

PME50-519941451

COG OPERATING LLC

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

(432) 683-7443
FAX 683-7441

June 28, 2005

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

RE: Request for Administrative Approval for Unorthodox Location
Minis 1 Federal #4 (API #30-025-36956)
2310' FNL & 330' FWL of Section 1-T21S-R32E, NMPM
Lea County, New Mexico

2005 JUN 30 PM 12 05

Dear Mr. Stogner:

By Order No. R-12203, dated September 2, 2004, the Oil Conservation Division adopted Special Pool Rules and Regulations for the Southeast Hat Mesa-Delaware Pool providing for 160-acre spacing with wells to be drilled no closer than 660 feet to the outer boundary of the spacing unit thereby changing the statewide spacing rules for the Delaware in this area. During the period of time prior to the issuing of special field rules, COG had begun the process of staking and permitting the above-referenced well. Unaware of the change and the granting of Order No. R-12203, COG planned and erroneously drilled this well at an unapproved unorthodox location on an unapproved non-standard spacing and proration unit. In order to rectify this non-compliance, COG hereby respectfully requests that approval be granted for an unorthodox location for the above-referenced well which will be produced on a standard spacing and proration unit of 160 acres. The offset operator (Samson) does not oppose the unorthodox location of the well (see attached letter).

Also enclosed please find the below listed information:

- Timeline of events for Minis 1 Federal #4
- Permit to Drill
- Well Completion Report

COG Operating LLC – Minis 1 Federal #4
Page 2 of 2

- Land plat (COG acreage in yellow)
- Application of Samson Resources for Special Field Rules
- Holland & Hart demand letter to OCD

Should you have any questions whatsoever or should you need any additional information, please do not hesitate to call me at 432-685-4352 or email me at jspradlin@conchoresources.com.

Very truly yours,

COG OPERATING LLC

A handwritten signature in cursive script, reading "Jan Preston Spradlin".

Jan Preston Spradlin, CPL
Senior Landman



Centennial Tower
200 N. Loraine, Suite 1010
Midland, TX 79701
USA
432/683-7063
Fax 432/683-6847

June 27, 2005

COG Oil & Gas LP
COG Operating LLC
Fasken Center, Tower II
550 West Texas Ave., Suite 1300
Midland, TX 79701

Attention: Ms. Jan Preston Spradlin, CPL

Re: Minis 1 Federal #4
API #30-025-36956
2310' FNL & 330' FWL of
Sec. 1, T21S, R32E, NMPM,
Lea County, New Mexico

Dear Ms. Spradlin:

Samson, as offset operator to the captioned well operated by COG Oil & Gas LP/COG Operating LLC, does not oppose the unorthodox location of the well and hereby withdraws its request to shut-in the well made by letter dated May 23, 2005. After evaluating the well information provided by COG, Samson has reached the conclusion that COG's well is having no effect on our offset production.

Sincerely,



Rita A. Buress

Senior Landman

Phone: (432)686-6313

Fax: (432)683-6847

E-mail: rburess@samson.com

Cc: Randy Maxwell/Tulsa
Jim Farrell/Tulsa

Mr. William F. Carr
Holland & Hart
P.O. Box 2208
Santa Fe, New Mexico 87504-2208

MINIS 1 FEDERAL #4**Timeline of Events**

Date	Event
8/2004 est	staked well - Well staking paperwork is NOT in the file, so date is estimated
8/18/2004	Survey Plat Done
9/12/2004	Filed APD with BLM
10/11/2004	Filed Pit Permit with OCD
11/10/2004	Letter from Linda S.C. Rundell of BLM approving APD
11/10/2004	BLM Approved APD
11/19/2004	OCD Approved APD
11/22/2004	Pit Permit Approved
12/6/2004	Submit Sundry requesting changing hole size, csg size cement & BOP
12/8/2004	Approval for Sundry requesting changing hole & csg size and cement & BOP
12/21/2004	Spud Well at 1:30 am
1/18/2005	Reached TD @ 8810'
1/20/2005	Released Rig @ 6 pm
2/28/2005	Filed for Test Allowable so that we could sell oil
5/26/2005	Filed Completion Paperwork

OPER. COORD NO. 229137
PROPER NO. 34418
APPROV. NO. 97210
EXP. DATE 11/19/04
APPROV. NO. 30-025-36956

5. LEASE DESIGNATION AND SERIAL NO.
NM-96236 60777
6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

APPLICANT

1A. TYPE OF WORK

DRILL ☒

B. TYPE OF WELL

OIL WELL ☒

GAS WELL ☐

OTHER

SINGLE ZONE ☒

MULTIPLE ZONE ☐

2. NAME OF OPERATOR

COG OPERATING, LLC.

(ERICK NELSON 432-685-4342)

3. ADDRESS AND TELEPHONE NO.

550 WEST TEXAS AVE. SUITE 1300 MIDLAND, TEXAS 79701 (432-685-4342)

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

2310' FNL & 330' FWL SECTIN 1 T21S-R32E LEA CO. NM

At proposed prod. zone SAME

Lot 5 R-111-P-POTASH

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE

Approximately 45 miles Southwest of Hobbs New Mexico

15. DISTANCE FROM PROPOSED

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drig. unit line, if any)

330'

16. NO. OF ACRES IN LEASE

200

17. NO. OF ACRES ASSIGNED

TO THIS WELL

0.00

sq. ft.

4071.7774

18. DISTANCE FROM PROPOSED LOCATION

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

2000'

19. PROPOSED DEPTH

8500'

20. ROTARY OR CABLE TOOLS

ROTARY

21. ELEVATIONS (Show whether DE, FT, GR, etc.)

CARLSBAD

3722' GR.

22. APPROX. DATE WORK WILL START

WHEN APPROVED

9/20/04

23. CONTROLLED WATER BASIN

PROPOSED CASING AND CEMENTING PROGRAM

See attachment to Geo. Rpt. JF

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8" H-40	48#	1550'	Circulate Cement To Surface WITH
12-1/4"	9-5/8" J-55	36 & 40#	3200'	500-5x. circulate to surface WITH
8-3/4"	7" J-55	19 & 23#	5350'	500-5x. Tie Back 200' Into 9-5/8"
6-1/8"	5" N-80	17#	8500'	500-5x. Est top of cement 5000'

1. Drill 25" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.

2. Drill 17 1/2" hole to ^{1550'} 500'. Run and set ^{1550'} 500' of 13 3/8" 48# H-40 ST&C casing. Cement with 800-5x. of class "C" cement + 2% CaCl₂, 1 1/2% Floccel/5x. circulate cement to surface.

3. Drill ^{12-1/4"} 12-1/4" hole to 3200'. Run and set 3200' of ^{9-5/8" 36 & 40#} 9-5/8" 36 & 40# J-55 ST&C casing. Cement with 800-5x. of class "C" 50/50 POZ light cement + additives, 1 1/2% Floccel/5x. circulate cement to surface.

5. 4. Drill ^{6-1/8"} 6-1/8" hole to 8500'. Run and set 8500' of ^{5" 17#} 5" 17# N-80 FJT casing. Cement with 600-5x. of class "A" Premium Plus cement + additives, estimate top of cement 5000' from surface or 500' above the upper most pay interval.

4. Drill 8-3/4" hole to 5350'. Run and set 5350' of 7" 19 & 23# J-55 FJT Casing. Tie Back At Least 200' Into 9-5/8" Casing.

Engineering OK: 09/21/2004: RAL

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Joe T. Gancia

TITLE Agent

DATE 09/12/04

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval 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 thereunder.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

/s/ Linda S. C. Rundell

TITLE

STATE DIRECTOR

DATE

10 NOV 2004

APPROVAL FOR 1 YEAR

DISTRICT I
1625 N. FRENCH DR., HOHBS, NM 88240

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

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

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

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

Form C-102
Revised JUNE 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-36956	Pool Code 30214	Pool Name HAT MESA-DELAWARE
Property Code 34418	Property Name MINIS "1" FEDERAL	Well Number 4
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3722'

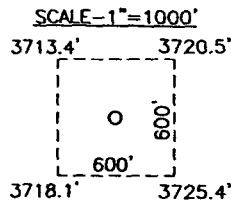
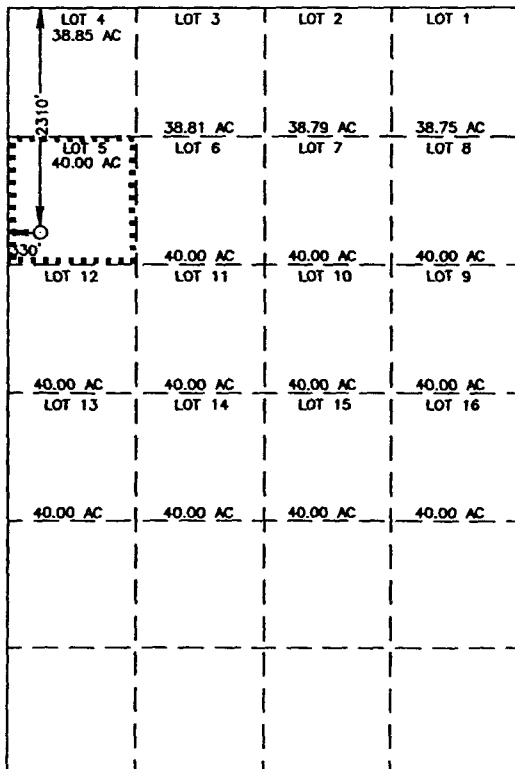
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
5	1	21-S	32-E		2310	NORTH	330	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 40	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



GEODETIC COORDINATES
NAD 27 NME

Y=621814.3 N
X=655163.7 E

LAT.=32°42'30.42" N
LONG.=103°49'43.98" W

OPERATOR CERTIFICATION

I hereby certify the the information
contained herein is true and complete to the
best of my knowledge and belief.

Joe T. Janica
Signature
Joe T. Janica
Printed Name
Agent
Title
09/12/04
Date

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.

AUGUST 18, 2004

Date Surveyed
Signature & Seal of
Professional Surveyor
Gary Eidsen 8/27/04
04.11.1063
Certificate No. GARY EIDSON 12841

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised JUNE 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Pee Lease - 3 Copies

OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.

Santa Fe, New Mexico 87505

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

1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-36956	Pool Code 97210	Pool Name HAT MESA-DELAWARE-6E
Property Code 34418	Property Name MINIS "1" FEDERAL	Well Number 4
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3722'

Surface Location

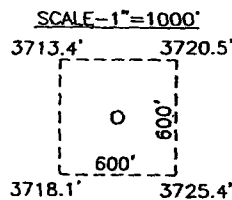
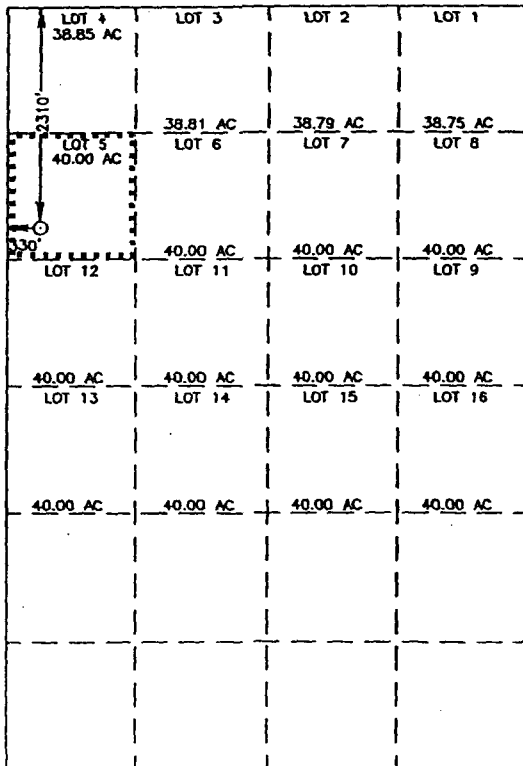
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
5	1	21-S	32-E		2310	NORTH	330	WEST	LEA

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.
40			

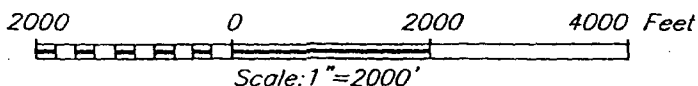
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NAD 27 NME

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Joe T. Janica

Printed Name

Agent

Title

09/12/04

Date

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.

AUGUST 18, 2004

Date Surveyed JR

Signature & Seal of
Professional Surveyor

Gary Eidson 8/27/04

04.11.1063

Certificate No. GARY EIDSON

12641

EXHIBIT "A"

OPERATOR COG OPERATING
WELL/LEASE MINIS FED #1
COUNTY LEA, NM

503-0256

STATE OF NEW MEXICO
DEVIATION REPORT

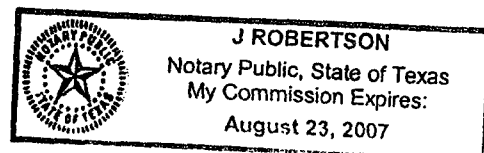
199	1/2	5,535	1/4
407	1/2	5,819	1/4
618	1/2	6,126	1/2
858	3/4	6,441	1/4
1,064	1/2	6,751	1/2
1,250	1 1/4	7,038	1
1,345	1/2	7,328	1
1,522	2 1/4	7,610	1 1/4
1,730	1	7,762	1/2
1,950	3/4	8,049	1
2,169	1/2	8,334	1
2,359	3/4	8,780	1
2,549	1		
2,769	2		
2,928	3 1/4		
3,027	3		
3,098	2 1/4		
3,188	3		
3,243	2 1/2		
3,364	3		
3,441	2 1/2		
3,491	1 3/4		
3,554	1 3/4		
3,618	1 1/4		
3,774	1		
4,089	3/4		
4,372	3/4		
4,688	3/4		
4,970	1/2		
5,159	1/2		
5,359	3/4		

STATE OF TEXAS
COUNTY OF MIDLAND

BY: 

The foregoing instrument was acknowledged before me on January 31, 2005, by Steve Moore on behalf of Patterson - UTI Drilling Company, LP, LLLP.


Notary Public for Midland County, Texas
My Commission Expires: 8/23/07



WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other										6. If Indian, Allottee or Tribe Name									
b. Type of Completion: <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resrv., Other _____										7. Unit or CA Agreement Name and No.									
2. Name of Operator COG Operating LLC										8. Lease Name and Well No. Minis 1 Federal #4									
3. Address 550 W. Texas, Suite 1300										9. AFI Well No. 30-025-36956									
3a. Phone No. (include area code) 432-685-4372										10. Field and Pool, or Exploratory Hat Mesa; Delaware, SE									
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface 2310 FNL & 330 FWL At top prod. interval reported below 2310 FNL & 330 FWL At total depth 2310 FNL & 330 FWL										11. Sec., T., R., M., on Block and Survey or Area Sec 1, T21S, R32E									
14. Date Spudded 12/31/2004										15. Date T.D. Reached 01/18/2005									
16. Date Completed 02/28/2005 <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod										17. Elevations (DF, RKB, RT, GL)* 3722 (GL)									
18. Total Depth: MD TVD 8780										19. Plug Back T.D.: MD TVD 8525									
20. Depth Bridge Plug Set: MD TVD 8560										21. Type Electric & Other Mechanical Logs Run (Submit copy of each) Gamma Ray, Micro-CFL / GR									
22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit report) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit copy)																			
23. Casing and Liner Record (Report all strings set in well)																			
Hole Size		Size/Grade		Wt. (#/ft.)		Top (MD)		Bottom (MD)		Stage Cementer Depth		No. of Sk. & Type of Cement		Slurry Vol. (BBL)		Cement Top*		Amount Pulled	
18-1/2		16		84		Surface		1563				1300 C				Surface		Circ 561sx to pit	
14-3/4		11-7/8		71.8		Surface		3218				1000 C				Surface		Circ 155sx to pit	
10-5/8		8-5/8		32		2887		5378				960 C				2887		0 Temp survey	
7-7/8		5-1/2		17		2770		8803				700 C				2720		0 CBL	
24. Tubing Record																			
Size		Depth Set (MD)		Packer Depth (MD)		Size		Depth Set (MD)		Packer Depth (MD)		Size		Depth Set (MD)		Packer Depth (MD)			
2-7/8		6635		none															
25. Producing Intervals																			
Formation				Top		Bottom		Perforated Interval				Size		No. Holes		Perf. Status			
A) Bone Spring				8525				8602-8612				.41		21		Plugged			
B) Delaware				5530				6652-6678				.41		53		Open			
C)																			
D)																			
26. Perforation Record																			
27. Acid, Fracture, Treatment, Cement Squeeze, etc.																			
Depth Interval				Amount and Type of Material															
8602 - 8612				Acidize with 1200 gallons 7-1/2% Petrol 10 acid w/ 30 BS.															
6652 - 6678				Frac with 14,700 gallons Clearfrac J533 - 40 fluid carrying 19,000# 20 / 40 Ottawa sand															
28. Production - Interval A																			
Date First Produced		Test Date		Hours Tested		Test Production		Oil BBL		Gas MCF		Water BBL		Oil Gravity Corr. API		Gas Gravity		Production Method	
02/28/2005		03/07/2005		24		→		105		74		69		37.3		37.3		PUMPING	
Choke Size		Tbg. Press. Flwg. SI		Csg. Press.		24 Hr. Rate		Oil BBL		Gas MCF		Water BBL		Gas/Oil Ratio		Well Status			
64/64		SI 100		50		→								705					
28a. Production - Interval B																			
Date First Produced		Test Date		Hours Tested		Test Production		Oil BBL		Gas MCF		Water BBL		Oil Gravity Corr. API		Gas Gravity		Production Method	
						→													
Choke Size		Tbg. Press. Flwg. SI		Csg. Press.		24 Hr. Rate		Oil BBL		Gas MCF		Water BBL		Gas/Oil Ratio		Well Status			
						→													

*(See instructions and spaces for additional data on page 2)

DAVID R. GLASS
PETER J. L. HENDER

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
T / RUSTLER	1525				
T / YATES	3230				
T / DELAWARE	5530				
T / BONE SPRING	8525				

32. Additional remarks (include plugging procedure):

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☒ Electrical/Mechanical Logs (1 full set req'd.)
 ☐ Geologic Report
 ☐ DST Report
 ☐ Directional Survey
☐ Sundry Notice for plugging and cement verification
 ☐ Core Analysis
 ☐ Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) Diane Kuykendall

Title Regulatory Analyst

Signature

Date 05/26/2005

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 to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

