

DATE IN 9-14-11	SUSPENSE	ENGINEER DB	LOGGED IN 9/15/11	TYPE NSL	APP NO. 1125857699
-----------------	----------	-------------	-------------------	----------	--------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



COG
Disposal Fed # 44

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 _____

E-5-175-30E
 302499
 Eddy Fed.
 302499

[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.

Kelly J. Holly
 Print or Type Name

Signature

Permitting Tech
 Title

9-13-11
 Date

(432) 685-4384
 Phone Number

kholly@conchoresources.com
 E-mail Address

**Gissler Federal #44
Eddy County, NM**

COG proposes to drill a Vertical, SW/4 NE/4, 40 acre spacing
Loco Hills; Glorieta-Yeso oil well
TD of approximately 5900'

Location:
1638' FNL & 330' FWL Sec 5, T17S, R30E, Unit E

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

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 Electra Federal #10 which was recently drilled in January 2007 and is located 765' FSL 2310' FWL, Section 10, T17S, R30E, Unit N.

The Electra Federal #10 completion divided the Yeso up into 3 perf/stimulation intervals. At this time, we believe the Electra Federal #13 should be very similar.

Electra Federal #10 has perms from: 4920' – 5848.5' overall, with the following breakdown:

1st interval: 5567' – 5848.5',
acidized w/ 2500 gals,
frac'd w/ 95,103 gals gel, 8321# LiteProp, & 85,970# 16/30 sand.

2nd interval: 5192.5' – 5475.5',
acidized w/ 2500 gals,
frac'd w/ 97,107 gals gel, 8215# LiteProp, & 87,106# 16/30 sand.

3rd interval: 4920' – 5107',
acidized w/ 2500 gals,
frac'd w/ 94,099 gals gel, 8448# LiteProp, & 87,526# 16/30 sand.

**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 on is the NW/4 NW/4 of Sec 5 and NE/4 NE/4 of Sec 6.

Offset acreage is owned by Elliott Hall Co, Elliott Industries Ltd, and Sonosky Marvin.

(copy of notice to Elliott Hall Co, Elliott Industries Ltd, and Sonosky Marvin is attached)

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

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised July 16, 2010
Submit to Appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015	Pool Code 96718 97866	Pool Name Loco Hills, Glorieta-Yeso <i>Max-Loce</i>
Property Code 302499	Property Name GISSLER FEDERAL	Well Number 44
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3699'

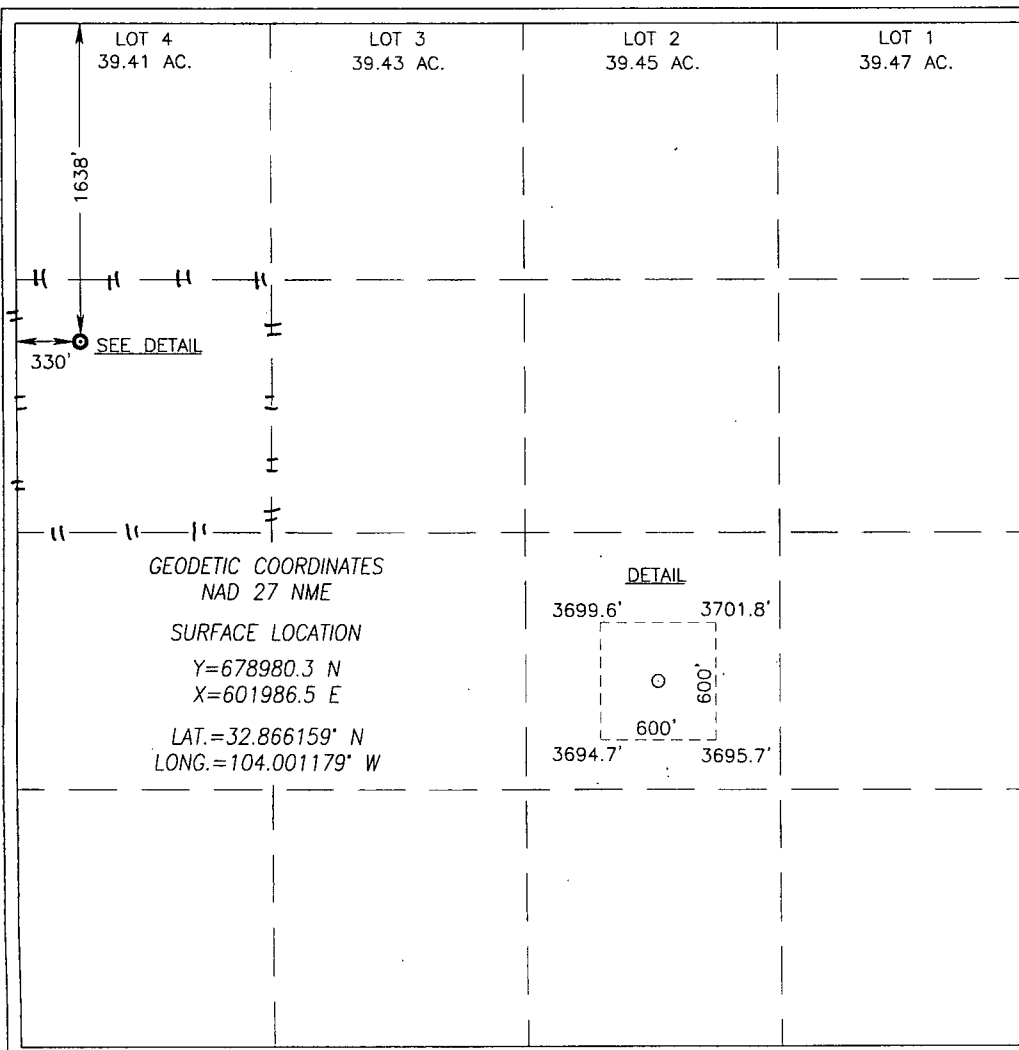
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	5	17-S	30-E		1638	NORTH	330	WEST	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.

Kelly J. Holly 7-13-11
Signature Date

Kelly J. Holly
Printed Name

kholly@conchoresources.com
E-mail Address

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.

JUNE 30, 2011

Date of Survey
Signature & Seal of Professional Surveyor:

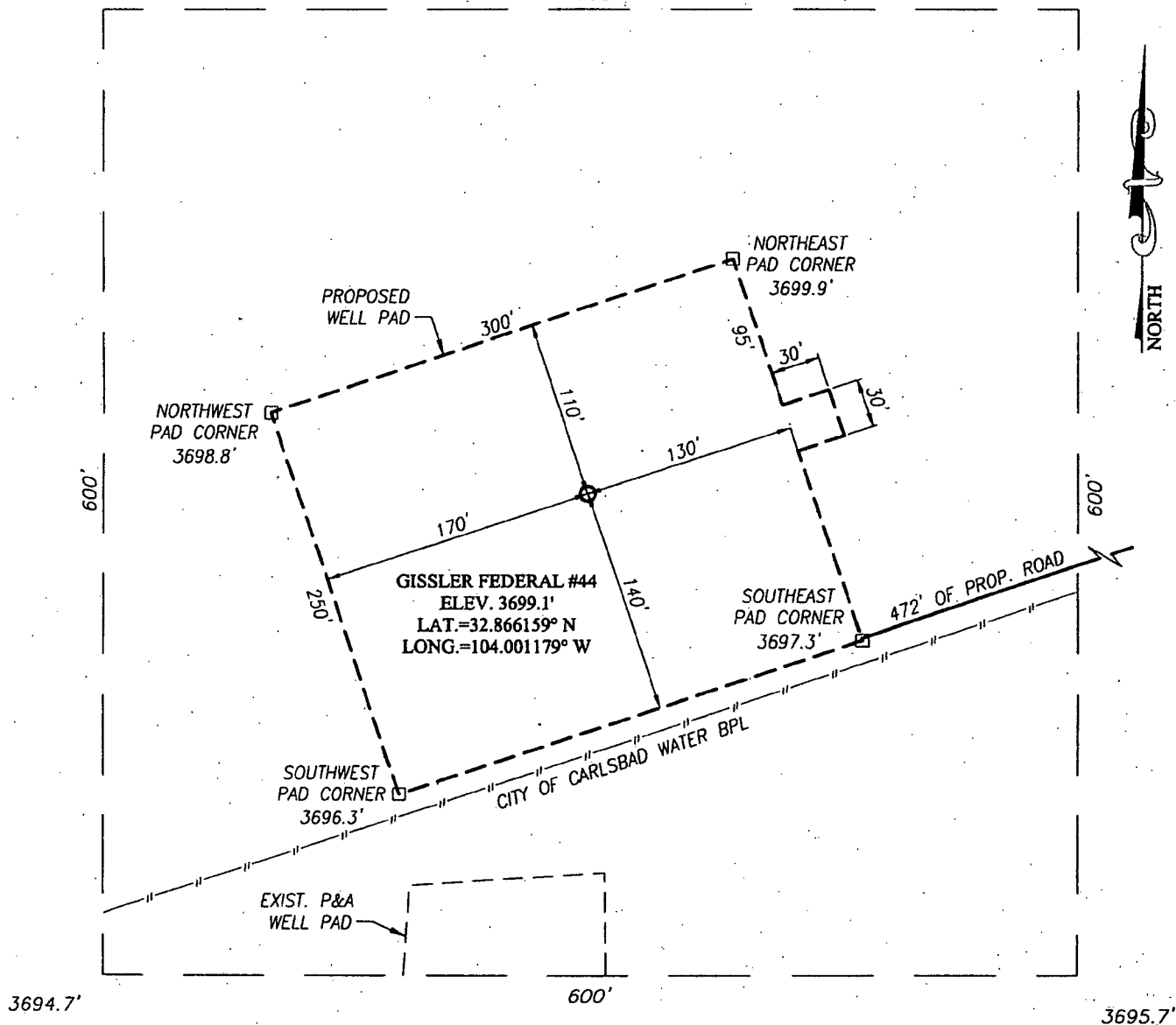
Ronald J. Eidson
RONALD J. EIDSON
NEW MEXICO
3239
Certificate Number Gary S. Eidson 12641
Ronald J. Eidson 3239
DSS WSC W.O.: 11.11.0773

SECTION 5, TOWNSHIP 17 SOUTH, RANGE 30 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO

3699.6'

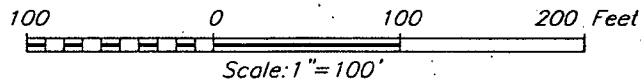
600'

3701.8'



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF CO. RD. #217 (HAGERMAN CUTOFF) AND CO. RD. #257 (MALLET RD.), GO SOUTH ON CO. RD. #217 APPROX. 0.3 MILES. TURN RIGHT AND GO WEST APPROX. 0.6 MILES TO THE GISSLER FEDERAL UNIT #45 WELL PAD. FROM THE SOUTHEAST CORNER OF THE WELL PAD, GO SOUTHWEST APPROX. 0.3 MILES TO THE GISSLER FEDERAL UNIT #21 WELL PAD. FOLLOW PROPOSED ROAD SURVEY STAKES SOUTHWEST APPROX. 472 FEET TO THIS LOCATION.



COG OPERATING, LLC

GISSLER FEDERAL #44 WELL
 LOCATED 1638 FEET FROM THE NORTH LINE
 AND 330 FEET FROM THE WEST LINE OF SECTION 5,
 TOWNSHIP 17 SOUTH, RANGE 30 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO

Survey Date: 6/30/11	Sheet 1 of 1 Sheets
W.O. Number: 11.11.0773	Dr By: DSS
Date: 7/9/11	Rev 1: N/A
11110773	Scale: 1"=100'



PROVIDING SURVEYING SERVICES
 SINCE 1946

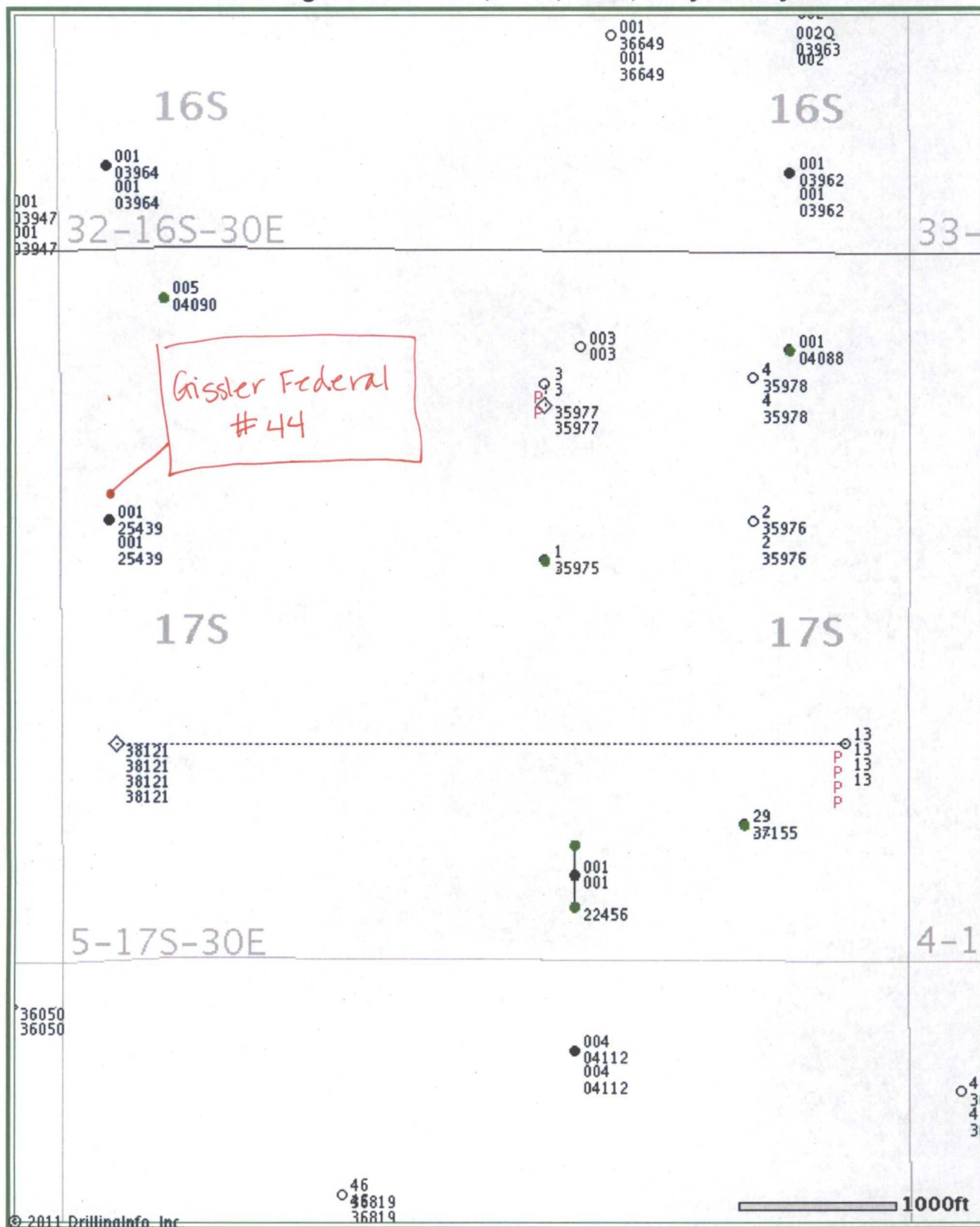
JOHN WEST SURVEYING COMPANY

412 N. DAL PASO
 HOBBS, N.M. 88240
 (575) 393-3117

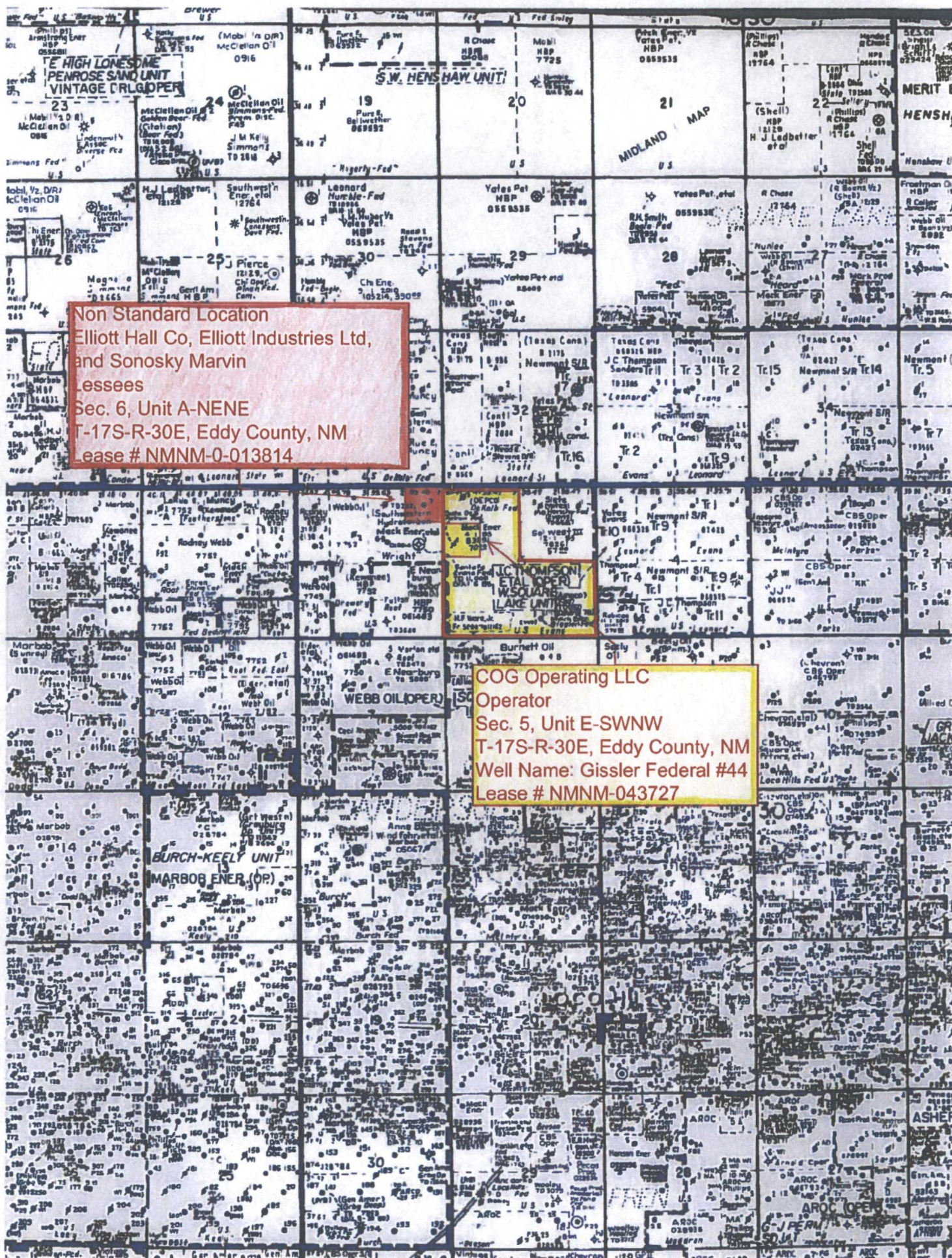
Producing Wells in Sec 5, T17S, R30E, Eddy County

API#	Operator	Lease	Well#	County	Legal	Total Depth	Well Type	Well Status	First Prod.	Last Prod.	Avg. (BO/D)
30-015-04088		EVANS	001	EDDY	S:5, T:17S, R:30E		O	Active	Feb 1947	Oct 1978	0.29
30-015-22456	COG OPERATING LLC	GISSLER FEDERAL	001	EDDY	S:5, T:17S, R:30E	11,150	O	Pumping	Aug 1990	Mar 2009	0.55
30-015-22456	COG OPERATING LLC	GISSLER FEDERAL	001	EDDY	S:5, T:17S, R:30E	11,150	O	Pumping	Jan 2008	May 2011	0.58
30-015-35975	MACK ENERGY CORP	RED BLUFF FEDERAL	1	EDDY	S:5, T:17S, R:30E	5,830	O	Active Permit	Mar 2008	May 2011	1.61
30-015-04090		DEKALB FEDERAL	005	EDDY	S:5, T:17S, R:30E		O	Active	May 1959	Dec 1963	3.39
30-015-37155	COG OPERATING LLC	GISSLER FEDERAL	29	EDDY	S:5, T:17S, R:30E	6,008	O	Active Permit	Sep 2009	May 2011	5.32

Producing Wells in Sec 5, T17S, R30E, Eddy County



© 2011 Drilling Info, Inc. All rights reserved. All data and information is provided "As Is" and subject to the [DI subscription agreement](#).



Non Standard Location
Elliott Hall Co, Elliott Industries Ltd,
and Sonosky Marvin
Lessees
Sec. 6, Unit A-NENE
T-17S-R-30E, Eddy County, NM
Lease # NMNM-0-013814

COG Operating LLC
Operator
Sec. 5, Unit E-SWNW
T-17S-R-30E, Eddy County, NM
Well Name: Gissler Federal #44
Lease # NMNM-043727

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

July 28, 2011

Elliott Hall Co. UT LP
PO Box 1231
Odgen, UT 84402-1231

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 Maljamar: YESO oil well.

**Gissler Federal #44
Eddy County, NM
1638' FNL & 330' FWL Sec 5, T17S, R30E**

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.


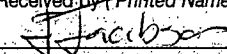
Sincerely,

COG Operating LLC




Kelly J. Holly
Permitting Tech

432-685-4384
kholly@concho.com

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> ■ 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. 		A. Signature  <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee	
1. Article Addressed to: <div style="text-align: center;"> Elliott Hall Co. UT LP PO Box 1231 Ogden, UT 844021231 </div>		B. Received by (Printed Name) 	C. Date of Delivery 8/5/11
		D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input checked="" type="checkbox"/> No	
		3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
2. Article Number (Transfer from service label)		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	
91 7199 9991 7030 4014 4054			
PS Form 3811, February 2004		Domestic Return Receipt	
		102595-02-M-1540	

UNITED STATES POSTAL SERVICE



First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

• Sender: Please print your name, address, and ZIP+4 in this box •

COG Operating LLC
ATTN: KELLY HOLLY
550 W Texas Suite 1300
Midland, TX 79701

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

July 28, 2011

Elliott Industries Ltd
500 N. Kentucky Ave.
Roswell, NM 88201

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 Maljamar: YESO oil well.

**Gissler Federal #44
Eddy County, NM
1638' FNL & 330' FWL Sec 5, T17S, R30E**

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



Kelly J. Holly
Permitting Tech

432-685-4384
kholly@concho.com

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> 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. 		A. Signature <i>Kathy Elliott</i>	
1. Article Addressed to: <div style="border: 1px solid black; padding: 10px; text-align: center;"> Elliott Industries Ltd. PO Box 1328 Santa Fe, NM 87504-1328 </div>		<input type="checkbox"/> Agent <input type="checkbox"/> Addressee B. Received by (Printed Name) <i>Kathy Elliott</i> C. Date of Delivery <i>AUG 12 2011</i> D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below <input type="checkbox"/> No <i>PO Box 1328</i> <i>SF, NM 87504</i>	
		3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
2. Article Number (Transfer from service label)		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes <div style="border: 1px solid black; padding: 5px; text-align: center;"> 91 7199 9991 7030 4014 4115 </div>	
PS Form 3811, February 2004		Domestic Return Receipt	
		102595-02-M-1540	

UNITED STATES POSTAL SERVICE		First-Class Mail Postage & Fees Paid USPS Permit No. G-10	
<div style="border: 1px solid black; padding: 10px; text-align: center;"> <p>• Sender: Please print your name, address, and ZIP+4 in this box •</p> <div style="border: 1px solid black; padding: 10px; text-align: center;"> COG Operating LLC ATTN: KELLY HOLLY 550 W Texas Suite 1300 Midland, TX 79701 </div> </div>			
<div style="border: 1px solid black; padding: 5px; text-align: center;"> </div>			

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

July 28, 2011

Sonosky Marvin
Box 1355
Roswell, NM 88201

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 Maljamar: YESO oil well.

**Gissler Federal #44
Eddy County, NM
1638' FNL & 330' FWL Sec 5, T17S, R30E**

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



Kelly J. Holly
Permitting Tech

432-685-4384
kholly@concho.com

We have no other
known address for
Sonosky Marvin.
We attempted to send
a notification letter
to this address + also
to Box 1355 Roswell, NM 86001.
Both came **back**
undeliverable.

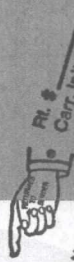


550 West Texas Avenue, Suite 100
Midland, Texas 79701

Sonosky Marvin

PO Box 1358

Santa Fe NM



- RL #
Carr. Init.
Date
- ☐ Not Deliverable As Addressed
 - ☐ Unable To Forward
 - ☐ Insufficient Address
 - ☐ Moved, Left No Address
 - ☐ Unclaimed
 - ☐ Attempted - Not Known
 - ☐ No Such Street
 - ☐ Vacant
 - ☐ No Mail Receipts
 - ☐ Box Closed - No Order
 - ☐ Returned For Better Address
 - ☐ Postage Due

ANK

1ST NOTICE 08-05-11
2ND NOTICE
RETURN

AUG 01

91 7199 9991 7030 4014 4078

01 \$003.69
4097 JUL 29 201

CERTIFIED MAIL

U.S. POSTAGE PITNEY BOWE