

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



COG Operating LLC
BC Federal #20

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Quallified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] TYPE OF APPLICATION - Check Those Which Apply for [A]
[A] Location - Spacing Unit - Simultaneous Dedication
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]
[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____
- [2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☒ Does Not Apply
[A] ☐ Working, Royalty or Overriding Royalty Interest Owners
[B] ☐ Offset Operators, Leaseholders or Surface Owner
[C] ☐ Application is One Which Requires Published Legal Notice
[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
[F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

PHYLLIS A. EDWARDS
Print or Type Name

Signature
REGULATORY ANALYST
Title
4-1-08
Date

pedwards@conchoresources.com
e-mail Address

RECEIVED
2008 APR 3 PM 2 01

Submit 3 Copies to Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
May 27, 2004

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-025-
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease FEDERAL STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator COG Operating LLC		6. State Oil & Gas Lease No.
3. Address of Operator 550 W. Texas Ave., Suite 1300 Midland, TX 79701		7. Lease Name or Unit Agreement Name B C FEDERAL
4. Well Location Unit Letter C : 990' feet from the North line and 2560' feet from the West line Section 19 Township 17S Range 32E NMPM County LEA		8. Well Number 20
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3960' GR		9. OGRID Number 229137
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input checked="" type="checkbox"/>		
Pit type DRILLING Depth to Groundwater 110' Distance from nearest fresh water well 1000' Distance from nearest surface water 1000'		
Pit Liner Thickness: 12 mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: **Move location** ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

The present location for this well is:
990 FNL & 2560 FWL, Section 19, T17S, R32E

The Bureau of Land Management requested that the location be moved to:
915 FNL & 2560 FWL, Section 19, T17S, R32E

Attached is the plat and flowline map showing the new location of:
915 FNL & 2560 FWL, Section 19, T17S, R32E

Please amend NSL 5733 (attached) to reflect this location change.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Phyllis Edwards TITLE Regulatory Analyst DATE 4-2-08

Type or print name **Phyllis Edwards** E-mail address: **pedwards@conchoresources.com** Telephone No. **432-685-4340**
For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**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.5. Lease Serial No.
NMLC029405A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
B C FEDERAL 20

9. API Well No.

10. Field and Pool, or Exploratory
MALJAMAR;YESO, WEST 44500

11. County or Parish, and State

LEA COUNTY, NM

SUBMIT IN TRIPLICATE - Other Instructions on reverse side.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator
COG OPERATING LLCContact: PHYLLIS A. EDWARDS
E-Mail: pedwards@conchoresources.com3a. Address
550 W. TEXAS SUITE 1300
MIDLAND, TX 797013b. Phone No. (include area code)
Ph: 432-685-4340
Fx: 432-685-4399

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 19 T17S R32E NENW 915FNL 2560FWL
32.82479 N Lat, 103.80565 W Lon**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The present location for this well is:
990 FNL & 2560 FWL Section 19, T17S, R32E.

The Bureau of Land Management requested that the location be moved to:
915 FNL & 2560 FWL Section 19, T17S, R32E.

Attached is the plat and flowline map showing the new location of:
915 FNL & 2560 FWL Section 19, T17S, R32E.

OK c.l. 03/18/08

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #58533 verified by the BLM Well Information System
For COG OPERATING LLC, sent to the Hobbs**

Name (Printed/Typed) PHYLLIS A. EDWARDS

Title REGULATORY ANALYST

Signature (Electronic Submission)

Date 02/08/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

3-26-08
Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

State of New Mexico

Energy, Minerals and Natural Resources Department

DISTRICT I

1025 N. FRENCH DR., ROSA, NM 86240

DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Artec, NM 87410

DISTRICT IV

1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 44500	Pool Name MALJAMAR; YESO, WEST
Property Code 302456	Property Name BC FEDERAL	Well Number 20
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3960'

Surface Location

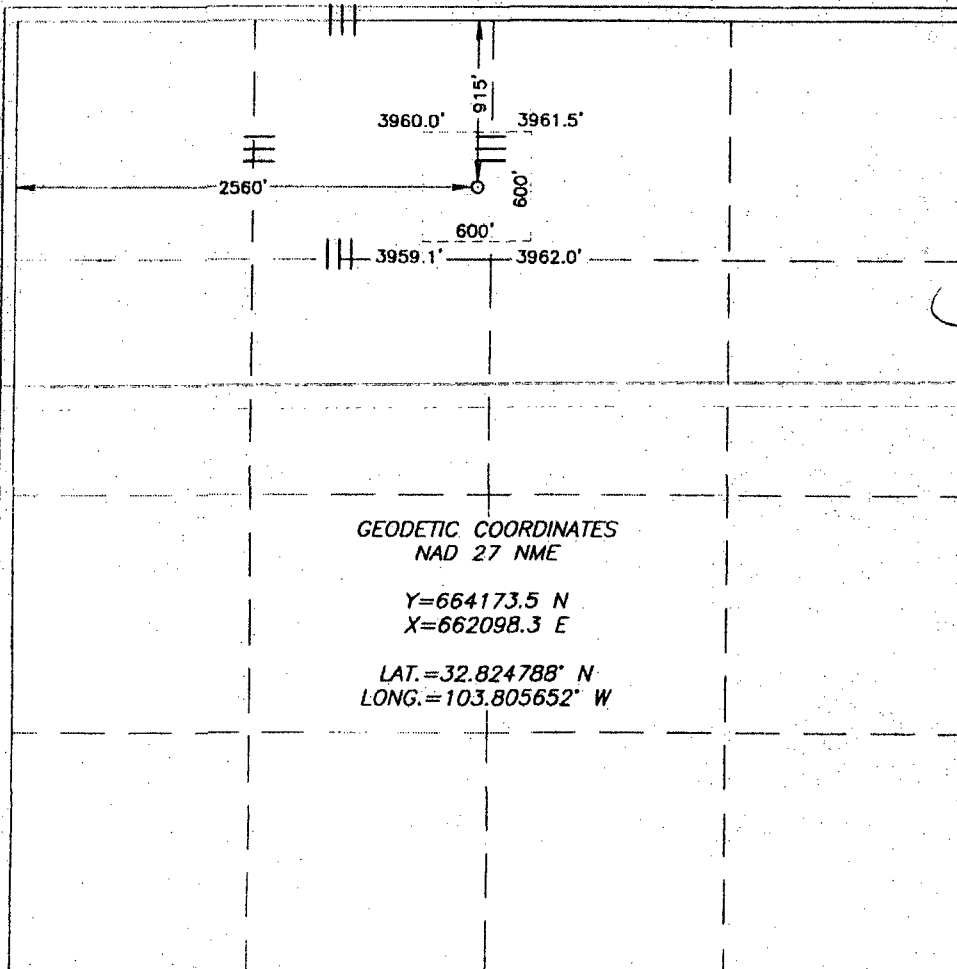
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	19	17-S	32-E		915	NORTH	2560	WEST	LEA

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.
40			

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



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.

Phyllis A. Edwards
Signature Date

Phyllis A. Edwards

Printed Name

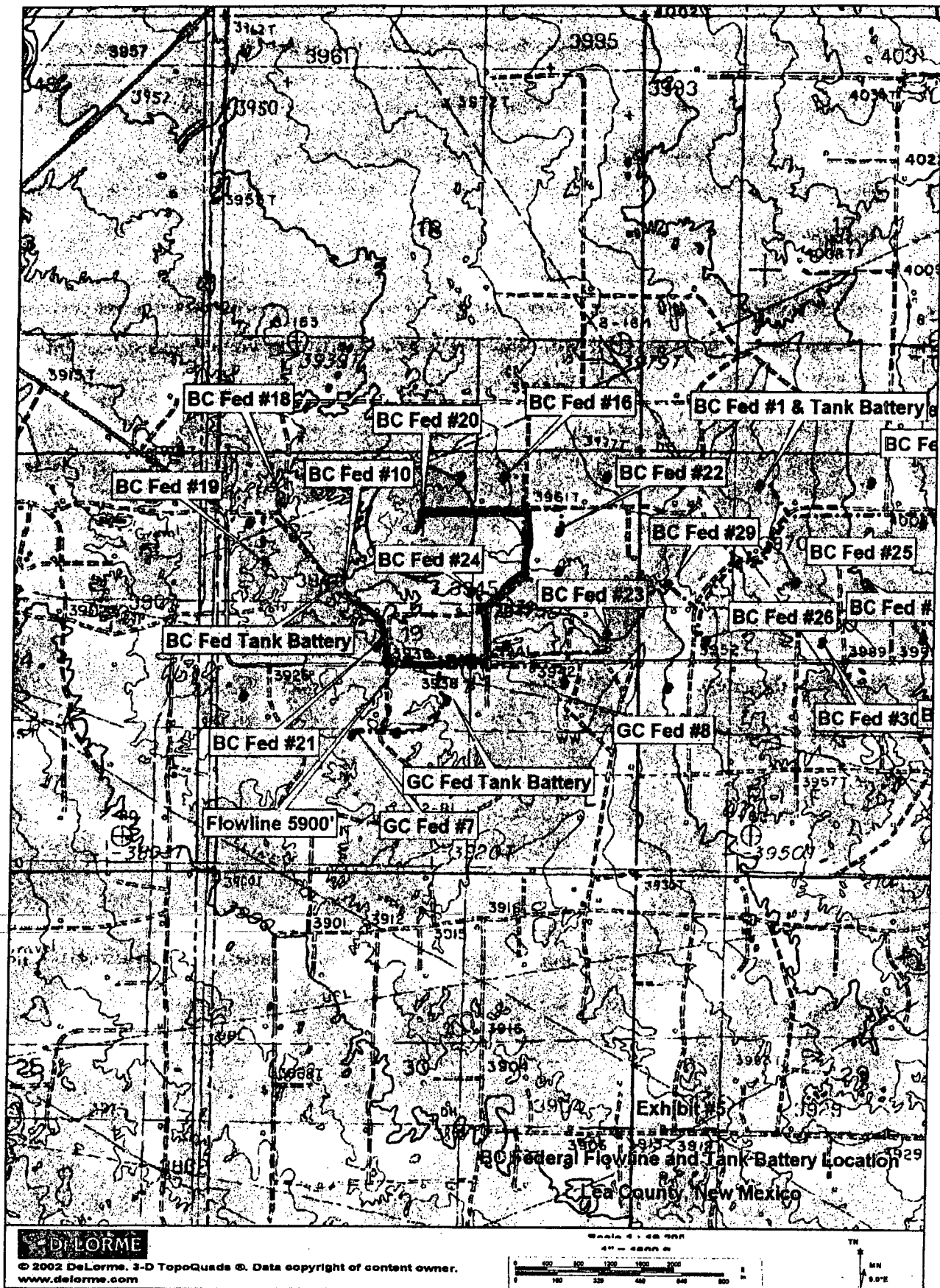
Regulatory Analyst

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.

JANUARY 30, 2008
Date Surveyed
Signature & Seal of Professional Surveyor
3239
2008-11-0167

Certificate No. GARY G. EIDSON 12641
RONALD J. EIDSON 3239





NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

December 06, 2007

Phyllis Edwards
Regulatory Analyst
COG Operating, LLC
550 W. Texas Avenue, Suite 1300
Midland, Texas 79701

RE: **B C Federal Well No. 20**
990 feet FNL & 2560 feet FWL (Unit E) (Unorthodox)
NE/4NW/4 of Section 19, T-17 -S, R-32-E,
NMPM, Lea County, New Mexico

Administrative Order NSL-5733

Dear Ms Edwards:

Reference is made to the following:

(a) your application (administrative application reference No. **pKVR0731328466**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on November 6, 2007; and

(b) the Division's records pertinent to COG's request.

COG Operating, LLC, requests to drill its B C Federal Well No. 20 at an-unorthodox Maljamar; Yeso oil well location as referenced above in Section 19, Township 17 South, Range 32 East, N.M.P.M., in Lea County, New Mexico.

The NE/4NW/4 of Section 19 will be dedicated to this well to form a standard 40-acre oil spacing and proration unit. COG Operating, LLC, intends to test the Maljamar; Yeso Oil Pool. This pool is governed by the Division's Statewide Rules and Regulations which provide for wells on 40-acre spacing units to be located no closer than 330 feet to a quarter-quarter section line.

The location of the well is due to the presence of sand Dunes in the area and COG does not wish to drill a directional well to cut drilling costs.

Your application has been duly filed under the provisions of Division Rules 104. F. It is our understanding that the offsetting acreage has interest ownership identical in all respects, therefore no notice of this application is required.

Pursuant to the authority granted under the provisions of Division Rules 104. F(2), the above-described unorthodox Maljamar; Yeso oil pool location is hereby approved.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark E. Fesmire", written in a cursive style.

Mark E. Fesmire, P.E.
Director

MEF/re

cc: New Mexico Oil Conservation Division – Hobbs
Bureau of Land Management (BLM) - Carlsbad

Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
May 27, 2004

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-025-
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease FEDERAL STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator COG Operating LLC		6. State Oil & Gas Lease No.
3. Address of Operator 550 W. Texas Ave., Suite 1300 Midland, TX 79701		7. Lease Name or Unit Agreement Name B C FEDERAL
4. Well Location Unit Letter C : 990' feet from the North line and 2560' feet from the West line Section 19 Township 17S Range 32E NMPM County LEA		8. Well Number 20
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3960' GR		9. OGRID Number 229137
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input checked="" type="checkbox"/>		10. Pool name or Wildcat MALJAMAR; YESO, WEST 44500
Pit type DRILLING Depth to Groundwater 110' Distance from nearest fresh water well 1000' Distance from nearest surface water 1000'		
Pit Liner Thickness: 12 mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: **Move location** ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

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SIGNATURE Phyllis Edwards TITLE Regulatory Analyst DATE 4-2-08

Type or print name **Phyllis Edwards** E-mail address: **pedwards@conchoresources.com** Telephone No. **432-685-4340**
For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any): _____

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**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.5. Lease Serial No.
NMLC029405A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
B C FEDERAL 20

9. API Well No.

10. Field and Pool, or Exploratory
MALJAMAR;YESO, WEST 4450011. County or Parish, and State
LEA COUNTY, NM**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator
COG OPERATING LLCContact: PHYLLIS A. EDWARDS
E-Mail: pedwards@conchoresources.com3a. Address
550 W. TEXAS SUITE 1300
MIDLAND, TX 797013b. Phone No. (include area code)
Ph: 432-685-4340
Fx: 432-685-4399

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 19 T17S R32E NENW 915FNL 2560FWL
32.82479 N Lat, 103.80565 W Lon**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

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OK c.l. 03/18/08

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #58533 verified by the BLM Well Information System
For COG OPERATING LLC, sent to the Hobbs**

Name (Printed/Typed) PHYLLIS A. EDWARDS

Title REGULATORY ANALYST

Signature (Electronic Submission)

Date 02/08/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

3-26-08
Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

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**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

State of New Mexico

Energy, Minerals and Natural Resources Department

DISTRICT I

1625 N. FRENCH DR., HOHBS, NM 88240

DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Artesia, NM 87410

DISTRICT IV

1820 S. ST. FRANCIS DR., SANTA FE, NM 87505

OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 44500	Pool Name MALJAMAR; YESO, WEST
Property Code 302456	Property Name BC FEDERAL	Well Number 20
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3960'

Surface Location

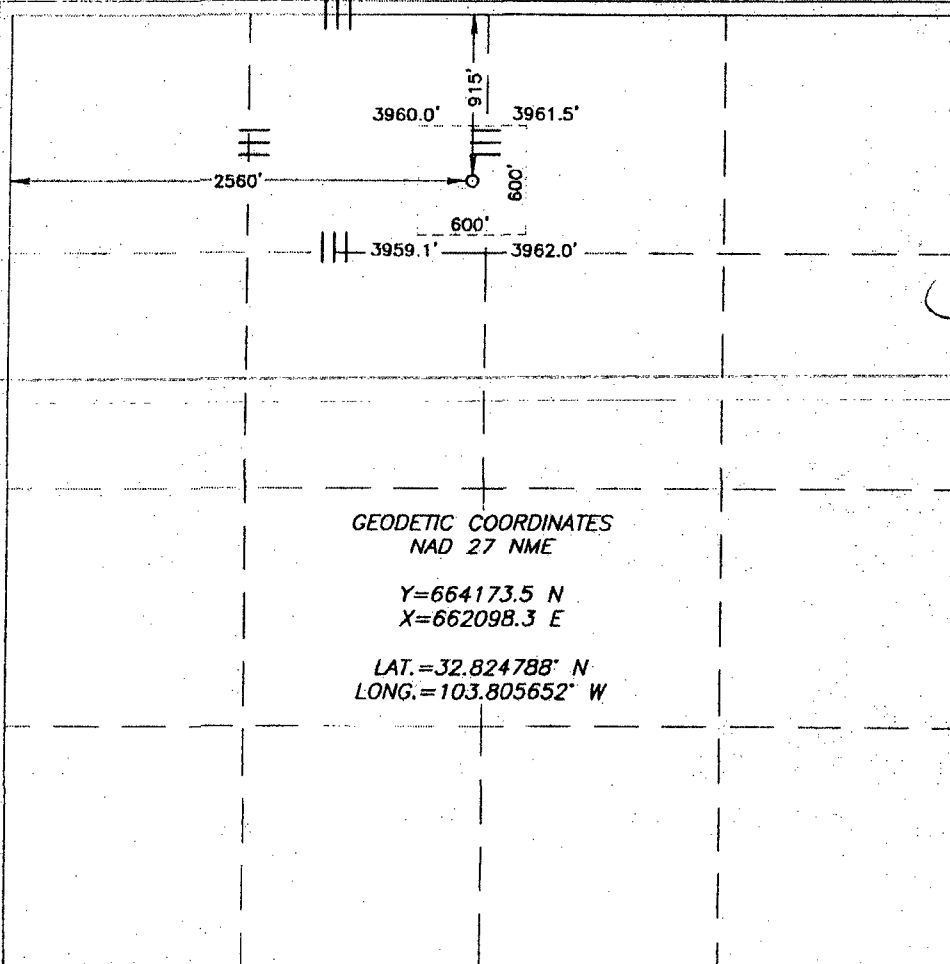
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	19	17-S	32-E		915	NORTH	2560	WEST	LEA

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 40	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



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.

Phyllis A. Edwards
Signature Date

Phyllis A. Edwards

Printed Name

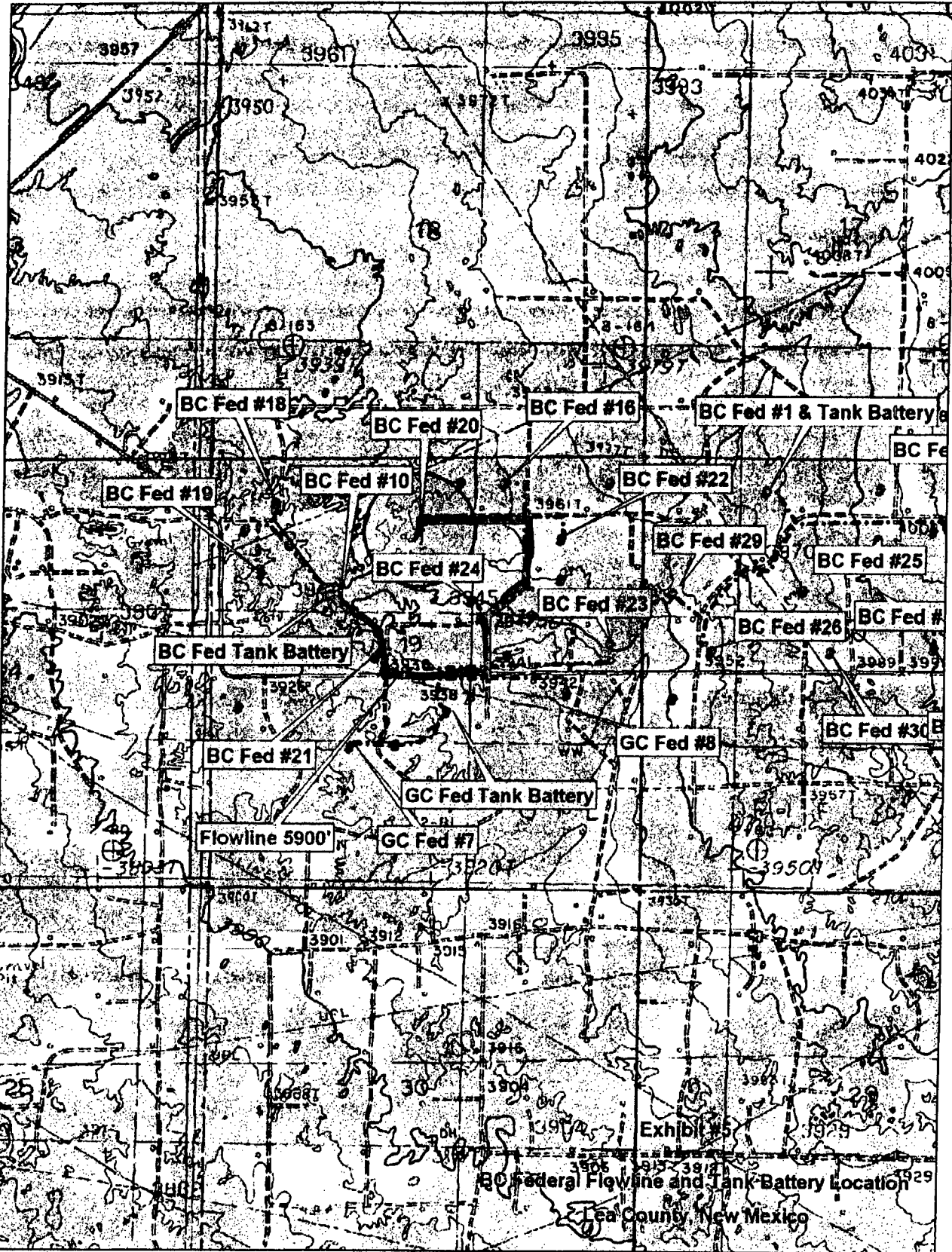
Regulatory Analyst

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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.

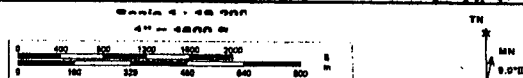
JANUARY 30, 2008
Date Surveyed
Signature & Seal of Professional Surveyor
3239
08-11-0167

Certificate No. GARY G. KIDSON 12641
RONALD J. KIDSON 3239



DeLORME

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www.delorme.com





NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

December 06, 2007

Phyllis Edwards
Regulatory Analyst
COG Operating, LLC
550 W. Texas Avenue, Suite 1300
Midland, Texas 79701

RE: **B C Federal Well No. 20**
990 feet FNL & 2560 feet FWL (Unit E) (Unorthodox)
NE/4NW/4 of Section 19, T-17 -S, R-32-E,
NMPM, Lea County, New Mexico

Administrative Order NSL-5733

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Reference is made to the following:

- (a) your application (**administrative application reference No. pKVR0731328466**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on November 6, 2007; and
- (b) the Division's records pertinent to COG's request.

COG Operating, LLC, requests to drill its B.C Federal Well No. 20 at an unorthodox Maljamar; Yeso oil well location as referenced above in Section 19, Township 17 South, Range 32 East, N.M.P.M., in Lea County, New Mexico.

The NE/4NW/4 of Section 19 will be dedicated to this well to form a standard 40-acre oil spacing and proration unit. COG Operating, LLC, intends to test the Maljamar; Yeso Oil Pool. This pool is governed by the Division's Statewide Rules and Regulations which provide for wells on 40-acre spacing units to be located no closer than 330 feet to a quarter-quarter section line.

The location of the well is due to the presence of sand Dunes in the area and COG does not wish to drill a directional well to cut drilling costs.

Your application has been duly filed under the provisions of Division Rules 104. F. It is our understanding that the offsetting acreage has interest ownership identical in all respects, therefore no notice of this application is required.

Pursuant to the authority granted under the provisions of Division Rules 104. F(2), the above-described unorthodox Maljamar; Yeso oil pool location is hereby approved.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark E. Fesmire', written in a cursive style.

Mark E. Fesmire, P.E.
Director

MEF/re

cc: New Mexico Oil Conservation Division – Hobbs
Bureau of Land Management (BLM) - Carlsbad

Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

STATE OF NEW MEXICO
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
May 27, 2004

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-025-
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease FEDERAL STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator COG Operating LLC		6. State Oil & Gas Lease No.
3. Address of Operator 550 W. Texas Ave., Suite 1300 Midland, TX 79701		7. Lease Name or Unit Agreement Name B C FEDERAL
4. Well Location Unit Letter C : 990' feet from the North line and 2560' feet from the West line Section 19 Township 17S Range 32E NMPM County LEA		8. Well Number 20
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3960' GR		9. OGRID Number 229137
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input checked="" type="checkbox"/>		10. Pool name or Wildcat MALJAMAR; YESO, WEST 44500
Pit type DRILLING Depth to Groundwater 110' Distance from nearest fresh water well 1000' Distance from nearest surface water 1000'		
Pit Liner Thickness: 12 mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: **Move location** ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

The present location for this well is:
990 FNL & 2560 FWL, Section 19, T17S, R32E

The Bureau of Land Management requested that the location be moved to:
915 FNL & 2560 FWL, Section 19, T17S, R32E

Attached is the plat and flowline map showing the new location of:
915 FNL & 2560 FWL, Section 19, T17S, R32E

Please amend NSL 5733 (attached) to reflect this location change.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Phyllis Edwards TITLE Regulatory Analyst DATE 4-2-08

Type or print name **Phyllis Edwards** E-mail address: **pedwards@conchoresources.com** Telephone No. **432-685-4340**
For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any): _____

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

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.

SUBMIT IN TRIPLICATE - Other Instructions on reverse side.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMLC029405A
2. Name of Operator COG OPERATING LLC Contact: PHYLLIS A. EDWARDS E-Mail: pedwards@conchoresources.com		6. If Indian, Allottee or Tribe Name
3a. Address 550 W. TEXAS SUITE 1300 MIDLAND, TX 79701	3b. Phone No. (include area code) Ph: 432-685-4340 Fx: 432-685-4399	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 19 T17S R32E NENW 915FNL 2560FWL 32.82479 N Lat, 103.80565 W Lon		8. Well Name and No. B C FEDERAL 20
		9. API Well No.
		10. Field and Pool, or Exploratory MALJAMAR;YESO, WEST 44500
		11. County or Parish, and State LEA COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The present location for this well is:
990 FNL & 2560 FWL Section 19, T17S, R32E.

The Bureau of Land Management requested that the location be moved to:
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Attached is the plat and flowline map showing the new location of:
915 FNL & 2560 FWL Section 19, T17S, R32E.

OK c.l. 03/18/08

14. I hereby certify that the foregoing is true and correct. Electronic Submission #58533 verified by the BLM Well Information System For COG OPERATING LLC, sent to the Hobbs	
Name (Printed/Typed) PHYLLIS A. EDWARDS	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 02/08/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By 	Title	Date 3-26-08
---	-------	--------------

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

DISTRICT I

1626 N. FRENCH DR., BOBBS, NM 86940

DISTRICT II

1391 W. GRAND AVENUE, ARTERIA, NM 86210

DISTRICT III

1000 Rio Brazos Rd., Artee, NM 87410

DISTRICT IV

1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

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-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number		Pool Code 44500	Pool Name MALJAMAR; YESO, WEST
Property Code 302456	Property Name BC FEDERAL		Well Number 20
GRID No. 229137	Operator Name COG OPERATING, LLC		Elevation 3960'

Surface Location

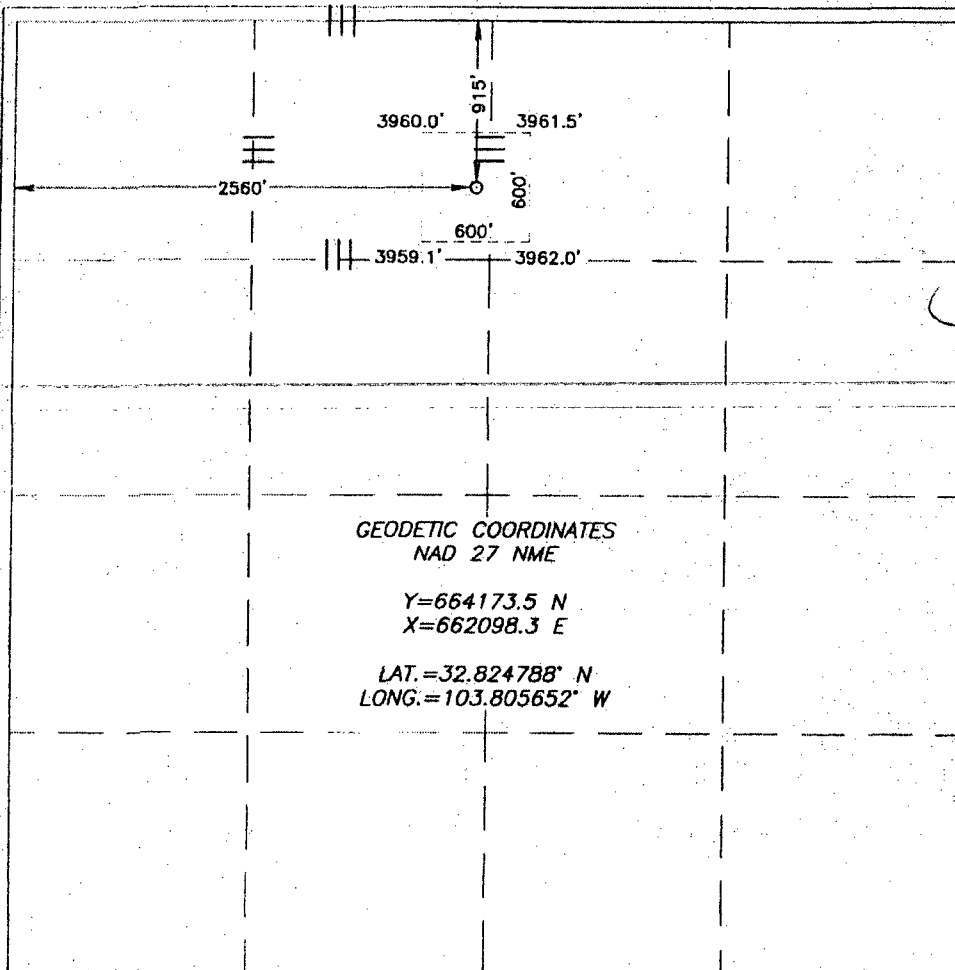
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	19	17-S	32-E		915	NORTH	2560	WEST	LEA

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.
40			

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



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

Phyllis A. Edwards

Printed Name

Regulatory Analyst

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.

Date Surveyed JANUARY 30, 2008 AR/DSS

Signature & Seal of Professional Surveyor 3239

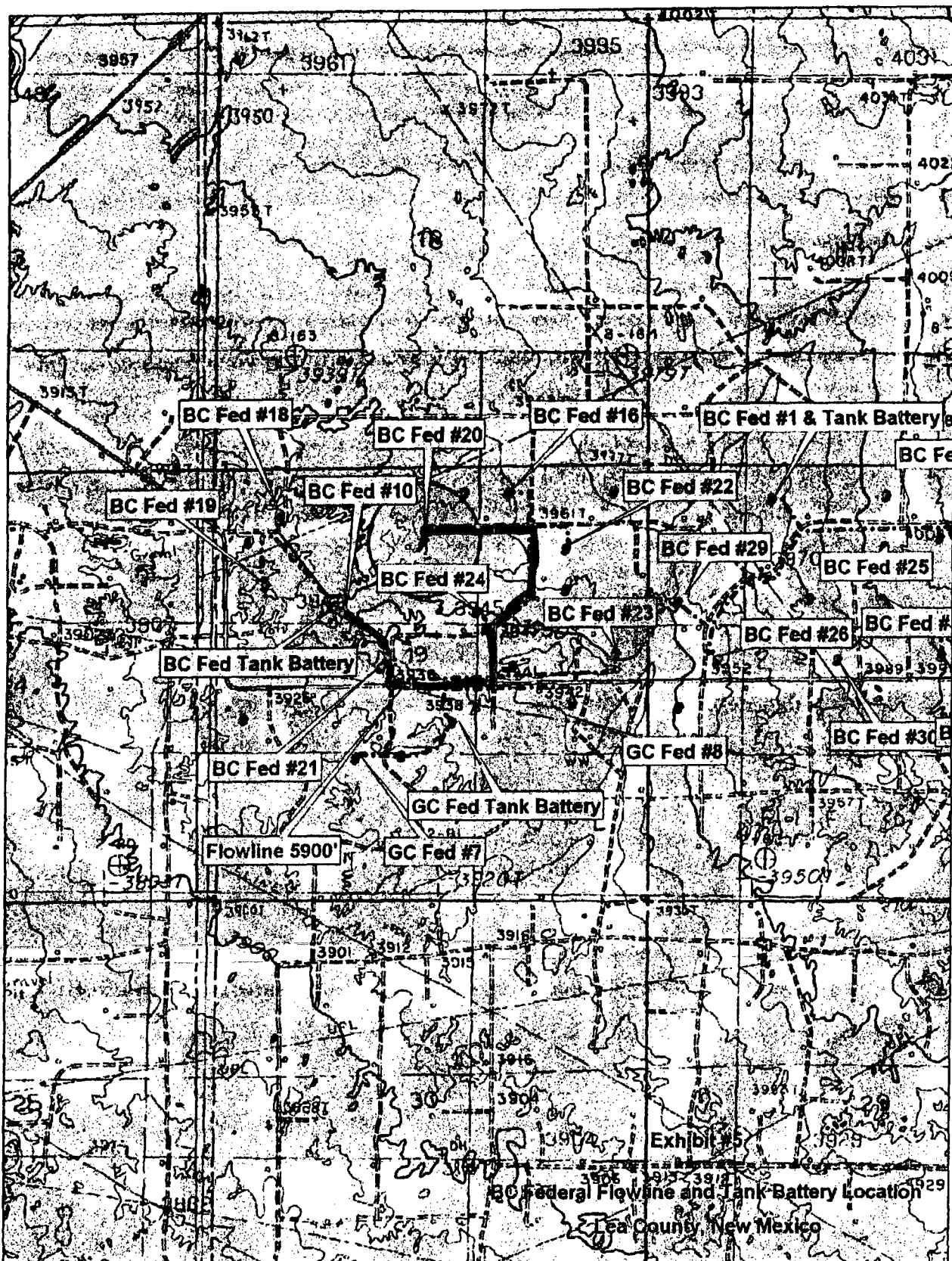
RECEIVED

JANUARY 30, 2008

08:11:0167

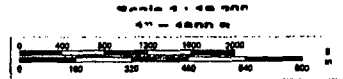
Certificate No. GARY G. EIDSON 12641

RONALD J. EIDSON 3239



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www.delorme.com





NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

December 06, 2007

Phyllis Edwards
Regulatory Analyst
COG Operating, LLC
550 W. Texas Avenue, Suite 1300
Midland, Texas 79701

RE: **B C Federal Well No. 20**
990 feet FNL & 2560 feet FWL (Unit E) (Unorthodox)
NE/4NW/4 of Section 19, T-17 -S, R-32-E,
NMPM, Lea County, New Mexico

Administrative Order NSL-5733

Dear Ms Edwards:

Reference is made to the following:

(a) your application (**administrative application reference No. pKVR0731328466**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on November 6, 2007; and

(b) the Division's records pertinent to COG's request.

COG Operating, LLC, requests to drill its B C Federal Well No. 20 at an unorthodox Maljamar; Yeso oil well location as referenced above in Section 19, Township 17 South, Range 32 East, N.M.P.M., in Lea County, New Mexico.

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The location of the well is due to the presence of sand Dunes in the area and COG does not wish to drill a directional well to cut drilling costs.

Your application has been duly filed under the provisions of Division Rules 104. F. It is our understanding that the offsetting acreage has interest ownership identical in all respects, therefore no notice of this application is required.

Pursuant to the authority granted under the provisions of Division Rules 104. F(2), the above-described unorthodox Maljamar; Yeso oil pool location is hereby approved.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark E. Fesmire', written in a cursive style.

Mark E. Fesmire, P.E.
Director

MEF/re

cc: New Mexico Oil Conservation Division – Hobbs
Bureau of Land Management (BLM) - Carlsbad

Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-025-
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Indicate Type of Lease FEDERAL STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator COG Operating LLC		6. State Oil & Gas Lease No.
3. Address of Operator 550 W. Texas Ave., Suite 1300 Midland, TX 79701		7. Lease Name or Unit Agreement Name B C FEDERAL
4. Well Location Unit Letter C : 990' feet from the North line and 2560' feet from the West line Section 19 Township 17S Range 32E NMPM County LEA		8. Well Number 20
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3960' GR		9. OGRID Number 229137
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input checked="" type="checkbox"/>		10. Pool name or Wildcat MALJAMAR; YESO, WEST 44500
Pit type DRILLING Depth to Groundwater 110' Distance from nearest fresh water well 1000' Distance from nearest surface water 1000'		
Pit Liner Thickness: 12 mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: Move location <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

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SIGNATURE Phyllis Edwards TITLE Regulatory Analyst DATE 4-2-08

Type or print name **Phyllis Edwards** E-mail address: **pedwards@conchoresources.com** Telephone No. **432-685-4340**

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any): _____

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**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.**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMLC029405A
2. Name of Operator COG OPERATING LLC		6. If Indian, Allottee or Tribe Name
Contact: PHYLLIS A. EDWARDS E-Mail: pedwards@conchoresources.com		7. If Unit or CA/Agreement, Name and/or No.
3a. Address 550 W. TEXAS SUITE 1300 MIDLAND, TX 79701	3b. Phone No. (include area code) Ph: 432-685-4340 Fx: 432-685-4399	8. Well Name and No. B C FEDERAL 20
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 19 T17S R32E NENW 915FNL 2560FWL 32.82479 N Lat, 103.80565 W Lon		9. API Well No.
		10. Field and Pool, or Exploratory MALJAMAR;YESO, WEST 44500
		11. County or Parish, and State LEA COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

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990 FNL & 2560 FWL Section 19, T17S, R32E.

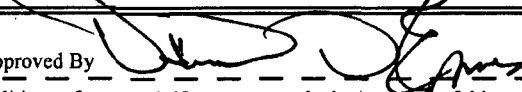
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Attached is the plat and flowline map showing the new location of:
915 FNL & 2560 FWL Section 19, T17S, R32E.

OK c.l. 03/08/08

14. I hereby certify that the foregoing is true and correct. Electronic Submission #58533 verified by the BLM Well Information System For COG OPERATING LLC, sent to the Hobbs	
Name (Printed/Typed) PHYLLIS A. EDWARDS	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 02/08/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By 	Title	Date 3-26-08
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

DISTRICT I

1625 N. FRENCH DR., BOBBS, NM 86340

DISTRICT II

1391 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III

1000 Rio Brancos Rd., Aztec, NM 87410

DISTRICT IV

1890 S. ST. FRANCIS DR., SANTA FE, NM 87505

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-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 44500	Pool Name MALJAMAR; YESO, WEST
Property Code 302456	Property Name BC FEDERAL	Well Number 20
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3960'

Surface Location

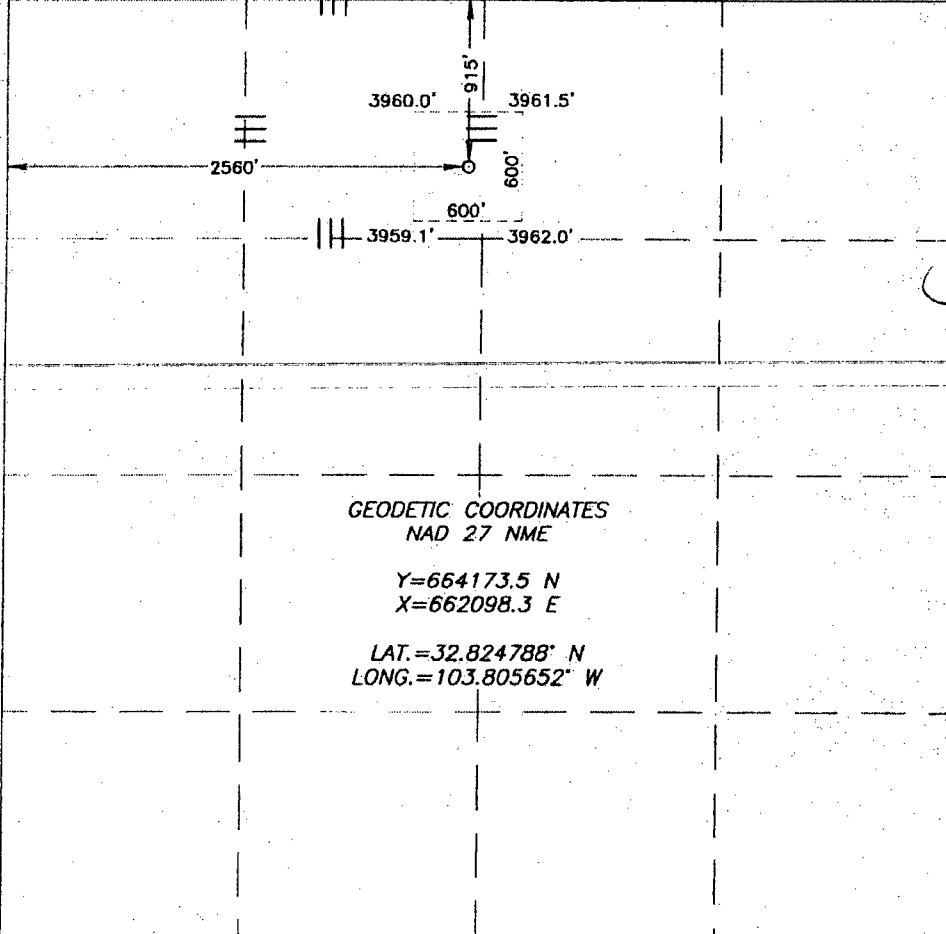
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	19	17-S	32-E		915	NORTH	2560	WEST	LEA

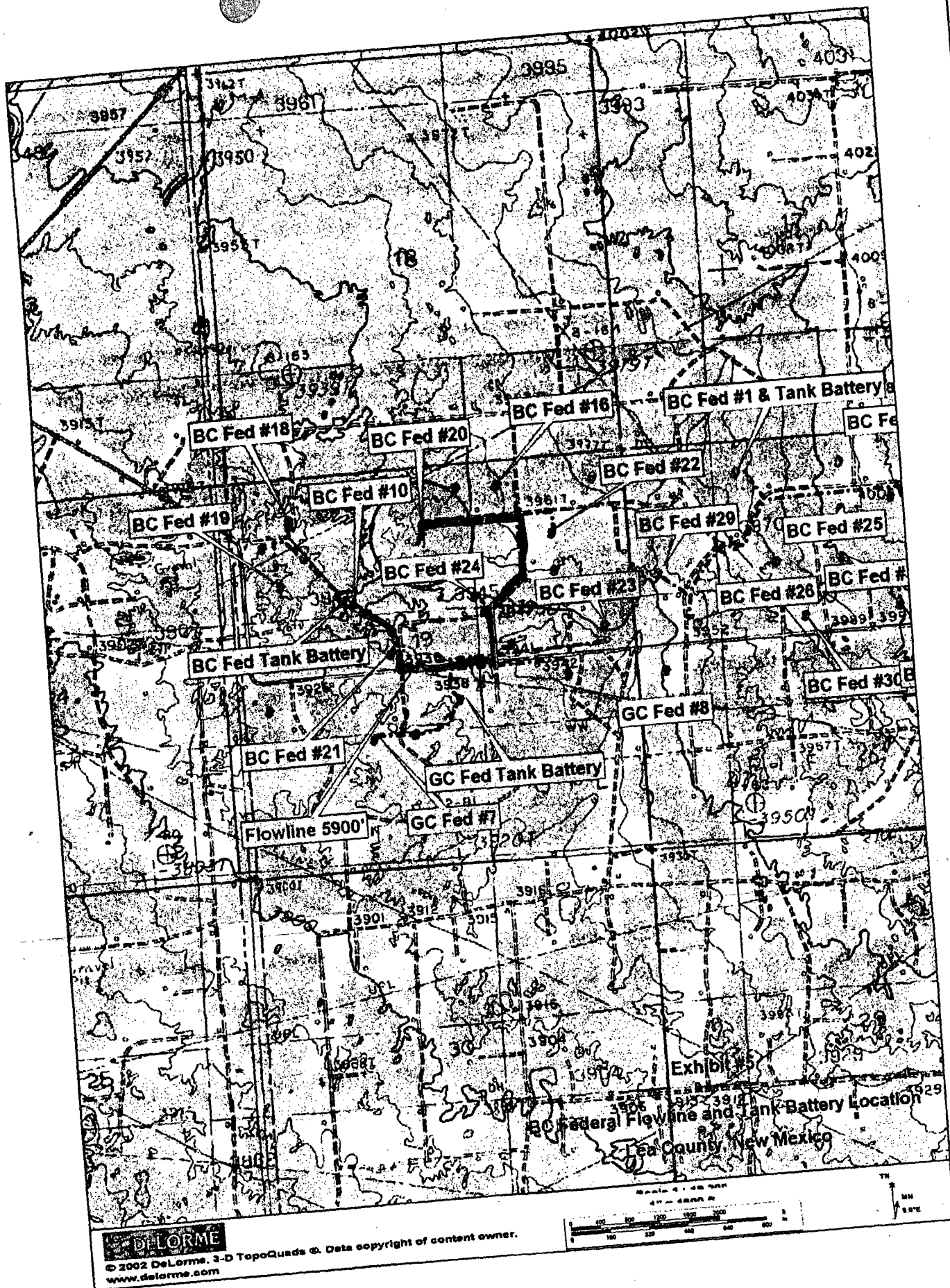
Bottom Hole Location If Different From Surface

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.
40			

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

 <p>GEODETIC COORDINATES NAD 27 NME Y=664173.5 N X=662098.3 E LAT.=32.824788° N LONG.=103.805652° W</p>	<p>OPERATOR CERTIFICATION</p> <p>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.</p> <p><i>Phyllis A. Edwards</i> Signature Date Phyllis A. Edwards Printed Name Regulatory Analyst</p> <p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>JANUARY 30 2008 NEW MEXICO Date Surveyed Signature & Seal of Professional Surveyor 3239 008-11-0167 Certificate No. GARY G. EIDSON 12641 RONALD J. EIDSON 3239</p>
---	--



DeLORME

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NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

December 06, 2007

Phyllis Edwards
Regulatory Analyst
COG Operating, LLC
550 W. Texas Avenue, Suite 1300
Midland, Texas 79701

RE: **B C Federal Well No. 20**
990 feet FNL & 2560 feet FWL (Unit E) (Unorthodox)
NE/4NW/4 of Section 19, T-17 -S, R-32-E,
NMPM, Lea County, New Mexico

Administrative Order NSL-5733

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(b) the Division's records pertinent to COG's request.

COG Operating, LLC, requests to drill its B C Federal Well No. 20 at an unorthodox Maljamar; Yeso oil well location as referenced above in Section 19, Township 17 South, Range 32 East, N.M.P.M., in Lea County, New Mexico.

The NE/4NW/4 of Section 19 will be dedicated to this well to form a standard 40-acre oil spacing and proration unit. COG Operating, LLC, intends to test the Maljamar; Yeso Oil Pool. This pool is governed by the Division's Statewide Rules and Regulations which provide for wells on 40-acre spacing units to be located no closer than 330 feet to a quarter-quarter section line.

The location of the well is due to the presence of sand Dunes in the area and COG does not wish to drill a directional well to cut drilling costs.

Your application has been duly filed under the provisions of Division Rules 104. F. It is our understanding that the offsetting acreage has interest ownership identical in all respects, therefore no notice of this application is required.

Pursuant to the authority granted under the provisions of Division Rules 104. F(2), the above-described unorthodox Maljamar; Yeso oil pool location is hereby approved.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark E. Fesmire', written in a cursive style.

Mark E. Fesmire, P.E.
Director

MEF/re

cc: New Mexico Oil Conservation Division – Hobbs
Bureau of Land Management (BLM) - Carlsbad



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

December 06, 2007

Phyllis Edwards
Regulatory Analyst
COG Operating, LLC
550 W. Texas Avenue, Suite 1300
Midland, Texas 79701

RE: **B C Federal Well No. 20**
990 feet FNL & 2560 feet FWL (Unit E) (Unorthodox)
NE/4NW/4 of Section 19, T-17-S, R-32-E,
NMPM, Lea County, New Mexico

Administrative Order NSL-5733

Dear Ms Edwards:

Reference is made to the following:

(a) your application (administrative application reference No. **pKVR0731328466**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on November 6, 2007; and

(b) the Division's records pertinent to COG's request.

COG Operating, LLC, requests to drill its B C Federal Well No. 20 at an unorthodox Maljamar; Yeso oil well location as referenced above in Section 19, Township 17 South, Range 32 East, N.M.P.M., in Lea County, New Mexico.

The NE/4NW/4 of Section 19 will be dedicated to this well to form a standard 40-acre oil spacing and proration unit. COG Operating, LLC, intends to test the Maljamar; Yeso Oil Pool. This pool is governed by the Division's Statewide Rules and Regulations which provide for wells on 40-acre spacing units to be located no closer than 330 feet to a quarter-quarter section line.

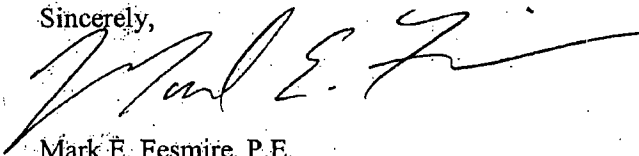
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Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in dark ink, appearing to read "Mark E. Fesmire", written in a cursive style.

Mark E. Fesmire, P.E.
Director

MEF/re

cc: New Mexico Oil Conservation Division - Hobbs
Bureau of Land Management (BLM) - Carlsbad

Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Geology, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.	30-025-
5. Indicate Type of Lease	FEDERAL
STATE <input type="checkbox"/>	FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name	B C FEDERAL
8. Well Number	20
9. OGRID Number	229137
10. Pool name or Wildcat	MALJAMAR; YESO, WEST 44500

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3960' GR

Pit or Below-grade Tank Application ☐ or Closure ☒

Pit type DRILLING Depth to Groundwater 110' Distance from nearest fresh water well 1000' Distance from nearest surface water 1000'

Pit Liner Thickness: 12 mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator

COG Operating LLC

3. Address of Operator

550 W. Texas Ave., Suite 1300

Midland, TX 79701

4. Well Location

Unit Letter C : 990' feet from the North line and 2560' feet from the West line
Section 19 Township 17S Range 32E NMPM County LEA

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3960' GR

Pit or Below-grade Tank Application ☐ or Closure ☒

Pit type DRILLING Depth to Groundwater 110' Distance from nearest fresh water well 1000' Distance from nearest surface water 1000'

Pit Liner Thickness: 12 mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: Move location ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

The present location for this well is:
990 FNL & 2560 FWL, Section 19, T17S, R32E

The Bureau of Land Management requested that the location be moved to:
915 FNL & 2560 FWL, Section 19, T17S, R32E

Attached is the plat and flowline map showing the new location of:
915 FNL & 2560 FWL, Section 19, T17S, R32E

Please amend NSL 5733 (attached) to reflect this location change.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Phyllis Edwards TITLE Regulatory Analyst DATE 4-2-08

Type or print name Phyllis Edwards E-mail address: pedwards@conchoresources.com Telephone No. 432-685-4340
For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____
Conditions of Approval (if any):

DISTRICT I
1625 N. FRENCH DR., ROBBE, NM 86240

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III
1000 Rio Braxos Rd., Aztec, NM 87410

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

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-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number		Pool Code 44500	Pool Name MALJAMAR; YESO, WEST
Property Code 302456	Property Name BC FEDERAL		Well Number 20
OGRID No. 229137	Operator Name COG OPERATING, LLC		Elevation 3960'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	19	17-S	32-E		915	NORTH	2560	WEST	LEA

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 40		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

<p>GEODETIC COORDINATES NAD 27 NME Y=664173.5 N X=662098.3 E LAT.=32.824788° N LONG.=103.805652° W</p>	<p>OPERATOR CERTIFICATION</p> <p>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.</p> <p><i>Phyllis A. Edwards</i> 2-7-08 Signature Date Phyllis A. Edwards Printed Name Regulatory Analyst</p> <p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>JANUARY 30, 2008 Date Surveyed AR/DSS Signature & Seal of Professional Surveyor <i>Ronald J. Eidson</i> 02/05/08 08.11.0167 Certificate No. GARY G. EIDSON 12841 RONALD J. EIDSON 3239</p>
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