

Initial Application Part I

Received 02/14/2022

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

RECEIVED:	REVIEWER:	TYPE:	APP NO: pJZT2204930380
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: <u>Spur Energy Partners, LLC</u>	OGRID Number: <u>328947</u>
Well Name: <u>Loco Hills 34 SWD No.3</u>	API: <u>30-015-37270</u>
Pool: <u>SWD; Wolfcamp</u>	Pool Code: <u>96135</u>

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
- A. Location – Spacing Unit – Simultaneous Dedication
☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD
- B. Check one only for [I] or [II]
- [I] Commingling – Storage – Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
- [II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery
☐ WFX ☐ PMX ☒ SWD ☐ IPI ☐ EOR ☐ PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
- A. ☒ Offset operators or lease holders
 B. ☐ Royalty, overriding royalty owners, revenue owners
 C. ☒ Application requires published notice
 D. ☒ Notification and/or concurrent approval by SLO
 E. ☒ Notification and/or concurrent approval by BLM
 F. ☒ Surface owner
 G. ☒ For all of the above, proof of notification or publication is attached, and/or,
 H. ☐ No notice required

FOR OCD ONLY

- ☐ Notice Complete
☐ Application Content Complete

- 3) **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 must be completed by an individual with managerial and/or supervisory capacity.

Ben Stone

Print or Type Name

Signature

2/14/2022

Date

903-488-9850

Phone Number

ben@sosconsulting.us

e-mail Address



February 7, 2022

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

Attn: Ms. Adriene Sandoval, Director

Re: Application of Spur Energy Partners, LLC to reinstate and otherwise permit for salt water disposal its Loco Hills 34 SWD Well No.3, located in Section 34, Township 17 South, Range 30 East, NMPM, Eddy County, New Mexico.

Dear Ms. Sandoval,

Please find the enclosed form C-108 Application for Authority to Inject, supporting the above-referenced request to permit for disposal the Loco Hills 34 SWD No.3. The well was previously authorized by another operator for salt water disposal by division order SWD-1176. The subject well is one of hundreds acquired in the last few years and the previous operator had let this well go inactive. By reinstating the SWD, the applicant's area production and leases will remain economic. The well will only take Spur's water from area operations.

Spur Energy Partners, LLC seeks to optimize efficiency, both economically and operationally, of all its operations in southeast New Mexico. Approval of this application is consistent with that goal as well as the NMOCD's mission of preventing waste and protection of correlative rights.

Published legal notice ran in the February 6, 2022, edition of the Artesia Daily Press and offset operators and other affected parties have been notified individually. All required information and attachments are included for a complete Form C-108. The well is located on BLM land and minerals.

I respectfully request that the approval of this salt water disposal well proceed swiftly and if you or your staff requires additional information or has any questions, please do not hesitate to call or email me.

Best regards,

A handwritten signature in blue ink, appearing to read "Ben Stone", is written over a light blue horizontal line.

Ben Stone, Partner
SOS Consulting, LLC
Agent for Spur Energy Partners, LLC

Cc: Application attachment and file

Cc: Application File

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

2/14/2022

APPLICATION FOR AUTHORIZATION TO INJECT

SWD-2471

- I. PURPOSE: **SWD Reinstatement** and the application **qualifies** for administrative approval.
- II. OPERATOR: **Spur Energy Partners, LLC (Ogrid – 328947)**
ADDRESS: **9655 Katy Freeway, Ste.500, Houston, Texas 77024**

CONTACT PARTY: **Sarah Chapman, Spur Regulatory Director (832) 930-8502**
Agent: SOS Consulting, LLC – Ben Stone (903) 488-9850
- III. WELL DATA: **All well data and applicable wellbore diagrams are ATTACHED hereto.**
- IV. **This is not an expansion of an existing project.**
- V. **A map is ATTACHED** 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. **A tabulation is ATTACHED** of data on all wells of public record within the area of review which penetrate the proposed injection zone. **(3 AOR wells penetrate the subject interval – NO P&A'd penetrate.)** The data includes a description of each well's type, construction, date drilled, location, depth, and a schematic of any plugged well illustrating all plugging detail.
- VII. **The following data is ATTACHED** on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
 2. Whether the system is open or closed;
 3. Proposed average and maximum injection pressure;
 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
 5. 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. **Appropriate geologic data on the injection zone is ATTACHED** 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. **The well may be acidized to clean perforations and formation w/ approximately 7500 gals 15% HCl.**
- *X. **There is no applicable test data on the well however, any previous well logs have been filed with the Division and they need not be resubmitted. An offsetting well log strip of subject interval is ATTACHED.**
- *XI. **State Engineer's records indicate there are NO water wells within one mile the proposed SWD.**
- XII. **An affirmative statement is ATTACHED that available geologic and engineering data has been examined and no evidence was found** of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. **"Proof of Notice" section on the next page of this form has been completed and ATTACHED.**
There are 6 offset operators or lessees plus state and federal minerals within one mile - all have been noticed.
- 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: **Ben Stone**TITLE: **SOS Consulting, LLC agent / consultant for Spur Energy Partners, LLC**

SIGNATURE: _____

DATE: **2/07/2022**E-MAIL ADDRESS: **ben@sosconsulting.us***Filing delayed waiting for certified notice delivery* **2/14/2022**

- * 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 – *The following information and data is included and ATTACHED:*

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 *pursuant to the following criteria is ATTACHED.*

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.

DISTRICT I

1625 N. French Dr., Hobbs, NM 88240

DISTRICT II

1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

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-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-3727	Pool Code 96/35	Pool Name SWD, Wolfcamp
Property Code 37467 37824	Property Name LOCO HILLS SWD 34	Well Number # 3-34
OGRID No. 229137	Operator Name C.O.G. OPERATING L.L.C.	Elevation 3526'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	34	17 S	30 E		1375	SOUTH	2555	EAST	EDDY

Bottom Hole Location If 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

Dedicated Acres N/A	Joint or Infill	Consolidation Code	Order No.
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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

<p>SURFACE LOCATION LAT.: N 32°47'15.02" LONG.: W103°57'34.23" N.: 650430.1 E.: 656217.9 (NAD-83)</p>	<p>OPERATOR CERTIFICATION</p> <p>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 pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Robyn Odom</i> 5/15/2009 Signature Date</p> <p>Robyn Odom Printed Name</p>
	<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was 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.</p> <p>FEBRUARY 19, 2009 Date Surveyed</p> <p><i>W.O. Jones</i> Signature Seal Professional Surveyor</p> <p>W.O. Jones 128 Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>

C-108 - Items III, IV, V

Item III - Subject Well Data

Wellbore Diagram – PROPOSED

Item IV – Tabulation of AOR Wells

6 Wells Penetrate the Proposed Injection Interval, NO P&A'd Penetrate

Item V – Area of Review Maps

1. Two Mile AOR Map with One-Mile Fresh Water Well Radius
2. One-Half Mile AOR Map

All Above Exhibits follow this page.

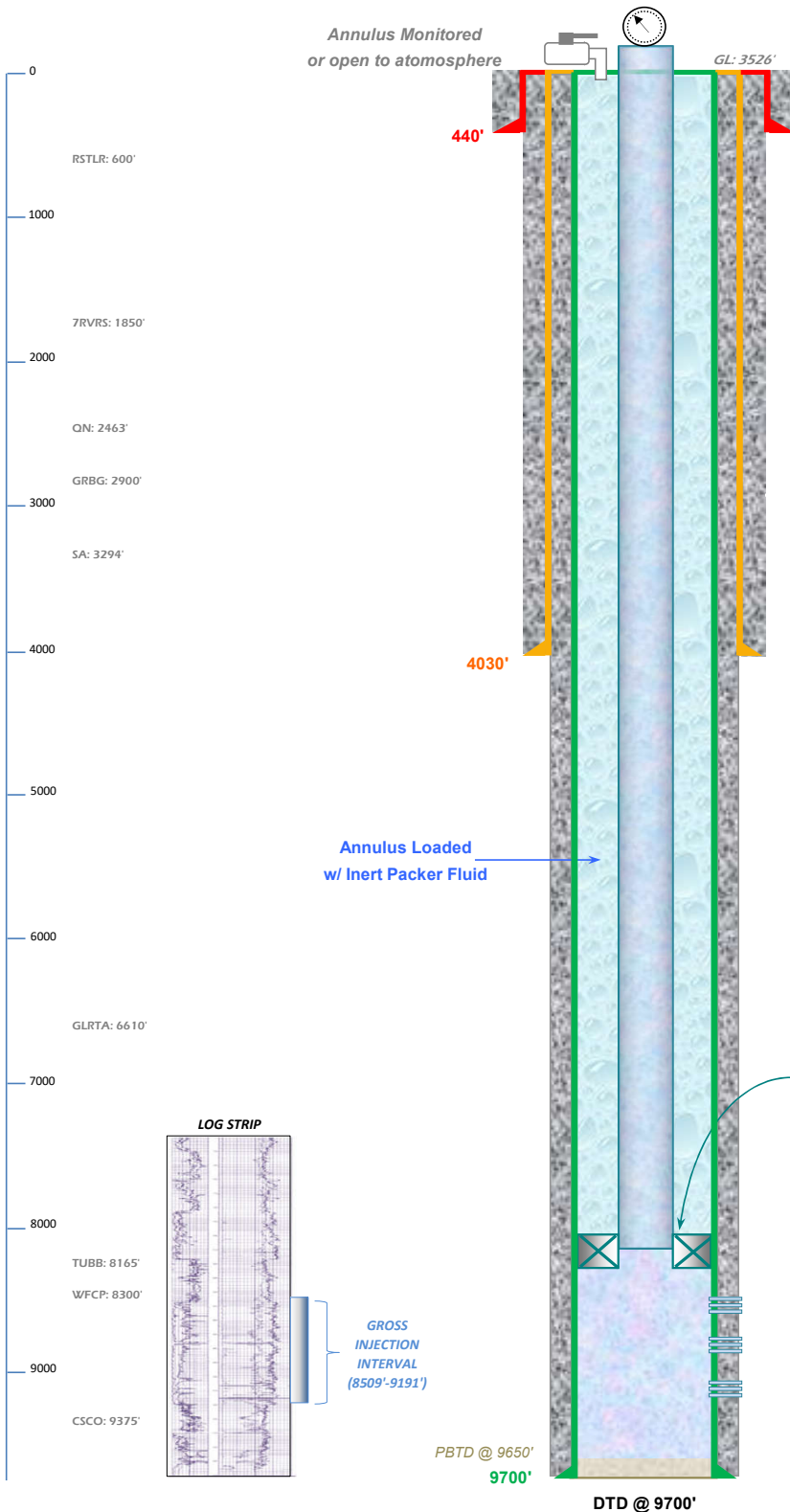


WELL SCHEMATIC - CURRENT / PROPOSED
Loco Hills 34 SWD Well No.3

SWD; Wolfcamp (96135)

API 30-015-37270
1375' FSL & 2555' FEL, SEC. 34-T17S-R30E
EDDY COUNTY, NEW MEXICO

Spud Date: 12/14/2009
Config SWD Dt (Est): ~1/15/2022



*Injection Pressure Regulated
and Volumes Reported
1701 psi Max. Surface (0.2 psi/ft)*

Surface Casing

13.375", 48.0/ 54.5# H-40/ J-55 STC Csg. (17.5" Hole) @ 440'
470 sx - Circulated to Surface

SPUR ENERGY PARTNERS, LLC

Reinstate SWD Status:

RIH w/ TBG (new or test into hole)
Set PKR @ 8409' + (Within 100' of uppermost perf)
Conduct Witnessed MIT.
Commence Disposal Operations.

Intermediate Casing

9.625", 40.0# J-55 Csg. (12.25" Hole) @ 4030'
1700 sx - Circulated to Surface

3.5" IC Tubing (or smaller)

PKR ~8409'±

Note: PKR Set 100' Above Final Uppermost Perf Interval.

Wolfcamp Reef Perfs - 8509 feet to 9191 feet

Production Casing

7.0", 26.0# L-80 Csg. (8.75" Hole) @ 9700';
w/ 1st: 750 sx (DV depth ~7000')
2nd 475sx - Circulated to Surface

Drawn by: Ben Stone, 2/04/2022



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
NMNM03845741a. Type of Well ☐ Oil Well ☐ Gas Well ☐ Dry ☒ Other: OTH
b. Type of Completion ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.
Other _____

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

2. Name of Operator
COG OPERATING LLCContact: KANICIA CARRILLO
E-Mail: kcarrillo@conchoresources.com8. Lease Name and Well No.
LOCO HILLS SWD 34 33. Address 550 WEST TEXAS AVE STE 1300
MIDLAND, TX 797013a. Phone No. (include area code)
Ph: 337-583-4332

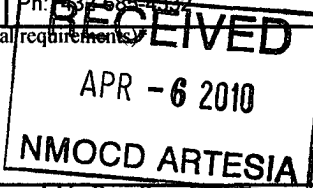
9. API Well No. 30-015-37270

4. Location of Well (Report location clearly and in accordance with Federal requirements)

At surface Lot J 1375FSL 2555FEL

At top prod interval reported below Lot J 1375FSL 2555FEL

At total depth Lot J 1375FSL 2555FEL

10. Field and Pool, or Exploratory
SWD;WOLFCAMP11. Sec., T., R., M., or Block and Survey
or Area Sec 34 T17S R30E Mer12. County or Parish
EDDY13. State
NM14. Date Spudded
12/14/200915. Date T.D. Reached
01/07/201016. Date Completed
☐ D & A ☒ Ready to Prod.
03/01/201017. Elevations (DF, KB, RT, GL)*
3526 GL18. Total Depth: MD 9700
TVD 970019. Plug Back T.D.: MD 9652
TVD 965220. Depth Bridge Plug Set: MD
TVD21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
COMPENSATED NEUTRON22. Was well cored? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit analysis)
Directional Survey? ☒ No ☐ Yes (Submit analysis)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
17.500	13.375 H40	48.0	0	440		470		0	0
12.250	9.625 J55	40.0	0	4030		1700		0	0
8.750	7.000 L80	26.0	0	9700		1280		0	0

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.875	8443	8429						

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WOLFCAMP	8509	8718	8509 TO 8718	0.410	188	OPEN
B) WOLFCAMP	8839	8992	8839 TO 8992	0.410	246	OPEN
C) WOLFCAMP	9008	9191	9008 TO 9191	0.410	320	OPEN
D)						

26. Perforation Record

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
8509 TO 8718	ACIDIZE W/6,000 GALS 15% ACID.
8839 TO 8992	ACIDIZE W/6,000 GALS 15% ACID.
9008 TO 9191	ACIDIZE W/7,710 GALS 15% ACID.
8509 TO 9191	FRAC W/ 115,000 GALS 15% ACID W/30,000# ROCKSALT. FLUSH W/ 454 BBLs FRESH WATER.

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr API	Gas Gravity	Production Method
			→						ACCEPTED FOR RECORD APR 3 2010 BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE
Choke Size	Tbg Press Flwg SI	Csg Press	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas Oil Ratio	Well Status	
			→						

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #83464 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.5. Lease Serial No.
NMNM0384574

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.8. Well Name and No.
LOCO HILLS SWD 34 39. API Well No.
30-015-37270-00-S1

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other: INJECTION

2. Name of Operator

COG OPERATING LLC

Contact: KANICIA CARRILLO

E-Mail: kcarrillo@conchoresources.com

3a. Address

550 W TEXAS, STE 1300 FASKEN TOWER II
MIDLAND, TX 79701

3b. Phone No. (include area code)

Ph: 432-685-4332

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 34 T17S R30E NWSE 1375FSL 2555FEL

10. Field and Pool, or Exploratory
UNDESIGNATED

11. County or Parish, and State

EDDY COUNTY, NM

RECEIVED

APR - 6 2010

NMOCD ARTESIA

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Drilling Operations
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

1/18/10 Test BOP to 2000psi, ok.

1/19/10 Drilled out DV Tool

1/21/10 Perf Lower Wolfcamp @ 9008 - 9089, 9111 - 9191 w/ 2 SPF, 320 holes. 1/22/10 Acidize w/210 gals acid. Set packer @ 8944. Acidized lower perms w/ 7500 gals acid.

1/25/10 Release packer. TIH w/ CBP, set @ 9000. Perf Middle Wolfcamp @ 8909 - 8992 w/2 SPF, 246 holes. Set packer @ 8747.

1/27/10 Acidize w/6000 gals acid. Released packer.

1/28/10 Set CBP @ 8800. Perf Upper Wolfcamp @ 8509 - 8549, 8664 - 8718 w/ 2 SPF, 188 holes. Set packer @ 8420.

1/29/10 Acidize w/6000 gals acid.

2/01/10 Release packer.

2/02/10 Drill out plugs. Clean out to PBD 9652.

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #83300 verified by the BLM Well Information System

For COG OPERATING LLC, sent to the Carlsbad

Committed to AFMSS for processing by KURT SIMMONS on 03/26/2010 (10KMS0979SE)

Name (Printed/Typed) KANICIA CARRILLO

Title PREPARER

Signature (Electronic Submission)

Date 03/25/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By **ACCEPTED**JAMES A AMOS
Title SUPERVISOR EPS

Date 04/03/20

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office Carlsbad

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

4-8-10

Form C-108 Item VI - Tabulation of AOR Wells

Top of Proposed WOLFCAMP Interval 8509'

3 Wells Penetrate Proposed Interval.

API No.	Current Operator	Well Name	Well Number	Type	Lease	Status	ULSTR	Depth	Plugged On
30-015-37270	[328947] Spur Energy Partners LLC	LOCO HILLS SWD 34	#003	SWD	Federal	Active	J-35-17S-30E	9700'	

Subject Well

Section 34 Wells

30-015-39477	[328947] Spur Energy Partners LLC	LOCO HILLS SWD 34	#005	SWD	Federal	Active	F-34-17S-30E	9589'	
<i>Well completed as WOLFCAMP SWD w/ perfs 8550'-8850'; 7.0" csg set 9700' w/ 1524 sx, Circ.; 9.625" csg set 1253' w/ Circ.</i>									
30-015-32047	[328947] Spur Energy Partners LLC	MAGGIE 34 FEDERAL	#001	Oil	Federal	Active	F-34-17S-30E	5207'	
<i>DOES NOT PENETRATE</i>									
30-015-23988	[328947] Spur Energy Partners LLC	ARNOLD FEDERAL COM	#001	Gas	Federal	Active	G-34-17S-30E	11552'	
<i>Well completed as MISSISSIPPIAN gas producer w/ perfs 11,468'-11,478'; 4.5" csg set 11,552' w/ 2000 sx, TOC @ 3200'; 8.625" csg set 3464 w/ 2800 sx, Circ.</i>									
30-015-21317	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#003	Oil	Federal	P&A-R	H-34-17S-30E	3400'	1/1/1900
<i>DOES NOT PENETRATE</i>									
30-015-25427	[372098] MARATHON OIL PERMIAN LLC	ATALAYA FEDERAL	#002	Oil	Federal	P&A-R	I-34-17S-30E	3500'	7/2/2019
<i>DOES NOT PENETRATE</i>									
30-015-04448	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#011	Oil		P&A-R	M-34-17S-30E	3375'	1/1/1900
<i>DOES NOT PENETRATE</i>									

Section 3 Wells

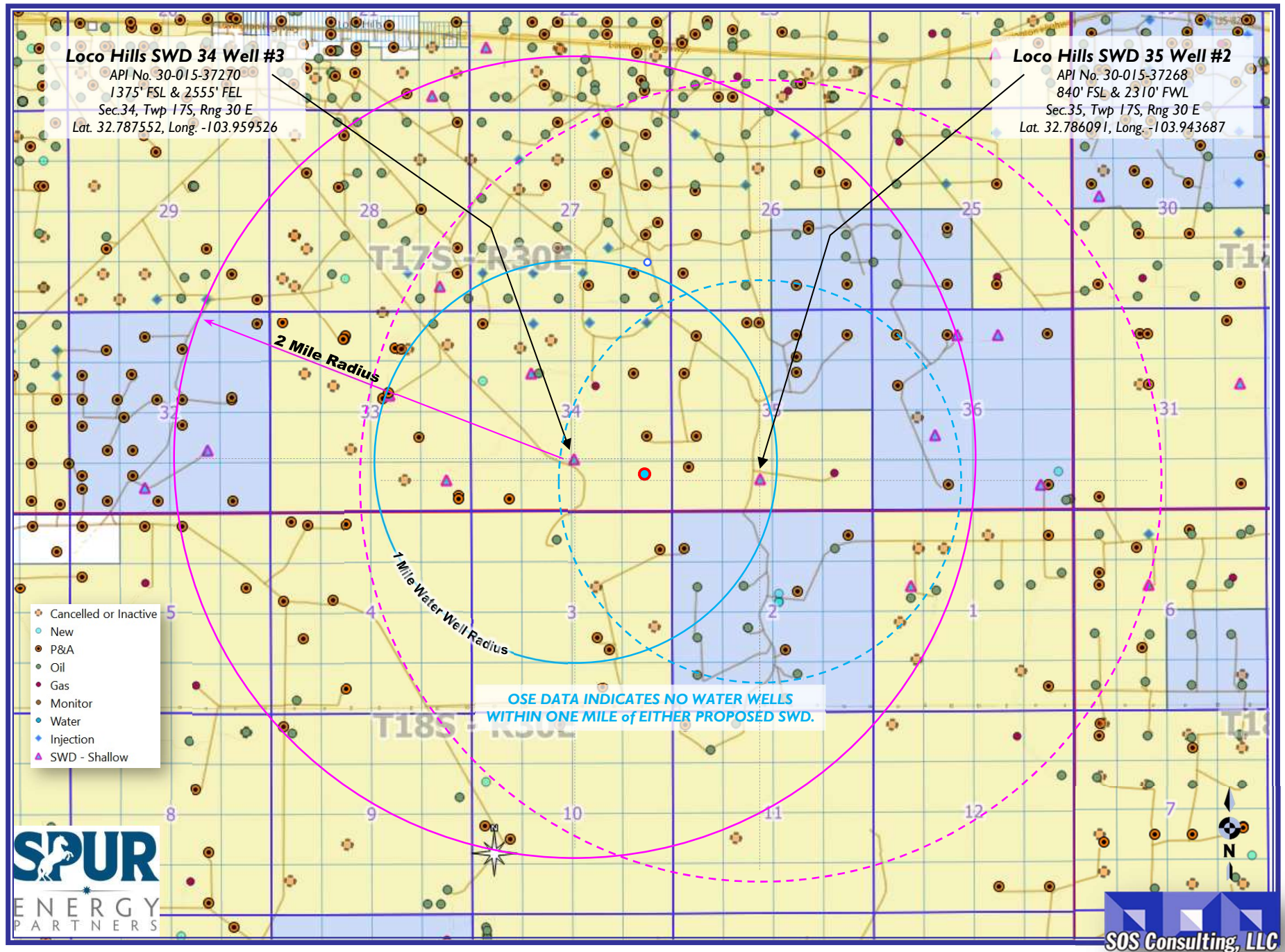
30-015-24737	[7377] EOG RESOURCES INC	NELSON FEDERAL	#008	Oil	Federal	Active	C	11650'	
<i>Well completed as BONE SPRING producer w/ perfs 6700'-6740'; 4.5" csg set 11,650' w/ 670 sx, TOC NR'; 8.625" csg set 3532 w/ 1750 sx, Circ.</i>									

Summary: 7 Wells Total in AOR - 3 Wells Penetrate Subject Interval; 0 are P&A'd



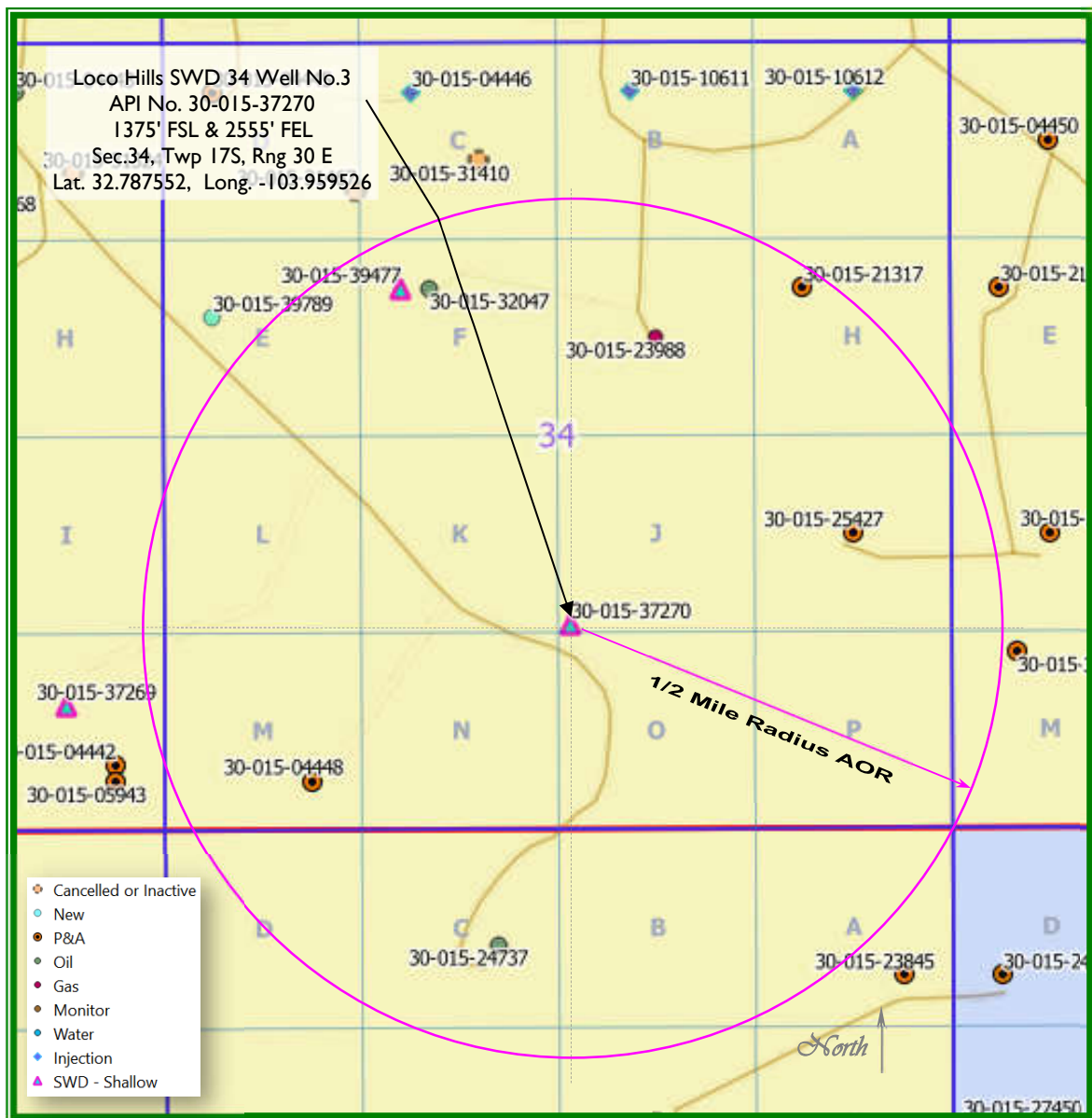
Loco Hills 34 SWD #3 and 35 SWD #2 - Area of Review / 2 Miles

(Attachment to NMOCD Form C-I08 - Item V)

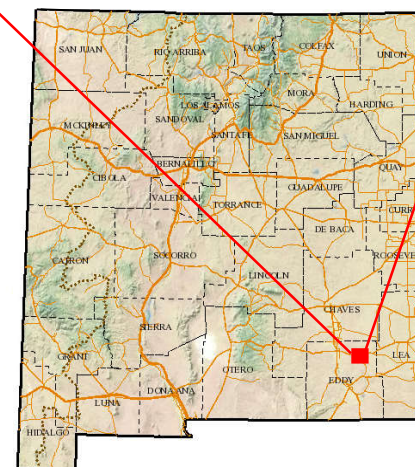
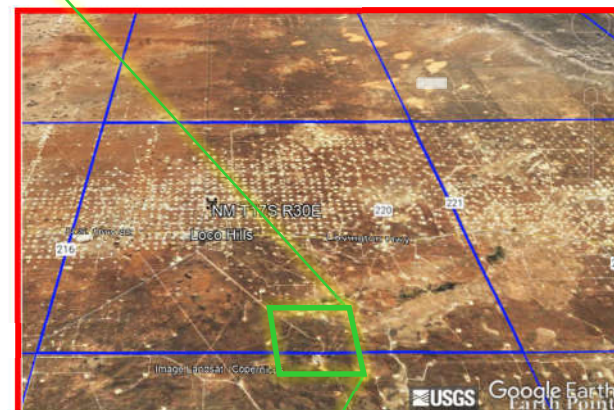


Loco Hills SWD 34 Well No.3 - Area of Review / Overview Map

(Attachment to NMOCD Form C-108 - Item V)



~2.6 miles Southeast
of Loco Hills, NM



Eddy County, New Mexico

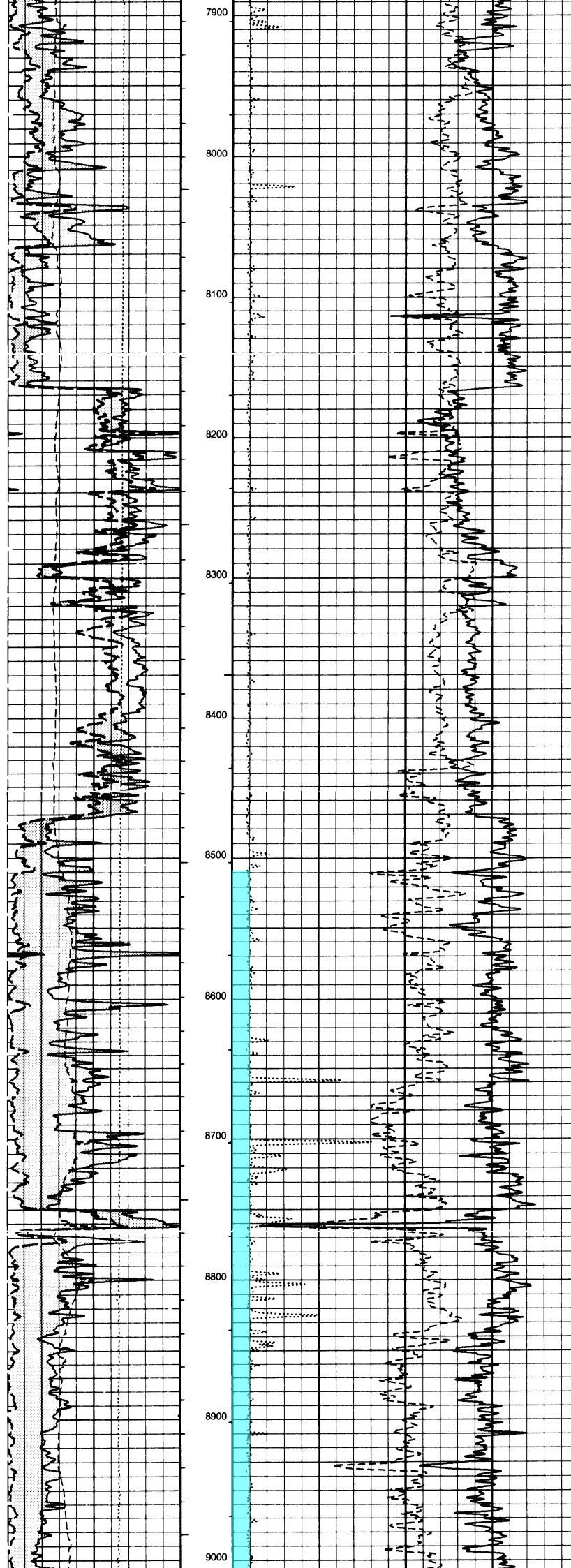
**C-108 ITEM X – LOGS
and AVAILABLE TEST DATA**

A Log Strip from the Subject Well Covering
the Zone of Interest with Annotations is Attached.

LOG STRIP FOLLOWS

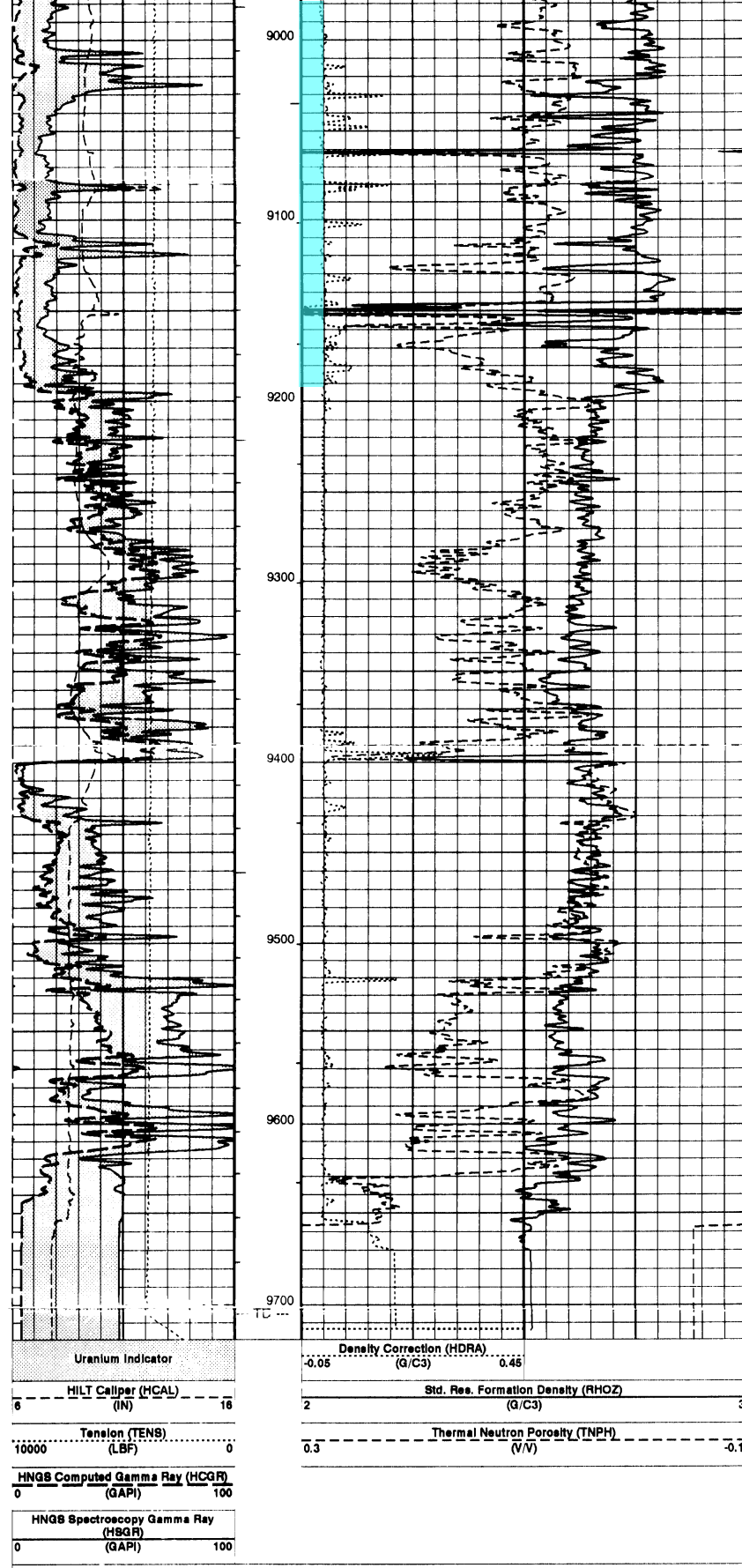
COMPANY:	COG Operating, LLC
WELL:	Loco Hills SWD 34 #3
FIELD:	SWD: Wolfcamp
County:	Eddy
State:	New Mexico

COMPANY: COG Operating, LLC			WELL: Loco Hills SWD 34 #3			FIELD: SWD: Wolfcamp			County: Eddy State: New Mexico		
Schlumberger			Platform Express			Three Detector Litho-Density			Compensated Neutron / HNGS		
1375 FSL & 2555 FEL			RECEIVED			APR - 5 2010			Elev.: K.B. 3541 ft G.L. 3526 ft D.F. 3540 ft		
Permanent Datum: Kelly Blushing			Log Measured From: Kelly Blushing			Elev.: 3526 ft			15.0 ft above Perm. Datum		
Drilling Measured From: Kelly Blushing			API Serial No. 30-015-517270			Section 34			Block 17S Range 30E		
Logging Date: 8-Jan-2010			Run Number: One			Depth Driller: 9700 ft			Schlumberger Depth: 9706 ft		
Bottom Log Interval: 9855 ft			Top Log Interval: 100 ft			Casing Driller Size @ Depth: 9 825 in			Casing Schlumberger: 4030 ft		
Bit Size: 8 720 in			Cut Burn: 8 720 in			Type Fluid In Hole: 8.7 lbm/gal			Density: 12		
Viscosity: 32 s			Fluid Loss: 12			Source Of Sample: Circulation Tank			RM @ Measured Temperature: 0.242 oim m		
RM @ Measured Temperature: 0.182 oim m			RM @ Measured Temperature: 36 degF			RM @ Measured Temperature: 36 degF			RM @ Measured Temperature: 36 degF		
Source RMT: RMC			Source RMT: RMC			RM @ MRT: 0.081 @ 120			RM @ MRT: 0.061 @ 120		
Maximum Recorded Temperatures: 120 degF			Circulation Stopped: 8-Jan-2010			Time: 0:30			Logger On Bottom: 8-Jan-2010		
Unit Number: 2257			Location: Roswell			Time: 9:10			Zach Pisci		
Recorded By: Richard Freeman			Witnessed By:								
Logging Date: 8-Jan-2010			Run Number: One			Depth Driller: 9700 ft			Schlumberger Depth: 9706 ft		
Bottom Log Interval: 9855 ft			Top Log Interval: 100 ft			Casing Driller Size @ Depth: 9 825 in			Casing Schlumberger: 4030 ft		
Bit Size: 8 720 in			Cut Burn: 8 720 in			Type Fluid In Hole: 8.7 lbm/gal			Density: 12		
Viscosity: 32 s			Fluid Loss: 12			Source Of Sample: Circulation Tank			RM @ Measured Temperature: 0.242 oim m		
RM @ Measured Temperature: 0.182 oim m			RM @ Measured Temperature: 36 degF			RM @ Measured Temperature: 36 degF			RM @ Measured Temperature: 36 degF		
Source RMT: RMC			Source RMT: RMC			RM @ MRT: 0.081 @ 120			RM @ MRT: 0.061 @ 120		
Maximum Recorded Temperatures: 120 degF			Circulation Stopped: 8-Jan-2010			Time: 0:30			Logger On Bottom: 8-Jan-2010		
Unit Number: 2257			Location: Roswell			Time: 9:10			Zach Pisci		
Recorded By: Richard Freeman			Witnessed By:								
DISCLAIMER											
THE USE OF AND RELIANCE UPON THIS RECORDED DATA BY THE HEREIN NAMED COMPANY (AND ANY OF ITS AFFILIATES, PARTNERS, REPRESENTATIVES, AGENTS, CONSULTANTS AND EMPLOYEES) IS SUBJECT TO THE TERMS AND CONDITIONS AGREED UPON BETWEEN SCHLUMBERGER AND THE COMPANY, INCLUDING: (a) RESTRICTIONS ON USE OF THE RECORDED DATA; (b) DISCLAIMERS AND WAIVERS OF WARRANTIES AND REPRESENTATIONS REGARDING COMPANY'S USE OF AND RELIANCE UPON THE RECORDED DATA; AND (c) CUSTOMERS FULL AND SOLE RESPONSIBILITY FOR ANY INFERENCE DRAWN OR DECISION MADE IN CONNECTION WITH THE USE OF THIS RECORDED DATA.											
OTHER SERVICES 1						OTHER SERVICES 2					
OS1: PEX-HRLA-HNGS-BHC						OS1:					
OS2:						OS2:					
OS3:						OS3:					
OS4:						OS4:					
OS5:						OS5:					
REMARKS: RUN NUMBER 1						REMARKS: RUN NUMBER 2					
Two 0.125" Wear Ring used on HGNS											
Two 1.5" Standoffs used on HRLA											
Two CMEZ used on BHC											
Porosity computed on a Limestone Matrix (2.71 g/cc, 47.6 us/ft).											
Operators: KP Prescott											
Rig: United 43											
RUN 1						RUN 2					
SERVICE ORDER #: B5JL-00014						SERVICE ORDER #:					
PROGRAM VERSION: 17CO-154						PROGRAM VERSION:					
FLUID LEVEL:						FLUID LEVEL:					
LOGGED INTERVAL		START		STOP		LOGGED INTERVAL		START		STOP	
EQUIPMENT DESCRIPTION											



Top of
Injection
Interval
8509 feet

Bottom of
Injection
Interval
9191 feet



PIP SUMMARY

- Integrated Hole Volume Minor Pip Every 10 F3
- Integrated Hole Volume Major Pip Every 100 F3
- Integrated Cement Volume Minor Pip Every 10 F3
- Integrated Cement Volume Major Pip Every 100 F3

Main Pass 2" = 100'

Time Mark Every 60 S

Format: 2_nuc Vertical Scale: 2" per 100'

Graphics File Created: 09-Jan-2010 20:28

OP System Version: 17C0-154

DBLT-FTB SKK-3853-MAST
HILTB-FTB 17C0-154
HNQS-BA 17C0-154

HRLT-B 17C0-154
HNQC-B 17C0-154
DTC-H 17C0-154

Input DLIS Files

DEFAULT MERGE_SONIC_HRLA_104 FN:1 PRODUCER 09-Jan-2010 20:20 9720.0 FT 100.0 FT

Output DLIS Files

DEFAULT SONIC_HRLA_TLO_MCFL_106PUP FN:94 PRODUCER 09-Jan-2010 20:28

Input DLIS Files

DEFAULT MERGE_SONIC_HRLA_104 FN:1 PRODUCER 09-Jan-2010 20:20 9720.0 FT 100.0 FT

C-108 ITEM VII – PROPOSED OPERATION

The Loco Hills SWD 34 No.3 SWD will be operated as a private disposal well to service Spur Energy Partners area operations. Source and disposal zone formation waters are compatible (*representative analyses of several zones are included herein*).

Note: This C-108 application is to reinstate the previous authorization by OCD Order SWD-1176. Spur Energy Partners has acquired hundreds of wells since 2019. As operations are evaluated and assets assessed, this particular SWD had already lost focus by the previous operator. Spur Energy Partners believes reinstatement of this SWD will protect the environment and prevent waste.

The cost to dispose of produced water via trucking has become cost prohibitive and if continued, would certainly reduce lease economics and create waste by unnecessary trucking costs including fuel. The average daily rate of this SWD would eliminate approximately three dozen transport truck trips per day. Reinstating the well to lease disposal will allow the operator to maintain sufficient in-house disposal volume and continue economic viability for their operated wells in the area. The well will not be open for commercial disposal from other operators' leases.

The system will be closed utilizing a small tank battery and injection pump facility on site with flowlines from the serviced wells. The tanks and associated equipment are inside an appropriate lined berm area to contain 150% of the largest tank volume.

Injection pressure will be 1701 psi (0.2 psi/ft) with and maximum rate of 12,500 bwpd. Average daily rate is expected to be 8500 bwpd or less.

Routine maintenance will be ongoing and any releases will be reported within 24 hours to OCD on form C-141 pursuant to various portions of 19.15.29 and 30 NMAC. Remediation would commence immediately upon assessment and planning to include all required documentation and reporting.

The facility will not be manned but will be available for inspections at any time deemed necessary by OCD.

C-108 ITEM VII – PRODUCED WATER ANALYSES

Item VII.4 – Water Analysis of Source Zone Water

Tansil-Yates-Seven Rivers
Grayburg-San Andres
Yeso

Item VII.5 – Water Analysis of Disposal Zone Water

Wolfcamp

Water Analyses follow this page.

C-108 Item VII.5 - Produced Water Data

Spur Energy Partners, LLC - Loco Hills SWD 34 #3 and 35#2

SOURCE ZONE

ARTESIA GROUP - TNSL-YTS-7RVRS

		Lab ID	
API No	3001502891	Sample ID	5128
Well Name	CAVE POOL UNIT	Sample No	
	030		
Location	ULSTR 04 17 S 29 E	Lat / Long	32.85900 -104.07829
	990 S 2310 E	County	Eddy
Operator (when sampled)			
	Field GRAYBURG JACKSON	Unit	O
Sample Date		Analysis Date	
	Sample Source TANK	Depth (if known)	
	Water Typ		
ph		alkalinity_as_caco3_mgL	
ph_temp_F		hardness_as_caco3_mgL	
specificgravity		hardness_mgL	
specificgravity_temp_F		resistivity_ohm_cm	
tds_mgL	227185	resistivity_ohm_cm_temp	
tds_mgL_180C		conductivity	
chloride_mgL	140700	conductivity_temp_F	
sodium_mgL		carbonate_mgL	
calcium_mgL		bicarbonate_mgL	47
iron_mgL		sulfate_mgL	900
barium_mgL		hydroxide_mgL	
magnesium_mgL		h2s_mgL	
potassium_mgL		co2_mgL	
strontium_mgL		o2_mgL	
manganese_mgL		anionremarks	
Remarks			

(Produced water data courtesy of NMT Octane NM WAIDS database.)



C-108 Item VII.5 - Produced Water Data

Spur Energy Partners, LLC - Loco Hills SWD 34 #3 and 35#2

SOURCE ZONE

GRAYBURG-SAN ANDRES

API No	3001502873	Lab ID	
Well Name	GULF STATE	Sample ID	5366
	002	Sample No	
Location	ULSTR 03 17 S 29 E	Lat / Long	32.86987 -104.06746
	330 N 990 W	County	Eddy
Operator (when sampled)			
	Field SQUARE LAKE	Unit	4
Sample Date		Analysis Date	
	Sample Source WELLHEAD	Depth (if known)	
	Water Typ		
ph		alkalinity_as_caco3_mgL	
ph_temp_F		hardness_as_caco3_mgL	
specificgravity		hardness_mgL	
specificgravity_temp_F		resistivity_ohm_cm	
tds_mgL	109000	resistivity_ohm_cm_temp	
tds_mgL_180C		conductivity	
chloride_mgL	63070	conductivity_temp_F	
sodium_mgL		carbonate_mgL	
calcium_mgL		bicarbonate_mgL	339
iron_mgL		sulfate_mgL	3538
barium_mgL		hydroxide_mgL	
magnesium_mgL		h2s_mgL	
potassium_mgL		co2_mgL	
strontium_mgL		o2_mgL	
manganese_mgL		anionremarks	
Remarks			

(Produced water data courtesy of NMT Octane NM WAIDS database.)



C-108 Item VII.5 - Produced Water Data

Spur Energy Partners, LLC - Loco Hills SWD 34 #3 and 35#2

SOURCE ZONE

YESO

		Lab ID		
API No	3001530307	Sample ID	5901	
Well Name	SCHLEY FEDERAL	Sample No		
	008			
Location	ULSTR 29 17 S 29 E	Lat / Long	32.80836 -104.09972	
	1580 N 1650 W	County	Eddy	
Operator (when sampled)	MACK ENERGY			
	Field EMPIRE EAST	Unit	F	
Sample Date	8/7/2000	Analysis Date	8/14/2000	
	Sample Source	Depth (if known)		
	Water Typ			
ph	7	alkalinity_as_caco3_mgL		
ph_temp_F		hardness_as_caco3_mgL		
specificgravity	1.135	hardness_mgL		
specificgravity_temp_F		resistivity_ohm_cm		
tds_mgL	208172	resistivity_ohm_cm_temp		
tds_mgL_180C		conductivity		
chloride_mgL	140286	conductivity_temp_F		
sodium_mgL	87396.1	carbonate_mgL	0	
calcium_mgL	3103.09	bicarbonate_mgL	611.765	
iron_mgL	3.405	sulfate_mgL	3456.07	
barium_mgL	0.1135	hydroxide_mgL		
magnesium_mgL	817.2	h2s_mgL	79.45	
potassium_mgL	545.935	co2_mgL		
strontium_mgL	55.615	o2_mgL		
manganese_mgL		anionremarks		

Remarks

(Produced water data courtesy of NMT Octane NM WAIDS database.)



C-108 Item VII.5 - Produced Water Data
Spur Energy Partners, LLC - Loco Hills 34 and 35 Project Area

DISPOSAL ZONE

WOLFCAMP

API No. 3001502280		Lab ID	
Well Name ANGELL ST 004		Sample ID 5272	
		Sample No	
Location ULSTR 21 19 S 28 E	Lat / Long 32.64772	-104.17854	
1980 N 1980 E	County Eddy		
Operator (when sampled)			
Field	MILLMAN EAST	Unit G	
Sample Date	Analysis Date		
Sample Source WELLHEAD		Depth (if known)	
Water Type			
ph	alkalinity_as_caco3_mgL		
ph_temp_F	hardness_as_caco3_mgL		
specificgravity	hardness_mgL		
specificgravity_temp_F	resistivity_ohm_cm		
tds_mgL	118720	resistivity_ohm_cm_temp	
tds_mgL_180C	conductivity		
chloride_mgL	70200	conductivity_temp_F	
sodium_mgL	carbonate_mgL		
calcium_mgL	bicarbonate_mgL		2700
iron_mgL	sulfate_mgL		1080
barium_mgL	hydroxide_mgL		
magnesium_mgL	h2s_mgL		
potassium_mgL	co2_mgL		
strontium_mgL	o2_mgL		
manganese_mgL	anionremarks		
Remarks			

(Produced water data courtesy of NMT Octane NM WAIDS database.)



C-108 Item VII.5 - Produced Water Data
Spur Energy Partners, LLC - Loco Hills 34 and 35 Project Area

DISPOSAL ZONE

WOLFCAMP

API No. 3001503918		Lab ID	
Well Name HENSHAW DEEP UNIT 002		Sample ID 5325	
		Sample No	
Location ULSTR 24 16 S 30 E	Lat / Long 32.90152	-103.92244	
660 S 1980 E	County Eddy		
Operator (when sampled)			
Field	HENSHAW	Unit O	
Sample Date	Analysis Date		
Sample Source UNKNOWN	Depth (if known)		
Water Type			
ph	alkalinity_as_caco3_mgL		
ph_temp_F	hardness_as_caco3_mgL		
specificgravity	hardness_mgL		
specificgravity_temp_F	resistivity_ohm_cm		
tds_mgL 69650	resistivity_ohm_cm_temp		
tds_mgL_180C	conductivity		
chloride_mgL 41500	conductivity_temp_F		
sodium_mgL	carbonate_mgL		
calcium_mgL	bicarbonate_mgL	180	
iron_mgL	sulfate_mgL	1410	
barium_mgL	hydroxide_mgL		
magnesium_mgL	h2s_mgL		
potassium_mgL	co2_mgL		
strontium_mgL	o2_mgL		
manganese_mgL	anionremarks		
Remarks			

(Produced water data courtesy of NMT Octane NM WAIDS database.)



C-108 - Item VIII

Geological Data

The lower Wolfcamp is a light gray-brown fine to medium crystalline fossiliferous limestone with inter-crystalline vugular porosity interbedded with gray shale. Boundstones occur in the lower transgressive parts of the Wolfcamp reef and offer increased porosity. Additional porosity can be found when the well bore encounters detrital carbonates which were shed off shelf and foreslope areas and transported down the Wolfcamp paleoslope.

The porosity zones in these formations average 3% to 6% but permeability can be fairly high, over 8% as described.

The overall zone offers reasonable porosity in the proposed injection interval located from 8675 feet to 9130 feet with some very good porosity interspersed throughout the overall interval.

The Wolfcamp is overlain by the Bone Spring and underlain by Penn/Cisco, the Strawn and Atoka. *(Note: in the well file documentation, the original operator identified the 3rd Bone Spring as the Tubb but in this narrative, we simply refer to the Bone Spring as the overlying formation.)*

Fresh water in the area is generally available from the Roswell Artesian Basin including carbonate rocks of the San Andres formation. Based on State Engineer's records show average depth to GW for 17S-30E is 80 feet and average well depth for 18S-30E is 320 feet based on 4 wells but not in the one-mile review area.

There are no water wells located within one mile of the proposed SWD.

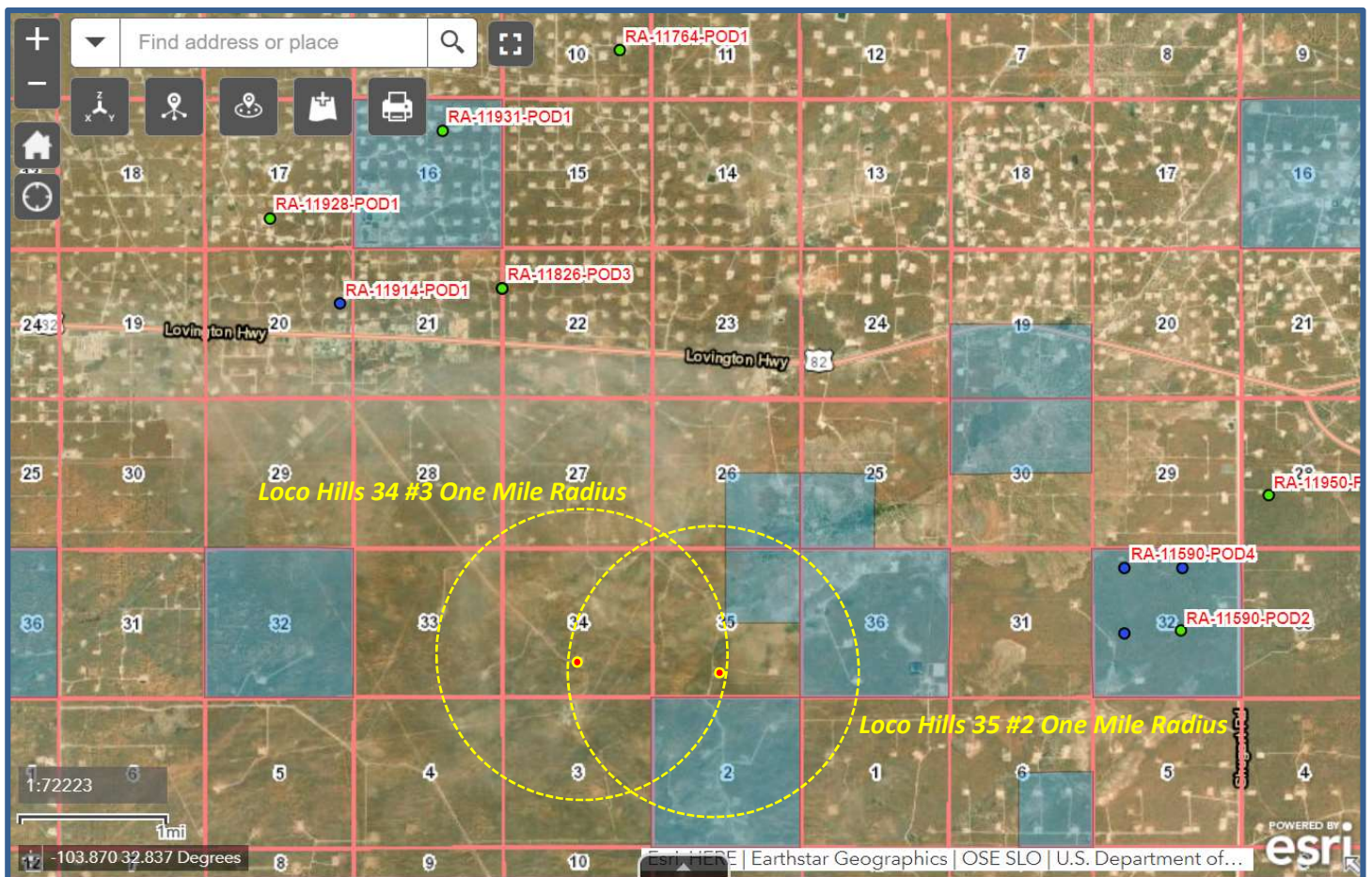
C-108 Item XI

Water Wells Within One Mile

Loco Hills SWD 34 #3 and 35 #2 - Water Well Locator Map

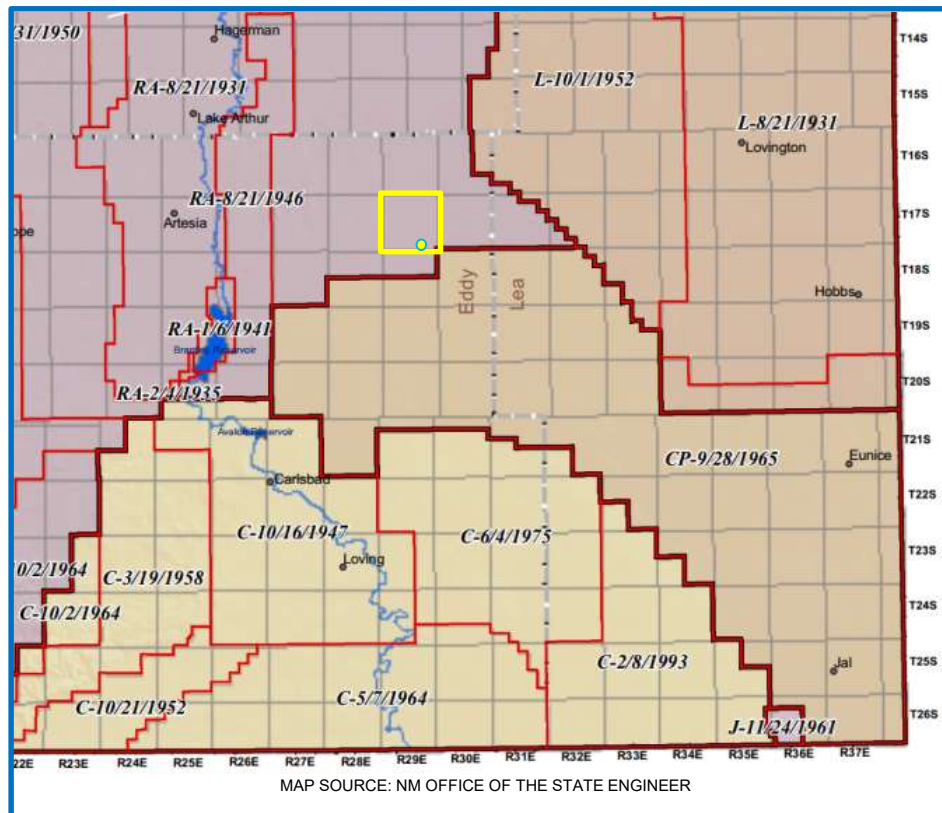
There are NO water wells shown within one mile radius of proposed SWD.
(As indicated by NM Office of the State Engineer's OSE POD Location GIS application and Point of Diversion database search.)

Average depth to GW for 17S-30E is 80 feet and average well depth for 18S-30E is 320 feet based on 4 wells but not in the one-mile review area. The subject well is located within the Roswell Artesian Basin.



C-108 - Item XI

Groundwater Basins - Water Column / Depth to Groundwater



The subject well is located within the Roswell Artesian Basin.

The Roswell Artesian Basin consists of an eastward-dipping carbonate aquifer overlain by a leaky evaporitic confining unit, overlain in turn by an unconfined alluvial aquifer. The carbonate aquifer is artesian to the east but under water-table conditions in the western outcrop area.

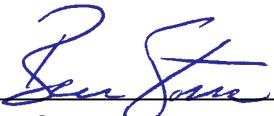
Water-producing zones in the carbonate aquifer rise stratigraphically from north to south and from west to east. Some wells may penetrate as many as five water-producing zones. Secondary porosity is developed in vuggy and cavernous limestone, solution-collapse breccia, and solution-enlarged fractures. Recharge occurs by direct infiltration of precipitation and by runoff from intermittent losing streams flowing eastward across a broad area east of the Sacramento Mountains. (USGS)

State Engineer's records show average depth to GW for 17S-30E is 80 feet and average well depth for 18S-30E is 320 feet based on 4 wells but not in the one-mile review area.

There are NO water wells located within one mile of either proposed SWDs.

C-108 ITEM XII – GEOLOGIC AFFIRMATION

We have examined available geologic and engineering data and have found no evidence of open faults or other hydrologic connection between the disposal interval and any underground sources of drinking water.



Ben Stone, Partner
SOS Consulting, LLC

Project: Spur Energy Partners, LLC
 Loco Hills SWD area 17S-30E
 Reviewed 1/26/2022

C-108 ITEM XIII – PROOF OF NOTIFICATION

IDENTIFICATION AND NOTIFICATION OF AFFECTED PARTIES

Exhibits for Section

Affected Parties Map

List of Affected Parties

Notification Letter to Affected Parties

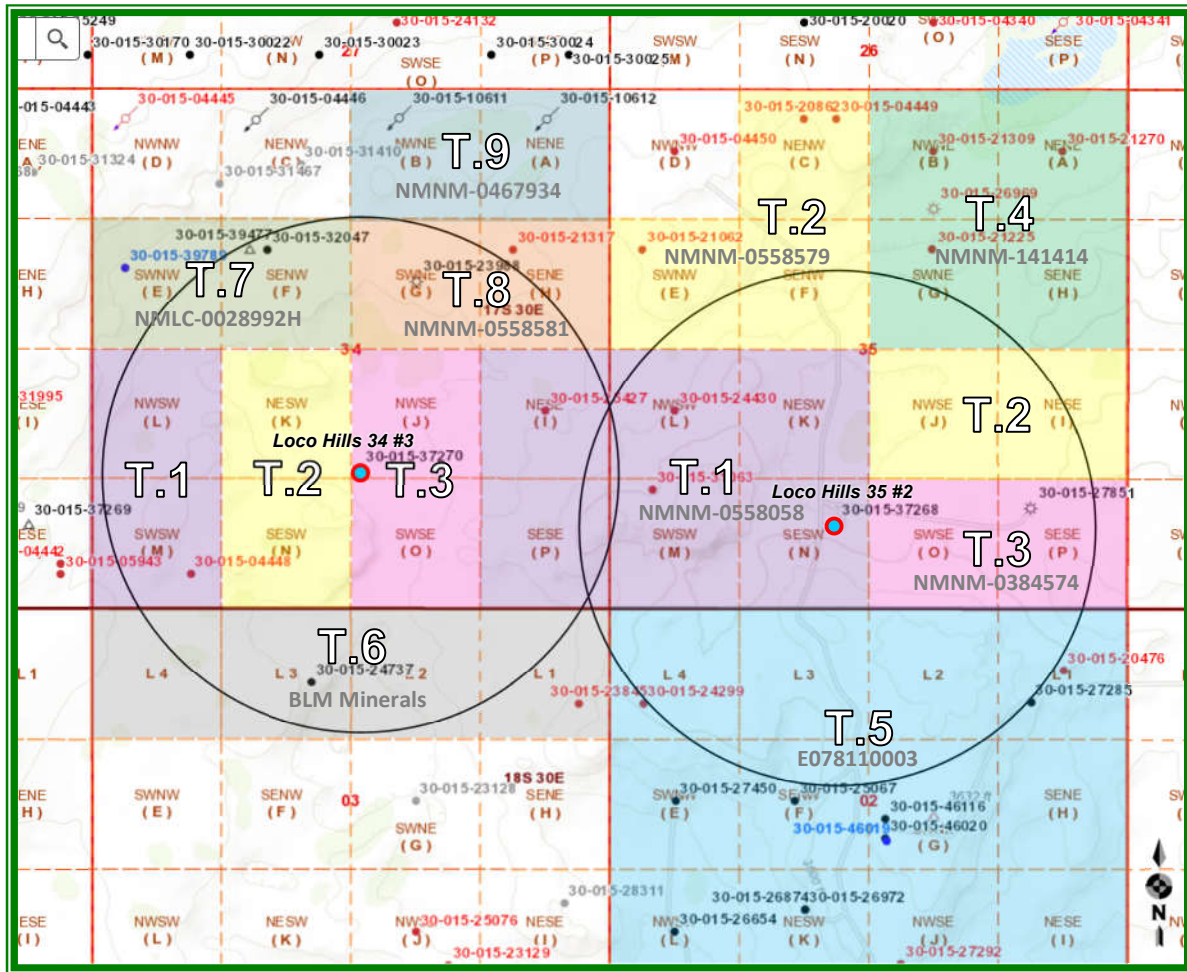
Proof of Certified Mailing

Proof of Return Receipts

Affidavit Published Legal Notice

Loco Hills 34 #3 & 35 #2 – Affected Parties Plat

(Attachment to NMOCD Form C-108, Application for Authority to Inject.)



LEGEND

(Note: Leases have active operators except as noted below.)

Loco Hills 34 #3

T.1, T.2, T.3, T.6,
T.7, T.8, T.9

- T.1 – BLM – NMNM -0558058; Spur Energy Partners
- T.2 – BLM – NMNM-0558579; ConocoPhillips (Lessee)
- T.3 – BLM – NMNM-0384574; EOG Resources, Inc.
- T.4 – BLM – NMNM -141414; David J. Disiere (Lessee)
- T.5 – State – E078110003; Mewbourne Oil Co.
- T.6 – BLM – All Minerals Owned; EOG Resources, Spur Energy
- T.7 – BLM – NMLC-0028992H; COG Operating, Spur Energy
- T.8 – BLM – NMNM-0558581; Spur Energy Partners
- T.9 – BLM – NMNM-0467934 – Flint Oak Energy, LLC

Loco Hills 35 #2

T.1, T.2, T.3,
T.4, T.5, T.6

C-108 ITEM XIII – PROOF OF NOTIFICATION

AFFECTED PARTIES LIST

ALL AFFECTED PARTIES ARE PROVIDED A NOTICE LETTER VIA US CERTIFIED MAIL AND A FULL PRINTED COPY OF THE SUBJECT C-108 APPLICATION VIA FedEx.

"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.

SURFACE OWNER

- 1 U.S. DEPARTMENT OF INTERIOR
Bureau of Land Management
Oil & Gas Division
620 E. Greene St.
Carlsbad, NM 88220
Certified: 7018 1130 0000 8738 2049

OFFSET OPERATORS (All Notified via USPS Certified Mail)

BLM Lease NMNM-0558058 (T.1 on Map)

Operator

SPUR ENERGY PARTNERS, LLC (Applicant)
9655 Katy Freeway, Ste.500
Houston, Texas 77024

BLM Lease NMNM-0558579 (T.2 on Map)

Lessee

- 2 CONOCO PHILLIPS
P.O. Box 2197
Houston, TX 77252-2197
Certified: 7018 1130 0000 8738 2056

BLM Lease NMNM-0384574 (T.3 on Map)

Operator

- 3 EOG RESOURCES, INC.
5509 Champions Drive
Midland, TX 79706
Certified: 7018 1130 0000 8738 2063

BLM – All Minerals (T.6 on Map)

Operators

SPUR ENERGY PARTNERS, LLC (Applicant)
9655 Katy Freeway, Ste.500
Houston, Texas 77024

EOG RESOURCES, INC.
5509 Champions Drive
Midland, TX 79706

C-108 ITEM XIII – PROOF OF NOTIFICATION

AFFECTED PARTIES LIST (Cont.)

BLM Lease NMLC-0228992H (T.7 on Map)

Operator

4 COG OPERATING, LLC
600 W. Illinois Ave.
Midland, TX 79701
Certified: 7018 1130 0000 8738 2094

BLM – NMNM-0558581 (T.8 on Map)

Operators

SPUR ENERGY PARTNERS, LLC (Applicant)
9655 Katy Freeway, Ste.500
Houston, Texas 77024

EOG RESOURCES, INC.
5509 Champions Drive
Midland, TX 79706

BLM Lease NMLC-0228992H (T.9 on Map)

Operator

5 FLINT OAK ENERGY, LLC
1703 Westfield Loop Rd
Houston, Texas 77073
Certified: 7018 1130 0000 8738 2070

OFFSET MINERALS OWNERS (Notified via USPS Certified Mail)

6 STATE OF NEW MEXICO
Oil, Gas and Minerals Division
310 Old Santa Fe Trail
Santa Fe, NM 87504
Certified: 7018 1130 0000 8738 2087

U.S. DEPARTMENT OF INTERIOR
Bureau of Land Management
Oil & Gas Division
620 E. Greene St.
Carlsbad, NM 88220

REGULATORY

NEW MEXICO OIL CONSERVATION DIVISION
1220 S. St. Francis Dr.
Santa Fe, NM 87505
FILED VIA OCD ONLINE E-PERMITTING

NEW MEXICO OIL CONSERVATION DIVISION
811 South First St.
Artesia, NM 88210

STATE OF NEW MEXICO
Oil, Gas and Minerals Division
310 Old Santa Fe Trail
Santa Fe, NM 87504

SPUR LOCO HILLS 34#3
USPS Tracking

7018 1130 0000 8738 2049, 7018 1130 0000 8738 2056,
7018 1130 0000 8738 2100, 7018 1130 0000 8738 2094,
7018 1130 0000 8738 2070, 7018 1130 0000 8738 2087



February 1, 2022

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

To Whom It May Concern:

Spur Energy Partners, Houston, Texas, has made application to the New Mexico Oil Conservation Division to reinstate for salt water disposal its Loco Hills SWD 34 Well No.3. The previously authorized SWD operation will be for private water disposal from Spur's area operations. As indicated in the notice below, the well is located in Section 34, Township 17 South, Range 30 East in Eddy County, New Mexico.

The published notice states that the interval will be from 8,675 feet to 9,130 feet into the Cisco formation.

Following is the notice published in the Artesia Daily Press, Artesia, New Mexico on or about February 2, 2022.

LEGAL NOTICE

Spur Energy Partners, LLC, 9655 Katy Freeway, Ste.500, Houston, TX 77024, is filing Form C-108 (Application for Authority to Inject) with the New Mexico Oil Conservation Division seeking administrative approval to reinstate a salt water disposal well. The subject well, the Loco Hills 34 SWD #3 [Federal], API No.30-015-37270, is located 1375' FSL and 2555' FEL, (UL 'J') Section 34, Township 17 South, Range 30 East, Eddy County, New Mexico. Produced water from Spur's area production will be privately disposed (not open to commercial disposal) into the Wolfcamp Reef formation at depths of 8675' to 9130' at a maximum surface pressure of 1735 psi, maximum daily rate of 12,500 bwpd and an average rate of 8500 bwpd. The subject SWD well is located approximately 2.6 miles southeast of Loco Hills, NM.

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, (903) 488-9850 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. A full printed copy will be sent via FedEx when the C-108 is completed in a few days.

Thank you for your attention in this matter.

Best regards,

A handwritten signature in blue ink, appearing to read "Ben Stone", is written over a light blue horizontal line.

Ben Stone, SOS Consulting, LLC
Agent for Spur Energy Partners, LLC

Cc: Application File

C-108 - Item XIV

Proof of Notice (Certified Mail Receipts)

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Bureau of Land Management
Oil & Gas Division
620 E. Greene St.
City, State, Zip+4®
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

**Replacement Notice sent to EOG
(1st never arrived.)**

7018 1130 0000 8738 2063

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COG OPERATING, LLC
600 W. Illinois Ave.
Midland, TX 79701
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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P.O. Box 2197
Houston, TX 77252-2197
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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Total Postage and Fees **7.38**

Sent To
FLINT OAK ENERGY, LLC
1703 Westfield Loop Rd
Houston, Texas 77073
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7018 1130 0000 8738 2087

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☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$

Postage
\$

Total Postage and Fees **7.38**

Sent To
STATE OF NEW MEXICO
Oil, Gas and Minerals Division
310 Old Santa Fe Trail
Santa Fe, NM 87504
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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Tracking Number: 70181130000087382049

BLM - CFO

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✓ Delivered, Left with Individual

February 4, 2022 at 12:37 pm
CARLSBAD, NM 88220

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ConocoPhillips

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✓ Delivered, Individual Picked Up at Postal Facility

February 3, 2022 at 8:01 am
HOUSTON, TX 77002

Get Updates ∨

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Tracking Number: 70181130000087382100

EOG Resources

Remove X

Your item was picked up at a postal facility at 8:01 am on February 14, 2022 in MIDLAND, TX 79702.

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Status

✓ Delivered, Individual Picked Up at Postal Facility

February 14, 2022 at 8:01 am
MIDLAND, TX 79702

Get Updates ∨

DELIVERY CONFIRMATION FOR REPLACEMENT NOTICE TO EOG - FIRST NOTICE NEVER ARRIVED. Delivered

See More ∨

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COG Operating

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Your item departed our MIDLAND TX DISTRIBUTION CENTER destination facility on February 8, 2022 at 1:56 am. The item is currently in transit to the destination.

USPS Tracking Plus™ Available ∨

Departed USPS Regional Destination Facility

February 8, 2022 at 1:56 am
MIDLAND TX DISTRIBUTION CENTER

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Tracking Number: 70181130000087382070

Flint Oak Energy

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USPS Tracking Plus™ Available ▼

✓ **Delivered, Front Desk/Reception/Mail Room**

February 3, 2022 at 11:20 am
HOUSTON, TX 77073

[Get Updates](#) ▼

[See More](#) ▼

Tracking Number: 70181130000087382087

SLO - Santa Fe

[Remove](#) ✕

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✓ **Delivered, Individual Picked Up at Postal Facility**

February 7, 2022 at 7:58 am
SANTA FE, NM 87504

[Get Updates](#) ▼

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Can't find what you're looking for?

Go to our FAQs section to find answers to your tracking questions.

[FAQs](#)

Affidavit of Publication

No. 26021

State of New Mexico Publisher

County of Eddy:

Danny Scott

being duly sworn says that he is the Publisher of the Artesia Daily Press, a daily newspaper of General circulation, published in English at Artesia, said county and state, and that the hereto attached

Legal Ad

was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for

1 Consecutive weeks/day on the same day as follows:

First Publication February 6, 2022

Second Publication

Third Publication

Fourth Publication

Fifth Publication

Sixth Publication

Seventh Publication

Subscribed and sworn before me this

8th day of February 2022



OFFICIAL SEAL
Latisha Romine
NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires:

3/12/2023

Latisha Romine

Latisha Romine

Notary Public, Eddy County, New Mexico

Copy of Publication:

Can Jose Ochoa at
(575) 686-8815

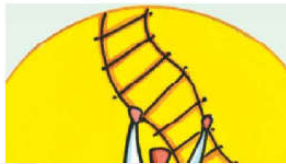
svolken@spi-inc.com or,
bring a resume to 200 E.
Main Artesia Must have a
valid driver's license.

Legal Notice

Spur Energy Partners, LLC, 9655 Katy Freeway, Ste.500, Houston, TX 77024, is filing Form C-108 (Application for Authority to Inject) with the New Mexico Oil Conservation Division seeking administrative approval to reinstate a salt water disposal well. The subject well, the Loco Hills 34 SWD #3 [Federal], API No.30-015-37270, is located 1375' FSL and 2555' FEL, (UL 'J') Section 34, Township 17 South, Range 30 East, Eddy County, New Mexico. Produced water from Spur's area production will be privately disposed (not open to commercial disposal) into the Wolfcamp Reef formation at depths between 8509' to 9191' at a maximum surface pressure of 1701 psi, maximum daily rate of 12,500 bwpd and an average rate of 8500 bwpd. The subject SWD well is located approximately 2.6 miles southeast of Loco Hills, NM.

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, (903)488-9850 or, email info@sosconsulting.us.

Published in the Artesia Daily Press, Artesia, N.M., Feb. 6, 2022 Legal No. 26021.



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1625 N. French Dr., Hobbs, NM 88240

DISTRICT II

1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

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-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-3720	Pool Code 96135	Pool Name SWD, Wolfcamp
Property Code 37467 37824	Property Name LOCO HILLS SWD 34	Well Number # 3-34
OGRID No. 229137	Operator Name C.O.G. OPERATING L.L.C.	Elevation 3526'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	34	17 S	30 E		1375	SOUTH	2555	EAST	EDDY

Bottom Hole Location If 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

Dedicated Acres N/A	Joint or Infill	Consolidation Code	Order 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

<p>SURFACE LOCATION LAT.: N 32°47'15.02" LONG.: W103°57'34.23" N.: 650430.1 E.: 656217.9 (NAD-83)</p>	<p>OPERATOR CERTIFICATION</p> <p>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 pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Robyn Odom</i> 5/15/2009 Signature Date</p> <p>Robyn Odom Printed Name</p>
	<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was 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.</p> <p>FEBRUARY 19, 2009 Date Surveyed</p> <p><i>W.O. Jones</i> Signature Seal Professional Surveyor</p> <p>W.O. Jones 128 Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>

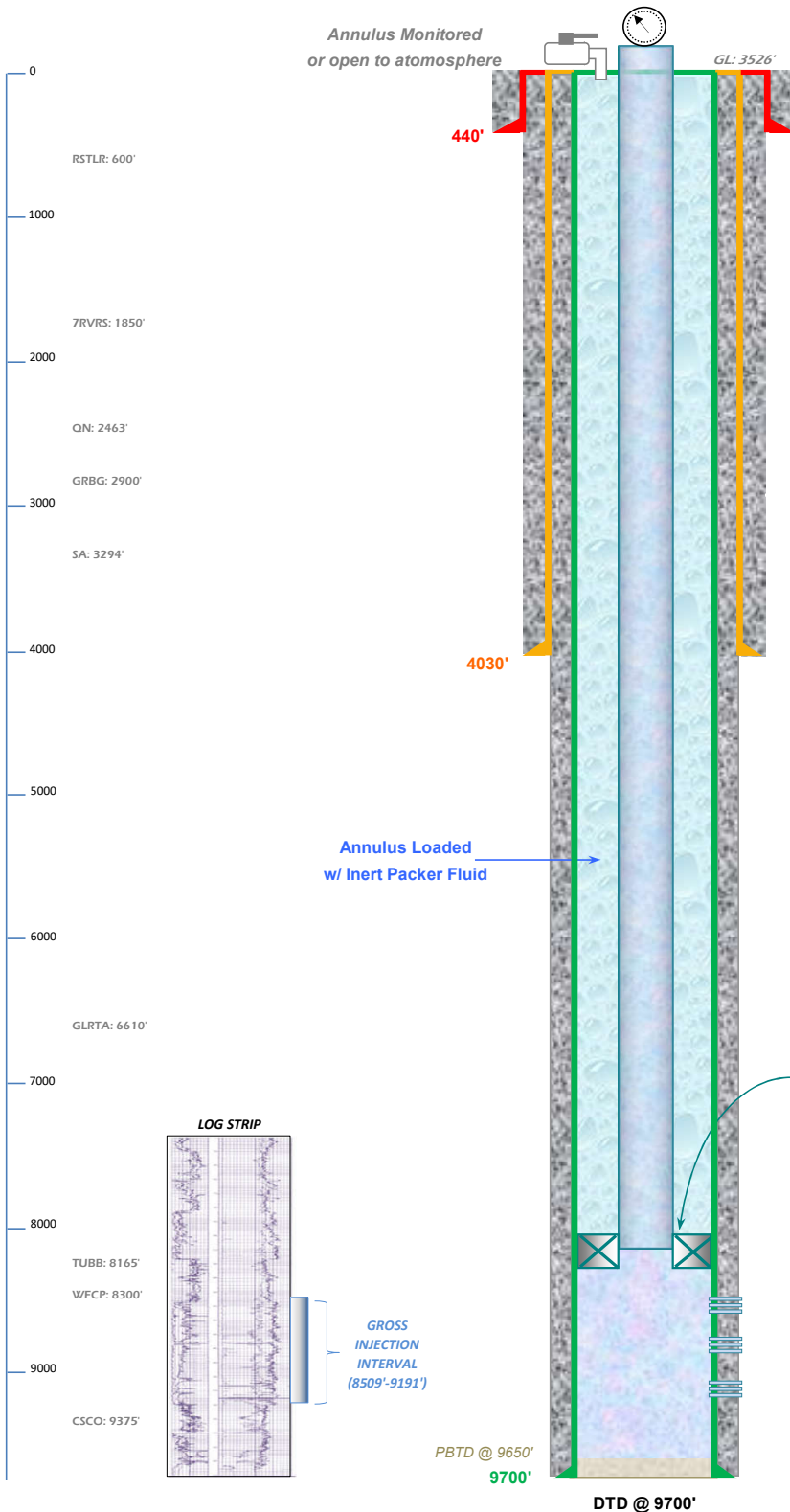


WELL SCHEMATIC - CURRENT / PROPOSED Loco Hills 34 SWD Well No.3

API 30-015-37270
1375' FSL & 2555' FEL, SEC. 34-T17S-R30E
EDDY COUNTY, NEW MEXICO

SWD; Wolfcamp (96135)

Spud Date: 12/14/2009
Config SWD Dt (Est): ~1/15/2022



Injection Pressure Regulated
and Volumes Reported
1701 psi Max. Surface (0.2 psi/ft)

Surface Casing

13.375", 48.0/ 54.5# H-40/ J-55 STC Csg. (17.5" Hole) @ 440'
470 sx - Circulated to Surface

SPUR ENERGY PARTNERS, LLC

Reinstate SWD Status:

RIH w/ TBG (new or test into hole)
Set PKR @ 8409' + (Within 100' of uppermost perf)
Conduct Witnessed MIT.
Commence Disposal Operations.

Intermediate Casing

9.625", 40.0# J-55 Csg. (12.25" Hole) @ 4030'
1700 sx - Circulated to Surface

3.5" IC Tubing (or smaller)

PKR ~8409'±

Note: PKR Set 100' Above Final Uppermost Perf Interval.

Wolfcamp Reef Perfs - 8509 feet to 9191 feet

Production Casing

7.0", 26.0# L-80 Csg. (8.75" Hole) @ 9700';
w/ 1st: 750 sx (DV depth ~7000')
2nd 475sx - Circulated to Surface

Drawn by: Ben Stone, 2/04/2022



C-108 ITEM XIII – PROOF OF NOTIFICATION

IDENTIFICATION AND NOTIFICATION OF AFFECTED PARTIES

Exhibits for Section

Affected Parties Map

List of Affected Parties

Notification Letter to Affected Parties

Proof of Certified Mailing

Proof of Return Receipts

Affidavit Published Legal Notice

C-108 - Items III, IV, V

Item III - Subject Well Data

Wellbore Diagram – PROPOSED

Item IV – Tabulation of AOR Wells

6 Wells Penetrate the Proposed Injection Interval, NO P&A'd Penetrate

Item V – Area of Review Maps

1. Two Mile AOR Map with One-Mile Fresh Water Well Radius
2. One-Half Mile AOR Map

All Above Exhibits follow this page.

Form C-108 Item VI - Tabulation of AOR Wells

Top of Proposed WOLFCAMP Interval 8509'

3 Wells Penetrate Proposed Interval.

API No.	Current Operator	Well Name	Well Number	Type	Lease	Status	ULSTR	Depth	Plugged On
30-015-37270	[328947] Spur Energy Partners LLC	LOCO HILLS SWD 34	#003	SWD	Federal	Active	J-35-17S-30E	9700'	

Subject Well

Section 34 Wells

30-015-39477	[328947] Spur Energy Partners LLC	LOCO HILLS SWD 34	#005	SWD	Federal	Active	F-34-17S-30E	9589'	
<i>Well completed as WOLFCAMP SWD w/ perfs 8550'-8850'; 7.0" csg set 9700' w/ 1524 sx, Circ.; 9.625" csg set 1253' w/ Circ.</i>									
30-015-32047	[328947] Spur Energy Partners LLC	MAGGIE 34 FEDERAL	#001	Oil	Federal	Active	F-34-17S-30E	5207'	
<i>DOES NOT PENETRATE</i>									
30-015-23988	[328947] Spur Energy Partners LLC	ARNOLD FEDERAL COM	#001	Gas	Federal	Active	G-34-17S-30E	11552'	
<i>Well completed as MISSISSIPPIAN gas producer w/ perfs 11,468'-11,478'; 4.5" csg set 11,552' w/ 2000 sx, TOC @ 3200'; 8.625" csg set 3464 w/ 2800 sx, Circ.</i>									
30-015-21317	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#003	Oil	Federal	P&A-R	H-34-17S-30E	3400'	1/1/1900
<i>DOES NOT PENETRATE</i>									
30-015-25427	[372098] MARATHON OIL PERMIAN LLC	ATALAYA FEDERAL	#002	Oil	Federal	P&A-R	I-34-17S-30E	3500'	7/2/2019
<i>DOES NOT PENETRATE</i>									
30-015-04448	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#011	Oil		P&A-R	M-34-17S-30E	3375'	1/1/1900
<i>DOES NOT PENETRATE</i>									

Section 3 Wells

30-015-24737	[7377] EOG RESOURCES INC	NELSON FEDERAL	#008	Oil	Federal	Active	C	11650'	
<i>Well completed as BONE SPRING producer w/ perfs 6700'-6740'; 4.5" csg set 11,650' w/ 670 sx, TOC NR'; 8.625" csg set 3532 w/ 1750 sx, Circ.</i>									

Summary: 7 Wells Total in AOR - 3 Wells Penetrate Subject Interval; 0 are P&A'd



C-108 ITEM VII – PRODUCED WATER ANALYSES

Item VII.4 – Water Analysis of Source Zone Water

Tansil-Yates-Seven Rivers
Grayburg-San Andres
Yeso

Item VII.5 – Water Analysis of Disposal Zone Water

Wolfcamp

Water Analyses follow this page.

e-Permitting
C-108 Submittal

Attachment Category

Seismicity Analysis

For High Volume Devonian Wells

***Per OCD deep well criteria, this application does
not include Seismicity Analysis.***

C-108 ITEM VII – PROPOSED OPERATION

The Loco Hills SWD 34 No.3 SWD will be operated as a private disposal well to service Spur Energy Partners area operations. Source and disposal zone formation waters are compatible (*representative analyses of several zones are included herein*).

Note: This C-108 application is to reinstate the previous authorization by OCD Order SWD-1176. Spur Energy Partners has acquired hundreds of wells since 2019. As operations are evaluated and assets assessed, this particular SWD had already lost focus by the previous operator. Spur Energy Partners believes reinstatement of this SWD will protect the environment and prevent waste.

The cost to dispose of produced water via trucking has become cost prohibitive and if continued, would certainly reduce lease economics and create waste by unnecessary trucking costs including fuel. The average daily rate of this SWD would eliminate approximately three dozen transport truck trips per day. Reinstating the well to lease disposal will allow the operator to maintain sufficient in-house disposal volume and continue economic viability for their operated wells in the area. The well will not be open for commercial disposal from other operators' leases.

The system will be closed utilizing a small tank battery and injection pump facility on site with flowlines from the serviced wells. The tanks and associated equipment are inside an appropriate lined berm area to contain 150% of the largest tank volume.

Injection pressure will be 1701 psi (0.2 psi/ft) with and maximum rate of 12,500 bwpd. Average daily rate is expected to be 8500 bwpd or less.

Routine maintenance will be ongoing and any releases will be reported within 24 hours to OCD on form C-141 pursuant to various portions of 19.15.29 and 30 NMAC. Remediation would commence immediately upon assessment and planning to include all required documentation and reporting.

The facility will not be manned but will be available for inspections at any time deemed necessary by OCD.