

DATE: 4/26/12	SUSPENSE	ENGINEER: DB	LOGGED IN: 4/26/12	TYPE: NSL	APP NO: 1211740565
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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



C06-229137

Conoco 8 State #3

ADMINISTRATIVE APPLICATION CHECKLIST

30-015-39855

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]

6625

[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 _____

2012 APR 26 A 10:06
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J-8-175-29E

[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

4-25-12
Date

(432) 685-4384
Phone Number

kholly@concho.com
E-mail Address

**Conoco 8 State #3
Eddy County, NM**

COG proposes to drill a NW/4 SE/4, 40 acre spacing
Empire; Glorieta-Yeso, East Oil Well
TD of approximately 5400'

Non-Standard Location:

1510' FSL & 2310' FEL Sec 8, T17S, R29E, Unit J

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

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 that COG Operating LLC acreage.
The acreage we are encroaching is the SE/4 SW/4 and the SW/4 SE/4 of Section
8.

Offset acreage is owned by ZPZ Delaware I, LLC.
Proof of Notification is enclosed.

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

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

DISTRICT II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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 August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-	Pool Code 96610	Pool Name Empire; Glorieta-Yeso East
Property Code	Property Name CONOCO 8 STATE	Well Number 3
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3619'

Surface Location

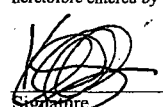
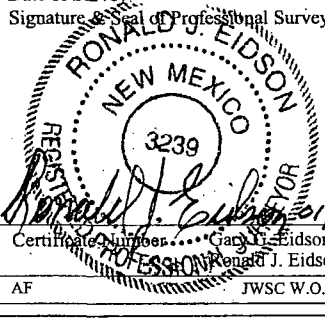
UL or lot No.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County
J	8	17-S	29-E		1510	SOUTH	2310	EAST	EDDY

Bottom Hole Location If Different From Surface

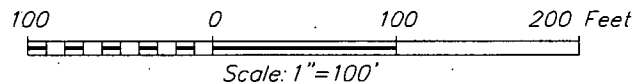
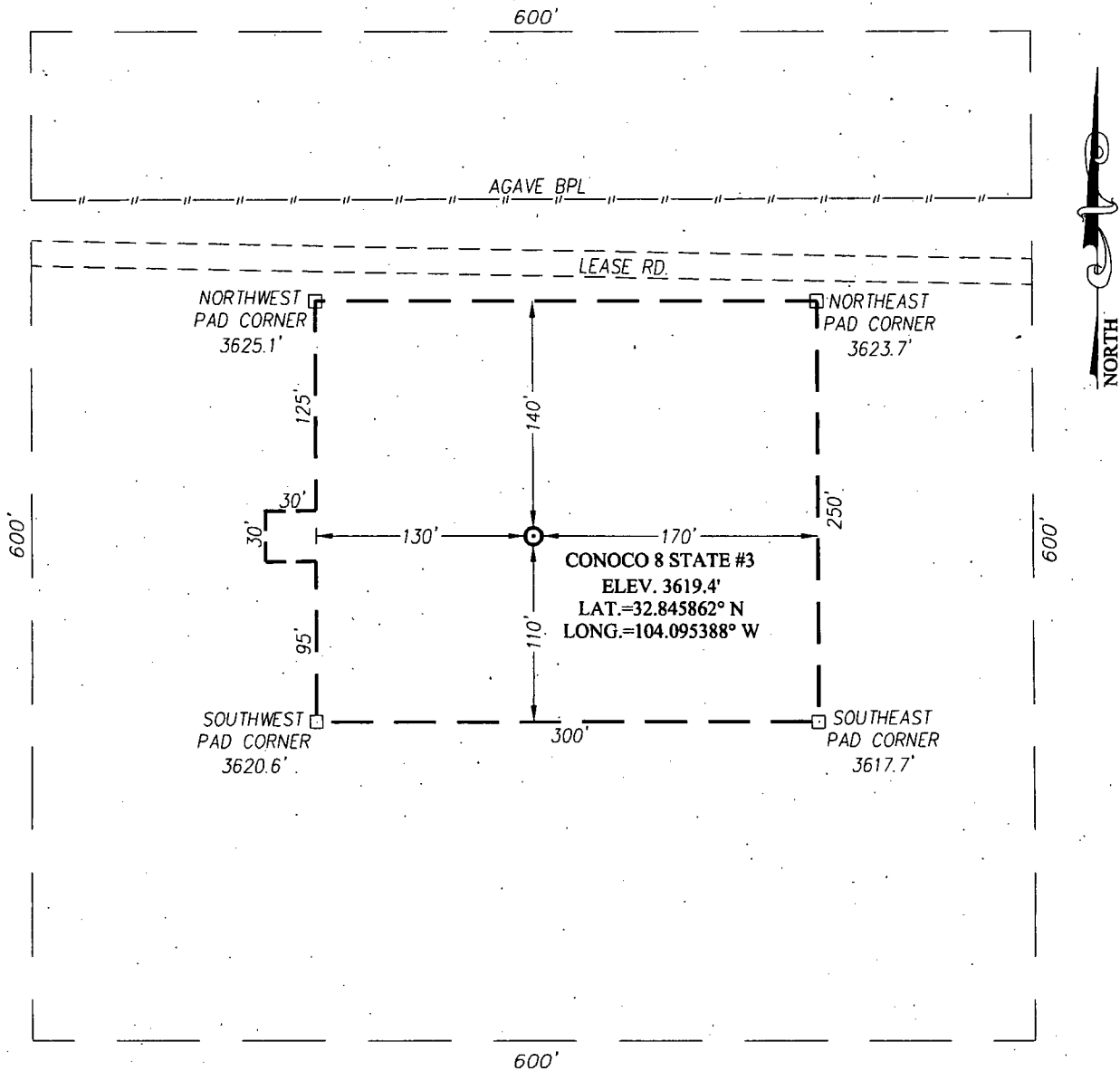
UL or lot No.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
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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 SURFACE LOCATION Y=671518.1 N X=573076.1 E LAT.=32°45'58.62" N LONG.=104°09'53.88" 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.  1-24-12 Signature Date Kelly J. Holly Printed Name kholly@concho.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. JANUARY 6, 2012 Date of Survey Signature of Professional Surveyor:   Certificate Number: 3239 Ronald J. Eidson AF JWSC W.O.: 11.11.2724

SECTION 8, TOWNSHIP 17 SOUTH, RANGE 29 EAST, N.M.P.M.
 EDDY COUNTY NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF U.S. HWY. #82 AND CO. RD. #211 (OLD LOCO) GO NORTH ON CO. RD. #211 APPROX. 2.4 MILES. TURN RIGHT AND GO EAST APPROX. 380 FEET. THIS LOCATION IS APPROX. 155 FEET SOUTH OF THE LEASE ROAD.

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

COG OPERATING, LLC

CONOCO 8 STATE #3 WELL
 LOCATED 1510 FEET FROM THE SOUTH LINE
 AND 2310 FEET FROM THE EAST LINE OF SECTION 8,
 TOWNSHIP 17 SOUTH, RANGE 29 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO

Survey Date: 1/6/12	Sheet 1 of 1 Sheets
W.O. Number: 11.11.2724	Dr. By: AF Rev 1:
Date: 1/17/12	Rel. W.O.: 11112724 Scale: 1"=100'

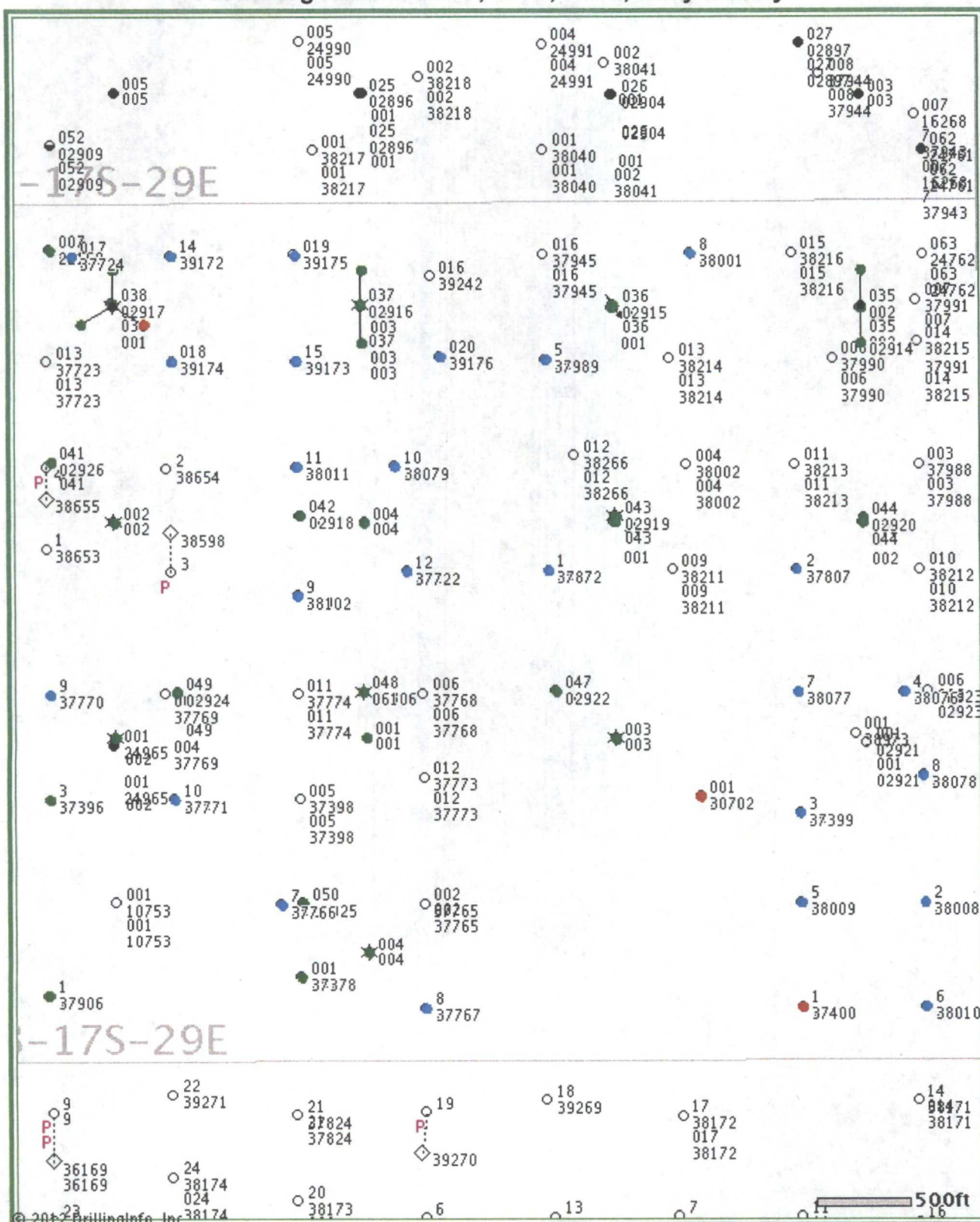
Producing wells in Sec 8, T17S, R29E, Eddy County

API#	Operator	Lease	Well#	County	Legal	Total Depth	Well Type	Well Status	First Prod.	Last Prod.	Avg. (BO/D)
30-015-02917		CAVE POOL UNIT	038	EDDY	S:8, T:17S, R:29E		O	Active	Jan 1963	Apr 1963	0.00
30-015-00000	KINCAID AND WATSON DRILLING CO	ATLANTIC STATE	001	EDDY	S:8, T:17S, R:29E		G	Active	Jan 1962	Dec 1962	0.03
30-015-02918		CAVE POOL UNIT	042	EDDY	S:8, T:17S, R:29E		O	Active	Jan 1963	Feb 1963	0.04
30-015-02914	MARKS AND GARNER PRODUCTION LTD CO	CAVE POOL UNIT	035	EDDY	S:8, T:17S, R:29E	0	O	Shut-in	Jan 1963	Jul 2010	0.06
30-015-22168	FINNEY OIL COMPANY	HUMBLE 8	007	EDDY	S:8, T:17S, R:29E	0	O	Active	Jan 1987	Oct 2011	0.06
30-015-00000	KINCAID & WATSON	HUMBLE STATE	004	EDDY	S:8, T:17S, R:29E		O	Active	Sep 1956	Dec 1962	0.06
30-015-00000	KINCAID AND WATSON DRILLIN CO	HUMBLE ST	003	EDDY	S:8, T:17S, R:29E		AP	Unknown	Jan 1962	Dec 1962	0.06
30-015-00000	KINCAID & WATSON	HUMBLE STATE	003	EDDY	S:8, T:17S, R:29E		O	Active	Aug 1956	Dec 1961	0.23
30-015-00000	GEN AMERICAN	HUMBLE ST	001	EDDY	S:8, T:17S, R:29E		G	Active	Jan 1958	Dec 1961	0.23
30-015-00000	CONTINENTAL OIL COMPANY	STATE T	001	EDDY	S:8, T:17S, R:29E		O	Active	Nov 1956	Dec 1962	0.39
30-015-00000	CONTINENTAL OIL COMPANY	STATE T-8	002	EDDY	S:8, T:17S, R:29E		O	Active	May 1957	Dec 1962	0.39
30-015-00000	KINCAID & WATSON	ATLANTIC STATE	001	EDDY	S:8, T:17S, R:29E		O	Active	Dec 1956	Dec 1962	0.61
30-015-00000	KINCAID & WATSON	ATLATIC ST.	002	EDDY	S:8, T:17S, R:29E		G	Active	Jun 1957	Dec 1962	0.61
30-015-00000	KINCAID & WATSON	ATLANTIC ST.	003	EDDY	S:8, T:17S, R:29E		G	Active	Mar 1957	Dec 1962	0.61
30-015-00000	KINCAID & WATSON	ATLANTIC ST.	004	EDDY	S:8, T:17S, R:29E		G	Active	Sep 1957	Dec 1962	0.61
30-015-00000	LEONARD OIL COMPANY	FED. POLK	002	EDDY	S:8, T:17S, R:29E		G	Active	Jul 1956	Mar 1962	0.68
30-015-00000	CONTINENTAL OIL COMPANY	STATE U-8	001	EDDY	S:8, T:17S, R:29E		O	Active	May 1957	Dec 1962	0.68
30-015-00000	CONTINENTAL OIL COMPANY	STATE U-8	002	EDDY	S:8, T:17S, R:29E		O	Active	Jun 1957	Dec 1962	0.68
30-015-02916	CONTINENTAL OIL CO	CAVE POOL	037	EDDY	S:8, T:17S, R:29E		G	Active	Jan 1963	Dec 1969	1.00
30-015-00000	KELLY JOHN M	HUMBLE ST	001	EDDY	S:8, T:17S, R:29E		G	Active	Jan 1959	Dec 1960	1.03
30-015-02919	CONTINENTAL OIL CO	CAVE POOL	043	EDDY	S:8, T:17S, R:29E	2,450	G	Active	Jan 1963	Dec 1969	2.00
30-015-02925		CAVE POOL UNIT	050	EDDY	S:8, T:17S, R:29E		O	Active	Jan 1963	Dec 1983	3.00
					S:8, T:17S,						

30-015-06106	CONTINENTAL OIL CO	CAVE POOL	048	EDDY	R:29E		G	Active	Jan 1963	Dec 1969	3.00
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	3.00
30-015-39175	COG OPERATING LLC	MCCOY STATE	019	EDDY	S:8, T:17S, R:29E	5,400	PO	Active Permit	Oct 2011	Oct 2011	3.77
30-015-02920		CAVE POOL UNIT	044	EDDY	S:8, T:17S, R:29E	2,450	O	Active	Jan 1963	Dec 1983	5.97
30-015-37906	NADEL AND GUSSMAN HEYCO, LLC	HILLBILLY CAVE 8 STATE	1	EDDY	S:8, T:17S, R:29E	5,373	U	Active Permit	Jul 2010	Oct 2011	6.94
30-015-38076	COG OPERATING LLC	MCCOY STATE	4	EDDY	S:8, T:17S, R:29E	5,406	O	Active Permit	Nov 2010	Oct 2011	8.19
30-015-02924		CAVE POOL UNIT	049	EDDY	S:8, T:17S, R:29E		O	Active	Jan 1963	Dec 1983	9.06
30-015-37399	COG OPERATING LLC	MCCOY STATE	3	EDDY	S:8, T:17S, R:29E	5,483	O	Active Permit	Oct 2010	Oct 2011	9.13
30-015-37400	COG OPERATING LLC	MCCOY STATE	1	EDDY	S:8, T:17S, R:29E	5,466	O	Active Permit	May 2010	Oct 2011	9.58
30-015-37396	COG OPERATING LLC	HATFIELD STATE	3	EDDY	S:8, T:17S, R:29E	5,488	O	Active Permit	Jul 2010	Oct 2011	9.68
30-015-37378	COG OPERATING LLC	HATFIELD STATE	001	EDDY	S:8, T:17S, R:29E	5,475	O	Active Permit	May 2010	Oct 2011	9.71
30-015-38008	COG OPERATING LLC	MCCOY STATE	2	EDDY	S:8, T:17S, R:29E	5,408	O	Active Permit	Oct 2010	Oct 2011	10.52
30-015-37766	COG OPERATING LLC	HATFIELD STATE	7	EDDY	S:8, T:17S, R:29E	5,528	O	Active Permit	Oct 2010	Oct 2011	11.68
30-015-38010	COG OPERATING LLC	MCCOY STATE	6	EDDY	S:8, T:17S, R:29E	5,443	O	Active Permit	May 2011	Oct 2011	11.87
30-015-37771	COG OPERATING LLC	HATFIELD STATE	10	EDDY	S:8, T:17S, R:29E	5,590	O	Active Permit	Oct 2010	Oct 2011	12.19
30-015-38009	COG OPERATING LLC	MCCOY STATE	5	EDDY	S:8, T:17S, R:29E	5,425	O	Active Permit	Feb 2011	Oct 2011	12.77
30-015-38001	CIMAREX ENERGY CO. OF COLORADO	CHASER 8 STATE	8	EDDY	S:8, T:17S, R:29E	5,307	U	Active Permit	Jun 2011	Oct 2011	13.03
30-015-38078	COG OPERATING LLC	MCCOY STATE	8	EDDY	S:8, T:17S, R:29E	5,440	O	Active Permit	Mar 2011	Oct 2011	14.13
30-015-38077	COG OPERATING LLC	MCCOY STATE	7	EDDY	S:8, T:17S, R:29E	5,370	O	Active Permit	Apr 2011	Oct 2011	15.06
30-015-37767	COG OPERATING LLC	HATFIELD STATE	8	EDDY	S:8, T:17S, R:29E	5,548	O	Active Permit	Oct 2010	Oct 2011	15.65
30-015-37724	COG OPERATING LLC	MCCOY STATE	017	EDDY	S:8, T:17S, R:29E	5,455	U	Active Permit	Oct 2011	Oct 2011	23.42
30-015-38079	COG OPERATING LLC	MCCOY STATE	10	EDDY	S:8, T:17S, R:29E	5,475	O	Active Permit	Dec 2010	Oct 2011	27.81
30-015-39173	COG OPERATING LLC	MCCOY STATE	15	EDDY	S:8, T:17S, R:29E	5,450	U	Active Permit	Sep 2011	Oct 2011	31.94
30-015-37989	CIMAREX ENERGY CO. OF COLORADO	CHASER 8 STATE	5	EDDY	S:8, T:17S, R:29E	5,288	O	Active Permit	Jan 2011	Oct 2011	34.23
30-015-39174	COG OPERATING LLC	MCCOY STATE	018	EDDY	S:8, T:17S, R:29E	5,421	U	Active Permit	Sep 2011	Oct 2011	37.10

30-015-37872	CIMAREX ENERGY CO. OF COLORADO	CHASER 8 STATE	1	EDDY	S:8, T:17S, R:29E	5,332	U	Active	Feb 2011	Oct 2011	37.84
30-015-38102	COG OPERATING LLC	MCCOY STATE	9	EDDY	S:8, T:17S, R:29E	5,540	O	Active Permit	Jul 2011	Oct 2011	43.77
30-015-37770	COG OPERATING LLC	HATFIELD STATE	9	EDDY	S:8, T:17S, R:29E	5,817	O	Active Permit	Oct 2010	Oct 2011	48.58
30-015-37807	CIMAREX ENERGY CO. OF COLORADO	CHASER 8 STATE	2	EDDY	S:8, T:17S, R:29E	5,260	U	Active Permit	Sep 2010	Oct 2011	48.74
30-015-38011	COG OPERATING LLC	MCCOY STATE	11	EDDY	S:8, T:17S, R:29E	5,510	O	Active Permit	Aug 2011	Oct 2011	71.61
30-015-37722	COG OPERATING LLC	MCCOY STATE	12	EDDY	S:8, T:17S, R:29E	5,468	O	Active Permit	Aug 2011	Oct 2011	76.61
30-015-39172	COG OPERATING LLC	MCCOY STATE	14	EDDY	S:8, T:17S, R:29E	5,433	U	Active Permit	Sep 2011	Oct 2011	77.55
30-015-02922		CAVE POOL UNIT	047	EDDY	S:8, T:17S, R:29E		O	Active	Jan 1963	Dec 1983	133.26
30-015-02926	MARKS AND GARNER PRODUCTION LTD CO	CAVE POOL UNIT	041	EDDY	S:8, T:17S, R:29E	0	PO	Temporarily Abandoned	Jan 1964	Aug 2007	
30-015-30702	EOG RESOURCES INC	CONOCO 8 STATE COM	001	EDDY	S:8, T:17S, R:29E	10,920	O	Flowing	Mar 2000	Oct 2011	
30-015-02915	MARKS AND GARNER PRODUCTION LTD CO	CAVE POOL UNIT	036	EDDY	S:8, T:17S, R:29E	2,450	D	Salt Water Disposal	Jan 1963	Aug 1963	
30-015-39176	COG OPERATING LLC	MCCOY STATE	020	EDDY	S:8, T:17S, R:29E	5,400	PO	Active Permit	Oct 2011	Oct 2011	

Producing wells in Sec 8, T17S, R29E, Eddy County



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Non Standard Location
Operator: COG Operating LLC
T17S-R29E Sec 8 UL-N

Well name: Conoco 8 State #3
Operator: COG Operating LLC
T17S-R29E Sec 8 UL-J

Non Standard Location
ZPZ Delaware I, LLC, A Delaware
Limited Liability Co. 100%
T-17S-R29E Sec 8 UL-O

Non Standard Location
Operator: COG Operating LLC
T17S-R29E Sec 8 UL-N

Well name: Conoco 8 State #3
Operator: COG Operating LLC
T17S-R29E Sec 8 UL-J

Non Standard Location
ZPZ Delaware I, LLC, A Delaware
Limited Liability Co. 100%
T-17S-R29E Sec 8 UL-O

Non Standard Location
Operator: COG Operating LLC
T17S-R29E Sec 8 UL-N

Well name: Conoco 8 State #3
Operator: COG Operating LLC
T17S-R29E Sec 8 UL-J

Non Standard Location
ZPZ Delaware I, LLC, A Delaware
Limited Liability Co. 100%
T-17S-R29E Sec 8 UL-O

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

April 18, 2012

ZPZ Delaware I, LLC A Limited Liability Co.
2000 Post Oak Blvd. Ste. #100
Houston, TX 77056

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.

**Conoco 8 State #3
Eddy County, NM**

1510' FSL & 2310' FEL Sec 8, T17S, R29E, 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



Kelly J. Holly
Permitting Tech

432-685-4384

kholly@concho.com

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
■ 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>XSiJ sou 8u do</i> ☐ Agent ☐ Addressee	
1. Article Addressed to: ZPZ Delaware I, LLC A Limited Liability Co 2000 Post Oak Blvd. Ste. #100 Houston, TX 77056		B. Received by (Printed Name)	C. Date of Delivery 4-23-12
		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.	
2. Article Number (Transfer from service label)		4. Restricted Delivery? (Extra Fee) ☐ Yes	
91 7199 9991 7030 4014 4375			
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 Ave, Suite 100 Midland, TX 79701		
