

ABOVE THIS LINE FOR DIVISION USE ONLY

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



Amend SWD-1399-A
 Magnum Pronto 32
 State SWD No. 1
 CCG

ADMINISTRATIVE APPLICATION CHECKLIST

API Pending

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 AMEND EXISTING SWD-1399

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or \Rightarrow 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

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 RECEIVED OGD

[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	See Attachment	Senior Operations Eng.	05/07/2013
_____ Print or Type Name	_____ Signature	_____ Title	_____ Date
		Bcollins@concho.com e-mail Address	



May 7, 2013

New Mexico Oil Conservation Division
Attn: Richard Ezeanyim
1220 South St. Francis Drive
Santa Fe, NM 87505

**RE: Request to Amend the Existing Permit For Authorization To Inject
Magnum Pronto 32 State SWD No. 1, Order SWD-1399
Section 32, Township 19 South, Range 32 East, N.M.P.M.
Permitted Location: 2300' FNL & 2200' FWL
Proposed New Location: 2470' FSL, 2120' FWL
Lea County, New Mexico**

Dear Mr. Ezeanyim:

COG Operating LLC respectfully requests administrative approval to amend the authorization to inject for the referenced well. We discovered an unsuspected pipeline running under the location of the well as originally staked and permitted. We've moved the location south of the original location to get away from any pipelines. The new location is 2470' FSL, 2120' FWL and was moved 516' south of the original location.

The well construction, injection zone, injection rates, injection interval and injection pressure remain unchanged. The only change from the original C-108, other than the surface location, is that the 1/2 mile area of review now includes the northern portion of Section 5, T20S, R32E of which COG

Operating, LLC is the leasehold operator. No additional notifications are required by moving the location south.

I've attached a map showing the new ½ mile area of review, the new survey plat and the currently approved C-108. Please do not hesitate to contact me at (575) 748-6940 or bcollins@concho.com should you have any questions.

Check for wells
[Signature]

Sincerely,

[Signature]

Brian Collins
Senior Operations Engineer

BC/bg
Enclosures

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2013 MAY -9 P 2:23

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240
Phone: (575) 393-8161 Fax: (575) 393-0920

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-8720

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
11865 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 476-3480 Fax: (505) 476-3482

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
11885 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name MAGNUM PRONTO 32 STATE SWD	Well Number 1
OGRD No.	Operator Name COG OPERATING, LLC	Elevation 3535.1

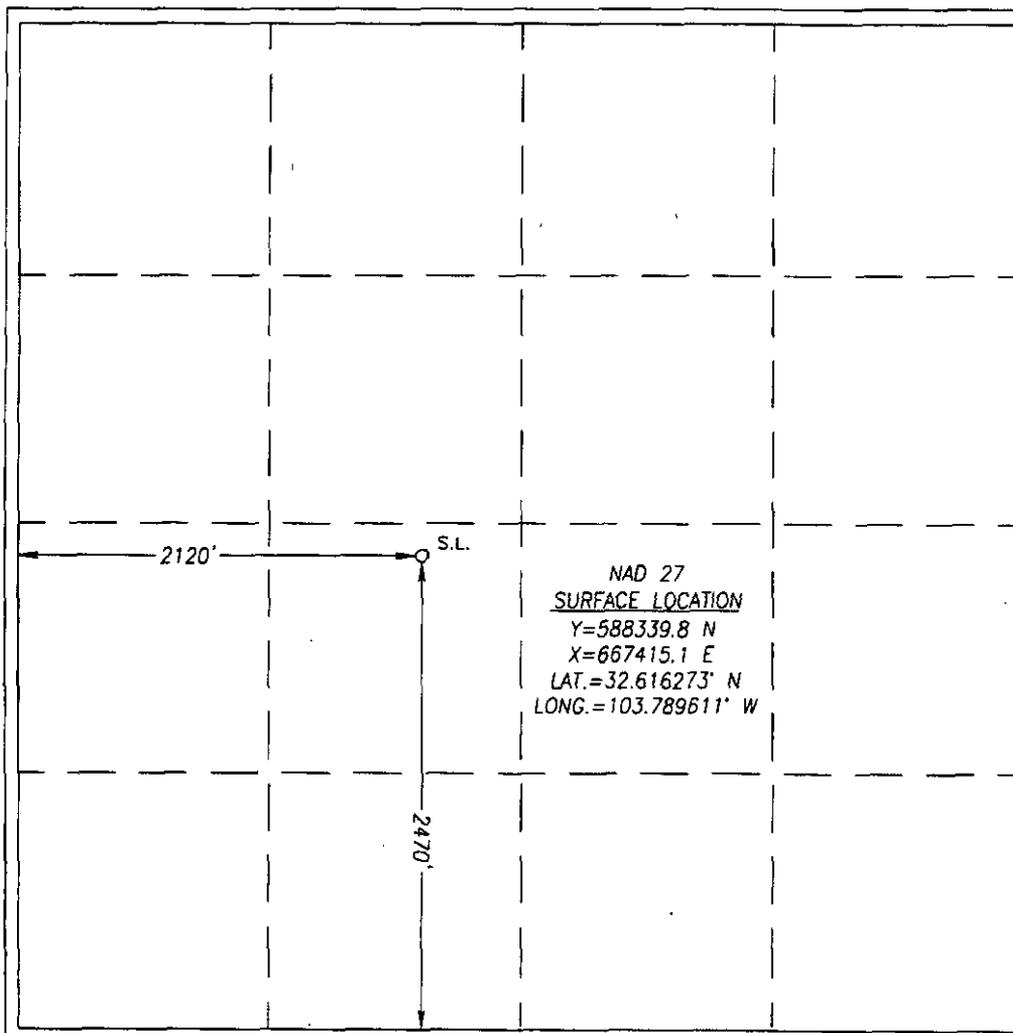
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	32	19-S	32-E		2470	SOUTH	2120	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	EDDY
Dedicated Acres		Joint or Infill		Consolidation Code		Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

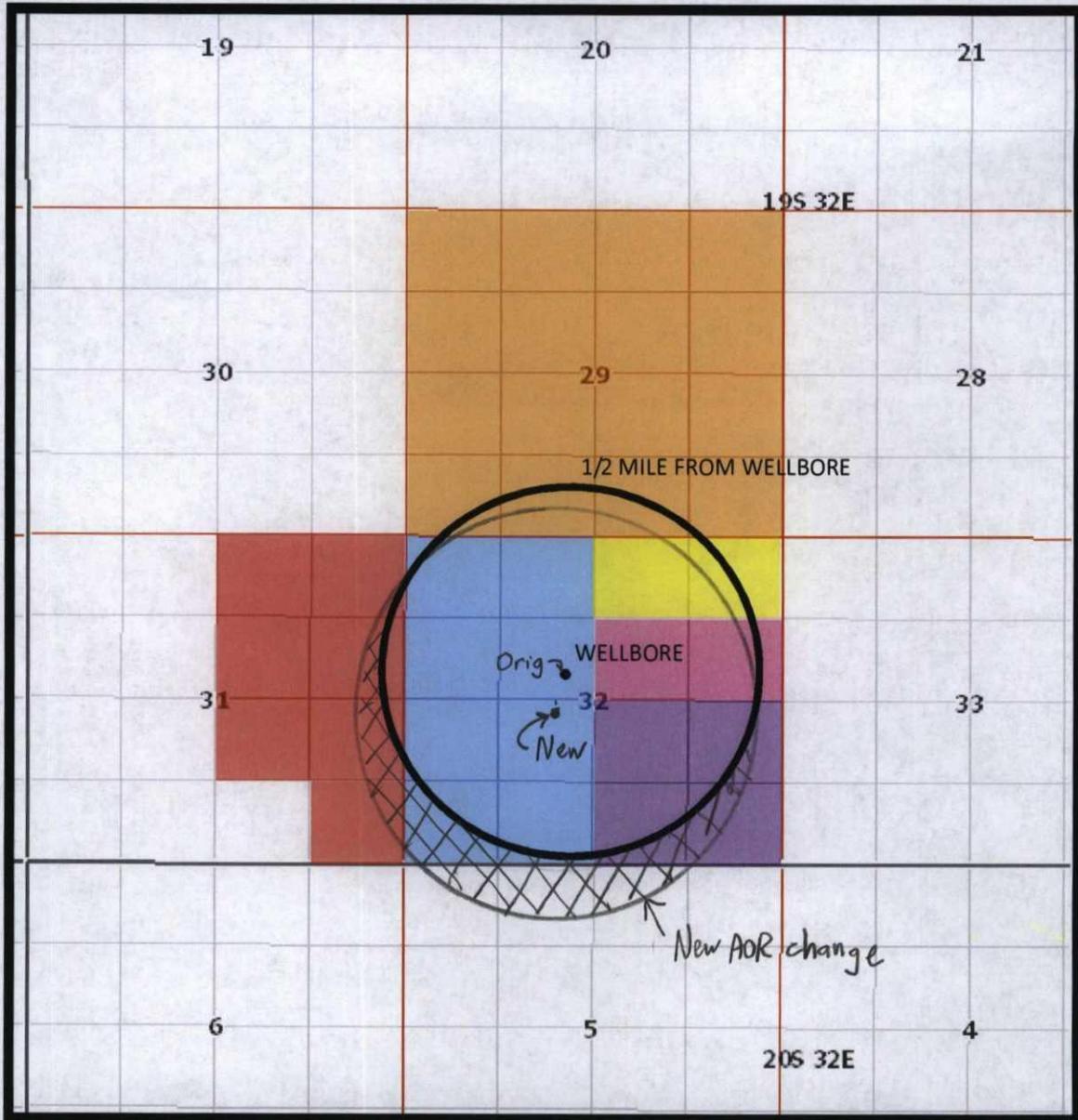
APRIL 16, 2013

Date of Survey

Signature & Seal of Professional Surveyor



Certificate No. CHAD HARCROW 17777
W.O. # 13-134 DRAWN BY: VD



- | | | | |
|---|--------------------------------|---|--|
|  | Magnum Hunter Production, Inc. |  | Dan Irwin; Kathleen Irwin Schuster
Wallfam LTD; WK Land Company |
|  | COG Operating LLC |  | COG Operating LLC |
|  | Prize Operating Company |  | COG operating LLC (Sec 5-20s-32e) |
|  | COG Operating LLC | | |

Magnum Pronto 32 State SWD No. 1
 New Location = 2470' FSL, 2120' FWL ← ~~2300' FNL & 2200' FWL~~ Original Location
 Section 32; T19s - R32e
 Lea County, New Mexico

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John Bemis
Cabinet Secretary

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

Jami Bailey
Division Director
Oil Conservation Division



Administrative Order SWD-1399
February 21, 2013

**ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION**

Under the provisions of 19.15.26.8B NMAC, COG Operating LLC, seeks an administrative order to utilize its proposed Magnum Pronto 32 State SWD Well No. 1 (API 30-025-NA) to be located 2300 feet from the North line and 2200 feet from the West line, Unit letter F of Section 32, Township 19 South, Range 32 East, NMPM, Lea County, New Mexico, for produced water disposal purposes.

THE DIVISION DIRECTOR FINDS THAT:

The application has been duly filed under the provisions of 19.15.26.8B NMAC and satisfactory information has been provided that affected parties as defined in said rule have been notified and no objections have been received within the prescribed waiting period. The applicant has presented satisfactory evidence that all requirements prescribed in 19.15.26.8 NMAC have been met and the operator is in compliance with 19.15.5.9 NMAC.

IT IS THEREFORE ORDERED THAT:

The applicant, COG Operating LLC, is hereby authorized to utilize its proposed Magnum Pronto 32 State SWD Well No. 1 (API 30-025-NA) to be located 2300 feet from the North line and 2200 feet from the West line, Unit letter F of Section 32, Township 19 South, Range 32 East, NMPM, Lea County, New Mexico, for disposal of oil field produced water (UIC Class II only) into the Devonian, Silurian, and Ordovician through an open hole interval from approximately 13450 feet to 14900 feet through internally coated tubing and a packer set within 100 feet of the permitted interval.

IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the disposed water enters only the approved disposal interval and is not permitted to escape to other formations or onto the surface.

After installing tubing, the casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge or an approved leak detection device in order to determine leakage in the casing, tubing, or packer. The casing shall be pressure tested from the surface to the packer setting depth to assure casing integrity.

The well shall pass an initial mechanical integrity test ("MIT") prior to initially commencing disposal and prior to resuming disposal each time the disposal packer is unseated. All MIT testing procedures and schedules shall follow the requirements in Division Rule 19.15.26.11A. NMAC. The Division Director retains the right to require at any time wireline verification of completion and packer setting depths in this well.

The wellhead injection pressure on the well shall be limited to **no more than 2690 psi**. In addition, the disposal well or system shall be equipped with a pressure limiting device in workable condition which shall, at all times, limit surface tubing pressure to the maximum allowable pressure for this well.

The Director of the Division may authorize an increase in tubing pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the disposed fluid from the target formation. Such proper showing shall be demonstrated by sufficient evidence including but not limited to an acceptable Step-Rate-Test.

The operator shall notify the supervisor of the Division's district office of the date and time of the installation of disposal equipment and of any MIT test so that the same may be inspected and witnessed. The operator shall provide written notice of the date of commencement of disposal to the Division's district office. The operator shall submit monthly reports of the disposal operations on Division Form C-115, in accordance with Division Rules 19.15.26.13 and 19.15.7.24 NMAC.

Without limitation on the duties of the operator as provided in Division Rules 19.15.29 and 19.15.30 NMAC, or otherwise, the operator shall immediately notify the Division's district office of any failure of the tubing, casing or packer in the well, or of any leakage or release of water, oil or gas from around any produced or plugged and abandoned well in the area, and shall take such measures as may be timely and necessary to correct such failure or leakage.

The injection authority granted under this order is not transferable except upon division approval. The division may require the operator to demonstrate mechanical integrity of any injection well that will be transferred prior to approving transfer of authority to inject.

The division may revoke this injection permit after notice and hearing if the operator is in violation of 19.15.5.9 NMAC.

The disposal authority granted herein shall terminate two years after the effective date of this order if the operator has not commenced injection operations into the subject well. One year after the last date of reported disposal into this well, the Division shall consider the well abandoned, and the authority to dispose will terminate *ipso facto*. The Division, upon written request mailed by the operator prior to the termination date, may grant an extension thereof for good cause.

Compliance with this order does not relieve the operator of the obligation to comply with other applicable federal, state or local laws or rules, or to exercise due care for the protection of fresh water, public health and safety and the environment.

Jurisdiction is retained by the Division for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the operator to conduct operations (1) to protect fresh or protectable waters or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, terminate the disposal authority granted herein.



JAMI BAILEY
Director

JB/wvjj

cc: Oil Conservation Division – Hobbs District Office
State Land Office – Oil, Gas, and Minerals Division

Well Selection Criteria Quick Print

WH_SEC = 5 and WH_TWPN = 20 and WH_TWPD Like 'S' and WH_RNGN = 32 and WH_RNGD Like 'E'

API Well #	Well Name and No.	Operator Name	Typ	Stat	County	Surf	UL	Sec	Twp	Ring	Ft N/S	Ft E/W	UICPrmt	Lat Insp Dt
30-025-37415-00-00	GEORGE FEDERAL COM	COG OPERATING LLC	G	A	Lea	F	B	5	20 S	32 E	990 N	1450 E	Marrow	10/31/2005
30-025-20485-00-00	PRE-ONGARD WELL	PRE-ONGARD-WELL-OPERATOR	G	P	Lea	F	B	5	20 S	32 E	660 N	1980 E	1980 E	10/31/2005
30-025-20485-00-00	PRE-ONGARD WELL	PRE-ONGARD WELL OPERATOR	O	P	Lea	F	B	5	20 S	32 E	660 N	1980 E	TD: 2689	10/31/2005
30-025-38115-00-00	GEORGE FEDERAL COM	COG OPERATING LLC	G	A	Lea	F	C	5	20 S	32 E	570 N	1700 W	NSL-5482	10/31/2005

SWD-1399 / Approved Injection Interval: Dev-Sil-Ord: 13450 - 14900

Sec. 5, T20S, R32E

30-025-37415-0K
 2006 const/casing & amt reviewed } not penetrating
 30-025-38115-0K
 2007 const/casing & amt reviewed }

TD: 13120

TD: 12880

Well Selection Criteria Quick Print

WH_SEC = 31 and WH_TWPN = 19 and WH_TWPD Like 'S' and WH_RNGN = 32 and WH_RNGD Like 'E'

API Well #	Well Name and No.	Operator Name	Typ	Stat	County	Surf	UL	Sec	Twp	Rng	Ft N/S	Ft E/W	UICPrnt	Lst Insp Dt
30-025-05750-00-00	TRES-ELG-FEDERAL-001	APACHE-GGRP	G	A	Lea	F	A	31	19-S	32-E	990-N	990-E		1/13/2005
30-025-20813-00-00	FEDERAL USA I	COG OPERATING LLC	O	A	Lea	F	A	31	19 S	32 E	660 N	660 E	CTB-331	1/13/2005
30-025-33081-00-00	FEDERAL USA I	TEXACO EXPLORATION & PROD	O	C	Lea	F	B	31	19 S	32 E	330 N	1980 E		8/15/2003
30-025-35340-00-00	POLEWSKI FEDERAL	TRITEX RESOURCES, L.L.C.	O	P	Lea	E	C	31	19 S	32 E	990 N	1658 W	H2S-9	8/21/2007
30-025-33558-00-00	POLEWSKI FEDERAL	RAY WESTALL	O	C	Lea	F	C	31	19 S	32 E	990 N	1658 W		11/7/2005
30-025-30319-00-00	PRE-ONGARD WELL	PRE-ONGARD WELL OPERATOR	O	C	Lea	F	C	31	19 S	32 E	610 N	1980 W		8/15/2003
30-025-20161-00-00	POLEWSKI FEDERAL	ENDURANCE RESOURCES LLC	O	A	Lea	F	D	31	19 S	32 E	660 N	660 W	H2S-9	1/13/2005
30-025-36032-00-00	POLEWSKI FEDERAL	RAY WESTALL	O	C	Lea	F	E	31	19 S	32 E	1980 N	660 W		
30-025-33557-00-00	POLEWSKI FEDERAL	RAY WESTALL	O	C	Lea	F	E	31	19 S	32 E	1980 N	660 W		8/15/2003
30-025-30771-00-00	PRINCESS D	ASPEN OILING	O	P	Lea	F	F	31	19-S	32-E	1660-N	1650-W		1/13/2005
30-025-20814-00-00	STRING BEAN FEDERAL COM	COG OPERATING LLC	O	A	Lea	F	I	31	19 S	32 E	1980 S	660 E		9/18/2008
30-025-20814-00-00	STRING BEAN FEDERAL COM	COG OPERATING LLC	O	A	Lea	F	I	31	19 S	32 E	1980 S	660 E		9/18/2008
30-025-30470-00-00	STRING BEAN FEDERAL-001	COG OPERATING LLC	O	A	Lea	F	M	31	19-S	32-E	660-S	660-W	H2S-24	Outside AOR

SWD - 1399 / Approved Inv. Interval: Dev-Sil-Ord: 13450 - 14900

Sec. 31, T19S, R32E - Check Units H/I/P

One ~~two~~ wells in expanded AOR:

30-025-20814 - Morrow/cont. 2/11/2004 / TD: 12949 - No/penetration

30-025 - second citation/duplicate