

11/2/06 DATE IN	 SUSPENSE	WUST ENGINEER	11/2/06 LOGGED IN	DHC TYPE	APP NO. J063063177
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ABOVE THIS LINE FOR DIVISION USE ONLY

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



**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	

**District I**  
1625 N. Francis Drive, Hobbs, NM 88240

Energy, Minerals and Natural Resources Department

Revised June 10, 2003

**District II**  
1301 W. Grand Avenue, Arnie, NM 88210

**Oil Conservation Division**  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

APPLICATION TYPE  
 Single Well

**District III**  
10001 100 Brubaker Road, Aztec, NM 87610

Establish Pre-Approved Pools  
EXISTING WELLBORE

**District IV**  
1220 S. St. Francis Dr., Smp Fc, NM 87505

APPLICATION FOR DOWNHOLE COMMINGLING

Yes  No

*DFE-3820*

**COG OPERATING LLC** 550 W. Texas, Suite 550 Midland, TX 79701  
Operator Address

**PANTHER FEDERAL** 2 L, SEC 31, T17S, R32E LEA  
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 229137 Property Code 302538 API No. 30-025-36323 Lease Type:  Federal  State  Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	MALJAMAR GB SA		TAMANO DELAWARE
Pool Code	43329		97270
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	3797' - 4103'		4487' - 4491'
Method of Production (Flowing or Artificial Lift)	ARTIFICIAL LIFT		ARTIFICIAL LIFT
Bottomhole Pressure <small>(Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)</small>			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	39.4		39.0
Producing, Shut-In or New Zone			
Date and Oil/Gas/Water Rates of Last Production. <small>(Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)</small>	Date: 9-15-06 Rates: O 128 G 207 W 1338	Date: Rates:	Date: 8-17-06 Rates: O 3 G 4 W 12
Fixed Allocation Percentage <small>(Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)</small>	Oil 98 % Gas 98 %	Oil % Gas %	Oil 2 % Gas 2 %

**ADDITIONAL DATA**

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes  No   
 If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes  No   
 Are all produced fluids from all commingled zones compatible with each other? Yes  No   
 Will commingling decrease the value of production? Yes  No   
 If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes  No

NMOCD Reference Case No. applicable to this well: \_\_\_\_\_

**Attachments:**

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

**PRE-APPROVED POOLS**

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE Phyllis A. Edwards TITLE REGULATORY ANALYST DATE 11-2-06

TYPE OR PRINT NAME PHYLLIS A. EDWARDS TELEPHONE NO. ( 432 ) 685-4340

E-MAIL ADDRESS pedwards@conchoresources.com

**COG OPERATING LLC**  
550 W. Texas, Suite 1300  
Midland, TX 79701

432-683-7443 P  
432-685-4399 F

October 30, 2006

New Mexico Oil Conservation Division  
Attn: Will Jones  
1220 South St. Francis Drive  
Santa Fe, NM 87505

Re: Request to add Panther Federal #2 to DHC 3289  
Tamano Delaware (97270) and Maljamar; GB / SA (43329)  
Panther Federal #2  
Lea County, NM  
API # 30-025-36323

Dear Mr. Jones,

Below are explanations and a list of attachments to support this request.

- Interests are common
- BLM was notified of this request by letter dated October 18, 2006
- Commingling will not decrease the value of production and all fluids from proposed commingled zones are compatible with each other
- We will allocate using fixed percentages from Delaware and GB / SA formation.  
Percentages below:

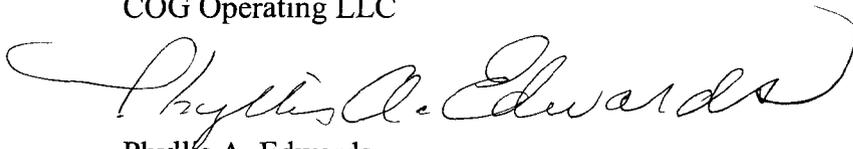
<u>POOL</u>	<u>PERFS</u>	<u>OIL RATE</u>	<u>OIL %</u>	<u>GAS RATE</u>	<u>GAS %</u>	<u>WTR RATE</u>	<u>WTR %</u>
Tamano; Delaware (97270)	4487 - 4491	3	2 %	4	2 %	12	1 %
Maljamar; GB / SA (43329)	3797 - 4103	128	98 %	207	98 %	1338	99 %

Thank you for your attention to this matter.

Please contact me at 432-685-4340 or e-mail at [pedwards@conchoresources.com](mailto:pedwards@conchoresources.com) if you need anything else.

Sincerely,

COG Operating LLC



Phyllis A. Edwards  
Regulatory Analyst

Attachments: C-102's for both formations

**RECEIVED**

NOV 01 2006

Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87505

DISTRICT I  
P.O. Box 880, Hobbs, NM 88241-1880

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0719

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

DISTRICT IV  
P.O. Box 2088, Santa Fe, N.M. 87504-2088

State of New Mexico  
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

Form C-102  
Revised February 10, 1984  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-025-36323	Pool Code 97270	Pool Name TAMANO DELAWARE
Property Code 302538	Property Name PANTHER FEDERAL	Well Number 2
OGRID No. 229137	Operator Name COG OPERATING LLC	Elevation 3851'

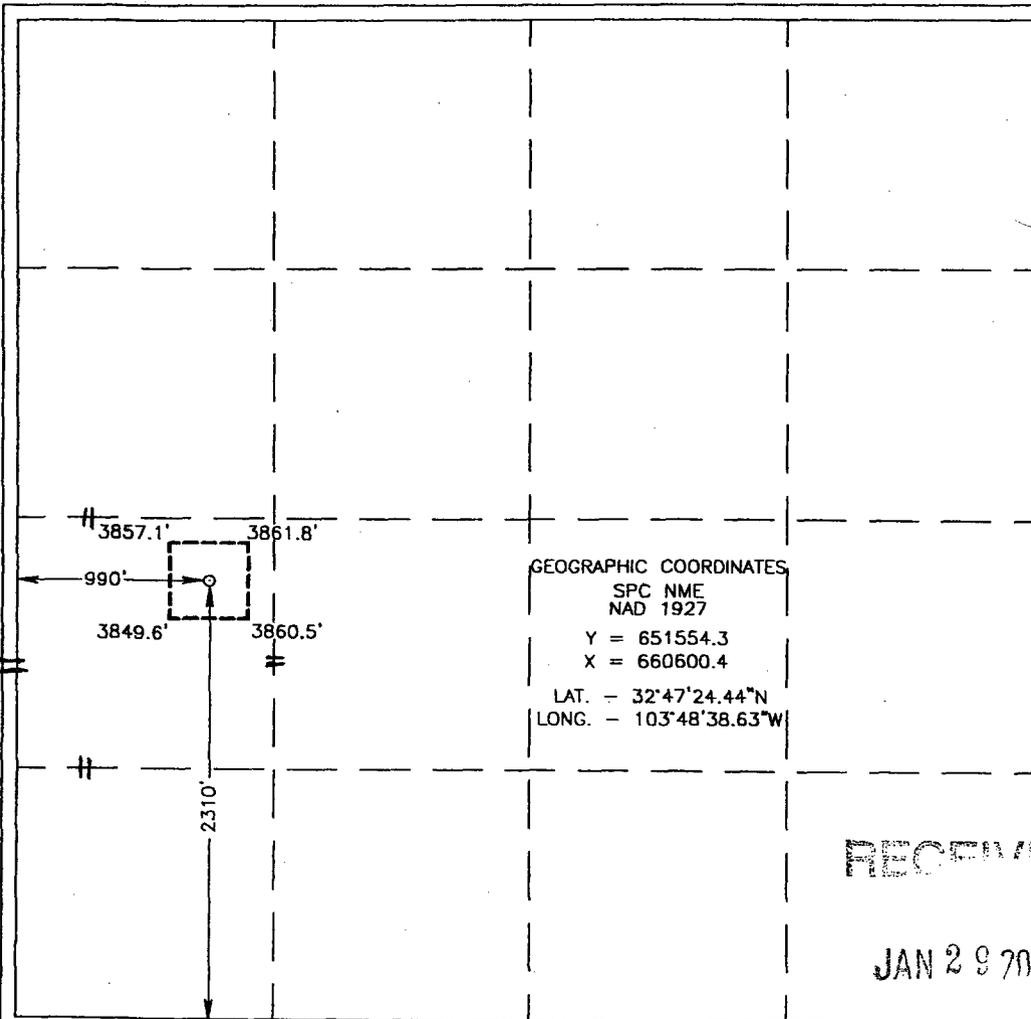
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	31	17-S	32-E		2310	SOUTH	990	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



OPERATOR CERTIFICATION

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

*Phyllis A. Edwards*  
Signature

Phyllis A. Edwards  
Printed Name

Regulatory Analyst  
Title

10-30-06  
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.

JANUARY 21, 2003

Date Surveyed J. EIDSON LA  
Signature & Seal of Professional Surveyor

*Ronald J. Eidson*  
1/28/03  
03-11-0040

Certificate No. RONALD J. EIDSON 3239  
GARY EIDSON 12641

RECEIVED

JAN 29 2003

DISTRICT I  
P.O. Box 1880, Hobbs, NM 88241-1880

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised February 10, 1994  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION  
P.O. Box 2088

Santa Fe, New Mexico 87504-2088

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

DISTRICT IV  
P.O. Box 2088, SANTA FE, N.M. 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-025-36323	Pool Code 43329	Pool Name MALJAMAR GB SA
Property Code 302538	Property Name PANTHER FEDERAL	Well Number 2
OGRID No. 229137	Operator Name COG OPERATING LLC	Elevation 3851'

Surface Location

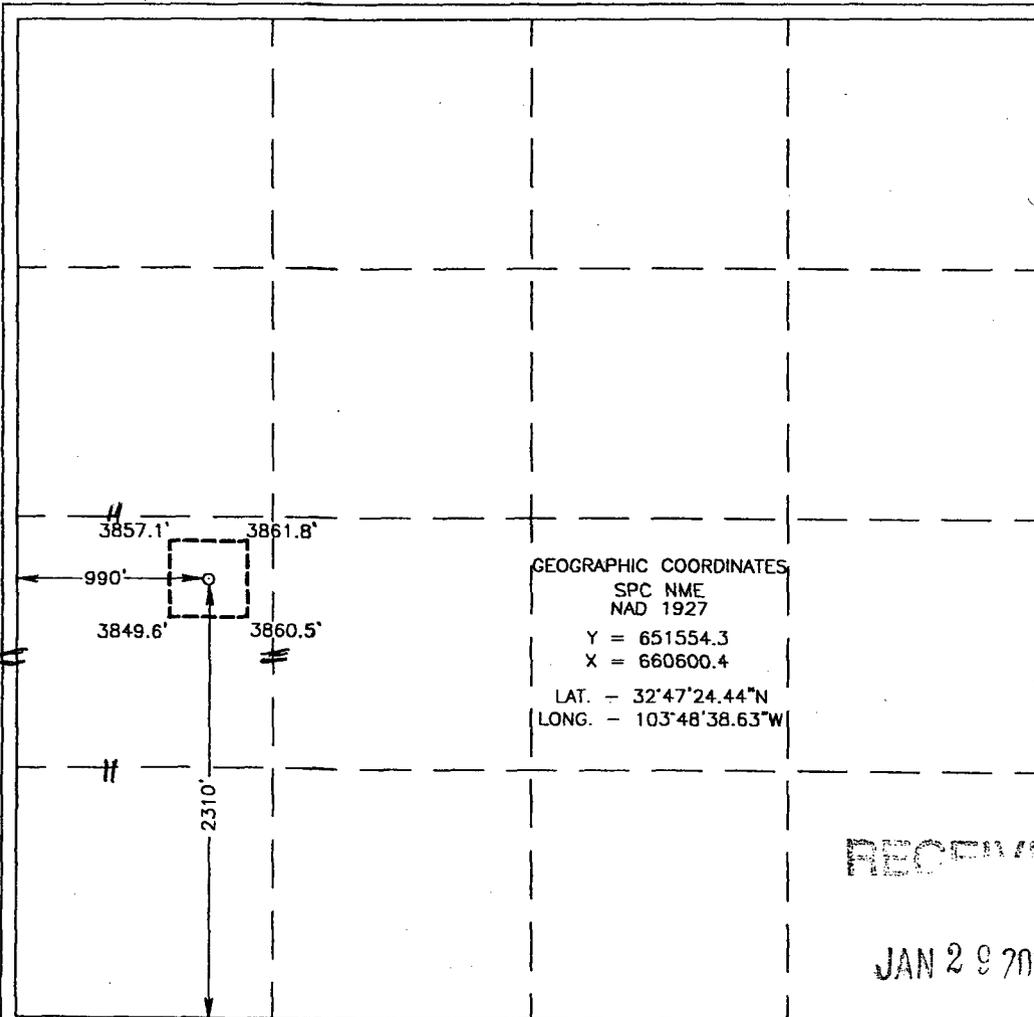
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	31	17-S	32-E		2310	SOUTH	990	WEST	LEA

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			

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

*Phyllis A. Edwards*  
Signature

Phyllis A. Edwards  
Printed Name

Regulatory Analyst  
Title

10-30-06  
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.

JANUARY 21, 2003  
Date Surveyed

Professional Surveyor  
Signature & Seal of

RECEIVED  
JAN 29 2003

Certificate No. RONALD L. EIDSON 3239  
GARY EIDSON 12641