

DATE IN

SUSPENSE

ENGINEER

LOGGED IN

TYPE

APP NO.

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

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



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 _____

[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.

Print or Type Name

Signature

Title

Date

e-mail Address

COG OPERATING LLC

Fasken Center, Tower II
550 W. Texas Ave., Ste. 1300
Midland, Texas 79701

June 28, 2005

(432) 683-7443
FAX 683-7441

Michael E. Stogner
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Mr. Stogner:

Pursuant to Division Rule 104.F.(2), COG Operating LLC applies for approval of an unorthodox oil well location for the following well:

Well: M. D. Self Well No. 8
Location: 1650 feet FWL & 1350 feet FNL
Well Unit: SENW of Section 6, Township 26 South, Range 38 East,
N.M.P.M., Lea County, New Mexico

The well will be drilled to test the Blinebry, Tubb & Drinkard formations (Justic, Blinebry, Tubb, Drink. Pool). The pool is spaced on 40 acres, with wells to be located no closer than 330 feet to a quarter-quarter section line.

The location is based on topographical reasons. An unorthodox location is required in order to avoid disturbing an archaeological site at the original location. Attached is a land plat and associated documentation. There are no affected offset working interest owners or royalty owners as the lease is federal lease BLM NMNM 0889 which covers the entirety of Section 6, Township 26 South, Range 38 East, as well as other acreage not herein set forth and is owned in its entirety by COG Oil & Gas LP of which COG Operating LLC is the general partner.

Should you have any questions or require any further information or clarification, please contact me at 432-685-4352 or by email at jspradlin@conchoresources.com. Again, thank you for your prompt attention to this matter.

Very truly yours,

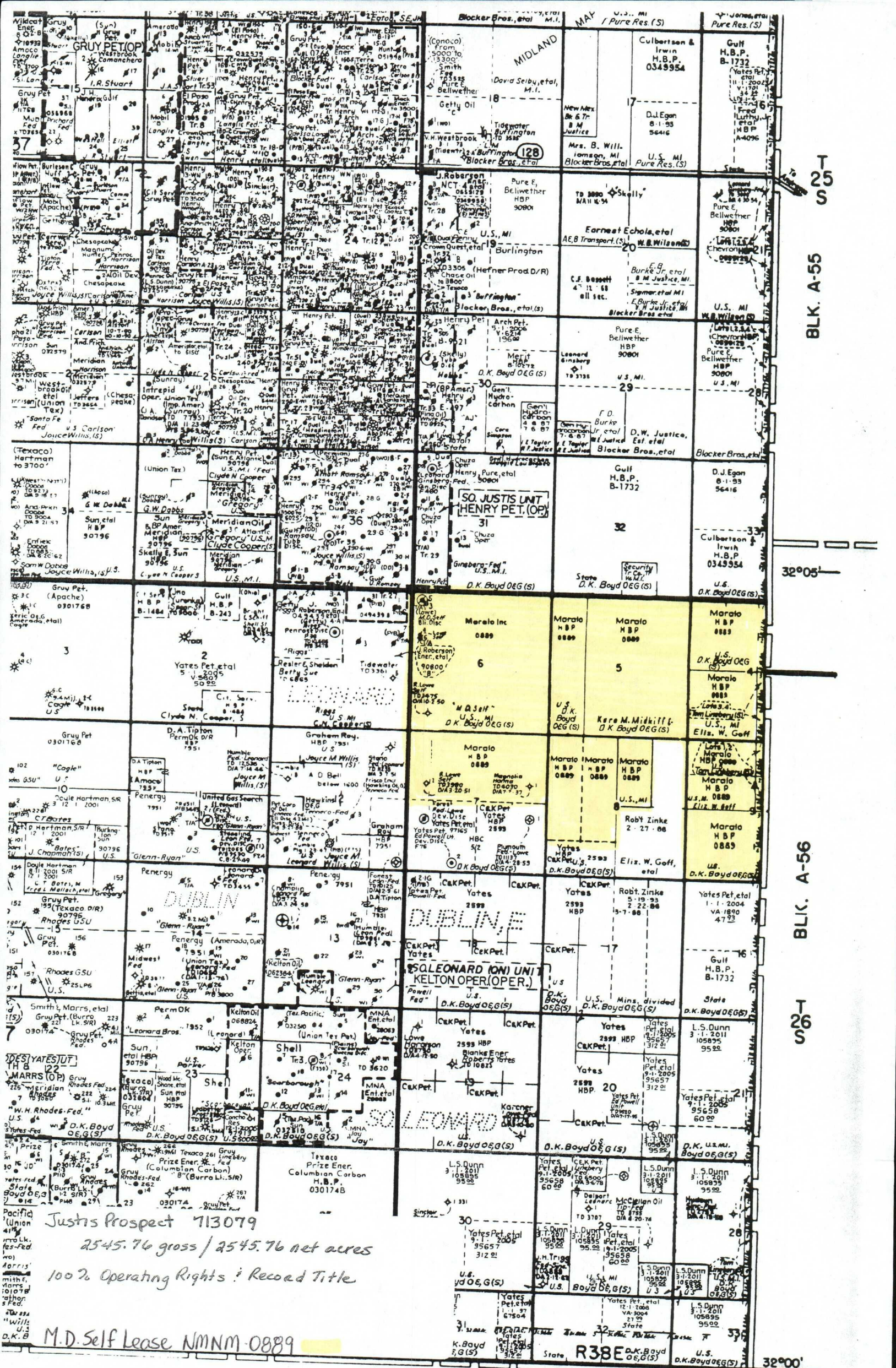
COG OPERATING, LLC



Jan Preston Spradlin, CPL
Senior Landman

JPS/pj
attachments

2005 JUL 5 PM 1 42



BLM Rel. 8-20 10/25/02

1. (For BLM Use) BLM Report No.		2. (For BLM Use) Reviewers Initials/Date _____ Accepted () Rejected ()		3. NMCRIS Number: 92402	
4. Type of Report:		Negative (Yes)		Positive ()	
5. Title of Report: A Class III Cultural Resource Inventory Report for the M.D. Self Number 8 Proposed Well Location and Access Road Section 6, T.26S, R.38E Lea County, New Mexico Author(s): Doralene Sanders and Gail Wimberly					
6. Fieldwork Date(s): March 31, 2005			7. Report Date: April 4, 2005		
8. Consultant Name/Address: Southern New Mexico Archaeological Services, Inc. Post Office Box 1, Bent, New Mexico 88314 Direct Charge: Joe Ben Sanders Field Personnel Name(s): Allen S. Rorex Phone Number: (505) 671-4797					
9. Cultural Resource Permit Number: 145-2920-04-O			10. Consultant Report Number: SNMAS-05NM-1682		
11. Customer Name: COG Operating, LLC Responsible Individual: Joe Janica Address: 550 West Texas Avenue, Suite 1300 Midland, Texas 79701 Phone Number: (505) 391-8503			12. Customer Project Number:		
13. Land Status	BLM	State	Private	Other	Total
a. Area Surveyed (acres)	—	—	10.26	—	10.26
b. Area of Effect (acres)	—	—	2.32	—	2.32
14. Linear: Length 150 ft Width 100 ft					
15. Location (Map[s] Attached) a. State: New Mexico b. County: Lea c. BLM Office: Carlsbad Field Office d. Nearest City or Town: Jal, New Mexico e. Legal Description: T.26S, R.38E, Section 6 Well Pad ¼s: S/2 SW/4 NE/4 NW/4; N/2 NW/4 SE/4 NW/4 Access Road ¼s: SE/4 SE/4 NW/4 NW/4; SW/4 SW/4 NE/4 NW/4 f. Well Pad Footages: 1,350 ft FNL and 1,650 ft FWL g. USGS 7.5' Map Name(s), Date(s), and Code(s): Jal SE, TX-NM (Prov. Ed. 1979), 32103-A1					

16. Project Data:

a. Records Search: **Date(s) of BLM field Review:** March 28, 2005
 Name of Reviewer(s): Allen Rorex
 Date of ARMS Data Review: March 22, 2005
 Name of Reviewer(s): Gail Wimberly

Findings (see Field Office requirements to determine area to be reviewed during records search):

The records search revealed three previously recorded sites (LA 33068, LA 33067, and LA 33066) located within a quarter-mile radius of the project. There are three sites located within a mile radius.

b. Description of Undertaking: COG Operating, LLC, requested a Class III cultural resource inventory of the proposed M.D. Self Number 8 well location and access road, staked in Section 6, T.26S, R.38E, Lea County, New Mexico. The survey area for the proposed well location is 600 ft by 720 ft. The impact area is 300 ft by 300 ft. The proposed access road is 371 ft in length, with an impact area of 30 ft by 371 ft. An area 100 ft by 150 ft was inventoried for the proposed access road. The proposed access road begins on an existing capped lease road and trends east 371 ft, ending on the northwest corner of the proposed well pad.

c. Environmental Setting (NCRS soil designation: vegetative community; elevation; etc.):

The project area is located in open, rolling coppice dunes, with varied dune height/blowout depth ranging from .2 to 4 meters. Exposure is open and drainage is internal. Soils are tan/red loamy silty sands, mixed with occasional small lag gravels and/or caliche nodules. The vegetation in the project area consists of shinoak, various grasses, mesquite, yucca, prickly pear, and various annuals and other forbs. The elevation is 3,036 ft above msl.

d. Field Methods (transect intervals; crew size; time in field, etc.): The field crew consisted of one archaeologist. The survey for the proposed well location was conducted by walking 12 zigzag transects (at 15-m intervals) over the staked well location. The proposed access road was inventoried by walking 15-m-interval transects, parallel to and 50 ft on both sides of the right-of-way centerline. Time spent in the field was 4 hours.

e. Artifacts Collected? No

17. Cultural Resource Findings: During the current inventory, three isolated occurrences were encountered.

a. Location/Identification of Each Resource:

Isolate one consists of a red/brown fine-grained quartzite primary flake used as a core. The flake has a single platform; the core is multidirectional with multiple platforms, 20% cortex, five flake scars on the dorsal side and three flake scars on the ventral side, utilization on the distal end and dorsal side, and measuring 56 x 30 x 13 cm. Isolate one is located at UTM coordinates (NAD 1927, Zone 13) 679148 E and 3550165 N.

Isolate two is a caliche scatter (burned and unburned) occurring within a 2 x 2 m area, consisting of two cobble-sized pieces burned caliche, three pebble-sized pieces unburned caliche, two cobble-sized pieces unburned caliche, and a single two-hand-sized piece of unburned caliche. Isolate two is located at UTM coordinates 679173 E and 3550131 N.

Isolate three is a scatter of burned caliche/sandstone/unburned caliche occurring within a 3 x 3 m area. There are three pieces of pebble-sized burned caliche, four pieces of pebble/cobble-sized fire-reddened sandstone (pink/red), and two pieces of pebble/cobble-sized unburned caliche. Isolate three is located at UTM coordinates 679020 E and 3550127 N.

b. Evaluation of Significance of Each Resource: The research potential of these isolated occurrences is considered exhausted by field recordation.

18. Management Summary (Recommendations): During the current inventory, three isolated occurrences were encountered and their research potential exhausted by recordation. Therefore, it is recommended that the proposed project proceed as planned.

19. I certify that the information provided above is correct and accurate, and meets all applicable BLM Standards.

Responsible Archaeologist



**Signature for
Allen S. Rorex
Field Supervisor**

April 4, 2005

Date

THE ABOVE COMPLETES A NEGATIVE REPORT. IF ELIGIBLE OR POTENTIALLY ELIGIBLE PROPERTIES ARE INVOLVED,
THE ABOVE WILL BE THE TITLE PAGE AND ABSTRACT FOR A COMPLETE REPORT.

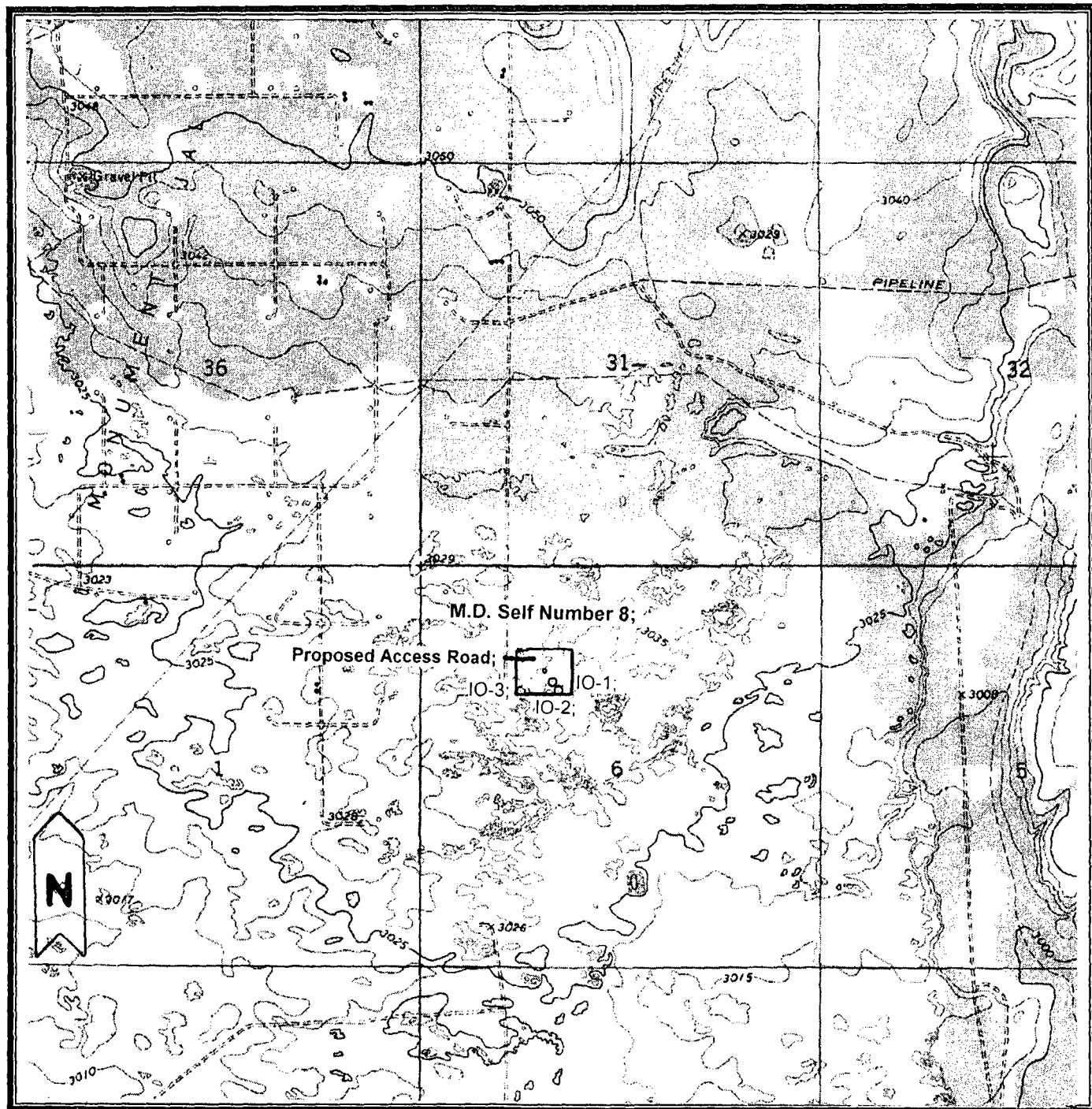


Figure 1: Survey Area **COG Operating, LLC**
M.D. Self Number 8 Proposed Well Location and Access Road
Section 6, T.26S, R.38E
USGS Jal SE, TX-NM (Prov. Ed. 1979) 7.5' topo map
Lea County, New Mexico
Scale 1:24,000

Southern New Mexico Archaeological Services, Inc.

State of New Mexico

DISTRICT I

1401 N. FRANKLIN DR., BOGGS, NM 86240

Energy, Minerals and Natural Resources Department

Form C-102

Revised JUNE 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 86210

OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.

Santa Fe, New Mexico 87505

DISTRICT III

1090 Rio Brasos Rd., Aztec, NM 87410

DISTRICT IV

1400 N. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
	34220	JUSTIC, BLINEBRY, TUBB, DRINKARD
Property Code	Property Name	Well Number
	M.D. SELF	8
NCBID No.	Operator Name	Elevation
229137	COG OPERATION LLC	3036'


Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	6	26-S	38-E		1350	NORTH	1650	WEST	LEA

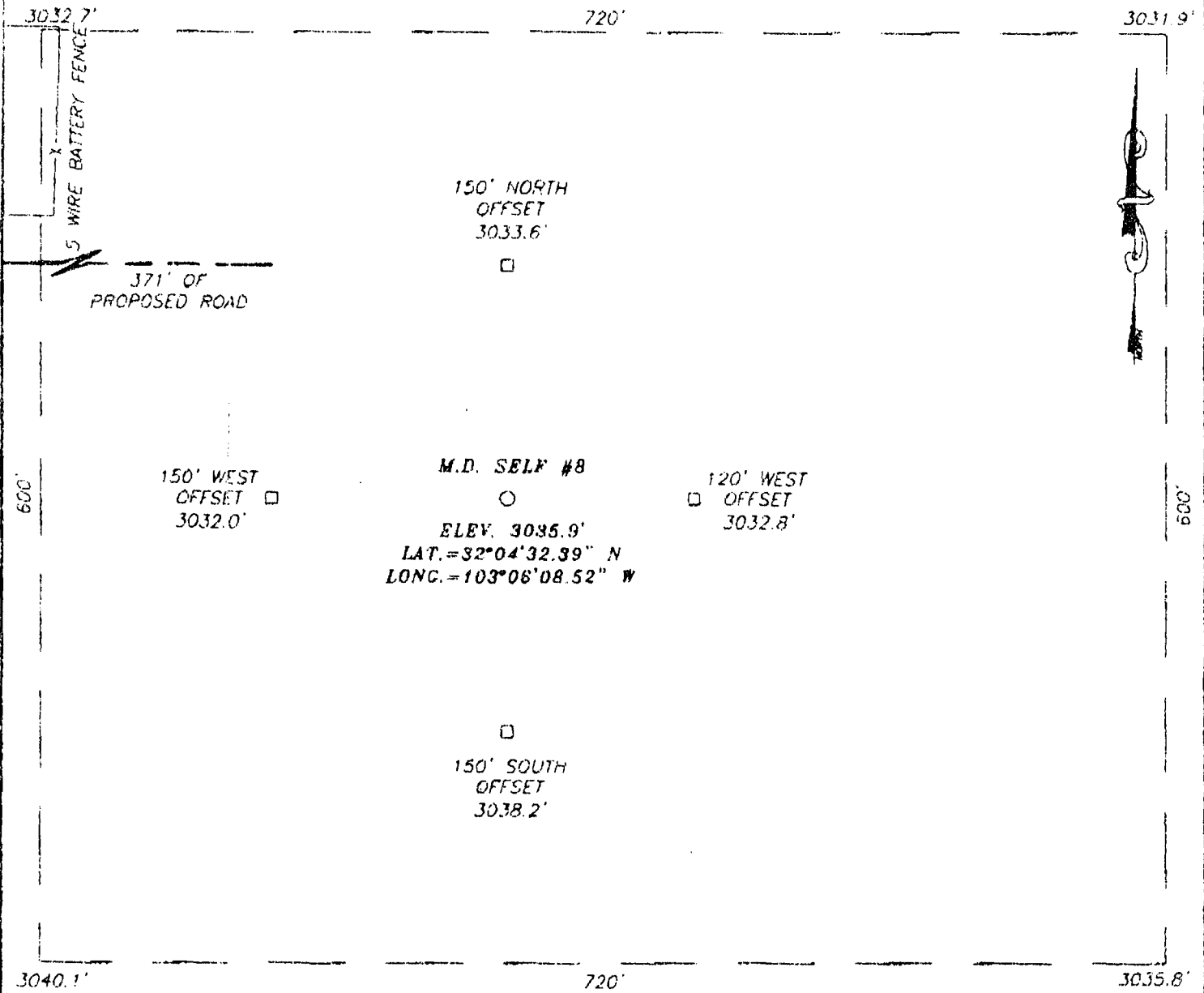
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.	SNMAS-05UM-1682					
40									

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

<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=393426.3 N X=881292.2 E</p> <p>LAT.=32°04'32.39" N LONG.=103°06'08.52" W</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein to true and complete to the best of my knowledge and belief.</p> <p> ORIGINAL</p> <p>Signature Joe T. Janica Printed Name Agent Title 03/22/05 Date</p> <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual survey made by me or under my supervision and that the same is true and correct to the best of my belief.</p> <p>MARCH 15, 2005</p> <p>Date Surveyed Signed Professional Seal NEW MEXICO 3/21/05 95.17.045 Certified Professional Engineer 12841</p>
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SECTION 6, TOWNSHIP 26 SOUTH, RANGE 3rd EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO



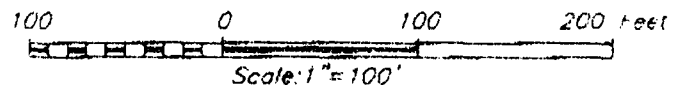
DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF ST. HWY. #18 AND
ST. HWY. #128 IN JAL. GO EAST ON ST. HWY.
#128 APPROX. 4.6 MILES. TURN RIGHT (SOUTH)
AT LEASE ROAD AND GO SOUTH APPROX. 3.2
MILES. FOLLOW PROPOSED ROAD SURVEY APPROX.
371' EAST TO THIS LOCATION.

SNMAS-05NH-1682



ORIGINAL

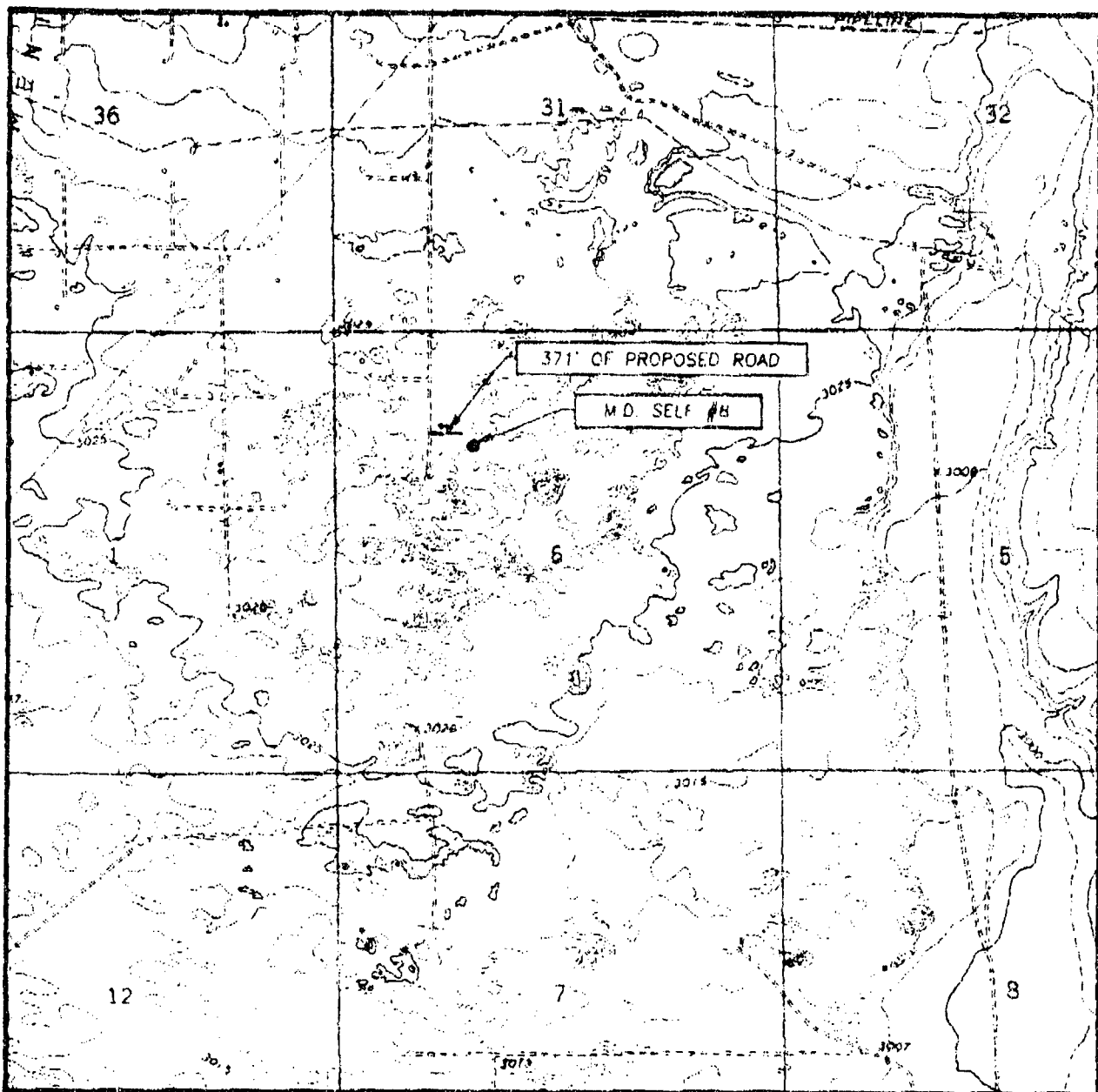


COG OPERATION LLC

M.D. SELF #8 WELL
LOCATED 1350 FEET FROM THE NORTH LINE
AND 1650 FEET FROM THE WEST LINE OF SECTION 6.
TOWNSHIP 26 SOUTH, RANGE 38 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO

Survey Date: 03/15/05	Sheet 1 of 1 Sheets		
W.O. Number: 05110454	Dr By: D. LOVE	Rev 1: N/A	
Date: 03/17/05	Disk: CD#4	05110454	Scale: 1"=100'

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:

JAL SE, TEX.-N.M. - 5'

CONTOURS IN SHIFTING SAND -25'

SEC. 6 TWP. 26-S RGE. 38-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 1350' FNL & 1650' FWL

ELEVATION 3036'

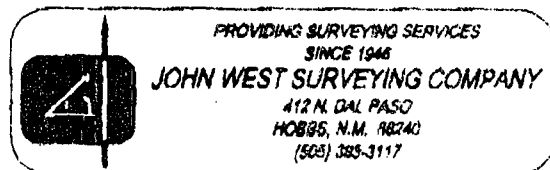
OPERATOR COG OPERATING LLC

LEASE M.D. SELF

U.S.G.S. TOPOGRAPHIC MAP

JAL SE, TEX.-N.M.

ORIGINAL




SNHAS-03NH-1682



— 2 —

ORIGINAL



PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBES, N.M. 88240
(505) 383-3117

PROVIDING SURVEYING SERVICES
SINCE 1948
JOHN WEST SURVEYING COMPANY
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SNMAS-05NM-1682

HRK-22-2006 02:45 PM 11/18/2006 11:11 AM



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201-2019



In reply refer to:
3162.4 (513)
NM-0889

COG Operating, LLC
c/o Tierra Exploration Inc.
Attn: Joe T. Janica
P. O. Box 2188
Hobbs, NM 88241

JAN 31 2005

Dear Mr. Janica:

Your Application for Permit to Drill (APD), the M. D. Self Well No. 8, 1650' FNL and 1650' FWL, Section 6, T. 26 S., R. 38 E., Lea County, New Mexico, Lease No. NM-0889 was received on January 27, 2005.

The APD has been reviewed pursuant to part III.B.2 of Oil and Gas Onshore Order No. 1, except for the Archaeological Survey Report, and is found to be:

☐ Complete

☒ Deficient in the following items marked with an "X"

☐ Form 3160-3

☐ Survey Plat

☐ Bonding

☐ Drilling Plan

☐ BOP Diagram

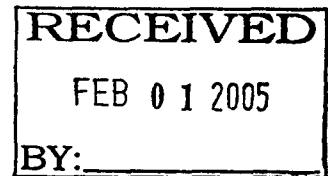
☐ Choke Manifold Diagram

☐ H₂S Drilling Plan

☐ Surface Use Plan (including certification statement)

☒ Private Surface Owner's Agreement or Statement that an Agreement has been reached concerning surface use *agreement in place*

☒ Other: Need a Lease Responsibility Statement *being sent*



Please submit six (6) copies of each of the above noted deficiencies, except for the Archaeological Survey Report. Technical adequacy of the APD will be determined during processing and you will be contacted if additional information is required.

If you would like to know whether the Archeological Survey Report has been filed with the BLM, call the Carlsbad Resource Area Office at (505) 234-5972.

Sincerely,

Linda A. Askwig
Legal Instruments Examiner