# Initial

# Application

## Part I

Received: <u>08/02/2019</u>

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

Signature

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08/02/2019	REVIEWER:	TYPE: SWD	APP NO: pMAM1921741214

ABOVE THIS TABLE FOR OCD DIVISION USE ONL

NEW MEXICO OIL CON - Geological & Engin 1220 South St. Francis Drive	eering Bureau –
ADMINISTRATIVE APP	
THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIV REGULATIONS WHICH REQUIRE PROCESSIN	E APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND NG AT THE DIVISION LEVEL IN SANTA FE
A B S S S S S S S S S S S S S S S S S S	OCRID Name Is now 277/2/
Applicant: Permian Water Solutions, LLC Well Name: Red Devil SWD I	OGRID Number: 373626 API: 30-015-
Pool: SWD; Devonian	Pool Code: 96101
SUBMIT ACCURATE AND COMPLETE INFORMATION INDICATE	REQUIRED TO PROCESS THE TYPE OF APPLICATION
1) TYPE OF APPLICATION: Check those which apply A. Location – Spacing Unit – Simultaneous Dec  NSL NSP(PROJECT AREA)	0110
B. Check one only for [1] or [1]  [1] Commingling – Storage – Measuremen  DHC   CTB   PLC   PC  [11] Injection – Disposal – Pressure Increase   WFX   PMX   SWD   IPI  2) NOTIFICATION REQUIRED TO: Check those which A. Offset operators or lease holders B. Royalty, overriding royalty owners, rever C. Application requires published notice D. Notification and/or concurrent approva E. Notification and/or concurrent approva F. Surface owner G. For all of the above, proof of notification	OLS OLM - Enhanced Oil Recovery DEOR PPR  FOR OCD ONLY Notice Complete Due owners DI by SLO DI by BLM  PROCED ONLY Application Content Complete
H. No notice required 3) CERTIFICATION: I hereby certify that the informal administrative approval is accurate and complete understand that no action will be taken on this condifications are submitted to the Division. Note: Statement must be completed by an individual control of the control	ete to the best of my knowledge. I also
Brian Wood	Date
Print or Type Name	505 466-8120
	Phone Number

brian@permitswest.com e-mail Address 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**

Ī.	PURPOSE: Secondary Recovery Pressure Maintenance XXX Disposal Storage Application qualifies for administrative approval? XXX Yes No
II.	OPERATOR: PERMIAN WATER SOLUTIONS, LLC
	ADDRESS: 600 TRAVIS ST., SUITE 4700, HOUSTON TX 77002
	CONTACT PARTY: BRIAN WOOD (PERMITS WEST, INC.) PHONE: 505 466-812
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 XXX 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.  Red Devil SWD 1
VII.	Attach data on the proposed operation, including:  Devonian (96101)
*VIII.	<ol> <li>Whether the system is open or closed;</li> <li>Proposed average and maximum injection pressure;</li> <li>Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,</li> <li>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.).</li> <li>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</li> </ol>
	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: BRIAN WOOD TITLE: CONSULTANT
	SIGNATURE: DATE: JULY 22, 2019
*	E-MAIL ADDRESS: brian@permitswest.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

OPERATOR: PERMIAN WATER SOLUTIONS, LLC  WELL NAME & NUMBER: RED DEVIL SWD 1				
	G UNIT LETTER	23 SECTION	22 S TOWNSHIP	27 E RANGE
WELLBORE SCHEMATIC  (not to scale)		WELL Co	ONSTRUCTION DAT	
20" 94# in 26" hole @ 650' TOC (1950 sx) = GL  13.375" 68# in 17.5" hole @ 2,500' TOC (875 sx) = GL  9.6255" 53.5# in 12.25" hole @ 9,550' TOC (955 sx) = GL	Cemented with:	26"  1950 sx.  GL  Intermedian  875 955 sx.	or  Method Determined  te Casing  13.3  Casing Size: 9.62  or	ft <sup>3</sup> d: CIRC. 75" ft <sup>3</sup>
packer @ fg Od 7" 32# in 8.55" hole @ 13,125' TOC (525 sx) = GL  6" open hole Devonian 13,125' - 13,900'  TD 13,900'	Cemented with: Top of Cement: Total Depth: CSG	Production  8.5"  525 sx.  GL  0 13,125' & TD  Injection  N HOLE 13,125 feet	Casing Size: 7 " @  or  Method Determined @ 13,900'  Interval	ft <sup>3</sup>

(Perforated or Open Hole; indicate which)

## INJECTION WELL DATA SHEET

Tul	bing Size: 4"	Lining Material: IPC
Ту	pe of Packer: 4" x 7" STAINLESS	STEEL OR NICKEL
Pac	cker Setting Depth: ≈13,025'	
Otl	her Type of Tubing/Casing Seal (if app	licable):
		Additional Data
1.	Is this a new well drilled for injection	i? <u>xxx</u> YesNo
	If no, for what purpose was the well of	originally drilled?
2.	Name of the Injection Formation: <u>DE</u>	VONIAN
3.	Name of Field or Pool (if applicable)	:SWD; DEVONIAN (POOL CODE 96101)
4.		any other zone(s)? List all such perforated . sacks of cement or plug(s) used.
5.		or gas zones underlying or overlying the proposed
	OVER: BRUSHY CANYON (4300 STRAWN (10550'), ATOKA (1	'), BONE SPRING (5500'), WOLFCAMP (9100'), 0850'), & MORROW (11500')
	UNDER: NONE	

I. Goal is to drill a 13,900' deep commercial saltwater disposal well. Proposed disposal interval will be 13,125' – 13,900' in the SWD; Devonian (96101). See Exhibit A for C-102 and map. Well is on fee surface and fee minerals. APD was received by Artesia OCD on March 14, 2019.

II. Operator: Permian Water Solutions, LLC [OGRID 373626]

Operator phone number: (432) 305-4124

Operator address: 600 Travis St., Suite 4700

Houston, TX 77002

Contact for Application: Brian Wood (Permits West, Inc.)

Phone: (505) 466-8120

III. A. (1) Lease name: Red Devil SWD (fee)
Well name and number: Red Devil SWD 1
Location: 1980' FNL & 1980' FEL Section 23, T. 22 S., R. 27 E.

A. (2) Surface casing (20", 94#) will be set at 650' in a 26" hole and cemented to GL with 1950 sacks.

Intermediate casing 1 (13.375", 68#) will be set at 2500' in a 17.5" hole and cemented to GL with 875 sacks.

Intermediate casing 2 (9.625", 53.5#) will be set at 9,550' in a 12.25" hole and cemented to GL with 955 sacks.

Intermediate casing 3 (7", 32#) will be set at 13,125' in an 8.5" hole and cemented to GL with 525 sacks.

A 6" open hole will be drilled to 13,900'.

A. (3) Tubing will be IPC, 4", P-110 set at  $\approx$ 13,025'. (Disposal interval will be 13,125' to 13,900'.)



- A. (4) A stainless-steel or nickel 4" x 7" packer will be set at ≈13,025' (or ≤100' above the top of the open hole which will be at 13,125').
- B. (1) Disposal zone will be the Devonian (SWD; Devonian (96101) pool). Estimated fracture gradient is  $\approx 0.65$  psi per foot.
- B. (2) Disposal interval will be open hole from 13,125' to 13,090'.
- B. (3) Well has not been drilled. It will be drilled as a saltwater disposal well.
- B. (4) No perforated intervals are in the well.
- B. (5) Productive zones in the area of review and above the Devonian (13,125') are the Brushy Canyon (4,300'), Bone Spring (5,500'), Wolfcamp (9,100'), Strawn (10,550'), Atoka (10,850') and Morrow (11,500'). No oil or gas zone is below the Devonian in the area of review.
- IV. This is not an expansion of an existing injection project. It is disposal only.
- V. Exhibit B shows and tabulates the 16 existing wells and 1 planned well within a one mile radius. None of the 17 wells has been P&A. Deepest of the 17 wells is 12,387' TVD. Exhibit C shows all 142 existing wells (68 water + 45 oil or gas + 25 P&A + 2 injectors + 2 brine) within a two-mile radius.

All leases within a one-mile radius are fee or BLM. Exhibit D shows and tabulates all leases within a one-mile radius. Two-mile radius leases are BLM, fee, or NMSLO (Exhibit E).

VI. No Devonian penetrator is within a mile. Deepest (12,387' TVD) well (30-015-33921) within a mile bottomed in the Barnett, 738' above the Devonian.



- VII. 1. Average injection rate will be ≈25,000 bwpd. Maximum injection rate will be 30,000 bwpd.
  - 2. System will be open and closed. Water will both be trucked and piped.
  - Average injection pressure will be ≈2,500 psi.
     Maximum injection pressure will be 2,625 psi (= 0.2 psi/foot x 13,125' (top of open hole)).
  - 4. Disposal water will be produced water, mainly Bone Spring and Wolfcamp. There are 135 approved Bone Spring wells and 357 approved Wolfcamp wells in T. 22 & 23 S., R. 27 & 28 E. The well will take other Permian Basin waters (e. g., Atoka, Delaware, Morrow) too. A table of TDS range from nearby wells is below. Abstracts from the NM Produced Water Quality Database v.2 for nearby wells are in Exhibit F.

Formation	TDS range (mg/l)
Artesia	10050 - 11800
Atoka	31911 - 50026
Avalon	154164 - 154965
Bone Spring	129394 - 271010
Brushy Canyon	108093 - 303550
Capitan	27400 - 29392
Delaware	116788 - 164679
Devonian	16223 - 64582
Morrow	53480 - 62523
Wolfcamp	13711 - 13711

No compatibility problems have been reported from the closest (>6 miles south) active Devonian; SWD wells. At least 4,512,124 barrels of water have been disposed in 10 months in 30-015-44265. At least 7,316,441 barrels have been disposed in 15 months in 30-015-44303. (Closest Devonian; SWD APD, 30-015-45719, is 1.76 miles southwest. C-108 review is underway by OCD.)

5. Closest Devonian producer (30-015-05614) is >25 miles northeast.



VIII. The Devonian (estimated 775' thick) consists of limestone and dolomite. Closest possible underground source of drinking water above the proposed disposal interval are the Quaternary red beds at the surface. According to State Engineer records (Exhibit G), deepest water well within 2 miles is 250' deep and closest water well is 1636' north. No underground source of drinking water is below the proposed disposal interval.

Formation tops are:

According to State Engineer records (Exhibit G), closest water well is 1636' north. Its depth is 175'. There will be  $\approx 12,875$ ' of vertical separation including shale, salt, and anhydrite intervals between the bottom of the only likely underground water source (Quaternary red beds) and the top of the Devonian.

- IX. Well will be stimulated with acid as needed.
- X. Deviation surveys and CBL, CNL, GR, and DLL logs will be run.
- XI. Two water wells were sampled during a June 16, 2019 field inspection. One sample point is a half mile west and the other is 1.9 miles southwest of the Red



1980' FNL & 1980' FEL

SEC. 23, T. 22 S., R. 27 E., EDDY COUNTY, NM

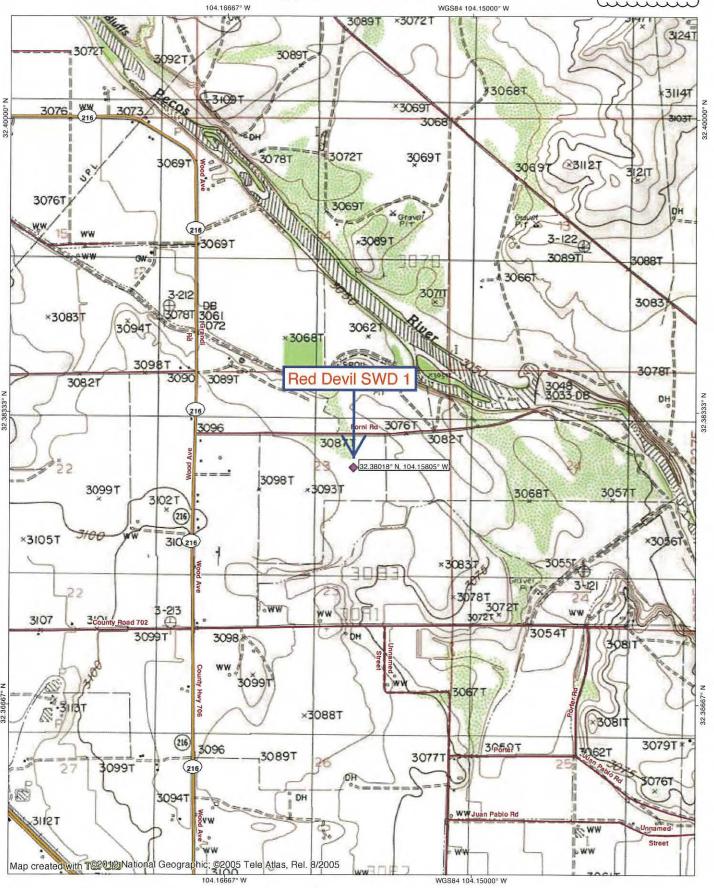
Devil SWD 1. Development of the Otis Municipal Domestic Water Consumers and Sewage Works Association has led many water well owners to abandon their wells.

XII. Permian Water Solutions, LLC (Exhibit I) is not aware of any geologic or engineering data that may indicate the Devonian is in hydrologic connection with any underground sources of water. Deepest water well within a 2-mile radius is 250'. There are 256 approved Devonian SWD APDs in New Mexico, of which 154 are active. Closest Quaternary fault is  $\approx 56$  miles southwest.

XIII. A legal ad (Exhibit J) was published on March 12, 2019. Notice (Exhibit K) and this application has been sent to the surface owner (Llano Natural Resources LLC), all well operators regardless of depth, government lessors, lessees, and operating right holders within a mile.











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

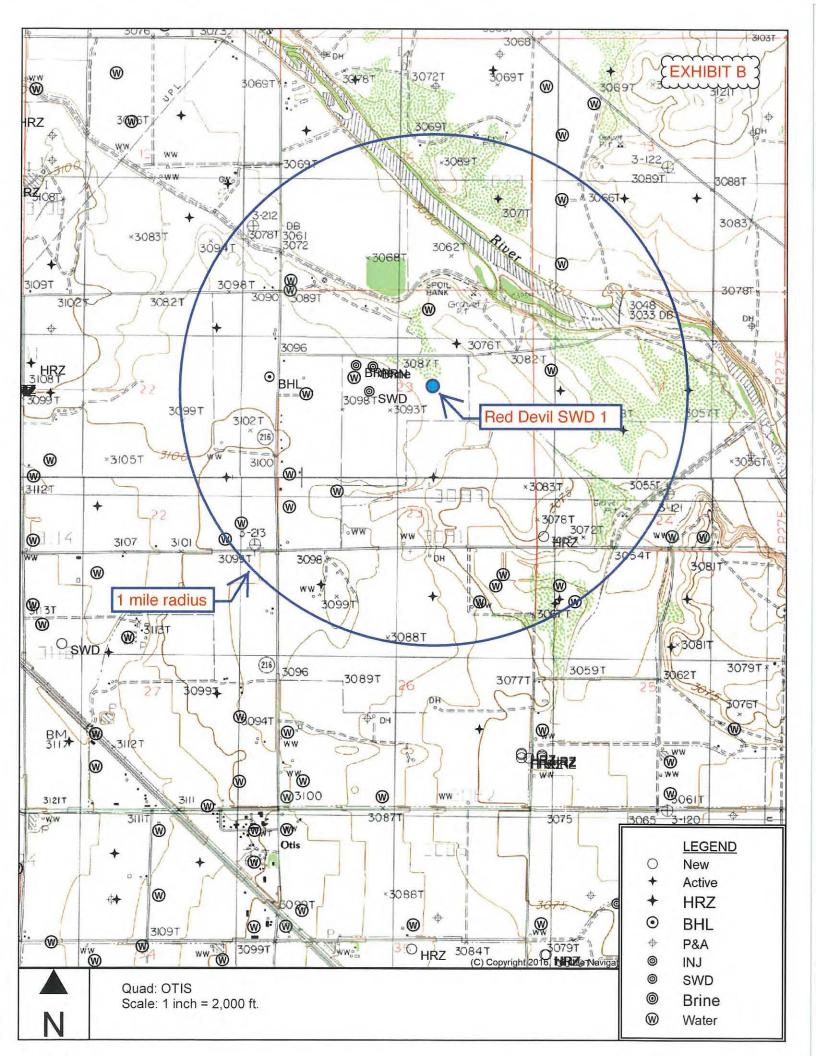
☐ AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

30-015-	PI Numbe			<sup>2</sup> Pool Code 96101		SWD; Devonian				
<sup>4</sup> Property C	ode		<sup>5</sup> Property Name RED DEVIL SWD					6 W	<sup>6</sup> Well Number 1	
7 OGRID N 373626	200			8 Operator Name 9 Elevation PERMIAN WATER SOLUTIONS, LLC 3087'±					Elevation 8087'±	
					" Surface Lo	ocation				
UL or lot no. G	Section 23	Township 22 S	Range 27 E	Lot Idn N/A	Feet from the 1980'	North/South line NORTH	Feet from the 1980'	East/West line EAST	County EDDY	
		1	" Bot	tom Hole	Location If I	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 of	r Infill 14 Co	nsolidation Co	ode 15 Orde	r No.					

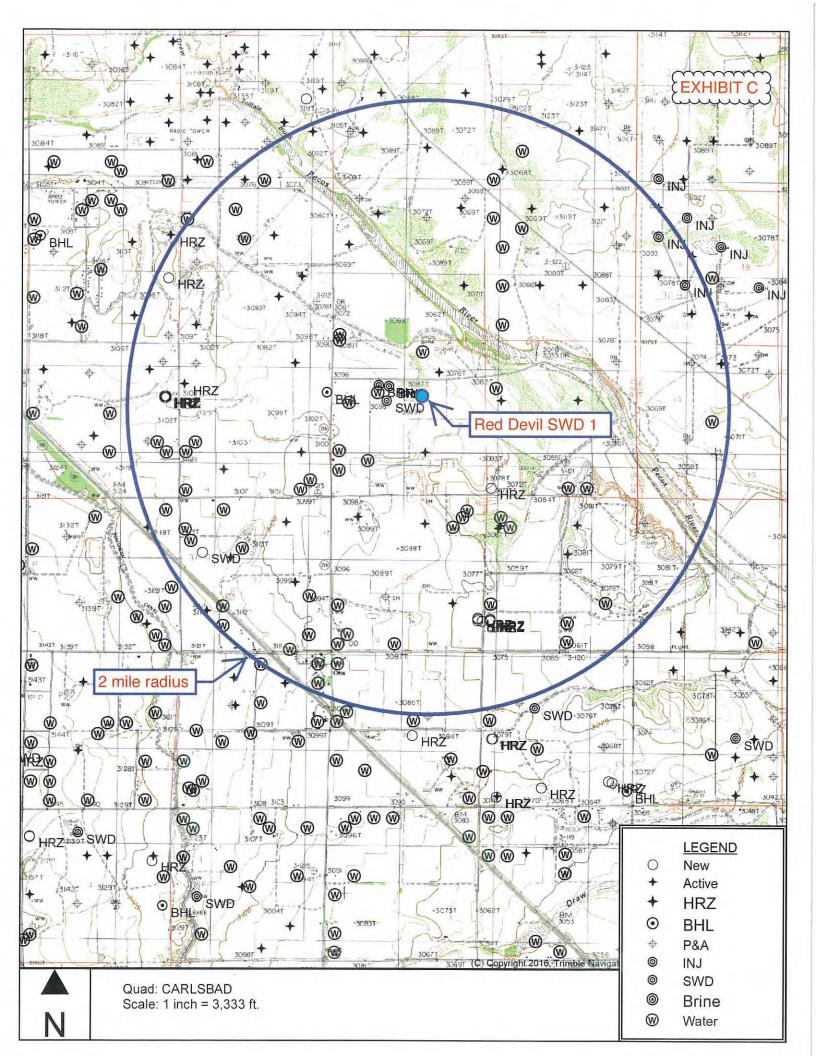
No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

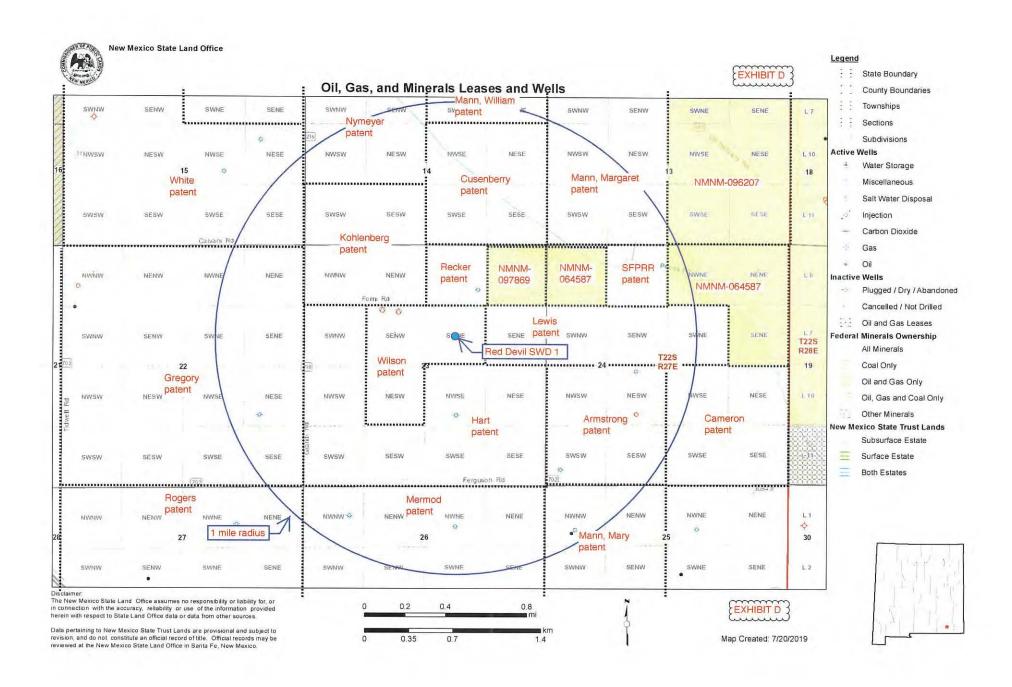
16	RED DEVIL SWD—— NMSP—E (NAD27)	657'	—1980'—— <b>—</b>	17 OPERATOR CERTIFICATION  I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of slich a mineral or working interest, or to a wobuntary pooring agreement or a complikary pooling order heretofore differed by the division  3-9-19  Signature  Date  BRIAN WOOD  Printed Name  brian@permitswest.com
	N: 502028.03' E: 554264.39' NMSP-E (NAD83) N: 502087.72' E: 595446.11' Lat: N032.380186'			E-mail Address (505) 466-8120  **SURVEYOR CERTIFICATION  I hereby certify that the well location shown on this plat was
	Long: W104.158056	SECTION 23		plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.  02/19/2019
				Date of Survey  Signature and Seal of Professional Surveyon N. Barrier MEXICO  25114  Certificate Number  CESSIONAL SURVEY  Control of Survey  Con



#### SORTED BY DISTANCE FROM RED DEVIL SWD 1

API	OPERATOR	WELL	STATUS	UNIT- SECTION- T22S-R27E	TVD	ZONE @ TD	FEET FROM RED DEVIL SWD 1
3001534545	Devon	Dunaway 23 001	Gas	B-23	12336	Barnett	1208
3001525722	Permian Water Solutions	Rohmer 001	SWD	F-23	12300	Barnett	1346
3001528083	Permian Water Solutions	Dunaway 001	BSW	F-23	1300	Salado	1367
3001528084	Permian Water Solutions	Dunaway 002	BSW	F-23	1246	Salado	1713
3001525300	Devon	Ferguson 001	Gas	J-23	12180	Barnett	1781
3001525623	Devon	Johnson 001	Gas	E-24	12250	Barnett	2643
3001542821	Devon	Grandi 22 002H	Oil	H-22	7416	Bone Spring	3515
3001534255	Devon	Riverbend 24 001Y	Gas	K-24	12250	Barnett	4152
3001532607	Mewbourne	Otis 14 001	Gas	I-14	12190	Barnett	4182
3001533921	Devon	Henry 26 002	Gas	B-26	12387	Barnett	4241
3001546003	Mewbourne	Mighty Ducks 16 15 WOMP State	Gas	P-15	plan 9500	Wolfcamp	4488
3001525033	Devon	Henry 001	Gas	D-26	12221	Barnett	4609
3001525253	Wildcat	Henry 002	Gas	I-22	12290	Barnett	4687
3001533922	Devon	Grandi 22 003	Gas	A-22	12130	Barnett	4731
3001525254	Mewbourne	Dunn 001	Gas	D-25	12255	Barnett	5046
3001529369	Mewbourne	Dunn 002	Oil	D-25	4575	Delaware	5078
3001525688	Kaiser-Francis	Hargis 001	Gas	G-24	12296	Barnett	5280





### RED DEVIL SWD 1 AREA OF REVIEW LEASES

Aliquot Parts in Area of Review (T. 22 S., R. 27 E.)	Patent (or BLM lease #)	Ddedication(s)	Well Operators (all shallower than Devonian)
SWNW & SW4 Sec. 13	Mann, Margaret	Indian Draw 13	Devon
SWSE Sec. 13	NMNM-096207	Indian Draw 13	Devon
S2NE4 Sec. 14	Mann, William	Otis 14	Mewbourne
S2NW4 & N2SW4 Sec. 14	Nymeyer	Pecos River 14 & Waltersheid	Mewbourne
SE4 Sec. 14	Cusenberry	Otis 14	Mewbourne
S2SW4 Sec. 14	Kohlenberg	Pecos River 14 & Waltersheid	Mewbourne
E2SE4 & SWSE Sec. 15	White	Forni & Mighty Ducks	Cimarex Energy of Colo. & Mewbourne
E2 Sec. 22	Gregory	Grandi 22 & Henry	Devon & Wildcat
NENE Sec. 23	BLM	Dunaway 23	Devon
NWNE Sec. 23	Recker	Dunaway 23	Devon
N2NW4 Sec. 23	Kohlenberg	Dunaway 23	Devon
SWNW, W2SW4, SESW, & SE4 Sec. 23	Hart	Dunaway 23 & Ferguson	Devon
SENW, SWNE, & NESW Sec. 23	Wilson	Dunaway 23 & Ferguson	Devon
SENE Sec. 23	Lewis	Dunaway 23	Devon
NWNE Sec. 24	NMNM-064587	Hargis	Kaiser-Francis
NENW Sec. 24	Santa Fe Pacific Railroad	Johnson & Riverbend	Devon
NWNW Sec. 24	NMNM-064587	Johnson & Riverbend	Devon
S2NW4 & SWNE Sec. 24	Lewis	Johnson, Riverbend, & Hargis	Devon & Kaiser- Francis
W2SE4 Sec. 24	Cameron	Hargis	Kaiser-Francis
SW4 Sec. 24	Armstrong	Johnson & Riverbend	Devon
NENW & W2NW4 Sec. 25	Mann, Mary	Dunn	Mewbourne
N2 Sec. 26	Mermod	Henry	Devon
NENE Sec. 27	Rogers	Sito 27 Fee	Devon

