

LAW OFFICES

**HEIDEL, SAMBERSON, NEWELL, COX & McMAHON**

C. GENE SAMBERSON  
MICHAEL T. NEWELL  
LEWIS C. COX, III  
PATRICK B. McMAHON

311 NORTH FIRST STREET  
POST OFFICE DRAWER 1599  
LOVINGTON, NM 88260  
TELEPHONE (575) 396-5303  
FAX (575) 396-5305

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2014 ULC-2 P 3-FL HEIDEL  
(1913-1985)

November 26, 2014

Jami Bailey, Director  
New Mexico Oil Conservation Division  
1220 South Saint Francis  
Santa Fe, NM 87505

**Re: Cobalt Operating, LLC/ Application for Authorization to Inject (Form C-108),  
Warren 2 Well, Section 8, Township 17 South, Range 37 East, Lea County New  
Mexico, N.M.P.M.**

Dear Ms. Bailey,

Please be advised that Mr. Kenneth Goff be will attending the hearing on the above referenced C-108 application currently scheduled for 8:15 a.m. December 4, 2014. Mr. Goff submitted correspondence to NMOCD on our about October 30, 2014 regarding his objections to the C-108 application. A copy of that correspondence is attached for your convenience.

Mr. Goff is requesting the opportunity to address the Division Examiner regarding the objections set forth in his October 30, 2014 correspondence during the hearing.

If you should have any questions, please do not hesitate to contact our office.

Sincerely,

**HEIDEL, SAMBERSON, NEWELL, COX & McMAHON**

  
By: Lewis C. Cox, III

LCC:st  
Enclosures

cc: Michael H. Felderwelt

October 30, 2014

New Mexico Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Well Name: Warren 2 (fee lease)      TD now: 11,875'      TD planned: 12,850'  
Proposed Disposal Zone: Devonian (from 11,760' to 12,850')  
Location: 2200' FNL & 880' FWL Sec. 8, T. 17 S., R. 37 E., Lea County, NM  
Approximate Location: ~8 air miles southeast of Lovington, NM  
Applicant Name: Cobalt Operating, LLC (432) 682-8686  
Applicant's Address: 3001 North Big Spring, Suite 207, Midland, TX 79705

Please consider my objections to a proposed saltwater disposal well located on our property. It is within a 2 mile radius of our dairy operation. Some of our farming operations and some of our residences are also effected.

We are currently dealing with an oil contamination issue that has gotten into the water table that is located between our dairy facility and the proposed disposal well. As of today they have drilled over 40 monitor wells trying to clean up the water. It has not been cleaned up yet. There is also water contamination about a mile and a half northwest of the proposed disposal well.

I am concerned about the water contamination in, not only the Ogualala formation, but also the Santa Rosa and other water bearing aquifers. Very soon we will be drilling in those formations for water source.

If it is appropriate, or there is a need to have a hearing, I am willing to do that.

Thank you,

  
Kenneth Goff