

ABOVE THIS LINE FOR DIVISION USE ONLY

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



COG
6175
Inspector State #10

ADMINISTRATIVE APPLICATION CHECKLIST 30-015-37640

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]**

RECEIVED OGD
 20 MAR 2010 11:14 AM

- [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		REGULATORY ANALYST	<u>3/15/10</u>
Print or Type Name	Signature	Title	Date
(432) 685-4385	rododm@conchoresources.com		
Phone Number	E-mail Address		

**Firecracker State #10
Eddy County, NM**

COG proposes to drill a **VERTICAL** SE/4, 40 acre spacing
Empire;Glorieta-Yeso 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 a road too close to original location.

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.

Attachment 1

Plat & map

Attachment 2

Map & legend of offset wells.

Attachment 3

Updated land plat showing COG Operating LLC acreage.

The acreage we are encroaching is the NE/4 SE/4 of Section 14 and the SE/4 NE/4 of Section 14.

Proof of notifications to the offset operators attached.

Interests are the same.

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

DISTRICT I
1625 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

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

11885 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

DISTRICT IV
11885 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-015- 37640	Pool Code 96210	Pool Name <i>under</i> EMPIRE; GLORIETA-YESO
Property Code 37882	Property Name FIRECRACKER STATE	
OGRID No. 229137	Operator Name COG OPERATING, LLC	Well Number 10
		Elevation 3609'

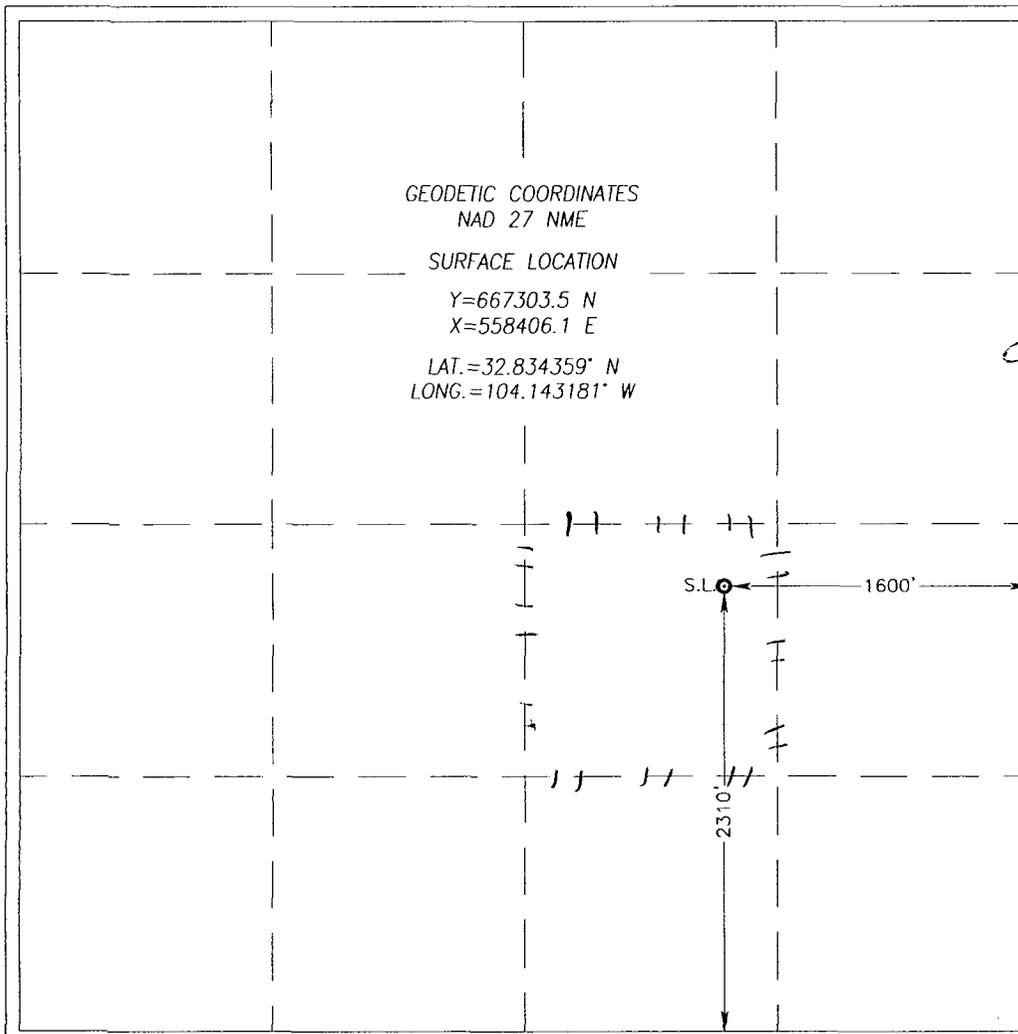
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	14	17-S	28-E		2310	SOUTH	1600	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/EAST line	County				
<table border="1"> <tr> <td>Dedicated Acres 40</td> <td>Joint or Infill</td> <td>Consolidation Code</td> <td>Order No.</td> </tr> </table>										Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
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.

[Signature] 2/19/2010
Signature Date

Robyn Odom
Printed Name

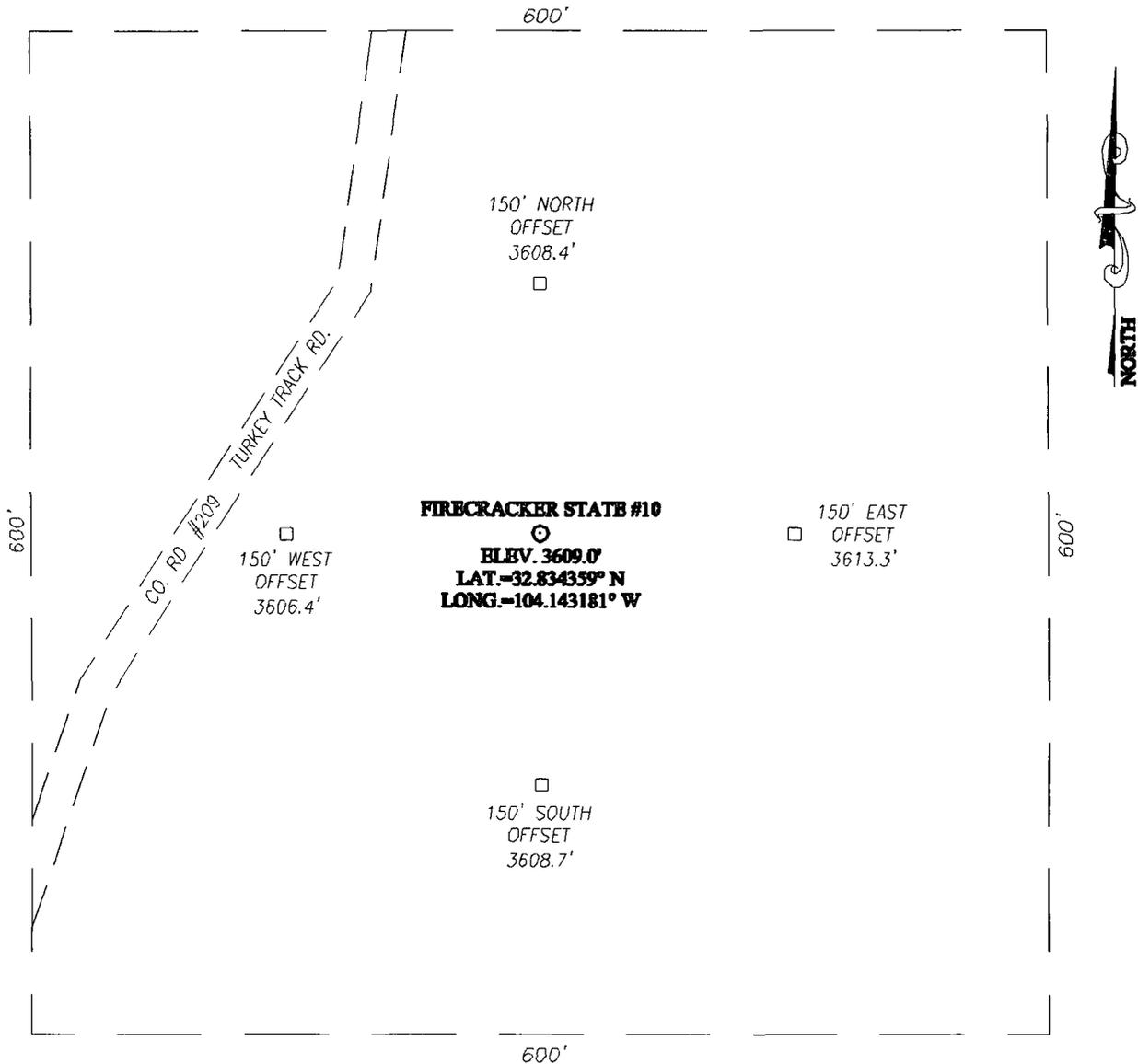
SURVEYOR CERTIFICATION

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.

2/17/10
Date Surveyed
Signature & Seal of Professional Surveyor
[Signature]
GARY G. EIDSON
2297

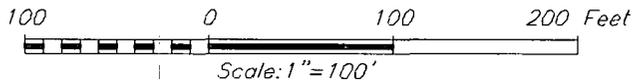
Certificate No. GARY G. EIDSON 12641
RONALD J. EIDSON 3239

SECTION 14, TOWNSHIP 17 SOUTH, RANGE 28 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF ST. HWY. #82 AND CO. RD. #209 (TURKEY TRACK RD.), GO NORTH ON CO. RD. #209 APPROX. 2.4 MILES. THIS LOCATION STAKE IS APPROX. 160 FEET EAST OF CO. RD. #209.



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

COG OPERATING, LLC

FIRECRACKER STATE #10 WELL
 LOCATED 2310 FEET FROM THE SOUTH LINE
 AND 1600 FEET FROM THE EAST LINE OF SECTION 14,
 TOWNSHIP 17 SOUTH, RANGE 28 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO.

Survey Date: 02/10/10	Sheet 1 of 1 Sheets
W.O. Number: 09.11.1227	Dr By: DSS
Date: 02/16/10	09111227
	Scale: 1"=100'

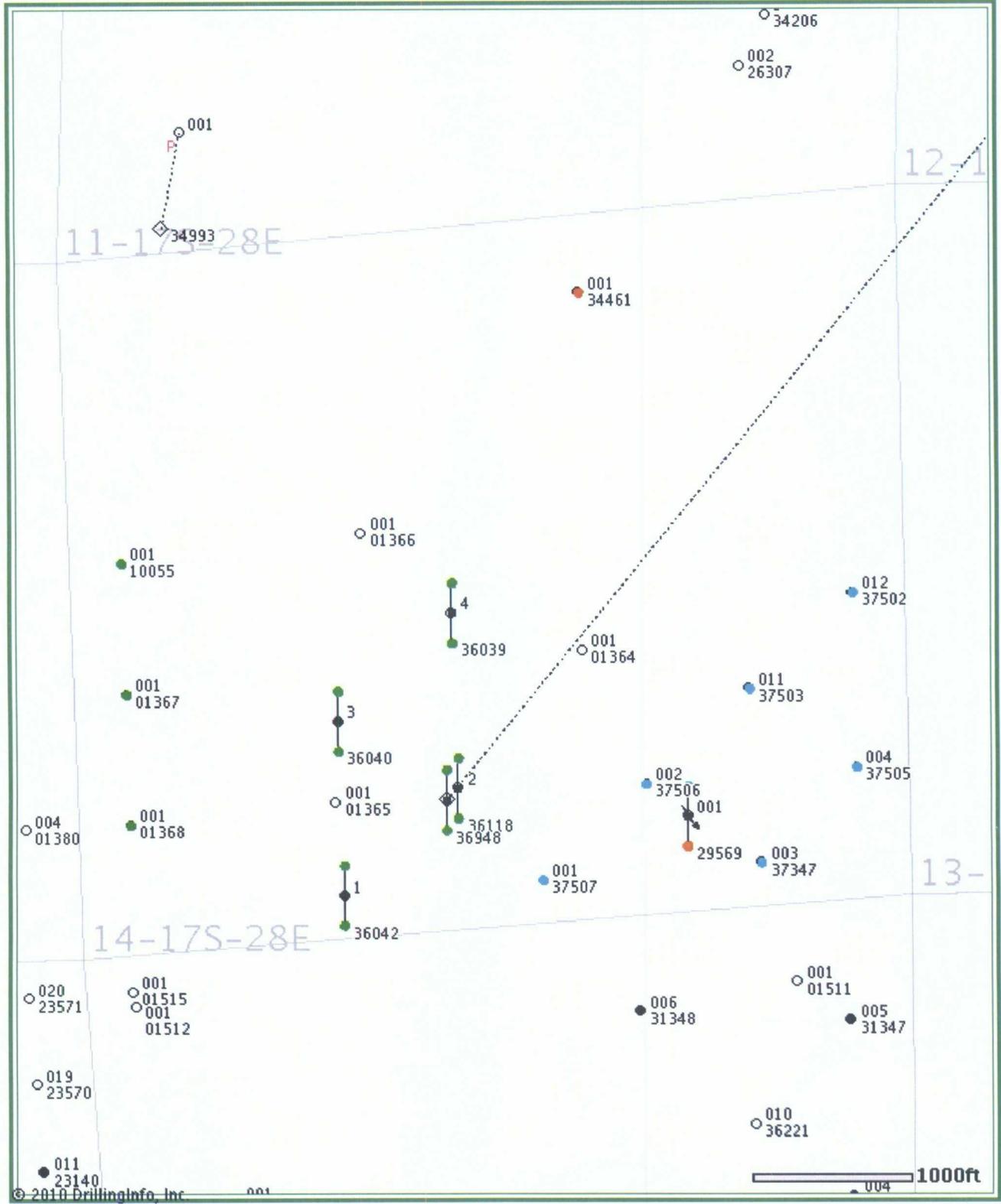
Offset Wells to Firecracker State #10

API#	Operator	Lease	Well#	County	Legal	Field Name	Reservoir Name	Total Depth	Well Type	Well Status	First Prod.	Last Prod.
30-015-01367	HANSON OPERATING CO INC	SCHRAM FEDERAL	001	EDDY	S:14, T:17S, R:28E	RED LAKE	QUEEN-GRAYBURG-SA	2,220	PO	Pumping	Oct 1962	Mar 2008
30-015-01368	MACK ENERGY CORP	WELCH FEDERAL	001	EDDY	S:14, T:17S, R:28E	RED LAKE	QUEEN-GRAYBURG-SA	0	PO	Pumping	Dec 1961	Nov 1995
30-015-10055	HANSON OPERATING CO INC	H AND K FEDERAL	001	EDDY	S:14, T:17S, R:28E	RED LAKE	QUEEN-GRAYBURG-SA	2,198	O	Active	Jan 1963	Nov 2001
30-015-29569	COG OPERATING LLC	AID STATE 14	001	EDDY	S:14, T:17S, R:28E	SWD	CISCO	10,540	D	Salt Water Disposal	Nov 2001	Nov 2009
30-015-29569	MACK ENERGY CORP	AID STATE 14	001	EDDY	S:14, T:17S, R:28E	AID	MORROW (GAS)	10,540	D	Salt Water Disposal		
30-015-34461	MURCHISON OIL & GAS INC	PUMA	001	EDDY	S:14, T:17S, R:28E	EMPIRE	MORROW, SOUTH (GAS)	10,285	PG	Active	Jun 2006	Nov 2009
30-015-36039	MACK ENERGY CORP	BLACK CAT FEDERAL	4	EDDY	S:14, T:17S, R:28E	EMPIRE	YESO	5,193	O	Active Permit	Oct 2008	Nov 2009
30-015-36040	MACK ENERGY CORP	BLACK CAT FEDERAL	3	EDDY	S:14, T:17S, R:28E	EMPIRE	YESO	5,800	PO	Active Permit	Sep 2008	Nov 2009
30-015-36948	MACK ENERGY CORP	BLACK CAT FEDERAL	2	EDDY	S:14, T:17S, R:28E	EMPIRE	YESO	11,514	PO	Active Permit		
30-015-36042	MACK ENERGY CORP	BLACK CAT FEDERAL	1	EDDY	S:14, T:17S, R:28E	EMPIRE; YESO		5,800	PO	Active Permit	Mar 2008	Apr 2008
30-015-36118	MACK ENERGY CORP	BLACK CAT FEDERAL	2	EDDY	S:14, T:17S, R:28E	EMPIRE	YESO	5,185	O	Active Permit	Sep 2008	Nov 2009
30-015-36042	MACK ENERGY CORP	BLACK CAT FEDERAL	1	EDDY	S:14, T:17S, R:28E	EMPIRE (YESO)	YESO	5,800	PO	Active Permit	Mar 2008	Nov 2009
30-015-36118	MACK ENERGY CORP	BLACK CAT FEDERAL	2	EDDY	S:14, T:17S, R:28E	EMPIRE; YESO		5,185	O	Active Permit		
30-015-36040	MACK ENERGY CORP	BLACK CAT FEDERAL	3	EDDY	S:14, T:17S, R:28E	EMPIRE; YESO		5,800	PO	Active Permit		
30-015-36039	MACK ENERGY CORPORATION	BLACK CAT FEDERAL	4	EDDY	S:14, T:17S, R:28E	EMPIRE; GLORIETA-YESO		5,193	O	Active Permit		
30-015-36948	CIMAREX ENERGY CO. OF COLORADO	UTAH 21 FEDERAL COM	2	EDDY	S:14, T:17S, R:28E	Unknown (ABO (O))	ABO (O)	11,514	PO	Active Permit		
	COG OPERATING	FIRECRACKER			S:14, T:17S,							

DI Search Results (Printable Table)

30-015-37347	LLC	STATE	003	EDDY	R:28E	EMPIRE (YESO)	YESO	5,300	PO	Active Permit
30-015-37507	COG OPERATING LLC	FIRECRAKER STATE	001	EDDY	S:14, T:17S, R:28E	EMPIRE (YESO)	YESO	5,400	PO	Active Permit
30-015-37506	COG OPERATING LLC	FIRECRAKER STATE	002	EDDY	S:14, T:17S, R:28E	EMPIRE (YESO)	YESO	5,400	PO	Active Permit
30-015-37505	COG OPERATING LLC	FIRECRAKER STATE	004	EDDY	S:14, T:17S, R:28E	EMPIRE (YESO)	YESO	5,400	PO	Active Permit
30-015-37503	COG OPERATING LLC	FIRECRAKER STATE	011	EDDY	S:14, T:17S, R:28E	EMPIRE (YESO)	YESO	5,400	PO	Active Permit
30-015-37502	COG OPERATING LLC	FIRECRAKER STATE	012	EDDY	S:14, T:17S, R:28E	EMPIRE (YESO)	YESO	5,400	PO	Active Permit

Offset Wells to Firecracker State #10



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SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:

CONOCO-PHILLIPS
MED-CONTINENT BUSINESS UNIT
3300 NORTH A STREET, BLDG 6
MIDLAND, TX 79705

COMPLETE THIS SECTION ON DELIVERY

- A. Signature Agent
 Addressee
- B. Received by (Printed Name) Date of Delivery
- C. *R. P. Hill* *2/25/04*
- D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type

- Certified Mail
- Registered
- Insured Mail
- Express Mail
- Return Receipt for Merchandise
- C.O.D.

4. Restricted Delivery? (Extra Fee)

- Yes
- No

2. Article Number
(Transfer from service label)

7009 2250 0001 0942 4193

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

**COG OPERATING LLC
550 W. TEXAS, SUITE 100
MIDLAND, TX 79701**

February 23, 2010

Conoco – Phillips
Mid-Continent Business Unit
3300 North A Street, Bldg 6
Midland, TX 79705

Re: Request for Unorthodox Well Location

To Whom It May Concern:

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

**Firecracker State #10
Eddy County, NM**

2310' FSL & 1600' FEL Sec 14, T17S, R28E, Unit J

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



Robyn M. Odom
Regulatory Analyst

432-685-4385
rodom@conchoresources.com

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- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

CHISOS, LTD
670 DONA ANA RD. SW
DEMING, NM 88030

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent
 Addressee
 B. Received by (Printed Name) Date of Delivery
 C. *B. H. P.*
 D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.
 4. Restricted Delivery? (Extra Fee) Yes No

2. Article Number
(Transfer from service label)

7009 2250 0001 0942 4643

102595-02-M-1540

Domestic Return Receipt

PS Form 3811, February 2004

**COG OPERATING LLC
550 W. TEXAS, SUITE 100
MIDLAND, TX 79701**

March 8, 2010

Chisos, LTD
670 Dona Ana Rd. SW
Deming, NM 88030

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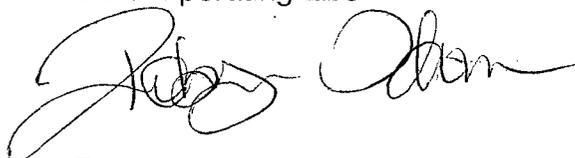
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Regulatory Analyst

432-685-4385
rodом@conchoresources.com

Brooks, David K., EMNRD

From: Robyn Odom [rodom@conchoresources.com]
Sent: Wednesday, March 17, 2010 9:05 AM
To: Brooks, David K., EMNRD
Subject: RE: Firecracker State #10; NSL Application
Attachments: Firecracker State #10 NSL explanation.doc

Dear Mr. Brooks,

The C-102 has the correct footage. I must have forgot to change that information on the explanation letter. Attached is a corrected letter. Sorry for the confusion. Please let me know if you need any more information in the approval of this application.

Thank you,

Robyn Odom
(432) 685-4385

CONFIDENTIALITY NOTICE: The information in this email may be confidential and/or privileged. If you are not the intended recipient or an authorized representative of the intended recipient, you are hereby notified that any review, dissemination or copying of this email and its attachments, if any, or the information contained herein, is prohibited. If you have received this email in error, please immediately notify the sender by return email and delete this email from your system. Thank you.

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]
Sent: Wednesday, March 17, 2010 9:56 AM
To: Robyn Odom
Subject: Firecracker State #10; NSL Application

Dear Ms. Odom

In this application there is a discrepancy between the application on the one hand, and the C-102 and other attached documents, regarding the proposed location.

The application indicates that this well is to be located 1650 FNL and 2335 FEL, in Unit G of Section 24. The C-102 and the notice letters all state the location as 2310 FSL and 1600 FEL in Unit J of Section 14. According to our database, a well by this name has already been permitted at the latter location.

Please clarify.

Thanks
David K. Brooks
Assistant General Counsel

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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.

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Map & legend of offset wells.

Attachment 3

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