BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF SMITH & MARRS INC. FOR LEASE PRESSURE MAINTENANCE PROJECT IN THE DELAWARE FORMATION, IN EDDY COUNTY, NEW MEXICO.

Case No. 15671

APPLICATION FOR LEASE PRESSURE MAINTENANCE

Smith & Marrs Inc., by and through its undersigned attorney, applies for an order approving lease pressure maintenance, and in support thereof, states:

1. Applicant seeks approval to institute a lease pressure maintenance project in its Superior State #1, located in Unit H, Section 8, Township 25 South, Range 30 East, N.M.P.M., Eddy County, New Mexico.

2. Applicant intends to inject produced water into the Delaware Sand formation through its Superior State #1 well located 1980' FNL and 660' FEL, Unit H, Section 8, Township 25 South, Range 30 East, N.M.P.M., Eddy County, New Mexico, at depths of 3736' to 3776' feet (perforated).

3. Attached hereto is Form C-108.

4. The granting of this application will prevent waste and protect correlative rights.

WHEREFORE, Applicant requests that, after notice and hearing, the Division enter its order approving this application.

Respectfully submitted,

PADILLA LAW FIRM, P.A.

/s/ Ernest L. Padilla

ERNEST L. PADILLA,
Attorney for Smith & Marrs Inc.
PO Box 2523
Santa Fe, New Mexico 87504
505-988-7577

Case 15671

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

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

FORM C-108
Revised June 10, 2003

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APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE: ___ Secondary Recovery X Pressure Maintenance ___ Disposal ___ Storage
Application qualifies for administrative approval? X Yes ___ No

II. OPERATOR: Smith and Marrs Inc.

ADDRESS: Box 310 Memphis, Texas 79245

CONTACT PARTY: Rickey Smith PHONE: 432-940-0490

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.

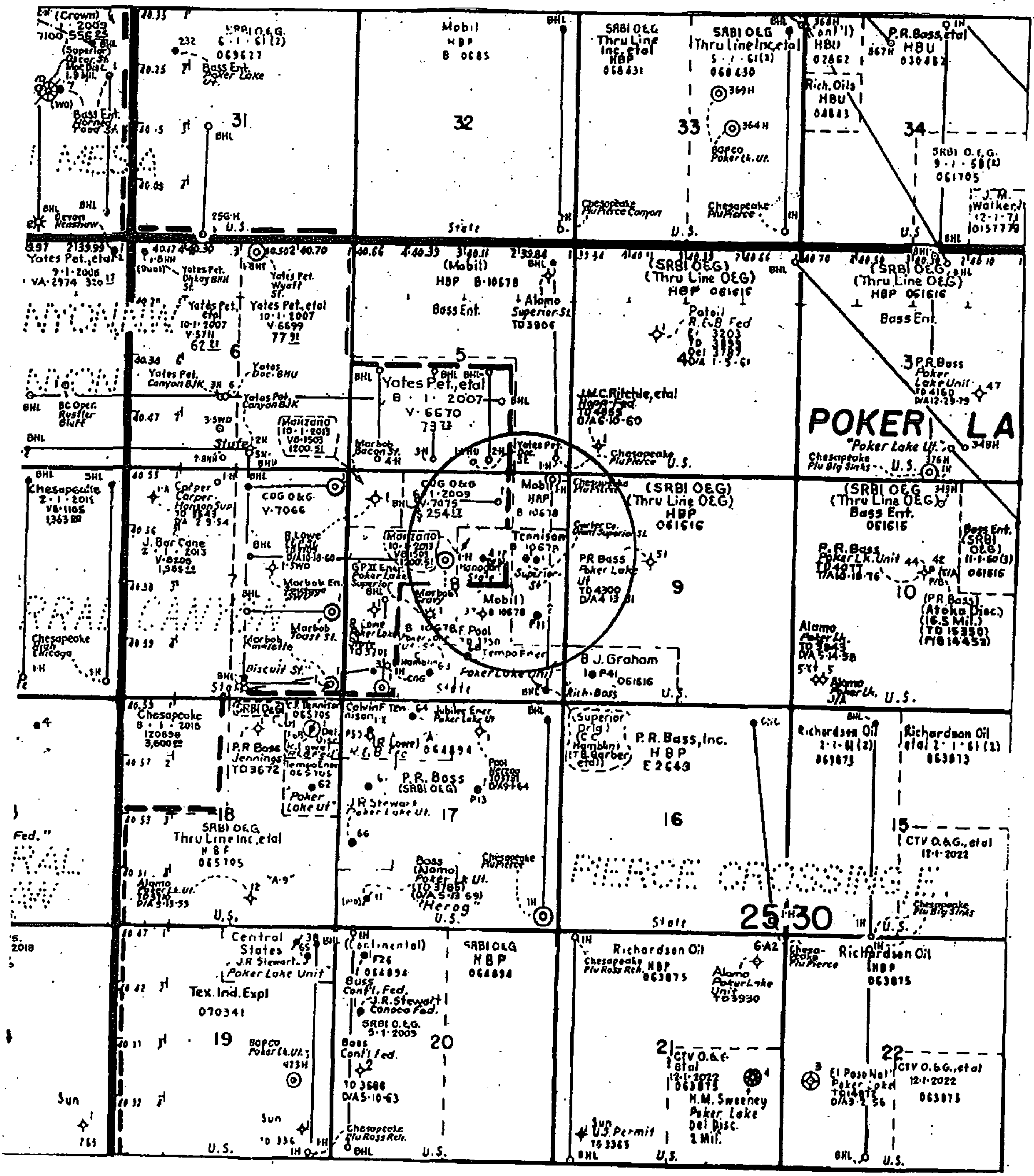
NAME: Rickey Smith TITLE: Owner

SIGNATURE: Rickey Smith DATE: 3/27/15

E-MAIL ADDRESS: rickeysmith@classicnet.net

* 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: submitted when drilled.

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office



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Mobil
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Bass Ent.
POKER LA
"Poker Lake Ut."
Chesapeake
COG O&G
Tennison
Mobil
PR Bass
Poker Lake Ut
B J. Graham
P.R. Bass, Inc.
HBP
E 2643
P.R. Boss
(SRBI O&G)
SRBI O&G
Thru Line Inc., etal
Richardson Oil
CTV O.&G., etal
12-1-2022
Central States
Poker Lake Unit
Tex. Ind. Expl
070341
25 30
U.S.
State
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ATTACHMENT TO APPLICATION C-108

Superior State #1 (API 30-015-04745)
Unit H, Sec. 8, Tws. 25 S., Rng. 30 E
Eddy Co., NM

III. WELL DATA

A. 1) See injection well data sheets and attached schematics.
2) See injection well data sheets and attached schematics.
3) 2 7/8" coated tubing.
4) Baker lock set or the equivalent.

B. 1) Injection formation is the Delaware Sand.
2) Injection interval 3736' to 3776'.
3) This is an existing well converted for pressure maintenance.
4) The next higher producing zone is the base of salt at 3480'
The next lower producing zone is the Bone Springs at approximately 7500'.

IV. NO.

V. MAP ATTACHED.

VI. LIST OF WELLS AND DATA ATTACHED.

VII. Smith and Marrs plans to convert the Superior State #1 as an injection well for pressure maintenance to benefit its own offset production from the Delaware formation. Will pull production equipment, go on hole and perforate as needed, acidize and put on injection. Plan to run 2 7/8" plastic coated tubing and packer set at approximately 3636' or within 100 ft. of upper most perfs. Load backside with packer fluid, run MIT and OCD requires and put on injection.

1) Plan to inject approximately 200 to 300 bpd of produced water from Smith and Marrs own wells, which are in the Delaware.
2) Closed system.
3) Average injection pressure should be approximately 600# or whatever limit OCD allows.
4) Only produced water from Delaware.

VIII. The proposed disposal formation is interbedded sand and limestone. The primary geologic formation is the Lower Delaware from 3736' to 3808'.

The fresh water formation for this area would be the Santa Rosa which would be between 300' to 400' below surface, no sampling points available.

IX. ACID AS NEEDED.

X. PREVIOUSLY SUBMITTED TO OCD.

XI. ATTACHED.

XII. I Eddie W. Seay, have examined all available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zones and any underground source of drinking water pertaining to this well.

XIII. ATTACHED.

Side I

INJECTION WELL DATA SHEET

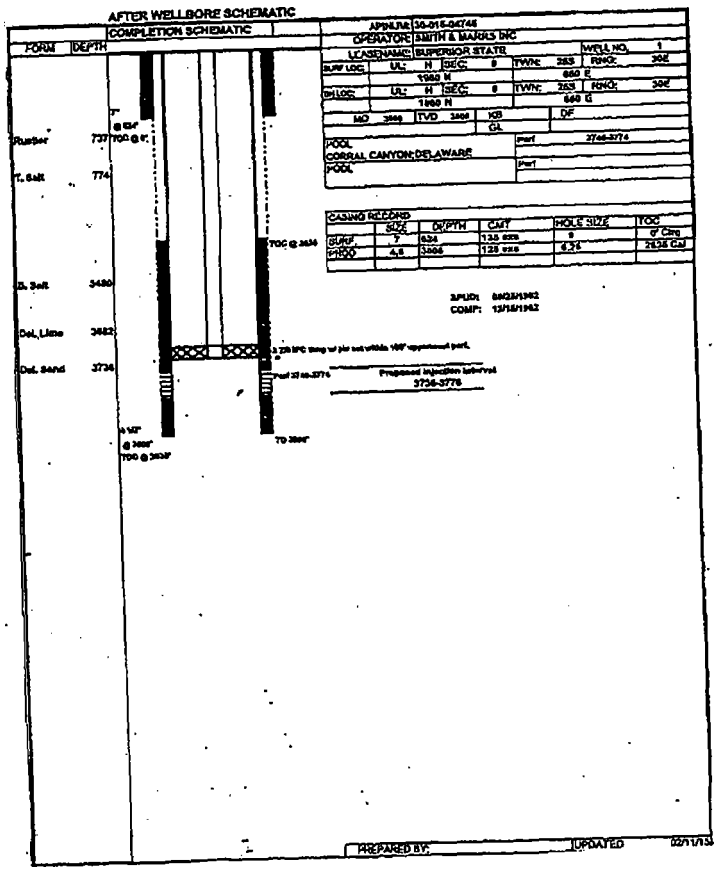
OPERATOR: Smith + Marks Inc.

WELL NAME & NUMBER: Superior State #1 (API 30-015-04745)

WELL LOCATION: 1980 N 1660 E | H | 8 | 25 | 30

FOOTAGE LOCATION | UNIT LETTER | SECTION | TOWNSHIP | RANGE

WELLBORE SCHEMATIC



WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 9 Casing Size: 7

Cemented with: 135 sx. *or* _____ ft³

Top of Cement: Surface Method Determined: Circ

Intermediate Casing

Hole Size: _____ Casing Size: _____

Cemented with: _____ sx. *or* _____ ft³

Top of Cement: _____ Method Determined: _____

Production Casing

Hole Size: 6.25 Casing Size: 4.5

Cemented with: 125 sx. *or* _____ ft³

Top of Cement: 2635 Method Determined: Calculated

Total Depth: 3808

Injection Interval

3736 feet to 3776

(Perforated or Open Hole; indicate which)

Side 2

INJECTION WELL DATA SHEET

Tubing Size: 2 3/8 Lining Material: IPC

Type of Packer: Baker loc set

Packer Setting Depth: Approx 3632 or within 100 ft of top perfs.

Other Type of Tubing/Casing Seal (if applicable): NONE

Additional Data

1. Is this a new well drilled for injection? ____ Yes X No

   If no, for what purpose was the well originally drilled? Delaware producer which is non-economic

2. Name of the Injection Formation: Delaware

3. Name of Field or Pool (if applicable): Corral Canyon Delaware

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 only Delaware

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

   Upper most zone is base of Salt 3480

   Lower most zone is the Bone Springs 7500

DISPOSAL WELL

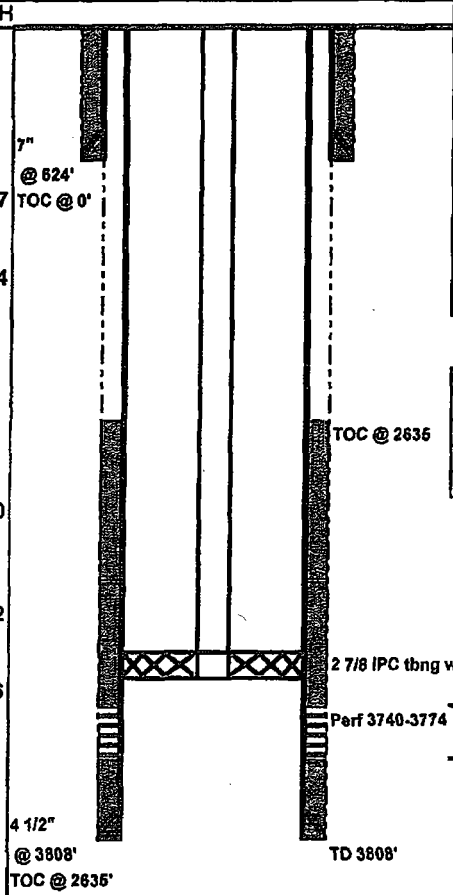
30-015-04745	SUPERIOR STATE	1	SMITH & MARRS INC	3808	O	A	Eddy	S	H	8	25	S	30	E	1980	N	660	E

API #	PROPERTY NAME	#	OPERATOR	TD	TYPE	STAT	CO	LAND	U/L	SEC	TWN		RNG		N/S		E/W		Dist
30-015-36998	POKER LAKE UNIT CVX JV PC	4H	BOPCO, L.P.	12327	O	A	Eddy	S	P	5	25	S	30	E	350	S	350	E	**2344**
30-015-37937	POKER LAKE UNIT CVX JV PC	7H	BOPCO, L.P.	12700	O	A	Eddy	S	A	8	25	S	30	E	145	N	400	E	**1847**
30-015-37260	EGGS STATE COM	1H	COG OPERATING LLC	13837	O	A	Eddy	S	B	8	25	S	30	E	660	N	1650	E	**1679**
30-015-37053	GRAVY STATE COM	1H	COG OPERATING LLC	12155	O	A	Eddy	S	F	8	25	S	30	E	1980	N	2310	W	**2310**
30-015-04746	HANAGAN STATE	1	GIANT OPERATING LLC	3773	O	A	Eddy	S	G	8	25	S	30	E	1980	N	1980	E	**1368**
30-015-37077	GIANT SUPERIOR STATE	1	SMITH & MARRS INC	6000	O	A	Eddy	S	H	8	25	S	30	E	1983	N	990	E	**378**
30-015-10181	SUPERIOR STATE	2	SMITH & MARRS INC	3763	O	A	Eddy	S	I	8	25	S	30	E	1980	S	660	E	**1320**
30-015-20116	POKER LAKE UNIT	37	FRED POOL DRILLING CO	3756	O	P	Eddy	S	J	8	25	S	30	E	1980	S	1980	E	**1901**
30-015-23606	POKER LAKE UNIT	51	PERRY R BASS	3962	O	P	Eddy	F	F	9	25	S	30	E	1980	N	1980	W	**2592**

AFTER WELLBORE SCHEMATIC

COMPLETION SCHEMATIC

FORM	DEPTH
Rustler	737
T. Salt	774
B. Salt	3480
Del. Lime	3682
Del. Sand	3736



APINUM:	30-015-04745
OPERATOR:	SMITH & MARRS INC
LEASENAME:	SUPERIIOR STATE
WELL NO.	1

SURF LOC:	UL:	H	SEC:	8	TWN:	25S	RNG: 30E
	1980 N				660 E		
BH LOC:	UL:	H	SEC:	8	TWN:	25S	RNG: 30E
	1980 N				660 E		

MD	3808	TVD	3808	KB	DF
				GL	

POOL	Perf 3740-3774
CORRAL CANYON;DELAWARE	
POOL	Perf

CASING RECORD

	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	7	624	135 sxs	9	0' Circ
PROD	4.5	3808	125 sxs	6.25	2635 Cal

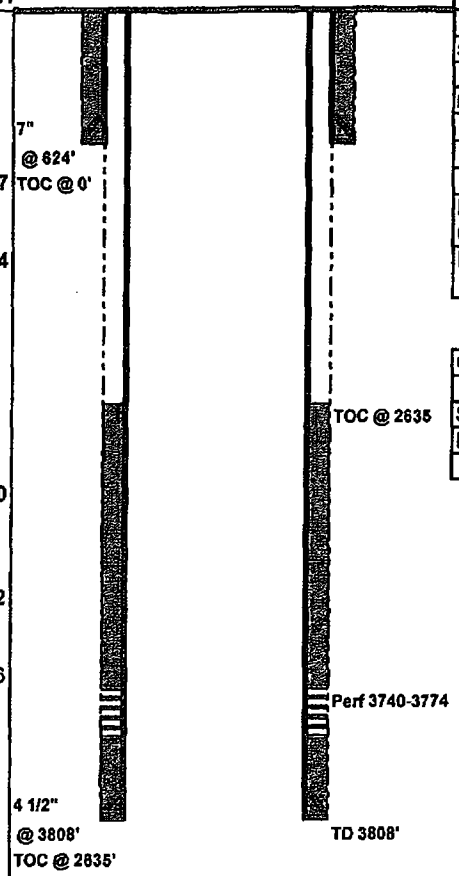
SPUD: 08/26/1962
COMP: 12/15/1962

Proposed Injection Interval
3736-3776

PREPARED BY:	UPDATED	02/11/15

WELLBORE SCHEMATIC AND HISTORY

FORM	DEPTH
Rustler	737
T. Salt	774
B. Salt	3480
Del. Lime	3682
Del. Sand	3736



COMPLETION SCHEMATIC

APINUM:	30-015-04745						
OPERATOR:	SMITH & MARRS INC						
LEASENAME:	SUPERIIOR STATE					WELL NO.	1
SURF LOC:	UL: H	SEC: 8	TWN: 25S	RNG: 30E			
	1980 N		660 E				
BH LOC:	UL: H	SEC: 8	TWN: 25S	RNG: 30E			
	1980 N		660 E				
MD 3808	TVD 3808	KB	DF				
		GL					
POOL		Perf 3740-3774					
CORRAL CANYON;DELAWARE							
POOL		Perf					

CASING RECORD	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	7	624	135 sxs	9	0' Circ
PROD	4.5	3808	125 sxs	6.25	2635 Cal

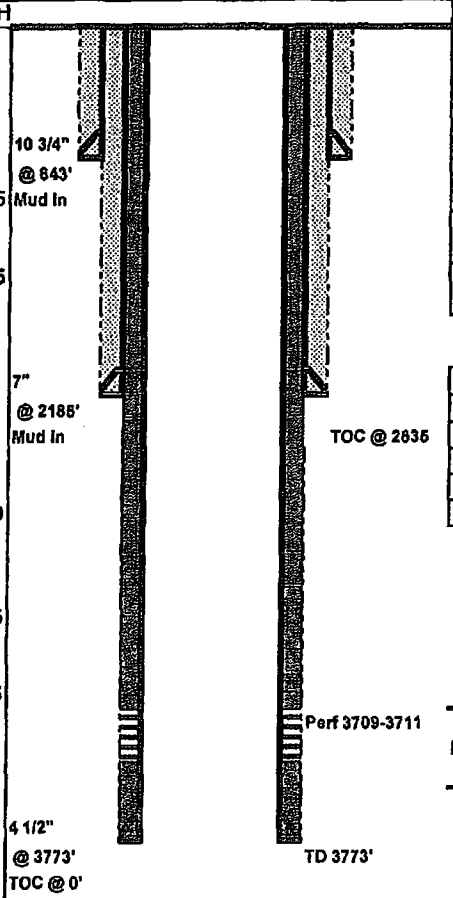
SPUD: 08/26/1962
COMP: 12/15/1962

PREPARED BY:	UPDATED	02/11/15

WELLBORE SCHEMATIC AND HISTORY

FORM	DEPTH
Rustler	665
T. Salt	705
B. Salt	3410
Del. Lime	3675
Del. Sand	3705

COMPLETION SCHEMATIC



APINUM:	30-015-04746				
OPERATOR:	GIANT OPERATING LLC				
LEASENAME:	HANAGAN STATE			WELL NO.	1
SURF LOC:	UL: G	SEC: 8	TWN: 25S	RNG:	30E
	1980 N		1980 E		
BH LOC:	UL: G	SEC: 8	TWN: 25S	RNG:	30E
	1980 N		1980 E		
MD 3773	TVD 3773	KB	DF		
		GL			
POOL		Perf	3709-3711		
CORRAL CANYON;DELAWARE					
POOL		Perf			

CASING RECORD

	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	10.75	643	Mud	12.25	na
INT1	7	2185	Mud	8.5	na
PROD	4.5	3773	660 sxs	6.625	0' Cal

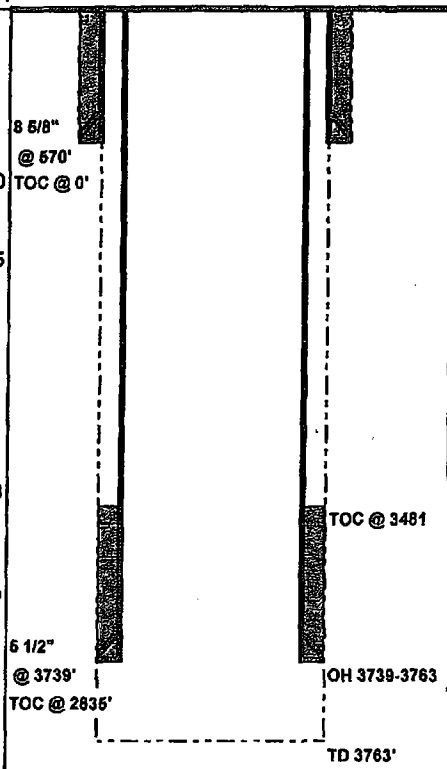
SPUD: 10/15/1961
COMP: 01/22/1962

Proposed Injection Interval
3705-3745

PREPARED BY:	UPDATED	02/11/15

WELLBORE SCHEMATIC AND HISTORY

FORM	DEPTH
Rustler	740
T. Salt	775
B. Salt	3428
Del. Lime	3710
Del. Sand	3740



COMPLETION SCHEMATIC

APINUM:	30-015-10181				
OPERATOR:	SMITH & MARRS INC				
LEASENAME:	SUPERIIOR STATE			WELL NO.	2
SURF LOC:	UL: I	SEC: 8	TWN: 25S	RNG:	30E
	1980 S		660 E		
BH LOC:	UL: I	SEC: 8	TWN: 25S	RNG:	30E
	1980 S		660 E		
MD 3763	TVD 3763	KB	DF		
		GL			
POOL		OH	3739-3763		
CORRAL CANYON;DELAWARE					
POOL		Perf			

CASING RECORD					
	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	8.625	570	165 sxs	11	0' Circ
PROD	5.5	3739	75 sxs	7.875	3481 Cal

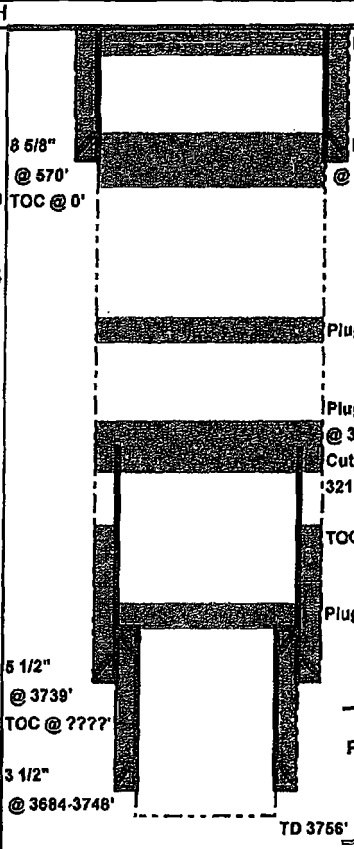
SPUD: 02/27/1963
COMP: 05/06/1963

Proposed Injection Interval
3740-3760

PREPARED BY:	UPDATED	02/11/15

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC



FORM	DEPTH
Rustler	890
T. Salt	925
B. Salt	3450
Del. Lime	3710
Del. Sand	3740

Proposed Injection Interval
3740-3780

APINUM:	30-015-20116				
OPERATOR:	FRED POOL DRILLING COMPANY				
LEASENAME:	POKER LAKER UNIT				WELL NO. 37
SURF LOC:	UL: J	SEC: 8	TWN: 25S	RNG: 30E	
	1980 S		1980 E		
BH LOC:	UL: J	SEC: 8	TWN: 25S	RNG: 30E	
	1980 S		1980 E		
MD 3756	TVD 3756	KB	DF		
		GL			
POOL		OH			
DRY HOLE					
POOL		Perf			

CASING RECORD					
	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	8.625	570	165 sxs	11	0' Circ
PROD	5.5	3739	75 sxs	7.875	????
Liner 1	3 1/2	3684-3748	20 sxs		

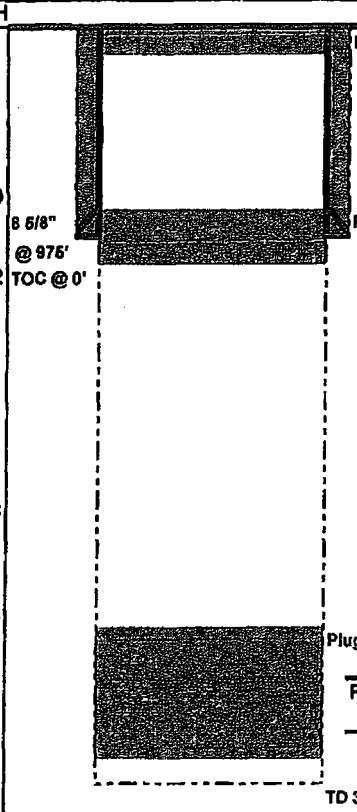
SPUD: 12/11/1967
COMP: 01/28/1974
P&A: 01/28/1974

PREPARED BY:	UPDATED	02/11/15

WELLBORE SCHEMATIC AND HISTORY

FORM	DEPTH
Rustler	740
T. Salt	992
B. Salt	3558
Del. Lime	3764
Del. Sand	3794

COMPLETION SCHEMATIC



APINUM:	30-015-23606				
OPERATOR:	PERRY R BASS				
LEASENAME:	POKER LAKE UNIT			WELL NO.	51
SURF LOC:	UL: F	SEC: 9	TWN: 25S	RNG:	30E
	1980 N		1980 W		
BH LOC:	UL: F	SEC: 9	TWN: 25S	RNG:	30E
	1980 N		1980 W		
MD 3962	TVD 3962	KB	DF		
		GL			
POOL			OH		
DRY HOLE					
POOL			Perf		

CASING RECORD					
	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	8.625	975	400 sxs	12 1/4	0' Circ
PROD					

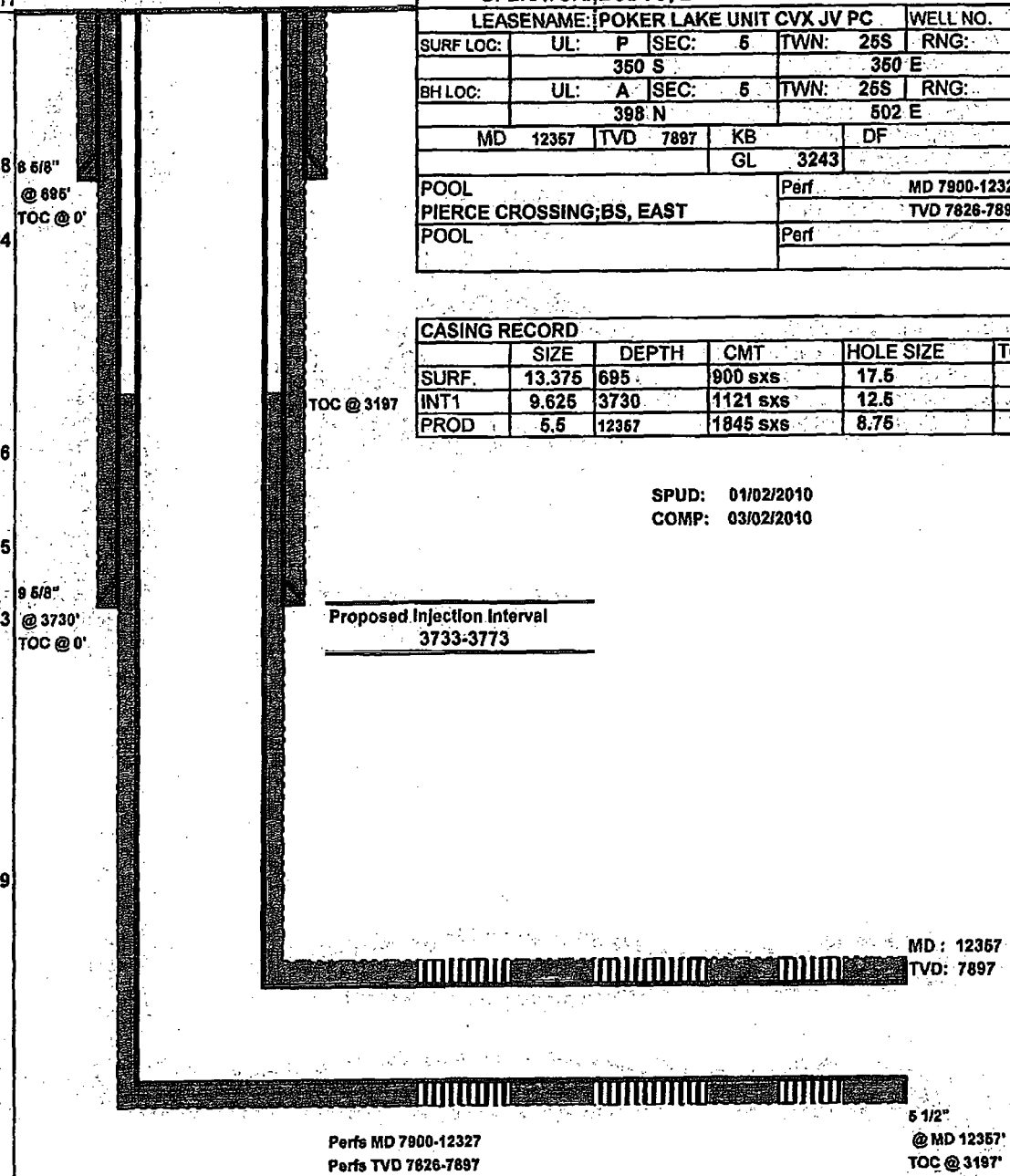
SPUD: 04/01/1981
P&A : 04/12/1981

PREPARED BY:	UPDATED	02/11/15

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC

FORM	DEPTH
Rustler	688
T. Salt	724
B. Salt	3526
Del. Lime	3685
Del. Sand	3733
Bone Spring	7509



APINUM:	30-015-36998				
OPERATOR:	BOBCO, LP				
LEASENAME:	POKER LAKE UNIT CVX JV PC			WELL NO.	4H
SURF LOC:	UL: P	SEC: 5	TWN: 25S	RNG:	30E
	350 S		350 E		
BH LOC:	UL: A	SEC: 5	TWN: 25S	RNG:	30E
	398 N		502 E		
MD 12357	TVD 7897	KB		DF	
		GL 3243			

POOL	Perf MD 7900-12327
PIERCE CROSSING;BS, EAST	TVD 7826-7897
POOL	Perf

CASING RECORD					
	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	13.375	695	900 sxs	17.5	0 Circ
INT1	9.625	3730	1121 sxs	12.5	0 Circ
PROD	5.5	12357	1845 sxs	8.75	3197

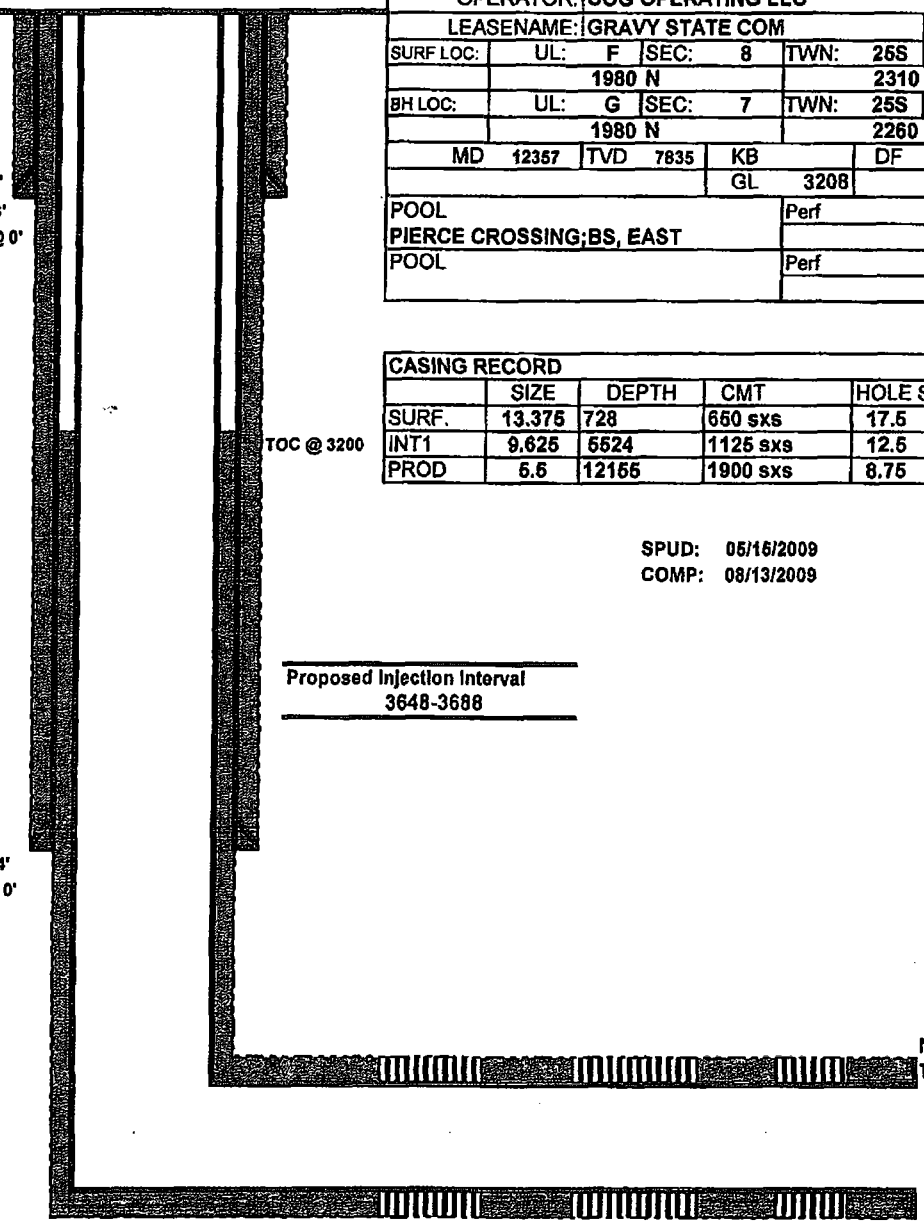
SPUD: 01/02/2010
COMP: 03/02/2010

PREPARED BY:	UPDATED	02/11/15

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC

FORM	DEPTH
Rustler	720
T. Salt	765
B. Salt	3378
Del. Lime	3598
Del. Sand	3648
Bone Spring	7509



APINUM:	30-015-37053				
OPERATOR:	COG OPERATING LLC				
LEASENAME:	GRAVY STATE COM			WELL NO.	1H
SURF LOC:	UL: F	SEC: 8	TWN: 26S	RNG:	30E
	1980 N		2310 W		
BH LOC:	UL: G	SEC: 7	TWN: 25S	RNG:	30E
	1980 N		2260 E		
MD 12357	TVD 7835	KB		DF	
		GL 3208			

POOL	Perf MD 8950-12000
PIERCE CROSSING;BS, EAST	TVD 7846-7836
POOL	Perf

CASING RECORD

	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	13.375	728	650 sxs	17.5	0 Circ
INT1	9.625	5524	1125 sxs	12.5	0 Circ
PROD	5.5	12155	1900 sxs	8.75	3200 TS

SPUD: 05/16/2009
COMP: 08/13/2009

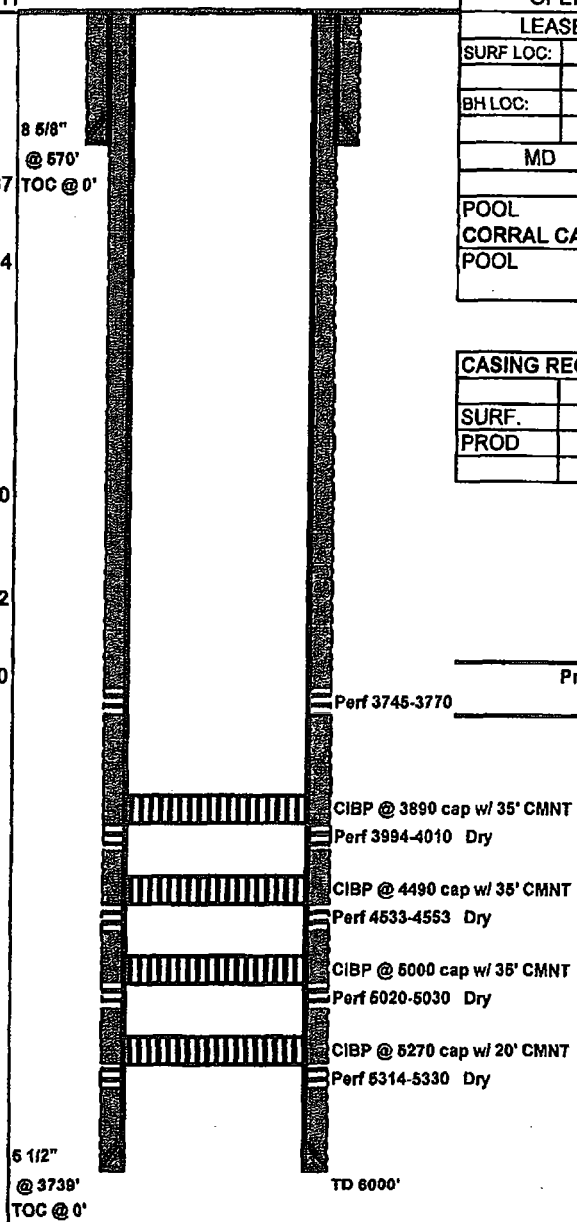
Proposed Injection Interval
3648-3688

PREPARED BY:	UPDATED	02/11/15

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC

FORM	DEPTH
Rustler	737
T. Salt	774
B. Salt	3480
Del. Lime	3682
Del. Sand	3730



APINUM:	30-015-37077				
OPERATOR:	SMITH & MARRS INC				
LEASENAME:	GIANT SUPERIIOR STATE			WELL NO.	1
SURF LOC:	UL: H	SEC: 8	TWN: 25S	RNG:	30E
	1983 N		990 E		
BH LOC:	UL: H	SEC: 8	TWN: 25S	RNG:	30E
	1983 N		990 E		
MD 6000	TVD 6000	KB	DF		
		GL 3210			
POOL		Perf 3745-3770			
CORRAL CANYON;DELAWARE					
POOL		Perf			

CASING RECORD					
	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	8.625	527	400 sxs	12 1/4	0 Cal
PROD	5.5	6000	2000 sxs	7.875	0 Cal

SPUD: 08/25/2009
COMP: 05/25/2010

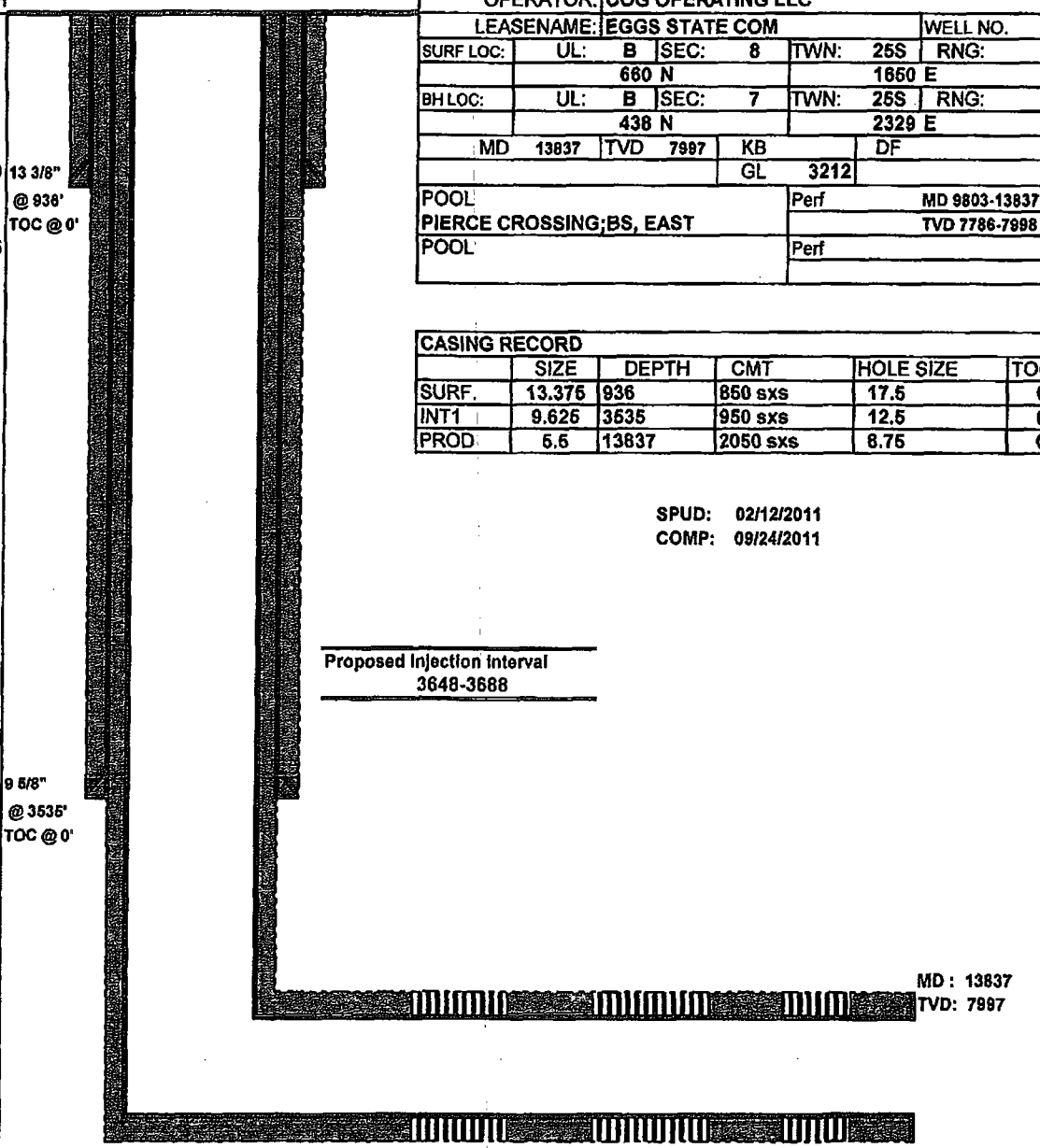
Proposed Injection Interval
3730-3770

PREPARED BY:	UPDATED	02/11/15

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC

FORM	DEPTH
Rustler	720
T. Salt	765
B. Salt	3378
Del. Lime	3598
Del. Sand	3648
Bone Spring	7509



Proposed injection interval
3648-3688

APINUM:	30-015-37260
OPERATOR:	COG OPERATING LLC
LEASENAME:	EGGS STATE COM
WELL NO.	1H

SURF LOC:	UL:	B	SEC:	8	TWN:	25S	RNG: 30E
	660 N				1650 E		
BH LOC:	UL:	B	SEC:	7	TWN:	25S	RNG: 30E
	438 N				2329 E		

MD	13837	TVD	7997	KB	DF
				GL	3212

POOL	Perf MD 9803-13837
PIERCE CROSSING;BS, EAST	TVD 7786-7998
POOL	Perf

CASING RECORD

	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	13.375	936	850 sxs	17.5	0 Circ
INT1	9.625	3535	950 sxs	12.5	0 Circ
PROD	5.5	13837	2050 sxs	8.75	0 Circ

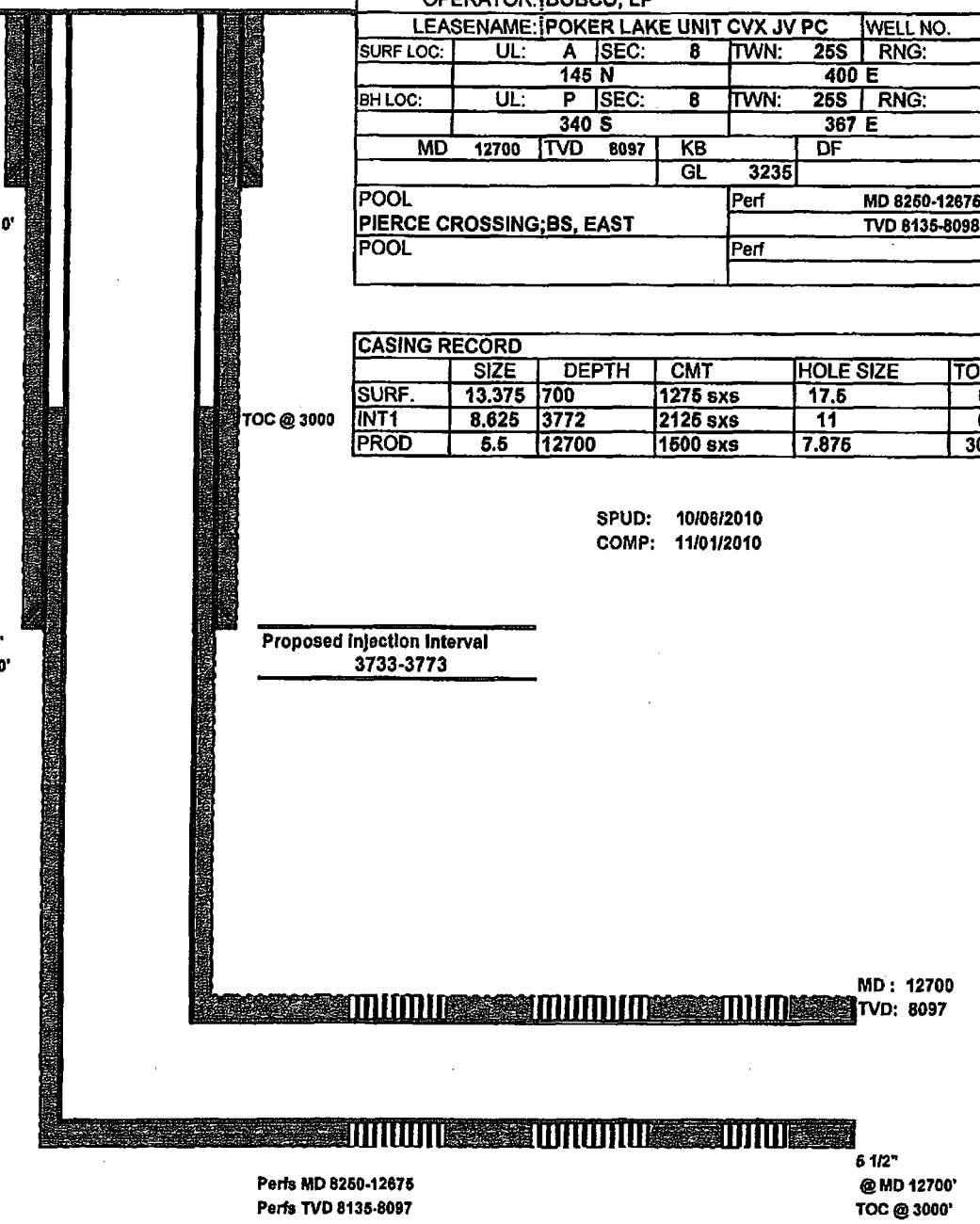
SPUD: 02/12/2011
COMP: 09/24/2011

PREPARED BY:	UPDATED	02/11/15

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC

FORM	DEPTH
Rustler	690
T. Salt	735
B. Salt	3460
Del. Lime	3685
Del. Sand	3733
Bone Spring	7520



APINUM:	30-015-37937
OPERATOR:	BOBCO, LP
LEASENAME:	POKER LAKE UNIT CVX JV PC
WELL NO.	7H

SURF LOC:	UL:	A	SEC:	8	TWN:	25S	RNG: 30E
	145 N				400 E		
BH LOC:	UL:	P	SEC:	6	TWN:	25S	RNG: 30E
	340 S				367 E		

MD	12700	TVD	8097	KB	DF
				GL 3235	

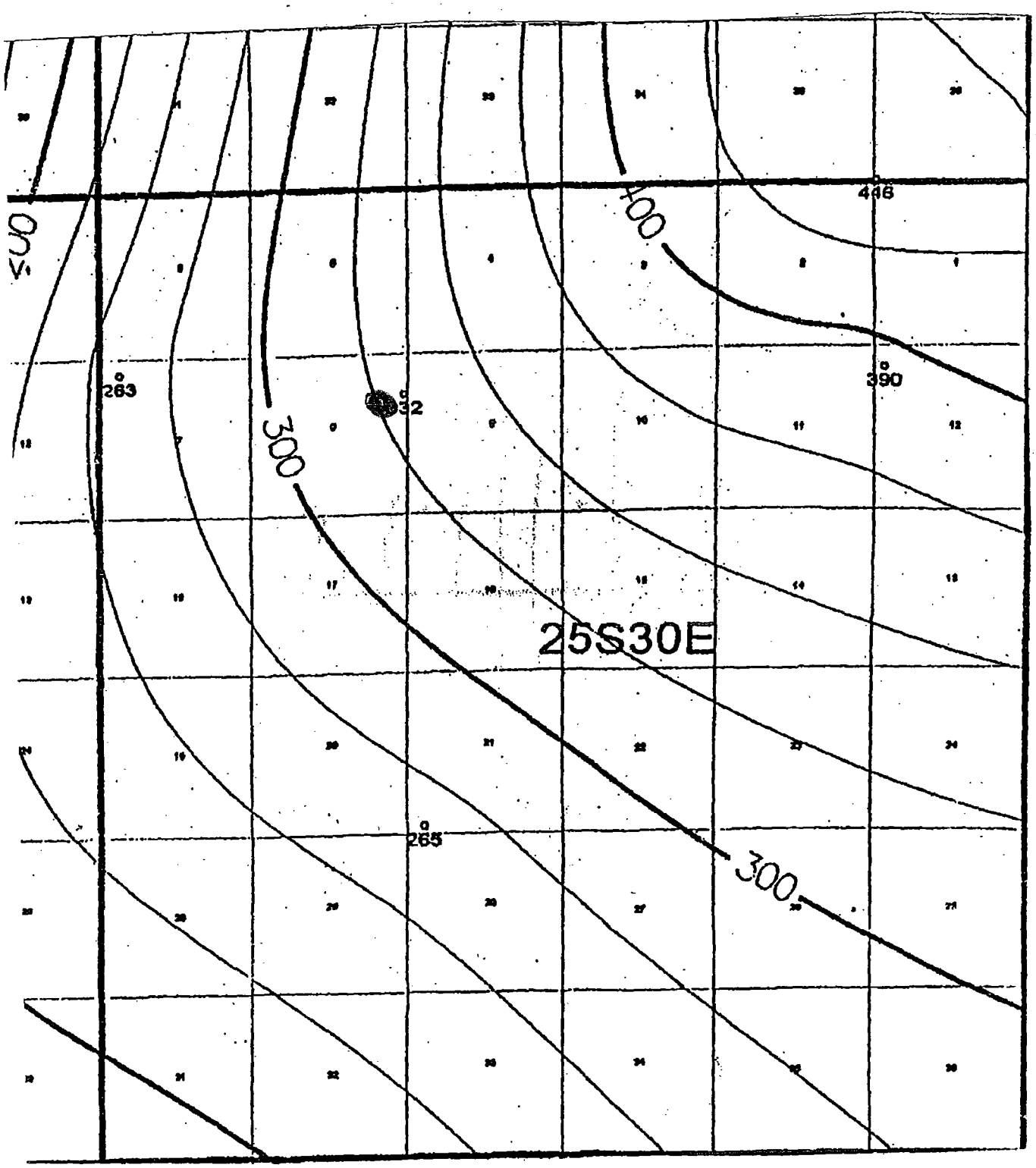
POOL	Perf MD 8250-12675
PIERCE CROSSING;BS, EAST	TVD 8135-8098
POOL	Perf

CASING RECORD

	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	13.375	700	1275 sxs	17.5	0 Circ
INT1	8.625	3772	2125 sxs	11	0 Circ
PROD	5.5	12700	1500 sxs	7.875	3000 Cal

SPUD: 10/08/2010
COMP: 11/01/2010

PREPARED BY:	UPDATED 02/11/15



Groundwater Map

● Proposed injection well

NOTICES

SURFACE OWNER

State of New Mexico
New Mexico State Land Office
310 Old Santa Fe Trail
Box 1148
Santa Fe, NM 87504

OFFSET OPERATIONS

Bureau of Land Management
620 E. Green St.
Carlsbad, NM 88220

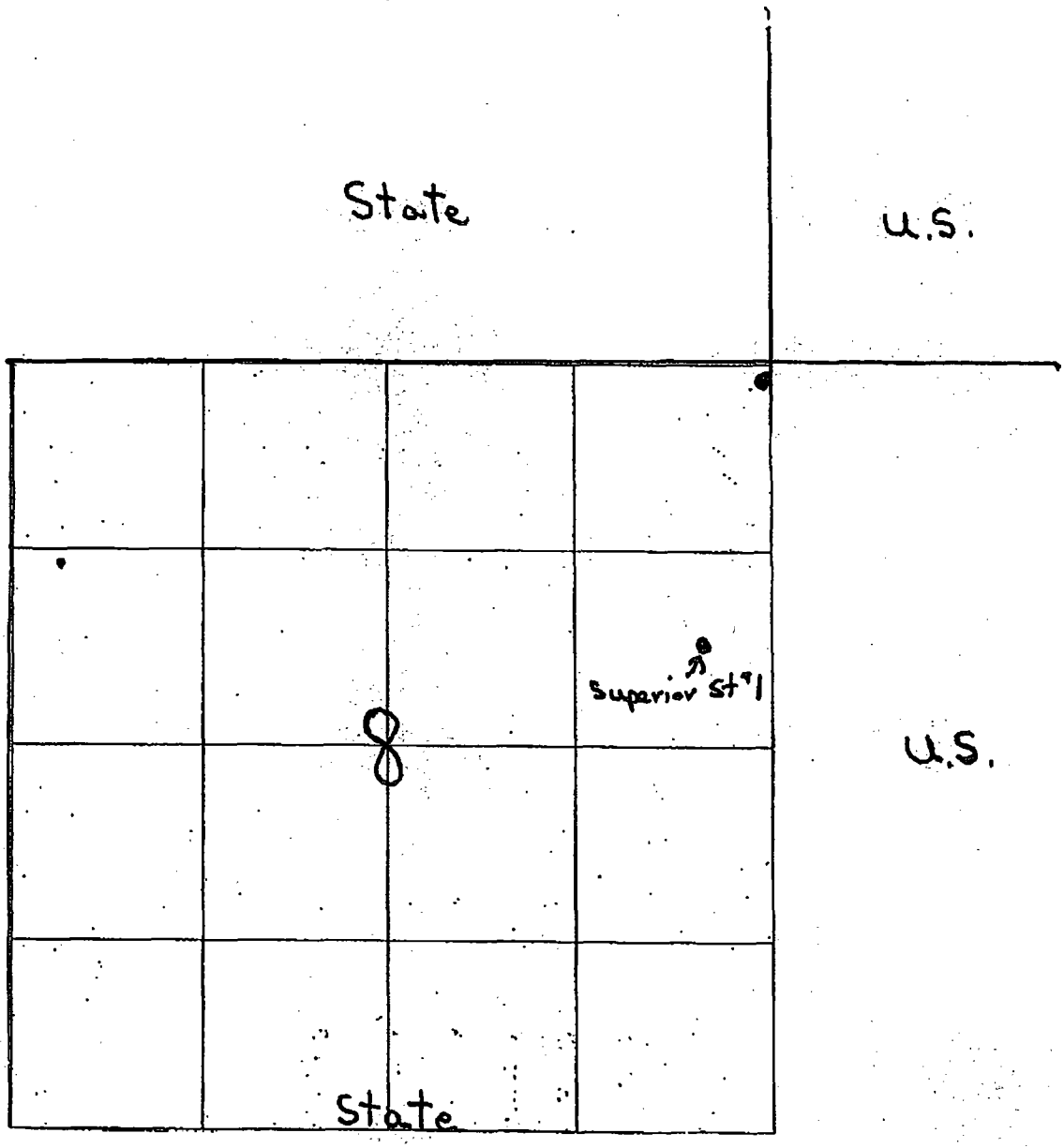
Giant Operating, LLC
2100 Ross Ave., Ste. 950
Dallas, TX 75201

Fred Pool Drilling Co.
Box 5321
Midland, TX 79701

BOPCO, LP
6 Desta Dr. Ste. 3700
Box 2760
Midland, TX 79702

COG Operating, LLC
550 W. Texas Ave., Ste. 1300
Midland, TX 79701

Surface & Mineral



Affidavit of Publication

No. 23572

State of New Mexico

County of Eddy:

Danny Scott

being duly s sworn sayes that she is the **Publisher**

of the Artesia Daily Press, a daily newspaper of General circulation, published in English at Artesia, said county and state, and that the hereto attached

Legal Notice

was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for

1 Consecutive weeks/day on the same day as follows:

First Publication	July 17, 2015
Second Publication	
Third Publication	
Fourth Publication	
Fifth Publication	
Sixth Publication	

Subscribed and sworn before me this

17th day of July 2015

OFFICIAL SEAL
Latisha Romine
NOTARY PUBLIC-STATE OF NEW MEXICO
My commission expires: 5/12/2019

Latisha Romine

Latisha Romine

Notary Public, Eddy County, New Mexico

Copy of Publication:

LEGAL NOTICE

Pursuant to the rules and regulations of the Oil Conservation Division of the State of New Mexico, Smith and Marrs Inc., Box 310, Memphis, TX 79245, is filing a C-108 to convert an existing well to a Pressure Maintenance Injection. The well being applied for is the Superior State #1, located in Unit H, 1980/N 660/E Section 8, township 25 South, Range 30 East, Eddy Co., NM. The injections formation is the Delaware Sand from 3736' to 3776' below surface. Expected maximum injection rate is 200 to 300 bpd, of Smith and Marrs on Delaware produced water, the expected maximum injection pressure is 600 psi or what the OCD allows. Any questions about the application can be directed to Eddie W. Seay, (575)992-2236, or any objection or request for hearing must be directed to the Oil Conservation Division, (505)476-3440, 1220 south Saint Francis Drive, Santa Fe, NM 87504, within fifteen (15) days.

Published in the Artesia Daily Press, Artesia, N.M., July 17, 2015 Legal No. 23572.

NMOCD Case No. 15671

Application of Smith and Marrs Inc., for approval of lease pressure maintenance project, in Eddy County, New Mexico; Applicant seeks approval to institute a lease pressure maintenance project in its Superior State Well #1, located 1980' FNL and 660' FEL, Unit H, Section 8, Township 25 South, Range 30 East, N.M.P.M., Eddy County, New Mexico. Applicant intends to inject produced water into the Delaware Sand formation at depths of 3736-3776 feet (perforated). The well is located approximately 10 miles south east of Malaga, New Mexico.