

DATE IN 5.2.12	SUSPENSE	ENGINEER <i>RE</i>	LOGGED IN 5.2.12	TYPE <i>CTB</i>	APP NO. 1217350824
----------------	----------	--------------------	------------------	-----------------	--------------------

ABOVE THIS LINE FOR DIVISION USE ONLY  
*WVS*  
*644*

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



RECEIVED OGD  
 2012 MAY -2 A 11:19  
*COG 217955*

**ADMINISTRATIVE APPLICATION CHECKLIST** *30-015-39734*

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:**

- 30-015 37049*
- [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**

- [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.**

<i>Mayte Reyes</i>	<i>Mayte Reyes</i>	Regulatory Analyst	4/30/12
Print or Type Name	Signature	Title	Date
		mreyes1@concho.com	
		e-mail Address	

District I  
1625 N. French Drive, Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St Francis Dr, Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107-B  
Revised August 1, 2011

**OIL CONSERVATION DIVISION**  
1220 S. St Francis Drive  
Santa Fe, New Mexico 87505

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

**APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)**

OPERATOR NAME: COG Production LLC  
OPERATOR ADDRESS: 2208 W. Main Street, Artesia, NM 88210  
APPLICATION TYPE:

Pool Commingling  Lease Commingling  Pool and Lease Commingling  Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE:  Fee  State  Federal

Is this an Amendment to existing Order?  Yes  No If "Yes", please include the appropriate Order No. \_\_\_\_\_  
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling  
 Yes  No

**(A) POOL COMMINGLING**  
Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

(2) Are any wells producing at top allowables?  Yes  No  
(3) Has all interest owners been notified by certified mail of the proposed commingling?  Yes  No.  
(4) Measurement type:  Metering  Other (Specify)  
(5) Will commingling decrease the value of production?  Yes  No If "yes", describe why commingling should be approved

**(B) LEASE COMMINGLING**  
Please attach sheets with the following information

(1) Pool Name and Code.  
(2) Is all production from same source of supply?  Yes  No  
(3) Has all interest owners been notified by certified mail of the proposed commingling?  Yes  No  
(4) Measurement type:  Metering  Other (Specify)

**(C) POOL and LEASE COMMINGLING**  
Please attach sheets with the following information

(1) Complete Sections A and E.

**(D) OFF-LEASE STORAGE and MEASUREMENT**  
Please attached sheets with the following information

(1) Is all production from same source of supply?  Yes  No  
(2) Include proof of notice to all interest owners.

**(E) ADDITIONAL INFORMATION (for all application types)**  
Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.  
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.  
(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.  
SIGNATURE: Mayte Reyes TITLE: Regulatory Analyst DATE: 4/30/12  
TYPE OR PRINT NAME Mayte Reyes TELEPHONE NO.: 575-748-6945  
E-MAIL ADDRESS mreyes1@concho.com

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other Instructions on page 2.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NM12559
2. Name of Operator COG Production LLC		6. If Indian, Allottee, or Tribe Name
3a. Address 2208 W. Main Street Artesia, NM 88210	3b. Phone No. (include area code) 575-748-6945	7. If Unit or CA. Agreement Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) SHL: 810' FSL & 2630' FWL, Unit N (SESW) Sec 13-T26S-R28E BHL: 330' FSL & 480' FWL, Unit N (SESW) Sec 24-T26S-R28E		8. Well Name and No. Cottonmouth 13 Federal Com #1H
		9. API Well No. 30-015-39734
		10. Field and Pool, or Exploratory Area Delaware River; Bone Spring
		11. County or Parish, State Eddy NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production ( Start/ Resume)	<input type="checkbox"/> Water Shut-off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and abandon	<input type="checkbox"/> Temporarily Abandon	Off-Lease Measurement
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. Attach the Bond under which the work will performed or provide the Bond No. on file with the BLM/ BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notice shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

COG Production LLC respectfully requests administrative approval to Surface/Lease commingle gas only the following wells:

Cottonmouth 13 Federal Com #1H  
Delaware River; Bone Spring  
Sec 13-T26S-R28E  
API# 30-015-39734  
Federal Lease # NMNM12559  
Eddy County, NM

Momba 24 Federal Com #1H  
Delaware River; Bone Spring  
Sec 24-T26S-R28E  
API# 30-015-37049  
SHL: Federal Lease #NMNM12559 BHL: Fee  
Eddy County, NM

14. I hereby certify that the foregoing is true and correct.

Name (Printed/ Typed) Mayte Reyes	Title: Regulatory Analyst
Signature: <i>Mayte Reyes</i>	Date: 4/30/12

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by:	Title:	Date:
Conditions of approval, if any are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office:	

Title 18 U.S.C. Section 1001 AND Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**Continuation of the Cottonmouth 13 Federal Com #1H and Momba 24 Federal Com #1H Surface/Lease  
Commingling gas only application sundry.**

All owners notifications are attached.

Identical pools.

**Gas Measurement**

The gas from the Momba 24 Federal Com #1H and the Cottonmouth 13 Federal Com #1H will be measured on lease and sold at the Southern Union meter# 57308 located in section 12-T26S-R28E. Each well shall be equipped with a gas allocation meter that will continuously meter gas production prior to commingling and these measurements shall be used to allocate production/sales to the wells. The Cottonmouth 13 Federal Com #1H will have a gas lift meter and a check meter to measure any gas pulled off of the line.

Estimated daily gas production for the Cottonmouth 13 Federal #1H is from 0 - 2000 mcf and the estimated daily gas production for the Momba 24 Federal Com #1H is 0-1200 mcf.

The proposed commingling is necessary for economic operation of the above referenced leases.

The purpose of the Surface/Lease Commingling of production is in the interest of conservation, economic feasibility, the reduction of environmental impact area, and will not result in reduced royalty or improper measurement of production. Without the approval for utilizing existing batteries on adjacent leases, it will become necessary to built separate facilities for this well. This will greatly increase costs and shorten the economic life of the well.

We understand that the request approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.

DISTRICT I  
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II  
1501 W. Grand Avenue, Artesia, NM 88201

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

DISTRICT IV  
1579 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised October 10, 2009

Submit one copy to appropriate  
District Office

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-015-39734	Pool Code 16800	Pool Name DELAWARE RIVER-BONE SPRING
Property Code	Property Name COTTONMOUTH "13" FEDERAL COM	Well Number 1H
OGRID No. 217955	Operator Name OGX RESOURCES, LLC	Elevation 2920'

Surface Location

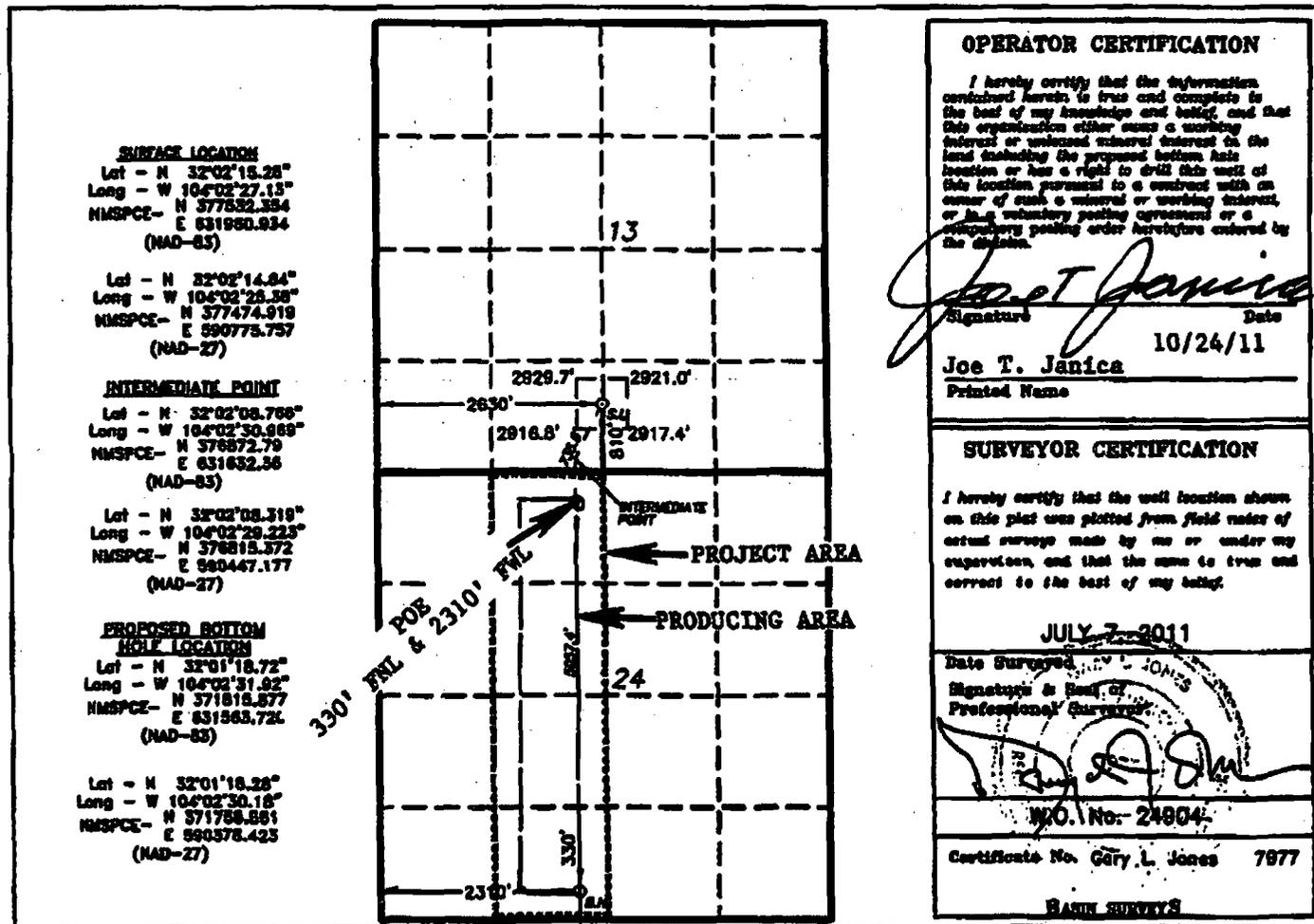
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	13	26 S	28 E		810	SOUTH	2630	WEST	EDDY

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
N	24	26 S	28 E		330	SOUTH	2310	WEST	EDDY

Dedicated Acres 160	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 contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided 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 has voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Joe T. Janica*  
Signature Date  
10/24/11

Joe T. Janica  
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.

JULY 7 2011

Date Surveyed  
Signature & Seal of Professional Surveyor

*Gary L. Jones*  
Professional Surveyor

NO. No- 24904

Certificate No. Gary L. Jones 7877

BASIN SURVEYS

EXHIBIT "A"

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 <b>30-015-37049</b>	Pool Code <b>16800</b>	Pool Name <b>Delaware River; Bone Spring</b>
Property Code <b>37675</b>	Property Name <b>MOMBA "24" FEDERAL</b>	Well Number <b>1H</b>
OGRID No <b>217955</b>	Operator Name <b>OGX RESOURCES</b>	Elevation <b>2912'</b>

Surface Location

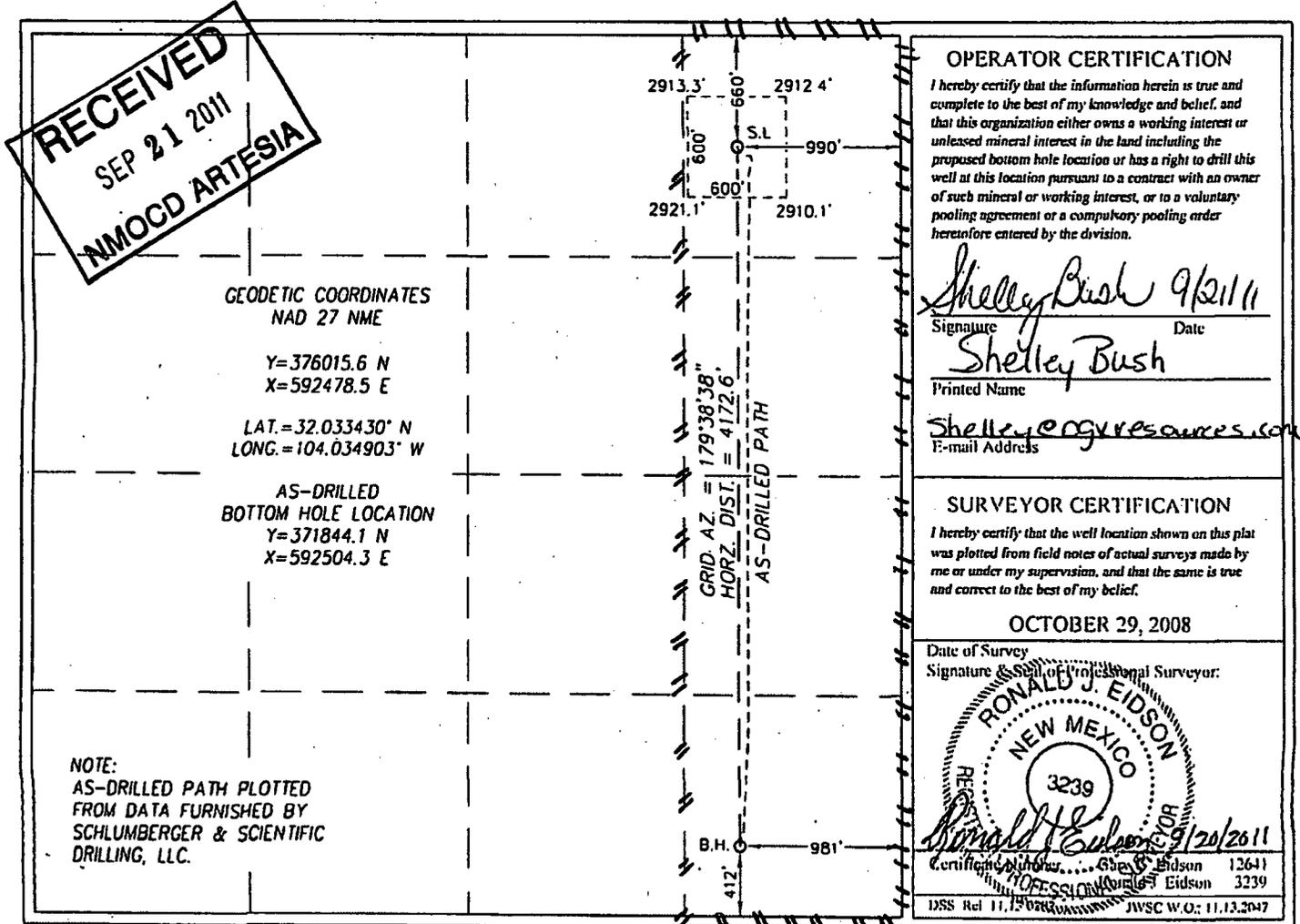
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	24	26-S	28-E		660	NORTH	990	EAST	EDDY

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/West line	County
P	24	26-S	28-E		412	SOUTH	981	EAST	EDDY

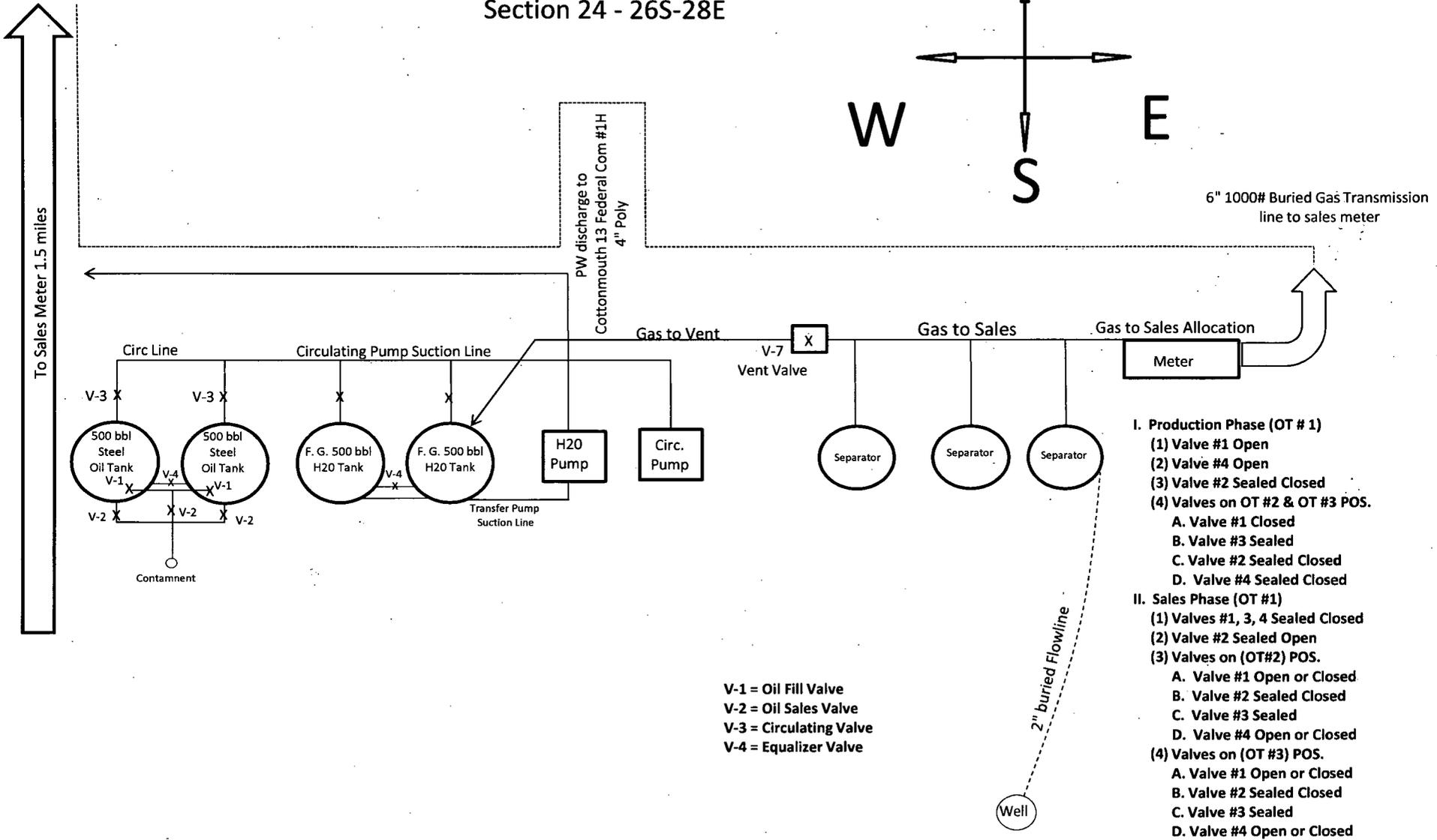
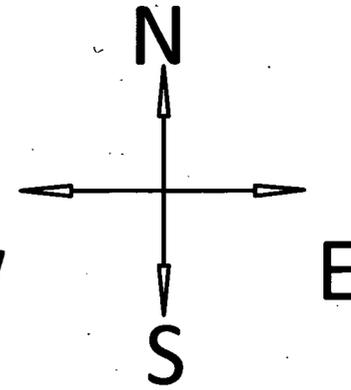
Dedicated Acres <b>160.00</b>	Joint or Infill	Consolidation Code	Order No.
----------------------------------	-----------------	--------------------	-----------

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





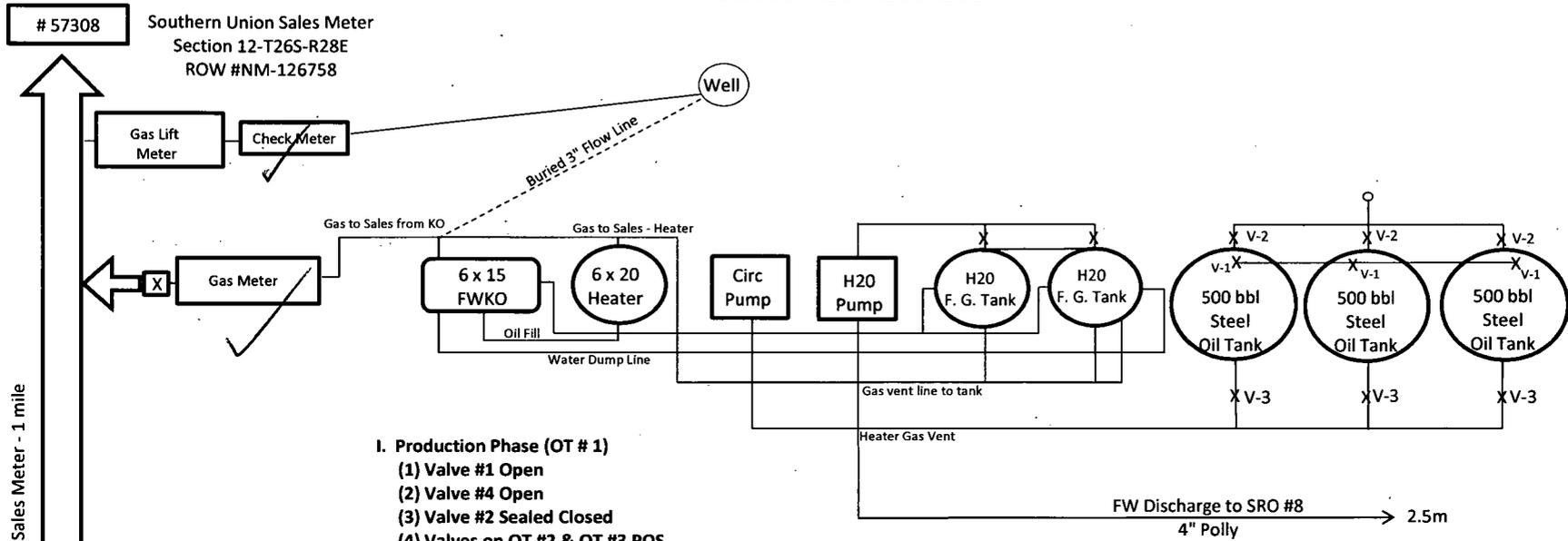
Production Facility Layout  
**Momba 24 Federal Com #1H**  
 API #30-015-37049  
 Section 24 - 26S-28E



V-1 = Oil Fill Valve  
 V-2 = Oil Sales Valve  
 V-3 = Circulating Valve  
 V-4 = Equalizer Valve

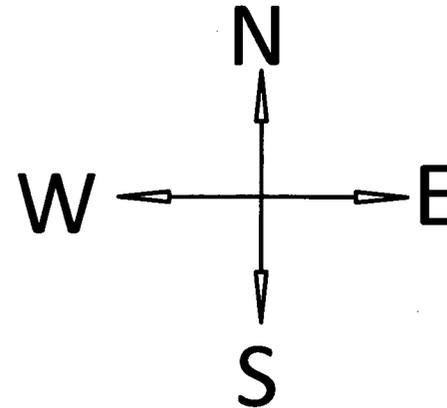
- I. Production Phase (OT # 1)**  
 (1) Valve #1 Open  
 (2) Valve #4 Open  
 (3) Valve #2 Sealed Closed  
 (4) Valves on OT #2 & OT #3 POS.  
 A. Valve #1 Closed  
 B. Valve #3 Sealed  
 C. Valve #2 Sealed Closed  
 D. Valve #4 Sealed Closed
- II. Sales Phase (OT #1)**  
 (1) Valves #1, 3, 4 Sealed Closed  
 (2) Valve #2 Sealed Open  
 (3) Valves on (OT#2) POS.  
 A. Valve #1 Open or Closed  
 B. Valve #2 Sealed Closed  
 C. Valve #3 Sealed  
 D. Valve #4 Open or Closed  
 (4) Valves on (OT #3) POS.  
 A. Valve #1 Open or Closed  
 B. Valve #2 Sealed Closed  
 C. Valve #3 Sealed  
 D. Valve #4 Open or Closed

Production Facility Layout  
 Cottonmouth 13 Federal Com #1H  
 API #30-015-39734  
 Section 13 - 26S-28E



- I. Production Phase (OT # 1)**  
 (1) Valve #1 Open  
 (2) Valve #4 Open  
 (3) Valve #2 Sealed Closed  
 (4) Valves on OT #2 & OT #3 POS.  
 A. Valve #1 Closed  
 B. Valve #3 Sealed  
 C. Valve #2 Sealed Closed  
 D. Valve #4 Sealed Closed
- II. Sales Phase (OT #1)**  
 (1) Valves #1, 3, 4 Sealed Closed  
 (2) Valve #2 Sealed Open  
 (3) Valves on (OT#2) POS.  
 A. Valve #1 Open or Closed  
 B. Valve #2 Sealed Closed  
 C. Valve #3 Sealed  
 D. Valve #4 Open or Closed  
 (4) Valves on (OT #3) POS.  
 A. Valve #1 Open or Closed  
 B. Valve #2 Sealed Closed  
 C. Valve #3 Sealed  
 D. Valve #4 Open or Closed

V-1 = Oil Fill Valve  
 V-2 = Oil Sales Valve  
 V-3 = Circulating Valve  
 V-4 = Equalizer Valve



To Sales Meter - 1 mile

From Momba 24 Federal Com #1H



April 30, 2012

Mayte Reyes  
2208 W. Main Street  
Artesia, NM 88210

Dear Interest Owner,

COG Production LLC is notifying you of a Surface/Lease Commingle gas only for the following wells:

Cottonmouth 13 Federal Com #1H  
Delaware River; Bone Spring  
Sec 13-T26S-R28E  
API# 30-015-39734  
Federal Lease # NMMN12559  
Eddy County, NM

Momba 24 Federal Com #1H  
Delaware River; Bone Spring  
Sec 24-T26S-R28E  
API# 30-015-37049  
SHL: Federal Lease #NMMN12559 BHL: Fee  
Eddy County, NM

#### Gas Measurement

The gas from the Momba 24 Federal Com #1H and the Cottonmouth 13 Federal Com #1H will be measured on lease and sold at the Southern Union meter# 57308 located in section 12-T26S-R28E. Each well shall be equipped with a gas allocation meter that will continuously meter gas production prior to commingling and these measurements shall be used to allocate production/sales to the wells. The Cottonmouth 13 Federal Com #1H will have a gas lift meter and a check meter to measure any gas pulled off of the line.

Estimated daily gas production for the Cottonmouth 13 Federal #1H is from 0 - 2000 mcf and the estimated daily gas production for the Momba 24 Federal Com #1H is 0-1200 mcf.

The proposed commingling is necessary for economic operation of the above referenced leases.

The purpose of the Surface/Lease Commingle of production is in the interest of conservation, economic feasibility, the reduction of environmental impact area, and will not result in reduced royalty or improper measurement of production. Without the approval for utilizing existing batteries on adjacent leases, it will become necessary to built separate facilities for this well. This will greatly increase costs and shorten the economic life of the well.

Any objection must be filed in writing with the Oil Conservation Division in Santa Fe, New Mexico within twenty (20) days from the date of this notice. Application will be sent in conjunction with notification to owners.

If you should have any questions, please contact me at (575) 748-6945.

Sincerely,

Mayte Reyes  
Regulatory Analyst



April 30, 2012

Mayte Reyes  
2208 W. Main Street  
Artesia, NM 88210

Dear Interest Owner,

COG Production LLC is notifying you of a Surface/Lease Commingle gas only for the following wells:

Cottonmouth 13 Federal Com #1H  
Delaware River; Bone Spring  
Sec 13-T26S-R28E  
API# 30-015-39734  
Federal Lease # NMNM12559  
Eddy County, NM

Momba 24 Federal Com #1H  
Delaware River; Bone Spring  
Sec 24-T26S-R28E  
API# 30-015-37049  
SHL: Federal Lease #NMNM12559 BHL: Fee  
Eddy County, NM

**Gas Measurement**

The gas from the Momba 24 Federal Com #1H and the Cottonmouth 13 Federal Com #1H will be measured on lease and sold at the Southern Union meter# 57308 located in section 12-T26S-R28E. Each well shall be equipped with a gas allocation meter that will continuously meter gas production prior to commingling and these measurements shall be used to allocate production/sales to the wells. The Cottonmouth 13 Federal Com #1H will have a gas lift meter and a check meter to measure any gas pulled off of the line.

Estimated daily gas production for the Cottonmouth 13 Federal #1H is from 0 - 2000 mcf and the estimated daily gas production for the Momba 24 Federal Com #1H is 0-1200 mcf.

The proposed commingling is necessary for economic operation of the above referenced leases.

The purpose of the Surface/Lease Commingle of production is in the interest of conservation, economic feasibility, the reduction of environmental impact area, and will not result in reduced royalty or improper measurement of production. Without the approval for utilizing existing batteries on adjacent leases, it will become necessary to build separate facilities for this well. This will greatly increase costs and shorten the economic life of the well.

Any objection must be filed in writing with the Oil Conservation Division in Santa Fe, New Mexico within twenty (20) days from the date of this notice. Application will be sent in conjunction with notification to owners.

If you should have any questions, please contact me at (575) 748-6945.

Sincerely,

Mayte Reyes  
Regulatory Analyst



April 30, 2012

Mayte Reyes  
2208 W. Main Street  
Artesia, NM 88210

Dear Interest Owner,

COG Production LLC is notifying you of a Surface/Lease Commingle gas only for the following wells:

Cottonmouth 13 Federal Com #1H  
Delaware River; Bone Spring  
Sec 13-T26S-R28E  
API# 30-015-39734  
Federal Lease # NMMN12559  
Eddy County, NM

Momba 24 Federal Com #1H  
Delaware River; Bone Spring  
Sec 24-T26S-R28E  
API# 30-015-37049  
SHL: Federal Lease #NMMN12559 BHL: Fee  
Eddy County, NM

**Gas Measurement**

The gas from the Momba 24 Federal Com #1H and the Cottonmouth 13 Federal Com #1H will be measured on lease and sold at the Southern Union meter# 57308 located in section 12-T26S-R28E. Each well shall be equipped with a gas allocation meter that will continuously meter gas production prior to commingling and these measurements shall be used to allocate production/sales to the wells. The Cottonmouth 13 Federal Com #1H will have a gas lift meter and a check meter to measure any gas pulled off of the line.

Estimated daily gas production for the Cottonmouth 13 Federal #1H is from 0 - 2000 mcf and the estimated daily gas production for the Momba 24 Federal Com #1H is 0-1200 mcf.

The proposed commingling is necessary for economic operation of the above referenced leases.

The purpose of the Surface/Lease Commingle of production is in the interest of conservation, economic feasibility, the reduction of environmental impact area, and will not result in reduced royalty or improper measurement of production. Without the approval for utilizing existing batteries on adjacent leases, it will become necessary to build separate facilities for this well. This will greatly increase costs and shorten the economic life of the well.

Any objection must be filed in writing with the Oil Conservation Division in Santa Fe, New Mexico within twenty (20) days from the date of this notice. Application will be sent in conjunction with notification to owners.

If you should have any questions, please contact me at (575) 748-6945.

Sincerely,

Mayte Reyes  
Regulatory Analyst



April 30, 2012

Mayte Reyes  
2208 W. Main Street  
Artesia, NM 88210

Dear Interest Owner,

COG Production LLC is notifying you of a Surface/Lease Commingle gas only for the following wells:

Cottonmouth 13 Federal Com #1H  
Delaware River; Bone Spring  
Sec 13-T26S-R28E  
API# 30-015-39734  
Federal Lease # NNMN12559  
Eddy County, NM

Momba 24 Federal Com #1H  
Delaware River; Bone Spring  
Sec 24-T26S-R28E  
API# 30-015-37049  
SHL: Federal Lease #NMNM12559 BHL: Fee  
Eddy County, NM

**Gas Measurement**

The gas from the Momba 24 Federal Com #1H and the Cottonmouth 13 Federal Com #1H will be measured on lease and sold at the Southern Union meter# 57308 located in section 12-T26S-R28E. Each well shall be equipped with a gas allocation meter that will continuously meter gas production prior to commingling and these measurements shall be used to allocate production/sales to the wells. The Cottonmouth 13 Federal Com #1H will have a gas lift meter and a check meter to measure any gas pulled off of the line.

Estimated daily gas production for the Cottonmouth 13 Federal #1H is from 0 - 2000 mcf and the estimated daily gas production for the Momba 24 Federal Com #1H is 0-1200 mcf.

The proposed commingling is necessary for economic operation of the above referenced leases.

The purpose of the Surface/Lease Commingle of production is in the interest of conservation, economic feasibility, the reduction of environmental impact area, and will not result in reduced royalty or improper measurement of production. Without the approval for utilizing existing batteries on adjacent leases, it will become necessary to build separate facilities for this well. This will greatly increase costs and shorten the economic life of the well.

Any objection must be filed in writing with the Oil Conservation Division in Santa Fe, New Mexico within twenty (20) days from the date of this notice. Application will be sent in conjunction with notification to owners.

If you should have any questions, please contact me at (575) 748-6945.

Sincerely,

  
Mayte Reyes  
Regulatory Analyst



April 30, 2012

Mayte Reyes  
2208 W. Main Street  
Artesia, NM 88210

Dear Interest Owner,

COG Production LLC is notifying you of a Surface/Lease Commingle gas only for the following wells:

Cottonmouth 13 Federal Com #1H  
Delaware River; Bone Spring  
Sec 13-T26S-R28E  
API# 30-015-39734  
Federal Lease # NMNM12559  
Eddy County, NM

Momba 24 Federal Com #1H  
Delaware River; Bone Spring  
Sec 24-T26S-R28E  
API# 30-015-37049  
SHL: Federal Lease #NMNM12559 BHL: Fee  
Eddy County, NM

**Gas Measurement**

The gas from the Momba 24 Federal Com #1H and the Cottonmouth 13 Federal Com #1H will be measured on lease and sold at the Southern Union meter# 57308 located in section 12-T26S-R28E. Each well shall be equipped with a gas allocation meter that will continuously meter gas production prior to commingling and these measurements shall be used to allocate production/sales to the wells. The Cottonmouth 13 Federal Com #1H will have a gas lift meter and a check meter to measure any gas pulled off of the line.

Estimated daily gas production for the Cottonmouth 13 Federal #1H is from 0 - 2000 mcf and the estimated daily gas production for the Momba 24 Federal Com #1H is 0-1200 mcf.

The proposed commingling is necessary for economic operation of the above referenced leases.

The purpose of the Surface/Lease Commingle of production is in the interest of conservation, economic feasibility, the reduction of environmental impact area, and will not result in reduced royalty or improper measurement of production. Without the approval for utilizing existing batteries on adjacent leases, it will become necessary to built separate facilities for this well. This will greatly increase costs and shorten the economic life of the well.

Any objection must be filed in writing with the Oil Conservation Division in Santa Fe, New Mexico within twenty (20) days from the date of this notice. Application will be sent in conjunction with notification to owners.

If you should have any questions, please contact me at (575) 748-6945.

Sincerely,

  
Mayte Reyes  
Regulatory Analyst



April 30, 2012

Mayte Reyes  
2208 W. Main Street  
Artesia, NM 88210

Dear Interest Owner,

COG Production LLC is notifying you of a Surface/Lease Commingle gas only for the following wells:

Cottonmouth 13 Federal Com #1H  
Delaware River; Bone Spring  
Sec 13-T26S-R28E  
API# 30-015-39734  
Federal Lease # NMNM12559  
Eddy County, NM

Momba 24 Federal Com #1H  
Delaware River; Bone Spring  
Sec 24-T26S-R28E  
API# 30-015-37049  
SHL: Federal Lease #NMNM12559 BHL: Fee  
Eddy County, NM

**Gas Measurement**

The gas from the Momba 24 Federal Com #1H and the Cottonmouth 13 Federal Com #1H will be measured on lease and sold at the Southern Union meter# 57308 located in section 12-T26S-R28E. Each well shall be equipped with a gas allocation meter that will continuously meter gas production prior to commingling and these measurements shall be used to allocate production/sales to the wells. The Cottonmouth 13 Federal Com #1H will have a gas lift meter and a check meter to measure any gas pulled off of the line.

Estimated daily gas production for the Cottonmouth 13 Federal #1H is from 0 - 2000 mcf and the estimated daily gas production for the Momba 24 Federal Com #1H is 0-1200 mcf.

The proposed commingling is necessary for economic operation of the above referenced leases.

The purpose of the Surface/Lease Commingle of production is in the interest of conservation, economic feasibility, the reduction of environmental impact area, and will not result in reduced royalty or improper measurement of production. Without the approval for utilizing existing batteries on adjacent leases, it will become necessary to build separate facilities for this well. This will greatly increase costs and shorten the economic life of the well.

Any objection must be filed in writing with the Oil Conservation Division in Santa Fe, New Mexico within twenty (20) days from the date of this notice. Application will be sent in conjunction with notification to owners.

If you should have any questions, please contact me at (575) 748-6945.

Sincerely,

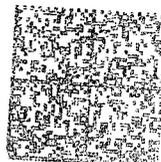
  
Mayte Reyes  
Regulatory Analyst

**CONCHO**

West  
1101 Main Street  
Midland, TX 79701

**CERTIFIED MAIL**

7011 1570 0000 7781 4117



UNITED STATES POSTAGE  
PITNEY BOWES  
02 1P \$ 005.75<sup>00</sup>  
0003184434 APR 30 2012  
MAILED FROM ZIP CODE 88210

COG Operating LLC  
Attention: Eric Nelson  
550 West Texas, Suite 100  
Midland, TX

**CERTIFIED MAIL**

**CONCHO**

West  
1101 Main Street  
Midland, TX 79701

7011 1570 0000 7781 4148



UNITED STATES POSTAGE  
PITNEY BOWES  
02 1P \$ 005.75<sup>00</sup>  
0003184434 APR 30 2012  
MAILED FROM ZIP CODE 88210

Concho Oil & Gas LLC  
Attention: Eric Nelson  
550 West Texas, Suite 100  
Midland, TX 79701

PLACE STICKER AT TOP OF ENVELOPE OR THE RIGHT

**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:

COG Operating LLC  
 Attention: Eric Nelson  
 550 West Texas, Suite 100  
 Midland, TX

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  
 Addressee

B. Received by (Printed Name) C. Date of Delivery

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)

7011 1570 0000 7781 4117

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

PLACE STICKER AT TOP OF ENVELOPE OR THE RIGHT

**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:

Concho Oil & Gas LLC  
 Attention: Eric Nelson  
 550 West Texas, Suite 100  
 Midland, TX 79701

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  
 Addressee

B. Received by (Printed Name) C. Date of Delivery

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)

7011 1570 0000 7781 4148

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

**CERTIFIED MAIL**

**INCHO**

t  
in Street  
3210

7011 1570 0000 7781 4155



UNITED STATES POSTAGE  
02 1P \$ 005.750  
0003184434 APR 30 2012  
MAILED FROM ZIP CODE 13210

OXY USA, Inc.  
5 Greenway Plaza  
Houston, TX 77046

**CERTIFIED MAIL**

**INCHO**

fest  
Main Street  
88210

7011 1570 0000 7781 4124



UNITED STATES POSTAGE  
02 1P \$ 005.750  
0003184434 APR 30 2012  
MAILED FROM ZIP CODE 88210

Edwin H. Fowikes III, aka Trey  
Fowikes  
P.O. Box 23416  
Waco, TX 76702

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS, FOLD ALONG DOTTED LINE

**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:

OXY USA, Inc.  
5 Greenway Plaza  
Houston, TX 77046

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  
**X**  Addressee

B. Received by (Printed Name) C. Date of Delivery

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 7011 1570 0000 7781 4155  
(Transfer from se.....)

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS, FOLD ALONG DOTTED LINE

**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:

Edwin H. Fowikes III, aka Trey  
Fowikes  
P.O. Box 23416  
Waco, TX 76702

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  
**X**  Addressee

B. Received by (Printed Name) C. Date of Delivery

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 7011 1570 0000 7781 4124  
(Transfer from s.....)

CERTIFIED MAIL

UNITED STATES POSTAGE  
PITNEY BOWES  
02 1P \$ 005.750  
0003184434 APR 30 2012  
MAILED FROM ZIP CODE 88210

7011 1570 0000 7781 4131

**INCHO**

Nest  
Main Street  
88210

Janet Renee Fowikes Murray  
P.O. Box 417  
Eddy, TX 76524

CERTIFIED MAIL

UNITED STATES POSTAGE  
PITNEY BOWES  
02 1P \$ 005.750  
0003184434 APR 30 2012  
MAILED FROM ZIP CODE 88210

7011 1570 0000 7781 4162

**INCHO**

Nest  
Main Street  
88210

COG Acreage Fund LLC  
Attention: Eric Nelson  
550 West Texas, Suite 100  
Midland, TX 79701

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<p>A. Signature <input checked="" type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee</p> <p>B. Received by (<i>Printed Name</i>) C. Date of Delivery</p>
<p>1. Article Addressed to:</p> <p>Janet Renee Fowikes Murray P.O. Box 417 Eddy, TX 76524</p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>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.</p> <p>4. Restricted Delivery? (<i>Extra Fee</i>) <input type="checkbox"/> Yes</p>
<p>2. Article Number (<i>Transfer from service label</i>)</p>	<p>7011 1570 0000 7781 4131</p>
<p>PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540</p>	

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<p>A. Signature <input checked="" type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee</p> <p>B. Received by (<i>Printed Name</i>) C. Date of Delivery</p>
<p>1. Article Addressed to:</p> <p>COG Acreage Fund LLC Attention: Eric Nelson 550 West Texas, Suite 100 Midland, TX 79701</p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>3. Service Type  <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail  <input checked="" type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise  <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (<i>Extra Fee</i>) <input type="checkbox"/> Yes</p>
<p>2. Article Number (<i>Transfer from service</i>)</p>	<p>7011 1570 0000 7781 4162</p>
<p>PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540</p>	

620 E. Greene  
Carlsbad, NM 88220

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 :    7011 1570 0000 7781 4186

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

7011 1570 0000 7781 4186



2208 West Main Street  
Artesia, New Mexico 88210

Bureau of Land Management  
620 E. Greene  
Carlsbad, NM 88220

**Jones, William V., EMNRD**

---

**From:** Shapard, Craig, EMNRD  
**Sent:** Wednesday, June 20, 2012 1:40 PM  
**To:** Jones, William V., EMNRD  
**Subject:** RE: Bone Spring Oil in 24/26S/28E - correct Pool

Will,

Here ya go, "Hay Hollow; Bone Spring".

-----Original Message-----

**From:** Jones, William V., EMNRD  
**Sent:** Wednesday, June 20, 2012 1:35 PM  
**To:** Shapard, Craig, EMNRD  
**Subject:** Bone Spring Oil in 24/26S/28E - correct Pool

Hey TC

I am processing a surface commingle of Bone Spring Oil wells in 24/26S/28E and can't seem to determine the correct Bone Spring Oil Pool.

Sorry to bother you,

Will Jones

OGRID 217955

SURFACE COMMINGLING APPLICATION CHECKLIST

5/27/2011

Company: COE OPERATING LLC

Contact: Margie Reyes

Date in: 5/2/12

Data Request?

Location: (Tsp/Rge) 24 of 26S/28E

Oil or Cond.	Commingling	Battery or "Store" Location	Sales Location	Offlease?
	<u>(OIL NOT COMINGLED)</u>			
Gas	<input checked="" type="checkbox"/>		<u>12/26S/28E</u>	<input checked="" type="checkbox"/>

Ownership  
 Identical?   
 Diverse?

Included Notice List?   
 Date of Last Notice: 4/30/12

Permit Type  
CTB-644

Lease (y/n)  
 Federal/Tribal   
 State   
 Fee

Allocation  
 Continuous Metering   
 Well Tests   
 Subtraction   
 Other

Noticed? \_\_\_\_\_ What Parameter for future additions? \_\_\_\_\_

Future Addition

#	All Pool Names	Pool Num	Type
1	<u>Hay Hollow BS</u> <del>Polk River BS</del>	<u>30215</u>	<u>OIL</u>
2			
3			
4			

Collinsville IH  
Mud Bay IH  
 15 Feb  
 21 Feb

Offlease?	SurfLoc	API Numbers	Pool#(s)	Acres	Descr.	DHC Permit
<input checked="" type="checkbox"/>	<u>Sa13</u>	<u>30-015-39734</u>		<u>160</u>	<u>CFKN</u>	<u>—</u>
<input checked="" type="checkbox"/>	<u>Sa24</u>	<u>30-015-37049</u>		<u>160</u>	<u>AHIP</u>	<u>—</u>

of S. ~~Polk~~ BS (5/10)  
of Hay Hollow; BS (30215)  
 Sent Email to TC. 6/20/12 ✓