

ABOVE THIS LINE FOR DIVISION USE ONLY

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



5648

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 _____

2007 MAY 30 AM 11:49

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply

- [A] Working, Royalty or Overriding Royalty Interest Owners
INTERESTS ARE THE SAME.
- [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.

PHYLLIS A. EDWARDS
 Print or Type Name

Phyllis A. Edwards
 Signature

REGULATORY ANALYST
 Title

5-23-07
 Date

pedwards@conchoresources.com
 e-mail Address

**G J West Coop Unit #160
Eddy County, NM
API #: 30-015 35582**

COG is requesting to drill a vertical North ½, NW/4 40 acre spacing
GJ; 7RVS-QN-GB-GLORIETA-YESO oil well
TD of approximately 5600'
Non-standard Location:
1680' FNL & 2460' FWL Sec 22, T17S, R29E, Unit F

30-015-35582

This well had to be staked at a non-standard location due to
electrical transmission lines.

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, but it will be very similar to
the G J West Coop Unit #149 which was recently drilled and is located
2310' FSL 2310' FWL, Section 21, T17S, R29E, Unit K.

The G J West Coop Unit #149 completion divided the Yeso up into 3
perf/stimulation intervals. At this time, we believe the G J West Coop Unit #160
will/should be very similar.

G J West Coop Unit #149 has perms from: 4613' – 5381' overall, with the
following breakdown:

1st interval: 5153' – 5381',
acidized w/ 2500 gals,
frac'd w/ 6014 gals 40# gel, 30,777 gals 30# gel, 56,847 gals 40# gel, 8000#
LiteProp, 74,940# 16/30 White Sand, 15,920# SiberProp 16/30 sand.

2nd interval: 4914' – 5050',
acidized w/ 1975 gals,
frac'd w/ 6002 gals 40# gel, 30,757 gals 30# gel, 47,321 gals 40# gel, 8000#
LiteProp, 74,800# 16/30 sand & 15,700# SiberProp 16/30 sand.

3rd interval: 4613' – 4814',
acidized w/ 1850 gals,
frac'd w/ 93,882 gals gel, 8019# LiteProp, 74,900# 16/30 White Sand, 16,220#
SiberProp.

Attachment 1

Approved permit & plat
Plat showing electrical transmission lines

Attachment 2

Map & legend of offset wells.

Attachment 3

Updated land plat showing acreage that COG Operating LLC owns.
The acreage we are encroaching on is the N/2, SW/4 of NE/4 of Section 22.
The offset operator we are encroaching upon is Marbob Energy.
A copy of the Marbob Energy letter & signed certified receipt is attached.

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

Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address COG OPERATING LLC 550 W TEXAS MIDLAND, TX 79701		2. OGRID Number 229137
		3. API Number 30-015-35582
4. Property Code 302497	5. Property Name G J WEST COOP UNIT	6. Well No. 160

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
F	22	17S	29E	F	1680	N	2460	W	EDDY

8. Pool Information

GJ,7RVS-QN-GB-GLORIETA-YESO	97558
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Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3553
14. Multiple N	15. Proposed Depth 5600	16. Formation Blinebry	17. Contractor	18. Spud Date 5/15/2007
Depth to Ground water 110		Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 _____ mils thick Clay: _____ Pit Volume: 3000 _____ bbls Drilling Method: Closed Loop System: _____ Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input checked="" type="checkbox"/>				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	300	350	0
Int1	12.25	8.625	24	850	1000	0
Prod	7.875	5.5	17	5600	1700	0

Casing/Cement Program: Additional Comments

COG proposes to drill a 17 1/2 hole to 300' set 13 3/8 casing and cement to surface. Drill a 12 1/4 hole to 850' set 8 5/8 casing and cement. Drill a 7 7/8 hole to 5600 test Blinebry formation, run 5 1/2 casing and cement to surface. Note: On production string a fluid caliper will be run and will figure cement with 25% excess attempt to circ.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	2000	2000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION	
	Approved By: Bryan Arrant	
	Title: Geologist	
	Approved Date: 5/2/2007	Expiration Date: 5/2/2008
	Conditions of Approval Attached	

Printed Name: Electronically filed by Diane Kuykendall
Title: Regulatory Analyst
Email Address: dkuykendall@conchoresources.com
Date: 5/1/2007 Phone: 432-685-4372

District I

1625 N. French Dr., Hobbs, NM 88240
Phone:(505) 393-6161 Fax:(505) 393-0720

District II

1301 W. Grand Ave., Artesia, NM 88210
Phone:(505) 748-1283 Fax:(505) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico

Energy, Minerals and Natural Resources

Oil Conservation Division

1220 S. St Francis Dr.

Santa Fe, NM 87505

Form C-102
Permit 52721

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-35582	2. Pool Code 97558	3. Pool Name GJ,7RVS-QN-GB-GLORIETA-YESO
4. Property Code 302497	5. Property Name G J WEST COOP UNIT	
7. OGRID No. 229137	8. Operator Name COG OPERATING LLC	9. Elevation 3553

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
F	22	17S	29E		1680	N	2460	W	EDDY

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 40.00		13. Joint or Infill		14. Consolidation Code			15. Order No.		

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

	□		

OPERATOR CERTIFICATION

I hereby certify that the information contained 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(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

E-Signed By: Diane Kuykendall
Title: Regulatory Analyst
Date: 5/1/2007

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.

Surveyed By: Gary Eidson
Date of Survey: 4/26/2007
Certificate Number: 12641

Permit Comments

Operator: COG OPERATING LLC , 229137

Well: G J WEST COOP UNIT #160

API: 30-015-35582

Created By	Comment	Comment Date
JSHERRELL	H2S concentrations of wells in this area from surface to TD are low enough that a contingency plan is not required.	5/1/2007

Permit Conditions of Approval

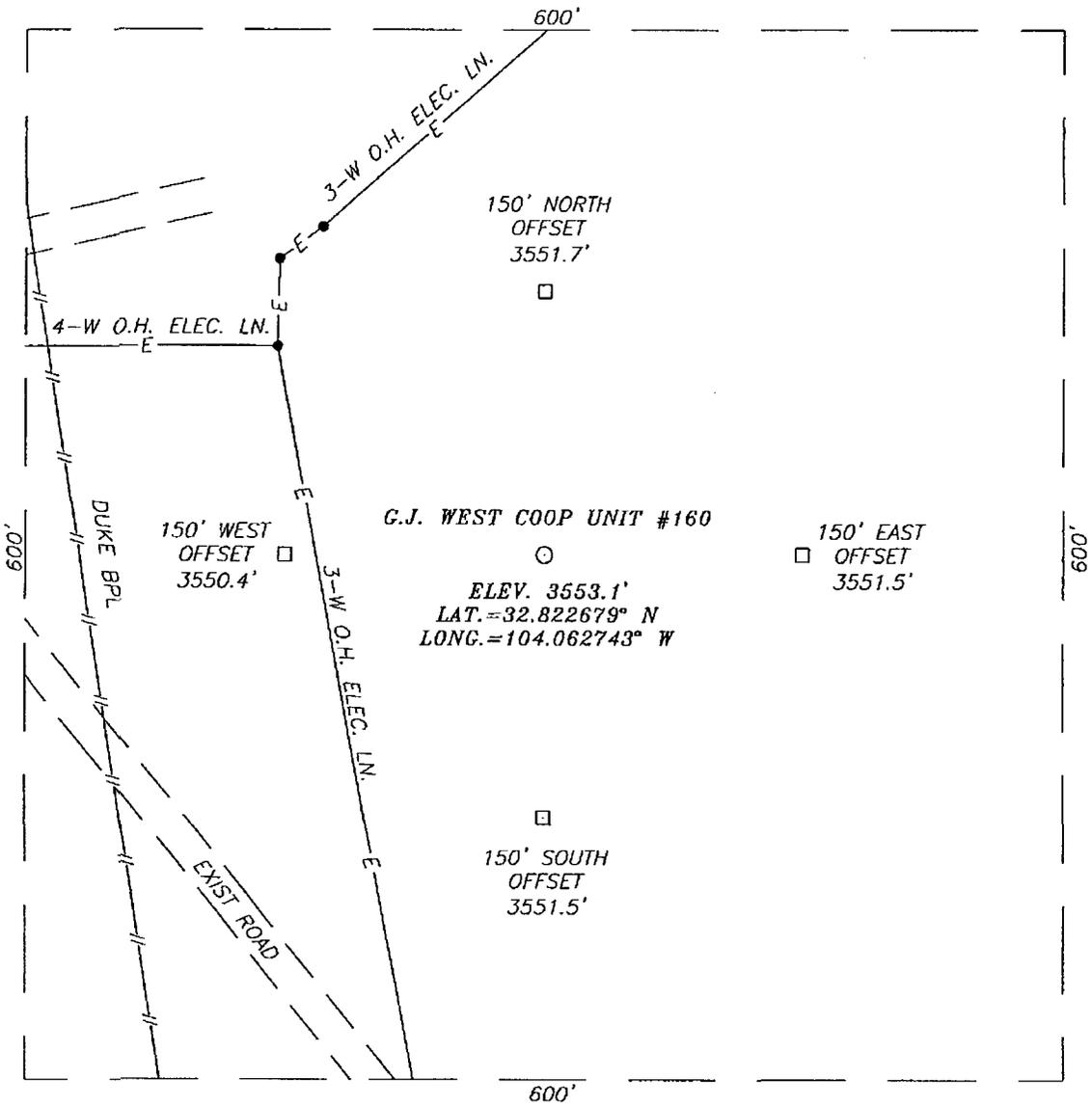
Operator: COG OPERATING LLC , 229137

Well: G J WEST COOP UNIT #160

APL: 30-015-35582

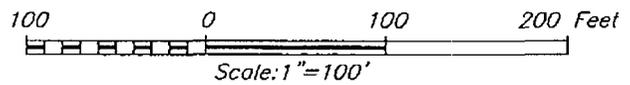
OCD Reviewer	Condition
BArrant	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
BArrant	As noted, operator to drill surface hole with fresh water mud.
BArrant	Will require administrative order for non-standard location

SECTION 22, 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 (LOVINGTON HWY.) AND EDDY CO. RD. #214 (BARNAVAL DRAW RD.), GO NORTH-NORTHWEST ON CO. RD. #214 APPROX. 0.2 MILES. TURN RIGHT AND GO EAST APPROX. 250 FEET. THIS LOCATION IS APPROX. 280 FEET SOUTHEAST.

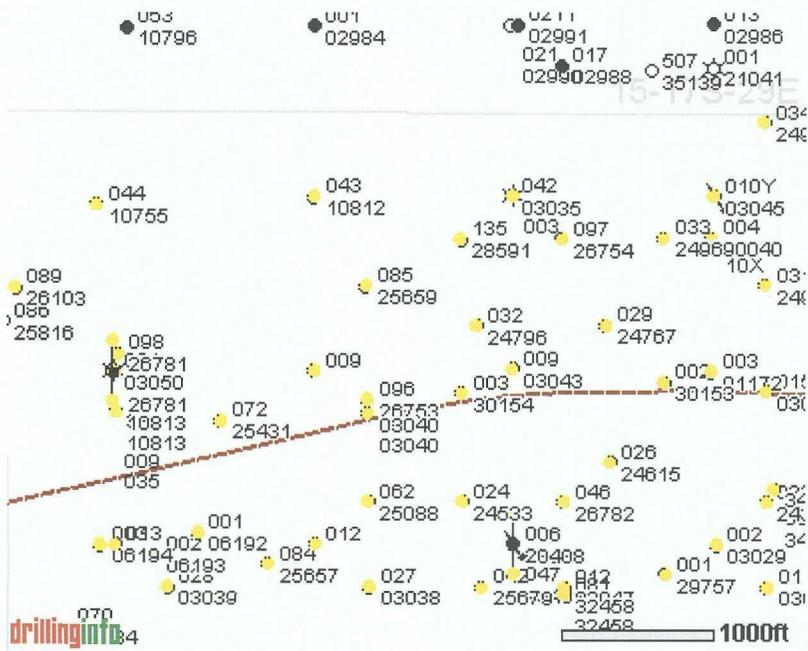


COG OPERATING, LLC

G.J. WEST COOP UNIT #160
 LOCATED 1650 FEET FROM THE NORTH LINE
 AND 2460 FEET FROM THE WEST LINE OF SECTION 22,
 TOWNSHIP 17 SOUTH, RANGE 29 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO.

PROVIDING SURVEYING SERVICES
 SINCE 1946
JOHN WEST SURVEYING COMPANY
 412 N. DAL PASO
 HOBBS, N.M. 88240
 (505) 393-3117

Survey Date: 04/27/07	Sheet 1 of 1 Sheets	
W.O. Number: 07.11.0544	Dr By: J.R.	Rev 1:N/A
Date: 05/07/07	Disk: CD#7	07110544 Scale: 1"=100'

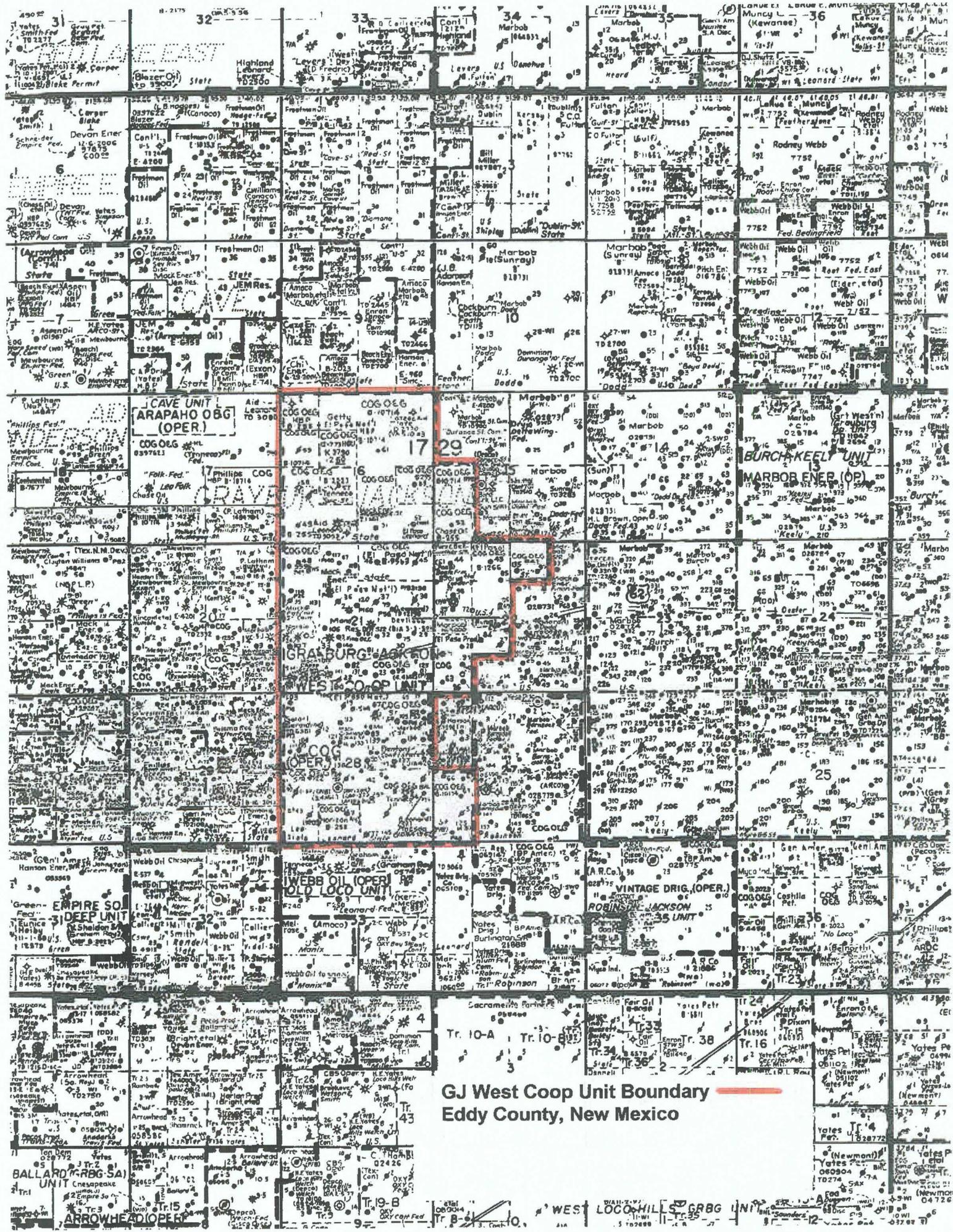


Offset Operators - G J West Coop Unit #160

API#	Company	Current Lease Name	Well Name	Well#	County	Legal	Depth	status	wellType	Si L
30-015-01172	MARBOB ENERGY CORPORATION	M DODD A	M DODD A 003	003	EDDY	S:22, T:17S, R:29E 0		Pumping	PO	
30-015-03029	MARBOB ENERGY CORPORATION		M DODD A 002	002	EDDY	S:22, T:17S, R:29E 0		Pumping	O	
30-015-03032	MARBOB ENERGY CORPORATION		M DODD A 006	006	EDDY	S:22, T:17S, R:29E 0		Pumping	O	
30-015-03035	COG OPERATING LLC		G J WEST COOP UNIT 042	042	EDDY	S:22, T:17S, R:29E 0		Pumping	O	
30-015-03039	COG OPERATING LLC		G J WEST COOP UNIT 028	028	EDDY	S:22, T:17S, R:29E 0		Pumping	O	
30-015-03045	MARBOB ENERGY CORPORATION		M DODD A 010Y	010Y	EDDY	S:22, T:17S, R:29E 0		Temporarily Abandoned	I	
30-015-03046	MARBOB ENERGY CORPORATION	M DODD A	M DODD A 011	011	EDDY	S:22, T:17S, R:29E 0		Pumping	O	
30-015-03047	MARBOB ENERGY CORPORATION		M DODD A 012	012	EDDY	S:22, T:17S, R:29E 0		Active	O	
30-015-03049	MARBOB ENERGY CORPORATION		M DODD A 015	015	EDDY	S:22, T:17S, R:29E 0		Pumping	O	
30-015-03050	CIMAREX ENERGY CO. OF COLORADO	LEONARD STATE COM	LEONARD STATE COM 001	001	EDDY	S:22, T:17S, R:29E 0		Pumping	G	
30-015-30040	MACK ENERGY CORPORATION	PINON FEDERAL	PINON FEDERAL 004	004	EDDY	S:22, T:17S, R:29E		Unknown	PO	
30-015-30153	MARBOB ENERGY CORPORATION	PINON FEDERAL	PINON FEDERAL 002	002	EDDY	S:22, T:17S, R:29E 4565		Pumping	O	06/12/
30-015-30154	MACK ENERGY CORPORATION	PINON FEDERAL	PINON FEDERAL 003	003	EDDY	S:22, T:17S, R:29E		Unknown	PO	
30-015-29757	MARBOB ENERGY CORPORATION	PINON FEDERAL	PINON FEDERAL 001	001	EDDY	S:22, T:17S, R:29E 6438		Pumping	O	08/06/
30-015-28591	COG OPERATING LLC	G J WEST COOP UNIT	G J WEST COOP UNIT 135	135	EDDY	S:22, T:17S, R:29E 4405		Pumping	O	07/23/
30-015-06192	LOCO HILLS GSF, LTD	LEONARD	LEONARD 001	001	EDDY	S:22, T:17S, R:29E		Unknown	PM	
30-015-06193	LOCO HILLS GSF, LTD	LEONARD	LEONARD 002	002	EDDY	S:22, T:17S, R:29E		Plugged	PM	
30-015-06194	LOCO HILLS GSF, LTD	LEONARD	LEONARD 003	003	EDDY	S:22, T:17S, R:29E		Plugged	PM	
30-015-26753	COG OPERATING LLC	G J WEST COOP UNIT	G J WEST COOP UNIT 096	096	EDDY	S:22, T:17S, R:29E 0		Pumping	PO	05/31/
	COG	G J WEST	G J WEST							

30-015-26754	OPERATING LLC	COOP UNIT	COOP UNIT 097	097	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	06/10/'
30-015-26781	COG OPERATING LLC	G J WEST COOP UNIT	G J WEST COOP UNIT 098	098	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	09/30/'
30-015-26782	MARBOB ENERGY CORPORATION	M DODD A	M DODD A 046	046	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	07/28/'
30-015-26103	COG OPERATING LLC	G J WEST COOP UNIT	G J WEST COOP UNIT 089	089	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	04/24/'
30-015-25431	COG OPERATING LLC	G J WEST COOP UNIT	G J WEST COOP UNIT 072	072	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	10/23/'
30-015-25657	COG OPERATING LLC	G J WEST COOP UNIT	G J WEST COOP UNIT 084	084	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	11/29/'
30-015-25659	COG OPERATING LLC	G J WEST COOP UNIT	G J WEST COOP UNIT 085	085	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	08/21/'
30-015-25679	MARBOB ENERGY CORPORATION	M DODD A	M DODD A 042	042	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	08/10/'
30-015-25384	COG OPERATING LLC	G J WEST COOP UNIT	G J WEST COOP UNIT 070	070	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	
30-015-24946	MARBOB ENERGY CORPORATION	M DODD A	M DODD A 034	034	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	
30-015-24956	MARBOB ENERGY CORPORATION	M DODD A	M DODD A 031	031	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	
30-015-25088	COG OPERATING LLC	G J WEST COOP UNIT	G J WEST COOP UNIT 062	062	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	
30-015-10812	COG OPERATING LLC		G J WEST COOP UNIT 043	043	EDDY	S:22, T:17S, R:29E 0	Pumping	O	
30-015-10813	COG OPERATING LLC		G J WEST COOP UNIT 039	039	EDDY	S:22, T:17S, R:29E 0	Pumping	O	
30-015-24969	MARBOB ENERGY CORPORATION	M DODD A	M DODD A 033	033	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	
30-015-24533	MARBOB ENERGY CORPORATION	M DODD A	M DODD A 024	024	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	
30-015-24615	MARBOB ENERGY CORPORATION	M DODD A	M DODD A 026	026	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	
30-015-24767	MARBOB ENERGY CORPORATION	M DODD A	M DODD A 029	029	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	
30-015-24796	MARBOB ENERGY CORPORATION	M DODD A	M DODD A 032	032	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	
30-015-24353	MARBOB ENERGY CORPORATION	M DODD A	M DODD A 022	022	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	
30-015-20408	MARBOB ENERGY CORPORATION	M DODD A	M DODD A 047	047	EDDY	S:22, T:17S, R:29E 0	Salt Water Disposal	D	01/17/'

30-015-10755	COG OPERATING LLC		G J WEST COOP UNIT 044	044	EDDY	S:22, T:17S, R:29E	0	Pumping	O	
30-015-03043	SUNRAY MID- CONTINENT OIL COMPANY		PRE- ONGARD WELL 009	009	EDDY	S:22, T:17S, R:29E		Active	O	
30-015-03038			PRE- ONGARD WELL 027	027	EDDY	S:22, T:17S, R:29E		Active	O	
30-015-03040			PRE- ONGARD WELL 040	040	EDDY	S:22, T:17S, R:29E		Active	O	
30-015-32458	MARBOB ENERGY CORPORATION	M DODD A	DODD FEDERAL UNIT 081	081	EDDY	S:22, T:17S, R:29E	4537	Active	O	11/07/12
30-015-00000	GENERAL AMERICAN OIL COMPANY OF TEXAS		STATE B 009	009	EDDY	S:22, T:17S, R:29E		Active	O	
30-015-00000	LEONARD OIL CO		STATE B 009	009	EDDY	S:22, T:17S, R:29E		Active	O	
30-015-00000	TENNECO OIL CO.		STATE B 012	012	EDDY	S:22, T:17S, R:29E		Active	O	
30-015-00000	TENNECO OIL CO.		STATE B 013	013	EDDY	S:22, T:17S, R:29E		Active	O	
30-015-00000	TENNECO OIL CO.		STATE B 003	003	EDDY	S:22, T:17S, R:29E		Active	G	
30-015-00000	SUNRAY MID- CONTINENT OIL COMPANY		DODD A 10X	10X	EDDY	S:22, T:17S, R:29E		Active	O	
30-015-00000	TENNECO OIL CO		G J WEST COOP UT 035	035	EDDY	S:22, T:17S, R:29E		Unknown	AP	
30-015-34655	MARBOB ENERGY CORPORATION	DODD FEDERAL UNIT	DODD FEDERAL UNIT 501	501	EDDY	S:22, T:17S, R:29E	5000	Active Permit	PO	
30-015-35482			G J WEST COOP UNIT 148	148	EDDY	S:22, T:17S, R:29E		Active	U	
30-015-35484			G J WEST COOP UNIT 151	151	EDDY	S:22, T:17S, R:29E		Active	U	



GJ West Coop Unit Boundary
Eddy County, New Mexico

WEST LOCOS HILLS GRBG UNIT

**COG OPERATING LLC
550 W. TEXAS, SUITE 1300
MIDLAND, TX 79701**

May 18, 2007

Marbob Energy Corp.
Box 227
Artesia NM 88211-0227

Re: Request for Unorthodox Well Location

To Whom It May Concern:

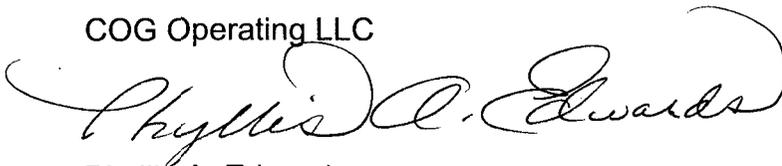
This letter will serve as notice under Rule 104.F (3) that COG Operating LLC has requested administrative approval from the Oil Conservation Division in Santa Fe, NM for an unorthodox GJ; 7RVS-QN-GB-GLORIETA-YESO oil well.

**G J West Coop Unit #160
Eddy County, NM
API #: 30-015 35582
1680' FNL & 2460' FWL Sec 22, T17S, R29E, Unit F**

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 approve the unorthodox location if no objection to the unorthodox location has been made within the 20 days after the application has been received.

Sincerely,

COG Operating LLC



Phyllis A. Edwards
Regulatory Analyst

State of New Mexico
 Energy, Minerals and Natural Resources

Oil Conservation Division
 1220 S. St Francis Dr.
 Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address COG OPERATING LLC 550 W TEXAS MIDLAND, TX 79701		2. OGRID Number 229137
		3. API Number 30-015-35582
4. Property Code 302497	5. Property Name G J WEST COOP UNIT	6. Well No. 160

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
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8. Pool Information

GJ,7RVS-QN-GB-GLORIETA-YESO	97558
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Additional Well Information

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14. Multiple N	15. Proposed Depth 5600	16. Formation Blinebry	17. Contractor	18. Spud Date 5/15/2007
Depth to Ground water 110		Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 miles thick Clay: Pit Volume: 3000 bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input checked="" type="checkbox"/>				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	300	350	0
Int1	12.25	8.625	24	850	1000	0
Prod	7.875	5.5	17	5600	1700	0

Casing/Cement Program: Additional Comments

COG proposes to drill a 17 1/2 hole to 300' set 13 3/8 casing and cement to surface. Drill a 12 1/4 hole to 850' set 8 5/8 casing and cement. Drill a 7 7/8 hole to 5600 test Blinebry formation, run 5 1/2 casing and cement to surface. Note: On production string a fluid caliper will be run and will figure cement with 25% excess attempt to circ.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	2000	2000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCB guidelines <input checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCB-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION	
	Approved By: Bryan Arrant	
	Title: Geologist	
	Approved Date: 5/2/2007	Expiration Date: 5/2/2008
	Conditions of Approval Attached	
Printed Name: Electronically filed by Diane Kuykendall		
Title: Regulatory Analyst		
Email Address: dkuykendall@conchoresources.com		
Date: 5/1/2007	Phone: 432-685-4372	

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(505) 393-6161 Fax:(505) 393-0720

District II
 1301 W. Grand Ave., Artesia, NM 88210
 Phone:(505) 748-1283 Fax:(505) 748-9720

District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-102
 Permit 52721

Oil Conservation Division
 1220 S. St Francis Dr.
 Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-35582	2. Pool Code 97558	3. Pool Name GJ;7RVS-QN-GB-GLORIETA-YESO
4. Property Code 302497	5. Property Name G J WEST COOP UNIT	
6. Well No. 160	7. OGRID No. 229137	
8. Operator Name COG OPERATING LLC	9. Elevation 3553	

10. Surface Location

UL - Lot	Section	Township	Range	Lot Ida	Feet From	N/S Line	Feet From	E/W Line	County
F	22	17S	29E		1680	N	2460	W	EDDY

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Ida	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 40.00		13. Joint or Infill		14. Consolidation Code		15. Order No.			

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

	OPERATOR CERTIFICATION		
	<p><i>I hereby certify that the information contained 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(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p>		
	<p>E-Signed By: Diane Kuykendall Title: Regulatory Analyst Date: 5/1/2007</p>		
	SURVEYOR CERTIFICATION		
<p><i>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.</i></p>			
<p>Surveyed By: Gary Eidson Date of Survey: 4/26/2007 Certificate Number: 12641</p>			

Permit Comments

Operator: COG OPERATING LLC, 229137

Well: G J WEST COOP UNIT #160

API: 30-015-35582

Created By	Comment	Comment Date
JSHERRELL	H2S concentrations of wells in this area from surface to TD are low enough that a contingency plan is not required.	5/1/2007

Permit Conditions of Approval

Operator: COG OPERATING LLC, 229137

Well: G J WEST COOP UNIT #160

API: 30-015-35582

OCD Reviewer	Condition
BArrant	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
BArrant	As noted, operator to drill surface hole with fresh water mud.
BArrant	Will require administrative order for non-standard location

**COG OPERATING LLC
550 W. TEXAS, SUITE 1300
MIDLAND, TX 79701**

May 18, 2007

Marbob Energy Corp.
Box 227
Artesia NM 88211-0227

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 GJ; 7RVS-QN-GB-GLORIETA-YESO oil well.

**G J West Coop Unit #160
Eddy County, NM
API #: 30-015 35582
1680' FNL & 2460' FWL Sec 22, T17S, R29E, Unit F**

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 approve the unorthodox location if no objection to the unorthodox location has been made within the 20 days after the application has been received.

Sincerely,

COG Operating LLC


Phyllis A. Edwards
Regulatory Analyst

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:

Marbob Energy Corp.
Box 227
Artesia NM 88211-0227

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent
[Handwritten Signature] Addressee

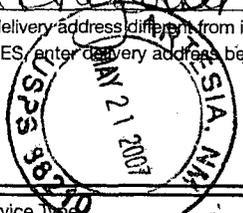
B. Received by / Printed Name C. Date of Delivery
[Handwritten Name]

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) 7003 1680 0006 6280 5022





May 29, 2007

New Mexico Oil Conservation Division
1220 St. Francis Drive
Santa Fe, New Mexico 87504

Re: **Objection to Unorthodox Well Location**
COG Operating LLC
G J West Coop Unit # 160
1680' FNL & 2460' FWL
Unit F Section 22 T17s - R29e
Eddy County, New Mexico

To Whom It May Concern:

Marbob Energy Corporation respectfully objects to the above referenced application due to the close proximity to our lease line. Marbob would prefer that COG directionally drill to a subsurface orthodox position. However, if COG's application is approved we would respectfully request that their allowable be penalized proportion to the encroachment.

Please do not hesitate to contact us should you have any questions or need further information. Your attention to this matter is greatly appreciated.

Sincerely,

Dean Chumbley
Land Department

/dc

cc: Phyllis Edwards/COG Operating LLC

Catanach, David, EMNRD

From: Catanach, David, EMNRD
Sent: Tuesday, June 05, 2007 8:47 AM
To: 'Phyllis Edwards'
Subject: RE: GJ West Coop 160

Phyllis,

Please notify Marbob of your intention to directionally drill to a standard bottomhole location. I'll go ahead and issue an NSL order for the unorthodox surface location.

DRC

From: Phyllis Edwards [mailto:PEdwards@conchoresources.com]
Sent: Tuesday, June 05, 2007 7:54 AM
To: Catanach, David, EMNRD
Subject: RE: GJ West Coop 160

David,

Thanks for following up on this application. COG wishes to directionally drill back to a legal location. I have amended and attached the explanation sheet and plat.

Surface Location:
1680' FNL & 2460' FWL Sec 22, T17S, R29E, Unit F

Bottom Hole Location:
1650' FNL & 2310' FWL Sec 22, T17S, R29E, Unit F

Please let me know if you need anything else.

Thanks,

Phyllis Edwards
COG Operating LLC
Fasken Tower II
550 W. Texas Avenue, Suite 1300
Midland, TX 79701
432-685-4340 P
432-685-4399 F
pedwards@conchoresources.com

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

From: Catanach, David, EMNRD [mailto:david.catanach@state.nm.us]
Sent: Tuesday, June 05, 2007 8:14 AM
To: Phyllis Edwards
Subject: GJ West Coop 160

Phyllis,

6/5/2007

As you are probably aware, we have received an objection to your application from Marbob Energy. They have requested that COG be required to directionally drill the well to a standard well location, or that the well be penalized in proportion to the encroachment towards their acreage. We can either set the application to hearing, issue an order with a penalized allowable, or COG can withdraw the application and directionally drill the well to a standard bottomhole location.

Please let me know how COG wants to proceed with the application.

David

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This inbound email has been scanned by the MessageLabs Email Security System.

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Please let me know how COG wants to proceed with the application.

David

**COG OPERATING LLC
550 W. TEXAS, SUITE 1300
MIDLAND, TX 79701**

June 5, 2007

Marbob Energy Corp.
Attn: Dean Chumbley
Box 227
Artesia NM 88211-0227

Re: Notification of Decision to Directionally Drill to a Standard Location

Dear Mr. Chumbley,

Because of Marbob's objection to this well being drilled vertically, please be advised that COG Operating LLC will drill this well to a standard bottom hole location.

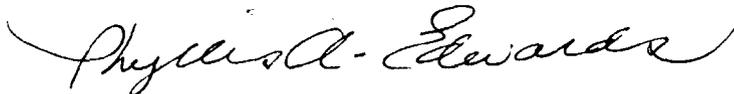
**GJ; 7RVS-QN-GB-GLORIETA-YESO oil well
G J West Coop Unit #160
Eddy County, NM
API #: 30-015 35582**

**Surface location: 1650' FNL & 2460' FWL Sec 22, T17S, R29E, Unit F
Bottom Hole location: 1650' FNL & 2310' FWL Sec 22, T17S, R29E, Unit F**

Please contact me at 432-685-4340 or pedwards@conchoresources.com if you have questions and thank you for your attention to this matter.

Sincerely,

COG Operating LLC



Phyllis A. Edwards
Regulatory Analyst

Attachment: plat

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:

**Marbob Energy Corp.
Box 227
Artesia NM 88211-0227**

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent
[Handwritten Signature] Addressee

B. Received by (Printed Name) C. Date of Delivery
[Handwritten Name]

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 7005 0390 0000 6041 4797
(Transfer from service label)



Catanach, David, EMNRD

From: Phyllis Edwards [PEdwards@conchoresources.com]
Sent: Wednesday, June 20, 2007 8:06 AM
To: Catanach, David, EMNRD
Subject: RE: GJ West Coop 160
Attachments: Document.pdf; Document (2).pdf

David,

I thought you might need a copy of the letter to Marbob before approving the unorthodox surface location.

Thanks for all your help !!!

Phyllis Edwards

COG Operating LLC
Fasken Tower II
550 W. Texas Avenue, Suite 1300
Midland, TX 79701
432-685-4340 P
432-685-4399 F
pedwards@conchoresources.com

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Please let me know if you need anything else.

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Phyllis Edwards

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432-685-4340 P
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6/20/2007

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