

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



COPY

COG Operating
 Rocket Federal #1 LLC

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]**
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]**
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]**
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]**
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]**
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]**

- [1] **TYPE OF APPLICATION - Check Those Which Apply for [A]**
- [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR
- [D] Other: Specify _____
- [2] **NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply**
- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

| | | | |
|--|----------------------|--|-------------------------|
| <u>BRIAN COLLINS</u> Print or Type Name | <u></u> Signature | <u>SENIOR OPERATIONS ENGINEER</u> Title | <u>07/12/12</u> Date |
| | | <u>bcollins@concho.com</u> e-mail Address | |

APPLICATION FOR AUTHORIZATION TO INJECT

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

II. OPERATOR: _____ COG OPERATING LLC _____

ADDRESS: _____ 2208 W. Main Street, ARTESIA, NM 88210 _____

CONTACT PARTY: _____ BRIAN COLLINS _____ PHONE: _____ 575-748-6940 _____

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 _____ 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).

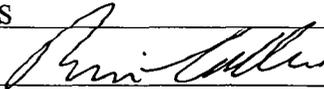
*XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

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: _____ BRIAN COLLINS _____ TITLE: _____ Senior Operations Engineer _____

SIGNATURE: _____  _____ DATE: _____ 7/12/2012 _____

E-MAIL ADDRESS: _____ bcollins@concho.com _____

* 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: _____

C-108 Application for Authorization to Inject
ROCKET FEDERAL #1 SWD
116' FSL, 564' FEL
Unit P, Sec 4 T26S R29E
Eddy County, NM

COG Operating, LLC, proposes to convert the captioned well to salt water disposal service into the Delaware Sand from 3225' to 4775'.

- V. Map is attached.
- VI. Three wells within the ½ mile radius area of review penetrate the proposed injection zone. Wellbore schematics are attached. The JR's Horz Federal #1 SWD has a before and after schematic because we are concurrently filing a C-108 application for it too.
- VII.
 - 1. Proposed average daily injection rate = 5000 BWPD
Proposed maximum daily injection rate = 10000 BWPD
 - 2. Closed system
 - 3. Proposed maximum injection pressure = 645 psi
(0.2 psi/ft. x 3225' ft.)
 - 4. Source of injected water will be Delaware Sand and Bone Spring Sand produced water. No compatibility problems are expected. Analyses of Delaware and Bone Spring waters from analogous source wells are attached.
- VIII. The injection zone is the Delaware Sandstone, a fine-grained sandstone from 3225' to 4775'. Any underground water sources will be shallower than 140'.
- IX. The Delaware sand injection interval might be acidized with approximately 20 gal/ft of 7 ½ % HCl acid.
- X. Well logs are filed with the Division. A section of the neutron-density porosity showing the injection interval is attached.
- XI. There are no fresh water wells within a mile of the proposed SWD well. The Pecos River is approximately 6300' west of the proposed SWD. Water analysis from the Pecos River is attached.
- XII. After examining the available geologic and engineering data, no evidence was found of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Proof of Notice is attached.

III.

WELL DATA

INJECTION WELL DATA SHEET

OPERATOR: COG Operating LLC

WELL NAME & NUMBER: Rocket Federal 1 SWD

WELL LOCATION: 116' FSL 564' FEL P 4 26s 29e
FOOTAGE LOCATION UNIT LETTER SECTION TOWNSHIP RANGE

WELLBORE SCHEMATIC

See Before & After Schematics

WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 12 1/4" Casing Size: 9 5/8" @ 670'
Cemented with: 400 sx. or - ft³
Top of Cement: Surface Method Determined: Circ. Cmt.

Intermediate Casing

Hole Size: _____ Casing Size: _____
Cemented with: _____ sx. or _____ ft³
Top of Cement: _____ Method Determined: _____

Production Casing

Hole Size: 8 3/4 x 7 7/8" Casing Size: 5 1/2" @ 7064' MD
Cemented with: 2125 sx. or - ft³
Top of Cement: Surface Method Determined: Circ. Cmt.
Total Depth: 7064' MD 5500' TVD

Injection Interval

3225' feet to 4775'

(Perforated) or Open Hole; indicate which)

INJECTION WELL DATA SHEET

Tubing Size: 2 7/8" or 3 1/2" Lining Material: IPC / Duvoline ZO
Type of Packer: 5K nickel plated double grip retrievable
Packer Setting Depth: ± 3175'
Other Type of Tubing/Casing Seal (if applicable): NIA

Additional Data

1. Is this a new well drilled for injection? Yes X No
If no, for what purpose was the well originally drilled? Oil & Gas Horizontal
Lateral has watered out.
2. Name of the Injection Formation: Delaware Sand
3. Name of Field or Pool (if applicable): Corral Canyon South
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. Yes
Horizontal lateral 5355-7000' MD (5101' TVD)
5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:
Overlying: None
Underlying: Delaware 5062', Bone Spring 7450'

Rocket Fed. 1
 116' FSL, 564' FEL (Surf)
 2277' FSL, 387' FEL (bhl)
 P-4-26s-29e
 Eddy, NM
 30-015-34795

Zero: 17' AGL
 KB: 2981'
 GL: 2964'

| Size | wt. | Grade | Conn | Depth |
|--------|-----|-------|------|-------|
| 9 5/8" | 36 | J55 | STC | 670' |
| 5 1/2" | 17 | J55 | LTC | 7064' |
| | | | | |
| 2 1/8" | 6.5 | J55 | EVE | |
| | | | | |
| | | | | |

42-381 50 SHEETS EVA-EASE® 5 SQUARE
 42-382 100 SHEETS EVA-EASE® 5 SQUARE
 42-383 100 SHEETS EVA-EASE® 5 SQUARE
 42-384 100 RECYCLED WHITE 5 SQUARE
 42-385 200 RECYCLED WHITE 5 SQUARE
 MADE IN U.S.A.



12 1/4"

9 5/8" @ 670'
 400" C (circ 1205x)

Before SWD Conversion

8 3/4" to 5315'
 7 7/8" to 7064'

DV/ECP 4382'
 KOP 4573'

5335' 5595' 5857' 6054' 6252' 6509' 6740' 7000' FC 7022'

Horiz 5350'
 MD

5500'

630.5x

TVD 5101-5113' Delaware

7064'

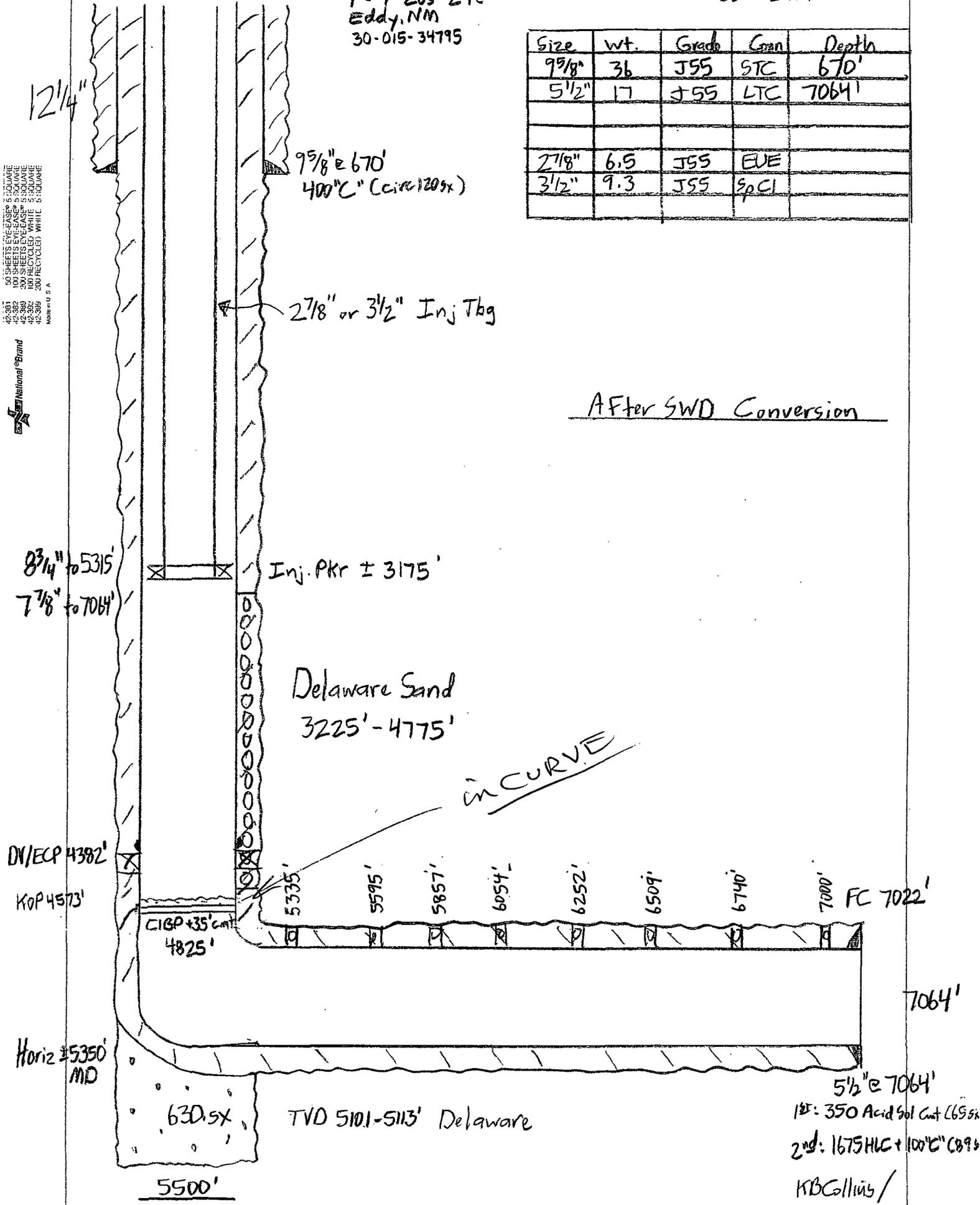
5 1/2" @ 7064'
 1st: 350 Acid Sol Cont (65sx
 2nd: 1675 HLC + 100" @ (896
 KBC Collins /

Rocket Fed. 1 SWD
 116' FSL, 564' FEL (surf)
 2277' FSL, 387' FEL (bhl)
 P-4-26s-29e
 Eddy, NM
 30-015-34795

Zero: 17' AGL
 KB: 2981'
 GL: 2964'

| Size | wt. | Grade | Conn | Depth |
|--------|-----|-------|------|-------|
| 9 5/8" | 36 | J55 | STC | 670' |
| 5 1/2" | 17 | J55 | LTC | 7064' |
| 2 7/8" | 6.5 | J55 | EUE | |
| 3 1/2" | 9.3 | J55 | SpCl | |

42-301 50 SHEETS EYE-CASE® 6 SQUARE
 42-302 100 SHEETS EYE-CASE® 8 SQUARE
 42-303 200 SHEETS EYE-CASE® 8 SQUARE
 42-304 100 RECYCLED WHITE 8 SQUARE
 42-305 200 RECYCLED WHITE 8 SQUARE
 Made in U.S.A.

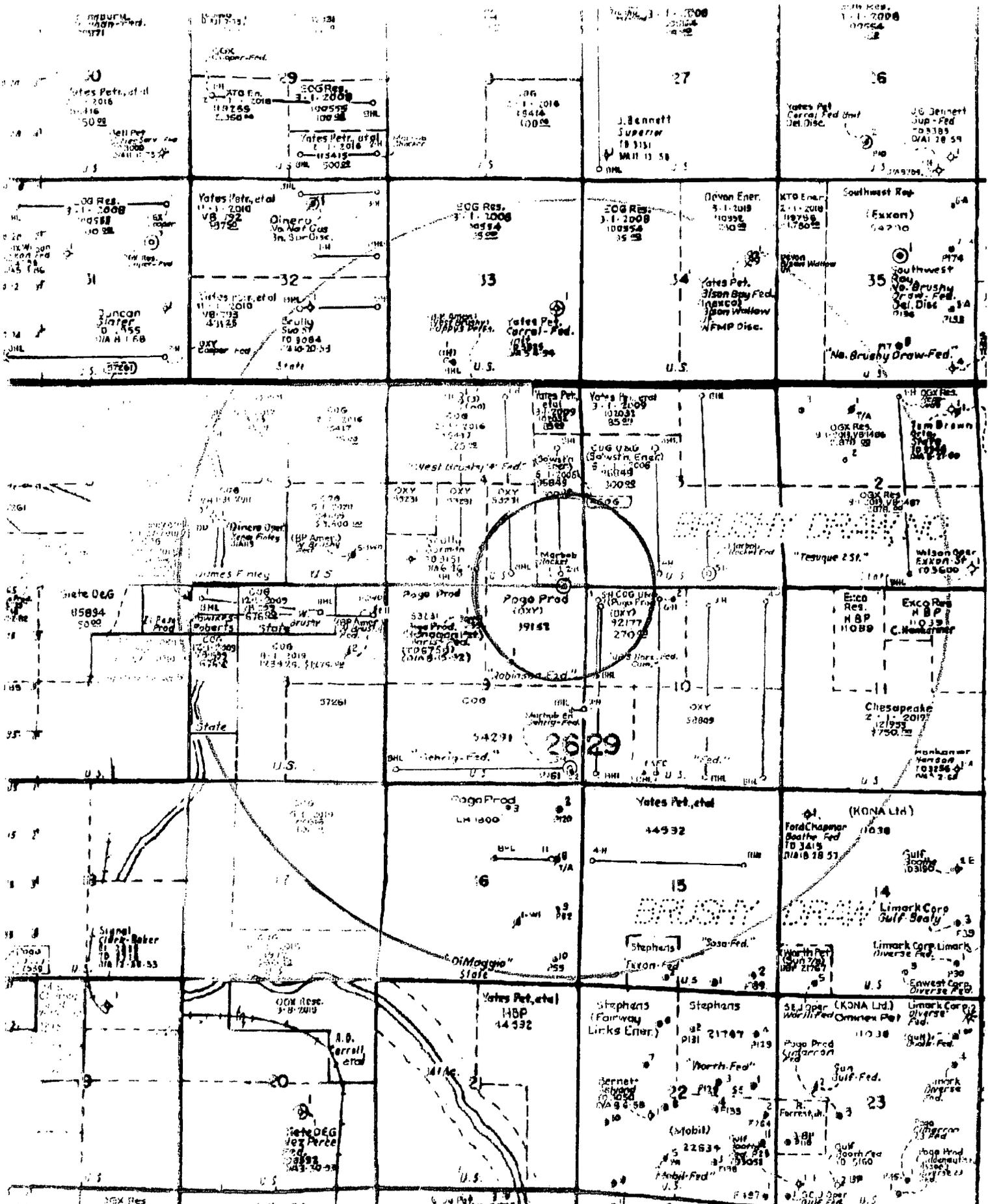


After SWD Conversion

5 1/2" @ 7064'
 1st: 350 Acid Sol Cont C65sx
 2nd: 1675 HLC + 100°C C89s
 KBC Collins /

V.

MAP



COG Operating, LLC
Rocker Federal #1 SWD
Unit P, Sec 4-T26S-R29E
Eddy County, NM

VI.

Wells Penetrating Proposed Disposal Interval Within Half Mile Area of Review

30-015-29826

Robinson 9 Federal No. 1
1980' FNL, 1980' FEL
G-9-26s-29e
Eddy NM

12 1/4"

8 5/8" / 24 / J55 / STC @ 576' 250sxHLC + 200sx"C" (Circ 125sx)

TDC 3000' CBL ✓

7 7/8"

CIBP 5360'

5062-5082' (40)

Delaware

5152-5177' (50)

5410-5420' (20) Delaware

4 1/2" / 11.6 / J55 / LTC @ 5453' 615sx"C"

5453'

30-015-37904

JR's Horz Fed Com 6H
Surf: 330' FWL, 1980' FWL, Unit C
EDL: 332' FSL, 1914' FWL, Unit N
10-26s-29e
Eddy NM

17 1/2"

12 1/4"

1 3/8" / 48 / H40 / STC @ 523' 500sx "C" (circ 115sx)

9 7/8" / 36 / J55 / BTCC @ 2919' 1025sx "C" (circ 138sx)

TDC 3080' TS

DV 6771'
KOP 6850'

7700 - 11800' MD Bone Spring

5 1/2" / 17 / N80 / LTC
@ 11910' MD

11912' MD

235sx H 6719-7350'

7450' TVD

75sx H 8300-8440'

75sx H 10059-254'

10254'

1st: 475sx Acid Sol (circ 86sx)
2nd: 1100sx HLC + 1000sx "C"
3rd: 600sx HLC down
9 7/8" x 5 1/2"

JR's Horz Fed. Com. 1

380' N, 330' W Surface
 2301' N, 441' W BHL
 10-26s-29e
 Eddy NM

Zero: 10' AGL
 KB: 3003'
 GL: 2993'

| Size | Wt. | Grade | Conn | Depth |
|--------|-----|-------|------|-------|
| 9 5/8" | 36 | J55 | STC | 552' |
| 5 1/2" | 17 | J55 | LTC | 4181' |
| | 17 | J55 | FL4S | 6801' |
| | | | | |
| 2 1/8" | 6.5 | J55 | BVE | |
| | | | | |
| | | | | |

12 1/4"

9 5/8" @ 552'
 375 "C" (circ 100 ft)

TOC Above 1860' CBL

Before SWD Conversion

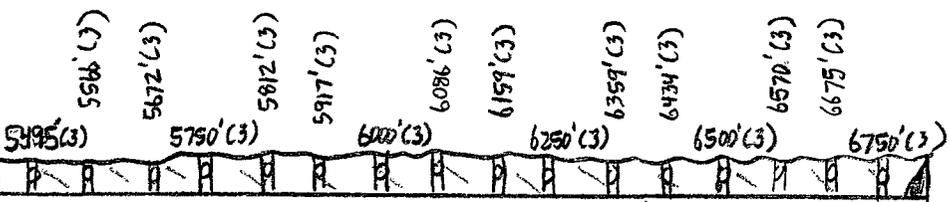
8 3/4"
 to 5441' MD

7 7/8"
 5441' MD
 to
 6812' MD

DN/IECP 4170'

Poor Cmt Coverage
 4170-4710' CBL
 KOP 4550'

Horizontal @ ±540' MD



330 "C"
 +
 330 "C"

5300'

TVD 5124-5140' Delaware

5 1/2" @ 6812' MD
 1st: 400 "C" 2 1/2" Zamboni
 2nd: 1200 HLC + 100 "C"
 (Didn't circ. either stage)
 KB Collins

10 SHEETS EYE-EASE® 5 SQUARE
 10 SHEETS EYE-EASE® 5 SQUARE
 200 SHEETS EYE-EASE® 5 SQUARE
 100 RECYCLED WHITE 5 SQUARE
 42-391
 42-392
 42-393
 42-394
 42-395
 42-396
 42-397
 42-398
 42-399
 42-400
 MADE IN U.S.A.



JR's Horz Fed. 1 SWD

380' N, 330' W Surface
 230' N, 441' W BHL
 10-26s-29c
 Eddy NM

Zero: 10' AGL
 KB: 3003'
 GL: 2993'

| Size | Wt. | Grade | Conn | Depth |
|--------|-----|-------|------|-------|
| 9 5/8" | 36 | J55 | STC | 552' |
| 5 1/2" | 17 | J55 | LTC | 4181' |
| | 17 | J55 | FL45 | 6801' |
| 2 1/8" | 6.5 | J55 | EVE | 4' |
| 3 1/2" | 9.3 | J55 | SpCI | |

12 1/4"

42-301 50 SHEETS RELEASE, 8 SQUARE
 42-302 200 SHEETS RELEASE, 8 SQUARE
 42-303 200 SHEETS RELEASE, 8 SQUARE
 42-304 100 RECYCLED WHITE, 8 SQUARE
 42-305 200 RECYCLED WHITE, 8 SQUARE
 MADE IN U.S.A.



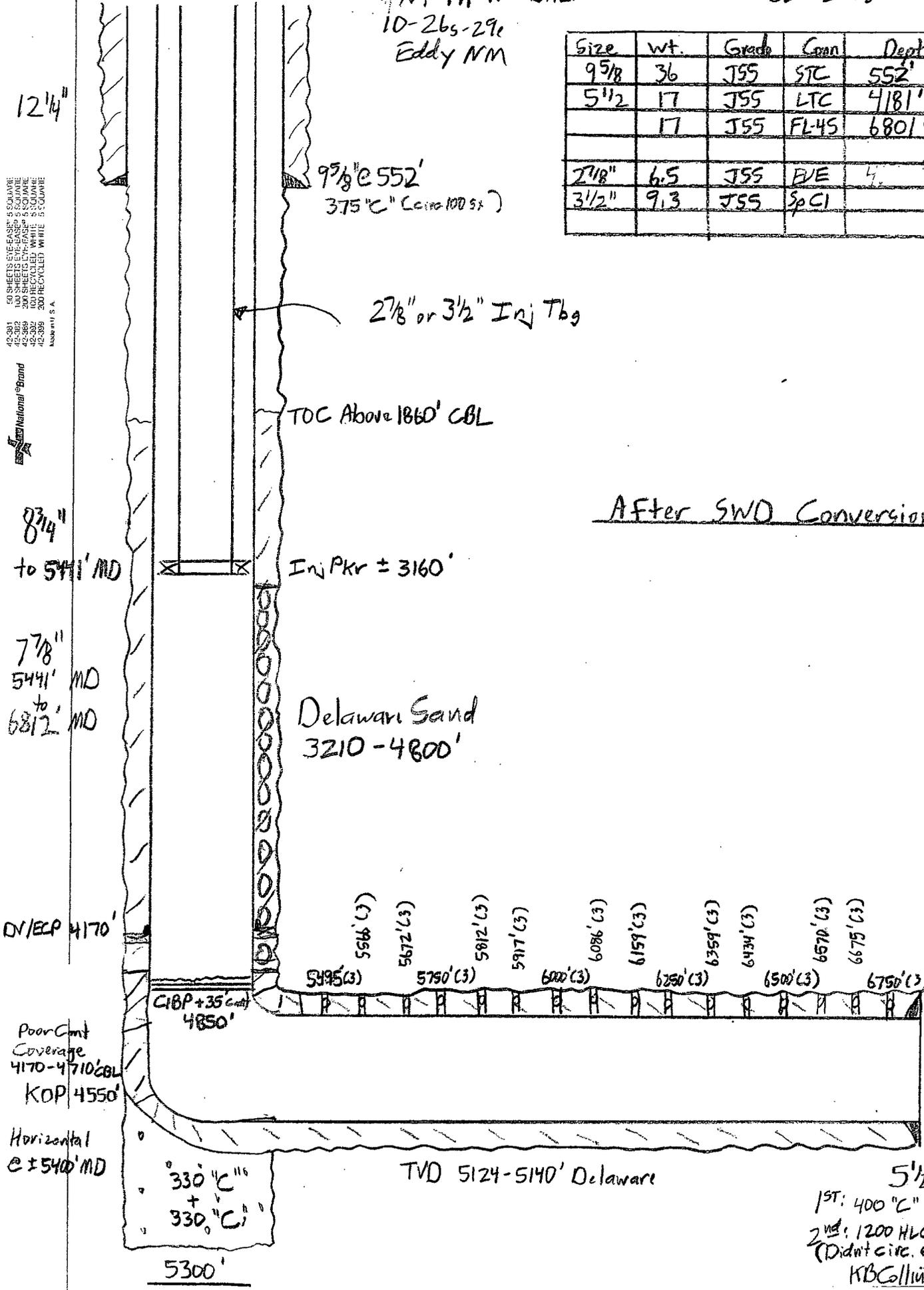
8 3/4"
 to 5441' MD

7 7/8"
 5441' MD
 to 6812' MD

DN/ECP 4170'

Poor Cmt Coverage
 4170-4710' CBL
 KOP 4550'

Horizontal
 @ ±540' MD



After SWD Conversion

330" C"
 +
 330" C"

5 1/2" @ 6812' MD
 1st: 400' C" 2% Zirconium
 2nd: 1200' HLC + 100' C"
 (Didn't circ. either stage)
 KBC Collins

VII.

Water Analysis Produced and Receiving Formation Water

WATER SAMPLES REPRESENTATIVE OF WATER BEING INJECTED INTO AND NATIVE TO THE PROPOSED SWD WELL

| Bone Spr | | | | | | | | | | | | |
|---|-----------------------|----------|----------------|-----------|-------------|------------------|----------------|-----------|------|--------------|-----------|-----------|
| Lab Test # | Lease | Location | Salesman | Date Out | Sample Date | Specific Gravity | Ionic Strength | TDS | pH | conductivity | Ca (mg/L) | Mg (mg/L) |
| 2011128836 | Jr's Horz Federal Com | 6H | William D Polk | 9/30/2011 | 9/21/2011 | 1.13 | 3.30 | 195560.75 | 7.00 | | 5293.00 | 1025.00 |
| <i>Representative of Bone Spring Produced Water</i> | | | | | | | | | | | | |
| Delaware | | | | | | | | | | | | |
| 2012103128 | Gehrig | Fed #2 | William D Polk | 2/15/2012 | 1/10/2012 | 1.16 | 4.00 | 251245.24 | 6.47 | | 25915.00 | 3525.76 |

Representative of Delaware Produced and Receiving Formation Water

| TH (CaCO3) | Na (mg/L) | K (mg/L) | Zn (mg/L) | Fe (mg/L) | Ba (mg/L) | Sr (mg/L) | Mn (mg/L) | Resistivity | HCO3 (mg/L) | CO3 (mg/L) | OH (mg/L) | SO4 (mg/L) | Cl (mg/L) | CO2 (mg/L) | H2S (mg/L) |
|------------|-----------|----------|-----------|-----------|-----------|-----------|-----------|-------------|-------------|------------|-----------|------------|-----------|------------|------------|
| 18091.94 | 75830.00 | 1296.00 | | 2.00 | 2.00 | 557.00 | 0.75 | | 1830.00 | 0.00 | | 325.00 | 109400.00 | 570.00 | 0.00 |
| 81017.80 | 66969.32 | 1342.77 | 64.22 | 35.40 | 4.51 | 1492.00 | 24.27 | | 122.00 | 0.00 | | 450.00 | 151300.00 | 250.00 | 0.00 |

X.

**Log Across Proposed
Delaware Sand
Injection Interval**

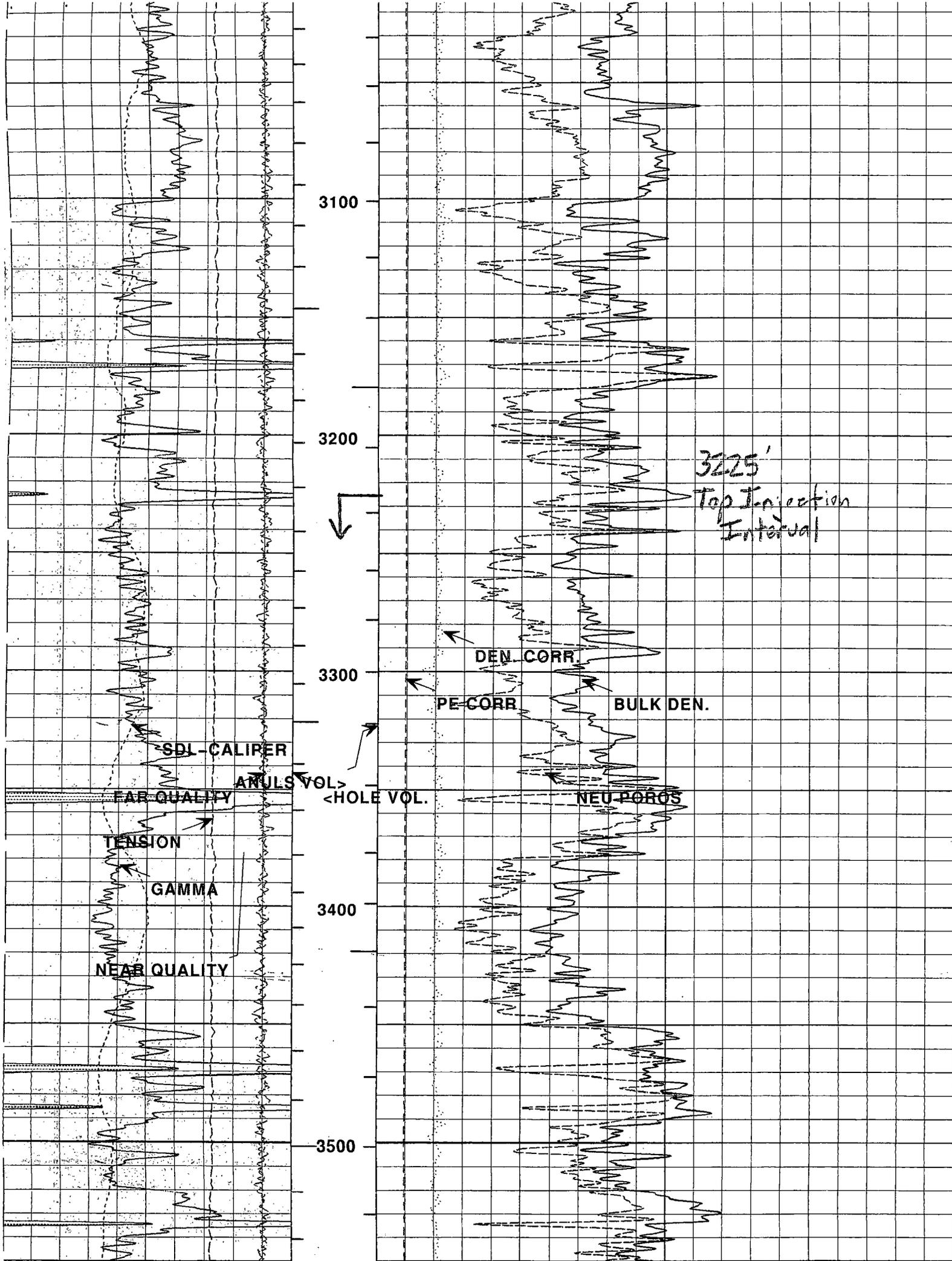
HALLIBURTON

DUAL-SPACED NEUTRON SPECTRAL DENSITY

| | | | |
|---|----------------------|--|-----------------|
| COMPANY <u>MARBOB ENERGY CORPORATION</u> | | COMPANY <u>MARBOB ENERGY CORPORATION</u> | |
| WELL <u>ROCKET FEDERAL No. 1</u> | | WELL <u>ROCKET FEDERAL No. 1</u> | |
| FIELD <u>BRUSHY DRAW, NORTH</u> | | FIELD <u>BRUSHY DRAW, NORTH</u> | |
| COUNTY <u>EDDY</u> | STATE <u>NM</u> | COUNTY <u>EDDY</u> | STATE <u>NM</u> |
| API No. <u>30-015-34795</u> | | Other Services <u>DLL/MGRD</u> | |
| Location <u>116' FSL & 564' FEL</u> | | Location <u>116' FSL & 564' FEL</u> | |
| Sect <u>4</u> | Twp <u>26S</u> | Rge <u>29E</u> | |
| Permanent Datum <u>GROUND LEVEL</u> | | Elev. <u>2964</u> | |
| Log measured from <u>K.B.</u> , <u>17</u> above perm. datum | | Elev. : K.B. <u>2981</u> | |
| Drilling measured from <u>KELLY BUSHING</u> | | D.F. <u>2980</u> | |
| | | G.L. <u>2964</u> | |
| Date | <u>28-MAY-06</u> | | |
| Run No. | <u>ONE</u> | | |
| Depth - Driller | <u>5502</u> | | |
| Depth - Logger | <u>5498</u> | | |
| Bottom - Logged Interval | <u>5443</u> | | |
| Top - Logged Interval | <u>200</u> | | |
| Casing - Driller | <u>9.625 @ 670</u> | <u>@</u> | <u>@</u> |
| Casing - Logger | <u>669</u> | | |
| Bit Size | <u>8.75</u> | | |
| Type Fluid in Hole | <u>BRINE</u> | | |
| Dens. Visc. | <u>10.25 32</u> | | |
| Ph Fluid Loss | <u>11 N/C</u> | | |
| Source of Sample | <u>FLOW LINE</u> | | |
| Rm @ Meas. Temp. | <u>.050 @ 82 F</u> | <u>@</u> | <u>@</u> |
| Rmf @ Meas. Temp. | <u>.050 @ 82 F</u> | <u>@</u> | <u>@</u> |
| Rmc @ Meas. Temp. | <u>N/A @ N/A</u> | <u>@</u> | <u>@</u> |
| Source Rmf Rmc | <u>MEAS N/A</u> | | |
| Rm @ BHT | <u>0.038 @ 111 F</u> | <u>@</u> | <u>@</u> |
| Time Since Circ. | <u>0600 05/28</u> | | |
| Time on Bottom | <u>1335 05/28</u> | | |
| Max. Rec. Temp. | <u>111 F @ 5498</u> | <u>@</u> | <u>@</u> |
| Equip. Location | <u>582 HOBBS</u> | | |
| Recorded By | <u>J. MOUNT</u> | | |
| Witnessed By | <u>M. JOYCE</u> | | |

— Fold Here

| | | | | | |
|--|-----------------|------------------------------------|----------------------------|---------------------------|-----------------|
| Service Ticket No. <u>4410755</u> | | API Serial No. <u>30-015-34795</u> | | PGM Version: | |
| CHANGE IN MUD TYPE OR ADDITIONAL SAMPLES | | | | RESISTIVITY SCALE CHANGES | |
| Date Sample No. | Depth - Driller | Type Log | Depth | Scale Up Hole | Scale Down Hole |
| Type Fluid | in Hole | | | | |
| Dens. Visc. | | | | | |
| Ph Fluid Loss | | | | | |
| Source of Sample | | | | | |
| Rm @ Meas. Temp. | | Run No. | Tool Type & No. | Pad Type | Tool Pos. |
| Rmf @ Meas. Temp. | | | | | Other |
| Rmc @ Meas. Temp. | | | | | |
| Source Rmf Rmc | | | | | |
| Rm @ BHT | | | | | |
| Rmf @ BHT | | | | | |
| Rmc @ BHT | | | | | |
| EQUIPMENT DATA | | | RESISTIVITY EQUIPMENT DATA | | |
| GAMMA | | ACOUSTIC | | NEUTRON | |
| Run No. | <u>ONE</u> | Run No. | <u>ONE</u> | Run No. | <u>ONE</u> |
| Serial No. | <u>114424GR</u> | Serial No. | <u>AD48_49</u> | Serial No. | <u>A041WH</u> |
| Model No. | <u>NGRT</u> | Model No. | <u>SDL_DA</u> | Model No. | <u>DSNT-A</u> |
| Diameter | <u>3.625"</u> | Diameter | <u>4.50"</u> | Diameter | <u>3.625"</u> |
| Detector Model No. | <u>T102-A</u> | Log Type | <u>GAM_GAM</u> | Log Type | <u>NEU_NEU</u> |
| Type | <u>SCINT</u> | Source Type | <u>Cs137</u> | Source Type | <u>Am241Be</u> |
| Length | <u>4"</u> | Serial No. | <u>2549GW</u> | Serial No. | <u>DSN-90</u> |
| Distance to Source | <u>16'</u> | Strength | <u>1.5CI</u> | Strength | <u>1.5CI</u> |



3100

3200

3300

3400

3500

3225'
Top Injection
Interval

DEN CORR.

PE CORR.

BULK DEN.

NEU POROS

ANULS VOL.

<HOLE VOL.

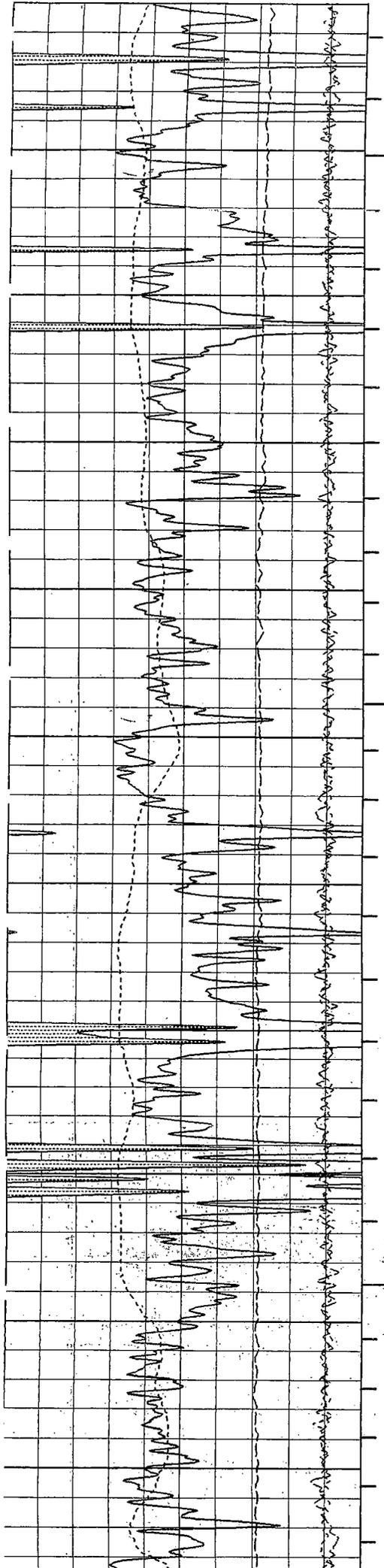
FAR QUALITY

TENSION

GAMMA

NEAR QUALITY

SDI-CALIPER



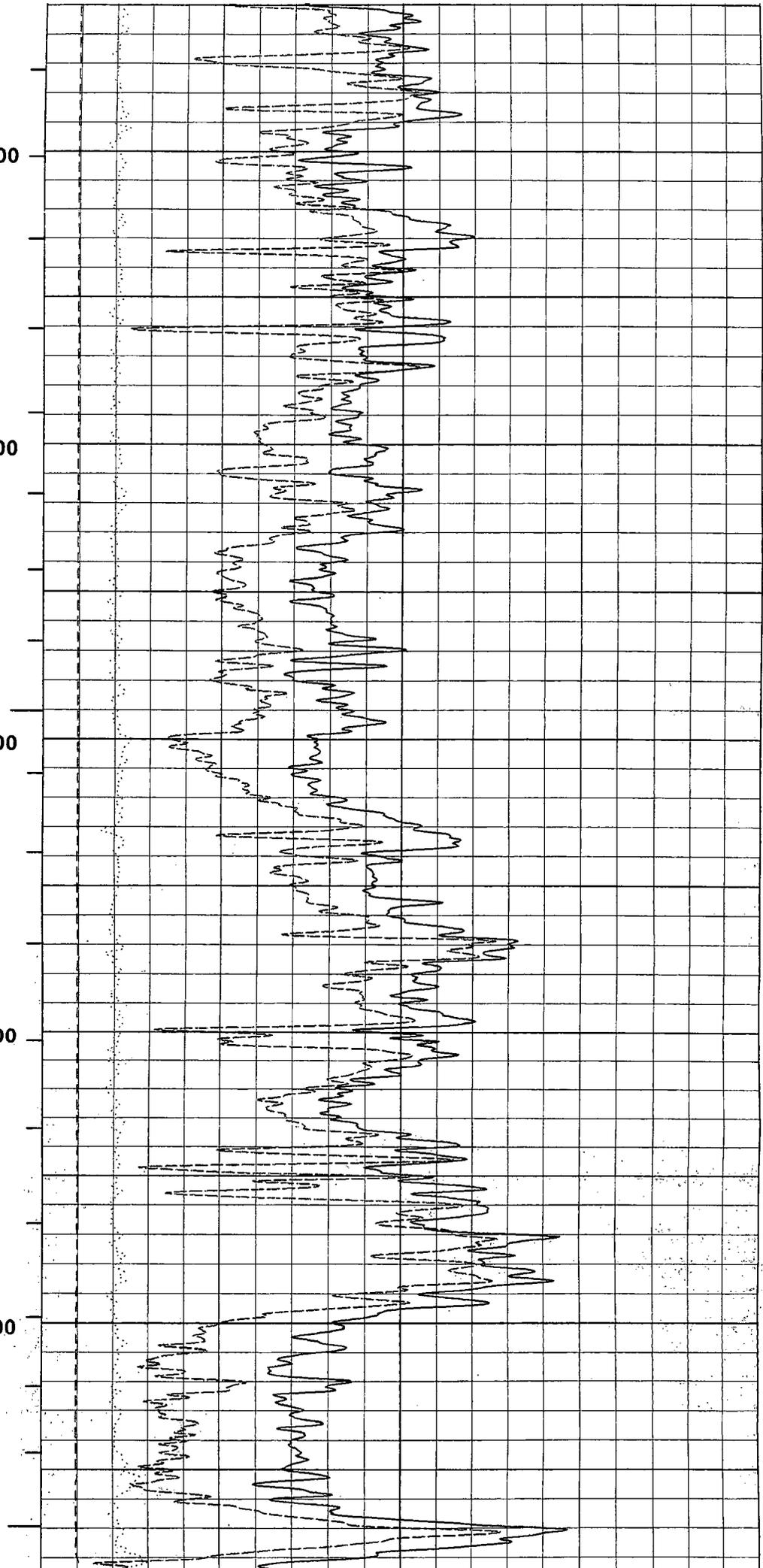
3500

3600

3700

3800

3900



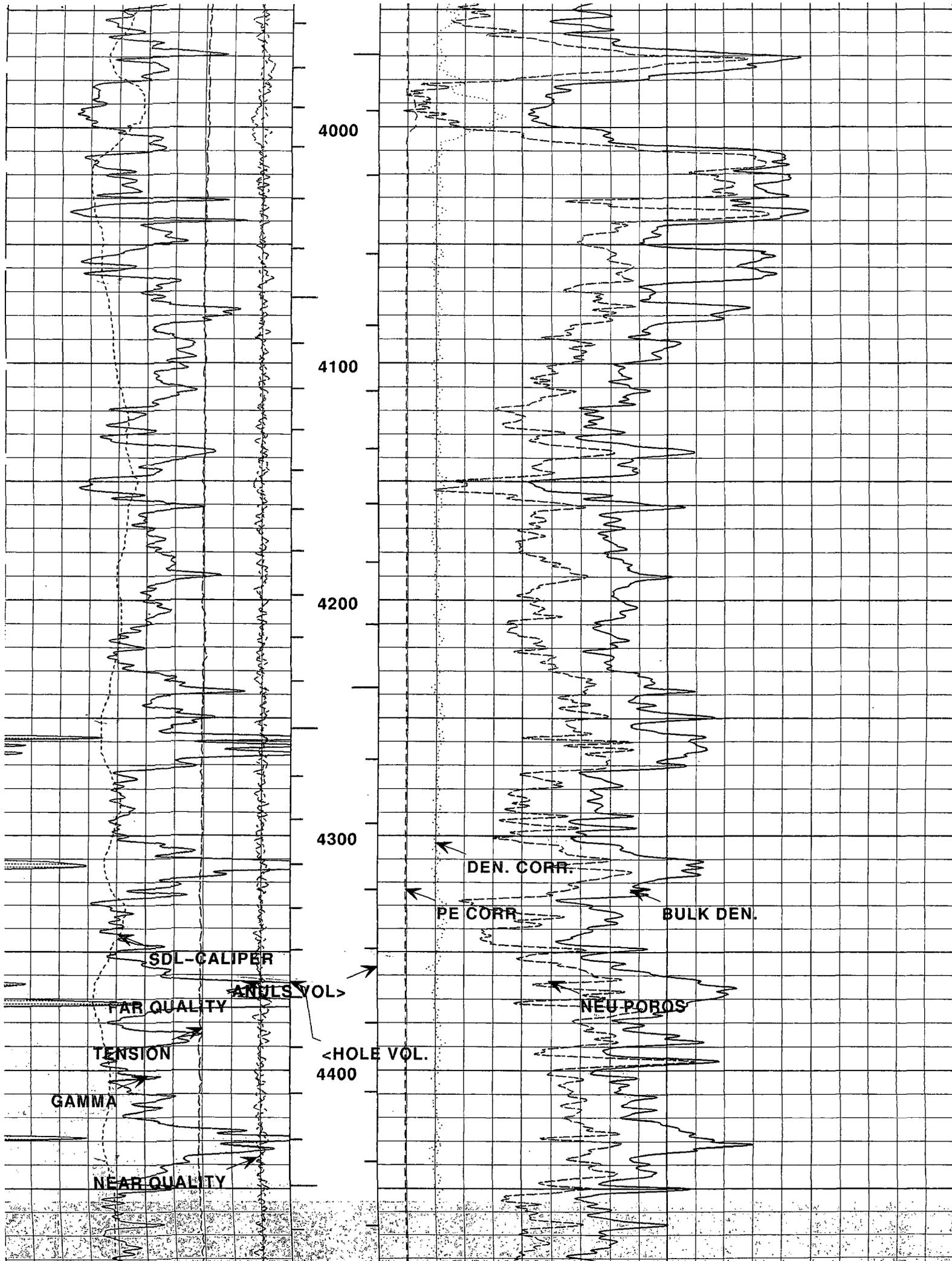
3500

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3700

3800

3900



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4100

4200

4300

4400

DEN. CORR.

PE CORR.

BULK DEN.

NEU POROS

ANNUALS VOL.

<HOLE VOL.

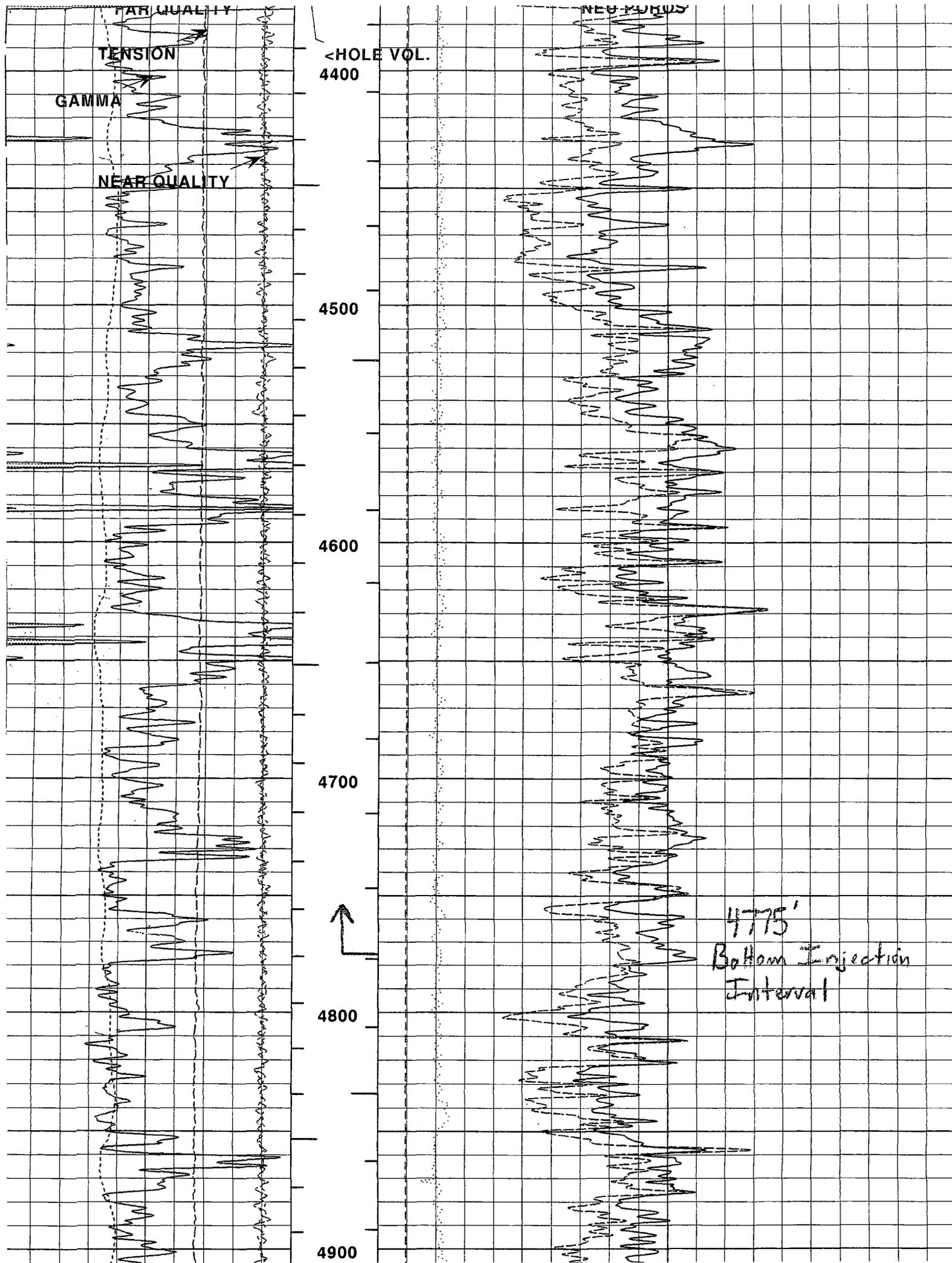
SDL-CALIPER

FAR QUALITY

TENSION

GAMMA

NEAR QUALITY



XI.

Fresh Water Sample Analyses



New Mexico Office of the State Engineer
Active & Inactive Points of Diversion
(with Ownership Information)

No PODs found.

PLSS Search:

Section(s): 32-35

Township: 25S

Range: 29E



New Mexico Office of the State Engineer

Active & Inactive Points of Diversion

(with Ownership Information)

| WR File Nbr | Sub basin | Use | Diversion | Owner | County | POD Number | Code Grant | (acre ft per annum) | | | | X | Y | | | |
|-----------------|-----------|------|-------------------------------|-----------------|----------------------------------|---------------------|---------------------------------------|---------------------|---|---|----|-----|-----|--------|----------|----------|
| | | | | | | | | q | q | q | q | | | | | |
| <u>C 03507</u> | C | STK | 3 | M. BRAD BENNETT | ED | <u>C 03507 POD1</u> | } All outside 1 mile radius AOR | Shallow | 1 | 3 | 05 | 26S | 29E | 593063 | 3548313 | NW SW SW |
| <u>C 03508</u> | C | STK | 3 | M. BRAD BENNETT | ED | <u>C 03508 POD1</u> | | Shallow | 1 | 3 | 05 | 26S | 29E | 593063 | 3548361 | W |
| <u>SP 03254</u> | COM | 6418 | RED BLUFF WATER CONTROL DIST. | ED | <u>SP 03254</u> (Pease River) | | | | 3 | 1 | 05 | 26S | 29E | 593172 | 3549004* | |

(R=POD has been replaced and no longer serves this file, (quarters are 1=NW 2=NE 3=SW 4=SE)
C=the file is closed) (quarters are smallest to largest) (NAD83 UTM in meters)

Record Count: 3

PLSS Search:

Section(s): 2-5 **Township:** 26S **Range:** 29E

Sorted by: File Number

*UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.



New Mexico Office of the State Engineer

Point of Diversion Summary

(quarters are 1=NW 2=NE 3=SW 4=SE)

(quarters are smallest to largest)

(NAD83 UTM in meters)

| | | | |
|-------------------|-------------------------------|----------|----------|
| POD Number | Q64 Q16 Q4 Sec Tws Rng | X | Y |
| C 03507 POD1 | 1 3 3 05 26S 29E | 593064 | 3548313 |

Driller License: KEY DRILLING & PUMP SERVICE

Driller Name: KEY, CLINTON

| | | |
|-------------------------------------|--------------------------------------|-----------------------------|
| Drill Start Date: 08/26/2011 | Drill Finish Date: 08/26/2011 | Plug Date: |
| Log File Date: 09/12/2011 | PCW Rcv Date: | Source: Shallow |
| Pump Type: SUBMER | Pipe Discharge Size: | Estimated Yield: 35 |
| Casing Size: 6.00 | Depth Well: 140 feet | Depth Water: 78 feet |

| Water Bearing Stratifications: | Top | Bottom | Description |
|---------------------------------------|------------|---------------|-------------------------------|
| | 78 | 79 | Shale/Mudstone/Siltstone |
| | 105 | 106 | Sandstone/Gravel/Conglomerate |

| Casing Perforations: | Top | Bottom |
|-----------------------------|------------|---------------|
| | 75 | 112 |

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.



New Mexico Office of the State Engineer

Point of Diversion Summary

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are smallest to largest) (NAD83 UTM in meters)

| | | | | | | |
|-------------------|-------------------|------------|------------|------------|----------|----------|
| POD Number | Q64 Q16 Q4 | Sec | Tws | Rng | X | Y |
| C 03508 POD1 | 1 3 3 | 05 | 26S | 29E | 593063 | 3548361 |

Driller License: KEY DRILLING & PUMP SERVICE

Driller Name: KEY, CLINTON

Drill Start Date: 08/24/2011

Drill Finish Date: 08/24/2011

Plug Date:

Log File Date: 09/12/2011

PCW Rcv Date:

Source: Shallow

Pump Type: SUBMER

Pipe Discharge Size:

Estimated Yield: 40

Casing Size: 6.00

Depth Well: 140 feet

Depth Water: 75 feet

| Water Bearing Stratifications: | Top | Bottom | Description |
|---------------------------------------|------------|---------------|--------------------------|
| | 75 | 76 | Shale/Mudstone/Siltstone |

| Casing Perforations: | Top | Bottom |
|-----------------------------|------------|---------------|
| | 65 | 105 |



New Mexico Office of the State Engineer

Point of Diversion Summary

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are smallest to largest) (NAD83 UTM in meters)

| POD Number | Q64 | Q16 | Q4 | Sec | Tws | Rng | X | Y |
|------------|-----|-----|----|-----|-----|-----|--------|----------|
| SP 03254 | 3 | 1 | 05 | 26S | 29E | | 593172 | 3549004* |

| | | |
|-------------|--------------|---------|
| River Name: | Source: | Surface |
| Ditch Name: | | |
| Start Date: | Finish Date: | |

Pecos River
Approx. 6400' to the West

*UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.



New Mexico Office of the State Engineer
Active & Inactive Points of Diversion
(with Ownership Information)

No PODs found.

PLSS Search:

Section(s): 8-11

Township: 26S

Range: 29E



New Mexico Office of the State Engineer
Active & Inactive Points of Diversion
(with Ownership Information)

No PODs found.

PLSS Search:

Section(s): 14-17

Township: 26S

Range: 29E

Analytical Laboratory Report for:
MARBOB ENERGY CORPORATION



Chemical Services

Account Representative:
William D Polk

Production Water Analysis

Listed below please find water analysis report from: , Pecos River

Lab Test No: 2008151012 Sample Date: 12/04/2008
Specific Gravity: 1.005

TDS: 6402
pH: 7.19

| Cations: | mg/L | as: |
|------------------|------|----------------------------------|
| Calcium | 672 | (Ca ⁺⁺) |
| Magnesium | 207 | (Mg ⁺⁺) |
| Sodium | 1340 | (Na ⁺) |
| Iron | 0.08 | (Fe ⁺⁺) |
| Potassium | 53.0 | (K ⁺) |
| Barium | 0.08 | (Ba ⁺⁺) |
| Strontium | 7.88 | (Sr ⁺⁺) |
| Manganese | 0.04 | (Mn ⁺⁺) |
| Anions: | mg/L | as: |
| Bicarbonate | 222 | (HCO ₃ ⁻) |
| Sulfate | 1400 | (SO ₄ ⁻²) |
| Chloride | 2500 | (Cl ⁻) |
| Gases: | | |
| Carbon Dioxide | | (CO ₂) |
| Hydrogen Sulfide | | (H ₂ S) |

Lab Comments:

Lab measured pH
Lab measured alkalinity



RECEIVED OOD

2012 JUL 25 P 12:54

July 20, 2012

New Mexico Oil Conservation Division
Attn: William V. Jones
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: Application For Authorization To Inject
Rocket Federal #1 SWD
Township 26 South, Range 29 East, N.M.P.M.
Section 4: 116 FSL & 564 FEL
Eddy County, New Mexico

Dear Mr. Jones:

COG Operating LLC respectfully requests administrative approval for authorization to inject the Rocket Federal #1 SWD well as referenced above. Enclosed, for your review, please find one complete copy of the C-108 application. Once we receive the newspaper publication and all certified return receipts, I will send you a copy.

Please do not hesitate to contact me at (575) 748-6940 should you have any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Brian Collins".

Brian Collins
Senior Operations Engineer

BC/sw
Enclosures



July 20, 2012

Artesia Daily Press
P. O. Box 190
Artesia, NM 88211-0190

**Re: Legal Notice
Salt Water Disposal Well
Rocket Federal #1 SWD**

To Whom It May Concern:

Enclosed is a legal notice regarding New Mexico Oil Conservation Division C-108 Application for Authorization to Inject for a salt water disposal well.

Please run this notice and return the proof of notice to the undersigned at:

COG Operating LLC, 2208 W. Main St., Artesia, NM 88210

Sincerely,

A handwritten signature in black ink, appearing to read "Brian Collins".

Brian Collins
Senior Operations Engineer

BC/sw
Enclosures

ARTESIA DAILY PRESS
LEGAL NOTICES

COG Operating LLC, 2208 W. Main Street, Artesia, NM 88210 has filed Form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for a salt water disposal well. The proposed well, the Rocket Federal No. 1 SWD is located 116' FSL & 564' FEL, Section 4, Township 26 South, Range 29 East, Eddy County, New Mexico. Disposal water will be sourced from area wells producing from the Delaware and Bone Spring formations. The disposal water will be injected into the Delaware formation at a depth of 3225' to 4775' at a maximum surface pressure of 645 psi and a maximum rate of 10,000 BWPD. The proposed SWD well is located approximately 15 miles southeast of the village of Loving. Any interested party who has an objection to this must give notice in writing to the Oil Conservation Division, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505, within fifteen (15) days of this notice. Any interested party with questions or comments may contact Brian Collins at COG Operating LLC, 2208 W. Main Street, Artesia, NM 88210, or call 575-748-6940.

Published in the Artesia Daily Press, Artesia, New Mexico
_____, 2012.



July 20, 2012

Bureau of Land Management
620 East Greene Street
Carlsbad, NM 88220-6292

Re: Application to Inject
Rocket Federal #1 SWD
Township 26 South, Range 29 East, N.M.P.M.
Section 4: 116 FSL & 564 FEL
Eddy County, New Mexico

To Whom It May Concern:

Enclosed for your review is a copy of COG Operating LLC's application to convert the referenced well to salt water disposal. As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as an operator or surface owner. Any objections must be submitted in writing to NMOCD, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within fifteen (15) days of receipt of this letter.

Please do not hesitate to contact us at 575-748-6940 should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian Collins".

Brian Collins
Senior Operations Engineer

BC/sw
Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMNM96849

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
COG OPERATING, LLC

3a. Address
2208 W. Main Street, Artesia, NM 88210

3b. Phone No. (include area code)
575-748-6940

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 4 T26S R29E
116' FSL, 564' FEL

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.
Rocket Federal #1 SWD

9. API Well No.
30-015-34795

10. Field and Pool or Exploratory Area
Brushy Draw, Delaware

11. Country or Parish, State
Eddy County, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|---|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other <u>Convert to SWD</u> |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

SUBMITTED FORM C-108 - COPY ATTACHED

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
Brian Collins

Signature 

Title **Senior Operations Engineer**

Date **7/13/12**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title _____ Date _____

Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



July 20, 2012

OXY USA Inc.
P.O. Box 4294
Houston, TX 77210-4294

Re: Application to Inject
Rocket Federal #1 SWD
Township 26 South, Range 29 East, N.M.P.M.
Section 4: 116 FSL & 564 FEL
Eddy County, New Mexico

To Whom It May Concern:

Enclosed for your review is a copy of COG Operating LLC's application to convert the referenced well to salt water disposal. As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as an operator or surface owner. Any objections must be submitted in writing to NMOCD, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within fifteen (15) days of receipt of this letter.

Please do not hesitate to contact us at 575-748-6940 should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian Collins".

Brian Collins
Senior Operations Engineer

BC/sw
Enclosures

7011 1570 0000 7781 2076

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

| | | |
|---|----|------------------|
| Postage | \$ | Postmark Here |
| Certified Fee | | |
| Return Receipt Fee (Endorsement Required) | | |
| Restricted Delivery Fee (Endorsement Required) | | |
| Total Postage & Fees | \$ | |

Sent To **Bureau of Land Management**
620 East Greene Street
 Street, Apt. No., or PO Box No. **Carlsbad, NM 88220-6292**
 City, State, ZIP+4 **Rocket Federal #1 SWD/Notification**

PS Form 3800, August 2006 See Reverse for Instructions

7011 1570 0000 7781 2083

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

| | | |
|---|----|------------------|
| Postage | \$ | Postmark Here |
| Certified Fee | | |
| Return Receipt Fee (Endorsement Required) | | |
| Restricted Delivery Fee (Endorsement Required) | | |
| Total Postage & Fees | \$ | |

Sent To **OXY USA Inc.**
P.O. Box 4294
 Street, Apt. No., or PO Box No. **Houston, TX 77210-4294**
 City, State, ZIP+4 **Rocket Federal #1 SWD/Notification**

PS Form 3800, August 2006 See Reverse for Instructions



RECEIVED OCD

2012 AUG 10 P 12:40

August 9, 2012

New Mexico Oil Conservation Division
Attn: William V. Jones
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: Affidavit of Publication/Certified Return Receipts
Rocket Federal #1 SWD
Township 26 South, Range 29 East, N.M.P.M.
Section 4: 116 FSL & 564 FEL
Eddy County, New Mexico

Dear Mr. Jones:

COG Operating LLC submitted an application for authorization to inject the Rocket Federal #1 SWD on July 20, 2012. Enclosed, for your review, please find one copy of the affidavit of publication and one copy of the certified return receipts from each party that was notified.

Please do not hesitate to contact me at (575) 748-6940 should you have any questions.

Sincerely,

Brian Collins
Senior Operations Engineer

BC/sw
Enclosures

Affidavit of Publication

NO. 22240

STATE OF NEW MEXICO

County of Eddy:

Danny Scott



being duly sworn, says that he 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/days on the same

day as follows:

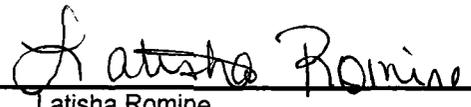
| | |
|--------------------|---------------|
| First Publication | July 26, 2012 |
| Second Publication | |
| Third Publication | |
| Fourth Publication | |
| Fifth Publication | |

Subscribed and sworn to before me this 26th day of July 2012



OFFICIAL SEAL
Latisha Romine
NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires: 5/12/2015



Latisha Romine
Notary Public, Eddy County, New Mexico

Copy of Publication:

LEGAL NOTICE

COG Operating LLC, 2208 W. Main Street, Artesia, NM 88210 has filed Form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for a salt water disposal well. The proposed well, the Rocket Federal No. 1 SWD is located 116' FSL & 564' FEL, Section 4, Township 26 South, Range 29 East, Eddy County, New Mexico. Disposal water will be sourced from area wells producing from the Delaware and Bone Spring formations. The disposal water will be injected into the Delaware formation at a depth of 3225' to 4775' at a maximum surface pressure of 645 psi and a maximum rate of 10,000 BWPD. The proposed SWD well is located approximately 15 miles south-east of the village of Loving. Any interested party who has an objection to this must give notice in writing to the Oil Conservation Division, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505, within fifteen (15) days of this notice. Any interested party with questions or comments may contact Brian Collins at COG Operating LLC, 2208 W. Main Street, Artesia, NM 88210, or call 575-748-6940. Published in the Artesia Daily Press, Artesia, N.M. July 26, 2012. Legal No 22240

Rocket Federal #1 SWD

| 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 <input checked="" type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee <i>Jessica France</i></p> <p>B. Received by (Printed Name) C. Date of Delivery <i>7/25/12</i></p> |
| <p>1. Article Addressed to:</p> <p>Bureau of Land Management 620 East Greene Street Carlsbad, NM 88220-6292 Rocket Federal #1 SWD/Notification</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> <p>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.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p> |
| <p>2. Article Number (Transfer from service label)</p> | <p>7011 1570 0000 7781 2076</p> |
| <p>PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540</p> | |

| 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 <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee <i>J. M. ...</i></p> <p>B. Received by (Printed Name) C. Date of Delivery <i>MAR 30 2012</i></p> |
| <p>1. Article Addressed to:</p> <p>OXY USA Inc. P.O. Box 4294 Houston, TX 77210-4294 Rocket Federal #1 SWD/Notification</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> <p>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.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p> |
| <p>2. Article Number (Transfer from service label)</p> | <p>7011 1570 0000 7781 2083</p> |
| <p>PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540</p> | |

Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Friday, August 17, 2012 11:34 AM
To: 'Brian Collins'
Cc: Ezeanyim, Richard, EMNRD; Shapard, Craig, EMNRD
Subject: Disposal application from Concho: Rocket Federal #1 30-015-34795 Delaware from 3225 to 4775 feet

Hello Brian,

Just looked this one over. It seems very close to the JR's Horz disposal proposal, just a couple questions,

- ✓ (1) I looked around this area for Delaware gas pools and the only ones I see are miles to the east – straight east. However, there is lots of Density-Neutron cross-over on the logs over the proposed disposal interval and some of it has depressed neutron effect - looks like possible gas. I know logs are a bit unreliable in the Delaware, but Marbob drilled this well and you probably know. Was there a mudlog run on this well? What do you think about the gas production potential here in the upper Delaware? Has it been tested?
- ✓ (2) Do you have any geologic tops from the Bell Canyon, Cherry Canyon, Brushy Canyon, and Bone Spring?
- 9/5/12 ✓ (3) As with the other applications, would you let me know where the separately owned tracts of land exist within the ½ mile AOR and the owner(s) of each tract?
- 8/22/12

Thanks Much,

William V. Jones, P.E.

505-476-3448W 505-476-3462F
Engineering Bureau, Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Jones, William V., EMNRD

From: Brian Collins <BCollins@concho.com>
Sent: Monday, August 20, 2012 7:31 AM
To: Jones, William V., EMNRD
Cc: Dean Chumbley; Savannah Wilkinson
Subject: RE: Disposal application from Concho: Rocket Federal #1 30-015-34795 Delaware from 3225 to 4775 feet
Attachments: rocket fed 1 swd mudlog image.pdf

Will:

We haven't tested the upper Delaware out here. I've attached the mudlog for the proposed injection interval. There is some fairly consistent background gas but no cut or fluorescence, something I would expect to see even in a gas-prone Delaware sand. I don't think anything in the proposed injection interval is going to be productive of hydrocarbons. The proposed injection interval does not include the upper Bell Canyon (Ramsey and Olds sands).

The geologic tops are: Bell Canyon 2978', Cherry Canyon 3895', Brushy Canyon 5020'. We didn't drill deep enough to reach the Bone Spring.

We'll follow up with a plat/lease map showing the offset operator leasehold. Let me know if you need anything else. Thanks.

Brian

From: Jones, William V., EMNRD [<mailto:William.V.Jones@state.nm.us>]
Sent: Friday, August 17, 2012 12:34 PM
To: Brian Collins
Cc: Ezeanyim, Richard, EMNRD; Shapard, Craig, EMNRD
Subject: Disposal application from Concho: Rocket Federal #1 30-015-34795 Delaware from 3225 to 4775 feet

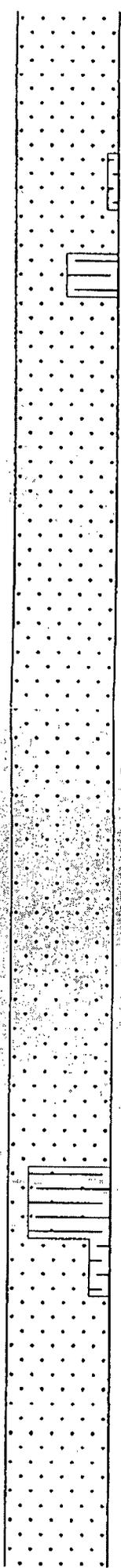
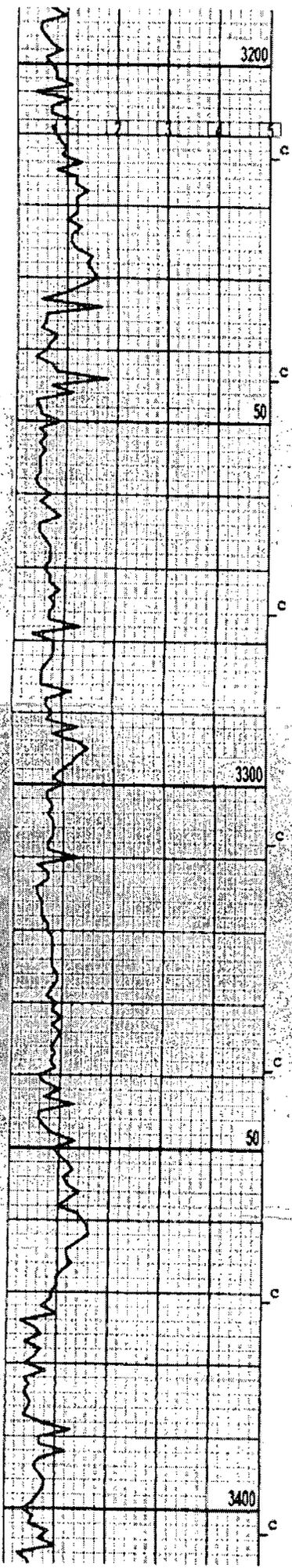
Hello Brian,

Just looked this one over. It seems very close to the JR's Horz disposal proposal, just a couple questions,

- (1) I looked around this area for Delaware gas pools and the only ones I see are miles to the east – straight east. However, there is lots of Density-Neutron cross-over on the logs over the proposed disposal interval and some of it has depressed neutron effect - looks like possible gas. I know logs are a bit unreliable in the Delaware, but Marbob drilled this well and you probably know. Was there a mudlog run on this well? What do you think about the gas production potential here in the upper Delaware? Has it been tested?
- (2) Do you have any geologic tops from the Bell Canyon, Cherry Canyon, Brushy Canyon, and Bone Spring?
- (3) As with the other applications, would you let me know where the separately owned tracts of land exist within the ½ mile AOR and the owner(s) of each tract?

Thanks Much,

William V. Jones, P.E.
505-476-3448W 505-476-3462F
Engineering Bureau, Oil Conservation Division



srted, poor cent, cln,
no fluor

SS:trns1 ltgy, vf/fgn,
cons & fria to unconcs,
sbang rndd sbrnrd, well
srted, poor cent, cln,
no fluor

SH:bn dkbk bk, blk
sft to frm, carb, pyr
sm grding to sltst,
crse gritty text

SS:trns1 ltgy, vf/fgn,
cons & fria to unconcs,
sbang to sbrnrd to rndd
well srted, poor cent,
cln, lime & sili cent,
no fluor

SS:trns1 ltgy, vf/fgn,
uncons to sm cons & fri
sbang rndd sbrnrd, well
to v/well srted, cln,
poor to no cent, no
fluor, probable intr
gran poro

SS:ltgy trns1, vf/fgn,
cons & fria to unconcs
sbang, sbrnrd rndd, well
to v/well srted, poor
cent, sili & lime cent,
cln, no fluor

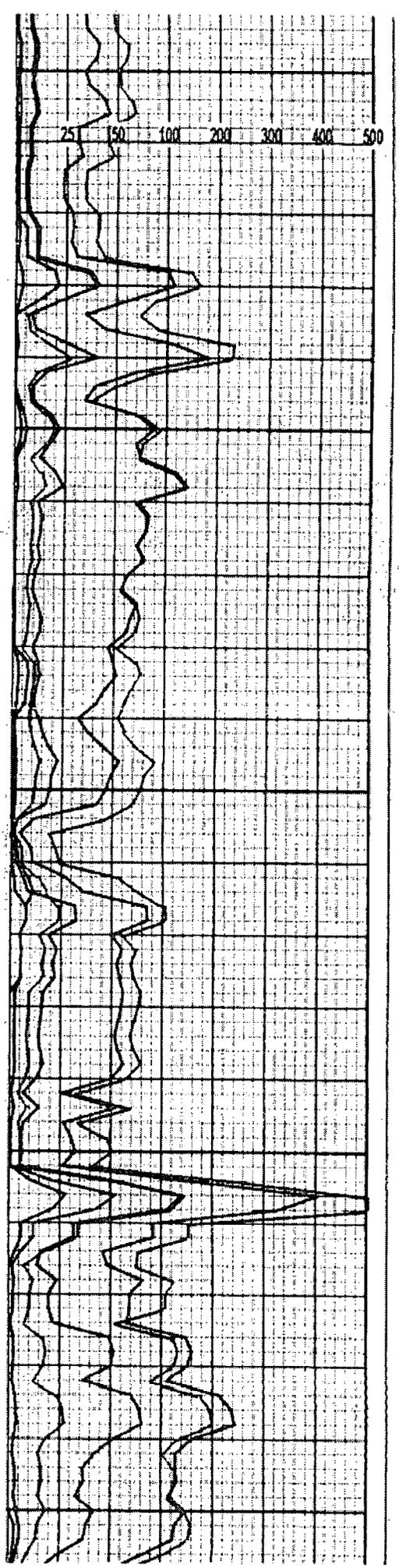
SS:trns1 ltgy, vf/fgn
uncons & cons, fria,
sbrnrd rndd sbang, well
to v/well srted, cln,
sili & lime cent, no
fluor

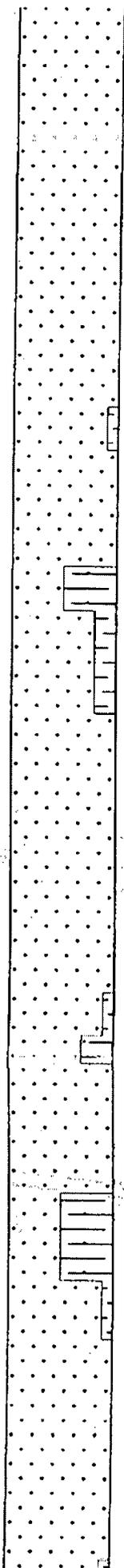
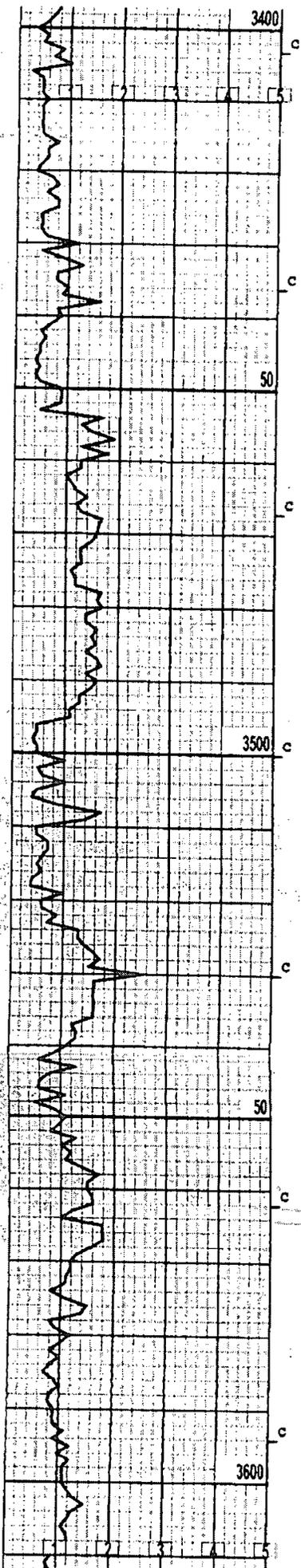
SS:trns1 ltgy, vf/fgn,
uncons to cons & fria
sbang rndd sbrnrd, well
to v/well srted, cln,
poor cent, no fluor

SH/SLTST:dkbn bk, blk
frm to sft, sm slty/sdy
grding between sltst &
sdy shale, carb, pyr
crse gritty text

SS:ltgy trns1, vf/fg,
uncons to cons & fria
rndd sbrnrd, well srted
to v/well srted, cln,
no fluor

SS:trns1 ltgy, vf/fgn,
uncons & cons & fria,
sbang rndd sbrnrd, well





SS:trns l tgy, vf/fgn,
uncons & cons & fria,
sbang rndd sbrndd, well
srted, v/well srted, cln,
poorly cmted, no fluor
no stn

SS:ltgy trns l, vf/fgn,
uncons to loosely cons
& fria, sbang rndd sbrn
well tov/well srted,
no fluor, no stn
TR SH:bk dkbn, blk, sft
to frm, slty, carb, pyr
crse gritty text

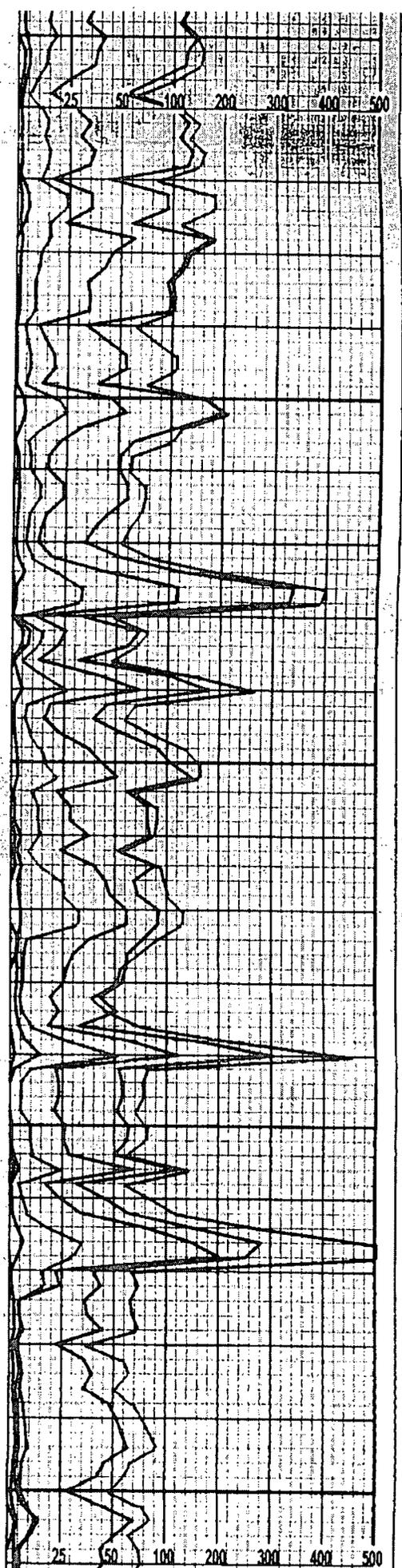
SS:trns l tgy, vf/fgn,
cons & uncons, sbang
sbrndd, well srted,
cent w/lime sili & tr
clay, no fluor, cln
to sl/arg
SH/SLTST:dkbn bk, blk,
sft to frm, carb, grd in
between sdy sh & sltst,
crse gritty text, pyr

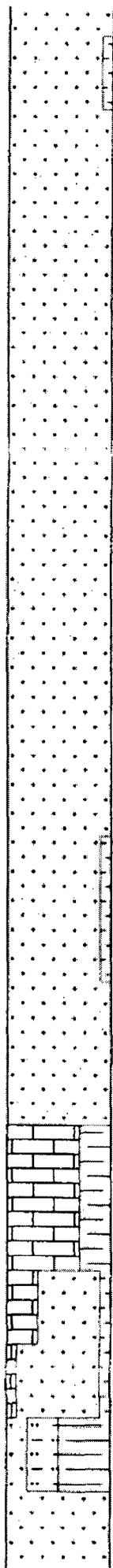
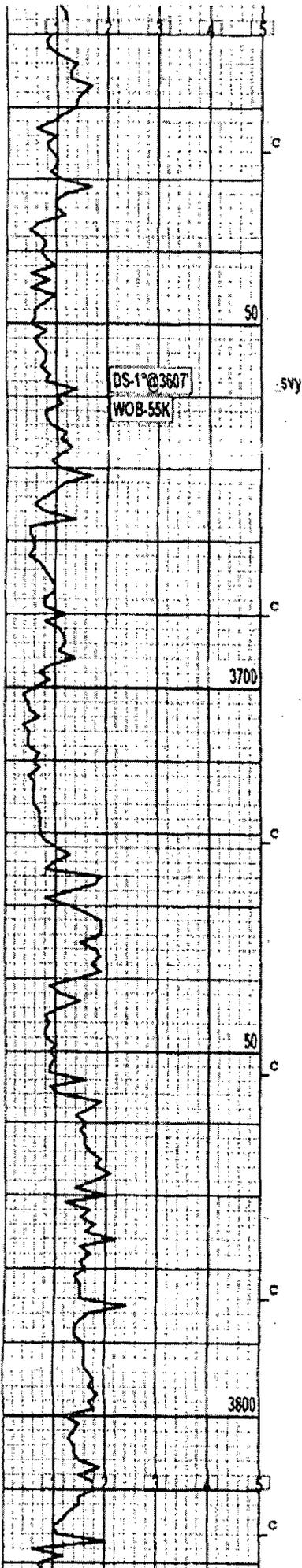
SS:trns l tgy gy, vf/fg
cons, fria to frm, sm
uncons, well srted, sb-
ang to sbrndd to rndd,
cln, cent w/sili, lime
& sm wh clay, no fluor

SH:dkbn bk, blk, sft
to frm, carb, pyr, crse
gritty text, sm grding
to sltst

SS:trns l tgy, vf/fgn,
cons & frm to fria, sm
uncons, sbang rndd sb-
rndd, well srted, cent
w/sili lime & tr clay,
cln, tr pyr, no fluor
SH/SLTST:dkbn bk, blk
sbbkly, frm, carb, pyr
sdy, grading to sltst
crse gritty text
SS:trns l tgy, vf/fgn,
cons & fria to uncons
sbang rndd sbrndd, well
to verywell srted, poor
cent w/sili tr lime &
clay, tr pyr, no
fluor

TR SH: bk, sblky, mod
sft, carb, pyr, mod
crse txt





sft, carb, pyr, mod crse txt

SS: trnsl ltgy, vfg, cons & fria to uncons, sbrnnd/sbang/rnnd, mod well srted, sm cemtd w/ sili, pyr, lith frags, no fluor

SS: trnsl offwh, vfg sm fg, uncons, sbrnnd rnnd, well srted, no cemtd, cln, no fluor

SS: trnsl, vfg occ fg, uncons, sbrnnd/rnnd, well srted, cln, no fluor

SS: trnsl ltgy offwh, vfg occ fg, cons & fria sbrnnd/rnnd/sbang, well srted, cemtd w/sili, cln no fluor

SS: trnsl lttn, vfg, uncons, sbrnnd/sbang, well srted, cln, no fluor

SH: bk, sbiky, modsft, carb, pyr, modcrse txt

SS: trnsl ltgy, vfg occ fg, cons & modfria, sbrnnd/rnnd/sbang, well srted, cemtd w/sili, pyr, lith frags, no fluor

LS: bn tn crm mott ip, micro to vfxln, frm, cln, tr foss, tr pyr, no fluor

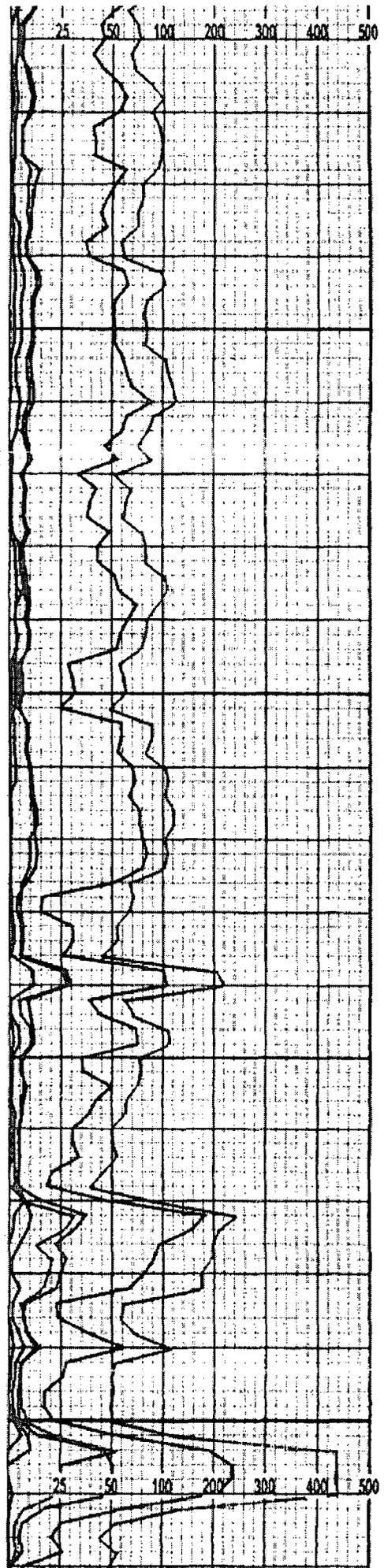
SH: bk vdkbn, sbiky, modsft to frm, sl/carb, calc, pyr, modcrse txt

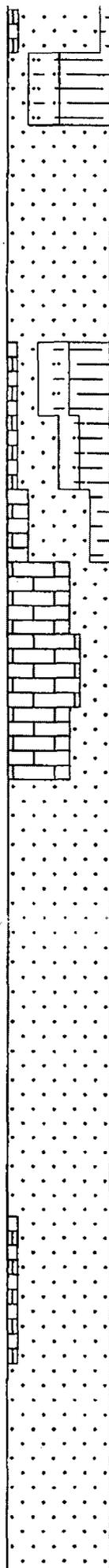
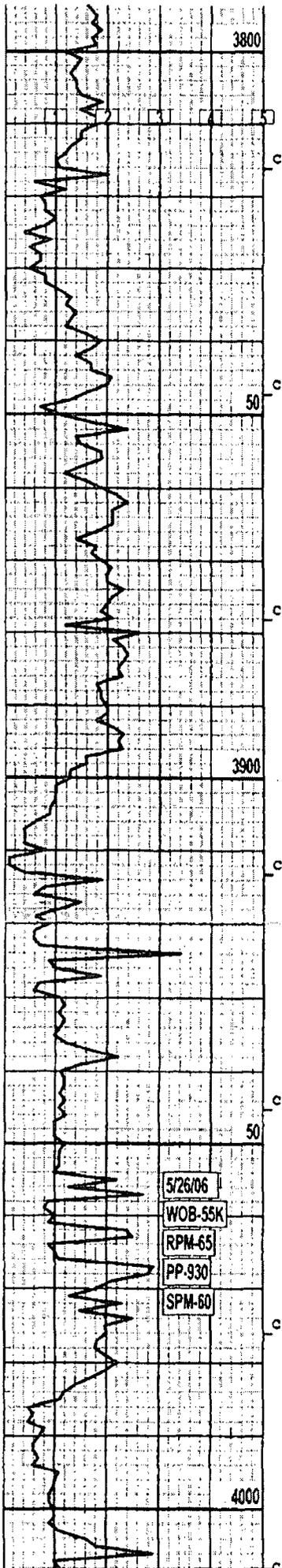
SS: trnsl ltgy, vfg, cons & friam sbrnnd/sbang, modwell srted, cemtd w/sili, pyr, lith frags, no fluor

SH: vdkbn bk, sbiky, modfrm, carb, pyr, grading to slst

SLST: dkbn, sbiky, frm, calc, pyr, modcrse txt

SS: trnsl offwh, vfg,





lith frags, no fluor
 SH: vdkbn bk, sblky, modfrm, carb, pyr, grading to slst
 SLST: dkbn, sblky, frm, calc, pyr, modcrse txt

SS: trnsl offwh, vfg, cons & fria to uncons, sbang/sbrndd, well srted cemtd w/sili, tr pyr, cln

SH: bk vdkbn, blk, mod frm, carb, pyr, modcrse txt, graing to slst

SH: dkbn bk, sblky, modfrm, carb, pyr

SS: trnsl ltgy, vfg, cons & modfrm, sbang/sbrndd, modwell srted, cemtd w/sili, pyr, lith frags, no fluor

LS: crm, microxln, frm, cln, dns

LS: crm ltbn mott ip, micro to vfxln, frm, cln, dns, tr pyr, no fluor

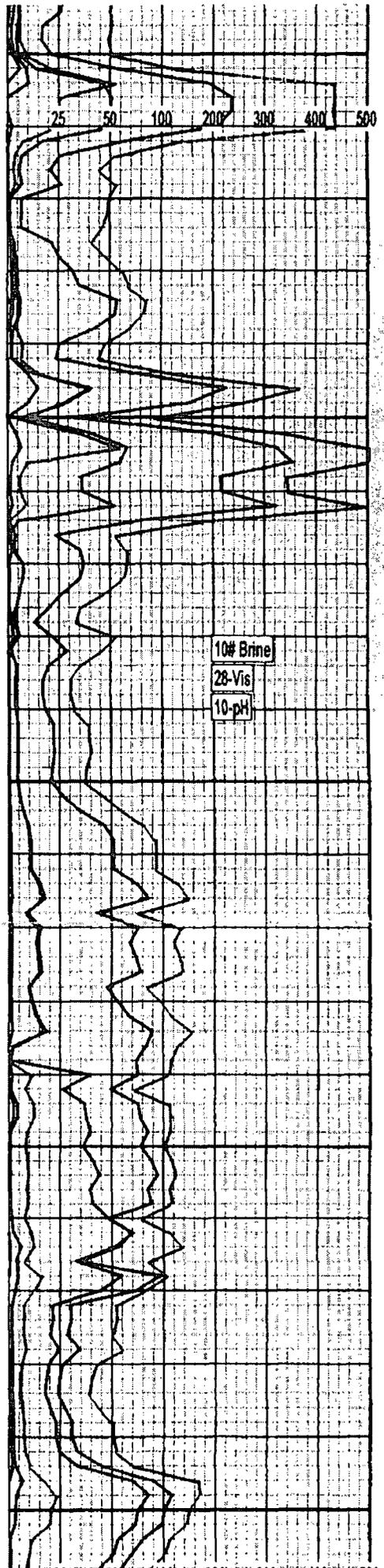
SS: trnsl offwh ltgy, vfg, cons & fria, sbang/sbrndd/rndd, well srted, cemtd w/sili, tr pyr, lith frags

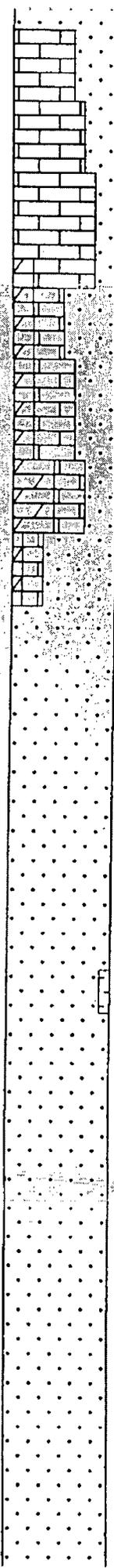
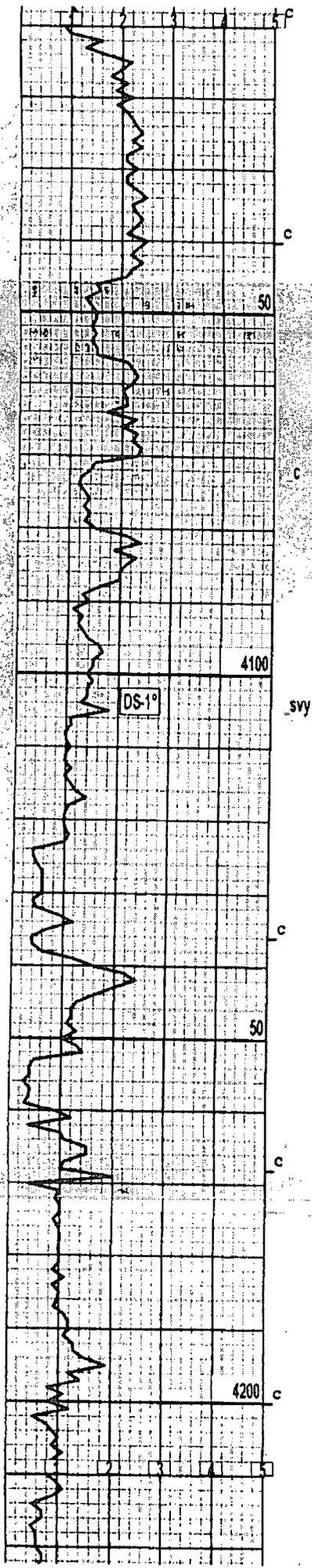
SS: trnsl ltgy offwh, vfg, cons & fria to uncons, sbrndd/sbang/rndd, well srted, cln, no fluor

SS: trnsl lttm, vfg, cons & friam sbrndd/sbang/rndd, well srted, cemtd w/sili, tr pyr, cln, no fluor

TR LS: crm, microxln, frm, dns, cln, n/f

SS: trnsl ltgy, vfg, cons & fria, sbrndd/rndd, well srted, cemtd w/sili, tr pyr, few lith frags, cln, no fl





LS: crm lttn, micro to vfxln, frm, cln, tr pyr, no fluor

LS: ltbm tn crm, micro to vfxln, frm to sm sft & chky, dns, fine diss pyr, sm dolomitic, tr sdy, no fluor

SS: trns l tgy, vfg/fgn cons, fria to frm, sm uncons, sbang to sbrndd to rndd, well srted, cln sili & lime cent

DOL: tn ltbm, vfx, sdy, frm, limy, gran succ text

SS: trns l tgy tn, vfg/fgn, cons, fria to frm, sbang to sbrndd to rndd well to v/well srted, lime dolo sili cent, tr pyr, no fluor

SS: gy trns l tn, vf/fgn, cons, fria to frm, sbang sbrndd rndd, well srted, cent w/sili lime & tr clay, tr pyr

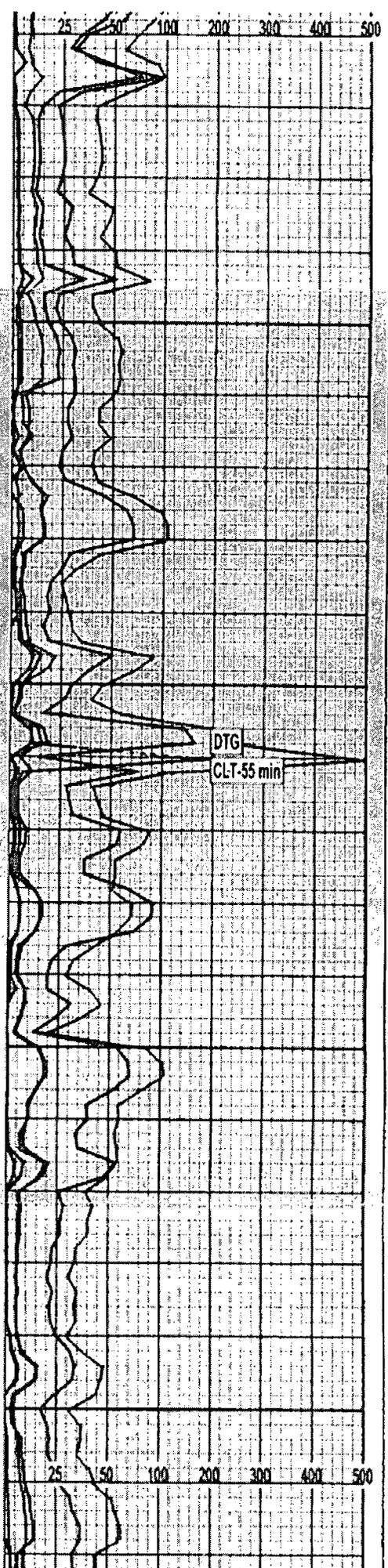
SS: trns l tgy, vf/fg uncons to cons & fria sbang rndd sbrndd, well to v/well srted, no fluor, intr gran poro

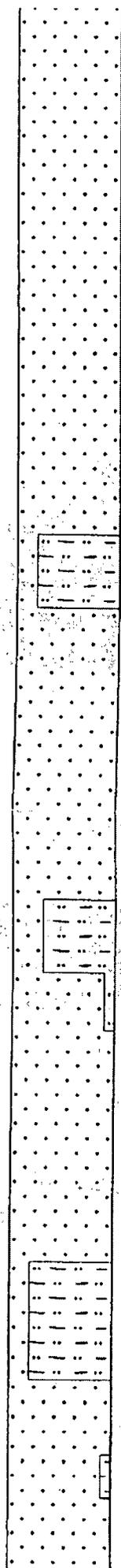
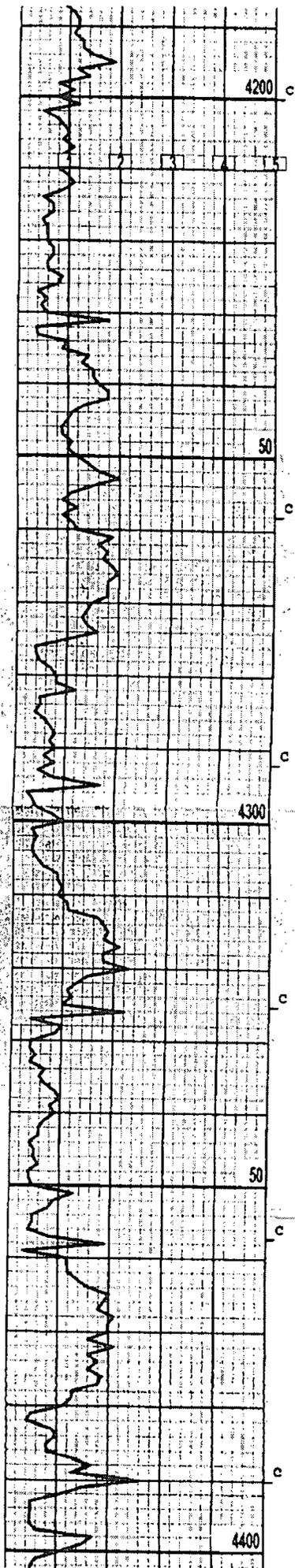
SH: bn, sft, smth text, sdy

SS: trns l tgy, vf/fg uncons, sbagn to sbrndd rndd, sm cons & fria, well to v/well srted, cln, no fluor

SS: trns l tgy tn, vfg fgn, cons & fria to uncons, sbang rndd sbrnd, well to v/well srted, tr pyr, cln, no fluor

SS: trns l tgy, vfg/fgn uncons to sm cons & fri sbang to sbrndd to rndd well to v/well srted.





well to v/well srted,
tr pyr, cln, no
fluor

SS:trns l tgy, vfg/fgn
uncons to sm cons & fri
sbang to sbrndd to rndd
well to v/well srted,
cln, no fluor, prob
intrgran poro

SS:trns l tgy, vf/fgn
cons & fria to frm, sm
uncons, sbang rndd sbrn
well srted, cement w/sili
& sm lime, tr clay cement,
pred cln, tr pyr, no
fluor

SLTST/SH:dkbn bk kdkgy,
blky, frm to modsft,carb
pyr, sdy, gritty crse
text

SS:trns l tgy, vf/fgn
uncons to cons & fria,
sbang rndd sbrndd, well
to v/well srted, cln,
no fluor, no stn

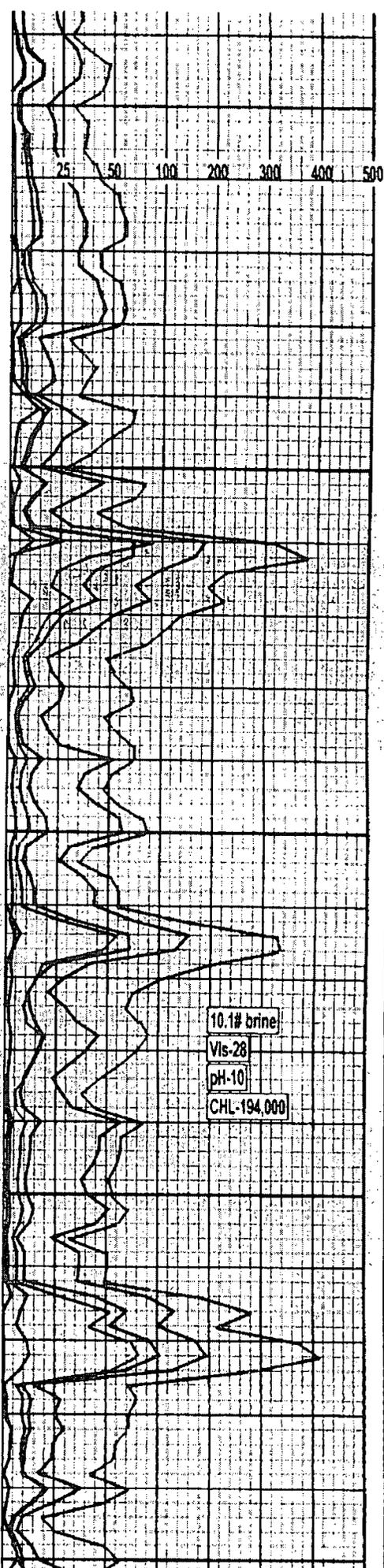
SLTST/SH:bk dkbn dkgy,
blky, frm to sft, carb
sdy, crse gritty text,
pyr

SS:ltgy trns l, vfg/fg
cons & fria to frm, sm
uncons, sbang rndd sbrnd
well srted, cln to sl/
arg, pyr, lithic frags

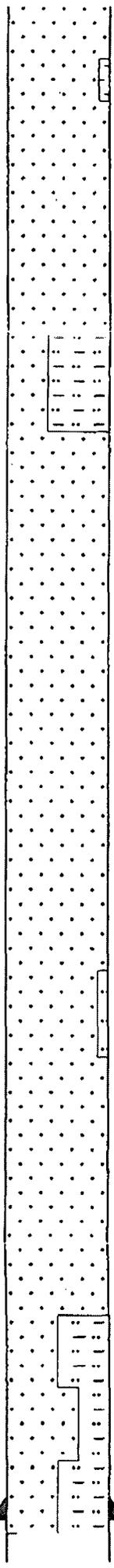
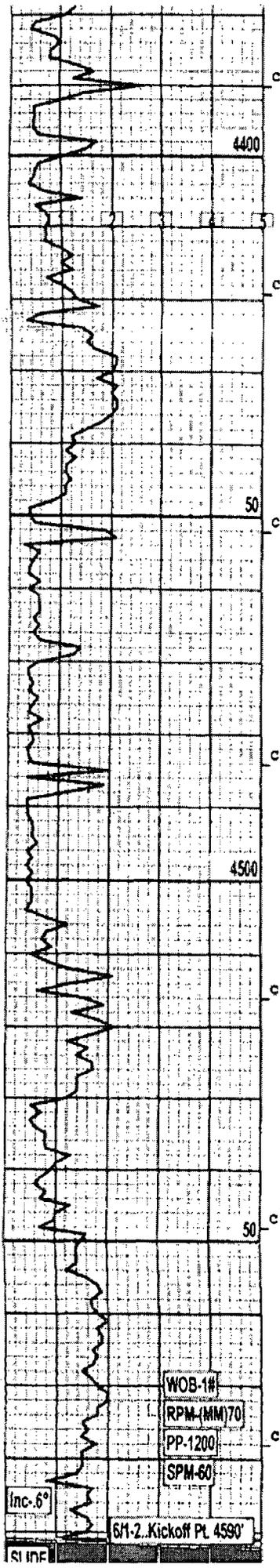
SS:trns l tgy, vf/fgn,
uncons to cons & fria
well to v/well srted,
sbang rndd sbrndd, cln
tr pyr, tr lithic frags
no fluor, intrgran poro

SLTST/SH:dkbn bk dkgy,
blky, frm, slty/sdy grd-
ing between sandy sh &
sltst, carb, pyr, crse
gritty text

SS:trns l tgy, vf/fgn,
cons & fria to frm to
uncons, sbang rndd sbrn
well srted, cement w/lime
sili & sm clay, pyr,
lithic frags, no fluor



10.1# brine
Vis-28
pH-10
CHL-194,000



gritty text

SS:trns l tgy, vf/fgn, cons & fria to frm to uncons, sbang rndd sbrn well srted, cement w/lime sili & sm clay, pyr, lithic frags, no fluor

SS:trns l tgy, vffg cons & fria to uncons, sbang sbrndd rndd, well srted, cement w/lime sili & sm clay, tr pyr, no fluor
 SLTST:dkbn bn, frm grtt text, grading to a shly sand, pyr, carb

SS:trns l tgy, vfg/fgn cons & fria to uncons sbang rndd sbrndd, well to v/well srted, cln, poorly cement, tr pyr, no fluor, intrgran poro

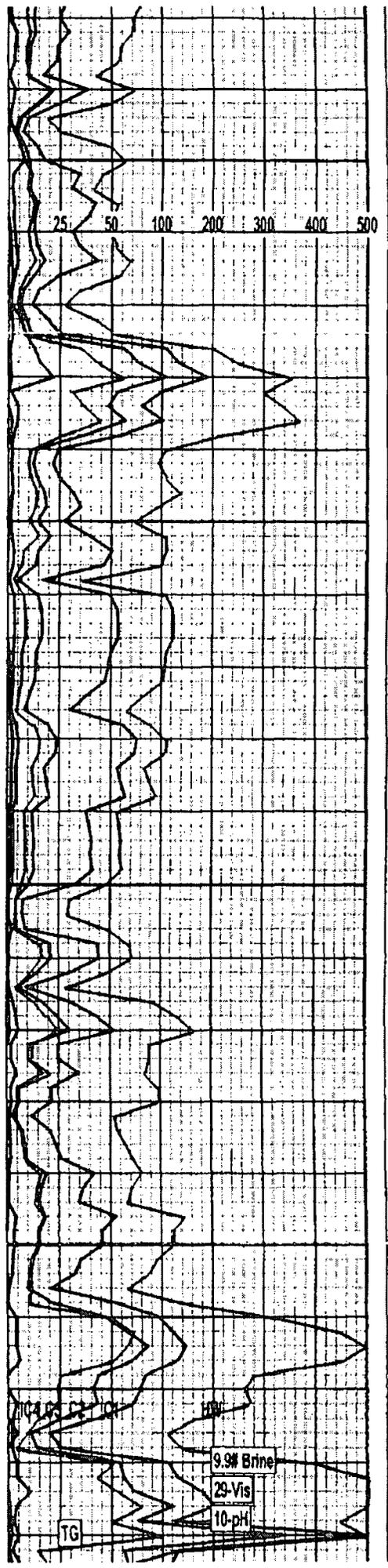
SS:trns l tgy, vf/fgn, uncons to cons & fria, sbang rndd sbrndd, well srted to vwell srted, cln tr pyr, no fluor, intr gran poro

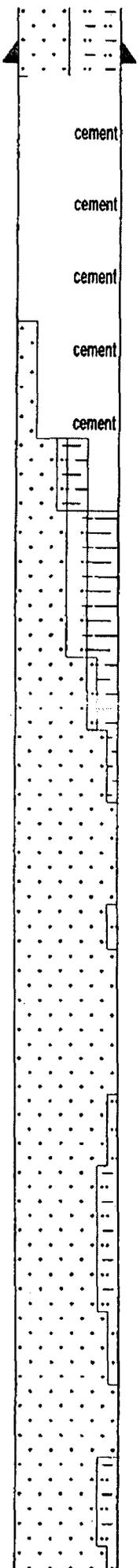
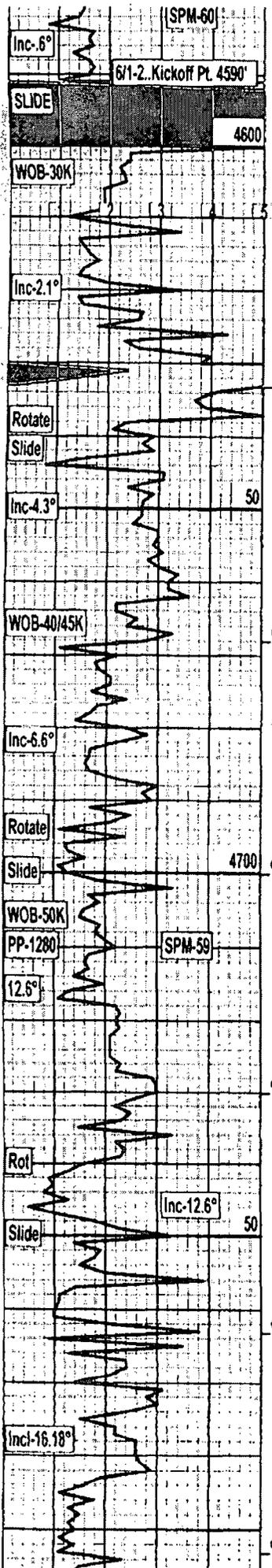
SS:ltgy trns l, vf/fgn, cons, fria to frm, sm uncons, sbang rndd sb rndd, well srted, cement w sili lime & sm clay, cln to sl/arg, tr pyr
 TR SLST:dkbn gy, frm grading to shly sand, pyr
 SS:trns l tgy, vf/fgn, cons & fria to uncons sbang rndd sbrndd, well srted, cement w/sili & lime, cln, pyr

SLTST/SB:dkbn dkgy, blkgy crse gritty text, carb pyr, grading between slt st & shaley sand

SLST: dkbn gy bk, blkgy, modsft, carb, pyr, grading to sandy sh

 Drllrs TD 5502', Ran Gyro





SS: dkbn gy bk, blk, modsf, carb, pyr, grading to sandy sh

Drlrs TD 5502', Ran Gyro & E-logs, Set Cmt Plugs, TIH & tagged cmt@ 4411 drilled cmt 4411-4590' TOOH/TIH w/direc tools mud mtr & RR bit2, HTC, 8 5/8" GX38C, Jets 3x16, drilling w/10# brine thru reserve pit

SS: trnsl, vfg/fgn, uncon to cons & fria, sbang ang sbrndd, cln, well srted

SH: dkbn bn, blk, sft to frm, carb ip, sm sdy, modsmth to crse gritty text, pyr, sm grsding to sltst

SS: gy trnsl wh, vf/fgn, cons, fria to frm, sbang rndd sbrndd, well srted cent w/sili, lime & sm clay, cln to sl/arg

SS: gy trnsl wh, vf/fgn cons & fria to frm, sm uncons, well srted, sbagn rndd sbrndd, cent w/sil lime & sm clay, pred cln to sl/arg, lithic frags, tr pyr, no fluor

TR SLTST: bn, gritty sdy text, carb, pyr, grding to a shaley sand

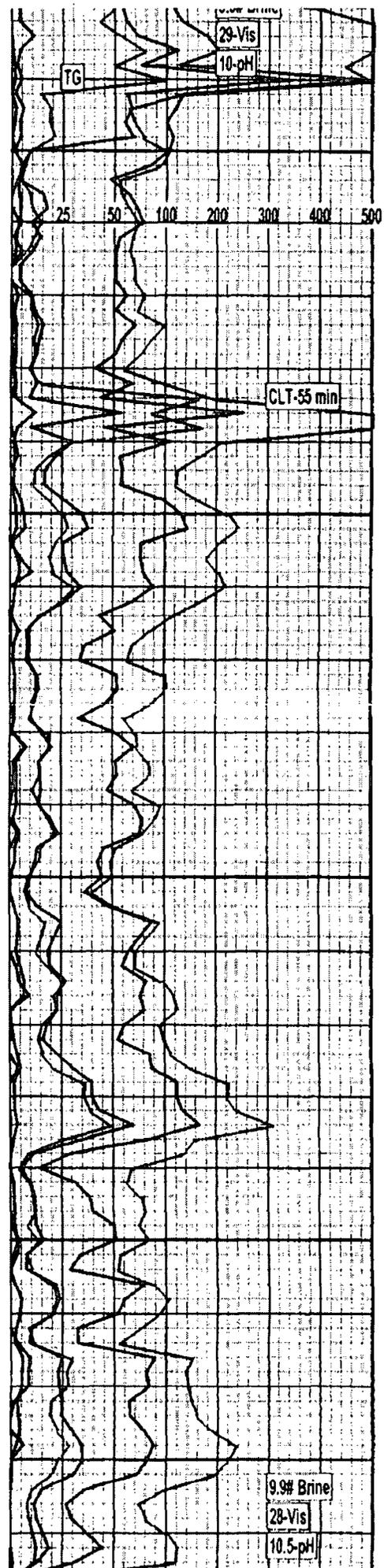
SS: gy trnsl tn wh, vf/fgn, cons, fria to frm, sm uncons, sbang rndd sbrn well srted, cent w/sili lime & clay, cln to mod arg, tr pyr

SLTST: bn, sft to frm, carb, gritty sdy text pyr

SS: trnsl ltgy gy, vf/fg, cons & fria to frm, sbrndd/sbang/ang, mod well srted, centd w/sili cln to sl/arg, pyr ip, no fluor

SLST: dkbn bn gy, sblky frm to modfrm, carb, pyr, sndy txt ip

4837': TOOH for Bit, Bit #2 made 4167' in 170hrs





RECEIVED OCD
2012 SEP -4 P 1:03

August 30, 2012

New Mexico Oil Conservation Division
Attn: William V. Jones
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: Lease Map
Rocket Federal #1 SWD
Township 26 South, Range 29 East, N.M.P.M.
Section 4: 116' FSL & 564' FEL
Eddy County, New Mexico

Dear Mr. Jones:

COG Operating LLC recently submitted to you a C-108 application for the Rocket Federal #1 SWD well referenced above. Per your request, please find the enclosed lease map identifying all of the separately owned tracts of land along with the owners of each tract.

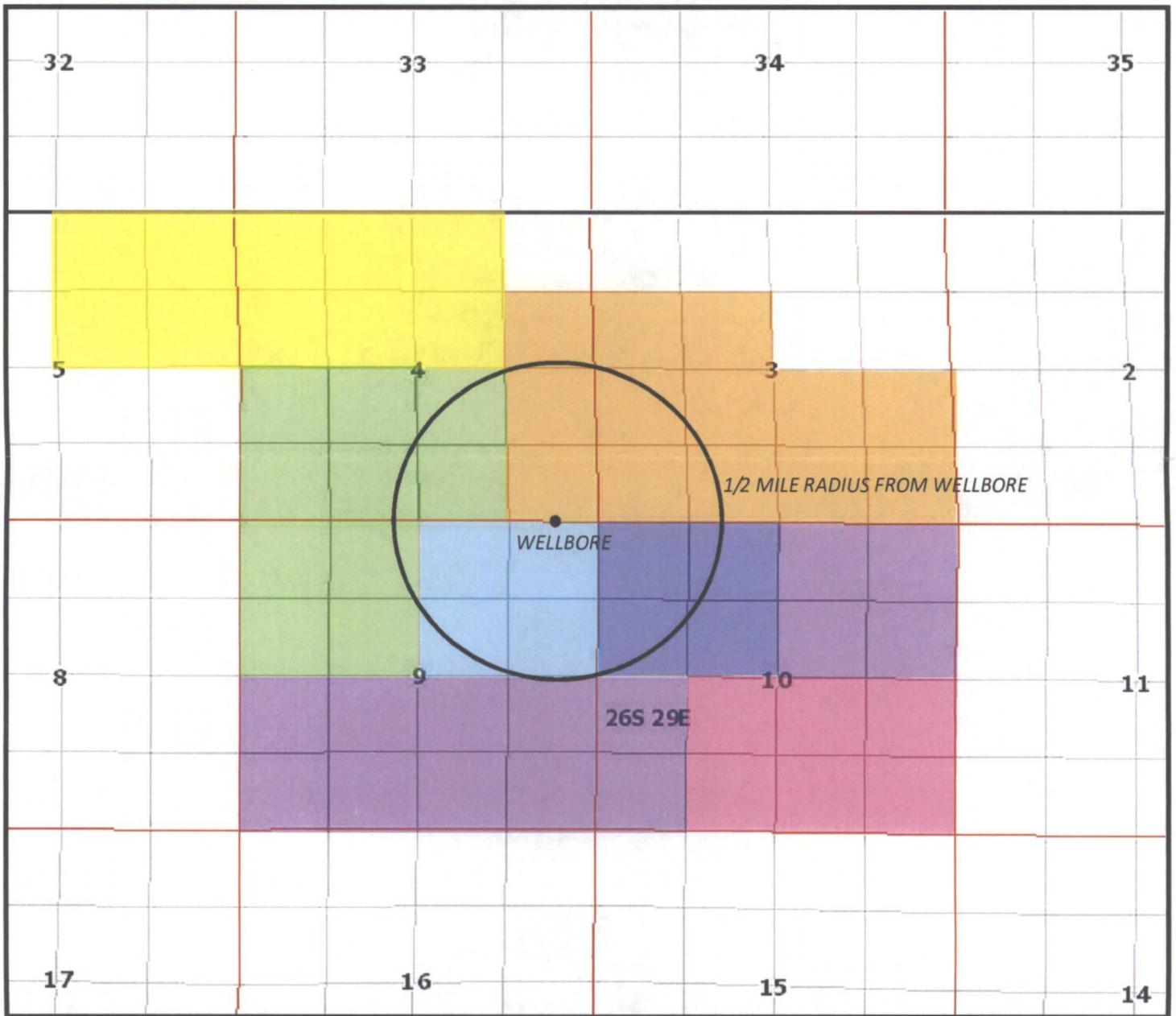
Please do not hesitate to contact me at (575) 748-6940 should you have any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Brian Collins".

Brian Collins
Senior Operations Engineer

BC/sw
Enclosure



- Oxy USA Inc
- COG Operating LLC
- Oxy USA Inc
- Oxy USA Inc
- Oxy USA Inc
- COG Operating LLC
- COG Operating LLC

Rocket Federal 1 SWD
 116' FSL & 564' FEL
 Sec 4; T26s - R29e
 Eddy County, New Mexico

Injection Permit Checklist (11/15/2010)

WFX _____ PMX _____ SWD 1356 Permit Date 9/8/12 UIC Qtr (J/A/S)

Wells 1 Well Name(s): ROCKET Federal #1

API Num: 30-0 15-34795 Spud Date: _____ New/Old: _____ (UIC primacy March 7, 1982)

Footages 116 FSL / 564 FEL Unit P Sec 4 Tsp 265 Rge 29E County EDDY

General Location: JUST N. of RED BLUFF RES.

Operator: COG OPERATING LLC Contact BRIAN COLLINS

OGRID: _____ RULE-5.9 Compliance (Wells) _____ (Finan Assur) _____ IS 5.9 OK? OK

Well File Reviewed _____ Current Status: oil on lateral is watered out

Planned Work to Well: _____

Diagrams: Before Conversion After Conversion Elogs in Imaging File:

| Well Details: | Sizes | | Setting Depths | Stage Tool | Cement Sx or Cf | Cement Top and Determination Method |
|---|---------------|--------------|--------------------|--------------|-----------------|-------------------------------------|
| | Hole..... | Pipe | | | | |
| New <input type="checkbox"/> Existing <input checked="" type="checkbox"/> Surface | <u>12 1/4</u> | <u>9 5/8</u> | <u>670'</u> | — | <u>400 SX</u> | <u>CIRC</u> |
| New <input type="checkbox"/> Existing <input type="checkbox"/> Intern | | | | | | |
| New <input type="checkbox"/> Existing <input checked="" type="checkbox"/> LongSt | <u>8 3/4</u> | <u>5 1/2</u> | <u>706' / 513'</u> | <u>4382'</u> | <u>2125 SX</u> | <u>CIRC/CIRC</u> |
| New <input type="checkbox"/> Existing <input type="checkbox"/> Liner | | | | | | |
| New <input type="checkbox"/> Existing <input type="checkbox"/> OpenHole | | | | | | |

| Depths/Formations: | Depths, Ft. | Formation | Tops? |
|--------------------|--------------|------------|--|
| Formation(s) Above | <u>22940</u> | <u>Del</u> | <input checked="" type="checkbox"/> |
| Injection TOP: | <u>3225</u> | <u>Del</u> | Max. PSI <u>645</u> OpenHole _____ Perfs <input checked="" type="checkbox"/> |
| Injection BOTTOM: | <u>4775</u> | <u>Del</u> | Tubing Size <u>2 7/8 / 3 1/2</u> Packer Depth <u>3175'</u> |
| Formation(s) Below | | | |

Brushy Draw; Del (area)

Capitan Perm? (Polash? Noticed?) [WIPP? Noticed?] Salado Top/Bot 550-2743 Cliff House: _____

Fresh Water: Depths: < 140' Formation _____ Wells? NO Analysis? Affirmative Statement

Disposal Fluid Analysis? Sources: Del / B.S.

Disposal Interval: Analysis? _____ Production Potential/Testing: 502?

Notice: Newspaper Date 7/26/12 Surface Owner BLM (7/25/12) Mineral Owner(s) _____

RULE 26.7(A) Affected Persons: OXY (7/30/12)

AOR: Maps? Well List? Producing in Interval? NO Wellbore Diagrams?

.....Active Wells 3 Repairs? 0 Which Wells? _____

.....P&A Wells 0 Repairs? _____ Which Wells? _____

Issues: _____ Request Sent _____ Reply: _____