State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Secretary

Adrienne Sandoval, Director
Oil Conservation Division

October 7, 2020

Cobra Oil and Gas Corporation (OGRID 147404)
c/o Dana Hardy, Esq.
E-mail contact: dhardy@hinklelawfirm.com

RE: Administrative Order SWD-1719; Extension of Deadline to Inject
Well: State Wishbone SWD Well No. 1 (API 30-005-29217)
Located: Unit L, Sec 1, T11S, R31E, NMPM, Chaves County, New Mexico
Order Date: March 13, 2018
Injection formations: Devonian formation; 11,616 feet to 11,800 feet

Dear Ms. Hardy:

Reference is made to your February 21, 2020 request on behalf of Cobra Oil and Gas Corporation (the "operator") in a meeting with staff of the Oil Conservation Division ("OCD") to extend the deadline stipulated in the above titled order to commence injection for the above referenced well. The reasons presented in subsequent meetings and confirmed in a second correspondence dated May 6, 2020 were to enable the operator to conduct production tests on the shallower San Andres formation before commencing disposal operation in the permitted interval. The current deadline date to commence injection under said order is two years after issuance of the order: March 13, 2020.

It is the OCD's understanding from your correspondence that since the date of issuance of this permit, no additional wells have been drilled that penetrate the approved injection interval within the one half-mile Area of Review (AOR) and no new affected persons have been identified within the AOR.

The Division finds that for reasons you have stated, the granting of this request to extend this administrative order is in the interest of conservation, will prevent waste, and will protect the environment. Therefore, the deadline to commence injection for the existing order is hereby extended until **March 13, 2021**.

All requirements of the above referenced administrative order and agreements in the application remain in full force and effect. This includes conducting a successful mechanical integrity test following any remedial action to properly plug the test interval and the installation of the tubing and packer.

An additional extension of the deadline to commence injection for this administrative order shall be considered but must be submitted in writing prior the new extended deadline. Otherwise, the injection authority shall expire under the terms of the extended administrative order and the operator shall be required to submit a new application to obtain injection authority for the referenced well.

ADRIENNE SANDOVAL
Director

AS/prg

cc: Oil Conservation Division – Artesia Office
Well file 30-005-29217
Order SWD-1719

Attachments: Copy of Hinkle Shanor LLP correspondence dated March 17, 2020
Copy of Hinkle Shanor LLP correspondence dated May 6, 2020
Copy of Cobra Presentation From Meeting on March 20, 2020

HINKLE SHANOR LLP
ATTORNEYS AT LAW
PO BOX 2068
SANTA FE, NEW MEXICO 87504
505-982-4554 (FAX) 505-982-8623

WRITER:
Dana S. Hardy, Partner
dhardy@hinklelawfirm.com

SINCE 1888
hinklelawfirm.com

March 17, 2020

Via Electronic Mail
OCD.Hearings@state.nm.us

Adrienne Sandoval
Director, Oil Conservation Division
New Mexico Department of Energy, Minerals, and Natural Resources
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: Request for Extension of Injection Authority Under Administrative Order SWD-1719

Dear Director Sandoval:

I am writing on behalf of Cobra Oil and Gas Corporation ("Cobra") to request a one-year extension of Cobra's injection authority under Administrative Order SWD-1719 to allow Cobra to work with the New Mexico Oil Conservation Division ("Division") regarding the potential temporary conversion of the Wishbone State SWD No. 1 well to test the San Andres formation for production, as has been discussed by Cobra and representatives of the Division. Cobra and representatives of the Division are scheduled to further discuss this matter on March 20, 2020, and Cobra intends to comply with all Division requirements in relation to the proposed conversion. By affording Cobra additional time to potentially test the formation for production, the requested extension will prevent waste, conserve resources, and protect correlative rights.

Thank you for your attention to this matter and for your consideration of this request.

Very truly yours,

Dana S. Hardy

cc: (via electronic mail)
Eric Ames (Eric.Ames@state.nm.us)
Gabriel Wade (Gabriel.Wade@state.nm.us)

HINKLE SHANOR LLP
ATTORNEYS AT LAW
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SANTA FE, NEW MEXICO 87504
505-982-4554 (FAX) 505-982-8623

hinklelawfirm.com

WRITER:
Dana S. Hardy, Partner
dhardy@hinklelawfirm.com

May 6, 2020

Via Electronic Mail – Phillip.Goetze@state.nm.us

Phillip Goetze
Oil Conservation Division
New Mexico Department of Energy, Minerals, and Natural Resources
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: Cobra Oil and Gas Corporation - Request for Extension of Injection Authority Under Administrative Order SWD-1719

Dear Mr. Goetze:

In accordance with the March 20, 2020 telephone conference between representatives of the Oil Conservation Division ("Division") and Cobra Oil and Gas Corporation ("Cobra"), I am writing to advise the Division that Cobra has reviewed the Area of Review Map included in the Form C-108 for the State Wishbone SWD No. 1 Well, as well as the Affected Parties who were notified of the Form C-108. Cobra has determined that no changes in the map or Affected Parties have occurred since the Form C-108 was submitted.

Thank you for your attention to this matter. Please do not hesitate to contact me if you have any questions.

Very truly yours,

Dana S. Hardy

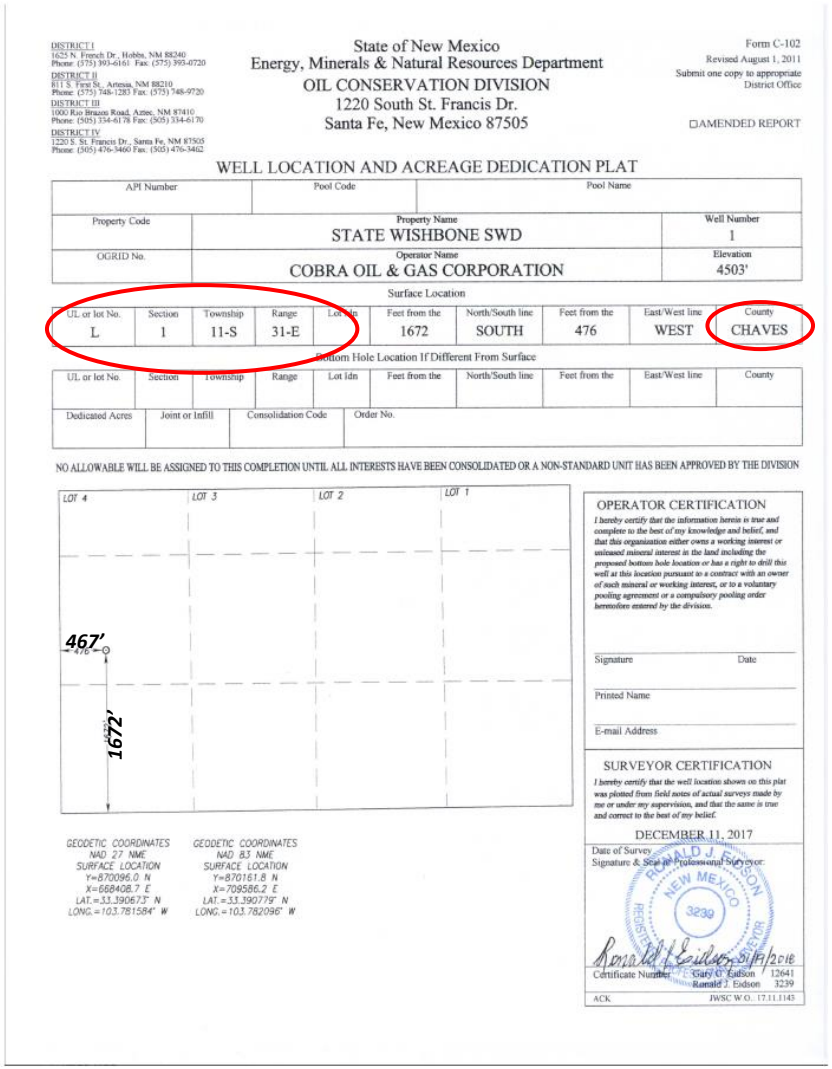
cc: (via electronic mail)
Eric Ames (Eric.Ames@state.nm.us)
Kyle Gardner (kgardner@cobraogc.com)

Cobra Oil & Gas Corporation
and New Mexico Oil Conservation Division

Teleconference 10:30 MDT

Discussion Topic:
Reversion of Well Designation
from SWD to Producer allowing
a test of the San Andres Formation

State Wishbone SWD #1
Chaves Co., NM



State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name

Property Code	Property Name	Well Number
	STATE WISHBONE SWD	1

OGRID No.	Operator Name	Elevation
	COBRA OIL & GAS CORPORATION	4503'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	1	11-S	31-E		1672	SOUTH	476	WEST	CHAVES

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	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

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

LOT 4 | LOT 3 | LOT 2 | LOT 1

467'

1672'

GEODETIC COORDINATES
NAD 27 NME
SURFACE LOCATION
Y=870096.0 N
X=668408.7 E
LAT.=33.390673° N
LONG.=103.781584° W

GEODETIC COORDINATES
NAD 83 NME
SURFACE LOCATION
Y=870161.8 N
X=709586.2 E
LAT.=33.390779° N
LONG.=103.782096° W

OPERATOR CERTIFICATION

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

Signature Date

Printed Name

E-mail Address

SURVEYOR CERTIFICATION

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

DECEMBER 11, 2017

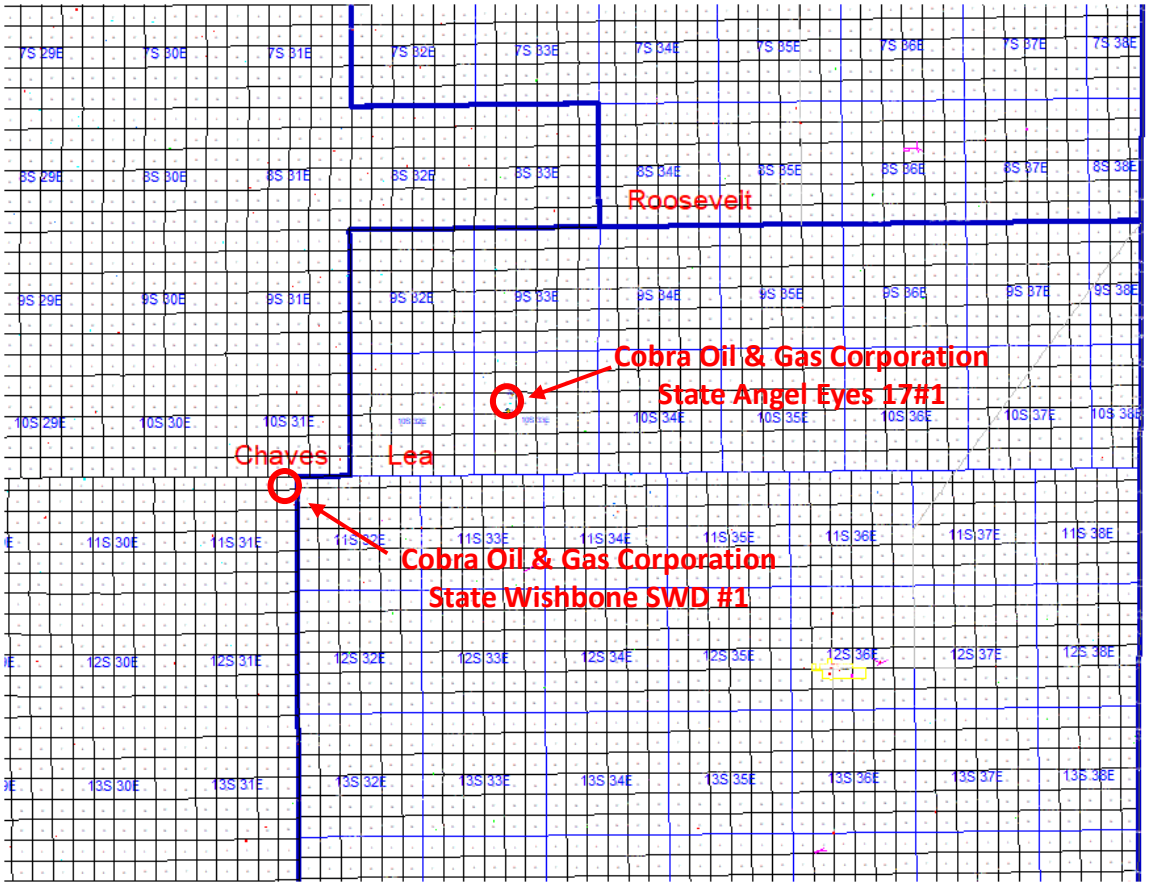
Date of Survey

Signature & Seal of Professional Surveyor:

RONALD J. EIDSON NEW MEXICO 3239

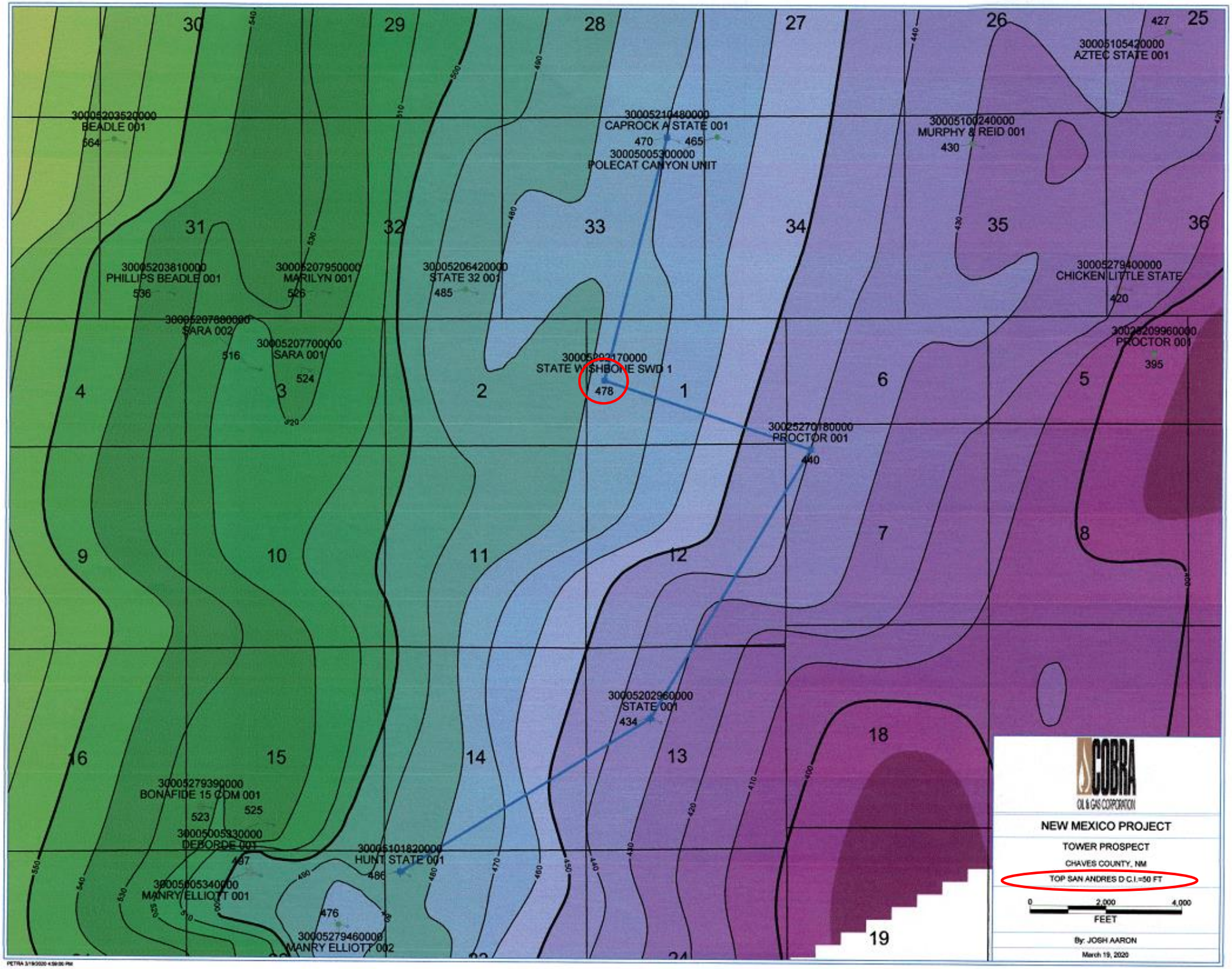
Certificate Number Gary O. Eidson 12641
Ronald J. Eidson 3239

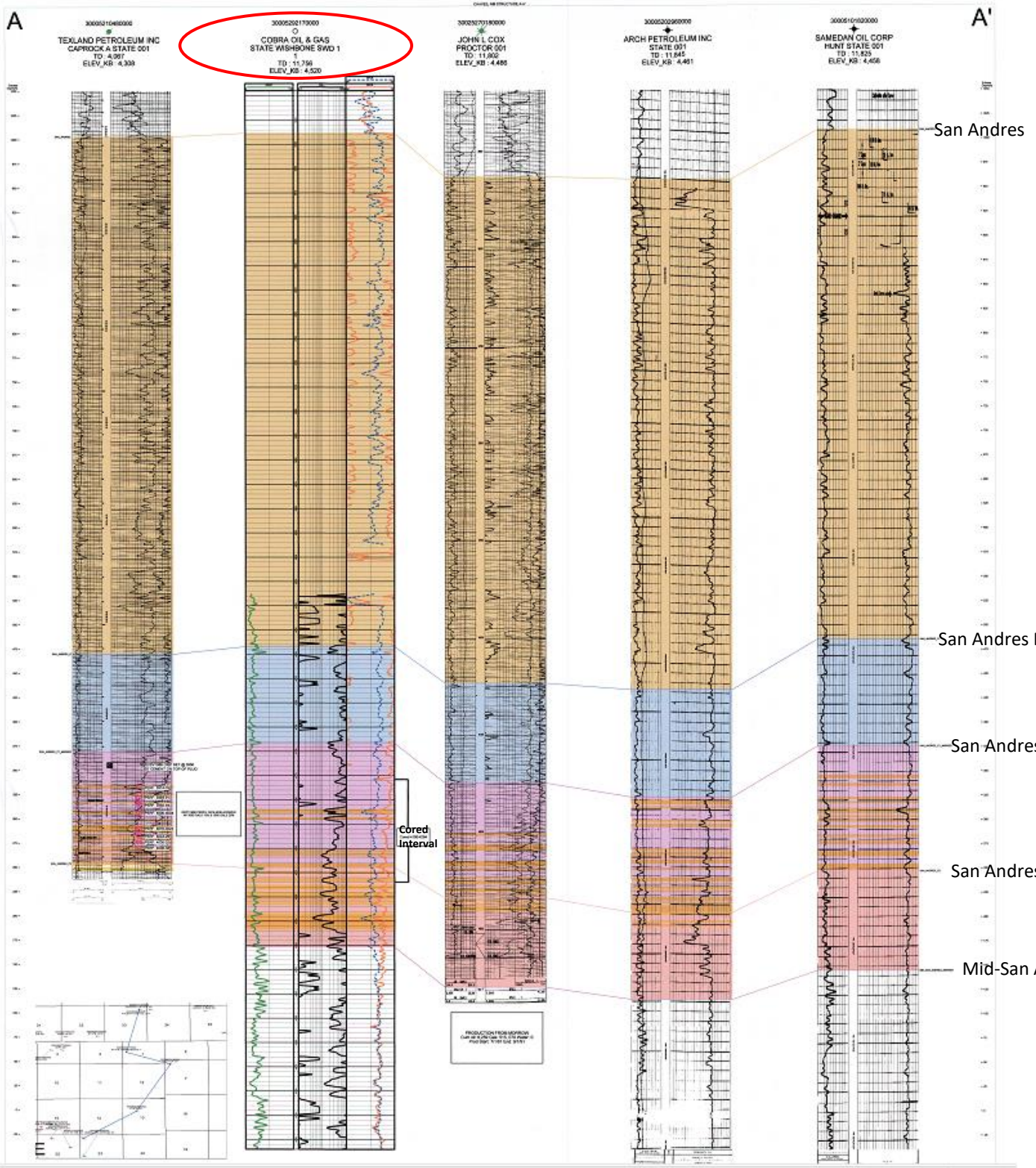
ACK. JWSC W.O.: 17.11.1143



Regional Location Map for
Cobra wells in Chaves and Lea Counties

Permit and Surveyors Plat


30005203520000
BEADLE 001
564
30005210480000
CAPROCK A STATE 001
470
465
30005005300000
POLECAT CANYON UNIT
30005100240000
MURPHY & REID 001
430
30005105420000
AZTEC STATE 001
427
30005203810000
PHILLIPS BEADLE 001
536
30005207950000
MARILYN 001
526
30005206420000
STATE 32 001
485
30005279400000
CHICKEN LITTLE STATE
420
30005207880000
SARA 002
516
30005207700000
SARA 001
524
30005209960000
PROCTOR 001
395
30005209170000
478
30025270180000
PROCTOR 001
440
30005202960000
STATE 001
434
30005279390000
BONAFIDE 15 COM 001
523
525
30005005330000
DEBORDE 001
497
30005101820000
HUNT STATE 001
486
30005005340000
MANRY ELLIOTT 001
476
30005279460000
MANRY ELLIOTT 002
COBRA
OIL & GAS CORPORATION
NEW MEXICO PROJECT
TOWER PROSPECT
CHAVES COUNTY, NM
TOP SAN ANDRES D C.I.=50 FT
0
2,000
4,000
FEET
By: JOSH AARON
March 19, 2020


A
A'
TEXLAND PETROLEUM INC
CAPROCK A STATE 001
TD : 4,997
ELEV_KB : 4,309
COBRA OIL & GAS
STATE WISHBONE SWD 1
1
TD : 11,756
ELEV_KB : 4,520
JOHN L COX
PROCTOR 001
TD : 11,902
ELEV_KB : 4,486
ARCH PETROLEUM INC
STATE 001
TD : 11,845
ELEV_KB : 4,461
SAMEDAN OIL CORP
HUNT STATE 001
TD : 11,825
ELEV_KB : 4,456
San Andres
San Andres D
San Andres Porosity 1 Marker
San Andres Porosity 2 Marker
Mid-San Andres
Cored Interval

COBRA OIL & GAS CORP
WISHBONE STATE SWD # 1
CHAVES COUNTY, NEW MEXICO

FIELD: San Andres
API Serial No: 30-005-29217
LOCATION: 1672' FSL, 476' FWL
Section 1, R-31-E, T-11-S

FILE NAME: P375-201802
DATE: June 1, 2018
ANALYSIS: WH, JR, ND, FF

DEAN STARK EXTRACTION

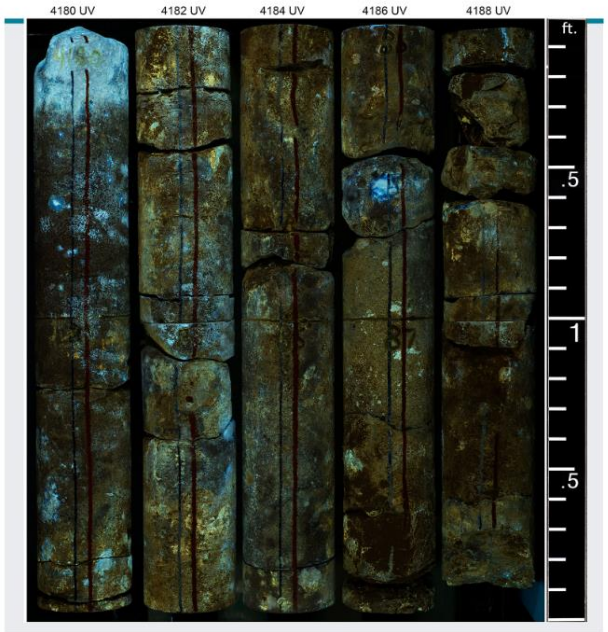
SAMPLE NO.	DEPTH ft	GRAIN DENSITY	POR %	SATURATIONS Sw	SATURATIONS So	PERM mD	FLUORESCENCE %	FLUORESCENCE	LITHOLOGY
1	4180.5	2.88	3.1	49.8	6.2	0.02840	60	Dl yl-wht-bl	
2	4181.1	2.86	3.8	64.2	5.1	0.01340	60	Brt-dl yl-gld	
3	4182.7	2.89	3.6	57.3	6.2	0.01180	80	Dl yl-dl gld	
4	4183.5	2.89	3.0	41.0	5.3	0.00320	70	Dl yl-dl gld	
5	4184.3	2.87	3.0	55.5	6.3	0.00470	80	Dl yl-dl gld	
6	4185.3	2.92	2.5	30.5	7.9	0.00160	80	Brt-dl yl-gld	
7	4186.9	2.90	2.0	53.7	7.5	0.14030	80	Dl yl	
8	4187.5	2.88	2.6	53.9	8.8	0.00560	60	Dl yl-dl gld	
9	4188.8	2.82	1.3	50.7	Tr	0.00160	60	Dl yl-dl gld	
10	4189.2	2.86	3.9	44.5	9.5	0.00250	80	Brt-dl yl-wht-gld	
11	4190.4	2.87	2.8	58.6	5.8	0.00570	20	Dl yl-wht-gld	
12	4191.3	2.91	2.8	59.2	6.8	0.02490	80	Dl yl-dl brn	
13	4192.4	2.89	2.8	72.7	5.6	0.08250	80	Dl yl-dl gld	
14	4193.2	2.89	3.4	65.9	5.9	0.00820	80	Dl brn-dl gld	
15	4194.2	2.86	3.7	77.3	4.9	0.20290	90	Dl brn-dl yl-gld	
16	4195.8	2.87	5.8	74.0	6.4	0.00370	80	Dl brn	
17	4196.7	2.89	5.4	74.2	6.3	0.01970	80	Dl brn	
18	4197.1	2.88	4.2	44.7	4.6	0.05700	90	Brt-dl yl-brn-gld	
19	4198.1	2.87	2.6	52.6	5.8	0.35550	80	Brt-dl yl-brn-gld	
20	4199.5	2.86	2.0	71.9	3.7	0.01400	80	Brt-dl yl-brn-gld	
21	4200.9	2.91	2.7	41.1	3.1	0.16910	80	Brt-dl yl-brn-gld	
22	4201.9	2.88	4.2	57.2	6.1	0.00730	80	Dl brn	
23	4202.1	2.88	5.8	47.8	4.0	0.04040	60	Dl brn	
24	4203.9	2.85	3.6	37.7	5.3	0.01140	60	Brt yl-wht-brn	
25	4204.6	2.86	2.4	37.6	9.4	0.01240	60	Brt yl-wht-brn	
26	4205.5	2.86	2.6	36.4	11.8	0.00350	40	Brt-dl yl-wht-gld	
27	4206.8	2.85	2.4	56.9	Tr	0.00490	60	Dl brn-dl gld	
28	4207.8	2.87	5.5	38.5	5.7	0.17700	80	Dl brn-dl gld	
29	4208.1	2.86	4.8	46.7	6.7	0.08690	60	Dl brn-dl gld	
30	4209.1	2.89	5.5	20.3	32.7	2.29030	70	Brt-dl yl-wht-bl-gld	
31	4210.6	2.86	7.2	28.9	28.6	0.02040	40	Brt-dl yl-wht-bl-gld	
32	4211.2	2.86	13.9	16.3	35.6	6.04270	60	Dl yl-wht-brn	
33	4212.7	2.85	18.2	20.9	40.2	13.19260	90	Dl yl-brn	
34	4213.8	2.85	18.4	27.4	38.7	8.25290	80	Dl brn	
35	4214.3	2.83	14.7	13.9	39.4	0.80830	80	Brt-dl yl-wht-gld	
36	4215.4	2.86	2.8	69.4	Tr	0.08760	40	Brt-dl yl-wht-gld	
37	4216.7	2.85	1.7	21.7	16.0	0.00850	40	Brt-dl yl-wht-gld	
38	4217.4	2.84	1.9	25.9	13.6	0.00820	80	Dl brn	
39	4218.7	2.86	7.7	16.7	25.5	0.04110	90	Brt-dl yl-wht-bl-gld	

DEAN STARK EXTRACTION

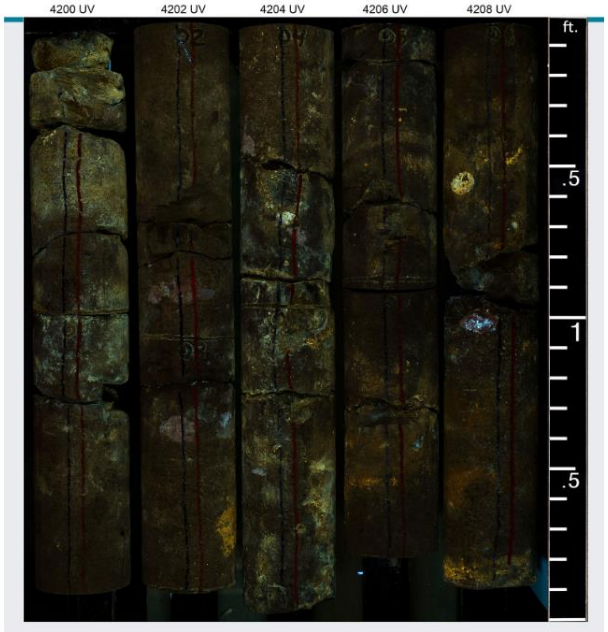
SAMPLE NO.	DEPTH ft	GRAIN DENSITY	POR %	SATURATIONS Sw	SATURATIONS So	PERM mD	FLUORESCENCE %	FLUORESCENCE	LITHOLOGY
40	4219.9	2.87	11.6	24.6	31.7	0.61320	40	Brt-dl yl-wht-bl-gld	
41	4220.4	2.87	6.8	34.8	26.1	0.00850	40	Brt-dl yl-wht-bl-gld	
42	[illegible]	2.87	6.1	58.8	5.9	0.02450	80	Dl yl-wht-brn	
43	4222.5	2.86	2.2	63.6	5.3	0.00920	60	Dl yl-wht-brn	
44	4223.5	2.87	2.3	72.1	9.8	0.01260	40	Brt-dl yl-wht-gld	
45	4224.6	2.86	2.3	51.4	6.4	0.00780	30	Brt-dl yl-wht-gld	
46	4225.8	2.86	4.7	62.4	12.3	0.01410	40	Dl yl-gld	
47	4226.7	2.83	3.5	71.1	14.3	0.01960	Tr	Dl yl-gld	
48	4227.4	2.89	6.1	46.8	20.6	0.02500	60	Brt-dl yl-wht-bl-gld	
49	4228.9	2.84	3.9	49.7	21.9	tbfa	40	Brt-dl yl-wht-bl-gld	
50	4229.1	2.85	2.9	78.9	10.3	0.90670	Tr	Brt-dl yl-wht-bl-gld	
51	4230.1	2.87	6.9	19.9	40.5	0.03250	60	Brt-dl yl-wht-bl-gld	
52	4231.7	2.85	11.8	9.8	45.3	1.48180	80	Brt-dll yl-wht-gld	
53	4232.8	2.86	6.5	28.7	28.3	0.01160	80	Brt-dll yl-wht-gld	
54	[illegible]	2.86	11.7	15.2	32.5	0.21190	90	Brt-dll yl-wht-gld	
55	4234.6	2.87	4.0	59.1	10.9	0.02120	20	Brt-dll yl-wht-gld	
56	4235.7	2.87	5.9	27.7	32.7	0.01150	40	Brt-dll yl-wht-gld	
57	4236.9	2.86	11.1	15.8	42.0	0.40620	90	Brt-dll yl-wht-gld	
58	4237.5	2.85	4.1	67.2	12.1	0.01270	60	Dl yl-wht-bl-gld	
59	[illegible]	2.85	6.6	37.3	22.8	0.02520	40	Dl yl-wht-bl-gld	
60	4239.7	2.87	6.9	14.4	39.5	0.04720	90	Brt-dl yl-wht-bl-gld	
61	4240.6	2.86	8.0	30.0	32.9	5.00380	90	Dl yl-wht-gld	
62	4241.8	2.85	5.9	37.8	24.1	0.06530	60	Dl yl-wht-bl-gld	
63	4242.5	2.86	11.1	32.7	36.0	9.10660	60	Dl yl-wht-bl-gld	
64	4243.0			tbfa					
65	[illegible]	2.86	10.6	24.5	30.3	1.97570	80	Dl yl-dl brn	
66	[illegible]	2.87	8.1	23.8	39.9	tbfa	80	Dl yl-wht-bl-gld	
67	4246.0			tbfa					
68	4247.0			tbfa					
69	4248.8	2.87	9.8	29.8	38.2	4.73670	60	Dl yl-wht-bl-gld	
70	4249.7	2.86	4.1	62.2	12.9	0.01590	Tr	Dl yl-wht-gld	
71	4250.6	2.86	7.5	65.9	7.4	0.02280	Tr	Dl yl-wht-gld	
72	4251.3	2.87	7.9	37.5	31.9	2.66990	80	Brt-dl yl-wht-bl-gld	
73	4252.4	2.80	7.6	45.0	34.6	1.56260	40	Brt-dl yl-wht-bl-gld	
74	4253.1	2.86	6.8	30.6	34.5	1.38070	90	Brt-dl yl-wht-bl	
75	4255.0	2.86	13.6	32.6	45.3	54.46580	80	Dl yl-wht-bl-gld	
76	4255.9	2.86	5.7	30.9	24.0	0.03710	60	Brt-dl yl-wht-bl	
77	4256.8	2.86	12.2	22.4	39.7	114.93090	60	Dl yl-dl brn	
78	4257.8	2.86	15.0	27.7	36.3	74.40580	80	Dl yl-dl brn	
79	4258.7	2.87	9.6	23.2	38.5	10.73330	80	Dl yl-brn-gld	
80	4259.7	2.87	17.9	39.0	23.7	215.50740	80	Dl brn	
81	4260.9	2.87	15.0	27.3	36.7	209.76260	70	Dl brn	
82	4261.3	2.87	7.1	19.4	32.5	tbfa	80	Dl brn-dl gld	
83	4262.2	2.87	13.1	20.4	36.2	180.72370	80	Dl brn	
84	4263.5	2.88	7.6	16.2	37.0	3.66210	80	Brt-dl yl-wht-bl-gld	
85	4264.6	2.87	16.6	19.7	42.5	247.15850	30	Brt-dl yl-wht-bl-gld	

DEAN STARK EXTRACTION

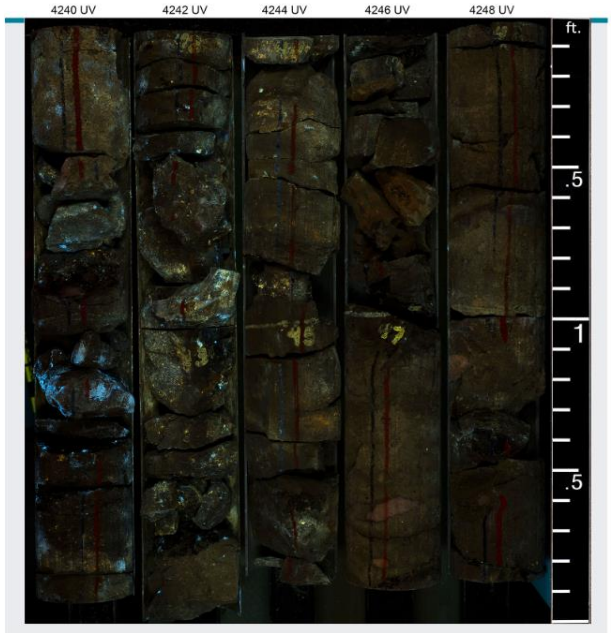
SAMPLE NO.	DEPTH ft	GRAIN DENSITY	POR %	SATURATIONS Sw	So	PERM mD	FLUORESCENCE %		LITHOLOGY
86	4265.3	2.87	6.9	15.4	36.0	0.61030	70	Brt-dl yl-wht-bl-gld	
87	4266.2	2.87	9.7	16.4	34.6	25.98770	90	Brt-dl yl-wht-bl-gld	
88	4267.5	2.87	9.9	15.3	33.9	192.20150	30	Brt-dl yl-wht-bl-gld	
89	4268.2	2.86	12.1	21.6	32.7	976.56210	20	Brt-dl yl-wht-bl-gld	
90	4269.2	2.83	18.6	40.0	39.9	702.01210	60	Dl brn	
91	[illegible]	2.84	5.9	38.9	26.8	0.01770	90	Dl brn-gld	
92	4271.6	2.86	8.0	17.3	29.5	0.25460	60	Brt-dl yl-wht-bl-gld	
93	4272.2	2.87	11.4	21.9	33.6	3.54090	90	Brt-dl yl-wht-bl-gld	
94	4273.3	2.85	5.2	66.3	11.8	0.01890	20	Dl yl-wht-bl	
95	4274.3	2.85	5.7	63.5	13.0	0.00760	30	Dl yl-wht-bl	
96	4275.9	2.89	10.1	45.8	9.4	0.76040	30	Dl brn	
97	4276.7	2.85	6.4	51.1	28.6	tbfa	60	Dl brn-dl yl-gld	
98	4277.8	2.82	1.8	70.6	Tr	0.00450	Tr	Dl brn	
99	4278.4	2.85	1.7	20.6	27.6	[illegible]	40	Dl brn-dl yl	
100	4279.0			tbfa					
101	4280.8	2.86	2.6	40.0	20.0	0.04270	Tr	Brt-dl yl-wht-bl	
102	4281.5	2.87	2.1	23.1	21.8	0.51010	Tr	Brt-dl yl-wht-bl	
103	4282.6	2.85	2.4	28.5	14.3	tbfa	30	Brt-dl yl-wht-bl	
104	4283.0			tbfa					
105	4284.0			tbfa					



4180-90

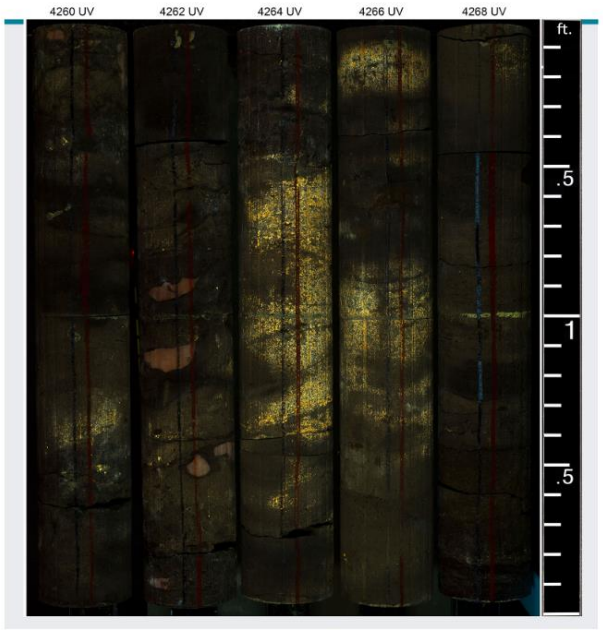


4200-10



4240-50

Ultra-Violet Core Photos



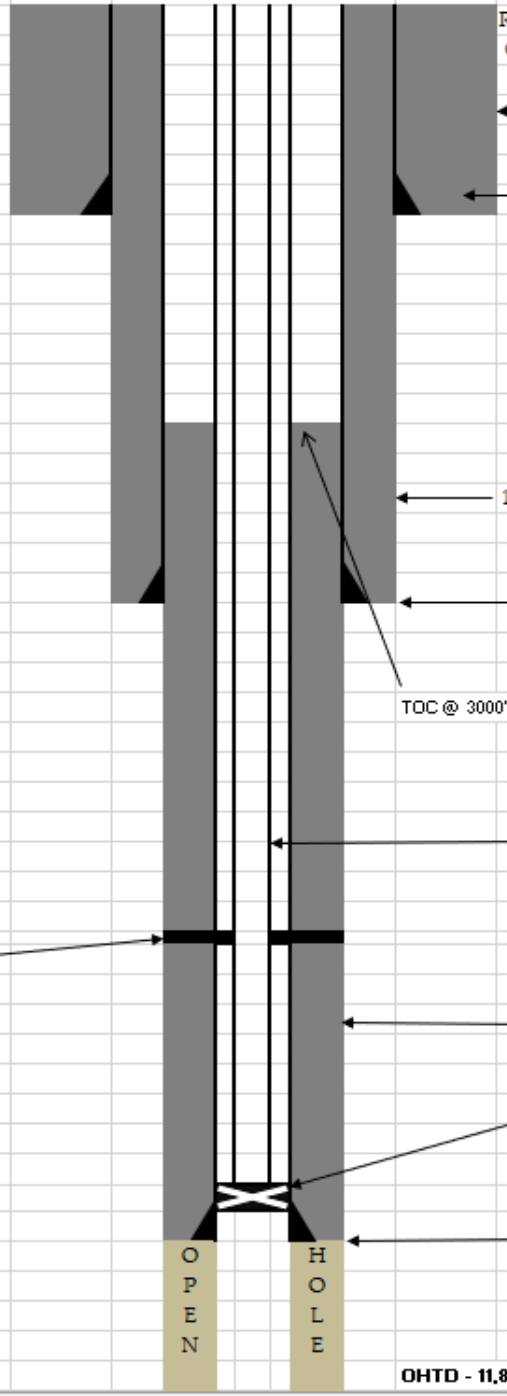
4260-70

State Wishbone SWD #1

Chaves County, New Mexico

1672' FSL, 476' FWL of Sec. 1, T-11-S, R-31-E

Geologic Tops:	
Rustler	1,568'
Salado Salt	1,640'
Yates	2,258'
San Andres	3,516'
SA D Marke	4,048'
Canyon	9,320'
Atoka	10,296
Morrow	10,711'
Devonian	11,616'
Fusselman	11,829'
Montoya	12,039'



RKB: 4516'
GL: 4503'

17.5" Surface Hole

13 3/8", 54.5#, J55 ST&C @ 1400'
1400 sks Class "C" w/ 2% CaCl2, .25#/sx celloflake
(14.8 ppg, 1.32 cuft/sk), circ cmt to surf.

12.25" Intermediate Hole

9 5/8", 40#, J-55 LT&C @ 4,000'
1170 sx Class "C" w/ 2% CaCl2, .25#/sx
celloflake. Circ to surface.

TOC @ 3000'

2 7/8" 6.5# Salta IPC Tbg

DV Tool

8.5" Long String Hole

7" X 2 7/8" Nickle Coated Arrowset AD-1 pkr
Set @ 11,550'

7", 29# L-80 & HCL-80, J55 LT&C csg set @ 11,600'
1500 sx 50:50 Cl H , 2% gel, 10% salt, 0.4% C-12,
0.95% C-15, 0.3% C-45, 0.15% C-20
4#/sx kolseal. TOC calculated.

OHTD - 11,800'