



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



April 2, 2009

Ms. Phyllis Edwards
COG Operating, LLC
550 West Texas Avenue
Suite 1300
Midland, TX 79701

Re: Administrative Order SWD-1118

Tracey Federal Well No. 1 (API No. 30-015-28142)
950 FSL, 1980 FEL, Sec 29, T17S, R31E, NMPM, Eddy County
Injection into the Wolfcamp formation, permitted Injection Depths: 8327 to 9470

You have submitted a request on behalf of COG Operating, LLC as the new operator of this well, for an extension of this injection permit beyond the one year deadline to commence injection for the reasons outlined in the attached correspondence.

The Division finds that granting COG's request to extend this injection permit beyond the normal one year is in the interest of conservation and will prevent waste and protect the environment.

All requirements of the above referenced injection permit remain in full force and effect including the following:

"Prior to completion in the Wolfcamp, the operator shall set a cast iron bridge plug capped with cement above the Cisco formation top at approximately 9,600 feet or as directed by the Artesia district office. Any new perforations in the lower Wolfcamp shall be swab tested and test results and standing fluid level (or initial pressure) reported to the district office on sundry forms."

The deadline to commence injection is hereby extended until April 24, 2010.

Sincerely,



MARK E. FESMIRE, P.E.
Director

cc: Oil Conservation Division – Artesia
File: SWD-1118

