

JAMES BRUCE
ATTORNEY AT LAW

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jamesbruce@aol.com


October 11, 2015

Florene Davidson
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Florene:

Enclosed for filing, on behalf of Apex Disposal Services, LLC, is an application for approval of a salt water disposal well, together with a proposed advertisement. Please set this matter for the November 12, 2015 Examiner hearing. Thank you.

Very truly yours,



James Bruce

Attorney for Apex Disposal Services Services, LLC

RECEIVED OCD

2015 OCT 13 A 8:43

Case 15408

Persons Notified of Hearing

W.L. Mobley, Jr. and wife Edith M. Mobley
3515 Standpipe Road
Carlsbad, New Mexico 88220

XTO Energy Inc.
Suite 2000
810 Houston Street
Fort Worth, Texas 76102

BOPCO, L.P.
Suite 2900
201 Main Street
Fort Worth, Texas 76102

Devon Energy Production Company, L.P.
333 West Sheridan
Oklahoma City, Oklahoma 73102

RECEIVED OCD
2015 OCT 13 A 8:43
BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF APEX DISPOSAL SERVICES,
LLC FOR APPROVAL OF A SALT WATER
DISPOSAL WELL, EDDY COUNTY, NEW MEXICO.

Case No. 15408

APPLICATION

Apex Disposal Services, LLC applies for an order approving a salt water disposal well, and in support thereof, states:

1. Applicant proposes to drill its Mobley Ranch SWD Well No. 1, to be located 225 feet from the north line and 2460 feet from the west line of Section 19, Township 23 South, Range 30 East, N.M.P.M., Eddy County, New Mexico, to be used as a commercial salt water disposal well.

2. Injection will be into the Devonian formation at an open hole interval from 15,100-15,600 feet subsurface. The average disposal volumes are expected to be 5,000 BWPD, with a maximum volume of 15,000 BWPD. The maximum injection pressure will be 3,020 psi.

3. A Form C-108 for the well is attached hereto as Exhibit A.

4. The granting of this application will prevent waste and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order approving this application.

Respectfully submitted,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Apex Disposal Services, LLC

APPLICATION FOR AUTHORIZATION TO INJECT

Case 15408

- I. PURPOSE: Secondary Recovery Pressure Maintenance X Disposal Storage
Application qualifies for administrative approval? X Yes No
- II. OPERATOR: Apex Disposal Services, LLC
ADDRESS: PO Box 2737, Littleton, CO 80161
CONTACT PARTY: Matthew Meyer PHONE: 903-241-4544
- 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: Danny J. Holcomb

TITLE: Agent for Apex Disposal Services, LLC

SIGNATURE: DJ Holcomb

DATE: 8/25/15

E-MAIL ADDRESS: danny@pwllc.net

- * 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 appr.

EXHIBIT

A

Apex Disposal Services, LLC
Mobley Ranch SWD #1
API # 30-015-43267
225 FNL x 2460 FWL
Unit Letter 'C', Section 19, T23S, R30E
Eddy County, New Mexico
C108 Application for Authorization to Inject

I.

The purpose of this application is seeking administrative approval for the use of the proposed Mobley Ranch SWD #1 to be drilled/completed as a commercial Devonian salt water disposal well.

II.

Operator: Apex Disposal Services, LLC OGRID: 370604
Address: PO Box 2737, Littleton, Colorado 80161
Contact Party: Matthew Meyer 903-241-4544 email: apex.disposal@gmail.com

III.

Please see Exhibit "A" for proposed well data.

IV.

This is not an expansion of an existing project.

V.

Please see Exhibit "B" of lease map.

VI.

There are no wells identified within the 0.5 mile AoR that penetrate the proposed disposal zone.
Please see Exhibit "C" for offset well data.

VII.

1. Anticipated disposal volume – 5,000 BWPd with a maximum of 15,000 BWPd.
2. System will be open.
3. Anticipated disposal pressure: Minimum 0 (zero) psig, Maximum 3,020 psig.
4. Please see Exhibit "D" for disposed fluid analysis.
5. Please see Exhibit "D" for disposal zone fluid analysis.



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DJH

Apex Disposal Services, LLC
Mobley Ranch SWD #1
API # 30-015-43267
225 FNL x 2460 FWL
Unit Letter 'C', Section 19, T23S, R30E
Eddy County, New Mexico
C108 Application for Authorization to Inject

VIII.

Formation	Anticipated Depth (ft)
Mississippi Lime	14549
Woodford	14869
Devonian	15074
Proposed disposal zone	15,100 – 15,600
Simpson	16510

IX.

After open hole is drilled from 15,100' – 15,600', plan to perform pump-in test. No stimulation work initially planned (pending pump in test results).

X.

Logs will be submitted after completion.

XI.

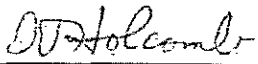
NM OSE records indicate there is one fresh water well within the 1 mile Area of Review. The latest GO-Tech recorded sample is from 1976 and the results are included in Exhibit "E". An additional sample from this fresh water well was obtained 8/6/15. The new test results for this sample are also included in Exhibit "E". This water well is located approximately 1668' from the proposed Mobley Ranch SWD #1.

XII.

Available geological and engineering data have been examined and no evidence of open faults or hydrological connection between the disposal zone and any underground sources of drinking water has been found.

XIII.

Please see Exhibit "F" for Proof of Notice".

Danny J. Holcomb 
Agent for Apex Disposal Services, LLC

Date: 8/25/15



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DJH

Apex Disposal Services, LLC
Mobley Ranch SWD #1
API # 30-015-43267
225 FNL x 2460 FWL
Unit Letter 'C', Section 19, T23S, R30E
Eddy County, New Mexico
Well Data

Propose to drill salt water disposal well in the Devonian formation.

Drill 17-1/2" hole to 795', run 13-3/8" 48# casing to 795', cement with 552 sacks cement. Circulate cement to surface.

Drill 12-1/4" hole to 6900', run 9-5/8" 36# casing to 6900', cement with 2178 sacks cement. Circulate cement to surface.

Drill 8-3/4" hole to 15,100', run 7" 29# casing to 15,100', cement with 1937 sacks cement. Circulate cement to surface.

Drill 6-1/8" open hole to approximately 15,600' TD.

No initial stimulation planned. Perform pump-in test to evaluate formation for disposal.

Estimated Formation Tops:

Salado - 430'
B Salado - 3296'
Bell Canyon - 3326'
Cherry Canyon - 4120'
Brushy Canyon - 5432'
Lower Brushy Canyon - 6826'
Bone Springs - 7084'
Wolfcamp - 10222'
Strawn - 12050'
Morrow - 13033'
Devonian - 15074'
Simpson - 16510'



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EXHIBIT "A"

DJH

PROPOSED WELL BORE DIAGRAM

Lease: Mobley Ranch SWD Well #: 1
 Inj. Reservoir: Devonian
 Location: UL "C", Sec 19 / T235 / R30E APN #: 30-015-43267
 County: Eddy State: NM

Surface Casing

Size: 13 3/8"
 Weight: 54.5#
 Grade: HCL-80, BTC
 Set @: 795
 Sxs cmt: 552
 Top of Casing: Surface
 Hole Size: 17 1/2"

Intermediate Casing

Size: 9 5/8"
 Weight: 36#
 Grade: L-80, LT&C
 Set @: 6,900
 Sxs cmt: 2178
 Top of Casing: Surface
 Hole Size: 12 1/4"

Production Casing

Size: 7"
 Weight: 29#
 Grade: P-110, Ultra FJ
 Set @: 15,100
 Sxs cmt: 1937
 Top of Casing: Surface
 Hole Size: 8 3/4"

Tubing

Size: 4 1/2" IPC
 Weight: 15.50# & 12.75#
 Grade: L-80, RTS-6
 Set @: 15,000

Open Hole

Size: 6 1/8"
 Depth: 15,100' - 15,600'

Injection Interval
 15,100' - 15,600'

Hole Size	String	Length	Hole to Casing	Casing to Casing	Total Cement
17 1/2"	13 3/8"	795	552.21	0.00	552.21
12 1/4"	9 5/8"	6900	1912.09	266.64	2178.73
8 3/4"	7"	15100	1039.76	897.69	1937.45
N/A	4 1/2"	15000	N/A	N/A	N/A

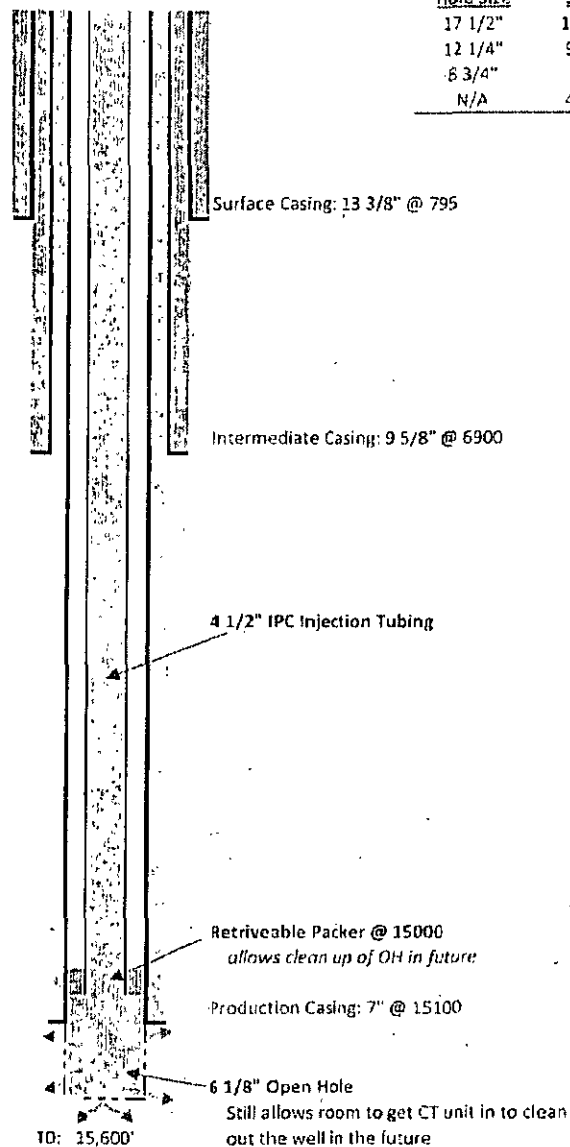


EXHIBIT "A"

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
Phone: (505) 784-6161 Fax: (505) 789-6720

DISTRICT II
511 S. First St., Artesia, NM 88210
Phone: (505) 744-1283 Fax: (505) 748-6720

DISTRICT III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1230 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-4460 Fax: (505) 476-4462

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-43267	Pool Code 96101	Pool Name SWD; DEVONIAN
Property Code 315075	Property Name MOBLEY RANCH SWD	Well Number 001
OGRID No. 370604	Operator Name APEX DISPOSAL SERVICES, LLC	Elevation 3065'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	19	23-S	30-E		225	NORTH	2460	WEST	EDDY

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
Dedicated Acres 20	Joint or Infill	Consolidation Code	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

1	2460	225	
2	GEODETIC COORDINATES NAD 83 NME SURFACE LOCATION Y= 472006.4 N X= 627346.0 E LAT.= 32.296989° N LONG.= 103.921200° W	GEODETIC COORDINATES NAD 83 NME SURFACE LOCATION Y= 472065.0 N X= 668529.2 E LAT.= 32.297112° N LONG.= 103.921590° W	
3			
4			

OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: Danny J. Holcomb Date: 8/25/15

Printed Name: Danny J. Holcomb

E-mail Address: danny@pwllc.net

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.

JUNE 23, 2015

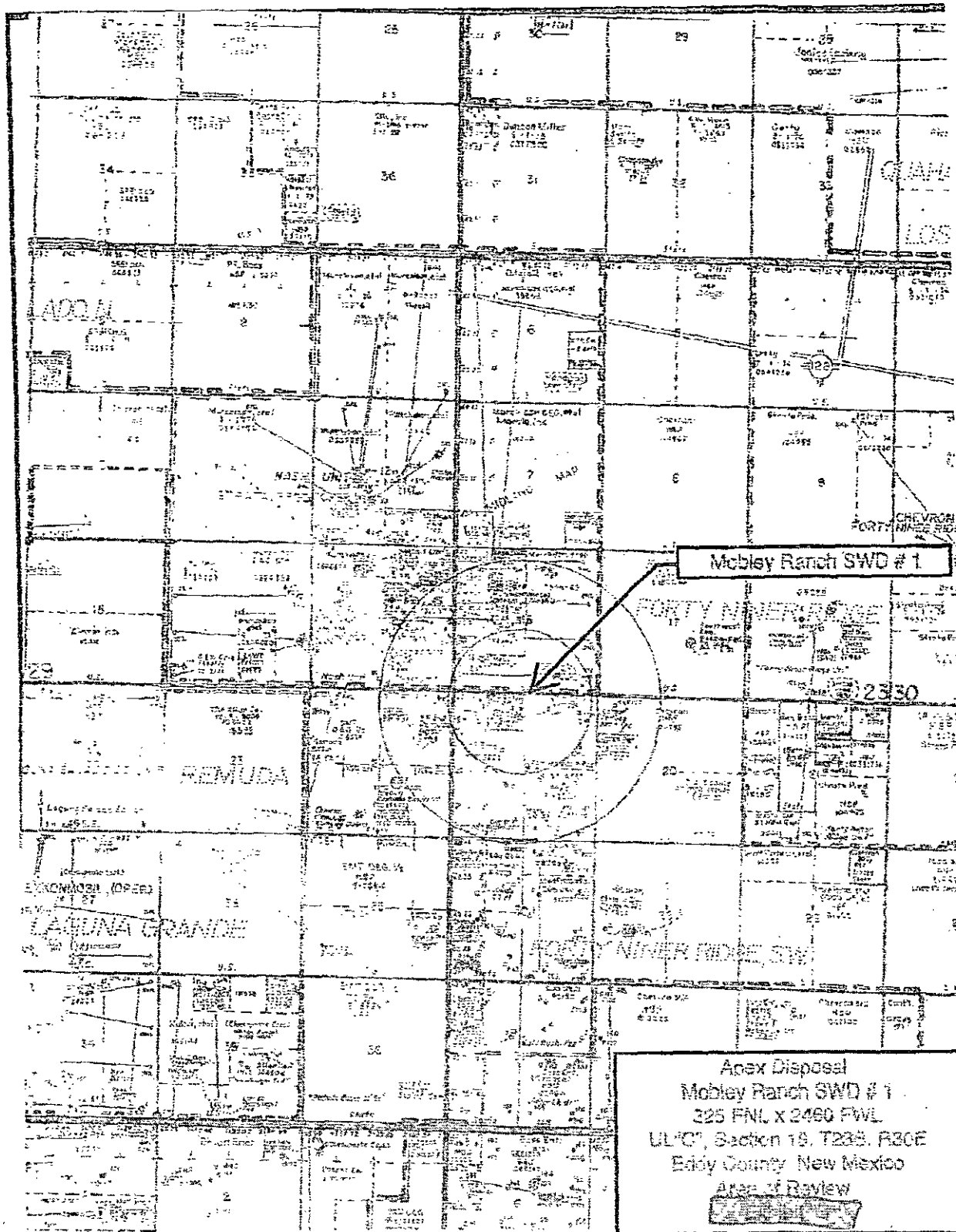
Date of Survey: JUNE 23, 2015

Signature of State of Professional Surveyor: Ronald J. Ekison

Certificate Number: Gary G. Ekison 12641
Ronald J. Ekison 3239

LSL JWSC W.O. 13 11 06-15

EXHIBIT "A"



MOBILE RANCH SWD #1

Apex Disposal

MOBILE RANCH SWD #1

325 FNL x 2460 FWL

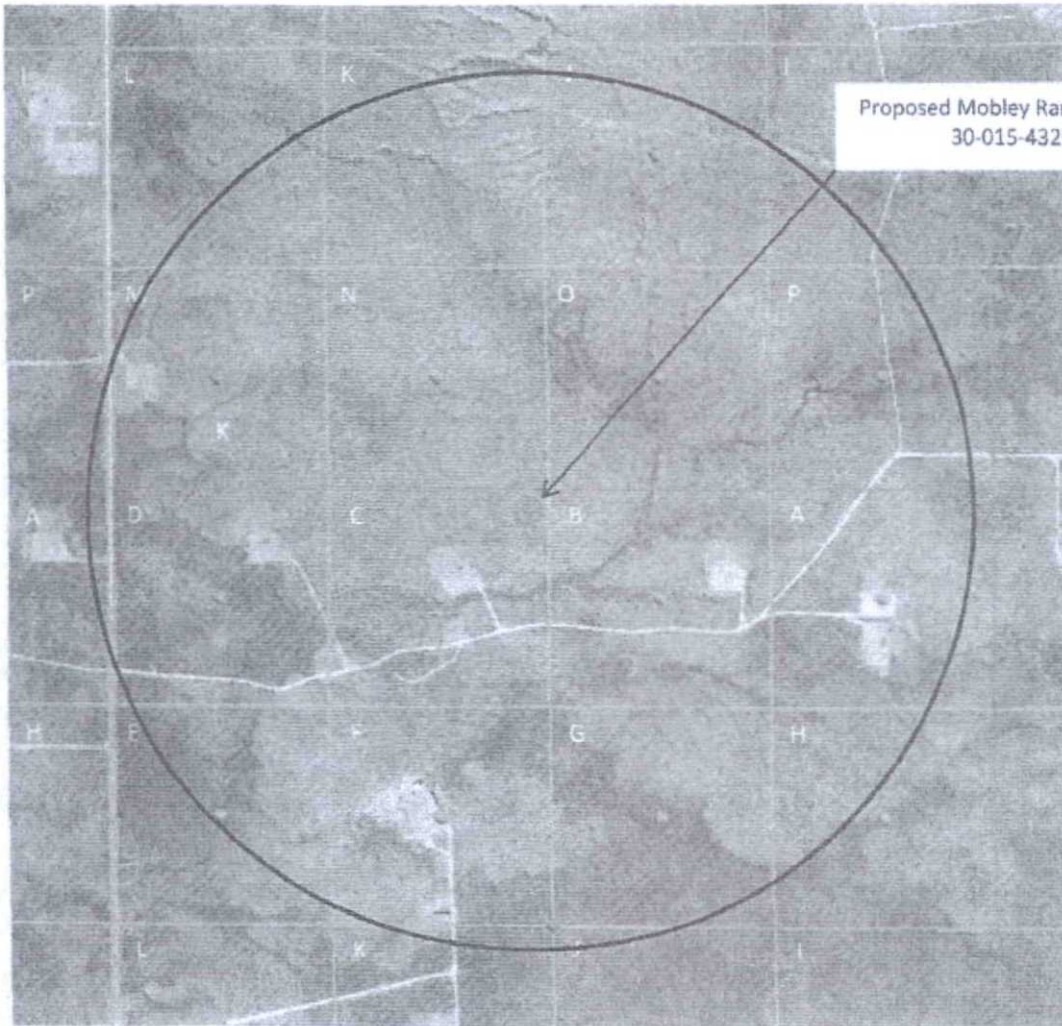
ULC, Section 19, T23S, R30E

Eddy County, New Mexico

Area of Raylaw

Apex Disposal Services, LLC
Mobley Ranch SWD #1
API # 30-015-43267
0.5 Mile AOR

Sec 18, T23S, R30E



Sec 19, T23S, R30E

This location 225 FNL x 2460 FWL

Drawing Not to Scale



EXHIBIT "C"

Apex Disposal Services, LLC
Mobley Ranch SWD #001
API # 30-015-43267
Offset Wells within 0.5 Mile AOR

Exhibit "C"

Wells within the AOR that Do Not Penetrate the Proposed Injection Zone

UL, Sec, T, R	API Well No.	Well Name	Operator	TVD	
M-18-23S-30E	30-015-38365	Nash Unit No. 051H	XTO Energy, Inc	7006'	
C-19-23S-30E	30-015-28398	Remuda Basin 19 Fee No. 001	XTO Energy, Inc	7600'	
K-19-23S-30E	30-015-38400	Remuda Basin State No. 002	XTO Energy, Inc	7600'	
F-19-23S-30E	30-015-28422	Remuda Basin State No. 001	XTO Energy, Inc	7600'	1
B-19-23S-30E	30-015-28901	Remuda Basin 19 Federal No. 002	XTO Energy, Inc	7650'	2
A-19-23S-30E	30-015-28902	Remuda Basin 19 Federal No. 001	XTO Energy, Inc	7636'	
D-19-23S-30E	30-015-31335	Remuda Basin State No. 005Q	XTO Energy, Inc	7250'	
A-19-23S-30E	30-015-32225	Remuda Basin 19 Federal No. 004	XTO Energy, Inc	7420'	

1. This well was converted to SWD in 2010 injecting into 3336' - 4048' (AO SWD-1238).
2. This well was converted to SWD in 2000 injecting into 3402' - 4634' (AO SWD-626).

No wells identified within 0.5 mile AOR penetrate the proposed disposal zone.



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Apex Disposal Services, LLC
Mobley Ranch SWD #1
API # 30-015-43267
0.5 Mile AOR

Remuda Basin 19 Fee #1
30-015-28398
TD - 7600'
Producing at 4672'-7072'
40 Dedicated Acres (UL 'C')

Sec 18, T23S, R30E

Proposed Mobley Ranch SWD #1
30-015-43267
Proposed TD - 15600'
Proposed Injection at 15100'-15600'

Nash Unit #051H
30-015-38365
TVD - 7006' TMD - 11,522'
Producing at 6686'-11522' MD
160 Dedicated Acres (ULs M, N, O, P)

Remuda Basin 19 Fed #1
30-015-28902
TD - 7636'
Producing at 7105'-7169'
40 Dedicated Acres (UL 'A')

Remuda Basin State #5Q
30-015-31335
TD - 7250'
Producing at 6870'-6980'
40 Dedicated Acres (UL 'D')

Remuda Basin 19 Fed #4
30-015-32225
TVD - 7300' TMD - 7420'
Producing at 7202'-7264'
40 Dedicated Acres (UL 'H')

Remuda Basin State SWD #1
30-015-28422
TD - 7600'
Injection at 3336'-4048'

Sec 19, T23S, R30E

Remuda Basin 19 Fed SWD #2
30-015-28901
TD - 7650'
Injection at 3402'-4634'

This location - 225 FNL x 2460 FWL, UL 'C',
Sec 19, T23S, R30E, Eddy County, New Mexico
Drawing Not to Scale



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Apex Disposal Services, LLC
Mobley Ranch SWD #1
API # 30-015-43267
225 FNL x 2460 FWL
Unit Letter 'C', Section 19, T23S, R30E
Eddy County, New Mexico

Exhibit "D"

Formation Water			
<u>API Number</u>	<u>Formation</u>	<u>TDS</u>	<u>Chlorides</u>
30-015-03691	Devonian	64,582	37,500

Possible Disposed Fluid			
<u>API Number</u>	<u>Formation</u>	<u>TDS</u>	<u>Chlorides</u>
30-015-03691	Devonian	64,582	37,500
30-015-22553	Morrow	62,523	37,600
30-015-28127	Bone Springs	Unknown	84,981
30-015-28638	Delaware	8,856	62,858
30-015-27173	Brushy Canyon	255,443	179,189

Data obtained from GO-Tech.



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DJH

Apex Disposal Services, LLC
Mobley Ranch SWD #1
API # 30-015-43267
225 FNL x 2460 FWL
Unit Letter 'C', Section 19, T23S, R30E
Eddy County, New Mexico

Exhibit "E"

Ground Water

<u>POD</u> <u>Number</u>	<u>Location</u>	<u>Well</u> <u>Depth</u>	<u>Water</u> <u>Depth</u>	<u>Sample</u> <u>Date</u>	<u>TDS</u>	<u>Chlorides</u>	<u>Note</u>
C-02486	Sec 19, T23S, R30E	350 ft	100 ft	12/10/76	0	36	1
C-02486	Sec 19, T23S, R30E	350 ft	100 ft	8/6/15	3950	470	2

1 - Data obtained from GO-Tech.

2 - Data obtained from Cardinal Labs report.



www.pwllc.net

DJH



New Mexico Office of the State Engineer **Water Column/Average Depth to Water**

No records found.

PLSS Search:

Section(s): 13, 24

Township: 23S

Range: 29E

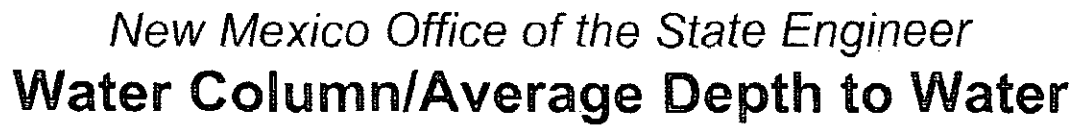
EXHIBIT "E"

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

5/29/15 10:30 AM

Page 1 of 1

WATER COLUMN/ AVERAGE
DEPTH TO WATER

WATER COLUMN/ AVERAGE
DEPTH TO WATER

Ground Water Samples Query

Water Sample Search

SECTION 19
 Township 23S
 Range 30E
 Formation
 DATE
 CHLORIDE (mg/L)

Find Export Data

Water Samples for TOWNSHIP 23S RANGE 30E SECTION 19

Operation	# of samples	S	T	R	Location (qtr/qtr)
select	1	19	23S	30E	23S.30E.19.123421

Water Samples for Township 23SRANGE 30E Section 19 Location 23S.30E.19.123421

Operation	SampleID	Township	Range	Section	Formation	Location	Date	Chlorides
select	27820	23S	30E	19	RSLR	23S.30E.19.123421	12/10/1976	36

From GO-Tech

EXHIBIT "E"

Analytical Results For:

 DTC ENERGY GROUP
 518 17TH STREET SUITE 650
 DENVER CO, 80202

 Project: MOBLEY RANCH SWD #001
 Project Number: NONE GIVEN
 Project Manager: MATT MEYER
 Fax To:

 Reported:
 17-Aug-15 14:44

MOBLEY RANCH
HS02051-01 (Water)

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
---------	--------	-----	-----------------	-------	----------	-------	---------	----------	--------	-------

Cardinal Laboratories
Inorganic Compounds

Alkalinity, Bicarbonate	170		5.00	mg/L	1	5080504	AP	14-Aug-15	310.1	
Alkalinity, Carbonate	ND		0.00	mg/L	1	5080504	AP	14-Aug-15	310.1	
Chloride*	470		4.00	mg/L	1	5081206	AP	12-Aug-15	4500-CL-B	
Conductivity*	4250		1.00	uS/cm	1	5081103	AP	11-Aug-15	120.1	
pH*	7.34		0.100	pH Units	1	5081104	AP	11-Aug-15	150.1	
Sulfate*	1440		500	mg/L	50	5081105	AP	13-Aug-15	375.4	
TDS*	3950		5.00	mg/L	1	5081404	AP	14-Aug-15	160.1	
Alkalinity, Total*	140		4.00	mg/L	1	5080504	AP	14-Aug-15	310.1	

Green Analytical Laboratories
Total Recoverable Metals by ICP (E200.7)

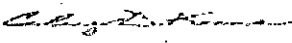
Calcium*	624		0.200	mg/L	10	B508149	JGS	15-Aug-15	EPA200.7	
Magnesium*	159		1.00	mg/L	10	B508149	JGS	15-Aug-15	EPA200.7	
Potassium*	11.0		10.0	mg/L	10	B508149	JGS	15-Aug-15	EPA200.7	
Sodium*	309		10.0	mg/L	10	B508149	JGS	15-Aug-15	EPA200.7	

EXHIBIT "E"

Cardinal Laboratories

* = Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and direct exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by client for analysis. All claims, including those for negligence or any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of sale, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or in relation to the performance of the services hereunder by Cardinal, regardless of whether the claim is based upon any of the above stated remedies or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.


 Celey D. Keene, Lab Director/Quality Manager

PROPOSED ADVERTISEMENT

Case No. 16408:

Application of Apex Disposal Services, LLC for approval of a water disposal well, Eddy County, New Mexico. Applicant seeks an order approving produced water disposal into the Devonian formation at a depth of 15,100-15,600 feet subsurface in the Mobley Ranch SWD Well No. 1, to be located 225 feet from the north line and 2460 feet from the west line of Section 19, Township 23 South, Range 30 East, NMPM. The well is located approximately 7 miles northeast of Harroun, New Mexico.

RECEIVED OCD
2015 OCT 13 A 8:49