STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF COG OPERATING LLC FOR AUTHORIZATION TO CONDUCT INJECTION OPERATIONS FOR EVALUATION FOR SECONDARY RECOVERY OPERATIONS, EDDY COUNTY, NEW MEXICO

CASE NO. 14457

AFFIDAVIT

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

J. SCOTT HALL, attorney and authorized representative of COG Operating LLC, the Applicant herein, being first duly sworn, upon oath, states that the notice provisions of Rule 19.15.4.12 of the New Mexico Oil Conservation Division have been complied with, that Applicant has caused to be conducted a good faith diligent effort to find the correct addresses of all interested persons entitled to receive notice, as shown by Exhibit "A" attached hereto, and that pursuant to Rule 19.15.4.12, notice has been given at the correct addresses or last known addresses provided by such rule.

J. SCOTT HALL

SUBSCRIBED AND SWORN to before me this 31st day of March, 2010.

Notary Public

My Commission Expires: 11-26-11

EX. 9

EXHIBIT A

Chevron USA Production Company
11111 S. Wilcrest
Houston, TX 77099

Commissioner of Public Lands
P.O. Box 1148
Santa Fe, NM 87504-1148

Cimarex Energy Company
600 N. Marienfeld, Suite 600
Midland, TX 79701

00175977

MONTGOMERY & ANDREWS
LAW FIRM

J. SCOTT HALL
Cell: (505) 670-7362
Email: shall@montand.com
Reply To: Santa Fe Office
www.montand.com

March 11, 2010

Certified Mail Return Receipt Requested

Commissioner of Public Lands
P.O. Box 1148
Santa Fe, NM 87504-1148

Re: NMOCD Case No. 14457; Application of COG Operating LLC for Authorization to Conduct Injection Operations for Evaluation for Secondary Recovery Operations, Eddy County, New Mexico

Dear Sir or Madam:

This will advise that COG Operating LLC ("COG") has filed an Application with the New Mexico Oil Conservation Division for an order authorizing Applicant to convert and utilize its Texaco BE State No. 8 well for injection of water through a closed system into the Paddock and Blinebry members of the Glorieta-Yeso formation. The well is located in Section 16, Township 17 South, Range 30 East, NMPM, Eddy County, New Mexico. As owner of the surface, you are being notified of COG's Application.

Copies of the Application for hearing and COG's C-108 Application for Authorization to Inject are enclosed.

This application will be set for hearing before a Division Examiner on April 1, 2010, at 8:15 a.m. at the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time. If you intend to attend the hearing and present testimony or

evidence, you must enter your appearance and serve the Division, counsel for the Applicant, and other parties with a pre-hearing statement at least four business days before the scheduled hearing date in accordance with Division Rule 19.15.4.13 NMAC.

Very truly yours,

MONTGOMERY & ANDREWS, P.A.

J. Scott Hall

Attorneys for COG Operating LLC

7008 3230 0000 2319 0857

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com®

OFFICIAL USE

Postage	$ 4.95
Certified Fee	7.75
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	$ 10.05

Postmark Here: Tex MAR 11 2010

Sent To: Commissioner of Public Lands
Street, Apt. No.; or PO Box No.: P.O. Box 1148
City, State, ZIP+4: Santa Fe NM 87504

PS Form 3800, August 2006 — See Reverse for Instructions

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

RECEIVED OCD
2010 MAR -2 P 4:40

IN THE MATTER OF THE APPLICATION OF COG OPERATING, LLC FOR AUTHORIZATION TO CONDUCT INJECTION OPERATIONS FOR EVALUATION FOR SECONDARY RECOVERY OPERATIONS, EDDY COUNTY, NEW MEXICO.

CASE NO. 14457

APPLICATION

COG Operating, LLC, ("COG"), through its undersigned counsel, Montgomery and Andrews, P.A. (J. Scott Hall, Esq.), applies pursuant to 19.15.26.8 NMAC for an order authorizing the injection of water into the Paddock and Blinebry members of the Glorieta-Yeso formation, Loco Hills Glorieta-Yeso Pool (96718) in Eddy County, New Mexico. In support of its Application, COG states:

1. Applicant is the operator of the following well:

Texaco BE State No. 8
API No. 30-015-35253
330' FNL & 2310' FEL (Unit B)
Section 16
T-17-S, R-30-E, NMPM
Eddy County, New Mexico

2. The Texaco BE State No. 8 well is drilled to a plugged-back total depth of 6013' and was originally operated as a producing oil well. COG proposes to convert and utilize the well for injection of water through a closed system into the Paddock and Blinebry formations, Loco Hills Glorieta-Yeso Pool, through perforations within the depths of 4,367' to 4,681' (Paddock) and 4,922' to 5,721' (Blinebry). Data from injection will be utilized to evaluate the feasibility of secondary recovery operations in the referenced formations.

3. Injection operations through the well will be conducted at an anticipated average daily injection pressure of 2,000 psi with a maximum surface injection pressure of 2,000 psi or as permitted by the Division, in excess of a 0.2 psi/ft. gradient. Applicant proposes injection of water at average daily rates of approximately 1,000 bbls and at maximum daily rates of approximately 2,000 bbls. The source of the injected fluids will be formation water from production wells that have been drilled and are scheduled to be drilled in the area.

4. Applicant's proposed injection operation can be conducted in a safe and responsible manner without causing waste, impairing correlative rights or endangering fresh water, public health or the environment.

WHEREFORE, Applicant requests that this Application be set for hearing before a duly appointed examiner of the Oil Conservation Division on April 1, 2010 and that after notice and hearing as required by law, the Division enter its Order approving the conversion of the Texaco BE State No. 8 Well for the injection of water into the Paddock and Blinebry members of the Glorieta-Yeso formation at the intervals and at the pressures, volumes and rates indicated, and making such other and further provisions as the Division determines appropriate.

Montgomery and Andrews, P.A.

By: _____

J. Scott Hall, Esq.
Post Office Box 2307
Santa Fe, New Mexico 87504
(505) 982-3873
(505) 982-4289

Attorneys for COG Operating, LLC

00168384

MONTGOMERY & ANDREWS
LAW FIRM

J. SCOTT HALL
Cell: (505) 670-7362
Email: shall@montand.com
Reply To: Santa Fe Office
www.montand.com

March 9, 2010

Certified Mail Return Receipt Requested

Chevron USA Production Company
11111 S. Wilcrest
Houston, TX 77099

Re: NMOCD Case No. 14457; Application of COG Operating LLC for Authorization to Conduct Injection Operations for Evaluation for Secondary Recovery Operations, Eddy County, New Mexico

Dear Sir or Madam:

This will advise that COG Operating LLC ("COG") has filed an Application with the New Mexico Oil Conservation Division for an order authorizing Applicant to convert and utilize its Texaco BE State No. 8 well for injection of water through a closed system into the Paddock and Blinebry members of the Glorieta-Yeso formation. The well is located in Section 16, Township 17 South, Range 30 East, NMPM, Eddy County, New Mexico.

A copy of the Application is enclosed. You were previously provided with a copy of COG's C-108 Application for Authorization to Inject by certified mail. Should you require another copy of the C-108, please advise.

This application will be set for hearing before a Division Examiner on April 1, 2010, at 8:15 a.m. at the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time. If you intend to attend the hearing and present testimony or evidence, you must enter your

appearance and serve the Division, counsel for the Applicant, and other parties with a pre-hearing statement at least four business days before the scheduled hearing date in accordance with Division Rule 19.15.4.13 NMAC.

Very truly yours,

MONTGOMERY & ANDREWS, P.A.

J. Scott Hall

Attorneys for COG Operating LLC

7099 3591 0002 2150 7006

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com®

OFFICIAL USE

Postage	$ .44
Certified Fee	2.80
Return Receipt Fee (Endorsement Required)	2.30
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	$ 5.54

Postmark Here
SANTA FE NM
MAR 9 2010
USPS

Sent To: Chevron USA Prod. Co.
Street, Apt. No.; or PO Box No.: 11111 S. Wilcrest
City, State, ZIP+4: Houston, TX 77099

PS Form 3800, August 2006 See Reverse for Instructions

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. Prod. Co.
11111 S. Wilcrest
Houston, TX
77099

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X RD Wilson ☐ Agent ☐ Addressee

B. Received by (Printed Name): Robert Wilson
C. Date of Delivery:

D. Is delivery address different from item 1? ☐ Yes
If 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

2. Article Number (Transfer from service label) 7006 2150 0002 3591 7099

PS Form 3811, February 2004 Domestic Return Receipt 013304 Rx 102595-02-M-1540

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

RECEIVED OCD
2010 MAR -2 P 4:40

IN THE MATTER OF THE APPLICATION OF COG OPERATING, LLC FOR AUTHORIZATION TO CONDUCT INJECTION OPERATIONS FOR EVALUATION FOR SECONDARY RECOVERY OPERATIONS, EDDY COUNTY, NEW MEXICO.

CASE NO. 14457

APPLICATION

COG Operating, LLC, ("COG"), through its undersigned counsel, Montgomery and Andrews, P.A. (J. Scott Hall, Esq.), applies pursuant to 19.15.26.8 NMAC for an order authorizing the injection of water into the Paddock and Blinebry members of the Glorieta-Yeso formation, Loco Hills Glorieta-Yeso Pool (96718) in Eddy County, New Mexico. In support of its Application, COG states:

1. Applicant is the operator of the following well:

Texaco BE State No. 8
API No. 30-015-35253
330' FNL & 2310' FEL (Unit B)
Section 16
T-17-S, R-30-E, NMPM
Eddy County, New Mexico

2. The Texaco BE State No. 8 well is drilled to a plugged-back total depth of 6013' and was originally operated as a producing oil well. COG proposes to convert and utilize the well for injection of water through a closed system into the Paddock and Blinebry formations, Loco Hills Glorieta-Yeso Pool, through perforations within the depths of 4,367' to 4,681' (Paddock) and 4,922' to 5,721' (Blinebry). Data from injection will be utilized to evaluate the feasibility of secondary recovery operations in the referenced formations.

3. Injection operations through the well will be conducted at an anticipated average daily injection pressure of 2,000 psi with a maximum surface injection pressure of 2,000 psi or as permitted by the Division, in excess of a 0.2 psi/ft. gradient. Applicant proposes injection of water at average daily rates of approximately 1,000 bbls and at maximum daily rates of approximately 2,000 bbls. The source of the injected fluids will be formation water from production wells that have been drilled and are scheduled to be drilled in the area.

4. Applicant's proposed injection operation can be conducted in a safe and responsible manner without causing waste, impairing correlative rights or endangering fresh water, public health or the environment.

WHEREFORE, Applicant requests that this Application be set for hearing before a duly appointed examiner of the Oil Conservation Division on April 1, 2010 and that after notice and hearing as required by law, the Division enter its Order approving the conversion of the Texaco BE State No. 8 Well for the injection of water into the Paddock and Blinebry members of the Glorieta-Yeso formation at the intervals and at the pressures, volumes and rates indicated, and making such other and further provisions as the Division determines appropriate.

Montgomery and Andrews, P.A.

By: _____

J. Scott Hall, Esq.
Post Office Box 2307
Santa Fe, New Mexico 87504
(505) 982-3873
(505) 982-4289

Attorneys for COG Operating, LLC

00168384

MONTGOMERY & ANDREWS
LAW FIRM

J. SCOTT HALL
Cell: (505) 670-7362
Email: shall@montand.com
Reply To: Santa Fe Office
www.montand.com

March 9, 2010

Certified Mail Return Receipt Requested

Cimarex Energy Company
600 N. Marienfeld, Suite 600
Midland, TX 79701

Re: NMOCD Case No. 14457; Application of COG Operating LLC for Authorization to Conduct Injection Operations for Evaluation for Secondary Recovery Operations, Eddy County, New Mexico

Dear Sir or Madam:

This will advise that COG Operating LLC ("COG") has filed an Application with the New Mexico Oil Conservation Division for an order authorizing Applicant to convert and utilize its Texaco BE State No. 8 well for injection of water through a closed system into the Paddock and Blinebry members of the Glorieta-Yeso formation. The well is located in Section 16, Township 17 South, Range 30 East, NMPM, Eddy County, New Mexico.

A copy of the Application is enclosed. You were previously provided with a copy of COG's C-108 Application for Authorization to Inject by certified mail. Should you require another copy of the C-108, please advise.

This application will be set for hearing before a Division Examiner on April 1, 2010, at 8:15 a.m. at the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time. If you intend to attend the hearing and present testimony or evidence, you must enter your appearance and serve the Division, counsel for the Applicant, and other parties

with a pre-hearing statement at least four business days before the scheduled hearing date in accordance with Division Rule 19.15.4.13 NMAC.

Very truly yours,

MONTGOMERY & ANDREWS, P.A.

J. Scott Hall

J. Scott Hall

Attorneys for COG Operating LLC

7006 2150 0002 3591 7105

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com®

OFFICIAL USE

Postage	$ .44
Certified Fee	2.80
Return Receipt Fee (Endorsement Required)	2.30
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	$ 5.54

Postmark Here

SANTA FE NM 87501 USPS

Sent To: Cimarex Energy Co
Street, Apt. No.; or PO Box No.: 600 N. Marienfeld, Ste 600
City, State, ZIP+4: Midland, TX 79701

PS Form 3800, August 2006 — See Reverse for Instructions

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:

Cimarex Energy Co.
600 N. Marienfeld
Suite 600
Midland, TX
79701

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X [signature] ☐ Agent ☐ Addressee

B. Received by (Printed Name): Sadie Garcia
C. Date of Delivery: 3/12/10

D. Is delivery address different from item 1? ☐ Yes
If 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

2. Article Number (Transfer from service label): 7006 2150 0002 3591 7105

PS Form 3811, February 2004 — Domestic Return Receipt 013304 Tex — 102595-02-M-1540

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

RECEIVED OCD
2010 MAR -2 P 4:40

IN THE MATTER OF THE APPLICATION OF COG OPERATING, LLC FOR AUTHORIZATION TO CONDUCT INJECTION OPERATIONS FOR EVALUATION FOR SECONDARY RECOVERY OPERATIONS, EDDY COUNTY, NEW MEXICO.

CASE NO. 14457

APPLICATION

COG Operating, LLC, ("COG"), through its undersigned counsel, Montgomery and Andrews, P.A. (J. Scott Hall, Esq.), applies pursuant to 19.15.26.8 NMAC for an order authorizing the injection of water into the Paddock and Blinebry members of the Glorieta-Yeso formation, Loco Hills Glorieta-Yeso Pool (96718) in Eddy County, New Mexico. In support of its Application, COG states:

1. Applicant is the operator of the following well:

Texaco BE State No. 8
API No. 30-015-35253
330' FNL & 2310' FEL (Unit B)
Section 16
T-17-S, R-30-E, NMPM
Eddy County, New Mexico

2. The Texaco BE State No. 8 well is drilled to a plugged-back total depth of 6013' and was originally operated as a producing oil well. COG proposes to convert and utilize the well for injection of water through a closed system into the Paddock and Blinebry formations, Loco Hills Glorieta-Yeso Pool, through perforations within the depths of 4,367' to 4,681' (Paddock) and 4,922' to 5,721' (Blinebry). Data from injection will be utilized to evaluate the feasibility of secondary recovery operations in the referenced formations.

3. Injection operations through the well will be conducted at an anticipated average daily injection pressure of 2,000 psi with a maximum surface injection pressure of 2,000 psi or as permitted by the Division, in excess of a 0.2 psi/ft. gradient. Applicant proposes injection of water at average daily rates of approximately 1,000 bbls and at maximum daily rates of approximately 2,000 bbls. The source of the injected fluids will be formation water from production wells that have been drilled and are scheduled to be drilled in the area.

4. Applicant's proposed injection operation can be conducted in a safe and responsible manner without causing waste, impairing correlative rights or endangering fresh water, public health or the environment.

WHEREFORE, Applicant requests that this Application be set for hearing before a duly appointed examiner of the Oil Conservation Division on April 1, 2010 and that after notice and hearing as required by law, the Division enter its Order approving the conversion of the Texaco BE State No. 8 Well for the injection of water into the Paddock and Blinebry members of the Glorieta-Yeso formation at the intervals and at the pressures, volumes and rates indicated, and making such other and further provisions as the Division determines appropriate.

Montgomery and Andrews, P.A.

By: _____

J. Scott Hall, Esq.
Post Office Box 2307
Santa Fe, New Mexico 87504
(505) 982-3873
(505) 982-4289

Attorneys for COG Operating, LLC

00168384