

DATE IN <u>1-14-10</u>	SUSPENSE	ENGINEER <u>Brooks</u>	LOGGED IN <u>1-14-10</u>	TYPE <u>NSL</u>	APP NO. <u>1001432051</u>
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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



COG
 RECD
 OCD
 Hooded St #16

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 INTEREST ARE THE SAME

[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.

ROBYN M. ODOM
 Print or Type Name

Signature

REGULATORY ANALYST
 Title

1/12/10
 Date

(432) 685-4385
 Phone Number

rododm@conchoresources.com
 E-mail Address

**Kool Aid State #16
Eddy County, NM**

COG proposes to drill a **VERTICAL** NE/4, 40 acre spacing
Empire;Glorieta-Yeso, East oil well
TD of approximately 5400'

Location:

1650' FNL & 2335' FEL Sec 24, T17S, R28E, Unit G

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

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 Kool Aid State #3 (2160' FNL & 2310' FEL, Section 24, T17S, R28E, UL G) which was completed in March 2009.

The Kool Aid State #3 completion has Yeso perms from 4280' – 5070', divided into 3 perf/stimulation intervals.

1st interval: 4280' – 4480',
acidized w/ 2500 gals,
frac w/ 111,450 gal Slvr Stm gel, 140,141# White, & 33,172# CRC.

2nd interval: 4590' – 4790',
acidized w/ 2500 gals,
frac w/ 112,168 gal Slvr Stm gel, 132,583# White, & 34,283# CRC.

3rd interval: 4870' – 5070',
acidized w/ 2500 gals,
frac w/ 115,495 gal Slvr Stm gel, 143,285# White, & 36,640# CRC.

At this time, we assume the Kool Aid State #16 should be very similar.

Attachment 1

Plat & map

Attachment 2

Map & legend of offset wells.

Attachment 3

Updated land plat showing that COG owns the offset acreage.
The acreage we are encroaching is the SE/4 NW/4 of Section 24.

Interests are the same.

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

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240

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

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

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

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

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-37527	Pool Code 96210	Pool Name EMPIRE; GLORIETA-YESO, EAST
Property Code 37287	Property Name KOOL AID STATE	Well Number 16
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3709'

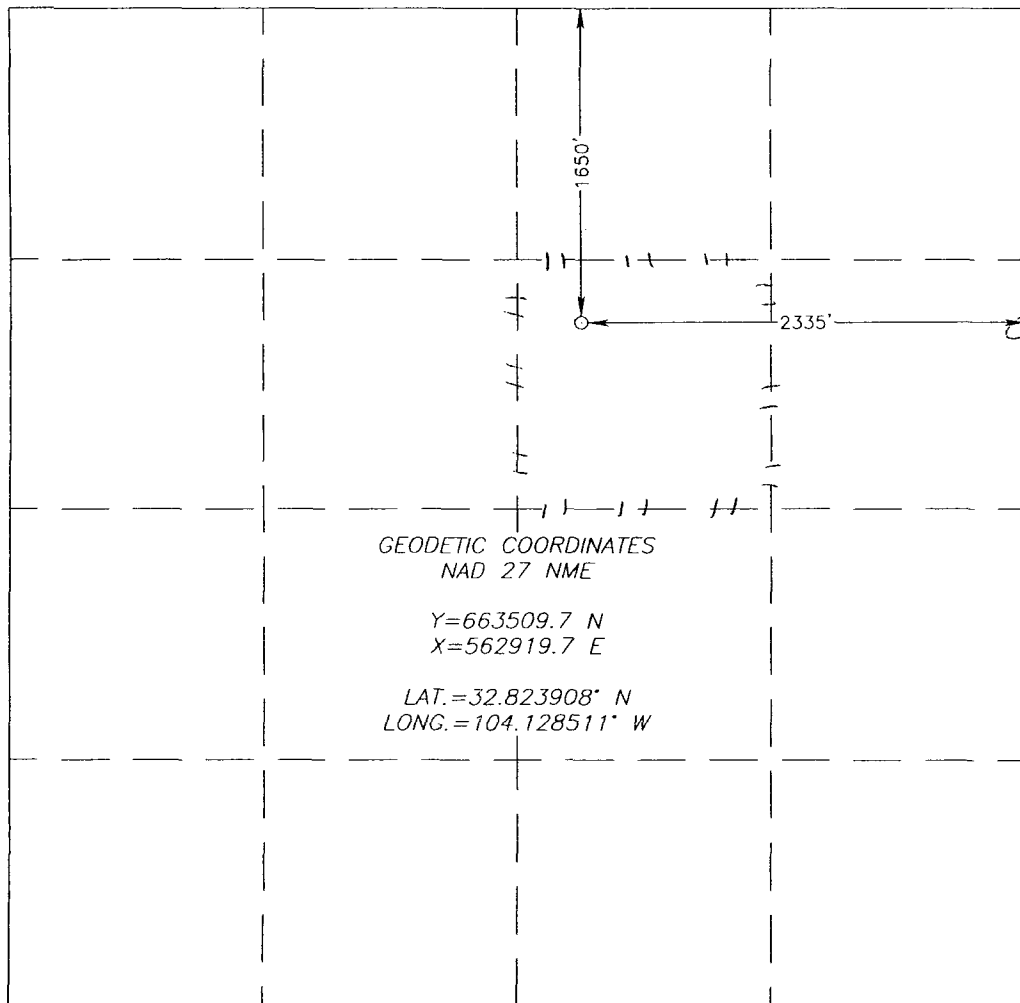
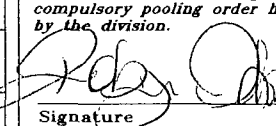
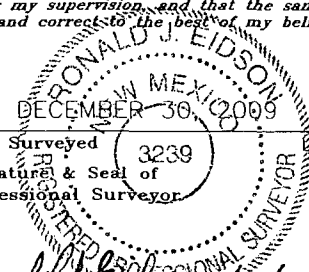
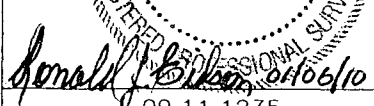
Surface Location

UL or lot No. G	Section 24	Township 17-S	Range 28-E	Lot Idn	Feet from the 1650	North/South line NORTH	Feet from the 2335	East/West line EAST	County EDDY
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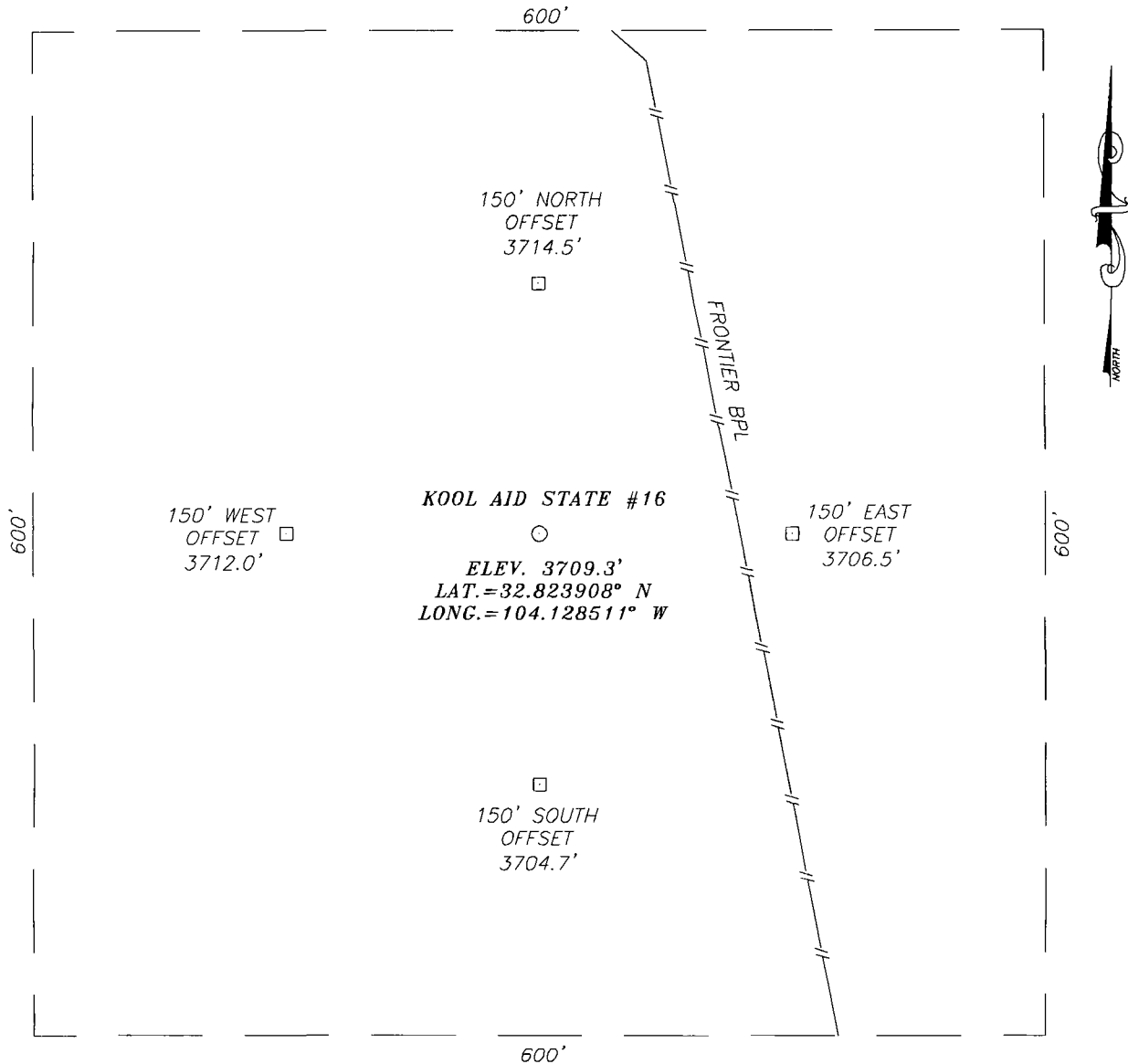
Bottom Hole Location If Different From Surface

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

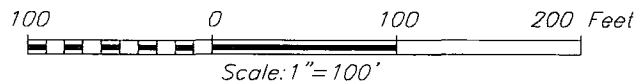
 GEODETIC COORDINATES NAD 27 NME Y=663509.7 N X=562919.7 E LAT.=32.823908° N LONG.=104.128511° W	OPERATOR CERTIFICATION I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral 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.  1/07/2010 Signature Date Robyn Odom Printed Name 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.  Date Surveyed 3239 Signature & Seal of Professional Surveyor  09.11.1235 Certificate No. GARY EIDSON 12641 RONALD J. EIDSON 3239
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SECTION 24, TOWNSHIP 17 SOUTH, RANGE 28 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

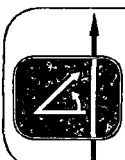
FROM THE INTERSECTION OF U.S. HWY. #83 AND CO. RD. #209 (TURKEY TRACT), GO NORTH ON CO. RD. #209 APPROX. 1.3 MILES. TURN RIGHT AND GO NORTHEAST APPROX. 1.1 MILES. THIS LOCATION STAKE IS APPROX. 545 FEET SOUTH OF LEASE ROAD.



COG OPERATING, LLC

KOOL AID STATE #16 WELL
 LOCATED 1650 FEET FROM THE NORTH LINE
 AND 2335 FEET FROM THE EAST LINE OF SECTION 24,
 TOWNSHIP 17 SOUTH, RANGE 28 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO.

Survey Date: 12/30/09	Sheet 1 of 1 Sheets
W.O. Number: 09.11.1235	Dr By: LA
Date: 1/5/10	09111235
	Scale: 1" = 100'

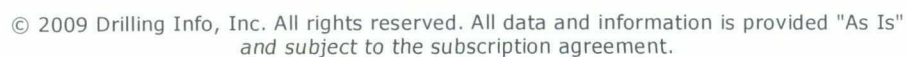


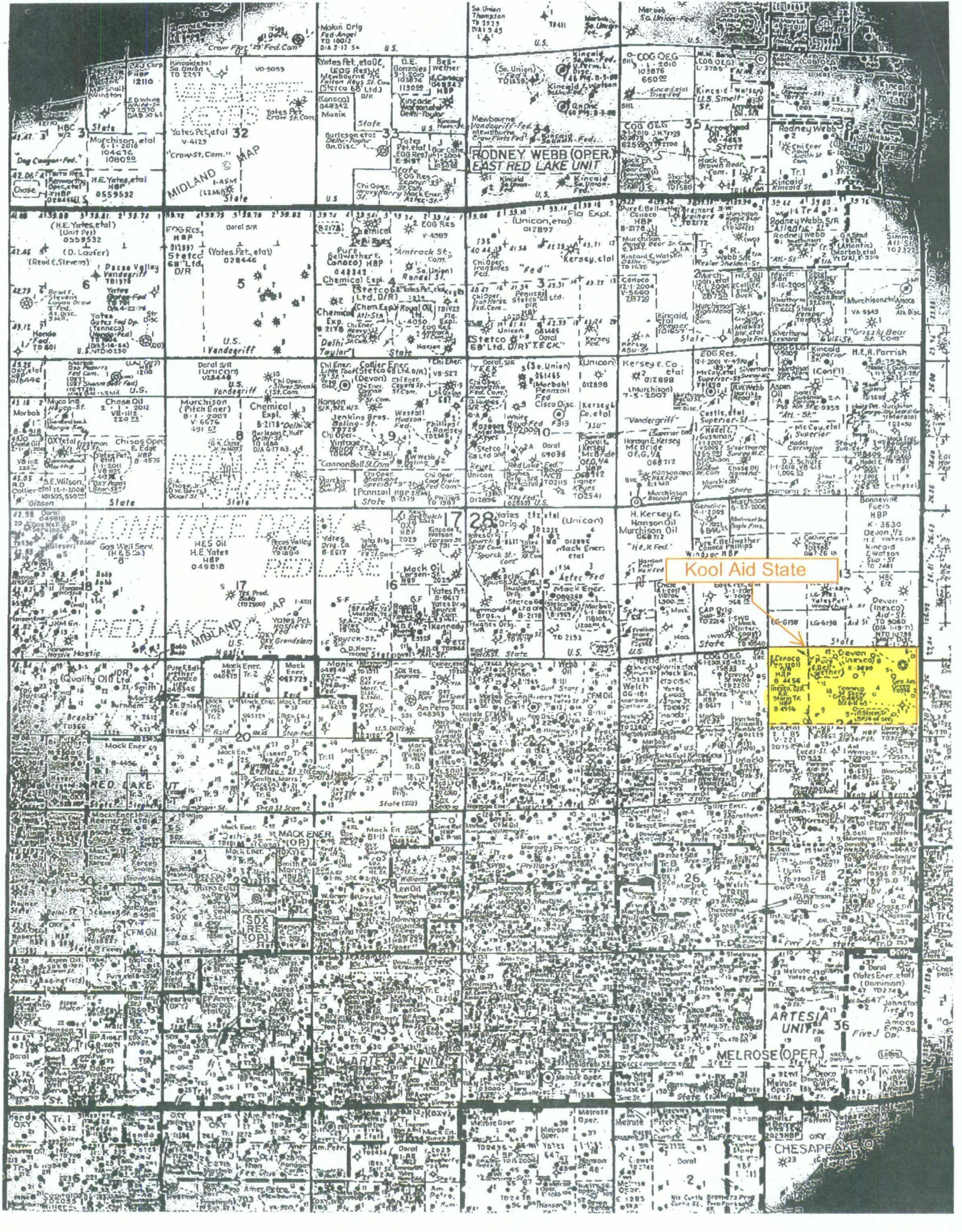
PROVIDING SURVEYING SERVICES
 SINCE 1946
JOHN WEST SURVEYING COMPANY
 412 N. DAL PASO
 HOBBS, N.M. 88240
 (575) 393-3117

Offset Wells to Kool Aid State #16

API#	Operator	Lease	Well#	County	Legal	Field Name	Reservoir Name	Total Depth	Well Type	Well Status	First Prod.	Last Prod.
30-015-23320	MACK ENERGY CORP	WENTZ AID	001	EDDY	S:24, T:17S, R:28E	Unknown (MORROW)	MORROW	99,999	O	Active	Aug 1956	Dec 1956
30-015-01521	MACK ENERGY CORP	WENTZ AID	001	EDDY	S:24, T:17S, R:28E	AID	YATES-SEVEN RIVERS		O	Pumping	Jan 1947	Jan 2001
30-015-01523	DORAL ENERGY CORP.	WENTZ STATE	001	EDDY	S:24, T:17S, R:28E	AID	YATES-SEVEN RIVERS	0	PO	Pumping	Mar 1953	Jun 2007
30-015-01524	DORAL ENERGY CORP.	WENTZ STATE	002	EDDY	S:24, T:17S, R:28E	AID	YATES-SEVEN RIVERS	0	PO	Pumping	Jun 1953	Jun 2007
30-015-22878	SDX RESOURCES INC	AID 24 STATE COM	1 SWD	EDDY	S:24, T:17S, R:28E	CISCO		9,174	U	Salt Water Disposal		
30-015-23418	CIMAREX ENERGY CO. OF COLORADO	SOUTH EMPIRE STATE COM	001	EDDY	S:24, T:17S, R:28E	EMPIRE	MORROW, SOUTH (GAS)	10,750	PG	Active	Jan 1981	Oct 2009
30-015-31549	LIME ROCK RESOURCES A, L.P.	AID 24P STATE	034	EDDY	S:24, T:17S, R:28E	EMPIRE	YESO	4,265	O	Pumping	Apr 2001	Sep 2009
30-015-31552	SDX RESOURCES INC	AID 24P STATE	23	EDDY	S:24, T:17S, R:28E	EMPIRE	YESO	4,260	O	Pumping	Apr 2001	Oct 2002
30-015-31552	LIME ROCK RESOURCES A, L.P.	AID 24P STATE	23	EDDY	S:24, T:17S, R:28E	RED LAKE	QUEEN-GRAYBURG-SA	4,260	O	Pumping	Nov 2002	Sep 2006
30-015-20361		AID STATE COM	001	EDDY	S:24, T:17S, R:28E	AID	MORROW (GAS)	10,796	O	Active	May 1971	Dec 1971
30-015-01521	AID, HERBERT	WENTZ ST.	001	EDDY	S:24, T:17S, R:28E	AID	YATES-SEVEN RIVERS		O	Pumping	Feb 1948	Dec 1948
30-015-22878	LIME ROCK RESOURCES A, L.P.	AID 24 STATE COM	1 SWD	EDDY	S:24, T:17S, R:28E	SWD	CISCO	9,174	U	Salt Water Disposal	Jan 2005	Sep 2009
30-015-31552	TOM BROWN INC	AID 24P STATE	23	EDDY	S:24, T:17S, R:28E	EMPIRE; GLORIETA-YESO		4,260	O	Pumping		
30-015-31552	SDX RESOURCES, INC.	AID 24P STATE	23	EDDY	S:24, T:17S, R:28E	RED LAKE; QUEEN-GRAYBURG-SA		4,260	O	Pumping		
30-015-36246	COG OPERATING LLC	AID 24 STATE	001	EDDY	S:24, T:17S, R:28E	EMPIRE	YESO	5,300	PO	Active Permit		
30-015-36247	COG OPERATING LLC	AID 24 STATE	002	EDDY	S:24, T:17S, R:28E	EMPIRE	YESO	5,300	PO	Active Permit		
	COG				S:24,							

30-015-36248	OPERATING LLC	AID 24 STATE	003	EDDY	T:17S, R:28E	EMPIRE	YESO		5,300	PO	Active Permit		
30-015-36249	COG OPERATING LLC	AID 24 STATE	004	EDDY	S:24, T:17S, R:28E	EMPIRE	YESO		5,300	PO	Active Permit		
30-015-36478	COG OPERATING LLC	KOOL AID STATE	001	EDDY	S:24, T:17S, R:28E	EMPIRE (YESO)	YESO		5,379	O	Active Permit	Feb 2009	Oct 2009
30-015-36479	COG OPERATING LLC	KOOL AID STATE	002	EDDY	S:24, T:17S, R:28E	EMPIRE (YESO)	YESO			PO	Active Permit		
30-015-36480	COG OPERATING LLC	KOOL AID STATE	003	EDDY	S:24, T:17S, R:28E	EMPIRE (YESO)	YESO		5,335	O	Active Permit	Mar 2009	Oct 2009
30-015-36481	COG OPERATING LLC	KOOL AID STATE	004	EDDY	S:24, T:17S, R:28E	EMPIRE (YESO)	YESO			PO	Active Permit		
30-015-36482	COG OPERATING LLC	KOOL AID STATE	005	EDDY	S:24, T:17S, R:28E	EMPIRE (YESO)	YESO			PO	Active Permit		
30-015-36483	COG OPERATING LLC	KOOL AID STATE	006	EDDY	S:24, T:17S, R:28E	EMPIRE (YESO)	YESO			PO	Active Permit		
30-015-36484	COG OPERATING LLC	KOOL AID STATE	007	EDDY	S:24, T:17S, R:28E	EMPIRE (YESO)	YESO			PO	Active Permit		
30-015-36485	COG OPERATING LLC	KOOL AID STATE	008	EDDY	S:24, T:17S, R:28E	EMPIRE (YESO)	YESO			PO	Active Permit		
30-015-36486	COG OPERATING LLC	KOOL AID STATE	009	EDDY	S:24, T:17S, R:28E	EMPIRE (YESO)	YESO			PO	Active Permit		
30-015-36490	COG OPERATING LLC	KOOL AID STATE	010	EDDY	S:24, T:17S, R:28E	EMPIRE (YESO)	YESO			PO	Active Permit		
30-015-36457	COG OPERATING LLC	KOOL AID STATE	011	EDDY	S:24, T:17S, R:28E	EMPIRE (YESO)	YESO			PO	Active Permit		
30-015-36456	COG OPERATING LLC	KOOL AID STATE	012	EDDY	S:24, T:17S, R:28E	EMPIRE (YESO)	YESO			PO	Active Permit		
30-015-36478	COG OPERATING LLC	KOOL AID STATE	001	EDDY	S:24, T:17S, R:28E	EMPIRE; GLORIETA-YESO			5,379	O	Active Permit		
30-015-36480	COG OPERATING LLC	KOOL AID STATE	003	EDDY	S:24, T:17S, R:28E	EMPIRE; GLORIETA-YESO			5,335	O	Active Permit		





Kool Aid State

ARTESIA UNIT 36

MELROSE (OPER)

CHESAPEAKE

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Tuesday, February 02, 2010 11:36 AM
To: 'Robyn Odom'
Subject: Kool Aid State #16; NSL Application

Dear Ms. Odom

In addition to the encroachment noted in your application toward the SW/4 NW/4 of Section 24, it seems that this proposed location encroaches diagonally toward the NE/4 NW/4.

Are working interest in the NE/4 NW/4 of Section 24 also identical to those in the SW/4 NE/4 where the proposed well will be located?

Thanks
David K. Brooks

Brooks, David K., EMNRD

From: Robyn Odom [rodom@conchoresources.com]
Sent: Tuesday, February 02, 2010 1:02 PM
To: Brooks, David K., EMNRD
Subject: RE: Kool Aid State #16; NSL Application

Dear Mr. Brooks,

COG does own the offset acreage of the NE/4 NW/4 of Section 24. Please let me know if there is any more information you need in the approval of this application.

Thank you,

Robyn Odom
(432) 685-4385

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From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]
Sent: Tuesday, February 02, 2010 12:36 PM
To: Robyn Odom
Subject: Kool Aid State #16; NSL Application

Dear Ms. Odom

In addition to the encroachment noted in your application toward the SW/4 NW/4 of Section 24, it seems that this proposed location encroaches diagonally toward the NE/4 NW/4.

Are working interest in the NE/4 NW/4 of Section 24 also identical to those in the SW/4 NE/4 where the proposed well will be located?

Thanks
David K. Brooks

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