March 4, 2019

Geolex, Inc.

6.0 IDENTIFICATION AND REQUIRED NOTIFICATION OF OPERATORS, SUBSURFACE LESSEES, AND SURFACE OWNERS WITHIN THE AREA OF REVIEW

Geolex contracted with Elkhorn Land and Title of Roswell, New Mexico to research land records in Eddy Counties to obtain a listing of all operators, oil, gas and mineral lessees, and surface owners within a one-mile radius of the proposed AGI well. Appendix B includes the results from that search.

Table B-1 summarizes the surface owners, Table B-2 identifies the Operators, and Table B-3 lists working interest owners in the one-mile area of review. Table B-4 comprises the universe of persons that must be notified 20 days prior to the NMOCC hearing. Figure B-1 shows the locations of the surface owners, and Figure B-2 shows the Operators and the working interest owners

Appendix B also includes a copy of the notice letter text that will be provided to the parties. Individual notices will be sent and copies of the individual Notice Letters and Certified Mail Receipts, and Copies of the newspaper notice and affidavit of publication, will be provided to the Commission after the receipt of a Case Number and a date for the hearing.

7.0 AFFIRMATIVE STATEMENT OF LACK OF HYDRAULIC CONNECTION BETWEEN PROPOSED INJECTION ZONE AND KNOWN SOURCES OF DRINKING WATER

As part of the work performed to support this application, a detailed investigation of the structure, stratigraphy and hydrogeology of the area surrounding the proposed 3 Bear AGI wells has been performed. The investigation included the analysis of available geologic data and hydrogeologic data from wells and literature identified in Sections 3, 4 and 5 above including related appendices. Based on this investigation and analysis of these data, it is clear that there are no open fractures, faults or other structures which could potentially result in the communication of fluids between the proposed injection zone with any known sources of drinking water or oil or gas production in the vicinity as described above in Sections 4 and 5 of this application.

I have reviewed this information and affirm that is correct to the best of my knowledge.

James C. Hunter, R.G Senior Geologist Geolex, Inc. Application of 3Bear Field Services, LLC
Case No. 20409
Pg 11, replacing Pg 11 in C-108 as filed
w/ Hearing App.
EXHIBIT #2

Date: 4/1/2019