

DATE IN <b>6-17-10</b>	SUSPENSE	ENGINEER <b>RE</b>	LOGGED IN <b>6-17-10</b>	TYPE <b>OLM</b>	APP NO. <b>10/6855383</b>
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ABOVE THIS LINE FOR DIVISION USE ONLY

# NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



**C06**

**Eagle Feather Fed #2**  
**30-025-38885**

## 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-Qualified 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 \_\_\_\_\_

Eagle Feather Federal #2  
 NMNM13430  
 API# 30-025-38885

RECEIVED OGD  
 2010 JUN 16 P 3:30

### [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.

Kanicia Carrillo

Print or Type Name

Signature

REGULATORY ANALYST

Title

06/04/10

Date

kcarrillo@conchoresources.com

e-mail Address

**OLM - 25**



June 15, 2010

COG Operating, LLC  
Kanicia Carrillo  
550 W. Texas Ave., Suite 100  
Midland, TX 79701

New Mexico Oil Conservation Division  
Will Jones  
1220 S St. Francis Drive  
Santa Fe, New Mexico 87505

RECEIVED OCD  
2010 JUN 16 PM 3:30

Dear Mr. Jones,

COG Operating LLC respectfully requests approval for an Off-Lease Measurement on the following well:

**Eagle Feather Federal #2  
Lea County, NM  
API # 30-025-38885  
Surface: 660 FNL & 1630 FEL Sec 21, T26S, R36E, Unit B**

This well is producing from the Pawnee; Strawn (Gas - 82670) Pool. The Off-Lease Measurement facility is located, on Southern Union Gas property, Sec 4, T26S, R 36E, N32 03.891 / W103 16.030. This facility consists of one (1) gas meter (#57193) for the above mentioned well.

Southern Union Gas Services insisted that we tie into their gas line and use the meter located on their property.

I have attached proof of notice to all of our working interest owners, a diagram of our battery facility, and a map with lease boundaries showing all well and facility locations.

Please contact me at 432-685-4332 should you have any questions.

Sincerely,

COG Operating LLC  
Kanicia Carrillo  
Regulatory Analyst

COG Operating, LLC is requesting approval off-lease measurement of hydrocarbon production from the following formation(s) and well(s):

Federal Lease No. NMNM13430

<u>Well Name</u>	<u>API No.</u>	<u>Loc: 1/4 1/4 Sec. Twp. Rng.</u>	<u>Formation</u>	<u>BOPD</u>	<u>Oil Gravity</u>	<u>MCFPD</u>	<u>BTU</u>
Eagle Feather #2	300253888	East 1/2, Sec.21, T26S, R36E	Pawnee; Strawn Gas	11	48.4/@60°	941	1080

The storage and measuring facility is located at NE 1/4, Sec. 4, T 26S, R 36E, on Southern Union Gas Facility property, Lea, New Mexico. Meter # 57193. BLM will be notified if there is any future change in the facility location.

Details of the proposed method for allocating production to contributing sources are as follows: A traditional method will be used in allocating production. COG Operating, LLC's meter is on Southern Union Gas property because that's the only option given to us by the gas purchaser.

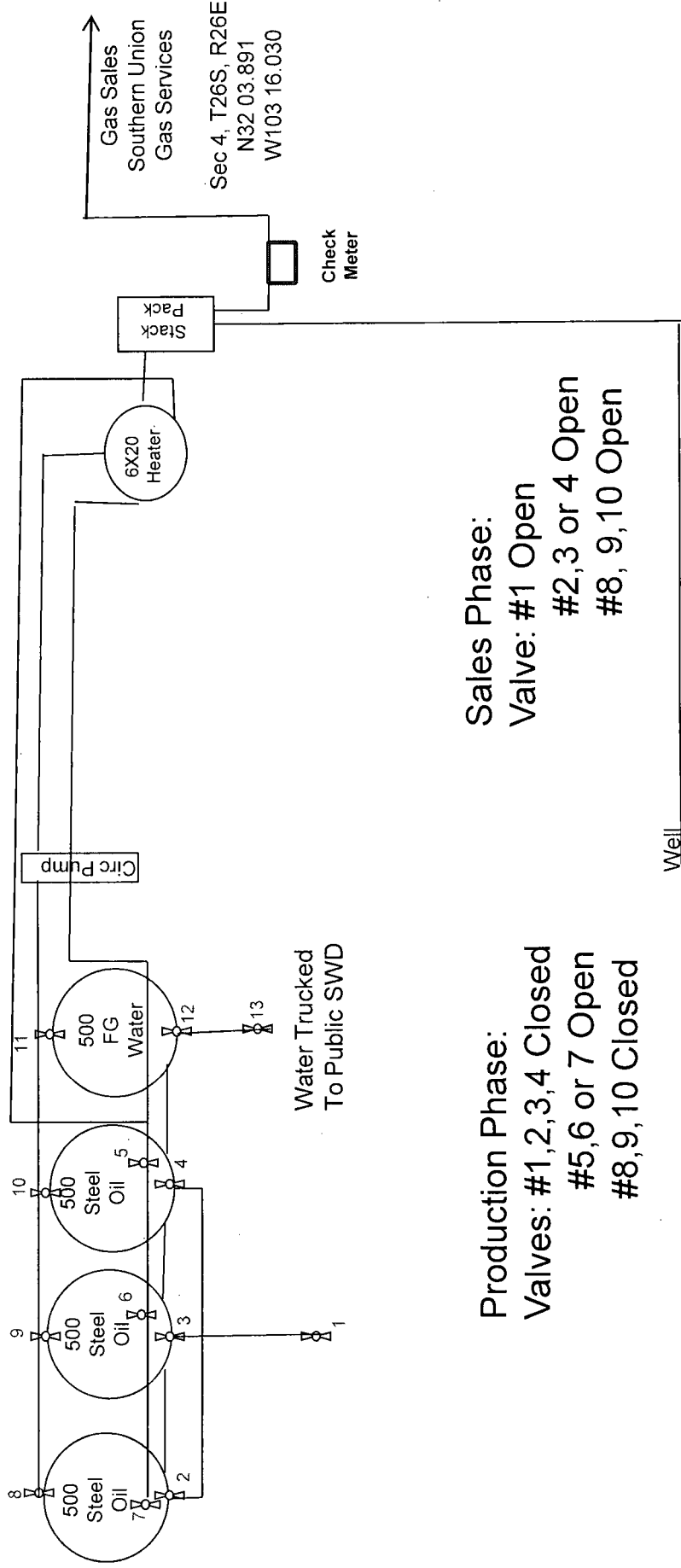
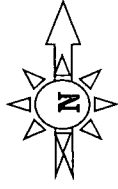
# COG OPERATING LLC

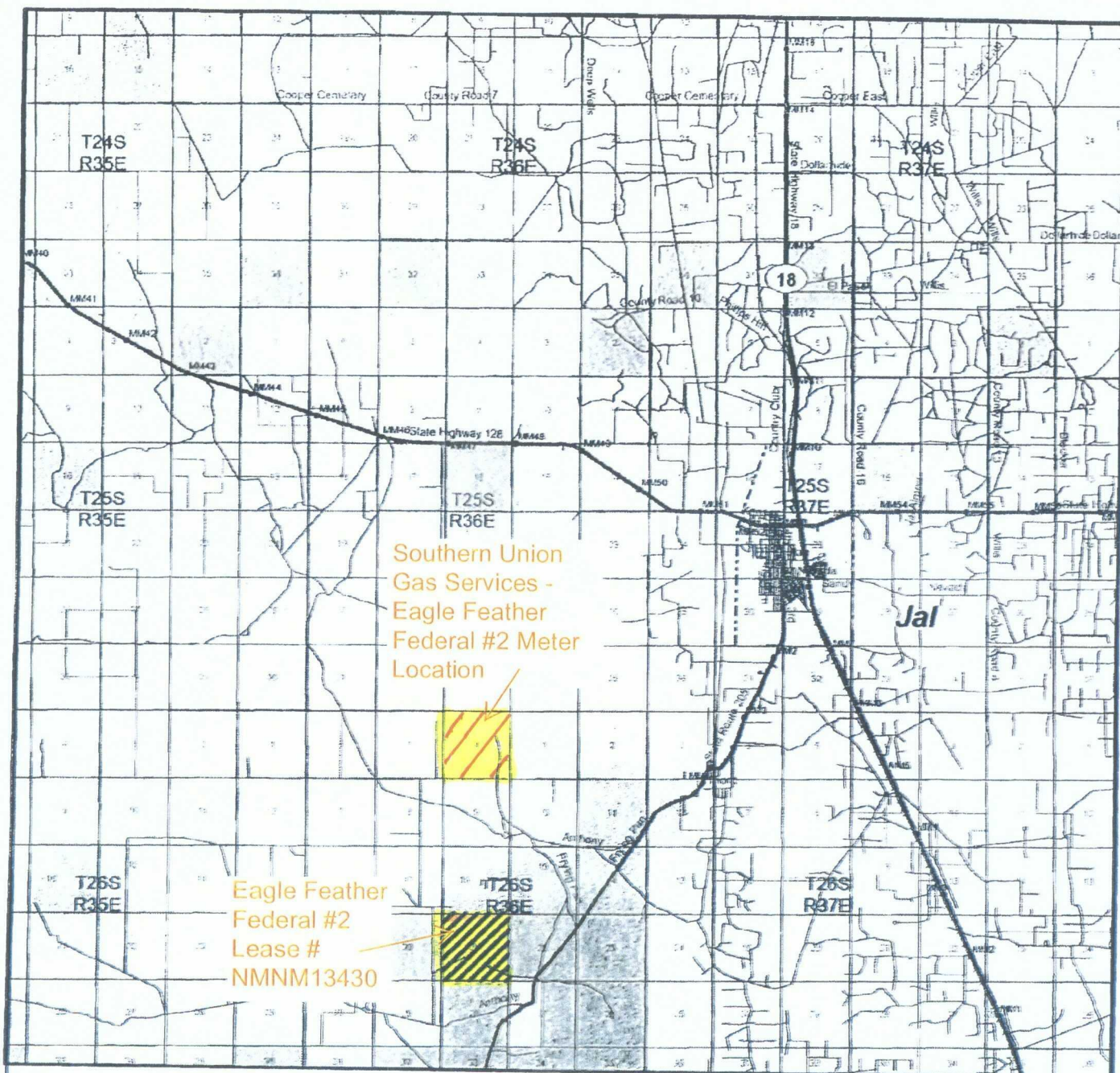
550 W. Texas Ave Ste 100 Midland, Texas 79701  
(432)-683-7443

February, 2010

# Eagle Feather Federal #2

660' FNL, 1630' FEL  
Sec 21, T26S, R36E, Unit B  
NMNM13430  
Lea County, NM  
API - 30-025-38885





**EAGLE FEATHER FEDERAL #2**  
 Located at 660' FNL and 1630' FEL  
 Section 21, Township 26 South, Range 36 East,  
 N.M.P.M., Lea County, New Mexico.

**basin**  
**surveys**

focused on excellence  
 in the oilfield

P.O. Box 1786  
 1120 N. West County Rd.  
 Hobbs, New Mexico 88241  
 (505) 393-7316 - Office  
 (505) 392-3074 - Fax  
 basinsurveys.com

W.O. Number: JWS 18695TR

Survey Date: 10-18-2007

Scale: 1" = 2 MILES

Date: 10-19-2007

**C.O.G.**  
**OPERATING**  
**L.L.C.**

DISTRICT I  
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II  
1301 W. Grand Avenue, 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 Department

Form C-102  
Revised October 12, 2005

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

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-38885	Pool Code 82670	Pool Name Pawnee; Strawn Gas
Property Code 37152	Property Name EAGLE FEATHER FEDERAL	Well Number 2
OGRID No. 229137	Operator Name C.O.G. OPERATING L.L.C.	Elevation 2927'

Surface Location

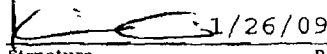
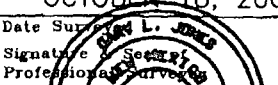
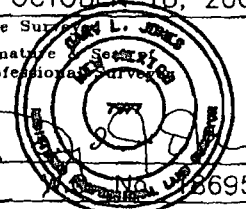
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	21	26 S	36 E		660	NORTH	1630	EAST	LEA

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 320	Joint or Infill	Consolidation Code	Order No.
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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><b>SURFACE LOCATION</b> LAT.: N 32°02'00.27" LONG.: W103°16'04.02" SPC- N.: 377821.0 E.: 871833.7 (NAD-83)</p>	<p>2927.6' 2929.2'</p> <p>1630'</p> <p>2926.6' 2925.0'</p>		<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained 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 pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p> 1/26/09 Signature Date</p> <p>Kanicia Carrillo Printed Name</p>
			<p><b>SURVEYOR CERTIFICATION</b></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>OCTOBER 18, 2007</p> <p>Date Surveyed</p> <p> Signature Professional Surveyor</p> <p></p> <p>Certificate No. Gary L. Jones 7977</p>
			<p>BASIN SURVEYS</p>

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.  
NMNM13430

6. If Indian, Allottee or Tribe Name

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

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator  
COG OPERATING LLCContact: KANICIA CARRILLO  
E-Mail: kcarrillo@conchoresources.com8. Well Name and No.  
EAGLE FEATHER FEDERAL 029. API Well No.  
30-025-38885-00-S13a. Address  
550 W TEXAS AVE SUITE 1300  
MIDLAND, TX 797013b. Phone No. (include area code)  
Ph: 432-685-433210. Field and Pool, or Exploratory  
STRAWN

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

Sec 21 T26S R36E NWNE 660FNL 1630FEL  
32.03420 N Lat, 103.26681 W Lon11. 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	Off-Lease Measuremen t
	<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.)

COG Operating, LLC respectfully request permission for OLM.

Our meter is located on Southern Union Gas Facility property. The property is located on Sec 4,  
T26S, R36E, N32 03.891/ W103 16.030.

Southern Union requested that the meter be located on their facility.

I have attached the following:

Interest owner notification  
INC  
BLM OFM form

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

**Electronic Submission #87484 verified by the BLM Well Information System  
For COG OPERATING LLC, sent to the Hobbs  
Committed to AFMSS for processing by KURT SIMMONS on 06/07/2010 (10KMS0543SE)**

Name (Printed/Typed) KANICIA CARRILLO

Title PREPARER

Signature (Electronic Submission)

Date 06/04/2010

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By DUNCAN WHITLOCK

Title LEAD PET

Date 06/10/2010

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 Hobbs

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.

**\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***

**Additional data for EC transaction #87484 that would not fit on the form**

**32. Additional remarks, continued**

Plat

Map of battery facility

Map of battery location & Gas facility location

Royalties will not be reduced because of meter location. Production will be allocated using the traditional percentage allocation method.





May 13, 2010

Oxy USA Incorporated  
Attn: Sally Dehn  
5 Greenway Plaza, Suite 110  
Houston, TX 77210

Certified Mail Article Number: 7009 2250 0001

Re: Request for Off Lease Measurement

Sally Dehn:

This letter will serve as notice under Rule 104.F (3) that COG Operating LLC has requested administrative approval from the Oil Conservation Division in Santa Fe, NM for Off Lease Measurement. We have a gas meter that is located on Southern Union Gas property, Sec 4, T26S, R26E, N32 03.891 / W103 16.030.

Eagle Feather Federal #2  
Lea County, NM  
API #: 30-025-38885

Surface: 660' FNL & 1630' FEL Sec 21, T26S, R36E, Unit B

Should your company have any objection, it must be filed in writing within twenty (20) days from the date of this notice. The Division Director may approve the Off Lease Measurement if no objection has been made within the 20 days after the application has been received.

Sincerely,

COG Operating LLC

Kanicia Carrillo  
Regulatory Analyst

**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:

Oxy USA Incorporated  
Attn: Sally Dehn  
5 Greenway Plaza, Suite 110  
Houston, TX 77210

2. Article Number  
(Transfer from service label)

7009 2250 0001 0942 4926

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X

☒ Agent

☐ Addressee

B. Received by (Printed Name)

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