AE Order Number Banner

Application Number: pMSG2411556309

SWD-2612

Pilot Water Solutions SWD LLC [331374]

ACE Energy Advisors

March 22, 2024

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

Subject: Pilot Water Solutions SWD LLC
Application for Authorization to Inject
JFF SWD State #1

Mr. Fuge,

Pilot Water Solutions SWD LLC (Pilot) is applying for administrative approval of the attached Application for Authorization to Inject (Form C-108) for their proposed JFF SWD State #1. The application is requesting authorization to dispose of saltwater from oil and gas production in the area via commercial disposal into the San Andres Formation in Lea County, NM.

Questions regarding this application or the included materials can be directed to Nate Alleman (Pilot Regulator Advisor Contractor) via telephone at 918-237-0559 or via email at nate.alleman@aceadvisors.com.

Sincerely,

Nathan Alleman

Nate Alleman
Chief Regulatory Advisor
Ace Energy Advisors

Revised March 23, 2017

RECEIVED:	REVIEWER:	TYPE:	APP NO:

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: Pilot Water Solutions SWD LLC OGRID Number: 331374
Well Name: JFF SWD State #1 API: 30-025-
Pool: SWD; San Andres Pool Code: 96121

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

FOR OCD ONLY
☐ Notice Complete
☐ Application Content Complete

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

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.

David Grounds
Print or Type Name

David Grounds
Signature

03/22/2024
Date

713-307-8752
Phone Number

david.grounds@pilotwater.com
e-mail Address

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

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

FORM C-108
Revised June 10, 2003

APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE: _____Secondary Recovery _____Pressure Maintenance ____X__Disposal _____Storage
Application qualifies for administrative approval? ____X____Yes _____No

II. OPERATOR: Pilot Water Solutions SWD LLC

ADDRESS: 20 Greenway Plaza, Suite 500, Houston, TX 77046

CONTACT PARTY: David Grounds PHONE: 713-307-8752

III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? _____Yes ____X____No
If yes, give the Division order number authorizing the project: _____

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data 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. 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: David Grounds TITLE: VP - Regulatory Compliance

SIGNATURE: David Grounds DATE: 03/22/2024

E-MAIL ADDRESS: david.grounds@pilotwater.com

* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office

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.

Operator: Pilot Water Solutions SWD LLC (OGRID# 331374)
Lease/Well Name & Number: JFF SWD State #1
Legal Location: 2,553' FNL & 1,643' FEL - Unit G – Section 16 T19S R37E – Lea County

(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.

Casing String	Hole Size (in)	Casing Size (in)	Casing Depth (ft)	Sacks Cement (sx)	Top of Cement (ft)	Method Determined
Surface	17-1/2	13-3/8	1,480	2,319.8	0	Circulation
Production	12-1/4	9-5/8	5,035	1,502.9	0	Circulation

A wellbore diagram is included in ***Attachment 1***.

(3) A description of the tubing to be used including its size, lining material, and setting depth.

5-1/2” fiberglass-coated tubing set at 4,576’

(4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Weatherford AS1X Stainless 9-5/8’’ X 5-1/2’’ set at 4,576’

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.

Injection Formation Name - San Andres
Pool Name - SWD; San Andres
Pool Code – 96121

(2) The injection interval and whether it is perforated or open-hole.

Cased-hole injection between 4,576’ - 5,035’

(3) State if the well was drilled for injection or, if not, the original purpose of the well.

New drill for injection

(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.

None

(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.

- **Overlying**
  - Yates (2,785’)
  - Seven Rivers (3,037’)
  - Queen (3,588’)
  - Grayburg (3,969’)
- **Underlying**
  - None

Note: the proposed SWD is located on the Central Basin Platform. Therefore, the listed productive zones are limited to those productive zones occurring on the Central Basin Platform.

V. AOR Maps

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.

The following figures are included in ***Attachment 2***:

- 1/2-Mile and 2-Mile Well Map
- 1/2-Mile Well List
- 1/2-Mile and 2-Mile Lease Map
- 1/2-Mile Surface Ownership Map
- 1/2-Mile Mineral Ownership Map

VI. AOR List

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.

Details of the wells within the 0.5-mile AOR are included in ***Attachment 2***. No wells within the 0.5-mile AOR penetrate the top of the proposed injection zone.

VII. Operational Information

Attach data on the proposed operation, including:

(1) Proposed average and maximum daily rate and volume of fluids to be injected;

Maximum: 25,000 bpd
Average: 15,000 bpd

(2) Whether the system is open or closed;

The system will be closed.

(3) Proposed average and maximum injection pressure;

Maximum: 915 psi (surface)
Average: approx. 500-600 psi (surface)

(4) Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water;

It is anticipated that produced water from Wofcamp and Bone Spring production wells in the area will be injected into the proposed SWD. Therefore, water analysis from these formations was obtained and is included in ***Attachment 3***.

(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.).

The proposed injection interval for this SWD is the San Andres formation, which is a non-productive zone known to be compatible with formation water from the Wofcamp and Bone Spring formations. Water analyses of samples collected from the proposed injection formation in the area were obtained and are included in ***Attachment 4*.**

VIII. Geologic Description

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.

The proposed injection interval is located in the San Andres formation between the depths of 4,576 and 5,035 feet. The San Andres formation consists of an interbedded carbonate sequence composed of limestone and dolomite. These cycles tend to be mappable within the San Andres and are differentiated by sections of either very high or very low porosity and permeability development. Upper and lower confinement will be provided by tight carbonate facies present within San Andres that occur above and below the porous injection interval. The upper confining interval immediately underlies the Grayburg formation and ranges from 125-220 net thick in offset open hole logs. The lower confining interval ranges from 130-200 net thick in open hole logs near the proposed locations

The base of the lowermost Underground Source of Drinking Water (USDW), identified as the top of the first anhydrite, was determined to occur at the top of the Rustler formation at a depth of 1,455'. Water wells in the area for domestic/livestock use are drilled to a depth of approximately 50' - 150'.

IX. Proposed Stimulation Program

Describe the proposed stimulation program, if any.

A minor acid job utilizing 15-20% hydrochloric acid may be used to cleanup the wellbore.

X. Logging and Test Data

Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).

Logs will be run and submitted to the Division once the well is completed.

XI. Groundwater Wells

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.

Based on data obtained from the New Mexico Office of the State Engineer (OSE), a total of 14 groundwater wells (4 active, 2 pending , 8 plugged) are located within 1 mile of the proposed SWD location.

OSE data indicate that thirteen of the water wells do not meet the sampling requirements. One water well meets the sampling criteria based on the listed status and use. OSE POD Status of Pending and OSE records indicate this well has not been drilled. The water well owner was contacted and was unable to confirm the presence or usage status of the water well, further confirming that this water well is not currently active.

Attachment 5 includes a table with details of the water wells within 1-mile and a water well map.

XII. No Hydrologic Connection Statement

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.

A geologic review conducted on offset wireline log data and published regional studies did not identify any faulting in the vicinity of the proposed locations that would allow for the hydraulic communication between the injection interval and overlying USDWs. The base of the lowermost Underground Source of Drinking Water (USDW), identified as the top of the first anhydrite, was determined to occur at the top of the Rustler formation at a depth of 1,455'.

XIII. Proof of Notice

Applicants must complete the "Proof of Notice" section on the reverse side of this form.

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.

A copy of the application was mailed to the Affected Persons, including the OCD District Office, surface owner, leasehold operators within the AOR, and BLM/SLO if they own minerals within the AOR. ***Attachment 6*** includes a list of the Affected Persons receiving notice of the application and the associated certified mailing receipts (green sheets).

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.

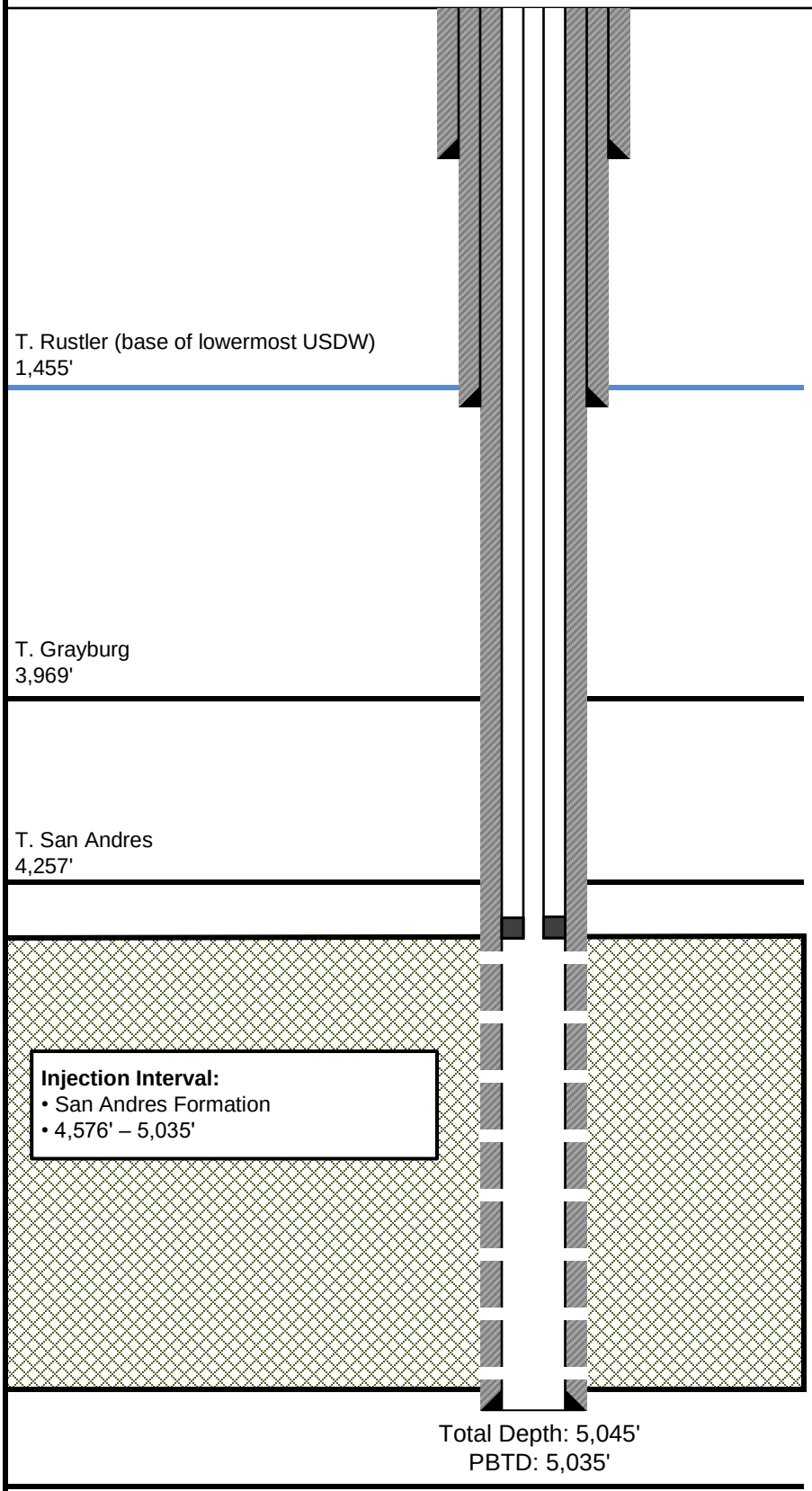
A Public Notice was published in the Hobbs NewsSun, a newspaper of general circulation in the area, and the associated affidavit is included in ***Attachment 6***.

Attachment 1

Pilot Water Solutions SWD LLC

JFF SWD State #1

Wellbore Diagram



Surface Casing

Casing Size (in):	13-3/8
Casing Weight (lb/ft):	68
Casing Grade:	L-80 BTC
Casing Depth (ft):	1,480
Hole Depth (ft):	1,490
Hole Size (in):	17-½
Top of Cement (ft):	0 (circulation)
Sks Cement:	2,319.8

Production Casing

Casing Size (in):	9-5/8
Casing Weight (lb/ft):	53.5
Casing Grade:	L-80 BTC
Casing Depth (ft):	5,035
Hole Depth (ft):	5,045
Hole Size (in):	12-1/4
Top of Cement (ft):	0 (circulation)
Sks Cement:	1,502.9

Tubing

Tubing Size (in): 5-1/2
Tubing Weight (lb/ft): 14
Tubing Grade: J-55 BTC
Tubing Depth (ft): 4,576
Packer Type: Weatherford AS1X Stainless
Packer Depth (ft): 4,576

Injection Interval

Formation: San Andres
Top (ft): 4,576
Bottom (ft): 5,035
Cased or Open-Hole: Cased

Note: Listed depths and cement volumes are approximates based on available information.

NOT TO SCALE

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazon Road, Artec, NM 87410
District IV
1220 S. St Francis Dr., NM 87505
Phone: (505) 476-3460 Fax (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate District Office
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

[1] API Number	[2] Pool Code	[3] Pool Name
	96121	SWD; San Andres

[4] Property Code	[5] Property Name	[6] Well Number
	JFF SWD STATE #1	#1

[7] OGRID No.	[8] Operator Name	[9] Elevation
331374	PILOT WATER SOLUTIONS SWD LLC	3,655'

[10] Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	16	19 S	37 E		2,553'	NORTH	1,643'	EAST	LEA

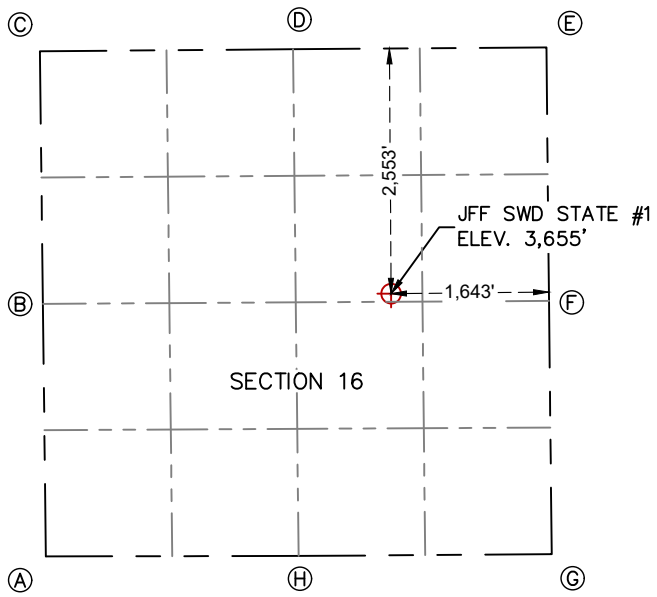
[11] Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

[12] Dedicated Acres	[13] Joint or Infill	[14] Consolidation Code	[15] 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.

[16]



SURFACE HOLE LOCATION
2,553' FNL & 1,643' FEL
NEW MEXICO EAST - NAD 83
NAD 83 X = 873,742.20'
NAD 83 Y = 605,711.14'
NAD 83 LAT = 32.660498°
NAD 83 LONG = -103.253231°
NEW MEXICO EAST - NAD 27
NAD 27 X = 832,560.80'
NAD 27 Y = 605,649.17'
NAD 27 LAT = 32.660378°
NAD 27 LONG = -103.252749°

CORNER COORDINATES NEW MEXICO EAST - NAD 83
A-CALCULATED CORNER N:602,974.49' E:870,146.69'
B-CALCULATED CORNER N:605,605.30' E:870,115.53'
C-CALCULATED CORNER N:608,236.11' E:870,084.15'
D-FOUND 1-INCH IRON PIPE N:608,256.77' E:872,720.97'
E-CALCULATED CORNER N:608,275.75' E:875,359.19'
F-FOUND 1-INCH IRON ROD N:605,636.01' E:875,385.94'
G-FOUND 1-INCH IRON ROD N:602,997.32' E:875,414.62'
H-FOUND 1-INCH IRON PIPE N:602,979.21' E:872,778.18'

[17] OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Nathan Alleman 02/09/2024
Signature Date

Nate Alleman
Printed Name

nate.alleman@aceadvisors.com
Email Address

[18] SURVEYOR CERTIFICATION

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.

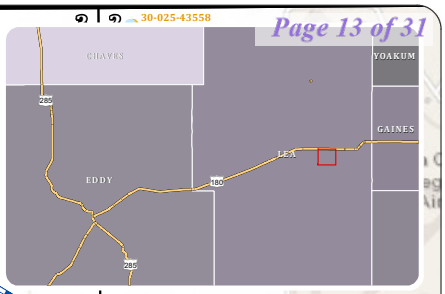
Date: 2/6/2024

MARK J. MURRAY P.L.S. NO. 12177

Attachment 2

WELL MAP

SECTION 16, TOWNSHIP 19 SOUTH, RANGE 37 EAST, LEA COUNTY, NEW MEXICO



1:33,000	0	2,000	4,000	6,000 Feet

Legend

- Proposed SWD
- 1/2 Mile Buffer
- 2 Mile Buffer
- Gas, Active
- Gas, Cancelled
- Gas, Plugged
- Gas, Temporary Abandonment
- Injection, Active
- Injection, Plugged
- Injection, Temporary Abandonment (expired)
- Oil, Active
- Oil, Cancelled
- Oil, Plugged
- Oil, Temporary Abandonment
- Oil, Zone Plugged (permanent)
- Salt Water Disposal, Active
- Salt Water Disposal, Cancelled
- Salt Water Disposal, Plugged
- Water, Active
- Water, Plugged

Project Managed By:
ACE Energy Advisors
(918) 237-0559
nate.alleman@aceadvisors.com

Map Prepared By:
COOSA CONSULTING
(432) 631-4738
info@coosaconsulting.com

Coordinate System:
NAD 1983 StatePlane New Mexico East FIPS 3001 Feet
Projection: Transverse Mercator
Datum: North American 1983
False Easting: 541,337.5000
False Northing: 0.0000
Central Meridian: -104.3333
Scale Factor: 0.9999
Latitude Of Origin: 31.0000
Units: Foot US

Date: 3/22/2024

Rev: 0

JFF SWD State #1

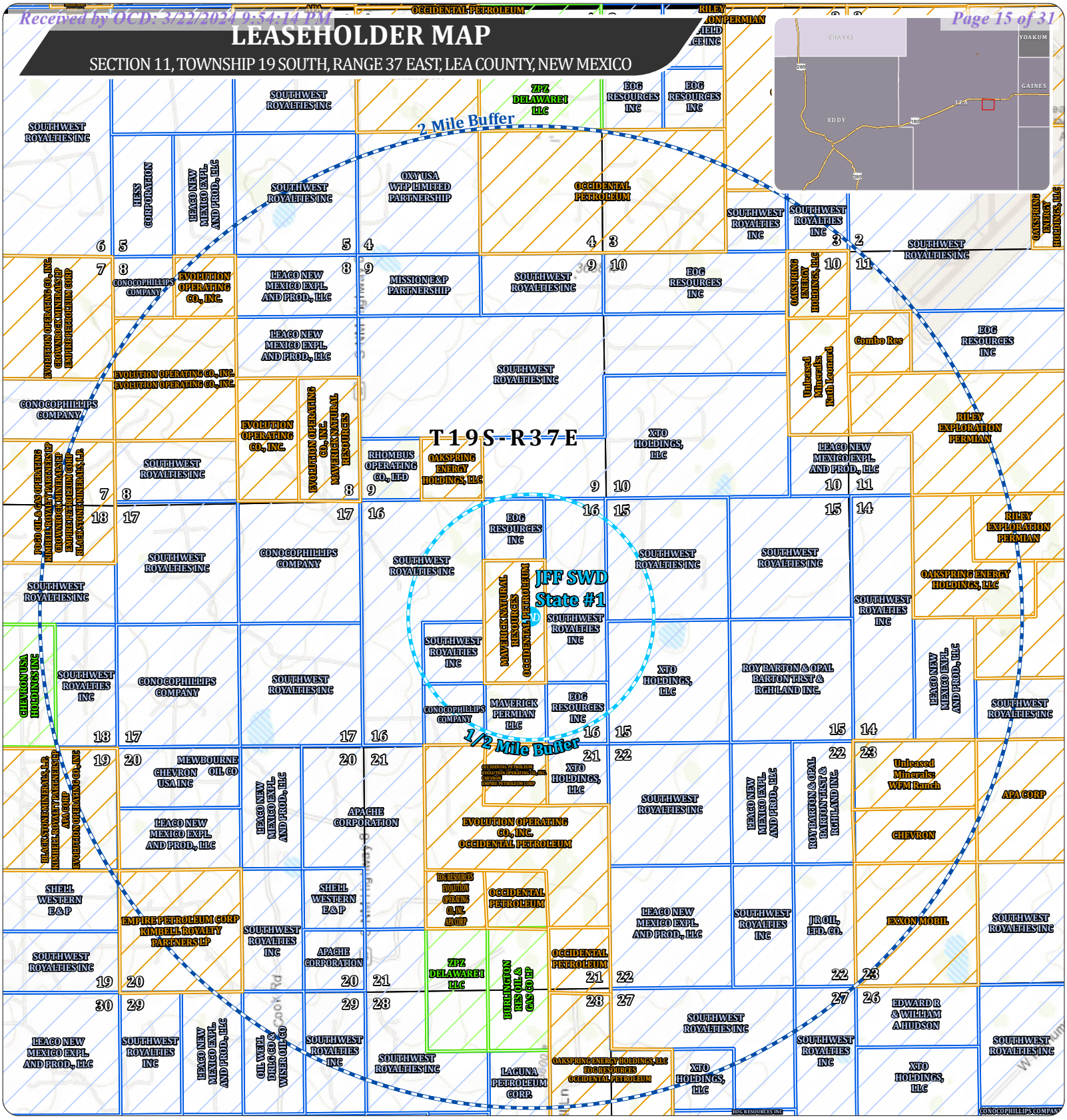
OPERATOR:
PILOT WATER SOLUTIONS SWD, LLC

PILOT WATER SOLUTIONS

1/2-mile AOR Tabulation for JFF SWD State #1 (Top of Injection Interval: 4,576')								
Well Name	**API#**	**Well Type**	**Operator**	**Status**	**Spud Date**	**Location (Sec., Tn., Rng.)**	**Total Vertical Depth (feet)**	**Penetrate Inj. Zone?**
PRE-ONGARD WELL #001	30-025-05608	Gas	PRE-ONGARD WELL OPERATOR	Plugged	11/28/1954	K-16-19S-37E	3850	No
EAST EUMONT UNIT #046	30-025-05609	Injection	OXY USA WTP LIMITED PARTNERSHIP	Plugged	2/9/1953	O-16-19S-37E	4065	No
EAST EUMONT UNIT #037	30-025-05607	Injection	OXY USA WTP LIMITED PARTNERSHIP	Plugged	4/24/1957	A-16-19S-37E	3950	No
EAST EUMONT UNIT #047	30-025-05603	Oil	OXY USA WTP LIMITED PARTNERSHIP	Plugged	1/10/1957	P-16-19S-37E	3976	No
EAST EUMONT UNIT #043	30-025-05605	Injection	OXY USA INC	Plugged	4/26/1956	I-16-19S-37E	4100	No
EAST EUMONT UNIT #040	30-025-05606	Oil	J R OIL, LTD. CO.	Active	10/1/1956	H-16-19S-37E	4028	No
EAST EUMONT UNIT #041	30-025-05600	Injection	J R OIL, LTD. CO.	Active	12/8/1956	E-15-19S-37E	3970	No
EAST EUMONT UNIT #044	30-025-05596	Oil	OXY USA INC	Plugged	3/5/1957	L-15-19S-37E	4000	No
Notes: No wells within the 1/2-mile AOR penetrate the injection interval								

LEASEHOLDER MAP

SECTION 11, TOWNSHIP 19 SOUTH, RANGE 37 EAST, LEA COUNTY, NEW MEXICO



1:33,000	0	2,000	4,000	6,000 Feet

Legend

- Proposed SWD
- 1/2 Mile Buffer
- 2 Mile Buffer
- BLM Mineral Leases
- NMSLO Mineral
- Private Mineral

JFF SWD State #1

OPERATOR:
PILOT WATER SOLUTIONS SWD, LLC

PILOT WATER SOLUTIONS

Project Managed By:
ACE Energy Advisors
(918) 237-0559
nate.alleman@aceadvisors.com

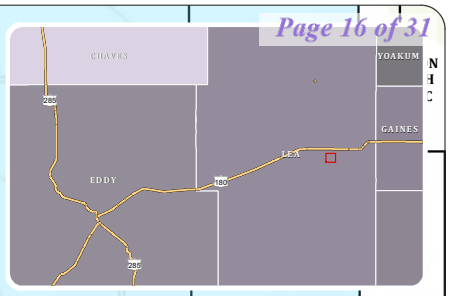
Map Prepared By:
COOSA CONSULTING
(432) 631-4738
info@coosaconsulting.com

Coordinate System:
NAD 1983 StatePlane New Mexico East FIPS 3001 Feet
Projection: Transverse Mercator
Datum: North American 1983
False Easting: 541,337.5000
False Northing: 0.0000
Central Meridian: -104.3333
Scale Factor: 0.9999
Latitude Of Origin: 31.0000
Units: Foot US

Rev: 0

SURFACE OWNERSHIP MAP

SECTION 16, TOWNSHIP 19 SOUTH, RANGE 37 EAST, LEA COUNTY, NEW MEXICO



1:18,000	0	1,000	2,000	3,000 Feet

Legend

- Proposed SWD
- 1/2 Mile Buffer
- Federal Land
- State of NM Land
- Private Land

JFF SWD State #1

OPERATOR:
PILOT WATER SOLUTIONS SWD, LLC

PILOT WATER SOLUTIONS

Project Managed By:
ACE Energy Advisors
(918) 237-0559
nate.alleman@aceadvisors.com
Map Prepared By:
COOSA CONSULTING
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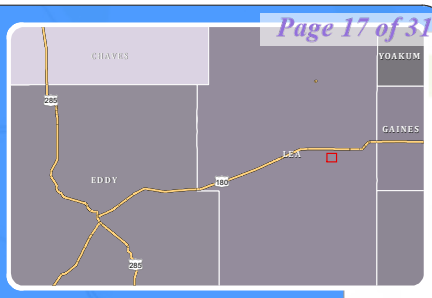
Coordinate System:
NAD 1983 StatePlane New Mexico East FIPS 3001 Feet
Projection: Transverse Mercator
Datum: North American 1983
False Easting: 541,337.5000
False Northing: 0.0000
Central Meridian: -104.3333
Scale Factor: 0.9999
Latitude Of Origin: 31.0000
Units: Foot US

Rev: 0

MINERAL OWNERSHIP MAP

SECTION 16, TOWNSHIP 19 SOUTH, RANGE 37 EAST, LEA COUNTY, NEW MEXICO



1:18,000

0 1,000 2,000 3,000 Feet

Legend

- Proposed SWD
- 1/2 Mile Buffer
- Subsurface minerals (NMSLO)
- All minerals are owned by U.S. (BLM)
- Private minerals

JFF SWD State #1

OPERATOR:
PILOT WATER SOLUTIONS SWD, LLC

PILOT WATER SOLUTIONS

Project Managed By:
ACE Energy Advisors
(918) 237-0559
nate.alleman@aceadvisors.com

Map Prepared By:
COOSA CONSULTING
(432) 631-4738
info@coosaconsulting.com

Coordinate System:
NAD 1983 StatePlane New Mexico East FIPS 3001 Feet
Projection: Transverse Mercator
Datum: North American 1983
False Easting: 541,337.5000
False Northing: 0.0000
Central Meridian: -104.3333
Scale Factor: 0.9999
Latitude Of Origin: 31.0000
Units: Foot US

Rev: 0

Attachment 3

Source Formation Water Analysis																						
Well Name	API	Latitude	Longitude	Section	Township	Range	Unit	Ftgns	Ftgew	County	State	Formation	Sampled	PH	TDS (Mg/L)	Sodium (Mg/L)	Calcium (MG/L)	Iron (MG/L)	Magnesium (MG/L)	Manganese (MG/L)	Chloride (MG/L)	Bicarbonate (MG/L)	Sulfate (MG/L)
STATE NPA #001	3002503156	32.6879654	-103.5031815	6	19S	35E	L	1980S	660W	LEA	NM	BONE SPRING	1960	7.7	25800.0						14100.0	830.0	1120.0
SHOOTING STAR STATE SWD #001	3002529805	32.7594261	-103.4270935	11	18S	35E	J	1650S	2310E	LEA	NM	BONE SPRING	2001	6.2			15600.0	2.5	981.9		148248.0	244.0	650.0
SINCLAIR STATE #002	3002503123	32.7386246	-103.4561005	21	18S	35E	A	660N	660E	LEA	NM	WOLFCAMP	1960	7.1	60950.0						33568.0	1087.0	3049.0
IRONHOUSE 19 STATE COM #001H	3002540676	32.7266121	-103.499527	19	18S	35E	N	200S	1800W	Lea	NM	BONE SPRING 2ND SAND	2014	6.4	182863.9	58171.0	4944.4	49.0	1892.6	1.4	113954.0	195.2	0.0
IRONHOUSE 19 STATE COM #004H	3002541245	32.7264938	-103.5014343	19	18S	35E	M	150S	1215W	Lea	NM	BONE SPRING 2ND SAND	2014	6.2	189029.2	64016.2	5319.3	38.8	2044.4	1.5	113566.0	158.6	0.0
IRONHOUSE 19 STATE COM #002H	3002541094	32.7271118	-103.4903336	19	18S	35E	P	410S	630E	Lea	NM	BONE SPRING 2ND SAND	2014	6.0	205332.0	72646.0	4828.0	39.0	2316.0	2.0	130450.0	488.0	1503.0
IRONHOUSE 20 STATE COM #001	3002540611	32.7265129	-103.4774857	20	18S	35E	O	200S	1980E	Lea	NM	BONE SPRING 2ND SAND	2014	6.1	186865.0	65638.0	4698.0	16.0	1700.0	1.0	116510.0	1098.0	1804.0
IRONHOUSE 20 STATE #002H	3002540748	32.7265129	-103.4731903	20	18S	35E	P	200S	660E	Lea	NM	BONE SPRING 2ND SAND	2014	6.6	196865.0	66738.0	4631.0	23.0	1790.0	1.0	116580.0	1298.0	1894.0
IRONHOUSE 19 STATE COM #003H	3002541050	32.7264977	-103.4941711	19	18S	35E	O	175S	1810E	Lea	NM	BONE SPRING 2ND SAND	2014	6.2	178457.0	56874.0	6125.0	22.0	1457.0	1.0	125412.0	845.0	849.0
HAMON STATE #001	3002503140	32.7175827	-103.4464035	27	18S	35E	K	2310S	2310W	LEA	NM	BONE SPRING			154510.0						96360.0	430.0	1210.0
LEA 403 STATE #001	3002503126	32.7386093	-103.4518051	22	18S	35E	D	660N	660W	LEA	NM	BONE SPRING	1958	6.7	255451.0						156699.0	327.0	779.0

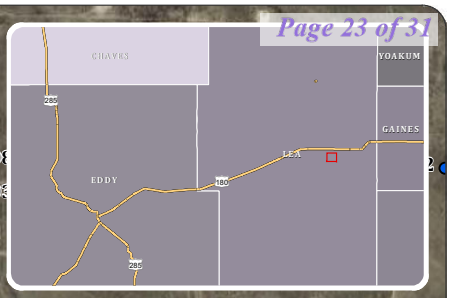
Attachment 4

Injection Formation Water Analysis																		
Well Name	API	Latitude	Longitude	Section	Township	Range	Unit	Ftgns	Ftgew	County	State	Formation	Sampled	PH	TDS (Mg/L)	Chloride (MG/L)	Bicarbonate (MG/L)	Sulfate (MG/L)
B V CULP NCT A #008	3002505640	32.6467896	-103.2919235	19	19S	37E	F	2310N	2239W	LEA	NM	SAN ANDRES			10905	2350	1100	3700
B V CULP NCT A #008	3002505640	32.6467896	-103.2919235	19	19S	37E	F	2310N	2239W	LEA	NM	SAN ANDRES			26735	14500	1370	1020
B V CULP NCT A #008	3002505640	32.6467896	-103.2919235	19	19S	37E	F	2310N	2239W	LEA	NM	SAN ANDRES			40250	20800	1390	3100
B V CULP NCT A #008	3002505640	32.6467896	-103.2919235	19	19S	37E	F	2310N	2239W	LEA	NM	SAN ANDRES			71110	39800	810	3500
B V CULP NCT A #008	3002505640	32.6467896	-103.2919235	19	19S	37E	F	2310N	2239W	LEA	NM	SAN ANDRES			156218	95130	176	771
NORTH MONUMENT G/SA UNIT #001	3002505647	32.6512489	-103.2843475	19	19S	37E	A	660N	660E	Lea	NM	SAN ANDRES	1964	6.0		10200	592	1938
GOODWIN #002	3002520651	32.7204323	-103.2928467	30	18S	37E	F	1980N	1980W	LEA	NM	SAN ANDRES			80467	45060	1492	3315
GOODWIN #002	3002520651	32.7204323	-103.2928467	30	18S	37E	F	1980N	1980W	LEA	NM	SAN ANDRES			69848	39130	1225	3114
NORTH HOBBS UNIT #001	3002505449	32.7530632	-103.21138	13	18S	37E	D	660N	660W	LEA	NM	SAN ANDRES	1960	8.0	12100	4500	504	2300
NORTH HOBBS UNIT #001	3002505449	32.7530632	-103.21138	13	18S	37E	D	660N	660W	LEA	NM	SAN ANDRES			12100	4541	509	2321
BOBBI STATE WF UNIT #006	3002503978	32.7231979	-103.373436	29	18S	36E	B	990N	1650E	LEA	NM	SAN ANDRES			20882	11190	645	1232
STATE NG #001	3002522795	32.7349815	-103.3057404	24	18S	36E	G	1980N	1980E	LEA	NM	SAN ANDRES	1968	6.5	265665	157000	98	5400
STATE NG #001	3002522795	32.7349815	-103.3057404	24	18S	36E	G	1980N	1980E	LEA	NM	SAN ANDRES	1968	6.3	203913	122000	110	3000
GRAHAM STATE NCT F #003	3002512476	32.6149902	-103.3056641	36	19S	36E	J	1980S	1980E	LEA	NM	SAN ANDRES	1900	6.5		16406	611	
NORTHWEST EUMONT UNIT #156	3002504099	32.617733	-103.3518143	33	19S	36E	H	2310N	330E	Lea	NM	SAN ANDRES	1960	7.0		38119	405	4317
GRAHAM STATE NCT F #003	3002512476	32.6149902	-103.3056641	36	19S	36E	J	1980S	1980E	Lea	NM	SAN ANDRES	1964	6.5		16406	611	
GRAHAM STATE NCT F #003	3002512476	32.6149902	-103.3056641	36	19S	36E	J	1980S	1980E	LEA	NM	SAN ANDRES			26344			
E M E SWD #008	3002506017	32.5895042	-103.2725601	8	20S	37E	G	1980N	2310E	LEA	NM	SAN ANDRES	1964	8.5	65365	36905	560	1460
THEODORE ANDERSON #002	3002506139	32.5785942	-103.2758102	17	20S	37E	C	660N	1980W	Lea	NM	SAN ANDRES	1964	6.7		67245	564	489
E M E SWD #008	3002506017	32.5895042	-103.2725601	8	20S	37E	G	1980N	2310E	LEA	NM	SAN ANDRES			65361	36900	560	1460
EUNICE MONUMENT UNIT #031	3002506169	32.5531693	-103.2843781	19	20S	37E	P	660S	660E	LEA	NM	SAN ANDRES			91120	59850	0	722

Attachment 5

WATER WELL MAP

SECTION 16, TOWNSHIP 19 SOUTH, RANGE 37 EAST, LEA COUNTY, NEW MEXICO



1:18,000	0	1,000	2,000	3,000 Feet

Project Managed By:
ACE Energy Advisors
(918) 237-0559
nate.alleman@aceadvisors.com
Map Prepared By:
COOSA CONSULTING
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False Easting: 541,337.5000
False Northing: 0.0000
Central Meridian: -104.3333
Scale Factor: 0.9999
Latitude Of Origin: 31.0000
Units: Foot US

Rev: 0

Legend

- Proposed SWD
- 1 Mile Buffer

NMOSE Points of Diversion

- Active
- Pending
- Changed Location of Well
- Inactive
- Capped
- Plugged
- Unknown

JFF SWD State #1

OPERATOR:
PILOT WATER SOLUTIONS SWD, LLC

PILOT WATER SOLUTIONS

Water Well Sampling Table					
Water Well ID	**OSE Status**	**Owner**	**Available Contact Information**	**Use**	**Notes**
L-01258	Active	GOLF OIL CORPORATION	BOX 1290, Fort Worth, TX	Prospecting	Doesn't meet sampling criteria.
L-01975	Active	O & W DRILLING COMPANY	BOX 98, Odessa, TX	Prospecting	Doesn't meet sampling criteria.
L-02602	Plugged	OSCAR BOURG DRILLING COMPANY	PO BOX 73, Midland, TX	Prospecting	Doesn't meet sampling criteria.
L-03181	Plugged	HUMBLE OIL AND REFINING CO.	BOX 1287, Roswell, NM	Prospecting	Doesn't meet sampling criteria.
L-03185	Plugged	CARPER DRILLING CO.	BOX 978, Midland, TX	Prospecting	Doesn't meet sampling criteria.
L-03228	Plugged	MAKIN DRILLING COMPANY	BOX 1628, Hobbs, NM	Prospecting	Doesn't meet sampling criteria.
L-03313	Plugged	D-K DRILLING COMPANY	110 WEST N FRONT, Midland, TX	Prospecting	Doesn't meet sampling criteria.
L-03378	Pending	MAKIN DRILLING COMPANY	PO BOX 1628, Hobbs, NM	Prospecting	Doesn't meet sampling criteria.
L-03417	Active	SHERLO DRILLING COMPANY	BOX 1156, Lovington, NM	Prospecting	Doesn't meet sampling criteria.
L-03517	Plugged	CACTUS DRILLING COMPANY	217 GREENACRES DRIVE, Hobbs, NM	Prospecting	Doesn't meet sampling criteria.
L-03525	Plugged	DENVER DRILLING CORPORATION	BOX 669, Odessa, TX	Prospecting	Doesn't meet sampling criteria.
L-05336	Active	GULF OIL CORPORATION	BOX 670, Hobbs, NM	Prospecting	Doesn't meet sampling criteria.
L-06933	Plugged	GULF OIL CORPORATION	BOX 670, Hobbs, NM	Prospecting	Doesn't meet sampling criteria.
L 14181 POD1	Pending	MCNEILL RANCH	P.O. Box 1092 Hobbs, NM 88241 575-393-3386	livestock watering	A representative of McNeill Ranch was unaware of the presence or usage status of the water well, confirming that this water well is not currently active.
Notes:					

Attachment 6

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
February 14, 2024
and ending with the issue dated
February 14, 2024.

LEGAL NOTICE
February 14, 2024

Pilot Water Solutions SWD LLC, 20 Greenway Plaza, Suite 500, Houston, TX 77046, is filing Form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for commercial saltwater injection into its JFF SWD State #1. This will be a new well located 2,553' FNL & 1,643' FEL in Section 16 Township 19S Range 37E in Lea County, New Mexico. The purpose of the well is to inject produced water from permitted oil and gas wells in the area for commercial disposal into the San Andres formation at depths of 4,576' – 5,035' at a maximum surface injection pressure of 915 psi and a maximum injection rate of 25,000 barrels of water per day.

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. Additional information may be obtained by contacting the operator contact, David Grounds, at 713-307-8752.
#00287345

Publisher

Sworn and subscribed to before me this
14th day of February 2024.

Business Manager

My commission expires
January 29, 2027
(Seal)

STATE OF NEW MEXICO
NOTARY PUBLIC
GUSSIE RUTH BLACK
COMMISSION # 1087526
COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

67117907 00287345

NATE ALLEMAN
ACE ENERGY ADVISORS
501 E. FRANK PHILLIPS BLVD.
SUITE 201
BARTLESVILLE, OK 74006

Statement of Affected Person Notification

A copy of the C-108 application has been provided to the following Affected Persons as notification of the subject Application for Authorization to Inject (C-108).

Entity Name	Entity Address	Mailing Date
Site Surface Owner		
State Land Office	P.O. Box 1148 Santa Fe, NM 87504	02/22/2024
Local OCD Office		
OCD - District 1	1625 N. French Drive Hobbs, NM 88240	02/22/2024
Leaseholders		
Southwest Royalties	200 N Loraine St Ste 400 Midland, TX 79701	02/22/2024
XTO Holdings, LLC	6401 Holiday Hill Rd Midland, TX 79707	02/22/2024
ConocoPhillips Company	600 W Illinois Ave Midland, TX 79701	02/22/2024
EOG Resources Inc	P.O. Box 2267 Midland, TX 79702	02/22/2024
Maverick Natural Resources	1000 Main Street, Suite 2900 Houston, TX 77002	02/22/2024
Occidental Petroleum	P.O. Box 5020 6 Desta Drive, Suite 6000 Midland, TX 79705	02/22/2024
Maverick Permian LLC	1000 Main Street, Suite 2900 Houston, TX 77002	02/22/2024
Well Operator		
J R Oil, LTD. Co.	P.O. Box 2975 Hobbs, NM 88241	02/22/2024

Nathan Alleman
Ace Energy Advisors
501 Se Fph Blvd Ste 201
BARTLESVILLE OK 74003-3931

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SOUTHWEST ROYALTIES INC
200 N Loraine St Ste 400
Midland TX 79701-4735

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XTO Holdings, LLC
6401 Holiday Hill Rd
Midland TX 79707-2154

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ConocoPhillips Company
600 W Illinois Ave
Midland TX 79701-4882

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Po Box 2267
Midland TX 79702-2267

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Maverick Natural Resources
1000 Main St Ste 2900
Houston TX 77002-6342

Nathan Alleman
Ace Energy Advisors
501 Se Fph Blvd Ste 201
BARTLESVILLE OK 74003-3931

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Occidental Petroleum
PO Box 5020
6 Desta Dr Ste 6000
Midland TX 79705-5602

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Ace Energy Advisors
501 Se Fph Blvd Ste 201
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MAVERICK PERMIAN LLC
1000 Main St Ste 2900
Houston TX 77002-6342

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Ace Energy Advisors
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Po Box 2975
Hobbs NM 88241-2975

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1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

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

CONDITIONS

Action 326045

CONDITIONS

Operator: Pilot Water Solutions SWD LLC 20 Greenway Plaza, Suite 500 Houston, TX 77046	OGRID: 331374
	Action Number: 326045
	Action Type: [C-108] Fluid Injection Well (C-108)

CONDITIONS

Created By	Condition	Condition Date
mgebremichael	None	4/24/2024