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## RAILROAD COMMISSION OF TEXAS

### HEARINGS DIVISION

#### **OIL AND GAS DOCKET NO. 08-0315631**

**APPLICATION OF HIGH ROLLER WELLS, L.L.C. (385669) PURSUANT TO STATEWIDE RULE 9 FOR A COMMERCIAL PERMIT TO DISPOSE OF OIL & GAS WASTE BY INJECTION INTO A POROUS FORMATION NOT PRODUCTIVE OF OIL AND GAS FOR THE HOVEY ROAD SWD LEASE, WELL NO. 1, HOEFS T-K (WOLFCAMP) FIELD, PECOS COUNTY, TEXAS**

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#### **AMENDED PROPOSAL FOR DECISION**

**HEARD BY:** Petar Buva – Technical Examiner  
Clayton J. Hoover - Administrative Law Judge

**PREPARED BY:** Petar Buva – Technical Examiner  
Jennifer N. Cook – Administrative Law Judge

#### **PROCEDURAL HISTORY:**

Application Filed:	August 8, 2017
Protest Received:	September 28, 2017
Request for Hearing Received:	July 31, 2018
Prehearing Conference:	December 17, 2018
Hearing on the Merits:	January 14, 2019
Transcript Received:	January 28, 2019
Proposal for Decision:	August 13, 2019
Amended Proposal for Decision:	August 29, 2019

**APPEARANCES:****Applicant:**

High Roller Wells, LLC

**Represented by:**

George C. Neale, Attorney

**Protestants:**

Frank and Gwen Ligon  
Ligon Family Partnership, LP  
Ligon Management LLC  
Robert and Carolyn Sadler

**Represented by:**

Mark E. McCary, Attorney  
McCary & McCary, P.C.

This Amended Proposal for Decision amends the initial Proposal for Decision in order to correct the first page to state that the date for the hearing on the merits was January 14, 2019 and that the date of the initial Proposal for Decision was August 13, 2019. These two dates were incorrect on the first page of the initial Proposal for Decision. There are no other changes.

**CASE SUMMARY**

Applicant High Roller Wells, LLC ("High Roller" or "Applicant") filed an application ("Application") seeking authority pursuant to 16 Tex. Admin. Code § 3.9 ("SWR 9") to dispose of oil and gas waste by injection into a porous formation not productive of oil or gas on the Hovey Road SWD Lease, Well Nos. 1 and 2, in the Hoefs T-K (Wolfcamp) Field, in Pecos County, Texas. The proposed injection wells are located approximately 29 miles west of Fort Stockton, which is the nearest town in Pecos County.

For each of the two subject wells High Roller requests authority to dispose of 25,000 barrels per day ("bpd") of produced water, into the Bell Canyon, Cherry Canyon, and Brushy Canyon formations from a depth of 5,000 feet to 7,000 feet, with a maximum surface injection pressure at 2,500 psig. Applicant filed applications for injection permits for Well Nos. 1 and 2 and Commission staff ("Staff") has determined both applications to be administratively complete.

The subject application is protested by the following ("Protestants"):

- Frank and Gwen Ligon
- Ligon Family Partnership, LP
- Ligon Management LLC
- Robert and Carolyn Sadler

Protestants are mineral interest owners of the land where the proposed wells are located and surface owners of land around the wells proposed location. Protestants contend that Applicant does not have a good faith claim to operate the proposed wells and thus, should be denied a permit to drill the wells. High Roller has a contractual lease giving it the right

to operate the proposed wells. Protestants claim a contractual oil and gas lease is dominant and prevents High Roller from drilling injection wells. Protestants do not dispute that Applicant meets the operational requirements.

Based on the evidence in the record, the Administrative Law Judge and Technical Examiner (collectively "Examiners") recommend that the applications be granted.

### **APPLICABLE LAW**

The Texas Water Code contains the statutory provisions governing disposal well permits. Tex. Water Code § 27.031 states:

PERMIT FROM RAILROAD COMMISSION. No person may continue using a disposal well or begin drilling a disposal well or converting an existing well into a disposal well to dispose of oil and gas waste without first obtaining a permit from the railroad commission.

The Texas Water Code provides criteria which must be met for issuance of a permit. Tex. Water Code § 27.051(b) states:

- (b) The railroad commission may grant an application for a permit under Subchapter C<sup>1</sup> in whole or part and may issue the permit if it finds:
  - (1) that the use or installation of the injection well is in the public interest;
  - (2) that the use or installation of the injection well will not endanger or injure any oil, gas, or other mineral formation;
  - (3) that, with proper safeguards, both ground and surface fresh water can be adequately protected from pollution; and
  - (4) that the applicant has made a satisfactory showing of financial responsibility if required by Section 27.073<sup>2</sup>.

Statewide Rule 9 (16 Tex. Admin. Code § 3.9) governs disposal wells in reservoirs not productive of oil or gas. Consistent with the Texas Water Code, Statewide Rule 9 states the following:

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<sup>1</sup> Subchapter C of the Texas Water Code authorizes the Commission to issue permits for injection wells used to dispose of oil and gas waste. See, e.g., Tex. Water Code § 27.031.

<sup>2</sup> Section 27.073 of the Texas Water Code authorized the Commission to require financial assurance in order to issue an injection well permit. Statewide Rule 78 does require financial assurance for operators of disposal wells. See, e.g., Tex. Admin. Code § 3.78(a)(6), (d), (g).

Every applicant who proposes to dispose of saltwater or other oil and gas waste into a formation not productive of oil, gas, or geothermal resources must obtain a permit from the commission authorizing the disposal in accordance with this section. Permits from the commission issued before the effective date of this section shall continue in effect until revoked, modified, or suspended by the commission.<sup>3</sup>

In accordance with the Texas Water Code and Statewide Rule 9, the Examiners evaluate the Application using the four following criteria:

- (1) That the use of the injection well is in the public interest;
- (2) That the use of the injection well will not endanger or injure any oil, gas, or other mineral formation;
- (3) That both ground and surface fresh water can be adequately protected from pollution; and
- (4) That Applicant has made a satisfactory showing of financial responsibility.

#### **DISCUSSION OF THE EVIDENCE**<sup>4</sup>

##### **Applicant's Evidence**

###### ***Application***

The Hovey Road Lease, Well Nos. 1 and 2, in the Hoefs T-K (Wolfcamp) Field, in Pecos County, Texas, are the two proposed new injection wells. For both of the wells High Roller proposes the following design and operation limitations:<sup>5</sup>

- Drilled to a total depth of 7,000 feet;
- Surface casing (10 3/4-inch) set at 1,650 feet, cemented to the surface;
- Intermediate casing (7-inch) with DV tool set at 5,000 feet, cemented to 2,000 feet;
- Tubing (4.5-inch) and packer set at 4,900 feet, 100 feet above the top of the proposed injection interval;

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<sup>3</sup> 16 Tex. Admin. Code § 3.9(1).

<sup>4</sup> The hearing transcript in this case is referred to as "Tr. at [page(s)]." High Roller's exhibits are referred to as "High Roller Ex. [exhibit no(s)]." Protestants' exhibits are referred to as "Protestants Ex. [exhibit no(s)]."

<sup>5</sup> High Roller Ex. 1, 2, 11, 12.

- An injection interval from 5,000 to 7,000 feet in the Delaware Mountain Group;
- A maximum daily injection volume equal to 25,000 bpd; and
- A maximum surface injection pressure equal to 2,500 psig.

### **Notice**

Notice of application for Well Nos. 1 and 2 were published on August 3, 2017, and October 12, 2017, respectively. High Roller published notices in the *Fort Stockton Pioneer*, a newspaper of general circulation in Pecos County, Texas, as required by SWR 9. High Roller also provided notice of the subject applications to the Pecos County Clerk, offset operators, and each affected person described in SWR 9. The proposed injection wells are not within the corporate limits of a city or town.

On November 26, 2018, the Hearings Division of the Commission sent a Notice of Prehearing Conference ("Notice") for each case via first-class mail to Applicant and all affected persons setting a pre-hearing conference date of December 17, 2018. The Notices contain (1) a statement of the time, place, and nature of the pre-hearing conference; (2) a statement of the legal authority and jurisdiction under which the hearing is to be held; (3) a reference to the particular sections of the statutes and rules involved; and (4) a short and plain statement of the matters asserted.<sup>6</sup> The pre-hearing conference was held on December 17, 2018. Applicant and Protestants appeared and participated. The hearing on the merits was set for January 14, 2019 and the parties were provided notice. Applicant and Protestants appeared and participated in the hearing on the merits. Consequently, all parties received more than 10 days' notice of the hearing and an opportunity for hearing.

### **Geology and Area of Review**

The proposed disposal zone for Well No. 1 is in the Delaware Mountain Group that includes the Bell Canyon, Cherry Canyon, and Brushy Canyon.<sup>7</sup> Statewide Rule 3.9(7)(a) provides:

Except as otherwise provided in this paragraph, the applicant shall review the date of public record for wells that penetrate the proposed disposal zone within a 1/4 mile radius of the proposed disposal well to determine if all abandoned wells have been plugged in a manner that will prevent the movement of fluids from the disposal zone into freshwater strata. The applicant shall identify in the application any wells which appear from such

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<sup>6</sup> See Tex. Gov't Code §§ 2001.051, .052; 16 Tex. Admin. Code §§ 1.41, 1.42, 1.45, 3.46.

<sup>7</sup> Tr. at 19; High Roller Ex. 4, 12.

review of public records to be unplugged or improperly plugged and any other unplugged or improperly plugged wells of which the applicant has actual knowledge.<sup>8</sup>

High Roller performed a 1/4-mile and 1/2-mile area of review study of active and plugged wells. High Roller's witness was Rick Johnston, a petroleum engineer and consultant. High Roller provided evidence regarding plugged and abandoned wells in the area. The half mile review area for Well No. 1 shows two plugged wells and no active wells. Within the quarter mile area review, there is one well, API 42-371-32682. The well is plugged and abandoned in such fashion that it will not act as a conduit for injected fluids.<sup>9</sup> Applicant also presented information on a well just outside of quarter-mile radius, API 42-371-00361, that is plugged and abandoned in a manner that would prevent upward fluid migration. Each well is sufficiently cased and cemented and plugged in accordance with Commission rules

A half mile review area for Well No. 2 shows three plugged wells. According to Mr. Johnson's testimony all three wells have been plugged in such a way that would prevent them to act as a conduit for injection fluids to escape the disposal interval.<sup>10</sup> Each well is sufficiently cased and cemented and plugged in accordance with Commission rules

Applicant presented evidence to show there is a confining barrier above the proposed injection interval. The nearest available well log is a log for a well located northeast to the proposed Well No. 1 location, just outside of the half-mile radius. The well log is for the Maddox – State #1, API 42-371-32353, and shows the base of the salt and the anhydride section at 5,045 feet creating a confining interval that goes up to 1,000 feet preventing the upward migration of disposed fluids.<sup>11</sup> The Maddox – State #1 is a plugged well. The Maddox – State #1 Well is located within 1/2-mile radius and the same well log analysis of the confining intervals used for Well No. 1 applies to Well No. 2.

The applications for Well Nos. 1 and 2 have been reviewed by the Commission's Injection-Storage Permits Unit and determined to be administratively complete.<sup>12</sup>

High Roller has an active Form P-5 Organization Report. As required by Statewide Rule 78, High Roller demonstrated financial responsibility in the form of a \$25,000 cash deposit.<sup>13</sup>

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<sup>8</sup> 16 Tex. Admin. Code § 3.9(7)(A).

<sup>9</sup> High Roller Ex. 7; Tr. at 21.

<sup>10</sup> Tr. at 11-16, 28.

<sup>11</sup> High Roller Ex. 4.

<sup>12</sup> High Roller Ex. 17.

<sup>13</sup> High Roller Ex. 19.

***Information from the Commission's Groundwater Advisory Unit ("GAU")***

The GAU determined that the Base of Usable Water Quality at the proposed location for Well Nos. 1 and 2 from the land surface to a depth of 1500 feet. The GAU recommends that the interval from the land surface to a depth of 500 feet, and the zone from 900 to 1,500 feet must be protected.<sup>14</sup> High Roller proposes to run 10¾-inch casing to 1650 feet, cement it back to surface and then run 7-inch casing to 7000 feet.<sup>15</sup>

**Protestants' Evidence**

The protestants maintain that the operator, High roller Wells, LLC, lacks good faith claim.

Protestors are mineral right owners of an approximately 160.5 acre-tract that encompasses the five-acre surface tract where the proposed well is to be located. They also have surface ownership of the property surrounding the proposed well location.<sup>16</sup>

Protestors provided a Paid Up Oil & Gas Lease ("Oil & Gas Lease") dated January 12, 2018 regarding "acreage in the SE/4 of Section 8 Block 51, . . . ." <sup>17</sup> The acreage is not specified. The Oil & Gas Lease states that the acreage is further described in an attached graphic, which was not provided.<sup>18</sup> The Lessors are Ligon Family Partnership, LP, Carolyn Ligon Sadler and Robert Sadler ("Lessors"). The Lessee is PCORE Exploration & Production III, LLC. Protestors note that there is a provision in the Oil & Gas Lease that prohibits the drilling of salt water disposal wells without the express written consent of the Lessors. Specifically, it states:

Lessee shall have no right to dispose of salt water or produced water on the Leased Lands without Lessor's express written consent, to include preparation and drilling of Salt Water Disposal Wells—the Lessor has the unrestricted right to deny authorization for such disposal for any or no reason.<sup>19</sup>

Protestants claim that even though High Roller owns a severed five-acre tract, the mineral estate underneath remains dominant, which includes this provision in the Oil & Gas Lease that prohibits salt water disposal wells. Protestants assert that consequently, High Roller has no right to drill the proposed well.<sup>20</sup>

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<sup>14</sup> High Roller Ex. 1, 11.

<sup>15</sup> Tr. at 13.

<sup>16</sup> See, e.g. *Protest Hearing Bench Brief for Examiner at 2* (filed on January 14, 2019) ("Protestants Bench Brief"); Tr. at 50-51; Protestants Ex. A.

<sup>17</sup> Protestants Ex. A at 1.

<sup>18</sup> *Id.*

<sup>19</sup> *Id.* at 7.

<sup>20</sup> Protestants Bench Brief at 3.



Protestants claim a provision in the *Saltwater Disposal* Lease ("Disposal Lease") that High Roller relies on for authority to operate is further evidence that High Roller lacks a good faith claim. The Disposal Lease, which states it is effective August 8, 2017 but was actually signed on January 7, 2019, states:

The leased premises are subject and inferior to any oil, gas and mineral lease, to the extent said leases validly exist.<sup>21</sup>

Based on the language in these two leases, Protestants claim High Roller has no good faith claim to operate the proposed well.

Protestors Frank Ligon, Robert Sadler, and Carolyn Sadler testified that during the negotiations of the Disposal Lease, the agents negotiating for the lessee represented that the five-acre tract would be used to park trucks, not for a disposal well.<sup>22</sup> Protestants claim this demonstrates High Roller's lack of good faith.

The Protestants also claim that the fact that the Disposal Lease was not executed until after High Roller applied for this permit and provided notice of the permit is evidence of a lack of good faith.<sup>23</sup>

### **EXAMINERS' ANALYSIS**

The Examiners conclude that the evidence demonstrates that High Roller's proposed injection wells meet the requirements of the Texas Water Code and Statewide Rule 9.

#### ***Protection of Any Oil, Gas, or Geothermal Resources***

The evidence demonstrates that the proposed injection wells will be drilled, completed, and operated in a manner that will not endanger or injure any oil, gas, or geothermal resource, as required by the Texas Water Code. According to the evidence, the base of the proposed injection interval has a salt and anhydride section at 5,045 feet that creates a confining interval that goes up to 1,000 feet. Confining intervals, both above and below the proposed injection interval, will prevent upward and downward migration of injected fluids to productive zones.<sup>24</sup>

The proposed injection wells will be constructed and operated in a manner that will protect surface water and groundwater from pollution. The proposed injection wells will not endanger or injure any oil, gas, mineral, or geothermal resource or formation.

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<sup>21</sup> Protestants Ex. B at 3.

<sup>22</sup> Tr. at 45-64; Protestants Bench Brief at 5.

<sup>23</sup> Protestants Bench Brief at 3; Tr. at 45-48.

<sup>24</sup> High Roller Exhibit 4.



***Prevention of Ground and Surface Water Pollution***

The evidence demonstrates the wells will be operated in a manner that will adequately protect ground and surface fresh water from pollution.

Two wells exist within a 1/2-mile radius of the proposed Well No. 1 location, and three wells are present in the 1/2-mile radius of the proposed Well No. 2 location. All the surrounding subject wells are plugged and abandoned. According to the evidence, no well will provide a pathway for the migration of injected fluids outside of the disposal zone as each well is sufficiently cased and cemented and plugged in accordance with Commission rules.

At proposed locations for both Well Nos. 1 and 2, the GAU determined that there needs to be protection from the land surface to a depth of 500 feet and from a depth of 900 feet to 1,500 feet.<sup>25</sup> High Roller proposes to run casing to 1650 feet, cement it back to surface. The proposed injection wells will be cased and cemented in a manner to prevent the migration of injected fluids from the proposed injection zone to ground or surface water resources.

***Financial Responsibility***

High Roller has an active Form P-5 Organization Report. As required by Statewide Rule 78, High Roller demonstrated financial responsibility in the form of a \$25,000 cash deposit, an amount sufficient to operate the proposed injection well.

***Public Interest***

Applicant has applied for a commercial permit indicating an expectation that there is a need for disposal, since there is hydrocarbon production in the area. Protestant did not provide evidence or otherwise contest public interest.

***Protestants' Claim that High Roller Lacks a Good Faith Claim to Operate***

A good faith claim is defined in Commission rule as:

A factually supported claim based on a recognized legal theory to a continuing possessory right in the mineral estate, such as evidence of a currently valid oil and gas lease or a recorded deed conveying a fee interest in the mineral estate.<sup>26</sup>

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<sup>25</sup> High Roller Ex. 1 and 11.

<sup>26</sup> 16 Tex. Admin. Code § 3.15(a)(5).

The origin of the “good-faith claim” requirement comes from the Texas Supreme Court in *Magnolia Petroleum Co. v. Railroad Commission of Texas*.<sup>27</sup> In discussing the Commission’s authority to grant a drilling permit, the Court stated:

The function of the Railroad Commission in this connection is to administer the conservation laws. When it grants a permit to drill a well it does not undertake to adjudicate questions of title or rights of possession. These questions must be settled in the courts.<sup>28</sup>

The Court went on to state:

Of course, the Railroad Commission should not do the useless thing of granting a permit to one who does not claim the property in good faith. The Commission should deny the permit if it does not reasonably appear to it that the applicant has a good-faith claim in the property. If the applicant makes a reasonably satisfactory showing of a good-faith claim of ownership in the property, the mere fact that another in good faith disputes his title is not alone sufficient to defeat his right to the permit; neither is it ground for suspending the permit or abating the statutory appeal pending settlement of the title controversy.<sup>29</sup>

The Commission does not adjudicate questions of title or right to possession, which are questions for the court system.<sup>30</sup> A showing of a good faith claim does not require an applicant to prove title or a right of possession. It is sufficient for an applicant to make a reasonably satisfactory showing of a good faith claim.<sup>31</sup>

Protestants do not claim that the Disposal Lease is invalid. They claim that provisions in the Oil & Gas Lease prevent High Roller from exercising its right to operate it has via the Disposal Lease. Protestants do not provide any legal authority for its claim in Protestants Bench Brief. Even if Protestants have a lease dispute, that does not defeat High Roller’s good faith claim. High Roller has a contractual lease giving it the right to operate the wells. The Examiners recommend the Commission find there is sufficient evidence of a reasonably satisfactory showing of a good faith claim.

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<sup>27</sup> *Id.*; see *Magnolia Petroleum Co. v. R.R. Comm’n of Tex.*, 170 S.W.2d 189, 191 (Tex. 1943); see also *Trapp v. Shell Oil Co.*, 198 S.W.2d 424, 437-38 (Tex. 1946); *Rosenthal v. R.R. Comm’n of Tex.*, 2009 WL 2567941, \*3 (Tex. App.—Austin 2009, pet. denied); *Pan Am. Petroleum Corp. v. R.R. Comm’n of Tex.*, 318 S.W.2d 17 (Tex. Civ. App.—Austin 1958, no writ).

<sup>28</sup> *Magnolia Petroleum Co. v. R.R. Comm’n of Tex.*, 170 S.W.2d 189, 191 (Tex. 1943).

<sup>29</sup> *Id.* at 191 (emphasis added).

<sup>30</sup> *Magnolia Petroleum Co. v. R.R. Comm’n*, 170 S.W.2d 189, 191 (Tex. 1943); see also *Trapp v. Shell Oil Co.*, 198 S.W.2d 424, 437-38 (Tex. 1946); *Rosenthal v. R.R. Comm’n of Tex.*, 2009 WL 2567941, \*3 (Tex. App.—Austin 2009, pet. denied) (mem. op.); 56 Tex. Jur. 3d Oil and Gas § 737, *Adjudication of title to property and contract rights*.

<sup>31</sup> *Id.*

**FINDINGS OF FACT**

1. On August 3, 2017 and October 12, 2017, High Roller published notice of the subject applications in the *Fort Stockton Pioneer*, a newspaper of general circulation in Pecos County, Texas.
2. On September 20, 2017, High Roller provided notice of the subject applications to the Loving County Clerk, operators of wells within 1/2-mile of the proposed location, and all other affected persons, as required by 16 Tex. Admin. Code § 3.9.
3. On September 28, 2017, Ligon Family Partnership, LP; Frank Ligon; Gwen Ligon and Ligon Management LLC filed with the Commission a protest of the subject applications.
4. On September 28, 2017, Robert P. Sadler and Carolyn L. Sadler filed with the Commission a protest of the subject applications.
5. The proposed locations for Well Nos. 1 and 2 are approximately 29 miles west of Fort Stockton, Texas in Pecos County.
6. The proposed injection wells will be completed and operated as follows:
  - a. Drilled to a total depth 7,000 feet;
  - b. Surface casing (10 3/4-inch) set at 1,650 feet, cemented to the surface;
  - c. Intermediate casing (7-inch) with DV tool set at 5,000 feet, cemented to 2,000 feet;
  - d. Tubing (4 1/2-inch) and packer set at 4,900 feet, 100 feet above the top of the proposed injection interval;
  - e. An injection interval from 5,000 feet to 7,000 feet in the Delaware Mountain Group;
  - f. A maximum daily injection volume equal to 25,000 bpd; and
  - g. A maximum surface injection pressure equal to 2,500 psig.
7. GAU determined that water-bearing strata that needs to be protected exists from the land surface and from 900 feet to 1,500 feet.
8. The proposed injection well will be sufficiently cased and cemented to protect groundwater resources.

9. The use or installation of the proposed injection well will not endanger or injure any oil, gas, or other mineral formation.
10. Two wells exist within a 1/4-mile radius of the Well No. 1 proposed location. Both wells are plugged and abandoned in such a way that would prevent them to act as a conduit for injection fluids to escape the disposal interval.
11. Three wells exist within a 1/4-mile radius of the Well No. 2 proposed location. Both wells are plugged and abandoned in such a way that would prevent them to act as a conduit for injection fluids to escape the disposal interval.
12. The use or installation of the proposed injection well is in the public interest.
13. High Roller has an active Form P-5 Organization Report.
14. High Roller has made a satisfactory showing of financial responsibility required by Tex. Water Code § 27.073.
15. High Roller provided a contractual lease giving it authority to drill and operate disposal wells at the wells' proposed locations.

#### **CONCLUSIONS OF LAW**

1. Resolution of the subject applications is a matter committed to the jurisdiction of the Railroad Commission of Tex. Nat. Res. Code § 81.051.
2. All notice requirements have been satisfied. 16 Tex. Admin. Code § 3.9.
3. The use or installation of the proposed injection wells is in the public interest, Texas Water Code § 27.051(b)(1).
4. The use or installation of the proposed injection wells will not endanger or injure any oil, gas, or other mineral formation, Texas Water Code § 27.051(b)(2).
5. With proper safeguards, both ground and surface fresh water can be adequately protected from pollution, Texas Water Code § 27.051(b)(3).
6. High Roller made a satisfactory showing of financial responsibility. Texas Water Code § 27.051(b)(4).
7. The proposed injection well will not endanger oil, gas, or geothermal resources or cause the pollution of freshwater strata unproductive of oil, gas, or geothermal resources. 16 Tex. Admin. Code § 3.9.

8. High Roller met its burden of proof, and the subject application satisfied the requirements of Chapter 27 of the Texas Water Code and Commission Statewide Rule 9.
9. There was a reasonably satisfactory showing that High Roller has a good faith claim to operate the proposed wells.

**EXAMINERS' RECOMMENDATION**

Based on the above findings of fact and conclusions of law, the Examiners recommend granting the applications for disposal authority pursuant to Statewide Rule 9 for the Hovey Road SWD Lease, Well Nos. 1 and 2, Hoefs T-K (Wolfcamp) Field, Pecos County, Texas, as requested by High Roller Wells, LLC.

Respectfully submitted,



Petar Buva  
Technical Examiner



Jennifer N. Cook  
Administrative Law Judge