

ABOVE THIS LINE FOR DIVISION USE ONLY

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



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

*GOLD COAST 26 Fed SWD #2
 12/26/245/32E/LEA
 4968' - 7,200' (Perf (OH))
 Delaware*

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.

BRIAN COLLINS *Brian Collins* SENIOR OPERATIONS ENGINEER 19 Dec 12
 Print or Type Name Signature Title Date
bcollins@concho.com
 e-mail Address



RECEIVED OCD
2012 DEC 26 A 9 2~

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. 2
Township 24 South, Range 32 East, N.M.P.M.
Section 26: 1980' FSL & 1980' FEL
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. 2 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.

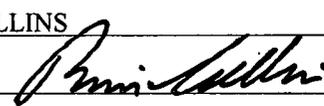
Sincerely,

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 #2
Unit J, Sec 26 T24S R32E
Lea County, NM

COG Operating, LLC, proposes to reenter and deepen the captioned well to 7200' for salt water disposal service into the Delaware Sand from 4968' to 7200'. An APD will be submitted upon approval of this C-108.

- V. Map is attached.
- VI. No wells within the ½ mile radius area of review penetrate the proposed injection zone. We are concurrently filing a C-108 to drill the Gold Coast 26 Federal SWD #1. Proposed wellbore schematic is attached.
- VII.
 - 1. Proposed average daily injection rate = 5000 BWPD
Proposed maximum daily injection rate = 7500 BWPD
 - 2. Closed system
 - 3. Proposed maximum injection pressure = 994 psi
(0.2 psi/ft. x 4968' 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 4968' 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 3600' 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 No. 2 (Formerly Jackson Federal 2)

WELL LOCATION: 1980' FSL, 1980' FEL J 26 24s 32e
FOOTAGE LOCATION UNIT LETTER SECTION TOWNSHIP RANGE

WELLBORE SCHEMATIC

WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 12 1/4" Casing Size: 8 5/8" @ 625'

Cemented with: 475 sx. or - ft³

Top of Cement: Surface Method Determined: Circ 105 sx

Intermediate Casing

Hole Size: _____ Casing Size: _____

Cemented with: _____ sx. or _____ ft³

Top of Cement: _____ Method Determined: _____

Production Casing

Hole Size: 7 7/8" Casing Size: 5 1/2" @ 5097'

Cemented with: 1750 sx. or - ft³

Top of Cement: Surface Method Determined: Circ 372 sx

Total Depth: _____

Injection Interval

4968' - 4973' feet to 5097' - 7200'

(Perforated or Open Hole; indicate which)

See Attached Before & After Schematics

INJECTION WELL DATA SHEET

Tubing Size: 2 7/8" or 3 1/2" Lining Material: IPC / Duoline 20

Type of Packer: Nickel plated double grip retrievable

Packer Setting Depth: ± 4920'

Other Type of Tubing/Casing Seal (if applicable): N/A

Additional Data

1. Is this a new well drilled for injection? X Yes No

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

2. Name of the Injection Formation: Delaware Sand

3. Name of Field or Pool (if applicable): Double X, Paduca North

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: N/A

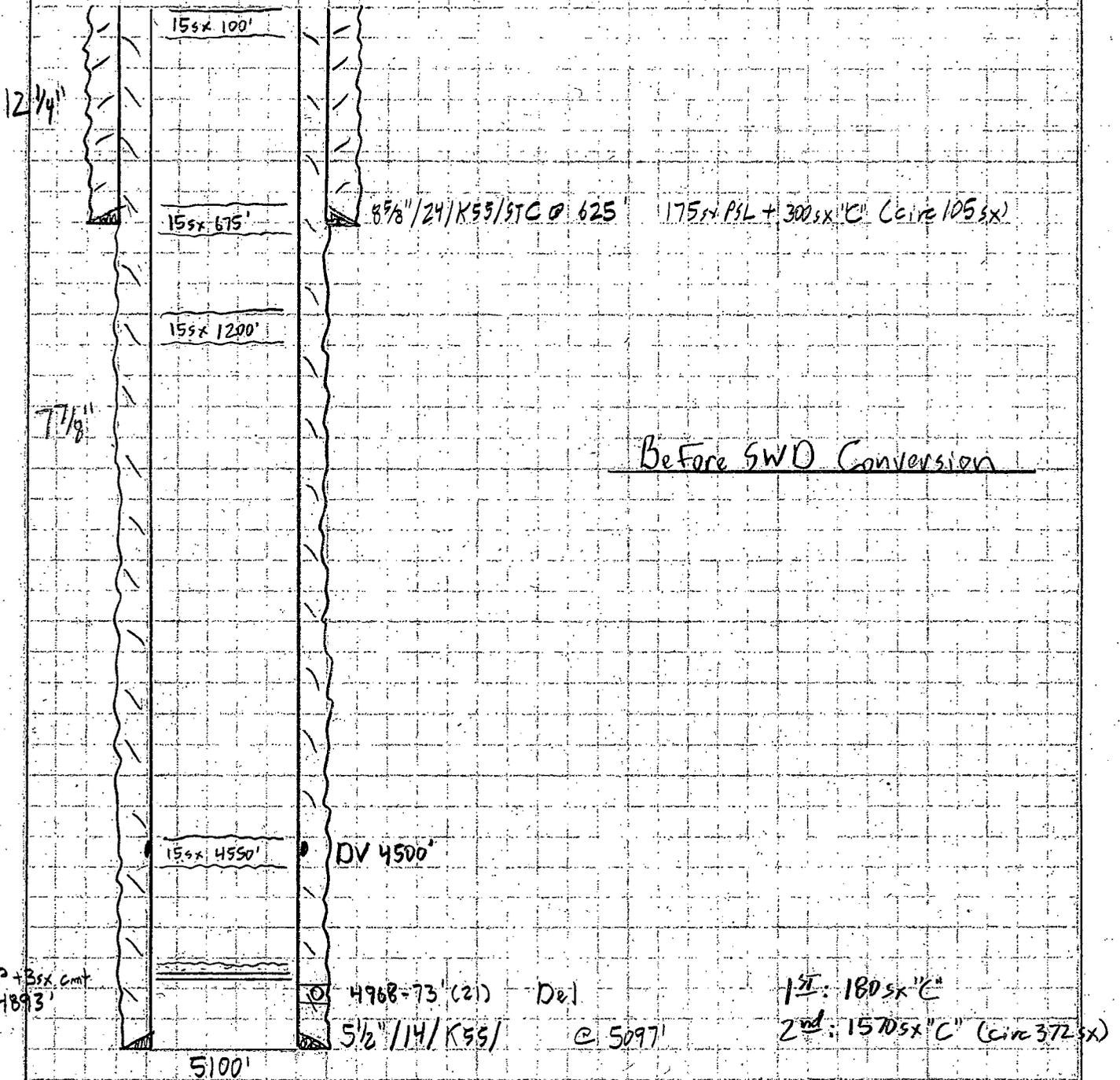
5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: _____

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'

30-025-28935

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



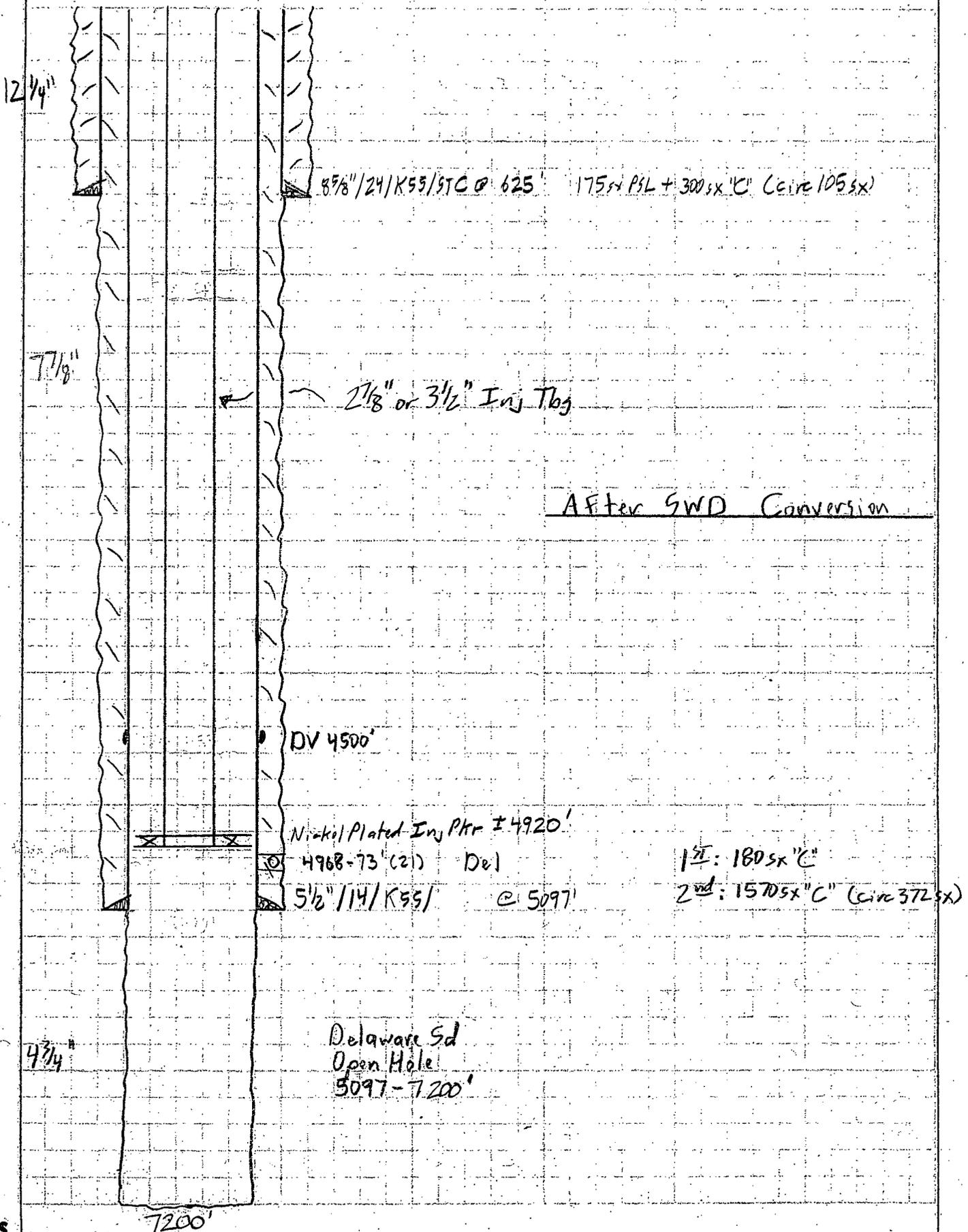
Before SWD Conversion

CIBP + 35x cmf
4893'

1st: 1805x"C"
2nd: 15705x"C" (circ 3725x)

Gold Coast 26 Federal SWD | 2
(Jackson Federal 2)
1980' FSL, 1980' FEL
J-26-246-32e
Lea, NM

30-925-28935



After SWD Conversion

DV 4500'

Nickel Plated Inj Pkr @ 4920'

4968-73' (21) Del

5 1/2" / 114 / K55 / @ 5097'

1st: 180sx 'C'

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

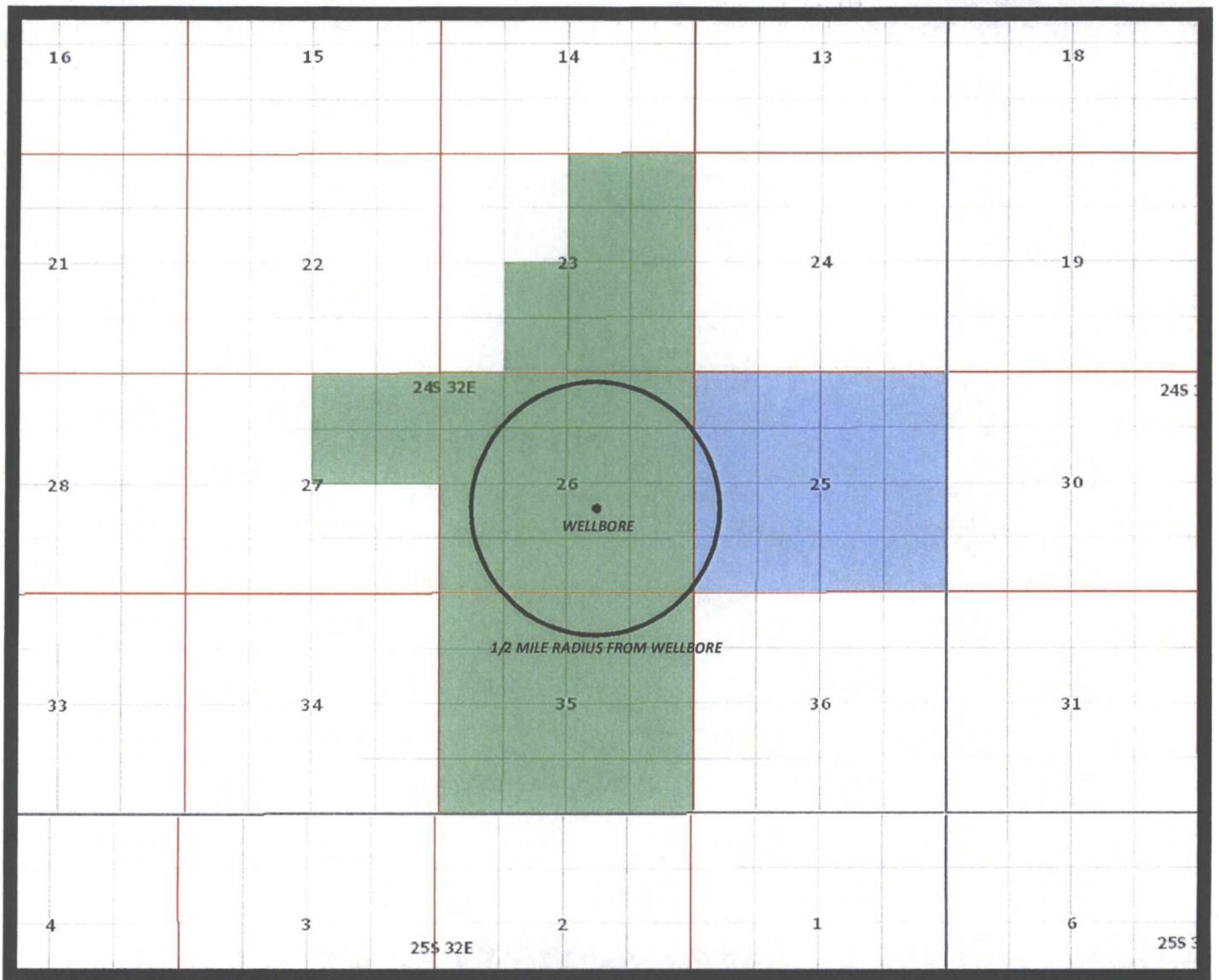
Delaware Sd
Open Hole
5097-7200'

7200'



V.

MAP

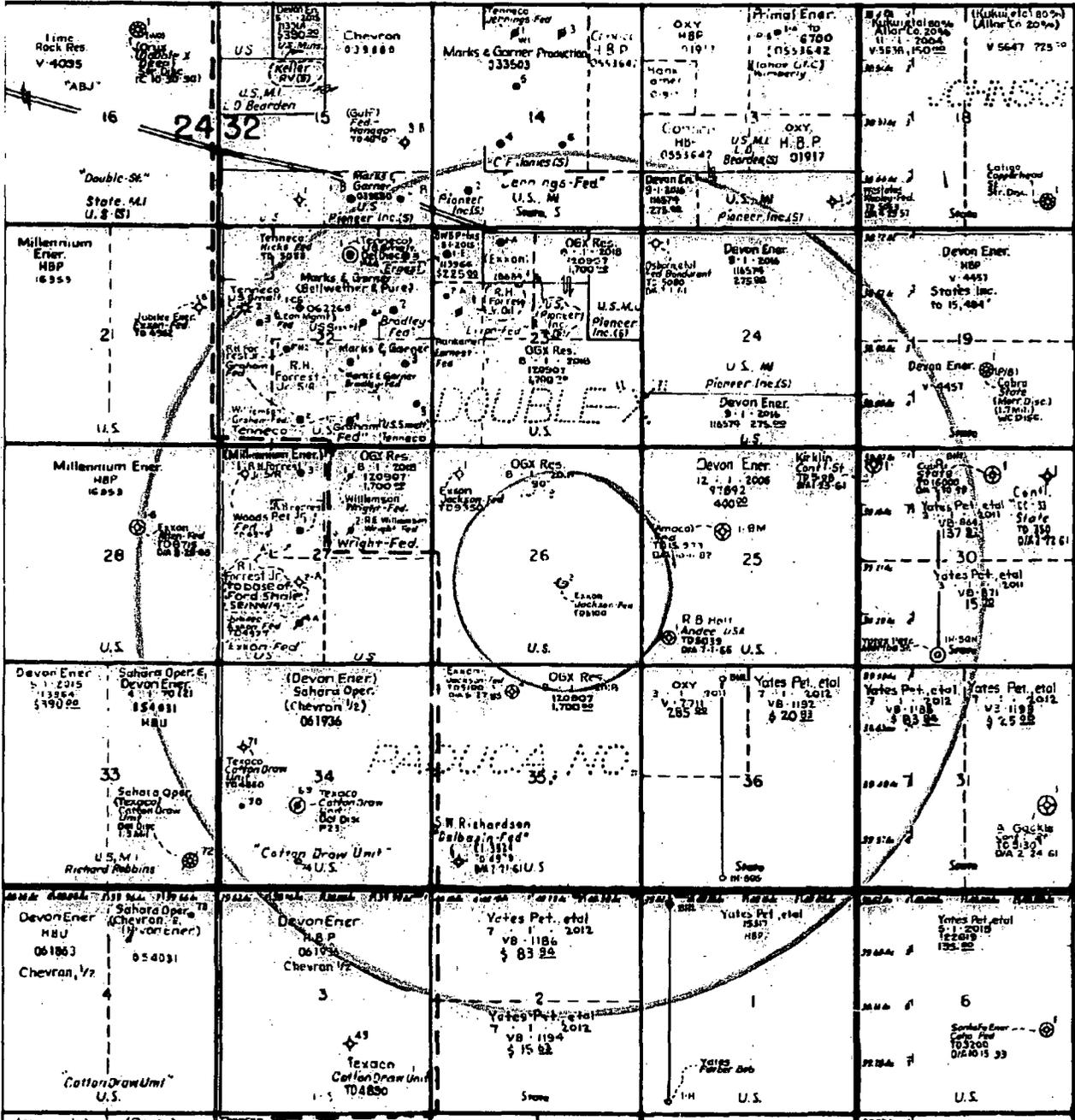


COG Production LLC



Cimarex Energy Company

Gold Coast 26 Federal SWD No. 2
1980 FSL & 1980 F~~WL~~
Sec. 26; T24s - R32e
Lea County, New Mexico



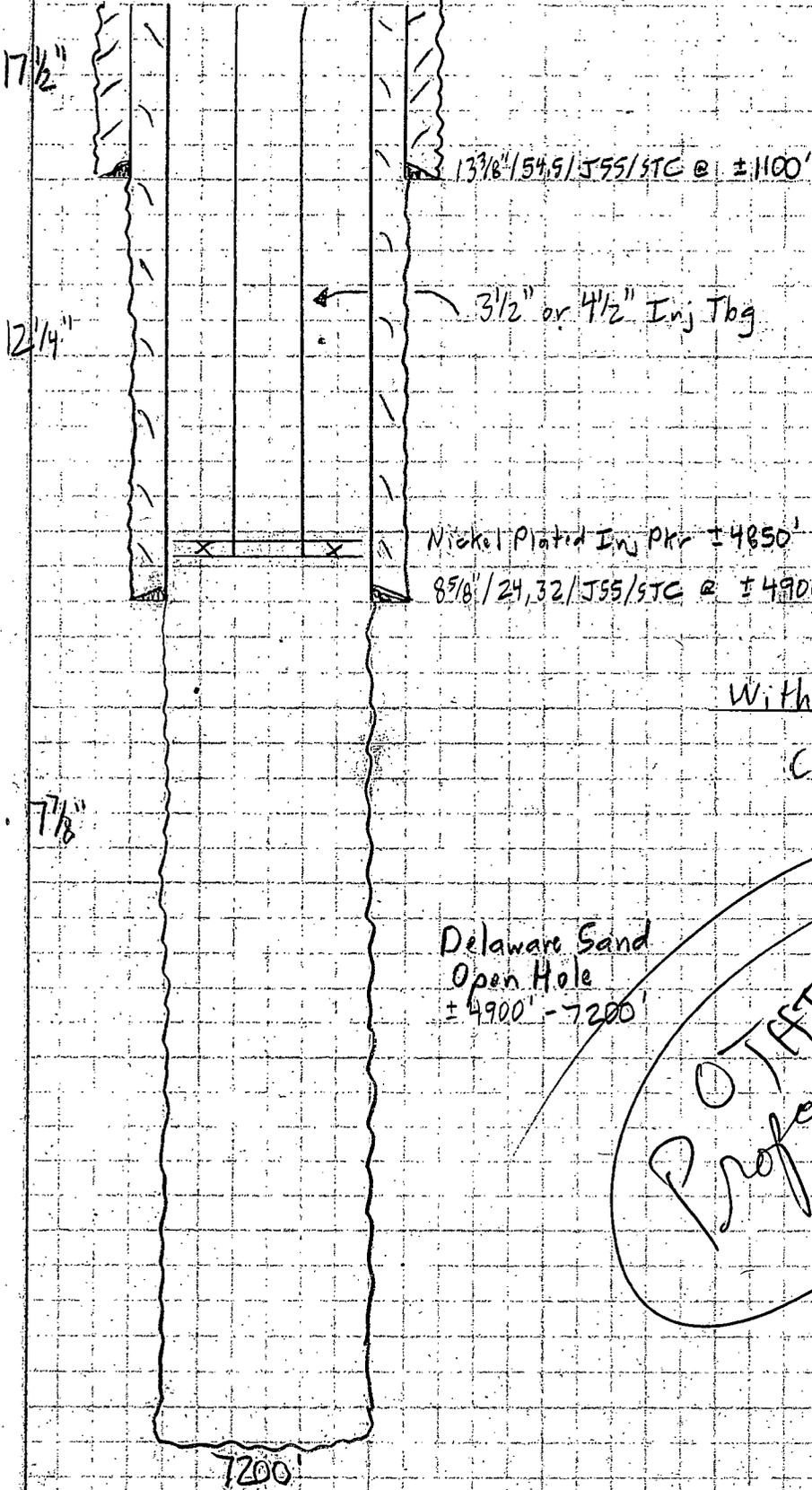
COG Operating, LLC
Gold Coast Federal SWD #2
Unit J, Sec 26-T24S-R32E
Lea County, NM

VI.

Wells Penetrating Proposed Disposal Interval Within Half Mile Area of Review

30-025

Gold Coast 26 Federal SWD 1
2310' FSL, 2310' FWL
K-26-24s-32e
Lea., NM



Within 1/2 Mile Area of Review
(AFTER well is Drilled)

Delaware Sand
Open Hole
±4900' - 7200'

POTTER
Preferred
SWD

VII.

Water Analysis Produced and Receiving Formation Water

Bone Spring Produced Water Sample

Analytical Laboratory Report for:

MARBOB ENERGY CORPORATION



Chemical Services

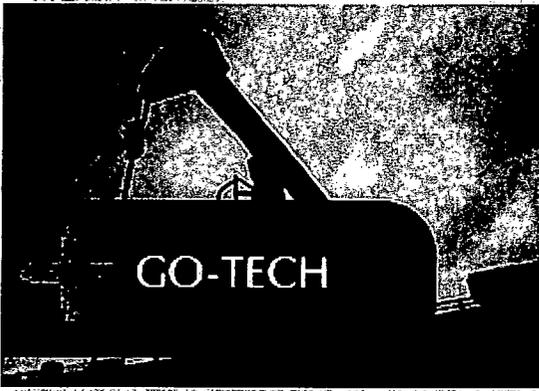
Account Representative:
Paul, Bill

Production Water Analysis

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

Lab Test No: 2006151411 Sample Date: 12/13/2006
Specific Gravity: 1.135
TDS: 206426
pH: 6.49

Cations:	mg/L	as:
Calcium	11067	(Ca ⁺⁺)
Magnesium	1751	(Mg ⁺⁺)
Sodium	64721	(Na ⁺)
Iron	58.20	(Fe ⁺⁺)
Potassium	1164.0	(K ⁺)
Barium	0.83	(Ba ⁺⁺)
Strontium	497.00	(Sr ⁺⁺)
Manganese	1.35	(Mn ⁺⁺)
Anions:	mg/L	as:
Bicarbonate	220	(HCO ₃ ⁻)
Sulfate	1480	(SO ₄ ⁻)
Chloride	126800	(Cl ⁻)
Gases:		
Carbon Dioxide	170	(CO ₂)
Hydrogen Sulfide	17	(H ₂ S)



- ~ 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 ₃)	
Magnesium (Mg)		Bicarbonate (HCO ₃)	168
Barium (Ba)		Hydroxide (OH)	
Manganese (Mn)		Hydrogen Sulfide (H ₂ S)	
Strontium (Sr)		Carbon Dioxide (CO ₂)	
Iron (Fe)		Oxygen (O)	

X.

**Log Across Proposed
Delaware Sand
Injection Interval**

D-26-T24S-R32E

660FN 660FW

EXXON CORP

JACKSON FEDERAL #1



30-025-28242

umberger

SIMULTANEOUS

COMPENSATED NEUTRON-LITHO DENSITY

COMPANY EXXON COMPANY U.S.A.
 WELL JACKSON FEDERAL #1
 FIELD DOUBLE X
 COUNTY LEA STATE NEW MEXICO

LOCATION 660' FNL & 660' FWL, D
 API SERIAL NO. 26 SEC. 24-S TWP. 32-E RANGE 26-1

Other Services:
 NGT, DIL/SFL
 EPT, MONITOR
 DLL/MSFL, CL
 CNL/LDT/EPT

Permanent Datum: G.L., Elev.: 3569
 Log Measured From RKB 11 Ft. Above Perm. Datum Elev.: K.B. 3580
 Drilling Measured From RKB Elev.: D.F. 3579
 Elev.: G.L. 3569

Date	7-24-83	<i>Completed 8/2/83</i>	
Run No.	ONE	<i>Test 11/22/83</i>	
Depth-Driller	9350		
Depth-Logger	9343		
Btm. 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.	9.1	26.5	
Visc.	11	18 ml	
pH			
Fluid Loss			
Source of Sample	MUDPIT		
Rm @ Meas. Temp.	.071 @ 71 °F	@ °F	@ °F
Rmf @ Meas. Temp.	.053 @ 71 °F	@ °F	@ °F
Rmc @ Meas. Temp.	@ °F	@ °F	@ °F
Source: Rmf	M		
Rmc			
Rm @ BHT	0.04 @ 130 °F	@ °F	@ °F
Circulation Stopped	1130 7-23		
Logger on Bottom	0045 7-24		
Max. Rec. Temp.	130 °F	°F	°F
Equip. Location	8069 HOBBS		
Recorded By	RIES		
Witnessed By	MARQUEZ		

CONFIDENTIAL

Hobbs New Mexico
 0961 Log Co.
 88240
 (505) 782-1111

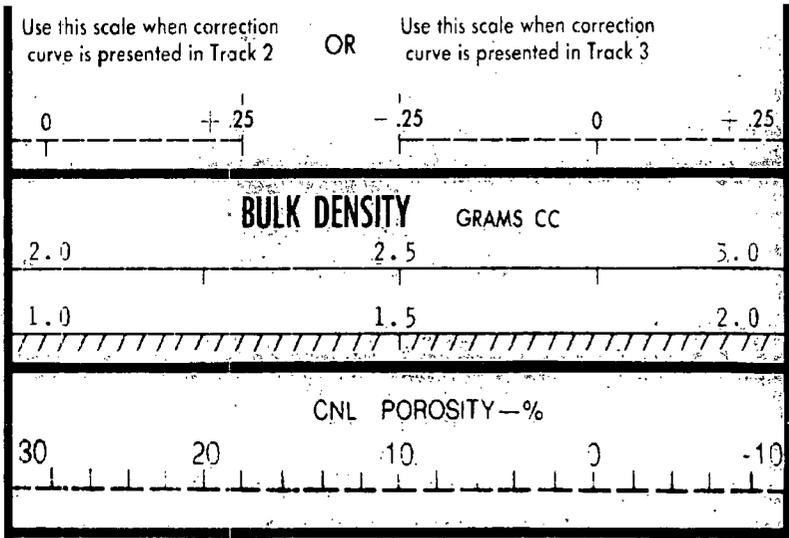
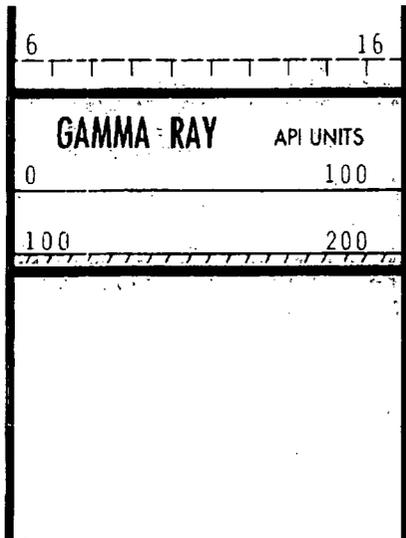
FIELD HERE The well name, location and borehole reference data were furnished by the customer.

RUN NO	ONE	Type Log	Depth
Service Order No.	399785		
Program Tape No.			
Fluid Level	FULL		
EQUIPMENT DATA			
Module	98		
Telemetry Cart	A 868		
Dens. Cart.	D 800		
Dens. Skid	L 1795		
Dens. Sonde	B 1848		
Dens. Source	J 6237		
Dens. Calibrator	H 110		
Neut. Cart	FA 2380		
Neut. Source	AB 2563		
Neut. Calibrator	B 714		
GR Cart	BOWSPRING		
Centralizers			
Enter. Spring			
Standoffs			
In-line or Note	5.0 inches		

REMARKS:
 VERSION 24.2 LEP 18
 RUN IN COMBINATION WITH NGT.

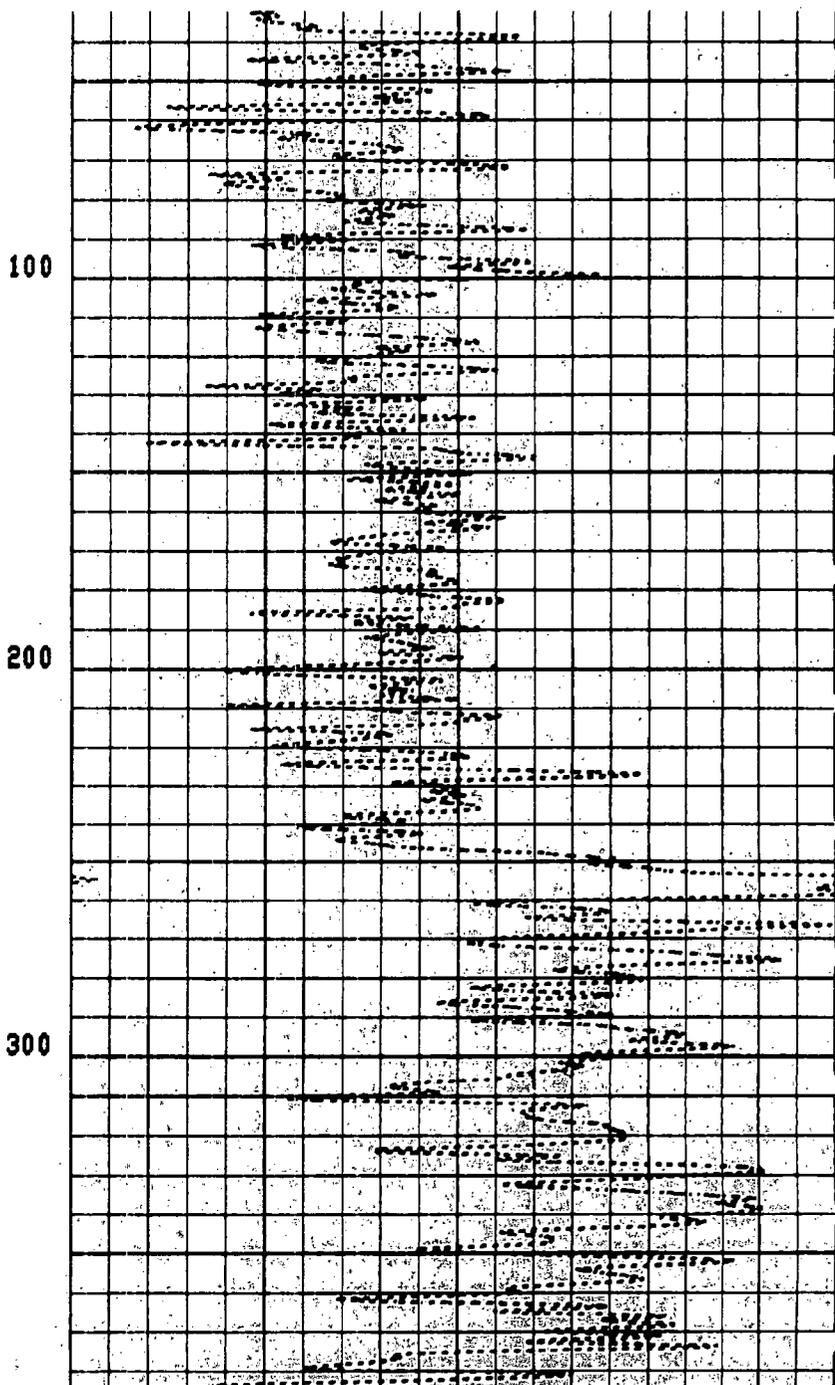
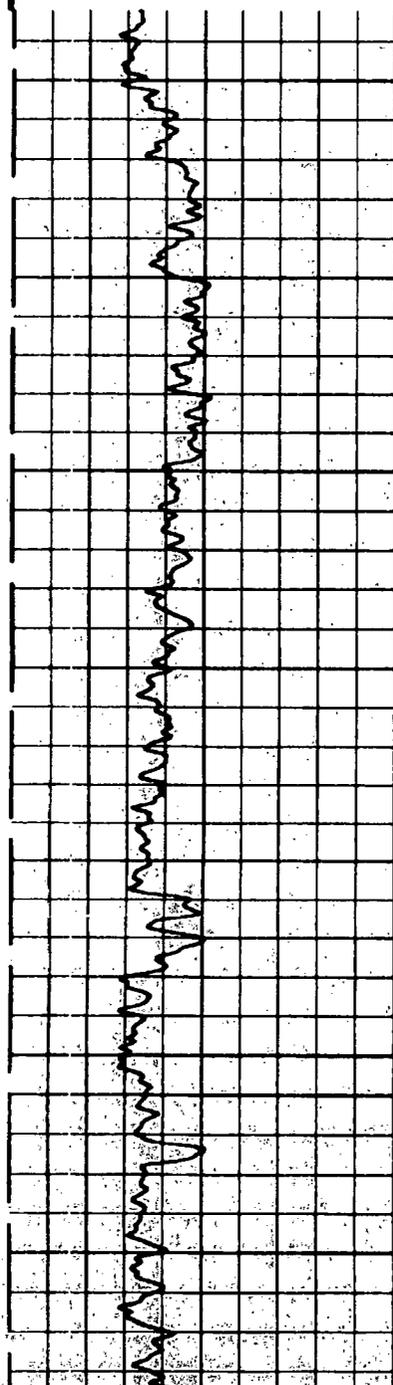
All interpretations are opinions based on inferences from electrical or other measurements and we cannot and do not guarantee the accuracy or correctness of any interpretations and we shall not, except in the case of gross or willful negligence on our part, be liable or responsible for any loss, costs, 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.

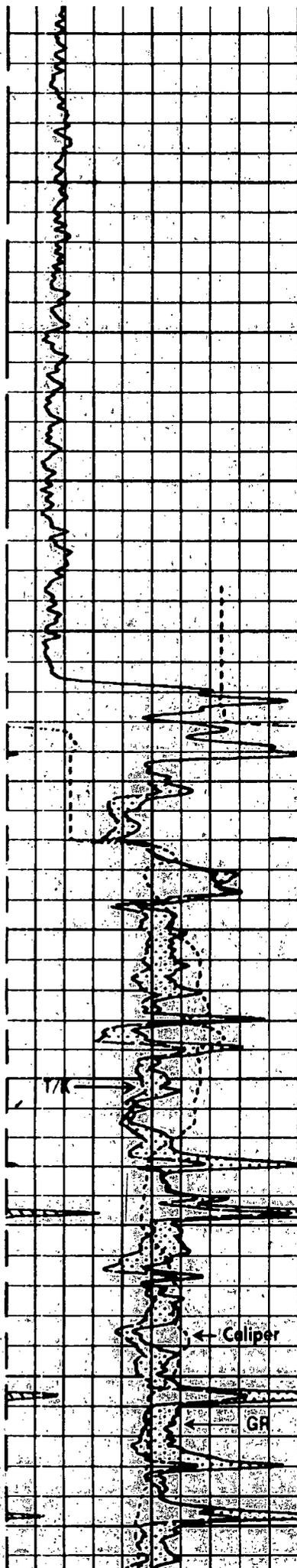
CALIPER DIAM. IN INCHES CORRECTION GRAMS CC



FILE

6





4700

4800

4900

5000

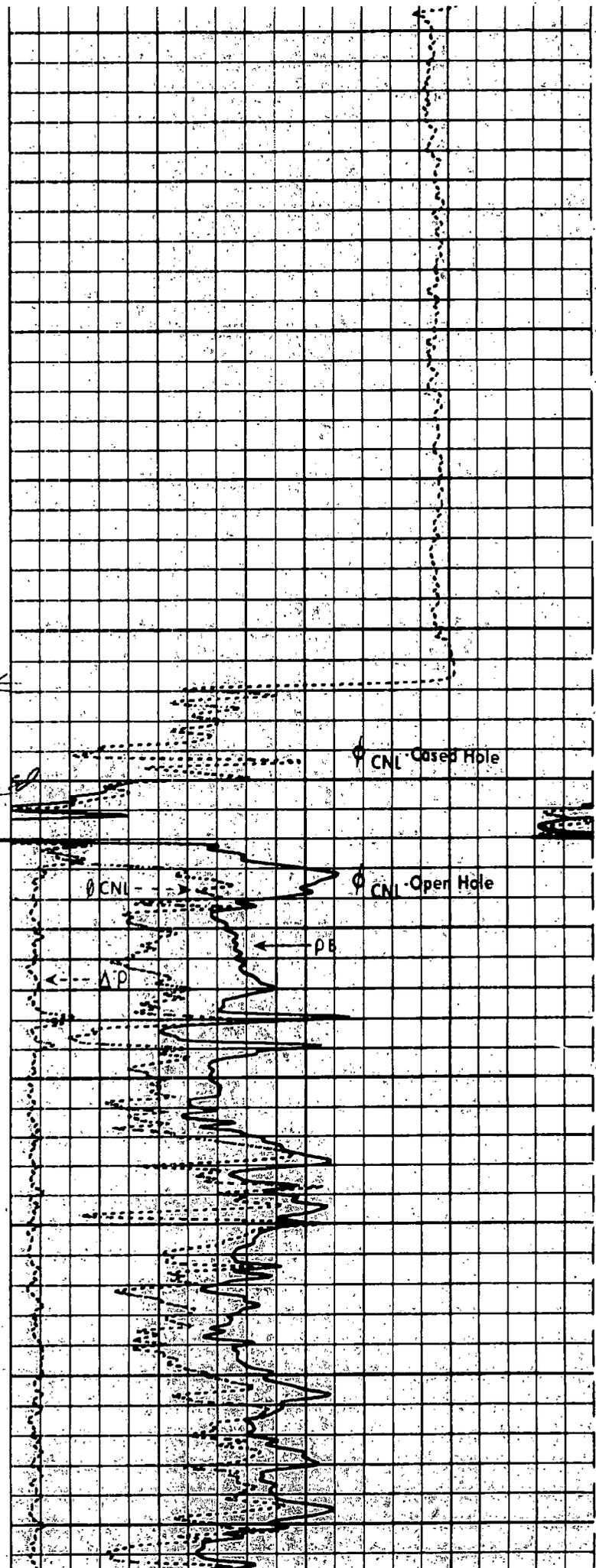
5100

PB

Casing

Coliper

GR

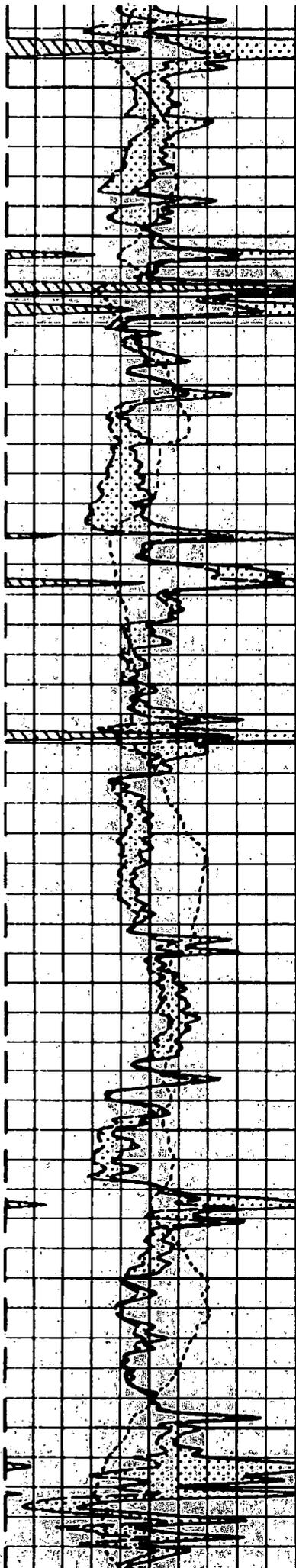


CNI Case Hole

CNI Oper Hole

PB

ΔP



5200

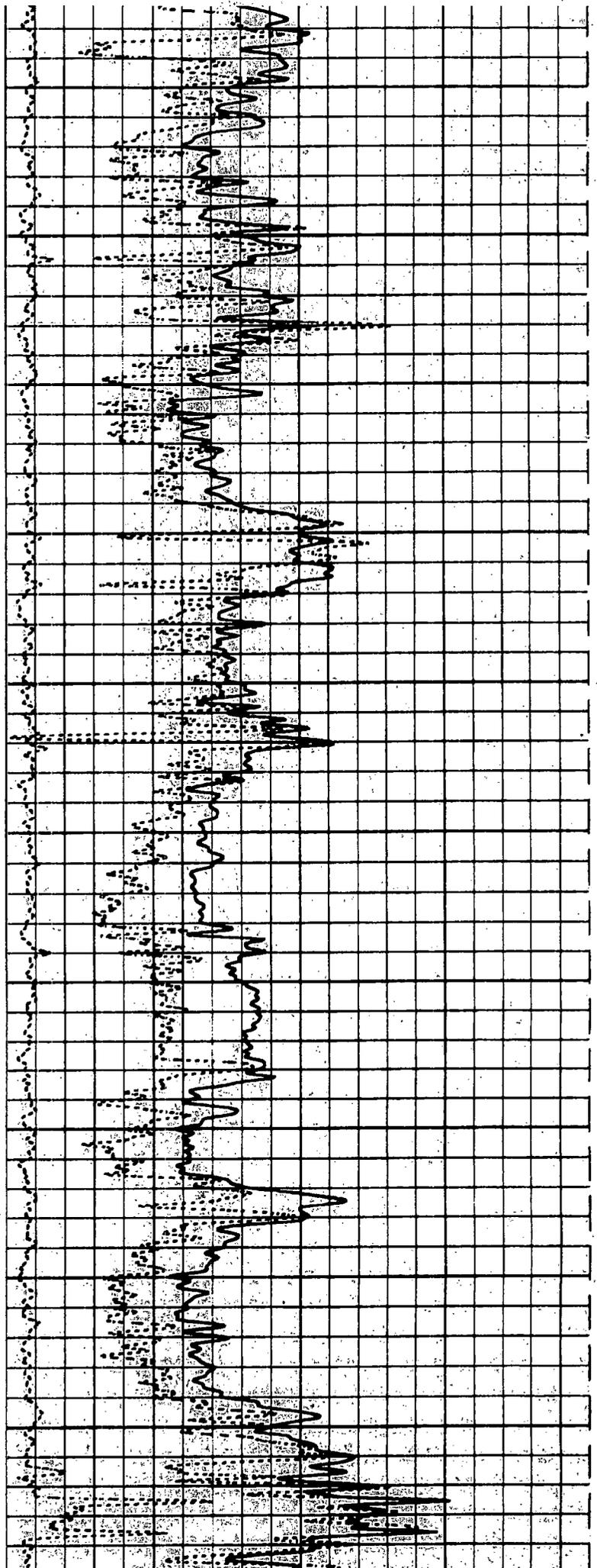
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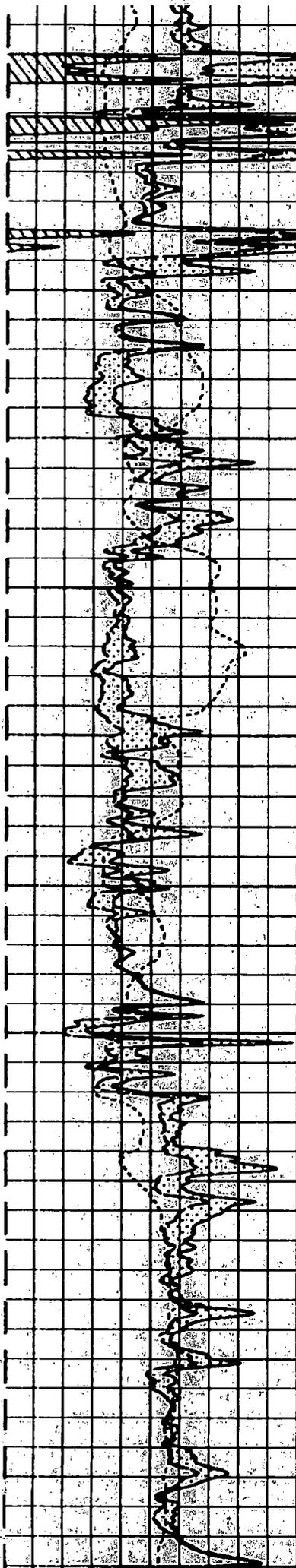
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5500

5600

5700





5800

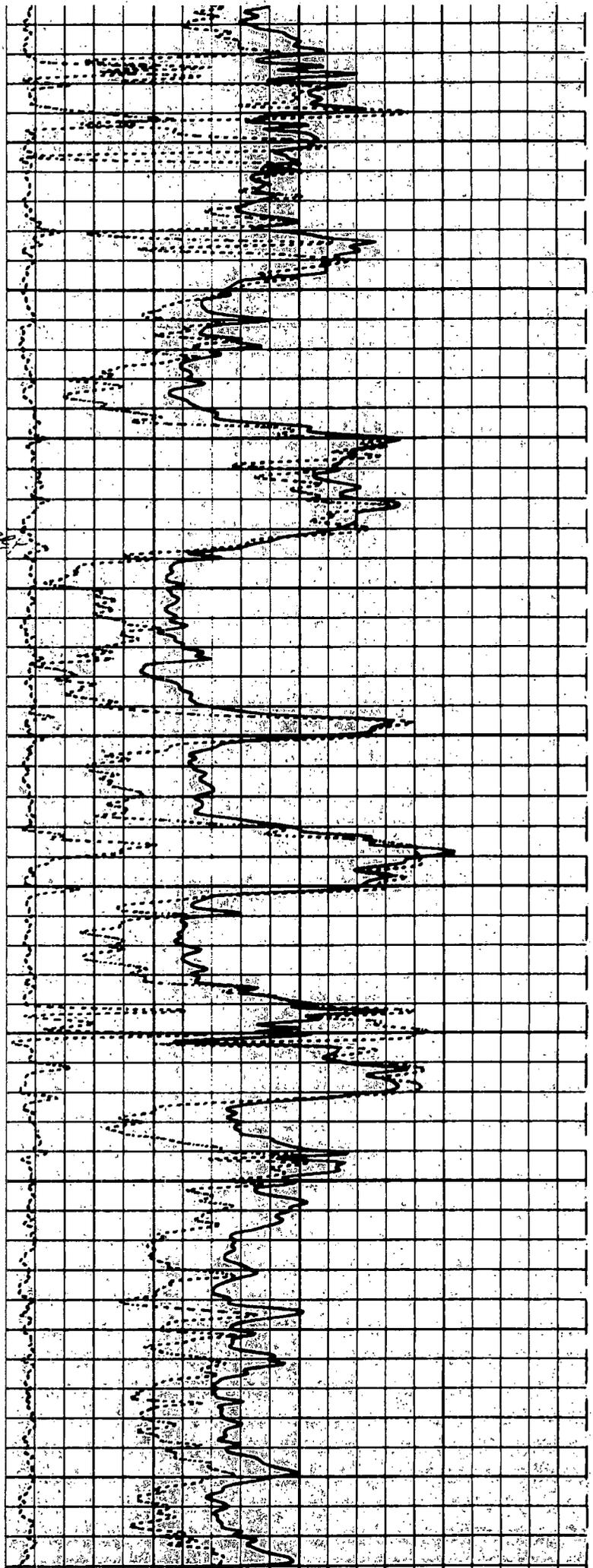
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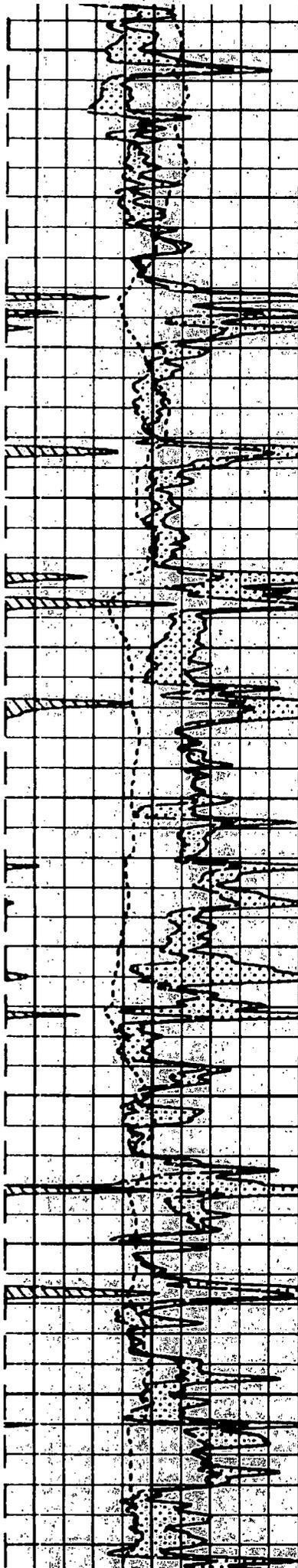
6000

6100

6200

HERE





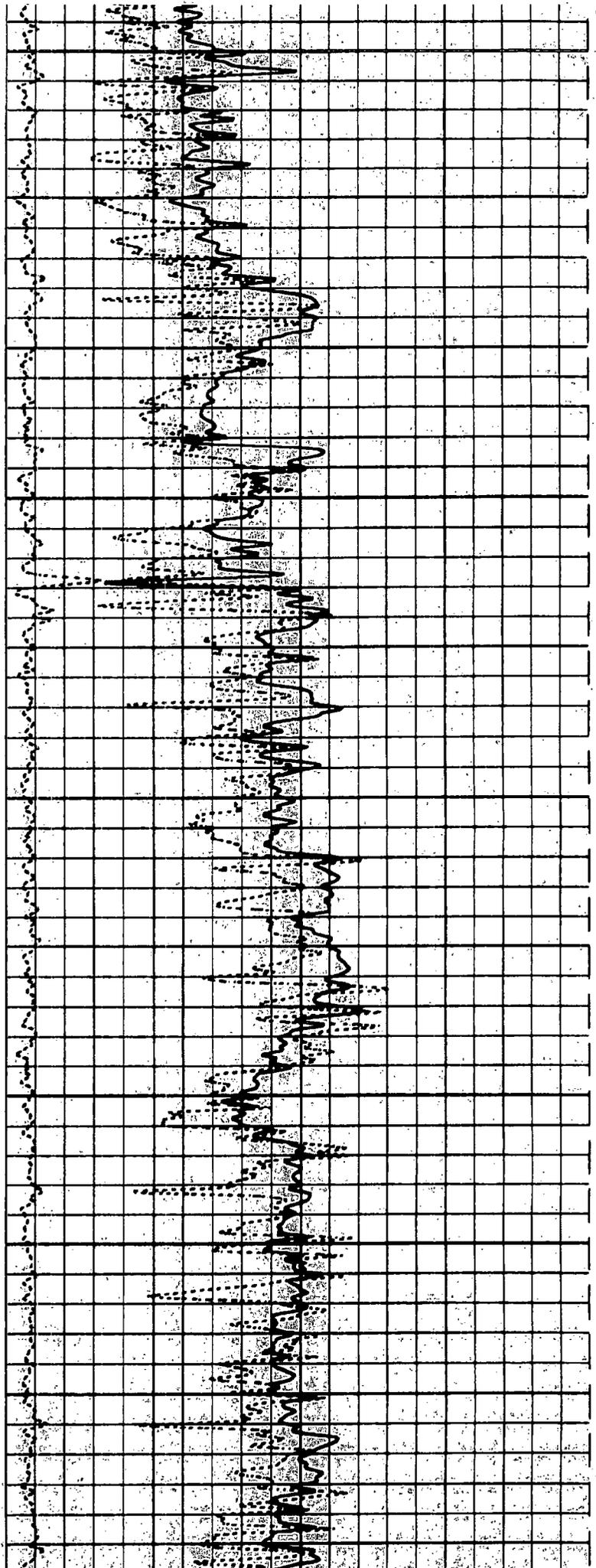
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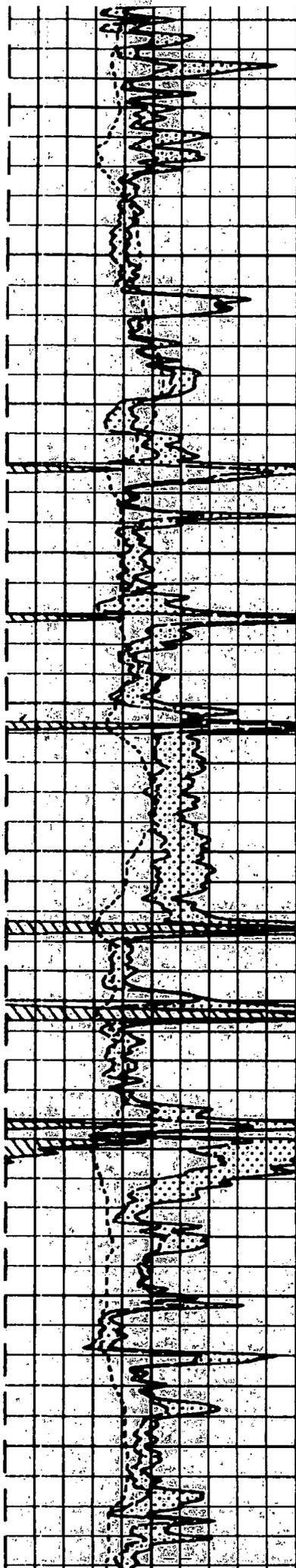
6400

6500

6600

6700





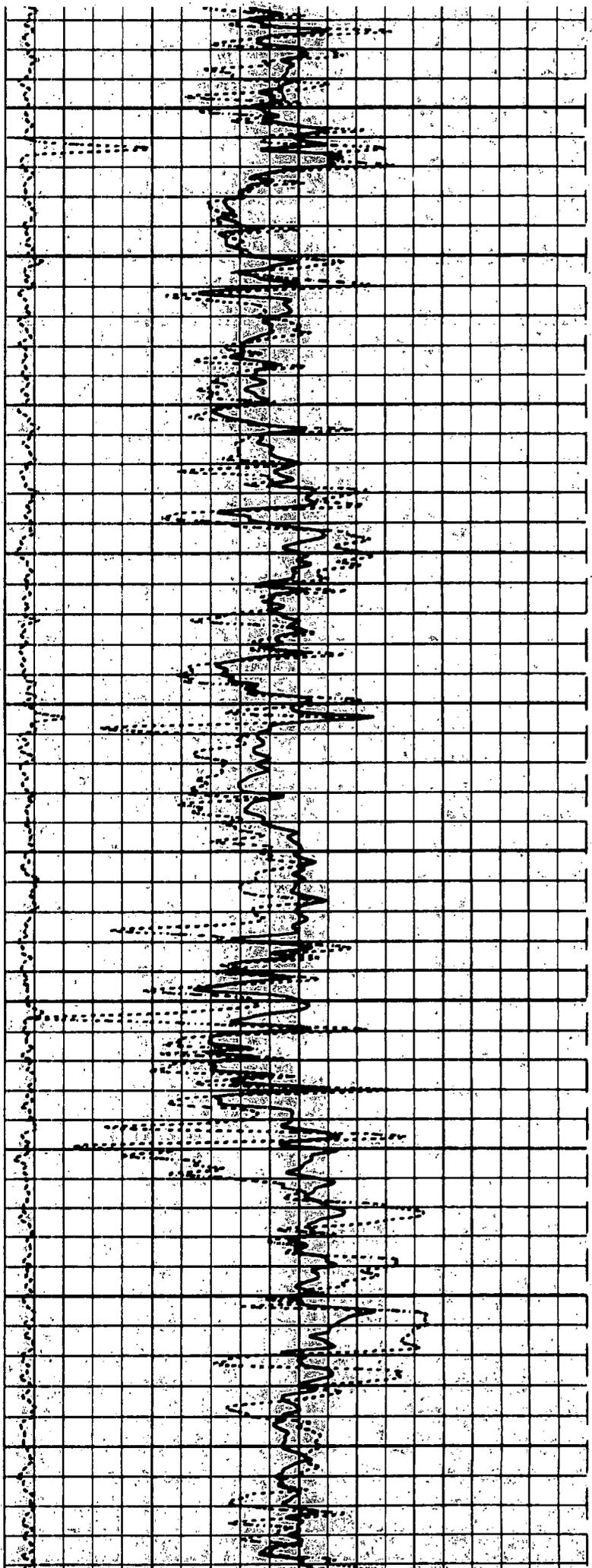
6800

6900

7000

7100

7200



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, Township: 24S Range: 32E
26, 27, 34, 35,
36

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.

8/2/12 8:51 AM

Page 1 of 1

WATER COLUMN/ AVERAGE
DEPTH TO WATER



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. 2
Township 24 South, Range 32 East, N.M.P.M.
Section 26: 1980' FSL & 1980' FEL
Lea County, New Mexico

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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

Cimarex Energy
600 N. Marienfeld St.
Midland, TX 79701

Re: Application to Inject
Gold Coast 26 Federal SWD No. 2
Township 24 South, Range 32 East, N.M.P.M.
Section 26: 1980' FSL & 1980' FEL
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 re-enter 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

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

Re: **Legal Notice**
Salt Water Disposal Well
Gold Coast 26 Federal SWD No. 2

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. 2 is located 1980' FSL & 1980' FEL, 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 4968' to 7200' at a maximum surface pressure of 994 psi and a maximum rate of 7,500 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.

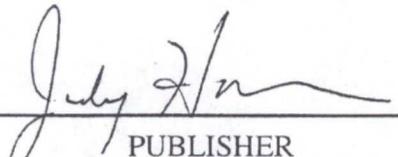
Affidavit of Publication

State of New Mexico,
County of Lea.

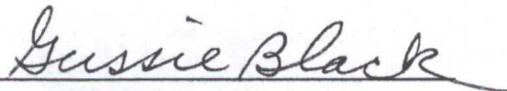
I, JUDY HANNA
PUBLISHER

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)

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.



12/21/12

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. 2 is located 1980' FSL & 1980' FEL, 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 4968' to 7200' at a maximum surface pressure of 994 psi and a maximum rate of 7,500 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. #27792	

02107967 00106435
COG OPERATING LLC
FASKEN CENTER, TOWER II
550 W. TEXAS AVE., STE 1300
MIDLAND, TX 79701

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.

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

1. Type of Well

Oil Well Gas Well Other

8. Well Name and No.
GOLD COAST 26 FEDERAL SWD #2

2. Name of Operator
COG OPERATING, LLC

9. API Well No. **30-025-28935**

3a. Address
2208 W. MAIN STREET, ARTESIA, NMN

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

10. Field and Pool or Exploratory Area

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SEC 26 T24S R32E,
1980' FSL, 1980' FEL, UNIT J

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 REENTER AND
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	CONVERT TO SWD
	<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 recomplate 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.)

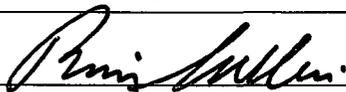
SUBMITTED FORM C-108 - COPY ATTACHED

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

BRIAN COLLINS

Title SENIOR OPERATIONS ENGINEER

Signature



Date

19 Dec 12

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.

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 Drive
 Santa Fe, NM 87505

2. Article Number

(Transfer from service label)

7011 1570 0000 7781 3349

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-15

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *[Signature]* Agent
 Address

B. Received by (Printed Name)

[Signature]

C. Date of Delivery

12-21-02

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:

CIMAREX ENERGY
 600 N MARIENFELD ST
 MIDLAND TX 79701

2. Article Number

(Transfer from service label)

7011 1570 0000 7781 3332

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-15

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *[Signature]* Agent
 Address

B. Received by (Printed Name)

Sadie Garcia

C. Date of Delivery

12-21-02

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 12/26/12 First Email Date: _____ Final Reply Date: _____ Final Notice Date: 12/21/12

Issued Permit: Type: WFX/PMX/SWD Number: 1392 Permit Date: 2/5/12 (Legacy Permit: _____)

Wells 1 Well Name(s): GOLD COAST 26 FEDERAL SWD # 2

API Num: 30-025-28935 Spud Date: _____ New/Old: _____ (UIC CI II Primacy March 7, 1982)

Footages 1980 FSL/FEL Lot _____ Unit T Sec 26 Twp 24S Rge 32E County LEA

General Location or Pool Area: 22 mi W. of JAL (Palouse North)

Operator: COG OPERATING LLC Contact: BRIAN COLLINS

OGRID: 229137 RULE 5.9 Compliance (Wells) 0/3755 (Finan Assur) OK IS 5.9 OK? OK

Well File Reviewed _____ Current Status: PEA

Planned Work to Well: Re-enter - Deepen / INJECT

Diagrams: Before Conversion After Conversion Are Elogs in Imaging?: None

Well Details:	Sizes Hole.....Pipe	Setting Depths	Stage Tool	Cement Sx or Cf	Cement Top and Determination Method
Planned ___ or Existing <input checked="" type="checkbox"/> Surface	<u>12 1/4 - 8 3/8</u>	<u>625</u>	<u>—</u>	<u>M5+300SX</u>	<u>CIRC</u>
Planned ___ or Existing ___ Interm					
Planned ___ or Existing <input checked="" type="checkbox"/> LongSt	<u>7 7/8 - 5 1/2</u>	<u>5087</u>	<u>4500</u>	<u>180/1590</u>	<u>? / CIRC</u>
Planned ___ or Existing ___ Liner					
Planned <input checked="" type="checkbox"/> or Existing ___ OpenHole	<u>4 3/4</u>	<u>5097 - 7200</u>			

Depths/Formations:	Depths, Ft.	Formation	Tops?
Above	<u>4870</u>	<u>Bell C.</u>	<input checked="" type="checkbox"/>
Above	<u>5886</u>	<u>Chap. L.</u>	<input checked="" type="checkbox"/>
Proposed Interval TOP:	<u>4968 - 4973</u>	<u>Bell C.</u>	
Proposed Interval BOTTOM:	<u>5097 - 7200</u>	<u>BEE Chap. L.</u>	
Below	<u>7520</u>	<u>Bush C.</u>	<input checked="" type="checkbox"/>
Below	<u>8800</u>	<u>B.S.</u>	<input checked="" type="checkbox"/>

Capitan Roof? (in ___ thru ___) Potash? _____ Noticed? _____ [WIPP? _____ Noticed? _____] Salado Top 1170 Bot 2260 Cliff House? _____

Fresh Water: MaxDepth: 475 FW Formation: ? Wells? NONE Analysis? _____ Affirmative Statement

Disposal Fluid: Formation Source(s) Diel / B.S. On Lease _____ Only from Operator _____ or Commercial _____

Disposal Interval: Protectable Waters? NO H/C Potential: Log _____ /Mudlog _____ /DST _____ /Tested _____ /Depleted _____ Other _____

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

RULE 26.7(A) Identified Tracts? Affected Persons: CMorex N. Date 12/21/12

AOR: Maps? Well List? Producing in Interval? NO Formerly Produced in Interval? NO

Penetrating.....No. Active Wells 1 Num Repairs? 0 on which well(s)? _____

Penetrating.....No. P&Aed Wells 0 Num Repairs? 0 on which well(s)? _____ Diagrams? _____

Permit Conditions: Run Survey (Run LACS)

Issues: _____
Issues: _____
Issues: _____