

PME50-519941451

COG OPERATING LLC

Fasken Center, Tower II
550 W. Texas Ave., Ste. 1300
Midland, Texas 79701

(432) 683-7443
FAX 683-7441

June 28, 2005

Michael E. Stogner
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

RE: Request for Administrative Approval for Unorthodox Location
Minis 1 Federal #4 (API #30-025-36956)
2310' FNL & 330' FWL of Section 1-T21S-R32E, NMPM
Lea County, New Mexico

2005 JUN 30 PM 12 05

Dear Mr. Stogner:

By Order No. R-12203, dated September 2, 2004, the Oil Conservation Division adopted Special Pool Rules and Regulations for the Southeast Hat Mesa-Delaware Pool providing for 160-acre spacing with wells to be drilled no closer than 660 feet to the outer boundary of the spacing unit thereby changing the statewide spacing rules for the Delaware in this area. During the period of time prior to the issuing of special field rules, COG had begun the process of staking and permitting the above-referenced well. Unaware of the change and the granting of Order No. R-12203, COG planned and erroneously drilled this well at an unapproved unorthodox location on an unapproved non-standard spacing and proration unit. In order to rectify this non-compliance, COG hereby respectfully requests that approval be granted for an unorthodox location for the above-referenced well which will be produced on a standard spacing and proration unit of 160 acres. The offset operator (Samson) does not oppose the unorthodox location of the well (see attached letter).

Also enclosed please find the below listed information:

- Timeline of events for Minis 1 Federal #4
- Permit to Drill
- Well Completion Report

COG Operating LLC – Minis 1 Federal #4
Page 2 of 2

- Land plat (COG acreage in yellow)
- Application of Samson Resources for Special Field Rules
- Holland & Hart demand letter to OCD

Should you have any questions whatsoever or should you need any additional information, please do not hesitate to call me at 432-685-4352 or email me at jspradlin@conchoresources.com.

Very truly yours,

COG OPERATING LLC



Jan Preston Spradlin, CPL
Senior Landman



Centennial Tower
200 N. Loraine, Suite 1010
Midland, TX 79701
USA
432/683-7063
Fax 432/683-6847

June 27, 2005

COG Oil & Gas LP
COG Operating LLC
Fasken Center, Tower II
550 West Texas Ave., Suite 1300
Midland, TX 79701

Attention: Ms. Jan Preston Spradlin, CPL

Re: Minis 1 Federal #4
API #30-025-36956
2310' FNL & 330' FWL of
Sec. 1, T21S, R32E, NMPM,
Lea County, New Mexico

Dear Ms. Spradlin:

Samson, as offset operator to the captioned well operated by COG Oil & Gas LP/COG Operating LLC, does not oppose the unorthodox location of the well and hereby withdraws its request to shut-in the well made by letter dated May 23, 2005. After evaluating the well information provided by COG, Samson has reached the conclusion that COG's well is having no effect on our offset production.

Sincerely,

A handwritten signature in black ink that reads 'Rita A. Buress'.

Rita A. Buress
Senior Landman
Phone: (432)686-6313
Fax: (432)683-6847
E-mail: rburess@samson.com

Cc: Randy Maxwell/Tulsa
Jim Farrell/Tulsa

Mr. William F. Carr
Holland & Hart
P.O. Box 2208
Santa Fe, New Mexico 87504-2208

MINIS 1 FEDERAL #4**Timeline of Events**

Date	Event
8/2004 est	staked well - Well staking paperwork is NOT in the file, so date is estimated
8/18/2004	Survey Plat Done
9/12/2004	Filed APD with BLM
10/11/2004	Filed Pit Permit with OCD
11/10/2004	Letter from Linda S.C. Rundell of BLM approving APD
11/10/2004	BLM Approved APD
11/19/2004	OCD Approved APD
11/22/2004	Pit Permit Approved
12/6/2004	Submit Sundry requesting changing hole size, csg size cement & BOP
12/8/2004	Approval for Sundry requesting changing hole & csg size and cement & BOP
12/21/2004	Spud Well at 1:30 am
1/18/2005	Reached TD @ 8810'
1/20/2005	Released Rig @ 6 pm
2/28/2005	Filed for Test Allowable so that we could sell oil
5/26/2005	Filed Completion Paperwork

OPER. CONNO. NO. 229137
PROPERTY NO. 34418
APR. DATE 11/19/04
API NO. 30-025-36956

5. LEASE DESIGNATION AND SERIAL NO.
NM-96296-60777
6. IF INDIAN, ALLOTTEE OR TRIBE NAME
7. UNIT AGREEMENT NAME

APPLICANT

1A. TYPE OF WORK
DRILL
B. TYPE OF WELL
OIL WELL GAS WELL OTHER
SINGLE ZONE MULTIPLE ZONE

8. FARM OR LEASE NAME, WELL NO.
MINIS "1" FEDERAL # 4

2. NAME OF OPERATOR
COG OPERATING, LLC. (ERICK NELSON 432-685-4342)

9. API WELL NO.
30-025-36956

3. ADDRESS AND TELEPHONE NO.
550 WEST TEXAS AVE. SUITE 1300 MIDLAND, TEXAS 79701 (432-685-4342)

10. FIELD AND POOL, OR WILDCAT
HAT MESA-DELAWARE SE

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface
2310' FNL & 330' FWL SECTIN 1 T21S-R32E LEA CO. NM
At proposed prod. zone SAME Lot 5 R-111-P-POTASH

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
SECTION 1 T21S-R32E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
Approximately 45 miles Southwest of Hobbs New Mexico

12. COUNTY OR PARISH 13. STATE
LEA CO. NEW MEXICO

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 330'

16. NO. OF ACRES IN LEASE 200

17. NO. OF ACRES ASSIGNED TO THIS WELL 000
4071-7074

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2000'

19. PROPOSED DEPTH 8500'

20. ROTARY OR CABLE TOOLS
ROTARY

21. ELEVATIONS (Show whether DF, FC, GR, etc.)
CARLSBAD 3722' GR.

22. APPROX. DATE WORK WILL START
WHEN APPROVED 9/20/04

23. CONTROLLED WATER BASIN PROPOSED CASING AND CEMENTING PROGRAM

See attachment to Gen. Rpt. #

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8" H-40	48#	1550'	Circulate Cement To Surface WITH 500 Sx. circulate to surface WITH
12-1/4"	9-5/8" J-55	36 & 40#	3200'	500 Sx. Tie Back 200' Into 9-5/8"
8-3/4"	7" J-55	19 & 23#	5350'	500 Sx. Est top of cement 5000'
6-1/8"	5" N-80	17#	8500'	

1. Drill 25" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
2. Drill 17 1/2" hole to 1550'. Run and set 1550' of 13 3/8" 48# H-40 ST&C casing. Cement with 800 Sx. of Class "C" cement + 2% CaCl₂, + 1/2# Floccid/5x. circulate cement to surface.
3. Drill 12-1/4" hole to 3200'. Run and set 3200' of 9-5/8" 36 & 40# J-55 ST&C casing. Cement with 800 Sx. of Class "C" 50/50 POZ Light cement + additives, tie in with 200 Sx. of Class "C" cement + additives, circulate cement to surface.
5. Drill 6-1/8" hole to 8500'. Run and set 8500' of 5" 17# N-80 FJT casing. Cement with 600 Sx. of Class "A" Premium Plus cement + additives, estimate top of cement 5000' from surface or 500' above the upper most pay interval.
4. Drill 8-3/4" hole to 5350'. Run and set 5350' of 7" 19 & 23# J-55 FJT Casing. Tie Back At Least 200' Into 9-5/8" Casing.

Engineering O.K.: 09/21/2004: RPA

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED: [Signature] TITLE: Agent DATE: 09/12/04

(This space for Federal or State office use)

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

PERMIT NO. APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would include the application of the subject lease to the

CONDITIONS OF APPROVAL, IF ANY:
APPROVED BY: /s/ Linda S. C. Rundell TITLE: STATE DIRECTOR DATE: 10 NOV 2004

APPROVAL FOR 1 YEAR

DISTRICT I
1625 N. FRENCH DR., HOBBBS, 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

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

Form C-102
Revised JUNE 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-025-36956	Pool Code 30214	Pool Name HAT MESA-DELAWARE
Property Code 34418	Property Name MINIS "1" FEDERAL	Well Number 4
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3722'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
5	1	21-S	32-E		2310	NORTH	330	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

SCALE-1"=1000'

3713.4' 3720.5'

600'

3718.1' 3725.4'

GEODEIC COORDINATES
NAD 27 NME

Y=621814.3 N
X=655163.7 E

LAT.=32°42'30.42" N
LONG.=103°49'43.98" W

OPERATOR CERTIFICATION

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

Joe T. Janica
Signature

Joe T. Janica
Printed Name

Agent
Title

09/12/04
Date

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.

AUGUST 18, 2004

Date Surveyed JR

Signature & Seal of
Professional Surveyor

Gary Eidsen 8/27/04

04.11.1063

Certificate No. GARY EIDSON 12841

2000 0 2000 4000 Feet

Scale: 1"=2000'

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised JUNE 10, 2003

Submit to Appropriate District Office

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Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.

Santa Fe, New Mexico 87505

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-025-36956	Pool Code 97210	Pool Name HAT MESA-DELAWARE-5E
Property Code 34418	Property Name MINIS "1" FEDERAL	Well Number 4
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3722'

Surface Location

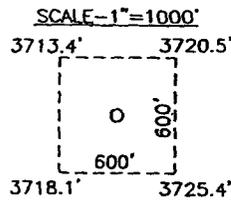
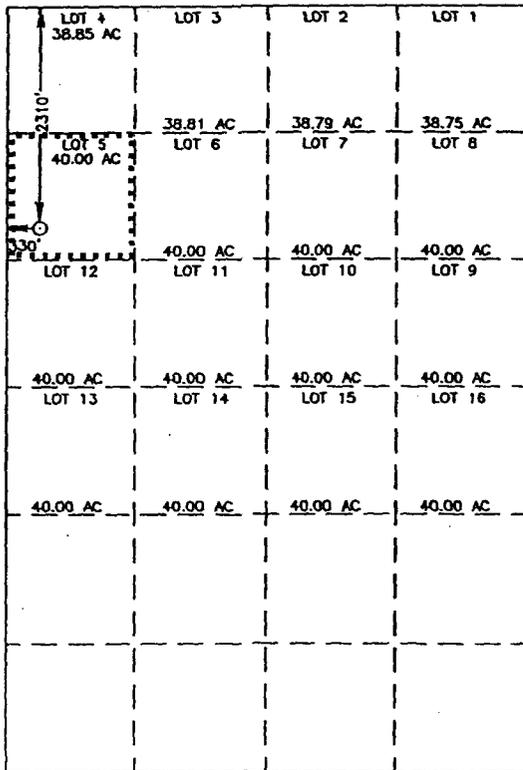
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
5	1	21-S	32-E		2310	NORTH	330	WEST	LEA

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.
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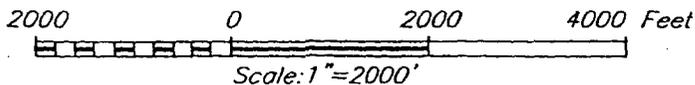
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



GEODETIC COORDINATES
NAD 27 NME

Y=621814.3 N
X=655163.7 E

LAT.=32°42'30.42" N
LONG.=103°49'43.98" W



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

Joe T. Janica
Signature
Joe T. Janica
Printed Name
Agent
Title
09/12/04
Date

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.

AUGUST 18, 2004

Date Surveyed
Signature & Seal of Professional Surveyor
JR

Gary Eidsen 8/27/04
04.11.1063

Certificate No. GARY EIDSON 12641

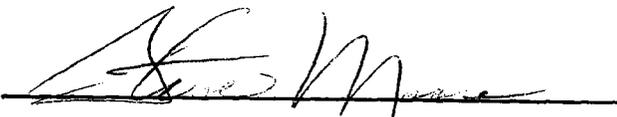
OPERATOR COG OPERATING
WELL/LEASE MINIS FED #1
COUNTY LEA, NM

503-0256

STATE OF NEW MEXICO
DEVIATION REPORT

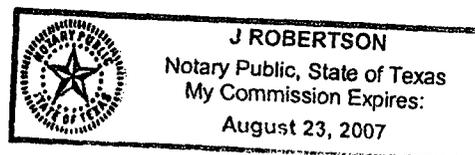
199	1/2	5,535	1/4
407	1/2	5,819	1/4
618	1/2	6,126	1/2
858	3/4	6,441	1/4
1,064	1/2	6,751	1/2
1,250	1 1/4	7,038	1
1,345	1/2	7,328	1
1,522	2 1/4	7,610	1 1/4
1,730	1	7,762	1/2
1,950	3/4	8,049	1
2,169	1/2	8,334	1
2,359	3/4	8,780	1
2,549	1		
2,769	2		
2,928	3 1/4		
3,027	3		
3,098	2 1/4		
3,188	3		
3,243	2 1/2		
3,364	3		
3,441	2 1/2		
3,491	1 3/4		
3,554	1 3/4		
3,618	1 1/4		
3,774	1		
4,089	3/4		
4,372	3/4		
4,688	3/4		
4,970	1/2		
5,159	1/2		
5,359	3/4		

STATE OF TEXAS
COUNTY OF MIDLAND

BY: 

The foregoing instrument was acknowledged before me on January 31, 2005, by Steve Moore on behalf of Patterson - UTI Drilling Company, LP, LLLP.


Notary Public for Midland County, Texas
My Commission Expires: 8/23/07



Form 3160-4
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires: March 31, 2007

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: Oil Well Gas Well Dry Other
 b. Type of Completion: New Well Work Over Deepen Plug Back Diff. Resrv.,
 Other _____

5. Lease Serial No. **NM-60777**

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

2. Name of Operator **COG Operating LLC**

8. Lease Name and Well No.
Minis 1 Federal #4

3. Address **550 W. Texas, Suite 1300**

3a. Phone No. (include area code)
432-685-4372

9. AFI Well No.
30-025-36956

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface **2310 FNL & 330 FWL**

At top prod. interval reported below **2310 FNL & 330 FWL**

At total depth **2310 FNL & 330 FWL**

10. Field and Pool, or Exploratory
Hat Mesa; Delaware, SE

11. Sec., T., R., M., on Block and Survey or Area **Sec 1, T21S, R32E**

12. County or Parish **Lea** 13. State **NM**

14. Date Spudded
12/31/2004

15. Date T.D. Reached
01/18/2005

16. Date Completed **02/28/2005**
 D & A Ready to Prod.

17. Elevations (DF, RKB, RT, GL)*
3722 (GL)

18. Total Depth: MD
TVD 8780

19. Plug Back T.D.: MD
TVD 8525

20. Depth Bridge Plug Set: MD
TVD 8560

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)

Gamma Ray, Micro-CFL / GR

22. Was well cored? No Yes (Submit analysis)
 Was DST run? No Yes (Submit report)
 Directional Survey? No Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
18-1/2	16	84	Surface	1563		1300 C		Surface	Circ 561sx to pit
14-3/4	11-7/8	71.8	Surface	3218		1000 C		Surface	Circ 155sx to pit
10-5/8	8-5/8	32	2887	5378		960 C		2887	0 Temp survey
7-7/8	5-1/2	17	2770	8803		700 C		2720	0 CBL

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2-7/8	6635	none						

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Bone Spring	8525		8602-8612	.41	21	Plugged
B) Delaware	5530		6652-6678	.41	53	Open
C)						
D)						

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

Depth Interval	Amount and Type of Material
8602 - 8612	Acidize with 1200 gallons 7-1/2% Petrol 10 acid w/ 30 BS.
6652 - 6678	Frac with 14,700 gallons Clearfrac J533 - 40 fluid carrying 19,000# 20 / 40 Ottawa sand

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
02/28/2005	03/07/2005	24	→	105	74	69	37.3	37.3	PUMPING
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
64/64	SI 100	50	→				705		

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
	SI		→						

ACCEPTED FOR RECORD

David R. Glass
JUN 3 2005

* (See instructions and spaces for additional data on page 2)

DAVID R. GLASS
PETROLEUM ENGINEER

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
T / RUSTLER	1525				
T / YATES	3230				
T / DELAWARE	5530				
T / BONE SPRING	8525				

32. Additional remarks (include plugging procedure):

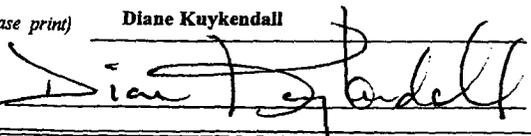
33. Indicate which items have been attached by placing a check in the appropriate boxes:

- Electrical/Mechanical Logs (1 full set req'd)
 Geologic Report
 DST Report
 Directional Survey
 Sundry Notice for plugging and cement verification
 Core Analysis
 Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

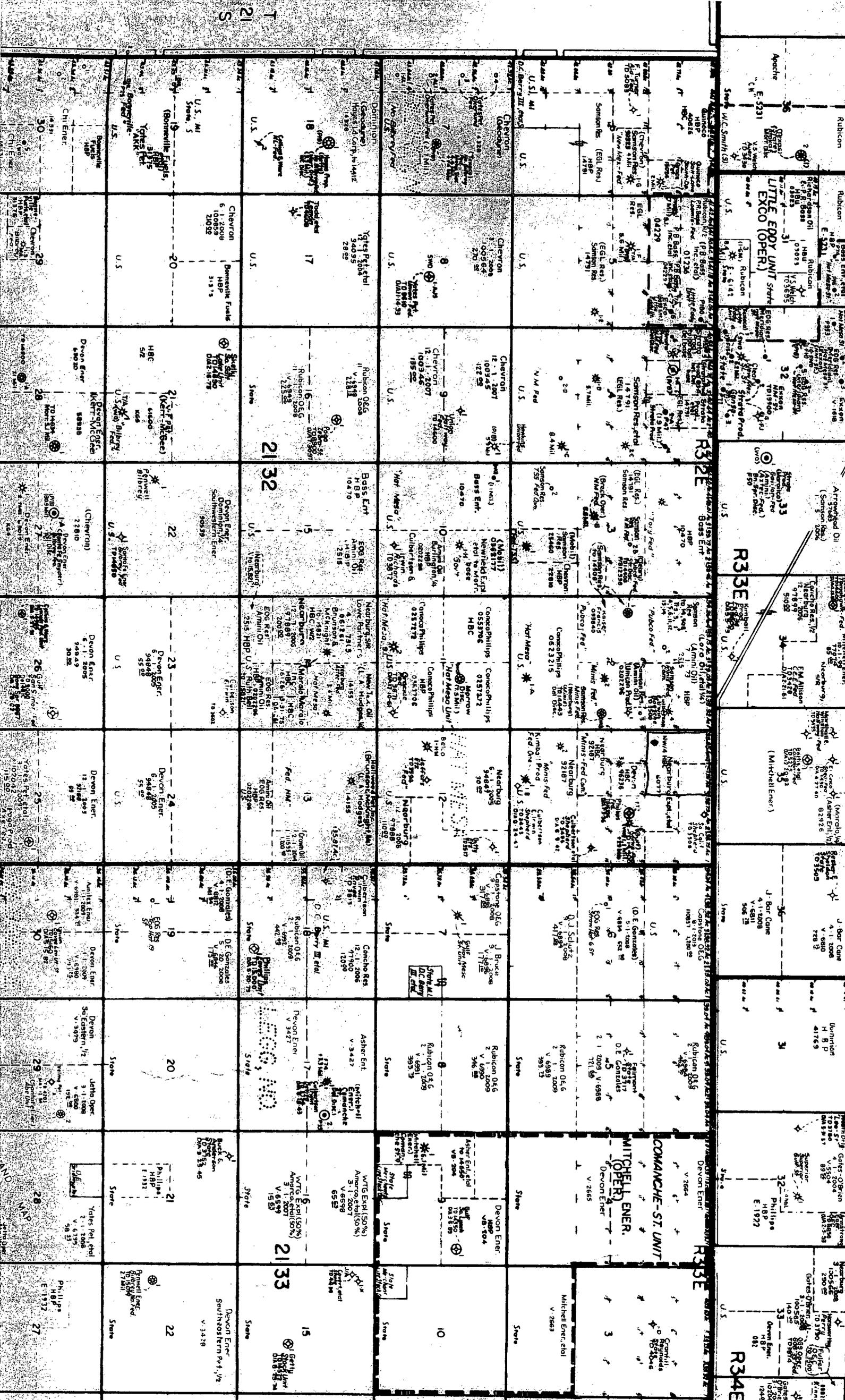
Name (please print) Diane Kuykendall

Title Regulatory Analyst

Signature 

Date 05/26/2005

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.



LITTLE EDDY UNIT STATE EXCO (OPER.)

R32E

R33E

R34E

R35E

R36E

R37E

R38E

R39E

R40E

R41E

R42E

R43E

R44E

R45E

R46E

COMANCHE-ST UNIT MITCHELL ENER. (OPER.)

WTS Expl (50%) Amero, et al (50%)

WTS Expl (50%) Amero, et al (50%)

WTS Expl (50%) Amero, et al (50%)

T21S

T22S

T23S

T24S

T25S

T26S

T27S

T28S

T29S

T30S

T31S

T32S

T33S

T34S

T35S

T36S

T37S

T38S

T39S

T40S

T41S

T42S

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T67S

T68S

T69S

T70S

R31E

R32E

R33E

R34E

R35E

R36E

R37E

R38E

R39E

R40E

R41E

R42E

R43E

R44E

R45E

R46E

R47E

R48E

R49E

R50E

R51E

R52E

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R65E

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R67E

R68E

R69E

R70E

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R73E

R74E

R75E

R76E

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R79E

R80E