

DATE IN 5/8/12	SUSPENSE	ENGINEER WVJ	LOGGED IN 5/8/12	TYPE DHC	APP NO. PWTJ 213036549
-------------------	----------	-----------------	---------------------	-------------	---------------------------

ABOVE THIS LINE FOR DIVISION USE ONLY **4566**

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



**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] Submarine 10 Federal Com Lease

[A] Location - Spacing Unit - Simultaneous Dedication Eddy County, NM  
 NSL  NSP  SD Section 10, 17S, 29E  
 OGRID # 229137

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.

<u>Kanicia Castillo</u>	<u>[Signature]</u>	<u>Lead Regulatory Analyst</u>	<u>5/2/12</u>
Print or Type Name	Signature	Title	Date
		<u>kcastillo@concho.com</u>	
		e-mail Address	

District I  
1623 N. French Drive, Hobbs, NM 88240

District II  
811 S. First St., Artesia, NM 88210

District III  
1060 Rio Brazos Road, 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-107A  
Revised August 1, 2011

APPLICATION TYPE  
 Single Well  
 Establish Pre-Approved Pools  
EXISTING WELLBORE  
 Yes  No

APPLICATION FOR DOWNHOLE COMMINGLING

Operator COG Operating LLC Address 550 West Texas Ave, Suite 100, Midland, TX 79701

Lease Submarine 10 Federal Com #1H A, 10, 17S, 29E Well No. DHC-4566 Unit Letter-Section-Township-Range Eddy County

OGRID No. 229137 Property Code \_\_\_\_\_ API No. \_\_\_\_\_ Lease Type:  Federal  State  Fcc

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Dodd-Glorieta-Upper Yes	Grayburg Jackson; SR	Q-G-SA
Pool Code	97917	28509	
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	4008 - 5355	4008 - 5355	
Method of Production (Flowing or Artificial Lift)	Artificial Lift	Artificial Lift	
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)			
Producing, Shut-In or New Zone	New Zone	New Zone	
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: Rates:	Date: Rates:	Date: Rates:
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil 75 % Gas 75 %	Oil 25 % Gas 25 %	Oil % Gas %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes  No \_\_\_\_\_  
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes \_\_\_\_\_ No \_\_\_\_\_

Are all produced fluids from all commingled zones compatible with each other? Yes  No \_\_\_\_\_

Will commingling decrease the value of production? Yes \_\_\_\_\_ No

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes  No \_\_\_\_\_

NMOCD Reference Case No. applicable to this well: \_\_\_\_\_

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE \_\_\_\_\_ TITLE Lead Regulatory Analyst DATE 5/02/12

TYPE OR PRINT NAME Kanicia Castillo TELEPHONE NO. ( 432 ) 685-4332

E-MAIL ADDRESS kcastillo@concho.com

DISTRICT I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720

DISTRICT II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

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 August 1, 2011  
Submit one copy to appropriate  
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 97917	Pool Name Dodd-Glorieta-Upper Yeso
Property Code	Property Name SUBMARINE 10 FEDERAL COM	Well Number 1H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3626'

Surface Location

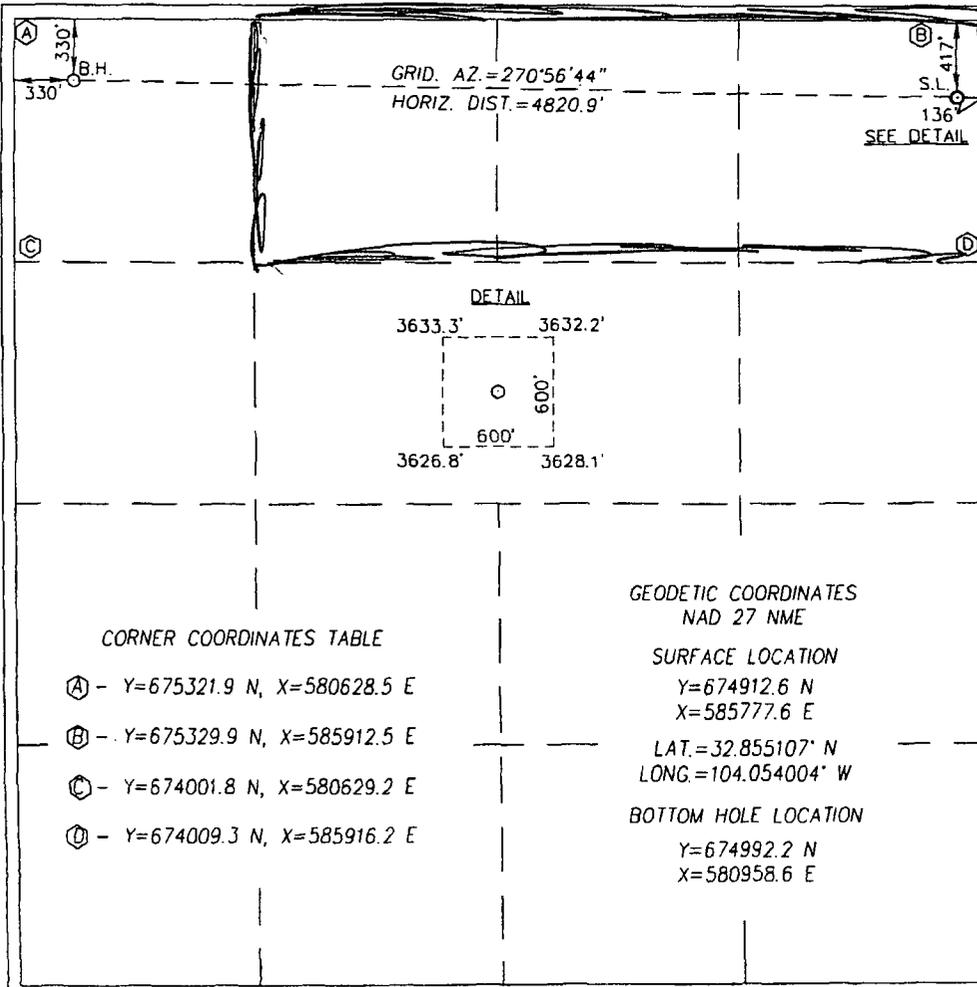
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	10	17-S	29-E		417	NORTH	136	EAST	EDDY

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
D	10	17-S	29-E		330	NORTH	330	WEST	EDDY

Dedicated Acres 1.00	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.

5/1/12

Signature \_\_\_\_\_ Date \_\_\_\_\_  
Kanicia Castillo  
Printed Name  
kcastillo@concho.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.

JANUARY 13, 2012

Date of Survey  
Signature & Seal of Professional Surveyor:  
RONALD J. EIDSON  
NEW MEXICO  
3239  
Certification Number: Gary Eidson 12641  
Ronald J. Eidson 3239  
AP WSC W.O.: 11.11.2272

DISTRICT I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720

DISTRICT II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

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 August 1, 2011  
Submit one copy to appropriate  
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 28509	Pool Name Grayburg Jackson; SR-Q-G-SA
Property Code	Property Name SUBMARINE 10 FEDERAL COM	Well Number 1H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3626'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	10	17-S	29-E		417	NORTH	136	EAST	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
D	10	17-S	29-E		330	NORTH	330	WEST	EDDY

Dedicated Acres 1.60	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

**CORNER COORDINATES TABLE**

- (A) - Y=675321.9 N, X=580628.5 E
- (B) - Y=675329.9 N, X=585912.5 E
- (C) - Y=674001.8 N, X=580629.2 E
- (D) - Y=674009.3 N, X=585916.2 E

**GEODETIC COORDINATES**  
NAD 27 NME

**SURFACE LOCATION**  
Y=674912.6 N  
X=585777.6 E

LAT.=32.855107° N  
LONG.=104.054004° W

**BOTTOM HOLE LOCATION**  
Y=674992.2 N  
X=580958.6 E

**DETAIL**  
3633.3' 3632.2'  
600' 600'  
3626.8' 3628.1'

GRID. AZ. = 270°56'44"  
HORIZ. DIST. = 4820.9'

SEE DETAIL

**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.

5/2/12

Signature \_\_\_\_\_ Date \_\_\_\_\_  
Kanicia Castillo

Printed Name \_\_\_\_\_  
kcastillo@concho.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.

JANUARY 13, 2012

Date of Survey \_\_\_\_\_  
Signature & Seal of Professional Surveyor: \_\_\_\_\_

RONALD J. EIDSON  
 3239  
 01/30/2012  
 Certificate Number: Gary Eidson 12641  
 Ronald J. Eidson 3239

AP \_\_\_\_\_ WSC W.O.: 11.11.2272