

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



September 11, 2015

Brian Collins or Ocean Munds-Dry, Esq.
COG Operating, LLC
2208 W. Main Street
Artesia, NM 88210

RE: Packer Setting Depth Exception
Administrative Order SWD-1528
As Drilled Devonian Open Hole: 15615 feet to 16850 feet
Corazon 4 State SWD Well No. 2 (API 30-025-42527)
Unit letter B (Lot 10), Sec 4, T21S, R33E, NMPM, Lea County, New Mexico

Dear Sir or Madame:

Reference is made to your request on behalf of COG Operating, LLC (OGRID 229137; "COG") received by the Division on September 11, 2015, for the above named well. COG applied for an exception to the requirement in SWD-1528 to set the packer within 100 feet of the top of the open hole disposal interval.

It is our understanding that while running the packer on tubing, it set-up prematurely at approximately 15502 feet or 131 feet above the open hole disposal interval. The packer is set within the Woodford Shale, which has a top in this well at 15406 feet.

For the reasons stated in the application and because it appears that correlative rights are protected, waste will not occur and this modification will not endanger any fresh water aquifer or the environment, the exception is granted.

Any future packer setting depths in this well shall not be higher than 15406 feet or the top of the Woodford Shale.

The Division Director may rescind this exception if it becomes apparent that the disposal fluids are not being confined to the permitted interval or are endangering any fresh water aquifer.

Sincerely,

DAVID R. CATANACH
Director

DRC/wvjj

cc: Oil Conservation Division – Hobbs
SWD-1528
API:30-025-42527