

DATE IN 7/27/09	SUSPENSE	ENGINEER Brooks	LOGGED IN 7/28/09	TYPE NSL	PTG W APP NO. 0920927942
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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



30-015-
 Folk Federal #36
 COG-OP
 RECEIVED OGD (229137)
 6068
 JUL 27 A 9:42

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

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.

ROBYN M. ODOM
 Print or Type Name

Signature

REGULATORY ANALYST
 Title

7/24/09
 Date

rodom@conchoresources.com
 e-mail Address

**Folk Federal #36
Eddy County, NM**

COG proposes to drill a NE/4 of SW/4, 40 acre spacing
Empire; Glorieta-Yeso, East Oil Well
TD of approximately 5450'

Non-Standard Location:

1520' FSL & 1550' FWL Sec 17, T17S, R29E, Unit K

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

This well is to be completed in the Empire; Glorieta-Yeso, East (96610) formation. We won't know the exact perms until we drill & log it, but it will be very similar to the Folk Federal #4 which was completed in October 2007 and is located 2310' FNL & 2110' FWL, Unit F in Sec 17, T17S, R29E.

Folk Federal #4 has Yeso open perms from: 4300' – 5160' overall, but broken up into 3 separate intervals, with 3 separate fracs:

1st interval: 4960' – 5160'
acidized w/ 5000 gals,
frac w/ 69,248 gals gel, & 61,172# 16/30 sand, & 5676# LiteProp

2nd interval: 4510' – 4710'
acidized w/ 5000 gals,
frac w/ 68,981 gals gel, & 61,488# 16/30 sand, & 5766# LiteProp

3rd interval: 4300' – 4440'
acidized w/ 5000 gals,
frac w/ 68,906 16/30 sand, & 4330# LiteProp

**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 is the NW/4 SW/4; SW/4 SW/4 & the SE/4 SW/4 of Section 17.
Proof of notification to the offset operator of the SE/4 SW/4 of Sec 17 is attached.
All interests are the same.

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

DISTRICT I
1625 N. FRENCH DR., HOBBBS, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

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

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-	Pool Code 96610	Pool Name EMPIRE ; G LORIETA YESO, EAST
Property Code 302495	Property Name FOLK FEDERAL	Well Number 36
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3633'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	17	17-S	29-E		1520	SOUTH	1550	WEST	EDDY

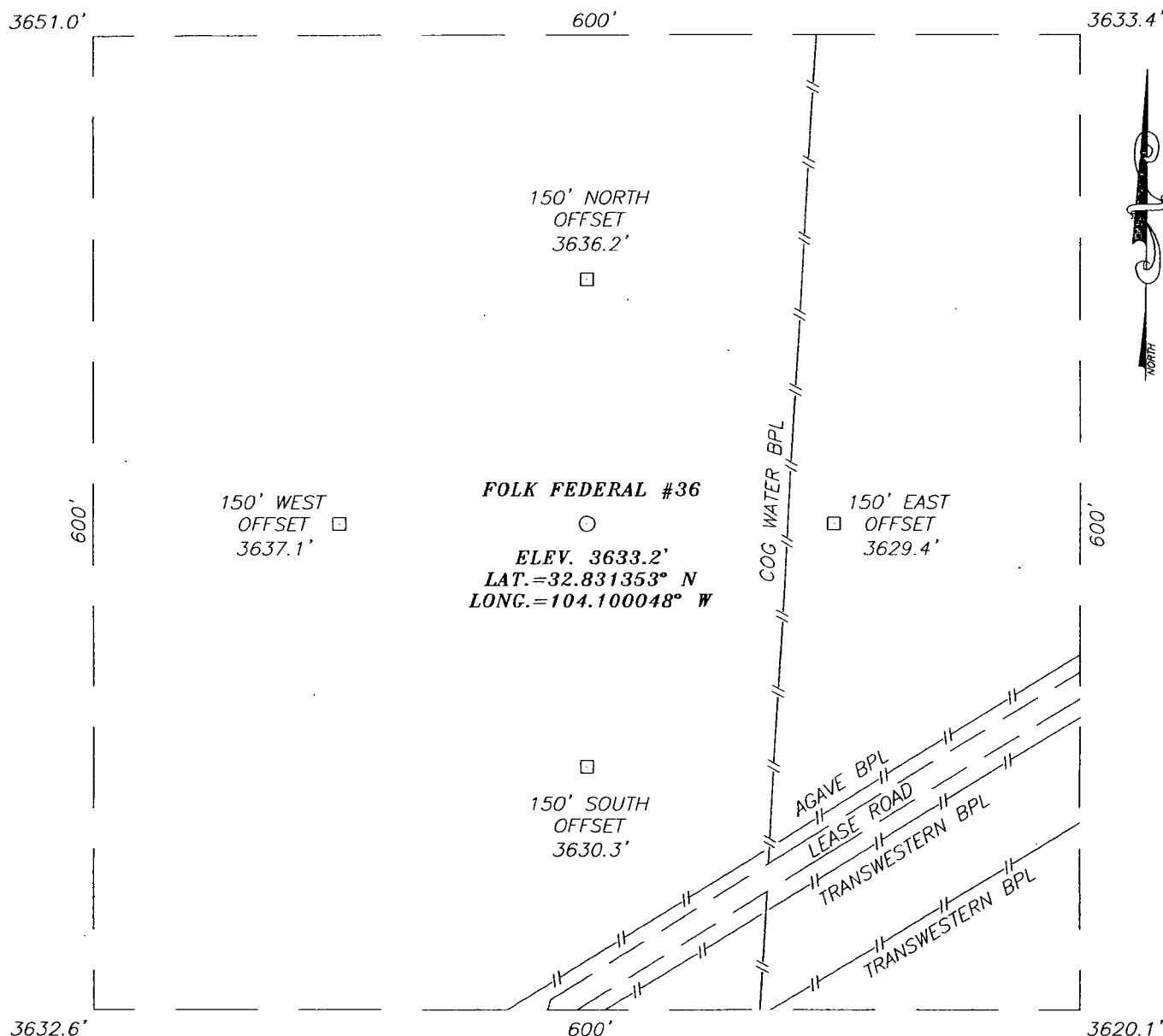
Bottom Hole Location If Different From Surface

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

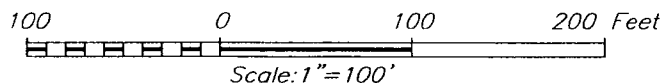
GEODETIC COORDINATES NAD 27 NME Y=666236.5 N X=571657.3 E LAT.=32.831353° N LONG.=104.100048° W 3651.0' 3633.4' 600' 1550' 3632.6' 3620.1' 600' 1520'	OPERATOR CERTIFICATION I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization 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. <i>Phyllis A. Edwards</i> 7/16/09 Signature Date PHYLLIS A. EDWARDS Printed Name REGULATORY ANALYST 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. <i>Ronald J. Eidson</i> 7/15/09 Date Surveyed Signature & Seal of Professional Surveyor Certificate No. GARY EIDSON 12841 RONALD J. EIDSON 3239
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SECTION 17, 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 AND
 CO. RD. #211 (OLD LOCO), GO NORTH ON
 CO. RD. #211 APPROX. 1.3 MILES. TURN LEFT AND
 GO SOUTHWEST APPROX. 0.25 MILES. THIS LOCATION
 IS APPROX. 275 FEET NORTH OF LEASE ROAD.



COG OPERATING, LLC

FOLK FEDERAL #36 WELL
 LOCATED 1520 FEET FROM THE SOUTH LINE
 AND 1550 FEET FROM THE WEST LINE OF SECTION 17,
 TOWNSHIP 17 SOUTH, RANGE 29 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO.

Survey Date: 6/03/09	Sheet 1 of 1 Sheets
W.O. Number: 09.13.0636	Dr By: AR
Date: 7/15/09	Disk: 09130636
	Rev 1:N/A
	Scale: 1"=100'



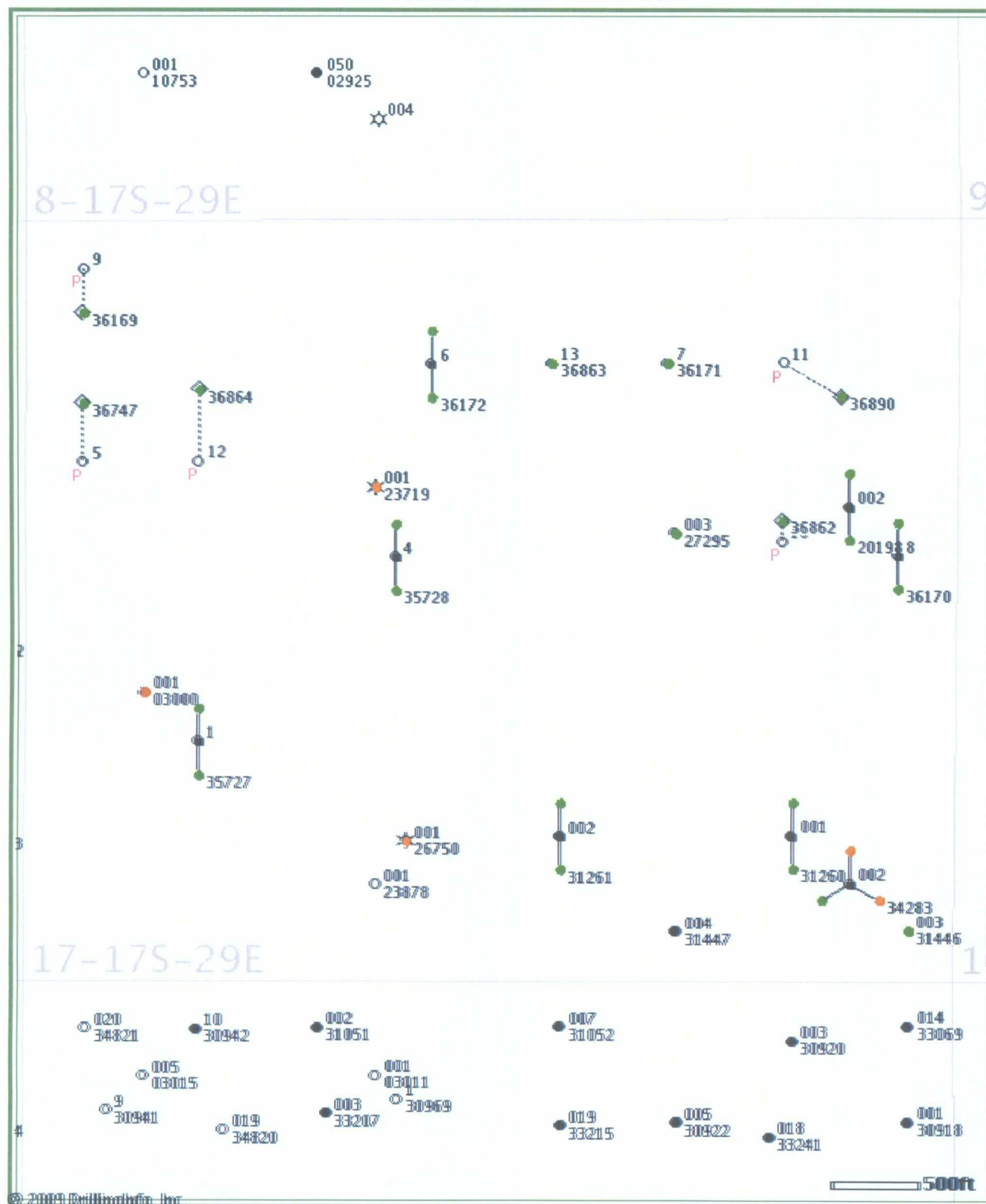
PROVIDING SURVEYING SERVICES
 SINCE 1946
JOHN WEST SURVEYING COMPANY
 412 N. DAL PASO
 HOBBS, N.M. 88240
 (575) 393-3117

Offset Wells to Folk Federal #36

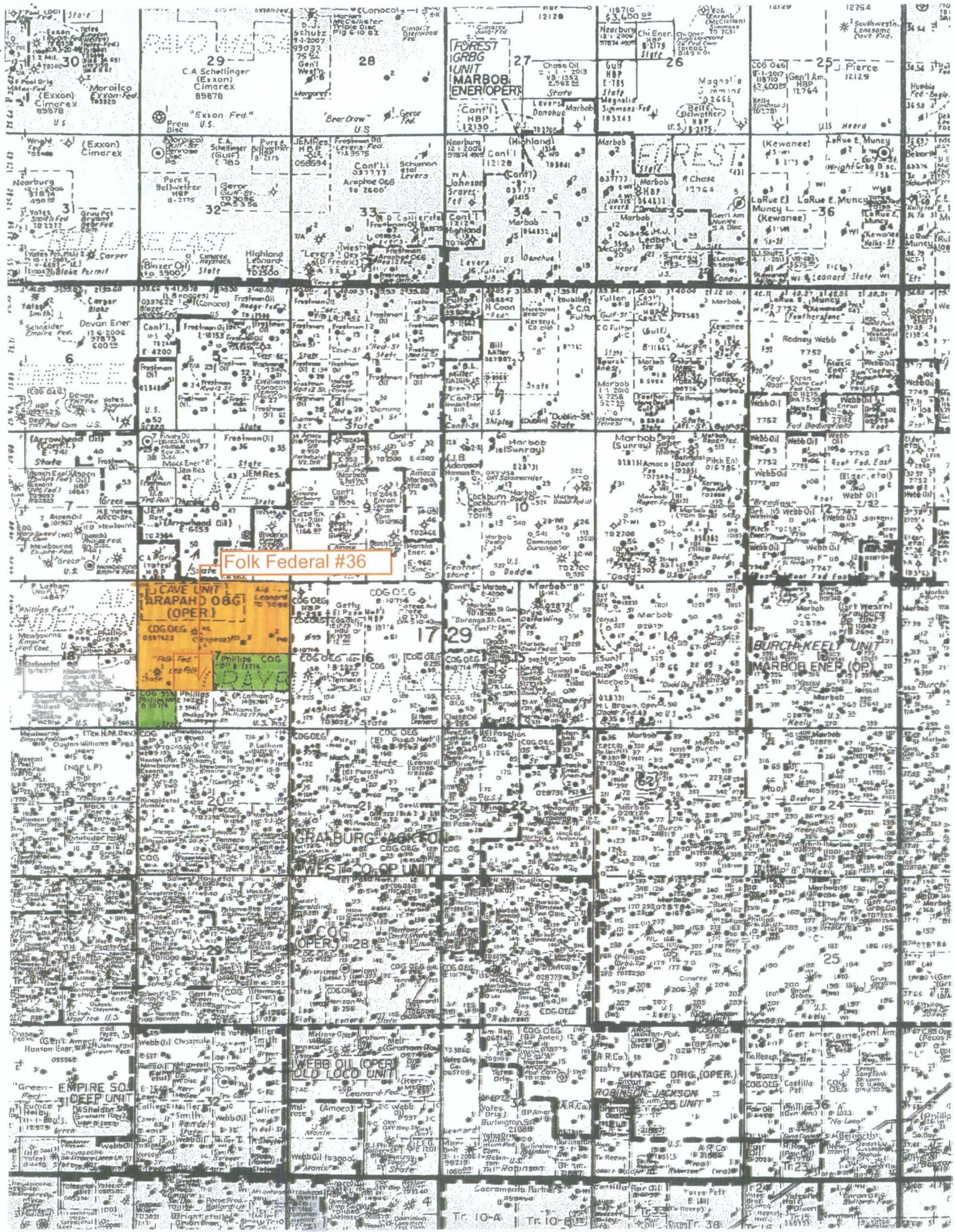
API#	Operator	Lease	Well#	County	Legal	First Prod.	Last Prod.	Field Name	Reservoir Name	Total Depth	Well Type	Well Status
30-015-20198	MACK ENERGY CORP	FOLK FEDERAL	002	EDDY	S:17, T:17S, R:29E	Jan 1972	Dec 1977	GRAYBURG JKSN SR-Q-G-SA(DO NOT USE)		0	O	Active
30-015-20198	COG OPERATING LLC	FOLK FEDERAL	002	EDDY	S:17, T:17S, R:29E	Mar 1969	Apr 2009	GRAYBURG JACKSON	SR-Q-G-SA	0	O	Active
30-015-23719	COG OPERATING LLC	FEDERAL KL-17	001	EDDY	S:17, T:17S, R:29E	Aug 1982	Apr 2009	EMPIRE	MORROW, SOUTH (GAS)	10,740	G	Pumping
30-015-26750	CONOCOPHILLIPS COMPANY	MUSKEGON "17" STATE COM.	001	EDDY	S:17, T:17S, R:29E	May 1992	Apr 2009	EMPIRE	MORROW, SOUTH (GAS)	10,880	G	Pumping
30-015-27295	COG OPERATING LLC	FOLK FEDERAL	003	EDDY	S:17, T:17S, R:29E	Mar 1993	Apr 2009	GRAYBURG JACKSON	SR-Q-G-SA	5,050	PO	Active
30-015-31260	CLAYTON WILLIAMS ENERGY INC	PHILLIPS 17 FEDERAL	001	EDDY	S:17, T:17S, R:29E	Sep 2000	May 2009	EMPIRE	YESO, EAST	4,805	O	Temporarily Abandoned
30-015-31260	CLAYTON WILLIAMS ENERGY INC	PHILLIPS 17 FEDERAL	001	EDDY	S:17, T:17S, R:29E	Nov 2000	May 2009	GRAYBURG JACKSON	SR-Q-G-SA	4,805	O	Temporarily Abandoned
30-015-31261	CLAYTON WILLIAMS ENERGY INC	PHILLIPS 17 FEDERAL	002	EDDY	S:17, T:17S, R:29E	Sep 2000	May 2009	EMPIRE	YESO, EAST	4,506	O	Temporarily Abandoned
30-015-31261	CLAYTON WILLIAMS ENERGY INC	PHILLIPS 17 FEDERAL	002	EDDY	S:17, T:17S, R:29E	Dec 2000	May 2009	GRAYBURG JACKSON	SR-Q-G-SA	4,506	O	Temporarily Abandoned
30-015-31446	CLAYTON WILLIAMS ENERGY INC	PHILLIPS 17 FEDERAL	003	EDDY	S:17, T:17S, R:29E	Jan 2001	May 2009	EMPIRE	YESO, EAST	4,427	O	Pumping
30-015-03000		FOLK FEDERAL	001	EDDY	S:17, T:17S, R:29E	Jun 1959	Jul 1961	EDDY UNDESIGNATED	GROUP 1		O	Active
30-015-34283	GRUY PETROLEUM MANAGEMENT CO.	MUSKEGON 17 FEDERAL COM	002	EDDY	S:17, T:17S, R:29E			EMPIRE	MORROW, SOUTH (GAS)	11,500	PG	Active Permit
30-015-34283	COG OPERATING LLC	MUSKEGON 17 FEDERAL COM	002	EDDY	S:17, T:17S, R:29E			EMPIRE; ABO		11,500	PG	Active Permit
30-015-34283	CIMAREX ENERGY CO. OF COLORADO	MUSKEGON 17 FEDERAL COM	002	EDDY	S:17, T:17S, R:29E	May 2006	Sep 2007	EMPIRE	ABO	11,500	PG	Active Permit
30-015-35728	COG OPERATING LLC	FOLK FEDERAL	4	EDDY	S:17, T:17S, R:29E	Oct 2007	Apr 2009	EMPIRE	YESO, EAST	5,600	O	Active Permit
30-015-35727	COG OPERATING LLC	FOLK FEDERAL	1	EDDY	S:17, T:17S, R:29E	Nov 2007	Apr 2009	EMPIRE	YESO, EAST	5,123	O	Active Permit
30-015-35728	COG OPERATING LLC	FORK FEDERAL	4	EDDY	S:17, T:17S, R:29E			EMPIRE GLORIETA YESO, EAST		5,600	O	Active Permit
30-015-35727	COG OPERATING LLC	FOLK FEDERAL	1	EDDY	S:17, T:17S, R:29E			EMPIRE; GLORIETA-YESO, EAST		5,123	O	Active Permit
	COG OPERATING	FOLK			S:17, T:17S, R:29E							

30-015-36169	LLC	FEDERAL	9	EDDY	R:29E S:17, T:17S, R:29E	Apr 2009	Apr 2009	EMPIRE	YESO, EAST	5,500	PO	Active Permit
30-015-36170	COG OPERATING LLC	FOLK FEDERAL	8	EDDY	S:17, T:17S, R:29E	Apr 2009	Apr 2009	EMPIRE	YESO, EAST	5,462	O	Active Permit
30-015-36171	COG OPERATING LLC	FOLK FEDERAL	7	EDDY	S:17, T:17S, R:29E			EMPIRE	YESO, EAST	5,500	PO	Active Permit
30-015-36172	COG OPERATING LLC	FOLK FEDERAL	6	EDDY	S:17, T:17S, R:29E	Apr 2009	Apr 2009	EMPIRE	YESO, EAST	5,463	O	Active Permit
30-015-36747	COG OPERATING LLC	FOLK FEDERAL	5	EDDY	S:17, T:17S, R:29E			EMPIRE	YESO, EAST	5,500	PO	Active Permit
30-015-36862	COG OPERATING LLC	FOLK FEDERAL	10	EDDY	S:17, T:17S, R:29E			EMPIRE	YESO, EAST	5,554	PO	Active Permit
30-015-36863	COG OPERATING LLC	FOLK FEDERAL	13	EDDY	S:17, T:17S, R:29E			EMPIRE	YESO, EAST	5,400	PO	Active Permit
30-015-36864	COG OPERATING LLC	FOLK FEDERAL	12	EDDY	S:17, T:17S, R:29E			EMPIRE	YESO, EAST	5,400	PO	Active Permit
30-015-36890	COG OPERATING LLC	FOLK FEDERAL	11	EDDY	S:17, T:17S, R:29E			EMPIRE	YESO, EAST	5,582	PO	Active Permit
30-015-36172	COG OPERATING LLC	FOLK FEDERAL	6	EDDY	S:17, T:17S, R:29E			EMPIRE	YESO, EAST	5,463	O	Active Permit
30-015-36170	COG OPERATING LLC	FOLK FEDERAL	8	EDDY	S:17, T:17S, R:29E			EMPIRE; GLORIETA-YESO, EAST		5,462	O	Active Permit

Offset Wells to Folk Federal #36



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

July 21, 2009

Conoco – Phillips
Mid-Continent Business Unit
3300 North A Street, Bldg 6
Midland, TX 79705

Re: Request for Unorthodox Well Location

To Whom It May Concern:

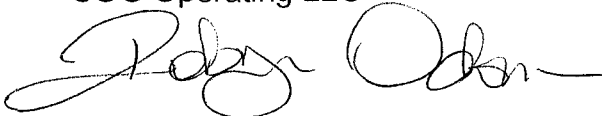
This letter will serve as notice under Rule 104.F (3) that COG Operating LLC has requested administrative approval from the Oil Conservation Division in Santa Fe, NM for an unorthodox Empire, Glorieta-Yeso, East oil well.

**Folk Federal #36
Eddy County, NM
1520' FSL & 1550' FWL Sec 17, T17S, R29E**

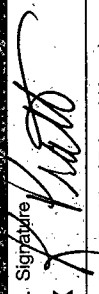
Should your company have any objection, it must be filed in writing within twenty (20) days from the date of this notice. The Division Director may allow COG to produce from the unorthodox location after the well is drilled, if no objection has been made within the 20 days after the application has been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

Sincerely,

COG Operating LLC

A handwritten signature in black ink, appearing to read 'Robyn Odom', with a stylized flourish at the end.

Robyn M. Odom
Regulatory Analyst

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  ☒ Agent ☐ Addressee	
1. Article Addressed to: Conoco-Phillips Mid-Continent Business Unit 3300 North A Street, Bldg. 6 Midland, TX 79705		B. Received by <u>Printed Name</u> ☒ Date of Delivery <u>7/22/09</u>	
2. Article Number: (Transfer from service label) <u>7003 1680 0006 6280 6784</u>		D. Is delivery address different from item 1? ☐ Yes ☐ No If YES, enter delivery address below:	
3. Service Type ☐ Certified Mail ☐ Express Mail ☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D.		4. Restricted Delivery? (Extra Fee) ☐ Yes ☐ No	
PS Form 3811, February 2004		102595-02-M-1540	