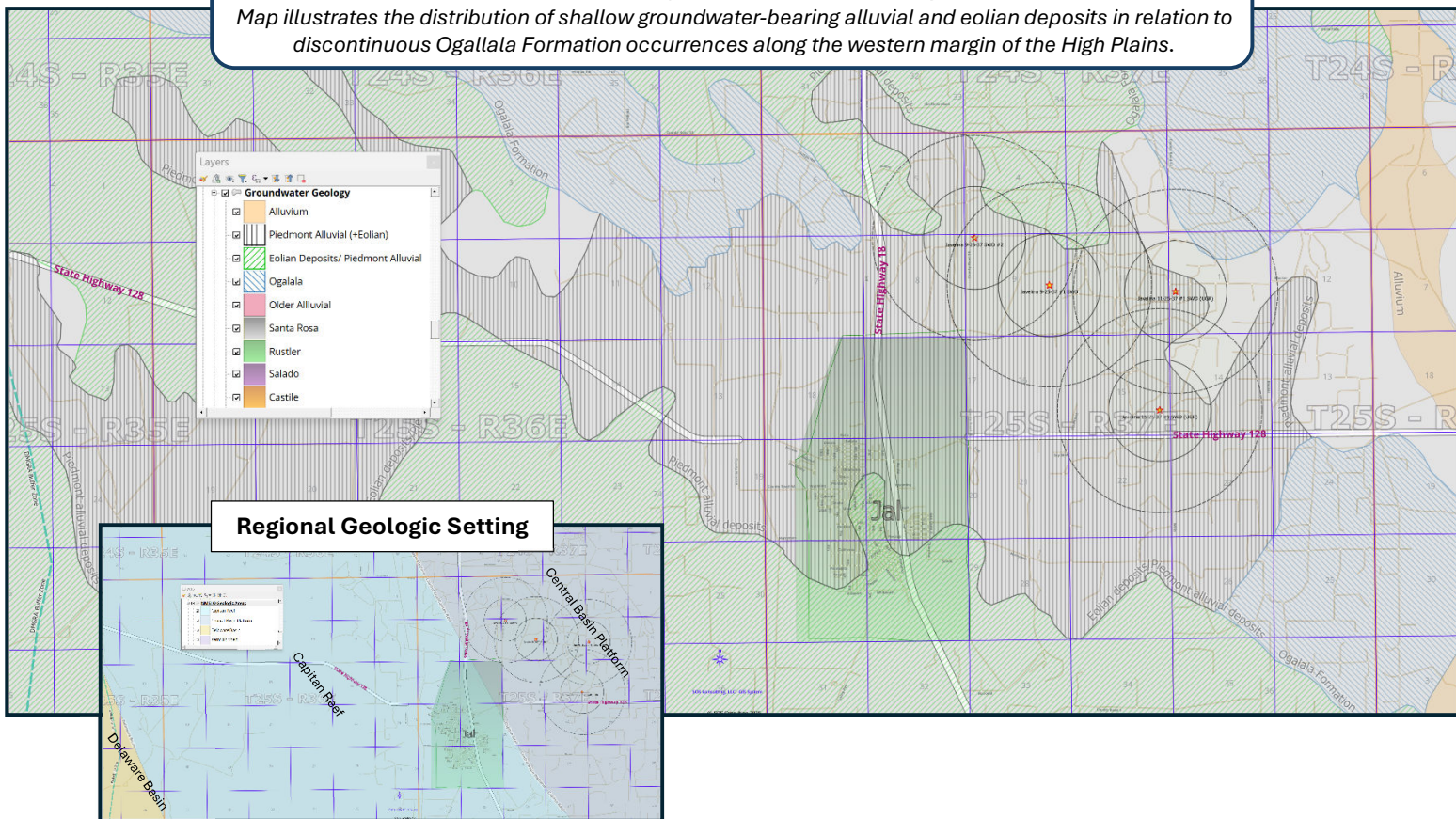
Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.

Groundwater Basins - Water Column / Depth to Groundwater

The BC&D project sites are located along the western margin of the High Plains in eastern Lea County, where discontinuous remnants of the Ogallala Formation transition westward into basin-margin piedmont alluvial and eolian deposits. In the vicinity of the proposed sites, shallow groundwater is primarily associated with these unconsolidated sand and gravel materials, which form the principal water-bearing sediments in the area. While small, isolated occurrences of the Ogallala Formation are mapped locally to the east, the more laterally continuous groundwater-bearing units at the project locations consist of piedmont alluvial and eolian deposits.

The project area is located within the Capitan Basin, 2 townships east of the Carlsbad Basin. State Engineer records for the area indicate that groundwater (USDW <10,000 TDS) occurs at moderate depths, with average depths to water of approximately 228 feet below ground surface in Township 26 South, Range 37 East, and approximately 155 feet in the adjacent updip Township 25 South, Range 37 East. This variation reflects the regional groundwater gradient across the High Plains–basin margin transition zone, where depth to water generally decreases to the north and east. There are no known USDWs below the proposed San Andres.

Surface Geology and Groundwater Setting
BC & D Javelina SWD Project Area - Lea County, New Mexico
Map illustrates the distribution of shallow groundwater-bearing alluvial and eolian deposits in relation to discontinuous Ogallala Formation occurrences along the western margin of the High Plains.



**Excerpt from Groundwater Evaluation
Originally prepared by Geolex, Inc. for
BC & D Operating, Inc. - Javelina 26-25-37 #1 C-108**

*The following narrative is reproduced in part from the original report and is **provided as supplemental technical reference for groundwater characterization in the Javelina SWD project area.***

GROUNDWATER HYDROLOGY IN THE VICINITY OF THE PROPOSED INJECTION WELL

Based on the New Mexico Water Rights Reporting System from the New Mexico Office of the State Engineer (NMOSE), there are no water wells within a one-half mile radius of the proposed Javelina 26- 25-37 #1 location. Within a one-mile radius, NMOSE records indicate one water well (CP 00784 POD 1), which sources brine water from the San Andres Formation for use in oil recovery operations and was drilled to a total depth of 4,500 feet. Records indicate there are 46 water wells within a two-mile radius of the proposed SWD location. The nearest well completed in shallow groundwater intervals is located approximately 1.1 miles away, which collects water from approximately 40 to 50 feet, in alluvium and the Triassic redbeds. The following Table 6 summarizes all water wells within one mile of the Javelina 26- 25-37 #1 well.

Table 6. Water wells within one mile of the proposed SWD well (retrieved from the New Mexico Office of the State Engineer's files June 22, 2022)

POD #	Source	Section	Town	Range	Lat. (NAD83)	Long. (NAD83)	Distance (mi)	Total Depth (ft)
CP 00784 POD 1	CP	23	25S	37E	32.116684	-103.136890	0.65	4,500
CP 00216 POD 1*	CP	22	25S	37E	32.122088	-103.151809	1.1	84

***Please note CP 00216 is located greater than one mile from the proposed SWD, however we include information regarding this well as it is the nearest shallow groundwater well to the proposed SWD.**

Shallow freshwater resources in the area of the proposed SWD will be protected as the planned well design isolates shallow intervals via a two-string casing design, including a surface casing that extends to approximately 870 feet within the Rustler Formation, effectively isolating shallow groundwater resources.

The area surrounding the proposed injection well is arid and there are no bodies of surface water within a two-mile radius.

To better understand groundwater quality in the area of the proposed well, Geolex has sent correspondence to water rights owners of record on August 12, 2022, for the nearest water well (CP 00784 POD1), which produced brine for oil recovery operations, and the nearest shallow groundwater well (CP 00216 POD 1), requesting permission to collect and analyze fluid samples representative of the completion interval of each well (Appendix C). Efforts to collect fluid samples are continuing and any additional information will be provided to NMOCD, if and when they are available.

In lieu of groundwater sample collection and chemical analysis, Geolex conducted a review of *Geology and Ground-Water Conditions in Southern Lea County, New Mexico* (Nicholson and Clebsch, 1961) to identify published groundwater data representative of nearby wells (less than 10 miles) from the proposed SWD well. The following Table 7 summarizes these wells and the results of the chemical analyses.

Table 7. Chemical analysis results of samples collected from water wells in the area of the proposed SWD (from Nicholson and Clebsch, 1961, *Geology and Ground-Water Conditions in Southern Lea County, New Mexico*)

Well Name	Sec.	Twn.	Rng.	Depth to water (ft)	Ca (ppm)	Mg (ppm)	Na + K (ppm)	Cl (ppm)	HCO ₃ (ppm)	SO ₄ (ppm)	TDS (ppm)
City of Jal	19	25S	37E	65	102	32	77	168	150	145	685
City of Jal	20	25S	37E	65	34	43	175	54	264	286	759

Our analysis of local groundwater and subsurface geology confirms that the Javelina 26-25-37 #1 well poses no risk of contaminating groundwater in the area as (1) the proposed well design includes material considerations and casing plans designed to protect shallow groundwater resources, (2) cased-hole logging plans will include collection of cement bond logs to verify the integrity of cementing operations, and (3) conduits in the subsurface have been identified that may facilitate migration of injected fluids to freshwater-bearing strata.

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

General Information
Phone: (505) 629-6116

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

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

CONDITIONS

Action 580415

CONDITIONS

Operator: BC & D OPERATING INC. 2702 N. Grimes ST B Hobbs, NM 88240	OGRID: 25670
	Action Number: 580415
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
anthony.harris	None	4/29/2026