

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

OIL AND GAS DOCKET NO. 08-0318719 / TRACKING NO. 49813

APPLICATION OF WASSER OPERATING, LLC (900210) PURSUANT TO STATEWIDE RULE 9 FOR A PERMIT TO DISPOSE OF OIL OR GAS WASTE BY INJECTION INTO A POROUS FORMATION NOT PRODUCTIVE OF OIL OR GAS FOR THE MABEE 4 SWD LEASE, WELL NO. 1, SPRABERRY (TREND AREA) FIELD, MARTIN COUNTY, TEXAS

FINAL ORDER

The Railroad Commission of Texas ("Commission") finds that after statutory notice in the above-numbered docket heard on September 5, 2019; October 21, 2019; and January 28, 2020, the presiding Technical Examiner and Administrative Law Judge (collectively, "Examiners") 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 conference held in its offices in Austin, Texas.

The Commission, after review and due consideration of the Examiners' Proposal for Decision, 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 as if fully set out and separately stated herein.

Therefore, it is **ORDERED** by the Commission that the application of Wasser Operating, LLC (Operator No. 990210) pursuant to 16 Tex. Admin. Code § 3.9 to dispose of oil and gas waste by injection into a porous formation not productive of oil or gas for the Mabee 4 Lease, Well No. 1, in the Spraberry (Trend Area) Field, Martin County, Texas, at a rate of 30,000 barrels per day is hereby **GRANTED**. Attached to this Final Order is the Permit to dispose of non-hazardous oil and gas waste by injection into a porous formation not productive of oil and gas (see Attachment A).

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.

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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 22, 2020.

RAILROAD COMMISSION OF TEXAS

DocuSigned by:

Wayne Christian

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CHAIRMAN WAYNE CHRISTIAN

DocuSigned by:

Christi Craddick

15494B7DF466424...

COMMISSIONER CHRISTI CRADDICK

DocuSigned by:

Ryan Sitton

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COMMISSIONER RYAN SITTON



ATTEST

DocuSigned by:

Callie Farrar

3581C80DEDE0476

SECRETARY

**PERMIT TO DISPOSE OF NON-HAZARDOUS OIL AND GAS WASTE BY INJECTION INTO
A POROUS FORMATION NOT PRODUCTIVE OF OIL AND GAS**

PERMIT NO. 16746

WASSER OPERATING, LLC
6 DESTA DRIVE SUITE 5500
MIDLAND TX 79705

Authority is granted to inject Non-Hazardous Oil and Gas waste into the well identified herein in accordance with Statewide Rule 9 of the Railroad Commission of Texas and based on information contained in the application (Form W-14) dated November 8, 2018 for the permitted interval of the ELLENBURGER formation and subject to the following terms and special conditions:

MABEE 4 SWD LEASE
SPRABERRY (TREND AREA) FIELD
MARTIN 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)
1	31700000		Salt Water, and Other Non-Hazardous O/G Waste	12,900	15,500	30,000		6,450	

SPECIAL CONDITIONS:

Well No.	API No.	Special Conditions
1	31700000	<p>1. For wells with long string casing set more than 100 feet below the permitted injection interval, the plug back depth shall be within 100 feet of the bottom of the permitted injection interval. For wells with open hole completions, the plug back depth shall be no deeper than the bottom of the permitted injection interval.</p> <p>2. The operator shall provide to the UIC section an annotated electric log, and a mud log if available, of the subject well with the top(s) and bottom(s) of the permitted formations indicated on the log. Top and bottom of the authorized injection interval may be modified based on electric log or mud log indications of the top and bottom of the permitted formations.</p> <p>3. Injection shall be no deeper than 100 feet above the base of the deepest formation overlying the top of Cambrian-period stratum or top of Precambrian stratum if Cambrian is not preserved at the well location. Specifically, the formations referred to may be within the Devonian, Silurian or Ordovician-period strata.</p>

STANDARD CONDITIONS:

1. Injection must be through tubing set on a packer. The packer must be set no higher than 100 feet above the top of the permitted interval.
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. 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.

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 disposal 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 22, 2020, pursuant to a final order signed in Oil and Gas Docket No. 08-0318719.