

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] *GCSD CAST 26 Federal SWD #1*
 [A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD *K/26/245/32E/LEA*
4900-7200 (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
 Print or Type Name

Brian Collins
 Signature

SENIOR OPERATIONS ENGINEER
 Title

19 Dec 12
 Date

bcollins@concho.com
 e-mail Address



RECEIVED OOD
2012 DEC 26 A 9 23

December 18, 2012

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

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

Dear Mr. Jones:

COG Operating LLC respectfully requests administrative approval for authorization to inject for the Gold Coast 26 Federal SWD No. 1 well as referenced above. Attached, for your review, is a copy of the C-108 application. Once we receive the newspaper publication and all certified return receipts, I will send you a copy.

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

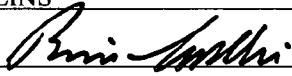
Sincerely,

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

Brian Collins
Senior Operations Engineer

BC/bg
Enclosures

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: Secondary Recovery Pressure Maintenance X Disposal Storage
Application qualifies for administrative approval? X 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 X No
If yes, give the Division order number authorizing the project: _____
- V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
- VII. Attach data on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
 2. Whether the system is open or closed;
 3. Proposed average and maximum injection pressure;
 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
 5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- *VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
- IX. Describe the proposed stimulation program, if any.
- *X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).
- *XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.
- XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.
- NAME: BRIAN COLLINS TITLE: Senior Operations Engineer
SIGNATURE:  DATE: 19 Dec 12
E-MAIL ADDRESS: bcollins@concho.com
- * If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

C-108 Application for Authorization to Inject
GOLD COAST 26 FEDERAL SWD #1
Unit K, Sec 26 T24S R32E
Lea County, NM

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

- V. Map is attached.
- VI. One well within the ½ mile radius area of review penetrates the proposed injection zone. We are concurrently filing a C108 on the Jackson Federal #2 so current and proposed SWD wellbore schematics are attached.
- VII.
 - 1. Proposed average daily injection rate = 7000 BWPD
Proposed maximum daily injection rate = 10000 BWPD
 - 2. Closed system
 - 3. Proposed maximum injection pressure = 980 psi
(0.2 psi/ft. x 4900' ft.)
 - 4. Source of injected water will be Delaware Sand and Bone Spring Sand produced water. No compatibility problems are expected. Analyses of Delaware and Bone Spring waters from analogous source wells are attached.
- VIII. The injection zone is the Delaware Sandstone, a fine-grained sandstone from 4900' to 7200'. Any underground water sources will be shallower than 415'.
- IX. The Delaware sand injection interval might be acidized with approximately 20 gal/ft of 7 ½ % HCl acid.
- X. Well logs, if run, will be filed with the Division. A section of the neutron-density porosity log from an analogous well 2800' to the northwest showing the injection interval is attached.
- XI. There are no fresh water wells within a mile of the proposed SWD well.
- XII. After examining the available geologic and engineering data, no evidence was found of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Proof of Notice is attached.

III.

WELL DATA

INJECTION WELL DATA SHEET

OPERATOR: COG Operating, LLCWELL NAME & NUMBER: Gold Coast 26 Federal SWD 1WELL LOCATION: 2310' FSL, 2310' FWL K 26 24s 32e
FOOTAGE LOCATION UNIT LETTER SECTION TOWNSHIP RANGEWELLBORE SCHEMATIC

See Attached Schematic

WELL CONSTRUCTION DATASurface CasingHole Size: 17 1/2" Casing Size: 13 3/8" @ ± 1100'Cemented with: - sx. or 1550 ft³Top of Cement: Surface Method Determined: DesignIntermediate Casing

Hole Size: _____ Casing Size: _____

Cemented with: _____ sx. or _____ ft³

Top of Cement: _____ Method Determined: _____

Production CasingHole Size: 12 1/4" Casing Size: 9 5/8" @ ± 4900'Cemented with: - sx. or 3100 ft³Top of Cement: Surface Method Determined: DesignTotal Depth: 7200'Injection Interval4900' feet to 7200'(Perforated or Open Hole; indicate which)

INJECTION WELL DATA SHEET

Tubing Size: 3 1/2" or 4 1/2" Lining Material: IPC / Duoline 20

Type of Packer: Nickel plated double grip retrievable

Packer Setting Depth: ± 48.50'

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

Additional Data

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

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

2. Name of the Injection Formation: Delaware 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) $\pm 4950 - \pm 5000'$ Sec 12-24s-32e. Not productive Sec 26-24s-32e.

Underlying: Bone Spring $\pm 9000'$ - $\pm 11000'$, Wolfcamp $\pm 13600'$ Strawn $\pm 14200'$
Morrow $\pm 15100'$

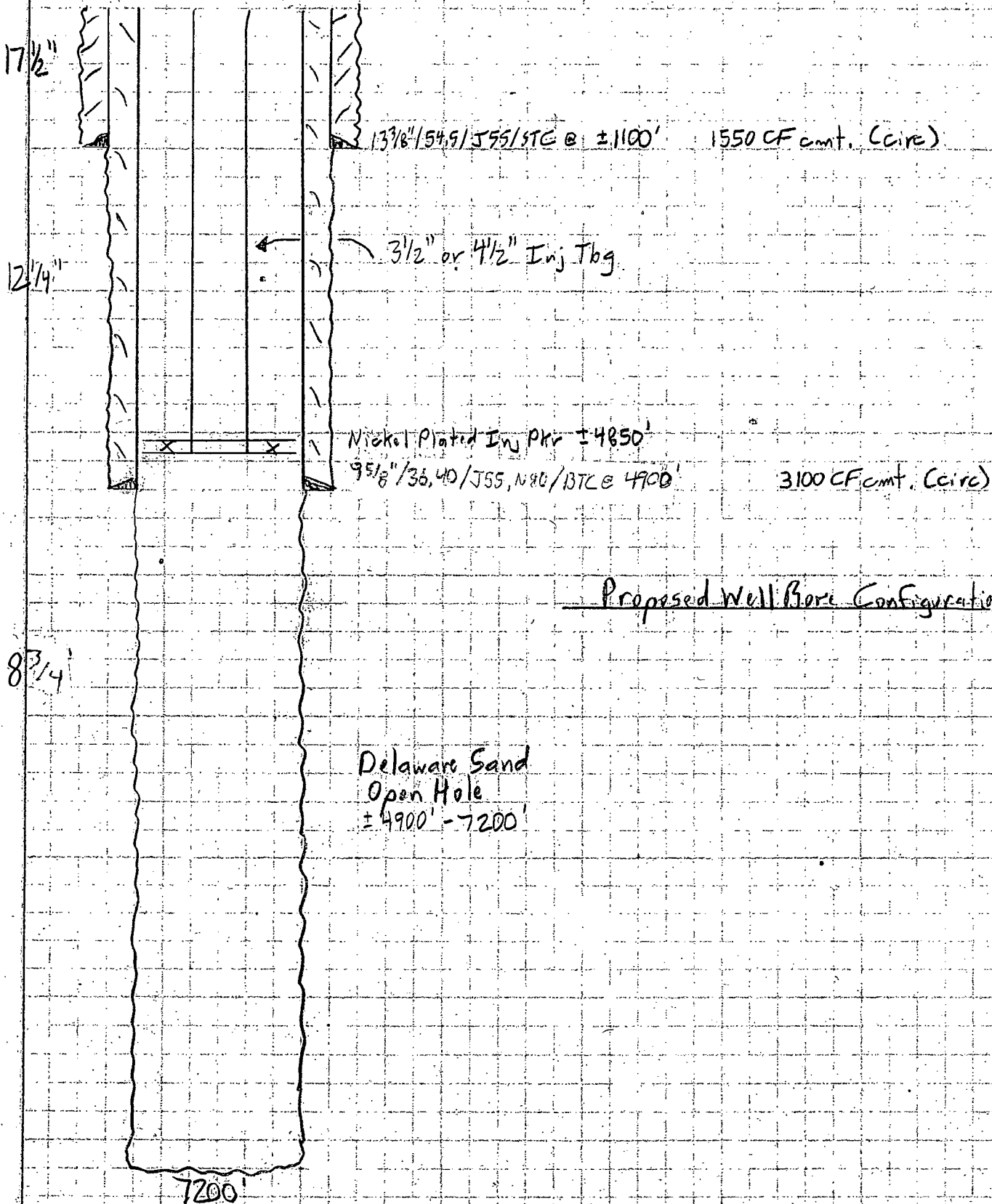
30-025

Gold Coast 26 Federal SWD 1

2310' FSL, 2310' FWL

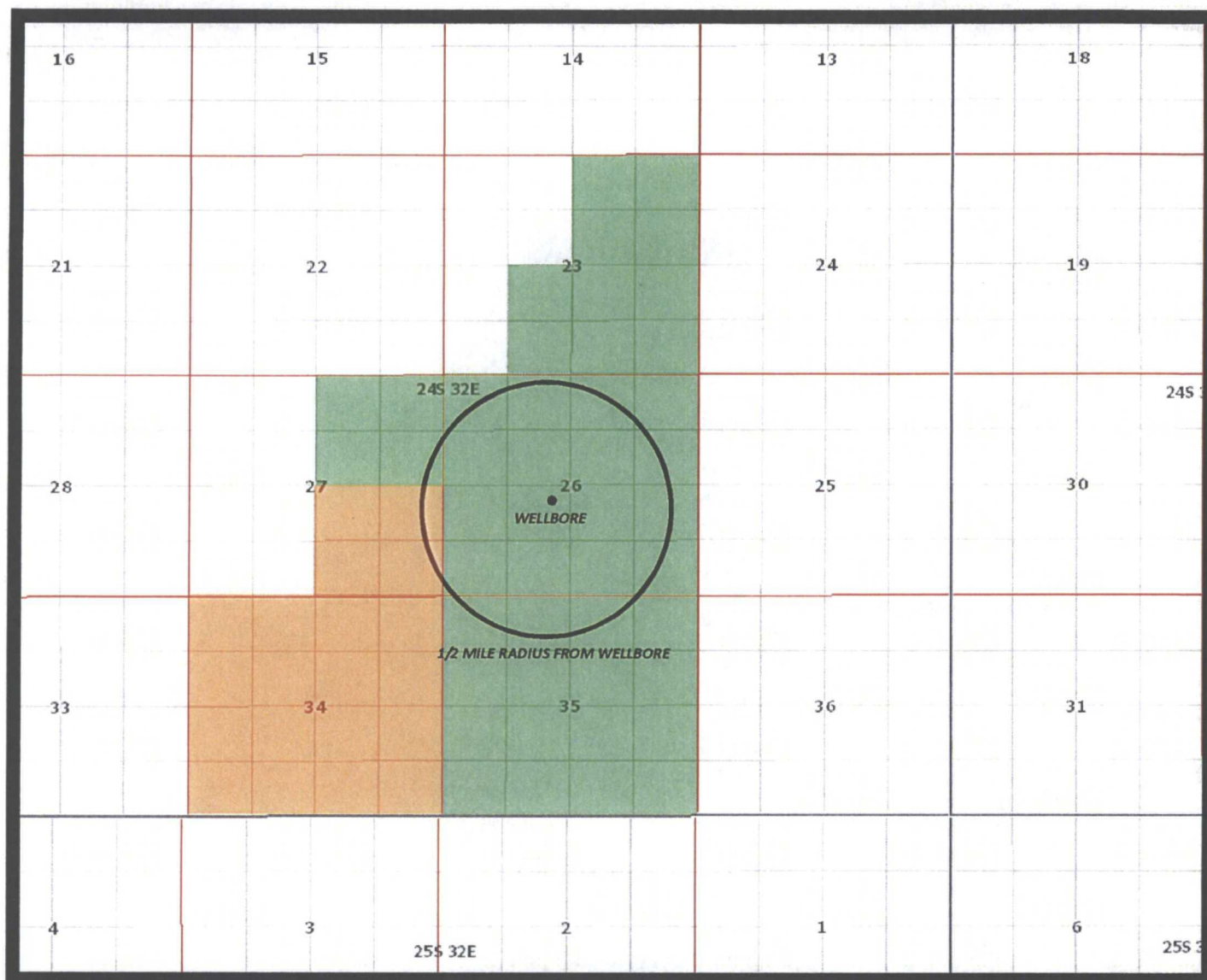
K-26-24s-32e

Lea, NM



V.

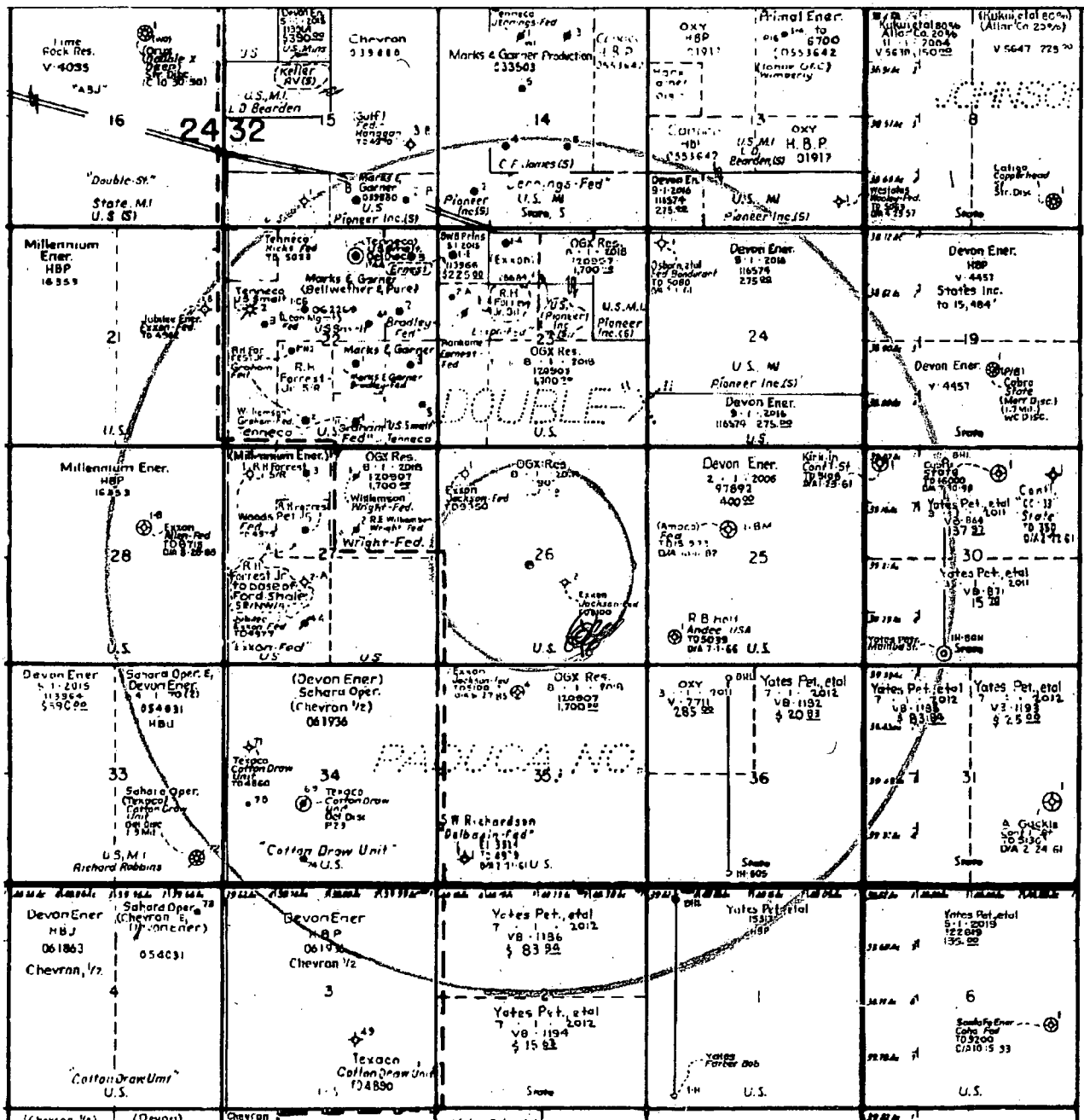
MAP



COG Production LLC

Chevron USA Inc.
Devon Energy Company

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



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

Jones, William V., EMNRD

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

Hello,

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

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

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

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

I hope this answer your questions.

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

Margrethe F. Hotter

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

*Yates
SWD-1308*

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

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

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

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

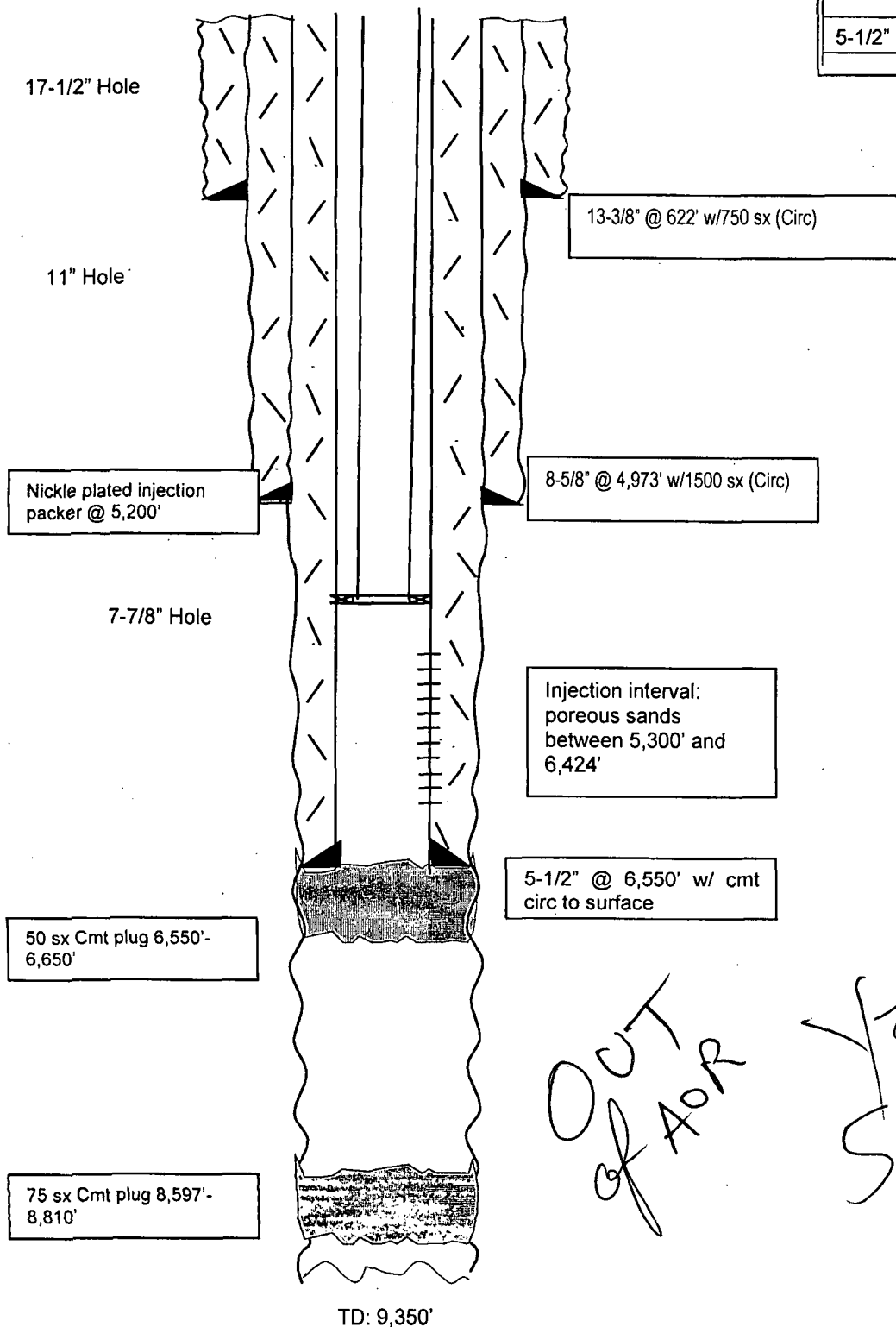
GL: 3,569' ZERO: KB:

SPUD DATE: 6/29/83 COMPLETION DATE:

COMMENTS: API No.: 30-025-28242

CASING PROGRAM

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



After

TOPS

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

OUT
of AOR

Yates
SWD-1308

Not to Scale

9/6/11
MMFH

Attachment "C"

Jackson Federal #1 SWD
Form C-108

Tabulation of data on wells within area of review

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

Valer
SWD-1308

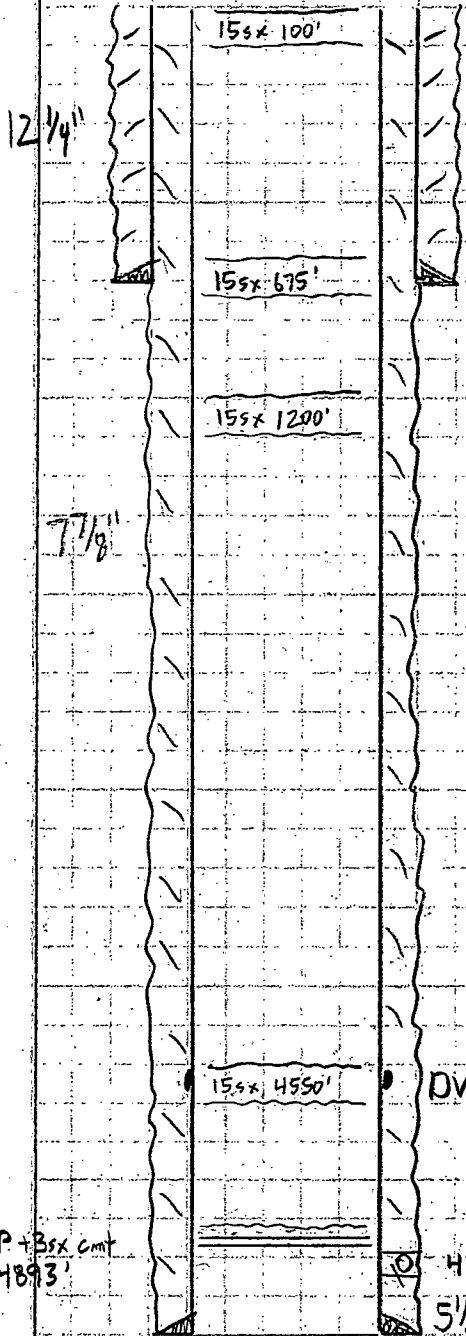
VI.

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

30-025-28935

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

AOR Well



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

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

Within 1/2 Mile Area of Region

DV 4500'

4968-73' (21) Del

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

1st: 180sx "C"

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

CIBP + 35x Cmt
4893'

5100'

30-725-28935

Gold Coast 26 Federal SWD 2

(Jackson Federal 2)

1980' FSL, 1980' FEL

J-26-24s-32e

Lea, NM

Handwritten: FOR SAMG Well

12 1/4"

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

175' PSL + 300' SX "C" (Circ 105 SX)

7 7/8"

2 7/8" or 3 1/2" Inj Tbg

Within 1/2 Mile Area of Review

(After SWD Conversion) F =

DV 4500'

Nickel Plated Inj Pkr ± 4920'

4968-73' (21) Del

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

1st: 180 SX "C"

2nd: 1570 SX "C" (Circ 372 SX)

4 3/4"

Delaware Sd
Open Hole
5097-7200'

7200'

VII.

Water Analysis Produced and Receiving Formation Water

Bone Spring Produced Water Sample

Analytical Laboratory Report for:

MARBOB ENERGY CORPORATION



Chemical Services

Account Representative:
Poli, Bill

Production Water Analysis

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

Lab Test No: 2066151411

Sample Date:

12/13/2006

Specific Gravity: 1.135

TDS:

206426

pH:

6.49

Cations:	mg/L	as:
Calcium	11067	(Ca ⁺⁺)
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	1400	(SO ₄ ⁻)
Chloride	126800	(Cl)
Gases:		
Carbon Dioxide	170	(CO ₂)
Hydrogen Sulfide	17	(H ₂ S)

DELAWARE



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

North
American Oil
and Gas
News

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

Enbridge
reports
second
quarter
adjusted
earnings of
\$277
million

Imperial
Resources;
SWDF full
disposal
test to
commence

Drako
Capital
announces
update on
Stolberg
well

Source: Oil
Voice

NYMEX LS Crude 88.73

Navajo WTXI 0

Henry Hub 3.01

Updated : 8/1/2012

State Land Office Data Access

OCD well/log image files

PRRC NM-TECH NM-BGMR

*Delaware Sample
Representative of
Produced and Receiving
Formations*

NM WAIDS

Data

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

Scale

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

Corrosion

Theory

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

Equipment

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

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

Calcium (Ca)		Carbonate (CO 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)	

PETROLEUM RECOVERY RESEARCH CENTER, SOCORRO, NM-87801

X.

**Log Across Proposed
Delaware Sand
Injection Interval**

EXXON CORP

JACKSON FEDERAL #1



30-025-28242

Umlberger

 SIMULTANEOUS
 COMPENSATED NEUTRON-
 LITHO DENSITY

COMPANY

EXXON COMPANY U.S.A.

241289.1

WELL

JACKSON FEDERAL #1

FIELD

DOUBLE X

COUNTY

LEA

STATE

NEW MEXICO

LOCATION

660' FNL & 660' FWL, D

API SERIAL NO.

SEC

TWP.

RANGE

26

24-S

32-E

Other Services:

 NGT, DIL/SFL
 EPT, MONITOR
 DLL/MSFL, CI
 CNL/LDT/EPT

Permanent Datum:

G.L.

Elev.: 3569

Log Measured From

RKB

11 Ft. Above Perm. Datum

Drilling Measured From

RKB

Elev.: K.B. 3580

D.F. 3579

G.L. 3569

Date

7-24-83

Run No.

ONE

Depth-Driller

9350

Depth-Logger

9343

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. Visc.

9.1 26.5

pH

11 18 ml

Source of Sample

MUDPIT

Rm @ Meas. Temp.

0.71 @ 71 F

Rmf @ Meas. Temp.

0.53 @ 71 F

Rmc @ Meas. Temp.

@ F

Source Rmf

M

Rm @ BHT

0.04 @ 130 F

Circulation Stopped

1130 7-23

Logger on Bottom

0045 7-24

Max. Rec. Temp.

130 F

Equip. Location

8069 HOBBS

Recorded by

R.JES

Witnessed by

MARQUEZ

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

FOLD HERE

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

RUN NO.	ONE								
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									
Neut. Cart.	H 110								
Neut. Source	FA 2380								
Neut. Calibrator	AB 2563								
GR Cart	B 714								
Centralizers:	Type	BOWSPRING							
Enter Spring.	No.	1							
Standoffs.	S.O. -Inches								
In-line or None									

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

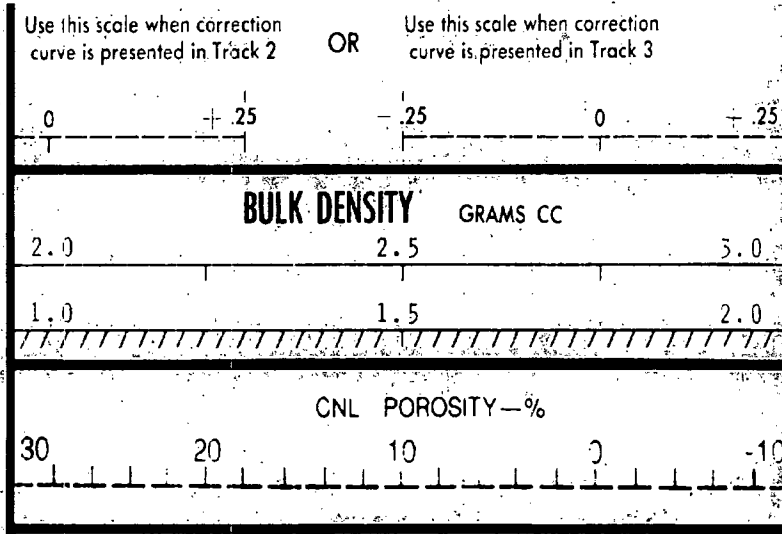
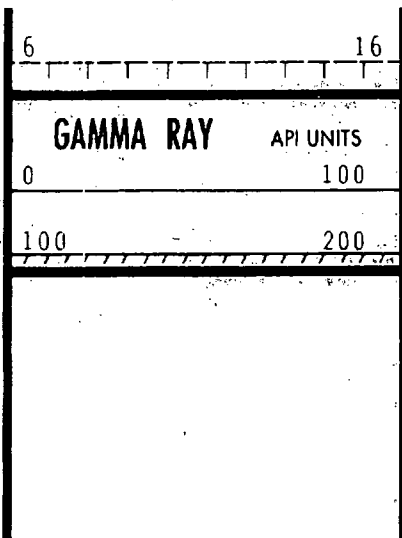
DIAM. IN INCHES

DEPTH

CORRECTION

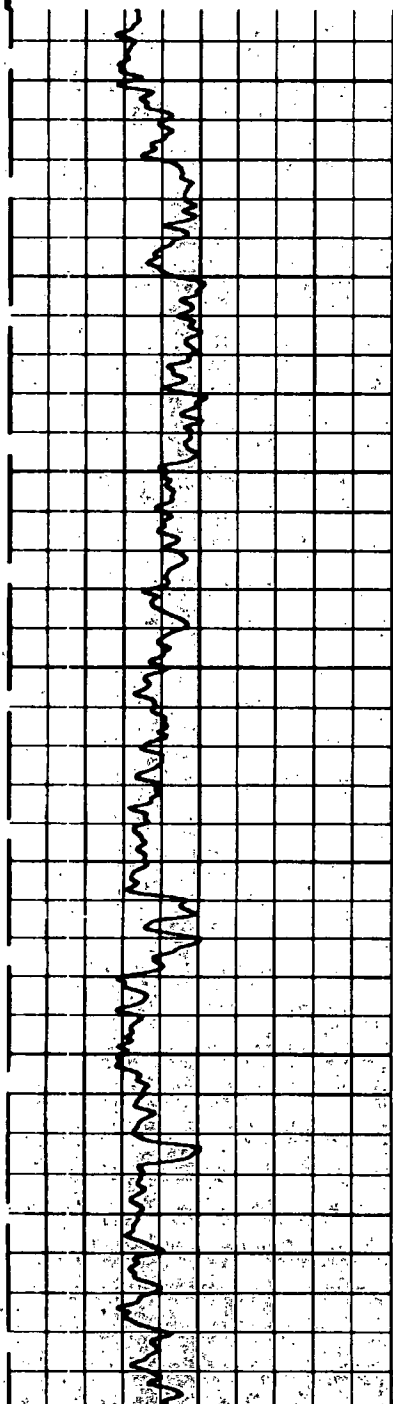
GRAMS CC

FOR



FILE

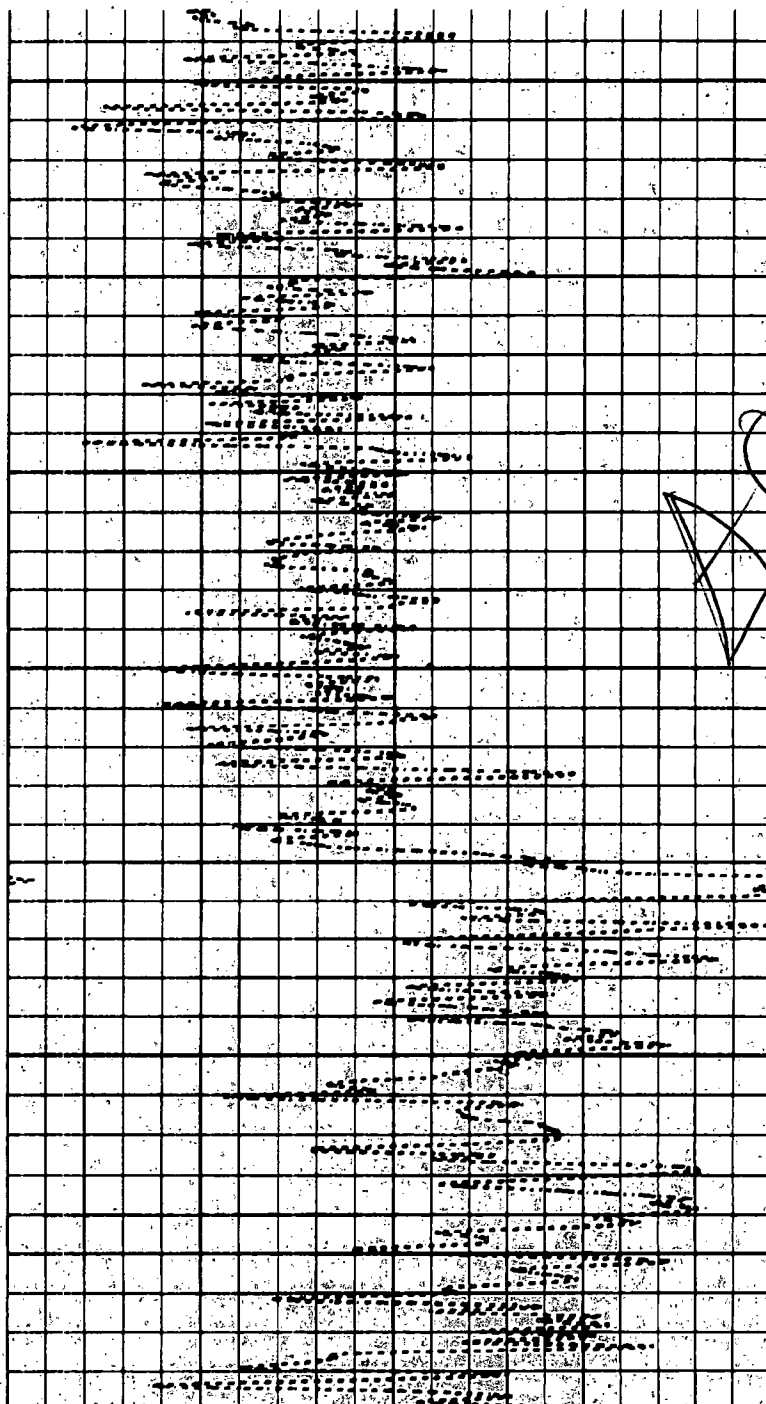
6



100

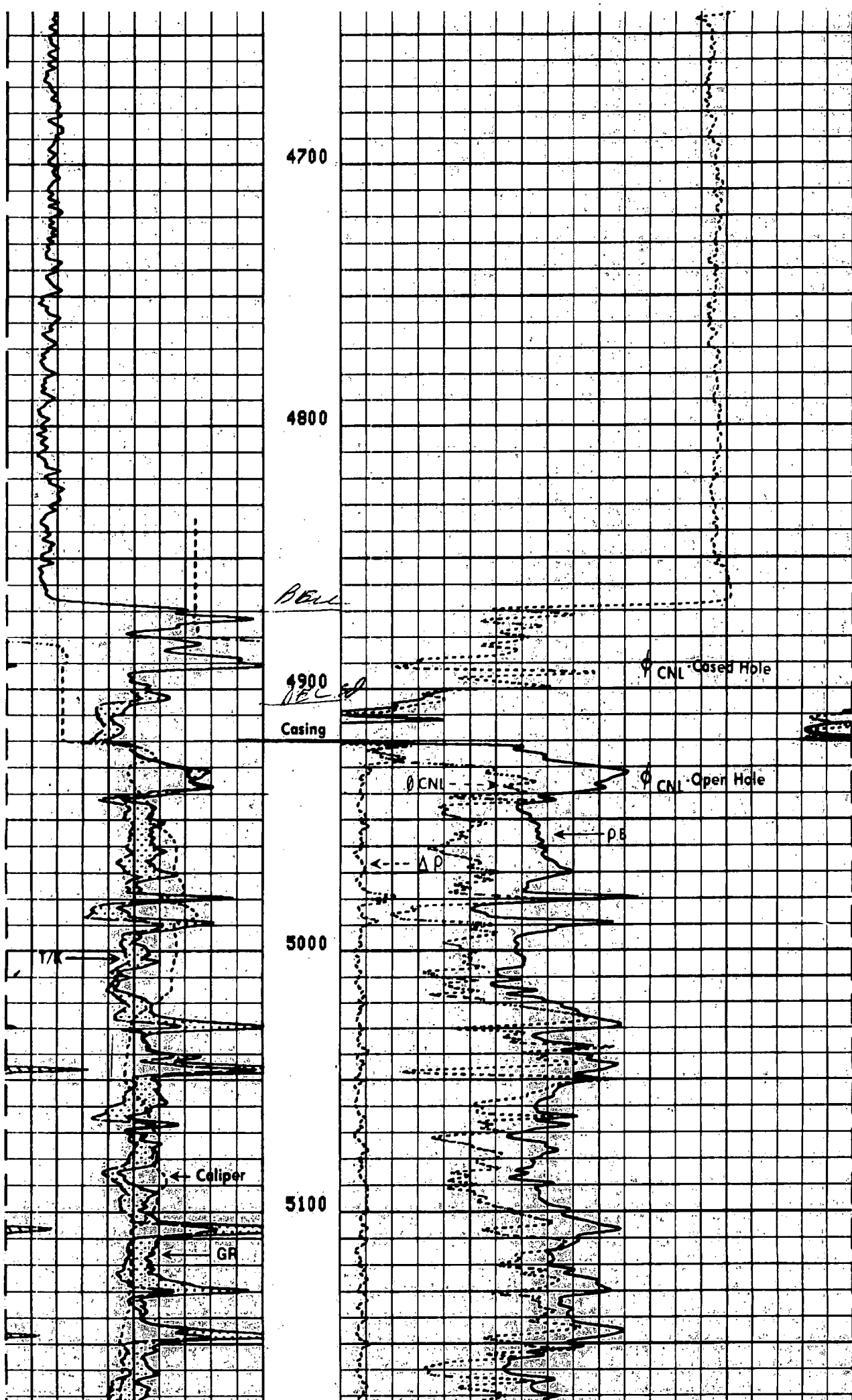
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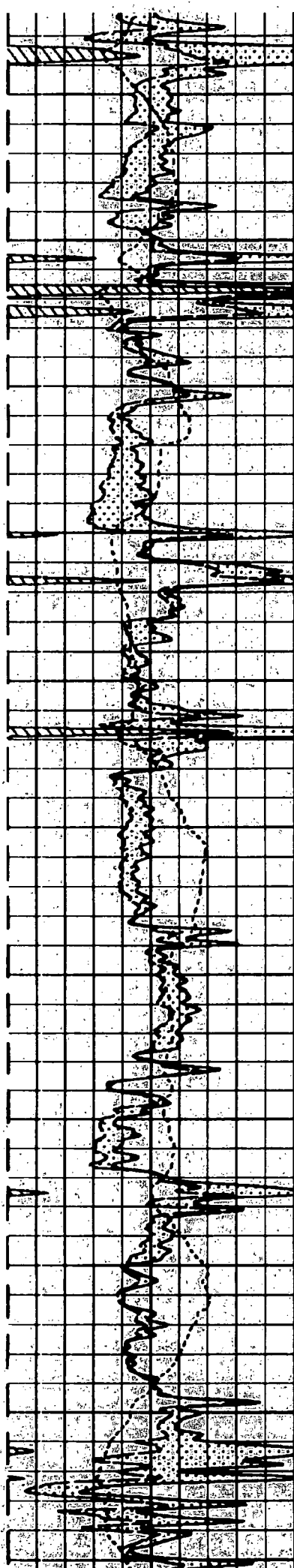
300



DR

A handwritten signature, possibly "DR", is written in the right margin of the log plot.





5200

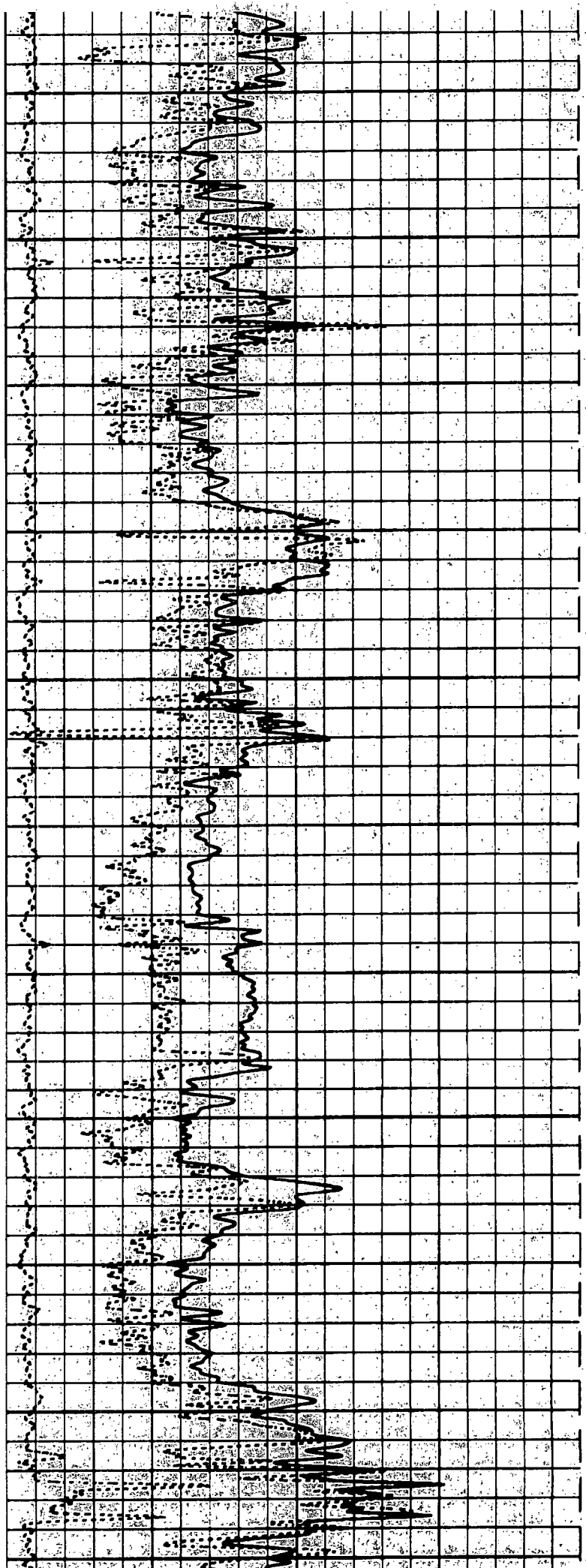
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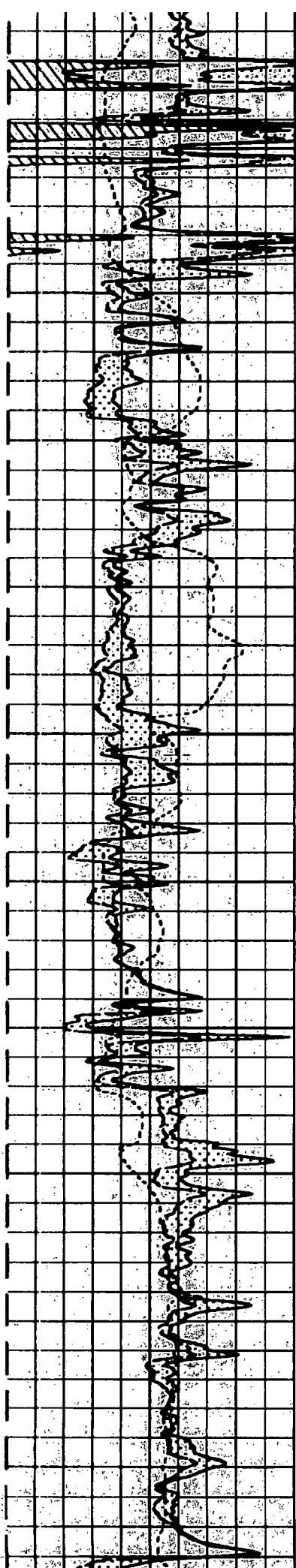
5400

5500

5600

5700





5800

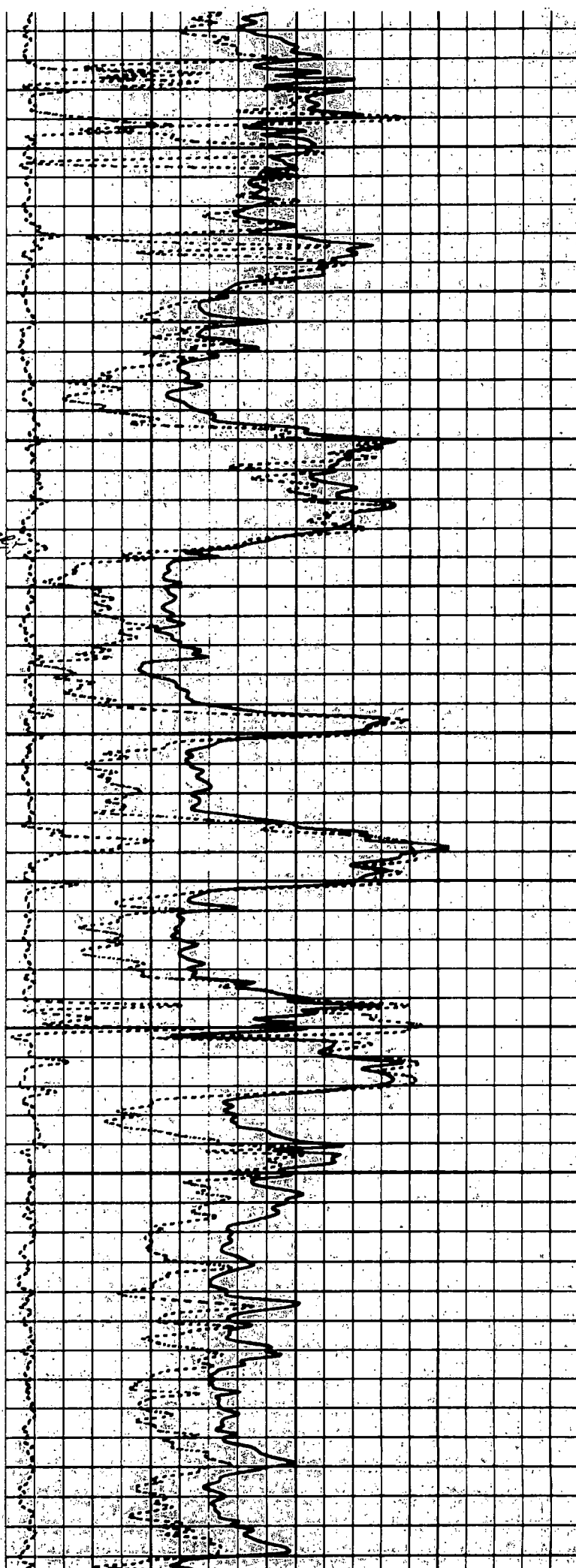
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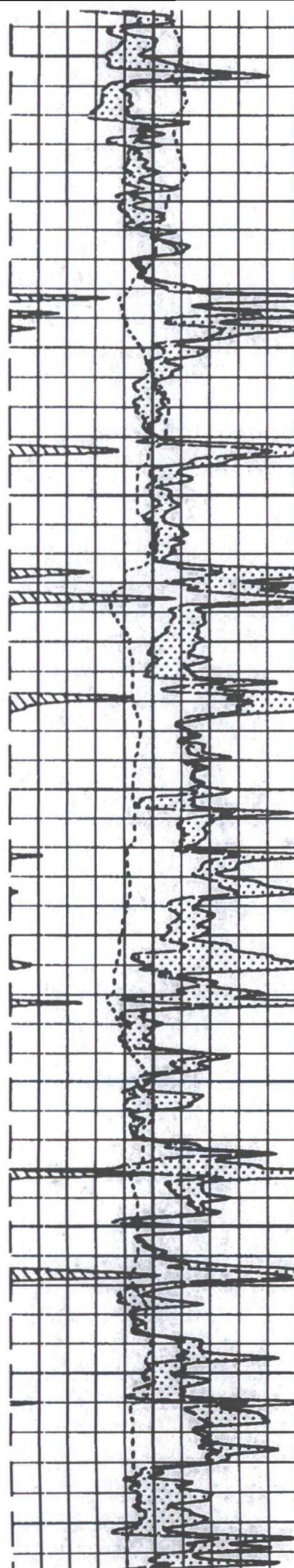
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6100

6200

CHERRY





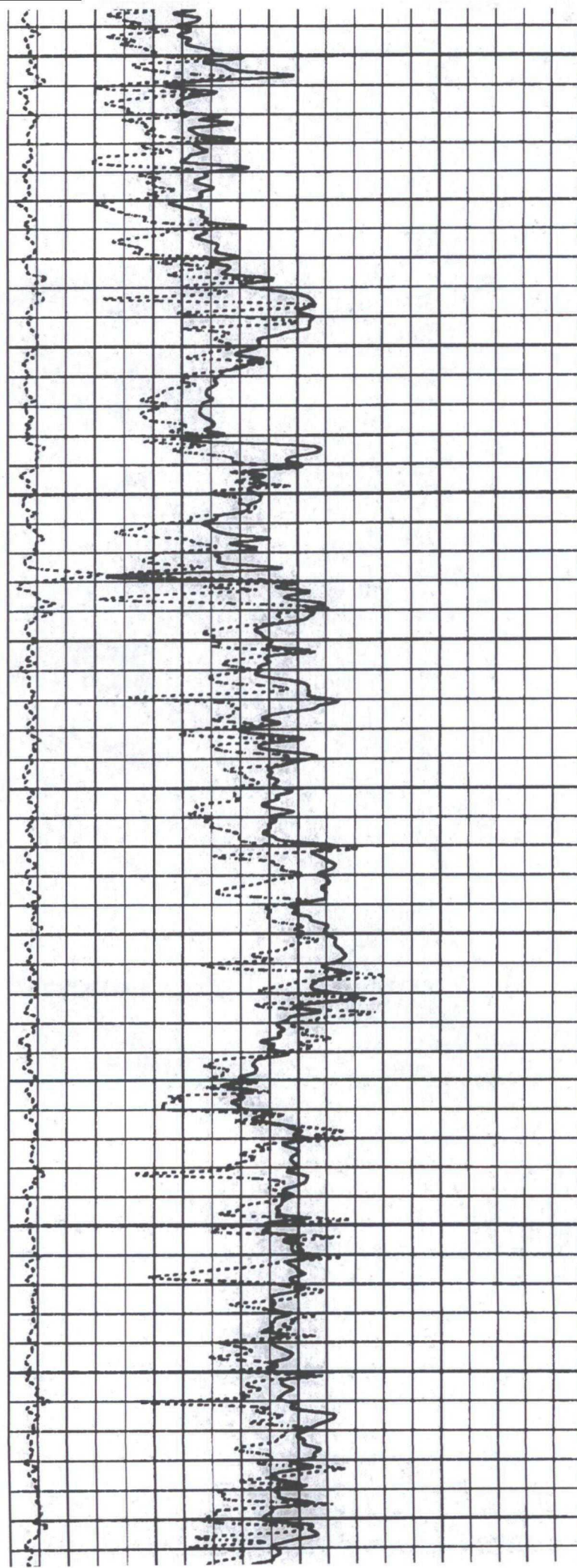
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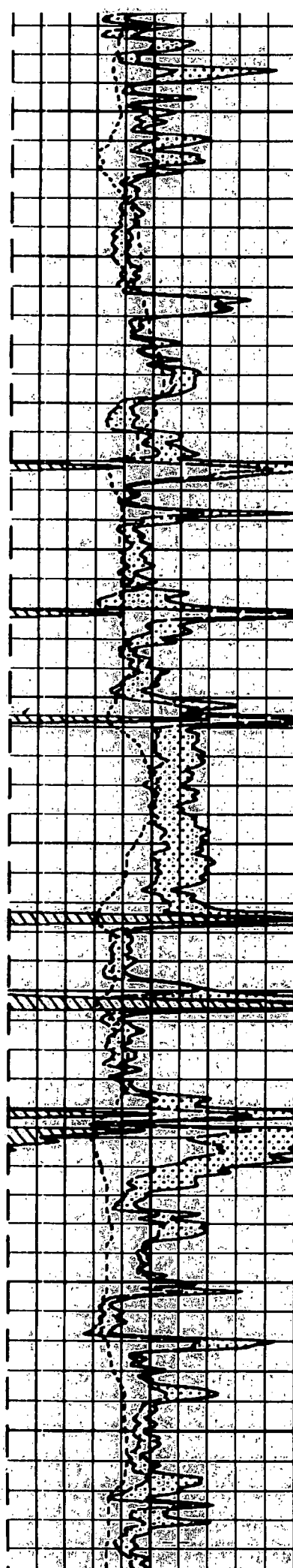
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6500

6600

6700





6800

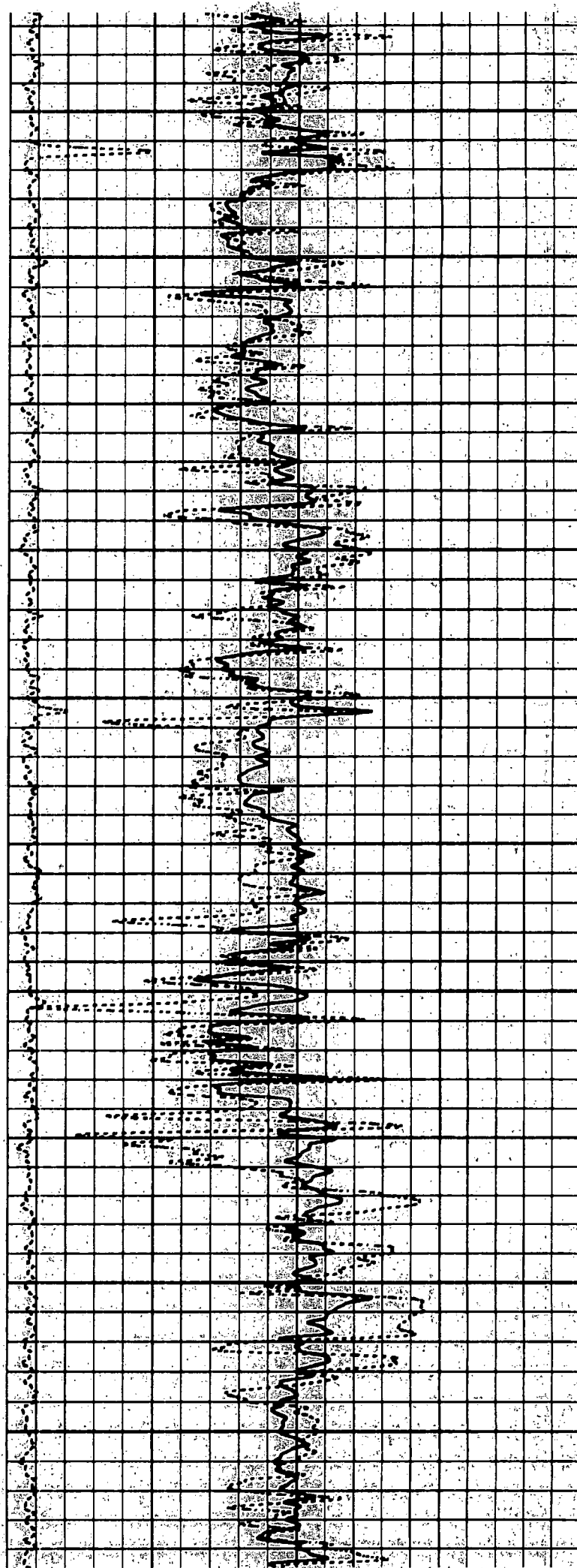
6900

7000

7100

7200

7300



XI.

**Fresh Water Sample
Analyses**



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

No PODs found.

PLSS Search:

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



New Mexico Office of the State Engineer

Water Column/Average Depth to Water

No records found.

PLSS Search:

Section(s): 22, 23, 24, 25, **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. 1
Township 24 South, Range 32 East, N.M.P.M.
Section 26: 2310' FSL & 2310' FWL
Lea County, New Mexico

Dear Mr. Kautz:

COG Operating LLC respectfully requests administrative approval for authorization to inject for the Gold Coast 26 Federal SWD No. 1 well as referenced above. Attached, for your review, is a copy of the C-108 application. Once we receive the newspaper publication and all certified return receipts, I will send you a copy.

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

Sincerely,

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

Brian Collins
Senior Operations Engineer

BC/bg
Enclosures



December 18, 2012

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

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

To Whom It May Concern:

Enclosed for your review is a copy of COG Operating LLC's C-108 Application to Inject for the above referenced well. We plan to drill this well for SWD service if our C-108 is approved. As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as an operator or surface owner. Any objections must be submitted in writing to NMOCD, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within fifteen (15) days of receipt of this letter.

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

Sincerely,

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

Brian Collins
Senior Operations Engineer

BC/bg
Enclosures



December 18, 2012

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

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

To Whom It May Concern:

Enclosed for your review is a copy of COG Operating LLC's C-108 Application to Inject for the above referenced well. We plan to drill this well for SWD service if our C-108 is approved. As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as an operator or surface owner. Any objections must be submitted in writing to NMOCD, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within fifteen (15) days of receipt of this letter.

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

Sincerely,

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

Brian Collins
Senior Operations Engineer

BC/bg
Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other SWD

2. Name of Operator
COG OPERATING, LLC

3a. Address

2208 W. MAIN STREET, ARTESIA, NM 88210

3b. Phone No. (include area code)

575-748-6940

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

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

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

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

9. API Well No.

10. Field and Pool or Exploratory Area

11. Country or Parish, State
LEA COUNTY, NM

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

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

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat 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 recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

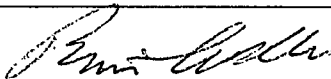
SUBMITTED FORM C-108 - COPY ATTACHED

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

BRIAN COLLINS

Title SENIOR OPERATIONS ENGINEER

Signature



Date 12/19/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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

Office

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

(Instructions on page 2)



December 18, 2012

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

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

To Whom It May Concern:

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

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

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

Sincerely,

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

Brian Collins
Senior Operations Engineer

BC/bg
Enclosures

HOBBS NEWS-SUN
LEGAL NOTICES

COG Operating LLC, 2208 W. Main Street, Artesia, NM 88210 has filed Form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for a salt water disposal well. The proposed well, the Gold Coast 26 Federal SWD No. 1 is located 2310' FSL & 2310' FWL, Section 26, Township 24 South, Range 32 East, Lea County, New Mexico. Disposal water will be sourced from area wells producing from the Delaware and Bone Spring formations. The disposal water will be injected into the Delaware formation at a depth of 4900' to 7200' at a maximum surface pressure of 980 psi and a maximum rate of 10,000 BWPD. The proposed SWD well is located approximately 22 miles west of Jal. Any interested party who has an objection to this must give notice in writing to the Oil Conservation Division, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505, within fifteen (15) days of this notice. Any interested party with questions or comments may contact Brian Collins at COG Operating LLC, 2208 W. Main Street, Artesia, NM 88210, or call 575-748-6940.

Published in the Hobbs News-Sun, Hobbs, New Mexico
_____, 2012.

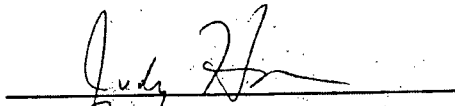
Affidavit of Publication

State of New Mexico,
County of Lea.

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.

LEGAL

LEGAL

Legal Notice
December 21, 2012

COG Operating LLC, 2208 W. Main Street, Artesia, NM 88210 has filed Form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for a salt water disposal well. The proposed well, the Gold Coast 26 Federal SWD No. 1 is located 2310' FSL & 2310' FWL, Section 26, Township 24 South, Range 32 East, Lea County, New Mexico. Disposal water will be sourced from area wells producing from the Delaware and Bone Spring formations. The disposal water will be injected into the Delaware formation at a depth of 4900' to 7200' at a maximum surface pressure of 980 psi and a maximum rate of 10,000 BWPD. The proposed SWD well is located approximately 22 miles west of Jal. Any interested party who has an objection to this must give notice in writing to the Oil Conservation Division, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505, within fifteen (15) days of this notice. Any interested party with questions or comments may contact Brian Collins at COG Operating LLC, 2208 W. Main Street, Artesia, NM 88210, or call 575-748-6940.

02107967

00106434

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

Jones, William V., EMNRD

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

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

Thank you,
Bobbie

Bobbie Goodloe

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



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

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

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

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

2. Article Number

(Transfer from service label)

7011 1570 0000 7781 3356

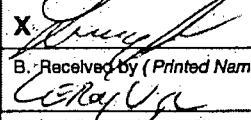
PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X ☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

12-21-12

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

3. Service Type

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

4. Restricted Delivery? (Extra Fee)

☐ Yes

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

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

2. Article Number

(Transfer from service label)

7011 1570 0000 7781 3882

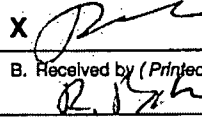
PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X ☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

12-26-12

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

3. Service Type

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

4. Restricted Delivery? (Extra Fee)

☐ Yes

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

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

2. Article Number

(Transfer from service label)

7011 1570 0000 7781 3875

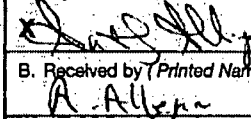
PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X ☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

12-26-12

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

3. Service Type

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

4. Restricted Delivery? (Extra Fee)

☐ Yes

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

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

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

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

Footages 236 FSL/FWL Lot Unit K Sec 26 Tsp 24S Rge 32E County LEA

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

Operator: COG OPERATING LLC Contact BRIAN COLLINS

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

Well File Reviewed Current Status: Proposed, NOT Permitted

Planned Work to Well: Drill/Aspose

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

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

Depths/Formations:

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

See SWD - 1308 5385-424
in UNIT D Perfs

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

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

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

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

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

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

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

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

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

Permit Conditions: Run Survey, Monitor/Log

Issues:

Issues:

Issues: