

DATE IN 30 May 07	SUSPENSE 6/19/07	D. Catarach ENGINEER	30 May 07 LOGGED IN	NSL TYPE	PCLP0715053885 APP NO.
-------------------	------------------	-------------------------	------------------------	-------------	---------------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

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



5648

**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  
 INTERESTS ARE THE SAME.
- [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.**

PHYLLIS A. EDWARDS  
 Print or Type Name

Signature

REGULATORY ANALYST  
 Title

5-23-07  
 Date

pedwards@conchoresources.com  
 e-mail Address

**G J West Coop Unit #160  
Eddy County, NM  
API #: 30-015 35582**

COG is requesting to drill a vertical North ½, NW/4 40 acre spacing  
GJ; 7RVS-QN-GB-GLORIETA-YESO oil well  
TD of approximately 5600'  
Non-standard Location:  
1680' FNL & 2460' FWL Sec 22, T17S, R29E, Unit F

30-015-35582

This well had to be staked at a non-standard location due to  
electrical transmission lines.

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 G J West Coop Unit #149 which was recently drilled and is located  
2310' FSL 2310' FWL, Section 21, T17S, R29E, Unit K.

The G J West Coop Unit #149 completion divided the Yeso up into 3  
perf/stimulation intervals. At this time, we believe the G J West Coop Unit #160  
will/should be very similar.

G J West Coop Unit #149 has perms from: 4613' – 5381' overall, with the  
following breakdown:

1<sup>st</sup> interval: 5153' – 5381',  
acidized w/ 2500 gals,  
frac'd w/ 6014 gals 40# gel, 30,777 gals 30# gel, 56,847 gals 40# gel, 8000#  
LiteProp, 74,940# 16/30 White Sand, 15,920# SiberProp 16/30 sand.

2<sup>nd</sup> interval: 4914' – 5050',  
acidized w/ 1975 gals,  
frac'd w/ 6002 gals 40# gel, 30,757 gals 30# gel, 47,321 gals 40# gel, 8000#  
LiteProp, 74,800# 16/30 sand & 15,700# SiberProp 16/30 sand.

3<sup>rd</sup> interval: 4613' – 4814',  
acidized w/ 1850 gals,  
frac'd w/ 93,882 gals gel, 8019# LiteProp, 74,900# 16/30 White Sand, 16,220#  
SiberProp.

**Attachment 1**

Approved permit & plat  
Plat showing electrical transmission lines

**Attachment 2**

Map & legend of offset wells.

**Attachment 3**

Updated land plat showing acreage that COG Operating LLC owns.  
The acreage we are encroaching on is the N/2, SW/4 of NE/4 of Section 22.  
The offset operator we are encroaching upon is Marbob Energy.  
A copy of the Marbob Energy letter & signed certified receipt is attached.

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

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**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 30-015-35582
4. Property Code 302497	5. Property Name G J WEST COOP UNIT	6. Well No. 160

**7. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
F	22	17S	29E	F	1680	N	2460	W	EDDY

**8. Pool Information**

GJ,7RVS-QN-GB-GLORIETA-YESO	97558
-----------------------------	-------

**Additional Well Information**

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3553
14. Multiple N	15. Proposed Depth 5600	16. Formation Blinebry	17. Contractor	18. Spud Date 5/15/2007
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 _____ mls thick Clay: _____ Pit Volume: 3000 bbls Drilling Method: Closed Loop System: _____ Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input checked="" 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	300	350	0
Intl	12.25	8.625	24	850	1000	0
Prod	7.875	5.5	17	5600	1700	0

**Casing/Cement Program: Additional Comments**

COG proposes to drill a 17 1/2 hole to 300' set 13 3/8 casing and cement to surface. Drill a 12 1/4 hole to 850' set 8 5/8 casing and cement. Drill a 7 7/8 hole to 5600 test Blinebry formation, run 5 1/2 casing and cement to surface. Note: On production string a fluid caliper will be run and will figure cement with 25% excess attempt to circ.

**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	2000	2000	

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 NMOCD guidelines ☒ a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed Name: Electronically filed by Diane Kuykendall

Title: Regulatory Analyst

Email Address: dkuykendall@conchoresources.com

Date: 5/1/2007

Phone: 432-685-4372

**OIL CONSERVATION DIVISION**

Approved By: Bryan Arrant

Title: Geologist

Approved Date: 5/2/2007

Expiration Date: 5/2/2008

Conditions of Approval Attached

**District I**

1625 N. French Dr., Hobbs, NM 88240  
Phone:(505) 393-6161 Fax:(505) 393-0720

**District II**

1301 W. Grand Ave., Artesia, NM 88210  
Phone:(505) 748-1283 Fax:(505) 748-9720

**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

**State of New Mexico****Energy, Minerals and Natural Resources****Oil Conservation Division****1220 S. St Francis Dr.****Santa Fe, NM 87505**

Form C-102  
Permit 52721

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-35582	2. Pool Code 97558	3. Pool Name GJ,7RVS-QN-GB-GLORIETA-YESO
4. Property Code 302497	5. Property Name G J WEST COOP UNIT	6. Well No. 160
7. OGRID No. 229137	8. Operator Name COG OPERATING LLC	9. Elevation 3553

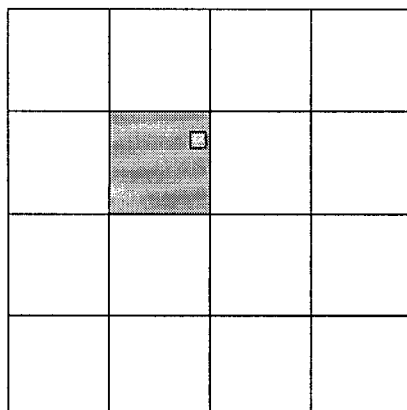
**10. Surface Location**

UL - Lot F	Section 22	Township 17S	Range 29E	Lot Ldn	Feet From 1680	N/S Line N	Feet From 2460	E/W Line W	County EDDY
---------------	---------------	-----------------	--------------	---------	-------------------	---------------	-------------------	---------------	----------------

**11. Bottom Hole Location If Different From Surface**

UL - Lot	Section	Township	Range	Lot Ldn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 40.00	13. Joint or Infill	14. Consolidation Code	15. 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 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.*

E-Signed By: Diane Kuykendall

Title: Regulatory Analyst

Date: 5/1/2007

**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.*

Surveyed By: Gary Eidson

Date of Survey: 4/26/2007

Certificate Number: 12641

## Permit Comments

Operator: COG OPERATING LLC , 229137

Well: G J WEST COOP UNIT #160

API: 30-015-35582

Created By	Comment	Comment Date
JSHERRELL	H2S concentrations of wells in this area from surface to TD are low enough that a contingency plan is not required.	5/1/2007

## Permit Conditions of Approval

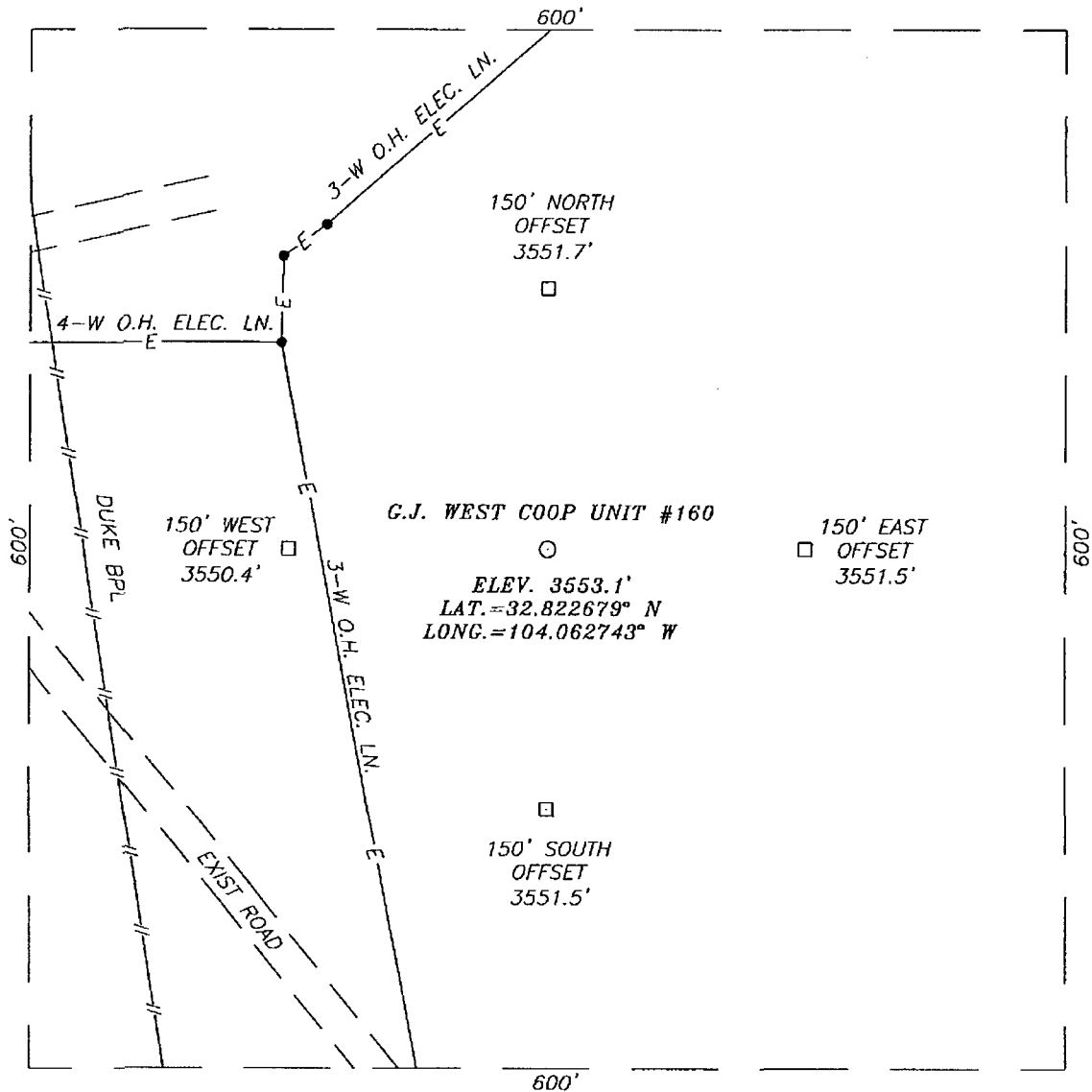
Operator: COG OPERATING LLC , 229137

Well: G J WEST COOP UNIT #160

API: 30-015-35582

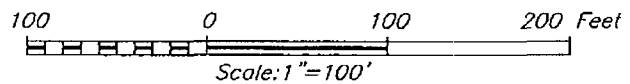
OCD Reviewer	Condition
BArrant	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
BArrant	As noted, operator to drill surface hole with fresh water mud.
BArrant	Will require administrative order for non-standard location

SECTION 22, TOWNSHIP 17 SOUTH, RANGE 29 EAST, N.M.P.M.,  
EDDY COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF U.S. HWY. #82 (LOVINGTON HWY.) AND EDDY CO. RD. #214 (BARNAVAL DRAW RD.), GO NORTH-NORTHWEST ON CO. RD. #214 APPROX. 0.2 MILES. TURN RIGHT AND GO EAST APPROX. 250 FEET. THIS LOCATION IS APPROX. 280 FEET SOUTHEAST.

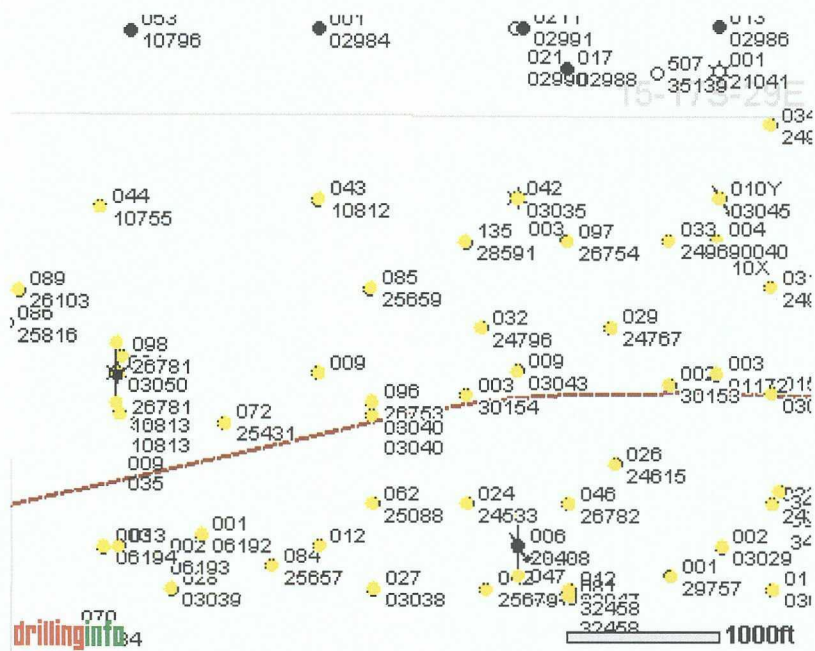


COG OPERATING, LLC

G.J. WEST COOP UNIT #160  
LOCATED 1650 FEET FROM THE NORTH LINE  
AND 2460 FEET FROM THE WEST LINE OF SECTION 22,  
TOWNSHIP 17 SOUTH, RANGE 29 EAST, N.M.P.M.,  
EDDY COUNTY, NEW MEXICO.

PROVIDING SURVEYING SERVICES  
SINCE 1946  
**JOHN WEST SURVEYING COMPANY**  
412 N. DAL PASO  
HOBBS, N.M. 88240  
(505) 393-3117

Survey Date: 04/27/07	Sheet 1 of 1 Sheets
W.O. Number: 07.11.0544	Dr By: J.R.
Date: 05/07/07	Disk: CD#7
07110544	Scale: 1"=100'





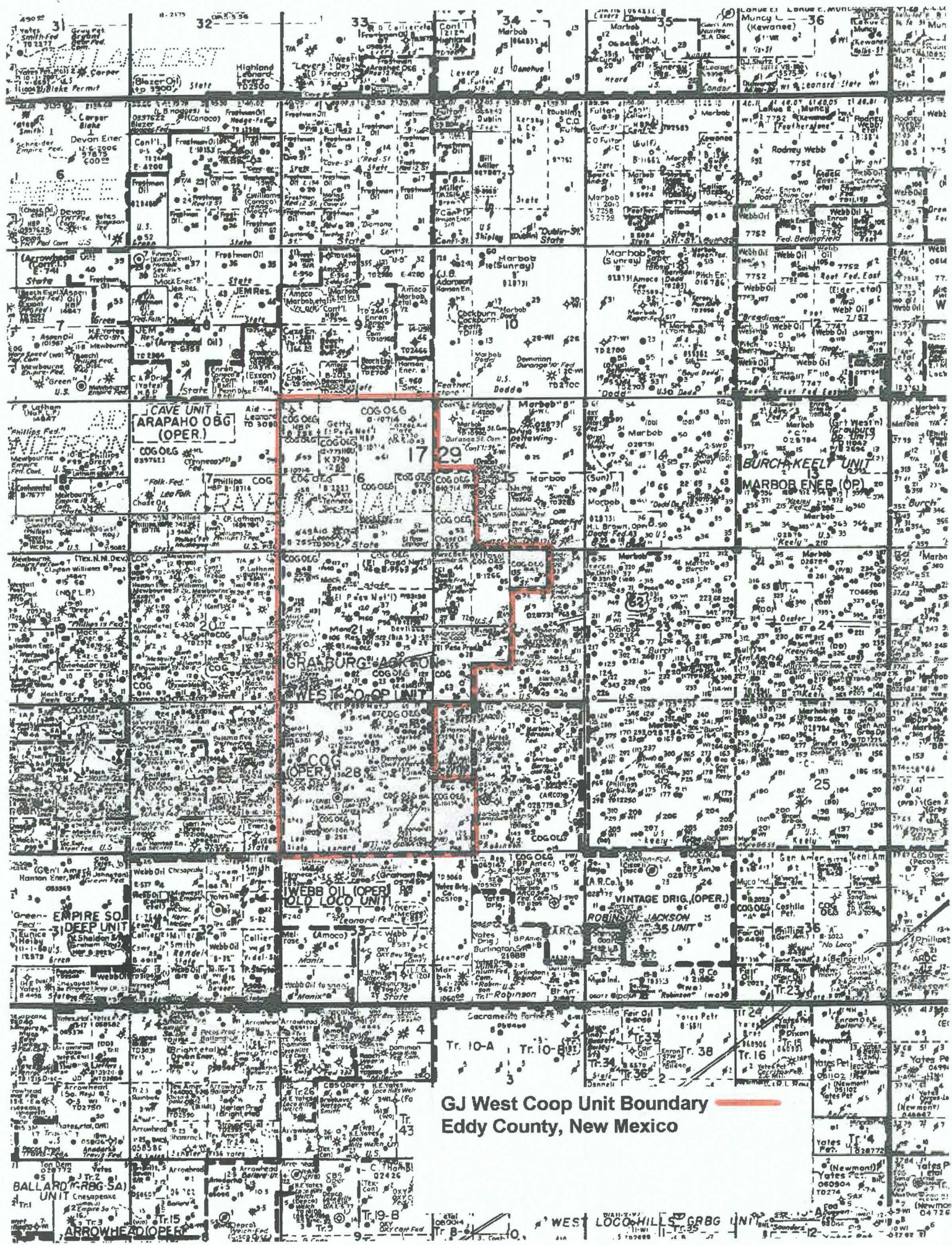
## Offset Operators - G J West Coop Unit #160

API#	Company	Current Lease Name	Well Name	Well#	County	Legal	Depth	status	wellType	S/L
30-015-01172	MARBOB ENERGY CORPORATION	M DODD A	M DODD A 003	003	EDDY	S:22, T:17S, R:29E	0	Pumping	PO	
30-015-03029	MARBOB ENERGY CORPORATION		M DODD A 002	002	EDDY	S:22, T:17S, R:29E	0	Pumping	O	
30-015-03032	MARBOB ENERGY CORPORATION		M DODD A 006	006	EDDY	S:22, T:17S, R:29E	0	Pumping	O	
30-015-03035	COG OPERATING LLC		G J WEST COOP UNIT 042	042	EDDY	S:22, T:17S, R:29E	0	Pumping	O	
30-015-03039	COG OPERATING LLC		G J WEST COOP UNIT 028	028	EDDY	S:22, T:17S, R:29E	0	Pumping	O	
30-015-03045	MARBOB ENERGY CORPORATION		M DODD A 010Y	010Y	EDDY	S:22, T:17S, R:29E	0	Temporarily Abandoned	I	
30-015-03046	MARBOB ENERGY CORPORATION	M DODD A	M DODD A 011	011	EDDY	S:22, T:17S, R:29E	0	Pumping	O	
30-015-03047	MARBOB ENERGY CORPORATION		M DODD A 012	012	EDDY	S:22, T:17S, R:29E	0	Active	O	
30-015-03049	MARBOB ENERGY CORPORATION		M DODD A 015	015	EDDY	S:22, T:17S, R:29E	0	Pumping	O	
30-015-03050	CIMAREX ENERGY CO. OF COLORADO	LEONARD STATE COM	LEONARD STATE COM 001	001	EDDY	S:22, T:17S, R:29E	0	Pumping	G	
30-015-30040	MACK ENERGY CORPORATION	PINON FEDERAL	PINON FEDERAL 004	004	EDDY	S:22, T:17S, R:29E		Unknown	PO	
30-015-30153	MARBOB ENERGY CORPORATION	PINON FEDERAL	PINON FEDERAL 002	002	EDDY	S:22, T:17S, R:29E	4565	Pumping	O	06/12/'
30-015-30154	MACK ENERGY CORPORATION	PINON FEDERAL	PINON FEDERAL 003	003	EDDY	S:22, T:17S, R:29E		Unknown	PO	
30-015-29757	MARBOB ENERGY CORPORATION	PINON FEDERAL	PINON FEDERAL 001	001	EDDY	S:22, T:17S, R:29E	6438	Pumping	O	08/06/'
30-015-28591	COG OPERATING LLC	G J WEST COOP UNIT	G J WEST COOP UNIT 135	135	EDDY	S:22, T:17S, R:29E	4405	Pumping	O	07/23/'
30-015-06192	LOCO HILLS GSF, LTD	LEONARD	LEONARD 001	001	EDDY	S:22, T:17S, R:29E		Unknown	PM	
30-015-06193	LOCO HILLS GSF, LTD	LEONARD	LEONARD 002	002	EDDY	S:22, T:17S, R:29E		Plugged	PM	
30-015-06194	LOCO HILLS GSF, LTD	LEONARD	LEONARD 003	003	EDDY	S:22, T:17S, R:29E		Plugged	PM	
30-015-26753	COG OPERATING LLC	G J WEST COOP UNIT	G J WEST COOP UNIT 096	096	EDDY	S:22, T:17S, R:29E	0	Pumping	PO	05/31/'
	COG	G J WEST	G J WEST							

30-015-26754	OPERATING LLC	COOP UNIT	COOP UNIT 097	097	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	06/10/'
30-015-26781	COG OPERATING LLC	G J WEST COOP UNIT	G J WEST COOP UNIT 098	098	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	09/30/'
30-015-26782	MARBOB ENERGY CORPORATION	M DODD A	M DODD A 046	046	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	07/28/'
30-015-26103	COG OPERATING LLC	G J WEST COOP UNIT	G J WEST COOP UNIT 089	089	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	04/24/'
30-015-25431	COG OPERATING LLC	G J WEST COOP UNIT	G J WEST COOP UNIT 072	072	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	10/23/'
30-015-25657	COG OPERATING LLC	G J WEST COOP UNIT	G J WEST COOP UNIT 084	084	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	11/29/'
30-015-25659	COG OPERATING LLC	G J WEST COOP UNIT	G J WEST COOP UNIT 085	085	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	08/21/'
30-015-25679	MARBOB ENERGY CORPORATION	M DODD A	M DODD A 042	042	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	08/10/'
30-015-25384	COG OPERATING LLC	G J WEST COOP UNIT	G J WEST COOP UNIT 070	070	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	
30-015-24946	MARBOB ENERGY CORPORATION	M DODD A	M DODD A 034	034	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	
30-015-24956	MARBOB ENERGY CORPORATION	M DODD A	M DODD A 031	031	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	
30-015-25088	COG OPERATING LLC	G J WEST COOP UNIT	G J WEST COOP UNIT 062	062	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	
30-015-10812	COG OPERATING LLC		G J WEST COOP UNIT 043	043	EDDY	S:22, T:17S, R:29E 0	Pumping	O	
30-015-10813	COG OPERATING LLC		G J WEST COOP UNIT 039	039	EDDY	S:22, T:17S, R:29E 0	Pumping	O	
30-015-24969	MARBOB ENERGY CORPORATION	M DODD A	M DODD A 033	033	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	
30-015-24533	MARBOB ENERGY CORPORATION	M DODD A	M DODD A 024	024	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	
30-015-24615	MARBOB ENERGY CORPORATION	M DODD A	M DODD A 026	026	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	
30-015-24767	MARBOB ENERGY CORPORATION	M DODD A	M DODD A 029	029	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	
30-015-24796	MARBOB ENERGY CORPORATION	M DODD A	M DODD A 032	032	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	
30-015-24353	MARBOB ENERGY CORPORATION	M DODD A	M DODD A 022	022	EDDY	S:22, T:17S, R:29E 0	Pumping	PO	
30-015-20408	MARBOB ENERGY CORPORATION	M DODD A	M DODD A 047	047	EDDY	S:22, T:17S, R:29E 0	Salt Water Disposal	D	01/17/'

30-015-10755	COG OPERATING LLC		G J WEST COOP UNIT 044	044	EDDY	S:22, T:17S, R:29E	0	Pumping	O	
30-015-03043	SUNRAY MID- CONTINENT OIL COMPANY		PRE- ONGARD WELL 009	009	EDDY	S:22, T:17S, R:29E		Active	O	
30-015-03038			PRE- ONGARD WELL 027	027	EDDY	S:22, T:17S, R:29E		Active	O	
30-015-03040			PRE- ONGARD WELL 040	040	EDDY	S:22, T:17S, R:29E		Active	O	
30-015-32458	MARBOB ENERGY CORPORATION	M DODD A	DODD FEDERAL UNIT 081	081	EDDY	S:22, T:17S, R:29E	4537	Active	O	11/07/12
30-015-00000	GENERAL AMERICAN OIL COMPANY OF TEXAS		STATE B 009	009	EDDY	S:22, T:17S, R:29E		Active	O	
30-015-00000	LEONARD OIL CO		STATE B 009	009	EDDY	S:22, T:17S, R:29E		Active	O	
30-015-00000	TENNECO OIL CO.		STATE B 012	012	EDDY	S:22, T:17S, R:29E		Active	O	
30-015-00000	TENNECO OIL CO.		STATE B 013	013	EDDY	S:22, T:17S, R:29E		Active	O	
30-015-00000	TENNECO OIL CO.		STATE B 003	003	EDDY	S:22, T:17S, R:29E		Active	G	
30-015-00000	SUNRAY MID- CONTINENT OIL COMPANY		DODD A 10X	10X	EDDY	S:22, T:17S, R:29E		Active	O	
30-015-00000	TENNECO OIL CO		G J WEST COOP UT 035	035	EDDY	S:22, T:17S, R:29E		Unknown	AP	
30-015-34655	MARBOB ENERGY CORPORATION	DODD FEDERAL UNIT	DODD FEDERAL UNIT 501	501	EDDY	S:22, T:17S, R:29E	5000	Active Permit	PO	
30-015-35482			G J WEST COOP UNIT 148	148	EDDY	S:22, T:17S, R:29E		Active	U	
30-015-35484			G J WEST COOP UNIT 151	151	EDDY	S:22, T:17S, R:29E		Active	U	





# GJ West Coop Unit Boundary Eddy County, New Mexico

WEST LOCH HILLS GRBG UNIT



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

May 18, 2007

Marbob Energy Corp.  
Box 227  
Artesia NM 88211-0227

Re: Request for Unorthodox Well Location

To Whom It May Concern:

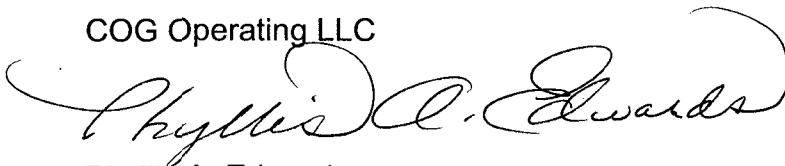
This letter will serve as notice under Rule 104.F (3) that COG Operating LLC has requested administrative approval from the Oil Conservation Division in Santa Fe, NM for an unorthodox GJ; 7RVS-QN-GB-GLORIETA-YESO oil well.

**G J West Coop Unit #160  
Eddy County, NM  
API #: 30-015 35582  
1680' FNL & 2460' FWL Sec 22, T17S, R29E, Unit F**

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 approve the unorthodox location if no objection to the unorthodox location has been made within the 20 days after the application has been received.

Sincerely,

COG Operating LLC

A handwritten signature in cursive script, reading "Phyllis A. Edwards". The signature is written in black ink and is positioned above the printed name and title.

Phyllis A. Edwards  
Regulatory Analyst

State of New Mexico  
Energy, Minerals and Natural Resources

Oil Conservation Division

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 30-015-35582
4. Property Code 302497	5. Property Name G J WEST COOP UNIT	6. Well No. 160

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
F	22	17S	29E	F	1680	N	2460	W	EDDY

8. Pool Information

GJ,7RVS-QN-GB-GLORIETA-YESO	97558
-----------------------------	-------

Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3553
14. Multiple N	15. Proposed Depth 5600	16. Formation Blinbry	17. Contractor	18. Spud Date 5/15/2007
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 miles thick Clay: Pit Volume: 3000 bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input checked="" 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	300	350	0
Int1	12.25	8.625	24	850	1000	0
Prod	7.875	5.5	17	5600	1700	0

Casing/Cement Program: Additional Comments

COG proposes to drill a 17 1/2 hole to 300' set 13 3/8 casing and cement to surface. Drill a 12 1/4 hole to 850' set 8 5/8 casing and cement. Drill a 7 7/8 hole to 5600 test Blinbry formation, run 5 1/2 casing and cement to surface. Note: On production string a fluid caliper will be run and will figure cement with 25% excess attempt to circ.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	2000	2000	

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 NMOCB guidelines <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> or an (attached) alternative OCB-approved plan <input type="checkbox"/> .		OIL CONSERVATION DIVISION	
Printed Name: Electronically filed by Diane Kuykendall		Approved By: Bryan Arrant	
Title: Regulatory Analyst		Title: Geologist	
Email Address: dkuykendall@conchoresources.com		Approved Date: 5/2/2007   Expiration Date: 5/2/2008	
Date: 5/1/2007	Phone: 432-685-4372	Conditions of Approval Attached	

**District I**

1625 N. French Dr., Hobbs, NM 88240  
Phone:(505) 393-6161 Fax:(505) 393-0720

**District II**

1301 W. Grand Ave., Artesia, NM 88210  
Phone:(505) 748-1283 Fax:(505) 748-9720

**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

**State of New Mexico****Energy, Minerals and Natural Resources****Oil Conservation Division****1220 S. St Francis Dr.****Santa Fe, NM 87505**

Form C-102  
Permit 52721

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-35582	2. Pool Code 97558	3. Pool Name GJ;7RVS-QN-GB-GLORIETA-YESO
4. Property Code 302497	5. Property Name G J WEST COOP UNIT	6. Well No. 160
7. UGRID No. 229137	8. Operator Name COG OPERATING LLC	9. Elevation 3553

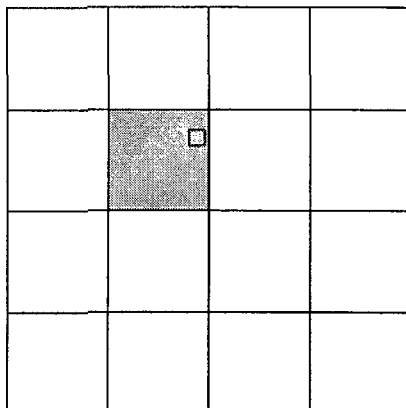
**10. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
F	22	17S	29E		1680	N	2460	W	EDDY

**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
12. Dedicated Acres 40.00		13. Joint or Infill		14. Consolidation Code			15. 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 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.*

E-Signed By: Diane Kuykendall

Title: Regulatory Analyst

Date: 5/1/2007

**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.*

Surveyed By: Gary Eidson

Date of Survey: 4/26/2007

Certificate Number: 12641

## Permit Comments

Operator: COG OPERATING LLC , 229137

Well: G J WEST COOP UNIT #160

API: 30-015-35582

Created By	Comment	Comment Date
JSHERRELL	H2S concentrations of wells in this area from surface to TD are low enough that a contingency plan is not required.	6/1/2007



## Permit Conditions of Approval

Operator: COG OPERATING LLC, 229137

Well: G J WEST COOP UNIT #160

API: 30-015-35582

OCD Reviewer	Condition
BArrant	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
BArrant	As noted, operator to drill surface hole with fresh water mud.
BArrant	Will require administrative order for non-standard location

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

May 18, 2007

Marbob Energy Corp.  
Box 227  
Artesia NM 88211-0227

Re: Request for Unorthodox Well Location

To Whom It May Concern:

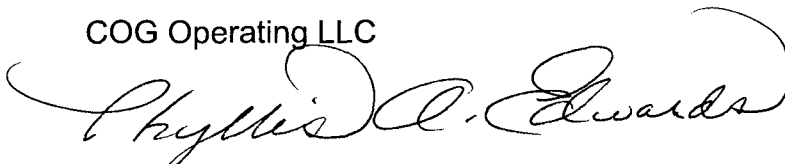
This letter will serve as notice under Rule 104.F (3) that COG Operating LLC has requested administrative approval from the Oil Conservation Division in Santa Fe, NM for an unorthodox GJ; 7RVS-QN-GB-GLORIETA-YESO oil well.

**G J West Coop Unit #160  
Eddy County, NM  
API #: 30-015 35582  
1680' FNL & 2460' FWL Sec 22, T17S, R29E, Unit F**

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 approve the unorthodox location if no objection to the unorthodox location has been made within the 20 days after the application has been received.

Sincerely,

COG Operating LLC

A handwritten signature in black ink, appearing to read "Phyllis A. Edwards". The signature is fluid and cursive, with a large loop at the end.

Phyllis A. Edwards  
Regulatory Analyst

**SENDER: COMPLETE THIS SECTION**

- 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.

1. Article Addressed to:

Marbob Energy Corp.  
Box 227  
Artesia NM 88211-0227

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X

*[Signature]*

☐ Agent

☐ Addressee

B. Received by / Printed Name

*[Signature]*

C. Date of Delivery

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)

7003 1680 0006 6280 5022

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540



May 29, 2007

New Mexico Oil Conservation Division  
1220 St. Francis Drive  
Santa Fe, New Mexico 87504

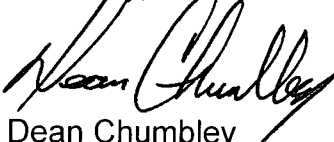
Re: **Objection to Unorthodox Well Location**  
COG Operating LLC  
G J West Coop Unit # 160  
1680' FNL & 2460' FWL  
Unit F Section 22 T17s - R29e  
Eddy County, New Mexico

To Whom It May Concern:

Marbob Energy Corporation respectfully objects to the above referenced application due to the close proximity to our lease line. Marbob would prefer that COG directionally drill to a subsurface orthodox position. However, if COG's application is approved we would respectfully request that their allowable be penalized proportion to the encroachment.

Please do not hesitate to contact us should you have any questions or need further information. Your attention to this matter is greatly appreciated.

Sincerely,

  
Dean Chumbley  
Land Department

/dc

cc: Phyllis Edwards/COG Operating LLC

**Catanach, David, EMNRD**

---

**From:** Catanach, David, EMNRD  
**Sent:** Tuesday, June 05, 2007 8:47 AM  
**To:** 'Phyllis Edwards'  
**Subject:** RE: GJ West Coop 160

Phyllis,

Please notify Marbob of your intention to directionally drill to a standard bottomhole location.  
I'll go ahead and issue an NSL order for the unorthodox surface location.

DRC

---

**From:** Phyllis Edwards [mailto:PEdwards@conchoresources.com]  
**Sent:** Tuesday, June 05, 2007 7:54 AM  
**To:** Catanach, David, EMNRD  
**Subject:** RE: GJ West Coop 160

David,

Thanks for following up on this application. COG wishes to directionally drill back to a legal location.  
I have amended and attached the explanation sheet and plat.

Surface Location:  
1680' FNL & 2460' FWL    Sec 22, T17S, R29E, Unit F

Bottom Hole Location:  
1650' FNL & 2310' FWL    Sec 22, T17S, R29E, Unit F

Please let me know if you need anything else.

Thanks,

***Phyllis Edwards***  
COG Operating LLC  
Fasken Tower II  
550 W. Texas Avenue, Suite 1300  
Midland, TX 79701  
432-685-4340 P  
432-685-4399 F  
pedwards@conchoresources.com

-----Original Message-----

**From:** Catanach, David, EMNRD [mailto:david.catanach@state.nm.us]  
**Sent:** Tuesday, June 05, 2007 8:14 AM  
**To:** Phyllis Edwards  
**Subject:** GJ West Coop 160

Phyllis,

6/5/2007

As you are probably aware, we have received an objection to your application from Marbob Energy. They have requested that COG be required to directionally drill the well to a standard well location, or that the well be penalized in proportion to the encroachment towards their acreage. We can either set the application to hearing, issue an order with a penalized allowable, or COG can withdraw the application and directionally drill the well to a standard bottomhole location.

Please let me know how COG wants to proceed with the application.

David

Confidentiality Notice: This e-mail, including all attachments is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited unless specifically provided under the New Mexico Inspection of Public Records Act. If you are not the intended recipient, please contact the sender and destroy all copies of this message. -- This email has been scanned by the Sybari - Antigen Email System.

---

This inbound email has been scanned by the MessageLabs Email Security System.

---

6/5/2007

**Catanach, David, EMNRD**

---

**From:** Catanach, David, EMNRD  
**Sent:** Tuesday, June 05, 2007 7:14 AM  
**To:** 'Phyllis Edwards'  
**Subject:** GJ West Coop 160

Phyllis,

As you are probably aware, we have received an objection to your application from Marbob Energy. They have requested that COG be required to directionally drill the well to a standard well location, or that the well be penalized in proportion to the encroachment towards their acreage. We can either set the application to hearing, issue an order with a penalized allowable, or COG can withdraw the application and directionally drill the well to a standard bottomhole location.

Please let me know how COG wants to proceed with the application.

David

6/5/2007

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

June 5, 2007

Marbob Energy Corp.  
Attn: Dean Chumbley  
Box 227  
Artesia NM 88211-0227

Re: Notification of Decision to Directionally Drill to a Standard Location

Dear Mr. Chumbley,

Because of Marbob's objection to this well being drilled vertically, please be advised that COG Operating LLC will drill this well to a standard bottom hole location.

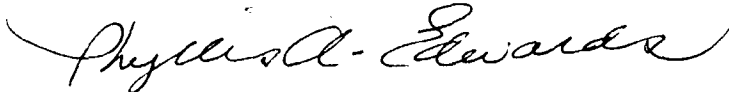
**GJ; 7RVS-QN-GB-GLORIETA-YESO oil well  
G J West Coop Unit #160  
Eddy County, NM  
API #: 30-015 35582**

**Surface location: 1650' FNL & 2460' FWL Sec 22, T17S, R29E, Unit F  
Bottom Hole location: 1650' FNL & 2310' FWL Sec 22, T17S, R29E, Unit F**

Please contact me at 432-685-4340 or [pedwards@conchoresources.com](mailto:pedwards@conchoresources.com) if you have questions and thank you for your attention to this matter.

Sincerely,

COG Operating LLC



Phyllis A. Edwards  
Regulatory Analyst

Attachment: plat



**SENDER: COMPLETE THIS SECTION**

- 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.

1. Article Addressed to:

**Marbob Energy Corp.**  
**Box 227**  
**Artesia NM 88211-0227**

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X

B. Received by (Printed Name)

☐ Agent☐ Addressee

C. Date of Delivery

D. Is delivery address different from item 1? ☐ YesIf 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)

7005 0390 0000 6041 4797

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

**Catanach, David, EMNRD**

---

**From:** Phyllis Edwards [PEdwards@conchoresources.com]  
**Sent:** Wednesday, June 20, 2007 8:06 AM  
**To:** Catanach, David, EMNRD  
**Subject:** RE: GJ West Coop 160  
**Attachments:** Document.pdf; Document (2).pdf

David,

I thought you might need a copy of the letter to Marbob before approving the unorthodox surface location.

Thanks for all your help !!!

***Phyllis Edwards***

COG Operating LLC  
Fasken Tower II  
550 W. Texas Avenue, Suite 1300  
Midland, TX 79701  
432-685-4340 P  
432-685-4399 F  
pedwards@conchoresources.com

-----Original Message-----

**From:** Catanach, David, EMNRD [mailto:david.catanach@state.nm.us]  
**Sent:** Tuesday, June 05, 2007 9:47 AM  
**To:** Phyllis Edwards  
**Subject:** RE: GJ West Coop 160

Phyllis,

Please notify Marbob of your intention to directionally drill to a standard bottomhole location. I'll go ahead and issue an NSL order for the unorthodox surface location.

DRC

---

**From:** Phyllis Edwards [mailto:PEdwards@conchoresources.com]  
**Sent:** Tuesday, June 05, 2007 7:54 AM  
**To:** Catanach, David, EMNRD  
**Subject:** RE: GJ West Coop 160

David,

Thanks for following up on this application. COG wishes to directionally drill back to a legal location. I have amended and attached the explanation sheet and plat.

Surface Location:  
1680' FNL & 2460' FWL    Sec 22, T17S, R29E, Unit F

6/20/2007

Bottom Hole Location:  
1650' FNL & 2310' FWL    Sec 22, T17S, R29E, Unit F

Please let me know if you need anything else.

Thanks,

***Phyllis Edwards***

COG Operating LLC  
Fasken Tower II  
550 W. Texas Avenue, Suite 1300  
Midland, TX 79701  
432-685-4340 P  
432-685-4399 F  
pedwards@conchoresources.com

-----Original Message-----

**From:** Catanach, David, EMNRD [mailto:david.catanach@state.nm.us]  
**Sent:** Tuesday, June 05, 2007 8:14 AM  
**To:** Phyllis Edwards  
**Subject:** GJ West Coop 160

Phyllis,

As you are probably aware, we have received an objection to your application from Marbob Energy. They have requested that COG be required to directionally drill the well to a standard well location, or that the well be penalized in proportion to the encroachment towards their acreage. We can either set the application to hearing, issue an order with a penalized allowable, or COG can withdraw the application and directionally drill the well to a standard bottomhole location.

Please let me know how COG wants to proceed with the application.

David

Confidentiality Notice: This e-mail, including all attachments is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited unless specifically provided under the New Mexico Inspection of Public Records Act. If you are not the intended recipient, please contact the sender and destroy all copies of this message. -- This email has been scanned by the Sybari - Antigen Email System.

---

This inbound email has been scanned by the MessageLabs Email Security System.

---

Confidentiality Notice: This e-mail, including all attachments is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited unless specifically provided under the New Mexico

6/20/2007

Inspection of Public Records Act. If you are not the intended recipient, please contact the sender and destroy all copies of this message. -- This email has been scanned by the Sybari - Antigen Email System.

---

This inbound email has been scanned by the MessageLabs Email Security System.

---