

DATE IN 4-21-10	SUSPENSE	ENGINEER DB	LOGGED IN 4-21-10	TYPE NSL	PTG-00	APP NO. 1011154262
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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
~~COG~~

Hotfield State #7

ADMINISTRATIVE APPLICATION CHECKLIST

6198

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
 2010 APR 21 P 1:22

[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

4/20/10
 Date

(432) 685-4385
 Phone Number

rodomb@conchoresources.com
 E-mail Address

**Hatfield State #7
Eddy County, NM**

COG proposes to drill a SE/4 SW/4, 40 acre spacing
Empire; Glorieta-Yeso, East Oil Well
TD of approximately 6000'

Non-Standard Location:
990' FSL & 1550' FWL Sec 8, T17S, R29E, Unit N

**This well had to be drilled at a non-standard location due to an
existing lease road.**

This well is to be completed in the Empire; Glorieta-Yeso, East (96610) formation. We won't know the exact perms until we drill & log it, but it will be very similar to the Folk Federal #4 which was completed in October 2007 and is located 2310' FNL & 2110' FWL, Unit F in Sec 17, T17S, R29E.

Folk Federal #4 has Yeso open perms from: 4300' – 5160' overall, but broken up into 3 separate intervals, with 3 separate fracs:

1st interval: 4960' – 5160'
acidized w/ 5000 gals,
frac w/ 69,248 gals gel, & 61,172# 16/30 sand, & 5676# LiteProp

2nd interval: 4510' – 4710'
acidized w/ 5000 gals,
frac w/ 68,981 gals gel, & 61,488# 16/30 sand, & 5766# LiteProp

3rd interval: 4300' – 4440'
acidized w/ 5000 gals,
frac w/ 68,906 16/30 sand, & 4330# LiteProp

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 SW/4 SW/4 and the NW/4 SW/4 of
Section 8.
Proof of notification to the offset operators attached.

All 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 & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Frances Dr.
Santa Fe, NM 87505

Form C-102
Revised October 15, 2009
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-015-37766	2 Pool Code 96610	3 Pool Name EMPIRE; GLORIETA-YESO, EAST
4 Property Code 37902	5 Property Name HATFIELD STATE	6 Well Number 7
7 OGRID No. 229137	8 Operator Name COG OPERATING LLC	9 Elevation 3633.0

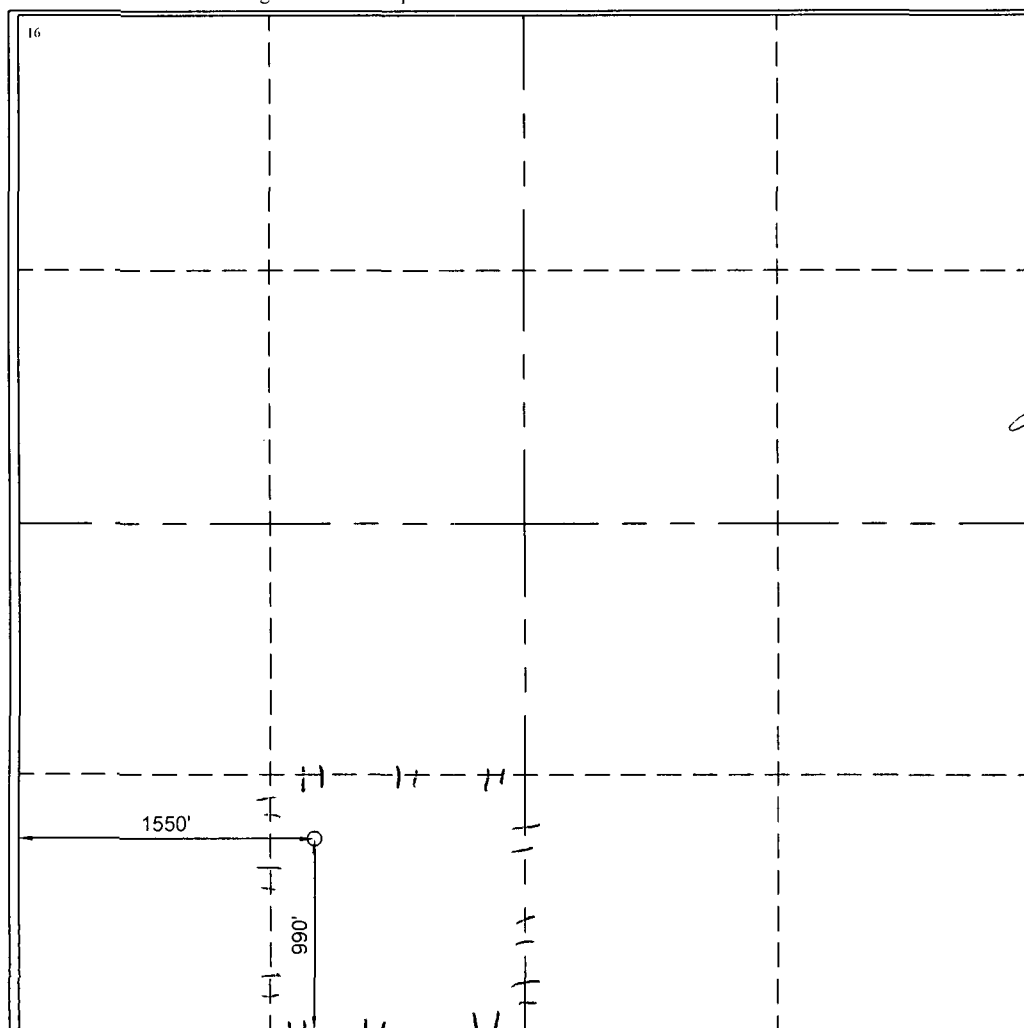
10 Surface Location

UL or lot N	Section 8	Township 17 S	Range 29 E	Lot Idn	Feet from the 990	North/South line SOUTH	Feet from the 1550	East/West line WEST	County EDDY
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11 Bottom Hole Location If Different From Surface

UL or lot	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres 40	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.



17 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 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 enter by the division.

Robyn Odum 4/5/2010
Signature Date

Robyn Odum

Printed Name

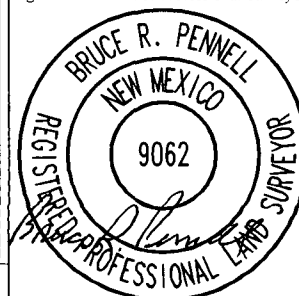
18 SURVEYOR CERTIFICATION

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.

02/23/2010

Date of Survey

Signature and Seal of Professional Surveyor



Bruce R. Pennell
Certificate Number 9062

NAD27 GEOGRAPHIC COORDINATES

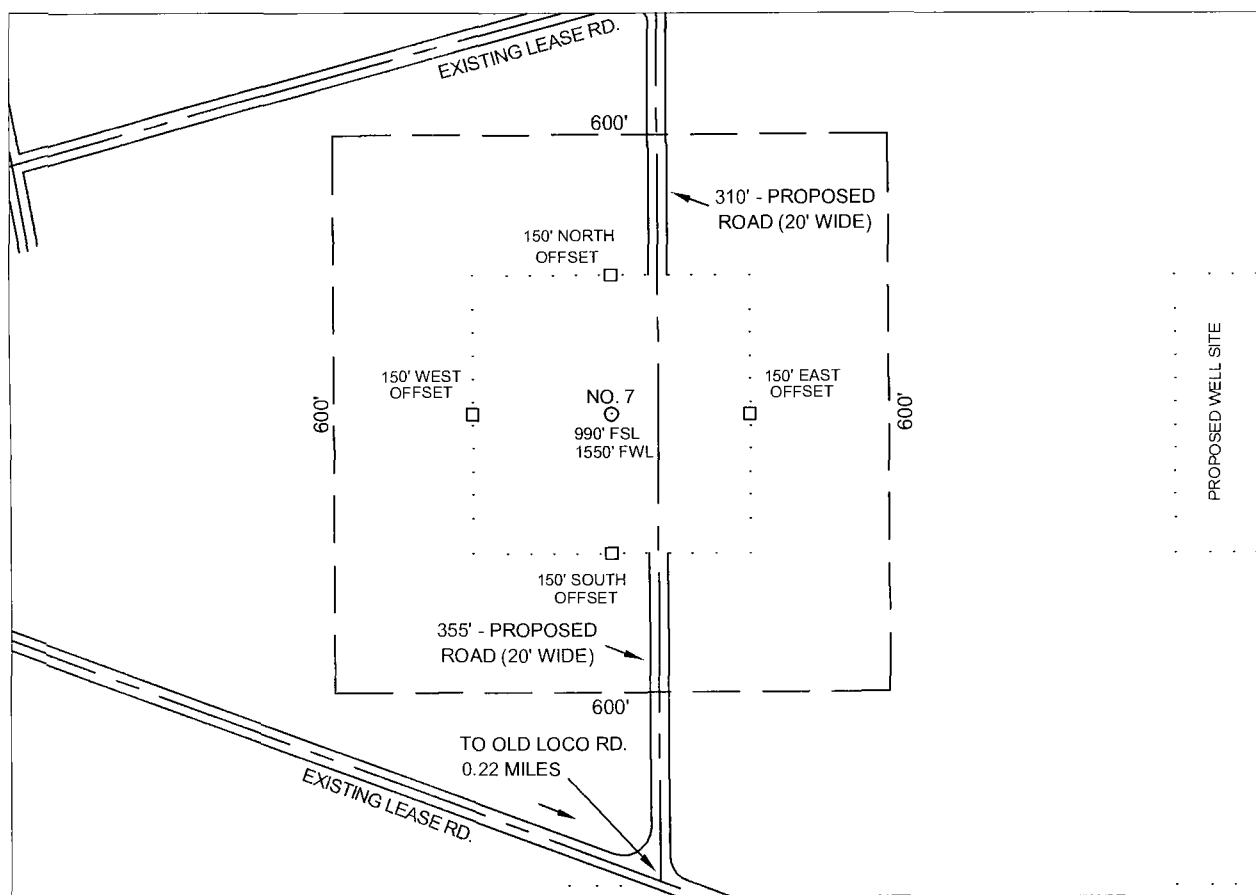
NAD27 SPC - NM EAST

LAT: 32.84444

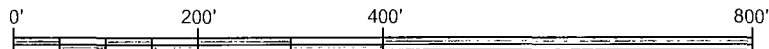
LOX: -104.10004

X = 571647.9

Y = 670996.8



NAD27 GEOGRAPHIC COORDINATES		NAD83 GEOGRAPHIC COORDINATES	
LAT: 32.84444	LON: -104.10004	LAT: 32°50'40.390" N.	LON: 104°06'01.997" W.



SCALE: 1" = 200'

DATUM: NEW MEXICO EAST ZONE - NAD83 (HARN).

DIRECTIONS TO LOCATION

1. FROM THE INTERSECTION OF U.S. HIGHWAY 82 AND STATE ROAD 360 (14 MILES EAST OF ARTESIA, NEW MEXICO);
2. THEN EAST ON U.S. HWY. 82, 4.22 MILES TO THE "T" INTERSECTION OF OLD LOCO ROAD ON THE LEFT;
3. THEN NORTHERLY ON OLD LOCO ROAD, AT 2.05 MILES, PASS THE SE CORNER OF THE HATFIELD LEASE, 30' ON THE LEFT, CONTINUING 2.07 MILES IN ALL TO A "T" INTERSECTION OF AN EXISTING LEASE ROAD ON THE LEFT;
4. THEN NORTHWESTLY ON THE EXISTING LEASE ROAD, CROSSING THE HATFIELD NO. 8 PROPOSED WELL SITE, 0.22 MILES TO A PROPOSED LEASE ROAD ON THE RIGHT.
5. THEN NORTH 355' TO THE SOUTH LINE OF THE HATFIELD NO. 7 PROPOSED WELLSITE.



A. E. FULLER & ASSOCIATES
LAND SURVEYORS

AL FULLER

Cell - (432) 559-6718

Email - al@aefuller.com

Fax: (817) 594-8437
3600 W. Baumann
Midland, TX 79703

www.aefuller.com

COG OPERATING LLC
HATFIELD STATE NO. 7
SECTION 8 - TOWNSHIP 17 S - RANGE 29 E
EDDY COUNTY, NM
N 89 E - 17.6 MILES FROM ARTESIA, NM

DATE: 03/31/2010

USGS
QUAD RED LAKE, SE

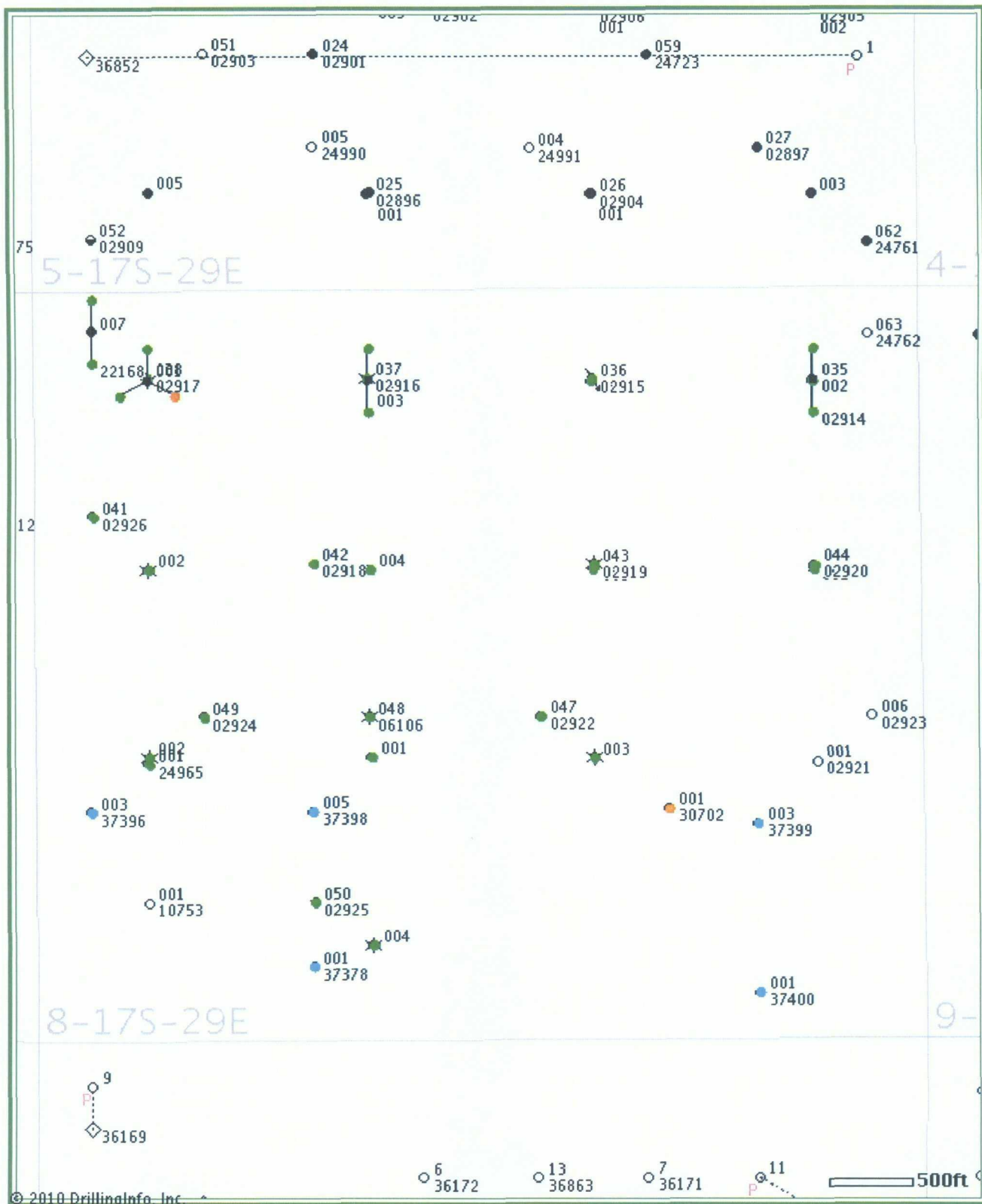
Offset Wells to Hatfield State #7

API#	Operator	Lease	Well#	County	Legal	Field Name	Reservoir Name	Total Depth	Well Type	Well Status	First Prod.	Last Prod.
30-015-02914	MARKS AND GARNER PRODUCTION LTD CO	CAVE POOL UNIT	035	EDDY	S:8, T:17S, R:29E	GRAYBURG JACKSON	SR-Q-G-SA	0	O	Shut-in	Jan 1963	Oct 2009
30-015-02926	MARKS AND GARNER PRODUCTION LTD CO	CAVE POOL UNIT	041	EDDY	S:8, T:17S, R:29E	GRAYBURG JACKSON	SR-Q-G-SA	0	O	Temporarily Abandoned	Jan 1964	Aug 2007
30-015-22168	FINNEY OIL COMPANY	HUMBLE 8	007	EDDY	S:8, T:17S, R:29E	GRAYBURG JACKSON	SR-Q-G-SA	0	O	Active	Jan 1987	Dec 2009
30-015-30702	EOG RESOURCES INC	CONOCO 8 STATE COM	001	EDDY	S:8, T:17S, R:29E	RED LAKE	UPPER PENN, EAST	10,920	O	Flowing	Mar 2000	Dec 2009
30-015-02915	MARKS AND GARNER PRODUCTION LTD CO	CAVE POOL UNIT	036	EDDY	S:8, T:17S, R:29E	SWD	GRAYBURG	2,450	D	Salt Water Disposal	Jan 1963	Aug 1963
30-015-02917		CAVE POOL UNIT	038	EDDY	S:8, T:17S, R:29E	GRAYBURG JACKSON	SR-Q-G-SA		O	Active	Jan 1963	Apr 1963
30-015-02918		CAVE POOL UNIT	042	EDDY	S:8, T:17S, R:29E	GRAYBURG JACKSON	SR-Q-G-SA		O	Active	Jan 1963	Feb 1963
30-015-02920		CAVE POOL UNIT	044	EDDY	S:8, T:17S, R:29E	GRAYBURG JACKSON	SR-Q-G-SA	2,450	O	Active	Jan 1963	Dec 1983
30-015-02922		CAVE POOL UNIT	047	EDDY	S:8, T:17S, R:29E	GRAYBURG JACKSON	SR-Q-G-SA		O	Active	Jan 1963	Dec 1983
30-015-24965		ARCO 8 STATE COM	001	EDDY	S:8, T:17S, R:29E	GRAYBURG JACKSON	SR-Q-G-SA	10,670	O	Active		
30-015-02924		CAVE POOL UNIT	049	EDDY	S:8, T:17S, R:29E	GRAYBURG JACKSON	SR-Q-G-SA		O	Active	Jan 1963	Dec 1983
30-015-02925		CAVE POOL UNIT	050	EDDY	S:8, T:17S, R:29E	GRAYBURG JACKSON	SR-Q-G-SA		O	Active	Jan 1963	Dec 1983
30-015-22168		HUMBLE 8	007	EDDY	S:8, T:17S, R:29E	PEARSALL	SEVEN RIVERS	0	O	Active		
30-015-00000	CONTINENTAL OIL COMPANY	STATE T	001	EDDY	S:8, T:17S, R:29E	CAVE POOL			O	Active	Nov 1956	Dec 1962
30-015-00000	KINCAID & WATSON	ATLANTIC STATE	001	EDDY	S:8, T:17S, R:29E	CAVE POOL			O	Active	Dec 1956	Dec 1962

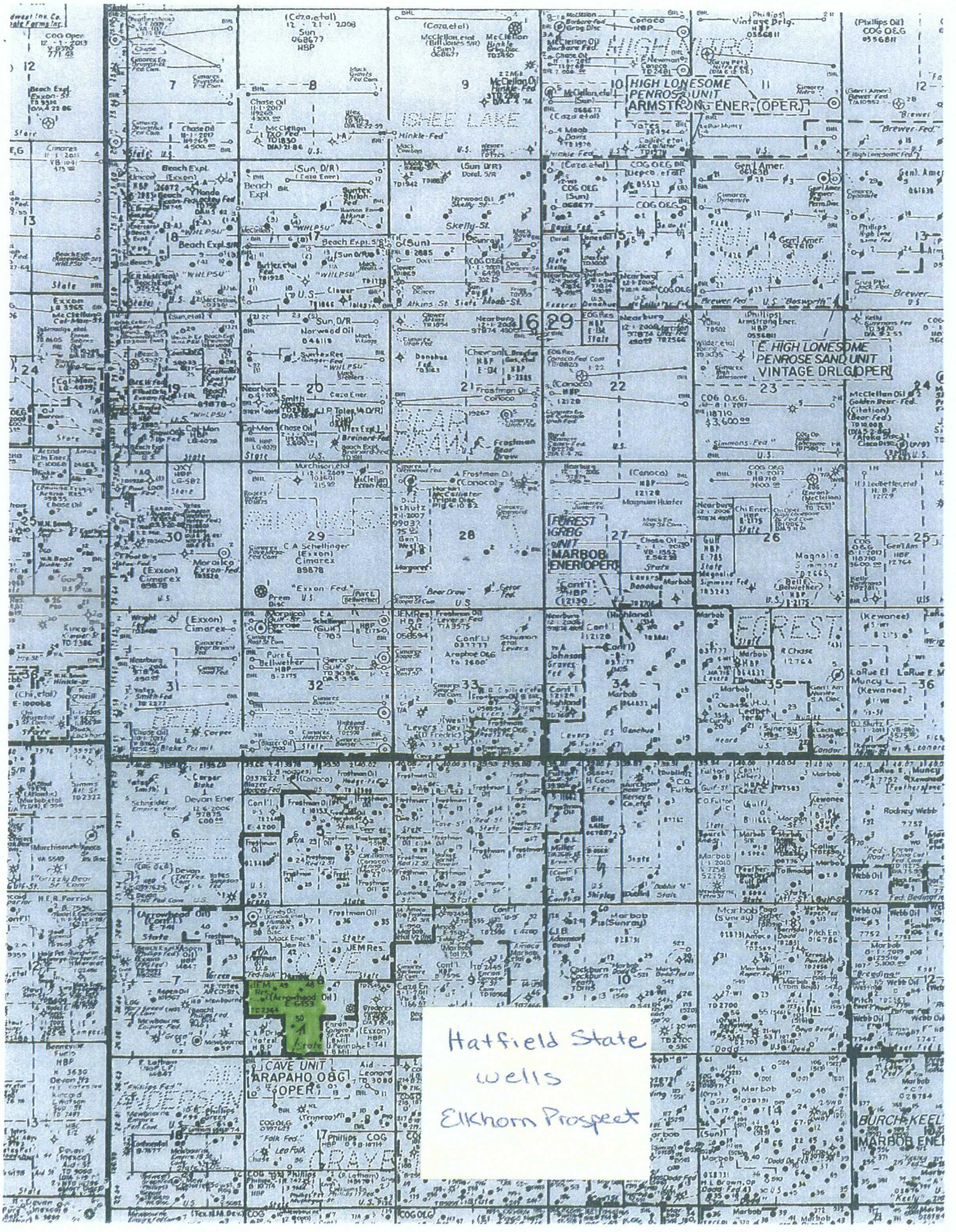
30-015-00000	KINCAID & WATSON	HUMBLE STATE	003	EDDY	S:8, T:17S, R:29E	CAVE POOL				O	Active	Aug 1956	Dec 1961
30-015-00000	KINCAID & WATSON	HUMBLE STATE	004	EDDY	S:8, T:17S, R:29E	CAVE POOL				O	Active	Sep 1956	Dec 1962
30-015-00000	LEONARD OIL COMPANY	FED. POLK	002	EDDY	S:8, T:17S, R:29E	CAVE POOL				G	Active	Jul 1956	Mar 1962
30-015-00000	CONTINENTAL OIL COMPANY	STATE T-8	002	EDDY	S:8, T:17S, R:29E	CAVE POOL				O	Active	May 1957	Dec 1962
30-015-00000	CONTINENTAL OIL COMPANY	STATE U-8	001	EDDY	S:8, T:17S, R:29E	CAVE POOL				O	Active	May 1957	Dec 1962
30-015-00000	CONTINENTAL OIL COMPANY	STATE U-8	002	EDDY	S:8, T:17S, R:29E	CAVE POOL				O	Active	Jun 1957	Dec 1962
30-015-00000	KINCAID & WATSON	ATLATIC ST.	002	EDDY	S:8, T:17S, R:29E	CAVE POOL				G	Active	Jun 1957	Dec 1962
30-015-00000	KINCAID & WATSON	ATLANTIC ST.	003	EDDY	S:8, T:17S, R:29E	CAVE POOL				G	Active	Mar 1957	Dec 1962
30-015-00000	KINCAID & WATSON	ATLANTIC ST.	004	EDDY	S:8, T:17S, R:29E	CAVE POOL				G	Active	Sep 1957	Dec 1962
30-015-00000	GEN AMERICAN	HUMBLE ST	001	EDDY	S:8, T:17S, R:29E	GRAYBURG	UPPER PENN			G	Active	Jan 1958	Dec 1961
30-015-02916	CONTINENTAL OIL CO	CAVE POOL	037	EDDY	S:8, T:17S, R:29E	CAVE GRAYBURG				G	Active	Jan 1963	Dec 1969
30-015-02919	CONTINENTAL OIL CO	CAVE POOL	043	EDDY	S:8, T:17S, R:29E	CAVE GRAYBURG		2,450		G	Active	Jan 1963	Dec 1969
30-015-06106	CONTINENTAL OIL CO	CAVE POOL	048	EDDY	S:8, T:17S, R:29E	CAVE GRAYBURG				G	Active	Jan 1963	Dec 1969
30-015-00000	KINCAID AND WATSON DRILLING CO	ATLANTIC STATE	001	EDDY	S:8, T:17S, R:29E	CAVE GRAYBURG				G	Active	Jan 1962	Dec 1962
30-015-00000	KINCAID AND WATSON DRILLIN CO	HUMBLE ST	003	EDDY	S:8, T:17S, R:29E	CAVE GRAYBURG CTD				AP	Unknown	Jan 1962	Dec 1962
30-015-00000	KELLY JOHN M	HUMBLE ST	001	EDDY	S:8, T:17S, R:29E	CAVE GRAYBURG CTD				G	Active	Jan 1959	Dec 1960
30-015-02914	ARCHIE M. SPEIR	CAVE POOL UNIT	035	EDDY	S:8, T:17S, R:29E			0		O	Shut-in	Jan 1969	Dec 1969
	COG OPERATING	HATFIELD			S:8, T:17S,								

30-015-37378	LLC	STATE	001	EDDY	R:29E S:8, T:17S, R:29E	EMPIRE	YESO, EAST	5,450	PO	Active Permit		
30-015-37400	COG OPERATING LLC	MCCOY STATE	001	EDDY		EMPIRE	YESO, EAST	5,450	PO	Active Permit		
30-015-37399	COG OPERATING LLC	MCCOY STATE	003	EDDY	S:8, T:17S, R:29E	EMPIRE	YESO, EAST	5,450	PO	Active Permit		
30-015-37396	COG OPERATING LLC	HATFIELD STATE	003	EDDY	S:8, T:17S, R:29E	EMPIRE	YESO, EAST	5,450	PO	Active Permit		
30-015-37398	COG OPERATING LLC	HATFIELD STATE	005	EDDY	S:8, T:17S, R:29E	EMPIRE	YESO, EAST	5,450	PO	Active Permit		

Offset Wells to Hatfield State #7



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Hatfield State
wells
Elkhorn Prospect

BURCH KEEL
MARBOR ENER

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:

B P AMERICA PRODUCTION CO.
P. O. BOX 3092
HOUSTON, TX 77253-3092

COMPLETE THIS SECTION ON DELIVERY

- A. Signature ☒ Agent
 ☒ Addressee
- B. Received by (Printed Name) E. BENAVENTE C. Date of Delivery 4/12/16
- 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)

7009 2250 0001 0942 4254

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

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

April 7, 2010

B P America Production Co.
P.O. Box 3092
Houston, TX 77253-3092

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: Glorieta-Yeso, East oil well.

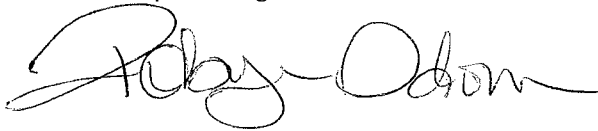
**Hatfield State #7
Eddy County, NM**

Location:
990' FSL & 1550' FWL Sec 8, T17S, R29E, Unit N

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

A handwritten signature in black ink, appearing to read "Robyn Odom", with a stylized flourish at the end.

Robyn M. Odom
Regulatory Analyst

432-685-4385
rodome@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:

HARVEY E YATES CO INC.
P. O. BOX 1933
ROSWELL, NM 88201

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☐ Agent
xball ☐ Addressee
B. Received by (Printed Name) C. Date of Delivery
Ball Power Delivery *2/12/04*
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 4247

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

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

April 7, 2010

Harvey E. Yates Co Inc.
P.O. Box 1933
Roswell, NM 88201

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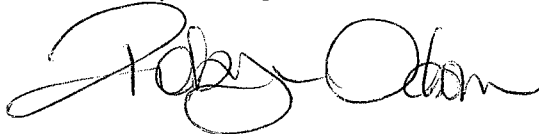
**Hatfield State #7
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COG Operating LLC

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Robyn M. Odom
Regulatory Analyst

432-685-4385
rodome@conchoresources.com