

**IN THE MATTER OF THE APPLICATION OF COG
OPERATING LLC FOR AUTHORIZATION TO
CONDUCT INJECTION OPERATIONS FOR
EVALUATION FOR SECONDARY RECOVERY
OPERATIONS, EDDY COUNTY, NEW MEXICO**

Ex. 7

EXHIBIT A

Mewbourne Oil Company
500 W. Texas Ave., Suite 1020
Midland, TX 79701

Chevron USA Production Company
11111 S. Wilcrest
Houston, TX 77099

Lobos Energy Partners, LLC
309 S. Halagueno Street
Carlsbad, NM 88220

Fasken Oil & Ranch
303 West Wall Avenue, Suite 1800
Midland, TX 79701

Nadel and Gussman Heyco, LLC
500 North Main Street, Suite 1
Roswell, NM 88201

Lime Rock Resources
1111 Bagby Street
Houston, TX 77002

Marbob Energy Corporation
2208 W. Main Street
Artesia, NM 88211

BP America Production Company
600 N. Marienfeld, Suite 800
Midland, TX 79702

Commissioner of Public Lands
P.O. Box 1148
Santa Fe, NM 87504-1148



**MONTGOMERY
& ANDREWS**
LAW FIRM

J. SCOTT HALL

Cell: (505) 670-7362

Email: shall@montand.com

Reply To: Santa Fe Office

www.montand.com

March 11, 2010

Certified Mail Return Receipt Requested

Commissioner of Public Lands
P.O. Box 1148
Santa Fe, NM 87504-1148

**Re: NMOCD Case No. 14455; Application of COG Operating LLC for
Authorization to Conduct Injection Operations for Evaluation for
Secondary Recovery Operations, Eddy County, New Mexico**

Dear Sir or Madam:

This will advise that COG Operating LLC ("COG") has filed an Application with the New Mexico Oil Conservation Division for an order authorizing Applicant to convert and utilize its Continental State A No. 11 and No. 12 wells for injection of water through a closed system into the Paddock and Blinebry members of the Glorieta-Yeso formation. The wells are located in Section 30, Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico. As owner of the surface, you are being notified of COG's Application.

Copies of the Application for hearing and COG's C-108 Application for Authorization to Inject are enclosed.

This application will be set for hearing before a Division Examiner on April 1, 2010, at 8:15 a.m. at the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application

REPLY TO:

325 Paseo de Peralta
Santa Fe, New Mexico 87501
Telephone (505) 982-3873 • Fax (505) 982-4289

Post Office Box 2307
Santa Fe, New Mexico 87504-2307

6301 Indian School Road NE, Suite 400
Albuquerque, New Mexico 87110
Telephone (505) 884-4200 • Fax (505) 888-8929

Post Office Box 36210
Albuquerque, New Mexico 87176-6210

Commissioner of Public Lands

March 11, 2010

Page 2

at a later time. If you intend to attend the hearing and present testimony or evidence, you must enter your appearance and serve the Division, counsel for the Applicant, and other parties with a pre-hearing statement at least four business days before the scheduled hearing date in accordance with Division Rule 19.15.4.13 NMAC.

Very truly yours,

MONTGOMERY & ANDREWS, P.A.

J. Scott Hall

J. Scott Hall

Attorneys for COG Operating LLC

0490 6132 0000 2319 0840

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City, State, ZIP+4 Santa Fe NM 87504

PS Form 3800, August 2006 See Reverse for Instructions

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87504-1148

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J. Scott Hall

☐ Agent

☐ Addressee

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☐ Insured Mail

☐ C.O.D.

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STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

RECEIVED OCD

IN THE MATTER OF THE APPLICATION OF COG
OPERATING, LLC FOR AUTHORIZATION TO
CONDUCT INJECTION OPERATIONS FOR
EVALUATION FOR SECONDARY RECOVERY
OPERATIONS, EDDY COUNTY, NEW MEXICO.

2010 MAR -2 P 4: 41

CASE NO. 14455

APPLICATION

COG Operating, LLC, ("COG"), through its undersigned counsel, Montgomery and Andrews, P.A. (J. Scott Hall, Esq.), applies pursuant to 19.15.26.8 NMAC for an order authorizing the injection of water into the Paddock and Blinebry members of the Glorieta-Yeso formation, Empire Yeso Pool (96210) in Eddy County, New Mexico. In support of its Application, COG states:

1. Applicant is the operator of the following wells:

Continental A State No. 11
API No. 30-015-34742
1450' FNL & 1907' FWL (Unit F)
Section 30
T-17-S, R-29-E, NMPM
Eddy County, New Mexico

Continental A State No. 12
API No. 30-015-35052
330' FNL & 583' FWL (Unit D)
Section 30
T-17-S, R-29-E, NMPM
Eddy County, New Mexico

2. Continental A State No. 11 well is drilled to a total depth of 5757' and the Continental A State No. 12 to a total depth of 5460'. Both wells were originally operated as producing oil wells. COG proposes to convert and utilize the wells for injection of water through a closed system into the Paddock and Blinebry formations, Empire Yeso Pool, through

perforations within the depths of 3,926' to 4,277' (Paddock) and 4,436' to 5,088' (Blinebry) (Continental A State Well No. 11). For the Continental A State No. 12, the perforations will be within the depths of 3,811' to 4,044' (Paddock) and 4,400' to 5,297' (Blinebry). Data from injection will be utilized to evaluate the feasibility of secondary recovery operations in the referenced formations.

3. Injection operations through the well will be conducted at an anticipated average daily injection pressure of 2,000 psi with a maximum surface injection pressure of 2,000 psi or as permitted by the Division, in excess of a 0.2 psi/ft. gradient. Applicant proposes injection of water at average daily rates of approximately 1,000 bbls and at maximum daily rates of approximately 2,000 bbls. The source of the injected fluids will be formation water from production wells that have been drilled and are scheduled to be drilled in the area.

4. Applicant's proposed injection operation can be conducted in a safe and responsible manner without causing waste, impairing correlative rights or endangering fresh water, public health or the environment.

WHEREFORE, Applicant requests that this Application be set for hearing before a duly appointed examiner of the Oil Conservation Division on April 1, 2010 and that after notice and hearing as required by law, the Division enter its Order approving the conversion of the Continental A State No. 11 and Continental A State No. 12 Wells for the injection of water into the Paddock and Blinebry members of the Glorieta-Yeso formation at the intervals and at the pressures, volumes and rates indicated, and making such other and further provisions as the Division determines appropriate.

Montgomery and Andrews, P.A.

By: _____

J. Scott Hall

J. Scott Hall, Esq.
Post Office Box 2307
Santa Fe, New Mexico 87504
(505) 982-3873
(505) 982-4289

Attorneys for COG Operating, LLC

00168403



**MONTGOMERY
& ANDREWS**
LAW FIRM

J. SCOTT HALL

Cell: (505) 670-7362

Email: shall@montand.com

Reply To: Santa Fe Office

www.montand.com

March 8, 2010

Certified Mail Return Receipt Requested

Mewbourne Oil Company
500 W. Texas Ave., Suite 1020
Midland, TX 79701

**Re: NMOCD Case No. 14455; Application of COG Operating LLC for
Authorization to Conduct Injection Operations for Evaluation for Secondary
Recovery Operations, Eddy County, New Mexico**

Dear Sir or Madam:

This will advise that COG Operating LLC ("COG") has filed an Application with the New Mexico Oil Conservation Division for an order authorizing Applicant to convert and utilize its Continental State A No. 11 and No. 12 wells for injection of water through a closed system into the Paddock and Blinebry members of the Glorieta-Yeso formation. The wells are located in Section 30, Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico.

A copy of the Application is enclosed. You were previously provided with a copy of COG's C-108 Application for Authorization to Inject by certified mail. Should you require another copy of the C-108, please advise.

This application will be set for hearing before a Division Examiner on April 1, 2010, at 8:15 a.m. at the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time. If you intend to attend the hearing and present testimony or evidence, you must enter your

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Post Office Box 2307
Santa Fe, New Mexico 87504-2307

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Albuquerque, New Mexico 87110
Telephone (505) 884-4200 • Fax (505) 888-8929

Post Office Box 36210
Albuquerque, New Mexico 87176-6210

Mewbourne Oil Co.
March 9, 2010
Page 2

appearance and serve the Division, counsel for the Applicant, and other parties with a pre-hearing statement at least four business days before the scheduled hearing date in accordance with Division Rule 19.15.4.13 NMAC.

Very truly yours,

MONTGOMERY & ANDREWS, P.A.

J. Scott Hall

J. Scott Hall

Attorneys for COG Operating LLC

7006 2150 0002 3511 7082

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Sent To *Mewbourne Oil Company*
Street, Apt. No.,
or PO Box No. *500 W. Texas Ave. Ste 1020*
City, State, ZIP+4 *Midland, TX 79701*

PS Form 3800, August 2006 See Reverse for Instructions

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STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

RECEIVED OCD

IN THE MATTER OF THE APPLICATION OF COG
OPERATING, LLC FOR AUTHORIZATION TO
CONDUCT INJECTION OPERATIONS FOR
EVALUATION FOR SECONDARY RECOVERY
OPERATIONS, EDDY COUNTY, NEW MEXICO.

2010 MAR -2 P 4:41

CASE NO. 14455

APPLICATION

COG Operating, LLC, ("COG"), through its undersigned counsel, Montgomery and Andrews, P.A. (J. Scott Hall, Esq.), applies pursuant to 19.15.26.8 NMAC for an order authorizing the injection of water into the Paddock and Blinebry members of the Glorieta-Yeso formation, Empire Yeso Pool (96210) in Eddy County, New Mexico. In support of its Application, COG states:

1. Applicant is the operator of the following wells:

Continental A State No. 11
API No. 30-015-34742
1450' FNL & 1907' FWL (Unit F)
Section 30
T-17-S, R-29-E, NMPM
Eddy County, New Mexico

Continental A State No. 12
API No. 30-015-35052
330' FNL & 583' FWL (Unit D)
Section 30
T-17-S, R-29-E, NMPM
Eddy County, New Mexico

2. Continental A State No. 11 well is drilled to a total depth of 5757' and the Continental A State No. 12 to a total depth of 5460'. Both wells were originally operated as producing oil wells. COG proposes to convert and utilize the wells for injection of water through a closed system into the Paddock and Blinebry formations, Empire Yeso Pool, through

perforations within the depths of 3,926' to 4,277' (Paddock) and 4,436' to 5,088' (Blinebry) (Continental A State Well No. 11). For the Continental A State No. 12, the perforations will be within the depths of 3,811' to 4,044' (Paddock) and 4,400' to 5,297' (Blinebry). Data from injection will be utilized to evaluate the feasibility of secondary recovery operations in the referenced formations.

3. Injection operations through the well will be conducted at an anticipated average daily injection pressure of 2,000 psi with a maximum surface injection pressure of 2,000 psi or as permitted by the Division, in excess of a 0.2 psi/ft. gradient. Applicant proposes injection of water at average daily rates of approximately 1,000 bbls and at maximum daily rates of approximately 2,000 bbls. The source of the injected fluids will be formation water from production wells that have been drilled and are scheduled to be drilled in the area.

4. Applicant's proposed injection operation can be conducted in a safe and responsible manner without causing waste, impairing correlative rights or endangering fresh water, public health or the environment.

WHEREFORE, Applicant requests that this Application be set for hearing before a duly appointed examiner of the Oil Conservation Division on April 1, 2010 and that after notice and hearing as required by law, the Division enter its Order approving the conversion of the Continental A State No. 11 and Continental A State No. 12 Wells for the injection of water into the Paddock and Blinebry members of the Glorieta-Yeso formation at the intervals and at the pressures, volumes and rates indicated, and making such other and further provisions as the Division determines appropriate.

Montgomery and Andrews, P.A.

By: J. Scott Hall

J. Scott Hall, Esq.
Post Office Box 2307
Santa Fe, New Mexico 87504
(505) 982-3873
(505) 982-4289

Attorneys for COG Operating, LLC

00168403



**MONTGOMERY
& ANDREWS**
LAW FIRM

J. SCOTT HALL

Cell: (505) 670-7362

Email: shall@montand.com

Reply To: Santa Fe Office

www.montand.com

March 9, 2010

Certified Mail Return Receipt Requested

Chevron USA Production Company
11111 S. Wilcrest
Houston, TX 77099

**Re: NMOC D Case No. 14455; Application of COG Operating LLC for
Authorization to Conduct Injection Operations for Evaluation for Secondary
Recovery Operations, Eddy County, New Mexico**

Dear Sir or Madam:

This will advise that COG Operating LLC ("COG") has filed an Application with the New Mexico Oil Conservation Division for an order authorizing Applicant to convert and utilize its Continental State A No. 11 and No. 12 wells for injection of water through a closed system into the Paddock and Blinebry members of the Glorieta-Yeso formation. The wells are located in Section 30, Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico.

A copy of the Application is enclosed. You were previously provided with a copy of COG's C-108 Application for Authorization to Inject by certified mail. Should you require another copy of the C-108, please advise.

This application will be set for hearing before a Division Examiner on April 1, 2010, at 8:15 a.m. at the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time. If you intend to attend the hearing and present testimony or evidence, you must enter your

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Albuquerque, New Mexico 87110
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Post Office Box 36210
Albuquerque, New Mexico 87176-6210

Chevron USA Production Co.
March 9, 2010
Page 2

appearance and serve the Division, counsel for the Applicant, and other parties with a pre-hearing statement at least four business days before the scheduled hearing date in accordance with Division Rule 19.15.4.13 NMAC.

Very truly yours,

MONTGOMERY & ANDREWS, P.A.

J. Scott Hall

J. Scott Hall

Attorneys for COG Operating LLC

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Certified Fee	2.80
Return Receipt Fee (Endorsement Required)	2.30
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.54

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City, State, ZIP+4[®] *Houston, TX 77099*

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STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

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IN THE MATTER OF THE APPLICATION OF COG
OPERATING, LLC FOR AUTHORIZATION TO
CONDUCT INJECTION OPERATIONS FOR
EVALUATION FOR SECONDARY RECOVERY
OPERATIONS, EDDY COUNTY, NEW MEXICO.

2010 MAR -2 P 4: 41

CASE NO. 14455

APPLICATION

COG Operating, LLC, ("COG"), through its undersigned counsel, Montgomery and Andrews, P.A. (J. Scott Hall, Esq.), applies pursuant to 19.15.26.8 NMAC for an order authorizing the injection of water into the Paddock and Blinebry members of the Glorieta-Yeso formation, Empire Yeso Pool (96210) in Eddy County, New Mexico. In support of its Application, COG states:

1. Applicant is the operator of the following wells:

Continental A State No. 11
API No. 30-015-34742
1450' FNL & 1907' FWL (Unit F)
Section 30
T-17-S, R-29-E, NMPM
Eddy County, New Mexico

Continental A State No. 12
API No. 30-015-35052
330' FNL & 583' FWL (Unit D)
Section 30
T-17-S, R-29-E, NMPM
Eddy County, New Mexico

2. Continental A State No. 11 well is drilled to a total depth of 5757' and the Continental A State No. 12 to a total depth of 5460'. Both wells were originally operated as producing oil wells. COG proposes to convert and utilize the wells for injection of water through a closed system into the Paddock and Blinebry formations, Empire Yeso Pool, through

perforations within the depths of 3,926' to 4,277' (Paddock) and 4,436' to 5,088' (Blinebry) (Continental A State Well No. 11). For the Continental A State No. 12, the perforations will be within the depths of 3,811' to 4,044' (Paddock) and 4,400' to 5,297' (Blinebry). Data from injection will be utilized to evaluate the feasibility of secondary recovery operations in the referenced formations.

3. Injection operations through the well will be conducted at an anticipated average daily injection pressure of 2,000 psi with a maximum surface injection pressure of 2,000 psi or as permitted by the Division, in excess of a 0.2 psi/ft. gradient. Applicant proposes injection of water at average daily rates of approximately 1,000 bbls and at maximum daily rates of approximately 2,000 bbls. The source of the injected fluids will be formation water from production wells that have been drilled and are scheduled to be drilled in the area.

4. Applicant's proposed injection operation can be conducted in a safe and responsible manner without causing waste, impairing correlative rights or endangering fresh water, public health or the environment.

WHEREFORE, Applicant requests that this Application be set for hearing before a duly appointed examiner of the Oil Conservation Division on April 1, 2010 and that after notice and hearing as required by law, the Division enter its Order approving the conversion of the Continental A State No. 11 and Continental A State No. 12 Wells for the injection of water into the Paddock and Blinebry members of the Glorieta-Yeso formation at the intervals and at the pressures, volumes and rates indicated, and making such other and further provisions as the Division determines appropriate.

Montgomery and Andrews, P.A.

By: _____

J. Scott Hall

J. Scott Hall, Esq.
Post Office Box 2307
Santa Fe, New Mexico 87504
(505) 982-3873
(505) 982-4289

Attorneys for COG Operating, LLC

00168403



**MONTGOMERY
& ANDREWS**
LAW FIRM

J. SCOTT HALL

Cell: (505) 670-7362

Email: shall@montand.com

Reply To: Santa Fe Office

www.montand.com

March 9, 2010

Certified Mail Return Receipt Requested

Lobos Energy Partners, LLC
309 S. Halagueno Street
Carlsbad, NM 88220

**Re: NMOCD Case No. 14455; Application of COG Operating LLC for
Authorization to Conduct Injection Operations for Evaluation for Secondary
Recovery Operations, Eddy County, New Mexico**

Dear Sir or Madam:

This will advise that COG Operating LLC ("COG") has filed an Application with the New Mexico Oil Conservation Division for an order authorizing Applicant to convert and utilize its Continental State A No. 11 and No. 12 wells for injection of water through a closed system into the Paddock and Blinebry members of the Glorieta-Yeso formation. The wells are located in Section 30, Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico.

A copy of the Application is enclosed. You were previously provided with a copy of COG's C-108 Application for Authorization to Inject by certified mail. Should you require another copy of the C-108, please advise.

This application will be set for hearing before a Division Examiner on April 1, 2010, at 8:15 a.m. at the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time. If you intend to attend the hearing and present testimony or evidence, you must enter your

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Albuquerque, New Mexico 87110
Telephone (505) 884-4200 • Fax (505) 888-8929

Post Office Box 36210
Albuquerque, New Mexico 87176-6210

Lobos Energy Partners, LLC
March 9, 2010
Page 2

appearance and serve the Division, counsel for the Applicant, and other parties with a pre-hearing statement at least four business days before the scheduled hearing date in accordance with Division Rule 19.15.4.13 NMAC.

Very truly yours,

MONTGOMERY & ANDREWS, P.A.

J. Scott Hall

J. Scott Hall

Operating LLC

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 <i>D.R. Kilegore</i> <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <i>D.R. KILEGORE</i> C. Date of Delivery <i>3/11</i></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below:</p>
1. Article Addressed to: <i>Lobos Energy Partners 309 S. Halaguano St. Carlsbad, NM 88220</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) <i>7006 2150 0002 3591 7037</i>	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes

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Certified Fee	<i>2.86</i>
Return Receipt Fee (Endorsement Required)	<i>2.30</i>
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ <i>5.54</i>

Sent To
*Lobos Energy Partners
309 S. Halaguano St.
Carlsbad, NM 88220*

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MAR 9 2010

PS Form 3800, August 2006 See Reverse for Instructions

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

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IN THE MATTER OF THE APPLICATION OF COG
OPERATING, LLC FOR AUTHORIZATION TO
CONDUCT INJECTION OPERATIONS FOR
EVALUATION FOR SECONDARY RECOVERY
OPERATIONS, EDDY COUNTY, NEW MEXICO.

2010 MAR -2 P 4: 41

CASE NO. 14455

APPLICATION

COG Operating, LLC, ("COG"), through its undersigned counsel, Montgomery and Andrews, P.A. (J. Scott Hall, Esq.), applies pursuant to 19.15.26.8 NMAC for an order authorizing the injection of water into the Paddock and Blinbry members of the Glorieta-Yeso formation, Empire Yeso Pool (96210) in Eddy County, New Mexico. In support of its Application, COG states:

1. Applicant is the operator of the following wells:

Continental A State No. 11
API No. 30-015-34742
1450' FNL & 1907' FWL (Unit F)
Section 30
T-17-S, R-29-E, NMPM
Eddy County, New Mexico

Continental A State No. 12
API No. 30-015-35052
330' FNL & 583' FWL (Unit D)
Section 30
T-17-S, R-29-E, NMPM
Eddy County, New Mexico

2. Continental A State No. 11 well is drilled to a total depth of 5757' and the Continental A State No. 12 to a total depth of 5460'. Both wells were originally operated as producing oil wells. COG proposes to convert and utilize the wells for injection of water through a closed system into the Paddock and Blinbry formations, Empire Yeso Pool, through

perforations within the depths of 3,926' to 4,277' (Paddock) and 4,436' to 5,088' (Blinebry) (Continental A State Well No. 11). For the Continental A State No. 12, the perforations will be within the depths of 3,811' to 4,044' (Paddock) and 4,400' to 5,297' (Blinebry). Data from injection will be utilized to evaluate the feasibility of secondary recovery operations in the referenced formations.

3. Injection operations through the well will be conducted at an anticipated average daily injection pressure of 2,000 psi with a maximum surface injection pressure of 2,000 psi or as permitted by the Division, in excess of a 0.2 psi/ft. gradient. Applicant proposes injection of water at average daily rates of approximately 1,000 bbls and at maximum daily rates of approximately 2,000 bbls. The source of the injected fluids will be formation water from production wells that have been drilled and are scheduled to be drilled in the area.

4. Applicant's proposed injection operation can be conducted in a safe and responsible manner without causing waste, impairing correlative rights or endangering fresh water, public health or the environment.

WHEREFORE, Applicant requests that this Application be set for hearing before a duly appointed examiner of the Oil Conservation Division on April 1, 2010 and that after notice and hearing as required by law, the Division enter its Order approving the conversion of the Continental A State No. 11 and Continental A State No. 12 Wells for the injection of water into the Paddock and Blinebry members of the Glorieta-Yeso formation at the intervals and at the pressures, volumes and rates indicated, and making such other and further provisions as the Division determines appropriate.

Montgomery and Andrews, P.A.

By: _____

J. Scott Hall

J. Scott Hall, Esq.
Post Office Box 2307
Santa Fe, New Mexico 87504
(505) 982-3873
(505) 982-4289

Attorneys for COG Operating, LLC

00168403



**MONTGOMERY
& ANDREWS**
LAW FIRM

J. SCOTT HALL

Cell: (505) 670-7362

Email: shall@montand.com

Reply To: Santa Fe Office

www.montand.com

March 9, 2010

Certified Mail Return Receipt Requested

Fasken Oil & Ranch
303 West Wall Avenue, Suite 1800
Midland, TX 79701

**Re: NMOCD Case No. 14455; Application of COG Operating LLC for
Authorization to Conduct Injection Operations for Evaluation for Secondary
Recovery Operations, Eddy County, New Mexico**

Dear Sir or Madam:

This will advise that COG Operating LLC ("COG") has filed an Application with the New Mexico Oil Conservation Division for an order authorizing Applicant to convert and utilize its Continental State A No. 11 and No. 12 wells for injection of water through a closed system into the Paddock and Blinbry members of the Glorieta-Yeso formation. The wells are located in Section 30, Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico.

A copy of the Application is enclosed. You were previously provided with a copy of COG's C-108 Application for Authorization to Inject by certified mail. Should you require another copy of the C-108, please advise.

This application will be set for hearing before a Division Examiner on April 1, 2010, at 8:15 a.m. at the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time. If you intend to attend the hearing and present testimony or evidence, you must enter your appearance and serve the Division, counsel for the Applicant, and other parties

REPLY TO:

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Santa Fe, New Mexico 87501
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Santa Fe, New Mexico 87504-2307

6301 Indian School Road NE, Suite 400
Albuquerque, New Mexico 87110
Telephone (505) 884-4200 • Fax (505) 888-8929

Post Office Box 36210
Albuquerque, New Mexico 87176-6210

Fasken Oil & Ranch
March 9, 2010
Page 2

with a pre-hearing statement at least four business days before the scheduled hearing date in accordance with Division Rule 19.15.4.13 NMAC.

Very truly yours,

MONTGOMERY & ANDREWS, P.A.

J. Scott Hall

J. Scott Hall

Attorneys for COG Operating LLC

7006 2150 0002 3591 7020

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Total Postage & Fees	\$ 5.54

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Street, Apt. No.,
or PO Box No. *303 W. Wall Ave, Ste 1800*
City, State, ZIP+4 *Midland TX 79701*

PS Form 3800, August 2006 See Reverse for Instructions

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STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

RECEIVED OOD

IN THE MATTER OF THE APPLICATION OF COG
OPERATING, LLC FOR AUTHORIZATION TO
CONDUCT INJECTION OPERATIONS FOR
EVALUATION FOR SECONDARY RECOVERY
OPERATIONS, EDDY COUNTY, NEW MEXICO.

2010 MAR -2 P 4: 41

CASE NO. 14455

APPLICATION

COG Operating, LLC, ("COG"), through its undersigned counsel, Montgomery and Andrews, P.A. (J. Scott Hall, Esq.), applies pursuant to 19.15.26.8 NMAC for an order authorizing the injection of water into the Paddock and Blinebry members of the Glorieta-Yeso formation, Empire Yeso Pool (96210) in Eddy County, New Mexico. In support of its Application, COG states:

1. Applicant is the operator of the following wells:

Continental A State No. 11
API No. 30-015-34742
1450' FNL & 1907' FWL (Unit F)
Section 30
T-17-S, R-29-E, NMPM
Eddy County, New Mexico

Continental A State No. 12
API No. 30-015-35052
330' FNL & 583' FWL (Unit D)
Section 30
T-17-S, R-29-E, NMPM
Eddy County, New Mexico

2. Continental A State No. 11 well is drilled to a total depth of 5757' and the Continental A State No. 12 to a total depth of 5460'. Both wells were originally operated as producing oil wells. COG proposes to convert and utilize the wells for injection of water through a closed system into the Paddock and Blinebry formations, Empire Yeso Pool, through

perforations within the depths of 3,926' to 4,277' (Paddock) and 4,436' to 5,088' (Blinebry) (Continental A State Well No. 11). For the Continental A State No. 12, the perforations will be within the depths of 3,811' to 4,044' (Paddock) and 4,400' to 5,297' (Blinebry). Data from injection will be utilized to evaluate the feasibility of secondary recovery operations in the referenced formations.

3. Injection operations through the well will be conducted at an anticipated average daily injection pressure of 2,000 psi with a maximum surface injection pressure of 2,000 psi or as permitted by the Division, in excess of a 0.2 psi/ft. gradient. Applicant proposes injection of water at average daily rates of approximately 1,000 bbls and at maximum daily rates of approximately 2,000 bbls. The source of the injected fluids will be formation water from production wells that have been drilled and are scheduled to be drilled in the area.

4. Applicant's proposed injection operation can be conducted in a safe and responsible manner without causing waste, impairing correlative rights or endangering fresh water, public health or the environment.

WHEREFORE, Applicant requests that this Application be set for hearing before a duly appointed examiner of the Oil Conservation Division on April 1, 2010 and that after notice and hearing as required by law, the Division enter its Order approving the conversion of the Continental A State No. 11 and Continental A State No. 12 Wells for the injection of water into the Paddock and Blinebry members of the Glorieta-Yeso formation at the intervals and at the pressures, volumes and rates indicated, and making such other and further provisions as the Division determines appropriate.

Montgomery and Andrews, P.A.

By: J. Scott Hall

J. Scott Hall, Esq.

Post Office Box 2307

Santa Fe, New Mexico 87504

(505) 982-3873

(505) 982-4289

Attorneys for COG Operating, LLC

00168403



**MONTGOMERY
& ANDREWS**
LAW FIRM

J. SCOTT HALL

Cell: (505) 670-7362

Email: shall@montand.com

Reply To: Santa Fe Office

www.montand.com

March 9, 2010

Certified Mail Return Receipt Requested

Nadel and Gussman Heyco, LLC
500 North Main Street, Suite 1
Roswell, NM 88201

**Re: NMOCD Case No. 14455; Application of COG Operating LLC for
Authorization to Conduct Injection Operations for Evaluation for Secondary
Recovery Operations, Eddy County, New Mexico**

Dear Sir or Madam:

This will advise that COG Operating LLC ("COG") has filed an Application with the New Mexico Oil Conservation Division for an order authorizing Applicant to convert and utilize its Continental State A No. 11 and No. 12 wells for injection of water through a closed system into the Paddock and Blinebry members of the Glorieta-Yeso formation. The wells are located in Section 30, Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico.

A copy of the Application is enclosed. You were previously provided with a copy of COG's C-108 Application for Authorization to Inject by certified mail. Should you require another copy of the C-108, please advise.

This application will be set for hearing before a Division Examiner on April 1, 2010, at 8:15 a.m. at the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time. If you intend to attend the hearing and present testimony or evidence, you must enter your

REPLY TO:

325 Paseo de Peralta
Santa Fe, New Mexico 87501
Telephone (505) 982-3873 • Fax (505) 982-4289

Post Office Box 2307
Santa Fe, New Mexico 87504-2307

6301 Indian School Road NE, Suite 400
Albuquerque, New Mexico 87110
Telephone (505) 884-4200 • Fax (505) 888-8929

Post Office Box 36210
Albuquerque, New Mexico 87176-6210

Nadel and Gussman Heyco LLC
March 9, 2010
Page 2

appearance and serve the Division, counsel for the Applicant, and other parties with a pre-hearing statement at least four business days before the scheduled hearing date in accordance with Division Rule 19.15.4.13 NMAC.

Very truly yours,

MONTGOMERY & ANDREWS, P.A.

J. Scott Hall

J. Scott Hall

Attorneys for COG Operating LLC

JSH:kw

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Total Postage & Fees	\$ 5.54

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Street, Apt. No.,
or PO Box No. *500 North Main St Ste 1*
City, State, ZIP+4[®] *Roswell, NM 88201*

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STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

RECEIVED OCD

IN THE MATTER OF THE APPLICATION OF COG
OPERATING, LLC FOR AUTHORIZATION TO
CONDUCT INJECTION OPERATIONS FOR
EVALUATION FOR SECONDARY RECOVERY
OPERATIONS, EDDY COUNTY, NEW MEXICO.

2010 MAR -2 P 4: 41

CASE NO. 14455

APPLICATION

COG Operating, LLC, ("COG"), through its undersigned counsel, Montgomery and Andrews, P.A. (J. Scott Hall, Esq.), applies pursuant to 19.15.26.8 NMAC for an order authorizing the injection of water into the Paddock and Blinebry members of the Glorieta-Yeso formation, Empire Yeso Pool (96210) in Eddy County, New Mexico. In support of its Application, COG states:

1. Applicant is the operator of the following wells:

Continental A State No. 11
API No. 30-015-34742
1450' FNL & 1907' FWL (Unit F)
Section 30
T-17-S, R-29-E, NMPM
Eddy County, New Mexico

Continental A State No. 12
API No. 30-015-35052
330' FNL & 583' FWL (Unit D)
Section 30
T-17-S, R-29-E, NMPM
Eddy County, New Mexico

2. Continental A State No. 11 well is drilled to a total depth of 5757' and the Continental A State No. 12 to a total depth of 5460'. Both wells were originally operated as producing oil wells. COG proposes to convert and utilize the wells for injection of water through a closed system into the Paddock and Blinebry formations, Empire Yeso Pool, through

perforations within the depths of 3,926' to 4,277' (Paddock) and 4,436' to 5,088' (Blinebry) (Continental A State Well No. 11). For the Continental A State No. 12, the perforations will be within the depths of 3,811' to 4,044' (Paddock) and 4,400' to 5,297' (Blinebry). Data from injection will be utilized to evaluate the feasibility of secondary recovery operations in the referenced formations.

3. Injection operations through the well will be conducted at an anticipated average daily injection pressure of 2,000 psi with a maximum surface injection pressure of 2,000 psi or as permitted by the Division, in excess of a 0.2 psi/ft. gradient. Applicant proposes injection of water at average daily rates of approximately 1,000 bbls and at maximum daily rates of approximately 2,000 bbls. The source of the injected fluids will be formation water from production wells that have been drilled and are scheduled to be drilled in the area.

4. Applicant's proposed injection operation can be conducted in a safe and responsible manner without causing waste, impairing correlative rights or endangering fresh water, public health or the environment.

WHEREFORE, Applicant requests that this Application be set for hearing before a duly appointed examiner of the Oil Conservation Division on April 1, 2010 and that after notice and hearing as required by law, the Division enter its Order approving the conversion of the Continental A State No. 11 and Continental A State No. 12 Wells for the injection of water into the Paddock and Blinebry members of the Glorieta-Yeso formation at the intervals and at the pressures, volumes and rates indicated, and making such other and further provisions as the Division determines appropriate.

Montgomery and Andrews, P.A.

By: _____

J. Scott Hall

J. Scott Hall, Esq.
Post Office Box 2307
Santa Fe, New Mexico 87504
(505) 982-3873
(505) 982-4289

Attorneys for COG Operating, LLC

00168403



**MONTGOMERY
& ANDREWS**
LAW FIRM

J. SCOTT HALL

Cell: (505) 670-7362

Email: shall@montand.com

Reply To: Santa Fe Office

www.montand.com

March 9, 2010

Certified Mail Return Receipt Requested

Lime Rock Resources
1111 Bagby Street
Houston, TX 77002

**Re: NMOCD Case No. 14455; Application of COG Operating LLC for
Authorization to Conduct Injection Operations for Evaluation for Secondary
Recovery Operations, Eddy County, New Mexico**

Dear Sir or Madam:

This will advise that COG Operating LLC ("COG") has filed an Application with the New Mexico Oil Conservation Division for an order authorizing Applicant to convert and utilize its Continental State A No. 11 and No. 12 wells for injection of water through a closed system into the Paddock and Blinebry members of the Glorieta-Yeso formation. The wells are located in Section 30, Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico.

A copy of the Application is enclosed. You were previously provided with a copy of COG's C-108 Application for Authorization to Inject by certified mail. Should you require another copy of the C-108, please advise.

This application will be set for hearing before a Division Examiner on April 1, 2010, at 8:15 a.m. at the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time. If you intend to

REPLY TO:

325 Paseo de Peralta
Santa Fe, New Mexico 87501
Telephone (505) 982-3873 • Fax (505) 982-4289

Post Office Box 2307
Santa Fe, New Mexico 87504-2307

6301 Indian School Road NE, Suite 400
Albuquerque, New Mexico 87110
Telephone (505) 884-4200 • Fax (505) 888-8929

Post Office Box 36210
Albuquerque, New Mexico 87176-6210

Lime Rock Resources
March 9, 2010
Page 5

attend the hearing and present testimony or evidence, you must enter your appearance and serve the Division, counsel for the Applicant, and other parties with a pre-hearing statement at least four business days before the scheduled hearing date in accordance with Division Rule 19.15.4.13 NMAC.

Very truly yours,

MONTGOMERY & ANDREWS, P.A.

J. Scott Hall

J. Scott Hall

Attorneys for COG Operating LLC

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Total Postage & Fees	\$ 5.54

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or PO Box No. *1111 Bagby Street*
City, State, ZIP+4[®] *Houston, TX 77002*

PS Form 3800, August 2006 See Reverse for Instructions

SANTA FE NM
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STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

RECEIVED OCD

IN THE MATTER OF THE APPLICATION OF COG
OPERATING, LLC FOR AUTHORIZATION TO
CONDUCT INJECTION OPERATIONS FOR
EVALUATION FOR SECONDARY RECOVERY
OPERATIONS, EDDY COUNTY, NEW MEXICO.

2010 MAR -2 P 4:41

CASE NO. 14455

APPLICATION

COG Operating, LLC, ("COG"), through its undersigned counsel, Montgomery and Andrews, P.A. (J. Scott Hall, Esq.), applies pursuant to 19.15.26.8 NMAC for an order authorizing the injection of water into the Paddock and Blinebry members of the Glorieta-Yeso formation, Empire Yeso Pool (96210) in Eddy County, New Mexico. In support of its Application, COG states:

1. Applicant is the operator of the following wells:

Continental A State No. 11
API No. 30-015-34742
1450' FNL & 1907' FWL (Unit F)
Section 30
T-17-S, R-29-E, NMPM
Eddy County, New Mexico

Continental A State No. 12
API No. 30-015-35052
330' FNL & 583' FWL (Unit D)
Section 30
T-17-S, R-29-E, NMPM
Eddy County, New Mexico

2. Continental A State No. 11 well is drilled to a total depth of 5757' and the Continental A State No. 12 to a total depth of 5460'. Both wells were originally operated as producing oil wells. COG proposes to convert and utilize the wells for injection of water through a closed system into the Paddock and Blinebry formations, Empire Yeso Pool, through

perforations within the depths of 3,926' to 4,277' (Paddock) and 4,436' to 5,088' (Blinebry) (Continental A State Well No. 11). For the Continental A State No. 12, the perforations will be within the depths of 3,811' to 4,044' (Paddock) and 4,400' to 5,297' (Blinebry). Data from injection will be utilized to evaluate the feasibility of secondary recovery operations in the referenced formations.

3. Injection operations through the well will be conducted at an anticipated average daily injection pressure of 2,000 psi with a maximum surface injection pressure of 2,000 psi or as permitted by the Division, in excess of a 0.2 psi/ft. gradient. Applicant proposes injection of water at average daily rates of approximately 1,000 bbls and at maximum daily rates of approximately 2,000 bbls. The source of the injected fluids will be formation water from production wells that have been drilled and are scheduled to be drilled in the area.

4. Applicant's proposed injection operation can be conducted in a safe and responsible manner without causing waste, impairing correlative rights or endangering fresh water, public health or the environment.

WHEREFORE, Applicant requests that this Application be set for hearing before a duly appointed examiner of the Oil Conservation Division on April 1, 2010 and that after notice and hearing as required by law, the Division enter its Order approving the conversion of the Continental A State No. 11 and Continental A State No. 12 Wells for the injection of water into the Paddock and Blinebry members of the Glorieta-Yeso formation at the intervals and at the pressures, volumes and rates indicated, and making such other and further provisions as the Division determines appropriate.

Montgomery and Andrews, P.A.

By: _____

J. Scott Hall

J. Scott Hall, Esq.
Post Office Box 2307
Santa Fe, New Mexico 87504
(505) 982-3873
(505) 982-4289

Attorneys for COG Operating, LLC

00168403



**MONTGOMERY
& ANDREWS**
LAW FIRM

J. SCOTT HALL

Cell: (505) 670-7362

Email: shall@montand.com

Reply To: Santa Fe Office

www.montand.com

March 9, 2010

Certified Mail Return Receipt Requested

Marbob Energy Corporation
2208 W. Main Street
Artesia, NM 88211

**Re: NMOCD Case No. 14455; Application of COG Operating LLC for
Authorization to Conduct Injection Operations for Evaluation for Secondary
Recovery Operations, Eddy County, New Mexico**

Dear Sir or Madam:

This will advise that COG Operating LLC ("COG") has filed an Application with the New Mexico Oil Conservation Division for an order authorizing Applicant to convert and utilize its Continental State A No. 11 and No. 12 wells for injection of water through a closed system into the Paddock and Blinebry members of the Glorieta-Yeso formation. The wells are located in Section 30, Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico.

A copy of the Application is enclosed. You were previously provided with a copy of COG's C-108 Application for Authorization to Inject by certified mail. Should you require another copy of the C-108, please advise.

This application will be set for hearing before a Division Examiner on April 1, 2010, at 8:15 a.m. at the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time. If you intend to

REPLY TO:

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Santa Fe, New Mexico 87501
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Santa Fe, New Mexico 87504-2307

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Albuquerque, New Mexico 87110
Telephone (505) 884-4200 • Fax (505) 888-8929

Post Office Box 36210
Albuquerque, New Mexico 87176-6210

Marbob Energy Corporation
March 9, 2010
Page 8

attend the hearing and present testimony or evidence, you must enter your appearance and serve the Division, counsel for the Applicant, and other parties with a pre-hearing statement at least four business days before the scheduled hearing date in accordance with Division Rule 19.15.4.13 NMAC.

Very truly yours,

MONTGOMERY & ANDREWS, P.A.

J. Scott Hall

J. Scott Hall

Attorneys for COG Operating LLC

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Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.54

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Marbob Energy Corp
Street, Apt. No.,
or PO Box No. 2208 W. Main St.
City, State, ZIP+4[®] Artesia, NM 88211

PS Form 3800, August 2006 See Reverse for Instructions

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Marbob Energy Corp.
2208 West Main Str.
Artesia, NM
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- B. Received by (Printed Name)
Kanda Robinson
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MAR 15 2010
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If YES, enter delivery address below. ☐ No

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STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

RECEIVED OCD

IN THE MATTER OF THE APPLICATION OF COG
OPERATING, LLC FOR AUTHORIZATION TO
CONDUCT INJECTION OPERATIONS FOR
EVALUATION FOR SECONDARY RECOVERY
OPERATIONS, EDDY COUNTY, NEW MEXICO.

2010 MAR -2 P 4: 41

CASE NO. 14455

APPLICATION

COG Operating, LLC, ("COG"), through its undersigned counsel, Montgomery and Andrews, P.A. (J. Scott Hall, Esq.), applies pursuant to 19.15.26.8 NMAC for an order authorizing the injection of water into the Paddock and Blinebry members of the Glorieta-Yeso formation, Empire Yeso Pool (96210) in Eddy County, New Mexico. In support of its Application, COG states:

1. Applicant is the operator of the following wells:

Continental A State No. 11
API No. 30-015-34742
1450' FNL & 1907' FWL (Unit F)
Section 30
T-17-S, R-29-E, NMPM
Eddy County, New Mexico

Continental A State No. 12
API No. 30-015-35052
330' FNL & 583' FWL (Unit D)
Section 30
T-17-S, R-29-E, NMPM
Eddy County, New Mexico

2. Continental A State No. 11 well is drilled to a total depth of 5757' and the Continental A State No. 12 to a total depth of 5460'. Both wells were originally operated as producing oil wells. COG proposes to convert and utilize the wells for injection of water through a closed system into the Paddock and Blinebry formations, Empire Yeso Pool, through

perforations within the depths of 3,926' to 4,277' (Paddock) and 4,436' to 5,088' (Blinebry) (Continental A State Well No. 11). For the Continental A State No. 12, the perforations will be within the depths of 3,811' to 4,044' (Paddock) and 4,400' to 5,297' (Blinebry). Data from injection will be utilized to evaluate the feasibility of secondary recovery operations in the referenced formations.

3. Injection operations through the well will be conducted at an anticipated average daily injection pressure of 2,000 psi with a maximum surface injection pressure of 2,000 psi or as permitted by the Division, in excess of a 0.2 psi/ft. gradient. Applicant proposes injection of water at average daily rates of approximately 1,000 bbls and at maximum daily rates of approximately 2,000 bbls. The source of the injected fluids will be formation water from production wells that have been drilled and are scheduled to be drilled in the area.

4. Applicant's proposed injection operation can be conducted in a safe and responsible manner without causing waste, impairing correlative rights or endangering fresh water, public health or the environment.

WHEREFORE, Applicant requests that this Application be set for hearing before a duly appointed examiner of the Oil Conservation Division on April 1, 2010 and that after notice and hearing as required by law, the Division enter its Order approving the conversion of the Continental A State No. 11 and Continental A State No. 12 Wells for the injection of water into the Paddock and Blinebry members of the Glorieta-Yeso formation at the intervals and at the pressures, volumes and rates indicated, and making such other and further provisions as the Division determines appropriate.

Montgomery and Andrews, P.A.

By: _____

J. Scott Hall

J. Scott Hall, Esq.
Post Office Box 2307
Santa Fe, New Mexico 87504
(505) 982-3873
(505) 982-4289

Attorneys for COG Operating, LLC

00168403



**MONTGOMERY
& ANDREWS**
LAW FIRM

J. SCOTT HALL

Cell: (505) 670-7362

Email: shall@montand.com

Reply To: Santa Fe Office

www.montand.com

March 9, 2010

Certified Mail Return Receipt Requested

BP America Production Company
600 N. Marienfeld, Suite 800
Midland, TX 79702

**Re: NMOCD Case No. 14455; Application of COG Operating LLC for
Authorization to Conduct Injection Operations for Evaluation for Secondary
Recovery Operations, Eddy County, New Mexico**

Dear Sir or Madam:

This will advise that COG Operating LLC ("COG") has filed an Application with the New Mexico Oil Conservation Division for an order authorizing Applicant to convert and utilize its Continental State A No. 11 and No. 12 wells for injection of water through a closed system into the Paddock and Blinebry members of the Glorieta-Yeso formation. The wells are located in Section 30, Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico.

A copy of the Application is enclosed. You were previously provided with a copy of COG's C-108 Application for Authorization to Inject by certified mail. Should you require another copy of the C-108, please advise.

This application will be set for hearing before a Division Examiner on April 1, 2010, at 8:15 a.m. at the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time. If you intend to attend the hearing and present testimony or evidence, you must enter your

REPLY TO:

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Albuquerque, New Mexico 87176-6210

BP America Production Co.
March 9, 2010
Page 11

appearance and serve the Division, counsel for the Applicant, and other parties with a pre-hearing statement at least four business days before the scheduled hearing date in accordance with Division Rule 19.15.4.13 NMAC.

Very truly yours,

MONTGOMERY & ANDREWS, P.A.

J. Scott Hall

J. Scott Hall

Attorneys for COG Operating LLC

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STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

RECEIVED OCD

IN THE MATTER OF THE APPLICATION OF COG
OPERATING, LLC FOR AUTHORIZATION TO
CONDUCT INJECTION OPERATIONS FOR
EVALUATION FOR SECONDARY RECOVERY
OPERATIONS, EDDY COUNTY, NEW MEXICO.

2010 MAR -2 P 4: 41

CASE NO. 14455

APPLICATION

COG Operating, LLC, ("COG"), through its undersigned counsel, Montgomery and Andrews, P.A. (J. Scott Hall, Esq.), applies pursuant to 19.15.26.8 NMAC for an order authorizing the injection of water into the Paddock and Blinebry members of the Glorieta-Yeso formation, Empire Yeso Pool (96210) in Eddy County, New Mexico. In support of its Application, COG states:

1. Applicant is the operator of the following wells:

Continental A State No. 11
API No. 30-015-34742
1450' FNL & 1907' FWL (Unit F)
Section 30
T-17-S, R-29-E, NMPM
Eddy County, New Mexico

Continental A State No. 12
API No. 30-015-35052
330' FNL & 583' FWL (Unit D)
Section 30
T-17-S, R-29-E, NMPM
Eddy County, New Mexico

2. Continental A State No. 11 well is drilled to a total depth of 5757' and the Continental A State No. 12 to a total depth of 5460'. Both wells were originally operated as producing oil wells. COG proposes to convert and utilize the wells for injection of water through a closed system into the Paddock and Blinebry formations, Empire Yeso Pool, through

perforations within the depths of 3,926' to 4,277' (Paddock) and 4,436' to 5,088' (Blinebry) (Continental A State Well No. 11). For the Continental A State No. 12, the perforations will be within the depths of 3,811' to 4,044' (Paddock) and 4,400' to 5,297' (Blinebry). Data from injection will be utilized to evaluate the feasibility of secondary recovery operations in the referenced formations.

3. Injection operations through the well will be conducted at an anticipated average daily injection pressure of 2,000 psi with a maximum surface injection pressure of 2,000 psi or as permitted by the Division, in excess of a 0.2 psi/ft. gradient. Applicant proposes injection of water at average daily rates of approximately 1,000 bbls and at maximum daily rates of approximately 2,000 bbls. The source of the injected fluids will be formation water from production wells that have been drilled and are scheduled to be drilled in the area.

4. Applicant's proposed injection operation can be conducted in a safe and responsible manner without causing waste, impairing correlative rights or endangering fresh water, public health or the environment.

WHEREFORE, Applicant requests that this Application be set for hearing before a duly appointed examiner of the Oil Conservation Division on April 1, 2010 and that after notice and hearing as required by law, the Division enter its Order approving the conversion of the Continental A State No. 11 and Continental A State No. 12 Wells for the injection of water into the Paddock and Blinebry members of the Glorieta-Yeso formation at the intervals and at the pressures, volumes and rates indicated, and making such other and further provisions as the Division determines appropriate.

Montgomery and Andrews, P.A.

By: J. Scott Hall

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Attorneys for COG Operating, LLC

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