

ABOVE THIS LINE FOR DIVISION USE ONLY

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



COG 229137
MC STATE #3

ADMINISTRATIVE APPLICATION CHECKLIST 30-015-39367

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]

6560

[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 _____

2012 JAN 26 P 2:44 PM
RECEIVED OGD
J-23-75-78E
Eddy

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☐ Does Not Apply

INTEREST ARE THE SAME

[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.

Kelly J. Holly
Print or Type Name

Signature

Permitting Tech
Title

1-24-12
Date

(432) 685-4384
Phone Number

kholly@concho.com
E-mail Address

**MC State #3
Eddy County, NM**

COG proposes to drill a **VERTICAL** NW/4 SE/4, 40 acre spacing
Empire; Glorieta-Yeso, East oil well
TD of approximately 5250'

Location:

1720' FSL & 2325' FEL Sec 23, T17S, R28E, Unit J

This well had to be drilled at a non-standard location due to buried pipelines.

The plan for this well is to complete it in the Yeso formation.
We won't know the exact perms until we drill & log it, but it will be very similar to the Kool Aid State #3 (2160' FNL & 2310' FEL, Section 24, T17S, R28E, UL G) which was completed in March 2009.

The Kool Aid State #3 completion has Yeso perms from 4280' – 5070', divided into 3 perf/stimulation intervals.

1st interval: 4280' – 4480',
acidized w/ 2500 gals,
frac w/ 111,450 gal Slvr Stm gel, 140,141# White, & 33,172# CRC.

2nd interval: 4590' – 4790',
acidized w/ 2500 gals,
frac w/ 112,168 gal Slvr Stm gel, 132,583# White, & 34,283# CRC.

3rd interval: 4870' – 5070',
acidized w/ 2500 gals,
frac w/ 115,495 gal Slvr Stm gel, 143,285# White, & 36,640# CRC.

Attachment 1

Plat & map

Attachment 2

Map & legend of offset wells.

Attachment 3

Updated land plat showing COG Operating LLC acreage.
The acreage we are encroaching on is NE/4 SW/4 of Section 23.

Offset acreage is owned by Three Rivers Acquisition.
Proof of Notification is enclosed.

COG Operating LLC respectfully requests permission to have this NSL approved.

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
11885 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised July 16, 2010
Submit to Appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-89367	Pool Code 37882 96210	Pool Name Empire; Glorieta Yeso
Property Code	Property Name MC STATE	Well Number 3
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3697'

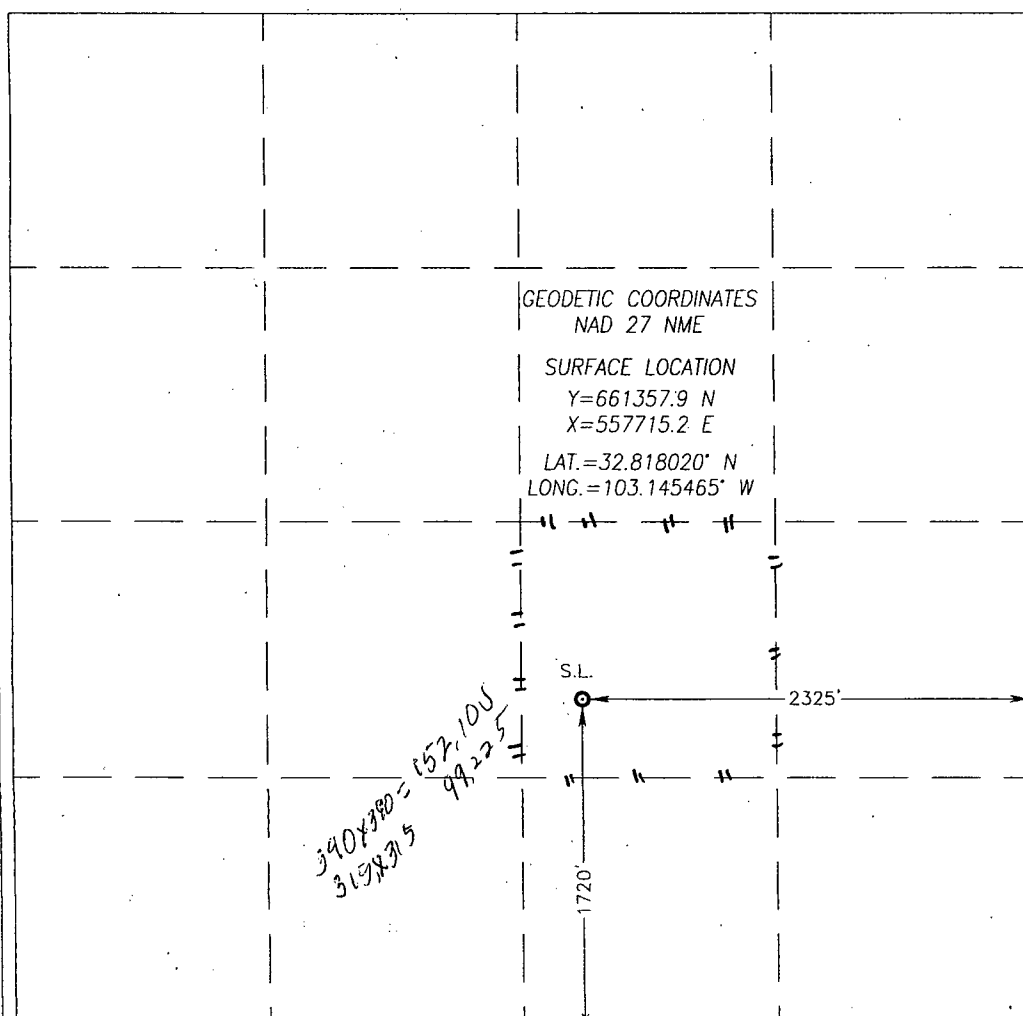
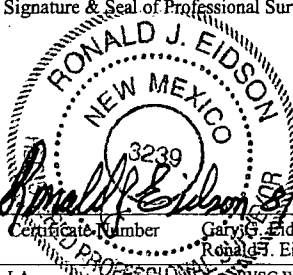
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	23	17-S	28-E		1720	SOUTH	2325	EAST	EDDY

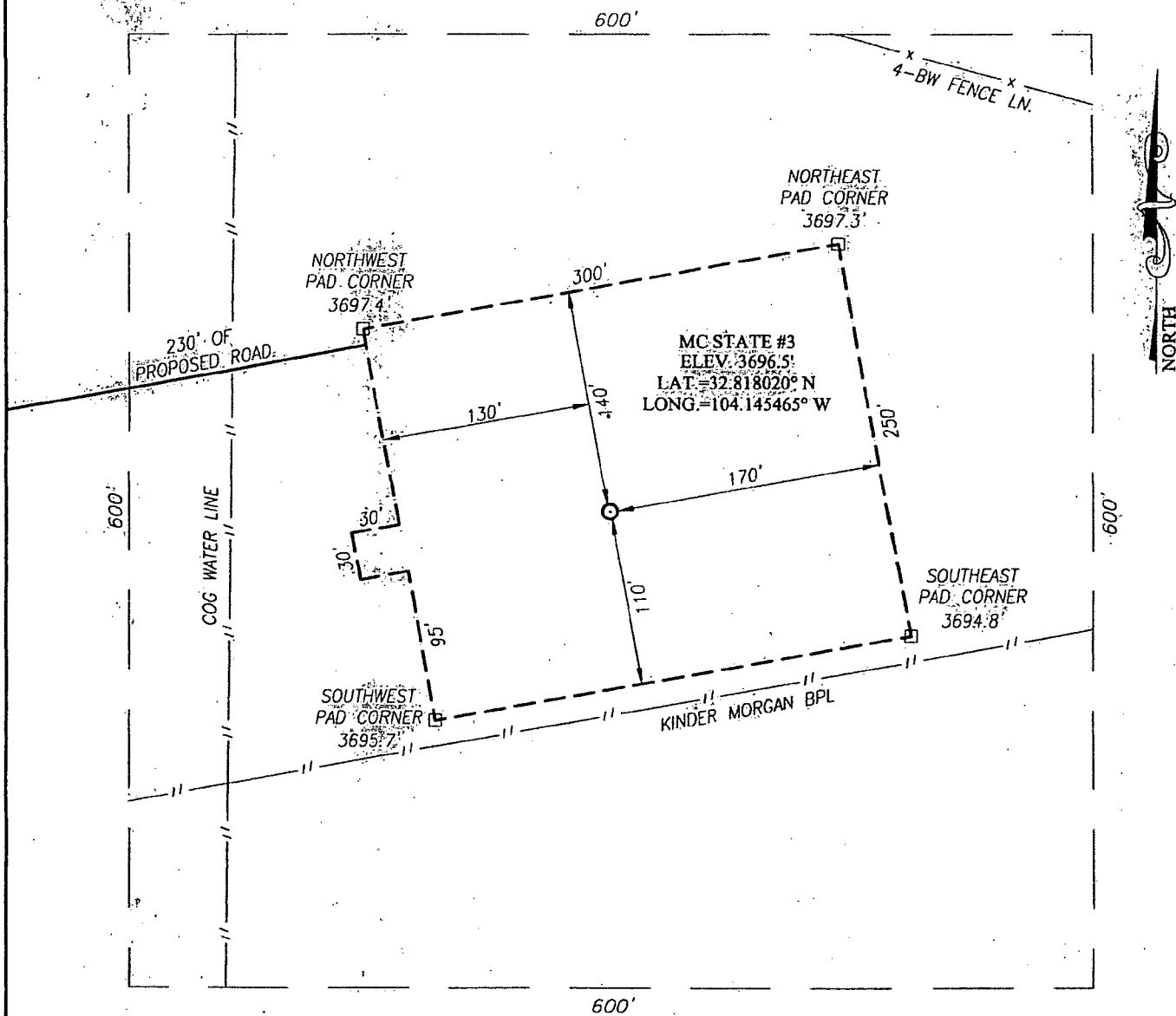
Bottom Hole Location If Different From Surface

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

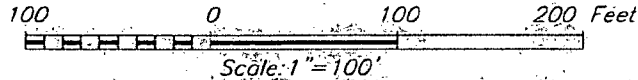
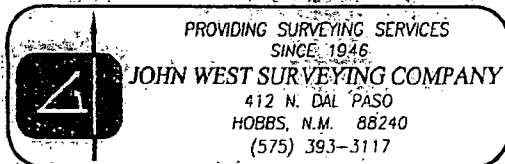
	OPERATOR CERTIFICATION I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature:  Date: 8-29-11 Printed Name: Kelly J. Holly E-mail Address: kholly@concho.com
	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. FEBRUARY 20, 2011 Date of Survey Signature & Seal of Professional Surveyor:  Certificate Number: 3239 Gary E. Eidson 12641 Ronald J. Eidson 3239 LA PROFESSIONAL SURVEYOR WSC W.O.: 11.11.1095

SECTION 23, TOWNSHIP 17 SOUTH, RANGE 28 EAST, N.M.P.M.,
EDDY COUNTY NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF ST. HWY. #82 AND CO. RD. #209 (TURKEY TRACK RD.), TURN RIGHT AND GO NORTH APPROX. 128 FEET. TURN RIGHT AND GO NORTHEAST APPROX. 0.1 MILE. TURN LEFT AND GO NORTH APPROX. 0.9 MILES. TO A PROPOSED ROAD SURVEY. FOLLOW ROAD SURVEY 230 FEET EAST TO THE LOCATION.



COG OPERATING, LLC

MC STATE #3 WELL
LOCATED 1720 FEET FROM THE SOUTH LINE
AND 2325 FEET FROM THE EAST LINE OF SECTION 23,
TOWNSHIP 17 SOUTH, RANGE 28 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.

Survey Date: 8/10/11	Sheet 1 of 1 Sheets
W.O. Number: 11.11.1095	Dr By: LA
Date: 8/17/11	11111095
	Scale: 1" = 100'

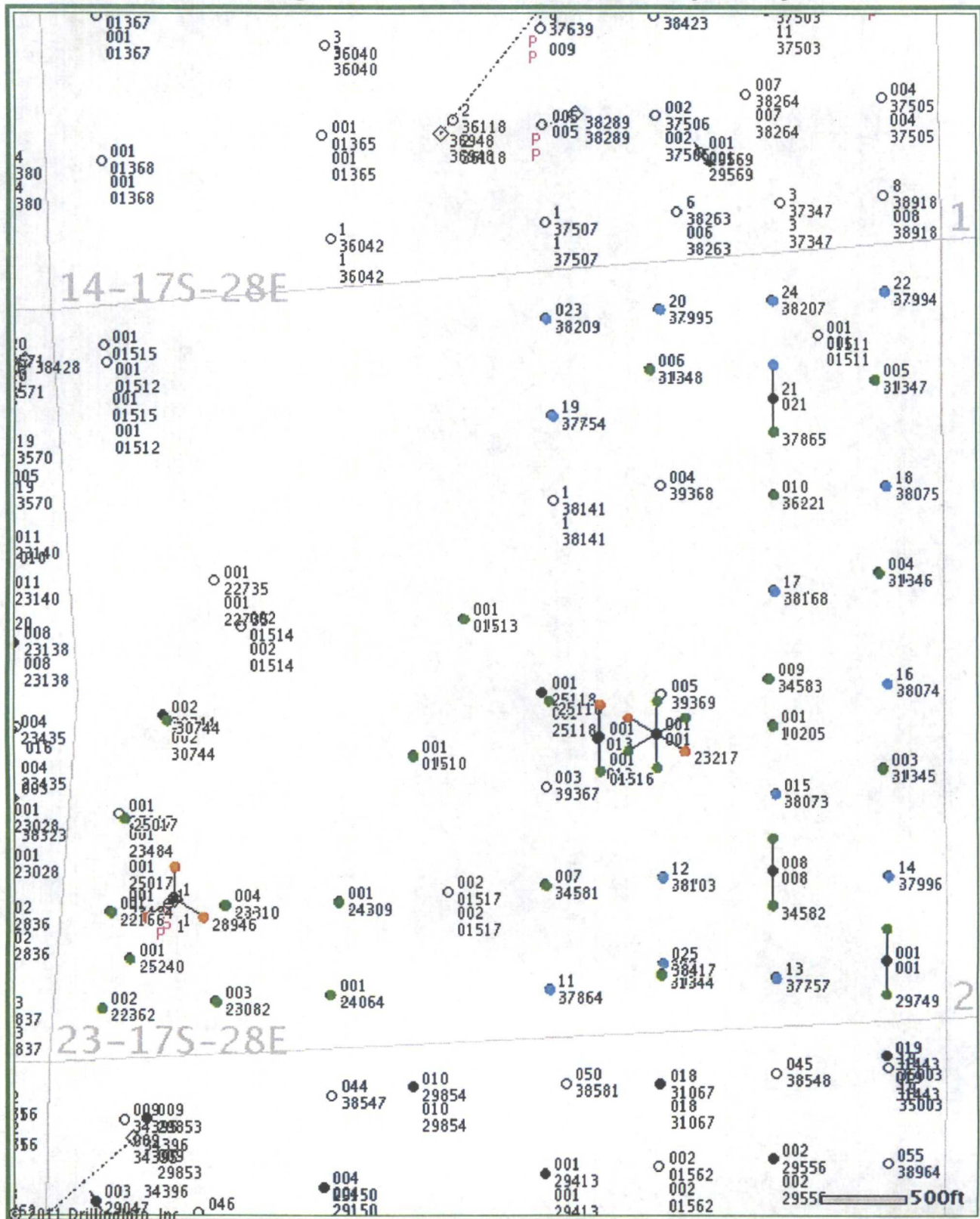
Producing Wells in Sec 23, T17S, R28E, Eddy County

API#	Operator	Lease	Well#	County	Legal	Total Depth	Well Type	Well Status	First Prod.	Last Prod.	Avg. (BO/D)
30-015-28946	CONCHO EXPLORATION	DINAH 23 FEDERAL COM	1	EDDY	S:23, T:17S, R:28E	10,560	G	Salt Water Disposal	Dec 2000	Jun 2001	0.00
30-015-01510	FLRO CORP	MALCO	001	EDDY	S:23, T:17S, R:28E	0	PO	Pumping	Jan 1961	Nov 2001	0.03
30-015-22166	C F M OIL CO DBA LOUIS AND JUDY FULTON	WOLF	001	EDDY	S:23, T:17S, R:28E	0	O	Pumping	Jan 1979	May 2011	0.03
30-015-22362	C F M OIL CO DBA LOUIS AND JUDY FULTON	WOLF	002	EDDY	S:23, T:17S, R:28E	802	O	Pumping	Jan 1993	May 2011	0.03
30-015-24064	C F M OIL CO DBA LOUIS AND JUDY FULTON	SRC STATE	001	EDDY	S:23, T:17S, R:28E	0	O	Pumping	Apr 1982	May 2011	0.03
30-015-01513	TANDEM ENERGY CORPORATION	HONDO FEDERAL	001	EDDY	S:23, T:17S, R:28E	2,149	PO	Pumping	Apr 1962	Jul 2010	0.06
30-015-23310	C F M OIL CO DBA LOUIS AND JUDY FULTON	WOLF	004	EDDY	S:23, T:17S, R:28E	850	O	Pumping	Jan 1993	May 2011	0.06
30-015-23082	C F M OIL CO DBA LOUIS AND JUDY FULTON	WOLF	003	EDDY	S:23, T:17S, R:28E	807	O	Pumping	Jan 1993	May 2011	0.10
30-015-01516		HUMBLE 23	001	EDDY	S:23, T:17S, R:28E	2,180	O	Active	Jan 1963	Feb 1979	0.25
30-015-10205	MARBOB ENERGY CORP	HUMBLE STATE 23	001	EDDY	S:23, T:17S, R:28E		O	Pumping	Aug 1993	Mar 1994	0.55
30-015-30744	MARBOB ENERGY CORP	MONGRIEF STATE	2	EDDY	S:23, T:17S, R:28E	4,025	PO	Pumping	Oct 1999	Aug 2011	0.55
30-015-25017	MARBOB ENERGY CORP	MONGRIEF STATE	1	EDDY	S:23, T:17S, R:28E	839	PO	Pumping	Oct 1984	Aug 2011	0.58
30-015-31347	COG OPERATING LLC	WHITE OAK STATE	005	EDDY	S:23, T:17S, R:28E	4,065	O	Pumping	Feb 2001	Aug 2011	0.65
30-015-29749	COG OPERATING LLC	WHITE OAK STATE	001	EDDY	S:23, T:17S, R:28E	7,924	O	Pumping	Apr 1998	Aug 2011	0.74
30-015-31344	COG OPERATING LLC	WHITE OAK STATE	002	EDDY	S:23, T:17S, R:28E	3,406	O	Pumping	Feb 2001	Aug 2011	0.74
30-015-23217	MARBOB ENERGY CORP	NEW MEXICO CY STATE	001	EDDY	S:23, T:17S, R:28E	11,000	D	Pumping	Apr 1981	Dec 1982	0.77
30-015-28946	CONCHO EXPLORATION	DINAH 23 FEDERAL COM	1	EDDY	S:23, T:17S, R:28E	10,560	G	Salt Water Disposal	Sep 1996	Nov 2000	0.97
30-015-31346	COG OPERATING LLC	WHITE OAK STATE	004	EDDY	S:23, T:17S, R:28E	4,072	O	Pumping	Dec 2000	Aug 2011	1.29
30-015-23217	MARBOB ENERGY CORP	NEW MEXICO CY STATE	001	EDDY	S:23, T:17S, R:28E	11,000	D	Pumping	Jan 1994	Jan 1994	1.71
30-015-31348	COG OPERATING LLC	WHITE OAK STATE	006	EDDY	S:23, T:17S, R:28E	4,020	O	Pumping	Apr 2001	Aug 2011	1.94
30-015-23217	MARBOB ENERGY CORP	NEW MEXICO CY STATE	001	EDDY	S:23, T:17S, R:28E	11,000	D	Pumping	Feb 1994	Mar 1994	2.03
30-015-34583	COG OPERATING LLC	WHITE OAK STATE	009	EDDY	S:23, T:17S, R:28E	5,512	O	Active Permit	Sep 2007	Aug 2011	5.19
	KINCAID AND WATSON				S:23, T:17S,						

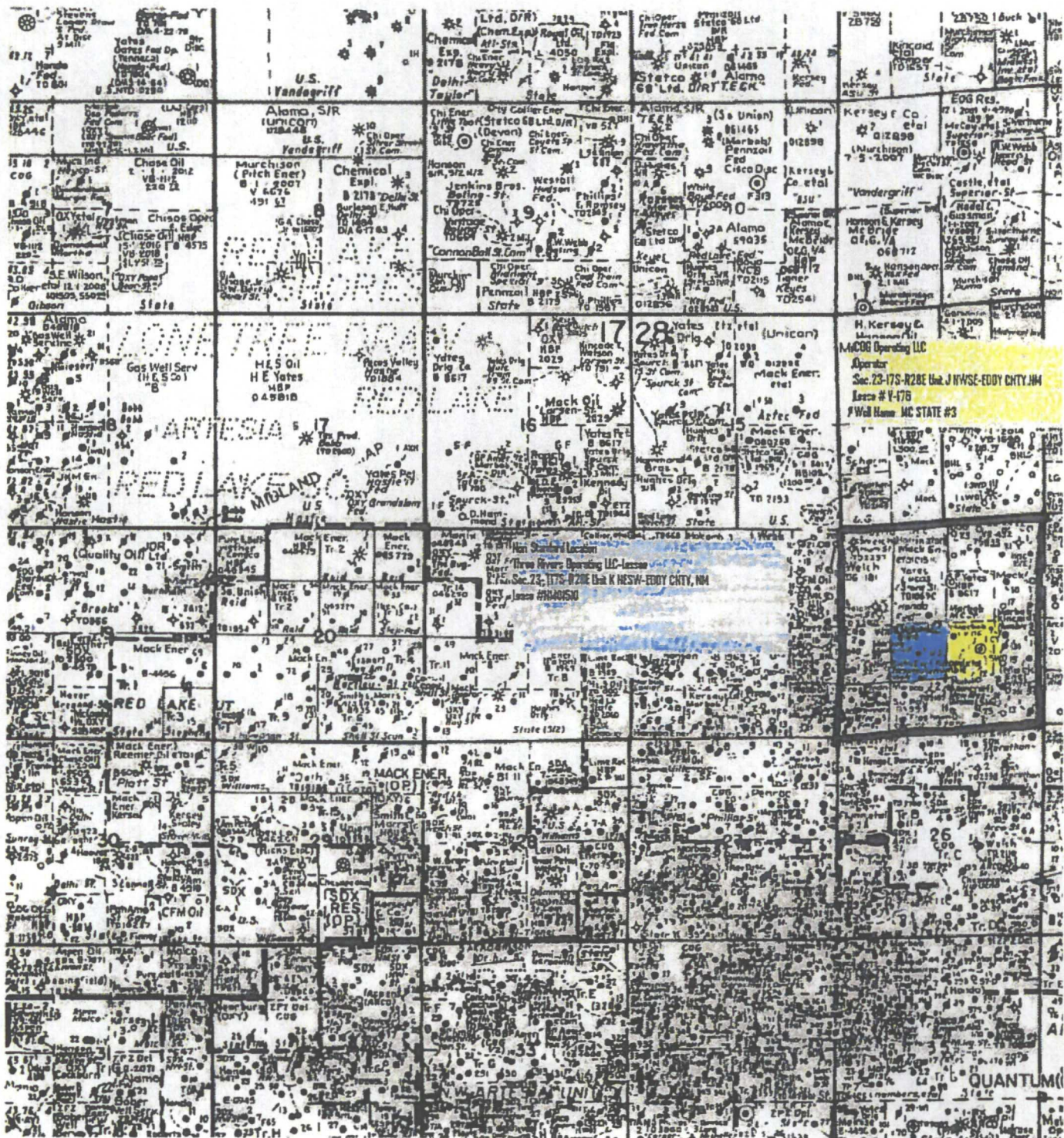
30-015-01516	DRILLING CO	HUMBLE STATE	001	EDDY	R:28E	2,180	O	Active	Mar 1962	Dec 1962	6.74
30-015-34581	COG OPERATING LLC	WHITE OAK STATE	007	EDDY	S:23, T:17S, R:28E	5,260	O	Active Permit	Nov 2007	Aug 2011	9.03
30-015-23217	MARBOB ENERGY CORP	NEW MEXICO CY STATE	001	EDDY	S:23, T:17S, R:28E	11,000	D	Pumping	Jan 1984	Dec 1993	9.61
30-015-36221	COG OPERATING LLC	WHITE OAK STATE	010	EDDY	S:23, T:17S, R:28E	5,505	O	Active Permit	Feb 2009	Aug 2011	9.74
30-015-34582	COG OPERATING LLC	WHITE OAK STATE	008	EDDY	S:23, T:17S, R:28E	5,255	O	Active Permit	Nov 2006	Aug 2011	10.52
30-015-37754	COG OPERATING LLC	WHITE OAK STATE	19	EDDY	S:23, T:17S, R:28E	5,355	O	Active Permit	Dec 2010	Aug 2011	12.35
30-015-29749	MACK ENERGY CORP	WHITE OAK STATE	001	EDDY	S:23, T:17S, R:28E	7,924	O	Pumping	Oct 1997	Mar 1998	14.55
30-015-38103	COG OPERATING LLC	WHITE OAK STATE	12	EDDY	S:23, T:17S, R:28E	5,380	O	Active Permit	Mar 2011	Aug 2011	17.29
30-015-38209	COG OPERATING LLC	WHITE OAK STATE	23	EDDY	S:23, T:17S, R:28E	5,250	O	Active Permit	May 2011	Aug 2011	19.52
30-015-37995	COG OPERATING LLC	WHITE OAK STATE	20	EDDY	S:23, T:17S, R:28E	5,284	O	Active Permit	Jan 2011	Aug 2011	19.65
30-015-31345	COG OPERATING LLC	WHITE OAK STATE	003	EDDY	S:23, T:17S, R:28E	4,400	O	Pumping	Jan 2001	Aug 2011	20.35
30-015-37757	COG OPERATING LLC	WHITE OAK STATE	13	EDDY	S:23, T:17S, R:28E	5,354	O	Active Permit	Dec 2010	Aug 2011	21.06
30-015-37865	COG OPERATING LLC	WHITE OAK STATE	21	EDDY	S:23, T:17S, R:28E	5,350	O	Active	Sep 2010	Aug 2011	23.23
30-015-37864	COG OPERATING LLC	WHITE OAK STATE	11	EDDY	S:23, T:17S, R:28E	5,354	O	Active	Jan 2011	Aug 2011	30.84
30-015-38073	COG OPERATING LLC	WHITE OAK STATE	15	EDDY	S:23, T:17S, R:28E	5,360	O	Active Permit	Jun 2011	Aug 2011	36.87
30-015-38207	COG OPERATING LLC	WHITE OAK STATE	24	EDDY	S:23, T:17S, R:28E	5,281	O	Active Permit	Apr 2011	Aug 2011	41.61
30-015-37996	COG OPERATING LLC	WHITE OAK STATE	14	EDDY	S:23, T:17S, R:28E	5,360	O	Active Permit	Jun 2011	Aug 2011	48.16
30-015-37865	COG OPERATING LLC	WHITE OAK STATE	21	EDDY	S:23, T:17S, R:28E	5,350	O	Active	Sep 2010	Oct 2010	51.90
30-015-37994	COG OPERATING LLC	WHITE OAK STATE	22	EDDY	S:23, T:17S, R:28E	5,265	O	Active Permit	Jun 2011	Aug 2011	65.00
30-015-38074	COG OPERATING LLC	WHITE OAK STATE	16	EDDY	S:23, T:17S, R:28E	5,375	O	Active Permit	May 2011	Aug 2011	72.81
30-015-38168	COG OPERATING LLC	WHITE OAK STATE	17	EDDY	S:23, T:17S, R:28E	5,396	O	Active Permit	Apr 2011	Aug 2011	76.06
30-015-38417	COG OPERATING LLC	WHITE OAK STATE	25	EDDY	S:23, T:17S, R:28E	5,253	O	Active Permit	Jun 2011	Aug 2011	84.26
30-015-38075	COG OPERATING LLC	WHITE OAK STATE	18	EDDY	S:23, T:17S, R:28E	5,394	O	Active Permit	Jun 2011	Aug 2011	98.42
30-015-34582	COG OPERATING LLC	WHITE OAK STATE	008	EDDY	S:23, T:17S, R:28E	5,255	O	Active Permit	Nov 2006	Dec 2006	100.13
30-015-23217	MARBOB ENERGY CORP	NEW MEXICO CY STATE	001	EDDY	S:23, T:17S, R:28E	11,000	D	Pumping	Jan 1973	Dec 1993	

30-015-24309	MARBOB ENERGY CORP	SRC STATE	001	EDDY	S:23, T:17S, R:28E	3,494	O	Pumping	Dec 1982	Jan 2011	
30-015-25118	MARBOB ENERGY CORP	M.C. STATE	1	EDDY	S:23, T:17S, R:28E	3,525	PO	Pumping	Jan 1994	Aug 2011	
30-015-25240	MARBOB ENERGY CORP	TENNECO FEE	001	EDDY	S:23, T:17S, R:28E	3,025	O	Pumping	May 1985	Aug 2011	
30-015-28946	CHESAPEAKE OPERATING, INC.	DINAH 23 FEDERAL COM	1	EDDY	S:23, T:17S, R:28E	10,560	G	Salt Water Disposal	Jun 2001	Aug 2011	
30-015-23217	MARBOB ENERGY CORP	NEW MEXICO CY STATE	001	EDDY	S:23, T:17S, R:28E	11,000	D	Pumping	Jan 2003	Feb 2011	

Producing Wells in Sec 23, T17S, R28E, Eddy County



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**COG OPERATING LLC
550 W. TEXAS, SUITE 1300
MIDLAND, TX 79701**

January 17, 2012

Three Rivers Acquisition LLC
1122 South Capital of Texas Hwy
Austin, TX 78746

Re: Request for Unorthodox Well Location

To Whom It May Concern:

This letter will serve as notice under Rule 104.F (3) that COG Operating LLC has requested administrative approval from the Oil Conservation Division in Santa Fe, NM for an unorthodox Wildcat; Abo oil well.

MC State #3

**EDDY County, NM
1720' FSL & 2325' FEL Sec 23, T17S, R28E, Unit J**

Should your company have any objection, it must be filed in writing within twenty (20) days from the date of this notice. The Division Director may allow COG to produce from the unorthodox location after the well is drilled, if no objection has been made within the 20 days after the application has been received.

Sincerely,

COG Operating LLC

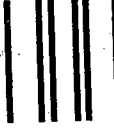


Kelly Holly
Permitting Tech

432-685-4384

kholly@concho.com

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits.		A. Signature <i>Amy Temple</i> ☐ Agent ☐ Addressee	
1. Article Addressed to: Three Rivers Acquisition LLC 1122 South Capital of Texas Hwy Austin, TX 78746		B. Received by (Printed Name) <i>Amy Temple</i>	C. Date of Delivery <i>1/20/12</i>
		D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No	
		3. Service Type ☐ Certified Mail ☐ Express Mail ☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D.	
		4. Restricted Delivery? (Extra Fee) ☐ Yes	
2. Article Number (Transfer from service label)		91 7199 9991 7030 4014 4184	
PS Form 3811, February 2004		Domestic Return Receipt	
		102595-02-M-1540	

UNITED STATES POSTAL SERVICE		First-Class Mail Postage & Fees Paid USPS Permit No. G-10
• Sender: Please print your name, address, and ZIP+4 in this box • COG Operating LLC ATTN: KELLY J. HOLLY 550 W Texas Suite 100 Midland, TX 79707		
