

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

June 28, 2005

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

(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. 9
Location: 1770 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 Queen formation (Wildcat-Queen 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 other relative 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

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: 92403	
4. Type of Report:		Negative (Yes)		Positive ()	
5. Title of Report: A Class III Cultural Resource Inventory Report for the M.D. Self Number 9 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-1747		
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)	—	—	2.0	—	2.0
b. Area of Effect (acres)	—	—	2.32	—	2.32
14. Linear:		Length 0 ft		Width 0 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: (inventoried under SNMAS-05NM-1682) f. Well Pad Footages: 1,350 ft FNL and 1,770 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. There is one previous inventory in the project area, listed under SNMAS-05NM-1682.

b. Description of Undertaking: COG Operating, LLC, requested a Class III cultural resource inventory of the proposed M.D. Self Number 9 well location and access road, staked in Section 6, T.26S, R.38E, Lea County, New Mexico. The survey area staked for the proposed well location is 600 ft by 720 ft. The impact area is 300 ft by 300 ft. An area 120 ft by 720 ft was surveyed for the proposed well location, as it overlaps the M.D. Self Number 8 proposed well location, inventoried under SNMAS-05NM-1682. The proposed access road is 371 ft in length, with an impact area of 30 ft by 371 ft. The proposed access road will be used for both the M.D. Self Number 9 and M.D. Self Number 8 well locations, and the surveyed area is included under the M.D. Self Number 8 well location project (see SNMAS-05NM-1682). 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 3,033 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 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 (see SNMAS-05NM-1682). Time spent in the field was 1.5 hours.

e. Artifacts Collected? No

17. Cultural Resource Findings: During the current inventory, two isolated occurrences were encountered. Previously recorded Site LA 33068 was not encountered during the current project. An area 100 ft to the south/southeast off the staked southeast corner of the proposed well location was inspected for cultural materials, with negative results. No further action was carried out by SNMAS as the impact area for the proposed well location is 300 ft by 300 ft, and the site is located over 100 ft outside the current project. None of the area located to the southeast should be encountered by the proposed project. Site LA 33068 was recorded by ENMU in 1975 as a lithic debitage scatter approximately 446 ft by 180 ft in size. No eligibility to the NRHP was determined by SHPO or the lead agency. ARMS provides UTM coordinates for the site datum as (NAD 1927, Zone 13) 679360 E and 3550093 N, which is located in the far southern portion of the site area plotted on BLM maps. In addition, the site area plotted on BLM maps is approximately 800 ft by 500 ft, which is much larger than the area previously reported on the LA Site Record. This site may be located further south and/or may be buried by shifting sands and/or has been misplotted on BLM topo maps. Further fieldwork would have to be carried out to locate this site and to update the actual location of cultural remains.

a. Location/Identification of Each Resource:

Isolate one is a manuport of opalized caliche and sandstone, looking very similar to welded soil matrix. There are possible flake scars, but this fact or how many could not be determined, and it measures 110 x 80 x 70 mm. Isolate one is located at UTM coordinates (NAD 1927, Zone 13) 679246 E and 3550229 N.

Isolate two is a core of white to grey, opalized caliche, with unidirectional platforms, six flake scars, no cortex or use, and measuring 30 x 60 x 40 mm. Isolate two is located at UTM coordinates 679181 E and 3550135 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, two 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.**

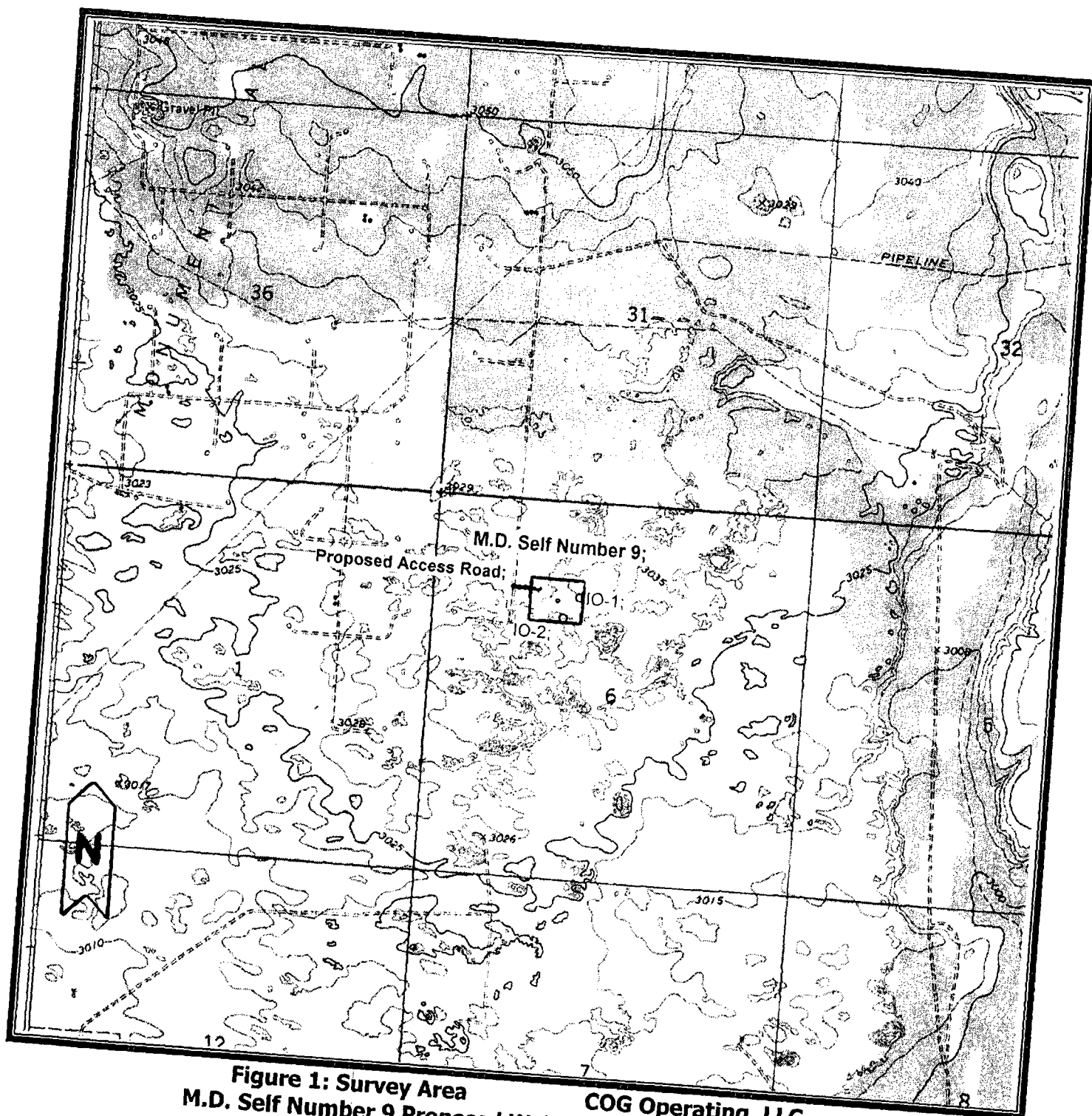


Figure 1: Survey Area
 M.D. Self Number 9 Proposed Well Location and Access Road
 COG Operating, LLC
 Section 6, T.26S, R.38E
 USGS Jal SE, TX-NM (Prov. Ed. 1979) 7.5' topo map
 Lea County, New Mexico
 Scale 1:24,000

Southern New Mexico Archaeological Services, Inc.

DISTRICT I
1825 N. FRANKLIN DR., BOBBS, NM 85840

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102

DISTRICT II
1201 W. GRAND AVENUE, ALBUQUERQUE, NM 87102

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Revised JUNE 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT III
1000 Rio Aragon Rd., ALBUQUERQUE, NM 87110

DISTRICT IV
1825 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
Property Code	Property Name M.D. SELF	Well Number 9
OCRID No.	Operator Name COG OPERATION LLC	Elevation 3033'

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	1770	WEST	LEA

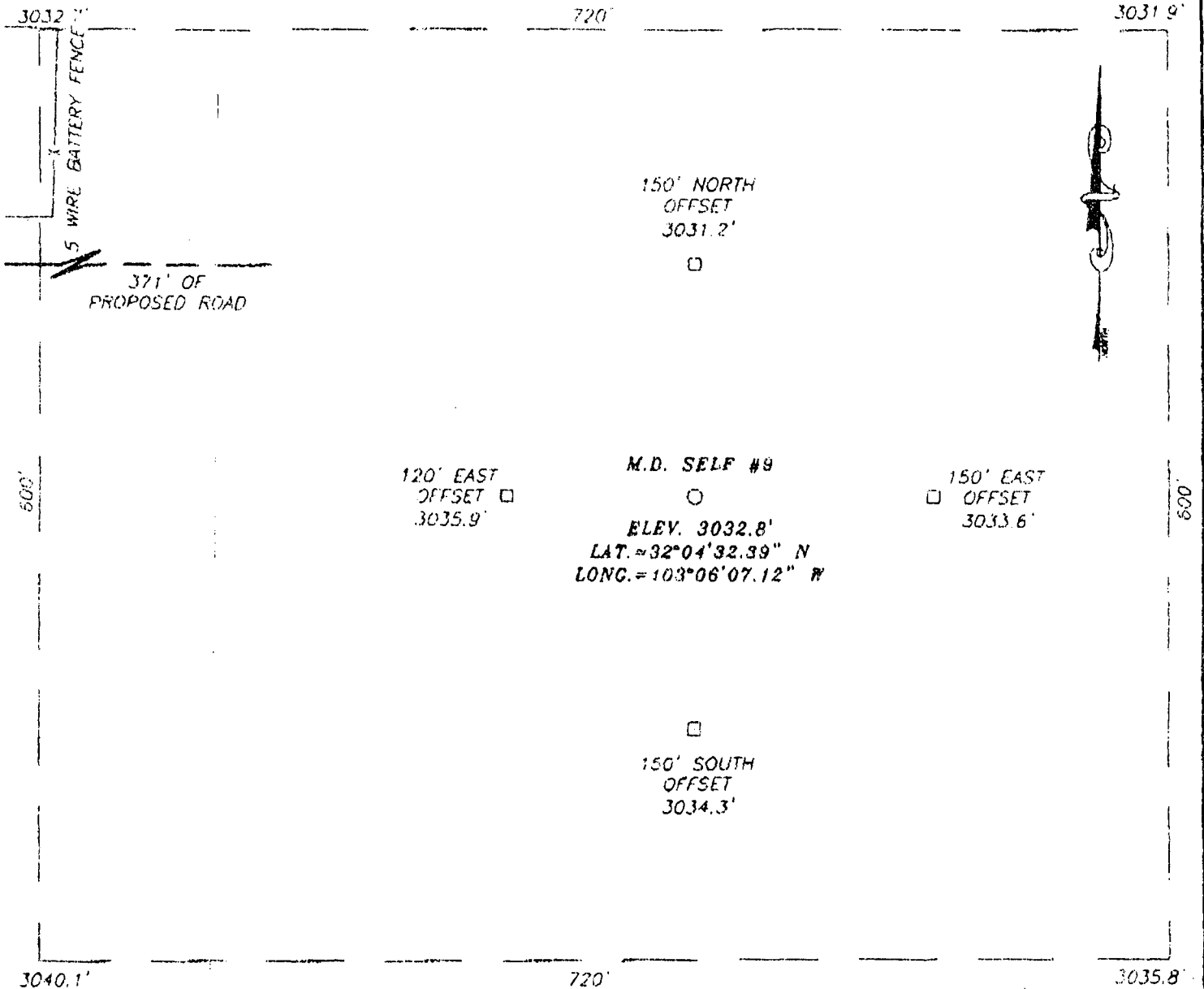
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acre					Joint or Infill	Consolidation Code	Order No. SNLAS-03PM-1747		

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>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p> ORIGINAL</p> <p>Signature _____</p> <p>Printed Name _____</p> <p>Title _____</p> <p>Date _____</p>
<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=393427.5 N X=881412.4 E</p> <p>LAT.=32°04'32.39" N LONG.=103°06'07.12" W</p>	<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>MARCH 15, 2005</p> <p>Date Surveyed _____ Signature of _____ Professional Seal of _____ NEW MEXICO 05.11.045 Certified by _____ 12841</p>

SECTION 6, TOWNSHIP 26 SOUTH, RANGE 28 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO

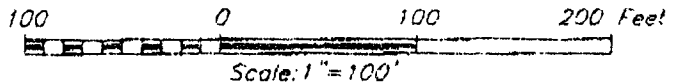


DIRECTIONS TO LOCATION

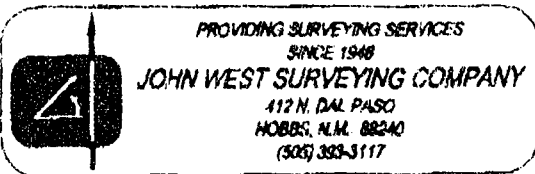
FROM THE INTERSECTION OF ST. HWY #18 AND
ST. HWY. #128 IN JAL. GO EAST ON ST. HWY.
#128 APPROX 4.6 MILES. TURN RIGHT (SOUTH)
AT LEASE ROAD AND GO SOUTH APPROX. 3.2
MILES. FOLLOW PROPOSED ROAD SURVEY APPROX.
371' EAST TO THIS LOCATION.



ORIGINAL



SNMAS-05NM-1747

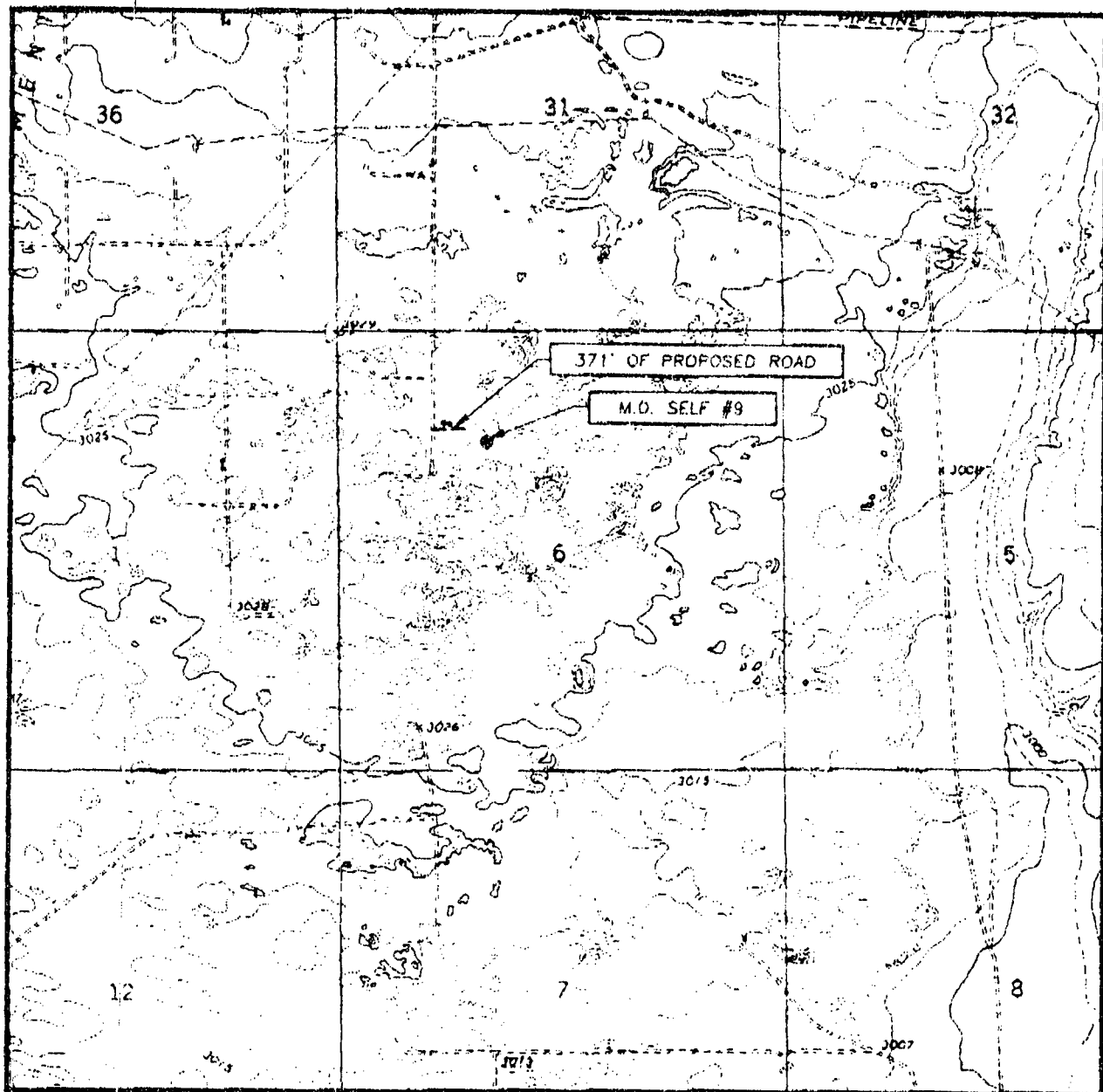


COG OPERATION LLC

M.D. SELF #9 WELL
LOCATED 1350 FEET FROM THE NORTH LINE
AND 1770 FEET FROM THE WEST LINE OF SECTION 6,
TOWNSHIP 26 SOUTH, RANGE 28 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.

Survey Date: 03/15/05	Sheet 1 of 1 Sheets
W.O. Number: 05.11.0455	Dr By: D. LOVE
Date: 03/18/05	Rev 1-N/A
Disk: CD#4	05110455
	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 & 1770' FWL

ELEVATION 3033'

OPERATOR COG OPERATING LLC

LEASE M.D. SELF

U.S.G.S. TOPOGRAPHIC MAP

JAL SE, TEX.-N.M.

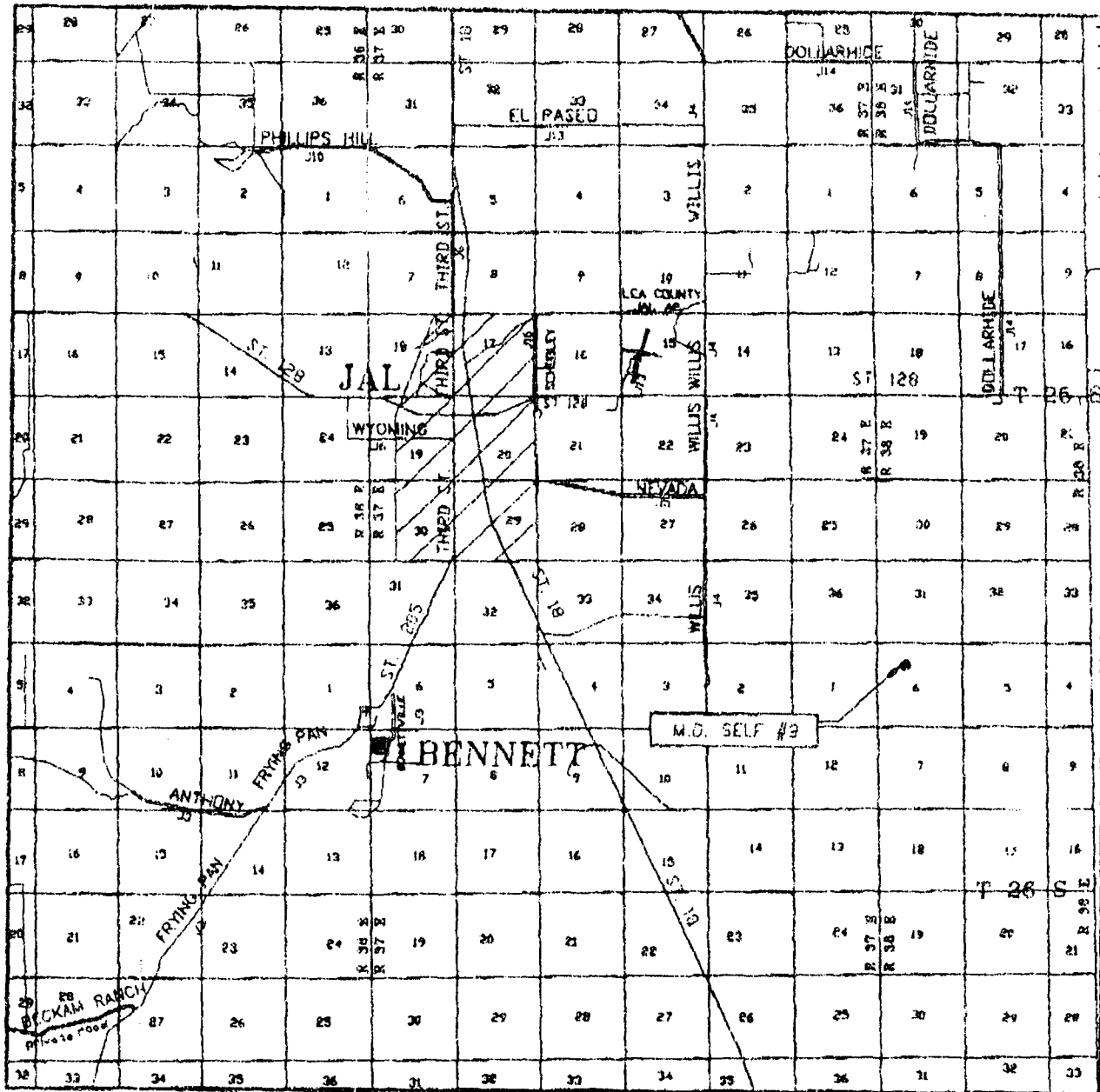


ORIGINAL

PROVIDING SURVEYING SERVICES
SINCE 1948
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
MOBBS, N.M. 88240
(505) 383-3117

SNMAB-05NM-1747

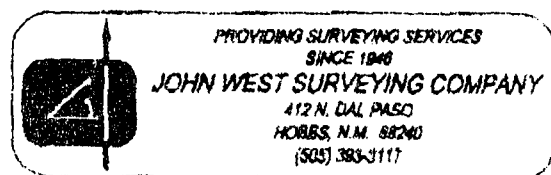
VICINITY MAP



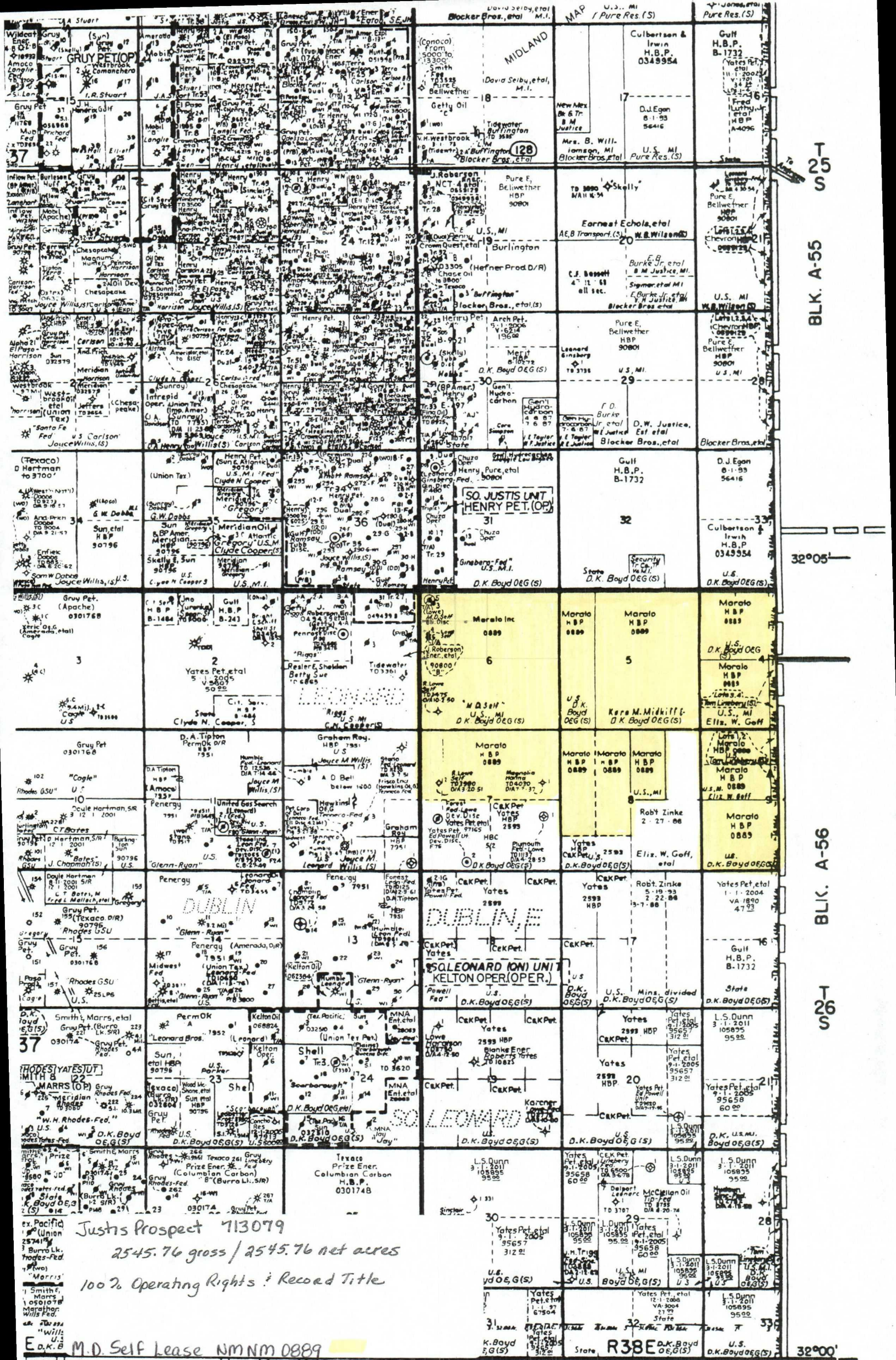
SCALE: 1" = 2 MILES

SEC. 6 TWP. 26-S RGE. 38-E
 SURVEY N.M.P.M.
 COUNTY LEA
 DESCRIPTION 1350' FNL & 1770' FWL
 ELEVATION 3033'
 OPERATOR COG OPERATING LLC
 LEASE M.D. SELF

ORIGINAL



SNMAS-05NM-1747



Justis Prospect 713079
2545.76 gross / 2545.76 net acres
100% Operating Rights & Record Title

M.D. Self Lease NMNM 0889

WINKLER County

Ownership Map