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JUN 14 2023
DEPT OF AGRICULTURE & NATURAL
RESOURCES - RAPID CITY

STATE OF SOUTH DAKOTA
DEPARTMENT OF AGRICULTURE AND NATURAL RESOURCES
Application for a Permit to Inject - Class II Underground Injection Control

Return To:

SD Department of Agriculture and Natural Resources
Minerals and Mining Program
221 Mall Drive, Suite #201
Rapid City, SD 57701
Telephone: 605-773-4201
Fax: 605-394-5317

1.0 General Information

1.1 Application Type

- New Permit to Inject
- Major Modification to Existing Permit to Inject
- Minor Modification to Existing Permit to Inject

1.2 If requesting a new permit or major modification, provide a brief description of the new activity or proposed modification (include additional attachments as needed).

Citation Oil & Gas Corp. respectfully requests permission to inject water into the Clarkson #8-27H (API# 406320502; SHL 1533' FNL, 969' FEL, SENE Sec. 27, T21N R3E; BHL 2987' FNL, 3543' FEL, Sec. 27, T21N R3E) horizontal Red River "B" well. The well is located within the West Buffalo "B" Red River Unit which is operated as a water-flood field with multiple oil-production, and water injection wells. This request is to increase the maximum injection pressure to 2010 psi, and also extend the permit an additional 30 years to 2053. The well has never injected under the UIC permit authorized by the Oil and Gas Case No. 5-93 and has since been re-entered and drilled as a horizontal well.

1.3 If requesting a minor modification, select the type(s) of modification requested (ARSD 74:12:07:09)

- Correction of typographical errors and language changes that have no legal or substantive effect
- A change in ownership or operational control of the well if the secretary determines that no other change in the permit is necessary, provided a written agreement containing a specific date for transfer of responsibility for the injection well, coverage, and liability between the current and new owner or operator has been submitted to the secretary pursuant to ARSD 74:12:07:06
- A change in quantities or types of fluids injected which are within the capacity of the injection well as permitted and, in the judgement of the secretary, would not interfere with the operation of the injection well or its ability to meet conditions described in the permit, and would not change its classification
- A change in construction requirements approved by the secretary pursuant to this chapter if the alteration complies with the conditions of the permit to inject and this section
- Amendment of a plugging and abandonment plan which has been updated pursuant to this article
- Recementing, reworking, or reconditioning a well
- Deepening, extending, or sidetracking an existing well within the permitted injection horizon

As described in ARSD 74:12:07:09, if the department determines that a minor modification request has the potential to degrade or threaten freshwater resources, it will be treated as a major modification and subject to the Notice of Recommendation procedures (ARSD 74:12:09)

1.4 Operator Information (ARSD 74:12:07:03(8))

Name: Citation Oil & Gas Corp.

Address: 14077 Cutten Road. Houston, TX 77069

Telephone: 307-685-7900

Email:

1.5 Basic information about the well(s) covered by the requested permit to inject

API Number	Well Name	Legal Location	Latitude	Longitude
4006320502	Clarkson #8-27H	SENE Sec. 27, T21N R3E	45.758125	-103.731686

The information required below should be included as attachments to the application form. The following should be used as a checklist to ensure all necessary material is submitted. The department recommends using the same numbering system as shown in the application form; however, if a different system is used please use the location box to identify the location of the information in the application.

1.6 Affidavit of Delivery (ARSD 74:12:07:04) - Include an affidavit showing the names and addresses of the parties to whom the application has been delivered.

Included

Location: NA, No other Operators.

2.0 Specific Application Requirements

2.1 Maps (ARSD 74:12:07:03(1))

2.1.1 Vertical Wells (ARSD 74:12:07:03(1)(a))

A one-half mile fixed radius area of review plat which shows the location of the injection well or wells, existing or proposed; the location of all oil and gas wells; the location of all water wells, active and abandoned; the location of all other wells, including plugged and abandoned wells; abandoned locations; dry holes; current drilling locations; the names of operators; the surface and mineral owners; and each offset operator

Included

Location: NA

2.1.2 Horizontal Wells (ARSD 74:12:07:03(1)(b))

A one-half mile fixed radius area of review plat extending in all directions from the horizontal well and any sidetracks. The plat must show the location of the injection well or wells, existing or proposed; the location of all oil and gas wells; the location of all water wells, active and abandoned; the location of all other wells, including plugged and abandoned wells; abandoned locations; dry holes; current drilling locations; the names of operators; the surface and mineral owners; and each offset operator

Included

Location:

2.2 Formation or formations from which oil, gas, and water wells are producing or have produced within the area of review (ARSD 74:12:07:03(2))

Included

Location:

2.3 The name, stratigraphic and structural description, and depth of the receiving formation or formations and the overlying and underlying confining zone(s) or formation(s) (ARSD 74:12:07:03(3))

Included

Location:

2.4 The well type, construction, spud date, total depth, formation tops, record of completion or recompletion, and plugging for all oil, gas, and injection wells within the area of review, **and any additional pertinent information which the secretary determines is necessary to make an informed judgement on the issuance of a permit**, including drill stem tests and well logs for all oil and gas wells identified in the area of review (ARSD 74:12:07:03(4))

Included

Location:

2.5 Information on abandoned and active water wells within the area of review, as follows (ARSD 74:12:07:03(5))

2.5.1 Abandoned water wells:

2.5.1.1 The legal location

2.5.1.2 Well name

2.5.1.3 Method and supporting information on abandonment, if available

2.5.2 Active Water Wells

2.5.2.1 The legal location

2.5.2.2 Well name

2.5.2.3 An analysis of water quality, including information on total dissolved solids content, chlorides, sodium, sulfates, nitrates, and hydrocarbons

2.5.2.4 The construction program, including casing size and type, if available

2.5.2.5 Depth of the well, if available

2.5.2.6 A geologic / driller's log, if available

2.5.2.7 The water level and pump type, if available

Included

Location: NA; none.

2.6 A description of the injection well's casing and the proposed casing program, and the proposed method for testing the casing for mechanical integrity before use as an injection well (ARSD 74:12:07:03(6))

Included

Location: See attached.

2.7 The geologic name and the depth to and interval of all freshwater resources which may be affected by injection (ARSD 74:12:07:03(7))

Included

Location: See attached.

2.8 Schematic drawings of the surface and subsurface construction details of the well with detailed drawings of the gauge connections (ARSD 74:12:07:03(9))

Included

Location: See attached.

2.9 The source and nature of the substance or substances to be injected, its viscosity, its compatibility with the receiving formation, including stability indices, and the estimated average and maximum daily amounts to be injected. If the nature of the injected fluid is produced water, a water quality analysis must be submitted and must include information on total dissolved solids content, chlorides, sodium, sulfates, nitrates, and hydrocarbons. (ARSD 74:12:07:03(10))

Included

Location: See attached.

2.10 The average and maximum estimated injection pressure (ARSD 74:12:07:03(11))

Included

Location: See attached.

2.11 A narrative description of any proposed production stimulation program, including a feasibility study, process description, and an explanation of how the data were determined, such as working calculations (ARSD 74:12:07:03(12))

Included

Location: See attached.

2.12 A list of wells identified in subdivision 74:12:07:03(1) in need of corrective action or where corrective action has been performed, and a written justification describing how the corrective action will protect freshwater resources. (ARSD 74:12:07:03(13))

Included

Location: No wells needing corrective action.

2.13 The injection zone characteristics including porosity, compressibility, and intrinsic permeability. Please include the reference or source of the information. (ARSD 74:12:07:03(14))

Included

Location: See attached.

2.14 The expected project life (ARSD 74:12:07:03(15))

Included

Location: 30 years.

2.15 Surface owner name, address, and telephone number (ARSD 74:12:07:03(16))

Included

Location: See attached.

3.0 Certification of Applicant

3.1 Certification of Applicant (Form 13). The applicant is required to submit a notarized Certification of Applicant (Form 13). This form can be found at <https://danr.sd.gov/Environment/MineralsMining/OilGas/OilGasForms.aspx> or by contacting the Minerals and Mining Program at 605-773-4201.

Included

Location: See attached.

3.2 Applicant's Signature


Signature

6-13-2023
Date

Jeremy Wagner
Printed Name of Person Signing

Region Manager
Title



DEPARTMENT of AGRICULTURE and NATURAL RESOURCES
 Minerals & Mining Program
 2050 West Main, Suite #1, Rapid City, SD 57702-2493
 Telephone: 605-773-4201, FAX: 605-394-5317

FORM 13

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DEPT OF AGRICULTURE & NATURAL RESOURCES - RAPID CITY

STATE OF SOUTH DAKOTA
 BEFORE THE SECRETARY OF
 THE DEPARTMENT OF AGRICULTURE AND NATURAL RESOURCES

IN THE MATTER OF THE)
 APPLICATION OF Citation Oil & Gas Corp.)
 Injection Application for the Clarkson #8-27H (API# 4006320502))

CERTIFICATION OF
 APPLICANT

STATE OF Wyoming)
) SS
 COUNTY OF Campbell)

I, Jeremy Wagner, the applicant in the above matter after being duly sworn upon oath hereby certify the following information in regard to this application:

South Dakota Codified Laws Section 1-40-27 provides:

"The secretary may reject an application for any permit filed pursuant to Titles 34A or 45, including any application by any concentrated swine feeding operation for authorization to operate under a general permit, upon making a specific finding that:

(1) The applicant is unsuited or unqualified to perform the obligations of a permit holder based upon a finding that the applicant, any officer, director, partner, or resident general manager of the facility for which application has been made:

- (a) Has intentionally misrepresented a material fact in applying for a permit;*
- (b) Has been convicted of a felony or other crime of moral turpitude;*
- (c) Has habitually and intentionally violated environmental laws of any state or the United States which have caused significant and material environmental damage;*
- (d) Has had any permit revoked under the environmental laws of any state or the United States;*
- (e) Has otherwise demonstrated through clear and convincing evidence of previous actions that the applicant lacks the necessary good character and competency to reliably carry out the obligations imposed by law upon the permit holder; or*

(2) The application substantially duplicates an application by the same applicant denied within the past five years which denial has not been reversed by a court of competent jurisdiction. Nothing in this subdivision may be construed to prohibit an applicant from submitting a new application for a permit previously denied, if the new application represents a good faith attempt by the applicant to correct the deficiencies that served as the basis for the denial in the original application.

All applications filed pursuant to Titles 34A and 45 shall include a certification, sworn to under oath and signed by the applicant, that he is not disqualified by reason of this section from obtaining a permit. In the absence of evidence to the contrary, that certification shall constitute a prima facie showing of the suitability and qualification of the applicant. If at any point in the application review recommendation, or hearing process, the secretary finds the applicant has intentionally made any material misrepresentation of fact in regard to this certification, consideration of the application may be suspended and the application may be rejected as provided for under this section.

Applications rejected pursuant to this section constitute final agency action upon that application and may be appealed to circuit court as provided for under chapter 1-26."

Pursuant to SDCL 1-40-27, I certify that I have read the forgoing provision of state law, and that I am not disqualified by reason of that provision from obtaining the permit for which application has been made.

I declare and affirm under the penalties of perjury that this claim (petition, application, information) has been examined by me, and to the best of my knowledge and belief, is in all things true and correct.

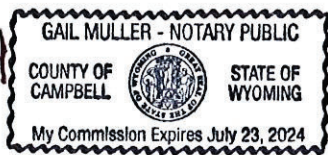
Dated this 1st day of June, 2023.

Applicant *[Signature]* - Region Manager & VP

Subscribed and sworn before me this 1st day of June, 2023.

[Signature]
Notary Public

My commission expires:
July 23, 2024
(SEAL)



**PLEASE ATTACH SHEET DISCLOSING ALL FACTS PERTAINING TO
SDCL 1-40-27 (1)(a) THROUGH (e).
ALL VIOLATIONS MUST BE DISCLOSED, BUT WILL NOT
AUTOMATICALLY RESULT IN THE REJECTION OF AN APPLICATION.**

Clarkson #8-27H Conversion to WIW Application:

Section 1.6 Affidavit of Delivery:

NA, no other Operators.

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Clarkson #8-27H Conversion to WIW Application:

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Section 2.1.2 Horizontal Wells ½ mile fixed radius map/plat

See attached: Clarkson 8-27H Half Mile Radius Map.pdf

Surface Ownership ½ mile Area of Review:

Sec 28 T21N-R03E:

Taylor Pamela Hansen
14240 Emporia Street
Brighton, CO 80602-5770

Sec 27 T21N-R03E:

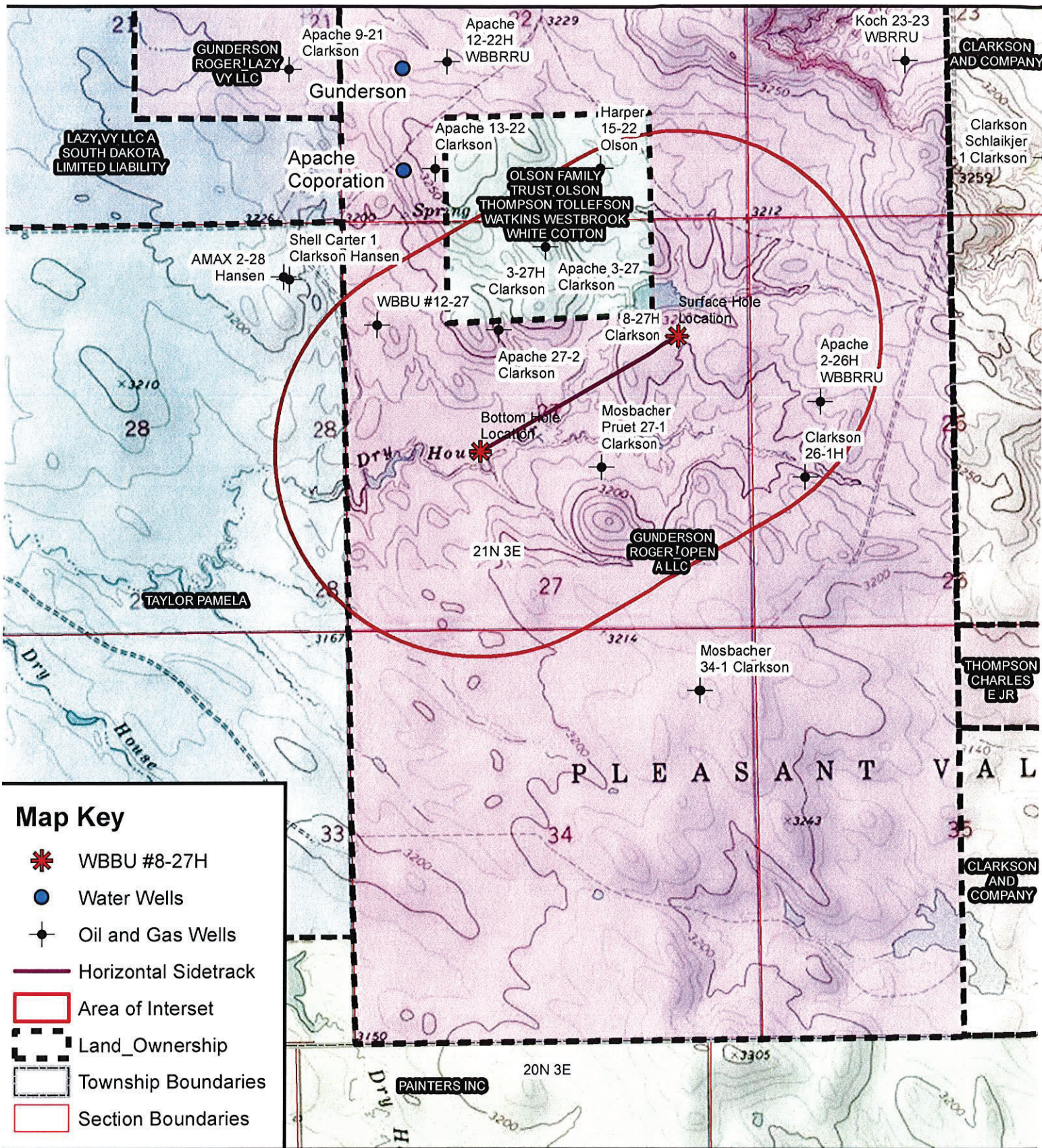
Open A LLC
C/o Roger Gunderson
11909 SD HWY 20
Buffalo, SD 57720-7539

Sec 27 T21N-R03E:









Olson RC
PO BOX 1087
Carlsborg, WA 98324-1087

Also attached:

- ✓ Mineral ownership for West Buffalo "B" Red River Unit



Map Key

-  WBBU #8-27H
-  Water Wells
-  Oil and Gas Wells
-  Horizontal Sidetrack
-  Area of Interest
-  Land_Ownership
-  Township Boundaries
-  Section Boundaries



112 High Street
Buffalo, Wyoming 82834
855.684.5891

www.absarokasolutions.com

CIT.SD.0727.01



**WBBU #8-27H UIC Application
Topographic Map**

Harding County, State of South Dakota



Coordinate System: WGS 1984 UTM Zone 13N



Scale: 1:20,000

Date: 1/18/2023