

ABOVE THIS LINE FOR DIVISION USE ONLY

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



Cog Operating LLC
Skelly Unit #601

ADMINISTRATIVE APPLICATION CHECKLIST

5928

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.

PHYLLIS A. EDWARDS
 Print or Type Name

Phyllis A. Edwards
 Signature

REGULATORY ANALYST
 Title

8-14-08
 Date

pedwards@conchoresources.com
 e-mail Address

RECEIVED
 2008 AUG 19 PM 2 46

**Skelly Unit #601
(formerly Skelly Unit 1001)
Eddy County, NM**

Fren; Glorieta Yeso oil well
TD of approximately 6700'
Non-standard location
2310' FSL & 310' FWL Sec 21, T17S, R31E, Unit L

This well had to be drilled at a non-standard location due to sand dunes.

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 similar to the

Willow State #8
330 FSL & 1650 FEL, Section 16, T17S, R31E, UL O
drilled in March 2006

The Willow State #8 Yeso completion has overall perforations from 5380.5' – 5845.5', but is divided into 2 perf/stimulation intervals. At this time, we assume the Skelly Unit 601 will be very similar.

1st Interval: 5650' – 5845.5', 67 total holes.
acidized w/ 2265 gals acid,
frac'd w/ 8000# LiteProp, 30,000 gals 30# gel, 54,663 gals 40# gel, & 90,560#
16/30 sand

2nd Interval: 5380.5' – 5544', 56 total holes.
acidized w/ 2550 gals acid,
frac'd w/ 8006# LiteProp, 30,000 gals 30# gel, 53,000 gals 40# gel, & 91,740#
16/30 sand

Attachment 1
Plat and map

Attachment 2
Map and legend of offset wells.

Attachment 3
Updated land plat showing that
COG Operating LLC does not own offset acreage.
The acreage we are encroaching on is the NE/4 SE/4 of Section 20.
Interests are not common. Proof of notice to affected parties is attached.

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

DISTRICT I
1825 N. FRENCH DR., HOBBS, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

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

Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

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 30-015-36447	Pool Code 26770	Pool Name FREN; GLORIETA YESO
Property Code 305607	Property Name SKELLY UNIT	Well Number 6 01
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3749'

Surface Location

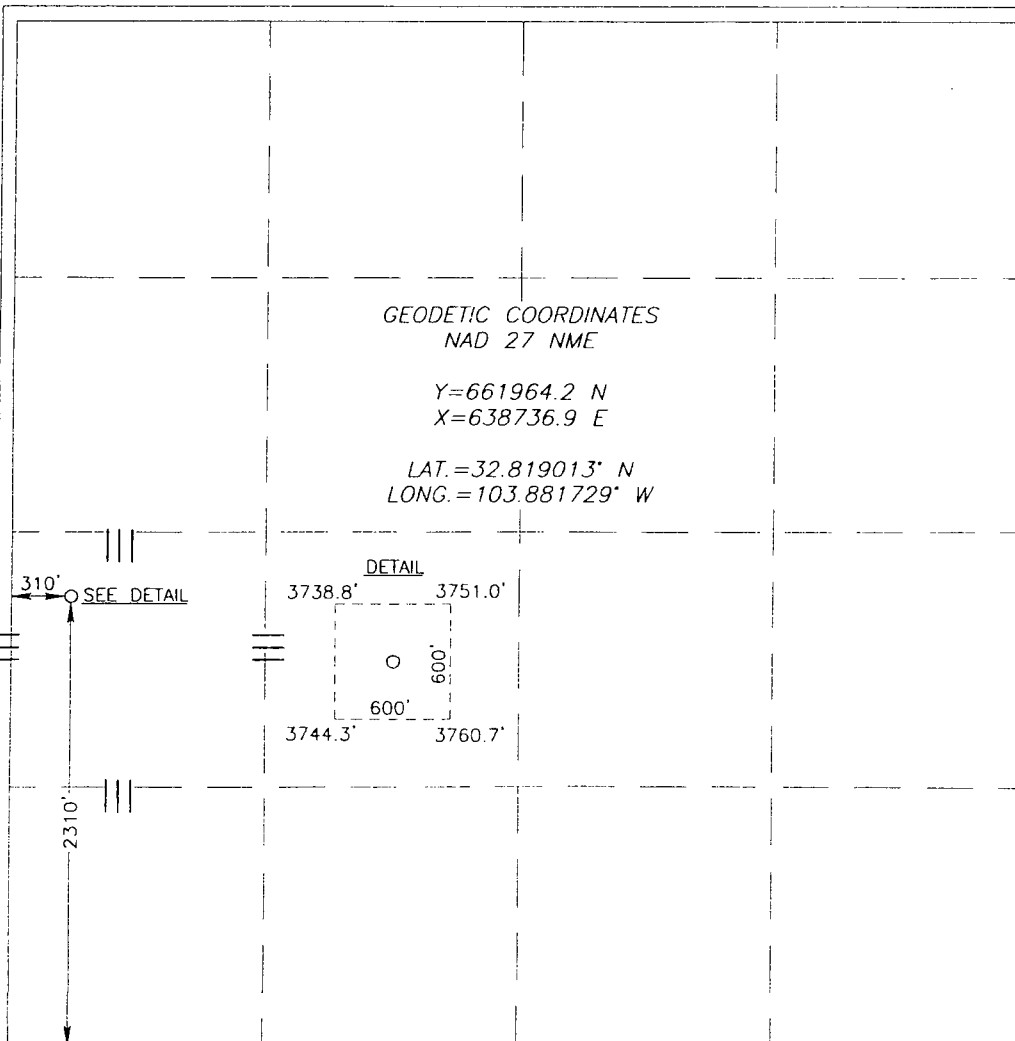
UL or lot No. L	Section 21	Township 17-S	Range 31-E	Lot Idn	Feet from the 2310	North/South line SOUTH	Feet from the 310	East/West line WEST	County EDDY
--------------------	---------------	------------------	---------------	---------	-----------------------	---------------------------	----------------------	------------------------	----------------

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
---------------	---------	----------	-------	---------	---------------	------------------	---------------	----------------	--------

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



OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Phyllis A. Edwards 7-29-08
Signature Date

Phyllis A. Edwards

Printed Name

Regulatory Analyst

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.

RONALD J. EIDSON
NEW MEXICO
Date Surveyed 10/15/08
Signature & Seal of Professional Surveyor
08-11-0750

Certificate No. GARY EIDSON 12641
RONALD J. EIDSON 3239

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
LOCO HILLS, N.M. - 10'

SEC. 21 TWP. 17-S RGE. 31-E

SURVEY N.M.P.M.

COUNTY EDDY STATE NEW MEXICO

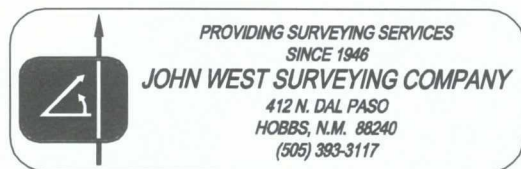
DESCRIPTION 2310' FSL & 310' FWL

ELEVATION 3749'

OPERATOR COG OPERATING, LLC

LEASE SKELLY UNIT

U.S.G.S. TOPOGRAPHIC MAP
LOCO HILLS, N.M.



Offset Wells to Skelly Unit 601

API#	Operator	Lease	Well#	County	Legal	First Prod.	Last Prod.	Field Name	Reservoir Name	Total Well Depth	Well Status
30-015-05315	FOREST OIL CORP	SKELLY UNIT	061	EDDY	S:21, T:17S, R:31E	Jan 1971	Jul 2004	GRAYBURG JACKSON	SR-Q-G-SA	0	Injection Well
30-015-05315	WISER OIL CO (THE)	SKELLY UNIT	061	EDDY	S:21, T:17S, R:31E	Jan 1967	Dec 1977	GRAYBURG JKSN SR-Q-G-SA(DO NOT USE)		0	Injection Well
30-015-05316	FOREST OIL CORP	SKELLY UNIT	062	EDDY	S:21, T:17S, R:31E	Jan 1971	Jun 2004	GRAYBURG JACKSON	SR-Q-G-SA	3,555	Injection Well
30-015-05316	WISER OIL CO (THE)	SKELLY UNIT	062	EDDY	S:21, T:17S, R:31E	Jan 1969	Dec 1977	GRAYBURG JKSN SR-Q-G-SA(DO NOT USE)		3,555	Injection Well
30-015-05317	WISER OIL CO (THE)	SKELLY UNIT	063	EDDY	S:21, T:17S, R:31E	Jan 1972	Dec 1977	GRAYBURG JKSN SR-Q-G-SA(DO NOT USE)		3,571	Injection Well
30-015-05317	FOREST OIL CORP	SKELLY UNIT	063	EDDY	S:21, T:17S, R:31E	Jan 1967	Mar 2008	GRAYBURG JACKSON	SR-Q-G-SA	3,571	Injection Well
30-015-05318	WISER OIL CO (THE)	SKELLY UNIT	060	EDDY	S:21, T:17S, R:31E	Jan 1967	Dec 1977	GRAYBURG JKSN SR-Q-G-SA(DO NOT USE)		0	Injection Well
30-015-05318	FOREST OIL CORP	SKELLY UNIT	060	EDDY	S:21, T:17S, R:31E	Jan 1969	Mar 2008	GRAYBURG JACKSON	SR-Q-G-SA	0	Injection Well
30-015-05319	FOREST OIL CORP	SKELLY UNIT	064	EDDY	S:21, T:17S, R:31E	Jan 2001	Mar 2008	GRAYBURG JACKSON	SR-Q-G-SA	3,586	Injection Well
30-015-05319	WISER OIL CO (THE)	SKELLY UNIT	064	EDDY	S:21, T:17S, R:31E	Jan 1967	Dec 1967	GRAYBURG JKSN SR-Q-G-SA(DO NOT USE)		3,586	Injection Well
30-015-05320	WISER OIL CO (THE)	SKELLY UNIT	059	EDDY	S:21, T:17S, R:31E	Jan 1967	Dec 1977	GRAYBURG JKSN SR-Q-G-SA(DO NOT USE)		3,654	Injection Well
30-015-05320	FOREST OIL CORP	SKELLY UNIT	059	EDDY	S:21, T:17S, R:31E	Jan 1969	Jul 2004	GRAYBURG JACKSON	SR-Q-G-SA	3,654	Injection Well
30-015-05321	WISER OIL CO (THE)	SKELLY UNIT	009	EDDY	S:21, T:17S, R:31E	Jan 1967	Jul 1994	GRAYBURG JACKSON	SR-Q-G-SA	0	Pumping
	WISER	SKELLY			S:21,						

DI Search Results (Printable Table)

30-015-05321	OIL CO (THE)	UNIT	009	EDDY	T:17S, R:31E	Apr 1969	Dec 1977	GRAYBURG JKSN SR-Q-G-SA(DO NOT USE)		0	Pumping
30-015-05322	FOREST OIL CORP	SKELLY UNIT	014	EDDY	S:21, T:17S, R:31E	Jan 1967	Mar 2008	GRAYBURG JACKSON	SR-Q-G-SA	0	Active
30-015-05322	WISER OIL CO (THE)	SKELLY UNIT	014	EDDY	S:21, T:17S, R:31E	Apr 1969	Dec 1974	GRAYBURG JKSN SR-Q-G-SA(DO NOT USE)		0	Active
30-015-05323	WISER OIL CO (THE)	SKELLY UNIT	013	EDDY	S:21, T:17S, R:31E	Jan 1967	Dec 1977	GRAYBURG JKSN SR-Q-G-SA(DO NOT USE)		0	Active
30-015-05323	FOREST OIL CORP	SKELLY UNIT	013	EDDY	S:21, T:17S, R:31E	Apr 1969	Mar 2008	GRAYBURG JACKSON	SR-Q-G-SA	0	Active
30-015-05324	WISER OIL CO (THE)	SKELLY UNIT	012	EDDY	S:21, T:17S, R:31E	Jan 1967	May 1974	GRAYBURG JKSN SR-Q-G-SA(DO NOT USE)		2,235	Active
30-015-05324	FOREST OIL CORP	SKELLY UNIT	012	EDDY	S:21, T:17S, R:31E	Apr 1969	Mar 2008	GRAYBURG JACKSON	SR-Q-G-SA	2,235	Active
30-015-05325	FOREST OIL CORP	SKELLY UNIT	010	EDDY	S:21, T:17S, R:31E	Jan 1967	Mar 2008	GRAYBURG JACKSON	SR-Q-G-SA	2,247	Active
30-015-05325	WISER OIL CO (THE)	SKELLY UNIT	010	EDDY	S:21, T:17S, R:31E	Apr 1969	Apr 1974	GRAYBURG JKSN SR-Q-G-SA(DO NOT USE)		2,247	Active
30-015-05326	FOREST OIL CORP	SKELLY UNIT	006	EDDY	S:21, T:17S, R:31E	Jan 1967	Mar 2008	GRAYBURG JACKSON	SR-Q-G-SA	0	Active
30-015-05327	FOREST OIL CORP	SKELLY UNIT	007	EDDY	S:21, T:17S, R:31E	Jan 1967	Mar 2008	GRAYBURG JACKSON	SR-Q-G-SA	0	Pumping
30-015-05328	FOREST OIL CORP	SKELLY UNIT	008	EDDY	S:21, T:17S, R:31E	Jan 1967	Mar 2008	GRAYBURG JACKSON	SR-Q-G-SA	0	Active
30-015-05329	FOREST OIL CORP	SKELLY UNIT	004	EDDY	S:21, T:17S, R:31E	Jan 1967	Mar 2008	GRAYBURG JACKSON	SR-Q-G-SA	0	Active
30-015-05330	FOREST OIL CORP	SKELLY UNIT	011	EDDY	S:21, T:17S, R:31E	Jan 1967	Aug 2004	GRAYBURG JACKSON	SR-Q-G-SA	0	Shut-in
30-015-05330	WISER OIL CO (THE)	SKELLY UNIT	011	EDDY	S:21, T:17S, R:31E	Jan 1967	Dec 1977	GRAYBURG JKSN SR-Q-G-SA(DO NOT USE)		0	Shut-in
	WISER			S:21,							

DI Search Results (Printable Table)

30-015-05331	OIL CO (THE)	SKELLY UNIT	074	EDDY	T:17S, R:31E	Jan 1967	Dec 1977	GRAYBURG JKSN SR-Q-G-SA(DO NOT USE)		0	Injection Well
30-015-05331	FOREST OIL CORP	SKELLY UNIT	074	EDDY	S:21, T:17S, R:31E	Jan 1969	Dec 2003	GRAYBURG JACKSON	SR-Q-G-SA	0	Injection Well
30-015-05332	FOREST OIL CORP	SKELLY UNIT	015	EDDY	S:21, T:17S, R:31E	Jan 1967	Mar 2008	GRAYBURG JACKSON	SR-Q-G-SA	0	Pumping
30-015-05333	WISER OIL CO (THE)	SKELLY UNIT	075	EDDY	S:21, T:17S, R:31E	Jan 1967	Dec 1967	GRAYBURG JKSN SR-Q-G-SA(DO NOT USE)		0	Injection Well
30-015-05333	FOREST OIL CORP	SKELLY UNIT	075	EDDY	S:21, T:17S, R:31E	Jan 2001	Mar 2008	GRAYBURG JACKSON	SR-Q-G-SA	0	Injection Well
30-015-05334	FOREST OIL CORP	SKELLY UNIT	016	EDDY	S:21, T:17S, R:31E	Jan 1967	Mar 2008	GRAYBURG JACKSON	SR-Q-G-SA	2,250	Active
30-015-05335	FOREST OIL CORP	SKELLY UNIT	005	EDDY	S:21, T:17S, R:31E	Jan 1967	Mar 2008	GRAYBURG JACKSON	SR-Q-G-SA	0	Pumping
30-015-05337	FOREST OIL CORP	SKELLY UNIT	069	EDDY	S:21, T:17S, R:31E	Jan 1967	Mar 2008	GRAYBURG JACKSON	SR-Q-G-SA	3,230	Injection Well
30-015-05338	FOREST OIL CORP	SKELLY UNIT	068	EDDY	S:21, T:17S, R:31E	Jan 1967	Nov 2007	GRAYBURG JACKSON	SR-Q-G-SA	3,510	Injection Well
30-015-05339	FOREST OIL CORP	SKELLY UNIT	067	EDDY	S:21, T:17S, R:31E	Jan 1967	Jun 2004	GRAYBURG JACKSON	SR-Q-G-SA	0	Injection Well
30-015-05340	WISER OIL CO (THE)	SKELLY UNIT	077	EDDY	S:21, T:17S, R:31E	Jan 1967	Dec 1967	GRAYBURG JKSN SR-Q-G-SA(DO NOT USE)		3,650	Injection Well
30-015-05340	FOREST OIL CORP	SKELLY UNIT	077	EDDY	S:21, T:17S, R:31E	Jan 2001	May 2006	GRAYBURG JACKSON	SR-Q-G-SA	3,650	Injection Well
30-015-05341	FOREST OIL CORP	SKELLY UNIT	066	EDDY	S:21, T:17S, R:31E	Jan 1967	Mar 2008	GRAYBURG JACKSON	SR-Q-G-SA	0	Injection Well
30-015-05342	FOREST OIL CORP	SKELLY UNIT	065	EDDY	S:21, T:17S, R:31E	Jan 1967	Feb 2007	GRAYBURG JACKSON	SR-Q-G-SA	99,999	Injection Well
30-015-22263	FOREST OIL CORP	SKELLY UNIT	129	EDDY	S:21, T:17S, R:31E	Jan 1993	Mar 2008	GRAYBURG JACKSON	SR-Q-G-SA	0	Active
	WISER				S:21,						

30-015-25037	OIL CO (THE)	SKELLY UNIT	149	EDDY	T:17S, R:31E	Jan 1993	Feb 2002	GRAYBURG JACKSON	SR-Q-G-SA	3,900	Active
30-015-28783	FOREST OIL CORP	SKELLY UNIT	234	EDDY	S:21, T:17S, R:31E	Jun 1996	Mar 2008	GRAYBURG JACKSON	SR-Q-G-SA	3,950	Pumping
30-015-28784	FOREST OIL CORP	SKELLY UNIT	235	EDDY	S:21, T:17S, R:31E	Apr 1996	Mar 2008	GRAYBURG JACKSON	SR-Q-G-SA	3,950	Pumping
30-015-28788	FOREST OIL CORP	SKELLY UNIT	247	EDDY	S:21, T:17S, R:31E	Jun 1996	Mar 2008	GRAYBURG JACKSON	SR-Q-G-SA	3,950	Active
30-015-28789	FOREST OIL CORP	SKELLY UNIT	262	EDDY	S:21, T:17S, R:31E	Jul 1996	Mar 2008	GRAYBURG JACKSON	SR-Q-G-SA	3,950	Pumping
30-015-28810	FOREST OIL CORP	SKELLY UNIT	248	EDDY	S:21, T:17S, R:31E	May 1996	Mar 2008	GRAYBURG JACKSON	SR-Q-G-SA	3,950	Pumping
30-015-28811	FOREST OIL CORP	SKELLY UNIT	260	EDDY	S:21, T:17S, R:31E	Jun 1996	Mar 2008	GRAYBURG JACKSON	SR-Q-G-SA	3,950	Pumping
30-015-28892	FOREST OIL CORP	SKELLY UNIT	220	EDDY	S:21, T:17S, R:31E	Mar 1997	Mar 2008	GRAYBURG JACKSON	SR-Q-G-SA	3,800	Pumping
30-015-28893	FOREST OIL CORP	SKELLY UNIT	221	EDDY	S:21, T:17S, R:31E	Dec 1996	Mar 2008	GRAYBURG JACKSON	SR-Q-G-SA	3,850	Pumping
30-015-28894	FOREST OIL CORP	SKELLY UNIT	222	EDDY	S:21, T:17S, R:31E	Dec 1996	Mar 2008	GRAYBURG JACKSON	SR-Q-G-SA	3,900	Active
30-015-28964	FOREST OIL CORP	SKELLY UNIT	223	EDDY	S:21, T:17S, R:31E	Aug 1996	Mar 2008	GRAYBURG JACKSON	SR-Q-G-SA	3,982	Pumping
30-015-29063	FOREST OIL CORP	SKELLY UNIT	246	EDDY	S:21, T:17S, R:31E	Nov 1996	Mar 2008	GRAYBURG JACKSON	SR-Q-G-SA	3,950	Pumping
30-015-29181	FOREST OIL CORP	SKELLY UNIT	233	EDDY	S:21, T:17S, R:31E	Jan 1997	Mar 2008	GRAYBURG JACKSON	SR-Q-G-SA	3,900	Pumping
30-015-29326	CHEVRON USA, INC.	SKELLY UNIT	901	EDDY	S:21, T:17S, R:31E	Dec 1997	Feb 2008	FREN	PADDOCK	9,200	Pumping
30-015-29856	FOREST OIL CORP	SKELLY UNIT	400	EDDY	S:21, T:17S, R:31E	Jan 1998	Mar 2008	GRAYBURG JACKSON	SR-Q-G-SA	3,922	Pumping
					S:21,						

30-015-31375	CHEVRON USA, INC.	SKELLY UNIT	908	EDDY	T:17S, R:31E	Jan 2001	Feb 2008	FREN	PADDOCK	5,805	Pumping
30-015-31385	CHEVRON USA, INC.	SKELLY UNIT	907	EDDY	S:21, T:17S, R:31E	Feb 2001	Feb 2008	FREN	PADDOCK	5,400	Pumping
30-015-31664	CHEVRON USA, INC.	SKELLY UNIT	912	EDDY	S:21, T:17S, R:31E	Aug 2001	Feb 2008	FREN	PADDOCK	5,438	Pumping
30-015-31665	CHEVRON USA, INC.	SKELLY UNIT	914	EDDY	S:21, T:17S, R:31E	Jul 2001	Feb 2008	FREN	PADDOCK	5,400	Pumping
30-015-31666	CHEVRON USA, INC.	SKELLY UNIT	930	EDDY	S:21, T:17S, R:31E	May 2001	Feb 2008	FREN	PADDOCK	5,295	Pumping
30-015-31667	CHEVRON USA, INC.	SKELLY UNIT	931	EDDY	S:21, T:17S, R:31E	Jul 2001	Feb 2008	FREN	PADDOCK	5,370	Pumping
30-015-31975	CHEVRON USA, INC.	SKELLY UNIT	933	EDDY	S:21, T:17S, R:31E	Apr 2002	Feb 2008	FREN	PADDOCK	5,415	Active
30-015-31976	CHEVRON USA, INC.	SKELLY UNIT	934	EDDY	S:21, T:17S, R:31E	May 2002	Feb 2008	FREN	PADDOCK	5,255	Active
30-015-31977	CHEVRON USA, INC.	SKELLY UNIT	935	EDDY	S:21, T:17S, R:31E	Apr 2002	Feb 2008	FREN	PADDOCK	5,446	Active
30-015-32436	CHEVRON USA, INC.	SKELLY UNIT	951	EDDY	S:21, T:17S, R:31E	Nov 2002	Feb 2008	CEDAR LAKE	MORROW, NORTH (GAS)	12,000	Active
30-015-32595	CHEVRON USA, INC.	SKELLY UNIT	936	EDDY	S:21, T:17S, R:31E	Apr 2003	Feb 2008	FREN	PADDOCK	5,265	Active
30-015-32596	CHEVRON USA, INC.	SKELLY UNIT	937	EDDY	S:21, T:17S, R:31E	Apr 2003	Feb 2008	FREN	PADDOCK	5,305	Active
30-015-32597	CHEVRON USA, INC.	SKELLY UNIT	938	EDDY	S:21, T:17S, R:31E	Jul 2003	Feb 2008	FREN	PADDOCK	5,410	Active
30-015-32598	CHEVRON USA, INC.	SKELLY UNIT	939	EDDY	S:21, T:17S, R:31E	Jul 2003	Feb 2008	FREN	PADDOCK	5,360	Active
30-015-00000		DOW B	039	EDDY	S:21, T:17S, R:31E	May 1960	Jan 1965	FREN	PADDOCK		Active
					S:21,						

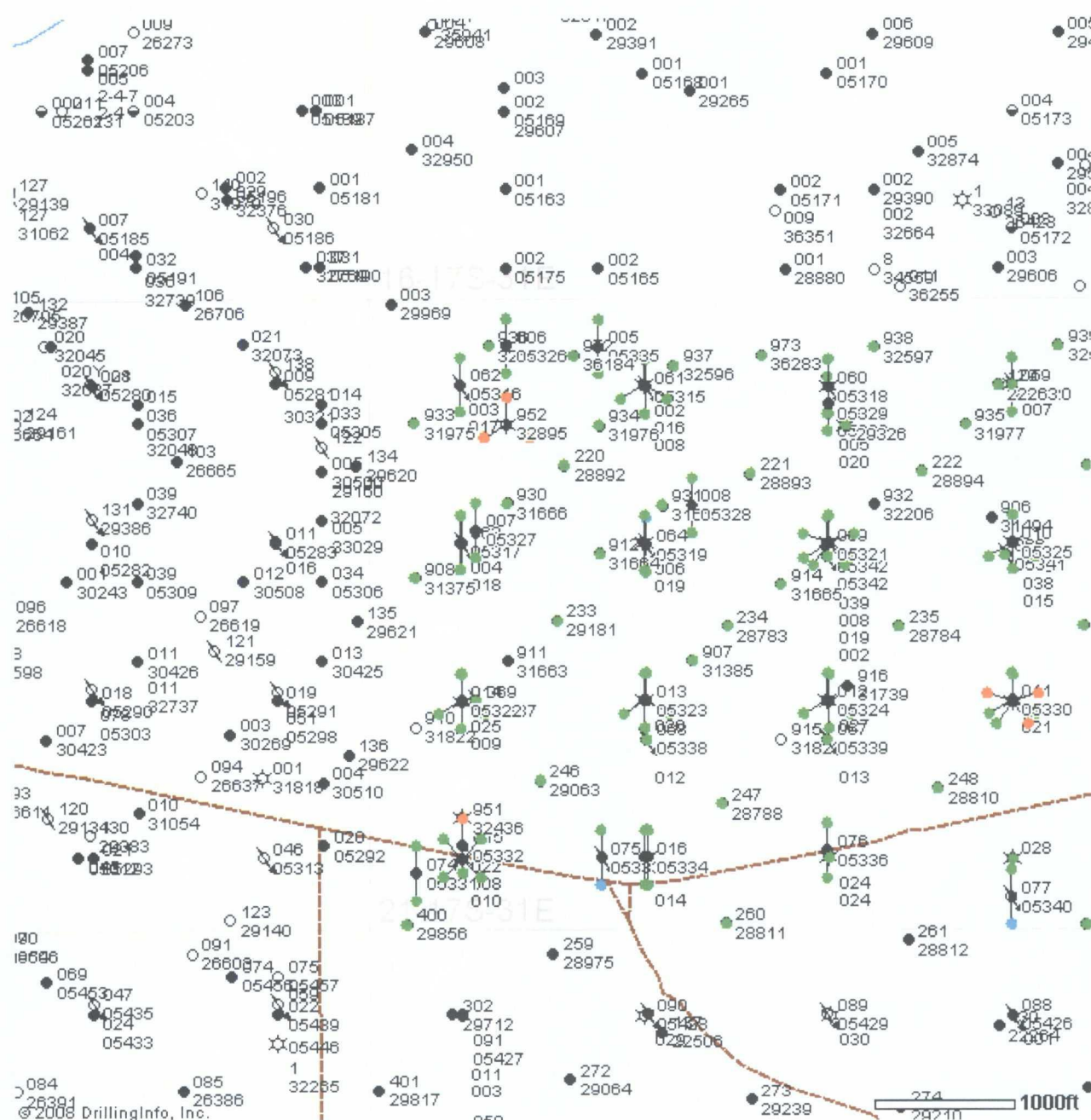
30-015-00000	DOW B	021	EDDY	T:17S, R:31E	Jan 1963	Dec 1965	FREN	PENN (GAS)	Active
30-015-05336	SKELLY UNIT	076	EDDY	S:21, T:17S, R:31E	Jan 1967	Jul 1979	GRAYBURG JACKSON	SR-Q-G-SA	3,405 Active
30-015-05336	SKELLY UNIT	076	EDDY	S:21, T:17S, R:31E	Jan 1969	Mar 1986	FREN	SEVEN RIVERS	3,405 Active
30-015-32895	CHEVRON USA, INC.	952	EDDY	S:21, T:17S, R:31E	Oct 2003	Dec 2003	CEDAR LAKE	MORROW, NORTH (GAS)	11,850 Active
30-015-32895	CHEVRON USA, INC.	952	EDDY	S:21, T:17S, R:31E			HENSHAW	WOLFCAMP, SE (O)	11,850 Active
30-015-00000	SKELLY OIL CO	002	EDDY	S:21, T:17S, R:31E	Jan 1947	Dec 1966	GRAYBURG JACKSON QUEEN GBR S A CTD		Active
30-015-00000	SKELLY OIL CO	003	EDDY	S:21, T:17S, R:31E	Jan 1954	Dec 1966	GRAYBURG JACKSON QUEEN GBR S A CTD		Active
30-015-00000	SKELLY OIL CO	004	EDDY	S:21, T:17S, R:31E	Jan 1947	Dec 1966	GRAYBURG JACKSON QUEEN GBR S A CTD		Active
30-015-00000	SKELLY OIL CO	005	EDDY	S:21, T:17S, R:31E	Jan 1947	Dec 1966	GRAYBURG JACKSON QUEEN S A CTD		Active
30-015-00000	SKELLY OIL CO	006	EDDY	S:21, T:17S, R:31E	Jan 1947	Dec 1966	GRAYBURG JACKSON QUEEN GBR S A CTD		Active
30-015-00000	SKELLY OIL CO	007	EDDY	S:21, T:17S, R:31E	Jan 1947	Dec 1966	GRAYBURG JACKSON QUEEN GBR S A CTD		Active
30-015-00000	SKELLY OIL CO	022	EDDY	S:21, T:17S, R:31E	Apr 1957	Dec 1966	GRAYBURG JACKSON QUEEN GBR S A CTD		Active
30-015-00000	SKELLY OIL CO	023	EDDY	S:21, T:17S, R:31E	Jul 1957	Dec 1966	GRAYBURG JACKSON QUEEN GBR S A CTD		Active
30-015-00000	SKELLY OIL CO	024	EDDY	S:21, T:17S, R:31E	Sep 1957	Dec 1966	GRAYBURG JACKSON QUEEN GBR S A CTD		Active
30-015-00000	SKELLY OIL CO	025	EDDY	S:21, T:17S, R:31E	Oct 1957	Dec 1966	GRAYBURG JACKSON QUEEN GBR S A CTD		Active
				S:21,					

30-015-00000	SKELLY OIL CO	DOW B FED	026	EDDY	T:17S, R:31E	Dec 1957	Dec 1966	GRAYBURG JACKSON QUEEN GBR S A CTD	Active
30-015-00000	SKELLY OIL CO	DOW B FED	027	EDDY	S:21, T:17S, R:31E	Jan 1958	Dec 1966	GRAYBURG JACKSON QUEEN GBR S A CTD	Active
30-015-00000	SKELLY OIL CO	DOW B FED	038	EDDY	S:21, T:17S, R:31E	Feb 1962	Dec 1966	GRAYBURG JACKSON QUEEN GBR S A CTD	Active
30-015-00000	SKELLY OIL CO	DOW B AND LYNCH B FED	028	EDDY	S:21, T:17S, R:31E	Jan 1958	Dec 1966	GRAYBURG JACKSON QUEEN GBR S A CTD	Active
30-015-00000	SKELLY OIL CO	LYNCH A FED SEC 22	008	EDDY	S:21, T:17S, R:31E	Jan 1962	Dec 1962	GRAYBURG JACKSON QUEEN GBR S A CTD	Active
30-015-00000	SKELLY OIL COMPANY	DOW B	021	EDDY	S:21, T:17S, R:31E	Oct 1954	Dec 1956	EDDY COUNTY WILDCATS	Active
30-015-00000	SKELLY OIL CO.	DOW B	008	EDDY	S:21, T:17S, R:31E	Jan 1947	Dec 1966	FREN	MORROW
30-015-00000	SKELLY OIL CO.	DOW B	009	EDDY	S:21, T:17S, R:31E	Jan 1947	Dec 1966	FREN	MORROW
30-015-00000	SKELLY OIL CO.	DOW	010	EDDY	S:21, T:17S, R:31E	Jan 1949	Dec 1962	FREN	MORROW
30-015-00000	SKELLY OIL CO.	DOW B	012	EDDY	S:21, T:17S, R:31E	Jan 1947	Dec 1966	FREN	MORROW
30-015-00000	SKELLY OIL CO.	DOW B	013	EDDY	S:21, T:17S, R:31E	Jan 1947	Dec 1966	FREN	MORROW
30-015-00000	SKELLY OIL CO.	DOW B	014	EDDY	S:21, T:17S, R:31E	Jun 1947	Dec 1966	FREN	MORROW
30-015-00000	SKELLY OIL CO.	DOW B	015	EDDY	S:21, T:17S, R:31E	Oct 1947	Dec 1966	FREN	MORROW
30-015-00000	SKELLY OIL CO.	DOW B	016	EDDY	S:21, T:17S, R:31E	Oct 1949	Dec 1966	FREN	MORROW
30-015-00000	SKELLY OIL CO.	DOW B	017	EDDY	S:21, T:17S, R:31E	Dec 1949	Dec 1966	FREN	MORROW

DI Search Results (Printable Table)

30-015-00000	SKELLY OIL CO.	DOW B	018	EDDY	S:21, T:17S, R:31E	Sep 1950	Dec 1966	FREN	MORROW	Active
30-015-00000	SKELLY OIL CO.	DOW B	019	EDDY	S:21, T:17S, R:31E	Oct 1950	Dec 1953	FREN	MORROW	Active
30-015-00000	SKELLY OIL CO.	DOW B	020	EDDY	S:21, T:17S, R:31E	Nov 1950	Dec 1966	FREN	MORROW	Active
30-015-00000	SKELLY OIL CO	DOW B FED	019	EDDY	S:21, T:17S, R:31E	Jan 1954	Dec 1966	FREN	MORROW	Active
30-015-00000	SKELLY OIL CO	DOW B FED	021	EDDY	S:21, T:17S, R:31E	Jan 1963	Dec 1965	GRAYBURG JACKSON	SR-Q-G-SA	Active
30-015-00000	SKELLY OIL CO.	DOW B	008	EDDY	S:21, T:17S, R:31E	Jan 1949	Dec 1953	FREN POOL		Active
30-015-00000	dOW B	DOW B	002	EDDY	S:21, T:17S, R:31E	Jan 1949	Dec 1951	GRAYBURG JACKSON	SR-Q-G-SA	Active
30-015-00000	SKELLY OIL COMPANY	DOW B	010	EDDY	S:21, T:17S, R:31E	Jan 1947	Dec 1966	FREN POOL		Active
30-015-00000	SKELLY OIL CO	DOW B FEDERAL	021	EDDY	S:21, T:17S, R:31E	Jan 1957	Mar 1958	FREN PENN		Active
30-015-00000	SKELLY OIL COMPANY	DOW B	021	EDDY	S:21, T:17S, R:31E			FREN-PENNSYLVANIAN		Active
30-015-05329	SKELLY OIL COMPANY	SKELLY UNIT	004	EDDY	S:21, T:17S, R:31E	Jan 1971	Dec 1971	FREN 7 RVRs		0 Active
30-015-05335	SKELLY OIL COMPANY	SKELLY UNIT	005	EDDY	S:21, T:17S, R:31E	Jan 1971	Dec 1971	FREN 7 RVRs		0 Pumping
30-015-05326	SKELLY OIL COMPANY	SKELLY UNIT	006	EDDY	S:21, T:17S, R:31E	Jan 1971	Dec 1971	FREN 7 RVRs		0 Active
30-015-05327	SKELLY OIL COMPANY	SKELLY UNIT	007	EDDY	S:21, T:17S, R:31E	Jan 1971	Dec 1971	FREN 7 RVRs		0 Pumping
30-015-05328	SKELLY OIL COMPANY	SKELLY UNIT	008	EDDY	S:21, T:17S, R:31E	Jan 1971	Dec 1971	FREN 7 RVRs		0 Active

30-015-05321	SKELLY OIL COMPANY	SKELLY UNIT	009 EDDY	S:21, T:17S, R:31E	Jan 1971	Dec 1971	FREN 7 RVRs		0 Pumping
30-015-05325	SKELLY OIL COMPANY	SKELLY UNIT	010 EDDY	S:21, T:17S, R:31E	Jan 1971	Dec 1971	FREN 7 RVRs		2,247 Active
30-015-05330	SKELLY OIL COMPANY	SKELLY UNIT	011 EDDY	S:21, T:17S, R:31E	Jan 1971	Dec 1971	FREN 7 RVRs		0 Shut-in
30-015-05324	SKELLY OIL COMPANY	SKELLY UNIT	012 EDDY	S:21, T:17S, R:31E	Jan 1971	Dec 1971	FREN 7 RVRs		2,235 Active
30-015-05323	SKELLY OIL COMPANY	SKELLY UNIT	013 EDDY	S:21, T:17S, R:31E	Jan 1971	Dec 1971	FREN 7 RVRs		0 Active
30-015-05322	SKELLY OIL COMPANY	SKELLY UNIT	014 EDDY	S:21, T:17S, R:31E	Jan 1971	Dec 1971	FREN 7 RVRs		0 Active
30-015-05332	SKELLY OIL COMPANY	SKELLY UNIT	015 EDDY	S:21, T:17S, R:31E	Jan 1971	Dec 1971	FREN 7 RVRs		0 Pumping
30-015-05334	SKELLY OIL COMPANY	SKELLY UNIT	016 EDDY	S:21, T:17S, R:31E	Jan 1971	Dec 1971	FREN 7 RVRs		2,250 Active
30-015-32895	CHEVRON USA, INC.	SKELLY UNIT	952 EDDY	S:21, T:17S, R:31E	Nov 2005	Feb 2008	SWD	WOLFCAMP	11,850 Active
30-015-00000	SKELLY OIL CO	DOW/B FEDERAL	039 EDDY	S:21, T:17S, R:31E	Feb 1965	Dec 1965			Active
30-015-36184	CHEVRON USA, INC.	SKELLY UNIT	972 EDDY	S:21, T:17S, R:31E			FREN	PADDOCK	6,400 Active Permit
30-015-36283	CHEVRON USA, INC.	SKELLY UNIT	973 EDDY	S:21, T:17S, R:31E			FREN	PADDOCK	6,400 Active Permit



Date: August 5, 2008

To: Phyllis Edwards

From: Debra Gerend

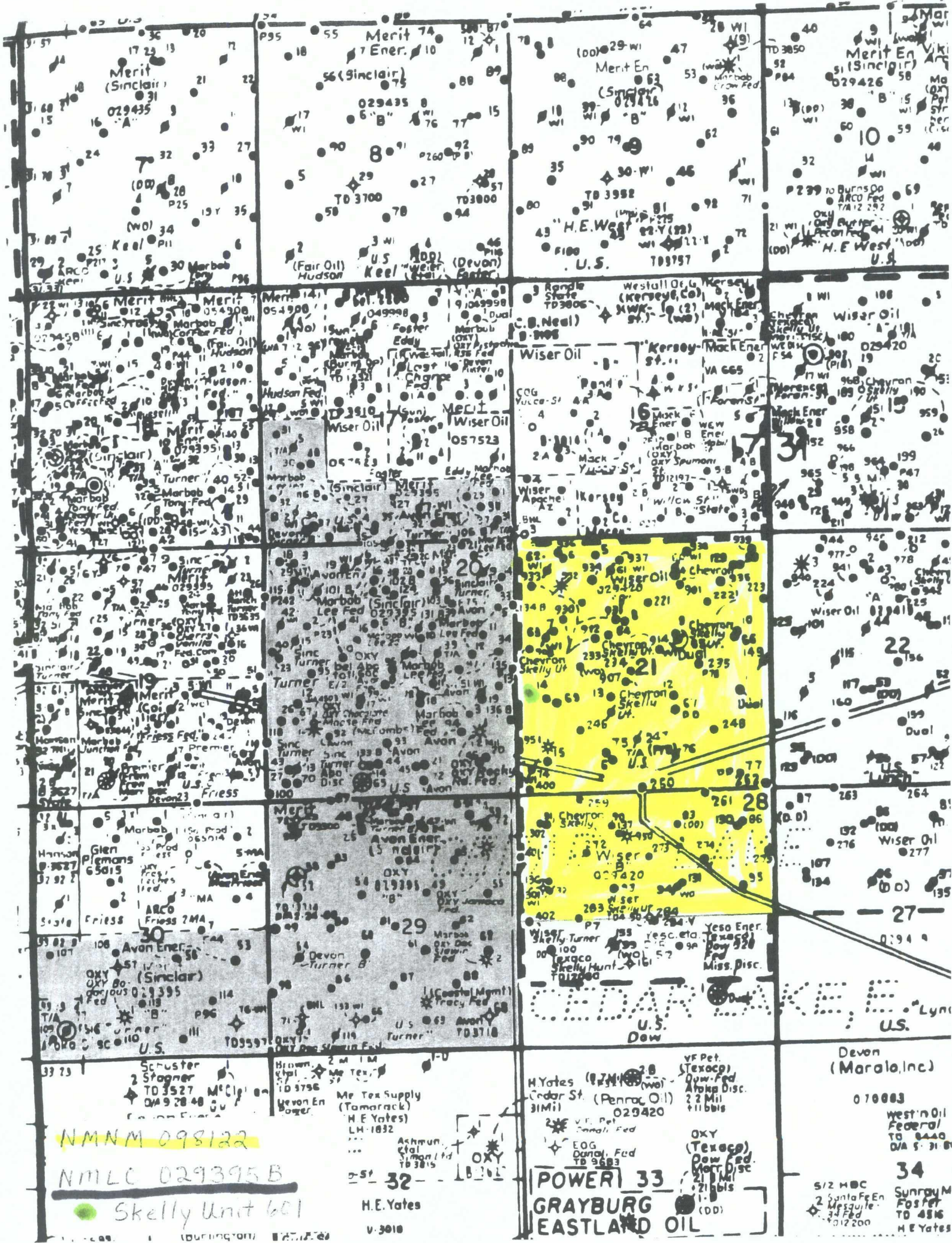
RE: Non-Standard Location – Skelly Unit #601
Section 21, T-17-S, R-31-E
Lea County, New Mexico

Please be advised that ownership and operator are not common between the spacing unit containing the unorthodox well, Skelly Unit #601 (Unit L, Section 21, T-17-S, R-31-E), and the adjoining spacing unit (Unit I in Section 20, T-17-S, R-31-E). These units are covered by separate federal leases.

Unit L (Skelly #601) is included in BLM lease NMNM-098122 which covers Section 21 as well as additional lands; and, Unit I (the offset unit) is included in BLM lease NMLC-029395-B which covers Section 20 as well as additional lands (see attached plat).

Unit L (Skelly # 601), below the base of the San Andres formation, is owned and operated by COG. The offset unit, as to the Grayburg/San Andres formation, is owned and operated by Merit Energy Company, whose address is 13727 Noel Road, Suite 500, Dallas, Texas 75240. The offset unit, as to the Yeso formation, is owned and operated by Marbob Energy Corp., whose address is P. O. Box 227, Artesia, NM 88211. The offset unit, as to the Morrow formation, is owned by OXY USA WTP Limited Partnership, whose address is P. O. Box 50250, Midland, TX 79710.

Should you have any questions or need additional information, please advise.



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

August 6, 2008

Marbob Energy Corp.
P O Box 227
Artesia, NM 88211

Re: Request for Unorthodox Well Location

To Whom It May Concern:

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

**SKELLY UNIT #601
Eddy County, NM**

2310' FSL & 310' FWL Sec 21, T17S, R31E, Unit L

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



Phyllis A. Edwards
Regulatory Analyst

432-685-4340

pedwards@conchoresources.com

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.
P O Box 227
Artesia, NM 88211

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *Nancy Egan*

☐ Agent

☐ Addressee

B. Received by (Print Name)

Nancy Egan

C. Date of Delivery

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)

7005 0390 0000 6041 4872

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

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

August 7, 2008

Merit Energy Company
13727 Noel Road, Suite 500
Dallas, TX 75240

Re: Request for Unorthodox Well Location

To Whom It May Concern:

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

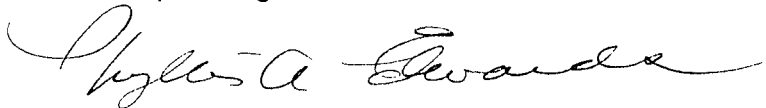
**SKELLY UNIT #601
Eddy County, NM**

2310' FSL & 310' FWL Sec 21, T17S, R31E, Unit L

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



Phyllis A. Edwards
Regulatory Analyst

432-685-4340
pedwards@conchoresources.com

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:

Merit Energy Company
13727 Noel Rd., Suite 500
Dallas, TX 75240

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

Carroll Warner☒ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ YesIf 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)

7005 0390 0000 6041 4926

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

August 7, 2008

OXY USA WTP Limited Partnership
P O Box 50250
Midland, TX 79710

Re: Request for Unorthodox Well Location

To Whom It May Concern:

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

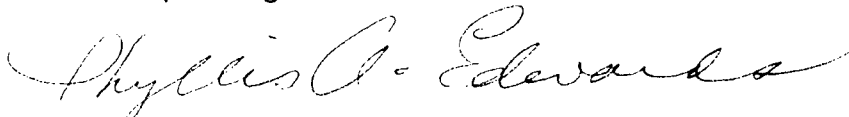
**SKELLY UNIT #601
Eddy County, NM**

2310' FSL & 310' FWL Sec 21, T17S, R31E, Unit L

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



Phyllis A. Edwards
Regulatory Analyst

432-685-4340
pedwards@conchoresources.com

SENDER: COMPLETE THIS SECTION

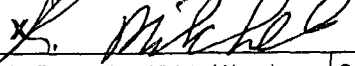
- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

OXY USA WTP Limited Partnership
P O Box 50250
Midland, TX 79710

COMPLETE THIS SECTION ON DELIVERY

A. Signature

☐ Agent☐ Addressee

B. Received by (Printed Name)



C. Date of Delivery

D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

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)

7005 0390 0000 6041 4933

Brooks, David K., EMNRD

From: Phyllis Edwards [PEdwards@conchoresources.com]
Sent: Wednesday, September 10, 2008 12:22 PM
To: Brooks, David K., EMNRD
Subject: RE: COG - Skelly Unit #601 NSL application
Attachments: 601.pdf

Dear Mr. Brooks,

The attached memo is in answer to your request below. The ownership is identical, and Marbob has already been notified.

Please advise if you need anything further from COG.

As always, thanks for your help !!!

Phyllis Edwards

Regulatory Analyst



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

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]
Sent: Monday, September 08, 2008 3:18 PM
To: Phyllis Edwards
Subject: COG - Skelly Unit #601 NSL application

Dear Ms. Edwards

I have reviewed the referenced application.

Please note that the proposed location encroaches not only toward Unit I of Section 20, but also, on the diagonal, towards Unit H (SE/NE) of Unit 20.

Is ownership in the Yeso the same in Unit H of Section 20 as in Unit I. If so, we can proceed to process this application. Otherwise you will need to give notice to the owner of the Yeso rights in Unit H of Section 20. It is not necessary to notify owners of rights in other formations.

Sincerely

9/15/2008

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Monday, September 08, 2008 1:18 PM
To: 'Phyllis Edwards'
Subject: COG - Skelly Unit #601 NSL application

Dear Ms. Edwards

I have reviewed the referenced application.

Please note that the proposed location encroaches not only toward Unit I of Section 20, but also, on the diagonal, towards Unit H (SE/NE) of Unit 20.

Is ownership in the Yeso the same in Unit H of Section 20 as in Unit I. If so, we can proceed to process this application. Otherwise you will need to give notice to the owner of the Yeso rights in Unit H of Section 20. It is not necessary to notify owners of rights in other formations.

Sincerely

David K. Brooks
Legal Examiner
505-476-3450

9/8/2008