

DATE IN 7.22.11	SUSPENSE	ENGINEER DB.	LOGGED IN 7.22.11	TYPE NSL	APP NO 1120348023
-----------------	----------	--------------	-------------------	----------	-------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

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



C06

Yale State #36

229137

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]

E-2-175-30E

6448

[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 _____

2011 JUL 22 AM 11:33

RECEIVED OGD

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

INTEREST ARE THE SAME

- [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.

Kelly J. Holly
 Print or Type Name

Signature

Permitting Tech
 Title

7-21-11
 Date

(432) 685-4384
 Phone Number

kholly@conchoresources.com
 E-mail Address

**Yale State #36
Eddy County, NM**

COG is requesting to **vertically** drill a SW/4 NW/4 40 acre spacing
Loco Hills; Glorieta Yeso oil well
TD of approximately 6150'

Non-standard Location:
2335' FNL & 1010' FWL Sec 2, T17S, R30E, Unit E

**This well had to be staked at a non-standard location due to a buried
pipeline.**

The plan for this well is to complete it in the Yeso formation.
We won't know the exact perms until we drill & log it, but it will be very similar to
the Electra Federal #10 which was recently drilled in January 2007 and is located
765' FSL 2310' FWL, Section 10, T17S, R30E, Unit N.

The Electra Federal #10 completion divided the Yeso up into 3 perf/stimulation
intervals and has perms from: 4920' – 5848.5' overall, with the following
breakdown:

1st interval: 5567' – 5848.5',
acidized w/ 2500 gals,
frac'd w/ 95,103 gals gel, 8321# LiteProp, & 85,970# 16/30 sand.

2nd interval: 5192.5' – 5475.5',
acidized w/ 2500 gals,
frac'd w/ 97,107 gals gel, 8215# LiteProp, & 87,106# 16/30 sand.

3rd interval: 4920' – 5107',
acidized w/ 2500 gals,
frac'd w/ 94,099 gals gel, 8448# LiteProp, & 87,526# 16/30 sand.

Attachment 1
Plat & map

Attachment 2
Map & legend of offset wells.

Attachment 3
Updated land plat showing that COG Operating LLC owns the NESW in Sec 2
and CBS Partners Ltd owns SENW of Section 2.
The acreage we are encroaching on is the SENW and NESW Section 2.

(copy of notice to CBS Partners Ltd is attached)

COG Operating LLC respectfully requests permission to have this NSL approved.

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
11885 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised July 16, 2010
Submit to Appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015 - 39161	Pool Code 96718	Pool Name Loco Hills; Glorieta-Yeso
Property Code 37953	Property Name YALE STATE	Well Number 36
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3759'

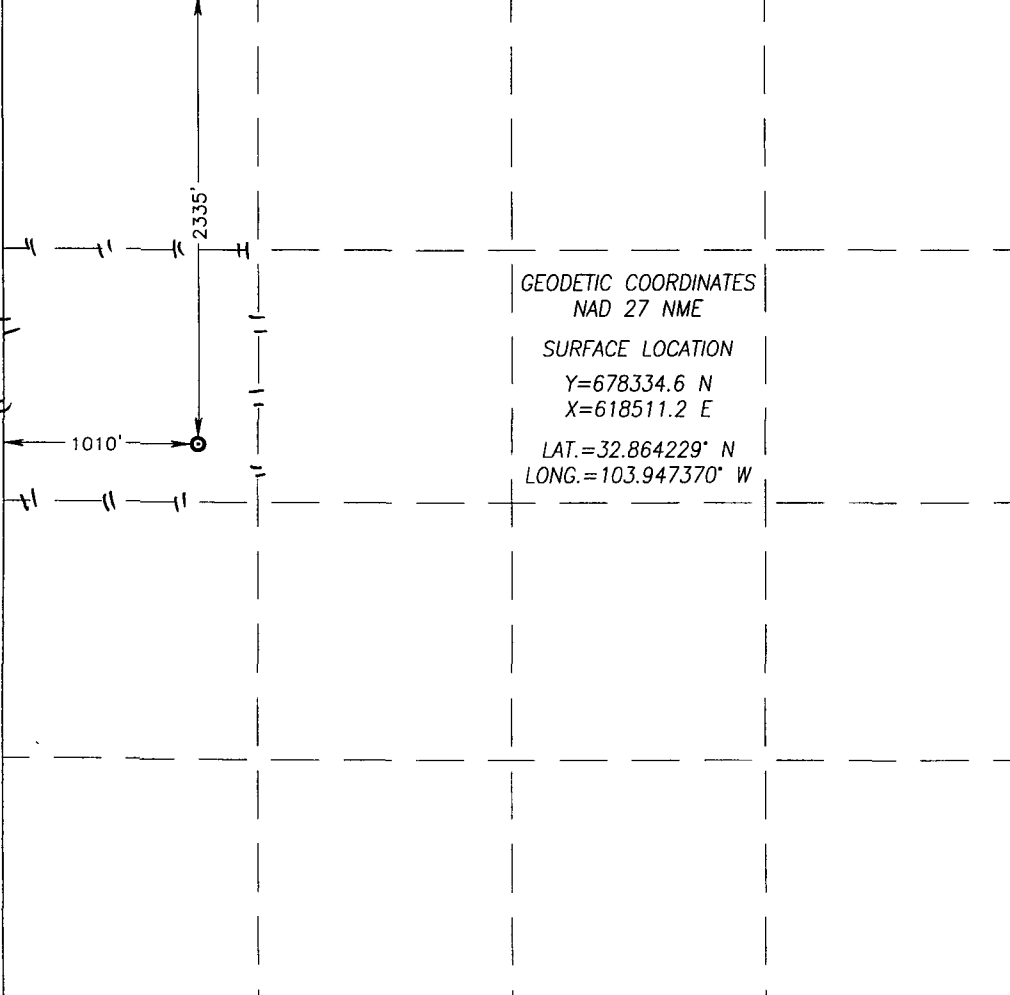
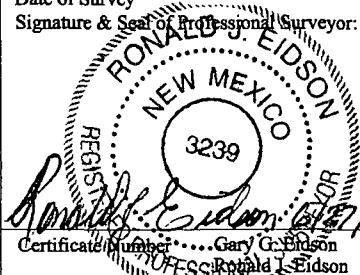
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	2	17-S	30-E		2335	NORTH	1010	WEST	EDDY

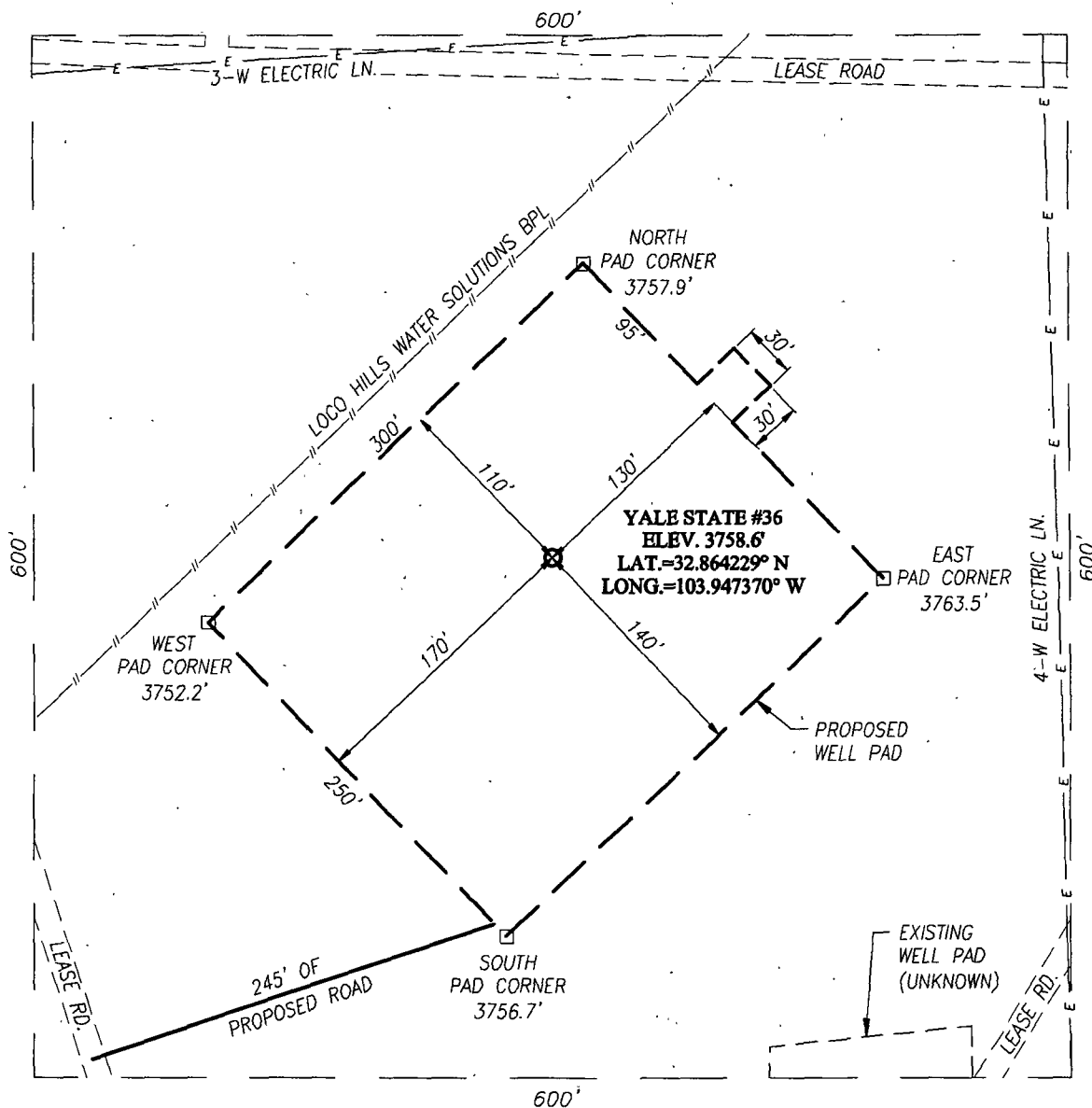
Bottom Hole Location If Different From Surface

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

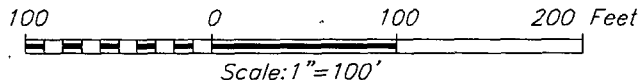
 GEODETIC COORDINATES NAD 27 NME SURFACE LOCATION Y=678334.6 N X=618511.2 E LAT.=32.864229° N LONG.=103.947370° W	OPERATOR CERTIFICATION I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or 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.  6-30-11 Signature Date Kelly J. Holly Printed Name kholly@conchoresources.com E-mail Address 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. JUNE 22, 2011 Date of Survey Signature & Seal of Professional Surveyor:  Certificate Number Gary G. Eidson 12641 Ronald L. Eidson 3239 DSS TWSC W.O.: 11.11.0256
--	--

SECTION 2, TOWNSHIP 17 SOUTH, RANGE 30 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF CO. RD. #220 (SQUARE LAKE RD.) AND CO. RD. #257 (MALLETT RD.), GO WEST ON CO. RD. #257 APPROX. 1.3 MILES. CO. RD. #257 TURNS NORTH, CONTINUE WEST APPROX. 415 FEET. TURN LEFT AND GO SOUTHEAST APPROX. 0.2 MILES. TURN LEFT AND FOLLOW PROPOSED ROAD SURVEY STAKES NORTHEAST APPROX. 245 FEET TO THIS LOCATION.



PROVIDING SURVEYING SERVICES
 SINCE 1946
JOHN WEST SURVEYING COMPANY
 412 N. DAL PASO
 HOBBS, N.M. 88240
 (575) 393-3117

COG OPERATING, LLC

YALE STATE #36 WELL
 LOCATED 2335 FEET FROM THE NORTH LINE
 AND 1010 FEET FROM THE WEST LINE OF SECTION 2,
 TOWNSHIP 17 SOUTH, RANGE 30 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO

Survey Date: 6/22/11	Sheet 1 of 1 Sheets
W.O. Number: 11.11.0256	Dr By: DSS
Date: 6/24/11	Rev 1: N/A
11110256	Scale: 1"=100'

Producing Wells in Sec 2, T17S, R30E, Eddy County

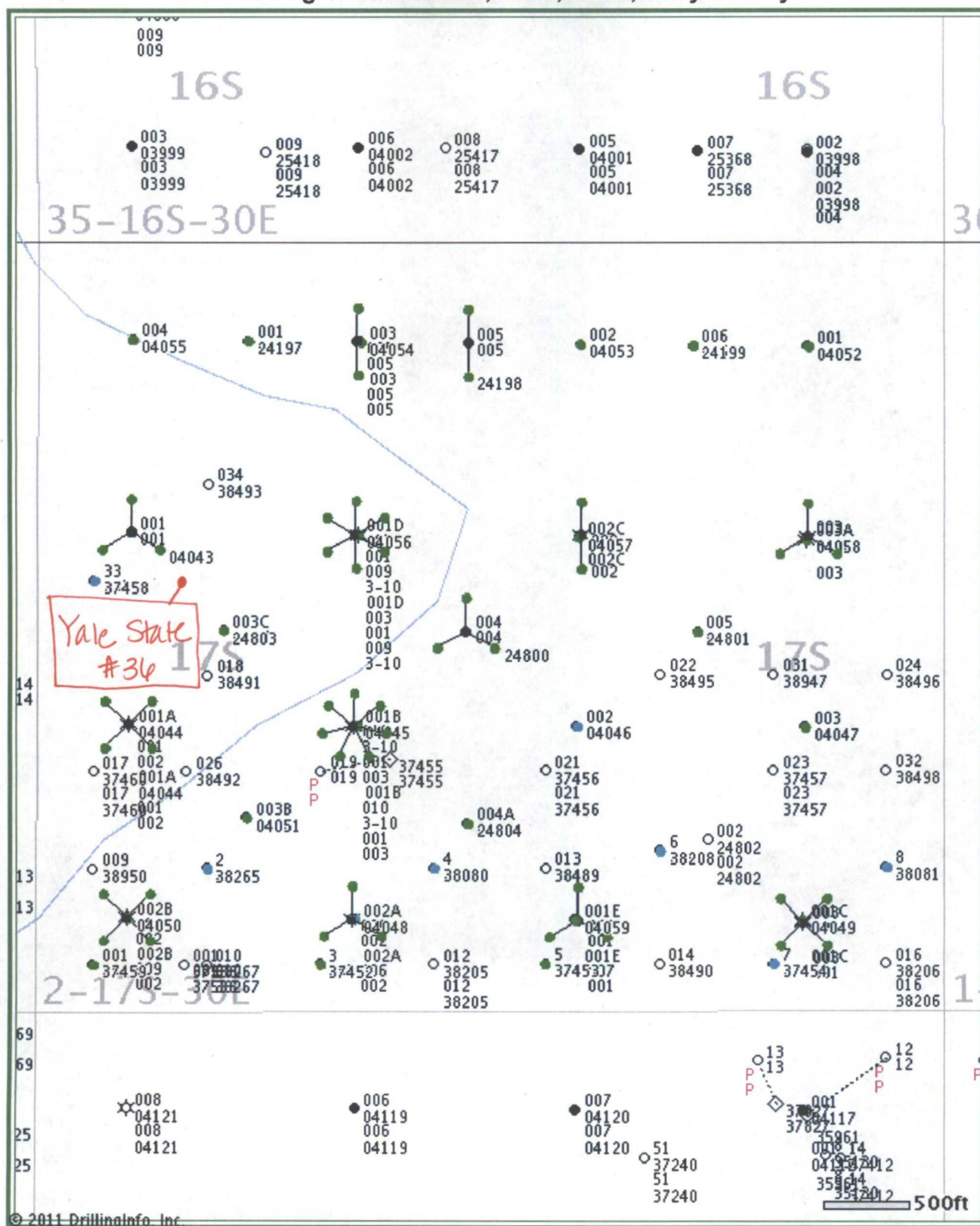
API#	Operator	Lease	Well#	County	Legal	Total Depth	Well Type	Well Status	First Prod.	Last Prod.	Avg. (BO/D)
30-015-00000	ANADARKO PROD CO	BURHAM GRAYBURG SAN ANDRES UNIT TRACT 5	002	EDDY	S:2, T:17S, R:30E		G	Active	Sep 1971	Dec 1971	0.00
30-015-00000	ANADARKO PRODUCTION COMPANY	BURNHAM A	007	EDDY	S:2, T:17S, R:30E		O	Active	Jan 1969	Nov 1969	0.07
30-015-24800	BURNHAM OIL CO	STATE B 3635	004	EDDY	S:2, T:17S, R:30E	3,250	PO	Active	Jan 1960	Dec 1968	0.13
30-015-00000	BURNHAM OIL CO	STATE B3635	007	EDDY	S:2, T:17S, R:30E		O	Active	Jan 1960	Dec 1968	0.16
30-015-00000	ANADARKO PRODUCTION COMPANY	BURNHAM B STATE	006	EDDY	S:2, T:17S, R:30E		G	Active	Jan 1969	Jul 1969	0.16
30-015-24803	CBS OPERATING CORP	BURNHAM GRAYBURG SAN ANDRES UNIT	003C	EDDY	S:2, T:17S, R:30E	3,250	PO	Pumping	May 1984	Mar 2011	0.29
30-015-04057	CBS OPERATING CORP	BURNHAM GRAYBURG SAN ANDRES UNIT	002C	EDDY	S:2, T:17S, R:30E	3,198	O	Pumping	Jan 1973	Mar 2011	0.32
30-015-00000	BURNHAM OIL CO.	ST.	008	EDDY	S:2, T:17S, R:30E		G	Active	Jan 1947	Dec 1967	0.32
30-015-00000	ANADARKO PRODUCTION COMPANY	BURNHAM B STATE	009	EDDY	S:2, T:17S, R:30E		G	Active	Jan 1969	Aug 1969	0.42
30-015-00000	ANADARKO PRODUCTION COMPANY	BURNHAM B STATE	002	EDDY	S:2, T:17S, R:30E		G	Active	Jan 1969	Nov 1969	0.47
30-015-24800	BURNHAM OIL CO.	ST.	004	EDDY	S:2, T:17S, R:30E	3,250	PO	Active	Jan 1947	Dec 1967	0.48
30-015-00000	BURNHAM OIL CO.	ST.	007	EDDY	S:2, T:17S, R:30E		O	Active	Jan 1947	Dec 1967	0.48
30-015-04059	CBS OPERATING CORP	BURNHAM GRAYBURG SAN ANDRES UNIT	001E	EDDY	S:2, T:17S, R:30E	3,212	O	Active	Jan 1973	Mar 2011	0.61
30-015-00000	ANADARKO PROD CO	BURHAM GRAYBURG SAN ANDRES UNIT TRACT 1	003	EDDY	S:2, T:17S, R:30E		G	Active	Jan 1971	Dec 1971	0.65
30-015-04051	CBS OPERATING CORP	BURNHAM GRAYBURG SAN ANDRES UNIT	003B	EDDY	S:2, T:17S, R:30E		O	Active	Jan 1993	Mar 2011	0.68
30-015-04045	CBS OPERATING CORP	BURNHAM GRAYBURG SAN ANDRES UNIT	001B	EDDY	S:2, T:17S, R:30E	3,199	O	Active	Jan 1973	Mar 2011	0.84
30-015-24800	CBS OPERATING CORP	BURNHAM GRAYBURG SAN ANDRES UNIT	004	EDDY	S:2, T:17S, R:30E	3,250	PO	Active	Jan 1958	Mar 2011	0.94
30-015-00000	KENNEDY OIL CO INC	RANDEL STATE	002	EDDY	S:2, T:17S, R:30E		G	Active	Jan 1965	Dec 1969	0.97
30-015-00000	BURNHAM OIL CO	STATE B3635	008	EDDY	S:2, T:17S, R:30E		G	Active	Jan 1960	Dec 1968	0.97
30-015-24197	J CLEO THOMPSON	WEST SQUARE LAKE UNIT	001	EDDY	S:2, T:17S, R:30E	3,200	PO	Pumping	Jan 1993	Mar 2011	1.00
30-015-24198	J CLEO THOMPSON	WEST SQUARE LAKE UNIT	005	EDDY	S:2, T:17S, R:30E	3,250	PO	Pumping	Jan 1993	Mar 2011	1.00
30-015-00000	KENNEDY OIL CO INC	RANDEL STATE	001	EDDY	S:2, T:17S, R:30E		G	Active	Jan 1965	Dec 1969	1.03
					S:2, T:17S,						

30-015-00000	KENNEDY OIL CO INC	RANDEL STATE	003	EDDY	R:30E		G	Active	Jan 1965	Dec 1969	1.10
30-015-00000	BURNHAM OIL CO	STATE B8146	010	EDDY	S:2, T:17S, R:30E		G	Active	Jan 1960	Dec 1968	1.16
30-015-00000	RANDEL, O. H.	ST.	003	EDDY	S:2, T:17S, R:30E		G	Active	Feb 1947	Dec 1964	1.26
30-015-24804	CBS OPERATING CORP	BURNHAM GRAYBURG SAN ANDRES UNIT	004A	EDDY	S:2, T:17S, R:30E	3,250	PO	Active	May 1984	Mar 2011	1.55
30-015-00000	ANADARKO PRODUCTION COMPANY	BURNHAM B STATE	003	EDDY	S:2, T:17S, R:30E		G	Active	Jun 1969	Dec 1969	1.71
30-015-04050	CBS OPERATING CORP	BURNHAM GRAYBURG SAN ANDRES UNIT	002B	EDDY	S:2, T:17S, R:30E	3,207	O	Active	Jan 1973	Mar 2011	1.74
30-015-00000	ANADARKO PROD CO	BURNHAM GRAYBURG SAN ANDRES UNIT TRACT 4	001	EDDY	S:2, T:17S, R:30E		O	Active	Jan 1971	Dec 1971	1.87
30-015-00000	RANDEL, O. H.	ST.	002	EDDY	S:2, T:17S, R:30E		G	Active	Feb 1947	Dec 1964	2.03
30-015-00000	RANDEL O H	STATE	001	EDDY	S:2, T:17S, R:30E		G	Active	Jan 1959	Dec 1964	2.03
30-015-04047	CBS OPERATING CORP	BURNHAM GRAYBURG SAN ANDRES UNIT	003	EDDY	S:2, T:17S, R:30E		O	Active	Jan 1973	Mar 2011	2.06
30-015-04043	BURNHAM OIL CO	STATE B3635	001	EDDY	S:2, T:17S, R:30E	3,060	O	Active	Jan 1960	Dec 1968	2.10
30-015-00000	BURNHAM OIL CO	STATE B8146	002	EDDY	S:2, T:17S, R:30E		G	Active	Jan 1960	Dec 1968	2.10
30-015-00000	BURNHAM OIL CO	STATE B8146	006	EDDY	S:2, T:17S, R:30E		G	Active	Jan 1960	Dec 1968	2.10
30-015-00000	BURNHAM OIL CO	STATE B8146	009	EDDY	S:2, T:17S, R:30E		G	Active	Jan 1960	Dec 1968	2.10
30-015-00000	BURNHAM OIL CO.	ST.	009	EDDY	S:2, T:17S, R:30E		G	Active	Jan 1947	Dec 1967	2.61
30-015-04043	CBS OPERATING CORP	BURNHAM GRAYBURG SAN ANDRES UNIT	001	EDDY	S:2, T:17S, R:30E	3,060	O	Active	Jan 1952	Mar 2011	2.65
30-015-04053	TEXAS CONSOLIDATED OILS	STATE	002	EDDY	S:2, T:17S, R:30E		O	Active	Jan 1947	Oct 1948	2.65
30-015-04052	TEXAS CONSOLIDATED OILS	STATE	001	EDDY	S:2, T:17S, R:30E		O	Active	Jan 1947	Oct 1948	2.68
30-015-00000	BURNHAM OIL CO.	ST.	002	EDDY	S:2, T:17S, R:30E		G	Active	Jan 1947	Dec 1967	2.90
30-015-00000	BURNHAM OIL CO.	ST.	006	EDDY	S:2, T:17S, R:30E		G	Active	Jan 1947	Dec 1967	2.90
30-015-24199	J CLEO THOMPSON	WEST SQUARE LAKE UNIT	006	EDDY	S:2, T:17S, R:30E	0	PO	Pumping	Oct 1982	Mar 2011	3.00
30-015-00000		BURNHAM GRAYBURG SAN ANDRES UT TR 6	010	EDDY	S:2, T:17S, R:30E		G	Active	Jan 1958	Dec 1993	3.00
30-015-04043	BURNHAM OIL COMPANY	STATE	001	EDDY	S:2, T:17S, R:30E	3,060	O	Active	Jan 1947	Dec 1961	3.16
30-015-04055	TEXAS CONSOLIDATED OILS	STATE	004	EDDY	S:2, T:17S, R:30E		O	Active	Jan 1947	Nov 1947	3.20
30-015-00000	ANADARKO PROD CO	BURNHAM GRAYBURG SAN ANDRES UNIT TRACT 6	003	EDDY	S:2, T:17S, R:30E		G	Active	Jan 1971	Dec 1971	3.39

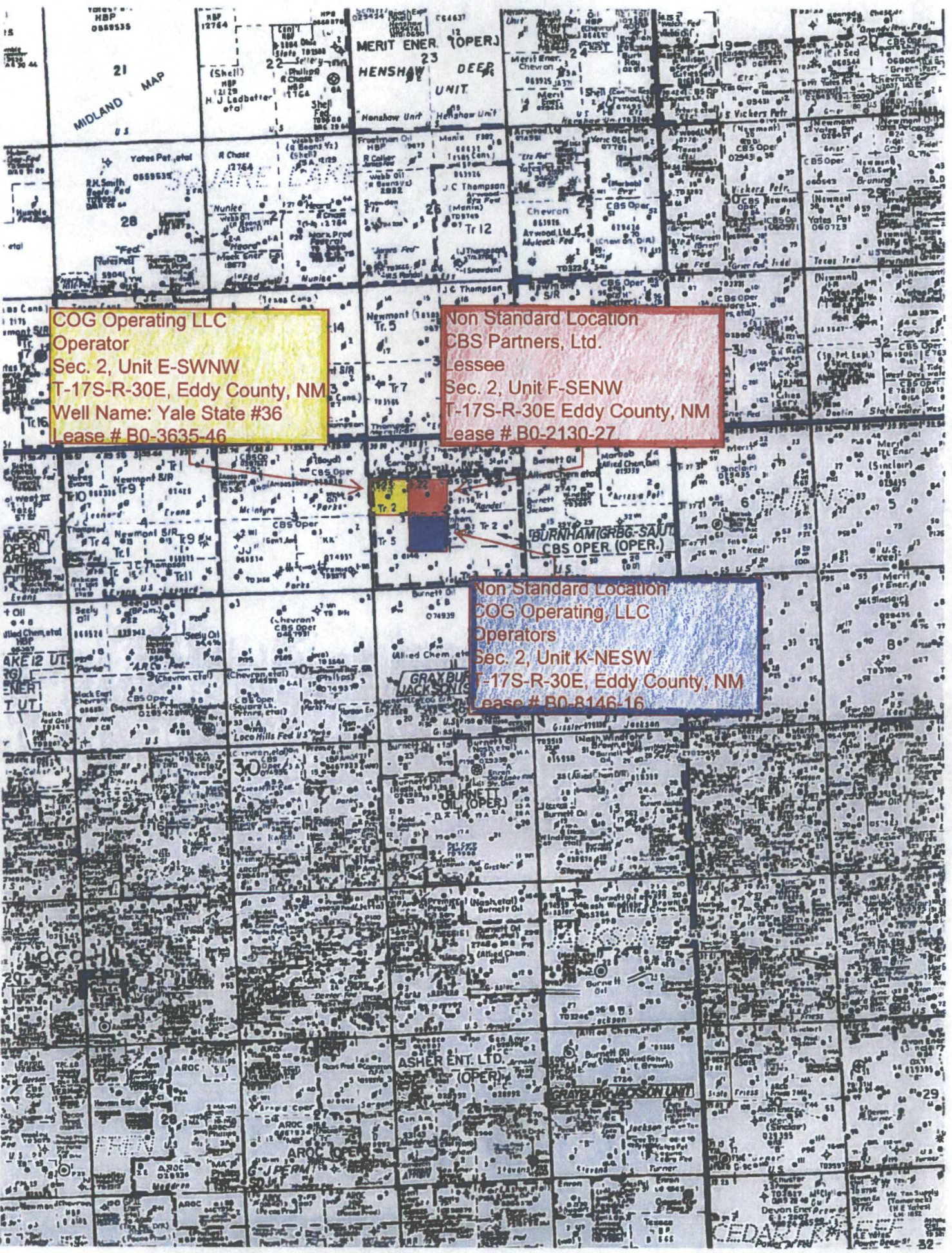
30-015-24801	BURNHAM OIL CO.	ST.	005	EDDY	S:2, T:17S, R:30E		O	Active	Jan 1947	Dec 1956	3.42
30-015-00000	RANDEL, O. H.	ST.	001	EDDY	S:2, T:17S, R:30E		G	Active	Feb 1947	Dec 1961	3.87
30-015-04054	TEXAS CONSOLIDATED OILS	STATE	003	EDDY	S:2, T:17S, R:30E		O	Active	Jan 1947	Aug 1948	4.97
30-015-00000	ANADARKO PROD CO	BURNHAM GRAYBURG SAN ANDRES UNIT TRACT 5	001	EDDY	S:2, T:17S, R:30E		O	Active	Sep 1971	Dec 1971	5.61
30-015-00000	BURNHAM OIL CO.	ST.	003	EDDY	S:2, T:17S, R:30E		O	Active	Jan 1947	Dec 1953	6.00
30-015-00000	ANADARKO PRODUCTION COMPANY	BURNHAM B STATE	010	EDDY	S:2, T:17S, R:30E		G	Active	Jan 1969	May 1969	6.65
30-015-00000	ANADARKO PRODUCTION COMPANY	BURNHAM A	008	EDDY	S:2, T:17S, R:30E		G	Active	Jan 1969	Dec 1969	7.32
30-015-24198		HOVER STATE	005	EDDY	S:2, T:17S, R:30E	3,250	PO	Pumping	Nov 1982	Dec 1993	7.81
30-015-00000		WSLU TRACT 22	005	EDDY	S:2, T:17S, R:30E		O	Active	Jan 1993	Dec 1993	7.81
30-015-00000		MERRIL STATE	005	EDDY	S:2, T:17S, R:30E		O	Active	Sep 1982	Jan 1993	8.00
30-015-00000	BURNHAM OIL CO	STATE B8146	003	EDDY	S:2, T:17S, R:30E		G	Active	Apr 1962	Nov 1968	9.33
30-015-00000	BURNHAM OIL COMPANY	STATE	'3-10	EDDY	S:2, T:17S, R:30E		O	Active	Jan 1955	Dec 1957	9.90
30-015-00000	NASH, WINDFOHR & BROWN	JACKSON B	009	EDDY	S:2, T:17S, R:30E		O	Active	Jan 1948	Dec 1949	10.97
30-015-37452	COG OPERATING LLC	YALE STATE	3	EDDY	S:2, T:17S, R:30E	6,232	O	Active Permit	Jul 2010	Apr 2011	17.40
30-015-37458	COG OPERATING LLC	YALE STATE	33	EDDY	S:2, T:17S, R:30E	6,222	O	Active Permit	Nov 2010	Apr 2011	20.50
30-015-37459	COG OPERATING LLC	YALE STATE	001	EDDY	S:2, T:17S, R:30E	6,200	PO	Active Permit	Jun 2010	Apr 2011	24.10
30-015-37453	COG OPERATING LLC	YALE STATE	5	EDDY	S:2, T:17S, R:30E	6,222	O	Active Permit	Aug 2010	Apr 2011	24.23
30-015-00000	BURNHAM OIL COMPANY	STATE	'3-10	EDDY	S:2, T:17S, R:30E		O	Active	Jan 1954	Dec 1954	26.03
30-015-37454	COG OPERATING LLC	YALE STATE	7	EDDY	S:2, T:17S, R:30E	6,245	O	Active Permit	Sep 2010	Apr 2011	27.33
30-015-38265	COG OPERATING LLC	YALE STATE	2	EDDY	S:2, T:17S, R:30E	6,175	O	Active Permit	Apr 2011	Apr 2011	32.43
30-015-38080	COG OPERATING LLC	YALE STATE	4	EDDY	S:2, T:17S, R:30E	6,154	O	Active Permit	Jan 2011	Apr 2011	44.10
30-015-38208	COG OPERATING LLC	YALE STATE	6	EDDY	S:2, T:17S, R:30E	6,150	O	Active Permit	Feb 2011	Apr 2011	80.13
30-015-38081	COG OPERATING LLC	YALE STATE	8	EDDY	S:2, T:17S, R:30E	6,181	O	Active Permit	Mar 2011	Apr 2011	185.47
30-015-04046	CBS OPERATING CORP	BURNHAM GRAYBURG SAN ANDRES UNIT	002	EDDY	S:2, T:17S, R:30E		I	Flowing	Jan 2001	Mar 2011	
30-015-04048	CBS OPERATING CORP	BURNHAM GRAYBURG SAN ANDRES UNIT	002A	EDDY	S:2, T:17S, R:30E	3,208	I	Pumping	Dec 1997	Mar 2011	

30-015-04049	CBS OPERATING CORP	BURNHAM GRAYBURG SAN ANDRES UNIT	001C	EDDY	S:2, T:17S, R:30E		G	Flowing	Jan 1973	Mar 2011	
30-015-04056	CBS OPERATING CORP	BURNHAM GRAYBURG SAN ANDRES UNIT	001D	EDDY	S:2, T:17S, R:30E	3,205	G	Flowing	Jan 1973	Mar 2011	
30-015-04058	CBS OPERATING CORP	BURNHAM GRAYBURG SAN ANDRES UNIT	003A	EDDY	S:2, T:17S, R:30E	3,230	G	Flowing	Feb 1973	May 2010	

Producing Wells in Sec 2, T17S, R30E, Eddy County



© 2011 Drilling Info, Inc. All rights reserved. All data and information is provided "As Is" and subject to the DI subscription agreement.



COG Operating LLC
Operator
Sec. 2, Unit E-SWNW
T-17S-R-30E, Eddy County, NM
Well Name: Yale State #36
Lease # B0-3635-46

Non Standard Location
CBS Partners, Ltd.
Lessee
Sec. 2, Unit F-SENW
T-17S-R-30E Eddy County, NM
Lease # B0-2130-27

Non Standard Location
COG Operating, LLC
Operators
Sec. 2, Unit K-NESW
T-17S-R-30E, Eddy County, NM
Lease # B0-8146-16

**COG OPERATING LLC
550 W. TEXAS, SUITE 1300
MIDLAND, TX 79701**

July 15, 2011

CBS Operating Corp
300 W Louisiana Ave #201
Midland, TX 79701

Re: Request for Unorthodox Well Location

To Whom It May Concern:

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 an unorthodox Loco Hills: GLORIETA-YESO oil well.

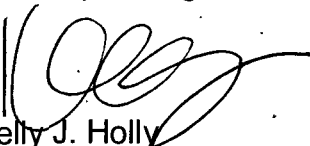
**Yale State #36
Eddy County, NM**

2335' FNL & 1010' FWL Sec 2, T17S, R30E

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 allow COG to produce from the unorthodox location after the well is drilled, if no objection has been made within the 20 days after the application has been received.

Sincerely,

COG Operating LLC



Kelly J. Holly
Permitting Tech

432-685-4384

kholly@concho.com

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits.		A. Signature X <i>P.A. Redman</i> ☐ Agent ☐ Addressee	
1. Article Addressed to: CBS Operating Corp 300 W Louisiana Ave #201 Midland, TX 79701		B. Received by (Printed Name) <i>P.A. Redman</i>	C. Date of Delivery 7-19-11
		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)		91 7199 9991 7030 4045 5259	
PS Form 3811, February 2004		Domestic Return Receipt 102595-02-M-1540	

UNITED STATES POSTAL SERVICE		First-Class Mail Postage & Fees Paid USPS Permit No. G-10
• Sender: Please print your name, address, and ZIP+4 in this box • COG OPERATING LLC ATTN: KELLY J. HOLLY 550 W TEXAS AVE, SUITE 100 MIDLAND, TX 79701		