

Jones, William V, EMNRD

From: Marks, Allison, EMNRD
Sent: Wednesday, May 27, 2015 5:07 PM
To: Jones, William V, EMNRD
Subject: Fwd: Airstrip Fee Com No 1H: supplemental geology letter
Attachments: image002.png; ATT00001.htm; 05.27.2015 NMOCD letter_compulsory pooling_signed.pdf; ATT00002.htm

Sent from my iPhone

Begin forwarded message:

From: "Jordan L. Kessler" <JLKessler@hollandhart.com>
Date: May 27, 2015 at 3:41:35 PM MDT
To: "McMillan, Michael, EMNRD (Michael.McMillan@state.nm.us)" <Michael.McMillan@state.nm.us>, "allisonr.marks@state.nm.us" <allisonr.marks@state.nm.us>
Cc: "omundsdry@concho.com" <omundsdry@concho.com>
Subject: Airstrip Fee Com No 1H: supplemental geology letter

Dear Mr. McMillan and Ms. Marks,

At the hearing on May 14, 2015, Mr. McMillan requested a signed and notarized letter from a geologist for COG describing the barrier separating the Third Bone Spring Sand in relation to Case No. 15105 (reopened). I believe that the letter was to be admitted as Exhibit 11. I've attached a signed and notarized letter from Mr. Villalobos with a description of the relevant formation. Please let me know if you have any additional questions or concerns.

Thanks!
Jordan

Jordan Lee Kessler
Associate
Holland & Hart LLP
110 North Guadalupe Suite 1
Santa Fe, NM 87501
Phone (505) 988-4421
Fax (505) 983-6043
E-mail: JLKessler@hollandhart.com



Joe Villalobos
Geoscience Advisor

May 27, 2015

TO: Michael McMillan, Hearing Examiner
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Airstrip Fee Com No. 1H

Dear Mr. McMillan:

At the Oil Conservation Division hearing on May 14, 2015, you requested that COG provide further geological support regarding the separation between the Second and Third Bone Spring. I have drafted this letter in response to that request.

The objective Third Bone Spring sand is found between 10,560-10,790' in the Airstrip 6 State No. 1 well (API 30025-37842 - TD 11,450). This is illustrated by the well's Halliburton Dual Laterolog Micro-Guard log (dated 06/20/2006). This sand also showed trace fluorescence, poor cut and good gas show while drilling in this horizontal objective. The Airstrip 6 State No. 1 was originally drilled by Samson Resources, was subsequently taken over by Three Rivers Operating Co, and is currently operated by COG Resources LLC. It is located 660 feet from the South line and 660 feet from the West line of Section 6, Township 19S, Range 35E, Lea County, New Mexico.

For the subject well, geology has requested that all depths below the top of the Leonard-age Third Bone Spring sand (below 10,560'), be retained for drilling by COG Resources LLC. In the subject well, the Third Bone Spring Carbonate is seen between 10,460-10,560 feet. The 100 foot unit is composed predominantly of white to brown very fine-grained crystalline limestone with thin laminations of limy shale. Mudlogs have not shown any porosity, gas, fluorescence or cut while drilling through this carbonate. A limy shale above the Third Bone Spring carbonate seen between 10,285-10,460 feet (175 feet thick) also did not show any porosity, gas, fluorescence or cut while drilling through this limy shale unit. Taken together, these two units (275 feet of total thickness) are seen as a potential barrier for hydraulic fracturing above the horizontal target, the Third Bone Spring Sand. The Second Bone Spring section is seen between 9910-10285' in the subject well.

Your attention to this matter is appreciated.

Sincerely,

A handwritten signature in black ink that reads "Joe Villalobos".

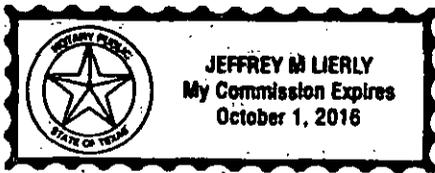
Joe Villalobos
Geoscience Advisor

COG
EXHIBIT # 11
Case 15105 REOPENED

ACKNOWLEDGMENT

STATE OF TEXAS §
 § SS:
COUNTY OF MIDLAND §

The foregoing instrument was acknowledged before me this 27th day of May, 2015, by Joe Villalobos.



Jeffrey M. Lierly

Notary Public
Notary's Printed Name: Jeffrey M. Lierly
My Commission Expires: October 1, 2016