

State of Colorado Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109



FOR OGCC USE ONLY

Document Number:

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Date Received:

UNDERGROUND INJECTION FORMATION PERMIT APPLICATION

Per Rule 325, this form shall be submitted with all required attachments.

A Form 31 – Intent shall be submitted and approved prior to completing an injection zone.

A Form 31 – Subsequent shall be submitted following collection of water samples and injectivity test (if performed) and must be approved prior to injection in any new injection facility.

NOTE: Per Rule 324B, an aquifer exemption is required for any injection formation with water quality less than 10,000 mg/L total dissolved solids (TDS). Contact the Commission for further requirements if the TDS as determined by water analysis for the injection zone is less than 10,000 mg/L.

Form 31 Type

☐ Intent☒ Subsequent

UIC Facility ID 159986

UIC Facility ID Required for Subsequent
Form 31

UIC FACILITY INFORMATION

Facility Name and Number: Federal 5-35 County: MOFFAT
Facility Location: NWSE / 35 / 9N / 91W / 6 Field Name and Number: BLUE GRAVEL 6970
Facility Type: ☐ Enhanced Recovery ☒ Disposal ☐ Simultaneous Disposal
Single or Multiple Well Facility? ☒ Single ☐ Multiple

Proposed Injection Program (Required):

Mustang Resources (Mustang) currently operates the Federal 1-35 SWD for produced water disposal in the Blue Gravel (BG) Field. Mustang is requesting increased disposal capacity through conversion of the Federal 5-35 to a secondary SWD location. Source water from Mustang's operations in the BG Field is currently gathered into five-400 BBL tanks located adjacent to the Federal 1-35. Water is pumped from the tanks to water hauling trucks or through an underground pipeline to the Federal 1-35 SWD. Mustang proposes to add approximately 290' of additional 2" buried flow line from the Federal 1-35 to the Federal 5-35. No additional surface facilities are proposed. Increased capacity will allow Mustang to include additional BG Field source wells in the UIC disposal program and reduce truck traffic.

OPERATOR INFORMATION

| | |
|---|---------------------------------------|
| OGCC Operator Number: 10550 | Contact Name and Telephone: |
| Name of Operator: MUSTANG RESOURCES LLC | Name: Deb Lemon |
| Address: 1660 LINCOLN STREET SUITE 1450 | Phone: (720) 5507507 Fax: () |
| City: DENVER State: CO Zip: 80264 | Email: dlemon@mustangresourcesllc.com |

INJECTED FLUID TYPE

All injected fluids must be Exempt E&P waste per RCRA Subpart C.

(Check all that apply.)

☒ Produced Water ☐ Natural Gas ☐ CO2 ☐ Drilling Fluids
☐ Exempt Gas Plant Waste ☐ Used Workover Fluids ☐ Flowback Fluids

☐ Other Fluids (describe):

Commercial Disposal Facility

☐ Yes☒ No

Commercial UIC Bond Surety ID:

Commercial Facility Description: Describe the physical region of the facility, the details of the operations, and the type of fluids to be injected.

PROPOSED INJECTION FORMATIONS

FORMATION (Name): LEWIS Porosity: 11 %
Formation TDS: 14191 mg/L Frac Gradient: 0.6 psi/ft Permeability: 0 mD
Proposed Stimulation Program: ☐ Acid ☐ Frac Treatment ☐ None

ANTICIPATED FACILITY OPERATIONS CONDITIONS

Under normal operating conditions, estimated TOTAL fluid injection rates and pressures for this facility:

FOR WATER: Daily Injection Rate Range From 20 to 100 bbls/day
Surface Injection Pressure Range From 650 to 650 psi
FOR GAS: Daily Injection Rate Range From to mcf/day
Surface Injection Pressure Range From to psi

Estimated Initial Injection Date: 11/15/2016

AREA OF REVIEW OIL and GAS WELL EVALUATION SUMMARY

Review all existing wells within 1/2 mile for injection formation isolation.

Area Review Date: 4/1/2016

Total number of Oil & Gas Wells within Area of Review: 7

ABANDONED WELLS (All wells that have been plugged: PA and DA status))

| | |
|-----------------------------|---|
| Total within Area of Review | 1 |
| Number To Be Re-Plugged | 0 |

ACTIVE WELLS (All wells that have not been plugged: AC, DG, DM, IJ, PR, SU, SI, TA, WO, XX, UN status)

| | |
|--------------------------------|---|
| Total within Area of Review | 1 |
| Number Requiring Casing Repair | 0 |
| Number To Be Plugged | 0 |

Operator's Area of Review Contact Email: dlemon@mustangresourcesllc.com

☐ No Wells within 2,640'

I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct, and complete.

Print Name: Deb Lemon Signed: _____

Title: Regulatory Analyst Date: _____

COGCC Approved: _____ Date: _____

Form 31 - Intent Expiration Date: _____

Per Rule 325.o, a 90 day extension of the Expiration Date may be requested via a Sundry Notice, Form 4 submitted prior to Form 31- Intent expiration

Order Number: _____ UIC FACILITY ID: 159986

CONDITIONS OF APPROVAL, IF ANY:

| <u>COA Type</u> | <u>Description</u> | |
|-------------------------------------|-----------------------|----------------------------|
| | | |
| <u>Attachment Check List</u> | | |
| <u>Att Doc Num</u> | <u>Name</u> | |
| | | |
| Total Attach: 0 Files | | |
| <u>General Comments</u> | | |
| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
| | | |
| Total: 0 comment(s) | | |