

1/17/06 DATE IN	1/17/06 SUSPENSE	DRC ENGINEER	1/18/06 LOGGED IN	Amend PLC-152 TYPE	DDC0601827938 APP NO.
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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



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 _____
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
 [A] Working, Royalty or Overriding Royalty Interest Owners
 [B] Offset Operators, Leaseholders or Surface Owner
 [C] Application is One Which Requires Published Legal Notice
 [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] Waivers are Attached
- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

 Print or Type Name Signature Title Date

 e-mail Address

Submit 3 Copies to Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., 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

Form C-103
 May 27, 2004

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-025-37227
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Prohibition 12 Federal
8. Well Number 8
9. OGRID Number 229137
10. Pool name or Wildcat: Bootleg Ridge; Delaware, NW (6925)

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
COG Operating LLC

3. Address of Operator
550 W. Texas Ave., Suite 1300 Midland, TX 79701

4. Well Location
 Unit Letter **L** : **2030** feet from the **South** line and **610** feet from the **West** line
 Section **12** Township **22S** Range **32E** NMPM **Lea** County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3653' GR

Pit or Below-grade Tank Application or Closure

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: Surface commingle gas - add to PLC-152 <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

COG Operating, LLC respectfully requests approval to add the Prohibition 12 Federal #8 to the existing Commingling Order PLC - 152.

SEE ATTACHED REQUEST FORM

A letter was sent to the Bureau of Land Management notifying them of the surface commingle.

2006 JUN 17 AM 11 25

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE Phyllis Edwards TITLE Regulatory Analyst DATE 1/16/2006

Type or print name Phyllis Edwards E-mail address: pedwards@conchoresources.com Telephone No. 432-685-4340

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any): _____

**APPLICATION FOR SURFACE COMMINGLING,
OFF LEASE STORAGE AND MEASUREMENT APPROVAL**

**Commingling Order PLC – 152
Request to add 2 wells**

COG Operating LLC is requesting approval for surface commingling and off-lease storage and measurement of gas production from the following formation (s) and well (s) on

Federal Lease No: **NM 85937** Lease Name: **Prohibition 12 Federal**

<u>API #</u>	<u>Well #</u>	<u>Location</u>	<u>Sec</u>	<u>Twp</u>	<u>Rng</u>	<u>Formation</u>
30-025-37228	7	1880' FNL & 1650' FWL	12	22S	32E	NW Bootleg Ridge; Delaware (6925)
30-025-37227	8	2030' FSL & 610' FWL	12	22S	32E	NW Bootleg Ridge; Delaware (6925)

With **GAS** production from the following formation (s) and well (s) on

Federal Lease No. **CA # NM 85327** Lease Name: **Bilbrey 34 Federal**

<u>API #</u>	<u>Well #</u>	<u>Location</u>	<u>Sec</u>	<u>Twp</u>	<u>Rng</u>	<u>Formation</u>
30-025-31120	1	660' FNL & 1980' FWL	34	21S	32E	Bilbrey; Morrow (72124)

Federal Lease No. **NM 85937** Lease Name: **Prohibition 12 Federal**

<u>API #</u>	<u>Well #</u>	<u>Location</u>	<u>Sec</u>	<u>Twp</u>	<u>Rng</u>	<u>Formation</u>
30-025-31137	1	1980' FNL & 660' FWL	12	22S	32E	NW Bootleg Ridge; Delaware (6925)

Federal Lease No. **NM 64606** Lease Name: **Prohibition 12 Federal**

<u>API #</u>	<u>Well #</u>	<u>Location</u>	<u>Sec</u>	<u>Twp</u>	<u>Rng</u>	<u>Formation</u>
30-025-32142	3	1980' FNL & 990' FEL	12	22S	32E	Red Tank; Bone Spring (51683)

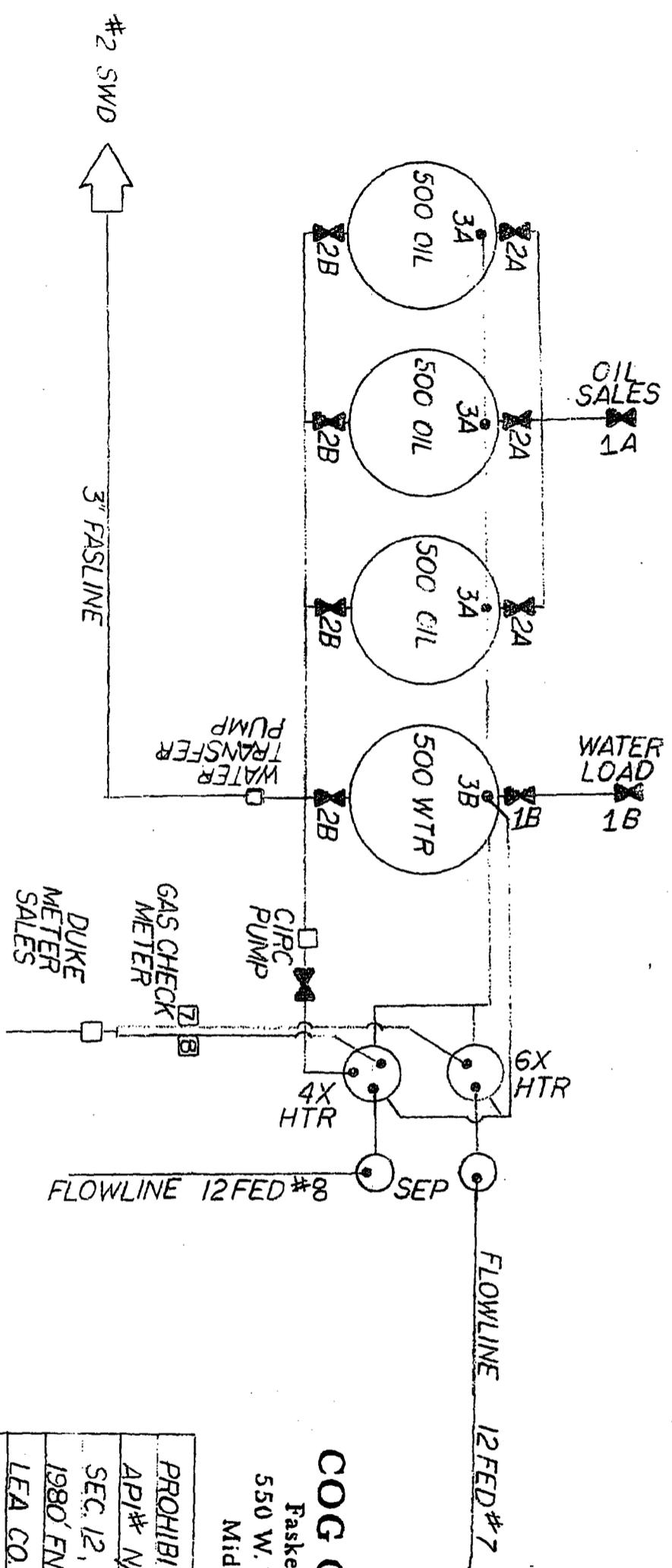
Federal Lease No. **NM 84611B** Lease Name: **Prohibition 14 Federal**

<u>API #</u>	<u>Well #</u>	<u>Location</u>	<u>Sec</u>	<u>Twp</u>	<u>Rng</u>	<u>Formation</u>
30-025-32758	4	2310' FNL & 1980' FEL	14	22S	32E	Red Tank; Delaware, W. (51689)
30-025-32760	6	2310' FNL & 990' FEL	14	22S	32E	Red Tank; Delaware, W. (51689)

Production from the wells involved is as follows:

<u>Well Name and No</u>	<u>MCFPD</u>
Bilbrey 34 Fed #1	99
Prohibition 12 Fed #1	14
Prohibition 12 Fed #3	13
Prohibition 12 Fed #4	20
Prohibition 12 Fed #6	22

VALVE SEALING DETAIL
 PRODUCTION PHASE:
 VALVE# 3A, 3B OPEN
 SALES PHASE:
 VALVE# 1A, 2A OPEN
 VALVE# 1B OPEN FOR
 WATER LOAD ONLY



PROHIBITION 12 FED #7, #8 BTY
API# N/A
SEC. 12, T-22-S R-32-F
1980' FNL 660' FWL
LEA CO NEW MEXICO
KG-12-05

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

Catanach, David, EMNRD

From: Phyllis Edwards [PEdwards@conchoresources.com]
Sent: Tuesday, January 17, 2006 1:54 PM
To: Catanach, David, EMNRD
Subject: RE: Commingling Application

David,

apologize for not including that information on the C-103. All interests are the same. I scanned the amended C-103 which is attached & snail mailed the original to you today.

Please let me know if you need anything further.

Thanks so much,

Phyllis Edwards
COG Operating LLC
Basken Tower II
150 W. Texas Avenue, Suite 1300
Midland, TX 79701
32-685-4340 P
32-685-4399 F
pedwards@conchoresources.com

-----Original Message-----

From: Catanach, David, EMNRD [mailto:david.catanach@state.nm.us]
Sent: Tuesday, January 17, 2006 11:35 AM
To: Phyllis Edwards
Subject: Commingling Application

Phyllis,

I have received your application to add the Prohibition "12" Federal Well No. 7 to Commingling Order PLC-152. Please be advised that in order to process this application, COG is required to provide notice to all working, royalty and over-riding royalty interest owners within the commingled area. Please do so and provide proof to me that this has been done. At that time, I will review your application. If you have any questions, please E-mail me or phone me at (505) 476-3466.

Thank You,

David Catanach
Engineer

Confidentiality Notice: This e-mail, including all attachments is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited unless specifically provided under the New Mexico Inspection of Public Records Act. If you are not the intended recipient, please contact the sender and destroy all copies of this message. -- This email has been scanned by the Sybari - Antigen Email System.

Submit 3 Copies to Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., 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

Form C-103
 May 27, 2004

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-025-37228
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FBE <input type="checkbox"/>
2. Name of Operator COG Operating LLC		6. State Oil & Gas Lease No.
3. Address of Operator 550 W. Texas Ave., Suite 1300 Midland, TX 79701		7. Lease Name or Unit Agreement Name Prohibition 12 Federal
4. Well Location Unit Letter F : 1880 feet from the North line and 1650 feet from the West line Section 12 Township 22S Range 32E NMPM Lea County		8. Well Number 7
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number 229137
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		10. Pool name or Wildcat: Bootleg Ridge; Delaware, NW (6925)

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____
 Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: Surface commingle gas - add to PLC-152 <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

COG Operating, LLC respectfully requests approval to add the Prohibition 12 Federal #7 to the existing Commingling Order PLC - 152.

SEE ATTACHED REQUEST FORM

A letter was sent to the Bureau of Land Management notifying them of the surface commingle.

All working, royalty and over-riding royalty interest owners within the commingled area are the same.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE Phyllis Edwards TITLE Regulatory Analyst DATE 1/17/2006

Type or print name Phyllis Edwards E-mail address: pedwards@conchoresources.com Telephone No. 432-685-4340
For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____
 Conditions of Approval (if any): _____

Submit to Appropriate District Office
 Lease - 4 copies
 Fee Lease - 3 copies

State of New Mexico
 Energy Minerals and Natural Resources Department

Form C-102
 Revised 1-1-89

OIL CONSERVATION DIVISION
 P.O. Box 2088
 Santa Fe, New Mexico 87504-2088

DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

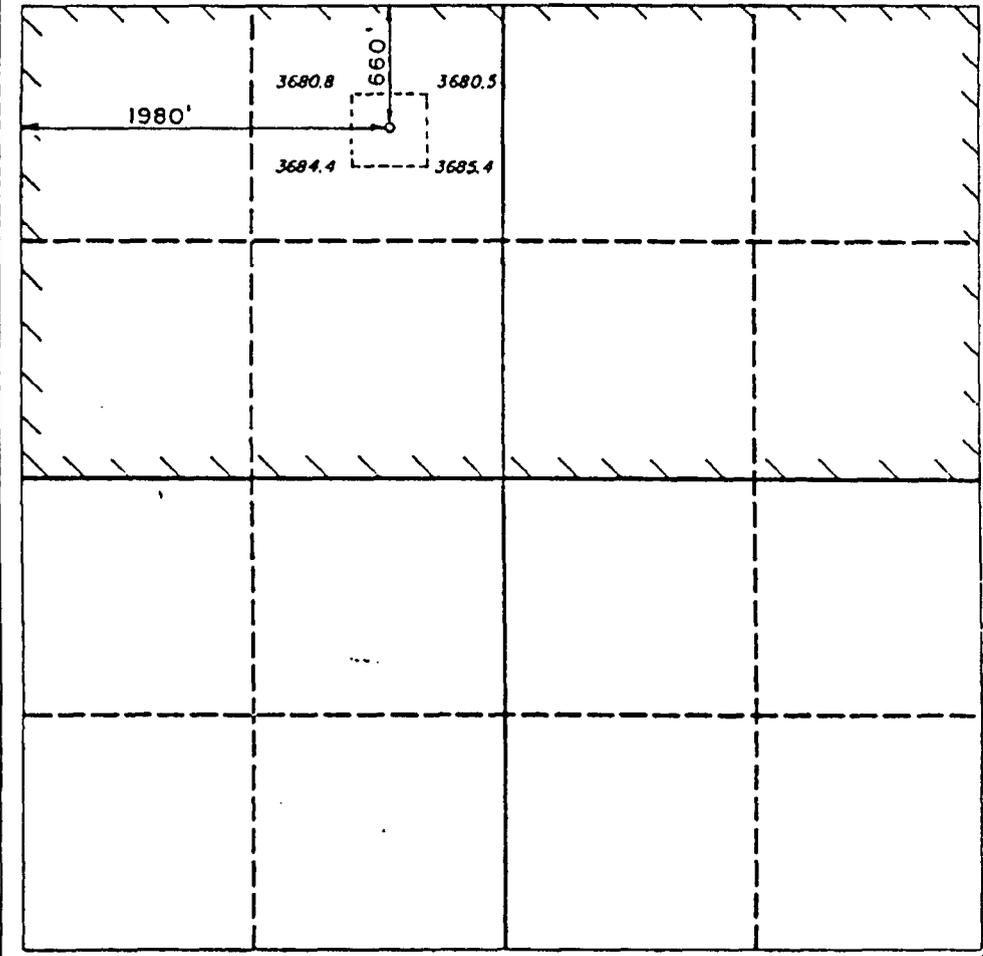
DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT
 All Distances must be from the outer boundaries of the section

Operator MARALO INC.			Lease BILBREY 34 FEDERAL		Well No. 1
Unit Letter C	Section 34	Township 21 South	Range 32 East	County LEA	
Actual Footage Location of Well: 660 feet from the NORTH line and 1980 feet from the WEST line					
Ground level Elev. 3681.7	Producing Formation MORROW		Pool CODE: 72124 BILBREY (MORROW) API # 30-025-31120		Dedicated Acreage: 320 Acres

- Outline the acreage dedicated to the subject well by colored pencil or business marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
 Yes No If answer is "yes" type of consolidation _____
 If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)
 No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.

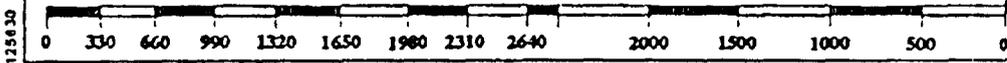


OPERATOR CERTIFICATION
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *Joe T. Janica*
 Printed Name: **Joe T. Janica**
 Position: **Agent for Maralo, Inc.**
 Company: **Maralo, Inc.**
 Date: **12/12/90**

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 knowledge and belief.

Date Surveyed: **11-13-1990**
 Signature & Seal of Professional Surveyor: *Ronald J. Eidson*
 Certificate No. **JOHN W. WEST, 676**
RONALD J. EIDSON, 3239



125830