

ABOVE THIS LINE FOR DIVISION USE ONLY

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



COG
 Folk Fed # 15
 6728

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 _____

RECEIVED OGD
 12 SEP 20 07:53 AM '12

[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, Leascholders 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	9-18-12 Date
(432) 685-4384 Phone Number		kholly@concho.com E-mail Address	

**Folk Federal #15
Eddy County, NM**

COG proposes to drill a SE/4 SE/4, 40 acre spacing
Empire; Glorieta-Yeso, East Oil Well
TVD of approximately 5500'

Non-Standard Location:

SHL: 220' FSL & 990' FEL Sec 8, T17S, R29E, Unit P
BHL: 330' FNL & 990' FEL Sec 17, T17S, R29E, Unit A

**This well had to be drilled at a non-standard location due to
buried pipelines.**

This well is to be completed in the Empire; Glorieta-Yeso, East (96610) formation. We won't know the exact perms until we drill & log it, but it will be very similar to the Folk Federal #4 which was completed in October 2007 and is located 2310' FNL & 2110' FWL, Unit F in Sec 17, T17S, R29E.

Folk Federal #4 has Yeso open perms from: 4300' – 5160' overall, but broken up into 3 separate intervals, with 3 separate fracs:

1st interval: 4960' – 5160'
acidized w/ 5000 gals,
frac w/ 69,248 gals gel, & 61,172# 16/30 sand, & 5676# LiteProp

2nd interval: 4510' – 4710'
acidized w/ 5000 gals,
frac w/ 68,981 gals gel, & 61,488# 16/30 sand, & 5766# LiteProp

3rd interval: 4300' – 4440'
acidized w/ 5000 gals,
frac w/ 68,906 16/30 sand, & 4330# LiteProp

**Attachment 1
Plat & Map**

**Attachment 2
Map & legend of offset wells.**

Attachment 3
Updated land plat showing that COG Operating LLC owns offset acreage.
The acreage we are encroaching is Unit A and Unit B of Section 17.

All interests are the same.

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-	Pool Code 96610	Pool Name Empire; Glorietà-Yeso, East
Property Code 302495	Property Name FOLK FEDERAL	Well Number 15
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3605'

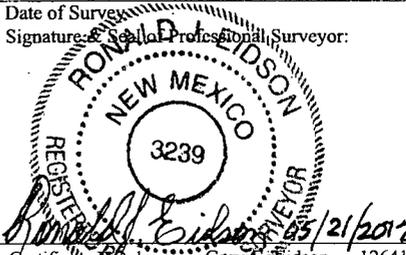
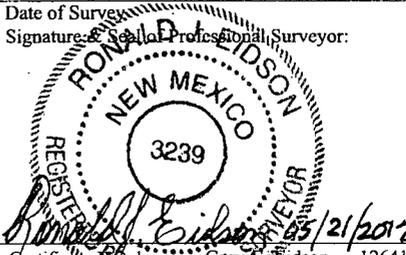
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	8	17-S	29-E		220	SOUTH	990	EAST	EDDY

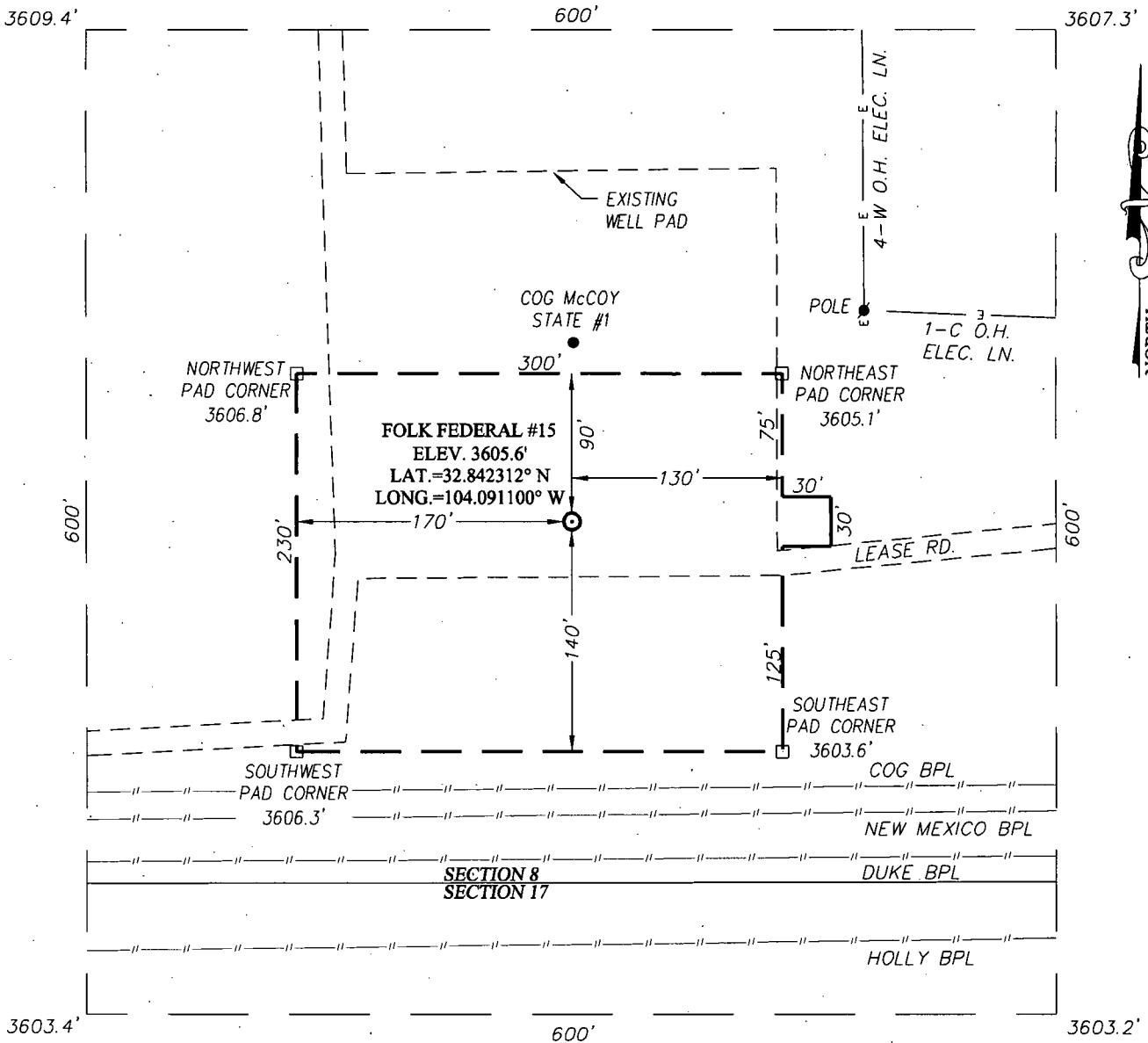
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	17	17-S	29-E		330	NORTH	990	EAST	EDDY
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

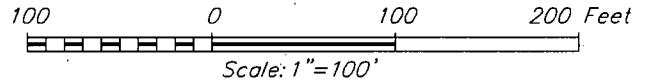
<p>DETAIL</p>		<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has 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.</p> <p> 9-18-12 Signature Date</p> <p>Kelly J. Holly Printed Name</p> <p>kholly@concho.com E-mail Address</p>	
<p>GEODETTIC COORDINATES NAD 27 NME</p> <p>SURFACE LOCATION Y=670229.4 N X=574396.7 E</p> <p>LAT.=32.842312' N LONG.=104.091100' W</p>		<p>SEC. 8 SEC. 17</p> <p>GRID AZ.=179°54'36" HORZ. DIST.=550.0'</p> <p>S.L. SEE DETAIL</p>	
<p>BOTTOM HOLE LOCATION Y=669679.6 N X=574397.5 E</p>		<p>SURVEYOR CERTIFICATION</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>APRIL 16, 2012 Date of Survey</p> <p> Seal of Professional Surveyor: Signature</p> <p></p> <p>Certificate Number: 12641 Ronald J. Eidson 3239</p>	
<p>CORNER COORDINATES TABLE</p> <p>Ⓐ - Y=671328.4 N, X=574062.5 E</p> <p>Ⓑ - Y=671330.0 N, X=575386.2 E</p> <p>Ⓒ - Y=670009.3 N, X=574064.5 E</p> <p>Ⓓ - Y=670010.3 N, X=575386.5 E</p>			
ACR		JWSC W.O.: 11.11.0694	

SECTION 8, TOWNSHIP 17 SOUTH, RANGE 29 EAST, N.M.P.M.
EDDY COUNTY **NEW MEXICO**



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF U.S. HWY. #82 AND CO. RD. #211 (OLD LOCO RD.), GO NORTH ON CO. RD. #211 APPROX. 2.0 MILES. TURN RIGHT AND GO EAST APPROX. 0.3 MILES TO THE McCOY STATE #1. THE LOCATION STAKE IS 110 FEET SOUTH OF THE EXISTING COG PUMPING UNIT.



COG OPERATING, LLC

FOLK FEDERAL #15 WELL
 LOCATED 220 FEET FROM THE SOUTH LINE
 AND 990 FEET FROM THE EAST LINE OF SECTION 8,
 TOWNSHIP 17 SOUTH, RANGE 29 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO

Survey Date: 4/16/12	CAD Date: 5/4/12	Drawn By: ACR
W.O. No.: 11110694	Rev:	Rel. W.O.:

PROVIDING SURVEYING SERVICES
SINCE 1946

JOHN WEST SURVEYING COMPANY

412 N. DAL PASO
HOBBS, N.M. 88240
(575) 393-3117 www.jwsc.biz

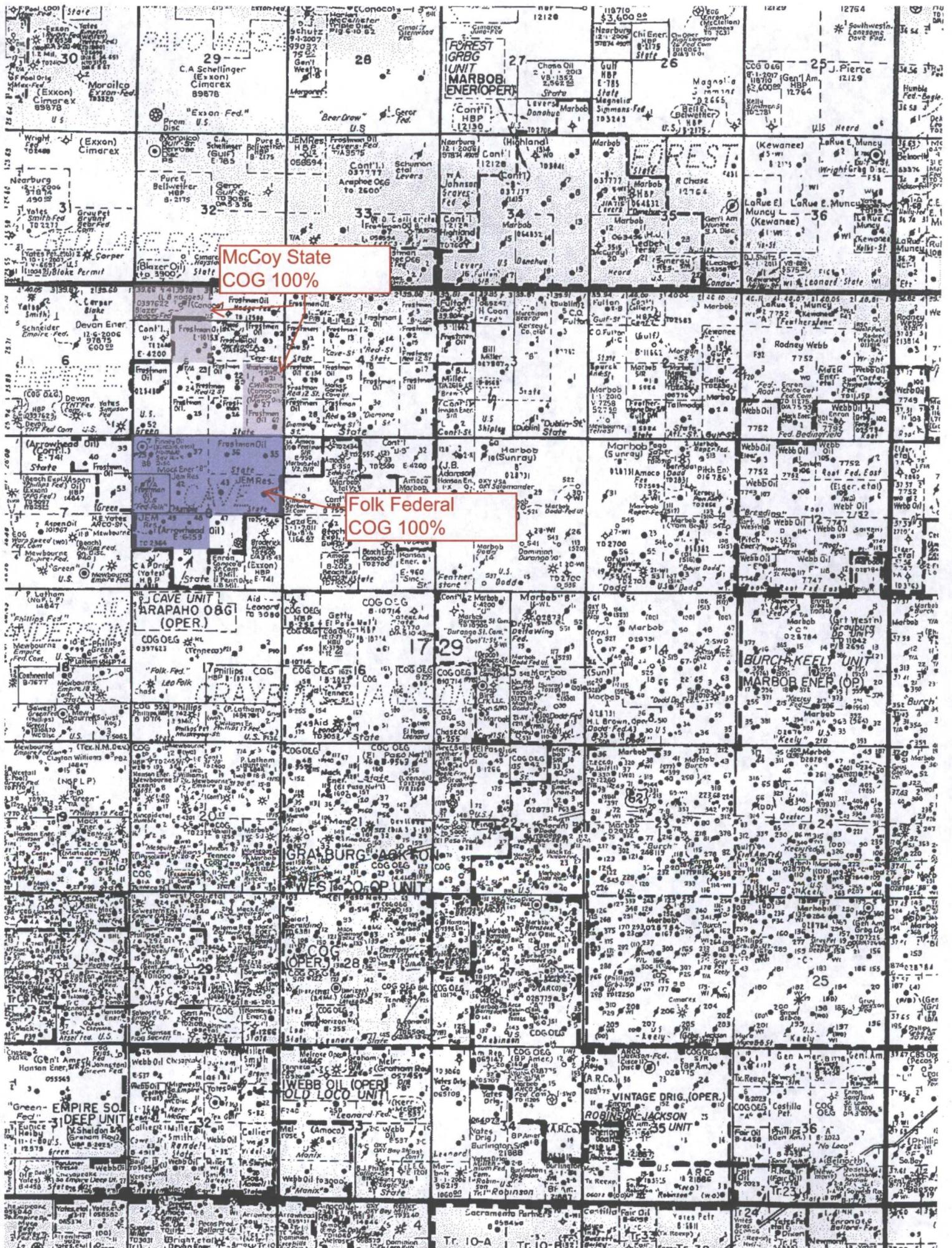
Producing Wells in Sec 17, T17S, R29E

API#	Operator	Lease	Well#	County	Legal	Total Depth	Well Type	Well Status	First Prod.	Last Prod.	Avg. (BO/D)
30-015-35728	COG OPERATING LLC	FOLK FEDERAL	4	EDDY	S:17, T:17S, R:29E	5,600	O	Active Permit	Dec 2010	Jun 2012	0.07
30-015-31260	CLAYTON WILLIAMS ENERGY INC	PHILLIPS 17 FEDERAL	001	EDDY	S:17, T:17S, R:29E	4,805	O	Temporarily Abandoned	Nov 2000	Jul 2012	0.55
30-015-35728	COG OPERATING LLC	FOLK FEDERAL	4	EDDY	S:17, T:17S, R:29E	5,600	O	Active Permit	Oct 2007	Aug 2010	0.71
30-015-03000		FOLK FEDERAL	001	EDDY	S:17, T:17S, R:29E		O	Active	Jun 1959	Jul 1961	0.81
30-015-34283	CIMAREX ENERGY CO. OF COLORADO	MUSKEGON 17 FEDERAL COM	002	EDDY	S:17, T:17S, R:29E	11,500	PG	Active Permit	May 2006	Sep 2007	0.83
30-015-31261	CLAYTON WILLIAMS ENERGY INC	PHILLIPS 17 FEDERAL	002	EDDY	S:17, T:17S, R:29E	4,506	O	Temporarily Abandoned	Sep 2000	Jul 2012	1.10
30-015-20198	COG OPERATING LLC	FOLK FEDERAL	002	EDDY	S:17, T:17S, R:29E	0	O	Active	Mar 1969	Jun 2012	1.47
30-015-35727	COG OPERATING LLC	FOLK FEDERAL	1	EDDY	S:17, T:17S, R:29E	5,123	O	Active Permit	Oct 2010	Jun 2012	2.23
30-015-35727	COG OPERATING LLC	FOLK FEDERAL	1	EDDY	S:17, T:17S, R:29E	5,123	O	Active Permit	Oct 2010	Dec 2010	2.26
30-015-38176	COG OPERATING LLC	FOLK FEDERAL	28	EDDY	S:17, T:17S, R:29E	5,583	O	Active Permit	May 2011	Jun 2012	2.50
30-015-31261	CLAYTON WILLIAMS ENERGY INC	PHILLIPS 17 FEDERAL	002	EDDY	S:17, T:17S, R:29E	4,506	O	Temporarily Abandoned	Dec 2000	Jul 2012	2.74
30-015-20198	MACK ENERGY CORP	FOLK FEDERAL	002	EDDY	S:17, T:17S, R:29E	0	O	Active	Jan 1972	Dec 1977	3.26
30-015-31260	CLAYTON WILLIAMS ENERGY INC	PHILLIPS 17 FEDERAL	001	EDDY	S:17, T:17S, R:29E	4,805	O	Temporarily Abandoned	Sep 2000	Jul 2012	3.26
30-015-31446	CLAYTON WILLIAMS ENERGY INC	PHILLIPS 17 FEDERAL	003	EDDY	S:17, T:17S, R:29E	4,427	O	Pumping	Jan 2001	Jul 2012	3.81
30-015-36171	COG OPERATING LLC	FOLK FEDERAL	7	EDDY	S:17, T:17S, R:29E	5,465	O	Active Permit	Jul 2009	Jun 2012	5.17
					S:17,						

30-015-35727	COG OPERATING LLC	FOLK FEDERAL	1	EDDY	T:17S, R:29E	5,123	O	Active Permit	Nov 2007	Jun 2010	6.93
30-015-36170	COG OPERATING LLC	FOLK FEDERAL	8	EDDY	S:17, T:17S, R:29E	5,462	O	Active Permit	Apr 2009	Jun 2012	7.57
30-015-36169	COG OPERATING LLC	FOLK FEDERAL	9	EDDY	S:17, T:17S, R:29E	5,408	O	Active Permit	Nov 2009	Jun 2012	7.63
30-015-36863	COG OPERATING LLC	FOLK FEDERAL	13	EDDY	S:17, T:17S, R:29E	5,531	O	Active Permit	Apr 2010	Jun 2012	8.27
30-015-38178	COG OPERATING LLC	FOLK FEDERAL	33	EDDY	S:17, T:17S, R:29E	5,528	O	Active Permit	May 2011	Jun 2012	8.63
30-015-36172	COG OPERATING LLC	FOLK FEDERAL	6	EDDY	S:17, T:17S, R:29E	5,463	O	Active Permit	Mar 2009	Jun 2012	9.17
30-015-38174	COG OPERATING LLC	FOLK FEDERAL	24	EDDY	S:17, T:17S, R:29E	5,406	O	Active Permit	Mar 2011	Jun 2012	9.57
30-015-36864	COG OPERATING LLC	FOLK FEDERAL	12	EDDY	S:17, T:17S, R:29E	5,421	O	Active Permit	Sep 2009	Jun 2012	9.73
30-015-38173	COG OPERATING LLC	FOLK FEDERAL	20	EDDY	S:17, T:17S, R:29E	5,528	O	Active Permit	Apr 2011	Jun 2012	10.00
30-015-38171	COG OPERATING LLC	FOLK FEDERAL	14	EDDY	S:17, T:17S, R:29E	5,478	O	Active Permit	Jan 2011	Jun 2012	10.80
30-015-36890	COG OPERATING LLC	FOLK FEDERAL	11	EDDY	S:17, T:17S, R:29E	5,412	O	Active Permit	Dec 2009	Jun 2012	11.13
30-015-27295	COG OPERATING LLC	FOLK FEDERAL	003	EDDY	S:17, T:17S, R:29E	5,050	PO	Active	Mar 1993	Jun 2012	11.70
30-015-37880	COG OPERATING LLC	FOLK FEDERAL	29	EDDY	S:17, T:17S, R:29E	5,477	O	Active Permit	Nov 2010	Jun 2012	11.90
30-015-36747	COG OPERATING LLC	FOLK FEDERAL	5	EDDY	S:17, T:17S, R:29E	5,555	O	Active Permit	Aug 2010	Jun 2012	11.93
30-015-38179	COG OPERATING LLC	FOLK FEDERAL	35	EDDY	S:17, T:17S, R:29E	5,000	O	Active Permit	Jul 2011	Jun 2012	12.57
30-015-38177	COG OPERATING LLC	FOLK FEDERAL	32	EDDY	S:17, T:17S, R:29E	5,517	O	Active Permit	Apr 2011	Jun 2012	12.63
30-015-37752	COG OPERATING LLC	FOLK STATE	6	EDDY	S:17, T:17S, R:29E	5,055	O	Active Permit	Aug 2010	Jun 2012	13.90
					S:17,						

30-015-36862	COG OPERATING LLC	FOLK FEDERAL	10	EDDY	T:17S, R:29E	5,550	O	Active Permit	Aug 2009	Jun 2012	15.47
30-015-37824	COG OPERATING LLC	FOLK FEDERAL	21	EDDY	S:17, T:17S, R:29E	5,467	O	Active Permit	Jan 2011	Jun 2012	15.73
30-015-39268	COG OPERATING LLC	FOLK FEDERAL	16	EDDY	S:17, T:17S, R:29E	5,470	O	Active Permit	Oct 2011	Jun 2012	16.50
30-015-38090	COG OPERATING LLC	FOLK STATE	7	EDDY	S:17, T:17S, R:29E	5,463	O	Active Permit	Jan 2011	Jun 2012	17.60
30-015-39276	COG OPERATING LLC	FOLK FEDERAL	34	EDDY	S:17, T:17S, R:29E	5,510	O	Active Permit	Oct 2011	Jun 2012	18.13
30-015-37825	COG OPERATING LLC	FOLK FEDERAL	31	EDDY	S:17, T:17S, R:29E	5,478	O	Active Permit	Dec 2010	Jun 2012	19.80
30-015-37233	COG OPERATING LLC	FOLK STATE	9	EDDY	S:17, T:17S, R:29E	5,130	O	Active Permit	Jul 2010	Jun 2012	20.40
30-015-39271	COG OPERATING LLC	FOLK FEDERAL	22	EDDY	S:17, T:17S, R:29E	5,488	O	Active Permit	Dec 2011	Jun 2012	20.43
30-015-37345	COG OPERATING LLC	FOLK STATE	1	EDDY	S:17, T:17S, R:29E	5,515	O	Active Permit	May 2010	Jun 2012	21.17
30-015-38175	COG OPERATING LLC	FOLK FEDERAL	26	EDDY	S:17, T:17S, R:29E	5,595	O	Active Permit	Mar 2011	Jun 2012	22.40
30-015-39275	COG OPERATING LLC	FOLK FEDERAL	30	EDDY	S:17, T:17S, R:29E	5,540	O	Active Permit	Nov 2011	Jun 2012	22.77
30-015-37347	COG OPERATING LLC	FIRECRAKER STATE	3	EDDY	S:17, T:17S, R:29E	5,320	O	Active Permit	May 2010	Jun 2012	23.63
30-015-37516	COG OPERATING LLC	FOLK FEDERAL	38	EDDY	S:17, T:17S, R:29E	5,070	O	Active Permit	Sep 2010	Jun 2012	25.17
30-015-39270	COG OPERATING LLC	FOLK FEDERAL	19	EDDY	S:17, T:17S, R:29E	5,522	O	Active Permit	Dec 2011	Jun 2012	26.50
30-015-39274	COG OPERATING LLC	FOLK FEDERAL	27	EDDY	S:17, T:17S, R:29E	5,452	O	Active Permit	Nov 2011	Jun 2012	29.23
30-015-38172	COG OPERATING LLC	FOLK FEDERAL	17	EDDY	S:17, T:17S, R:29E	5,468	O	Active Permit	Feb 2011	Jun 2012	29.53
30-015-37246	COG OPERATING LLC	FOLK FEDERAL	36	EDDY	S:17, T:17S, R:29E	5,115	O	Active Permit	Aug 2011	Jun 2012	31.10
					S:17,						

30-015-39272	COG OPERATING LLC	FOLK FEDERAL	23	EDDY	T:17S, R:29E	5,495	O	Active Permit	Nov 2011	Jun 2012	31.23
30-015-38088	COG OPERATING LLC	FOLK STATE	3	EDDY	S:17, T:17S, R:29E	5,115	O	Active Permit	Aug 2011	Jun 2012	32.03
30-015-37397	COG OPERATING LLC	FOLK STATE	011	EDDY	S:17, T:17S, R:29E	5,150	U	Active Permit	Sep 2011	Jun 2012	32.80
30-015-38089	COG OPERATING LLC	FOLK STATE	4	EDDY	S:17, T:17S, R:29E	5,125	O	Active Permit	Jul 2011	Jun 2012	34.07
30-015-38091	COG OPERATING LLC	FOLK STATE	8	EDDY	S:17, T:17S, R:29E	5,128	O	Active Permit	Apr 2011	Jun 2012	36.17
30-015-37753	COG OPERATING LLC	FOLK STATE	10	EDDY	S:17, T:17S, R:29E	5,167	O	Active Permit	Jan 2011	Jun 2012	36.73
30-015-37861	COG OPERATING LLC	FOLK STATE	2	EDDY	S:17, T:17S, R:29E	5,470	O	Active	Mar 2011	Jun 2012	37.00
30-015-39269	COG OPERATING LLC	FOLK FEDERAL	18	EDDY	S:17, T:17S, R:29E	5,471	O	Active Permit	Oct 2011	Jun 2012	38.30
30-015-37413	COG OPERATING LLC	FOLK FEDERAL	41	EDDY	S:17, T:17S, R:29E	5,476	O	Active Permit	Jan 2011	Jun 2012	41.33
30-015-38092	COG OPERATING LLC	FOLK STATE	12	EDDY	S:17, T:17S, R:29E	5,105	O	Active Permit	Jul 2011	Jun 2012	43.13
30-015-37751	COG OPERATING LLC	FOLK STATE	5	EDDY	S:17, T:17S, R:29E	5,043	O	Active Permit	Jan 2011	Jun 2012	46.83
30-015-39273	COG OPERATING LLC	FOLK FEDERAL	25	EDDY	S:17, T:17S, R:29E	5,502	O	Active Permit	Jan 2012	Jun 2012	59.20
30-015-39274	COG OPERATING LLC	FOLK FEDERAL	27	EDDY	S:17, T:17S, R:29E	5,452	O	Active Permit	Nov 2011	Nov 2011	85.30
30-015-37246	COG OPERATING LLC	FOLK FEDERAL	36	EDDY	S:17, T:17S, R:29E	5,115	O	Active Permit	Aug 2011	Oct 2011	161.87
30-015-23719	COG OPERATING LLC	FEDERAL KL-17	001	EDDY	S:17, T:17S, R:29E	10,740	G	Pumping	Aug 1982	Jun 2012	
30-015-26750	CONOCOPHILLIPS COMPANY	MUSKEGON "17" STATE COM.	001	EDDY	S:17, T:17S, R:29E	10,880	G	Pumping	May 1992	Jun 2012	



McCoy State
COG 100%

Folk Federal
COG 100%

GRABURG BACKLOG
WEST COG UNIT

WEBB OIL (OPER)
OLD LOCO UNIT

ROBINSON JACKSON
35 UNIT

BURCH KEELY UNIT
MARBOLB ENER (OP)

FOREST
UNIT
MARBOLB
ENERI OPER

FOREST
UNIT

CAVE UNIT
ARAPHO O&G
(OPER)

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COG Operating LLC

Eddy County, NM (NAN27 NME)

Folk Federal #15

OH

Plan: Plan #1 - 7-7/8" Hole

SHL = 220' FSL & 990' FEL OF SECTION 8

BHL = 330' FNL & 980' FEL OF SECTION 17

Top of Paddock = 348' South of Surface & 7' East of Surface @ 3850' TVD

Standard Planning Report

21 May, 2012





Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Site Folk Federal #15
Company:	COG Operating LLC	TVD Reference:	GL @ 3605.00usft
Project:	Eddy County, NM (NAN27 NME)	IMD Reference:	GL @ 3605.00usft
Site:	Folk Federal #15	North Reference:	Grid
Well:	Folk Federal #15	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan #1 - 7-7/8" Hole		

Project:	Eddy County, NM (NAN27 NME)		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico East 3001		

Site:	Folk Federal #15		
Site Position:	Northing:	670,229.40 usft	Latitude: 32° 50' 32.321 N
From: Map	Easting:	574,396.70 usft	Longitude: 104° 5' 27.959 W
Position Uncertainty:	0.00 usft	Slot Radius: 13-3/16"	Grid Convergence: 0.13 °

Well:	Folk Federal #15		
Well Position	+N-S	0.00 usft	Northing: 670,229.40 usft
	+E-W	0.00 usft	Easting: 574,396.70 usft
			Latitude: 32° 50' 32.321 N
			Longitude: 104° 5' 27.959 W
Position Uncertainty	0.00 usft	Wellhead Elevation:	Ground Level: 3,605.00 usft

Wellbore:	OH		
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Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2010	05/21/12	7.76	60.65	48,836

Design:	Plan #1 - 7-7/8" Hole			
Audit Notes:				
Version:	Phase:	PLAN	Tie On Depth: 0.00	
Vertical Section:	Depth From (TVD) (usft)	+N-S (usft)	+E-W (usft)	Direction (°)
	0.00	0.00	0.00	178.89

Plan Sections										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N-S (usft)	+E-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
950.00	0.00	0.00	950.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,315.30	7.31	178.89	1,314.31	-23.25	0.45	2.00	2.00	48.97	178.89	
5,535.25	7.31	178.89	5,500.00	-559.80	10.80	0.00	0.00	0.00	0.00	PBHL-Folk Fed #15



Database:	EDM 5000.1 Single User.Db	Local Co-ordinate Reference:	Site Folk Federal #15
Company:	COG Operating LLC	TVD Reference:	GL @ 3605.00usft
Project:	Eddy County, NM (NAN27 NME)	MD Reference:	GL @ 3605.00usft
Site:	Folk Federal #15	North Reference:	Grid
Well:	Folk Federal #15	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan #1 - 7-7/8" Hole		

Planned Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/S (usft)	+E/W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
850.00	0.00	0.00	850.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8 5/8"										
950.00	0.00	0.00	950.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
KOP Start 2.00°/100'										
1,000.00	1.00	178.89	1,000.00	-0.44	0.01	0.44	2.00	2.00	0.00	0.00
1,100.00	3.00	178.89	1,099.93	-3.93	0.08	3.93	2.00	2.00	0.00	0.00
1,200.00	5.00	178.89	1,199.68	-10.90	0.21	10.90	2.00	2.00	0.00	0.00
1,300.00	7.00	178.89	1,299.13	-21.35	0.41	21.35	2.00	2.00	0.00	0.00
1,315.30	7.31	178.89	1,314.31	-23.25	0.45	23.26	2.00	2.00	0.00	0.00
EOC hold 7.31°										
1,400.00	7.31	178.89	1,398.32	-34.02	0.66	34.03	0.00	0.00	0.00	0.00
1,500.00	7.31	178.89	1,497.51	-46.74	0.90	46.75	0.00	0.00	0.00	0.00
1,600.00	7.31	178.89	1,596.70	-59.45	1.15	59.46	0.00	0.00	0.00	0.00
1,700.00	7.31	178.89	1,695.89	-72.17	1.39	72.18	0.00	0.00	0.00	0.00
1,800.00	7.31	178.89	1,795.08	-84.88	1.64	84.90	0.00	0.00	0.00	0.00
1,900.00	7.31	178.89	1,894.26	-97.60	1.88	97.61	0.00	0.00	0.00	0.00
2,000.00	7.31	178.89	1,993.45	-110.31	2.13	110.33	0.00	0.00	0.00	0.00
2,100.00	7.31	178.89	2,092.64	-123.03	2.37	123.05	0.00	0.00	0.00	0.00
2,200.00	7.31	178.89	2,191.83	-135.74	2.62	135.76	0.00	0.00	0.00	0.00
2,300.00	7.31	178.89	2,291.02	-148.45	2.86	148.48	0.00	0.00	0.00	0.00
2,400.00	7.31	178.89	2,390.20	-161.17	3.11	161.20	0.00	0.00	0.00	0.00
2,500.00	7.31	178.89	2,489.39	-173.88	3.35	173.92	0.00	0.00	0.00	0.00
2,600.00	7.31	178.89	2,588.58	-186.60	3.60	186.63	0.00	0.00	0.00	0.00
2,700.00	7.31	178.89	2,687.77	-199.31	3.85	199.35	0.00	0.00	0.00	0.00
2,800.00	7.31	178.89	2,786.96	-212.03	4.09	212.07	0.00	0.00	0.00	0.00
2,900.00	7.31	178.89	2,886.14	-224.74	4.34	224.78	0.00	0.00	0.00	0.00
3,000.00	7.31	178.89	2,985.33	-237.46	4.58	237.50	0.00	0.00	0.00	0.00
3,100.00	7.31	178.89	3,084.52	-250.17	4.83	250.22	0.00	0.00	0.00	0.00
3,200.00	7.31	178.89	3,183.71	-262.88	5.07	262.93	0.00	0.00	0.00	0.00
3,300.00	7.31	178.89	3,282.90	-275.60	5.32	275.65	0.00	0.00	0.00	0.00
3,400.00	7.31	178.89	3,382.09	-288.31	5.56	288.37	0.00	0.00	0.00	0.00
3,500.00	7.31	178.89	3,481.27	-301.03	5.81	301.08	0.00	0.00	0.00	0.00
3,600.00	7.31	178.89	3,580.46	-313.74	6.05	313.80	0.00	0.00	0.00	0.00
3,700.00	7.31	178.89	3,679.65	-326.46	6.30	326.52	0.00	0.00	0.00	0.00
3,800.00	7.31	178.89	3,778.84	-339.17	6.54	339.23	0.00	0.00	0.00	0.00
3,871.74	7.31	178.89	3,850.00	-348.29	6.72	348.36	0.00	0.00	0.00	0.00
Top of Paddock										
3,900.00	7.31	178.89	3,878.03	-351.89	6.79	351.95	0.00	0.00	0.00	0.00
4,000.00	7.31	178.89	3,977.21	-364.60	7.03	364.67	0.00	0.00	0.00	0.00
4,100.00	7.31	178.89	4,076.40	-377.32	7.28	377.39	0.00	0.00	0.00	0.00
4,200.00	7.31	178.89	4,175.59	-390.03	7.52	390.10	0.00	0.00	0.00	0.00
4,300.00	7.31	178.89	4,274.78	-402.74	7.77	402.82	0.00	0.00	0.00	0.00
4,400.00	7.31	178.89	4,373.97	-415.46	8.02	415.54	0.00	0.00	0.00	0.00
4,500.00	7.31	178.89	4,473.15	-428.17	8.26	428.25	0.00	0.00	0.00	0.00
4,600.00	7.31	178.89	4,572.34	-440.89	8.51	440.97	0.00	0.00	0.00	0.00
4,700.00	7.31	178.89	4,671.53	-453.60	8.75	453.69	0.00	0.00	0.00	0.00
4,800.00	7.31	178.89	4,770.72	-466.32	9.00	466.40	0.00	0.00	0.00	0.00
4,900.00	7.31	178.89	4,869.91	-479.03	9.24	479.12	0.00	0.00	0.00	0.00
5,000.00	7.31	178.89	4,969.10	-491.75	9.49	491.84	0.00	0.00	0.00	0.00
5,100.00	7.31	178.89	5,068.28	-504.46	9.73	504.55	0.00	0.00	0.00	0.00
5,200.00	7.31	178.89	5,167.47	-517.17	9.98	517.27	0.00	0.00	0.00	0.00
5,300.00	7.31	178.89	5,266.66	-529.89	10.22	529.99	0.00	0.00	0.00	0.00
5,400.00	7.31	178.89	5,365.85	-542.60	10.47	542.70	0.00	0.00	0.00	0.00



Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Site Folk Federal #15
Company:	COG Operating LLC	TVD Reference:	GL @ 3605.00usft
Project:	Eddy County, NM (NAN27 NME)	MD Reference:	GL @ 3605.00usft
Site:	Folk Federal #15	North Reference:	Grid
Well:	Folk Federal #15	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan #1 - 7:7/8" Hole		

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/S (usft)	+E/W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
5,500.00	7.31	178.89	5,465.04	-555.32	10.71	555.42	0.00	0.00	0.00
5,535.25	7.31	178.89	5,500.00	-559.80	10.80	559.90	0.00	0.00	0.00

PBHL-Folk Fed #15

Design Targets										
Target Name	hit/miss target	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/S (usft)	+E/W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
PBHL-Folk Fed #15	- plan hits target center	0.00	0.00	5,500.00	-559.80	10.80	669,669.60	574,407.50	32° 50' 26.782 N	104° 5' 27.847 W
	- Circle (radius 10.00)									

Casing Points					
Measured Depth (usft)	Vertical Depth (usft)	Name	Casing Diameter (")	Hole Diameter (")	
850.00	850.00	8 5/8"	8-5/8	12-1/4	

Formations					
Measured Depth (usft)	Vertical Depth (usft)	Name	Lithology	Dip (°)	Dip Direction (°)
3,871.74	3,850.00	Top of Paddock		0.00	

Plan Annotations					
Measured Depth (usft)	Vertical Depth (usft)	+N/S (usft)	+E/W (usft)	Comment	
950.00	950.00	0.00	0.00	KOP Start 2.00°/100'	
1,315.30	1,314.31	-23.25	0.45	EOC hold 7.31°	



Azimuths to Grid North
 True North: -0.13°
 Magnetic North: 7.63°

Magnetic Field
 Strength: 48836.1snT
 Dip Angle: 60.65°
 Date: 05/21/2012
 Model: IGRF2010

To convert Magnetic North to Grid, Add 7.63°
 To convert True North to Grid, Subtract 0.13°

Folk Federal #15
 Eddy County, NM (NAN27 NME)
 Northing: (Y) 670229.40
 Easting: (X) 574396.70
 Plan #1 - 7-7/8" Hole

WELL DETAILS: Folk Federal #15						
+N/-S	+E/-W	Northing	Ground Level:	3605.00	Longitude	
0.00	0.00	670229.40	Easting	574396.782°	50° 32.321 N	104° 5' 27.959 W

SECTION DETAILS										
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	Vsect	Target
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2	950.00	0.00	0.00	950.00	0.00	0.00	0.00	0.00	0.00	
3	1315.30	7.31	178.89	1314.31	-23.25	0.45	2.00	178.89	23.26	
4	5535.25	7.31	178.89	5500.00	-559.80	10.80	0.00	0.00	559.90	PBHL-Folk Fed #15

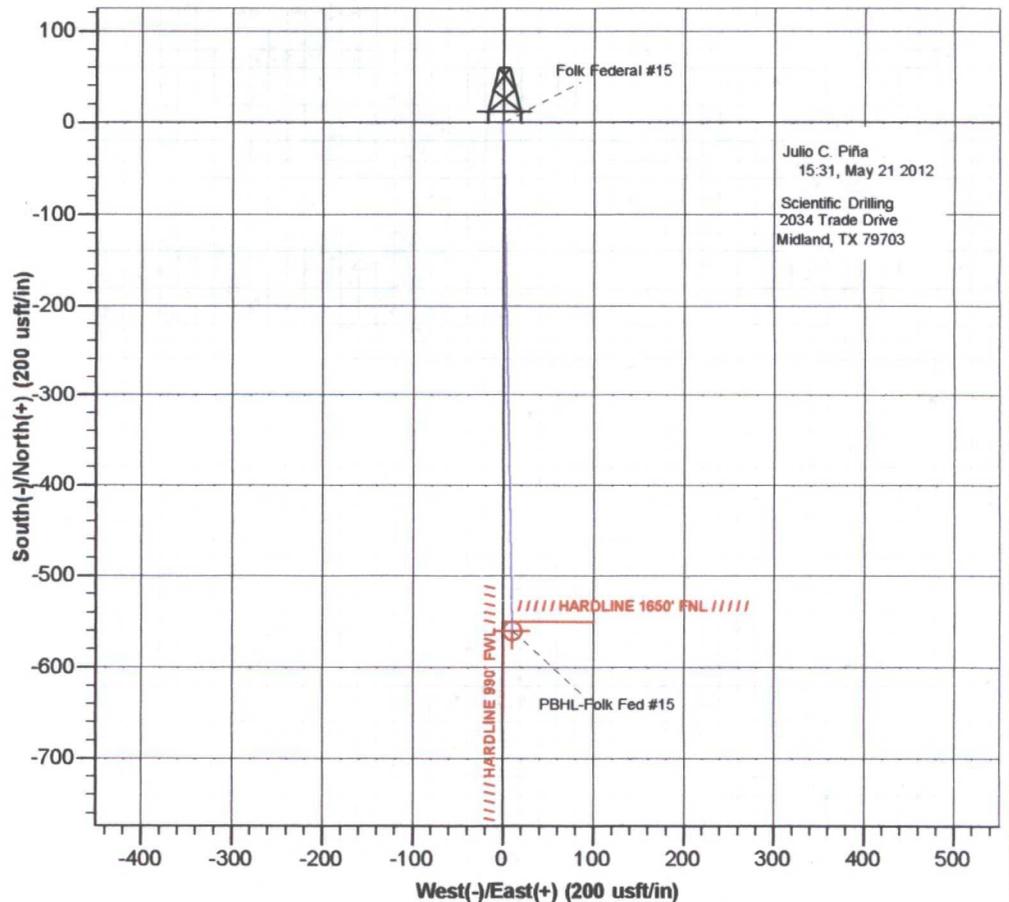
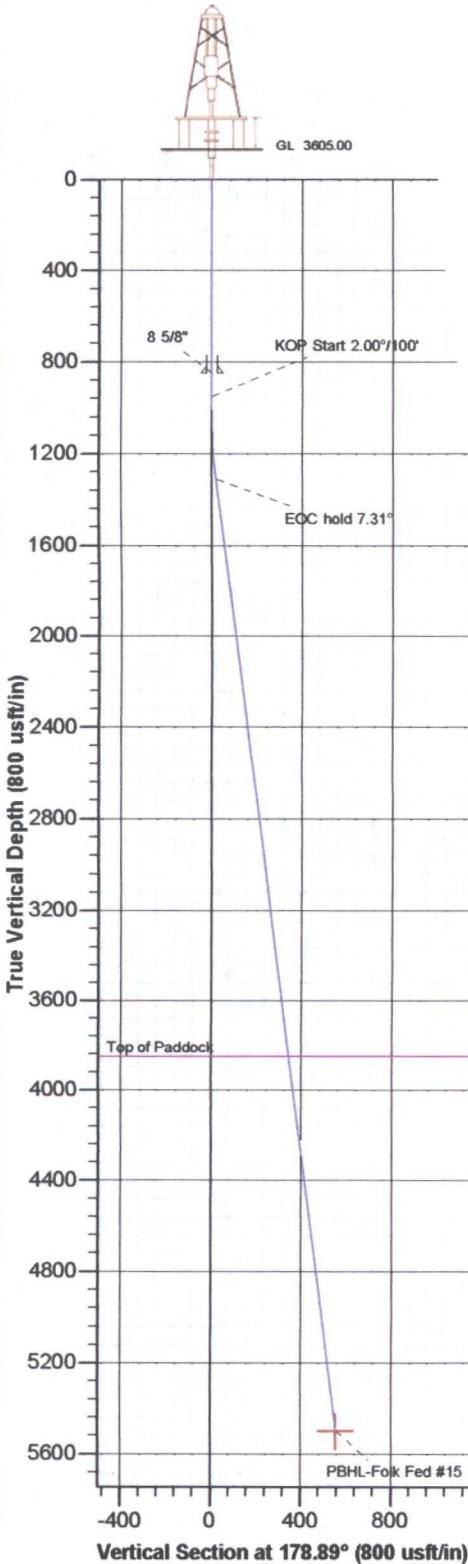
DESIGN TARGET DETAILS						
Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude
PBHL-Folk Fed #15	5500.00	-559.80	10.80	669669.60	574407.582°	50° 26.782 N
- plan hits target center						

SITE DETAILS: Folk Federal #15	
Site Centre	Northing: 670229.40 Easting: 574396.70
Positional Uncertainty:	0.00
Convergence:	0.13
Local North:	Grid

PROJECT DETAILS: Eddy County, NM (NAN27 NME)	
Geodetic System:	US State Plane 1927 (Exact solution)
Datum:	NAD 1927 (NADCON CONUS)
Ellipsoid:	Clarke 1866
Zone:	New Mexico East 3001
System Datum:	Mean Sea Level

FORMATION TOP DETAILS			
TVDPath	MDPath	Formation	DipAngleDipDir
3850.00	3871.74	Top of Paddock	0.00

LEGEND	
	Plan #1 - 7-7/8" Hole



Brooks, David K., EMNRD

From: Kelly Holly <kholly@concho.com>
Sent: Wednesday, November 07, 2012 11:59 AM
To: Brooks, David K., EMNRD
Subject: RE: Folk Fed. #15; NSL Application

Hello Mr. Brooks,

I sent this reply on Sept 21.

I didn't receive a response.

Kelly Holly
Permitting Tech-NM

One Concho Center, Floor 8
432.685.4384 (direct)
kholly@concho.com

Mailing Address:
One Concho Center
600 W Illinois Ave
Midland, Texas 79701



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From: Kelly Holly
Sent: Friday, September 21, 2012 1:47 PM
To: 'Brooks, David K., EMNRD'
Subject: RE: Folk Fed. #15; NSL Application

Dear Mr. Brooks,

The estimated completed interval is:

128 FNL and 983 FEL

Is this what you need?

Kelly Holly
Permitting Tech-NM

One Concho Center, Floor 8
432.685.4384 (direct)
kholly@concho.com

Mailing Address:
One Concho Center
600 W Illinois Ave



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From: Brooks, David K., EMNRD [<mailto:david.brooks@state.nm.us>]

Sent: Thursday, September 20, 2012 4:30 PM

To: Kelly Holly

Subject: Folk Fed. #15; NSL Application

Dear Ms. Holly

It is not clear to me from you application how you plan to complete this well. If it is to be completed only at the described bottom hole location, since that location is standard, NSL approval is not required. However, if it is to be completed in a lateral, the distance from the surface location to the bottom hole location would indicate that it would be a "horizontal" well under the definition in Rule 19.15.16.7.E NMAC. If it is a horizontal well, we would need to know the location of the beginning of the completed interval.

Also, if it is a horizontal well, and the completed interval begins anywhere to the north of the designated bottom hole location, there will be a diagonal encroachment toward Unit O of Section 8, ownership of which is not addressed in your application or indicated on your land plat map.

Please address these issues.

Sincerely

David K. Brooks

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Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Thursday, September 20, 2012 3:30 PM
To: kholly@concho.com
Subject: Folk Fed. #15; NSL Application

Dear Ms. Holly

It is not clear to me from you application how you plan to complete this well. If it is to be completed only at the described bottom hole location, since that location is standard, NSL approval is not required. However, if it is to be completed in a lateral, the distance from the surface location to the bottom hole location would indicate that it would be a "horizontal" well under the definition in Rule 19.15.16.7.E NMAC. If it is a horizontal well, we would need to know the location of the beginning of the completed interval.

Also, if it is a horizontal well, and the completed interval begins anywhere to the north of the designated bottom hole location, there will be a diagonal encroachment toward Unit O of Section 8, ownership of which is not addressed in your application or indicated on your land plat map.

Please address these issues.

Sincerely

David K. Brooks

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Tuesday, November 06, 2012 4:48 PM
To: 'Kelly Holly'
Subject: RE: Folk Fed #15 NSL
Attachments: Folk Fed. #15; NSL Application

Dear Ms. Holly

Regarding the referenced application, I sent an inquiry on September 20 (copy attached). My file does not reflect any reply.

In addition, I do not understand the statement in your application that the units encroached upon are units A and B of Section 17. While I cannot determine which units are encroached upon without the information requested in my September 20 email, it would seem that if this well is unorthodox at all, it must necessarily encroach toward Units O and P of Section 8.

Please provide the information requested September 20, or resend if you sent a reply that I missed, and we can proceed from there.

Sincerely

David K. Brooks

From: Kelly Holly [<mailto:kholly@concho.com>]
Sent: Tuesday, November 06, 2012 9:01 AM
To: Brooks, David K., EMNRD
Subject: Folk Fed #15 NSL



Hey David,

Do you know where we are on the NSL approval for the Folk Fed #15? I submitted the NSL application on 9/18/2012.

Thanks!

Kelly Holly
Permitting Tech-NM

One Concho Center, Floor 8
432.685.4384 (direct)
kholly@concho.com

Mailing Address:

One Concho Center
600 W Illinois Ave
Midland, Texas 79701



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Brooks, David K., EMNRD

From: Kelly Holly <kholly@concho.com>
Sent: Wednesday, December 12, 2012 2:01 PM
To: Brooks, David K., EMNRD
Subject: RE: Folk Fed #15 NSL
Attachments: Folk Fed 15 NSL.pdf



Dear Mr Brooks,

Please see attached proof of notification for the Folk Fed 15.

Thank you!

Kelly Holly
Permitting Tech-NM

One Concho Center, Floor 8
432.685.4384 (direct)
kholly@concho.com

Mailing Address:
One Concho Center
600 W Illinois Ave
Midland, Texas 79701

From: Brooks, David K., EMNRD [<mailto:david.brooks@state.nm.us>]
Sent: Thursday, December 06, 2012 11:10 AM
To: Kelly Holly
Subject: RE: Folk Fed #15 NSL

Thanks

David Brooks

From: Kelly Holly [<mailto:kholly@concho.com>]
Sent: Thursday, December 06, 2012 9:59 AM
To: Brooks, David K., EMNRD
Subject: RE: Folk Fed #15 NSL



Mr. Brooks,

Our land department determined that the Offset Operator for Sec 8 Unit Letter O is ZPZ Delaware, Unit P is COG Operating. (I attached a land plat)

I am sending them notification today. (I attached a copy of the Notification Letter)

I will send you proof of notification as soon as I get the receipt.

Thanks!

Kelly Holly
Permitting Tech-NM

One Concho Center, Floor 8
432.685.4384 (direct)
kholly@concho.com

Mailing Address:
One Concho Center
600 W Illinois Ave
Midland, Texas 79701

From: Brooks, David K., EMNRD [<mailto:david.brooks@state.nm.us>]
Sent: Tuesday, November 06, 2012 5:48 PM
To: Kelly Holly
Subject: RE: Folk Fed #15 NSL

Dear Ms. Holly

Regarding the referenced application, I sent an inquiry on September 20 (copy attached). My file does not reflect any reply.

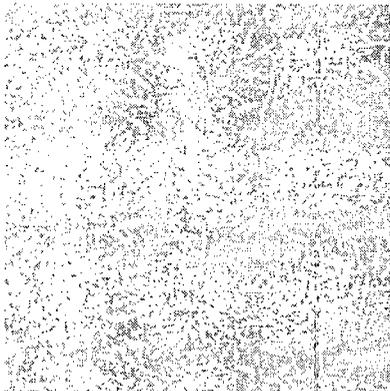
In addition, I do not understand the statement in your application that the units encroached upon are units A and B of Section 17. While I cannot determine which units are encroached upon without the information requested in my September 20 email, it would seem that if this well is unorthodox at all, it must necessarily encroach toward Units O and P of Section 8.

Please provide the information requested September 20, or resend if you sent a reply that I missed, and we can proceed from there.

Sincerely

David K. Brooks

From: Kelly Holly [mailto:kholly@concho.com]
Sent: Tuesday, November 06, 2012 9:01 AM
To: Brooks, David K., EMNRD
Subject: Folk Fed #15 NSL



Hey David,

Do you know where we are on the NSL approval for the Folk Fed #15? I submitted the NSL application on 9/18/2012.

Thanks!

Kelly Holly
Permitting Tech-NM

One Concho Center, Floor 8
432.685.4384 (direct)
kholly@concho.com

Mailing Address:
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600 W Illinois Ave
Midland, Texas 79701



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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:

ZPZ Delaware I LLC
2000 Post Oak Blvd
Houston, TX 77056

2. Article Number

(Transfer from service label)

91 7199 9991 7030 0512 1526

PS Form 3811, February 2004

Domestic Return Receipt

102695-02-11-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *Kelly Holly*

Agent

Addressee

B. Received by (Printed Name)

Kelly Holly

C. Date of Delivery

12-10-12

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

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

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

December 6, 2012

ZPZ Delaware I LLC
2000 Post Oak Blvd
Houston, TX 77056

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 Empire; Glorieta-Yeso, East Oil Well.

**Folk Federal #15
Eddy County, NM**

**SHL: 220' FSL & 990' FEL
BHL: 330' FNL & 990' FEL**

**Sec 8, T17S, R29E, Unit P
Sec 17, T17S, R29E, Unit A**

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

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ONE CONCHO CENTER
600 W ILLINOIS AVE
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COG Operating LLC

Kelly J. Holly
Permitting Tech

432-685-4384
kholly@concho.com

Brooks, David K., EMNRD

From: Kelly Holly <kholly@concho.com>
Sent: Thursday, December 06, 2012 9:59 AM
To: Brooks, David K., EMNRD
Subject: RE: Folk Fed #15 NSL
Attachments: Folk Federal #15 Land Plat.pdf; Folk Federal #15 NSL Letter ZPZ.doc



Mr. Brooks,

Our land department determined that the Offset Operator for Sec 8 Unit Letter O is ZPZ Delaware, Unit P is COG Operating. (I attached a land plat)

I am sending them notification today. (I attached a copy of the Notification Letter)

I will send you proof of notification as soon as I get the receipt.

Thanks!

Kelly Holly
Permitting Tech-NM

One Concho Center, Floor 8
432.685.4384 (direct)
kholly@concho.com

Mailing Address:
One Concho Center
600 W Illinois Ave
Midland, Texas 79701

From: Brooks, David K., EMNRD [<mailto:david.brooks@state.nm.us>]
Sent: Tuesday, November 06, 2012 5:48 PM
To: Kelly Holly
Subject: RE: Folk Fed #15 NSL

Dear Ms. Holly

Regarding the referenced application, I sent an inquiry on September 20 (copy attached). My file does not reflect any reply.

In addition, I do not understand the statement in your application that the units encroached upon are units A and B of Section 17. While I cannot determine which units are encroached upon without the information requested in my September 20 email, it would seem that if this well is unorthodox at all, it must necessarily encroach toward Units O and P of Section 8.

Please provide the information requested September 20, or resend if you sent a reply that I missed, and we can proceed from there.

Sincerely

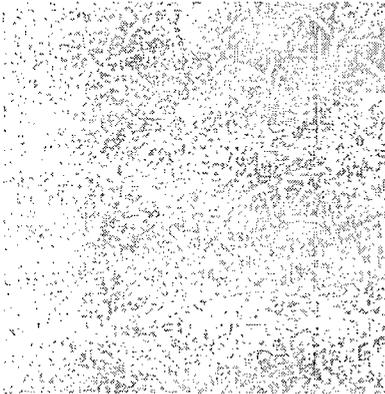
David K. Brooks

From: Kelly Holly [<mailto:kholly@concho.com>]

Sent: Tuesday, November 06, 2012 9:01 AM

To: Brooks, David K., EMNRD

Subject: Folk Fed #15 NSL



Hey David,

Do you know where we are on the NSL approval for the Folk Fed #15? I submitted the NSL application on 9/18/2012.

Thanks!

Kelly Holly
Permitting Tech-NM

One Concho Center, Floor 8
432.685.4384 (direct)
kholly@concho.com

Mailing Address:
One Concho Center
600 W Illinois Ave
Midland, Texas 79701

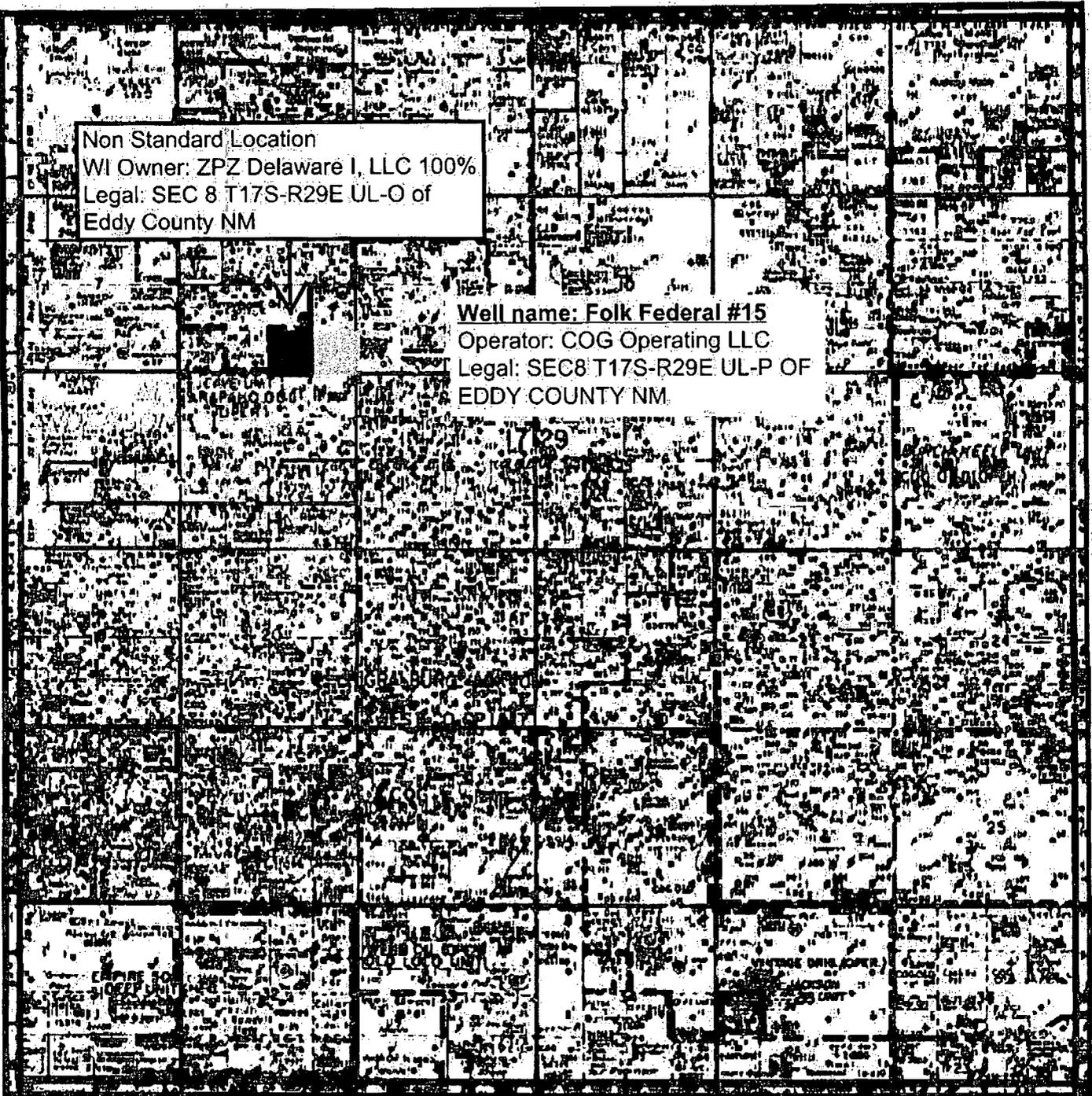


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Non Standard Location
WI Owner: ZPZ Delaware I, LLC 100%
Legal: SEC 8 T17S-R29E UL-O of
Eddy County NM

Well name: Folk Federal #15
Operator: COG Operating LLC
Legal: SEC8 T17S-R29E UL-P OF
EDDY COUNTY NM.

1729



Brooks, David K., EMNRD

From: Kelly Holly <kholly@concho.com>
Sent: Wednesday, November 07, 2012 12:19 PM
To: Brooks, David K., EMNRD
Subject: RE: Folk Fed. #15; NSL Application

Ok. I will need to get with land and see who is the Operator for Unit O & P of section 8.

Thanks!

Kelly Holly
Permitting Tech-NM

One Concho Center, Floor 8
432.685.4384 (direct)
kholly@concho.com

Mailing Address:

One Concho Center
600 W Illinois Ave
Midland, Texas 79701



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From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]
Sent: Wednesday, November 07, 2012 1:04 PM
To: Kelly Holly
Subject: RE: Folk Fed. #15; NSL Application

Dear Ms. Holly

Based on this response, the proposed location encroaches toward Units O and P of Section 8.

Please advise regarding ownership of those units.

Sincerely

David K. Brooks

From: Kelly Holly [mailto:kholly@concho.com]
Sent: Wednesday, November 07, 2012 11:59 AM
To: Brooks, David K., EMNRD
Subject: RE: Folk Fed. #15; NSL Application

Hello Mr. Brooks,

I sent this reply on Sept 21.

I didn't receive a response.

Kelly Holly
Permitting Tech-NM

One Concho Center, Floor 8
432.685.4384 (direct)
kholly@concho.com

Mailing Address:
One Concho Center
600 W Illinois Ave
Midland, Texas 79701



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From: Kelly Holly
Sent: Friday, September 21, 2012 1:47 PM
To: 'Brooks, David K., EMNRD'
Subject: RE: Folk Fed. #15; NSL Application

Dear Mr. Brooks,

The estimated completed interval is:

128 FNL and 983 FEL

Is this what you need?

Kelly Holly
Permitting Tech-NM

One Concho Center, Floor 8
432.685.4384 (direct)
kholly@concho.com

Mailing Address:
One Concho Center
600 W Illinois Ave
Midland, Texas 79701



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From: Brooks, David K., EMNRD [<mailto:david.brooks@state.nm.us>]
Sent: Thursday, September 20, 2012 4:30 PM

To: Kelly Holly

Subject: Folk Fed. #15; NSL Application

Dear Ms. Holly

It is not clear to me from you application how you plan to complete this well. If it is to be completed only at the described bottom hole location, since that location is standard, NSL approval is not required. However, if it is to be completed in a lateral, the distance from the surface location to the bottom hole location would indicate that it would be a "horizontal" well under the definition in Rule 19.15.16.7.E NMAC. If it is a horizontal well, we would need to know the location of the beginning of the completed interval.

Also, if it is a horizontal well, and the completed interval begins anywhere to the north of the designated bottom hole location, there will be a diagonal encroachment toward Unit O of Section 8, ownership of which is not addressed in your application or indicated on your land plat map.

Please address these issues.

Sincerely

David K. Brooks

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