

Mesquite SWD, Inc.
Red Hills SWD No. 1: Proposed Wellbore Schematic
1500' FNL & 430' FEL (Unit H)
Section 5, T-26S, R-33E, NMPM, Lea County, NM

Surface Casing:

Hole Size: 26"
 Size: 20" 133# J-55 BTC
 Set @: 880'
 Sx. Cmt: 1980
 TOC: Surface

1st Intermediate Casing:

Hole Size: 17.5"
 Size: 13.375" 68# N-80
 Set @: 4,400'
 Sx. Cmt: 1000
 TOC: Surface

2nd Intermediate Casing

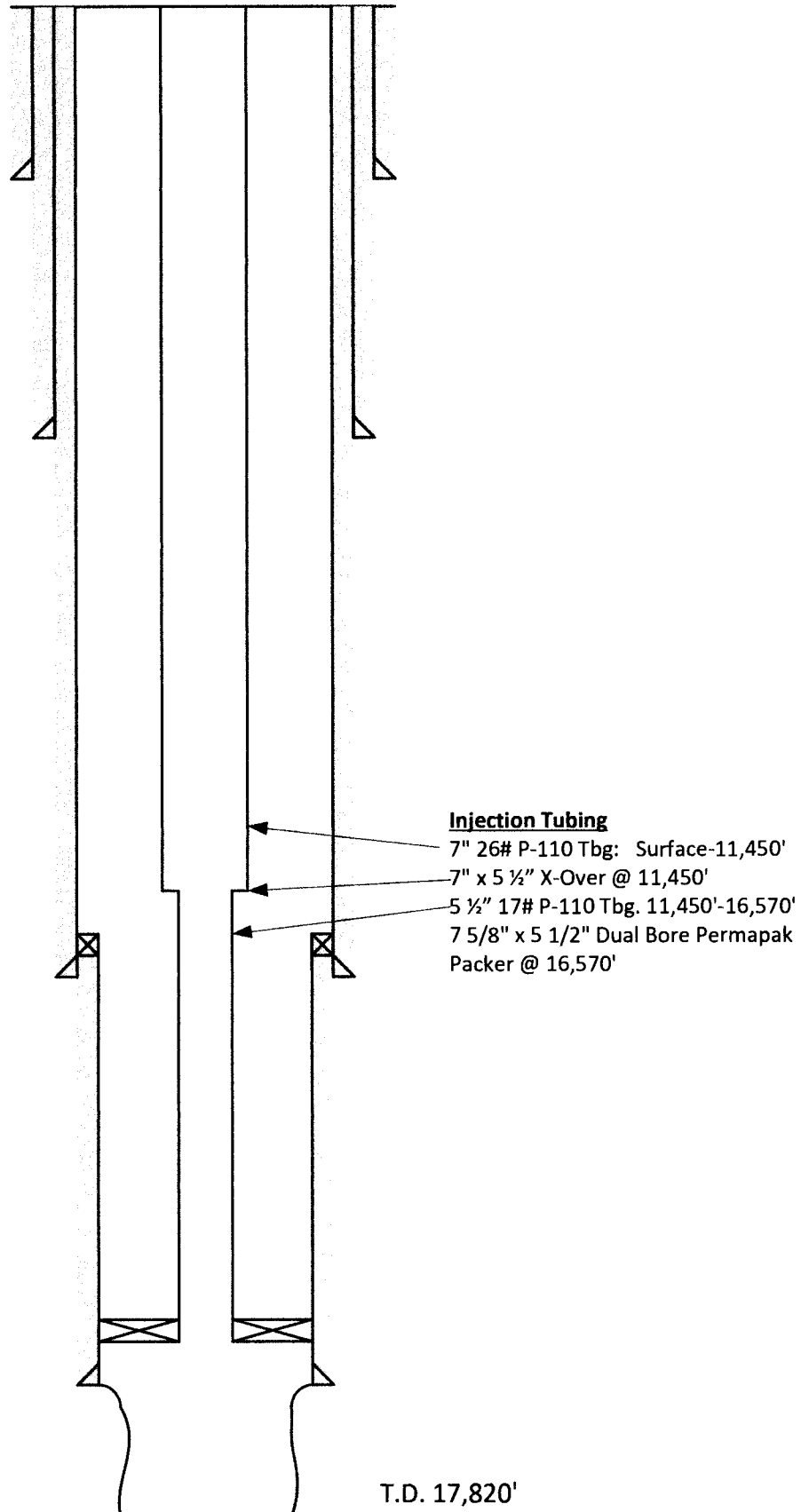
Hole Size: 12.25"
 Size: 9.625 47# P-110
 Set @: 11,700'
 Sx. Cmt: 1800
 TOC: Surface

Liner

Hole Size: 8.5"
 Size: 7.625" 39# P-110
 Set @: 11,650'-16,620'
 Sx. Cmt: 2880
 TOC: 11,650' (Liner Top)

Open Hole Injection Interval

Hole Size: 6 1/4"
 Interval: 16,620'-17,820'



T.D. 17,820'

Exhibit 3

Proposed Wellbore Configuration

Released to Public: 1/6/2023 11:45:13 AM

Application to Amend SWD-1684

Red Hills SWD Well No. 1

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos 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

DEFINITIONS

Action 73549

DEFINITIONS

Operator: NGL WATER SOLUTIONS PERMIAN, LLC 865 North Albion Street Denver, CO 80220	OGRID:
	372338
	Action Number:
	73549
Action Type: [UF-SA] Seismicity Response Protocol Information (UF-SA-SRPI)	

DEFINITIONS

For the sake of brevity and completeness, please allow for the following in all groups of questions and for the rest of this application: <ul style="list-style-type: none">this application's operator, hereinafter "this operator".
This form must be completed as part of OCD's Seismicity Response Protocol and updated after any qualifying event thereafter.
Applicability: This form must be completed for each well classified as an Underground Injection Control (UIC) Class II disposal well or Class II enhanced recovery injection well with active injection authority (wells). "Active injection authority" means a well that is authorized to inject pursuant to an administrative permit or hearing order. This includes wells that have an approved Application for Permit to Drill and have an approved injection permit but have not yet been drilled or commenced injection.

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QUESTIONS

Action 73549

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QUESTIONS

Prerequisites	
Well	[30-025-45028] RED HILLS SWD #001

Seismic Event Information

The source and reference ID is required, if you would like to submit information of a new seismic event.

Source of information (i.e., USGS, NMTSO, TexNet, other)	USGS
Reference ID from source of information	tx2021oalq
Magnitude	4.0
Latitude	32.07124
Longitude	-103.71918
Date of occurrence	07/19/2021
Depth of occurrence (kilometers)	5.00

Injection Order

Please indicate the latest (current) injection order permitting injection for this well.

Admin Order (SWD-#)	SWD-1684-A [pPRG1828534018]
Hearing Order (R-#)	Not answered.

Well Information

The following information is required for each well permitted within a 10-mile proximity of the epicenter.

Distance from epicenter (miles)	8
Top perforated and/or open-hole interval (vertical depth in feet)	17,449
Bottom perforated and/or open-hole interval (vertical depth in feet)	19,000
Formation(s) completed	Devonian, Silurian

Well Information Prior to Injection Volume Reduction

Daily rates and pressures are based on the active injection days during the prior 6-month period.

Average daily injection rate (BBLS per day), prior to reduction	18,952
Average injection daily pressure (PSI), prior to reduction	1,765
Well Type (i.e., Commercial, Lease Only, Single Operator)	Commercial

Well Information After Injection Volume Reduction

The following information is required for each well permitted within a 10-mile proximity of the epicenter.

Required injection rate reduction percentage (0%, 25%, 50%, Shut-in)	25%
Average daily injection rate (BBLS per day) limit, post reduction	10,172
Average injection daily pressure (PSI) limit, post reduction	1,607
Reduction start date	01/17/2022
Reduction achieved date	01/17/2022

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ACKNOWLEDGMENTS

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ACKNOWLEDGMENTS

<input checked="" type="checkbox"/>	This operator acknowledges that it must take the appropriate following action(s) as part of its seismic response protocol:
<input checked="" type="checkbox"/>	This operator shall report the daily injection volumes and pressures for each well on a weekly basis on the form prescribed by the OCD. The report is due on the Wednesday the week following the weekly monitoring interval.
<input checked="" type="checkbox"/>	This operator shall start or continue to digitally measure injection volumes and pressures for each well at a minimum of an hourly basis, and shall archive the data and make it available to OCD upon receipt of a written request.
<input checked="" type="checkbox"/>	This operator shall monitor seismicity events with magnitudes equal to or greater than M2.5 within a radius of 10 miles around each well using USGS / NMTSO data, and shall archive the data and make it available to OCD upon receipt of a written request.
<input checked="" type="checkbox"/>	This operator shall notify OCD and provide updated pertinent well information within 24 hours of an event greater than M 2.5 within a radius of 10 miles around each well using this OCD form.
<input checked="" type="checkbox"/>	After each event greater than M 2.5 within a radius of 10 miles around each well, this operator shall inspect well head and well equipment of each well to ensure proper working order. As part of this inspection, Operator should evaluate whether a Bradenhead test or MIT is warranted to ensure wellbore integrity.
<input checked="" type="checkbox"/>	I certify that, after reasonable inquiry and based on the available information at the time of submittal, this Seismic Information Form is true and correct to the best of my knowledge, and I acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

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CONDITIONS

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CONDITIONS

Created By	Condition	Condition Date
aschaefer	Accepted for record	1/6/2023