





RECEIVED OOD  
2012 DEC 26 A 9 23

December 18, 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  
Gold Coast 26 Federal SWD No. 1  
Township 24 South, Range 32 East, N.M.P.M.  
Section 26: 2310' FSL & 2310' FWL  
Lea County, New Mexico

Dear Mr. Jones:

COG Operating LLC respectfully requests administrative approval for authorization to inject for the Gold Coast 26 Federal SWD No. 1 well as referenced above. Attached, for your review, is a 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 black ink, appearing to read "Brian Collins".

Brian Collins  
Senior Operations Engineer

BC/bg  
Enclosures

**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: 19 Dec 12  
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  
GOLD COAST 26 FEDERAL SWD #1  
Unit K, Sec 26 T24S R32E  
Lea County, NM

COG Operating, LLC, proposes to drill the captioned well to 7200' for salt water disposal service into the Delaware Sand from 4900' to 7200'. An APD will be submitted upon approval of this C-108.

- V. Map is attached.
- VI. One well within the ½ mile radius area of review penetrates the proposed injection zone. We are concurrently filing a C108 on the Jackson Federal #2 so current and proposed SWD wellbore schematics are attached.
- VII.
  - 1. Proposed average daily injection rate = 7000 BWPD  
Proposed maximum daily injection rate = 10000 BWPD
  - 2. Closed system
  - 3. Proposed maximum injection pressure = 980 psi  
(0.2 psi/ft. x 4900' 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 4900' to 7200'. Any underground water sources will be shallower than 415'.
- IX. The Delaware sand injection interval might be acidized with approximately 20 gal/ft of 7 ½ % HCl acid.
- X. Well logs, if run, will be filed with the Division. A section of the neutron-density porosity log from an analogous well 2800' to the northwest showing the injection interval is attached.
- XI. There are no fresh water wells within a mile of the proposed SWD well.
- 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: Gold Coast 26 Federal SWD 1

WELL LOCATION: 2310' FSL, 2310' FWL K 26 24s 32e  
FOOTAGE LOCATION UNIT LETTER SECTION TOWNSHIP RANGE

WELLBORE SCHEMATIC

WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 17 1/2" Casing Size: 13 3/8" @ ± 1100'  
Cemented with: - sx. or 1550 ft<sup>3</sup>  
Top of Cement: Surface Method Determined: Design

See Attached Schematic

Intermediate Casing

Hole Size: \_\_\_\_\_ Casing Size: \_\_\_\_\_  
Cemented with: \_\_\_\_\_ sx. or \_\_\_\_\_ ft<sup>3</sup>  
Top of Cement: \_\_\_\_\_ Method Determined: \_\_\_\_\_

Production Casing

Hole Size: 12 1/4" Casing Size: 9 5/8" @ ± 4900'  
Cemented with: - sx. or 3100 ft<sup>3</sup>  
Top of Cement: Surface Method Determined: Design  
Total Depth: 7200'

Injection Interval

4900' feet to 7200'

(Perforated or Open Hole; indicate which)

INJECTION WELL DATA SHEETTubing Size: 3 1/2" or 4 1/2" Lining Material: IPC / Duoline 20Type of Packer: Nickel plated double grip retrievablePacker Setting Depth: ± 4850'Other Type of Tubing/Casing Seal (if applicable): N/AAdditional Data1. Is this a new well drilled for injection?  Yes  No

If no, for what purpose was the well originally drilled? \_\_\_\_\_

2. Name of the Injection Formation: Delaware Sand3. Name of Field or Pool (if applicable): Double X, Paduca North4. 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. N/A

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

Overlying: Bell Canyon (Delaware) ± 4950 - ± 5000' Sec 12-24s-32e. Not productive Sec 26  
24s-32e.Underlying: Bone Spring ± 9000' - ± 11000', Wolfcamp ± 13600', Strawn ± 14200'  
Morrow ± 15,100'

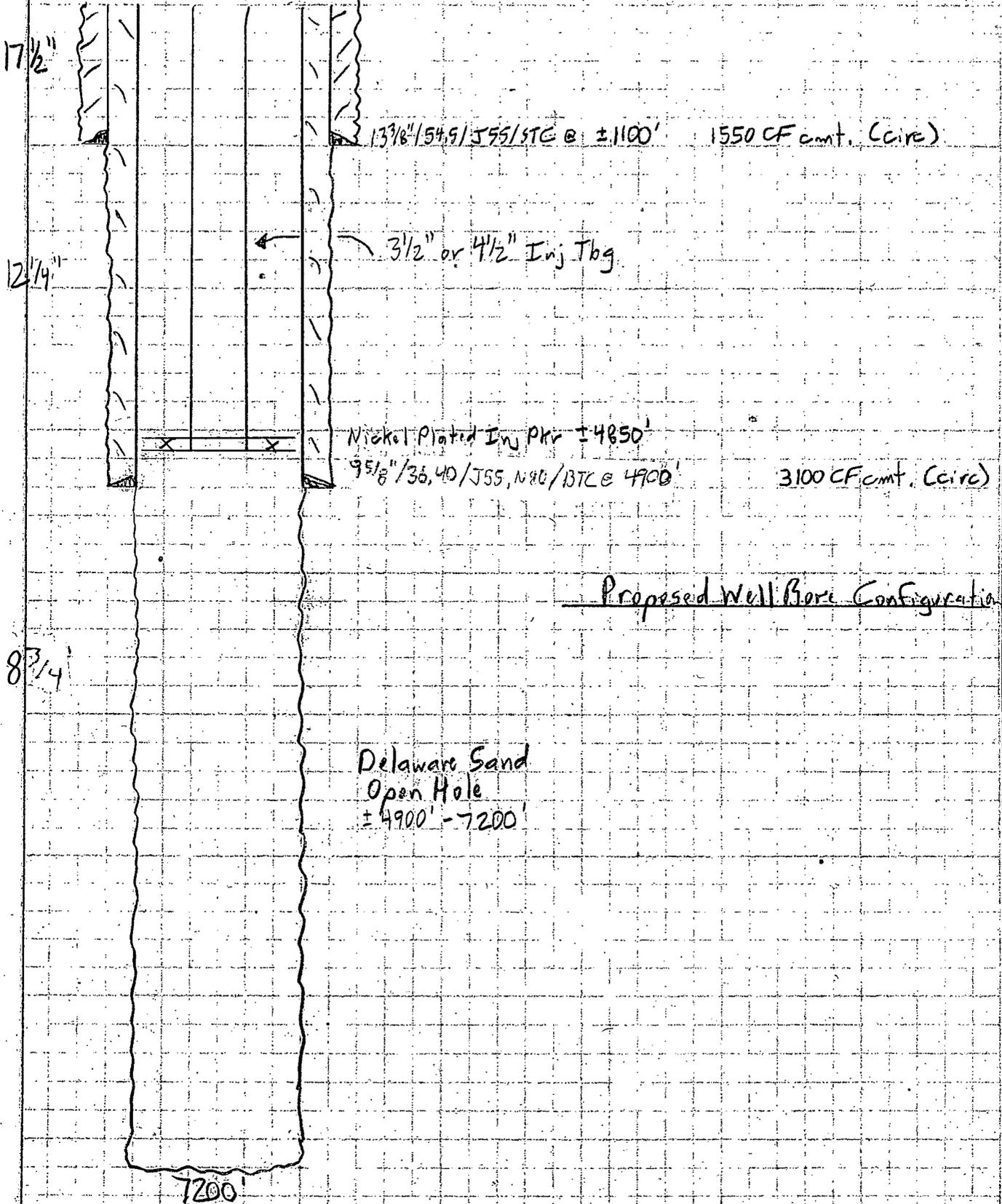
30-025

Gold Coast 26 Federal SWD 1

2310' FSL, 2310' FWL

K-26-24s-32e

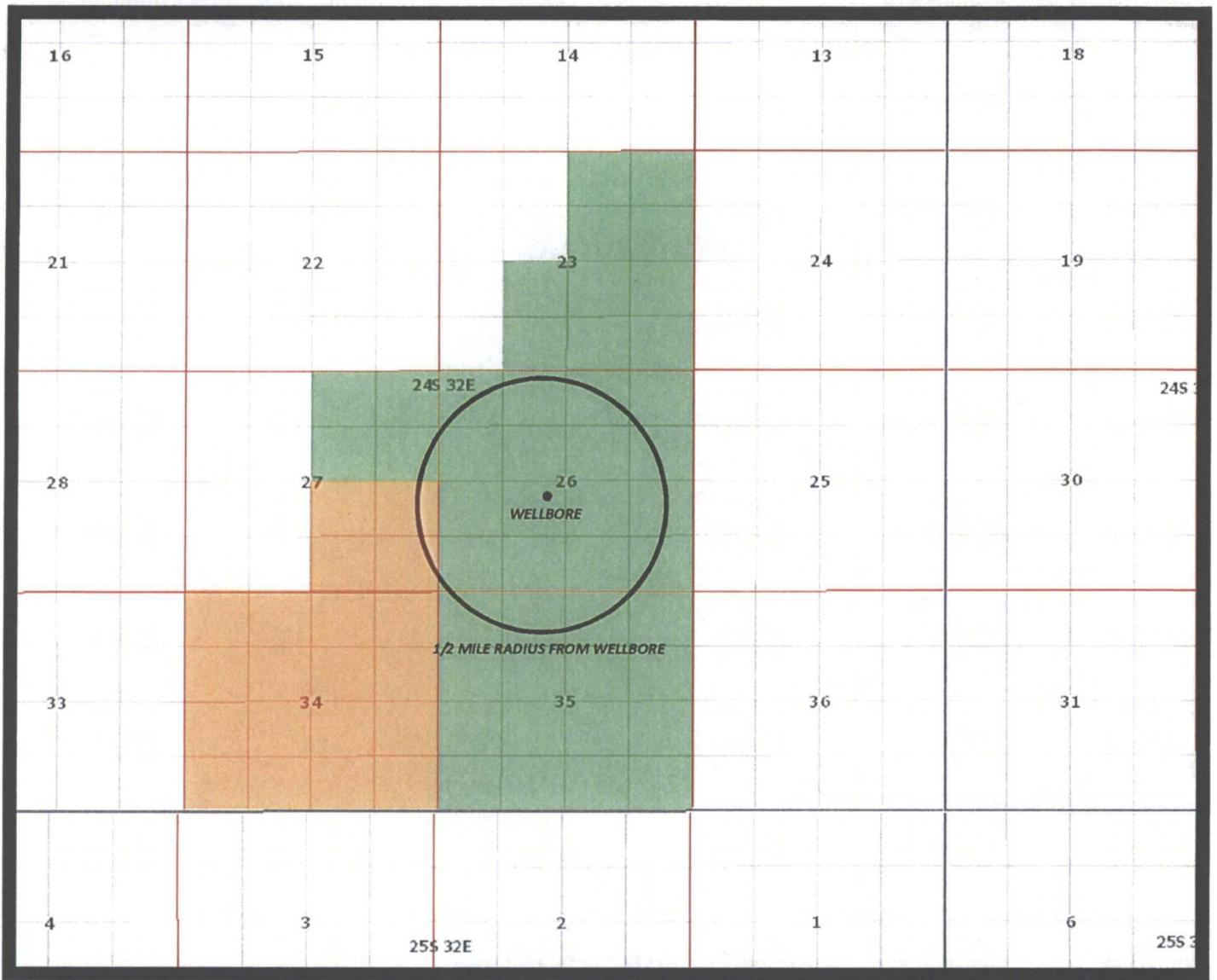
Lea, NM



Proposed Well Bore Configuration

**V.**

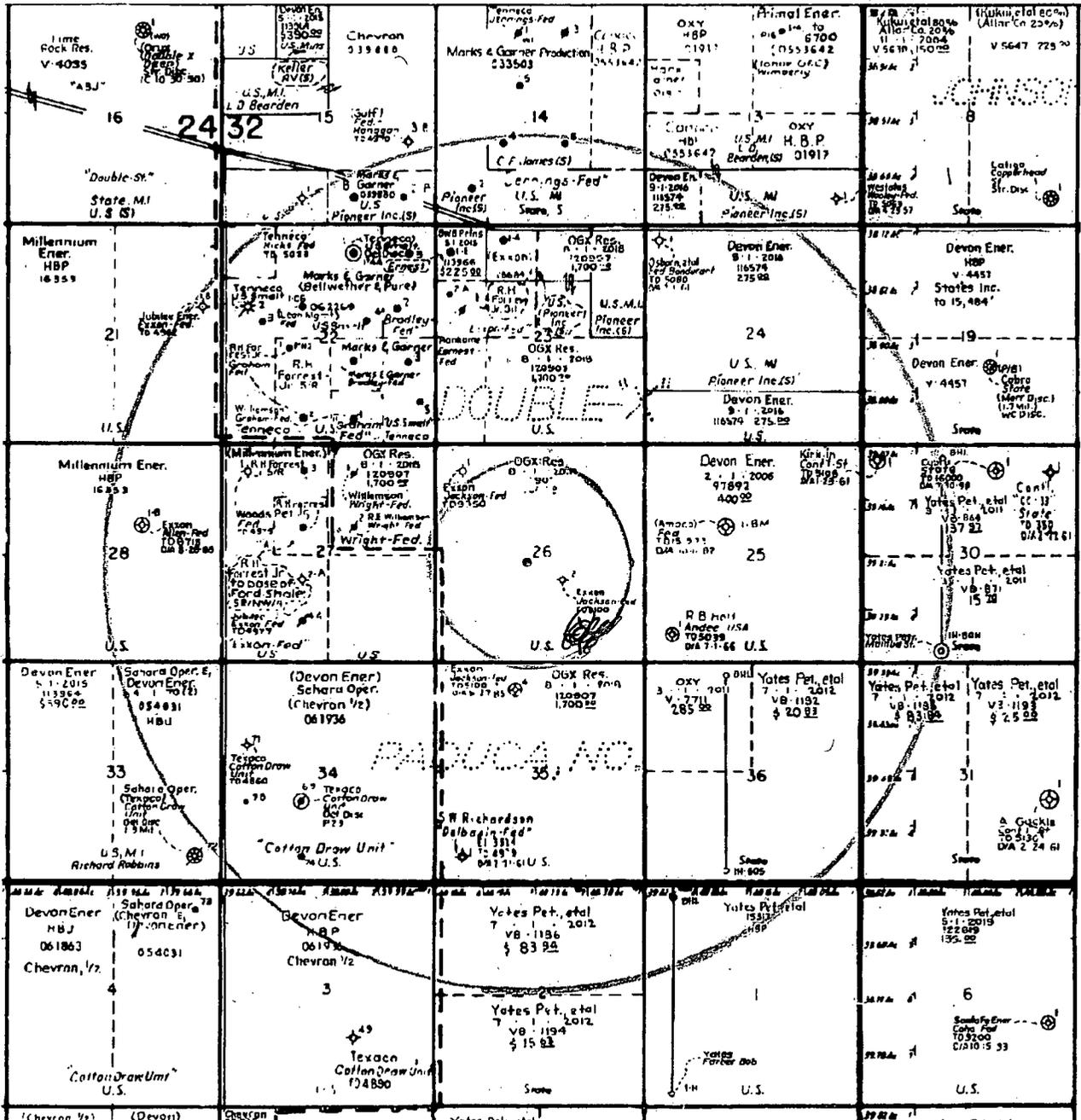
**MAP**



 COG Production LLC

 Chevron USA Inc.  
Devon Energy Company

**Gold Coast 26 Federal SWD No. 1  
2310 FSL & 2310 FWL  
Sec. 26; T24s - R32e  
Lea County, New Mexico**



**COG Operating, LLC**  
**Gold Coast 26 Federal SWD #1**  
**Unit K, Sec 26-T24S-R32E**  
**Lea County, NM**

**Jones, William V., EMNRD**

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**From:** Margrethe Hotter [Margreth@yatespetroleum.com]  
**Sent:** Thursday, November 17, 2011 3:17 PM  
**To:** Jones, William V., EMNRD  
**Subject:** RE: Disposal application from Yates Petroleum Corporation: Jackson Federal SWD #1 30-025-28242 Delaware

Hello,

Yes, they were. NM-113966 of section 23 24S 32E was notified to BWB Partners, PO Box 51407, Midland, TX 79702. They should be on the notification list and also with a copy of the letter and certified mail receipt.

This well is in the same area as the Allen Fed SWD #1 we recently got approved and OGX's Turquoise SWD (SWD-1203), proposing to inject into those same sand intervals.

All production in this area is/was from the upper Bell Canyon of the Delaware. It isn't and never was very good, only with minor oil and very high water production. There are two injection wells just west of this Jackson Federal SWD #1, the Exxon A Fed #2 and US Smelting Fed #5, both injecting into perms in the Bell Canyon interval that is/was produced in their surrounding wells.

The water saturation in the proposed injection interval is high, in the sands 60-75% with very high porosity, 20-28%. This interval is non productive in this area and surrounding townships. This was a dry hole, nothing was found during the drilling phase worth testing, and production casing was not set. Only surface and intermediate was set. We do not see any productive potential in the injection interval of this well; the re-entry will be for injection only.

I hope this answer your questions.

Hope everything is fine up there in Santa Fe. Have a great Thanksgiving!

**Margrethe F. Hotter**

Area Engineer  
Yates Petroleum Corp  
105 S. 4th St  
Artesia, NM, 88210  
Tel.: 575-748-4165 (office)  
Tel.: 575-703-0749 (cell)  
Fax: 575-748-4585

*Yates  
SWD-1308*

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**From:** Jones, William V., EMNRD [<mailto:William.V.Jones@state.nm.us>]  
**Sent:** Thursday, November 17, 2011 2:42 PM  
**To:** Margrethe Hotter  
**Cc:** Ezeanyim, Richard, EMNRD; Gonzales, Elidio L, EMNRD  
**Subject:** Disposal application from Yates Petroleum Corporation: Jackson Federal SWD #1 30-025-28242 Delaware

Hello Margrethe,  
Just got this application in and looked it over and see a couple of questions,

WELL NAME: Jackson Federal #1 SWD FIELD: Undesignated Double X

LOCATION: 660' FNL & 660' FWL of Section 26-24S-32E Lea Co., NM

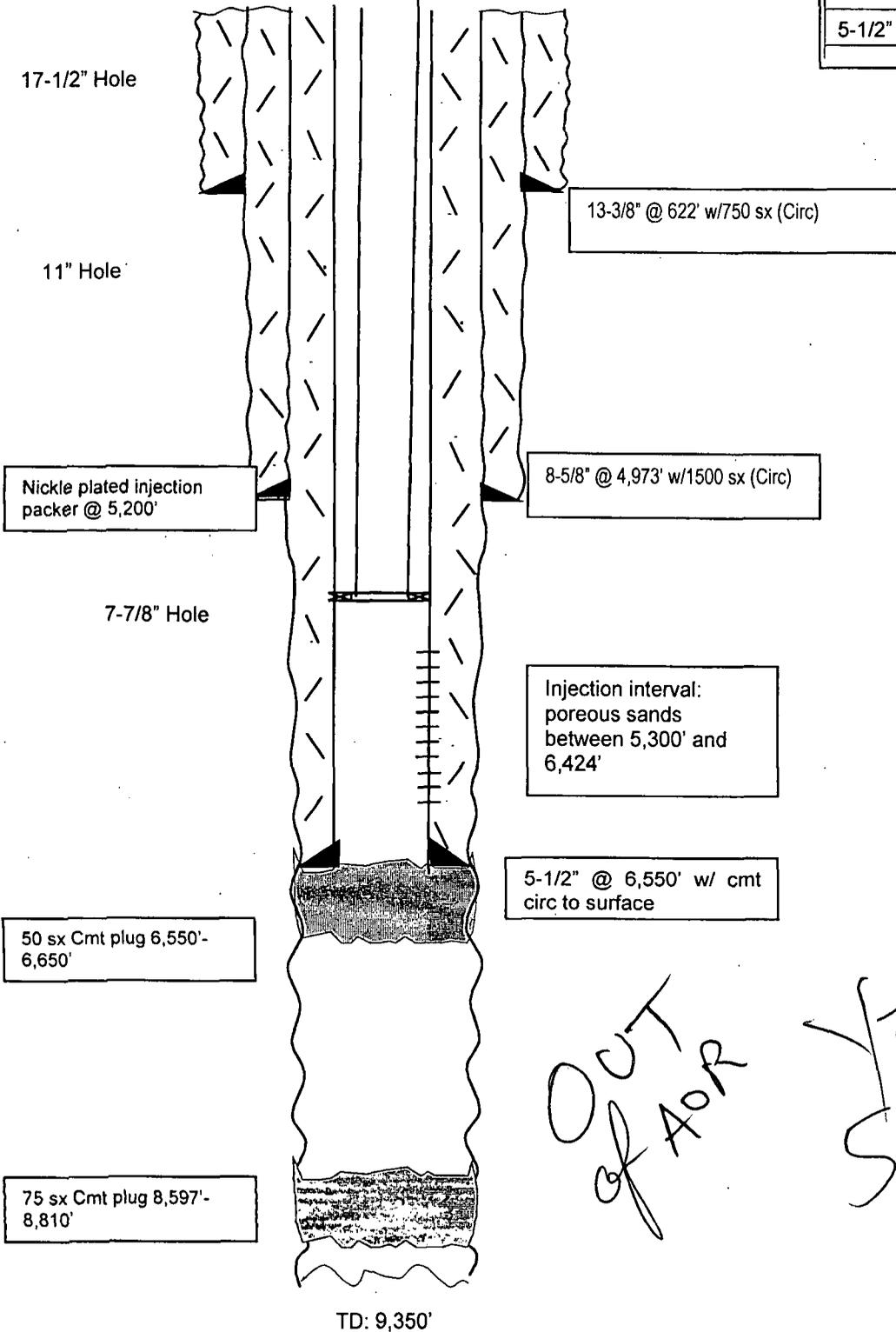
GL: 3,569' ZERO: KB:

SPUD DATE: 6/29/83 COMPLETION DATE:

COMMENTS: API No.: 30-025-28242

CASING PROGRAM

13-3/8" 61# K-55	622'
8-5/8" 24# & 32# K-55	4,923'
5-1/2" 15.5 # J-55	6,550'



**After**

**TOPS**

Rustler	869'
Salado	1,178'
Castille	3,139'
BOS	4,490'
Lamar lime	4,868'
Bell Canyon	4,892'
Cherry Canyon	5,685'
Brushy Canyon	7,149'
Bone Springs	8,794'

OUT of AOR

*Yates*  
SWD-1308

Not to Scale  
9/6/11  
MMFH

Attachment "C"

Jackson Federal #1 SWD  
Form C-108

Tabulation of data on wells within area of review

Well Name	Operator	Type	Spud	Total Depth	Producing Zone	Perforations
Wright Federal #1 660' FNI & 1980' FEL Sec 27 24S 32E	Ralph E. Williamson	P&A	1/16/1975 P&A 9/09/03	4937	Delaware	4885-4892
U.S. Smelting Federal SWD #5 2310' FSL & 660' FEL Sec 22 24S 32E	Marks & Garner Prod	SWD	10/4/1962	4995	Delaware	4913

*Valer*  
*SWD-1308*

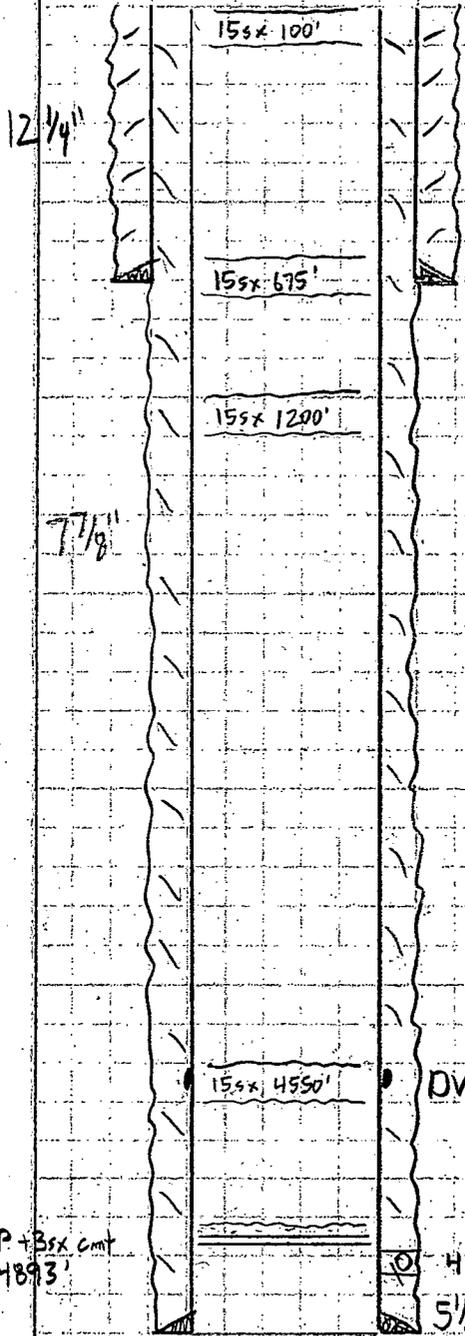
# **VI.**

## **Wells Penetrating Proposed Disposal Interval Within Half Mile Area of Review**

30-025-28935

Jackson Federal 2  
1980' FSL, 1980' FEL  
J-26-246-32e  
Lea, NM

AOR Well



8 5/8" / 24 / K55 / STC @ 625

175sx PSL + 300sx "C" (circ 105sx)

Within 1/2 Mile Area of Region

77 1/8"

DV 4500'

CIBP + 35x Cmt  
4893'

4968-73' (21) Del

5 1/2" / 14 / K55 / @ 5097'

1st: 180sx "C"

2nd: 1570sx "C" (circ 372sx)

30-925-28935

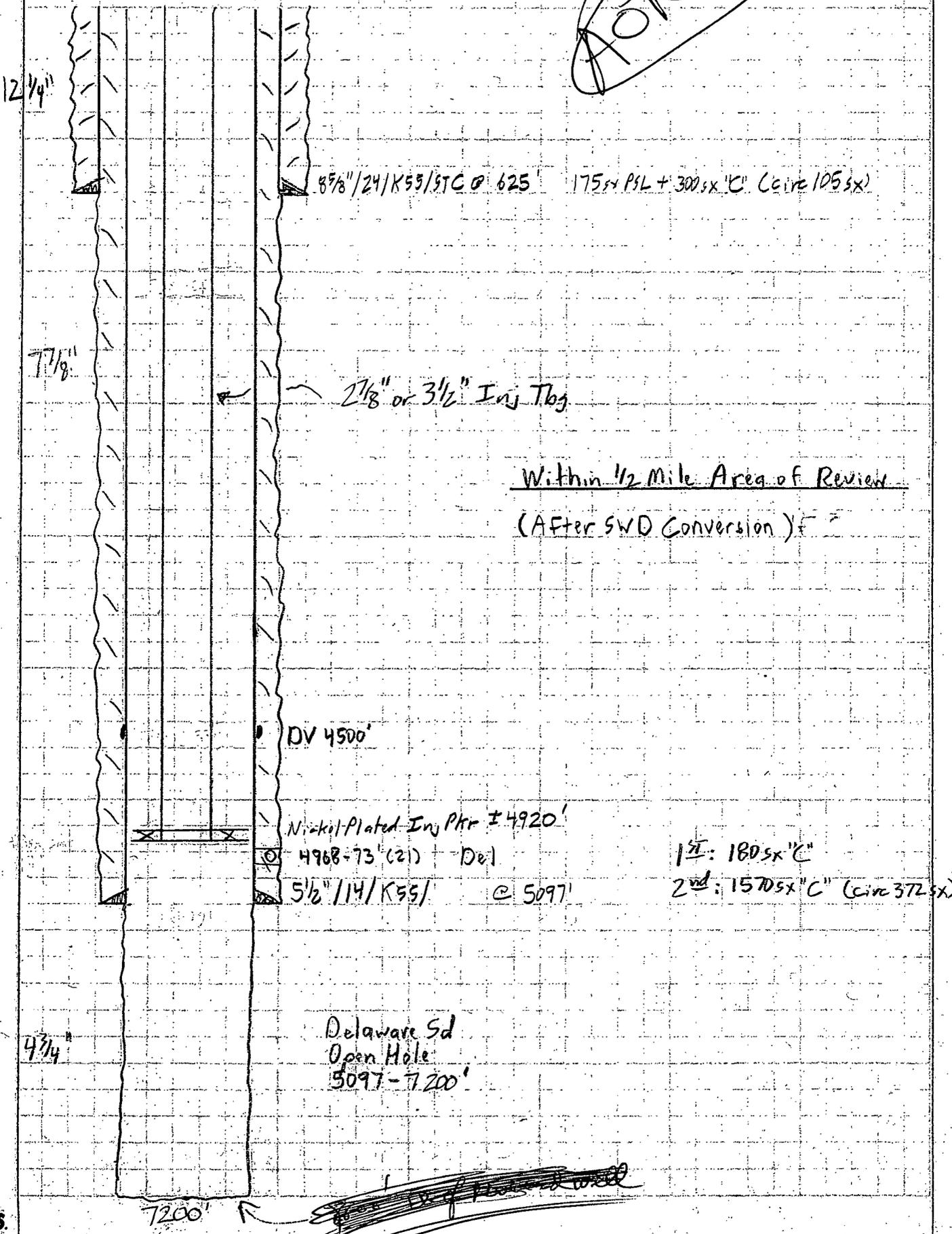
(Jackson Federal 2)

1980' FSL, 1980' FEL

J-26-24s-32e

Lea, NM

*FOR SAMPLING*



8 5/8" / 24 / K55 / STC @ 625' 175sx PSL + 300sx "C" (Circ 105sx)

2 1/8" or 3 1/2" Inj Tbg

Within 1/2 Mile Area of Review  
(After SWD Conversion)

DV 4500'

Nickel Plated Inj Pkr ± 4920'

4968-73' (21) Del

5 1/2" / 14 / K55 / @ 5097'

1st: 180sx "C"  
2nd: 1570sx "C" (Circ 372sx)

Delaware Sd  
Open Hole  
5097-7200'

~~Stop of Flow in well~~

7200'

# VII.

## **Water Analysis Produced and Receiving Formation Water**

# Bone Spring Produced Water Sample

Analytical Laboratory Report for:  
**MARBOB ENERGY CORPORATION**



**Chemical Services**

Account Representative:  
Palk, Bill

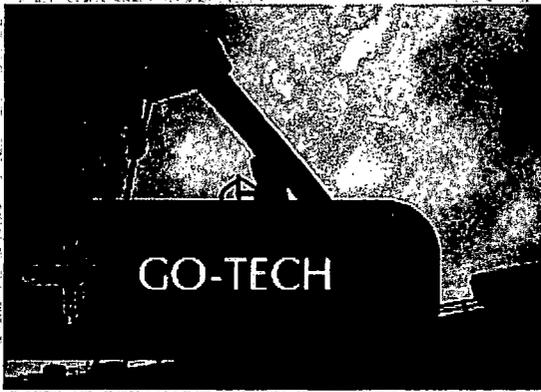
## Production Water Analysis

Listed below please find water analysis report from: LPC 31 FED, 1

Lab Test No: 2066151411      Sample Date: 12/13/2006  
Specific Gravity: 1.135  
TDS: 206426  
pH: 6.49

Cations:	mg/L	as:
Calcium	11067	(Ca <sup>++</sup> )
Magnesium	1751	(Mg <sup>++</sup> )
Sodium	64721	(Na <sup>+</sup> )
Iron	58.20	(Fe <sup>++</sup> )
Potassium	1164.0	(K <sup>+</sup> )
Barium	0.83	(Ba <sup>++</sup> )
Strontium	497.00	(Sr <sup>++</sup> )
Manganese	1.35	(Mn <sup>++</sup> )
Anions:	mg/L	as:
Bicarbonate	220	(HCO <sub>3</sub> <sup>-</sup> )
Sulfate	1400	(SO <sub>4</sub> <sup>-</sup> )
Chloride	126800	(Cl <sup>-</sup> )
Gases:		
Carbon Dioxide	170	(CO <sub>2</sub> )
Hydrogen Sulfide	17	(H <sub>2</sub> S)

DELAWARE



- ~ Home
- ~ Production Data ▶
- ~ Well Data ▶
- ~ NM Pricesheet
- ~ Water Data ▶
- ~ Projects ▶
- ~ Software ▶
- ~ Archive ▶
- ~ Other Links ▶
- ~ Help ▶

North American Oil and Gas News

IEA claims global warming may lead to 'Miami Beach in Boston' situation unless urgent action is taken

Enbridge reports second quarter adjusted earnings of \$277 million

Imperial Resources; SWDF full disposal test to commence

Drako Capital announces update on Stolberg well

Source: Oil Voice

**NYMEX LS Crude** 88.73

**Navajo WTXI** 0

**Henry Hub** 3.01

Updated: 8/1/2012

State Land Office Data Access

OCD well/log image files

PRRC NM-TECH NM-BGMR

*Delaware Sample Representative of Produced and Receiving Formations*

**NM WAIDS**

**Data**

- ~ Produced Water
- ~ Ground Water
- ~ Conversion Tools

**Scale**

- ~ Scale details
- ~ Stiff
- ~ Oddo
- ~ Probable Mineral Composition mix

**Corrosion**

**Theory**

- ~ Uniform
- ~ Galvanic
- ~ Crevice
- ~ Hydrogen Damage
- ~ EIC
- ~ Erosion

**Equipment**

General Information About: Sample 4412			
HANAGAN B FEDERAL			
API	3002508151	Sample Number	
Unit/Section/Township/Range	O / 15 / 24S / 32E	Field	DOUBLE X
County	Lea	Formation	DEL
State	NM	Depth	
Lat/Long	32.21178 , 103.66422	Sample Source	UNKNOWN
TDS (mg/L)	229709	Water Type	
Sample Date (MM/DD/YYYY)		Analysis Date (MM/DD/YYYY)	
Remarks/Description			
Cation Information (mg/L)		Anion Information (mg/L)	
Potassium (K)		Sulfate (SO)	491
Sodium (Na)		Chloride (Cl)	142100

- Artificial
- Casing and Tubing
- Surface
- Enhanced
- Gases
  - O2
  - CO2
  - H2S
- Microbes
- Prevention
- References
- Maps
  - Trend Maps
    - GW
    - PW
    - Geology
    - PLSS
    - Help
  - Online Map

Calcium (Ca)		Carbonate (CO <sub>3</sub> )	
Magnesium (Mg)		Bicarbonate (HCO <sub>3</sub> )	168
Barium (Ba)		Hydroxide (OH)	
Manganese (Mn)		Hydrogen Sulfide (H <sub>2</sub> S)	
Strontium (Sr)		Carbon Dioxide (CO <sub>2</sub> )	
Iron (Fe)		Oxygen (O)	

PETROLEUM RECOVERY RESEARCH CENTER, SOCORRO, NM-87801

**X.**

**Log Across Proposed  
Delaware Sand  
Injection Interval**

EXXON CORP

JACKSON FEDERAL # 1



30-025-28242

**UMBERGER**  
**COMPENSATED NEUTRON-**  
**LITHO DENSITY**

COMPANY EXXON COMPANY U.S.A.

24289.1

WELL JACKSON FEDERAL #1

FIELD DOUBLE X

COUNTY LEA STATE NEW MEXICO

LOCATION 660' ENL & 660' FWL, D  
 API SERIAL NO. SEC TWP. RANGE  
 26 24-S 32-E  
 Other Services:  
 NGT, DIL/SFL  
 EPT, MONITOR  
 DLL/MSFL, CI  
 CNL/LDT/EPT

Permanent Datum: G.L. Elev.: 3569  
 Log Measured From: RKB 11 Ft. Above Perm. Datum  
 Drilling Measured From: RKB

Elev.: K.B. 3580  
 D.F. 3579  
 G.L. 3569

Date	7-24-83				
Run No.	ONE				
Depth-Driller	9350				
Depth-Logger	9343				
Blm. Log Interval	9340				
Top Log Interval	SURFACE				
Casing-Driller	8 5/8 @ 4923				
Casing-Logger	4920				
Bit Size	7.875				
Type Fluid in Hole	BRINE / STARCH				
Dens. Visc.	9.1 26.5				
pH Fluid Loss	1.1 1.8 ml				
Source of Sample	MUDPIT				
Rm @ Meas. Temp.	.071 @ 71 F				
Rmf @ Meas. Temp.	.053 @ 71 F				
Source: Rmf Rmc	M @ F				
Rm @ BHT	0.04 @ 130 F				
Circulation Stopped	1130 7-23				
Logger on Bottom	0045 7-24				
Max. Rec. Temp.	130 F				
Equip. Location	8069 HOBBS				
Recorded by	RJES				
Witnessed by	MAROWEZ				

*Completed 8/2/83  
 Just 11/22/83  
 New Mexico P.O. Box 1980  
 Hobbs, New Mexico 88240*

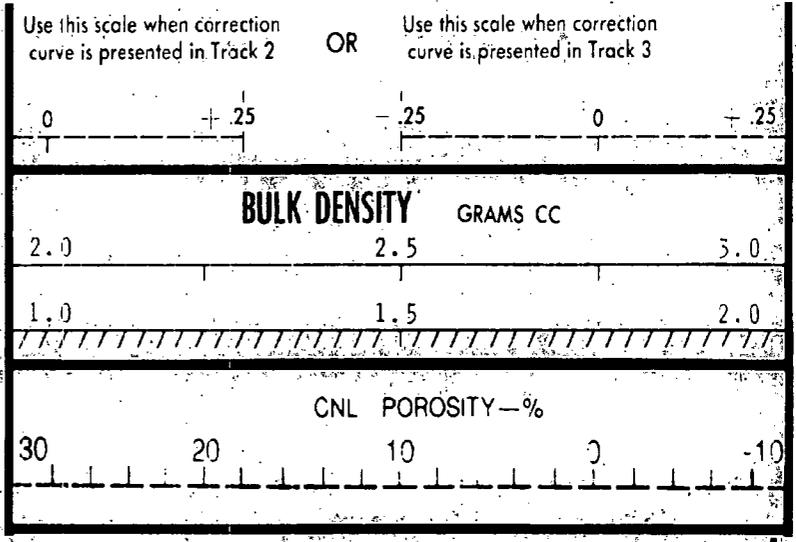
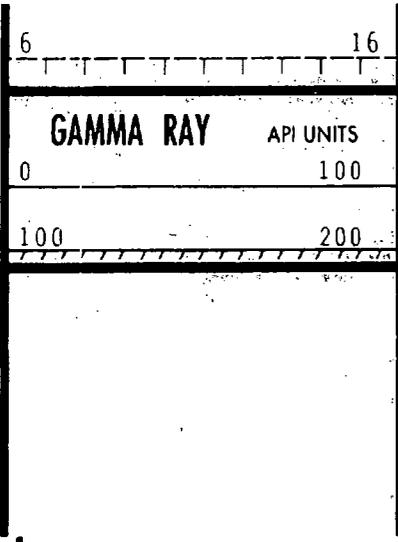
FOLD HERE The well name, location and borehole reference data were furnished by the customer.

RUN NO.	ONE				
Service Order No.	399785			Type log	Depth
Program Tape No.					
Fluid Level	FULL				
<b>EQUIPMENT DATA</b>					
Module	98				
Telemetry Cart	A 868				
Dens. Cart.	D 800				
Dens. Skid.	L 1795				
Dens. Sonde.	B 1848				
Dens. Source	J 6237			REMARKS:	VERSION 24.2 LEP 18
Dens. Calibrator					
Neut. Cart.	H 110				RUN IN COMBINATION WITH NGT.
Neut. Source	FA 2380				
Neut. Calibrator	AB 2563				
GR Cart	B 714				
Centralizers:	Type BOWSPRING				
Enter Spring Standoffs:	No. 1				
In-line or None	S.O. -Inches				

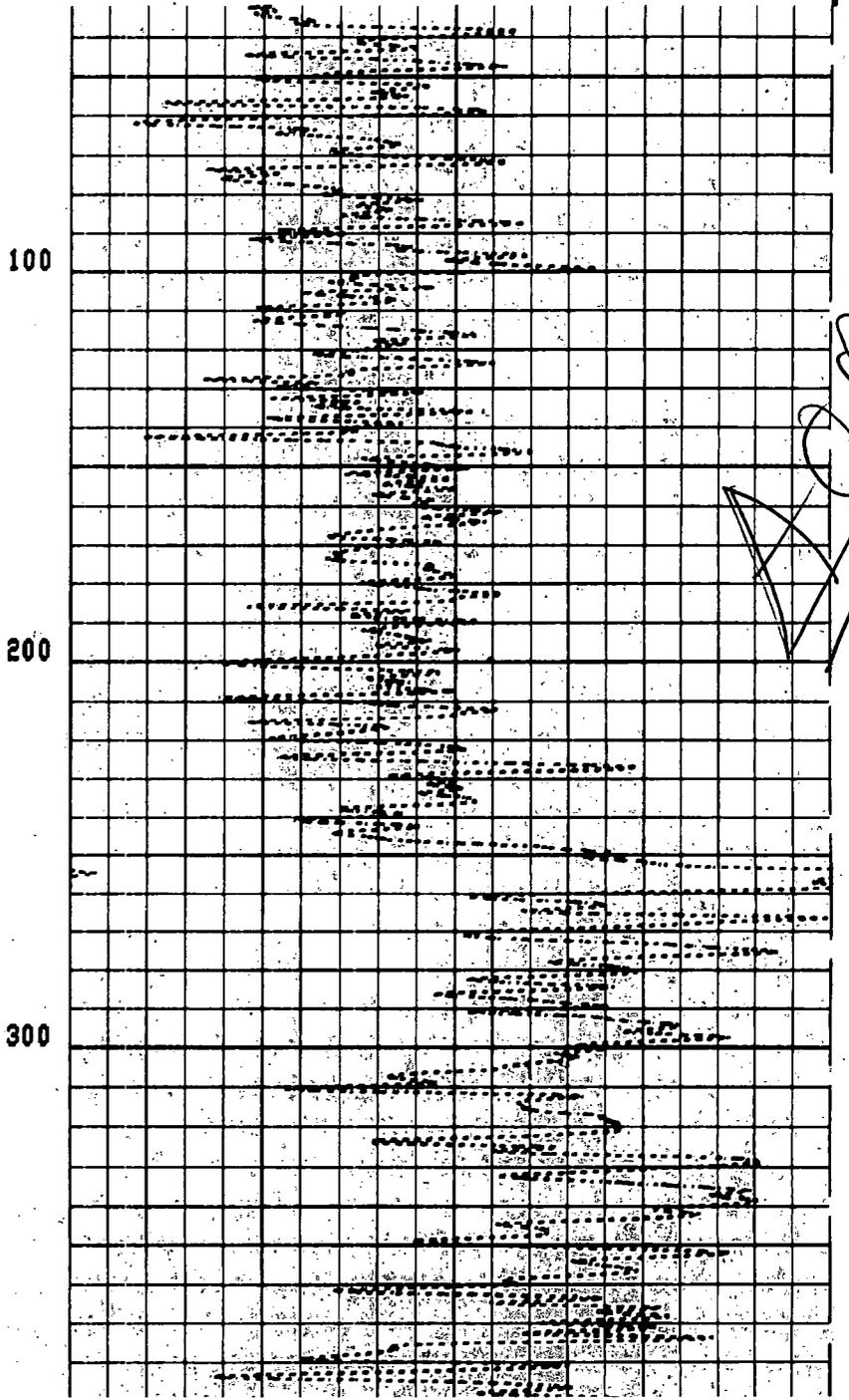
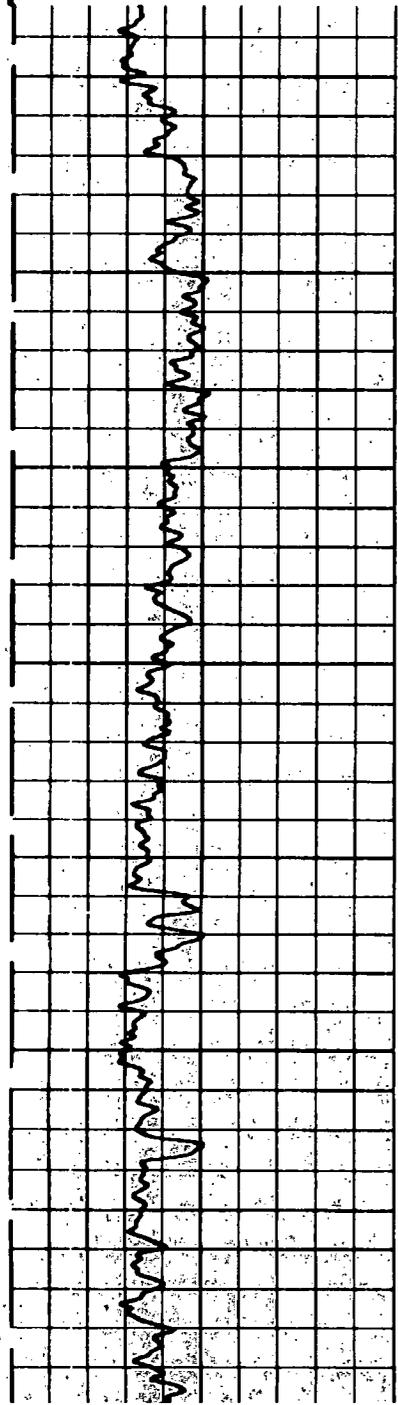
All interpretations are opinions based on inferences from electrical or other measurements and we cannot and do not guarantee the accuracy or correctness of any interpretations and we shall not, except in the case of gross or willful negligence on our part, be liable or responsible for any loss, costs, damages or expenses incurred or sustained by anyone resulting from any interpretation made by any of our officers, agents or employees. These interpretations are also subject to our General Terms and Conditions as set out in our current Price Schedule.

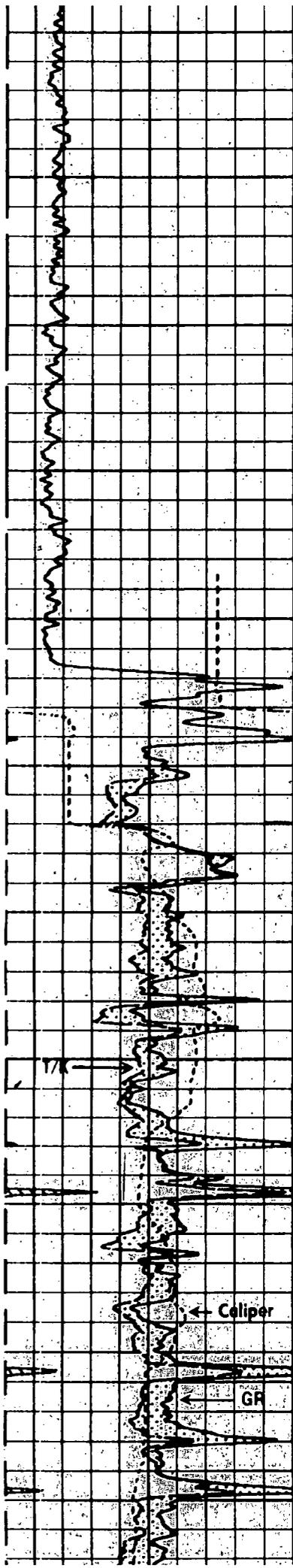
CALIPER DIAM. IN INCHES DEPT CORRECTION GRAMS CC

*FOR*



FILE  
6





4700

4800

Bell

4900

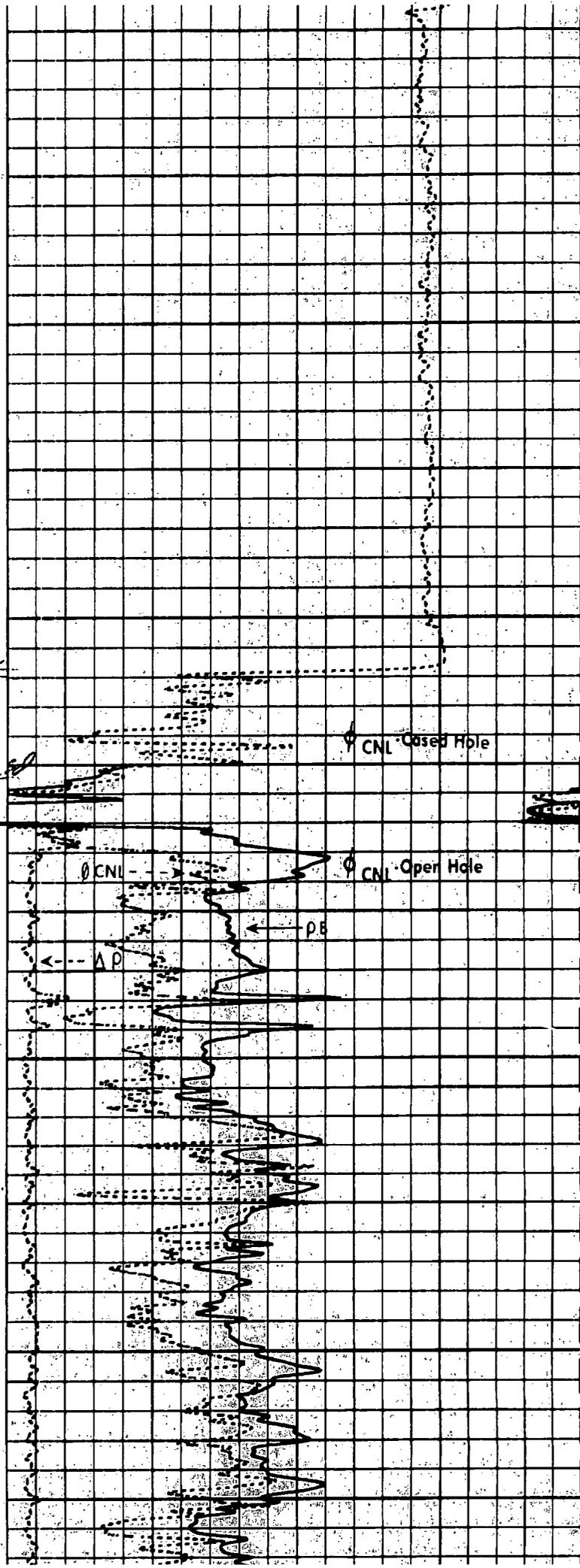
Casing

5000

5100

← Caliper

GR



Ø CNL - Cased Hole

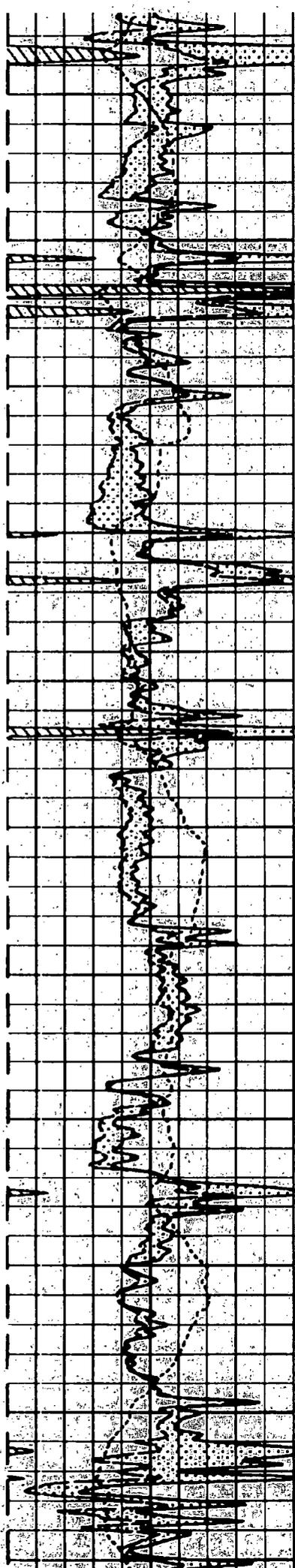
Ø CNL - Open Hole

p.B.

Ø CNL

← ΔP

AOR



5200

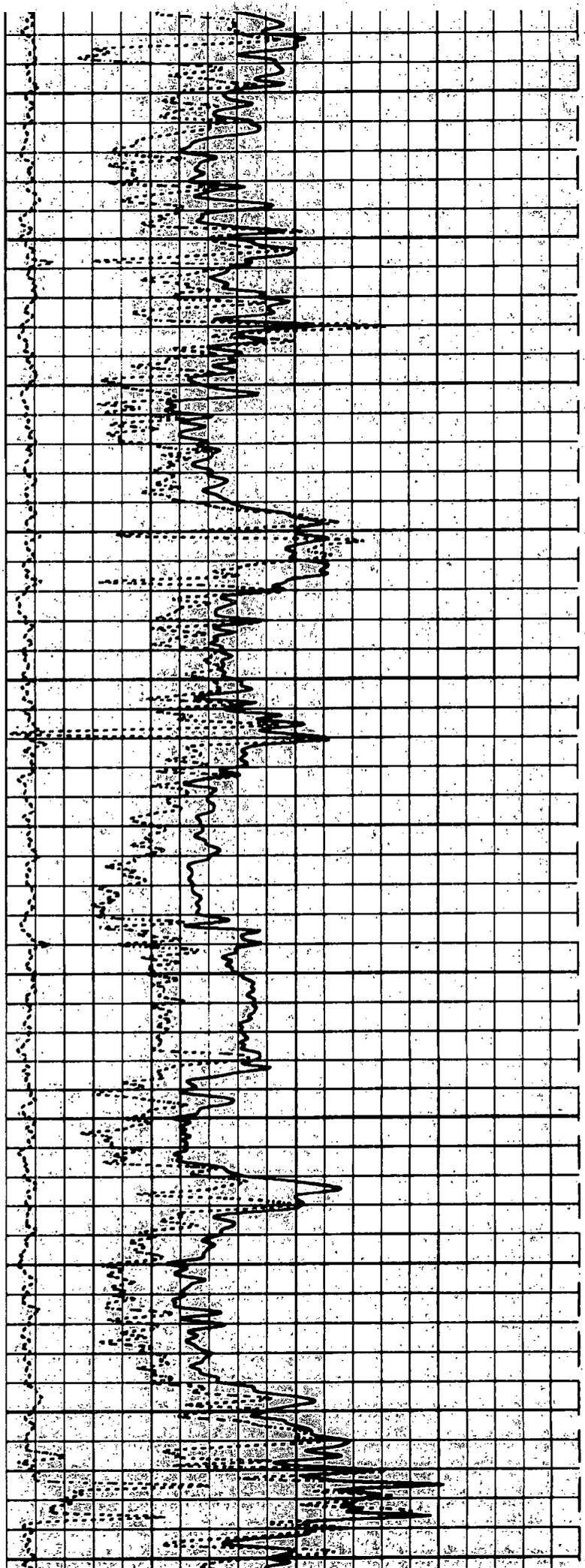
5300

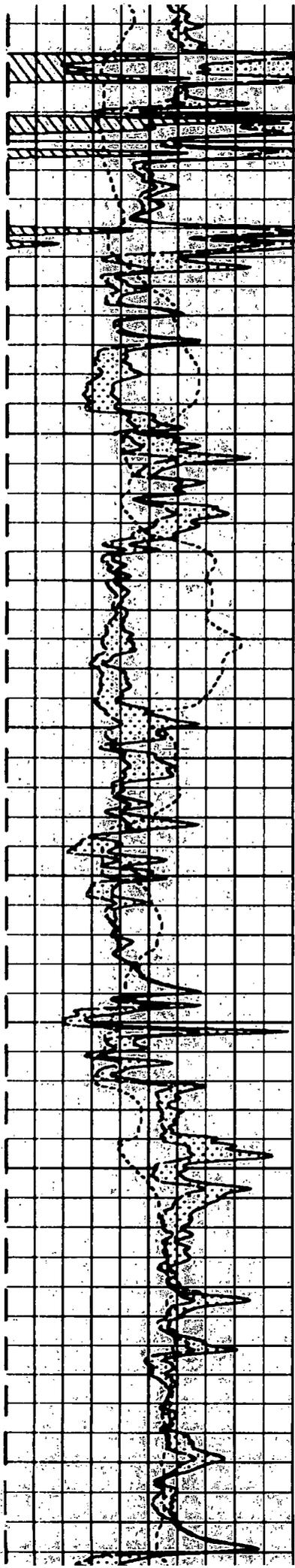
5400

5500

5600

5700





5800

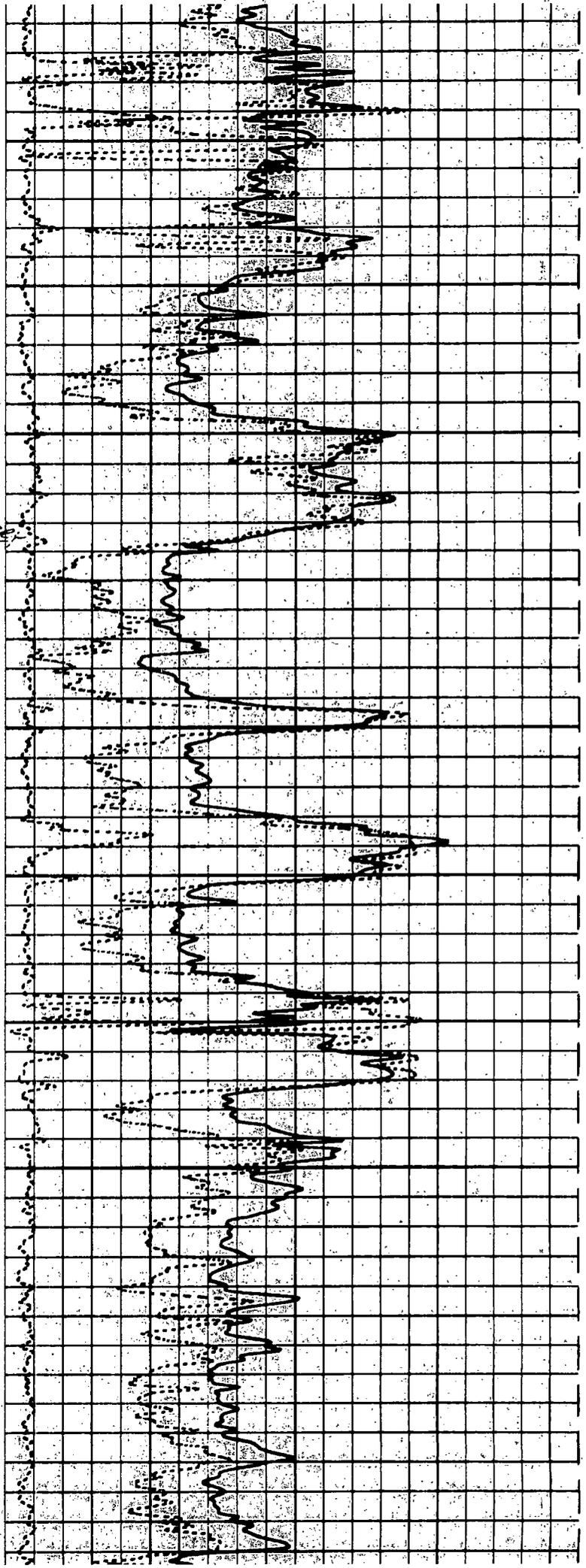
*CHERRY*

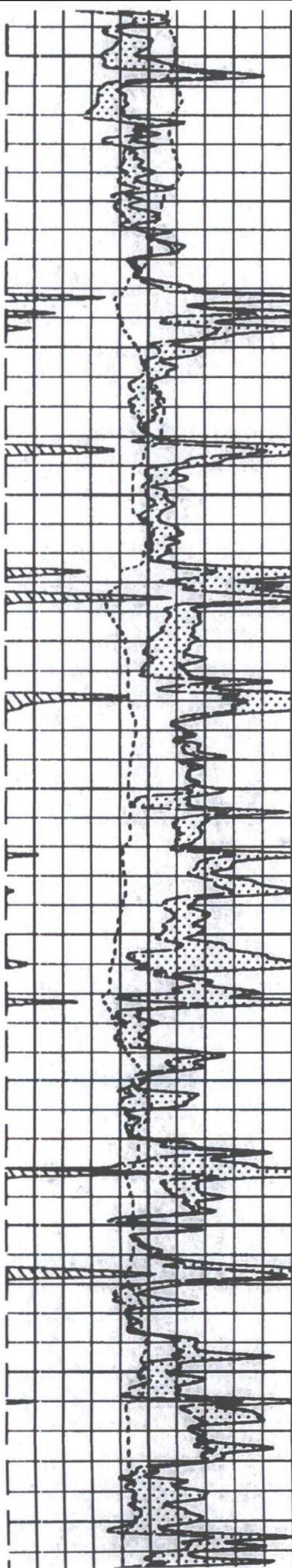
5900

6000

6100

6200





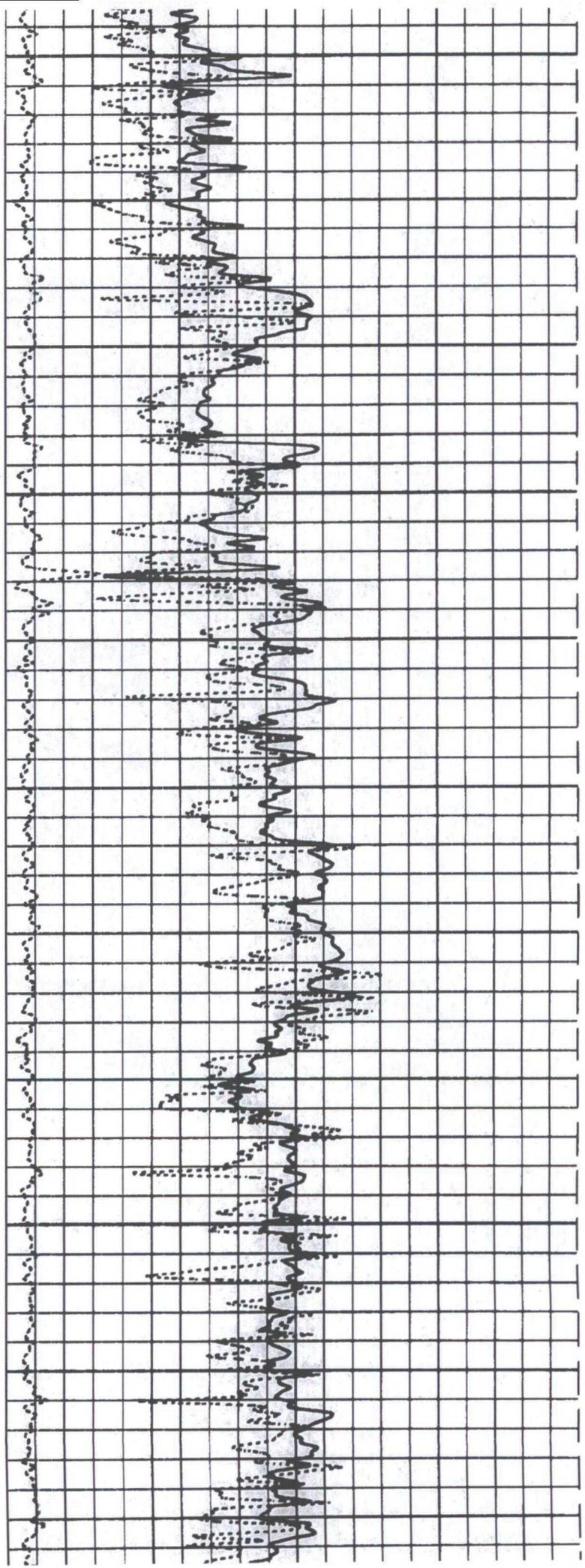
6300

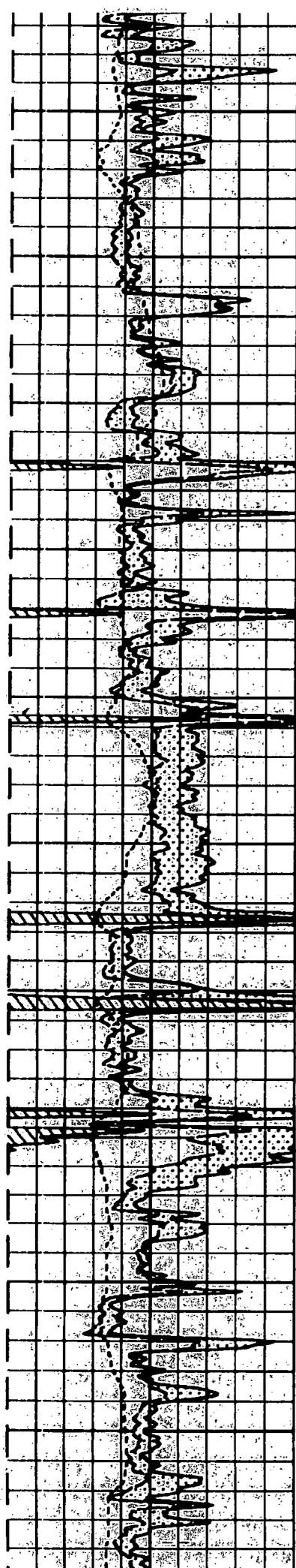
6400

6500

6600

6700





6800

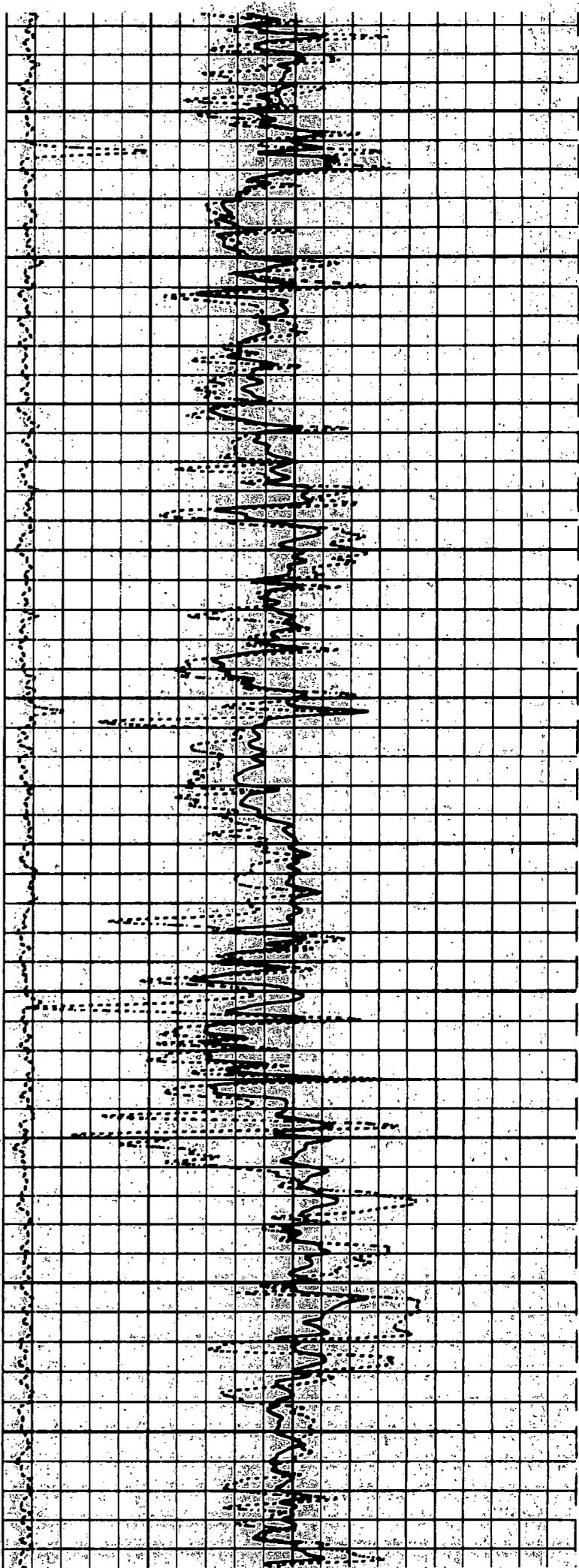
6900

7000

7100

7200

7300



# **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):** 22, 23, 24, 25,  
26, 27, 34, 35,  
36      **Township:** 24S      **Range:** 32E



# New Mexico Office of the State Engineer

## Water Column/Average Depth to Water

No records found.

**PLSS Search:**

**Section(s):** 22, 23, 24, 25,  
26, 27, 34, 35,  
36      **Township:** 24S      **Range:** 32E

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.



December 18, 2012

Oil Conservation Division  
Attn: Paul Kautz  
1625 N. French Dr.  
Hobbs,, NM 88240

RE: Application For Authorization To Inject  
Gold Coast 26 Federal SWD No. 1  
Township 24 South, Range 32 East, N.M.P.M.  
Section 26: 2310' FSL & 2310' FWL  
Lea County, New Mexico

Dear Mr. Kautz:

COG Operating LLC respectfully requests administrative approval for authorization to inject for the Gold Coast 26 Federal SWD No. 1 well as referenced above. Attached, for your review, is a 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 black ink, appearing to read "Brian Collins".

Brian Collins  
Senior Operations Engineer

BC/bg  
Enclosures



December 18, 2012

Devon Energy Corporation  
333 W. Sheridan Avenue  
Oklahoma City, OK 73102

Re: Application to Inject  
Gold Coast 26 Federal SWD No. 1  
Township 24 South, Range 32 East, N.M.P.M.  
Section 26: 2310' FSL & 2310' FWL  
Lea County, New Mexico

To Whom It May Concern:

Enclosed for your review is a copy of COG Operating LLC's C-108 Application to Inject for the above referenced well. We plan to drill this well for SWD service if our C-108 is approved. 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/bg  
Enclosures



December 18, 2012

Chevron USA, Inc  
Attn: Sandy Stedman-Daniel  
P O Box 2100  
Houston, TX 77252

Re: Application to Inject  
Gold Coast 26 Federal SWD No. 1  
Township 24 South, Range 32 East, N.M.P.M.  
Section 26: 2310' FSL & 2310' FWL  
Lea County, New Mexico

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Brian Collins  
Senior Operations Engineer

BC/bg  
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.  
6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE – Other instructions on page 2.**

1. Type of Well  
 Oil Well     Gas Well     Other SWD

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 26 T24S R32E, 2310' FSL & 2310' FWL, UNIT LETTER K

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

8. Well Name and No.  
GOLD COAST 26 FEDERAL SWD #1

9. API Well No.

10. Field and Pool or Exploratory Area

11. Country or Parish, State  
LEA COUNTY, NM

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

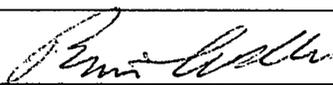
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> 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>DRILL 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

Title SENIOR OPERATIONS ENGINEER

Signature  Date 12/19/2012

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

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.

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.



December 18, 2012

Hobbs News-Sun  
P.O. Box 850  
Hobbs, NM 88240

Re: Legal Notice  
Salt Water Disposal Well  
Gold Coast 26 Federal SWD No. 1

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/bg  
Enclosures

**HOBBS NEWS-SUN**  
**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 Gold Coast 26 Federal SWD No. 1 is located 2310' FSL & 2310' FWL, Section 26, Township 24 South, Range 32 East, Lea 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 4900' to 7200' at a maximum surface pressure of 980 psi and a maximum rate of 10,000 BWPD. The proposed SWD well is located approximately 22 miles west of Jal. 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 Hobbs News-Sun, Hobbs, New Mexico  
\_\_\_\_\_, 2012.

# Affidavit of Publication

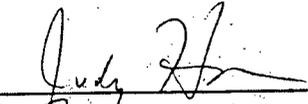
State of New Mexico,  
County of Lea.

12/21/12

I, JUDY HANNA  
PUBLISHER

of the Hobbs News-Sun, a  
newspaper published at Hobbs, New  
Mexico, do solemnly swear that the  
clipping attached hereto was  
published in the regular and entire  
issue of said newspaper, and not a  
supplement thereof for a period

of 1 issue(s).  
Beginning with the issue dated  
December 21, 2012  
and ending with the issue dated  
December 21, 2012

  
PUBLISHER

Sworn and subscribed to before me  
this 21st day of  
December, 2012



Notary Public

My commission expires  
January 29, 2015  
(Seal)

LEGAL LEGAL

Legal Notice  
December 21, 2012

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 Gold Coast 26 Federal SWD No. 1 is located 2310' FSL & 2310' FWL, Section 26, Township 24 South, Range 32 East, Lea 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 4900' to 7200' at a maximum surface pressure of 980 psi and a maximum rate of 10,000 BWPD. The proposed SWD well is located approximately 22 miles west of Jal. 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.

This newspaper is duly qualified to  
publish legal notices or  
advertisements within the meaning of  
Section 3, Chapter 167, Laws of  
1937 and payment of fees for said  
publication has been made.

02107967 00106434  
COG OPERATING LLC  
FASKEN CENTER, TOWER II  
550 W. TEXAS AVE., STE 1300  
MIDLAND, TX 79701

**Jones, William V., EMNRD**

---

**From:** Bobbie Goodloe <BGoodloe@concho.com>  
**Sent:** Thursday, January 03, 2013 9:38 AM  
**To:** Jones, William V., EMNRD  
**Cc:** Brian Collins  
**Subject:** Affidavit and Proof of Delivery - Gold Coast 26 Fed SWD #1  
**Attachments:** Affidavit and Proof of Delivery-Gold Coast 26 Fed SWD #1.pdf

Will,  
Please review the attachment containing the affidavit of publication along with the Proof of Delivery receipts for the Gold Coast 26 Fed SWD #1 well. Let us know if you have any further questions. Thank you!

Thank you,  
Bobbie

*Bobbie Goodloe*

**Administrative Assistant/Completions - NM Basin**  
**COG OPERATING LLC**  
**2208 W Main St**  
**Artesia, New Mexico 88210-3720**  
**575.748.6954**



CONFIDENTIALITY NOTICE: The information in this email may be confidential and/or privileged. If you are not the intended recipient or an authorized representative of the intended recipient, you are hereby notified that any review, dissemination or copying of this email and its attachments, if any, or the information contained herein, is prohibited. If you have received this email in error, please immediately notify the sender by return email and delete this email from your system. Thank you.

CONFIDENTIALITY NOTICE: The information in this email may be confidential and/or privileged. If you are not the intended recipient or an authorized representative of the intended recipient, you are hereby notified that any review, dissemination or copying of this email and its attachments, if any, or the information contained herein, is prohibited. If you have received this email in error, please immediately notify the sender by return email and delete this email from your system. Thank you.

**SENDER: COMPLETE THIS SECTION**

- 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.

1. Article Addressed to:

**ATTN WILLIAM V JONES  
NM OIL CONSERVATION DIVISION  
1220 S ST FRANCIS DR  
SANTA FE NM 87505**

2. Article Number

(Transfer from service label)

7011 1570 0000 7781 3356

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X *[Signature]*

- Agent
- Addressee

B. Received by (Printed Name)

*William V Jones*

C. Date of Delivery

12-21-07

D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below:  No

3. Service Type

- Certified Mail  Express Mail
- Registered  Return Receipt for Merchandise
- Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)

Yes

**SENDER: COMPLETE THIS SECTION**

- 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.

1. Article Addressed to:

**DEVON ENERGY CORP  
333-W SHERIDAN AVENUE  
OKLAHOMA CITY OK 73102**

2. Article Number

(Transfer from service label)

7011 1570 0000 7781 3882

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X *[Signature]*

- Agent
- Addressee

B. Received by (Printed Name)

*R. Jones*

C. Date of Delivery

12-28-07

D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below:  No

3. Service Type

- Certified Mail  Express Mail
- Registered  Return Receipt for Merchandise
- Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)

Yes

**SENDER: COMPLETE THIS SECTION**

- 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.

1. Article Addressed to:

**CHEVRON USA INC  
ATTN SANDY STEDMAN-DANIEL  
P O BOX 2100  
HOUSTON TX 77252**

2. Article Number

(Transfer from service label)

7011 1570 0000 7781 3875

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

*[Signature]*

- Agent
- Addressee

B. Received by (Printed Name)

*A. Allen*

C. Date of Delivery

12-26-07

D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below:  No

3. Service Type

- Certified Mail  Express Mail
- Registered  Return Receipt for Merchandise
- Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)

Yes

**Injection Permit Checklist:** Received 12/26/13 First Email Date: \_\_\_\_\_ Final Reply Date: \_\_\_\_\_ Final Notice Date: 12/26/12

Issued Permit: Type: WFX/PMX/SWD Number: 1391 Permit Date 2/5/13 (Legacy Permit: \_\_\_\_\_)

# Wells 1 Well Name(s): GOLD COAST 26 FEDERAL SWD #1

API Num: 30-025- Spud Date: Proposed New/Old: N (UIC CI II Primacy March 7, 1982)

Footages 230 FSL/FWL Lot \_\_\_\_\_ Unit K Sec 26 Tsp 24S Rge 32E County LEA

General Location or Pool Area: 22 mi W. of JAL (PADUCA, NORTH)

Operator: COG OPERATING LLC Contact BRIAN COLLINS

OGRID: 229137 RULE 5.9 Compliance (Wells) 2/3755 (Finan Assur) OK IS 5.9 OK? OK

Well File Reviewed  Current Status: Proposed, NOT Permitted

Planned Work to Well: Drill/ABSE

Diagrams: Before Conversion: \_\_\_\_\_ After Conversion  Are Elogs in Imaging?: Proposed well

Well Details:	Sizes Hole.....Pipe	Setting Depths	Stage Tool	Cement Sx or Cf	Cement Top and Determination Method
Planned <input checked="" type="checkbox"/> or Existing <input type="checkbox"/> <u>Surface</u>	<u>17 1/2 - 13 7/8</u>	<u>1100'</u>		<u>1550 CF</u>	<u>Surf</u>
Planned _____ or Existing _____ <u>Interm</u>					
Planned <input checked="" type="checkbox"/> or Existing _____ <u>LongSt</u>	<u>12 1/4 - 9 5/8</u>	<u>4900'</u>		<u>3100 CF</u>	
Planned _____ or Existing _____ <u>Liner</u>					
Planned <input checked="" type="checkbox"/> or Existing _____ <u>OpenHole</u>	<u>8 3/4</u>	<u>4900 - 7200 TD</u>			

**Depths/Formations:**

	Depths, Ft.	Formation	Tops?
Above	<u>4870</u>	<u>Bell C.</u>	<input checked="" type="checkbox"/>
Above	<u>5886</u>	<u>Cherry G.</u>	<input checked="" type="checkbox"/>
<b>Proposed Interval TOP:</b>	<u>4900</u>	<u>Bell C.</u>	
<b>Proposed Interval BOTTOM:</b>	<u>7200</u>	<u>Cherry G.</u>	
Below	<u>7520</u>	<u>Bubbly G.</u>	<input checked="" type="checkbox"/>
Below	<u>8800</u>	<u>B.S.</u>	<input checked="" type="checkbox"/>

*See SWD - 1308 5385-424 in UNIT D Perf*

Max. PSI 980 OpenHole  Perfs \_\_\_\_\_  
 Tubing Size 2 1/2 Packer Depth 4850'

Capitan Roof? (in \_\_\_\_\_ thru \_\_\_\_\_), Potash? \_\_\_\_\_ Noticed? \_\_\_\_\_ (WIPP? \_\_\_\_\_ Noticed? \_\_\_\_\_) Salado Top 1170 Bot 2260? Cliff House? \_\_\_\_\_

Fresh Water: MaxDepth: 415 FW Formation ? Wells? NONE Analysis? \_\_\_\_\_ Affirmative Statement

Disposal Fluid: Formation Source(s) Del/B.S. On Lease \_\_\_\_\_ Only from Operator  or Commercial \_\_\_\_\_

Disposal Interval: Protectable Waters? NO H/C Potential: NO /Tog \_\_\_\_\_ /Audlog \_\_\_\_\_ /DST \_\_\_\_\_ /Tested \_\_\_\_\_ /Depleted \_\_\_\_\_ Other: \_\_\_\_\_

Notice: Newspaper Date 12/21/12 Mineral Owner BLM Surface Owner BLM N. Date 12/19/12

RULE 26.7(A) Identified Tracts?  Affected Persons: Chevron/Devon N. Date 12/26/12

AOR: Maps?  Well List? \_\_\_\_\_ Producing in Interval? \_\_\_\_\_ Formerly Produced in Interval? \_\_\_\_\_

Penetrating.....No. Active Wells: 0 Num Repairs? 0 on which well(s)? \_\_\_\_\_

Penetrating.....No. P&Aed Wells: 1 Num Repairs? 0 on which well(s)? \_\_\_\_\_ Diagrams?

Permit Conditions: Run Survey, MDT/LOG

Issues: \_\_\_\_\_  
 Issues: \_\_\_\_\_  
 Issues: \_\_\_\_\_