

June 3, 2019

New Mexico Oil Conservation Division Attn: Michael McMillan 1220 South St. Francis Dr. Santa Fe, NM 87505

Re: NGL Water Solutions Permian, LLC's Cobra SWD #2 CASE NO. 20570

Dear New Mexico Oil Conservation Division,

Franklin Mountain Energy, LLC ("FME") is an offset operator to NGL Water Solutions Permian, LLC's proposed disposal well titled the Cobra SWD #2 and planned for the northeast corner of Section 19, Township 25 South, Range 36 East in Lea County, New Mexico. FME formally objects to the drilling of the Cobra SWD #2 for the following two reasons:

- 1. FME has a large acreage position it intends to develop immediately one mile west of the proposed well. This development block with consist primarily of Wolfcamp and Bone Spring wells at depths greater than the proposed injection zone. FME is concerned about the potential of creating a drilling hazard by injecting large volumes of liquid into formations that will subsequently be required to drill through in future wells. The increase of liquid in shallower formations has the potential to increase the pore pressure in the injection zones, which may necessitate an additional string of casing for FME's future Wolfcamp and Bone Spring development.
- 2. FME views the Cherry Canyon and Brushy Canyon zones as potentially unexplored and productive hydrocarbon bearing formations. It's assumed injecting large volumes of water into these zones will reduce the hydrocarbon productivity of the reservoir, economic viability of future wells, and ultimate value of FME's assets.

Should you have any questions, please contact the undersigned at (720) 414-7855 or salbrecht@fmellc.com.

Respectfully, Franklin Mountain Energy, LLC

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Shelly Albrecht, CPL Director of Land