ENGINEER JONES

7/25/12

APP NO. PKUR 1220752011

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -1220 South St. Francis Drive, Santa Fe, NM 87505



		ADMINISTRATIVE APPLI	CATION CHECKLIS	T
-	THIS CHECKLIST IS M	ANDATORY FOR ALL ADMINISTRATIVE APPLICATION		LES AND REGULATIONS
Appli	leation Acronym	WHICH REQUIRE PROCESSING AT TH	E DIVISION LEVEL IN SANTA FE	
	[DHC-Dow [PC-Pa	ndard Location] [NSP-Non-Standard Pr nhole Commingling] [CTB-Lease Con ool Commingling] [OLS - Off-Lease St [WFX-Waterflood Expansion] [PMX-P [SWD-Salt Water Disposal] [IPI-I lified Enhanced Oil Recovery Certificat	nmingling] [PLC-Pool/Lease Corage] [OLM-Off-Lease Measuressure Maintenance Expansion [njection Pressure Increase]	ommingling] rement] n]
[1]	[A]	PPLICATION - Check Those Which Ap Location - Spacing Unit - Simultaneou NSL NSP SD One Only for [B] or [C] Commingling - Storage - Measurement	UL	137 COG Operating 195-33046 5 Horz Fedual #1 D 10 265 29E
	2 3	☐ DHC ☐ CTB ☐ PLC ☐		
	[C]	Injection - Disposal - Pressure Increase ☐ WFX ☐ PMX ☒ SWD [
	[D]	Other: Specify		
[2]	NOTIFICAT [A]	ION REQUIRED TO: - Check Those V Working, Royalty or Overriding F		ly
	[B]	☐ Offset Operators, Leaseholders or	Surface Owner	
	[C]	Application is One Which Requir	es Published Legal Notice	
	[D]	Notification and/or Concurrent Ap U.S. Bureau of Land Management - Commissioner of	oproval by BLM or SLO of Public Lands, State Land Office	
	[E]	For all of the above, Proof of Not	fication or Publication is Attache	d, and/or,
	[F]	☐ Waivers are Attached		
[3]		CURATE AND COMPLETE INFORMATION INDICATED ABOVE.	MATION REQUIRED TO PRO	OCESS THE TYPE
	oval is <mark>accurate</mark> a	TION: I hereby certify that the informat nd complete to the best of my knowledge quired information and notifications are seen as a second control of the co	e. I also understand that no action	
	Note:	Statement must be completed by an individua	with managerial and/or supervisory c	apacity.
BRIA	AN COLLINS	1 Emilelle	SENIOR OPERATIONS EN	GINEER 07/12/12
	or Type Name	Signature	Title	Date
		•	bcollins@concho.com	
			e-mail Address	•



RECEIVED OCD

2017 JUL 24 P 12: 39

July 20, 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

JR's Horz Federal #1 SWD

Township 26 South, Range 29 East, N.M.P.M.

Section 10: 380' FNL & 330' FWL

Eddy County, New Mexico

Dear Mr. Jones:

COG Operating LLC respectfully requests administrative approval for authorization to inject the JR's Horz Federal #1 SWD well as referenced above. Enclosed, for your review, please find one complete 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,

Brian Collins

Senior Operations Engineer

BC/sw Enclosures STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, New Mexico 87505

FORM C-108 Revised June 10, 2003

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
111.	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:
	 Proposed average and maximum daily rate and volume of fluids to be injected; Whether the system is open or closed; Proposed average and maximum injection pressure; Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and, 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: 7/12/2012
*	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 JR's HORZ FEDERAL #1 SWD 380' FNL, 330' FWL Unit D, Sec 10 T26S R29E Eddy County, NM

COG Operating, LLC, proposes to convert the captioned well to salt water disposal service into the Delaware Sand from 3210' to 4800'.

- V. Map is attached.
- VI. Three wells within the ½ mile radius area of review penetrate the proposed injection zone. Wellbore schematics are attached. The Rocket Federal #1 has a before and after schematic because we are concurrently filing a C-108 application for it too.
- VII. 1. Proposed average daily injection rate = 5000 BWPD
 Proposed maximum daily injection rate = 10000 BWPD
 - 2. Closed system
 - 3. Proposed maximum injection pressure = 642 psi (0.2 psi/ft. x 3210' 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 3210' to 4800'. Any underground water sources will be shallower than 140'.
 - IX. The Delaware sand injection interval might be acidized with approximately 20 gal/ft of 7 ½ % HCl acid.
 - X. Well logs are filed with the Division. A section of the neutron-density porosity showing the injection interval is attached.
 - XI. There are no fresh water wells within a mile of the proposed SWD well. The Pecos River is approximately 7300' west of the proposed SWD. Water analysis from the Pecos River is attached.
- 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.

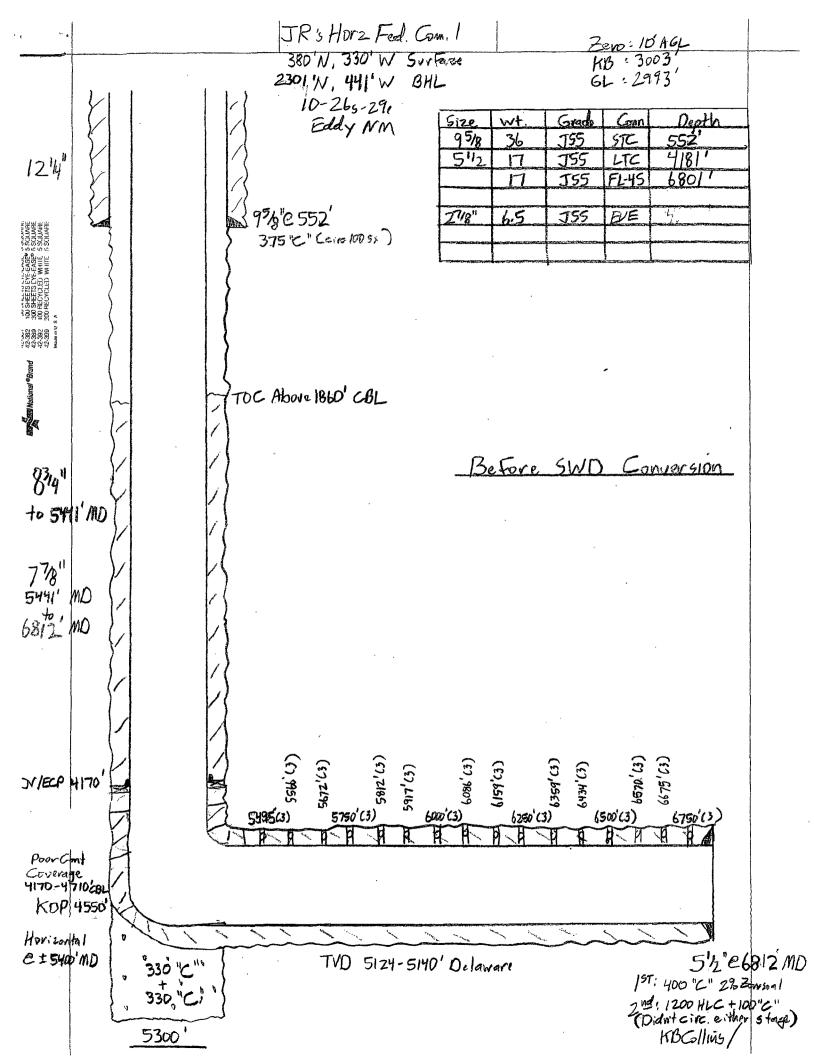
WELL DATA

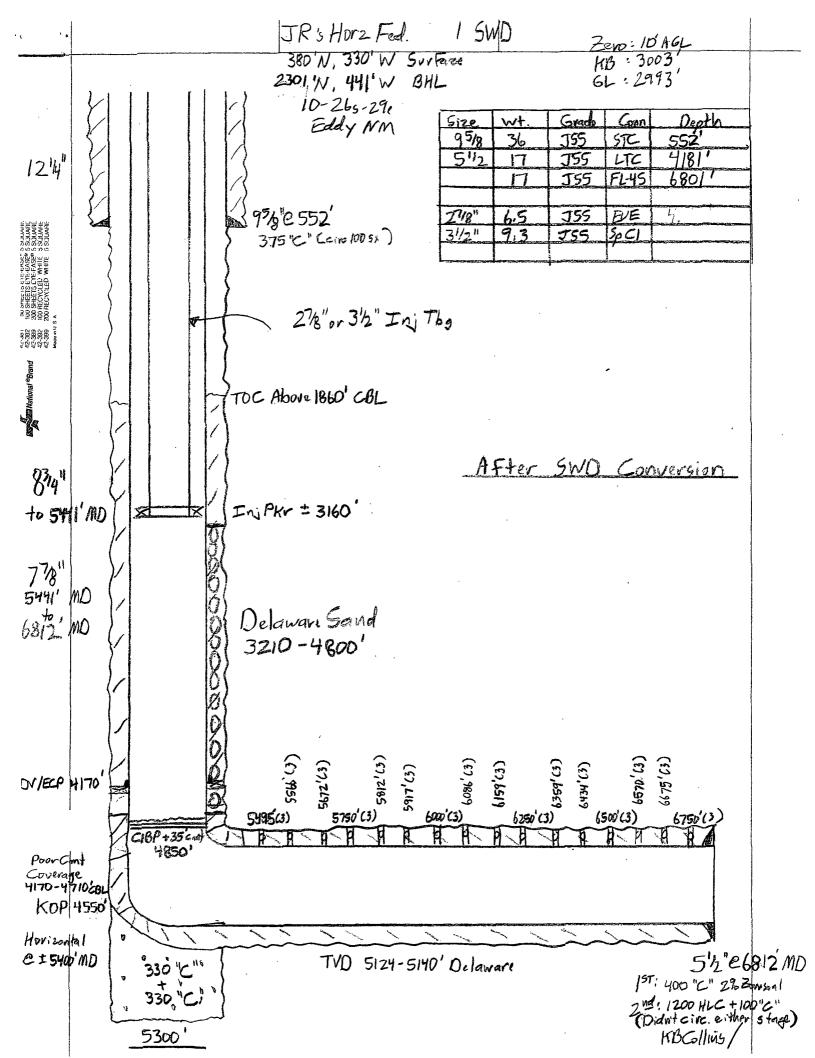
INJECTION WELL DATA SHEET

CHON WELL DATA SIII			
1 SWD (For	morly JR's Ho	re Fed Com 1	.)
D	10	265	29e
UNII LEITER	SECTION	TOWNSHIP	RANGE
			<u>'A</u>
Hole Size:	1214"	Casing Size: 9%	"@ 552'
Cemented with:	375 sx.	OT	ft ³
Top of Cement:	Surface	Method Determined	: Circ. cont
	<u>Intermedia</u>	te Casing	
Hole Size:		Casing Size:	
Cemented with:	SX.	or	ft ³
Top of Cement:		Method Determined	·
	Production	n Casing	
Hole Size: 87/4	1" x 77/8"	Casing Size: 51/2'	'e 6812'MD
Cemented with:	/700 sx.	or	ft ³
Top of Cement: 🥂	bove 1860'		
Total Depth:6	812' MD 53	סטדיס	shipped log at
	Injection	<u>Interval</u>	(Syv)
3210	<u> </u>	t to 4800	
	Perforated or Open H	Iole; indicate which)	
	1 SW/) (For D) UNIT LETTER Hole Size: Cemented with: Top of Cement: Hole Size: Cemented with: Top of Cement: Top of Cement: Top of Cement: Top of Cement:	1 SWD	1 SWD

INJECTION WELL DATA SHEET

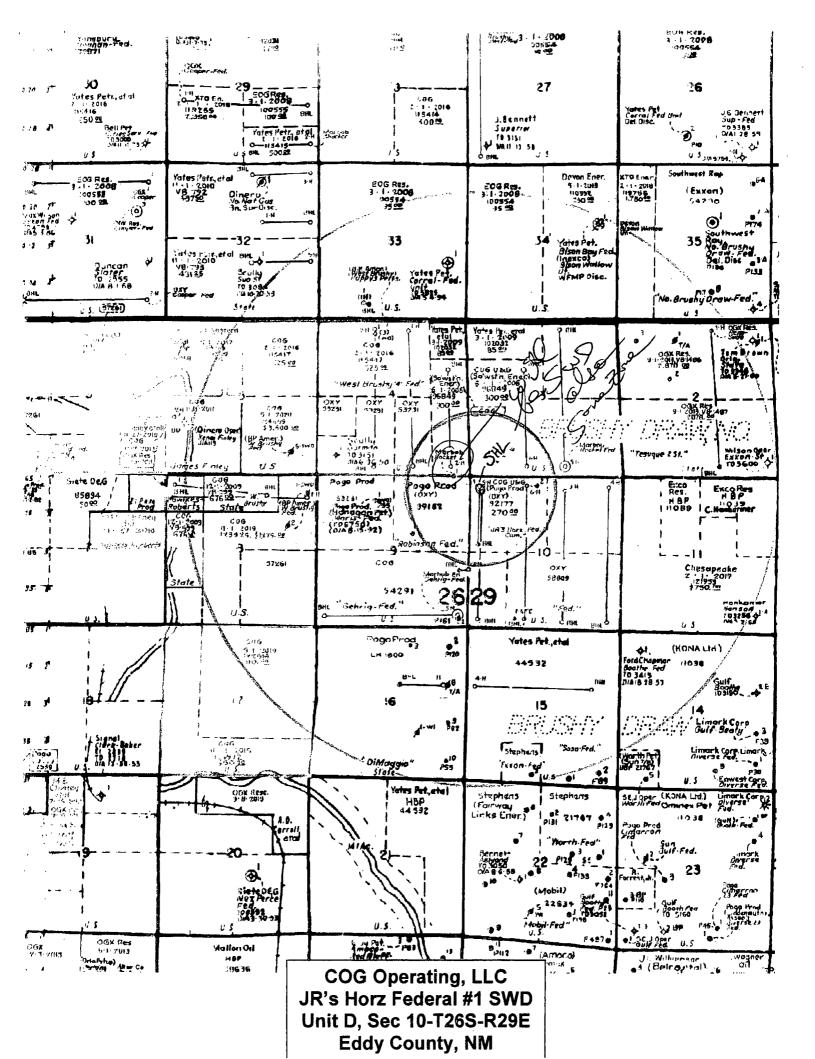
Tub	ing Size: 278" or 312" Lining Material: IPC/Dvoline ZO
Тур	be of Packer: 5K nickel plated double grip retrievable
Pac	ker Setting Depth: ± 3/60'
Oth	er Type of Tubing/Casing Seal (if applicable):
	Additional Data
1.	Is this a new well drilled for injection? YesYesNo
	If no, for what purpose was the well originally drilled?
	Lateral has watered out.
2.	Name of the Injection Formation: Delaware Sand
3.	Name of Field or Pool (if applicable): Corral Conyon Sauth
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.
	Horizontal lateral 5495-6750 MD (5124'TVD)
5.	Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:
	Overlying: None
	Overlying: None Underlying: Delaware 5062', Bone Spring 7450'
	·





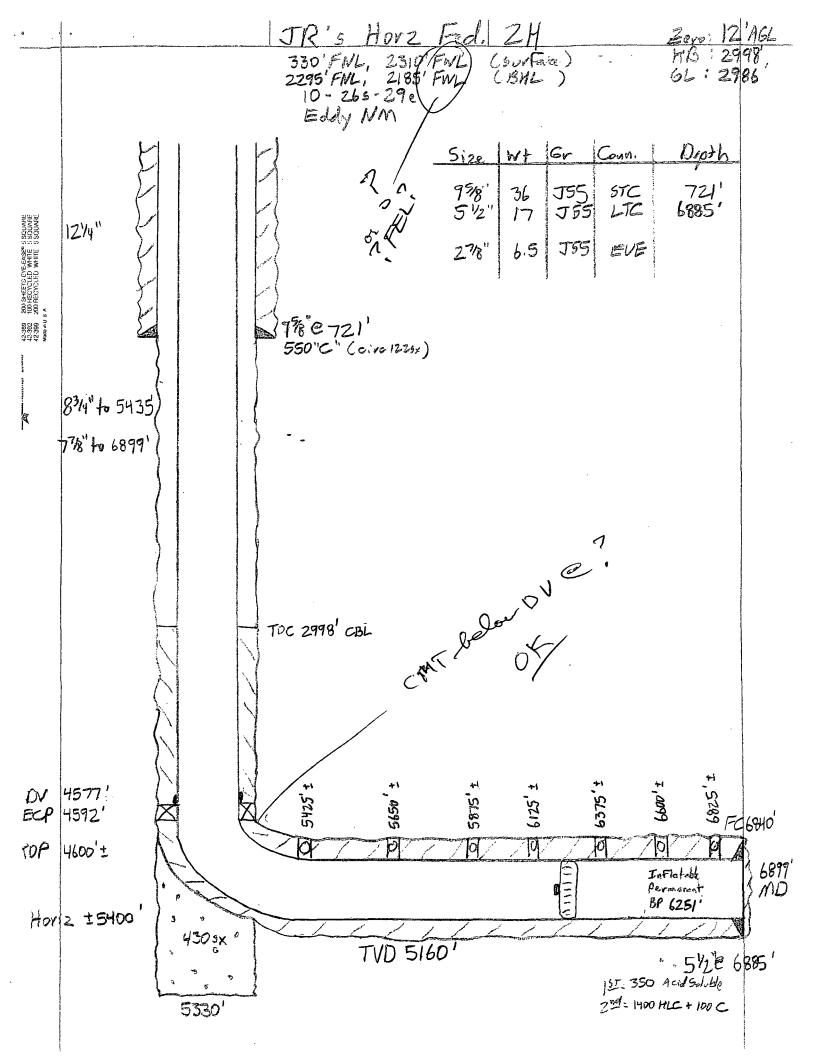
V.

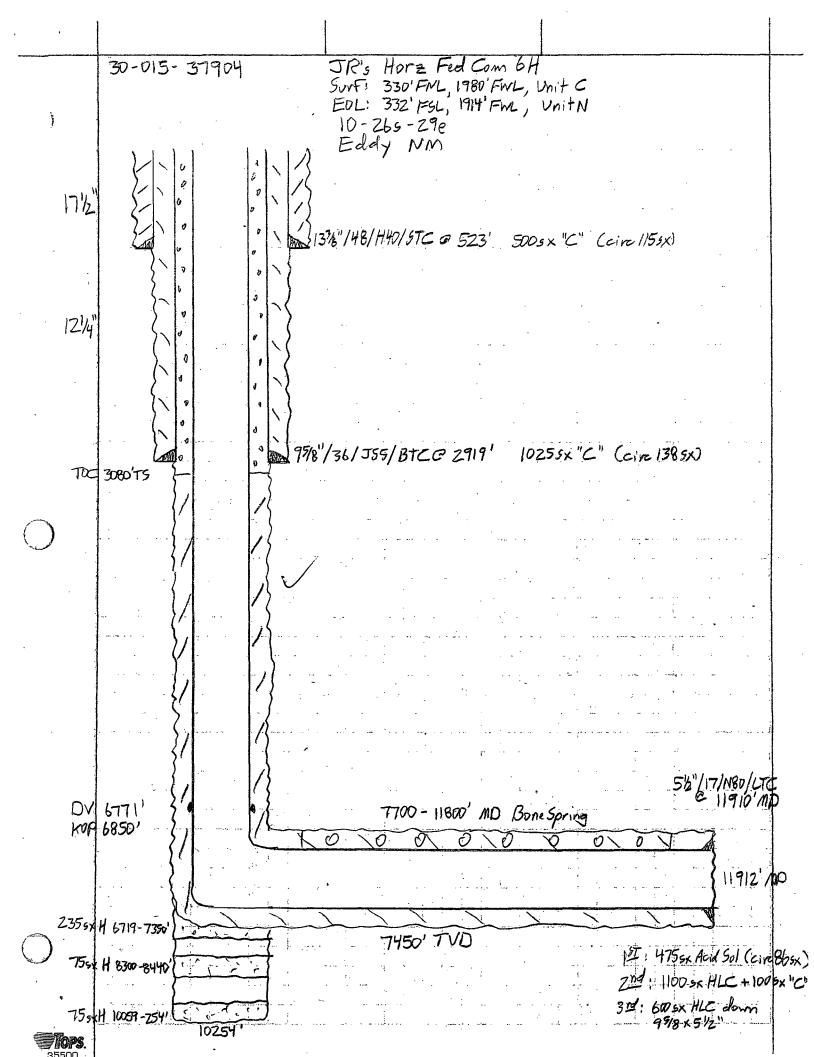
MAP

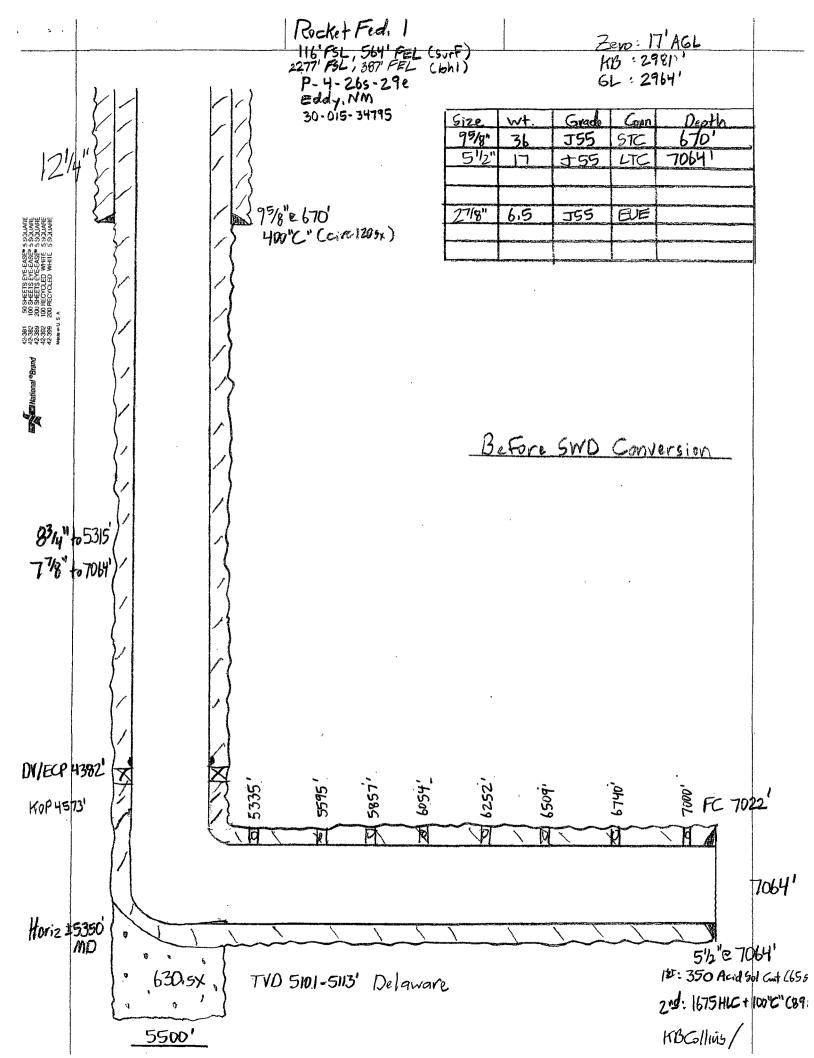


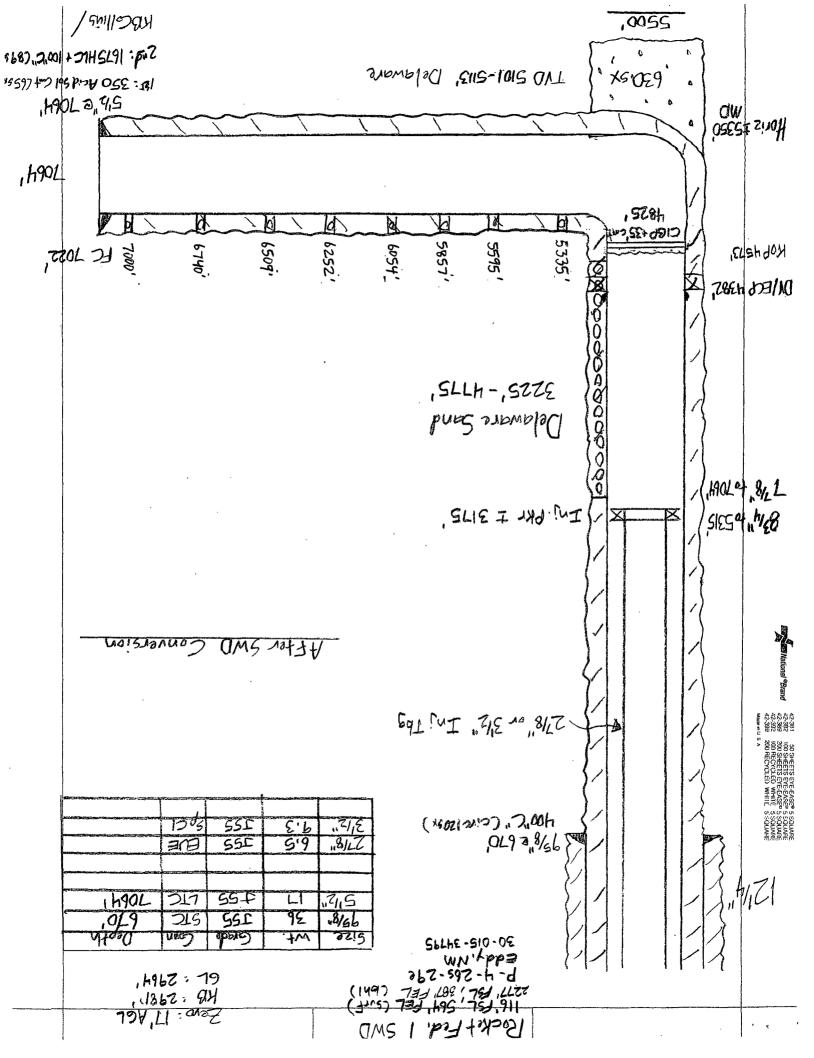
VI.

Wells Penetrating Proposed Disposal Interval Within Half Mile Area of Review









VII.

Water Analysis Produced and Receiving Formation Water

VATER SAM	PLES REPRESENTATIVE OF W	ATER BEING INJEC	TED INTO AND	NATIVE TO	THE PROPO	SED SWD WELL					***************************************	
Bone Spr	7701/10E					addillinamadillawamaalamatinana				***************************************		
Lab Test #	Lease	Location	Salesman	Date Out	Sample Date	Specific Gravity	Ionic Strength	TDS	На	conductivity	Ca (mg/L)	Mg (mg/
2011128836	Jr's Horz Federal Com	6H	William D Polk			1.13	3.30	195560.75			5293.00	1025.00
7	41				. 7							
	Representative o	F Bone 90	ring Produ	ad W.	ater -							
		7	<u> </u>)	**************************************
***************************************				ī								
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

Reprosentative of Delaware Produced and Receiving Formation Water

TH (CaCO3) 18091.94	Na (mg/L) 75830.00	K (mg/L) 1296.00	Zn (mg/L)	Fe (mg/L) 2.00	Ba (mg/L) 2.00	Sr (mg/L) 557.00	Mn (mg/L) 0.75	Resistivity	HCO3 (mg/L) 1830.00	CO3 (mg/L) 0.00	OH (mg/L)		CI (mg/L) 109400.00		H2S (mg/L) 0.00
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

•

•

•

X.

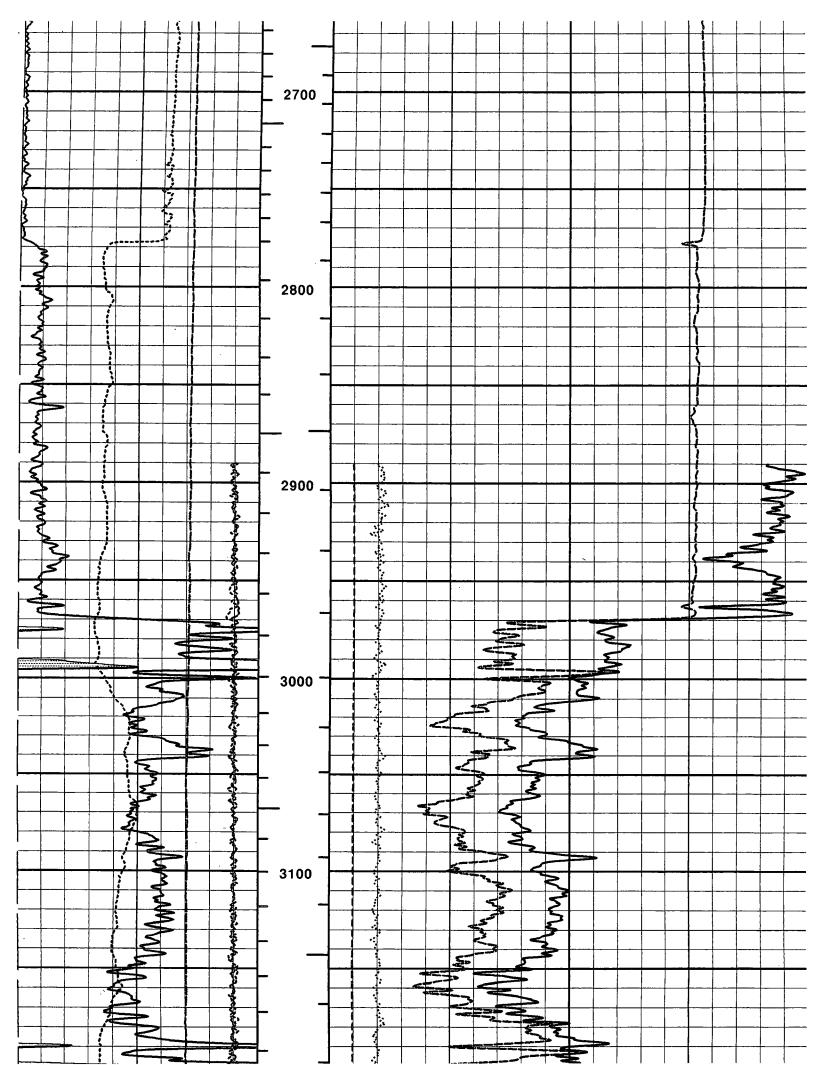
Log Across Proposed Delaware Sand Injection Interval

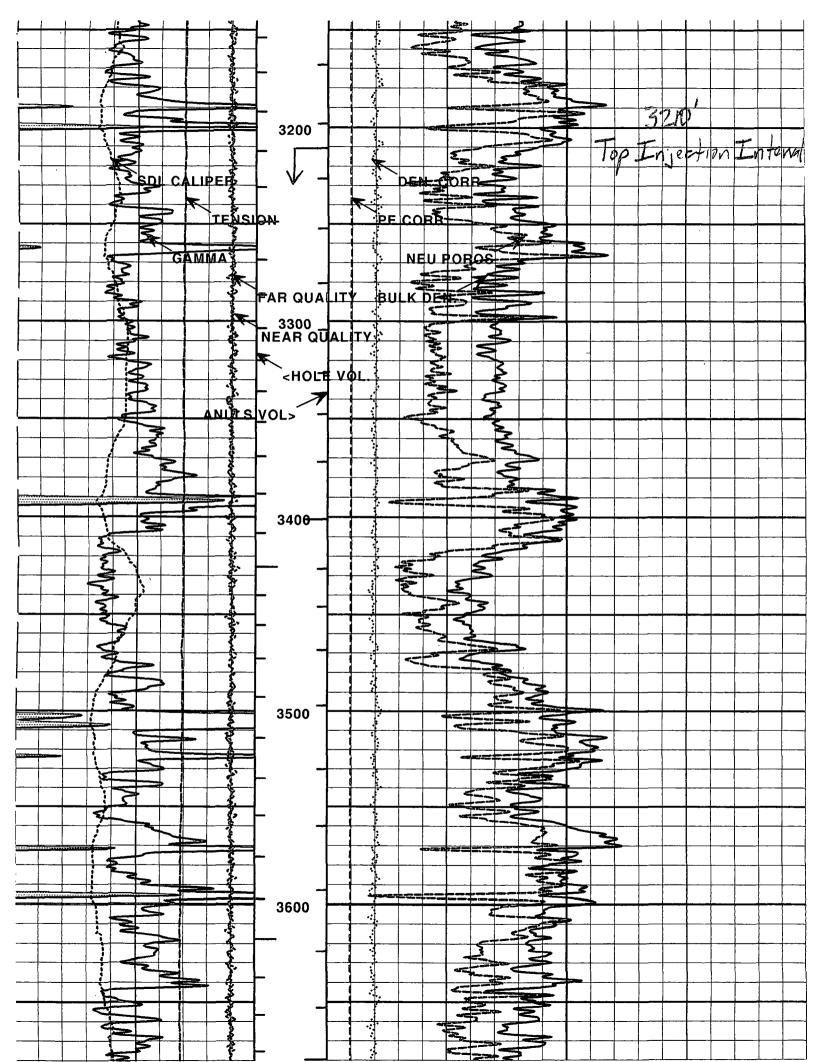
HALLIBURTON

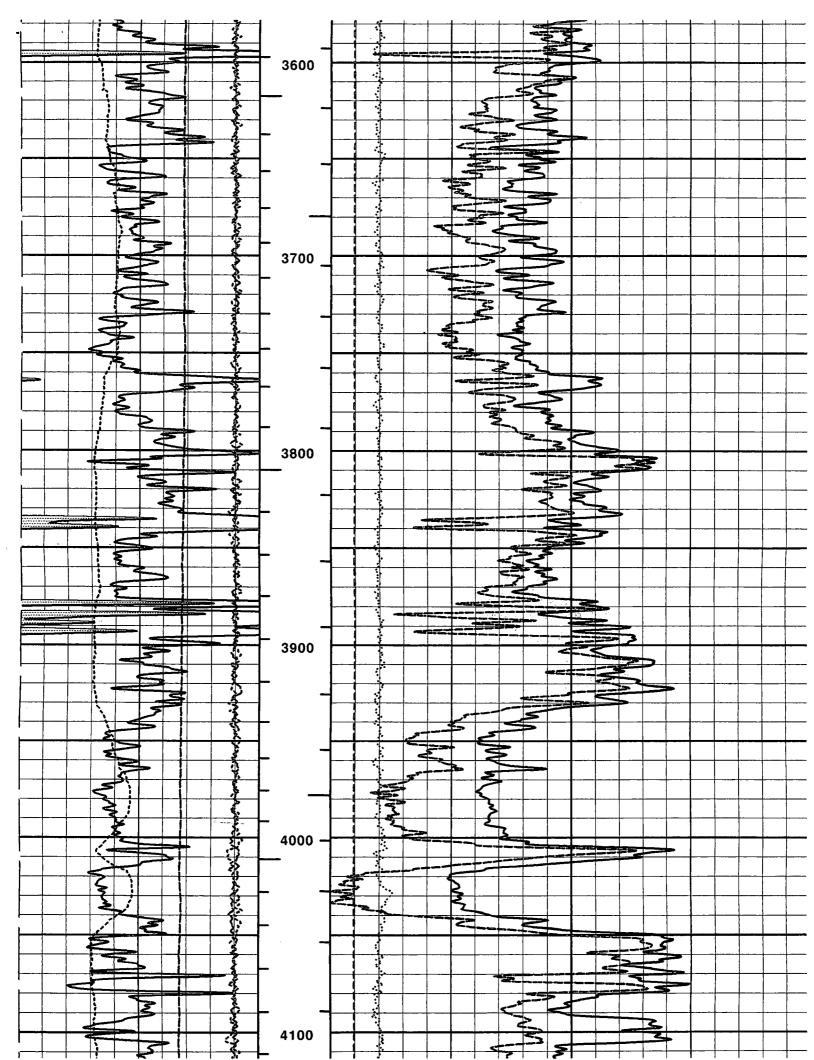
SPECTRAL DENSITY DUAL SPACED NEUTRON GAMMA RAY LOG

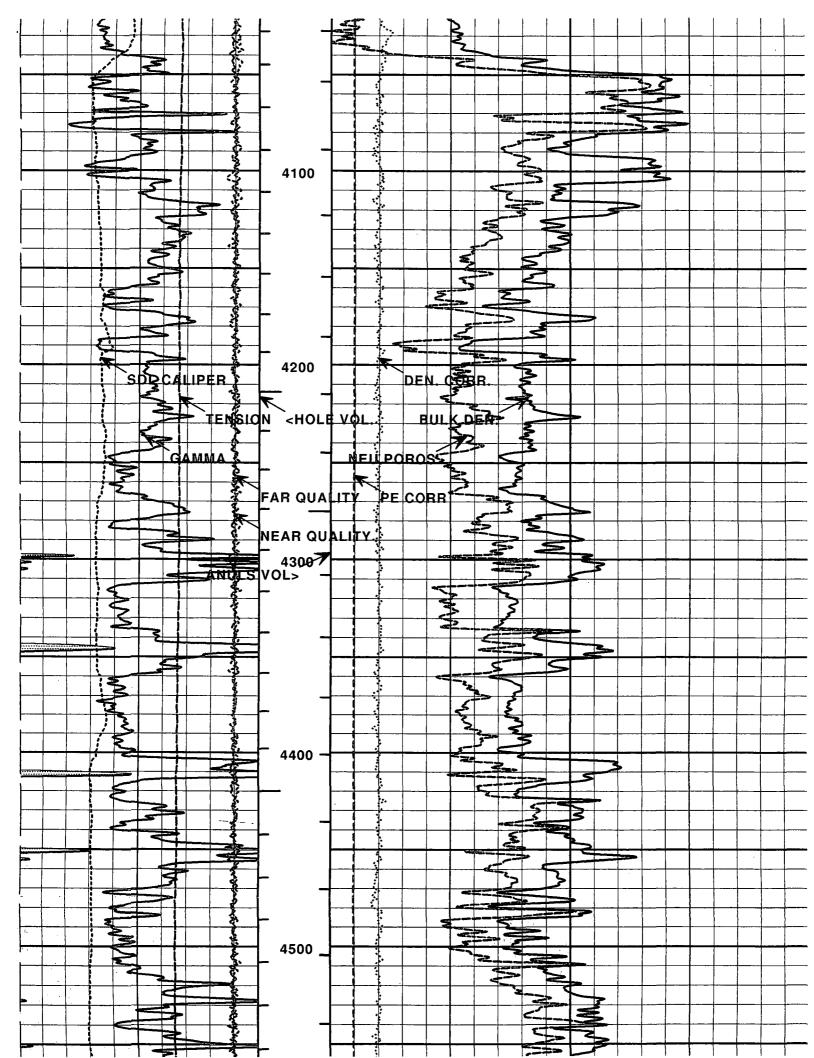
·					
	COMPANY N	MARBOB ENERGY COI	RPORATION	N	
ATION	WELL	JR'S HORZ FEDERAI	L #1		
RCY CORPORATION FEDERAL #1 HY DRAW STATE NW	FIELD N	NORTH BRUSHY DRAI	N		
MARBOB ENERGY JR'S HORZ FED NORTH BRUSHY EDDY	COUNTY[EDDY	·· <u>·</u>	STATE	NM
COMPANY MARBOB ENERGY CORPORATION WELL JR'S HORZ FEDERAL #1 FIELD NORTH BRUSHY DRAW COUNTY EDDY STATE NM		L & 330' FWL T-26-S, R-29-E	29-E	Other Ser DLL/MCG	
			Z9-L		
Permanent Datum	GROUND LEVEL				K.B. <u>3003</u>
Log measured from	K.B. , <u>10</u>	ft. above perm. da	atum		D.F. 3002'
Drilling measured from	K.B.				G.L. 2993'
Date	11/14/2003				
Run No.	ONE				
Depth - Driller	5300'		<u> </u>		
Depth - Logger	5290'	 	ļ		<u> </u>
Bottom - Logged Interval	5250'		<u> </u>	· · ·	·
Top – Logged Interval	200'		ļ.,	:	
Casing - Driller	9 5/8 @ 556'	@	(<u>@</u>	@
Casing - Logger	555'		<u> </u>	<u>-</u> -	
Bit Size	8.75"		 		
Type Fluid in Hole	BRINE		 		
Dens. Visc.	10 29			<u> </u>	<u> </u>
Ph Fluid Loss	10 11	<u> </u>	ļ		<u> </u>
Source of Sample Rm @ Meas. Temp.	FLOWLINE 0.1 @ 67 F	· @	 	a)	@
Rmf @ Meas. Temp.	0.1 @ 67 F	@		2	. @
Rmc @ Meas. Temp.	N/A @ N/A	@		20	@
Source Rmf Rmc	MEAS. N/A	1			1
Rm @ BHT	0.054 @ 130 F	@		20	@
Time Since Circ.	1430 11/14			. }	
Time on Bottom	1900 11/14				,
Max. Rec. Temp.	130 F @ TD	@	(2 0	@
Equip. Location	582 HOBBS	[]			Roger Land
Recorded By	GOPAAL SETHU				5/30 TVO
Witnessed By	BRENT MAY	CRAIG HUBER	MUSTAN	G RANCH	

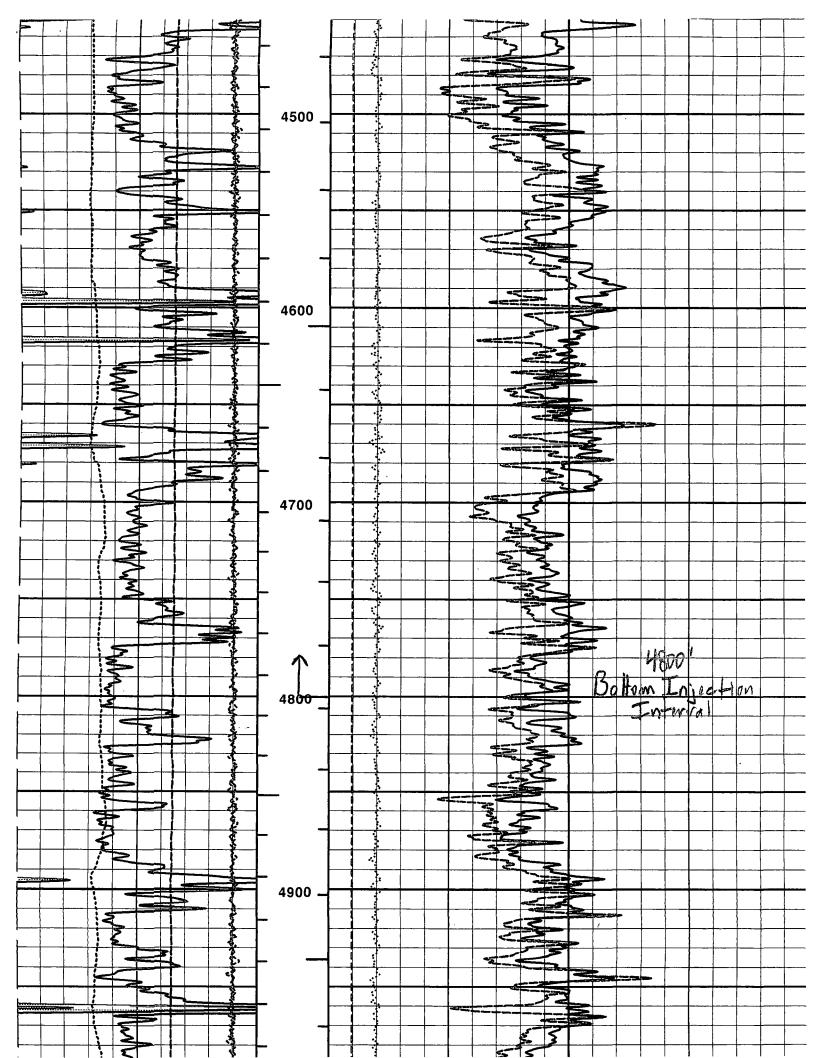
Service Ticket No.:	2775651	AP	API Serial No.: 30.	30-015-33066	PGM	PGM Version:	XL v5.5		
CHANGE IN MUD TYPE OR ADI	TYPE OR ADDIT	DITIONAL SAMPLES			RESIST	RESISTIVITY SCALE CHANGES	CHANGES		
Date Sample No.		_		Type Log	Depth	Scale Up Hole	ole	Scale Down Hole	Hole
Depth – Driller									
Type Fluid									
· eloH ui									
Dens. Visc.						:	. •		
Ph Fluid Loss	_								
Source of Sample					RESIST	RESISTIVITY EQUIPMENT DATA	MENT DATA		
Rm @ Meas. Temp.	@		⊚	Run No.	Tool Type & No.	<u> </u>	Pad Type To	Tool Pos.	Other
Rmf @ Meas. Temp.	@		©						
Rmc @ Meas. Temp.	@		©						
Source Rmf Rmc									
Rm @ BHT	@		©						
Rmf @ BHT	@		(e)						
Rmc @ BHT	@		@						
			EQUIPME	EQUIPMENT DATA					
GAMMA	AA		ACOUSTIC		DENSITY			NEUTRON	
Run No.	ONE	Run No.		Run No.	ONE	Æ	Run No.	ONE	E
Serial No.	108590YL	Serial No.		Serial No.	AD	AD44YL	Serial No.	108	108819PU
Model No.	NGRT	Model No.		Model No.	ds	SDL_DA	Model No.	SO	DSN_II
Diameter	3.625"	No. of Cent.		Diameter	4.5"	**	Diameter	3.625"	25"
Detector Model No.	T 102 A	Spacing		Log Type	Ø.	GAM/GAM	Log Type	NE	NEU/NEU
Type	SCINT.			Source Type		Cs137	Source Type		Am241Be
Length	4"	LSA [Y/N]		Serial No.	52	2549GW	Serial No.	SO	06-NSQ











XI.

Fresh Water Sample Analyses



Active & Inactive Points of Diversion

(with Ownership Information)

No PODs found.

PLSS Search:

Section(s): 32-35

Township: 25S

Range: 29E

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.



Active & Inactive Points of Diversion

(with Ownership Information)

(acre ft per annum)

basin Use Diversion Owner

C 03508

WR File Nbr

C 03507

SP 03254

STK

3 M. BRAD BENNETT 3 M. BRAD BENNETT

COM

STK

6418 RED BLUFF WATER CONTROL DIST.

County POD Number ED C 03507 POD1

(R=POD has been replaced C=the file is closed)

Code Grant

All outside

and no longer serves this file, (quarters are 1=NW 2=NE 3=SW 4=SE)

(quarters are smallest to largest) (NAD83 UTM in meters)

qqq

Source 6416 4 Sec Tws Rng Shallow 1 3 3 05 26S 29E

3548313

Shallow 1 3 3 05 26S 29E

3548361 593063

593172 3549004* 3 1 05 26S 29E

Record Count: 3

PLSS Search:

Section(s): 2-5

Township: 26S

Range: 29E

Sorted by: File Number

*UTM location was derived from PLSS - see Help

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

7/11/12 1:28 PM

Page 1 of 1

ACTIVE & INACTIVE POINTS OF DIVERSION



Point of Diversion Summary

(quarters are 1=NW 2=NE 3=SW 4=SE)

(quarters are smallest to largest)

(NAD83 UTM in meters)

POD Number

Q64 Q16 Q4 Sec Tws Rng

X

C 03507 POD1

05 26S 29E 3

593064

3548313

Driller License: KEY DRILLING & PUMP SERVICE

Driller Name:

KEY, CLINTON

Drill Start Date: 08/26/2011

Drill Finish Date:

08/26/2011

Plug Date:

Log File Date:

09/12/2011

PCW Rcv Date:

Shallow

Pump Type:

Pipe Discharge Size:

Source:

Casing Size:

SUBMER 6.00

Depth Well:

140 feet

Depth Water:

Estimated Yield: 35

78 feet

Water Bearing Stratifications:

Top Bottom Description

78

Shale/Mudstone/Siltstone

105

Sandstone/Gravel/Conglomerate

Casing Perforations:

Top Bottom

75

112



Point of Diversion Summary

(quarters are 1=NW 2=NE 3=SW 4=SE)

(quarters are smallest to largest)

(NAD83 UTM in meters)

POD Number

Q64 Q16 Q4 Sec Tws Rng

C 03508 POD1

3 05 26S 29E

X 593063 3548361

Driller License: KEY DRILLING & PUMP SERVICE

Driller Name:

KEY, CLINTON

Drill Start Date: 08/24/2011

Drill Finish Date:

08/24/2011

Plug Date:

Log File Date:

09/12/2011

PCW Rcv Date:

Source:

Shallow

Pump Type:

SUBMER

Pipe Discharge Size:

Casing Size:

6.00

Depth Well:

140 feet

Depth Water:

Estimated Yield: 40

75 feet

Water Bearing Stratifications:

Top Bottom Description

75

Shale/Mudstone/Siltstone

Casing Perforations:

Top Bottom

65

105



New Mexico Office of the State Engineer Point of Diversion Summary

(quarters are 1=NW 2=NE 3=SW 4=SE)

(quarters are smallest to largest)

(NAD83 UTM in meters)

POD Number

Q64 Q16 Q4 Sec Tws Rng

х ,

SP 03254

3 1 05 26S 29E

593172 3549004*

River Name:

Source:

Surface

Ditch Name:

Start Date:

Finish Date:

Pe cos River Approx. 7300' to the West



Active & Inactive Points of Diversion

(with Ownership Information)

No PODs found.

PLSS Search:

Section(s): 8-11

Township: 26S

Range: 29E

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.

7/11/12 1:30 PM

Page 1 of 1

ACTIVE & INACTIVE POINTS OF DIVERSION



Active & Inactive Points of Diversion

(with Ownership Information)

No PODs found.

PLSS Search:

Section(s): 14-17

Township: 26S

Range: 29E

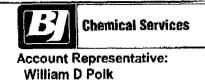
The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

7/11/12 1:30 PM

Page 1 of 1

ACTIVE & INACTIVE POINTS OF DIVERSION

Analytical Laboratory Report for:



MARBOB ENERGY CORPORATION

Production Water Analysis

Listed below please find water analysis report from:

, Pecos River

Lab Test No: Specific Gravity: 2008151012

Sample Date:

12/04/2008

TDS:

6402 7.19/

1,005

pH:

Cations:	mg/L	as:	
Calcium	672	(Ca [↔])	
Magnesium	207	(Mg ⁺⁺)	
Sodium	1340	(Na ¹)	
Iron	80.0	(Fe)	
Potassium	53.0	(K*)	
Barium	0.08	(Ba [↔])	
Strontium	7.88	(Sr**)	
Manganese	0.04	(Mก ี่)	
Anions;	mg/L	as:	
Bicarbonate	222	(HCO,)	
Sulfate	1400	(SO ₄ ")	
Chloride	2500	(Cl [°])	
Gases:			
Carbon Dioxide		(CO ₂)	
Hydrogen Sulfide		(H ₂ \$)	

Lab Comments:

Lab measured pH Lab measured alkalinity



July 20, 2012

Bureau of Land Management 620 East Greene Street Carlsbad, NM 88220-6292

Re: Application to Inject

JR's Horz Federal #1 SWD Township 26 South, Range 29 East, N.M.P.M. Section 10: 380' FNL & 330' FWL Eddy County, New Mexico

To Whom It May Concern:

Enclosed for your review is a copy of COG Operating LLC's application to convert the referenced well to salt water disposal. 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,

Brian Collins

Senior Operations Engineer

BC/sw Enclosures Form 3160-5 (August 2007)

(Instructions on page 2)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPRO	VED
OMB No. 1004-	0137
Expires: July 31	2010

5. Lease Serial No. NMNM92177

6. If Indian, Allottee or Tribe Name

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

abandoned well.	Use Form 3160-3 (A	PD) for such p	roposals.				
SUBMIT IN TRIPLICATE - Other instructions on page 2.			7. If Unit of CA/Agreement, Name and/or No.				
1. Type of Well			8. Well Name and No.				
Oil Well Gas W	ell Other				JR's Horz Federal #1 SWD		
2. Name of Operator COG OPERATI	NG, LLC				9. API Well No. 30-015-33066		
3a. Address 2208 W. Main Street,	Artania NIM 99210	3b. Phone No. (incli	ude area code)		10. Field and Pool or Exploratory Area		
		575-748-6940			Brushy Draw, Delay		
4. Location of Well (Footage, Sec., T., I	R.,M., or Survey Description,) Sec 10 T26S R29E 380' FNL, 330' FWL			11. Country or Parish, Eddy County, NM	, State	
12. CHEC	K THE APPROPRIATE BO	X(ES) TO INDICAT	E NATURE O	F NOTIC	CE, REPORT OR OTH	IER DATA	
TYPE OF SUBMISSION			ТҮРЕ	OF ACT	ION		
Notice of Intent	Acidize	Deepen		Prod	uction (Start/Resume)	Water Shut-Off	
Notice of finent	Alter Casing	Fracture Tr	reat	Recl	amation	Well Integrity	
Subsequent Report	Casing Repair	New Const	ruction	Reco	omplete	Other Convert to SWD	
sussequent report	Change Plans	Plug and A	.bandon [Tem	porarily Abandon		
Final Abandonment Notice	Convert to Injection	Plug Back	[Wate	er Disposal		
testing has been completed. Final determined that the site is ready for SUBMITTED FORM	r final inspection.) M C-108 - COPY ATTACH	IED					
` ` ` ` ` ` -	de and correct. Name (Prime			_			
Srian Collins Title Senior Ope			erations Engi	Lneer			
Signature Omi IIII. Date 7/13/12							
	THIS SPACE	FOR FEDERA	L OR STAT	ΓE OF	FICE USE		
Approved by			T -		77		
			Title			Date	
Conditions of approval, if any, are attached that the applicant holds legal or equitable ti entitle the applicant to conduct operations to	itle to those rights in the subject						
Title 18 U.S.C. Section 1001 and Title 43 fictitious or fraudulent statements or repre			knowingly and v	willfully t	to make to any departme	ent or agency of the United States any false,	



RECEIVED OCD

2012 AUG 10 P12: 40

August 9, 2012

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

RE: Affidavit of Publication/Certified Return Receipts

JR's Horz Federal #1 SWD

Township 26 South, Range 29 East, N.M.P.M.

Section 10: 380' FNL & 330' FWL Eddy County, New Mexico

Dear Mr. Jones:

COG Operating LLC submitted an application for authorization to inject the JR's Horz Federal #1 SWD on July 20, 2012. Enclosed, for your review, please find one copy of the affidavit of publication and one copy of the certified return receipts from each party that was notified.

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

Sincerely,

Brian Collins

Senior Operations Engineer

BC/sw Enclosures

Affidavit of Publication

NO. 22238				
STATE OF NEW MEXICO				
County of Eddy:				
Danny Scott / Namy HCSU				
being duly sworn, says that he is the Publisher				
of the Artesia Daily Press, a daily newspaper of general				
circulation, published in English at Artesia, said county				
and state, and that the hereto attached				
Legal Notice				
was published in a regular and entire issue of the said				
Artesia Daily Press, a daily newspaper duly qualified				
for that purpose within the meaning of Chapter 167 of				
the 1937 Session Laws of the state of New Mexico for				
1 Consecutive weeks/days on the same				
day as follows:				
First Publication July 26, 2012				
Second Publication				
Third Publication				
Fourth Publication				
Fifth Publication				
Subscribed and sworn to before me this				
26th day of July 2012				
OFFICIAL SEAL Latisha Romine				

Latisha Romine

My commission expires:

Latisha Romine
Notary Public, Eddy County, New Mexico

NOTARY PUBLIC-STATE OF NEW MEXICO

Copy of Publication:

LEGAL NOTICE

GOG 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 JR's Horz Federal No 11 SWD is located 380' FNL & 330' FWL Section 10 Township 26 South Range 29 East; Eddy 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 for mation at a depth of 3210' to 4800' at a maximum surface pressure of 642 psi and a maximum rate of 10,000 BWPD. The proposed SWD well is located approximately 15 miles southeast of the village of Loving. 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 Artesia Daily Press, Artesia, N.M., July 26, 2012 Legal No 22238



July 20, 2012

OXY USA Inc. P.O. Box 4294 Houston, TX 77210-4294

Re: Application to Inject

JR's Horz Federal #1 SWD Township 26 South, Range 29 East, N.M.P.M. Section 10: 380' FNL & 330' FWL Eddy County, New Mexico

To Whom It May Concern:

Enclosed for your review is a copy of COG Operating LLC's application to convert the referenced well to salt water disposal. 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,

Brian Collins

Senior Operations Engineer

BC/sw Enclosures

2052	U.S. Postal Service M CERTIFIED MAIL MECEIPT (Domestic Mail Only; No Insurance Coverage Provided) Fordelivery Information visit curwebsite at www.usps.com			
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	Restricted Delivery Fee (Endorsement Required)			
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~	or PO Box No. Ca	arlsbad, NM 8	8220-6292	
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ת תוטל	Sent To OXY-USA-Inc. P.O. Box 4294			

JR's Horz Federal #1 SWD

The second s	E see and a good of a delige and a section of a section of the sec
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 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. 	A. Signature Agent Addressee B. Received by (Printed Name) C. Date of Delivery
1. Article Addressed to: Bureau of Land Management 620 East Greene Street Carlsbad, NM 88220-6292	D. Is delivery address different from item?
JR's Horz Fed #1 SWD/Notification	3. Service Type M Certified Mail Registered Insured Mail C.O.D.
	4. Restricted Delivery? (Extra Fee) ☐ Yes
2. Article Number (Transfer from service label)	1570 0000 17781 2052
PS Form 3811, February 2004 Domestic Ret	urn Receipt 102595-02-M-1540
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SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
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.	A Signature A Agent Addressee B. Received by (Printed Name) C. Date of Delivery
 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: OXY USA Inc. P.O. Box 4294 	A Signature Agent Addressee B. Received by (Printed Name) D. Is delivery address different from item 1? Yes If YES, enter delivery address below:
 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. Article Addressed to: OXY USA Inc.	A Signature A Agent Addressee B. Received by (Printed Name) D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No 3. Service Type Certified Mail Registered Return Receipt for Merchandise Insured Mail C.O.D.
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: OXY USA Inc. P.O. Box 4294 Houston, TX 77210-4294 JR's Horz Fed #1 SWD/Notification	A Signature Agent Addressee Addressee Addressee Received by (Printed Name) C. Date of Delivery D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No Addressee Printed Name No Service Type Express Mail Express Mail Registered Return Receipt for Merchandise Insured Mail C.O.D. Restricted Delivery? (Extra Fee) Yes
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: OXY USA Inc. P.O. Box 4294 Houston, TX 77210-4294 JR's Horz Fed #1 SWD/Notification	A Signature A Agent Addressee B. Received by (Printed Name) D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No 3. Service Type Certified Mail Registered Return Receipt for Merchandise Insured Mail C.O.D. 4. Restricted Delivery? (Extra Fee) Yes



July 20, 2012

Artesia Daily Press P. O. Box 190 Artesia, NM 88211-0190

Re: Legal Notice

Salt Water Disposal Well JR's Horz Federal #1 SWD

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

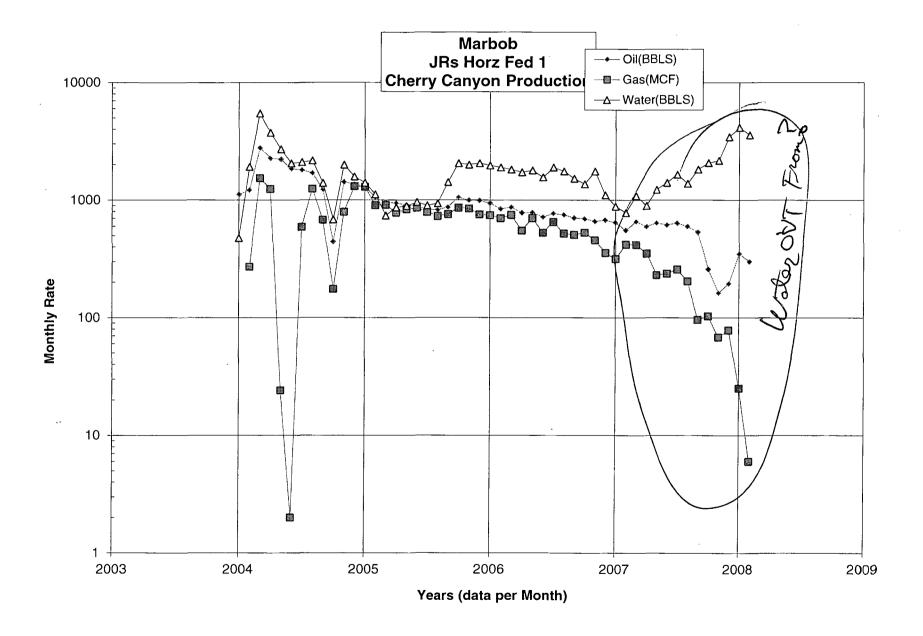
Senior Operations Engineer

BC/sw Enclosures

ARTESIA DAILY PRESS 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 JR's Horz Federal No. 1 SWD is located 380' FNL & 330' FWL, Section 10, Township 26 South, Range 29 East, Eddy 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 3210' to 4800' at a maximum surface pressure of 642 psi and a maximum rate of 10,000 BWPD. The proposed SWD well is located approximately 15 miles southeast of the village of Loving. 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 Artesia	Daily Press,	Artesia,	New	Mexico
	, 2012.			



Jones, William V., EMNRD

From:

Jones, William V., EMNRD

Sent:

Thursday, August 09, 2012 2:03 PM

To:

'bcollins@concho.com'

Cc:

Ezeanyim, Richard, EMNRD; Shapard, Craig, EMNRD

Subject:

Disposal application from Concho: JR's Horz Federal #1SWD 30-015-33066 Delaware

from 3210 to 4800 feet

Attachments:

EddyNM_NASH_53_SWD.pdf

Hello Brian,

I talked with someone from your office yesterday and passed at least the first item on, but just sending an email for the records,

Would you let me know where the separately owned tracts of land exist within the ½ mile AOR and the owner(s) of each tract? Attaching an example...

Please send a copy of the newspaper notice after you see it in the paper.

The fresh water sands may exist down to 140 feet – what does the Geologists call this interval? Is it alluvium or what.

Hope all is well,

William V. Jones, P.E. 505-476-3448W 505-476-3462F Engineering Bureau, Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

Jones, William V., EMNRD

From: Brian Collins < BCollins@concho.com>

Friday, August 10, 2012 7:44 AM Sent:

Jones, William V., EMNRD Dean Chumbley; Jan Spradlin; Gary Young; Savannah Wilkinson Cc:

RE: Disposal application from Concho: JR's Horz Federal #1SWD 30-015-33066 Subject:

Delaware from 3210 to 4800 feet

Will:

To:

We are working on plotting leasehold operator tracts on a lease map and will get it to you ASAP.

The geologists called the formation from surface to the Rustler "Permian" on the drilling permits. The nearest fresh water well records I found, which were outside the 1 mile AOR, showed the well TD's to be 140' which is the depth I used for potential fresh water. One well (C03507) had casing perforations 75-112' with water bearing strata 78-79' described as shale/mudstone/siltstone and 105-106' described as sandstone/gravel/conglomerate. The other well (CO3508) had casing perforations 65-105' with water bearing strata 75-76' described as shale/mudstone/siltstone.

A copy of the return receipts and public notice have been mailed to you and should arrive soon. All these comments are applicable to the Rocket Fed C108 too as it is very close to the JR's Horz lease. Hope I answered your questions. Take care.

Brian Collins

From: Jones, William V., EMNRD [mailto:William.V.Jones@state.nm.us]

Sent: Thursday, August 09, 2012 3:02 PM

To: Brian Collins

Cc: Ezeanyim, Richard, EMNRD; Shapard, Craig, EMNRD

Subject: Disposal application from Concho: JR's Horz Federal #1SWD 30-015-33066 Delaware from 3210 to 4800 feet

Hello Brian,

I talked with someone from your office yesterday and passed at least the first item on, but just sending an email for the records,

Would you let me know where the separately owned tracts of land exist within the ½ mile AOR and the owner(s) of each tract? Attaching an example...

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The fresh water sands may exist down to 140 feet - what does the Geologists call this interval? Is it alluvium or what.

Hope all is well,

William V. Jones, P.E. 505-476-3448W 505-476-3462F Engineering Bureau, Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505



RECEIVED OCD 2012 SEP - 4 P 1: 03

August 30, 2012

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

RE: Lease Map

JR's Horz Federal #1 SWD Township 26 South, Range 29 East, N.M.P.M. Section 10: 380' FNL & 330' FWL Eddy County, New Mexico

Dear Mr. Jones:

COG Operating LLC recently submitted to you a C-108 application for the JR's Horz Federal #1 SWD well referenced above. Per your request, please find the enclosed lease map identifying all of the separately owned tracts of land along with the owners of each tract.

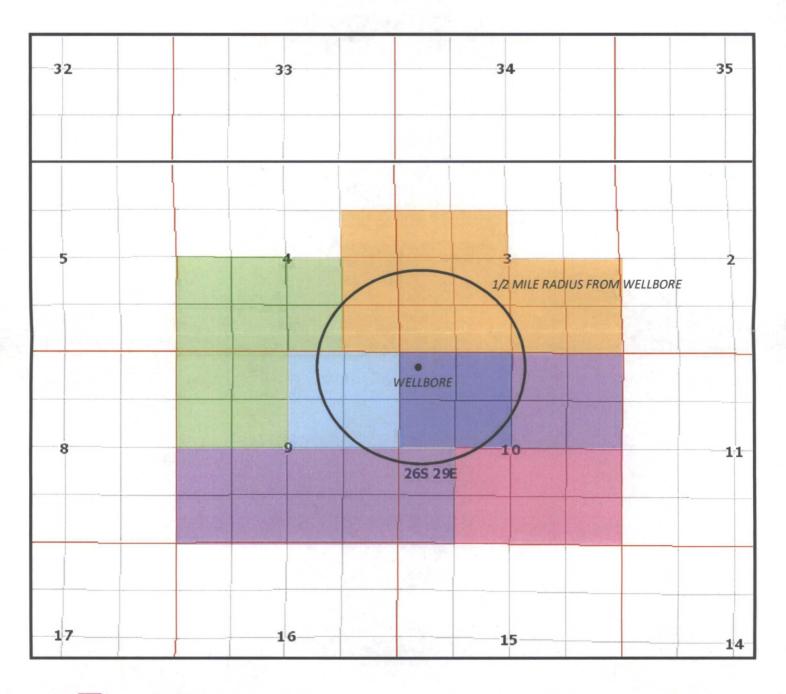
Please do not hesitate to contact me at (575) 748-6940 should you have any questions.

Sincerely,

Brian Collins

Senior Operations Engineer

BC/sw Enclosure





- COG Operating LLC
- Oxy USA Inc
- Oxy USA Inc
- Oxy USA Inc
- COG Operating LLC

JR's Horz Federal 1 SWD 380' FNL & 330' FWL Sec 10; T26s - R29e Eddy County, New Mexico

WFXPMXSWDPermit Date 9 6 12	
	UIC Qtr ATTO
#Wells Well Name(s): TR'S HORZ FEBERAL =	#1 SUD Forming The COMT
	ew/Old: UIC primacy March 7, 1982)
	S Rge 29E County EDDY
General Location: JUST 25mi Nof Red BLUF	
Operator: COE OPERATING LLC C	Contact BRAN COLLINS
OGRID 7973 RULE 5.9 Compliance (Wells) /3705 (F	Finan Assur) 615 IS 5.9 OK?
Well File Reviewed Current Status: Della Lower Del	large HORIZ well
Planned Work to Well: PW6 BACK, Perf, inject	
Diagrams: Before Conversion After Conversion Elogs in Imaging File:	
14. 11 E	stage Cement Determination Tool Sx or Cf Method
New Existing Surface 12/4 95/8 552	375 SX CIRC
New_Existing_Interm	170 17005X <1860 CBL
(5300 TVX)	400+1200 _/
New_Existing _ Liner New_Existing _ OpenHole	PO-RCYCT 4 TO TO 177
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	area
Formation(s) Above	
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Formation(s) Below	
Gapitan Reef? (Potash? Noticed? [WIPP? Noticed?] Sal	lado Top/BotGlift House?
Fresh Water: Depths: < 140 Formation Wells? N	Analysis?Affirmative Statement
Disposal Fluid Analysis? V Sources: Del B.Sr	
Disposal Interval: Analysis? Production Potential/Testing: Guly in	Delatore & BSC7,450
Notice: Newspaper Date C Surface Owner BLM	Mineral Owner(s)
RULE 26.7(A) Affected Persons:	
AOR: Maps? Well List? Producing in Interval? Wellbore Diagrams	? V
Active Wells 3 Repairs? O WhichWells?	
P&A Wells O Repairs? Which Wells?	
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Issues: 70 V	Request SentReply:

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