

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

**APPLICATION OF LOGOS OPERATING, LLC FOR AUTHORIZATION TO INJECT,
FOR APPROVAL OF AND ENHANCED RECOVERY PILOT PROJECT, AND FOR AN
EXCEPTION TO THE PROJECT AREA FORMATION PROVISIONS OF NMAC
19.15.26.8, SAN JUAN COUNTY, NEW MEXICO**

Case No. _____

APPLICATION

LOGOS Operating, LLC (“LOGOS”) applies pursuant to *inter alia* NMAC 19.15.26.8 for an order authorizing the injection of carbon dioxide into the Fruitland Coal formation, Basin Fruitland Coal Gas Pool (71629) in San Juan County, New Mexico. In support thereof, LOGOS states:

1. Applicant is the operator of the following well:

Quinn No. 338S
1,690’ FSL & 1,045’ FWL (Unit K)
Section 7
T-31-N, R-8-W, NMPM
San Juan County, New Mexico

2. The Quinn No. 338S is drilled to the Fruitland Coal Formation to a total depth (PBSD) of 3,008 and with an open hole completion from 2,675’ to 3,008’. LOGOS proposes to convert and equip the well as a Class II injection well for the injection of carbon dioxide through the open hole interval to support a CO₂ and enhanced gas recovery pilot project.

3. Injection operations through the well will be conducted at an anticipated average daily injection pressure of 200 psi, and at a maximum of 1,200 psi. Applicant proposes injection of carbon dioxide at average daily rates of approximately 250 Mcf/day and at maximum daily rates of approximately 3,500 Mcf/day. The source of the injected carbon dioxide gas will be from area

production wells. During the initial course of pilot project operations, LOGOS reasonably expects that injection gas volumes will be contained in formation and within the half-mile radius from the Quinn No. 338S.

4. Only after a sufficient period to allow for the analysis of the injection process and the effect on reservoir performance will Applicant be able to determine whether the subject lands and adjacent tracts “can best be developed and operated as a unit” in accordance with NMSA Section 70-7-4 C of the Statutory Unitization Act.

5. 320 acre spacing units are specified for development within the Basin-Fruitland Coal Gas Pool. (Order No. R-8768 B). Accordingly, under the provisions of Division Rule NMAC 19.15.26 8. F(2), a project area consisting of the spacing unit for the Quin No. 338S and the adjoining and cornering 320 acre units comprising a total pilot project area of 2,609 acres ± would be indicated. However, before the results of the pilot project are known, incurring the up-front costs and efforts that would be associated with re-dedicating the currently developed acreage within the 2,609 acres to a statutory unit are not warranted.

6. In lieu of designating a 2,609 project area, LOGOS proposes that a pilot project study area limited to those lands within a half-mile area of review from the Quinn No. 338S located on portions of the following:

Township 31 North, Range 8 West
Section 7
Section 18

Township 31 North, Range 9 West
Section 12
Section 13

5. It is reasonably expected that the analysis of data resulting from the conduct of the injection pilot project will lead to the development and production of additional coalbed methane reserves that would otherwise remain unrecovered and would yield additional environmental

benefits. Applicant's proposed injection operations can also 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 on September 9, 2021 and that, following notice and hearing, the Division enter its order approving the utilization of the Quinn No. 338S well for injection of carbon dioxide into the Fruitland Coal formation at the intervals and at the pressures, volumes and rates indicated to support pilot project operations. Applicant also requests a temporary exception to the project area formation provisions of NMAC 19.15.26.8 F(2), along with such other and further provisions as the Division determines appropriate.

Respectfully submitted,

/s/ J. Scott Hall

J. Scott Hall
Post Office Box 1946
Santa Fe, NM 87504-1946
(505) 670-7362
shall@logosresourcesllc.com

*Attorney for LOGOS Operating, LLC
and LOGOS Resources II, LLC*