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RECEIVED

2009 JAN 6 PM 2 59

January 6, 2009

Florene Davidson
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Florene:

Enclosed for filing, on behalf of Cimarex Energy Co., are an original and one copy of an application for cancellation of two drilling permits, together with a proposed advertisement. The advertisement has also been e-mailed to the Division. Please set this matter for the February 5, 2009 Examiner hearing. Thank you.

Very truly yours,



James Bruce

Attorney for Cimarex Energy Co.

PERSONS BEING NOTIFIED

COG Operating LLC
Suite 1300
550 West Texas
Midland, Texas 79701

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

2009 JAN 6 PM 3 01

**APPLICATION OF CIMAREX ENERGY CO. FOR
CANCELLATION OF TWO APPLICATIONS FOR
PERMIT TO DRILL ISSUED TO COG OPERATING
LLC, CHAVES COUNTY, NEW MEXICO.**

Case No. _____

APPLICATION

Cimarex Energy Co. applies for an order canceling two applications for permit to drill ("APD") issued to COG Operating LLC for wells in the N $\frac{1}{2}$ S $\frac{1}{2}$ of Section 10 and the S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 10, Township 15 South, Range 31 East, N.M.P.M., Chaves County, New Mexico, and in support thereof, states:

1. Applicant is an interest owner in the S $\frac{1}{2}$ of Section 10, and has the right to drill wells thereon.
2. COG Operating LLC has obtained APDs for the following wells:
 - (a) Taurus State Com. Well No. 2, a horizontal Wolfcamp well located in the N $\frac{1}{2}$ S $\frac{1}{2}$ of Section 10 (API No. 30-005-27995). **Exhibit A.**
 - (b) Taurus Fed. Well No. 1, a horizontal Wolfcamp well located in the S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 10 (API No. 30-005-28000). **Exhibit B.**
3. COG Operating LLC filed compulsory pooling applications on the N $\frac{1}{2}$ S $\frac{1}{2}$ of Section 10 (Case No. 14204) and the S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 10 (Case No. 14203). These cases were presented and heard on November 13, 2008. Orders have not yet been issued in these cases.
4. Cimarex Energy Co. filed competing compulsory pooling applications on the N $\frac{1}{2}$ S $\frac{1}{2}$ of Section 10 (Case No. 14253) and the S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 10 (Case No. 14254). These cases are scheduled for hearing on January 8, 2009.

5. Cimarex Energy Co. asserts that its pooling applications should be granted, and those of COG Operating LLC be denied.

6. If the pooling applications of Cimarex Energy Co. are granted, the APDs for the Taurus Fed. Well No. 1 and Taurus State Com. Well No. 2 should be canceled so that Cimarex Energy Co. may apply for and receive APDs for its proposed wells.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order canceling the APDs for the Taurus Fed. Well No. 1 and Taurus State Com. Well No. 2, and granting such further relief as the Division deems proper.

Respectfully submitted,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Cimarex Energy Co.

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., 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

Form C-103
 May 27, 2004

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-015-27995
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name TAURUS STATE COM
8. Well Number 002
9. OGRID Number 229137
10. Pool name or Wildcat WILDCAT; WOLFCAMP

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
COG Operating LLC

3. Address of Operator
550 W. Texas Ave., Suite 1300 Midland, TX 79701

4. Well Location
 Unit Letter 1 : 1980 feet from the South line and 330 feet from the East line
 Section 10 Township 15S Range 31E NMPM County CHAVES

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
4396' GR

Pit or Below-grade Tank Application or Closure

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls: Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: Request APD extension <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

COG Operating LLC respectfully requests an extension to this APD scheduled to expire 12-14-08.

EXHIBIT **A**

Maximum extension is 1 for 1 year

APD Expires 12-14-09

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE *Robyn Odom* TITLE Agent DATE 11/14/08

Type or print name Robyn M. Odom E-mail address: rododom@conchoresources.com Telephone No. 432-685-4385

For State Use Only

APPROVED BY: *[Signature]* TITLE PETROLEUM ENGINEER DATE NOV 19 2008

Conditions of Approval (if any): _____

**1220 S. St Francis Dr.
Santa Fe, NM 87505**

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address COG OPERATING LLC 550 W TEXAS MIDLAND, TX 79701		2. OGRID Number 229137
		3. API Number 30-05-27995
4. Property Code 36890	5. Property Name TAURUS STATE COM	6. Well No. 002

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
I	10	15S	31E	I	1980	S	330	E	CHAVES

8. Pool Information

WILDCAT WOLFCAMP	0
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Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 4396
14. Multiple N	15. Proposed Depth 8900	16. Formation Wolfcamp	17. Contractor	18. Spud Date 2/20/2008
Depth to Ground water 110		Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay/ Pit Volume: 30000 bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Ertne <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	400	450	0
Int1	12.25	9.625	40	4000	1000	0
Int2	8.75	5.5	17	8900	200	8200
Prod	7.875	5.5	17	13450	900	8200

Casing/Cement Program: Additional Comments

COG proposes to drill 17-1/2" hole to 400', set 13-3/8" casing & cement to surface. Drill a 12-1/4" hole to 4000', set 9-5/8" casing & cement to surface. Drill 8-3/4" Pilot hole to 8950' TD & run O/H logs. Spot cement KO plug from 8650' to 8250'. Time dr & KO 7-7/8" hole @ 8250' building curve over +/- 475' to horizontal @ 8675' TVD. Dr horizontal in a westerly direction for +/- 4500' lateral to 13,450' MD. Run 5-1/2" casing & cement.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	1250	
DoubleRam	3000	3000	
Annular	3000	1500	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOC guidelines <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION	
	Approved By: Paul Kautz	
	Title: Geologist	
	Approved Date: 12/14/2007	Expiration Date: 12/14/2008
	Conditions of Approval Attached	
Printed Name: Electronically filed by Diane Kuykendall		
Title: Regulatory Analyst		
Email Address: dkuykendall@conchoresources.com		
Date: 12/13/2007	Phone: 432-683-7443	

District III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-05-27995	2. Pool Code	3. Pool Name WILDCAT WOLFCAMP
4. Property Code 36890	5. Property Name TAURUS STATE COM	6. Well No. 002
7. OGRID No. 229137	8. Operator Name COG OPERATING LLC	9. Elevation 4396

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
I	10	15S	31E		1980	S	330	E	CHAVES

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
L	10	15S	31E	L	1980	S	430	W	CHAVES

12. Dedicated Acres 160.00	13. Joint or Infill	14. Consolidation Code	15. Order No.
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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		
	<p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p>		
	<p>E-Signed By: Diane Kuykendall Title: Regulatory Analyst Date: 12/13/2007</p>		
	SURVEYOR CERTIFICATION		
<p><i>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.</i></p>			
<p>Surveyed By: Gary Jones Date of Survey: 12/17/2007 Certificate Number: 7977</p>			

DISTRICT I
1825 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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 12, 2005

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

DEC 14 2007 AMENDED REPORT

OCD-ARTESIA

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-005-27995	Pool Code	Pool Name WILDCAT; WOLECAMP
Property Code 36890	Property Name TAURUS STATE COM	Well Number 24
OGRID No. 229137	Operator Name C.O.G. OPERATING L.L.C.	Elevation 4396'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	10	15 S	31 E		1980	SOUTH	330	EAST	CHAVES

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
L	10	15 S	31 E		1980	SOUTH	430	WEST	CHAVES

Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.
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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>BOTTOM HOLE LOCATION LAT.: N 33°01'42.90" LONG.: W103°49'00.46" SPC- N.: 738324.776 E.: 699645.621 (NAD-83)</p>		<p>SURFACE LOCATION LAT.: N 33°01'43.070" LONG.: W103°48'07.24" SPC- N.: 738364.797 E.: 704176.362 (NAD-83)</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>[Signature]</i> 12/13/07 Signature Date</p> <p>PHILIP A. EDWARDS Printed Name</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>DECEMBER 14 2007 Date Surveyed</p> <p><i>[Signature]</i> Signature & Seal of Professional Surveyor</p> <p>W.O. [Signature] 12903 Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>

Carl

New Mexico Oil Conservation Division, District I
1625 N. French Drive
Hobbs, NM 88240

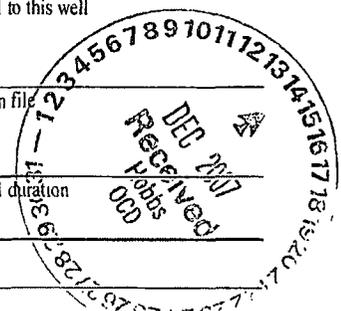
Form 3160-3
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0137
Expires July 31, 2010

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. SL NMI # 105885 BHL State of NM
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name N/A
2. Name of Operator COG Operating, LLC		7. If Unit or CA Agreement, Name and No. N/A
3a. Address 550 West Texas, Suite 1300 Midland, TX 79701	3b. Phone No. (include area code) (432)-685-9158	8. Lease Name and Well No. <36894> Taurus Federal #1H
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 330' FSL & 330' FWL, Unit M At proposed prod. zone 330' FSL & 330' FEL, Unit P ROSWELL CONTROLLED WATER BASIN		9. API Well No. 30-005-28000
14. Distance in miles and direction from nearest town or post office* Approx 15 miles North of Maljamar, New Mexico		10. Field and Pool or Exploratory Undesignated Wolfcamp
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 800	11. Sec., T. R. M. or Blk. and Survey or Area Section 10, T15S, R31E
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. N/A	19. Proposed Depth 13300' MD 8680' TVD	12. County or Parish Chaves Co.
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4415' GL	22. Approximate date work will start* 04/01/2008	13. State NM
23. Estimated duration 45 Days		



24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, must be attached to this form:

- | | |
|--|---|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the BLM. |

25. Signature:	Name (Printed/Typed) Dwaine Moore	Date 09/12/2007
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Title Agent for COG Operating LLC		
--------------------------------------	--	--

Approved by (Signature) <i>IS/ Angel Mayes</i>	Name (Printed/Typed) <i>IS/ Angel Mayes</i>	Date DEC 12 2007
--	--	---------------------

Title Assistant Field Manager, Lands And Minerals	Office ROSWELL FIELD OFFICE	APPROVED FOR 2 YEARS
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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 thereon.
Conditions of approval, if any, are attached.

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.

(Continued on page 2)

*(Instructions on page 2)

**APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS ATTACHED**

EXHIBIT **B**

EXHIBIT "A"

DISTRICT I
1626 N. Franch 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

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 October 12, 2005

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-005-28000	Pool Code /	Pool Name Wildcat Undesignated Wolfcamp
Property Code 36894	Property Name TAURUS FEDERAL	Well Number 14
OGRID No. 229137	Operator Name C.O.G. OPERATING L.L.C.	Elevation 4415'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	10	15 S	31 E		330	SOUTH	330	WEST	CHAVES

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
P	10	15 S	31 E		330	SOUTH	330	EAST	CHAVES

Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.
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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 that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>[Signature]</i> 9/12/07 Signature Date</p> <p>Duane Mearse Agent For Printed Name C.O.G.</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>JULY 27 2007 Date Surveyed</p> <p><i>[Signature]</i> Signature Professional Surveyor</p> <p>W.O. [Signature] 710</p> <p>Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>

PROPOSED ADVERTISEMENT

Case No. 14269 :

Application of Cimarex Energy Co. for cancellation of two applications for permit to drill issued to COG Operating LLC, Chaves County, New Mexico. Cimarex Energy Co. seeks an order canceling applications for permit to drill issued to COG Operating LLC for the proposed Taurus State Com. Well No. 2, a horizontal Wolfcamp well located in the N½S½ of Section 10, Township 15 South, Range 31 East, N.M.P.M. (API No. 30-005-27995), and the proposed Taurus Fed. Well No. 1, a horizontal Wolfcamp well located in the S½S½ of Section 10, Township 15 South, Range 31 East, N.M.P.M. (API No. 30-005-28000). The well units are located approximately 16 miles north-northeast of Loco Hills, New Mexico.

RECEIVED
2009 JUN 8 PM 3 01