

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-101
Revised November 14, 2012

☐ AMENDED REPORT
NM OIL CONSERVATION
ARTESIA DISTRICT

NOV 20 2014

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD-A-ZONE

Operator Name and Address COG Operating LLC 2208 West Main Street Artesia, NM 88210		OGRID Number 229137
Property Code 313914	Property Name Reposado 2 State SWD	APL Number 30-015-42813
		Well No 1

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
K	2	26S	29E		2310'	South	2310'	West	Eddy

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County

9. Pool Information

Pool Name	Pool Code
SWD: Devonian	96101

Additional Well Information

11 Work Type New Well	12 Well Type SWD	13 Cable/Rotary	14 Lease Type State	15 Ground Level Elevation 3023.6
16 Multiple N	17 Proposed Depth 16900'	18 Formation Devonian	19 Contractor	20 Spud Date 12/1/2014
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surface	26	20	94	575'	1500	0
Intrmd	17.5	13.375	61	3175'	1750	0
Intrmd 2	12.25	9.625	43.5	10300'	1750	0
Intrmd 3 Liner	8.5	7	29	9800' - 15450'	800	9800'
OH Disposal	6.125	NA	NA	16900'	NA	NA

Casing/Cement Program: Additional Comments

Plan to drill a 26" hole to 575' with Fresh Water. Run 20", 94#, J55 csg and cement to surface. Drill 17-1/2" hole to 3175' with Brine, and run 13-3/8", 61#, J55 and cement to surface. Drill 12-1/4" hole to 10,300' with cut brine, and run 9-5/8", 43.5#, HCP110 and cement to surface. Drill 8-1/2" hole to approx 15,450' (or no more than 100' into the top of the Devonian) with WBM and run 7", 29#, HCP110 drilling liner with TOL @ approx 9800' and cement to TOL. Drill a 6-1/8" hole to 16,900' for open hole completion. Will isolate OH with plug set inside casing prior to RDMO.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	5000	Cameron

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

I further certify that I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒ if applicable.

Signature: *Mayte Reyes*

Printed name: Mayte Reyes

Title: Regulatory Analyst

E-mail Address: mreyes1@concho.com

Date: 11/19/2014

Phone: 575-748-6945

OIL CONSERVATION DIVISION

Approved By:

Title:

Approved Date:

Expiration Date:

Conditions of Approval Attached: See Below COA

SWD-1386 expires 1-25-15 unless well is actively injecting, per SWD order. May need to request extension thru NMOCD / Santa Fe if you are unable to activate the well prior to that date.

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-1386
January 25, 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 Reposado 2 State SWD Well No. 1 (API 30-015-NA) to be located 2310 feet from the South line and 2310 feet from the West line, Unit letter K of Section 2, Township 26 South, Range 29 East, NMPM, Eddy 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 Reposado 2 State SWD Well No. 1 (API 30-015-NA) to be located 2310 feet from the South line and 2310 feet from the West line, Unit letter K of Section 2, Township 26 South, Range 29 East, NMPM, Eddy County, New Mexico, for disposal of oil field produced water (UIC Class II only) into the Devonian formation through an open hole interval from approximately 15500 feet to 16900 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 3100 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.



JAMM BAILEY
Director

JB/wvjj

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

DISTRICT I
1623 N. FRENCH DR., HOBBS, NM 88240
Phone: (575) 393-5181 Fax: (575) 393-0720

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210
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DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 534-6176 Fax: (505) 534-6170

DISTRICT IV
11885 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 478-3460 Fax: (505) 478-3462

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 30-025-015-428B	Pool Code 96101	Pool Name SWD; Devonian
Property Code 313914	Property Name REPOSADO 2 STATE SWD.	Well Number 1
OCRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3023.6

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	2	26-S	29-E		2310	SOUTH	2310	WEST	EDDY

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 N/A	Joint or Infill	Consolidation Code	Order No. SWD-1386						

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

LOT 4	LOT 3	LOT 2	LOT 1
41.92 Ac	42.02 Ac	41.94 Ac	42.05 Ac
<p>2310'</p> <p>S.L.</p> <p>NAD 27 SURFACE LOCATION Y=389544.5 N X=617119.5 E LAT.=32.070409° N LONG.=103.955234° W</p> <p>2310'</p>			

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.

Melanie J Parker 11/19/14
Signature Date
Melanie J Parker
Printed Name
mparker@concho.com
E-mail Address

SURVEYOR CERTIFICATION

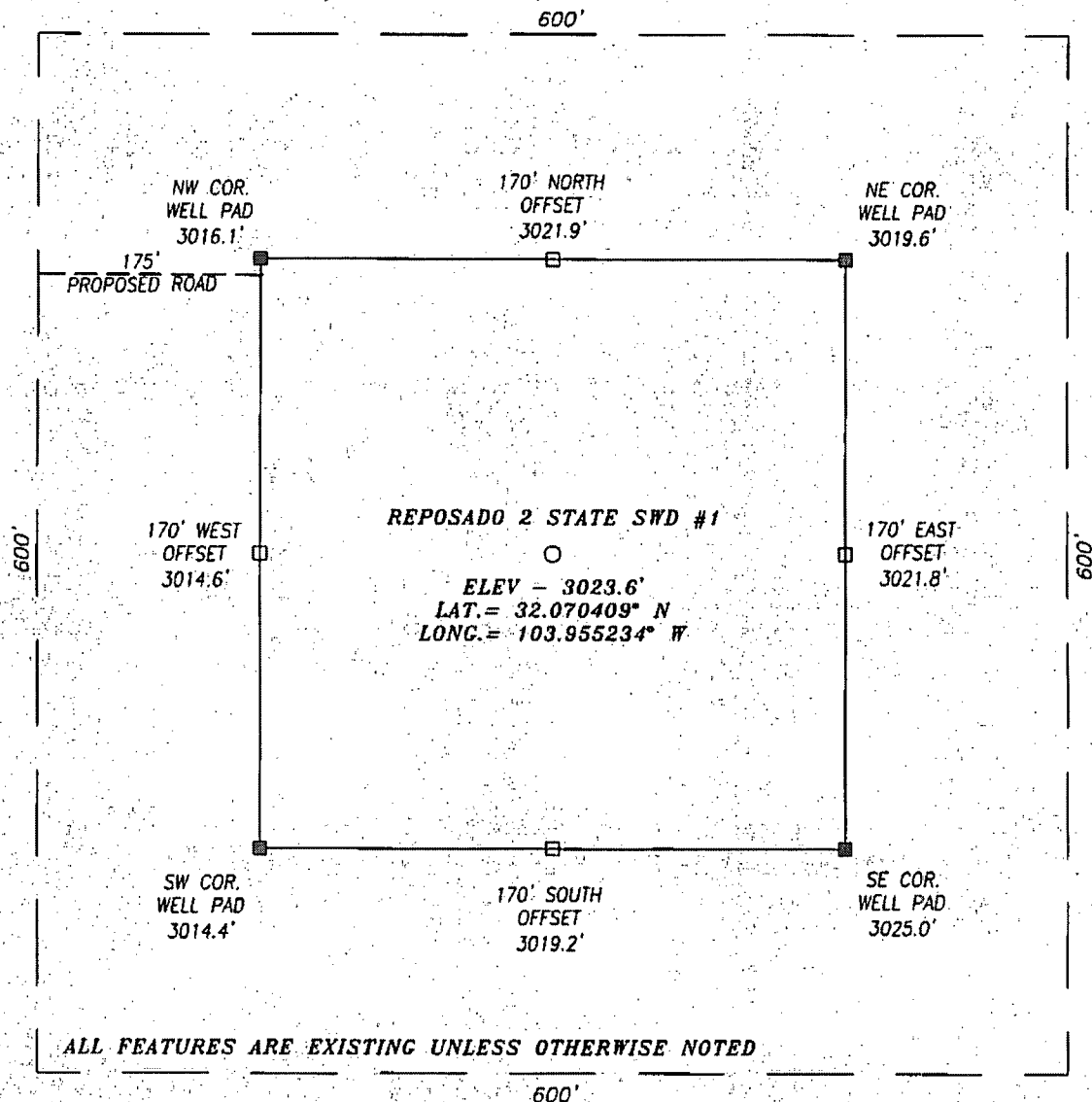
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

MARCH 26, 2013
Date of Survey

Signature & Seal of Professional Surveyor

Chad L Hargrow 4/4/13
Certificate No. CHAD HARGROW 17777
W.O. # 13-151 DRAWN BY: VD

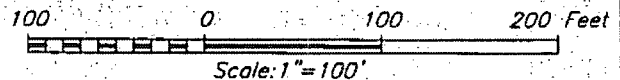
SECTION 2, TOWNSHIP 26 SOUTH, RANGE 29 EAST, N.M.P.M.,
EDDY COUNTY NEW MEXICO



ALL FEATURES ARE EXISTING UNLESS OTHERWISE NOTED

DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF HWY 285 AND CR #725 (LONGHORN RD) GO APPROX. 2.5 MILES NORTHEAST ALONG CR #725 TURN LEFT (NORTH) GO APPROX. 0.3 MILES TURN RIGHT (EAST) GO APPROX. 1.0 MILE ON WINDING ROAD TURN RIGHT (SOUTHEAST) GO APPROX. 0.6 MILES TURN LEFT (NORTHEAST) ONTO PIPELINE RD. GO APPROX. 0.2 MILES TURN RIGHT (EAST) GO APPROX. 2.3 MILES TURN LEFT (NORTH) ONTO A TWO TRACK ROAD GO APPROX. 0.3 MILES TURN RIGHT (NORTHEAST) GO APPROX. 0.2 MILES AND PROPOSED WELL IS 380 FEET EAST.



HARCROW SURVEYING, LLC
1107 WATSON, ARTESIA, N.M. 88210
PH: (575) 513-2570. FAX: (575) 746-2158
chad_harcrow77@yahoo.com



COG OPERATING, LLC

REPOSADO 2 STATE SWD #1 WELL
LOCATED 2310 FEET FROM THE SOUTH LINE
AND 2310 FEET FROM THE WEST LINE OF SECTION 2,
TOWNSHIP 26 SOUTH, RANGE 29 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO

SURVEY DATE: 03/28/2013

PAGE: 1 OF 1

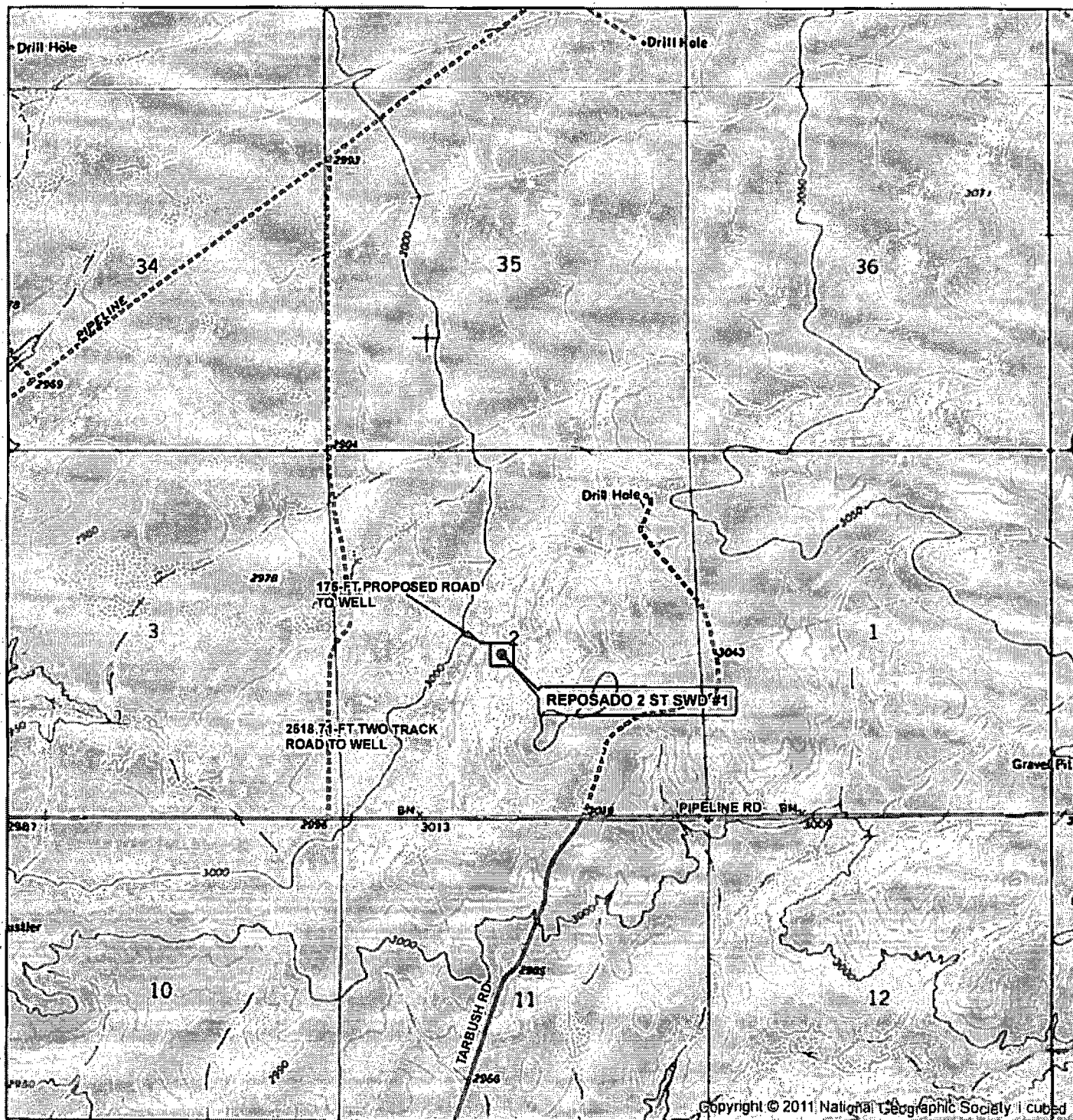
DRAFTING DATE: 03/27/2013

APPROVED BY: CH

DRAWN BY: VD

FILE: 13-151

LOCATION VERIFICATION MAP



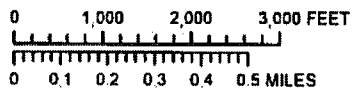
SEC 2, TWP. 28S, RGE 29E
 SURVEY: N.M.P.M.
 COUNTY: EDDY STATE: NEW MEXICO
 DESCRIPTION: REPOSADO 2 ST SWD #1
 2310' FSL 2310' FWL

ELEVATION: 3023.6'
 OPERATOR: COG OPERATING
 LEASE: REPOSADO 2

W.O. # 13-151

- WELL
- WELL PAD
- PROPOSED ROAD
- TWO-TRACK ROAD TO BE UPGRADED

1 IN = 2,000 FT

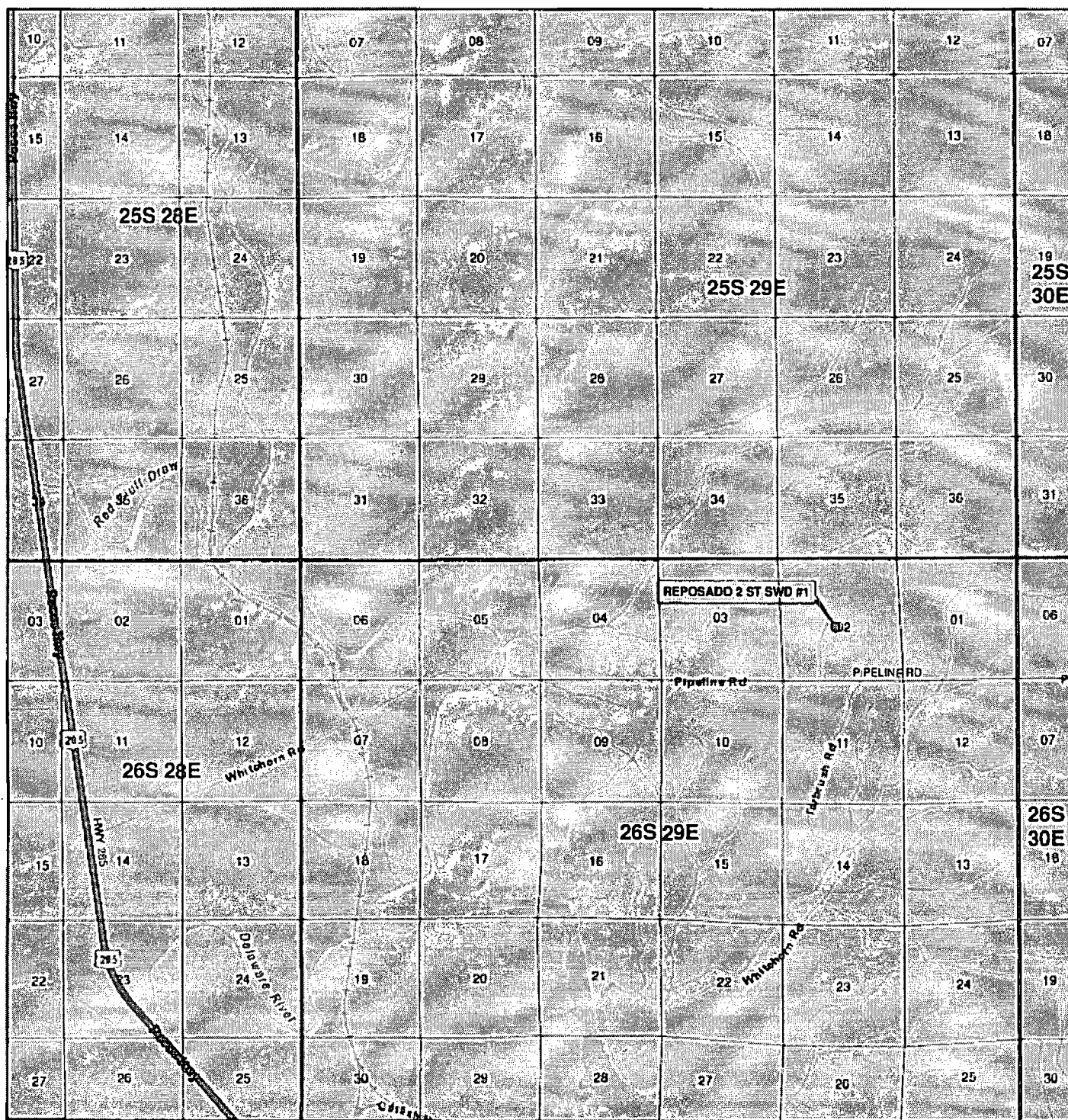


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 chad_harcrow@yahoo.com



MAP DATE: 4/1/2013

VICINITY MAP



SEC. 2, TWP. 26S, RGE. 29E
 SURVEY: N.M.P.M
 COUNTY: EDDY STATE: NEW MEXICO
 DESCRIPTION: REPOSADO 2 ST SWD #1
 2310' FSL, 2310' FWL

ELEVATION: 3023.6'
 OPERATOR: COG OPERATING
 LEASE: REPOSADO 2

W.O. # 13-151



1 IN = 6,000 FT

● Well
 □ TOWNSHIP
 □ SECTION

0 0.5 1 1.5 2 MILES

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MAP DATE: 4/1/2013

Reposado 2 State SWD 1

	Hole Size	Casing	Wt	Depth	Cmt	TOC
Surface	26	20	94	575'	1500	0
Intrmd 1	17.5	13.375	61	3175'	1750	0
Intrmd 2	12.25	9.625	43.5	10,300'	1750	0
Intrmd 3 Liner	8.5	7	29	9800' – 15,450'	800	9800'
OH Disposal	6.125	NA	NA	16,900'	NA	NA

Plan to drill a 26" hole to 575' with Fresh Water. Run 20", 94#, J55 csg and cmt to surface. Drill 17-1/2" hole to 3175' with Brine, and run 13-3/8", 61#, J55 and cement to surface. Drill 12-1/4" hole to 10,300' with cut brine, and run 9-5/8", 43.5#, HCP110 and cement to surface. Drill 8-1/2" hole to approx 15,450' (or no more than 100' into the top of the Devonian) with WBM and run 7", 29#, HCP110 drilling liner with TOL @ approx 9800' and cement to TOL. Drill a 6-1/8" hole to 16,900' for open hole completion. Will isolate OH with plug set inside casing prior to RDMO.

Well Control

Type	Pressure	Test	Manufacture
Double Ram	5000	5000	Cameron