

PTGW

ABOVE THIS LINE FOR DIVISION USE ONLY.

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



COB  
 Folk Fed #38

**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 \_\_\_\_\_

RECEIVED OOD  
 2009 AUG 28 P 1:45

[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	8/27/09 Date
rodom@conchoresources.com e-mail Address			

**Folk Federal #38  
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:

1500' FSL & 2310' 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:

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

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

3<sup>rd</sup> 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 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.

State of New Mexico

Energy, Minerals and Natural Resources Department

DISTRICT I

1025 N. FRENCH DR., BOBBS, 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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-015-	Pool Code 96610	Pool Name <i>under</i> EMPIRE; GLORIETA-YESO, EAST
Property Code 302495	Property Name FOLK FEDERAL	Well Number 38
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3619'

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		1500	SOUTH	2310	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.
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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

GEODETIC COORDINATES  
NAD 27 NME

Y=666214.6 N  
X=572417.1 E

LAT.=32.831288° N  
LONG.=104.097574° W

**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.*

*Robyn Odom* 8/24/2009  
Signature Date

Robyn Odom  
Printed Name

---

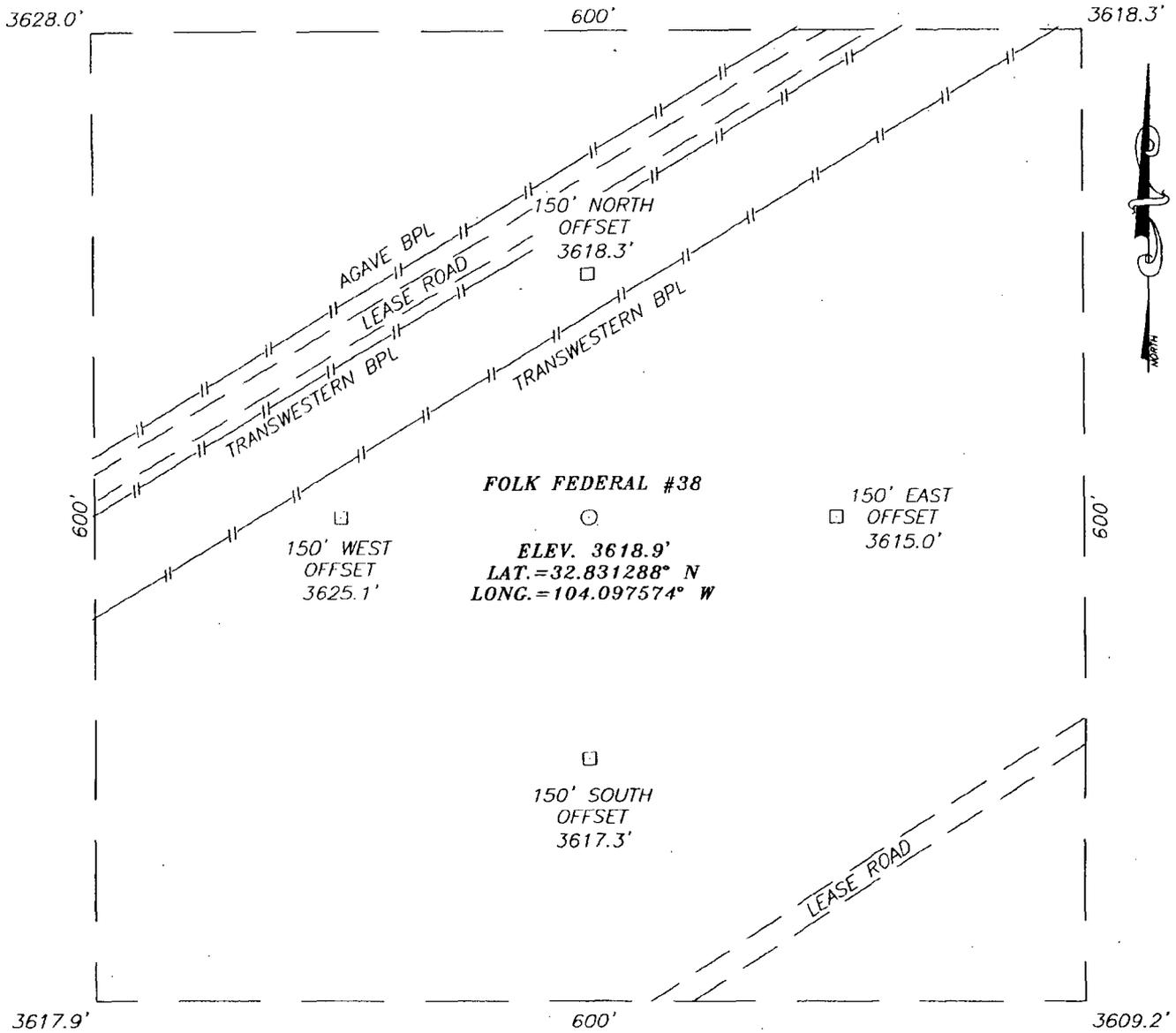
**SURVEYOR CERTIFICATION**

*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.*

Date Surveyed: 8/24/09  
Signature & Seal of Professional Surveyor: *Ronald J. Eidson*

Certificate No. GARY EIDSON 12641  
RONALD J. EIDSON 3239

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



**FOLK FEDERAL #38**

ELEV. 3618.9'  
 LAT. = 32.831288° N  
 LONG. = 104.097574° W

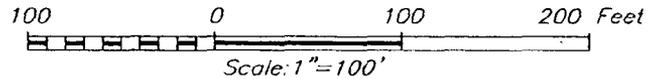
150' WEST  
 OFFSET  
 3625.1'

150' EAST  
 OFFSET  
 3615.0'

150' SOUTH  
 OFFSET  
 3617.3'

**DIRECTIONS TO LOCATION**

FROM THE INTERSECTION OF U.S. HWY. #82 AND CO. RD. #211 (OLD LOCO RD.), GO NORTH ON CO. RD. #211 APPROX. 1.3 MILES. TURN LEFT AND GO WEST APPROX. 0.1 MILE. THIS LOCATION IS APPROX. 175 FEET SOUTH OF LEASE ROAD.



**COG OPERATING, LLC**

FOLK FEDERAL #38 WELL  
 LOCATED 1500 FEET FROM THE SOUTH LINE  
 AND 2310 FEET FROM THE WEST LINE OF SECTION 17,  
 TOWNSHIP 17 SOUTH, RANGE 29 EAST, N.M.P.M.,  
 EDDY COUNTY, NEW MEXICO.

Survey Date: 8/14/09	Sheet 1 of 1 Sheets
W.O. Number: 09.11.0676	Dr By: LA Rev 1:N/A
Date: 8/18/09	09110676 Scale: 1"=100'

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

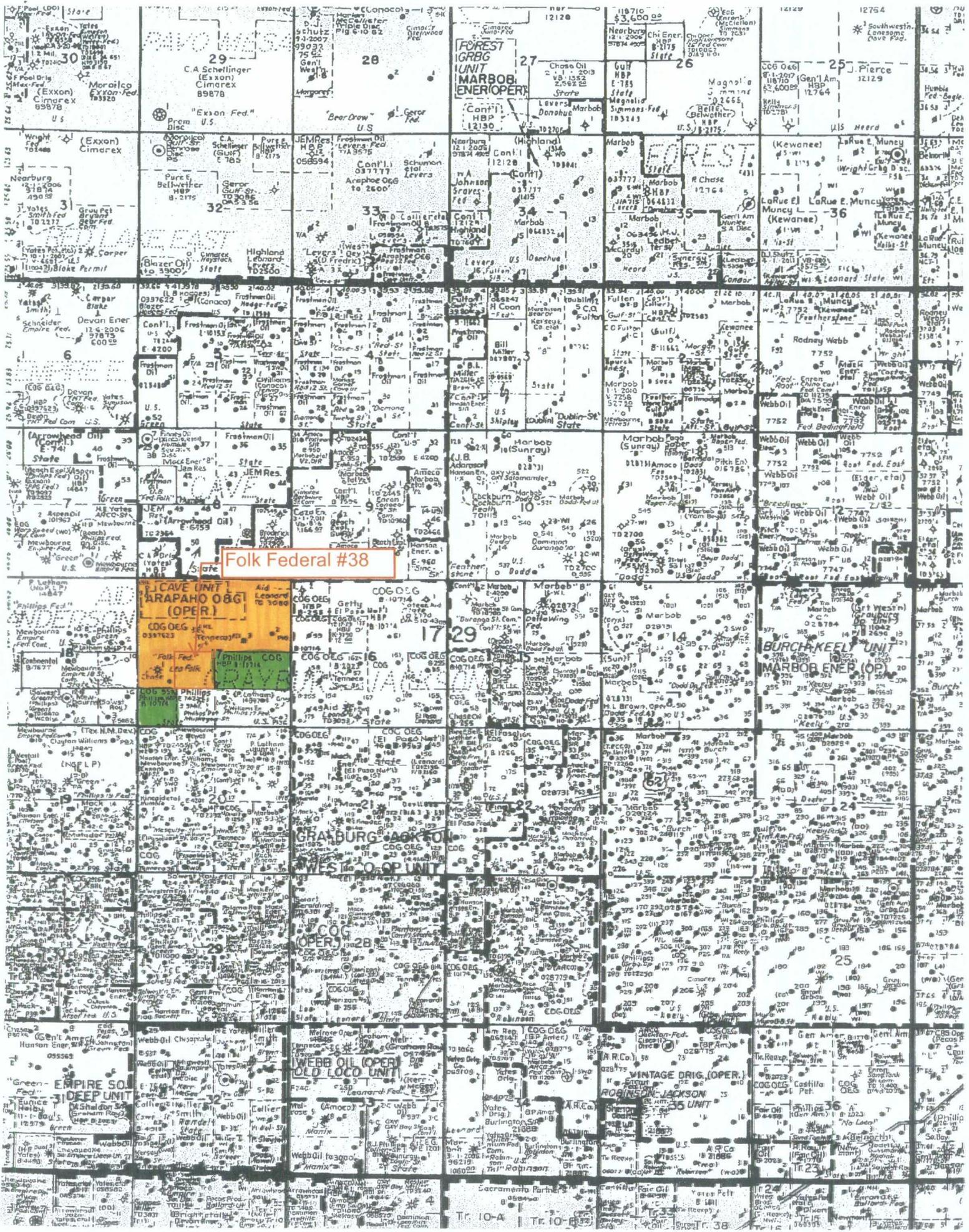
## Offset Wells to Folk Federal #38

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 1989	May 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	May 2009	EMPIRE	MORROW, SOUTH (GAS)	10,740	G	Pumping
30-015-26750	CONOCOPHILLIPS COMPANY	MUSKOGON "17" STATE COM.	001	EDDY	S:17, T:17S, R:29E	May 1982	May 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	May 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	Jun 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	Jun 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	Jun 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	Jun 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	Jun 2009	EMPIRE	YESO, EAST	4,427	O	Pumping
30-015-03000	GRUY PETROLEUM MANAGEMENT CO.	FOLK FEDERAL	001	EDDY	S:17, T:17S, R:29E	Jun 1959	Jul 1961	EDDY UNDESIGNATED	GROUP 1		O	Active
30-015-34283	COG OPERATING LLC	MUSKOGON 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	MUSKOGON 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	MUSKOGON 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	May 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	May 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,							

DI Search Results (Printable Table)

30-015-36169	LLC	FEDERAL	9	EDDY	R:29E S:17, T:17S, R:29E	Apr 2009	May 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	May 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	Mar 2009	May 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	YATES-SEVEN RIVERS	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





Folk Federal #38

CAVE UNIT  
ARAPAHO O&G  
(OPER.)

PHILIPS COG  
OPERA

GRABURG JACKSON  
WEST COG UNIT

WEBB OIL (OPER.)  
OLD LOCO UNIT

VINTAGE DRIG. (OPER.)  
ROBINSON JACKSON

35 UNIT

Tr. 10-A

Tr. 10-B

Tr. 10-C

Tr. 10-D

Tr. 10-E

Tr. 10-F

Tr. 10-G

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

August 24, 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:

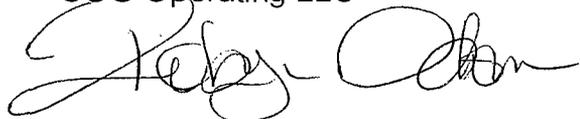
This letter will serve as notice under Rule 104.F (3) that COG Operating LLC has requested administrative approval from the Oil Conservation Division in Santa Fe, NM for an unorthodox Empire, Glorieta-Yeso, East oil well.

**Folk Federal #38  
Eddy County, NM  
1500' FSL & 2310' 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



Robyn M. Odom  
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:

CONOCO-PHILLIPS  
 MID-CONTINENT BUSINESS UNIT  
 3300 NORTH A STREET, BLDG 6  
 MIDLAND, TX 79705

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

 *K. Prato*
 Agent Addressee

B. Received by (Printed Name)

*K. PRATO*

C. Date of Delivery

*8/20/09*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

Article Number

(Transfer from service label)

7002 3150 0005 0459 5745

Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

**Brooks, David K., EMNRD**

---

**From:** Brooks, David K., EMNRD  
**Sent:** Wednesday, September 02, 2009 10:31 AM  
**To:** 'Robyn Odom'  
**Subject:** COG - Folk Federal #38; NSL Application

Dear Ms. Odom

In addition to the encroachment toward the SE/4 SW/4 of Section 17, the operator of which you have notified of this application, this location appears also to encroach on the diagonal toward the SW/4 SE/4 of Section 17.

Please provide ownership status information regarding the SW/4 SE/4 of Section 17, and, unless ownership there is identical with the NE/4 SW/4 or with the SE/4 SW/4, please provide appropriate proof of notice.

Sincerely

David K. Brooks  
Legal Examiner  
505-476-3450

**Brooks, David K., EMNRD**

---

**From:** Robyn Odom [rododom@conchoresources.com]  
**Sent:** Wednesday, September 02, 2009 1:39 PM  
**To:** Brooks, David K., EMNRD  
**Subject:** RE: COG - Folk Federal #38; NSL Application

Dear Mr. Brooks,

The ownership in the SW/4 SE/4 of Section 17 is different than the ownership of the SE/4 SW/4. I will notify the owners today and send proof of notification as soon as possible. Thank you for all your help!

Thank you,

Robyn Odom  
X14385

---

**From:** Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]  
**Sent:** Wednesday, September 02, 2009 11:31 AM  
**To:** Robyn Odom  
**Subject:** COG - Folk Federal #38; NSL Application

Dear Ms. Odom

In addition to the encroachment toward the SE/4 SW/4 of Section 17, the operator of which you have notified of this application, this location appears also to encroach on the diagonal toward the SW/4 SE/4 of Section 17.

Please provide ownership status information regarding the SW/4 SE/4 of Section 17, and, unless ownership there is identical with the NE/4 SW/4 or with the SE/4 SW/4, please provide appropriate proof of notice.

Sincerely

David K. Brooks  
Legal Examiner  
505-476-3450

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## Brooks, David K., EMNRD

---

**From:** Brooks, David K., EMNRD  
**Sent:** Wednesday, September 09, 2009 9:20 AM  
**To:** 'Robyn Odom'  
**Subject:** RE: COG - Folk Federal #38; NSL Application

Dear Ms. Odom

Thanks for furnishing a copy of you notice letter to Clayton Williams Energy.

I must point out, however, that Rule 15.13.D requires that the notice be sent by certified mail and include a copy of the application. The letter you sent me does not evidence that either of those requirements were complied with. If they were complied with, please furnish a statement to that effect, as contemplated by the referenced rule. If not, you will need to resend the notice.

Sincerely

David K. Brooks  
Legal Examiner  
505-476-3450

---

**From:** Robyn Odom [mailto:rodom@conchoresources.com]  
**Sent:** Tuesday, September 08, 2009 2:17 PM  
**To:** Brooks, David K., EMNRD  
**Cc:** Phyllis Edwards  
**Subject:** FW: COG - Folk Federal #38; NSL Application

Dear Mr. Brooks,

Attached is the proof of notification for the ownership of the SE/4 SW/4 of Section 17. Please let me know if you would like me to send in a hard copy.

Thank you,

Robyn Odom  
X14385

---

**From:** Robyn Odom  
**Sent:** Wednesday, September 02, 2009 2:39 PM  
**To:** 'Brooks, David K., EMNRD'  
**Subject:** RE: COG - Folk Federal #38; NSL Application

Dear Mr. Brooks,

The ownership in the SW/4 SE/4 of Section 17 is different than the ownership of the SE/4 SW/4. I will notify the owners today and send proof of notification as soon as possible. Thank you for all your help!

Thank you,

Robyn Odom  
X14385

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**From:** Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]  
**Sent:** Wednesday, September 02, 2009 11:31 AM  
**To:** Robyn Odom  
**Subject:** COG - Folk Federal #38; NSL Application

Dear Ms. Odom

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Please provide ownership status information regarding the SW/4 SE/4 of Section 17, and, unless ownership there is identical with the NE/4 SW/4 or with the SE/4 SW/4, please provide appropriate proof of notice.

Sincerely

David K. Brooks  
Legal Examiner  
505-476-3450

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

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**Brooks, David K., EMNRD**

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**From:** Brooks, David K., EMNRD  
**Sent:** Wednesday, September 16, 2009 3:53 PM  
**To:** 'Robyn Odom'  
**Subject:** RE: COG - Folk Federal #38; NSL Application

Dear Ms. Odom

Apparently the referenced delivery was mislaid after its arrival here, and I have been unable to locate it. Accordingly, we respectfully request that you furnish us another copy.

We apologize for the inconvenience.

Sincerely

David K. Brooks  
Legal Examiner  
505-476-3450

---

**From:** Robyn Odom [mailto:rodod@conchoresources.com]  
**Sent:** Wednesday, September 16, 2009 9:10 AM  
**To:** Brooks, David K., EMNRD  
**Subject:** RE: COG - Folk Federal #38; NSL Application

Dear Mr. Brooks,

I just looked up the tracking number on the Fed-ex website and it say that the package has already been delivered on 9/10/09 and was signed for by J. Pacheco. Please let me know if you need any more information.

Thank you,

Robyn Odom  
X14385

---

**From:** Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]  
**Sent:** Wednesday, September 16, 2009 10:04 AM  
**To:** Robyn Odom  
**Subject:** RE: COG - Folk Federal #38; NSL Application

Dear Ms. Odom

This email indicating that you would fed-ex additional materials was sent one week ago. I have not received the materials.

Sincerely  
David K. Brooks  
Legal Examiner  
505-476-3450

---

**From:** Robyn Odom [mailto:rodod@conchoresources.com]  
**Sent:** Wednesday, September 09, 2009 10:20 AM

**To:** Brooks, David K., EMNRD  
**Subject:** RE: COG - Folk Federal #38; NSL Application

Dear Mr. Brooks,

I will Fed-ex you a copy of my proof of notification to Clayton Williams Energy today. It will include proof of certified mail receipt and application.

Please let me know if there is any more information you need from me in the approval of this application.

Thank you,

Robyn Odom  
X14385

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**From:** Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]  
**Sent:** Wednesday, September 09, 2009 10:20 AM  
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**Subject:** RE: COG - Folk Federal #38; NSL Application

Dear Ms. Odom

Thanks for furnishing a copy of you notice letter to Clayton Williams Energy.

I must point out, however, that Rule 15.13.D requires that the notice be sent by certified mail and include a copy of the application. The letter you sent me does not evidence that either of those requirements were complied with. If they were complied with, please furnish a statement to that effect, as contemplated by the referenced rule. If not, you will need to resend the notice.

Sincerely

David K. Brooks  
Legal Examiner  
505-476-3450

---

**From:** Robyn Odom [mailto:rodom@conchoresources.com]  
**Sent:** Tuesday, September 08, 2009 2:17 PM  
**To:** Brooks, David K., EMNRD  
**Cc:** Phyllis Edwards  
**Subject:** FW: COG - Folk Federal #38; NSL Application

Dear Mr. Brooks,

Attached is the proof of notification for the ownership of the SE/4 SW/4 of Section 17. Please let me know if you would like me to send in a hard copy.

Thank you,

Robyn Odom  
X14385

---

**From:** Robyn Odom  
**Sent:** Wednesday, September 02, 2009 2:39 PM

**To:** 'Brooks, David K., EMNRD'

**Subject:** RE: COG - Folk Federal #38; NSL Application

Dear Mr. Brooks,

The ownership in the SW/4 SE/4 of Section 17 is different than the ownership of the SE/4 SW/4. I will notify the owners today and send proof of notification as soon as possible. Thank you for all your help!

Thank you,

Robyn Odom  
X14385

---

**From:** Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]

**Sent:** Wednesday, September 02, 2009 11:31 AM

**To:** Robyn Odom

**Subject:** COG - Folk Federal #38; NSL Application

Dear Ms. Odom

In addition to the encroachment toward the SE/4 SW/4 of Section 17, the operator of which you have notified of this application, this location appears also to encroach on the diagonal toward the SW/4 SE/4 of Section 17.

Please provide ownership status information regarding the SW/4 SE/4 of Section 17, and, unless ownership there is identical with the NE/4 SW/4 or with the SE/4 SW/4, please provide appropriate proof of notice.

Sincerely

David K. Brooks  
Legal Examiner  
505-476-3450

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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



**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 \_\_\_\_\_

2009 SEP 17 A 11: 17  
 RECEIVED OCD

[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

*Robyn Odom*  
 Signature

REGULATORY ANALYST  
 Title

8/27/09  
 Date

Phone: (432) 685-4385

rodom@conchoresources.com  
 e-mail Address

**Folk Federal #38  
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:

1500' FSL & 2310' 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:

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

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

3<sup>rd</sup> 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 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.

State of New Mexico

Energy, Minerals and Natural Resources Department

DISTRICT I  
1025 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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-015-	Pool Code 96610	Pool Name EMPIRE; GLORIETA-YESO, EAST
Property Code 302495	Property Name FOLK FEDERAL	Well Number 38
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3619'

Surface Location

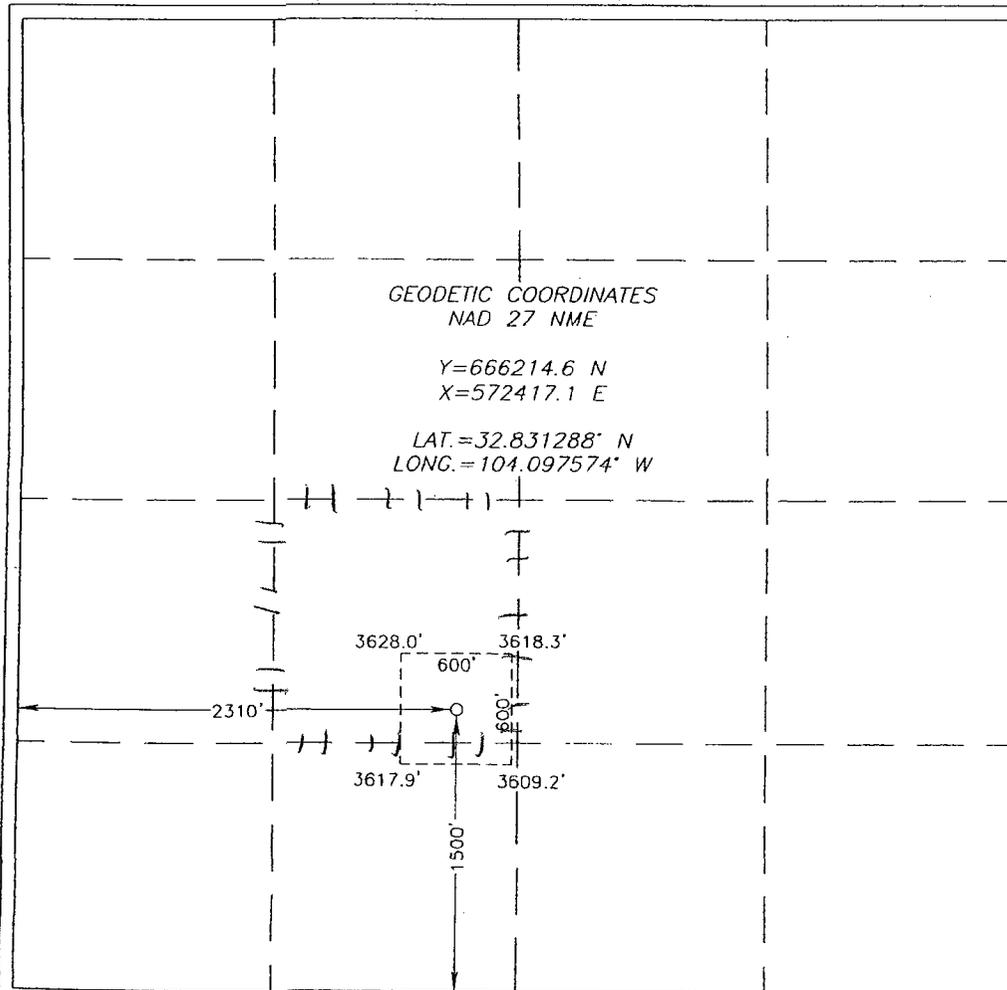
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	17	17-S	29-E		1500	SOUTH	2310	WEST	EDDY

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



**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 unless 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.

*Robyn Odom* 8/24/2009  
Signature Date  
Robyn Odom  
Printed Name

---

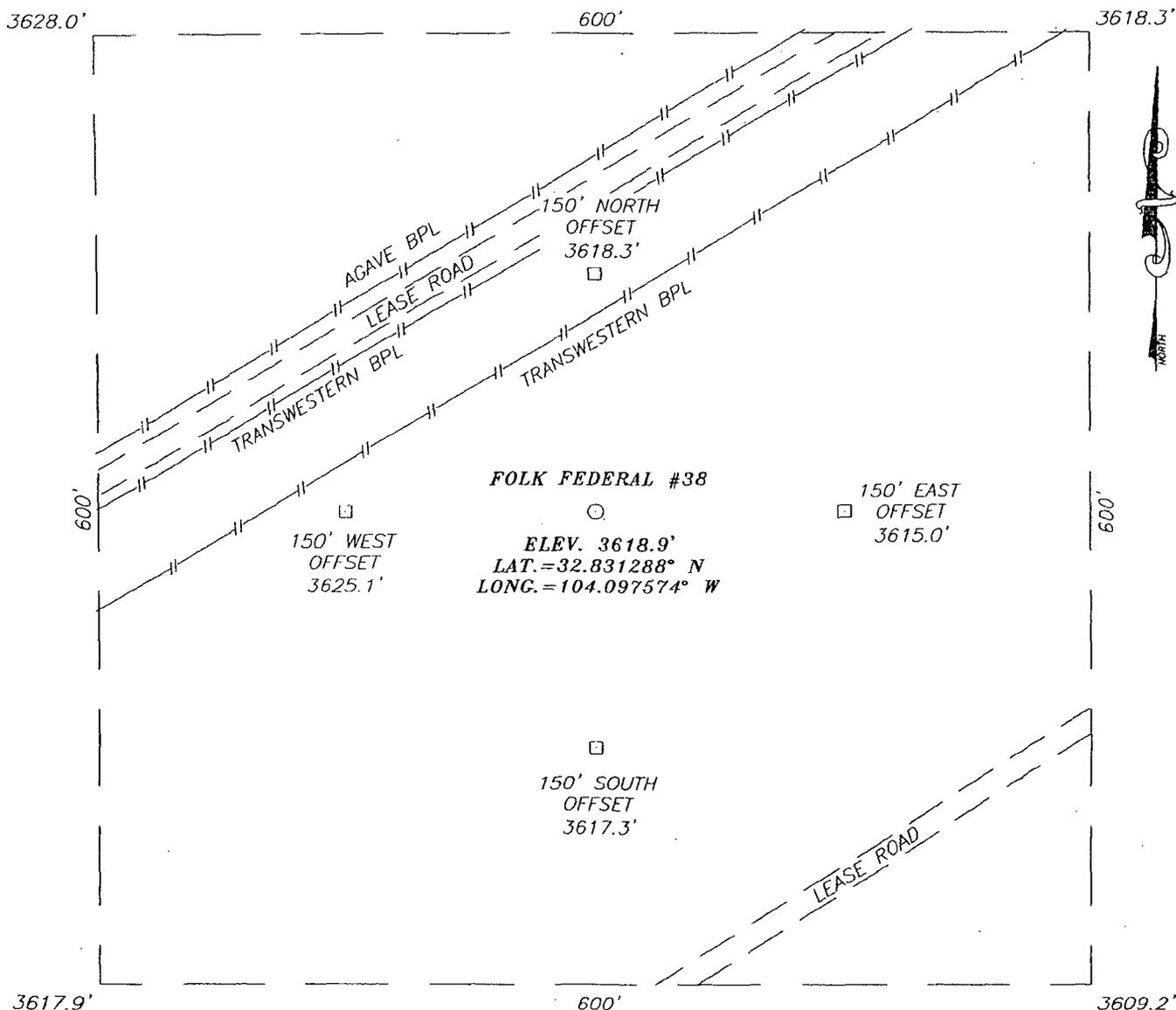
**SURVEYOR CERTIFICATION**

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.

Date Surveyed: AUGUST 2009  
Signature & Seal of Professional Surveyor: *Ronald J. Eidson*  
Professional Surveyor: RONALD J. EIDSON  
09-14-08-26

Certificate No. GARY EIDSON 12641  
RONALD J. EIDSON 3239

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



**FOLK FEDERAL #38**  
 ○  
 ELEV. 3618.9'  
 LAT. = 32.831288° N  
 LONG. = 104.097574° W

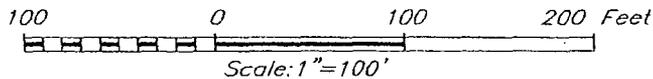
□  
 150' WEST  
 OFFSET  
 3625.1'

□  
 150' EAST  
 OFFSET  
 3615.0'

□  
 150' SOUTH  
 OFFSET  
 3617.3'

**DIRECTIONS TO LOCATION**

FROM THE INTERSECTION OF U.S. HWY. #82 AND  
 CO. RD. #211 (OLD LOCO RD.), GO NORTH ON  
 CO. RD. #211 APPROX. 1.3 MILES. TURN LEFT AND  
 GO WEST APPROX. 0.1 MILE. THIS LOCATION IS  
 APPROX. 175 FEET SOUTH OF LEASE ROAD.



**COG OPERATING, LLC**

FOLK FEDERAL #38 WELL  
 LOCATED 1500 FEET FROM THE SOUTH LINE  
 AND 2310 FEET FROM THE WEST LINE OF SECTION 17,  
 TOWNSHIP 17 SOUTH, RANGE 29 EAST, N.M.P.M.,  
 EDDY COUNTY, NEW MEXICO.

Survey Date: 8/14/09	Sheet 1 of 1 Sheets	
W.O. Number: 09:11.0676	Dr By: LA	Rev 1:N/A
Date: 8/18/09	09110676	Scale: 1"=100'



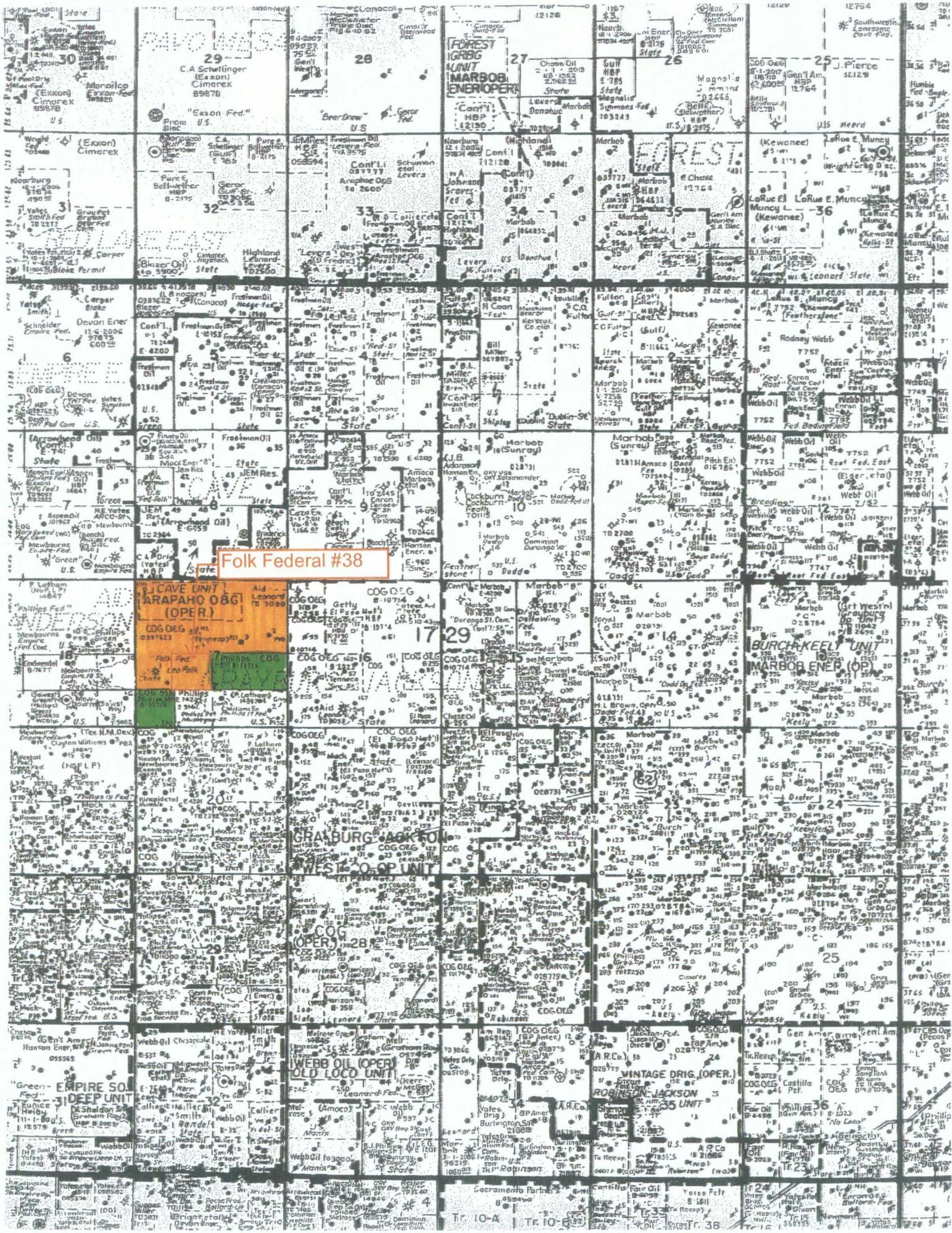
PROVIDING SURVEYING SERVICES  
 SINCE 1946  
**JOHN WEST SURVEYING COMPANY**  
 412 N. DAL PASO  
 HOBBS, N.M. 88240  
 (575) 393-3117

Offset Wells to Folk Federal #38

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	May 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	May 2009	EMPIRE	MORROW, SOUTH (GAS)	10,740	G	Pumping
30-015-26750	CONOCOPHILLIPS COMPANY	MUSKOGON "17" STATE COM.	001	EDDY	S:17, T:17S, R:29E	May 1992	May 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	May 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	Jun 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	Jun 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	Jun 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	Jun 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	Jun 2009	EMPIRE	YESO, EAST	4,427	O	Pumping
30-015-03000	GRUY PETROLEUM MANAGEMENT CO.	FOLK FEDERAL	001	EDDY	S:17, T:17S, R:29E	Jun 1959	Jul 1961	EDDY UNDESIGNATED	GROUP 1		O	Active
30-015-34283	COG OPERATING LLC	MUSKOGON 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	MUSKOGON 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	MUSKOGON 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	May 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	May 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	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	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	May 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	May 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	Mar 2009	May 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	YATES-SEVEN RIVERS	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





Folk Federal #38

ARAPAHO O&G (OP)  
COG OEG #387623

GRABURG JACKSON WEST CO. OP UNIT

BURCH-KEELY UNIT  
MARBOB ENER. (OP)

COG OEG #28

EMPIRE SO. DEEP UNIT

MINTAGE DRIG. (OP.)  
ROBINSON-JACKSON

36 UNIT

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

August 24, 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:

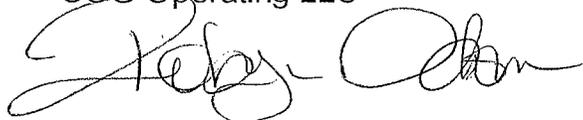
This letter will serve as notice under Rule 104.F (3) that COG Operating LLC has requested administrative approval from the Oil Conservation Division in Santa Fe, NM for an unorthodox Empire, Glorieta-Yeso, East oil well.

**Folk Federal #38  
Eddy County, NM  
1500' FSL & 2310' 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



Robyn M. Odom  
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

CONOCO-PHILLIPS  
MID-CONTINENT BUSINESS UNIT  
3300 NORTH A STREET, BLDG 6  
MIDLAND, TX 79705

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  
*K. Prato*  Addressee

B. Received by (Printed Name)  Agent  
*K. PRATO*  Addressee

C. Date of Delivery  
*8/20/09*

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

Article Number (Transfer from service label) 7002 3150 0005 0459 5745

Form 3811 February 2004

Domestic Return Receipt

102595-02-M-15-40

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

September 2, 2009

Clayton Williams Energy  
Six Desta Drive, Suite 3000  
Midland, TX 79705

Re: Request for Unorthodox Well Location

To Whom It May Concern:

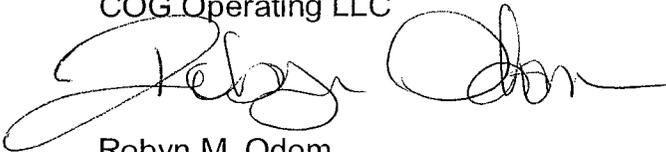
This letter will serve as notice under Rule 104.F (3) that COG Operating LLC has requested administrative approval from the Oil Conservation Division in Santa Fe, NM for an unorthodox Empire, Glorieta-Yeso, East oil well.

**Folk Federal #38  
Eddy County, NM  
1500' FSL & 2310' 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", written over the typed name.

Robyn M. Odom  
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:

Clayton Williams Energy  
 Suite 3000  
 Six Desta Drive,  
 Midland, TX 79705

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  
 Addressee

B. Received by (Printed Name)  Date of Delivery

KATHY STARK 9/3/09

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.  
 Restricted Delivery? (Extra Fee)  Yes

2. Article Number (Transfer from service label) 7002 3150 0005 0459 5769

Domestic Return Receipt

PS Form 3811, February 2004

102595-02-M-1 (5-0)