

DATE IN 9/13/12	SUSPENSE	ENGINEER W Jones	LOGGED IN 9/17/12	TYPE SWD	APP NO. 7KVR1226158401
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10/21/12

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



COG Operating LLC
Eata Fajita State #1

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
 [A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD
 Check One Only for [B] or [C]
 [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
 [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☒ SWD ☐ IPI ☐ EOR ☐ PPR
 [D] Other: Specify _____
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☐ Does Not Apply
 [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
 [B] ☒ Offset Operators, Leaseholders or Surface Owner
 [C] ☒ Application is One Which Requires Published Legal Notice
 [D] ☒ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] ☐ Waivers are Attached
- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

BRIAN COLLINS
Print or Type Name

Signature

SENIOR OPERATIONS ENGINEER
Title

Date

bcollins@concho.com
e-mail Address

6 Aug 12



RECEIVED OCD
2012 SEP 13 P 12:30

September 11, 2012

New Mexico Oil Conservation Division
Attn: William V. Jones
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: Application For Authorization To Inject
Eata Fajita 8 State SWD #1
Township 24 South, Range 33 East, N.M.P.M.
Section 8: 2310' FNL & 2310' FWL
Lea County, New Mexico

Dear Mr. Jones:

COG Operating LLC respectfully requests administrative approval for authorization to inject for the Eata Fajita 8 State SWD #1 well as referenced above. Attached, for your review, is a copy of the C-108 application. Once we receive the newspaper publication and all certified return receipts, I will send you a copy.

Please do not hesitate to contact me at (575) 748-6940 should you have any questions.

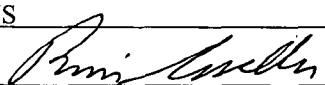
Sincerely,

A handwritten signature in black ink, appearing to read "Brian Collins".

Brian Collins
Senior Operations Engineer

BC/sw
Enclosures

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: Secondary Recovery Pressure Maintenance X Disposal Storage
Application qualifies for administrative approval? X Yes No
- II. OPERATOR: COG OPERATING LLC
ADDRESS: 2208 W. Main Street, ARTESIA, NM 88210
CONTACT PARTY: BRIAN COLLINS PHONE: 575-748-6940
- III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.
Additional sheets may be attached if necessary.
- IV. Is this an expansion of an existing project? Yes X No
If yes, give the Division order number authorizing the project: _____
- V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
- VII. Attach data on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
 2. Whether the system is open or closed;
 3. Proposed average and maximum injection pressure;
 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
 5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- *VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
- IX. Describe the proposed stimulation program, if any.
- *X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).
- *XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.
- XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.
- NAME: BRIAN COLLINS TITLE: Senior Operations Engineer
SIGNATURE:  DATE: 8/3/2012
E-MAIL ADDRESS: bcollins@concho.com
- * If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

C-108 Application for Authorization to Inject
EATA FAJITA 8 STATE SWD #1
Unit F, Sec 8 T24S R33E
Lea County, NM

COG Operating, LLC, proposes to drill the captioned well to 7500' for salt water disposal service into the Delaware Sand from 5400' to 7500'. An APD will be submitted upon approval of this C-108.

- V. Map is attached.
- VI. Two wells within the ½ mile radius area of review penetrate the proposed injection zone. The Eata Fajita State #3H hasn't been drilled yet but it is on our drilling schedule.
- VII.
 - 1. Proposed average daily injection rate = 7000 BWPD
Proposed maximum daily injection rate = 10000 BWPD
 - 2. Closed system
 - 3. Proposed maximum injection pressure = 1080 psi
(0.2 psi/ft. x 5400' ft.)
 - 4. Source of injected water will be Delaware Sand and Bone Spring Sand produced water. No compatibility problems are expected. Analyses of Delaware and Bone Spring waters from analogous source wells are attached.
- VIII. The injection zone is the Delaware Sandstone, a fine-grained sandstone from 5400' to 7500'. Any underground water sources will be shallower than 415'.
- IX. The Delaware sand injection interval might be acidized with approximately 20 gal/ft of 7 ½ % HCl acid. If necessary, the injection interval may be fraced with up to 300,000 lbs. of sand.
- X. Well logs, if run, will be filed with the Division. A section of the neutron-density porosity log from an analogous well 3200' to the northwest showing the injection interval is attached.
- XI. There are no fresh water wells within a mile of the proposed SWD well.
- XII. After examining the available geologic and engineering data, no evidence was found of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Proof of Notice is attached.

III.

WELL DATA

INJECTION WELL DATA SHEET

OPERATOR: COG Operating, LLCWELL NAME & NUMBER: Eata Fajita 8 State SWD 1WELL LOCATION: 2310' FNL 2310' FNL F 8 24s 33e
FOOTAGE LOCATION UNIT LETTER SECTION TOWNSHIP RANGEWELLBORE SCHEMATIC

See Attached Schematic

WELL CONSTRUCTION DATASurface CasingHole Size: 17 1/2" Casing Size: 13 3/8" @ ±1250'Cemented with: - sx. or 1750 ft³Top of Cement: Surface Method Determined: DesignIntermediate Casing

Hole Size: _____ Casing Size: _____

Cemented with: _____ sx. or _____ ft³

Top of Cement: _____ Method Determined: _____

Production CasingHole Size: 12 1/4" Casing Size: 9 5/8" @ ±5400'Cemented with: - sx. or 3400 ft³Top of Cement: Surface Method Determined: DesignTotal Depth: 7500'Injection Interval5400' ± feet to 7500'(Perforated or Open Hole indicate which)

INJECTION WELL DATA SHEET

Tubing Size: 3 1/2" or 4 1/2" Lining Material: IPC / Duoline 20

Type of Packer: Nickel plated double grip retrievable

Packer Setting Depth: $\pm 5350'$

Other Type of Tubing/Casing Seal (if applicable): N/A

Additional Data

1. Is this a new well drilled for injection? ☒ Yes ☐ No

If no, for what purpose was the well originally drilled? _____

2. Name of the Injection Formation: Delaware Sand

3. Name of Field or Pool (if applicable): Triple X, Johnson Ranch

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. *NO*

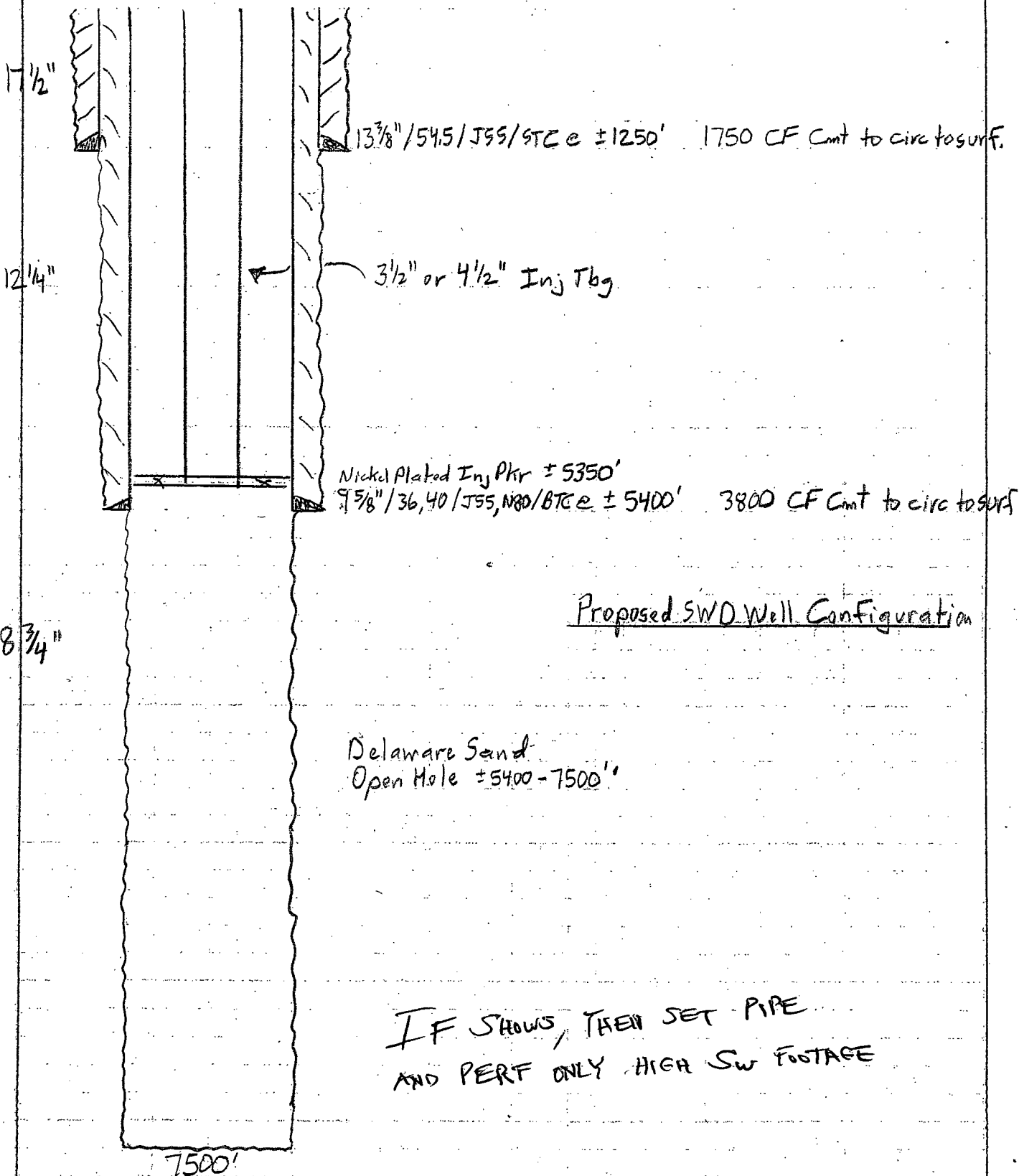
5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:

Overlying: Bell Canyon (Delaware) $\pm 4950 - \pm 5000'$ Sec 12-24s-32e. Not productive Sec. 8
24s-33e

Underlying: Bone Spring $\pm 9200'$ - $\pm 11000'$, Wolfcamp $\pm 13200'$,
Strawn $\pm 14200'$, Atoka $\pm 14400'$, Morrow $\pm 15600'$

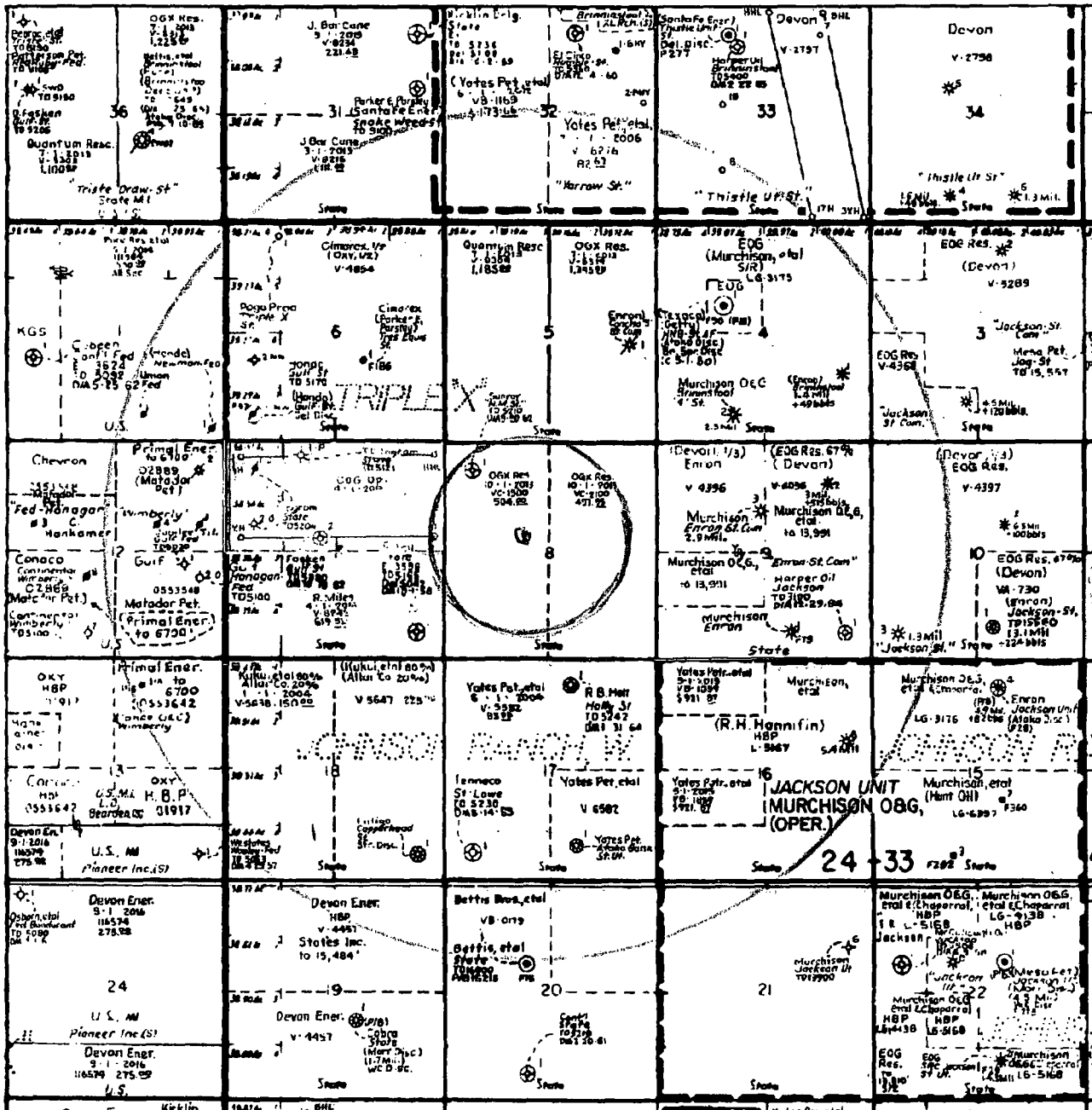
30-025-

Eata Fajita 8 State SWD 1
2310' FNL, 2310' FWL
Unit F, Sec. 8-245-33e
Lea, NM



V.

MAP



COG Operating, LLC
 Eata Fajita 8 State SWD #1
 Unit F, Sec 8 T24S R33E
 Lea County, NM

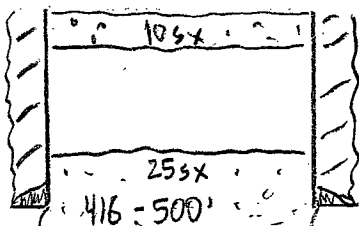
VI.

**Wells Penetrating
Proposed Disposal
Interval Within Half
Mile Area of Review**

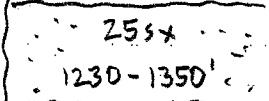
30-025-08370

New Mexico State AG-1
660' FNL, 660' FWL
D-8-245-33e
Lea, NM

12 1/4"



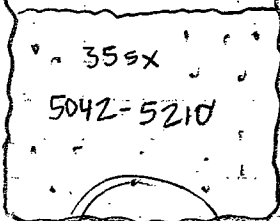
8 5/8" / 24 / / e 453' 3005x "C" (circ 35x)



TDS 1360'

7 7/8"

Within 1/2 mile Area of Review



BOS 4850'

Lamar Lm 5100'

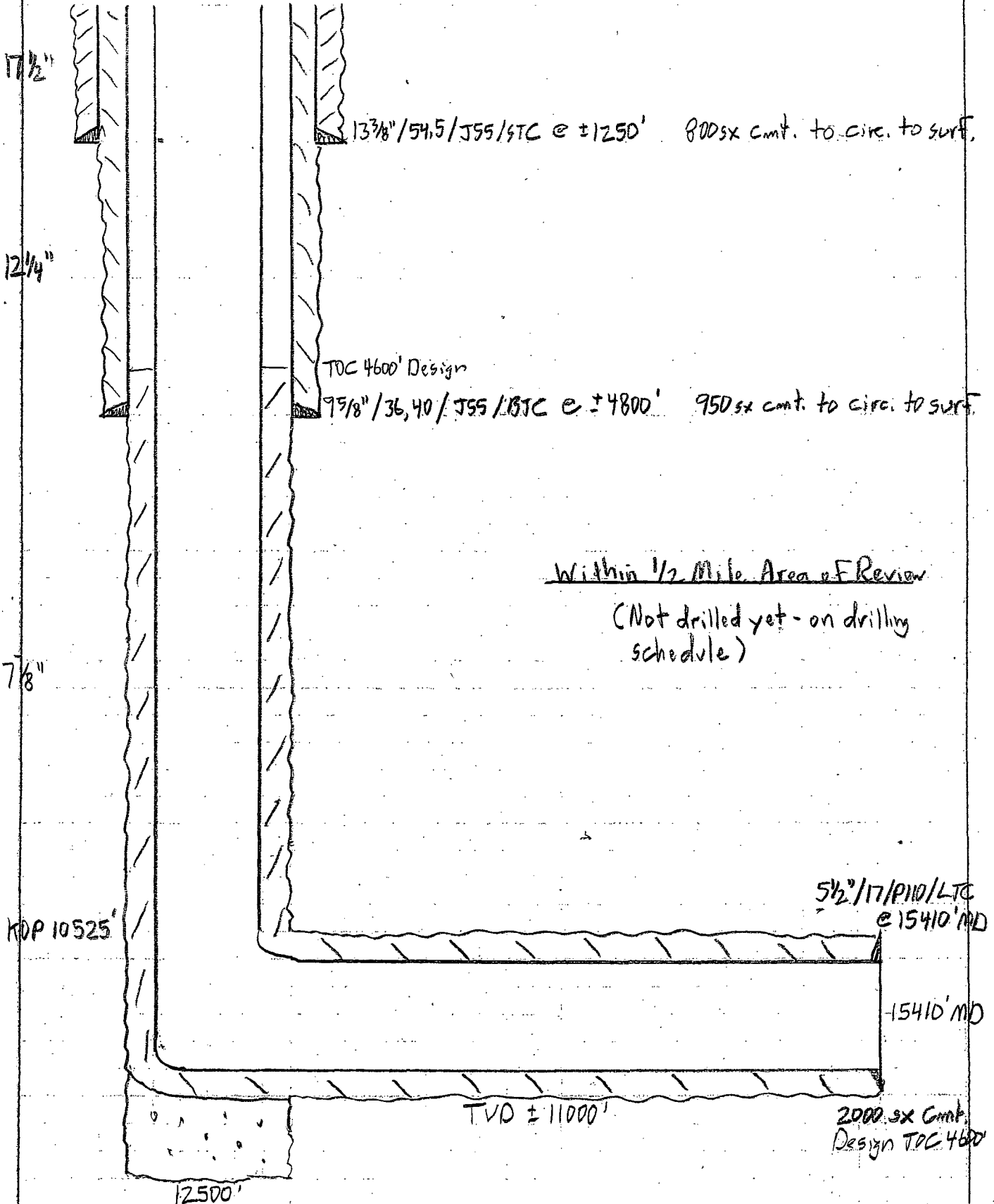
Del sd 5128'

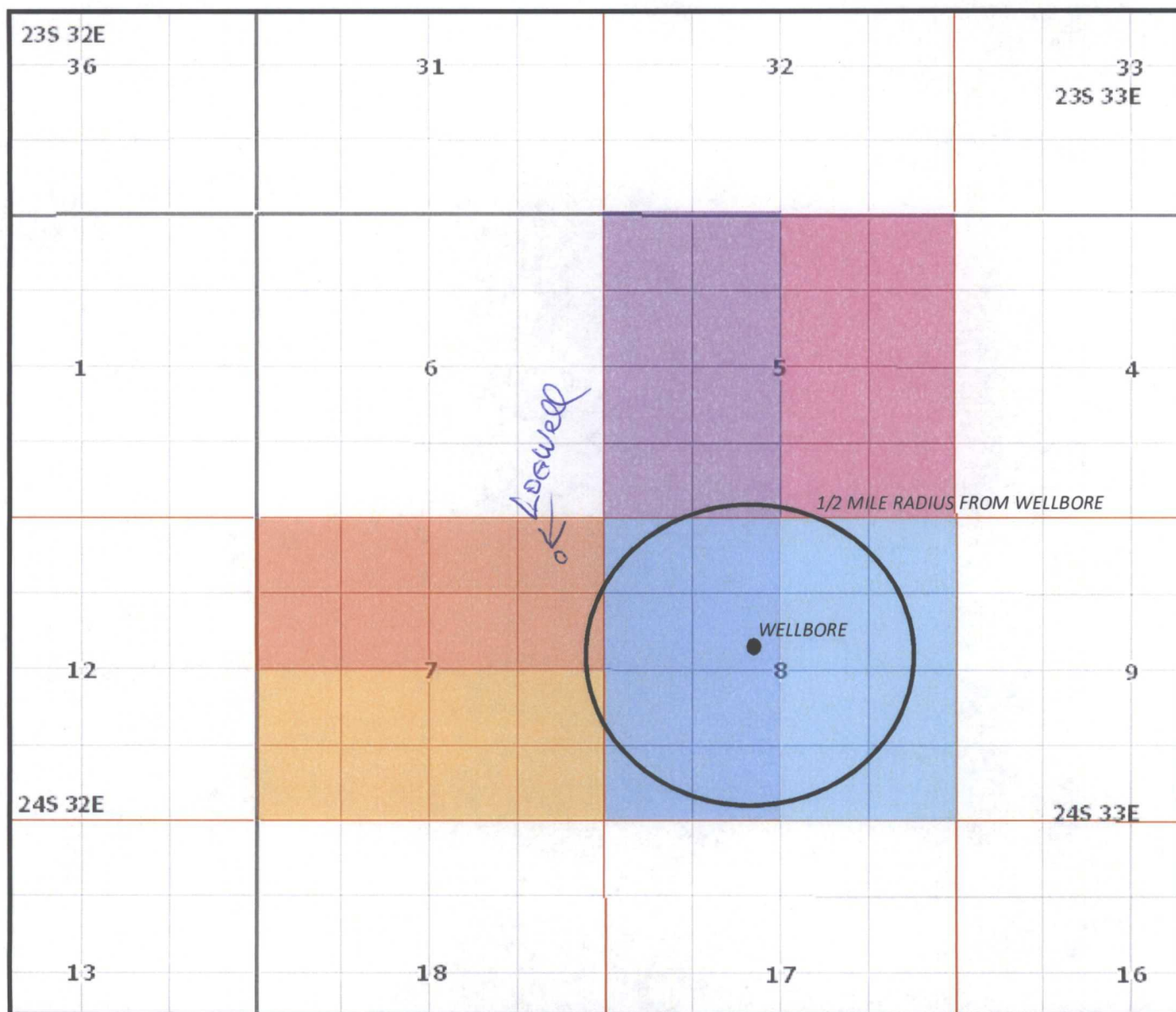
5210'

Shallow

30-025-40571

Eata Fajita State 3H
1870' FSL, 330' FWL
L-8-24s-33e
Lea, NM





- Cimarex Energy Co.
- COG Production LLC
- COG Production LLC
- COG Production LLC
- COG Operating LLC
- COG Production LLC

Eata Fajita 8 State SWD No. 1
2310' FNL & 2310' FWL
Sec. 8; T24s - R33e
Lea County, New Mexico

VII.

Water Analysis Produced and Receiving Formation Water

Bone Spring Produced Water Sample

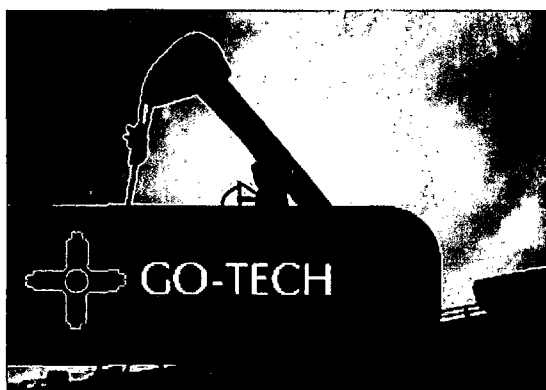
ANALYTICAL LABORATORY Report for:	
MARBOR ENERGY CORPORATION	
Account Representative: Polk, Bill	Polk, Bill

Production Water Analysis

Listed below please find water analysis report from: LPC 31 FED, 1

Lab Test No: 2006151411
 Sample Date: 12/13/2006
 Specific Gravity: 1.135
 TDS: 206425
 pH: 6.49

Cations:		mg/L	as
Calcium	(Ca ⁺⁺)	11067	
Magnesium	(Mg ⁺⁺)	1751	
Sodium	(Na ⁺)	64721	
Iron	(Fe ⁺⁺)	58.20	
Potassium	(K ⁺)	1164.0	
Barium	(Ba ⁺⁺)	0.83	
Strontium	(Sr ⁺⁺)	407.00	
Manganese	(Mn ⁺⁺)	1.35	
Anions:		mg/L	as
Bicarbonate	(HCO ₃ ⁻)	220	
Sulfate	(SO ₄ ⁻²)	1400	
Chloride	(Cl ⁻)	126800	
Gases:			
Carbon Dioxide	(CO ₂)	170	
Hydrogen Sulfide	(H ₂ S)	17	



- ~ Home
- ~ Production Data ▶
- ~ Well Data ▶
- ~ NM Pricesheet
- ~ Water Data ▶
- ~ Projects ▶
- ~ Software ▶
- ~ Archive ▶
- ~ Other Links ▶
- ~ Help ▶

North American Oil and Gas News

IEA claims global warming may lead to 'Miami Beach in Boston' situation unless urgent action is taken

Enbridge reports second quarter adjusted earnings of \$277 million

Imperial Resources; SWDF full disposal test to commence

Drako Capital announces update on Stolberg well

Source: Oil Voice

NYMEX LS Crude 88.73

Navajo WTXI 0

Henry Hub 3.01

Updated : 8/1/2012

State Land Office Data Access

OCD well/log image files

PRRC NM-TECH NM-BGMR

*Delaware Sample
Representative of
Produced and Receiving
Formations*

☐ NM WAIDS

☐ Data

- Produced Water
- Ground Water
- Conversion Tools

☐ Scale

- Scale details
- Stiff
- Oddo
- Probable Mineral Composition mix

☐ Corrosion

☐ Theory

- Uniform
- Galvanic
- Crevice
- Hydrogen Damage
- EIC
- Erosion

☐ Equipment

General Information About: Sample 4412			
HANAGAN B FEDERAL			
API	3002508151	Sample Number	
Unit/Section/Township/Range	O / 15 / 24S / 32E	Field	DOUBLE X
County	Lea	Formation	DEL
State	NM	Depth	
Lat/Long	32.21178 , -103.66422	Sample Source	UNKNOWN
TDS (mg/L)	229709	Water Type	
Sample Date (MM/DD/YYYY)		Analysis Date (MM/DD/YYYY)	
Remarks/Description			
Cation Information (mg/L)		Anion Information (mg/L)	
Potassium (K)		Sulfate (SO)	491
Sodium (Na)		Chloride (Cl)	142100

- Artificial
- Casing and Tubing
- Surface
- Enhanced
- ☒ Gases
 - O2
 - CO2
 - H2S
- Microbes
- Prevention
- References
- ☒ Maps
 - ☒ Trend Maps
 - GW
 - PW
 - Geology
 - PLSS
 - Help
 - Online Map

Calcium (Ca)		Carbonate (CO ₃)	
Magnesium (Mg)		Bicarbonate (HCO ₃)	168
Barium (Ba)		Hydroxide (OH)	
Manganese (Mn)		Hydrogen Sulfide (H ₂ S)	
Strontium (Sr)		Carbon Dioxide (CO ₂)	
Iron (Fe)		Oxygen (O)	

PETROLEUM RECOVERY RESEARCH CENTER, SOCORRO, NM-87801

X.

**Log Across Proposed
Delaware Sand
Injection Interval**

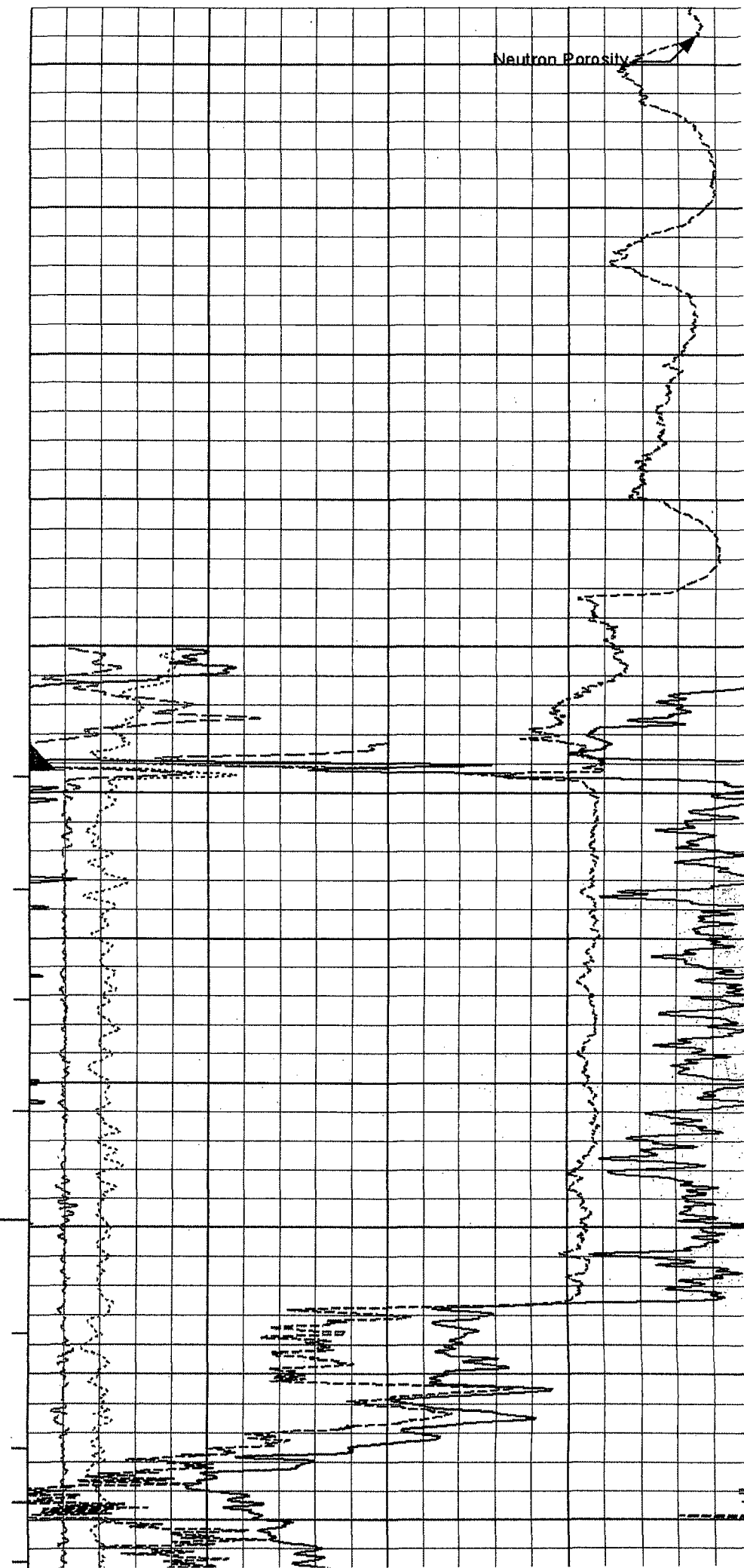
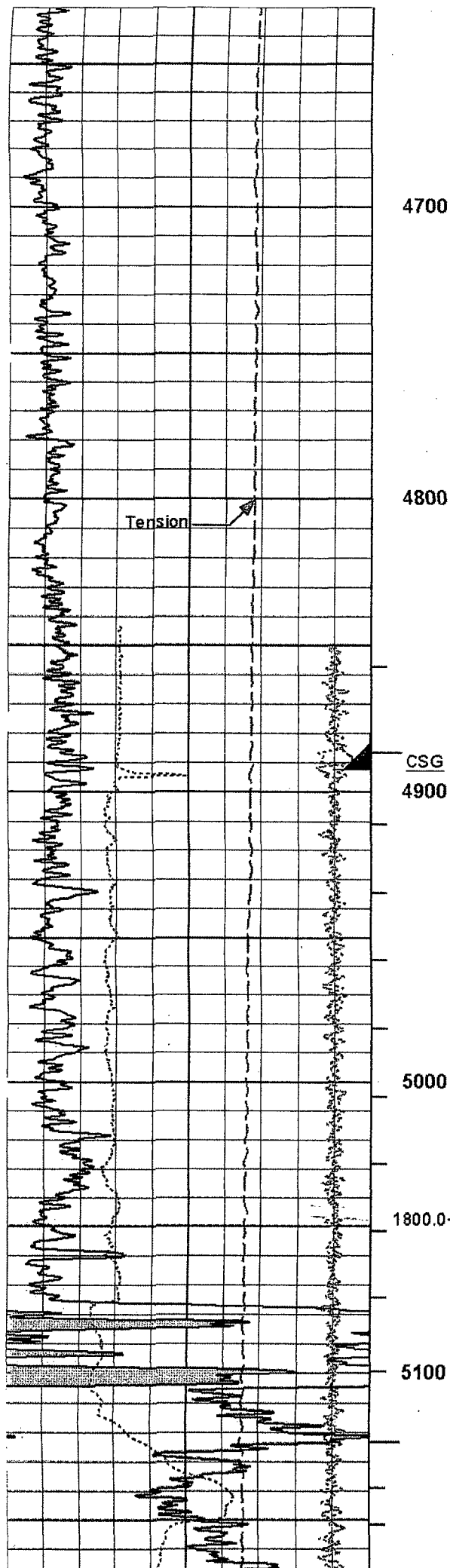
HALLIBURTON

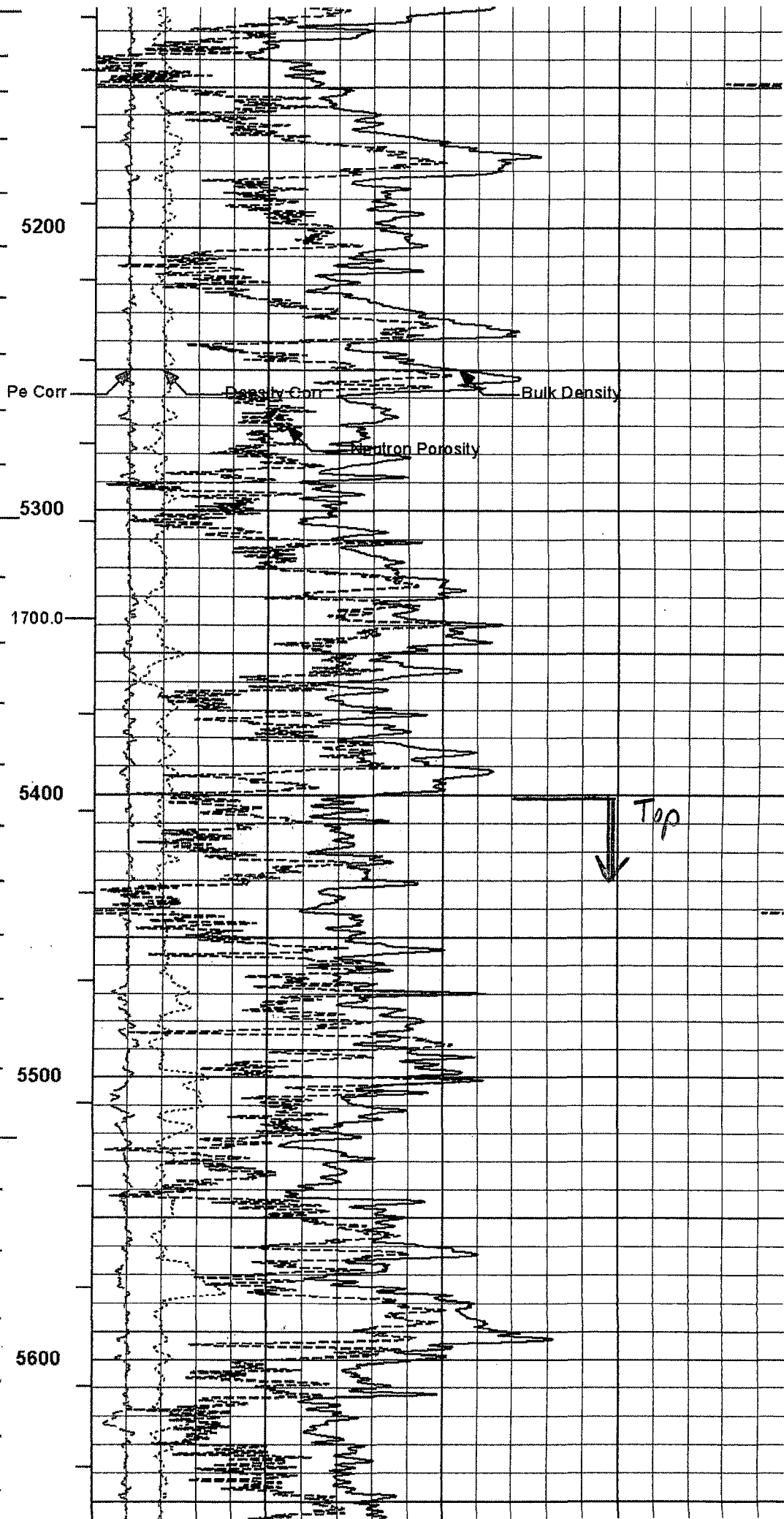
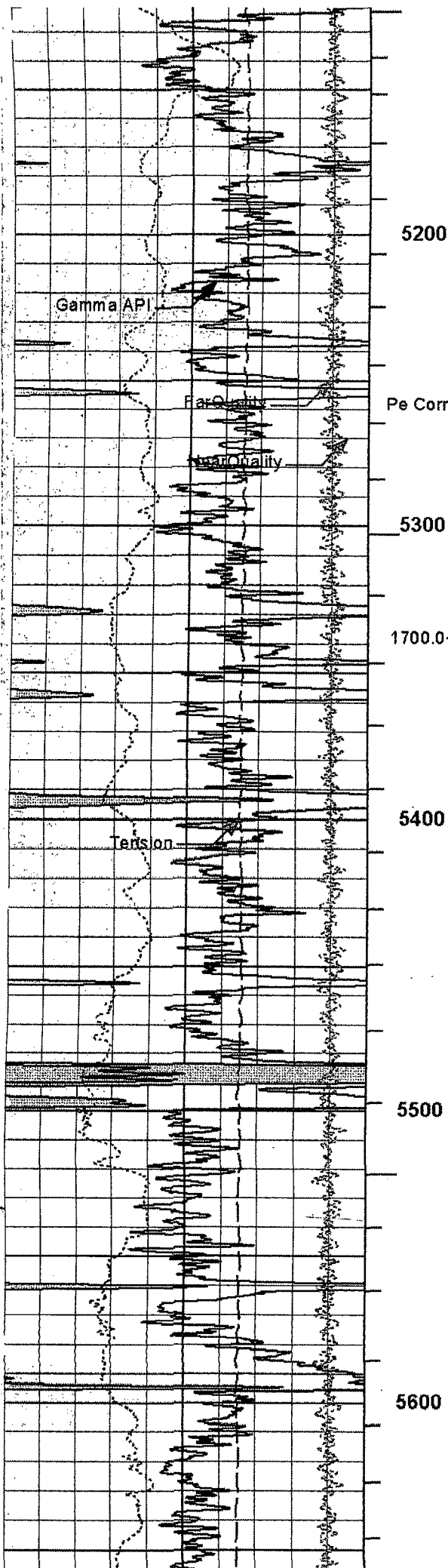
DUAL SPACED NEUTRON
SPECTRAL DENSITY
COMP. SPECTRAL
GAMMA RAY

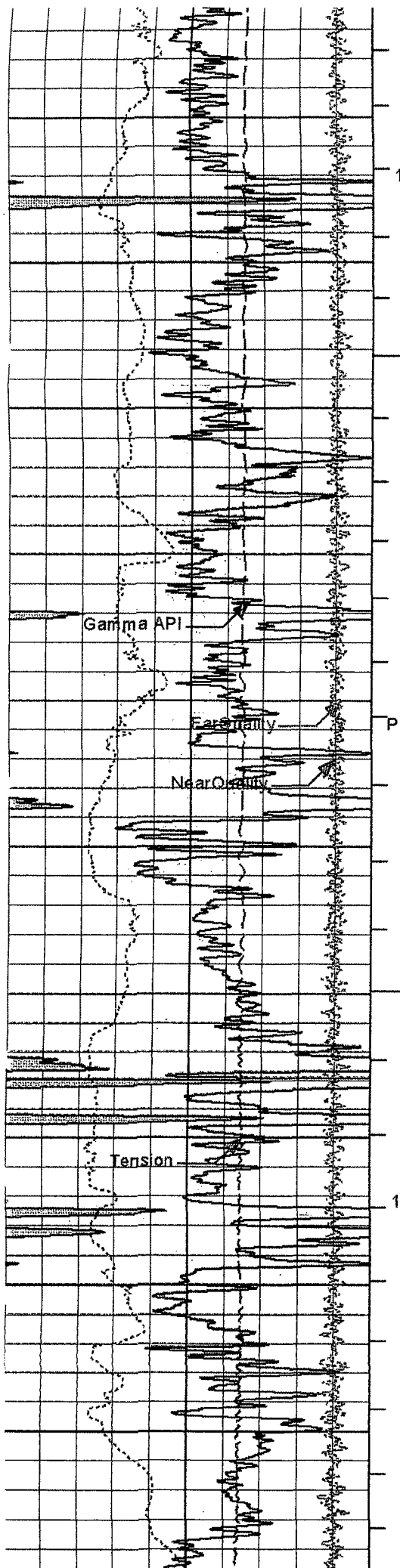
COMPANY		COG OPERATING, LLC	
WELL		MACHO NACHO STATE No. 1H	
FIELD		TRIPLE X; BONE SPRING, WEST	
COUNTY		LEA	
STATE		NEW MEXICO	
API No.		30-025-39882	
Location		380' FNL AND 330' FEL	
Other Services:		DLT/MGRD	
Sect.	7	Twp.	24S
Rge.	33E		
Permanent Datum	GL	Elev.	3627.0 ft
g measured from	KB	21.0 ft above perm. Datum	Elev.: K.B. 3648.0 ft
lling measured from	KB		D.F. 3647.0 ft
			G.L. 3627.0 ft
te	21-May-12		
n No.	ONE		
pth - Driller	12500.00 ft		
pth - Logger	12504.0 ft		
tom - Logged Interval	12454 ft		
o - Logged Interval	190 ft		
ing - Driller	9.625 in	@ 4900.0 ft	@
ing - Logger	4893.0 ft		
Size	7.875 in	@	@
be Fluid in Hole	BRINE		
nsity	Viscosity	10.0 ppg	28.00 s/qt
	Fluid Loss	7.00 pH	
urce of Sample	FLOWLINE		
@ Meas. Temperature	0.070 ohmm	@ 75.00 degF	@
if @ Meas. Temperature	0.05 ohmm	@ 75.00 degF	@
ic @ Meas. Temperature	0.086 ohmm	@ 75.00 degF	@
urce Rmf	Rmc	MEAS	MEAS
@ BHT	0.03 ohmm	@ 165.0 degF	@
ie Since Circulation	12.0 hr		
ie on Bottom	21-May-12 18:23		
x. Rec. Temperature	165.0 degF	@ 12504.0 ft	@
ipment	Location	798	HQBBS, NM
orded By	ALEXANDER PRICE		
nessed By	ANDREW MCCARTHY		

Fold here

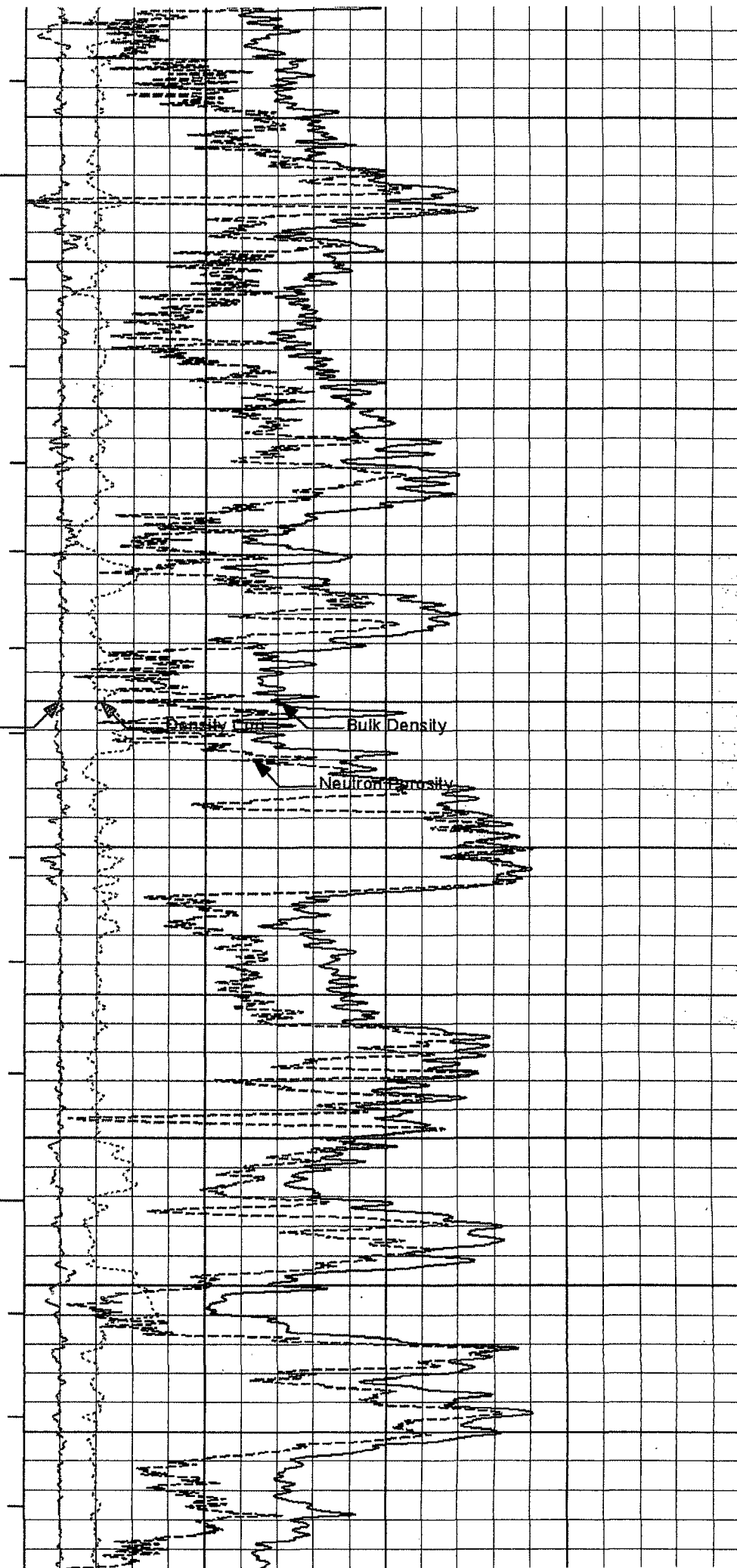
Service Ticket No.: 9518647		API Serial No.: 30-025-39882		PGM Version: WL INSITE R3.4.0 (Build 4)			
CHANGE IN MUD TYPE OR ADDITIONAL SAMPLE				RESISTIVITY SCALE CHANGES			
Date	Sample No.	Depth	Type Log	Scale Up Hole	Scale Down Hole		
Depth-Driller							
Type Fluid in Hole:							
Density	Viscosity						
pph	Fluid Loss						
Source of Sample							
Rm @ Meas. Temp	@						
Rmc @ Meas. Temp	@						
Rmc @ Meas. Temp	@						
Source Rmf	Rmc						
Rmf @ BHT	@						
Rmc @ BHT	@						
Rmc @ BHT	@						
EQUIPMENT DATA				RESISTIVITY EQUIPMENT DATA			
GAMMA		ACOUSTIC		DENSITY		NEUTRON	
Run No.	ONE	Run No.	ONE	Run No.	ONE	Run No.	ONE
Serial No.	10931261GR	Serial No.	10965409RD-BK	Serial No.	10965409RD-BK	Serial No.	10965409RD-BK
Model No.	GTET	Model No.	SDLT-I	Model No.	SDLT-I	Model No.	DSNT-I
Diameter	3.0625 in	Diameter	4.5 in	Diameter	4.5 in	Diameter	3.625 in
Detector Model No.	T-102A	Log Type	GAM-GAM	Log Type	GAM-GAM	Log Type	NEU-NEU
Type	SCINT	Source Type	Cs - 137	Source Type	Cs - 137	Source Type	Am241Be
Length	8 in	Serial No.	5115GW	Serial No.	5115GW	Serial No.	DSN - 314
Distance to Source	23 ft	Strength	1.5 CI	Strength	1.5 CI	Strength	15 CI
LOGGING DATA							

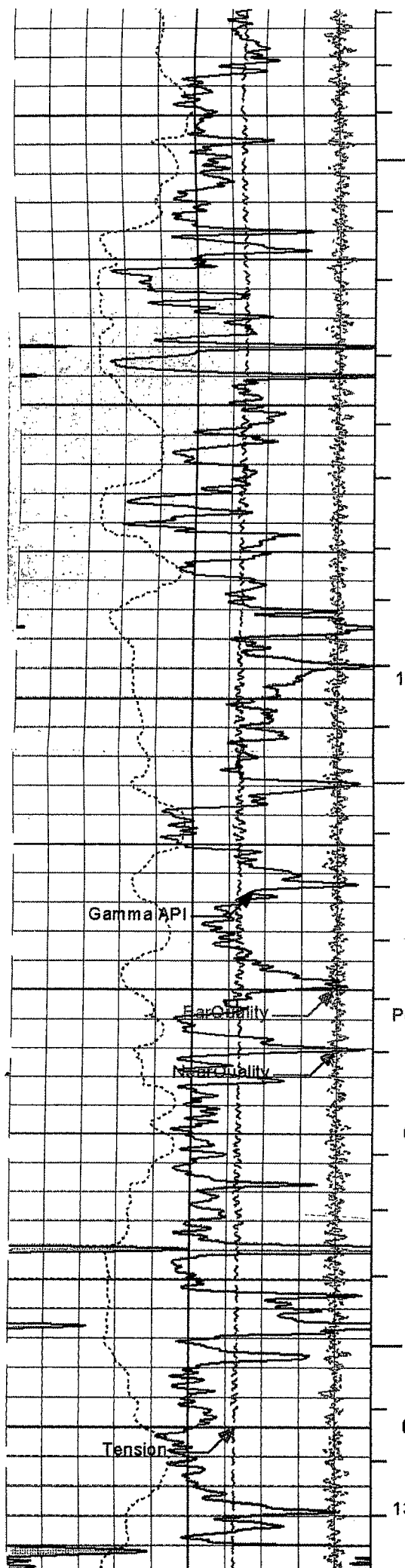






1600.0
5700
5800
5900
6000
6100





6200

6300

1400.0

6400

Gamma API

Porosity

Neutron Porosity

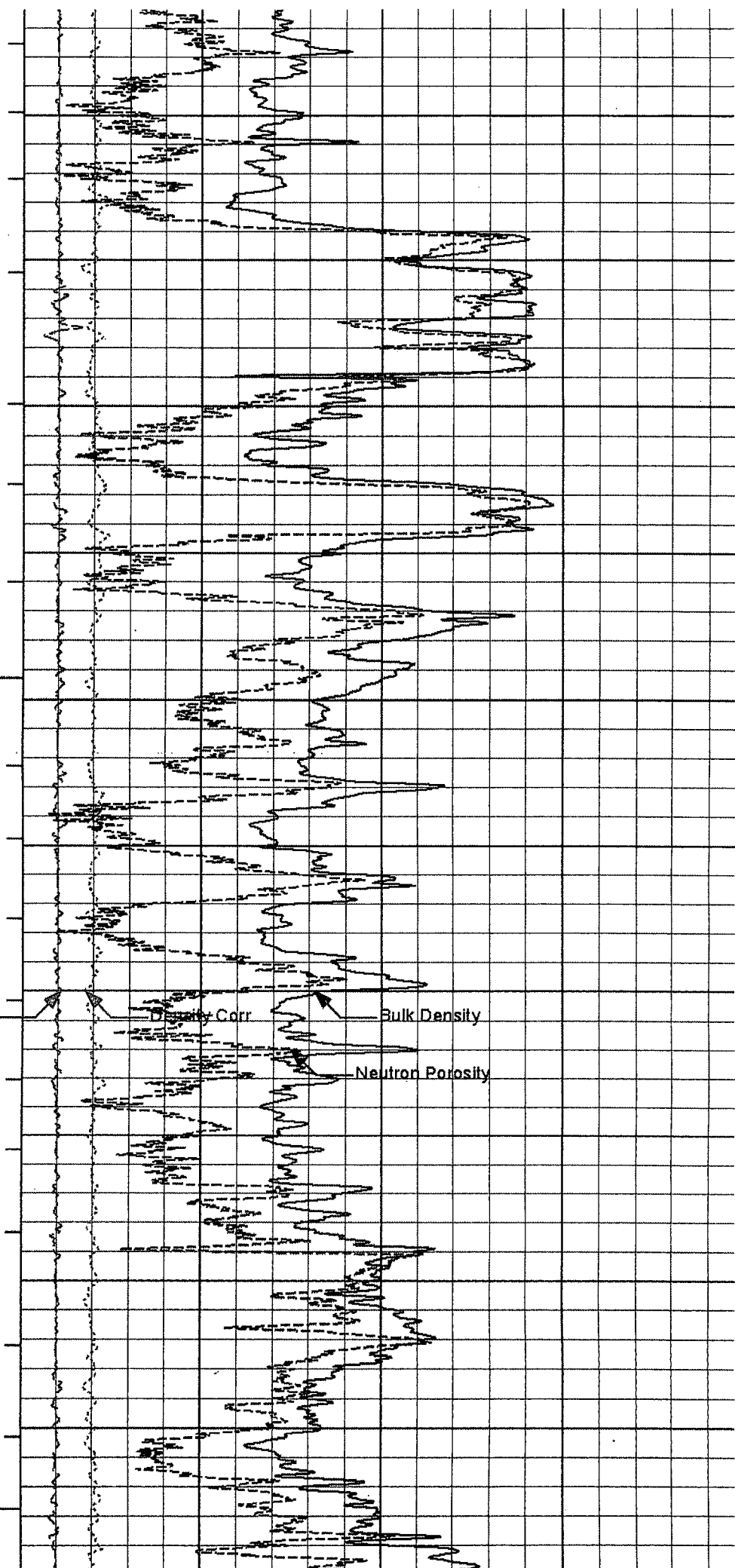
Pe Corr

6500

6600

Tension

1300.0



Density Corr

Bulk Density

Neutron Porosity

Tension

6600

1300.0

6700

6800

6900

7000

1200.0

Gamma API

Far Quality

Near Quality

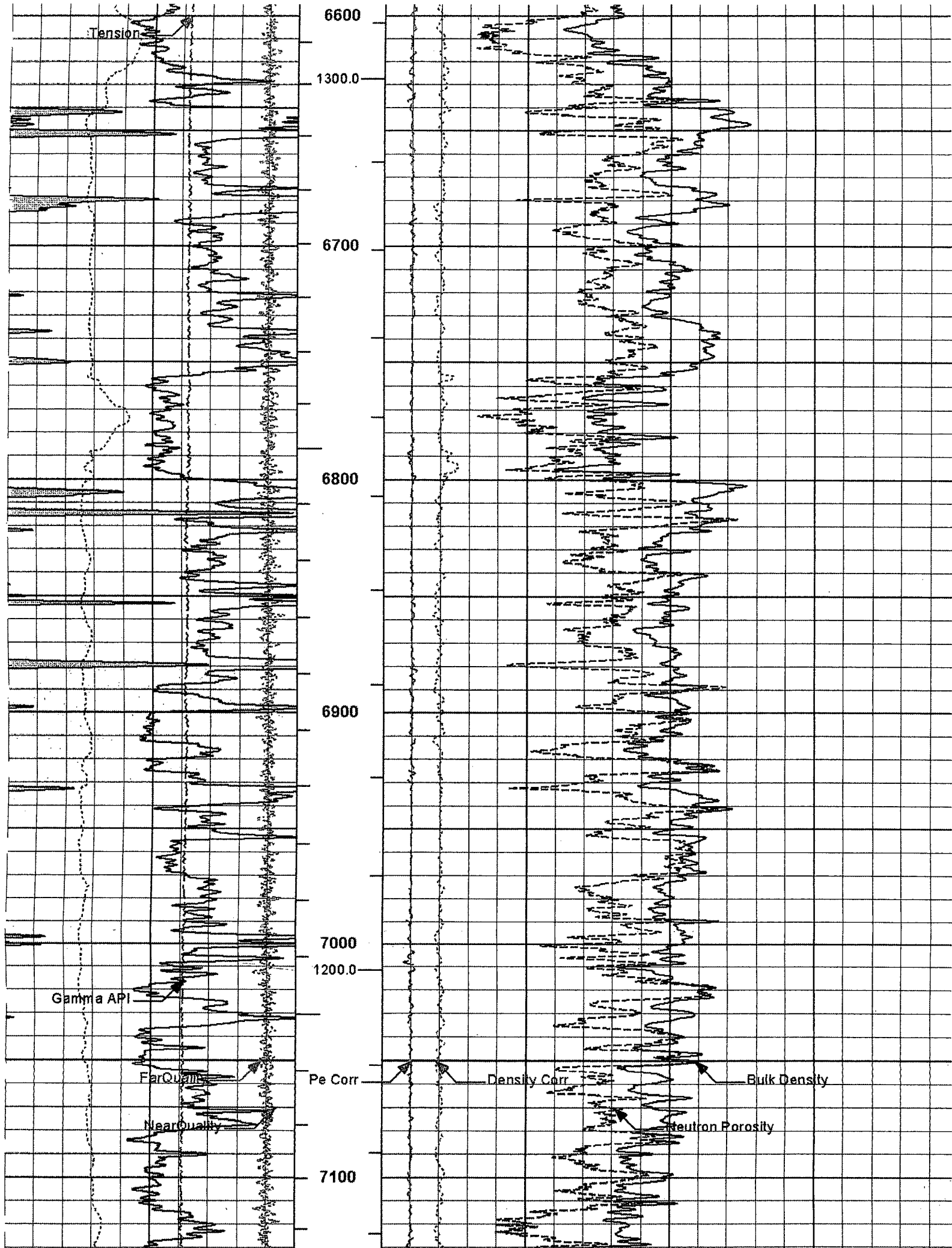
Pe Corr

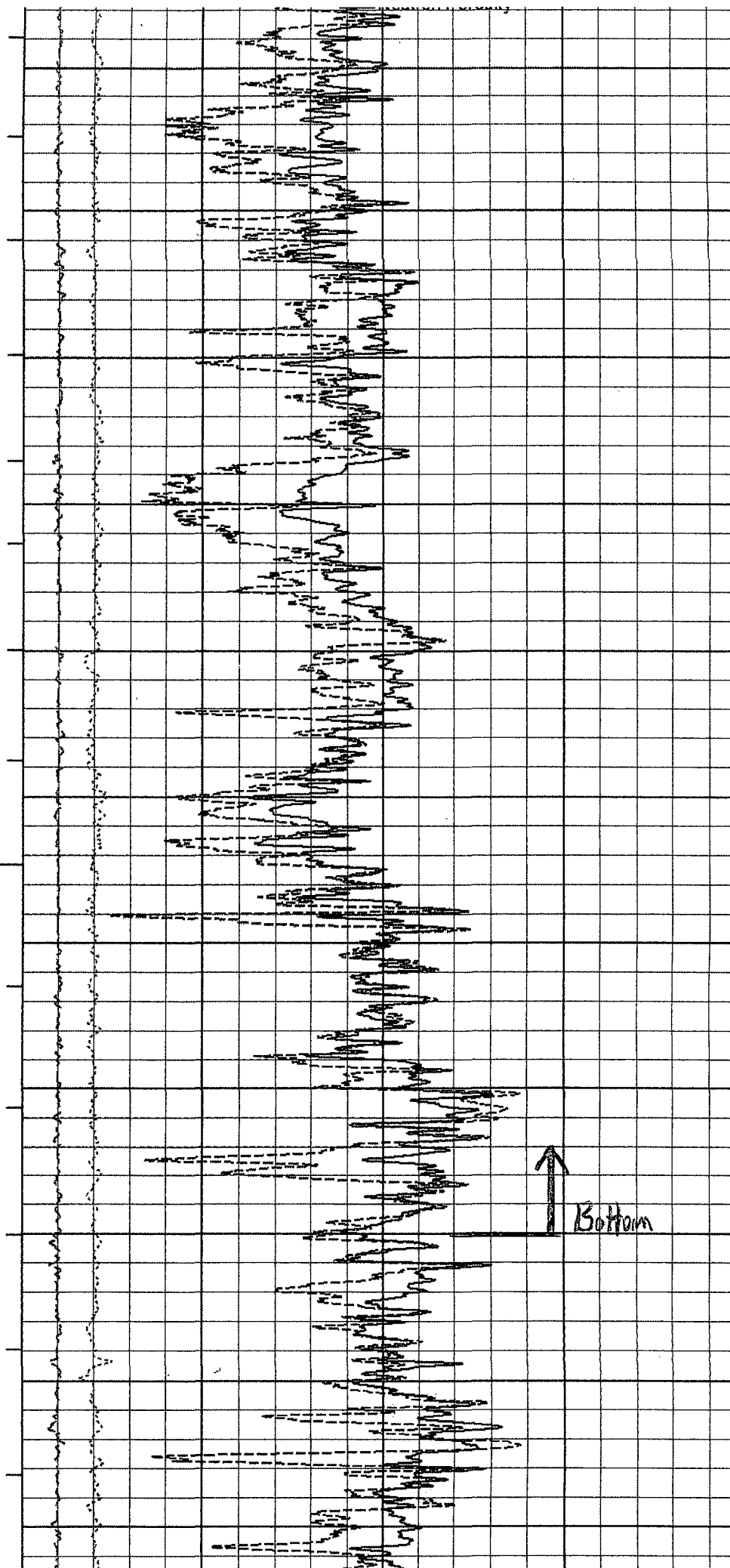
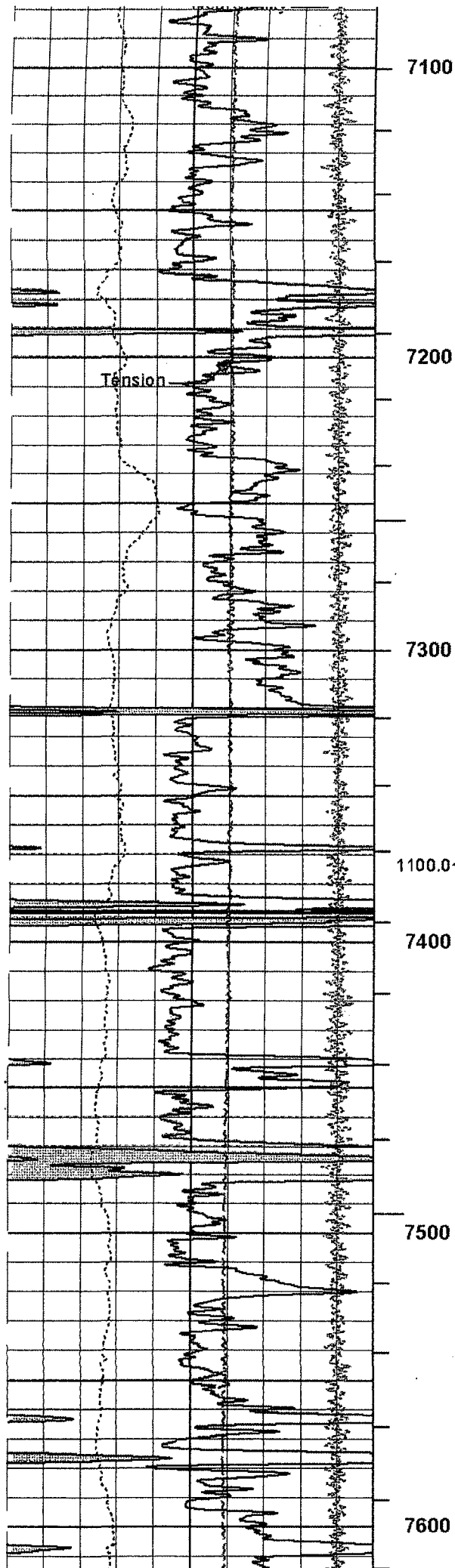
Density Corr

Bulk Density

Neutron Porosity

7100





XI.

**Fresh Water Sample
Analyses**



New Mexico Office of the State Engineer

Active & Inactive Points of Diversion

(with Ownership Information)

(acre ft per annum)					(R=POD has been replaced and no longer serves this file, C=the file is closed)		(quarters are 1=NW 2=NE 3=SW 4=SE)		(quarters are smallest to largest) (NAD83 UTM in meters)	
WR File Nbr	Sub basin	Use	Diversion	Owner	County	POD Number	Code	Grant	Source	q q q
C 02430		COM	64	MARK T. AND ANNETTE E. MCCLOY	LE	C 02430			Shallow	6416 4 3 3 3 16 24S 33E 633377 3564732*
C 02431		COM	15	MARK T. AND ANNETTE E. MCCLOY	LE	C 02431			Shallow	4 4 4 17 24S 33E 633175 3564728*
C 02432		COM	128	MARK T. AND ANNETTE E. MCCLOY	LE	C 02432			Shallow	4 4 4 17 24S 33E 633175 3564728*

Record Count: 3

PLSS Search:

Section(s): 4, 5, 6, 7, 8, 9, 16, 17, 18 Township: 24S Range: 33E

Sorted by: File Number

Outside 1 Mile
Radius Area of Review

*UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

8/2/12 8:45 AM

Page 1 of 1

ACTIVE & INACTIVE POINTS OF DIVERSION



New Mexico Office of the State Engineer

Water Column/Average Depth to Water

(A CLW##### in the
POD suffix indicates the
POD has been replaced
& no longer serves a
water right file.)

(R=POD has
been replaced,
O=orphaned,
C=the file is

closed) (quarters are 1=NW 2=NE 3=SW 4=SE)

(quarters are smallest to largest) (NAD83 UTM in meters)

(In feet)

POD Number	POD Code	Subbasin	County	Q 64	Q 16	Q 4	Sec	Tws	Rng	X	Y	Depth Well	Depth Water	Water Column
<u>C 02430</u>			LE	3	3	3	16	24S	33E	633377	3564732*	643	415	228
<u>C 02431</u>			LE	4	4	4	17	24S	33E	633175	3564728*	525	415	110
<u>C 02432</u>			LE	4	4	4	17	24S	33E	633175	3564728*	640	415	225

Average Depth to Water: **415 feet**

Minimum Depth: **415 feet**

Maximum Depth: **415 feet**

Record Count: 3

PLSS Search:

Section(s): 4, 5, 6, 7, 8, 9,
16, 17, 18

Township: 24S

Range: 33E

*UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.



September 11, 2012

Hobbs News-Sun
P.O. Box 850
Hobbs, NM 88240

**Re: Legal Notice
Salt Water Disposal Well
Eata Fajita 8 State SWD #1**

To Whom It May Concern:

Enclosed is a legal notice regarding New Mexico Oil Conservation Division C-108 Application for Authorization to Inject for a salt water disposal well.

Please run this notice and return the proof of notice to the undersigned at:

COG Operating LLC, 2208 W. Main St., Artesia, NM 88210

Sincerely,

A handwritten signature in black ink, appearing to read "Brian Collins".

Brian Collins
Senior Operations Engineer

BC/sw
Enclosures

HOBBS NEWS-SUN
LEGAL NOTICES

COG Operating LLC, 2208 W. Main Street, Artesia, NM 88210 has filed Form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for a salt water disposal well. The proposed well, the Eata Fajita 8 State SWD No. 1 is located 2310' FNL & 2310' FWL, Section 8, Township 24 South, Range 33 East, Lea County, New Mexico. Disposal water will be sourced from area wells producing from the Delaware and Bone Spring formations. The disposal water will be injected into the Delaware formation at a depth of 5400' to 7500' at a maximum surface pressure of 1080 psi and a maximum rate of 10,000 BWPD. The proposed SWD well is located approximately 20 miles west of Jal. Any interested party who has an objection to this must give notice in writing to the Oil Conservation Division, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505, within fifteen (15) days of this notice. Any interested party with questions or comments may contact Brian Collins at COG Operating LLC, 2208 W. Main Street, Artesia, NM 88210, or call 575-748-6940.

Published in the Hobbs News-Sun, Hobbs, New Mexico
_____, 2012.



September 11, 2012

New Mexico State Land Office
P.O. Box 1148
Santa Fe, NM 87504-1148

Re: Application to Inject
Eata Fajita 8 State SWD #1
Township 24 South, Range 33 East, N.M.P.M.
Section 8: 2310' FNL & 2310' FWL
Lea County, New Mexico

To Whom It May Concern:

Enclosed for your review is a copy of COG Operating LLC's C-108 Application to Inject for the above referenced well. We plan to drill this well for SWD service if our C-108 is approved. As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as an operator or surface owner. Any objections must be submitted in writing to NMOCD, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within fifteen (15) days of receipt of this letter.

Please do not hesitate to contact us at 575-748-6940 should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian Collins", written over a horizontal line.

Brian Collins
Senior Operations Engineer

BC/sw
Enclosures



September 11, 2012

Cimarex Energy Company
600 N. Marienfeld, Ste. 600
Midland, TX 79701

Re: Application to Inject
Eata Fajita 8 State SWD #1
Township 24 South, Range 33 East, N.M.P.M.
Section 8: 2310' FNL & 2310' FWL
Lea County, New Mexico

To Whom It May Concern:

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Please do not hesitate to contact us at 575-748-6940 should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian Collins".

Brian Collins
Senior Operations Engineer

BC/sw
Enclosures

Eata Fajita 8 State SWD #1
Sec. 8, T24S - R33E
2310' FNL & 2310' FWL

7011 1570 0003 6389 6711

U.S. Postal Service™	
CERTIFIED MAIL™ RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
Postmark Here	
Sent To Cimarex Energy Company 600 N. Marienfeld, Ste. 600 Midland, TX 79701 City, State, Zip Eata Fajita 8 St. SWD #1/Notification	
PS Form 3800, August 2006 See Reverse for Instructions	

4029 6829 E000 0251 T102

U.S. Postal Service™	
CERTIFIED MAIL™ RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
Postmark Here	
Sent To New Mexico State Land Office P.O. Box 1148 Santa Fe, NM 87504-1148 City, State, Zip Eata Fajita 8 St. SWD #1/Notification	
PS Form 3800, August 2006 See Reverse for Instructions	

Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Sunday, October 21, 2012 4:44 PM
To: Brian Collins
Cc: Ezeanyim, Richard, EMNRD; Gonzales, Elidio L, EMNRD; Dawson, Scott
Subject: Disposal application from Concho: Proposed Eata Fajita 8 State SWD #1 30-025-NA Delaware Open Hole 5400 to 7500 feet

Hello Brian,
A few small items:

- ✓ a. The application is in the name of COG Operating LLC, but the ownership map shows COG Production LLC in this land area. Also the other wells are being proposed (As I see in our system) under COG Production LLC.
- ✓ b. Please send a copy of the actual newspaper ad as it appears in the newspaper along with the date of appearance.
- ✓ c. The Certified Mailers don't have dates that I can read – when were these mailed?
- ✓ d. Do you guys intend to log or mudlog this well or why not?
- ✓ e. Would you ask your geologist to relay where the Cherry Canyon, Brushy Canyon, and Bone Spring tops are at this location – or an estimate of those tops?
- ✓ f. For the large disposal intervals like this, we normally put in a requirement to run an injection survey within the first year. *(Temp Survey)*

Hope all is well.

Thank You for the application.

Regards,
Will Jones

Jones, William V., EMNRD

From: Brian Collins <BCollins@concho.com>
Sent: Monday, October 22, 2012 11:48 AM
To: Jones, William V., EMNRD
Cc: Dean Chumbley; Savannah Wilkinson; David DaGian
Subject: RE: Disposal application from Concho: Proposed Eata Fajita 8 State SWD #1 30-025-NA Delaware Open Hole 5400 to 7500 feet

Will:

Here's a few answers to your questions, the rest to follow:

- a. COG Operating, LLC is the operator for COG Production, LLC. COG Operating, LLC is the main Concho operating entity and in the not-too-distant future COG Production, LLC will be absorbed into COG Operating, LLC (there is a business reason for this, but I don't know the details).
- b. Savannah is scanning and mailing the newspaper ad to you today.
- c. Savannah is scanning and mailing the certified mailers to you today.
- d. I'm checking with geology on running mudlog and will let you know.
- e. I've asked geology for these formation tops and will send them to you when I get them.
- f. I would be uncomfortable running a complete injection profile in an open-hole section, but think a tracer/profile log run near the casing shoe would be a good idea to make sure no fluid is moving up hole behind the casing.

I'll get back with you on the geological requests as soon as I hear from geology. Thanks Will. ---Brian Collins

From: Jones, William V., EMNRD [<mailto:William.V.Jones@state.nm.us>]
Sent: Sunday, October 21, 2012 5:44 PM
To: Brian Collins
Cc: Ezeanyim, Richard, EMNRD; Gonzales, Elidio L, EMNRD; Dawson, Scott
Subject: Disposal application from Concho: Proposed Eata Fajita 8 State SWD #1 30-025-NA Delaware Open Hole 5400 to 7500 feet

Hello Brian,
A few small items:

- a. The application is in the name of COG Operating LLC, but the ownership map shows COG Production LLC in this land area. Also the other wells are being proposed (As I see in our system) under COG Production LLC.
- b. Please send a copy of the actual newspaper ad as it appears in the newspaper along with the date of appearance.
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- f. For the large disposal intervals like this, we normally put in a requirement to run an injection survey within the first year.

Hope all is well.

Thank You for the application.

Jones, William V., EMNRD

From: Brian Collins <BCollins@concho.com>
Sent: Monday, October 22, 2012 1:42 PM
To: Jones, William V., EMNRD
Cc: Dean Chumbley; Savannah Wilkinson
Subject: Eata Fajita 8 State SWD 1 (8-24s-33e) C108 Questions

Will:

The estimated formation tops are:

Delaware (Lamar) 5089'
Cherry Canyon 6007'
Brushy Canyon 7496'
Bone Spring 9064'



We will run a mudlog when we drill this well. If we see good mudlog shows within the proposed injection interval, we'll run 7" casing and selectively perforate Delaware intervals within the gross proposed interval to avoid injecting water into potentially productive zones. Hope this answers your questions.

I don't have a clue where some of our well names come from! Some of the old Marbob well names, especially those with acronyms, were interesting... Take care.

Brian Collins

Senior Operations Engineer - NM Basin
COG OPERATING LLC
2208 W Main St
Artesia, New Mexico 88210-3720
575.748.6924 W
432-254-5870 C



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CONFIDENTIALITY NOTICE: The information in this email may be confidential and/or privileged. If you are not the intended recipient or an authorized representative of the intended recipient, you are hereby notified that any review, dissemination or copying of this email and its attachments, if any, or the information contained herein, is prohibited. If you have received this email in error, please immediately notify the sender by return email and delete this email from your system. Thank you.



October 22, 2012

New Mexico Oil Conservation Division
Attn: William V. Jones
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: Affidavit of Publication/Certified Return Receipts
Eata Fajita 8 State SWD #1
Township 24 South, Range 33 East, N.M.P.M.
Section 8: 2310' FNL & 2310' FWL
Lea County, New Mexico

Dear Mr. Jones:

Enclosed, per your request, please find one copy of the affidavit of publication and one copy of the certified return receipts from each party that was notified. Please note that the Certified Mailers were sent out on September 11, 2012.

Please do not hesitate to contact me at (575) 748-6940 should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian Collins".

Brian Collins
Senior Operations Engineer


BC/sw
Enclosures


Affidavit of Publication

State of New Mexico,
County of Lea.

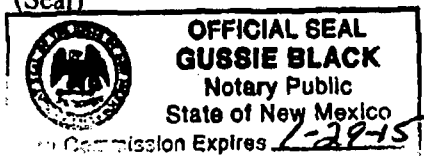
I, JUDY HANNA
PUBLISHER
of the Hobbs News-Sun, a
newspaper published at Hobbs, New
Mexico, do solemnly swear that the
clipping attached hereto was
published in the regular and entire
issue of said newspaper, and not a
supplement thereof for a period

of 1 issue(s).
Beginning with the issue dated
September 14, 2012
and ending with the issue dated
September 14, 2012


PUBLISHER
Sworn and subscribed to before me
this 14th day of
September, 2012


Notary Public

My commission expires
January 29, 2015
(Seal)



This newspaper is duly qualified to
publish legal notices or
advertisements within the meaning of
Section 3, Chapter 167, Laws of
1937 and payment of fees for said
publication has been made.

COG OPERATING, LLC
RECEIVED

OCT 18 2012

ARTESIA WEST

Legal Notice September 14, 2012

COG Operating LLC, 2208 W. Main Street, Artesia, NM 88210 has filed Form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for a salt water disposal well. The proposed well, the Eata Fajita State SWD No. 1 is located 2310' FNL & 2310' FWL, Section 8, Township 24 South, Range 33 East, Lea County, New Mexico. Disposal water will be sourced from area wells producing from the Delaware and Bone Spring formations. The disposal water will be injected into the Delaware formation at a depth of 5400' to 7500' at a maximum surface pressure of 1080 psi and a maximum rate of 10,000 BWPD. The proposed SWD well is located approximately 20 miles west of Jal. Any interested party who has an objection to this must give notice in writing to the Oil Conservation Division, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505, within fifteen (15) days of this notice. Any interested party with questions or comments may contact Brian Collins at COG Operating LLC, 2208 W. Main Street, Artesia, NM 88210, or call 575-748-6940.
#27573

02107967 00100537
COG OPERATING LLC
FASKEN CENTER, TOWER II
550 W. TEXAS AVE., STE 1300
MIDLAND, TX 79701

Eata Fajita 8 State SWD #1
Sec. 8, T24S - R33E
2310' FNL & 2310' FWL

** Sent out Certified Mailers on 9/11/12

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none">■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.■ Print your name and address on the reverse so that we can return the card to you.■ Attach this card to the back of the mailpiece, or on the front if space permits.		<p>A. Signature X <i>Sadil Garza</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <i>Sadil Garza</i> C. Date of Delivery <i>9-13-12</i></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below:</p>	
1. Article Addressed to: Cimarex Energy Company 600 N. Marienfeld Ste. 600 Midland, TX 79701 <i>Eata Fajita 8 St. SWD #1/Notification</i>		3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
2. Article Number (Transfer from service label) 7011 1570 0003 6389 6711		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none">■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.■ Print your name and address on the reverse so that we can return the card to you.■ Attach this card to the back of the mailpiece, or on the front if space permits.		<p>A. Signature X <i>[Signature]</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) C. Date of Delivery <i>SEP 13 2012</i></p> <p>D. Is delivery address different from item 1? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below:</p>	
1. Article Addressed to: New Mexico State Land Office P.O. Box 1148 Santa Fe, NM 87504-1148 <i>Eata Fajita 8 St. SWD #1/Notification</i>		3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
2. Article Number (Transfer from service label) 7011 1570 0003 6389 6704		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	

PS Form 3811, February 2004 Domestic Return Receipt 102596-02-M-1540

Injection Permit Checklist (11/15/2010)

WFX PMX SWD 1361 Permit Date 10/14/12 UIC Qtr 0/N/D

Wells 1 Well Name(s): EATA FAJITA 8 STORE SWD #1

API Num: 30-0 25-NA Spud Date: New Drill New/Old: N (UIC primacy March 7, 1982)

Footages 2310FNL/2310FWL Unit F Sec 8 Tsp 245 Rge 33E County LEA

General Location:

Operator: COG OPERATING LLC Contact BRIAN COLLINS

OGRID: RULE 5.9 Compliance (Wells) (Finan Assur) OK IS 5.9 OK? OK

Well File Review: Current Status: Proposed Na Drill

Planned Work to Well: Drill, DISPOSE

Diagrams: Before Conversion After Conversion Elogs in Imaging File: will be Run

Well Details:	Sizes	Setting	Stage	Cement	Determination
Hole.....Pipe	Depths	Tool	Sx or Cf	Method	
New Existing Surface	17 1/2 13 5/8	1250'		1750 c.F.	Surf
New Existing Interm					
New Existing LongSt	12 1/4 9 5/8	5400'		3400 c.F.	Surf
New Existing Liner					
New Existing OpenHole	8 3/4"	5400'-7500'			

Depths/Formations: Depths, Ft. Formation Tops? Bell C. is Productive ~ 4 mi EAST.

Formation(s) Above	5089	Lower	✓
Injection TOP:	5400'	Bell C.	Max. PSI 1080 OpenHole ✓ Perfs
Injection BOTTOM:	7500'	Cherry C.	Tubing Size 2 7/8" Packer Depth 5350'
Formation(s) Below	6007	Cherry C.	✓
	7496	Bushy C.	✓

Captain Reef? (Detach? Noticed?) (WIPP? Noticed?) Salado Top/Bot (1360-4850) (House?)

Fresh Water: Depths: <415' Formation Wells? None Analysis? Affirmative Statement ✓

Disposal Fluid Analysis? Sources: BS/Del (AR 22 wells)

Disposal Interval: Analysis? Production Potential/Testing: 1962 MUDLOG

Notice: Newspaper Date 9/14/12 Surface Owner SLO Mineral Owner(s)

RULE 26.7(A) Affected Persons: C/Money/COG 9/13/12

AOR: Maps? Well List? Producing in Interval? NO Wellbore Diagrams?

Active Wells 12 Repairs? Which Wells? Proposed HAZ well

P&A Wells 0 Repairs? Which Wells?

Issues: Run Temp Log Request Sent Reply: