GATE #	20/241 SUSPEN	ISE ENGINEER 6/24/2018 THE WID PMAM182635565/
		ABOVE THIS LINE FOR DIVISION USE ONLY
		NEW MEXICO OIL CONSERVATION DIVISION - Engineering Bureau - 1220 South St. Francis Drive, Santa Fe, NM 87505
		ADMINISTRATIVE APPLICATION CHECKLIST
т	HIS CHECKLIST IS N	IANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE
Appli	[BHC-Dow [PC-Po	ndard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication] nhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] ool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Sait Water Disposal] [IPI-Injection Pressure Increase] ilified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]
[1]	TYPE OF AI [A]	PPLICATION - Check Those Which Apply for [A]         Location - Spacing Unit - Simultaneous Dedication         NSL         NSL         NSP         SD
		c One Only for [B] or [C] $37/642$
	[B]	Commingling - Storage - Measurement DHC CTB PLC PC OLS OLM Mey
	[C]	Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
	[D]	Other: Specify Sub#1
[2]	NOTIFICAT [A]	<b>TON REQUIRED TO:</b> - Check Those Which Apply, or Does Not Apply $\frac{3\omega - \omega_1 5 - \rho_{ending}}{D}$ Working, Royalty or Overriding Royalty Interest Owners $\rho_{00}$
	[B]	Offset Operators, Leaseholders or Surface Owner
	[C]	
	[D]	Notification and/or Concurrent Approval by BLM or SLO U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
	[E]	X For all of the above, Proof of Notification or Publication is Attached, and/or,
	[F]	Waivers are Attached

#### [3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **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		dual with managerial and/or supervisory capacit	ty.
J. Daniel Arthur, P.E., SPEC	Rantetter	Consulting Engineer - ALL Consu	lting 09/14/2018
Print or Type Name	Signature	Title	Date

darthur@all-llc.com e-mail Address STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT Oil Conservation Division 1220 South St. Francis Dr. Sauta Fe, New Mexico 87505

	APPLICATION FOR AUTHORIZATION TO INJECT
1.	PURPOSE:       Secondary Recovery       Pressure Maintenance       X       Disposal       Storage         Application qualifies for administrative approval?       X       Yes       No
II.	OPERATOR: Solaris Water Midstream, LLC
	ADDRESS: 9811 Katy Freeway, Suite 700, Houston, TX 77024
	CONTACT PARTY: Bonnie Atwater PHONE: 432-203-9020
111.	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?YesNo If yes, give the Division order number authorizing the 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.
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:
	<ol> <li>Proposed average and maximum daily rate and volume of fluids to be injected;</li> <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> </ol>
*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: <u>Bonnie</u> <u>Atwater</u> <u>TITLE: Reg Tech</u> . SIGNATURE: <u>Bonnie</u> <u>Utwater</u> <u>DATE: 8,29,18</u>
*	E-MAIL ADDRESS: <u>DONNE</u> . <u>A + Water</u> <u>b</u> <u>solaris</u> <u>Mid</u> <u>stream</u> . <u>Com</u> 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.

#### Side 2

Application for Authorization to Inject

Well Name: Dillinger Fed SWD #1

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

#### Α.

#### (1) General Well Information:

Operator: Solaris Water Midstream, LLC

Lease Name & Well Number: Dillinger Fed SWD #1

Well Footage: 1,656' FNL & 1,124' FEL

Location: S20 T24S R31E

#### (2) Casing Information:

Туре	Hole Size	Casing Size	Casing Weight	Setting Depth	Sacks of Cement	Estimated TOC	Method Determined
Surface	24"	20"	94.0 lb/ft	565'	500	Surface	Circulation
Intermediate 1	17-1/2"	13-3/8"	54.5 lb/ft	4,270'	2,550	Surface	Circulation
Intermediate 2	12-1/4"	9-5/8"	53.50 lb/ft	13,000'	3,500	Surface	Circulation
Liner	8-1/2"	7-5/8"	39 lb/ft	16,530'	260	12,800'(TOL)	CBL

#### (3) Tubing Information:

5-1/2" (23#) Internal Plastic Coated Tubing swedged down to 5" (18#) with setting depth of 16,510'

(4) Packer Information: Lok-set or equivalent packer set at 16,510'

В.

- (1) Injection Formation Name: Devonian and Silurian-Fusselman formations
- (2) Injection Interval: Open-hole injection between 16,530' 17,650'
- (3) Drilling Purpose: New Drill for Salt Water Disposal
- (4) Other Perforated Intervals: No other perforated intervals exist.
- (5) Overlying Oil and Gas Zone:
  - Delaware (4,270')
  - Bone Springs (8,065')
  - Wolfcamp (11,455')
  - Atoka (13,730')
  - Morrow (14,485')

Underlying Oil and Gas Zone: No underlying oil and gas zones exist.

### V – Well and Lease Maps

A well map and lease map are included in *Attachment 2*.

#### VI – AOR Well List

A list of the wells within the AOR is included in Attachment 2.

#### VII – Proposed Operation

- (1) Proposed Maximum Injection Rate: 30,000 bpd Proposed Average Injection Rate: 15,000 bpd
- (2) A closed system will be used.
- (3) Proposed Maximum Injection Pressure: 3,306 psi (surface) Proposed Average Injection Pressure: approximately 1,500 – 2,000 psi (surface)
- (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 well will be injecting water into the Devonian and Silurian-Fusselman formation which is known to be compatible with formation water from the Wolfcamp and Bone Springs formations. Water analyses from the Silurain-Fusselman could not be located; however, water analyses from the Devonian formation in the area are included in *Attachment 4*.

#### VIII – Geologic Description

The proposed injection interval includes the Devonian and Silurian-Fusselman formations from 16,530 – 17,650 feet. These formations consist of carbonates including light colored dolomite and chert intervals interspersed with some tight limestone intervals. Several thick sections of porous dolomite capable of taking water are present within the subject formations in the area.

The freshwater formation is the Rustler at a depth of approximately 540 feet. Water well depths in the area range from 205 – 429 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

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, 0 groundwater wells are located within 1-mile of the proposed SWD location; therefore, no groundwater samples were collected in association with this application. A water well map of the area is included in *Attachment 5*.

## XII – No Hydrologic Connection Statement

No faulting is present in the area that would provide a hydrologic connection between the injection interval and overlying USDWs. Additionally, the casing program has been designed to ensure there will be no hydrologic connection between the injection interval and overlying USDWs. A letter from a knowledgeable and qualified expert stating that there is a low risk of seismic activity from the proposed injection activities is included in *Attachment 6*.

### XIII - Proof of Notice

A Public Notice was filed with the Carlsbad Current-Argus 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 with the AOR of the proposed SWD location. A list of recipients, as well as delivery confirmations, are included in *Attachment 7*.

Attachment 1: Wellbore Diagram

- Attachment 2: Area of Review Well Map, Lease Map, and Well Details
- Attachment 3: Source Water Analyses
- Attachment 4: Injection Formation Water Analyses
- Attachment 5: Water Well Map
- Attachment 6: Induced Seismicity Assessment Letter
- Attachment 7: Public Notice Affidavit and Notice of Application Confirmations

Wellbore Diagram



# A-3 and AL-2 LOK-SET Retrievable Casing Packers

Product Family No. H64630 and H64628

#### APPLICATION

The A-3<sup>~</sup> LOK-SET<sup>~</sup> packer combines advantages of a retrievable packer with the features of a permanent packer. An ability to lock down tubing forces makes the A-3 suitable for a broad range of applications, including production, injection, zone isolation, and remedial operations. The AL-2<sup>~</sup> LOK-SET packer is similar to the A-3, and has a larger bore.

#### Advantages

- Holds pressure from above and below, without relying on set-down weight, tubing tension, or hydraulic hold down
- Provides tubing anchoring with tension applied, suitable for pumping wells or injection, controlling tubing forces related to change fluid temperatures
- Opposed, non-transferring, dovetail slips prevent packer movement associated with changing differential pressures, while allowing the landing of the tubing in tension, neutral or compression
- Right-hand tubing rotation controls setting and releasing
- Packing element compression locks in by ratcheting action of lock segments, which restricts rotation to one direction

#### Accessories

To provide a simple and reliable injection system for retrieving an injection string without having to unseat the packer:

L-10 or L-316 on-off sealing connectors, Product Family Nos. H68420 and H68422. Baker Hughes blanking plug can be used in the seating nipple profile of the on-off sealing connector to provide a means of plugging the lower zone while the tubing is being pulled.



	Casing				Packer		
0		Weight •	Size	Norr	D D	Max G Ring	
in.	<b>1917</b>	ib/ft		in.	៣៣	in.	mm
4	101.6	9.5-12.9	41A2	1.500	38.1	3.244	82.4
4-1/2	144.3	21.6-23.6	41A2	1.500	38.1	3.244	82.4
4	101.6	9.5	41A4	1.500	38.1	3.423	112.4
		18.8	41A4	1 600	38.1	3.423	112.4
	_	13.5-17.7	418	1.500	30.1	3.578	90.9
4-1/2	114.3	11.6-13.5	43A2	4.070	50.0	3.786	96.2
		9.5-10.5	43A4	1.978	50.2	3.786	96.2
		15-18	43B	1.070	60.0	4.140	105.2
5	127.0	11.5-15	43C	1.978	50.2	4.265	108.3
		26	430			4.265	108.3
		20-23	45A2	1		4.515	114.7
5-1/2	139.7	15.5 -20	45A4	1.978	50.2	4.656	118.3
		13-15.5	458	1		4.796	121.8
	<u> </u>	26	458	1		4.796	121.8
6	152.4	20-23	45C	1,978	50.2	5.078	129.0
U	102.4	15-18	45D	-		5.171	131.3
		34	45E			5.421	137.7
		24-32	45F	1.978	50.2	5.499	139.7
6-5/8	168.3	24	47A2	2.441	62.0	5.671	144.0
0-3/0	100.0	17-24	45G	1.978	50.2	5.796	147.2
		17-20	47A4	2.441	62.0	5.827	148.0
		38	47A2			5.671	144.0
		32-35	47A4	1		5.827	148.0
7	177.8	26-29	4782	2.441	62.0	5.983	152.0
•		23-26	47B4	1		6.093	154.8
		17-20	47C2	1		6.281	159.5
	1	33.7-39	47C4	1		6.468	164.3
7-5/8	193.7	24-29.7	47D2	2.441	62.0	6.687	169.9
		20-24	47D4	1		6.827	173.4
	1	44-49	49A2			7.327	186.1
8-5/8	219.1	32-40	49A4	3.500	88.9	7.546	191.7
		20-28	498	-		7.796	198.0
	1	4753.5	51A2	1	1	8.234	209.1
9-5/8	244.5	40-47	51A4	3.500	88.9	8.452	214.7
		29.3-36	51B			8.608	218.6

#### SPECIFICATION GUIDES A-3<sup>~</sup> LOK-SET Retrievable Casing Packer, Product Family No. H64630

#### AL-2~ Large Bore LOK-SET Retrievable Casing Packer Product Family No. H64628

Cas	ing				Par	cker			
0	D	Weight =	Size	Nom (D		Max Gag	a Ring 00	Max Dia Compressed	meter of I Drag Block
in.	mm	ib/ft	]	h.	mm	in.	mm	in.	mm
		20	45A2 x 2-3/8			4.562	115.9	4.592	116.6
5-1/2	139.7	15.5-17	45A4 x 2-3/8	2.375	2.375	2.375	60.3	4.656 118.3 4.750	120.7
		13	458 x 2-3/8			4.796	121.8	4.902	124.5
6	152.4	26	45B x 2-3/8	2.375	60.3	4.796	121.8	4.902	124.5

 When selecting a packer for a casing weight common to two weight ranges (same OD), choose the packer size shown for the lighter of the two weight ranges. Example: for 7-in. (177.8 mm) OD 26 lb/ft casing use packer size 47B4. Under certain circumstances the other packer size may be run, such as when running in mixed casing strings.

Repair kits, including such items as packing elements, seal rings, etc., are available for redressing Baker Retrievable Packers. Contact your Baker Hughes representative. Use only Baker Hughes repair parts.

Area of Review Well Map, Lease Map, and Well Details





	1-mi	1-mile AOR	Tabulation for Dillinger Fed SWD #1 (Top of Injection Interval: 16,530)	1 SWD #1 (To	p of Injection Interva	l: 16,530)		
Well Name	API#	Well Type	Operator	Spud Date	Location (Sec., Tn., Rng.)	Footage Location Total Depth	Total Depth	Penetrate Inj. Zone?
PATTON 17 FEDERAL #007	30-015-29904 0	0	OXY USA INC	5/23/1998	G-17-24S-31E	2,075 FNL 2,600 FEL	8320	No
PATTON 17 FEDERAL #002	30-015-29604 0	0	OXY USA INC	5/8/1997	K-17-24S-31E	1,650 FSL 2,250 FWL	9700	No
PATTON 17 FEDERAL #009T	30-015-33034 0		OXY USA INC	10/17/2004	M-17-24S-31E	330 FSL 330 FWL	8375	No
PATTON 17 FEDERAL #001	30-015-29279 0		OXY USA INC	12/20/1996	0-17-24S-31E	822 FSL 2,581 FEL	8280	No
PATTON 17 FEDERAL #006	30-015-29824 0	0	OXY USA INC	10/10/1997	N-17-24S-31E	330 FSL 1,800 FWL	8290	No
PATTON 17 FEDERAL #004	30-015-29971 0	0	OXY USA INC	1/15/1998	J-17-24S-31E	2,050 FSL 1,750 FEL	8320	°N N
PATTON 17 FEDERAL #008V	30-015-33895 0	0	OXY USA INC	1/10/2005	I-17-24S-31E	1,850 FSL 990 FEL	8500	No
SQUIB BQU STATE COM #001H	30-015-38564 0	0	EOG Y RESOURCES, INC.	3/31/2011	N-16-24S-31E	330 FSL 1,980 FWL	295	No
POKER LAKE UNIT #393H	30-015-40951 0		BOPCO, L.P.	5/27/2012	A-19-24S-31E	55 FNL 435 FEL	8127	No
POKER LAKE UNIT #394H	30-015-41083	0	BOPCO, L.P.	5/12/2013	P-19-24S-31E	1,125 FSL 200 FEL	8088	No
POKER LAKE UNIT #043	30-015-21700 S		BOPCO, L.P.	11/28/1994	M-21-24S-31E	660 FSL 660 FWL	4995	No
POKER LAKE UNIT #068	30-015-25781	0	BOPCO, L.P.	9/17/1987	B-20-24S-31E	760 FNL 2,080 FEL	4491	No
POKER LAKE UNIT #129	30-015-29552 0	(	BOPCO, L.P.	7/13/1997	H-20-24S-31E	1,980 FNL 660 FEL	8306	No
POKER LAKE UNIT #392H	30-015-40296 0		BOPCO, L.P.	9/20/2012	C-20-24S-31E	200 FNL 1,900 FWL	8146	No
POKER LAKE UNIT CVX JV BS #060H	30-015-43434 0		BOPCO, L.P.	Not Yet Drilled E-20-24S-31E	E-20-24S-31E	2,010 FNL 330 FWL	N/A	No
PRE-ONGARD WELL #040	30-015-20688 plugged		PRE-ONGARD WELL OPERATOR	6/26/1972	N-20-24S-31E	660 FSL 1,980 FWL	4600	No
POKER LAKE #001	30-015-10489 plugged		PRE-ONGARD WELL OPERATOR	4/27/1965	A-20-24S-31E	660 FNL 660 FEL	4700	No
POKER LAKE UNIT CVX JV BS #069H	30-015-43436 0	0	BOPCO, L.P.	Not Yet Drilled E-20-24S-31E	E-20-24S-31E	2,010 FNL 290 FWL	N/A	No
Notes:								
(1) No wells within the 1-mile AOR penetrate the injection interval	enetrate the inject	tion interv	al.					

Source Water Analyses



## Water Analysis

Date: 23-Aug-11

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

Company				COUNTY	State
Summer of the second se		Well Name BD		County	New Mexico
Sample Source	Swab Sa		Sample #	Eddy	1-265-294
Formation			Depth		
Specific Gravity	1.170		SG	@ 60 °F	1.172
pН	6.30			Sulfides	Absent
Temperature (*F)	70		Reducing	Agents	
Cations					
Sodium (Calc)		in Mg/L	77,962	in PPM	66,520
Celcium		in Mg/L	4,000	in PPM	3,413
Magnesium		in Mg/L	1,200	in PPM	1,024
Soluable fron (FE2)		in Mg/L	10.0	in PPM	9
Anions					
Chlorides		in Mg/L	130,000	in PPM	110,922
Sullates		in Mg/L	250	in PPM	213
Bicarbonates		in Mg/L	127	in PPM	108
Total Hardness (as CaCC	)3)	in Mg/L	15,000	in PPM	12,799
Total Dissolved Solids (C	alc)	in Mg/L	213,549	in PPM	182,209
Equivalent NaCl Concent	ration	in Mg/L	182,868	in PPM	156,031
caling Tendencies					
Calcium Carbonate Index					507,520
Bolaw 500,00	0 Remote / 500,	000 - 1,000,000	Possible / Above	1,000,000 Probable	•
Calcium Sulfate (Gyp) Ind		MO. 10 000 00	Deserble / Abarra		1,000,000
Benow 200,000 This Calculation is only an app				10,000,000 Probebi of a well or severe	

Remarks RW=.048@70F

Report # 3188

Sec 22, T25, S, R28E

Bone Spring

:

140

0

1,13

243.17

North Permian Basin Region P.O. Box 740 Sundown, TX 79372-0740 (806) 229-8121 Leb Team Leader - Shella Hernandez (432) 495-7240

## Water Analysis Report by Baker Petrolite

Company:		Sales RDT:	33514.1
Region:	PERMIAN BASIN	Account Manager:	TONY HERNANDEZ (575) 910-7135
Area:	ARTESIA, NM	Sample #:	534665
Lease/Platform:	PINOCHLE 'BPN' STATE COM	Analysis ID #:	106795
Entity (or well #):	2 H	Analysis Cost:	\$90.00
Formation:	UNKNOWN		
Sample Point:	WELLHEAD		

	8	lummary	,	1			Analysis	of Samp	ie 5 <b>34665 @</b> 75	FF		
•	ing Date:		03/10/11			, mg			Cations	m 7027:	g/l	maq/i 3056.82
Analys		SAN	DRA GOMEZ		~.	109618. 2135,	• •••		iodium: <b>legnes</b> ium:	19:		3056.62
Densk Anion		tonne/m	184911. 3): 1.113 0 50 PPM	3 Sulfate: 9 Phospha 1 Borate: Silicale: Hydroge pH at tin pH at tin	21 <b>8</b> :	0.0 0. 747.0 15.55 le: 0 PPM mpling: 7 adyels:		a.55 8 B PM C 7 L A	255 Stronflum: Barlum: Iron: Polassium: Aluminum: Chromium: Copper: Lead; Manganese:		1.0 ).0 ).8 3.5 3.0	<b>42.12</b> 5.02 6.01 0.23 22.22
Cond	tions Gauge	C	Values C alcite		at the Give		ons - Amo ydrite	1	Scale in Ib/10 Selestite		rite	CO2
	Press.	6	CaCO3		CaSO 2H 0		SO4		SrSO4	Ba	1904	Press
F	psi	index	Amount	Index	Amount	Index	Amount	Inde	x Amount	Index	Amount	psi
80	0	1.08	168.52	-1.20	0.00	-1.18	0.00	-0.1		0,58	0.29	1.72
100	0	1.10	206.05	-1.29	0.00	-1.20	0.00	-0.1		0.35	0.29	2.36 3.17
120	0	1.12	224.17	-1.36	0.00	-1.19	0.00	-0.1	7 0.00	0.16	0.00	

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0.00 essing the severity of the scale problem, both the saturation index (SI) and smount of scale must be considered. Note 1: When ase

-1.42

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 notusily the calculated CO2 fugacity. It is usually nearly the same as the CO2 partial pressure.

Injection Formation Water Analyses

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Source: Go-Tech (http://gotech.nmt.edu/gotech/Water/producedwater.aspx)

Water Well Map



Induced Seismicity Assessment Letter



August 16, 2018

Mr. Phillip Goetze, P.G. NM EMNRD – Oil Conservation Division 1220 South St. Francis Drive Santa Fe, NM 87505

Subject: Induced Seismicity Potential Statement for the Dillinger Fed SWD #1

Dear Mr. Goetze,

This letter provides information regarding the seismic potential associated with injection operations associated with Solaris Water Midstream, LLC's (Solaris), proposed Dillinger Fed SWD #1, hereinafter referred to as the "Subject Well".

As outlined herein, based on my experience as an expert on the issue of induced seismicity, it is my opinion that the potential for the proposed injection well to cause injection-induced seismicity is expected to be minimal, at best. This conclusion is based on (1) the lack of historic seismic activity and faulting in the area, (2) the low fault slip potential (FSP) of Precambrian faults in the area, (3) the presence of confining layers, and (4) the overall vertical distance between the proposed injection zone and basement rock.

The Subject Well, is located 1,656' FNL & 1,124' FEL of Section 20, in T24-S and R31-E of Eddy County, New Mexico. Historically, the Eddy County area has experienced very limited recorded seismic activity (per the U.S. Geological Survey [USGS] earthquake catalog database). The closest recorded seismic event was a M3.1 that occurred on March 18, 2012, and was located approximately 7.71 miles northwest of the subject well (See Exhibit 1). The closest Class IID well injecting into the same formations (Devonian-Silurian) of the Subject Well is approximately 1.83 miles to the north (See Exhibit 1).

Solaris does not own either 2D or 3D seismic reflection data in the area of the Subject Well. Fault data from USGS indicates that the closest known fault is approximately 12.08 miles southwest of the Subject Well (See Exhibit 1).

In a recent paper written by Snee and Zoback (2018) entitled "State of Stress in the Permian Basin, Texas and New Mexico: Implications for Induced Seismicity,", the authors found that large groups of mostly north-south striking Precambrian basement faults, predominantly located along the Central Basin Platform, the western Delaware Basin, and large parts of the Northwest Shelf (which includes Eddy and Lea counties, New Mexico) have low FSP at the modeled fluid-pressure perturbation. The map in Exhibit 2 depicts the low probability risk of FSP for the Delaware Basin and Northwest Shelf areas (Snee and Zoback 2018).

Geologic analysis indicates that the proposed Devonian-Silurian injection zone is overlain by approximately 200 to 400 feet of Woodford Shale, which is the upper confining zone and will serve as a barrier for upward injection fluid migration. Additionally, the Simpson Group that lies directly below the Montoya Formation will act as a lower confining zone to prohibit fluids from migrating downward into the underlying Ellenberger Formation and Precambrian basement rock. See the stratigraphic column for the Delaware Basin included in Exhibit 3.

In the Eddy and Lea Counties area of New Mexico, the Simpson Group is comprised of a series of Middle to Upper Ordovician carbonates, several sandstones, and sandy shales that range from approximately 350 to 650 feet thick (Jones 2008). This group of rocks is capped by the limestones of the Bromide Formation, which is approximately 200 feet thick in this area (Jones 2008). The closest deep well drilled into the Precambrian basement was completed by the Skelly Oil Company in 1975. This well is located in Section 17, Range 36E, Township 25S of Lea County (API No.30-025-25046) and encountered 602 feet of Ellenburger Formation before reaching the top of the Precambrian granite at a depth of 18,920 feet. Based on the estimated thickness of the Simpson Group and Ellenburger Formation in this area, the Precambrian basement should be approximately 1,000 to 1,200 feet below the bottom of the proposed injection zones in the Subject Well.

#### Conclusion

As an expert on the issue of induced seismicity, it is my opinion that the potential for the proposed injection well to cause injection-induced seismicity is expected to be minimal, at best. This conclusion is based on (1) the lack of historic seismic activity and faulting in the area, (2) the low FSP of Precambrian faults in the area, (3) the presence of confining layers, and (4) the overall vertical distance between the proposed injection zone and basement rock.

Sincerely, ALL Consulting

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J. Daniel Arthur, P.E., SPEC President and Chief Engineer

Enclosures References Exhibits

## References

Ball, Mahlon M. 1995. "Permian Basin Province (044)." In *National Assessment of United States Oil and Gas Resources—Results, Methodology, and Supporting Data*. U.S. Geological Survey. https://certmapper.cr.usgs.gov/data/noga95/prov44/text/prov44.pdf (accessed June 18, 2018).

Green, G.N., and G.E. Jones. 1997. "The Digital Geologic Map of New Mexico in ARC/INFO Format." U.S. Geological Survey Open-File Report 97-0052. <u>https://mrdata.usgs.gov/geology/state/state.php?state=NM</u> (accessed June 14, 2018).

Jones, Rebecca H. 2008. "The Middle-Upper Ordovician Simpson Group of the Permian Basin: Deposition, Diagenesis, and Reservoir Development." <u>http://www.beg.utexas.edu/resprog/permianbasin/PBGSP\_members/writ\_synth/Simpson.pdf</u> (accessed June 19, 2018).

Snee, Jens-Erik Lund, and Mark D. Zoback. 2018. "State of Stress in the Permian Basin, Texas and New Mexico: Implications for Induced Seismicity." *The Leading Edge* 37, no. 2 (February 2018): 127-34.

U.S. Geological Survey (USGS). No date. Earthquakes Hazard Program: Earthquake Catalog. <u>https://earthquake.usgs.gov/earthquakes/search/</u> (accessed June 14, 2018).

## Exhibits



Exhibit 1. Map Showing the Distances from Known and Inferred Faults, Seismic Event, and Closest Deep Injection Well



Exhibit 2. Results of the Snee and Zoback (2018) Probabilistic FSP Analysis Across the Permian Basin



Exhibit 3. Delaware Basin Stratigraphic Chart (Ball 1995)

Public Notice Affidavit and Notice of Application Confirmations

# CURRENT-ARGUS

#### AFFIDAVIT OF PUBLICATION

Ad No. 0001260629

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TULSA OK 74119

I, a legal clerk of the **Carlsbad Current-Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

<u>09/06/18</u>

Clerk

Subscribed and sworn before me this 6th of September 2018.

State of WI, County of Brown NOTARY PUBLIC

My Commission Expires

Ad#:0001260629 P O : Dillinger Fed SWD #1 # of Affidavits :0.00 State Clown, OCH Note Clauble State Cloveseeen

APPLICATION FOR AUTHORIZATION TO INJECT NOTICE IS HEREBY GIVEN: That Solaris Water Midstream, LLC, 9811 Katy Freeway, Suite 900, Houston, TX 77024, is requesting that the New Mexico Oil Conservation Division administratively approve the APPLICATION FOR AU-THORIZATION TO IN-JECT 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 LO-CATION: Dillinger Fed SWD #1 SE ¼ NE ¼, Section 20, Township 24S, Range 31E 1,656' FNL & 1,124' FEL Eddy County, NM NAME AND DEPTH OF DISPOSAL ZONE: Devonian-Silurian (16,530' - 17,650') EXPECTED MAXIMUM INJECTION RATE: 30,000 Bbls/dav EXPECTED MAXIMUM INJECTION PRESSURE: 3,306 psi (surface) Objections or requests for hearing must be filed with the New Mexico Oil Conservation Division within fifteen (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 Bonnie Atwater (Solaris - Regulatory Technician) at 432-203-9020.

Dillinger Fed SW	/D #1 Notice of Application Recipients	(1/2-mile Radius	)	
Entity	Address	City	State	Zip Code
	Landowner		Mart of the	in the second second
New Mexico BLM	620 E. Greene St.	Carlsbad	NM	88220
	OCD District			
NMOCD District 2	811 S. First St.	Artesia	NM	88210
and the second	Leasehold Operators		、 講社:	
Amoco Production Company	1017 W Stanolind Rd.	Hobbs	NM	88240
<b>Bass Enterprises Production Company</b>	201 Main St.	Fort Worth	TX	76102
BOPCO, L.P.	6401 Holiday Hill Rd.	Midland	TX	79707
Chevron U.S.A. Production Company	P.O. Box 1635	Houston	TX	77251
David Fasken	303 W. Wall St., Ste 1901	Midland	ΤХ	79701
EOG Y Resources, Inc.	104 S. 4th Street	Artesia	NM	88210
OXY USA inc.	5 Greenway Plaza, Suite 110	Houston	TX	77046
Pauly Petroleum Incorporated	10000 Santa Monica Blvd.	Los Angeles	CA	90067
Perry R. Bass Trustee	201 Main Street, Ste 2700	Fort Worth	TX	76102-3131
Petrogulf Energy Company	518 17th Street, Ste. 1455	Denver	CO	80202
Pogo Producing Company	P.O. Box 2504	Houston	TX	77252



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