

DATE IN 10-15-12	SUSPENSE 11-5	ENGINEER DIB	LOGGED IN 10-15-12	TYPE NSL	APP NO. PDKB1228956112
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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



COB
Skelly U #739H

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]

6702

[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

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INTEREST ARE THE SAME

[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]

 Signature

Permitting Tech

 Title

10-12-12

 Date

(432) 685-4384

 Phone Number

kholly@concho.com

 E-mail Address

**Skelly Unit #739H
Eddy County, NM**

COG proposes to drill a **HORIZONTAL**, 160 acre spacing
Fren; Glorieta-Yeso oil well
TD at approximately 9616' MD, 5128' TVD

Non-standard location:

SHL: 1237' FSL & 330' FWL Sec 22, T17S, R31E, Unit M
BHL: 1215' FSL & 330' FEL Sec 22, T17S, R31E, Unit P

This well had to be drilled at a non-standard location due to a highway too close to original location.

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.

Current plan for completion:

16 Stage Isolation Packers to be installed from: 5496' to 9616'. Spacing between stages will be approximately 260 ft.

Each treated interval will be between the packers. Each interval will be treated with 2000 gals 15% HCL acid, 120,000# 16/30 Brady sand and 90,000 gallons gelled fluid.

Attachment 1

Plat and map

Attachment 2

Map and legend of offset wells.

Attachment 3

Updated land plat showing COG Operating LLC acreage.
The acreage we are encroaching on is Units L, K, J and I of Section 22, Unit I of Section 21, Unit L of Section 23.

Proof of notification to offset operator (Chevron) is attached.

Interests are common.

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

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 30-015-38343	Pool Code 26770	Pool Name Fren; Glorieta-Yeso
Property Code 305607	Property Name SKELLY UNIT	Well Number 739H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3818'

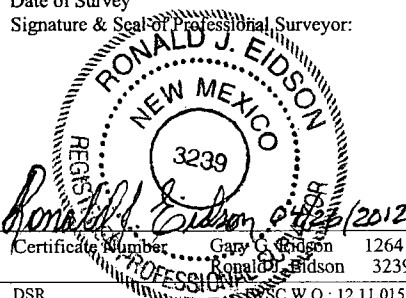
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	22	17-S	31-E		1237	SOUTH	330	WEST	EDDY

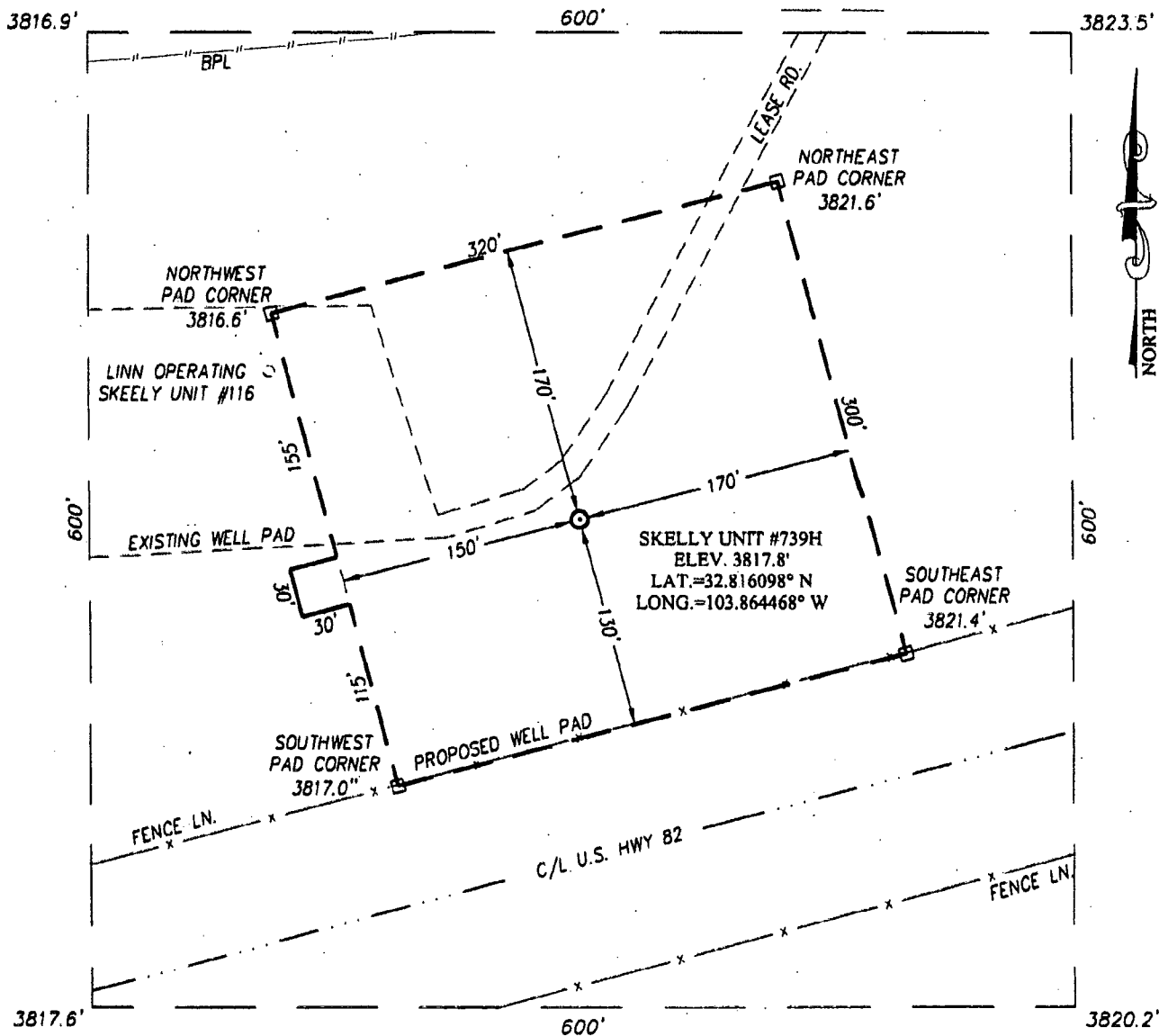
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	22	17-S	31-E		1215	SOUTH	330	EAST	EDDY
Dedicated Acres 160	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

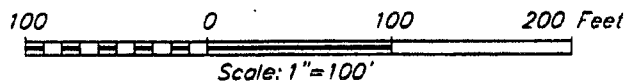
CORNER COORDINATES TABLE Ⓐ - Y=661008.4 N, X=643714.1 E Ⓑ - Y=661044.9 N, X=648994.3 E Ⓒ - Y=659724.5 N, X=649001.8 E Ⓓ - Y=659688.1 N, X=643721.9 E	GEODETIC COORDINATES NAD 27 NME SURFACE LOCATION Y=660927.0 N X=644044.5 E BOTTOM HOLE LOCATION Y=660936.9 N X=648665.0 E GRID AZ = 89° 52' 35" HORZ. DIST. = 4621.6" Project Area Producing Area	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 7-31-12 Date Kelly J. Holly Printed Name kholly@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. APRIL 4, 2012 Date of Survey Signature & Seal of Professional Surveyor:  Certificate Number 3239 Gary A. Eidson 12641 Ronald J. Eidson 3239 DSR
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SECTION 22, TOWNSHIP 17 SOUTH, RANGE 31 EAST, N.M.P.M.
 EDDY COUNTY NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF U.S. HWY. #82 AND C.R. #223 (SWEET GUM) GO NORTHWEST ON C.R. #223 APPROX. 0.15 MILES. TURN RIGHT AND GO NORTHEAST ALONG MEANDERING ROAD APPROX. 0.4 MILES. VEER RIGHT AND GO EAST-SOUTHEAST APPROX. 0.2 MILES. TURN RIGHT AND GO SOUTH-SOUTHWEST APPROX. 0.25 MILES. THIS LOCATION STAKE IS APPROX 20 FEET SOUTH OF LEASE ROAD.



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

COG OPERATING, LLC

SKELLY UNIT #739H WELL
 LOCATED 1237 FEET FROM THE SOUTH LINE
 AND 330 FEET FROM THE WEST LINE OF SECTION 22,
 TOWNSHIP 17 SOUTH, RANGE 31 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO

Survey Date: 04/04/2012	Sheet 1 of 1 Sheets
W.O. Number: 12.11.0151	Dr. By: DSR Rev 1:
Date: 04/26/12 Rel. W.O.:	12110151 Scale: 1"=100'

Producing wells in Sec 22, T17S, R31E

API#	Operator	Lease	Well#	County	Legal	Total Depth	Well Type	Well Status	First Prod.	Last Prod.	Avg. (BO/D)
30-015-05347	WISER OIL CO (THE)	SKELLY UNIT	003	EDDY	S:22, T:17S, R:31E	12,384	O	Active	Jan 1967	Mar 1974	0.00
30-015-05347	WISER OIL CO (THE)	SKELLY UNIT	003	EDDY	S:22, T:17S, R:31E	12,384	O	Active	Jan 1967	Mar 1974	0.00
30-015-29419	CHEVRON USA, INC.	SKELLY UNIT	903	EDDY	S:22, T:17S, R:31E	8,000	O	Pumping	Jul 1997	Dec 2003	0.00
30-015-29461	CHEVRON USA, INC.	SKELLY UNIT	904	EDDY	S:22, T:17S, R:31E	9,200	O	Shut-in	Apr 1998	Nov 2003	0.00
30-015-00000	SKELLY OIL COMPANY	LYNCH "A"	006	EDDY	S:22, T:17S, R:31E		G	Active	Jan 1954	Dec 1956	0.00
30-015-00000	SKELLY OIL COMPANY	LYNCH A	006	EDDY	S:22, T:17S, R:31E		G	Active	Jan 1957	Dec 1960	0.00
30-015-05347	SKELLY OIL COMPANY	SKELLY UNIT	003	EDDY	S:22, T:17S, R:31E	12,384	O	Active	Jan 1971	Dec 1971	0.00
30-015-25040	LINN OPERATING, INC.	SKELLY UNIT	158	EDDY	S:22, T:17S, R:31E	4,049	PO	Temporarily Abandoned	Jan 1993	Jul 2009	0.06
30-015-05344	LINN OPERATING, INC.	SKELLY UNIT	002	EDDY	S:22, T:17S, R:31E	0	O	Pumping	Jan 1967	Feb 2012	0.10
30-015-25039	LINN OPERATING, INC.	SKELLY UNIT	157	EDDY	S:22, T:17S, R:31E	3,705	PO	Active	Jan 1993	Mar 2012	0.26
30-015-05348	WISER OIL CO (THE)	SKELLY UNIT	51	EDDY	S:22, T:17S, R:31E	12,275	U	Shut-in	Jan 1971	Feb 1997	0.57
30-015-00000	SKELLY OIL CO.	LYNCH A	004	EDDY	S:22, T:17S, R:31E		O	Active	Jan 1948	Apr 1965	0.67
30-015-32600	CHEVRON U S A INC	SKELLY UNIT	941	EDDY	S:22, T:17S, R:31E	5,478	O	Active	Nov 2003	Mar 2012	0.81
30-015-00000	SKELLY OIL CO	LYNCH A FED REP 2	009	EDDY	S:22, T:17S, R:31E		G	Active	Jan 1964	Apr 1965	1.00
30-015-32963	CHEVRON U S A INC	SKELLY UNIT	944	EDDY	S:22, T:17S, R:31E	5,450	PO	Active	Jan 2004	Jan 2012	1.06
					S:22,						

30-015-05352	WISER OIL CO (THE)	SKELLY UNIT	053	EDDY	T:17S, R:31E	3,810	G	Active	Jan 1969	Feb 1987	1.07
30-015-22252	LINN OPERATING, INC.	SKELLY UNIT	118	EDDY	S:22, T:17S, R:31E	2,580	O	Temporarily Abandoned	Jan 1993	Mar 2012	1.16
30-015-22256	LINN OPERATING, INC.	SKELLY UNIT	122	EDDY	S:22, T:17S, R:31E	2,600	O	Pumping	Jan 1993	Mar 2012	1.16
30-015-25042	LINN OPERATING, INC.	SKELLY UNIT	160	EDDY	S:22, T:17S, R:31E	3,900	PO	Active	Jan 1993	Mar 2012	1.19
30-015-21089	WISER OIL CO (THE)	SKELLY UNIT	115	EDDY	S:22, T:17S, R:31E	3,910	O	Temporarily Abandoned	Jan 1993	Sep 1997	1.20
30-015-22251	LINN OPERATING, INC.	SKELLY UNIT	117	EDDY	S:22, T:17S, R:31E	0	O	Pumping	Jan 1993	Mar 2012	1.23
30-015-22262	LINN OPERATING, INC.	SKELLY UNIT	128	EDDY	S:22, T:17S, R:31E	2,550	O	Active	Jan 1979	Mar 2012	1.23
30-015-28948	LINN OPERATING, INC.	SKELLY UNIT	227	EDDY	S:22, T:17S, R:31E	3,950	O	Pumping	Jul 1996	Mar 2012	1.23
30-015-00000	SKELLY OIL CO	LYNCH A FED	002	EDDY	S:22, T:17S, R:31E		G	Active	Jan 1947	Dec 1966	1.48
30-015-00000	SKELLY OIL CO	LYNCH A FED REP 2	010	EDDY	S:22, T:17S, R:31E		O	Active	Jan 1964	Apr 1965	1.50
30-015-00000	SKELLY OIL CO	LYNCH A FED SEC 22	004	EDDY	S:22, T:17S, R:31E		O	Active	Jan 1947	Dec 1962	1.58
30-015-22257	LINN OPERATING, INC.	SKELLY UNIT	123	EDDY	S:22, T:17S, R:31E	2,580	O	Shut-in	Sep 2001	Mar 2012	1.65
30-015-22258	LINN OPERATING, INC.	SKELLY UNIT	124	EDDY	S:22, T:17S, R:31E	11,065	O	Active	Jan 1993	Mar 2012	1.68
30-015-05344	SKELLY OIL COMPANY	SKELLY UNIT	002	EDDY	S:22, T:17S, R:31E	0	O	Pumping	Jan 1971	Dec 1971	1.71
30-015-00000	SKELLY OIL CO	LYNCH A FED REP 2	013	EDDY	S:22, T:17S, R:31E		G	Active	Jan 1964	Apr 1965	2.00
30-015-29208	WISER OIL CO (THE)	SKELLY UNIT	224	EDDY	S:22, T:17S, R:31E	4,000	O	Shut-in	Dec 1996	Oct 1999	2.13
30-015-25038	LINN OPERATING, INC.	SKELLY UNIT	156	EDDY	S:22, T:17S, R:31E	3,685	O	Active	Jan 1993	Mar 2012	2.23
					S:22,						

30-015-00000	SKELLY OIL CO	LYNCH A FED SEC 22	013	EDDY	T:17S, R:31E		G	Active	Mar 1959	Dec 1963	2.26
30-015-32964	CHEVRON U S A INC	SKELLY UNIT	945	EDDY	S:22, T:17S, R:31E	5,483	O	Active	Feb 2004	Mar 2012	2.39
30-015-22259	LINN OPERATING, INC.	SKELLY UNIT	125	EDDY	S:22, T:17S, R:31E	2,500	O	Active	Jan 1993	Mar 2012	2.45
30-015-28973	LINN OPERATING, INC.	SKELLY UNIT	225	EDDY	S:22, T:17S, R:31E	4,000	O	Pumping	Aug 1996	Mar 2012	2.45
30-015-29182	LINN OPERATING, INC.	SKELLY UNIT	226	EDDY	S:22, T:17S, R:31E	4,000	O	Pumping	Dec 1996	Mar 2012	2.45
30-015-21090	LINN OPERATING, INC.	SKELLY UNIT	116	EDDY	S:22, T:17S, R:31E	4,000	O	Active	Jan 1993	Mar 2012	2.48
30-015-00000	SKELLY OIL CO	LYNCH A FED REP 2	007	EDDY	S:22, T:17S, R:31E		O	Active	Jan 1964	Dec 1965	2.90
30-015-00000	SKELLY OIL CO	LYNCH A FED SEC 22	009	EDDY	S:22, T:17S, R:31E		G	Active	Sep 1958	Dec 1963	2.97
30-015-00000	SKELLY OIL CO	LYNCH A FEDERAL	006	EDDY	S:22, T:17S, R:31E		G	Active	Apr 1963	Dec 1965	3.42
30-015-00000	SKELLY OIL CO	LYNCH A FED REP 2	008	EDDY	S:22, T:17S, R:31E		O	Active	Jan 1964	Dec 1965	3.65
30-015-36516	COG OPERATING LLC	SKELLY UNIT	981	EDDY	S:22, T:17S, R:31E	6,505	O	Active Permit	Dec 2008	Mar 2012	3.65
30-015-29031	LINN OPERATING, INC.	SKELLY UNIT	212	EDDY	S:22, T:17S, R:31E	4,060	O	Pumping	Nov 1996	Mar 2012	3.68
30-015-32962	CHEVRON U S A INC	SKELLY UNIT	943	EDDY	S:22, T:17S, R:31E	5,410	O	Active	Mar 2005	Feb 2012	3.86
30-015-25041	LINN OPERATING, INC.	SKELLY UNIT	159	EDDY	S:22, T:17S, R:31E	3,962	PO	Active	Jan 1993	Mar 2012	3.94
30-015-05344	WISER OIL CO (THE)	SKELLY UNIT	002	EDDY	S:22, T:17S, R:31E	0	O	Pumping	Jan 1969	Dec 1977	3.97
30-015-32599	CHEVRON U S A INC	SKELLY UNIT	940	EDDY	S:22, T:17S, R:31E	5,427	O	Active	Nov 2003	Mar 2012	4.06
30-015-00000	SKELLY OIL CO	LYNCH A FED SEC 22	014	EDDY	S:22, T:17S, R:31E		G	Active	Sep 1959	Dec 1966	4.10
					S:22,						

30-015-00000	SKELLY OIL CO	LYNCH A FED SEC 22	010	EDDY	T:17S, R:31E		O	Active	Oct 1958	Dec 1963	4.48
30-015-05352	WISER OIL CO (THE)	SKELLY UNIT	053	EDDY	S:22, T:17S, R:31E	3,810	G	Active	Jan 1967	Dec 1977	4.65
30-015-00000	SKELLY OIL CO	LYNCH A FED REP 2	015	EDDY	S:22, T:17S, R:31E		G	Active	Jan 1964	Apr 1965	4.70
30-015-32966	CHEVRON U S A INC	SKELLY UNIT	947	EDDY	S:22, T:17S, R:31E	5,430	O	Active	Feb 2005	Mar 2012	4.87
30-015-00000	SKELLY OIL CO	LYNCH A FED REP 2	016	EDDY	S:22, T:17S, R:31E		G	Active	Jan 1964	Apr 1965	4.87
30-015-00000	SKELLY OIL CO	LYNCH A FED SEC 22	008	EDDY	S:22, T:17S, R:31E		O	Active	Jul 1958	Dec 1966	4.94
30-015-05355	WISER OIL CO (THE)	SKELLY UNIT	058	EDDY	S:22, T:17S, R:31E	0	PI	Injection Well	Jan 1967	Dec 1967	5.81
30-015-00000	SKELLY OIL CO	LYNCH A FED REP 2	011	EDDY	S:22, T:17S, R:31E		G	Active	Jan 1964	Dec 1965	5.81
30-015-00000	SKELLY OIL CO	LYNCH A FED REP 2	014	EDDY	S:22, T:17S, R:31E		G	Active	Jan 1964	Dec 1965	5.81
30-015-00000	SKELLY OIL CO.	LINCH A	003	EDDY	S:22, T:17S, R:31E		O	Active	Jan 1947	Dec 1966	5.97
30-015-00000	SKELLY OIL CO	LYNCH A BTRY 1	007	EDDY	S:22, T:17S, R:31E		O	Active	Jan 1958	Dec 1961	7.26
30-015-05353	WISER OIL CO (THE)	SKELLY UNIT	057	EDDY	S:22, T:17S, R:31E	0	I	Injection Well	Jan 1967	Dec 1977	7.29
30-015-00000	SKELLY OIL CO	LYNCH A FED REP 2	012	EDDY	S:22, T:17S, R:31E		G	Active	Jan 1964	Dec 1965	7.35
30-015-00000	SKELLY OIL CO	LYNCH A BTRY 1	001	EDDY	S:22, T:17S, R:31E		O	Active	Jan 1947	Dec 1966	7.94
30-015-32965	CHEVRON U S A INC	SKELLY UNIT	946	EDDY	S:22, T:17S, R:31E	5,430	O	Active	Feb 2005	Mar 2012	8.26
30-015-22262	WISER OIL CO (THE)	SKELLY UNIT	128	EDDY	S:22, T:17S, R:31E	2,550	O	Active	Jan 1972	Dec 1977	9.26
30-015-00000	SKELLY OIL CO.	LYNCH A	001	EDDY	S:22, T:17S, R:31E		O	Active	Jan 1948	Dec 1964	9.35
					S:22,						

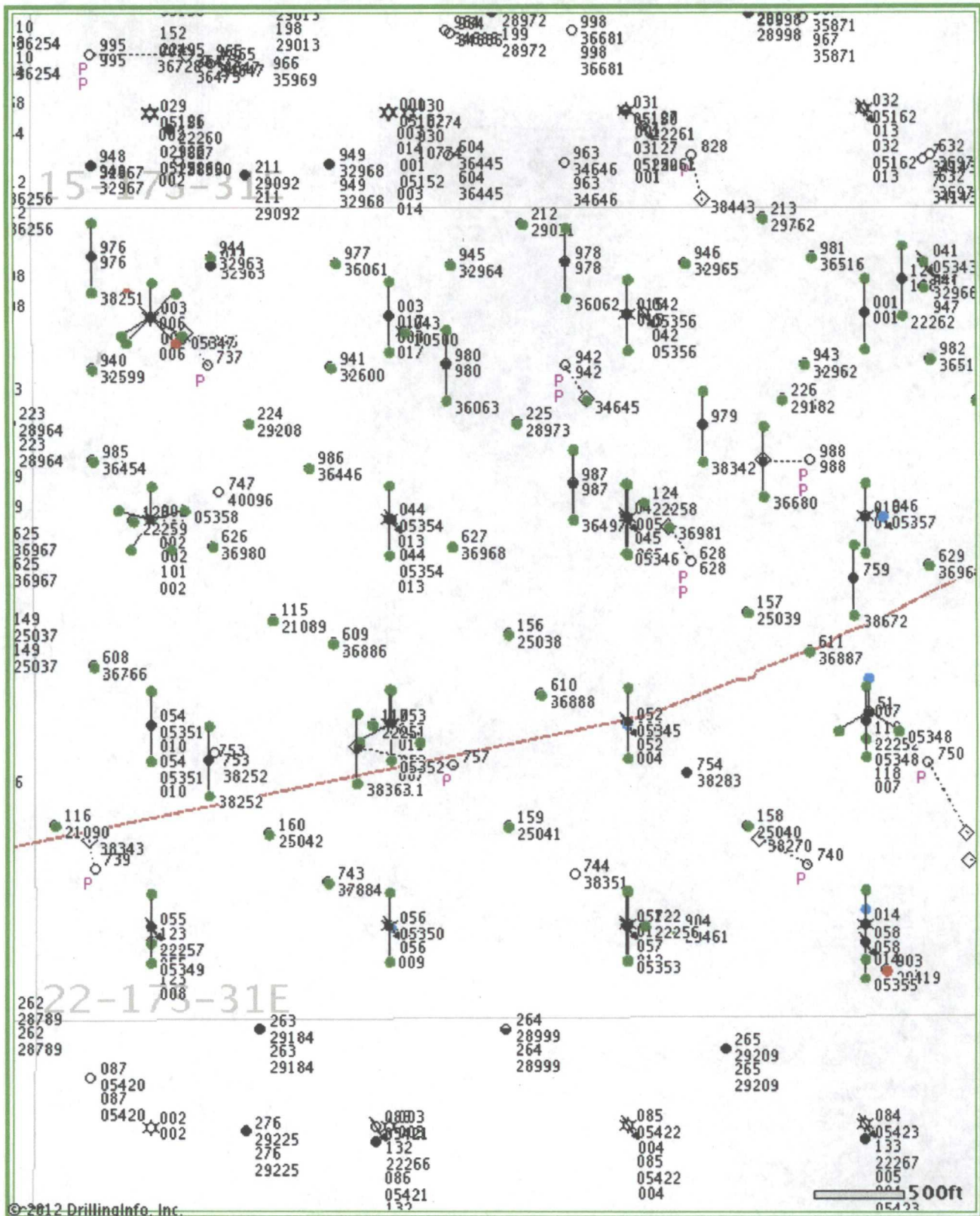
30-015-00000		LYNCH A FEDERAL	006	EDDY	T:17S, R:31E		G	Active	Jan 1958	Dec 1965	9.39
30-015-36888	COG OPERATING LLC	SKELLY UNIT	610	EDDY	S:22, T:17S, R:31E	6,935	O	Active Permit	Jul 2009	Mar 2012	10.55
30-015-36680	COG OPERATING LLC	SKELLY UNIT	988	EDDY	S:22, T:17S, R:31E	6,716	O	Active Permit	Feb 2009	Mar 2012	11.71
30-015-00000	SKELLY OIL CO	LYNCH A FED SEC 22	012	EDDY	S:22, T:17S, R:31E		G	Active	Jan 1960	Dec 1963	11.94
30-015-00000	SKELLY OIL CO	LYNCH A FED REP 2	005	EDDY	S:22, T:17S, R:31E		G	Active	Jan 1964	Dec 1965	12.35
30-015-36061	COG OPERATING LLC	SKELLY UNIT	977	EDDY	S:22, T:17S, R:31E	6,510	O	Active Permit	Mar 2008	Mar 2012	12.45
30-015-05348	WISER OIL CO (THE)	SKELLY UNIT	51	EDDY	S:22, T:17S, R:31E	12,275	U	Shut-in	Jan 1967	Dec 1977	12.58
30-015-05349	WISER OIL CO (THE)	SKELLY UNIT	055	EDDY	S:22, T:17S, R:31E	3,690	I	Injection Well	Jan 1967	Dec 1977	12.58
30-015-36981	COG OPERATING LLC	SKELLY UNIT	628	EDDY	S:22, T:17S, R:31E	6,846	O	Active Permit	Sep 2009	Mar 2012	13.19
30-015-38672	CHEVRON U S A INC	SKELLY UNIT	759	EDDY	S:22, T:17S, R:31E	6,823	O	Active Permit	Mar 2012	Mar 2012	13.32
30-015-36766	COG OPERATING LLC	SKELLY UNIT	608	EDDY	S:22, T:17S, R:31E	6,723	O	Active Permit	Mar 2009	Mar 2012	13.45
30-015-36968	COG OPERATING LLC	SKELLY UNIT	627	EDDY	S:22, T:17S, R:31E	6,815	O	Active Permit	Dec 2009	Mar 2012	13.94
30-015-36454	COG OPERATING LLC	SKELLY UNIT	985	EDDY	S:22, T:17S, R:31E	6,530	O	Active Permit	Oct 2008	Mar 2012	14.29
30-015-36497	CHEVRON U S A INC	SKELLY UNIT	987	EDDY	S:22, T:17S, R:31E	6,630	O	Active Permit	Jan 2012	Jan 2012	14.45
30-015-36886	COG OPERATING LLC	SKELLY UNIT	609	EDDY	S:22, T:17S, R:31E	6,802	O	Active Permit	Sep 2009	Mar 2012	14.48
30-015-00000	SKELLY OIL CO	LYNCH A BATTERY	017	EDDY	S:22, T:17S, R:31E		AP	Unknown	May 1965	Dec 1966	15.19
30-015-05346	WISER OIL CO (THE)	SKELLY UNIT	045	EDDY	S:22, T:17S, R:31E	5,040	O	Injection Well	Jan 1967	Dec 1977	16.55
					S:22,						

30-015-00000	SKELLY OIL CO	LYNCH A FED SEC 22	007	EDDY	T:17S, R:31E		O	Active	Jan 1955	Dec 1966	16.97
30-015-36964	COG OPERATING LLC	SKELLY UNIT	629	EDDY	S:22, T:17S, R:31E	6,804	O	Active Permit	Nov 2009	Mar 2012	17.58
30-015-36446	COG OPERATING LLC	SKELLY UNIT	986	EDDY	S:22, T:17S, R:31E	6,625	O	Active Permit	Nov 2009	Mar 2012	18.32
30-015-36887	COG OPERATING LLC	SKELLY UNIT	611	EDDY	S:22, T:17S, R:31E	6,890	O	Active Permit	Jul 2009	Mar 2012	19.45
30-015-37884	COG OPERATING LLC	SKELLY UNIT	743	EDDY	S:22, T:17S, R:31E	6,967	O	Active Permit	Dec 2010	Mar 2012	19.48
30-015-00000	SKELLY OIL CO	LYNCH A FED SEC 22	015	EDDY	S:22, T:17S, R:31E		G	Active	Nov 1961	Dec 1963	20.10
30-015-00000	SKELLY OIL CO	LYNCH A FED SEC 22	016	EDDY	S:22, T:17S, R:31E		G	Active	Dec 1961	Dec 1963	20.10
30-015-34645	COG OPERATING LLC	SKELLY UNIT	942	EDDY	S:22, T:17S, R:31E	6,500	O	Active Permit	Jan 2008	Mar 2012	21.26
30-015-36497	CHEVRON U S A INC	SKELLY UNIT	987	EDDY	S:22, T:17S, R:31E	6,630	O	Active Permit	Aug 2010	Mar 2012	21.87
30-015-00000	SKELLY OIL CO	LYNCH A FED SEC 22	005	EDDY	S:22, T:17S, R:31E		G	Active	Jul 1961	Dec 1966	21.90
30-015-36062	CHEVRON U S A INC	SKELLY UNIT	978	EDDY	S:22, T:17S, R:31E	6,736	O	Active Permit	Jul 2010	Mar 2012	25.45
30-015-36515	COG OPERATING LLC	SKELLY UNIT	982	EDDY	S:22, T:17S, R:31E	6,830	U	Active Permit	Mar 2010	Mar 2012	25.65
30-015-00000	SKELLY OIL CO	LYNCH A FED SEC 22	011	EDDY	S:22, T:17S, R:31E		G	Active	Nov 1958	Dec 1966	26.00
30-015-36680	COG OPERATING LLC	SKELLY UNIT	988	EDDY	S:22, T:17S, R:31E	6,716	O	Active Permit	Feb 2009	Jul 2009	26.52
30-015-36063	CHEVRON U S A INC	SKELLY UNIT	980	EDDY	S:22, T:17S, R:31E	6,633	O	Active Permit	Jul 2010	Mar 2012	34.32
30-015-36980	COG OPERATING LLC	SKELLY UNIT	626	EDDY	S:22, T:17S, R:31E	6,840	O	Active Permit	Jan 2010	Mar 2012	37.74
30-015-38251	CHEVRON U S A INC	SKELLY UNIT	976	EDDY	S:22, T:17S, R:31E	6,870	O	Active Permit	Nov 2011	Jan 2012	41.58
					S:22,						

30-015-38251	CHEVRON U S A INC	SKELLY UNIT	976	EDDY	T:17S, R:31E	6,870	O	Active Permit	Jun 2011	Mar 2012	43.23
30-015-38672	CHEVRON U S A INC	SKELLY UNIT	759	EDDY	S:22, T:17S, R:31E	6,823	O	Active Permit	Dec 2011	Feb 2012	43.66
30-015-05358	WISER OIL CO (THE)	SKELLY UNIT	101	EDDY	S:22, T:17S, R:31E	3,725	I	Injection Well	Jan 1967	Dec 1977	46.13
30-015-38252	CHEVRON U S A INC	SKELLY UNIT	753	EDDY	S:22, T:17S, R:31E	6,896	O	Active Permit	Jan 2012	Feb 2012	56.66
30-015-38342	CHEVRON U S A INC	SKELLY UNIT	979	EDDY	S:22, T:17S, R:31E	6,745	O	Active Permit	Feb 2012	Mar 2012	56.71
30-015-38342	CHEVRON U S A INC	SKELLY UNIT	979	EDDY	S:22, T:17S, R:31E	6,745	O	Active Permit	Nov 2011	Jan 2012	63.90
30-015-38252	CHEVRON U S A INC	SKELLY UNIT	753	EDDY	S:22, T:17S, R:31E	6,896	O	Active Permit	Jul 2011	Mar 2012	65.58
30-015-36062	CHEVRON U S A INC	SKELLY UNIT	978	EDDY	S:22, T:17S, R:31E	6,736	O	Active Permit	Jan 2012	Jan 2012	73.55
30-015-38363	CHEVRON U S A INC	SKELLY UNIT	757	EDDY	S:22, T:17S, R:31E	6,756	O	Active Permit	Nov 2011	Mar 2012	80.97
30-015-38363	CHEVRON U S A INC	SKELLY UNIT	757	EDDY	S:22, T:17S, R:31E	6,756	O	Active Permit	Jan 2012	Feb 2012	82.66
30-015-36063	CHEVRON U S A INC	SKELLY UNIT	980	EDDY	S:22, T:17S, R:31E	6,633	O	Active Permit	Jan 2012	Jan 2012	86.58
30-015-05343	LINN OPERATING, INC.	SKELLY UNIT	041	EDDY	S:22, T:17S, R:31E	3,818	I	Injection Well	Jan 1967	Mar 2012	
30-015-05345	LINN OPERATING, INC.	SKELLY UNIT	052	EDDY	S:22, T:17S, R:31E	2,170	I	Injection Well	Aug 2001	Mar 2012	
30-015-05346	LINN OPERATING, INC.	SKELLY UNIT	045	EDDY	S:22, T:17S, R:31E	5,040	O	Injection Well	Jan 1969	Sep 2010	
30-015-05349	LINN OPERATING, INC.	SKELLY UNIT	055	EDDY	S:22, T:17S, R:31E	3,690	I	Injection Well	Jan 1969	Mar 2012	
30-015-05350	LINN OPERATING, INC.	SKELLY UNIT	056	EDDY	S:22, T:17S, R:31E	3,709	I	Injection Well	Apr 2002	Mar 2012	
30-015-05353	LINN OPERATING, INC.	SKELLY UNIT	057	EDDY	S:22, T:17S, R:31E	0	I	Injection Well	Jan 1971	Mar 2012	
					S:22,						

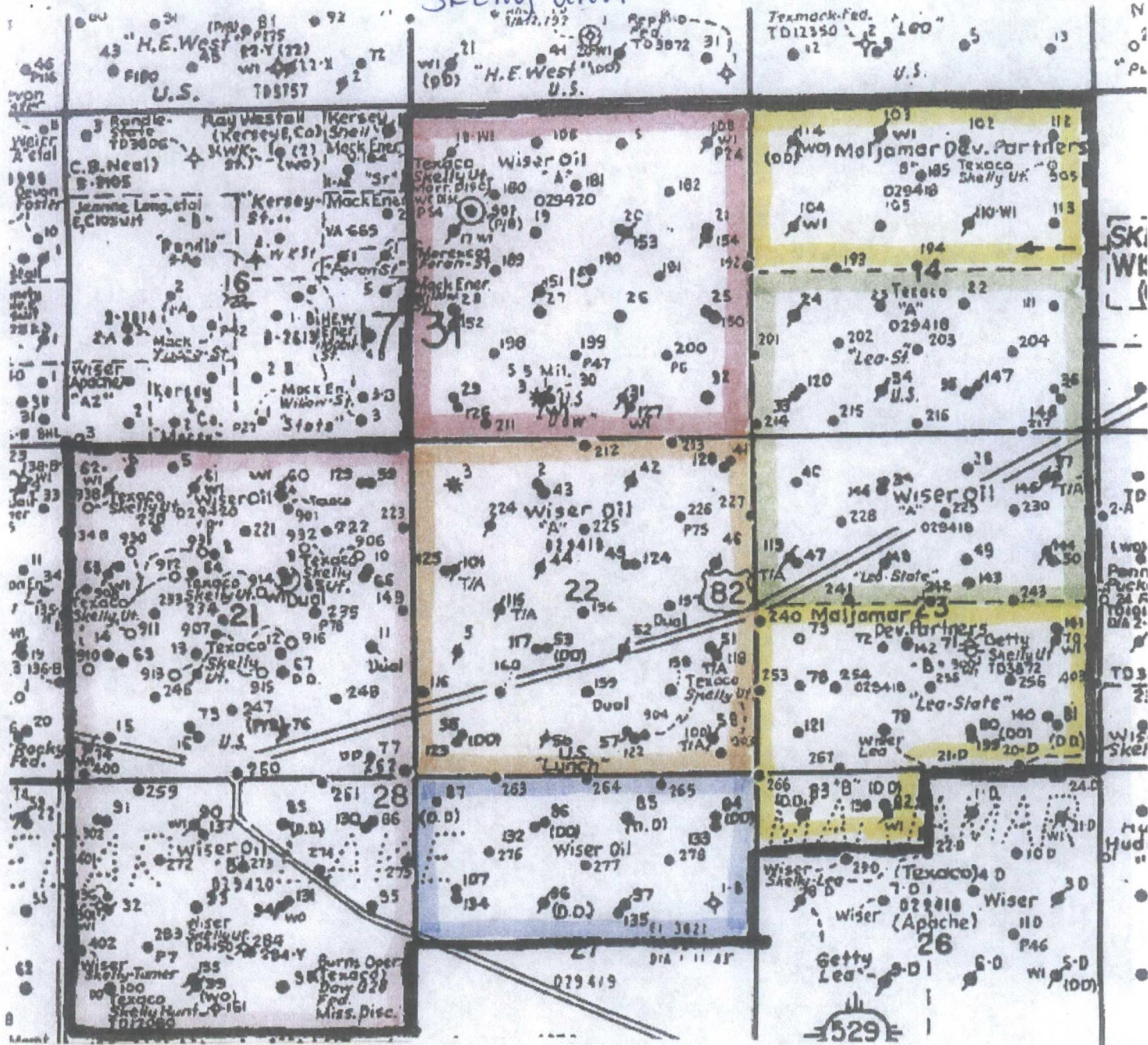
30-015-05355	SANDRIDGE EXPLORATION AND PRODUCTION, LLC	SKELLY UNIT	058	EDDY	T:17S, R:31E	0	PI	Injection Well	Jan 2001	May 2006	
30-015-05357	LINN OPERATING, INC.	SKELLY UNIT	046	EDDY	S:22, T:17S, R:31E	3,820	I	Injection Well	Aug 2001	Mar 2012	
30-015-05358	LINN OPERATING, INC.	SKELLY UNIT	101	EDDY	S:22, T:17S, R:31E	3,725	I	Injection Well	Jan 1971	Feb 2010	
30-015-10500	LINN OPERATING, INC.	SKELLY UNIT	043	EDDY	S:22, T:17S, R:31E	0	G	Active	Jan 1967	Oct 2005	
30-015-29762	LINN OPERATING, INC.	SKELLY UNIT	213	EDDY	S:22, T:17S, R:31E	3,950	O	Pumping	Oct 1997	Mar 2012	
30-015-05348	CHEVRON U S A INC	SKELLY UNIT	51	EDDY	S:22, T:17S, R:31E	12,275	U	Shut-in	Jan 2012	Mar 2012	

Producing wells in Sec 22, T17S, R31E



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Skelly Unit



Section 28 + south of Hwy
Caudress Cattle Co.

1316 South Main
Portales, NM 88130
Allotment 6058

Section 21 + North of Hwy

Charles K. Markin

P.O. Box 706

Artesia, NM 88210

Allotment 7004

Lease #

NM-98122

Description

Sec. 21 and outlined part of Sec. 28

NM-98121

N/2 Sec. 27

NM-98120

N/2 Sec. 14 and S/2 Sec. 23 part of Sec. 26

LC-029418 (a)

S/2 Sec. 14 and N/2 Sec. 23

LC-029419 (a)

Sec. 22

LC-029420 (a)

Sec. 15

COG Operating LLC

Eddy County, NM

Skelly Unit 739H

Skelly Unit 739H

Wellbore #1

Plan: Plan #2

Standard Survey Report

11 May, 2012

Crescent Directional Drilling

Survey Report

Company:	COG Operating LLC	Local Co-ordinate Reference:	Site Skelly Unit 739H
Project:	Eddy County, NM	TVD Reference:	WELL @ 3836.00ft (Original Well Elev)
Site:	Skelly Unit 739H	MD Reference:	WELL @ 3836.00ft (Original Well Elev)
Well:	Skelly Unit 739H	North Reference:	Grid
Wellbore:	Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	Plan #2	Database:	R5000 Houston DB

Project:	Eddy County, NM	System Datum:	Mean Sea Level
Map System:	US State Plane 1927 (Exact solution)		
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico East 3001		

Site:	Skelly Unit 739H				
Site Position:		Northing:	660,927.00 ft	Latitude:	32.816095
From:	Map	Easting:	644,044.50 ft	Longitude:	-103.864472
Position Uncertainty:	0.00 ft	Slot Radius:	13.200 in	Grid Convergence:	0.25 °

Well	Skelly Unit 739H				
Well Position	+N-S	0.00 ft	Northing:	660,927.00 ft	Latitude: 32.816095
	+E-W	0.00 ft	Easting:	644,044.50 ft	Longitude: -103.864472
Position Uncertainty		0.00 ft	Wellhead Elevation:	ft	Ground Level: 3,818.00 ft

Wellbore:	Wellbore #1				
Magnetics	Model Name	Sample Date	Declination	Dip Angle	Field Strength
			(°)	(°)	(nT)
	IGRF2010	5/10/2012	7.66	60.66	48,847

Design:	Plan #2				
Audit Notes:					
Version:		Phase:	PROTOTYPE	Tie On Depth:	0.00
Vertical Section:	Depth From (TVD)	+N-S	+E-W	Direction	
	(ft)	(ft)	(ft)	(°)	
	0.00	0.00	0.00	89.88	

Survey Tool Program	Date	5/11/2012			
From	To	Survey (Wellbore)	Tool Name	Description	
(ft)	(ft)				
0.00	9,616.29	Plan #2 (Wellbore #1)	Good_mag	Good Magnetic	

Planned Survey									
Measured Depth	Inclination	Azimuth	Vertical Depth	+N-S	+E-W	Vertical Section	Dogleg Rate	Build Rate	Turn Rate
(ft)	(°)	(°)	(ft)	(ft)	(ft)	(ft)	(°/100ft)	(°/100ft)	(°/100ft)
4,722.61	0.00	0.00	4,722.61	0.00	0.00	0.00	0.00	0.00	0.00
KOP - Start Build @ '12.00°/100'									
4,800.00	9.29	89.88	4,799.66	0.01	6.26	6.26	12.00	12.00	0.00
4,900.00	21.29	89.88	4,895.95	0.07	32.58	32.58	12.00	12.00	0.00
5,000.00	33.29	89.88	4,984.66	0.17	78.34	78.34	12.00	12.00	0.00
5,100.00	45.29	89.88	5,061.91	0.30	141.54	141.54	12.00	12.00	0.00
5,200.00	57.29	89.88	5,124.34	0.47	219.43	219.43	12.00	12.00	0.00
5,300.00	69.29	89.88	5,169.21	0.66	308.59	308.59	12.00	12.00	0.00
5,400.00	81.29	89.88	5,194.56	0.87	405.13	405.13	12.00	12.00	0.00
5,480.94	91.00	89.88	5,200.00	1.04	485.80	485.80	12.00	12.00	0.00

Crescent Directional Drilling

Survey Report

Company:	COG Operating LLC	Local Co-ordinate Reference:	Site Skelly Unit 739H
Project:	Eddy County, NM	TVD Reference:	WELL @ 3836.00ft (Original Well Elev)
Site:	Skelly Unit 739H	MD Reference:	WELL @ 3836.00ft (Original Well Elev)
Well:	Skelly Unit 739H	North Reference:	Grid
Wellbore:	Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	Plan #2	Database:	R5000 Houston DB

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N-S (ft)	+E-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
Landing Point - Hold @ 91.00° INC, 89.88° AZ									
5,500.00	91.00	89.88	5,199.67	1.08	504.85	504.85	0.00	0.00	0.00
5,600.00	91.00	89.88	5,197.92	1.30	604.84	604.84	0.00	0.00	0.00
5,700.00	91.00	89.88	5,196.18	1.51	704.82	704.82	0.00	0.00	0.00
5,800.00	91.00	89.88	5,194.43	1.72	804.80	804.81	0.00	0.00	0.00
5,900.00	91.00	89.88	5,192.69	1.94	904.79	904.79	0.00	0.00	0.00
6,000.00	91.00	89.88	5,190.94	2.15	1,004.77	1,004.78	0.00	0.00	0.00
6,100.00	91.00	89.88	5,189.20	2.37	1,104.76	1,104.76	0.00	0.00	0.00
6,200.00	91.00	89.88	5,187.45	2.58	1,204.74	1,204.75	0.00	0.00	0.00
6,300.00	91.00	89.88	5,185.71	2.80	1,304.73	1,304.73	0.00	0.00	0.00
6,400.00	91.00	89.88	5,183.96	3.01	1,404.71	1,404.71	0.00	0.00	0.00
6,500.00	91.00	89.88	5,182.22	3.22	1,504.70	1,504.70	0.00	0.00	0.00
6,600.00	91.00	89.88	5,180.47	3.44	1,604.68	1,604.68	0.00	0.00	0.00
6,700.00	91.00	89.88	5,178.73	3.65	1,704.67	1,704.67	0.00	0.00	0.00
6,800.00	91.00	89.88	5,176.98	3.87	1,804.65	1,804.65	0.00	0.00	0.00
6,900.00	91.00	89.88	5,175.24	4.08	1,904.63	1,904.64	0.00	0.00	0.00
7,000.00	91.00	89.88	5,173.49	4.30	2,004.62	2,004.62	0.00	0.00	0.00
7,100.00	91.00	89.88	5,171.75	4.51	2,104.60	2,104.61	0.00	0.00	0.00
7,200.00	91.00	89.88	5,170.00	4.72	2,204.59	2,204.59	0.00	0.00	0.00
7,300.00	91.00	89.88	5,168.25	4.94	2,304.57	2,304.58	0.00	0.00	0.00
7,400.00	91.00	89.88	5,166.51	5.15	2,404.56	2,404.56	0.00	0.00	0.00
7,500.00	91.00	89.88	5,164.76	5.37	2,504.54	2,504.55	0.00	0.00	0.00
7,600.00	91.00	89.88	5,163.02	5.58	2,604.53	2,604.53	0.00	0.00	0.00
7,700.00	91.00	89.88	5,161.27	5.79	2,704.51	2,704.52	0.00	0.00	0.00
7,800.00	91.00	89.88	5,159.53	6.01	2,804.50	2,804.50	0.00	0.00	0.00
7,900.00	91.00	89.88	5,157.78	6.22	2,904.48	2,904.49	0.00	0.00	0.00
8,000.00	91.00	89.88	5,156.04	6.44	3,004.46	3,004.47	0.00	0.00	0.00
8,100.00	91.00	89.88	5,154.29	6.65	3,104.45	3,104.46	0.00	0.00	0.00
8,200.00	91.00	89.88	5,152.55	6.87	3,204.43	3,204.44	0.00	0.00	0.00
8,300.00	91.00	89.88	5,150.80	7.08	3,304.42	3,304.43	0.00	0.00	0.00
8,400.00	91.00	89.88	5,149.06	7.29	3,404.40	3,404.41	0.00	0.00	0.00
8,500.00	91.00	89.88	5,147.31	7.51	3,504.39	3,504.40	0.00	0.00	0.00
8,600.00	91.00	89.88	5,145.57	7.72	3,604.37	3,604.38	0.00	0.00	0.00
8,700.00	91.00	89.88	5,143.82	7.94	3,704.36	3,704.36	0.00	0.00	0.00
8,800.00	91.00	89.88	5,142.08	8.15	3,804.34	3,804.35	0.00	0.00	0.00
8,900.00	91.00	89.88	5,140.33	8.37	3,904.33	3,904.33	0.00	0.00	0.00
9,000.00	91.00	89.88	5,138.59	8.58	4,004.31	4,004.32	0.00	0.00	0.00
9,100.00	91.00	89.88	5,136.84	8.79	4,104.29	4,104.30	0.00	0.00	0.00
9,200.00	91.00	89.88	5,135.10	9.01	4,204.28	4,204.29	0.00	0.00	0.00
9,300.00	91.00	89.88	5,133.35	9.22	4,304.26	4,304.27	0.00	0.00	0.00
9,400.00	91.00	89.88	5,131.60	9.44	4,404.25	4,404.26	0.00	0.00	0.00
9,500.00	91.00	89.88	5,129.86	9.65	4,504.23	4,504.24	0.00	0.00	0.00
9,600.00	91.00	89.88	5,128.11	9.87	4,604.22	4,604.23	0.00	0.00	0.00
9,616.29	91.00	89.88	5,127.83	9.90	4,620.50	4,620.51	0.00	0.00	0.00

Crescent Directional Drilling

Survey Report

Company:	COG Operating LLC	Local Co-ordinate Reference:	Site Skelly Unit 739H
Project:	Eddy County, NM	TVD Reference:	WELL @ 3836.00ft (Original Well Elev)
Site:	Skelly Unit 739H	MD Reference:	WELL @ 3836.00ft (Original Well Elev)
Well:	Skelly Unit 739H	North Reference:	Grid
Wellbore:	Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	Plan #2	Database:	R5000 Houston DB

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
TD @ 9616.29' MD, 5127.83' TVD - PBHL (Skelly Unit 739H Plan 2)									

Design Targets									
Target Name	hit/miss target	Dip Angle (°)	Dip Dir (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude
Shape									Longitude
PBHL (Skelly Unit 739H)		0.00	0.00	5,127.83	9.90	4,620.50	660,936.90	648,665.00	32.816065
- plan hits target center									-103.849433
- Point									

Plan Annotations				
Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment
		+N/-S (ft)	+E/-W (ft)	
4723	4723	0	0	KOP - Start Build @ 12.00°/100'
5481	5200	1	486	Landing Point - Hold @ 91.00° INC, 89.88° AZ
9616	5128	10	4621	TD @ 9616.29' MD, 5127.83' TVD

Checked By: _____ Approved By: _____ Date: _____



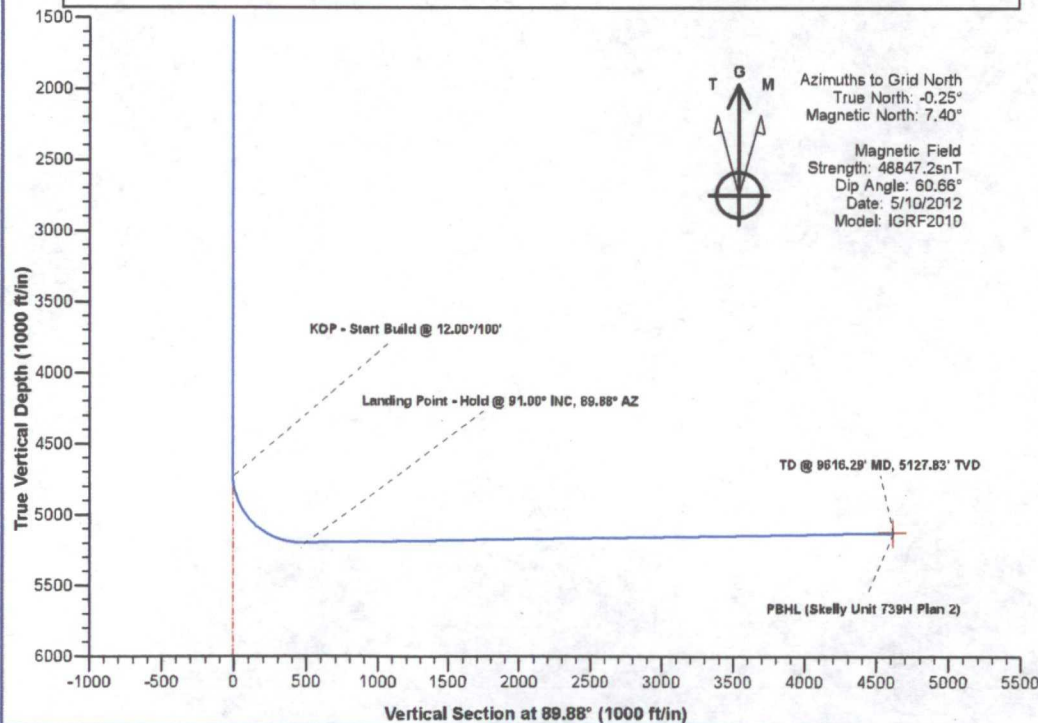
COG Operating LLC
Skelly Unit 739H
Eddy County, NM
Plan #2



Surface Location		Ground Elev: 3818.00 WELL @ 3836.00ft (Original Well Elev)			
+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
0.00	0.00	660927.00	644044.50	32.816095	-103.864472

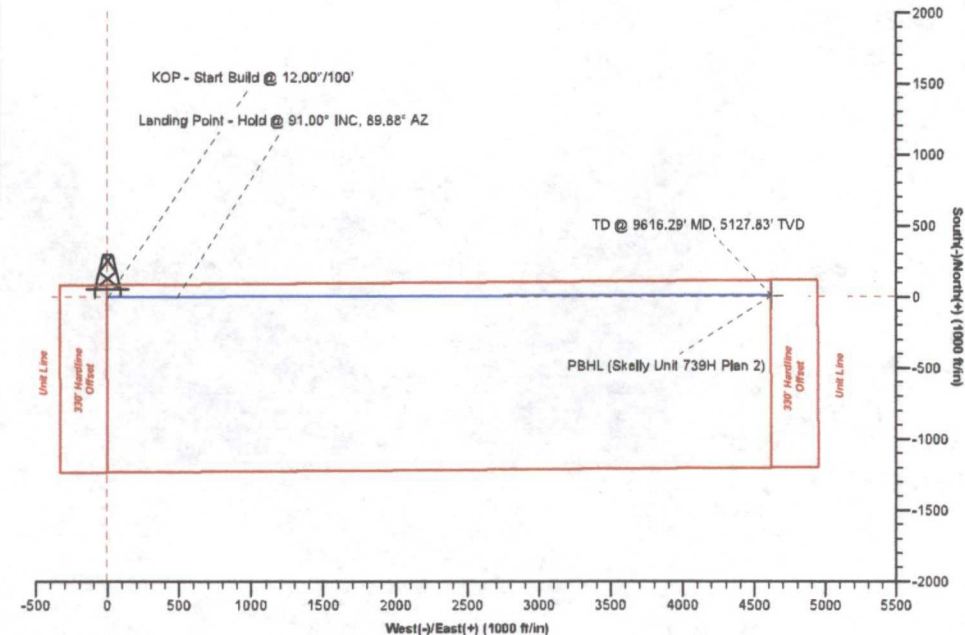
TARGET DETAILS							
Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
PBHL (Skelly Unit 739H Plan 2)	5127.83	9.90	4620.50	660936.90	648665.00	32.816065	-103.849432

SECTION DETAILS										
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFac	VSec	Annotation
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2	4722.61	0.00	0.00	4722.61	0.00	0.00	0.00	0.00	0.00	KOP - Start Build @ 12.00°/100'
3	5480.04	91.00	89.88	5200.00	1.04	485.80	12.00	89.88	485.80	Landing Point - Hold @ 91.00° INC, 89.88° AZ
4	9616.29	91.00	89.88	5127.83	9.90	4620.50	0.00	0.00	4620.51	TD @ 9616.29' MD, 5127.83' TVD



Azimuths to Grid North
True North: -0.25°
Magnetic North: 7.40°

Magnetic Field
Strength: 48847.2snT
Dip Angle: 60.66°
Date: 5/10/2012
Model: IGRF2010



**COG OPERATING LLC
ONE CONCHO CENTER
600 W ILLINOIS AVE
MIDLAND, TX 79701**

October 1, 2012

Chevron USA
P.O. Box 1635
Houston, TX 77251

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 Fren: GLORIETA-YESO oil well.

**SKELLY UNIT #739H
Eddy County, NM**

Non-standard location:

SHL: 1237' FSL & 330' FWL	Sec 22, T17S, R31E, Unit M
BHL: 1215' FSL & 330' FEL	Sec 22, T17S, R31E, Unit P

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.

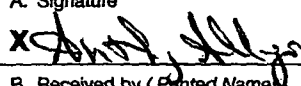
Sincerely,

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  ☐ Agent ☐ Addressee	
1. Article Addressed to: Chevron USA P.O. Box 1635 Houston, TX 77251		B. Received by (Printed Name) Anthony Alley	
		C. Date of Delivery 10-8-12	
		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 0513 1051	
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
One Concho Center
Attn: Kelly Holly
600 W Illinois Ave
Midland, TX 79701