

# Initial Application Part I

Received: 02/09/2022

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

RECEIVED: <b>02/09/2022</b>	REVIEWER:	TYPE:	APP NO: <b>pJZT2204758985</b>
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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:** Spur Energy Partners, LLC **OGRID Number:** 328947  
**Well Name:** Loco Hills 35 SWD No.2 **API:** 30-015-37268  
**Pool:** SWD; Wolfcamp **Pool Code:** 96135

**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

<b>FOR OCD ONLY</b>	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	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

2/09/2021  
 \_\_\_\_\_  
 Date

\_\_\_\_\_  
 Signature

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 35 SWD Well No.2, located in Section 35 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 35 SWD No.2. The well was previously authorized by another operator for salt water disposal by division order SWD-1177. 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 3, 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,



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

Cc: Application attachment and file

Cc: Application File

**APPLICATION FOR AUTHORIZATION TO INJECT**

- 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 – 1 P&A penetrates.)*** 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: ***2/09/2022***

E-MAIL ADDRESS: ***ben@sosconsulting.us***

- \* 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.

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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.

Rm

RECEIVED  
FEB 12 2009  
NMOCD ARTESIA

DISTRICT I  
1825 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

Form C-102  
Revised October 12, 2005

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number <b>30-015-37268</b>	Pool Code <b>96135</b>	Pool Name <b>SWD; Wolfcamp</b>
Property Code <b>37467</b>	Property Name <b>LOCO HILLS SWD</b>	Well Number <b>2-35</b>
OGRID No. <b>229137</b>	Operator Name <b>C.O.G. OPERATING L.L.C.</b>	Elevation <b>3588'</b>

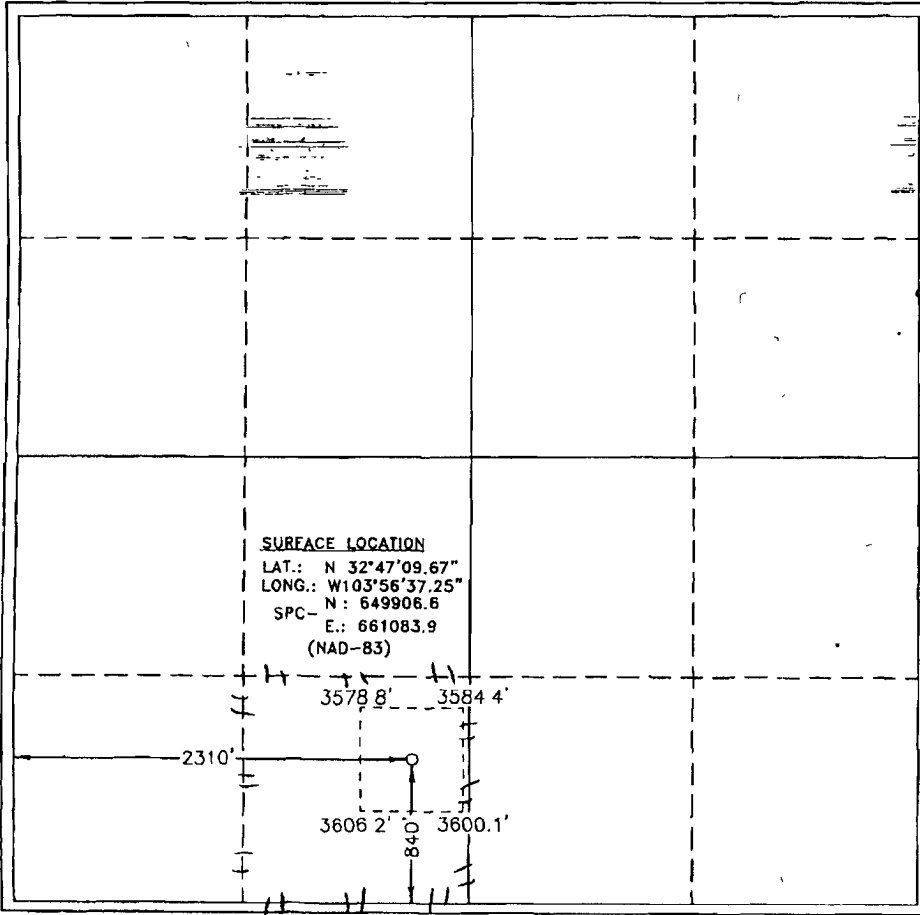
Surface Location

UL or lot No	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
N	35	17 S	30 E		840	SOUTH	2310	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						
N/A									

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



**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 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.

*Robyn Odom* 5/15/2009  
Signature Date

Robyn Odom  
Printed Name

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**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.

FEBRUARY 19, 2009  
Date Surveyed

GARY L. JONES  
Signature & Title of Professional Surveyor

7977

W.C. 2-35 1127

Certificate No. Gary L. Jones 7977

BASIN SURVEYS

# **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, 2 P&A'd, Schematics Attached

## **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.

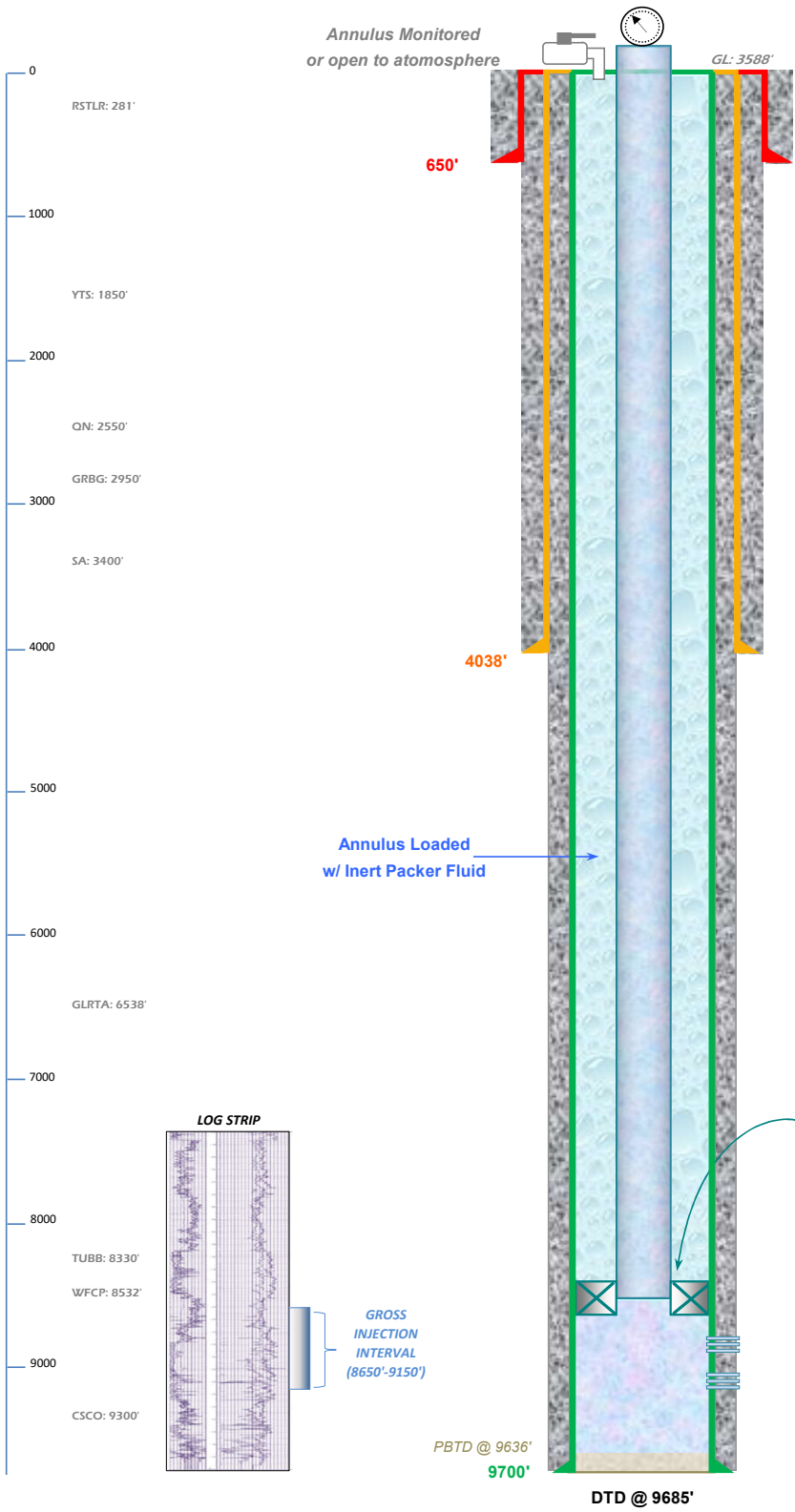


**WELL SCHEMATIC - CURRENT / PROPOSED**  
**Loco Hills 35 SWD Well No.2**

**SWD; Wolfcamp (96135)**

**API 30-015-37268**  
 840' FSL & 2310' FWL, SEC. 35-T17S-R30E  
 EDDY COUNTY, NEW MEXICO

Spud Date: 10/12/2009  
 Config SWD Dt (Est): ~1/15/2022



*Injection Pressure Regulated and Volumes Reported*  
 1730 psi Max. Surface (0.2 psi/ft)

**Surface Casing**  
 13.375", 48.0/ 54.5# H-40/ J-55 STC Csg. (17.5" Hole) @ 650'  
 1010 sx - Circulated 100 sx to Surface



**Reinstate SWD Status:**  
**NOTE: GROSS INTERVAL LONGER THAN EXISTING PERFS.**  
 SEP, LLC may opt to shoot additional perfs within zone.  
 RIH w/ TBG (new or test into hole)  
 Set PKR @ 8712' + (Within 100' of uppermost perf)  
 Conduct Witnessed MIT.  
 Commence Disposal Operations.

**Intermediate Casing**  
 9.625", 36.0 & 40.0# J-55 Csg. (12.25" Hole) @ 4038'  
 2870 sx - Circulated 157 sx to Surface

**3.5" IC Tubing (or smaller)**  
 PKR ~8712'+ (with current perf intervals)  
 Note: PKR Set 100' Above Final Uppermost Perf Interval.

**Production Casing**  
 7.0", 17.0 & 26.0# L-80 Csg. (8.75" Hole) @ 9700';  
 w/ 1st: 475 sx (DV ~7000') 2nd: 750 sx  
 108 sx Circulated to Surface

Wolfcamp Reef Perfs - 8812 feet to 9092 feet

Drawn by: Ben Stone, 2/04/2022





## Form C-108 Item VI - Tabulation of AOR Wells

Top of Proposed WOLFCAMP Interval 8650'

3 Wells Penetrate Proposed Interval.

API No.	Current Operator	Well Name	Well Number	Type	Lease	Status	ULSTR	Depth	Plugged On
<u>Subject Well</u>									
30-015-37268	[328947] Spur Energy Partners LLC	LOCO HILLS SWD 35	#002	SWD	Federal	Active	N-35-17S-30E	9685'	
<u>Section 35 Wells</u>									
30-015-24430	[372098] MARATHON OIL PERMIAN LLC	ATALAYA FEDERAL	#001	Oil	Federal	P&A-R	L-35-17S-30E	11600'	10/14/2019
									<i>P&amp;A DIAGRAM INCLUDED...</i>
30-015-31063	[155615] NADEL AND GUSSMAN PERMIAN, LLC	ATALAYA FEDERAL	#003	Oil	Federal	P&A-R	M-35-17S-30E	4000'	8/10/2014
									<i>DOES NOT PENETRATE</i>
30-015-27851	[7377] EOG RESOURCES INC	CEDAR LAKE 35 FEDERAL COM	#002	Gas	Federal	Active	P-35-17S-30E	11600'	
									<i>Well completed as STRAWN gas producer w/ perms 10,425'-10,445'; 5.5" csg set 11,515' w/ 1380 sx, Circ.; 8.625" csg set 4497 w/ 1300 sx, Circ.</i>
<u>Section 2 Wells (18S)</u>									
30-015-20476	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#001	Oil	State	P&A-R	A-2-18S-30E	3467'	1/1/1900
									<i>DOES NOT PENETRATE</i>
30-015-27285	[14744] MEWBOURNE OIL CO	CEDARS BREAKS 2 STATE	#002	Oil	State	Active	A-2-18S-30E	11445'	
									<i>Well completed as BONE SPRING producer (orig. Strawn zone abn'd) w/ perms 6805'-6974'; 5.5" csg set 11,490' w/ 2525 sx, Circ.; 9.625" csg set 3615' w/ 1900 sx, Circ.</i>
30-015-24299	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#001	Oil	State	P&A-R	D-2-18S-30E	3750'	12/10/1982
									<i>DOES NOT PENETRATE</i>

**Summary: 6 Wells Total in AOR - 3 Wells Penetrate Subject Interval; 1 is P&A'd**



## **C-108 ITEM VI**

AOR Well Information

### **Plugged Well Schematics**

There is 1 P&A'd Well Within the AOR Which  
Penetrates the Proposed Injection Zone.

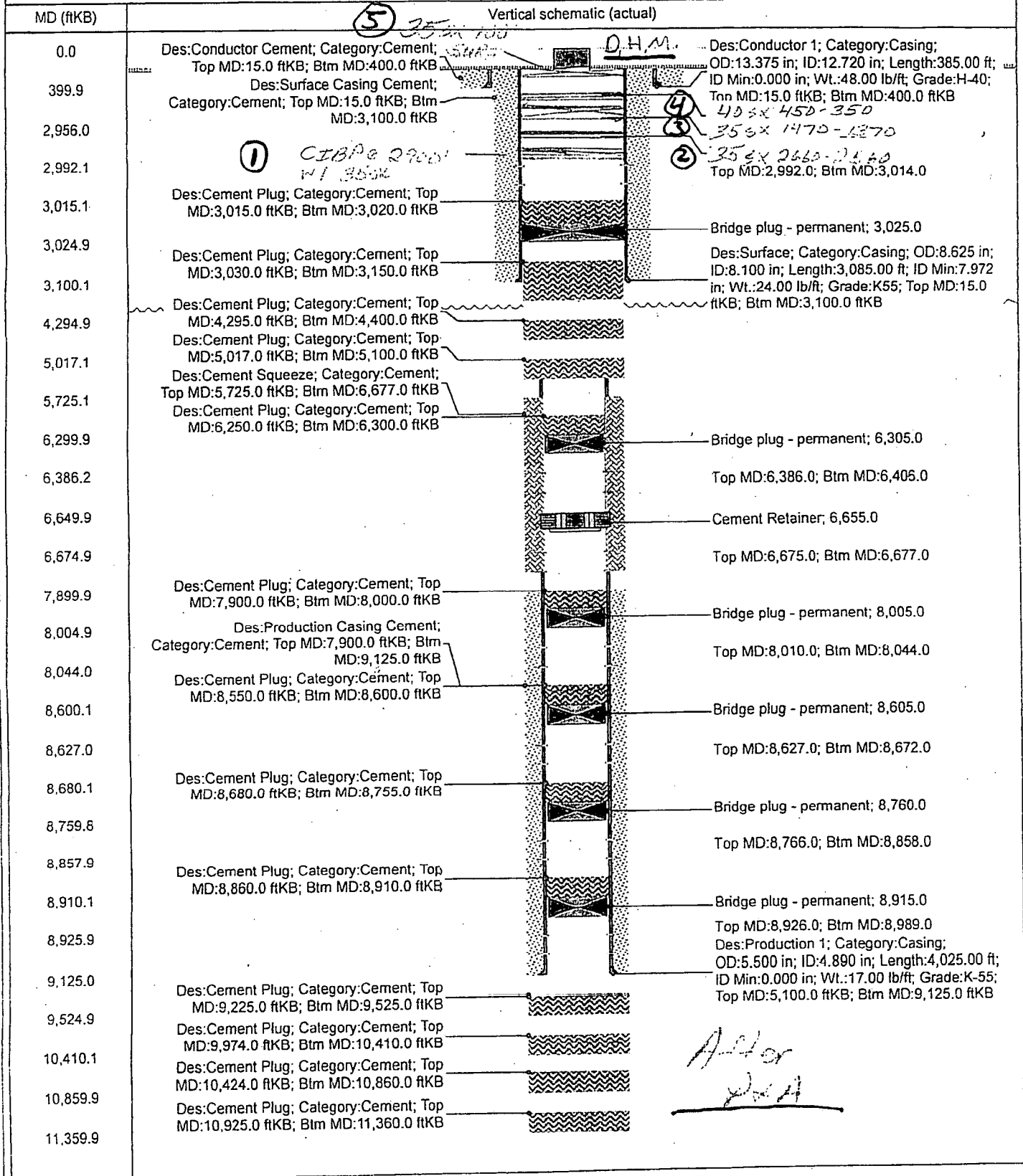
**30-015-24430 ATALAYA FEDERAL #001**

*(Plugged by Marathon Oil Company)*

*Well Diagram and Sundry follow this page...*

State/Province <b>NEW MEXICO</b>	Country <b>UNITED STATES</b>	Field Name <b>GRAYBURG JACKSON</b>	Latitude (°) <b>32.78910100</b>	Longitude (°) <b>-103.94849400</b>	North/South Distance (ft) <b>1,980.0</b>	North/South Reference <b>FSL</b>
API/IPO UWI	KB-Ground Distance (ft)	KB-Mud Line Distance (ft)	Ground Elevation (ft)	Drilling Rig Spud Date	Well Original Completion Date	Well First Production Date

ATALAYA FEDERAL 1, 6/24/2019 4:56:59 PM



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED  
OMB NO. 1004-0137  
Expires: January 31, 2018

**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.  
NMMN0558580

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
ATALAYA FEDERAL 1

9. API Well No.  
30-015-24430-00-S1

10. Field and Pool or Exploratory Area  
BONE SPRINGS

11. County or Parish, State  
EDDY COUNTY, NM

**SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
MARATHON OIL PERMIAN LLC  
Contact: ADRIAN COVARRUBIAS  
E-Mail: ADRIAN.COVARRUBIAS@ARCADIS.COM

3a. Address  
5555 SAN FELIPE ST  
HOUSTON, TX 77056

3b. Phone No. (include area code)  
Ph: 8067526153

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 35 T17S R30E NWSW 1980FSL 660FWL

12. CHECK THE 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"/> Hydraulic Fracturing	<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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Marathon has successfully abandoned this well as per the following time line:

10/07/2019: MIRU  
10/08/2019: Pressure test TBG to 500 PSI - good test. Unseat pump. Circulate clean fluid.  
10/09/2019: Jim Amos and David Mervine(BLM) gave permission to change procedure. Plan to spot a plug from 50' below perms to 50' above perms and tag. Informed BLM of a permanent bridge plug set at 3,025'  
10/10/2019: Attempt to circulate clean fluid.  
10/11/2019: Continue to circulate clean fluid. NU BOPE.  
10/12/2019: Spot 150 SKS Class C T/ 2,496' WOC. Tag TOC at 2,507'. Test casing to 500 PSI - good test.  
10/13/2019: Tag TOC at 2,507'. Spot 40 SKS Class C F/ 1,483' T/ 1,335' WOC.

GC 11/6/19  
Accepted for record - NMOCD

RECLAMATION PROCEDURE ATTACHED

RECLAMATION DUE 4-14-'20'

NM OIL CONSERVATION ARTESIA DISTRICT

NOV 04 2019

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

Electronic Submission #488903 verified by the BLM Well Information System  
For MARATHON OIL PERMIAN LLC, sent to the Carlsbad  
Committed to AFMSS for processing by PRISCILLA PEREZ on 10/21/2019 (19PP2570SE)

RECEIVED

Name (Printed/Typed) ADRIAN COVARRUBIAS

Title ENVIRONMENTAL ENGINEER

Signature (Electronic Submission)

Date 10/21/2019

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

OCT 22 2019

Approved By \_\_\_\_\_

Title

McKinney DUE  
BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

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

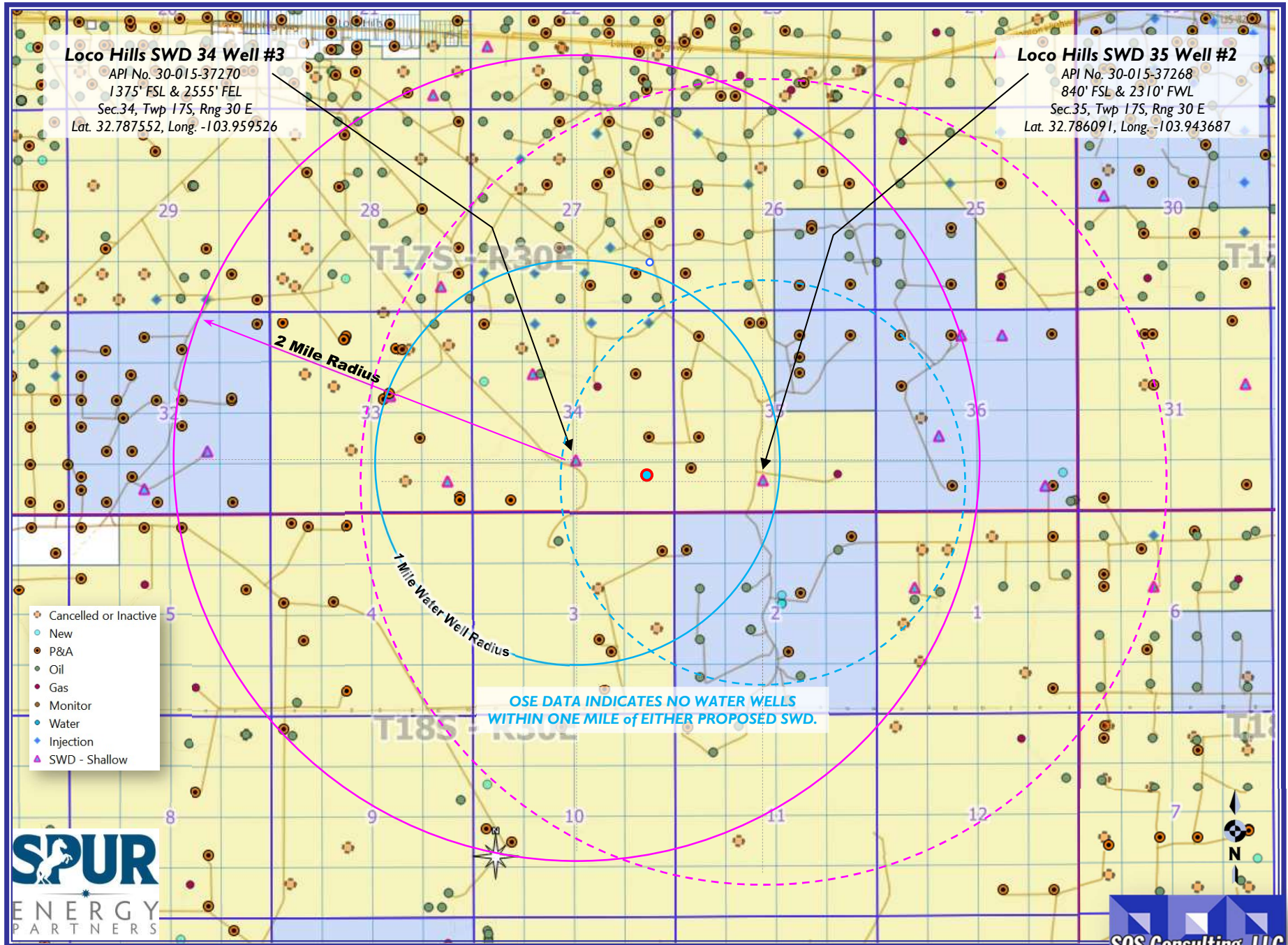
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\*

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

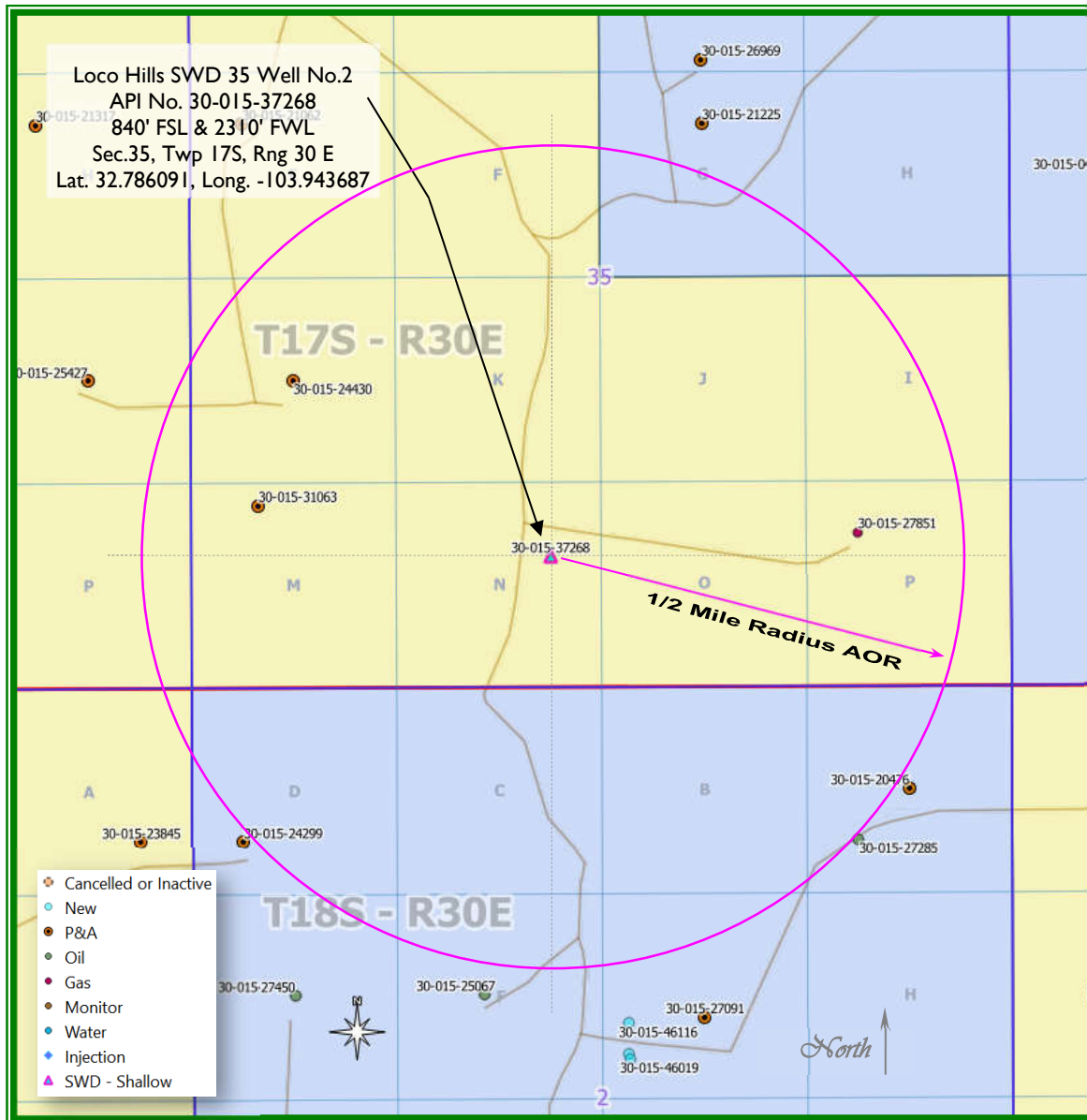
(Attachment to NMOCD Form C-I08 - Item V)



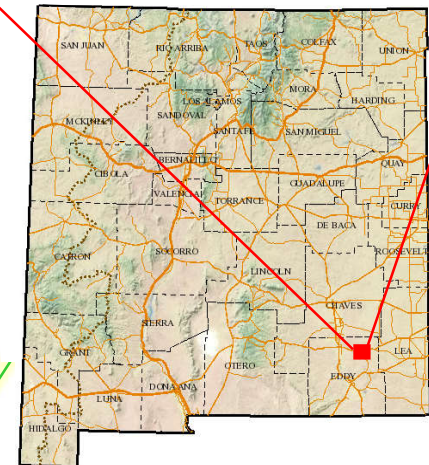
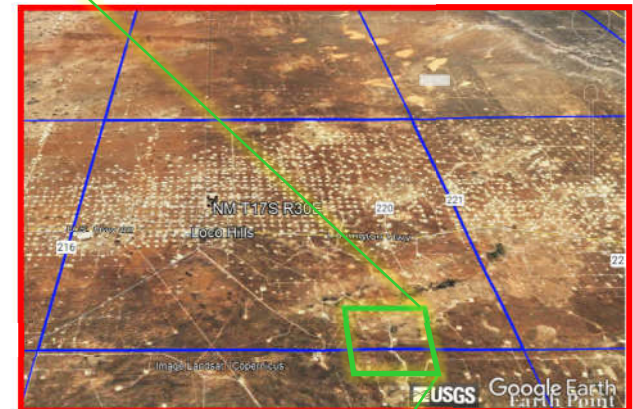


# Loco Hills SWD 35 Well No.2 - Area of Review / Overview Map

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



~3.3 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**

# LOG HEADER

COPY

COMPANY: COG Operating, LLC

WELL: Loco Hills SWD 35 #2

FIELD: SWD: Wolfcamp

County: Eddy State: New Mexico

**Schlumberger**  
Platform Express  
Three Detector Litho-Density  
Geopressed Neutron/HNGS





County: Eddy  
Field: SWD: Wolfcamp  
Location: 840' FSL & 2310' FWL  
Well: Loco Hills SWD 35 #2  
Company: COG Operating, LLC

LOCATION		Elev:	
840' FSL & 2310' FWL		K.B. 3603 ft	
Permanent Datum:	NEIGHBORHOOD AREA	G.L. 3608 ft	
Log Measured From:	Kelly Bushing	D.F. 3602 ft	
Drilling Measured From:		15.0 ft above Perm. Datum	
API Serial No.	Section	Township	Range
30-015-57265	35	17S	50E

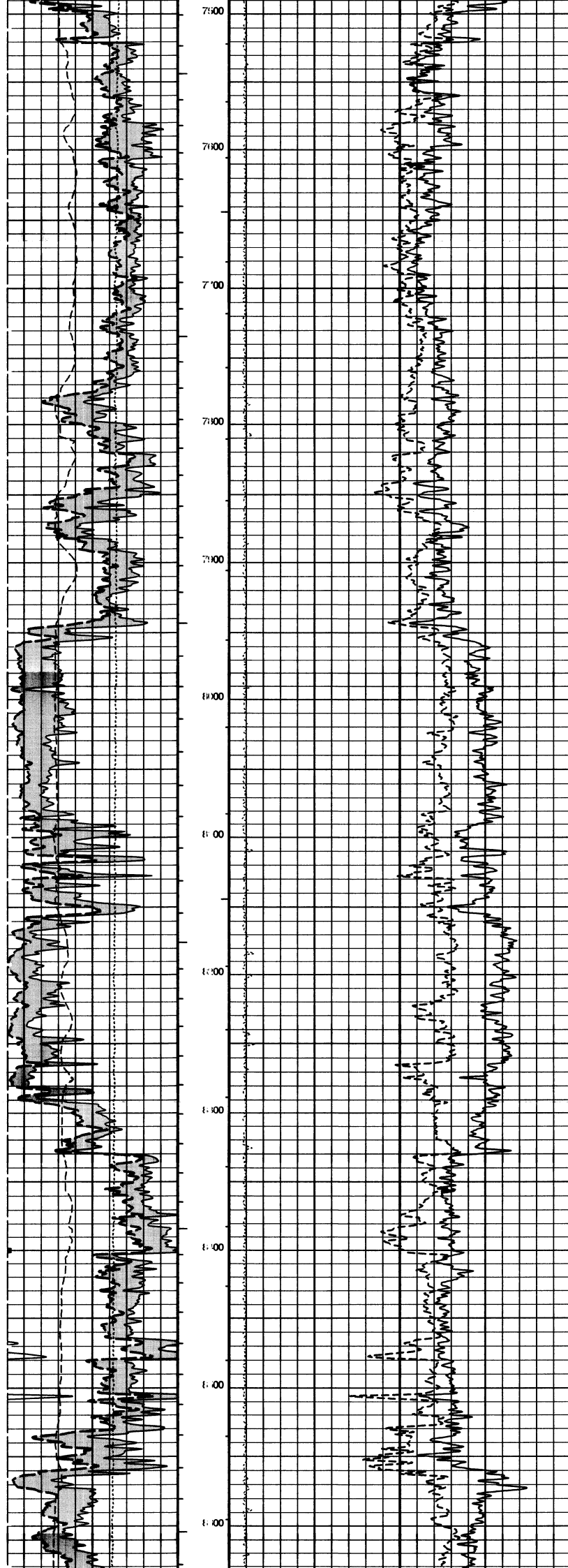
Logging Date	Run Number	Run 1	Run 2	Run 3	Run 4
3-Nov-2009	098				
Depth Driller	9886 ft				
Schlumberger Depth	9894 ft				
Bottom Log Interval	9843 ft				
Top Log Interval	100 ft				
Casing Driller Size @ Depth	8.025 in				
Casing Schlumberger	4035 ft				
Bit Size	4090 ft				
Type Fluid In Hole	Fresh Water				
Density	8.6 lbm/gal				
Viscosity	28 s				
MUD	PH				
Fluid Loss	10.5				
Source Of Sample	Calibration Tank				
RM @ Measured Temperature	0.285 ohm.m @ 82 degF				
RMF @ Measured Temperature	0.181 ohm.m @ 82 degF				
RM @ Measured Temperature					
Source RMF					
RM @ MHT	Measured				
RMF @ MHT	0.172 @ 125 0.129 @ 125				
Maximum Recorded Temperature	125 degF				
Calibration Stopped	Time				
Logger On Bottom	Time				
Unit Number	2367 Powell				
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) CUSTOMER'S FULL AND SOLE RESPONSIBILITY FOR ANY INFERENCE DRAWN OR DECISION MADE IN CONNECTION WITH THE USE OF THIS RECORDED DATA.

<b>OTHER SERVICES1</b> OS1: PEX-HRLA-HNGS-BHC OS2: OS3: OS4: OS5:	<b>OTHER SERVICES2</b> OS1: OS2: OS3: OS4: OS5:				
<b>REMARKS: RUN NUMBER 1</b> One 0.125" Wear Ring used on HNGS. Two 1.5" Standoffs used on HRLA. Two 1.5" Standoff used on the BHC	<b>REMARKS: RUN NUMBER 2</b>				
Porosity computed on a Limestone Matrix (2.71 g/cc, 47.6us/ft).					
:Log Spliced at 9704' - 6790					
6910' - 4922'					
5120' - 870'					
1100' - 95'					
Operators: KP & Dean Finch Rig: Basic Rig #34					
<b>SERVICE ORDER #:</b> <b>PROGRAM VERSION:</b> <b>FLUID LEVEL:</b>	<b>SERVICE ORDER #:</b> <b>PROGRAM VERSION:</b> <b>FLUID LEVEL:</b>				
LOGGED INTERVAL	START	STOP	LOGGED INTERVAL	START	STOP

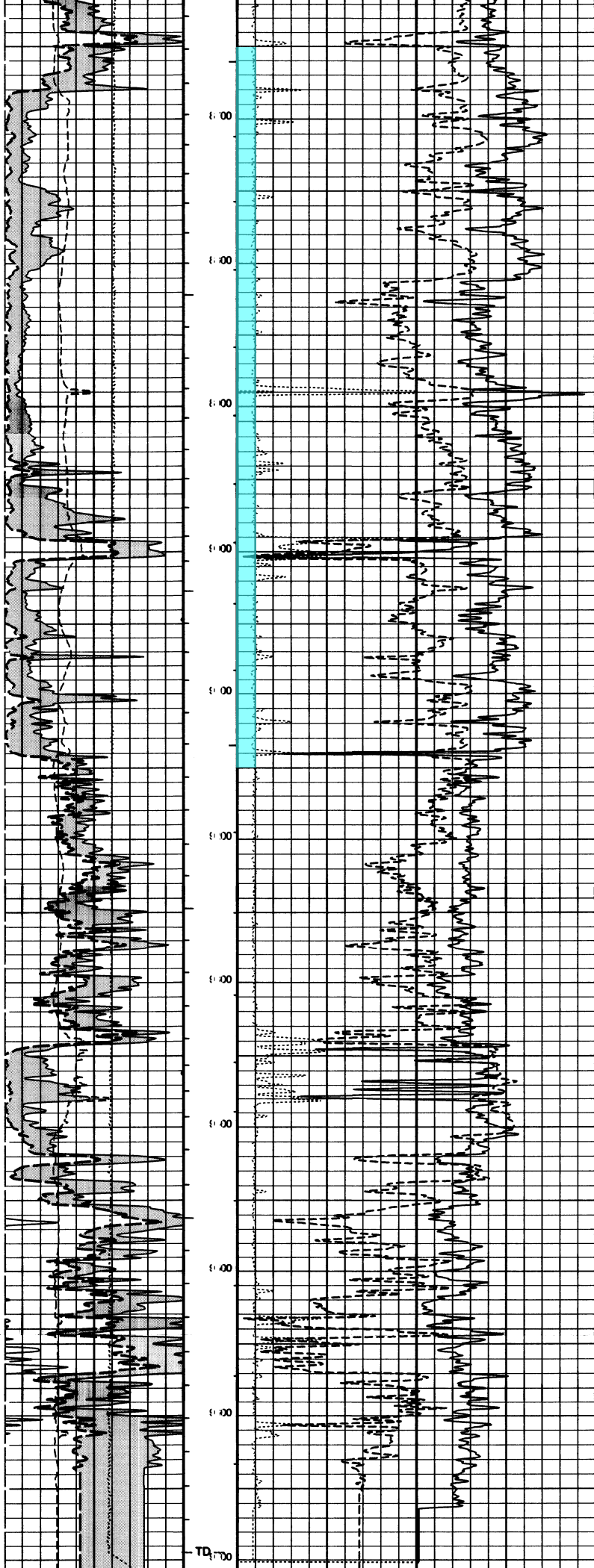
EQUIPMENT DESCRIPTION		RUN 1	RUN 2
<b>SURFACE EQUIPMENT</b>			
GBR-LVY 91	GBR-U 91		
NCT-B	WTM (DTS)-A		
CNB-AB			
NCS-VB			
<b>DOWNHOLE EQUIPMENT</b>			
LEH-Q		89.2	
LEH-Q 1245			
AH-169		87.0	
DTC-H	CTEM 	84.7	
ECH-KC 8131	TelStatus 	82.6	
HNGS-BA	Upper_1	80.3	
HNGS-BA 187	Lower_2	79.6	





Top of Injection Interval  
8650 feet

Bottom of Injection Interval  
9150 feet



Uranium Indicator	Density Correction (HDRA) (G/C3)	Std. Res. Formation Density (RHO2) (G/C3)	Thermal Neutron Porosity (TNPH) (V/V)
6	-0.05	2	0.3
16	0.45	3	-0.1
HILT Caliper (HCAL) (IN)	Tension (TENS) (LBF)		
10000	0		

## **C-108 ITEM VII – PROPOSED OPERATION**

The Loco Hills SWD 35 No.2 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-1177. 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 1730 psi (0.2 psi/ft) with and maximum rate of 10,000 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**

<b>API No</b>	3001502891	<b>Lab ID</b>	
<b>Well Name</b>	CAVE POOL UNIT 030	<b>Sample ID</b>	5128
		<b>Sample No</b>	
<b>Location</b>	ULSTR 04 17 S 29 E	<b>Lat / Long</b>	32.85900 -104.07829
	990 S 2310 E	<b>County</b>	Eddy
<b>Operator (when sampled)</b>			
	Field GRAYBURG JACKSON	<b>Unit</b>	O
<b>Sample Date</b>		<b>Analysis Date</b>	
	<b>Sample Source</b> TANK	<b>Depth (if known)</b>	
	<b>Water Typ</b>		
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	
<b>Remarks</b>			

(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**

<b>API No</b>	3001502873	<b>Lab ID</b>	
<b>Well Name</b>	GULF STATE	<b>Sample ID</b>	5366
	002	<b>Sample No</b>	
<b>Location</b>	ULSTR 03 17 S 29 E	<b>Lat / Long</b>	32.86987 -104.06746
	330 N 990 W	<b>County</b>	Eddy
<b>Operator (when sampled)</b>			
	Field SQUARE LAKE	<b>Unit</b>	4
<b>Sample Date</b>		<b>Analysis Date</b>	
	<b>Sample Source</b> WELLHEAD	<b>Depth (if known)</b>	
	<b>Water Typ</b>		
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**

<b>API No</b>	3001530307	<b>Lab ID</b>	
<b>Well Name</b>	SCHLEY FEDERAL 008	<b>Sample ID</b>	5901
		<b>Sample No</b>	
<b>Location</b>	ULSTR 29 17 S 29 E 1580 N 1650 W	<b>Lat / Long</b>	32.80836 -104.09972
		<b>County</b>	Eddy
<b>Operator (when sampled)</b>	MACK ENERGY		
	Field EMPIRE EAST	<b>Unit</b>	F
<b>Sample Date</b>	8/7/2000	<b>Analysis Date</b>	8/14/2000
	<b>Sample Source</b>	<b>Depth (if known)</b>	
	<b>Water Typ</b>		
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**

<b>API No.</b>	3001502280	<b>Lab ID</b>	
<b>Well Name</b>	ANGELL ST 004	<b>Sample ID</b>	5272
		<b>Sample No</b>	
<b>Location</b>	ULSTR 21 19 S 28 E 1980 N 1980 E	<b>Lat / Long</b>	32.64772 -104.17854
		<b>County</b>	Eddy
<b>Operator (when sampled)</b>			
	Field MILLMAN EAST	<b>Unit</b>	G
<b>Sample Date</b>		<b>Analysis Date</b>	
	<b>Sample Source</b> WELLHEAD	<b>Depth (if known)</b>	
	<b>Water Type</b>		
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	
<b>Remarks</b>			

*(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**

<b>API No.</b>	3001503918	<b>Lab ID</b>	
<b>Well Name</b>	HENSHAW DEEP UNIT 002	<b>Sample ID</b>	5325
		<b>Sample No</b>	
<b>Location</b>	ULSTR 24 16 S 30 E 660 S 1980 E	<b>Lat / Long</b>	32.90152 -103.92244
		<b>County</b>	Eddy
<b>Operator (when sampled)</b>			
	Field HENSHAW	<b>Unit</b>	O
<b>Sample Date</b>		<b>Analysis Date</b>	
	Sample Source UNKNOWN	<b>Depth (if known)</b>	
	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	
<b>Remarks</b>			

*(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% or 9% as described.

The overall zone offers reasonable porosity in the proposed injection interval located from 8650 feet to 9150 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 3<sup>rd</sup> 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.

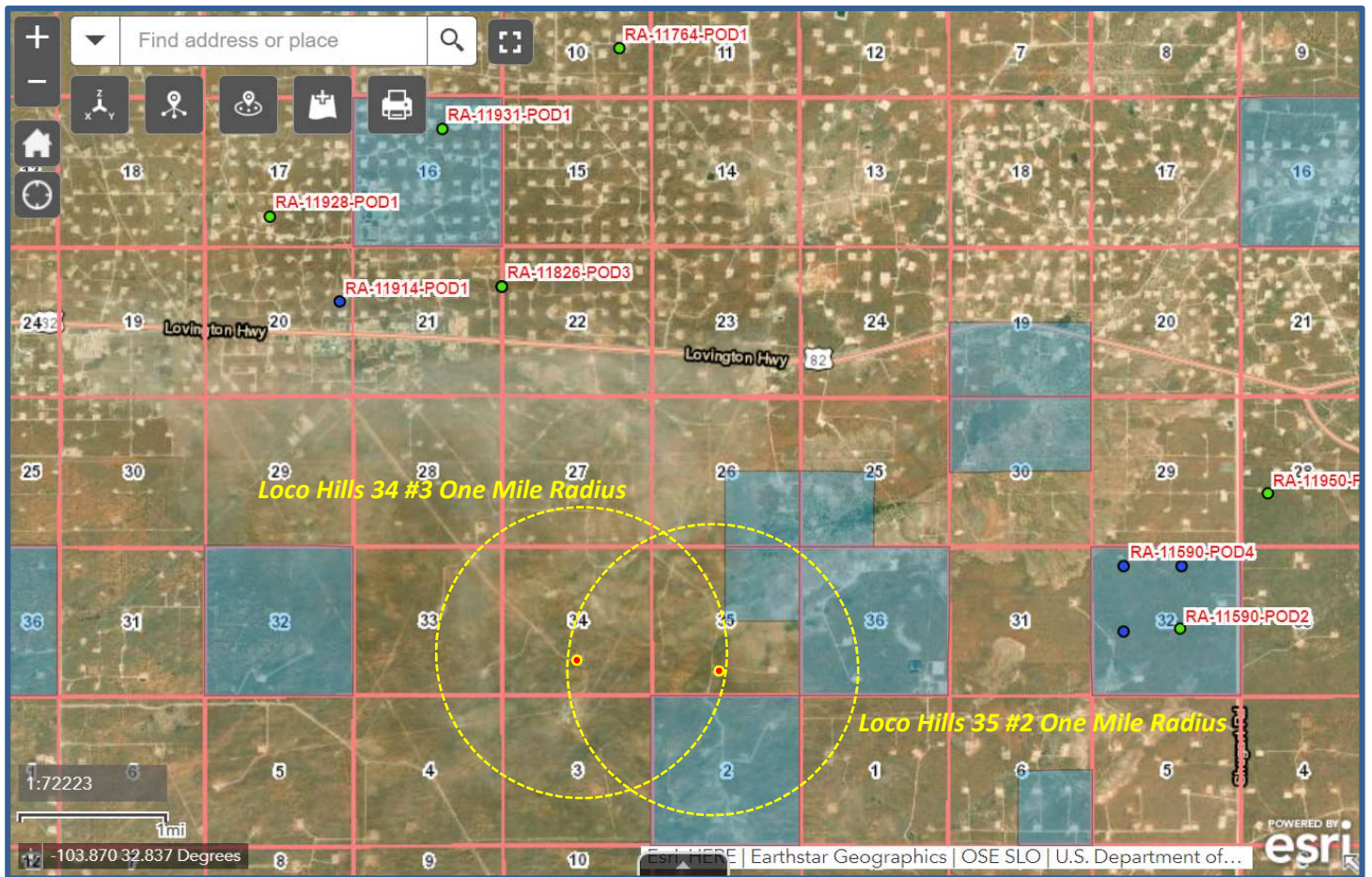
# C-108 Item XI

## Water Wells Within One Mile

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

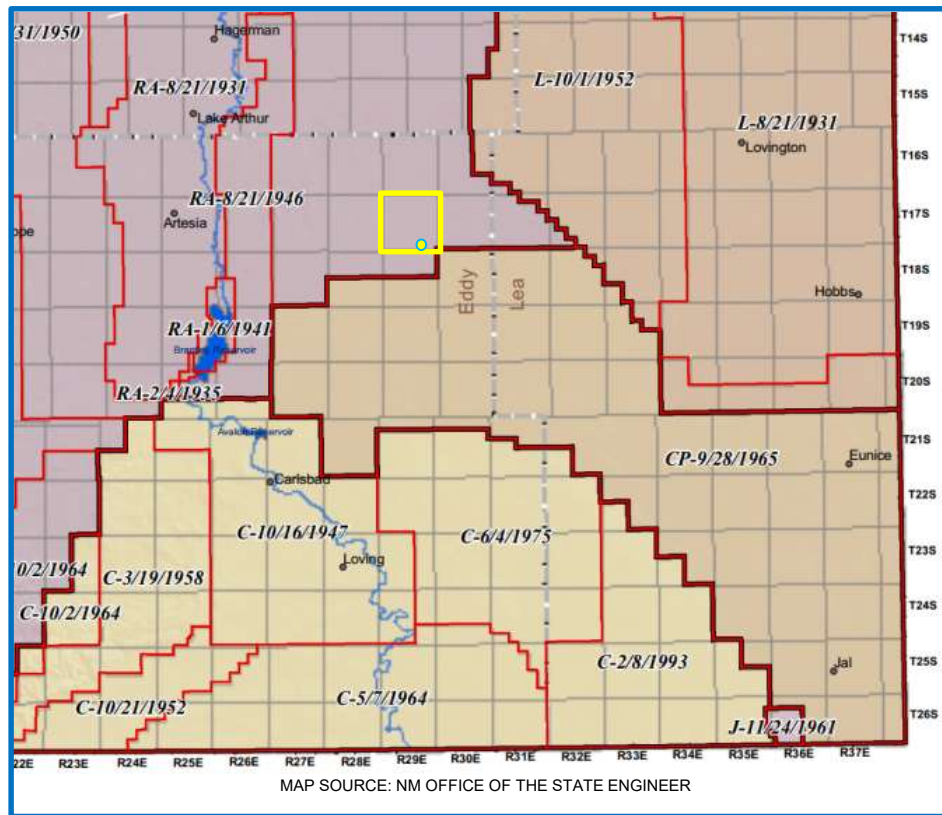
There are NO water wells shown within one mile radius of proposed SWD.  
(As indicated by NM Office of the State Engineer's OSE POD Location GIS application and Point of Diversion database search.)

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.

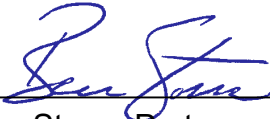
Water-producing zones in the carbonate aquifer rise stratigraphically from north to south and from west to east. Some wells may penetrate as many as five water-producing zones. Secondary porosity is developed in vuggy and cavernous limestone, solution-collapse breccia, and solution-enlarged fractures. 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

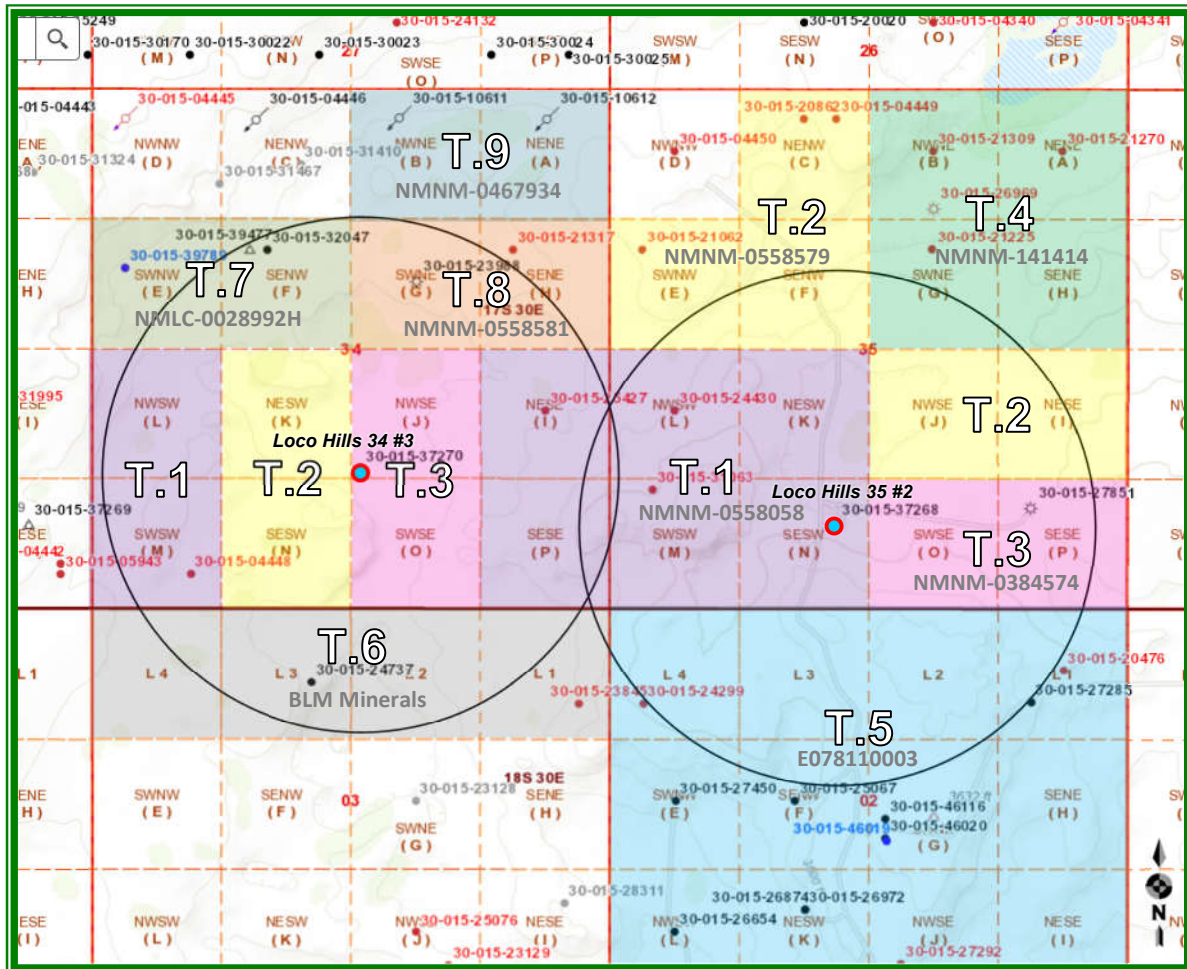
Proof of Return Receipts

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 1981

## 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 1998

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

#### ***Operator***

- 3 EOG RESOURCES, INC.  
5509 Champions Drive  
Midland, TX 79706  
Certified: 7018 1130 0000 8738 2001

### **BLM Lease NMNM-141414 (T.4 on Map)**

#### ***Lessee***

- 4 DAVID J. DISIERE  
1227 Wyndham Hill Ln.  
Southlake, TX 76092-9309  
Certified: 7018 1130 0000 8738 2018

### **State Lease E0-7811-0003 (T.5 on Map)**

#### ***Operator***

- 5 MEWBOURNE OIL COMPANY  
P.O. Box 7698  
Tyler, TX 75711  
Certified: 7018 1130 0000 8738 2025



**C-108 ITEM XIII – PROOF OF NOTIFICATION  
AFFECTED PARTIES LIST (Cont.)**

**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

**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 2032

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 35#2  
USPS Tracking

7018 1130 0000 8738 1981, 7018 1130 0000 8738 1998,  
7018 1130 0000 8738 2001, 7018 1130 0000 8738 2018,  
7018 1130 0000 8738 2025, 7018 1130 0000 8738 2032



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 35 Well No.2. 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 35, Township 17 South, Range 30 East in Eddy County, New Mexico.

The published notice states that the interval will be from 8,650 feet to 9,150 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 35 SWD #2 [Federal], API No.30-015-37268, is located 840' FSL and 2310' FWL, (UL 'N') Section 35, 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 8650' to 9150' at a maximum surface pressure of 1730 psi, maximum daily rate of 10,000 bwpd and an average rate of 8500 bwpd. The subject SWD well is located approximately 3.3 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](mailto: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,

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

Cc: Application File

# C-108 - Item XIV

Proof of Notice (Certified Mail Receipts)

7018 1130 0000 8738 1981

**U.S. Postal Service™**  
**CERTIFIED MAIL® RECEIPT**  
*Domestic Mail Only*

For delivery information, visit our website at [www.usps.com](http://www.usps.com)®.

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Certified Mail Fee	\$
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<input type="checkbox"/> Return Receipt (hardcopy)	\$
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 Street Bureau of Land Management  
 Oil & Gas Division  
 City, St. 620 E. Greene St.  
 PS Fd Carlsbad, NM 88220 Instructions

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 Street EOG RESOURCES, INC.  
 City, St. 5509 Champions Drive  
 PS Fd Midland, TX 79706 Instructions

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Postage	\$
<b>Total Postage and Fees</b>	<b>7.38</b>

Sent To  
 Street MEWBOURNE OIL COMPANY  
 City, St. P.O. Box 7698  
 PS Fd Tyler, TX 75711 Instructions

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<input type="checkbox"/> Adult Signature Restricted Delivery	\$
Postage	\$
<b>Total Postage and Fees</b>	<b>7.38</b>

Sent To  
 Street ar CONOCO PHILLIPS  
 City, St. P.O. Box 2197  
 PS Fd Houston, TX 77252-2197 Instructions

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<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$
Postage	\$
<b>Total Postage and Fees</b>	<b>7.38</b>

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 Street ar DAVID J. DISIERE  
 City, St. 1227 Wyndham Hill Ln.  
 PS Fd Southlake, TX 76092-9309 Instructions

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<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$
Postage	\$
<b>Total Postage and Fees</b>	<b>7.38</b>

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 Street ar STATE OF NEW MEXICO  
 City, St. Oil, Gas and Minerals Division  
 PS Fd 310 Old Santa Fe Trail  
 Santa Fe, NM 87504 Instructions

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(https://reg.usps.com/xsell?

app=UspsTools&ref=homepageBanner&appURL=https%3A%2F%2Finformeddelivery.usps.com/box/pages/intro/startAction)

Tracking Number: 7018113000087381981 **BLM - CFO**

Remove X

Your item was delivered to an individual at the address at 12:37 pm on February 4, 2022 in CARLSBAD, NM 88220.

USPS Tracking Plus™ Available ▾

✓ **Delivered, Left with Individual**

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

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Tracking Number: 7018113000087381998 **ConocoPhillips**

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Your item was picked up at a postal facility at 8:01 am on February 3, 2022 in HOUSTON, TX 77002.

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

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

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Tracking Number: 7018113000087382001 **EOG Resources**

Remove X

Your item was picked up at a postal facility at 8:09 am on February 9, 2022 in MIDLAND, TX 79702.

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

February 9, 2022 at 8:09 am  
MIDLAND, TX 79702

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Tracking Number: 7018113000087382018 **David J. Disiere**

Remove X

Your item was delivered to an individual at the address at 2:11 pm on February 7, 2022 in SOUTHLAKE, TX 76092.

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✓ **Delivered, Left with Individual**

February 7, 2022 at 2:11 pm  
SOUTHLAKE, TX 76092

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[See More](#) 

**Tracking Number:** 70181130000087382025

**Mewbourne Oil Co.**

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**USPS Tracking Plus™ Available** 

 **Delivered, Individual Picked Up at Post Office**

February 8, 2022 at 9:05 am  
TYLER, TX 75701

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**Tracking Number:** 70181130000087382032

**SLO - Santa Fe**

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Your item was picked up at a postal facility at 7:58 am on February 7, 2022 in SANTA FE, NM 87504.

**USPS Tracking Plus™ Available** 

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

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

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[FAQs](#)



# Affidavit of Publication

No. 26017

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 3, 2022

Second Publication \_\_\_\_\_

Third Publication \_\_\_\_\_

Fourth Publication \_\_\_\_\_

Fifth Publication \_\_\_\_\_

Sixth Publication \_\_\_\_\_

Seventh Publication \_\_\_\_\_

Subscribed and sworn before me this

3rd day of February 2022



OFFICIAL SEAL  
Latisha Romine  
NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires: 5/12/2023

*Latisha Romine*

Latisha Romine

Notary Public, Eddy County, New Mexico

# Copy of Publication:

## 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 35 SWD #2 [Federal], API No.30-015-37268, is located 840' FSL and 2310' FWL, (UL 'N') Section 35, 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 8650' to 9150' at a maximum surface pressure of 1730 psi, maximum daily rate of 10,000 bwpd and an average rate of 8500 bwpd. The subject SWD well is located approximately 3.3 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. 3, 2022 Legal No. 26017.

Rm

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1825 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

Form C-102  
Revised October 12, 2005

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number <b>30-015-37268</b>	Pool Code <b>96135</b>	Pool Name <b>SWD; Wolfcamp</b>
Property Code <b>37467</b>	Property Name <b>LOCO HILLS SWD</b>	Well Number <b>2-35</b>
OGRID No. <b>229137</b>	Operator Name <b>C.O.G. OPERATING L.L.C.</b>	Elevation <b>3588'</b>

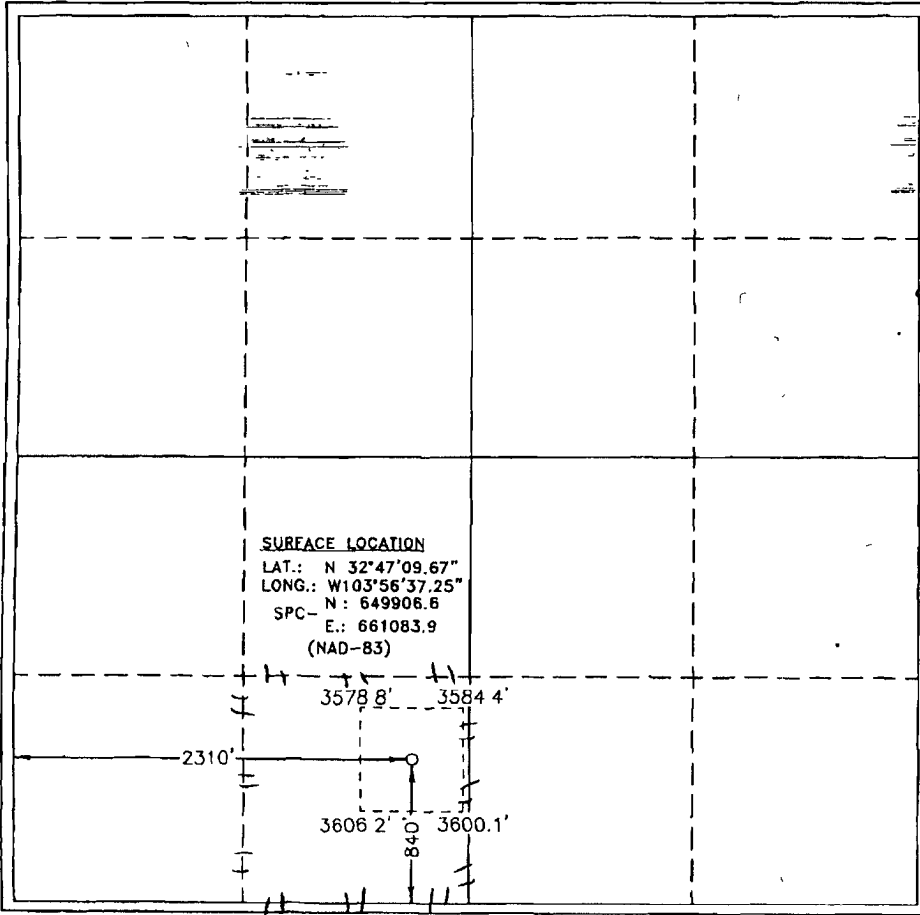
Surface Location

UL or lot No	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
N	35	17 S	30 E		840	SOUTH	2310	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						
N/A									

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



**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 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.

*Robyn Odom* 5/15/2009  
Signature Date

Robyn Odom  
Printed Name

---

**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.

FEBRUARY 19, 2009  
Date Surveyed

GARY L. JONES  
Signature & Seal of Professional Surveyor 7977

W.C. 2-35 1127

Certificate No. Gary L. Jones 7977

BASIN SURVEYS

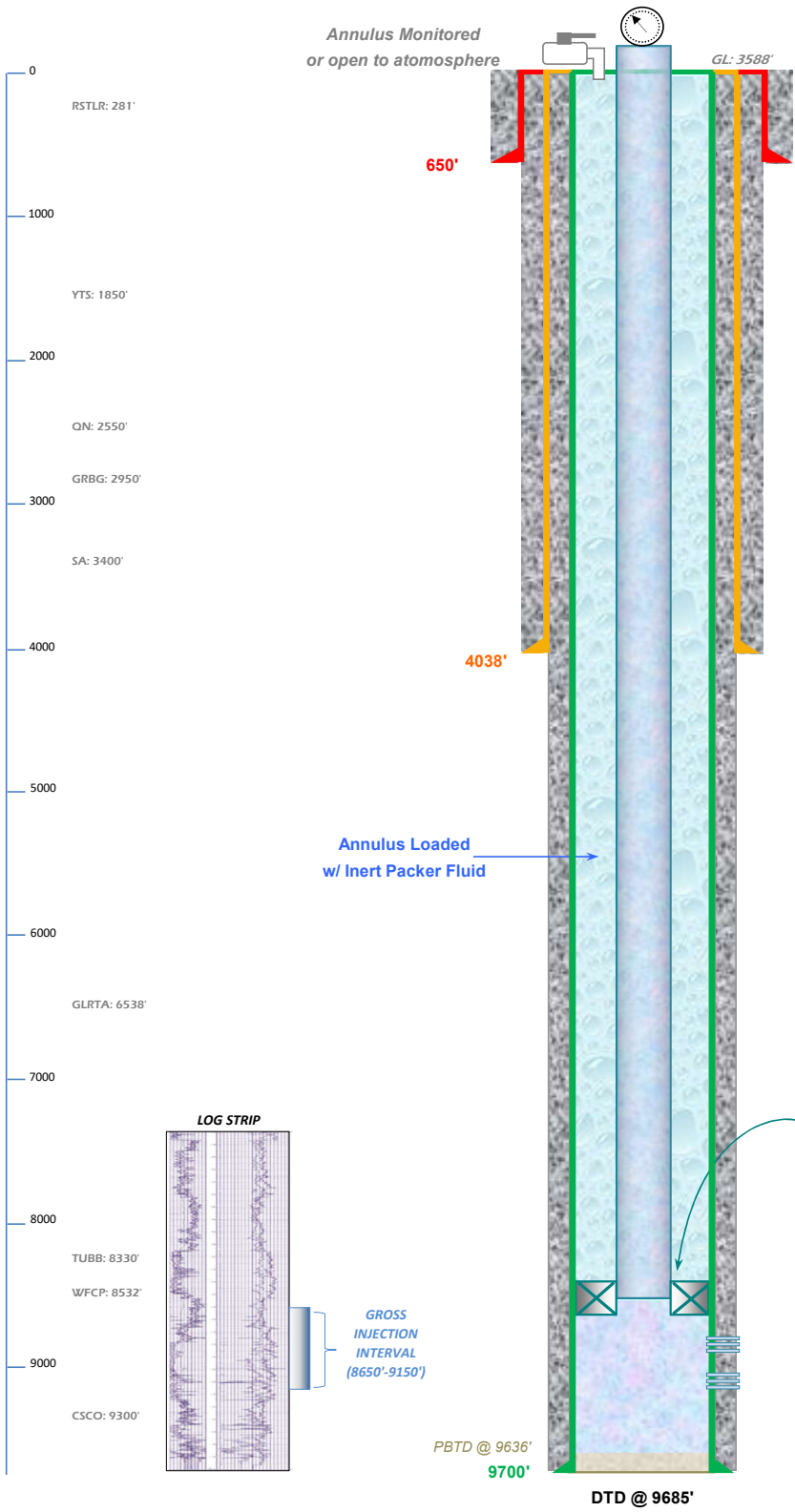


**WELL SCHEMATIC - CURRENT / PROPOSED**  
**Loco Hills 35 SWD Well No.2**

**SWD; Wolfcamp (96135)**

**API 30-015-37268**  
 840' FSL & 2310' FWL, SEC. 35-T17S-R30E  
 EDDY COUNTY, NEW MEXICO

Spud Date: 10/12/2009  
 Config SWD Dt (Est): ~1/15/2022



*Injection Pressure Regulated and Volumes Reported*  
 1730 psi Max. Surface (0.2 psi/ft)

**Surface Casing**  
 13.375", 48.0/ 54.5# H-40/ J-55 STC Csg. (17.5" Hole) @ 650'  
 1010 sx - Circulated 100 sx to Surface



**Reinstate SWD Status:**  
**NOTE: GROSS INTERVAL LONGER THAN EXISTING PERFS.**  
 SEP, LLC may opt to shoot additional perfs within zone.  
 RIH w/ TBG (new or test into hole)  
 Set PKR @ 8712' + (Within 100' of uppermost perf)  
 Conduct Witnessed MIT.  
 Commence Disposal Operations.

**Intermediate Casing**  
 9.625", 36.0 & 40.0# J-55 Csg. (12.25" Hole) @ 4038'  
 2870 sx - Circulated 157 sx to Surface

**3.5" IC Tubing (or smaller)**  
 PKR ~8712'+ (with current perf intervals)  
 Note: PKR Set 100' Above Final Uppermost Perf Interval.

**Production Casing**  
 7.0", 17.0 & 26.0# L-80 Csg. (8.75" Hole) @ 9700';  
 w/ 1st: 475 sx (DV ~7000') 2nd: 750 sx  
 108 sx Circulated to Surface

Wolfcamp Reef Perfs - 8812 feet to 9092 feet

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

## Form C-108 Item VI - Tabulation of AOR Wells

Top of Proposed WOLFCAMP Interval 8650'

3 Wells Penetrate Proposed Interval.

API No.	Current Operator	Well Name	Well Number	Type	Lease	Status	ULSTR	Depth	Plugged On
<u>Subject Well</u>									
30-015-37268	[328947] Spur Energy Partners LLC	LOCO HILLS SWD 35	#002	SWD	Federal	Active	N-35-17S-30E	9685'	
<u>Section 35 Wells</u>									
30-015-24430	[372098] MARATHON OIL PERMIAN LLC	ATALAYA FEDERAL	#001	Oil	Federal	P&A-R	L-35-17S-30E	11600'	10/14/2019
									<i>P&amp;A DIAGRAM INCLUDED...</i>
30-015-31063	[155615] NADEL AND GUSSMAN PERMIAN, LLC	ATALAYA FEDERAL	#003	Oil	Federal	P&A-R	M-35-17S-30E	4000'	8/10/2014
									<i>DOES NOT PENETRATE</i>
30-015-27851	[7377] EOG RESOURCES INC	CEDAR LAKE 35 FEDERAL COM	#002	Gas	Federal	Active	P-35-17S-30E	11600'	
<i>Well completed as STRAWN gas producer w/ perms 10,425'-10,445'; 5.5" csg set 11,515' w/ 1380 sx, Circ.; 8.625" csg set 4497 w/ 1300 sx, Circ.</i>									
<u>Section 2 Wells (18S)</u>									
30-015-20476	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#001	Oil	State	P&A-R	A-2-18S-30E	3467'	1/1/1900
									<i>DOES NOT PENETRATE</i>
30-015-27285	[14744] MEWBOURNE OIL CO	CEDARS BREAKS 2 STATE	#002	Oil	State	Active	A-2-18S-30E	11445'	
<i>Well completed as BONE SPRING producer (orig. Strawn zone abn'd) w/ perms 6805'-6974'; 5.5" csg set 11,490' w/ 2525 sx, Circ.; 9.625" csg set 3615' w/ 1900 sx, Circ.</i>									
30-015-24299	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#001	Oil	State	P&A-R	D-2-18S-30E	3750'	12/10/1982
									<i>DOES NOT PENETRATE</i>

**Summary: 6 Wells Total in AOR - 3 Wells Penetrate Subject Interval; 1 is P&A'd**



# **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, 2 P&A'd, Schematics Attached

## **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.

## **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

## **C-108 ITEM VII – PROPOSED OPERATION**

The Loco Hills SWD 35 No.2 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-1177. 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 1730 psi (0.2 psi/ft) with and maximum rate of 10,000 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.