

ABOVE THIS LINE FOR DIVISION USE ONLY

all for 7/28/15

1576

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



2015 JUL 27 P 3:03

ADMINISTRATIVE APPLICATION CHECKLIST

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

Application Acronyms:

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

- [1] **TYPE OF APPLICATION - Check Those Which Apply for [A]**
- [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR
- [D] Other: Specify _____

COG Operating
 Gold Coast 26 Fed.
 SWD No. 3
 30-025-Pending
 K/S26/24S/32E

- [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

Dev. / Sil / ord.

[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
 Print or Type Name.

Brian Collins
 Signature

Operations Engineering Advisor
 Title

22 July 2015
 Date

bcollins@concho.com
 e-mail Address

APPLICATION FOR AUTHORIZATION TO INJECT

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

II. OPERATOR: _____ COG Operating, LLC:

ADDRESS: _____ 2208 West Main St, 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.

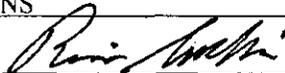
XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

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: _____ Operations Engineering Advisor

SIGNATURE: _____ 

DATE: _____ 22 July 2015

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 No. 3
2560' FSL, 2560' FWL
Unit K, Sec 26, T24S, R32E
Lea County, NM

COG Operating, LLC, proposes to drill the captioned well and make it into an open hole Devonian-Silurian-Ordovician SWD well from approximately 17,050' to 19,000'.

- V. Map is attached.
- VI. No wells within the ½ mile radius area of review penetrate the proposed injection zone.
- VII.
 1. Proposed average daily injection rate = 17,300 BWPD
Proposed maximum daily injection rate = 25,000 BWPD
 2. Closed system
 3. Proposed maximum injection pressure = 3410 psi
(0.2 psi/ft. x 17050' ft.)
 4. Source of injected water will be Delaware Sand, Bone Spring and Wolfcamp produced water. No compatibility problems are expected (we've seen no compatibility issues in other Devonian SWDs that take the same produced water as the proposed SWD well). Analyses of Delaware, Bone Spring and Wolfcamp waters are attached. There are no Devonian-Silurian-Ordovician receiving formation water analyses available in this area.
- VIII. The injection zone is the Devonian-Silurian-Ordovician from 17050' to 19000' which is composed of porous limestone and dolomite. Any underground water sources will be shallower than 728' which is the estimated top of the Rustler Anhydrite.
- IX. The Devonian-Silurian-Ordovician injection interval will be acidized with approximately 40,000 gals of 20% HCl acid.
- X. Well logs will be filed with the Division. A section of a sonic porosity log for the top of the Devonian on the State 29 J #1 located in Section 29-24s-33e is attached. There are no nearby well logs available for the Devonian-Silurian-Ordovician section.
- 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 # 3

WELL LOCATION: 2560' FSL 2560' FWL K 26 24s 32e
FOOTAGE LOCATION UNIT LETTER SECTION TOWNSHIP RANGE

WELLBORE SCHEMATIC

WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 26" Casing Size: 20" @ ± 750'
Cemented with: - sx. or ± 2000 ft³
Top of Cement: Surface Method Determined: Design

See Attached Schematic

Intermediate Casing

Hole Size: 17 1/2" Casing Size: 13 3/8" @ ± 4900'
12 1/4" Casing Size: 9 5/8" @ ± 12200'
Cemented with: = sx. or ± 6500 ft³
Surface Method Determined: Design
Top of Cement: ± 4400'

Production Casing

Hole Size: 8 1/2" Casing Size: 7" liner ± 12000-17050'
Cemented with: - sx. or ± 950 ft³
Top of Cement: Top of liner Method Determined: Design
Total Depth: 19,000'

Injection Interval

17050' feet to 19000'

(Perforated or Open Hole indicate which)

30-

Gold Coast 26 Federal SWD # 3

2560' FSL, 2560' FWL

K-26-24s-32e

Lea, NM

26"

20" / / /

@ ±750' ±2000 CF Cmt

17 1/2"

TOC @ 4400' Design

13 3/8" / / /

@ ±4900' ±6500 CF Cmt

4 1/2" Inj. Tbg

12 1/4"

9 5/8" / / /

@ ±12,200' ±3500 CF Cmt

8 1/2"

Inj Pkr @ ±17000'

7" / / /

Liner @ ±12000' - 17050' ±950 CF Cmt

6 1/8"

Devonian/Silurian/Ordovician
OH Inj. Interval

19000'

"Not To Scale"

V.

MAP

VII.

Water Analysis Produced Formation Water

WATER SAMPLES REPRESENTATIVE OF WATER BEING INJECTED INTO THE PROPOSED SWD WELL												
Delaware												
2012103128	Gehrig	Fed #2	William D Polk	2/15/2012	1/10/2012	1.16	4.00	251245.24	6.47		25915.00	3525.76
2011128362	Sly Hawk State	1	William D Polk	9/28/2011	9/13/2011	1.17	4.06	256802.26	6.50		26180.00	4101.14
Bone Spring												
Lab Test #	Lease	Location	Salesman	Date Out	Sample Date	Specific Gravity	Ionic Strength	TDS	pH	conductivity	Ca (mg/L)	Mg (mg/L)
2012104723	Phantom 18 State	2H	William D Polk	2/29/2012	1/6/2012	1.09	2.23	136209.81	6.52		6156.63	1132.53
Wolfcamp												
Lab Test #	Lease	Location	Salesman	Date Out	Sample Date	Specific Gravity	Ionic Strength	TDS	pH	conductivity	Ca (mg/L)	Mg (mg/L)
2012105892	Augustus 10	1H		3/15/2012	3/8/2012	1.06	1.46	89771.55	6.60		3963.30	639.83
2011128833	Trail Boss 4	4H	William D Polk	9/30/2011	9/21/2011	1.05	1.31	78745.89	7.10		3143.00	406.00

81017.80	66969.32	1342.77	64.22	35.40	4.51	1492.00	24.27		122.00	0.00		450.00	151300.00	250.00	0.00	
83379.63	62970.16	1133.12	38.78	20.06	1.64	905.03	9.33		73.00	0.00		70.00	161300.00	360.00	0.00	
TH (CaCO3)	Na (mg/L)	K (mg/L)	Zn (mg/L)	Fe (mg/L)	Ba (mg/L)	Sr (mg/L)	Mn (mg/L)	Resistivity	HCO3 (mg/L)	CO3 (mg/L)	OH (mg/L)	SO4 (mg/L)	Cl (mg/L)	CO2 (mg/L)	H2S (mg/L)	
20530.54	43509.27	957.44	0.00	28.72	0.00	414.86	1.36		159.00	0.00		850.00	83000.00	140.00	0.00	
TH (CaCO3)	Na (mg/L)	K (mg/L)	Zn (mg/L)	Fe (mg/L)	Ba (mg/L)	Sr (mg/L)	Mn (mg/L)	Resistivity	HCO3 (mg/L)	CO3 (mg/L)	OH (mg/L)	SO4 (mg/L)	Cl (mg/L)	CO2 (mg/L)	H2S (mg/L)	
13352.51	28320.32	350.70	0.00	17.85	1.77	707.79	0.00		220.00	0.00		950.00	54600.00	60.00	0.00	
10421.23	27950.00	433.00		15.00	2.48	780.00	0.41		366.00	0.00		150.00	45500.00	140.00	0.00	

X.

Sonic Log Across Upper Portion of Proposed Devonian Injection Interval From Well in Area

U-29-T249-R33E 1880FB-1880FE
 CONCHO OIL AND GAS CORPORATION
 STATE 29 J # 1



30-025-26158

COMPANY GETTY OIL COMPANY

WELL STATE 29 J # 1

FIELD WILCOAT

COUNTY LEA STATE NEW MEXICO

1980 FSL # 1980 FEL

SERIAL NO.	29	TWP	28-S	RANGE	33-E
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Permanent Datum: G.L. Elev. 3520
 Log Measured From: K.B. 23.5 ft. Above Perm. Datum
 Drilling Measured From: K.B.

Bar: K.A. 3523.5
 D.R. 3522.5
 C.I. 3520

Date	Run No.	Depth - Driller	Depth - Logger (Schl.)	8in. Log Interval	Top Log Interval	Casing - Driller	Casing - Logger	Bit Size	Type Fluid in Hole	Dens. Visc. Yld.	Fluid Loss	Source of Sample	Rm @ Meas. Temp.	Rmf @ Meas. Temp.	Rmc @ Meas. Temp.	Source: Rmf. Rmc.	Rm @ BHT	Circulation Stopped	Logger on Bottom	Max. Rec. Temp.	Equip. Location	Recorded by	Witnessed by
12-25-79	DNE	12620	12616	12614	12612	20" @ 637	5288	12 1/4	SALT AND FRESH GEL	10.1 29	8.2	PIT	0589 @ 52.0	0589 @ 52.0	0589 @ 52.0	R @	0297 @ 109F	1900	2200	103	8075	BRASS	THOMAS
1-27-79	TWO	12620	12616	12614	12612	20" @ 637	5288	12 1/4	SALT AND FRESH GEL	10.1 29	8.2	PIT	0589 @ 52.0	0589 @ 52.0	0589 @ 52.0	R @	0297 @ 109F	1900	2200	103	8075	BRASS	THOMAS
4-9-79	THREE	12620	12616	12614	12612	20" @ 637	5288	12 1/4	SALT AND FRESH GEL	10.1 29	8.2	PIT	0589 @ 52.0	0589 @ 52.0	0589 @ 52.0	R @	0297 @ 109F	1900	2200	103	8075	BRASS	THOMAS
4-26-79	FOUR	12620	12616	12614	12612	20" @ 637	5288	12 1/4	SALT AND FRESH GEL	10.1 29	8.2	PIT	0589 @ 52.0	0589 @ 52.0	0589 @ 52.0	R @	0297 @ 109F	1900	2200	103	8075	BRASS	THOMAS

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

Run No.	ONE	TWO	THREE	FOUR	SCALE CHANGES			
Service Order No.	59460				Type Log	Depth	Scale Up Hole	Scale Down Hole
Fluid Level	PULL	PULL	PULL	PULL				
EQUIPMENT DATA								
Sonic Panel No.	104		180	43				
Sonic Cart No.	1125	716	42	216				
Sonic Sonde No.	1523-RA	1369	11	163				
Mem. Panel No.			153	87				
G.R. Cart No.	1261	1605	42	1397				
G.R. Panel No.	223		103	91				
Calliper No.		369	42	8018				
ITR No.			755	860				
Centralizers: No.		2	CME-Z	CME-Z				
Type		CME-Z		CME-Z				
Standoffs: No.	1 1/2"	1	RUB FIN	1				
Type		1-1/2		RUB FI				
Time Const.: Sec.								

CALIBRATION DATA						REMARKS
GR	BKG CPS	18	SEE CAL	18	SEE CAL	RUN ONE, CYCLE SKIPPING DUE TO HOLE SIZE AND WASHOUTS. STANDOFF USED INSTEAD OF CALIPER. CALIPER OMITTED DUE TO HOLE SIZE AND CENTRALIZATION PROBLEMS.
	Source CPS	180	FILM	101	FILM	
	Tc Sec					Velocity (ft/sec) = 1,000,000
						Interval/Transit/Time (microseconds per foot)

83485-83490 GAMMA RAY YAPI UNITS 0 100 200 100 200	DEPTH RUN 1 6 6 6 0 100	INTERVAL TRANSIT TIME MICROSECONDS PER FOOT T ₃ R ₂ R ₂ 100 70 140 160 130 100

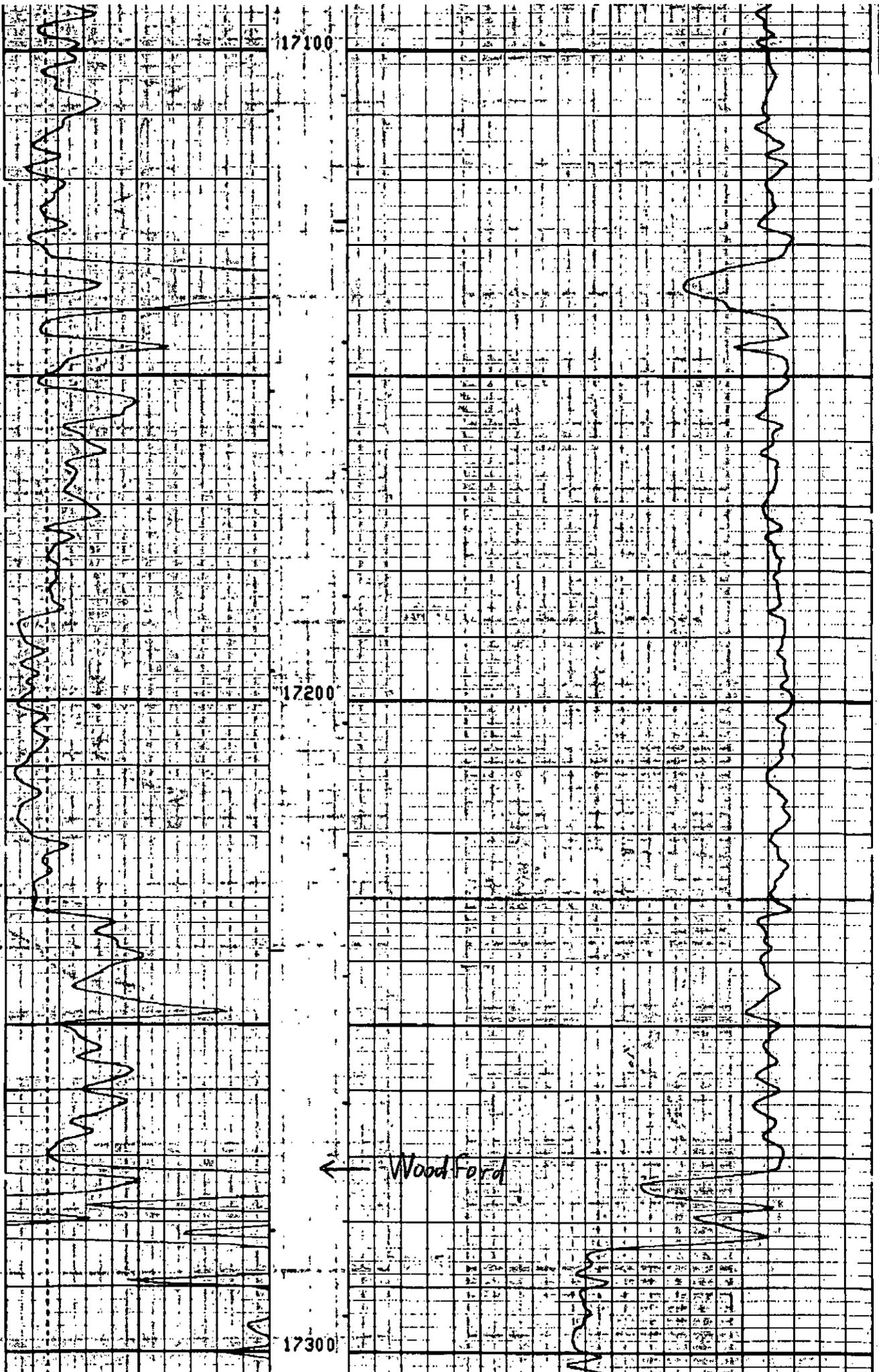
(All interpretations are opinions based on inferences from electrical or other measurements and we cannot and do not guarantee the accuracy or correctness of any interpretations; and we shall not, except in the case of gross or willful negligence on our part, be liable or responsible for any loss, costs, 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 Clause 4 of our General Terms and Conditions and our In-Service Price Schedule.									
[Faded grid area with illegible text and data points]									

17100

17200

17300

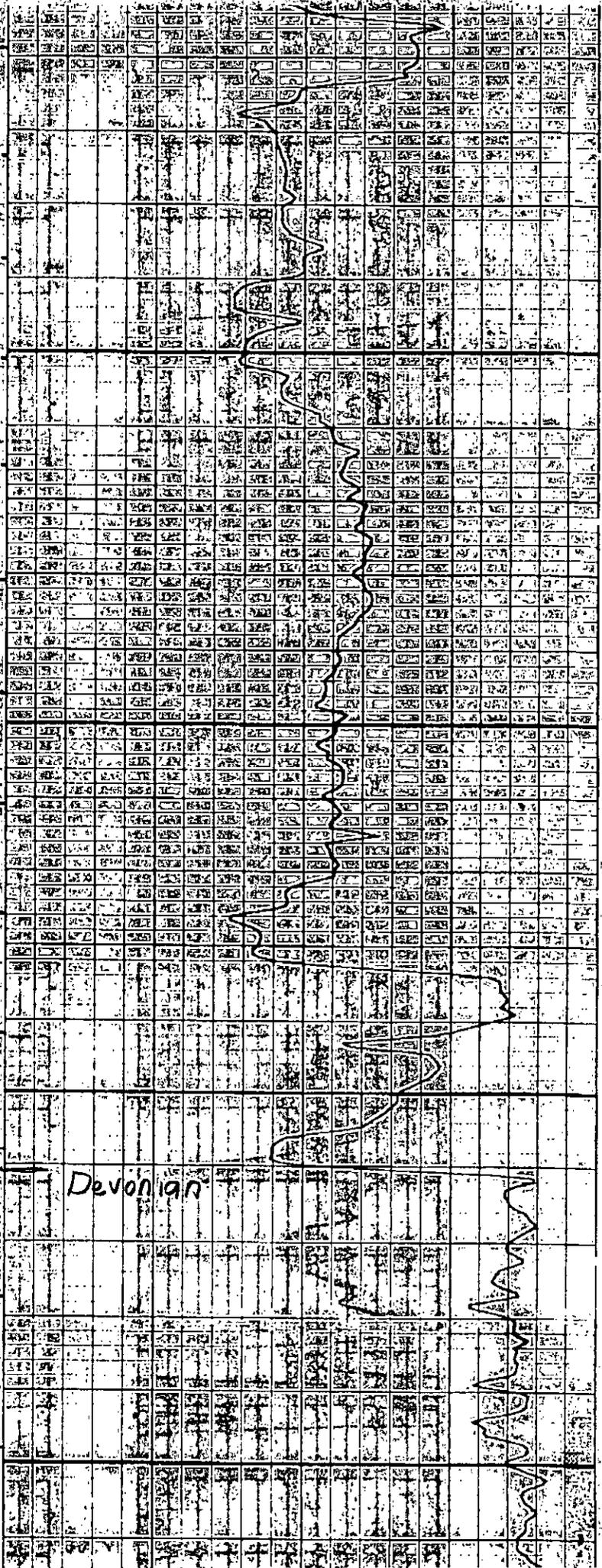
← Woodford



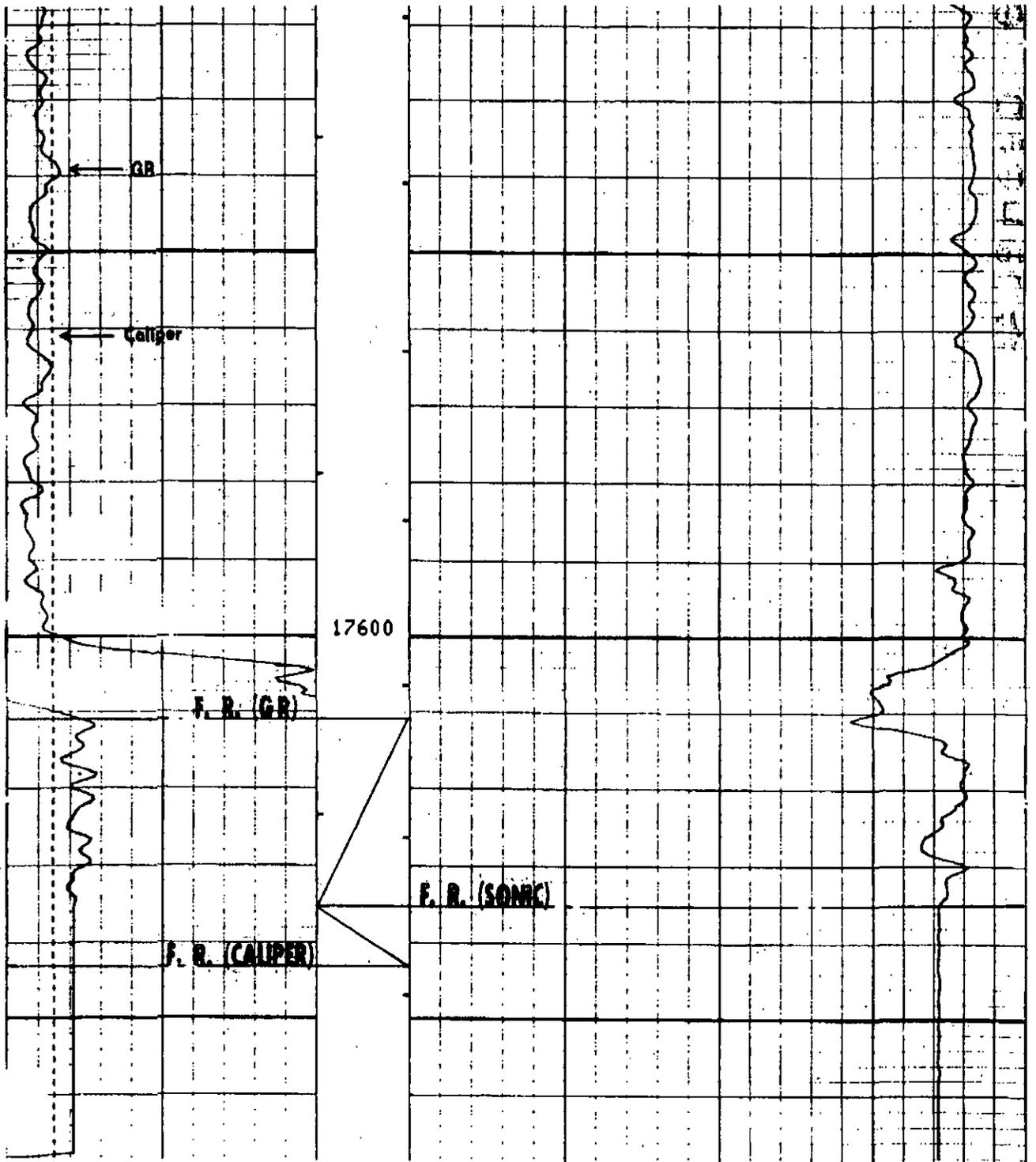


17400

17500



Devonian



11
11
11
11
11
11

10000

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



July 22, 2015

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

**Re: Legal Notice
Salt Water Disposal Well
Gold Coast 26 Federal SWD #3**

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,

Brian Collins
Operations Engineering Advisor

BC/sw
Enclosures

HOBBS NEWS-SUN
LÉGAL NOTICES

COG Operating LLC, 2208 W. Main Street, Artesia, New Mexico, 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. 3, is located 2560' FSL and 2560' 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, Bone Spring and Wolfcamp formations. The disposal water will be injected into the Devonian-Silurian-Ordovician formation at a depth of 17,050' to 19,000' at a maximum surface pressure of 3410 psi and a maximum rate of 25,000 BWPD. The proposed SWD well is located approximately 27 miles west of Jal. Any interested party who has an objection to this must give notice in writing to the Oil Conservation Division, 1220 South Saint Francis Street, 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, New Mexico 88210, or call 575-748-6940.

Published in the Hobbs News-Sun Hobbs, New Mexico
_____, 2015.



July 22, 2015

Chevron USA Inc.
3310 W Wall St
Midland, TX 797

RE: Application For Authorization To Inject
Gold Coast 26 Federal SWD #3
Township 24 South, Range 32 East, N.M.P.M.
Section 26: 2560' FSL & 2560' 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 the surface owner or an operator within a half mile radius area of review. 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,

Brian Collins
Operations Engineering Advisor

BC/sw
Enclosures

CORPORATE ADDRESS

One Concho Center | 600 West Illinois Avenue | Midland, Texas 79701
PHONE 432.683.7443 | FAX 432.683.7441

LOCAL ADDRESS

Concho West | 2208 West Main Street | Artesia, New Mexico 88210
PHONE 575.748.6940 | FAX 575.748.6968



July 22, 2015

Chevron USA, Inc.
P.O. Box 2100
Houston, TX 77252

**RE: Application For Authorization To Inject
Gold Coast 26 Federal SWD #3
Township 24 South, Range 32 East, N.M.P.M.
Section 26: 2560' FSL & 2560' FWL
Lea County, New Mexico**

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Sincerely,

Brian Collins
Operations Engineering Advisor

BC/sw
Enclosures



July 22, 2015

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

RE: Application For Authorization To Inject
Gold Coast 26 Federal SWD #3
Township 24 South, Range 32 East, N.M.P.M.
Section 26: 2560' FSL & 2560' FWL
Lea County, New Mexico

Dear Mr. Kautz:

COG Operating LLC respectfully requests administrative approval for authorization to inject for the referenced well. 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.

Our geologic prognosis has the top of the Devonian at 17281'. I'm permitting the injection interval a couple of hundred feet shallower than the prognosis in case the formation tops are different than expected due to the lack of deep well control in this area. We will likely call TD about 1250' to 1500' below the actual top of the Devonian when we drill the well.

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

Sincerely,

Brian Collins
Operations Engineering Advisor

BC/sw
Enclosures

CORPORATE ADDRESS

One Concho Center | 600 West Illinois Avenue | Midland, Texas 79701
PHONE 432.683.7443 | FAX 432.683.7441

LOCAL ADDRESS

Concho West | 2208 West Main Street | Artesia, New Mexico 88210
PHONE 575.748.6940 | FAX 575.748.6968



July 22, 2015

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

RE: Application For Authorization To Inject
Gold Coast 26 Federal SWD #3
Township 24 South, Range 32 East, N.M.P.M.
Section 26: 2560' FSL & 2560' FWL
Lea County, New Mexico

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Operations Engineering Advisor

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LOCAL ADDRESS

Concho West | 2208 West Main Street | Artesia, New Mexico 88210
PHONE 575.748.6940 | FAX 575.748.6968



RECEIVED OCD

2015 JUL 27 P 3: 03

July 22, 2015

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

RE: Application For Authorization To Inject
Gold Coast 26 Federal SWD #3
Township 24 South, Range 32 East, N.M.P.M.
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Sincerely,

Brian Collins
Operations Engineering Advisor

BC/sw
Enclosures

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, 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
July 28, 2015
and ending with the issue dated
July 28, 2015.



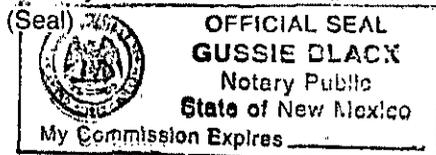
Publisher

Sworn and subscribed to before me this
28th day of July 2015.



Business Manager

My commission expires
January 29, 2019



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

LEGAL NOTICE
July 28, 2015

COG Operating LLC, 2208 W. Main Street, Artesia, New Mexico, 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 28 Federal SWD No. 3, is located 2580 FSL and 2580 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 Bone Spring and Wolfcamp formations. The disposal water will be injected into the Devonian-Silurian-Ordovician formation at a depth of 17,050 to 19,000 at a maximum surface pressure of 3410 psi and a maximum rate of 25,000 BWPD. The proposed SWD well is located approximately 27 miles west of Jalisco. Any interested party who has an objection to this must give notice in writing to the Oil Conservation Division, 1220 South Saint Francis Street, 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, New Mexico, 88210, or call 575-748-6940. #30222

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BRIAN COLLINS
COG OPERATING LLC
2208 W. MAIN ST.
ARTESIA, NM 88210

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13 - Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment.

NOTICES

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

7013 3020 0000 8748 8744

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

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

OFFICIAL USE

New Mexico Oil Conservation Division
Attn: Phillip Goetze
1220 South St. Francis Drive
Santa Fe, NM 87505
Gold Coast 26 Federal SWD #3

(End
Res
(End

Total Postage & Fees \$

Sent To
Street, Apt. No.,
or PO Box No.
City, State, ZIP+4

PS Form 3800, August 2005 See Reverse for Instructions

7013 3020 0000 8748 8782

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

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

OFFICIAL USE

Postage \$

Devon Energy Production Co., LP
333 W. Sheridan
Oklahoma City, Oklahoma 73102
Gold Coast 26 Federal SWD #3

F
(End
Res
(End

Total

Sent To
Street, Apt. No.,
or PO Box No.
City, State, ZIP+4

PS Form 3800, August 2005 See Reverse for Instructions

7013 3020 0000 8748 8751

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

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

OFFICIAL USE

Postage \$

Certified Fee
BLM
620 E Greene St.
Carlsbad, NM 88220
Gold Coast 26 Federal SWD #3

Res
(Endorse
Restrict
(Endorse

Total f

Sent To

COMPLETE THIS SECTION ON DELIVERY

A. Signature *David Carrillo* Agent Address

B. Received by (Printed Name) _____ C. Date of Delivery **JUL 27 2015**

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

3. Service Type
 Certified Mail® Priority Mail Express™
 Registered Return Receipt for Merchandise
 Insured Mail Collect on Delivery

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number **7013 3020 0000 8748 8782**
(Transfer from service label)

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 Production Co., LP
 333 W. Sheridan
 Oklahoma City, Oklahoma 73102
 Gold Coast 26 Federal SWD #3

PS Form 3811, July 2013 Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature *Barbara* Agent Address

B. Received by (Printed Name) *Barbara* C. Date of Delivery **JUL 27 2015**

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

3. Service Type
 Certified Mail® Priority Mail Express™
 Registered Return Receipt for Merchandise
 Insured Mail Collect on Delivery

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number **7013 3020 0000 8748 8744**
(Transfer from service label)

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:
 New Mexico Oil Conservation Division
 Attn: Phillip Goetze
 1220 South St. Francis Drive
 Santa Fe, NM 87505
 Gold Coast 26 Federal SWD #3

PS Form 3811, July 2013 Domestic Return Receipt

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:
 BLM
 620 E Greene St
 Carlsbad, NM 88220
 Gold Coast 26 Federal SWD #3

COMPLETE THIS SECTION ON DELIVERY

A. Signature *[Signature]* Agent Address

B. Received by (Printed Name) *Phillip Goetze* C. Date of Delivery *7/27/15*

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

2. Article Number **7013 3020 0000 8748 8751**
(Transfer from service label)

PS Form 3811, July 2013 Domestic Return Receipt

3. Service Type
 Certified Mail® Priority Mail Express™
 Registered Return Receipt for Merchandise
 Insured Mail Collect on Delivery

4. Restricted Delivery? (Extra Fee) Yes

COUNTY

POOL

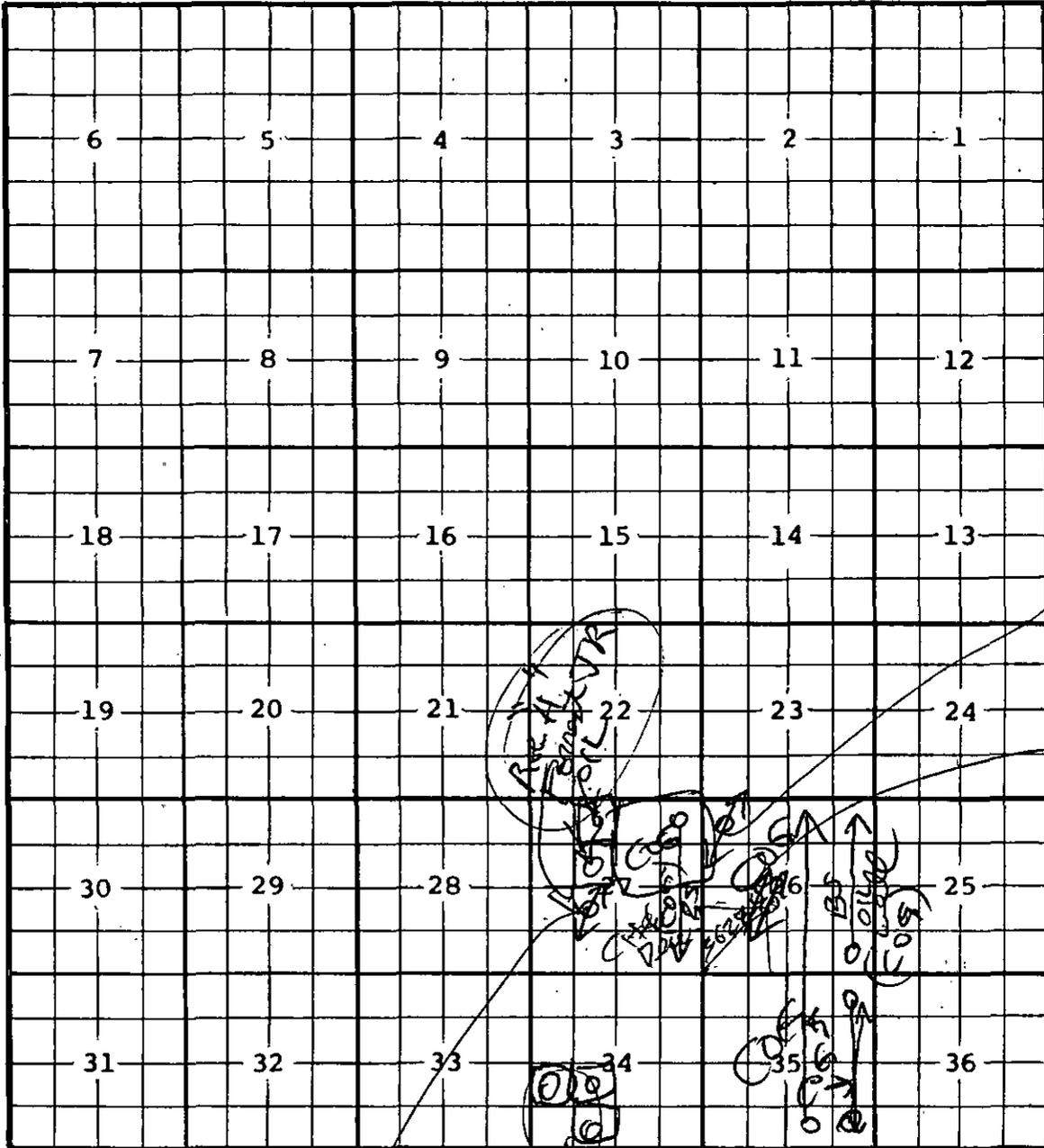
TOWNSHIP

24S

RANGE

32E

NMPM

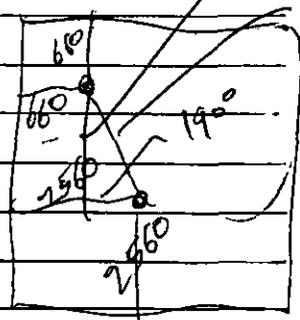


(Color)
ACTIVE
Swd;
Bell-Chap

Swd-1391
Bell-Chap
Drilled
NOT
completed

OLD ACTIVE
Swd. DEL

Sukura



424,500
2860'
2802'
OK

Jones, William V, EMNRD

From: Jones, William V, EMNRD
Sent: Wednesday, August 12, 2015 9:55 AM
To: 'Brian Collins'
Cc: Goetze, Phillip, EMNRD; McMillan, Michael, EMNRD
Subject: SWD application for the proposed Gold Coast 26 Federal SWD Well No. 3 30-025-pending) 2560FSL/2560FWL K-26-24S-32E-Lea Devonian open hole

Hello Brian,
I hope all is well with you?

Notice:

The tract map showed that possibly Devon owns a portion of the SE4 of Sec 27 ? If this is true, would you send them a notice?

Also send one to the BLM as surface and mineral owner – I know the AFE will go to the CFO but they have asked us to ensure a copy of the C-108 gets to them also.

Send me the proof of notices with the date they were mailed and the actual newspaper Ad.

Productivity:

You sent a sonic log of offsetting Devonian – do your geologists expect any sort of trap for this Devonian? Or chance of production? At those depths you may hit some CO2?

Offsetting Disposal:

I couldn't help but notice that Concho has already obtained an SWD permit and already drilled a new well for Delaware cased hole disposal in this same Q-Q and there are other Delaware SWD's in this area operated by Yates and Robert H Forrest Jr. Oil LLC. You must feel the need for much more disposal to be spending this sort of money for a new Devonian well?

Thanks for this,

Will Jones



William V. Jones, P.E., District IV Supervisor
Oil Conservation Division <http://www.emnrd.state.nm.us/ocd/>
1220 South St. Francis Drive, Santa Fe, NM 87505
P: 505.476.3477 C: 505.419.1995

Jones, William V, EMNRD

From: Brian Collins <BCollins@concho.com>
Sent: Wednesday, August 12, 2015 11:20 AM
To: Jones, William V, EMNRD
Cc: Goetze, Phillip, EMNRD; McMillan, Michael, EMNRD
Subject: RE: SWD application for the proposed Gold Coast 26 Federal SWD Well No. 3 30-025-pending) 2560FSL/2560FWL K-26-24S-32E-Lea Devonian open hole

Will:

Here's answers to some of your questions. Other answers will follow.

Notice: We sent notice to Devon and BLM. BLM has us send C108 package to them via sundry notice. Marissa Villa is sending you the mailing receipts.

Productivity: We don't expect hydrocarbons to be present in the Devonian. I'm checking with our geologist concerning any potential structural closure and will let you know what he says.

Offsetting Disposal: The Gold Coast 26 Federal #1 just went into service as a Delaware disposal well. We have so much development going on in this area that we are going to need more SWD wells and a large water gathering system to connect them. The new proposed SWD's will be deep Devonian disposal wells. Our water gathering system will connect the Gold Coast 26 Fed SWD 1 (Delaware), Macho Nacho 7 St SWD 1 (Delaware), Eata Fajita 8 St SWD 1 (Delaware), proposed Macho Nacho 7 St SWD 2 (Devonian), proposed Gold Coast 26 Fed SWD 3 (Devonian) and soon-to-be-proposed King Tut 30 Fed SWD 1.

So far we continue to be fairly busy—hope oil prices don't fall with additional oil produced by Iran... Thanks.

Brian Collins

Operations Engineering Advisor
NM Basin Team

COG OPERATING LLC
2208 W. Main Street
Artesia, New Mexico 88210-3720
Phone # 575.748.6924
Email: bcollins@concho.com



- Need Newspaper NOTICE 7/28
- Release 8/14/15

From: Jones, William V, EMNRD [mailto:WilliamV.Jones@state.nm.us]
Sent: Wednesday, August 12, 2015 9:55 AM
To: Brian Collins
Cc: Goetze, Phillip, EMNRD; McMillan, Michael, EMNRD
Subject: SWD application for the proposed Gold Coast 26 Federal SWD Well No. 3 30-025-pending) 2560FSL/2560FWL K-26-24S-32E-Lea Devonian open hole



C-108 Review Checklist: Received _____ Add. Request: _____ Reply Date: _____ Suspended: _____ [Ver 14]

PERMIT TYPE: WFX / PMX / SWD Number: 1566 Permit Date: 8/14/15 Legacy Permits/Orders: _____

Well No. _____ Well Name(s): GOLD COAST 26 Federal SWD well no. 3

API : 30-0 25-Party Spud Date: Not yet New or Old: (New) (UIC Class II Primacy 03/07/1982)

Footages 2560 FSL/2560 FWL Lot _____ or Unit K Sec 26 Tsp 24S Rge 32E County LEA

General Location: _____ Pool: _____ Pool No.: _____

BLM 100K Map: _____ Operator: COG O'Leary LLC OGRID: 229137 Contact: Brian Collins

COMPLIANCE RULE 5.9: Total Wells 3825 Inactive: 0 Fincl Assur: OK Compl. Order? _____ IS 5.9 OK? ✓ Date: 8/12/15

WELL FILE REVIEWED ○ Current Status: NOT Permitted

WELL DIAGRAMS: NEW: Proposed ○ or RE-ENTER: Before Conv. ○ After Conv. ○ Logs in Imaging: Will be Filed

Planned Rehab Work to Well: Drill/EQUIP/DISPOSE

Well Construction Details	Sizes (in) Borehole / Pipe	Setting Depths (ft)	Cement Sx or Cf	Cement Top and Determination Method
Planned <u>✓</u> or Existing _____ Surface	<u>26-20</u>	<u>750</u>	<u>200 CF</u>	<u>Surf</u>
Planned <u>✓</u> or Existing _____ Interm/Perf	<u>17 1/2-13 3/8</u>	<u>12200-19000</u>	<u>3500 CF</u>	<u>Surf.</u>
Planned <u>✓</u> or Existing _____ Interm/Perf	<u>12 1/4-9 7/8</u>	<u>12200</u>	<u>3500 CF</u>	<u>± 4400'</u>
Planned <u>✓</u> or Existing _____ Prod Liner	<u>8 1/2-7"</u>	<u>12000-17050'</u>	<u>950 CF</u>	<u>Top of Liner</u>
Planned _____ or Existing _____ Liner				
Planned _____ or Existing <u>(OH/PERF)</u>	<u>6 1/8"</u>	<u>17050-19000</u>	<u>1950</u>	

Completion/Operation Details:

Drilled TD: _____ PBD: _____
 NEW TD: 1900 NEW PBD: _____
 NEW Open Hole (✓) or NEW Perfs ○
 Tubing Size 4 1/2 in. Inter Coated? _____
 Proposed Packer Depth _____ ft
 Min. Packer Depth _____ (100-ft limit)
 Proposed Max. Surface Press. _____ psi
 Admin. Inj. Press. 3410 (0.2 psi per ft)

Injection Lithostratigraphic Units:	Depths (ft)	Injection or Confining Units	Tops
Adjacent Unit: Litho. Struc. Por.			
Confining Unit: Litho. Struc. Por.			
Proposed Inj Interval TOP:	<u>17050</u>	<u>DEV SIL</u>	
Proposed Inj Interval BOTTOM:	<u>19000</u>	<u>U. ORD</u>	
Confining Unit: Litho. Struc. Por.			
Adjacent Unit: Litho. Struc. Por.			

AOR: Hydrologic and Geologic Information

POTASH: B-111 P ○ Noticed? _____ BLM Sec Ord ○ WIPP ○ Noticed? _____ SALT/SALADO T: _____ B: _____ CLIFF HOUSE

FRESH WATER: Aquifer _____ Max Depth 728 HYDRO AFFIRM STATEMENT By Qualified Person ○

NMOSE Basin: _____ CAPTAN REEF, thru ○ adj ○ NA ○ No. Wells within 1-Mile Radius? ○ FW Analysis ○

Disposal Fluid: Formation Source(s) P2/B5/UC Analysis? ✓ On Lease ○ Operator Only ○ or Commercial ○

Disposal Int: Inject Rate (Avg/Max BWPD): _____ Protectable Waters? _____ Source: _____ System: Closed ○ or Open ○

HC Potential: Producing Interval? NO Formerly Producing? NO Method: Logs/DST/P&A/Other _____ 2-Mile Radius Pool Map ○

AOR Wells: 1/2-M Radius Map? ✓ Well List? ✓ Total No. Wells Penetrating Interval: ○ Horizontals? _____

Penetrating Wells: No. Active Wells ○ Num Repairs? ○ on which well(s)? _____ Diagrams? _____

Penetrating Wells: No. P&A Wells ○ Num Repairs? ○ on which well(s)? _____ Diagrams? _____

NOTICE: Newspaper Date 7/22/15 Mineral Owner BLM Surface Owner BLM N. Date 7/22/15

RULE 26.7(A): Identified Tracts? ✓ Affected Persons: CHEVRON/DEVON N. Date 7/22/15

Permit Conditions: Issues: (NO ELLEB Burger)
DEV STRUCTURE
overcase 2
RETIC