

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

OIL & GAS DOCKET NO. 08-0317121

APPLICATION OF NGL WATER SOLUTIONS PERMIAN, LLC (609265) PURSUANT TO STATEWIDE RULE 46 FOR A COMMERCIAL PERMIT TO INJECT FLUID INTO A RESERVOIR PRODUCTIVE OF OIL OR GAS FOR THE RAMSEY 12A (43725) LEASE, WELL NO. 2, FORD (4,000 DELAWARE) FIELD, REEVES COUNTY, TEXAS

FINAL ORDER

The Railroad Commission ("RRC" or "Commission") finds that after statutory notice in the above-docketed case, heard on April 24, 2019, the presiding Technical Examiner and Administrative Law Judge have made and filed a Proposal for Decision containing findings of fact and conclusions of law, which was served on all parties of record, and that this proceeding was duly submitted to the Railroad Commission of Texas at a conference held in its offices in Austin, Texas.

The Commission, after review and due consideration of the Proposal for Decision and the findings of fact and conclusions of law contained therein, and any exceptions and replies thereto, hereby adopts as its own the findings of fact and conclusions of law contained therein, and incorporates those findings of fact and conclusions of law as if fully set out and separately stated herein.

NGL Water Solutions Permian, LLC (NGL) submitted a 16 Tex. Admin Code (TAC) § 3.46 application for the existing permitted injection well, authorized by Fluid Injection Project Number F-19010 on June 6, 2012, for the Ramsey 12A (43725) Lease, Ramsey Well No. 2, Ford (4,000 Delaware) Field, Reeves County, Texas. NGL submitted a completed revised application ("Application") dated December 28, 2018 seeking authority to increase the maximum injection volume to 33,800 barrels per day ("bpd") for the Ramsey Well No. 2.

It is **ORDERED** by the Railroad Commission of Texas that the Application of NGL pursuant to § 3.46, to amend the maximum injection volume for the existing permitted injection well from the current permitted volume of 20,000 bpd to 33,800 bpd is hereby **APPROVED**. Attachment A to this Final Order is the Permit to dispose of non-hazardous oil and gas waste by injection into a reservoir productive of oil or gas.

It is further **ORDERED** by the Commission that this order shall not be final and effective until 25 days after the Commission's order is signed, unless the time for filing a motion for rehearing has been extended under Tex. Gov't Code § 2001.142, by agreement under Tex. Gov't Code § 2001.147, or by written Commission Order issued pursuant to Tex. Gov't Code § 2001.146(e). If a timely motion for rehearing of an application is filed by any party at interest, this order shall not become final and effective until such motion is overruled, or if such motion is granted, this order shall be subject to

further action by the Commission. Pursuant to Tex. Gov't Code § 2001.146(e), the time allotted for Commission action on a motion for rehearing in this case prior to its being overruled by operation of law is hereby extended until 100 days from the date Commission Order is signed.

Each exception to the Examiners' proposal for decision not expressly granted herein is overruled. All requested findings of fact and conclusions of law which are not expressly adopted herein are denied. All pending motions and requests for relief not previously granted or granted herein are denied.

Signed on September 11, 2019.

RAILROAD COMMISSION OF TEXAS



CHAIRMAN WAYNE CHRISTIAN

COMMISSIONER CHRISTI CRADDICK

COMMISSIONER RYAN SITTON

ATTEST:



Deputy SECRETARY

WAYNE CHRISTIAN, CHAIRMAN
CHRISTI CRADDICK, COMMISSIONER
RYAN SITTON, COMMISSIONER



DANNY SORRELLS
ASSISTANT EXECUTIVE DIRECTOR
DIRECTOR, OIL AND GAS DIVISION
PAUL DUBOIS
ASSISTANT DIRECTOR, TECHNICAL PERMITTING

RAILROAD COMMISSION OF TEXAS

OIL AND GAS DIVISION

PERMIT TO INJECT FLUID INTO A RESERVOIR PRODUCTIVE OF OIL AND GAS

PROJECT NO. {F-19010}, COMMERCIAL AMENDMENT

NGL WATER SOLUTIONS PERMIAN, LLC
1509 W WALL ST STE 306
MIDLAND TX 79701

Authority is granted to inject into the well identified herein in accordance with Statewide Rule 46 of the Railroad Commission of Texas and based on the information contained in the application (Forms H-1 and H-1A) dated October 25, 2018 for the permitted interval of the DELAWARE formation and subject to the following terms:

RAMSEY 12A (43725) LEASE
FORD (4000 DELAWARE) FIELD
REEVES COUNTY, DISTRICT 08

WELL IDENTIFICATION AND PERMIT PARAMETERS:

Well No.	API No.	UIC Number	Permitted Fluids	Top Interval (feet)	Bottom Interval (feet)	Maximum Liquid Daily Injection Volume (BBL/day)	Maximum Gas Daily Injection Volume (MCF/day)	Maximum Surface Injection Pressure for Liquid (PSIG)	Maximum Surface Injection Pressure for Gas (PSIG)
2	38933507	{000105260}	Salt Water, and Other Non-Hazardous O/G Waste	3,000	4,920	33,800	N/A	1,500	N/A

STANDARD CONDITIONS:

1. Injection must be through tubing set on a packer.
2. The District Office must be notified 48 hours prior to:
 - a. running tubing and setting packer;

- b. beginning any work over or remedial operation;
 - c. conducting any required pressure tests or surveys.
3. The wellhead must be equipped with a pressure observation valve on the tubing and for each annulus.
4. Prior to beginning injection and subsequently after any work over, an annulus pressure test **must** be performed. The test pressure must equal the maximum authorized injection pressure or 500 psig, whichever is less, but must be at least 200 psig. The test must be performed and the results submitted in accordance with the instructions of Form H-5.
5. The injection pressure and injection volume must be monitored at least monthly and reported annually on Form H-10 to the Commission's Austin office.
6. Within 30 days after completion, conversion to disposal, or any work over which results in a change in well completion, a new Form W-2 or G-1 must be filed to show the current completion status of the well. The date of the disposal well permit and the permit number must be included on the new Form W-2 or G-1.
7. Written notice of intent to transfer the permit to another operator by filing Form P-4 must be submitted to the Commission at least 15 days prior to the date of the transfer.
8. A well herein authorized cannot be converted to a producing well and have an allowable assigned without filing an amended Form W-1 and receiving Commission approval.
9. Unless otherwise required by conditions of the permit, completion and operations of the well shall be in accordance with the information represented on the application (Forms H-1 and H-1A).
10. This permit will expire when the Form W-3, Plugging Record, is filed with the Commission. Furthermore, permits issued for wells to be drilled will expire three (3) years from the date of the permit unless drilling operations have commenced.
11. The operator shall be responsible for complying with the following requirements so as to assure that discharges of oil and gas waste will not occur:
 - a. Prior to beginning operation, all collecting pits, skimming pits, or washout pits must be permitted under the requirements of Statewide Rule 8.
 - b. Prior to beginning operation, a catch basin constructed of concrete, steel, or fiberglass must be installed to catch oil and gas waste which may spill as a result of connecting and disconnecting hoses or other apparatus while transferring oil and gas waste from tank trucks to the disposal facility.
 - c. Prior to beginning operation, all fabricated waste storage and pretreatment facilities (tanks, separators, or flow lines) shall be constructed of steel, concrete,

fiberglass, or other materials approved by the Director or Director’s delegate. These facilities must be maintained so as to prevent discharges of oil and gas waste.

- d. Prior to beginning operation, dikes shall be placed around all waste storage, pretreatment, or disposal facilities. The dikes shall be designed so as to be able to contain a volume equal to the maximum holding capacity of all such facilities. Any liquids or wastes that do accumulate in the containment area shall be removed within 24 hours and disposed of in an authorized disposal facility.
 - e. Prior to beginning operation, the facility shall have security to prevent unauthorized access. Access shall be secured by a 24-hour attendant, a fence and locked gate when unattended, or a key-controlled access system. For a facility without a 24-hour attendant, fencing shall be required unless terrain or vegetation prevents truck access except through entrances with lockable gates.
 - f. Prior to beginning operation, each storage tank shall be equipped with a device (visual gauge or alarm) to alert drivers when each tank is within 130 barrels from being full.
12. Form P-18, Skim Oil Report, must be filed in duplicate with the District Office by the 15th day of the month following the month covered by the report.
13. If the facility will have staff on-site for periods of time necessitating bathroom accommodations, these accommodations must be designed, installed, and maintained by a person licensed to do so and the accommodations must comply with all applicable local, county, and State health regulations.

Provided further that, should it be determined that such injection fluid is not confined to the approved interval, then the permission given herein is suspended and the fluid injection operation must be stopped until the fluid migration from such interval is eliminated. Failure to comply with all of the conditions of this permit may result in the operator being referred to enforcement to consider assessment of administrative penalties and/or the cancellation of the permit.

This Permit was issued by the Railroad Commission of Texas on September 11, 2019, pursuant to a final order signed in Oil and Gas Docket No. 08-0317121.

Amendment Comments:

Well No.	API No.	Amendment Comments
2	38933507	1. Amends injection interval bottom from 4950 feet. 2. Amends maximum daily injection volume for liquid from 20000 bbl/day. 3. Amends packer setting depth from 2950 feet. 4. Amends permit dated June 6, 2012.