

DATE IN 9/24/09	SUSPENSE	ENGINEER DB	LOGO 9/29/09	TYPE NSL	APP NO. 01WJ0927231267
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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



COG
Folk St #1

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 OGD
2009 SEP 24 A 11:40

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

- [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

INTEREST ARE THE SAME

[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

9/23/09
Date

(432) 685-4385
Phone Number

rododm@conchoresources.com
E-mail Address

**Folk State #1
Eddy County, NM**

COG proposes to drill a SW/4 of SW/4, 40 acre spacing
Empire; Glorieta-Yeso, East Oil Well
TD of approximately 5500'

Non-Standard Location:

1090' FSL & 990' FWL Sec 17, T17S, R29E, Unit M

**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 that COG Operating LLC owns offset acreage.
The acreage we are encroaching is the NW/4 SW/4 of Section 17.**

All interests are the same.

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

State of New Mexico

DISTRICT I

1625 N. FRENCH DR., HOBBS, NM 88240

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 <i>under</i> . EMPIRE; GLORIETA-YESO, EAST
Property Code 37790	Property Name FOLK STATE	Well Number 1
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3635'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	17	17-S	29-E		1090	SOUTH	990	WEST	EDDY

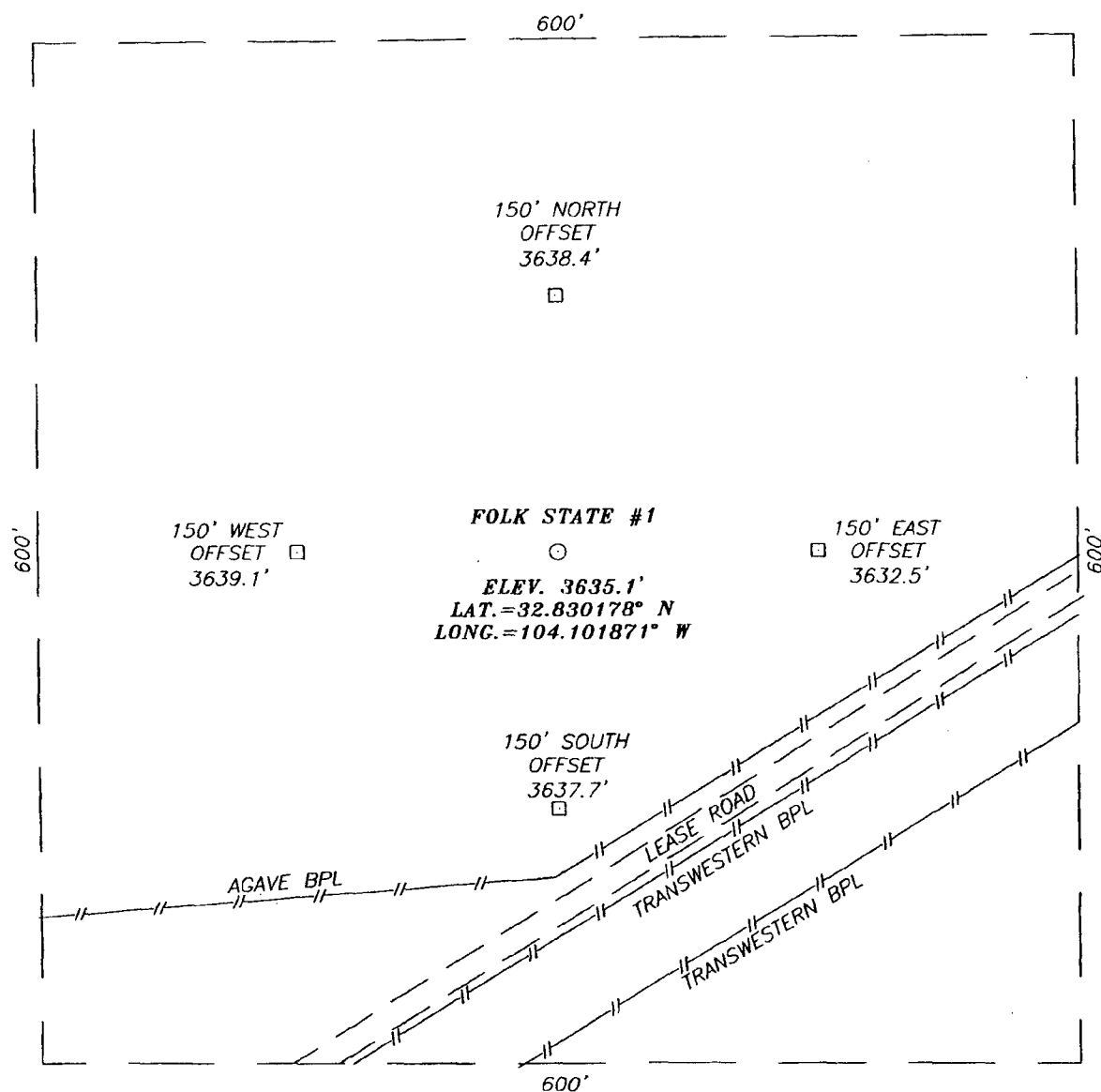
Bottom Hole Location If Different From Surface

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

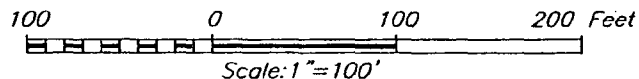
	GEODETIC COORDINATES NAD 27 NME Y=665807.8 N X=571098.2 E LAT.=32.830178° N LONG.=104.101871° W	OPERATOR CERTIFICATION I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral 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. <i>[Signature]</i> 9/23/2009 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. SEPTEMBER 10 2009 NEW MEXICO Seal of Professional Surveyor 3239 <i>[Signature]</i> 9-21-09 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



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF U.S. HWY. #82 AND CO. RD. #211 (OLD LOCO), GO NORTH ON CO. RD. #211 APPROX. 1.4 MILES. TURN LEFT AND GO SOUTHWEST APPROX. 0.4 MILES. THIS LOCATION IS APPROX. 210 FEET NORTH OF LEASE ROAD.



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

COG OPERATING, LLC

FOLK STATE #1 WELL
 LOCATED 1090 FEET FROM THE SOUTH LINE
 AND 990 FEET FROM THE WEST LINE OF SECTION 17,
 TOWNSHIP 17 SOUTH, RANGE 29 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO.

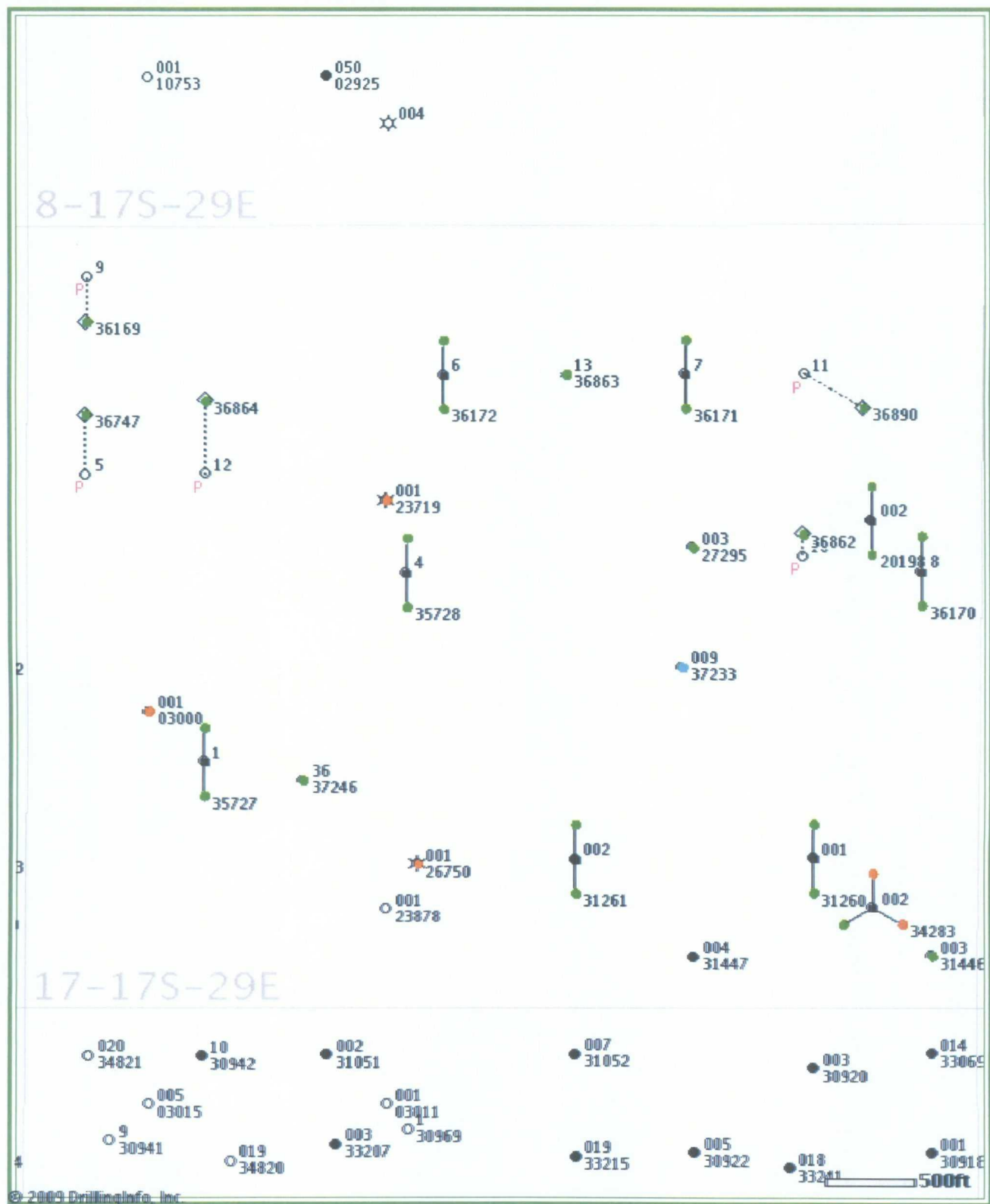
Survey Date: 9/10/09	Sheet 1 of 1 Sheets
W.O. Number: 09.11.0804	Dr By: LA
Date: 9/18/09	09110804
	Scale: 1"=100'

Offset Wells to Folk State #1

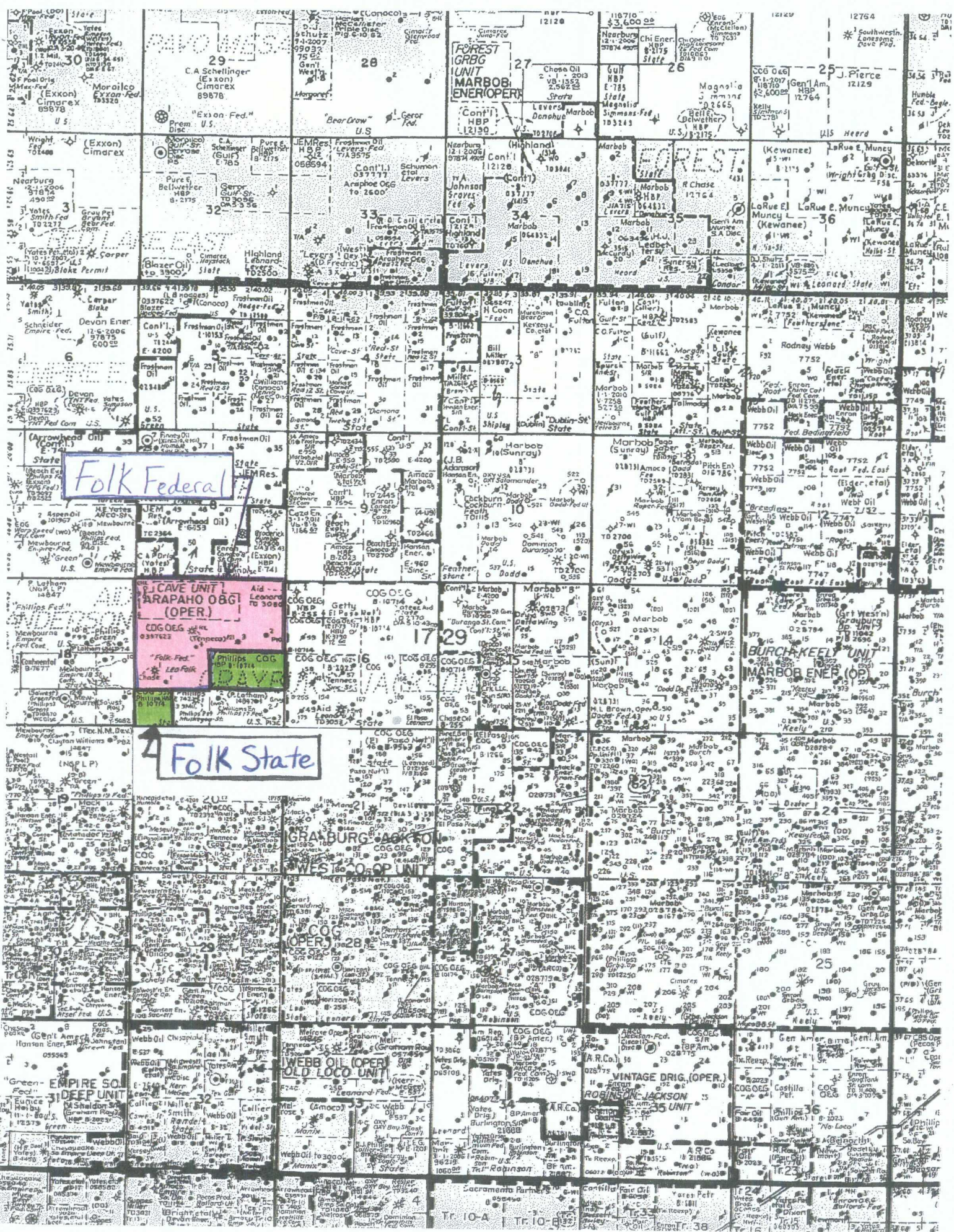
API#	Operator	Lease	Well#	County	Legal	First Prod.	Last Prod.	Field Name	Reservoir Name	Total Depth	Well Type	Well Status
30-015-20198	MACK ENERGY CORP	FOLK FEDERAL	002	EDDY	S:17, T:17S, R:29E	Jan 1972	Dec 1977	GRAYBURG JKSN SR-Q-G-SA(DO NOT USE)		0	O	Active
30-015-20198	COG OPERATING LLC	FOLK FEDERAL	002	EDDY	S:17, T:17S, R:29E	Mar 1969	Jul 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	Jul 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	Jun 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	Jul 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	Jul 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	Jul 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	Jul 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	Jul 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	Jul 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	MUSKEGON 17 FEDERAL COM	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	Jul 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	Jul 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,							

30-015-36169	LLC	FEDERAL	9	EDDY	R:29E				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	Jul 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	Jul 2009	Jul 2009		EMPIRE	YESO, EAST	5,465	O	Active Permit
30-015-36172	COG OPERATING LLC	FOLK FEDERAL	6	EDDY	S:17, T:17S, R:29E	Mar 2009	Jul 2009		EMPIRE	YESO, EAST	5,463	O	Active Permit
30-015-36174	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
30-015-36171	COG OPERATING LLC	FOLK FEDERAL	7	EDDY	S:17, T:17S, R:29E				EMPIRE; GLORIETA-YESO, EAST		5,465	O	Active Permit
30-015-37233	COG OPERATING LLC	FOLK STATE	009	EDDY	S:17, T:17S, R:29E				EMPIRE	YESO, EAST	5,450	PO	Active Permit
30-015-37246	COG OPERATING LLC	FOLK FEDERAL	36	EDDY	S:17, T:17S, R:29E				EMPIRE	YESO, EAST	5,450	PO	Active Permit

Offset Wells to Folk State #1



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Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Thursday, October 01, 2009 2:52 PM
To: 'Robyn Odom'
Subject: Folk State #1; NSL Application

Dear Ms. Odom

It seems that this location encroaches on the diagonal toward the NE/4 SW/4 of Section 17-17S-29E. OCD records show no wells on that unit – hence no operator. Your plat indicates COG as lease owner.

Is working interest the same in the NE/4 SW/4 as in the SW/4 SW/4?

Sincerely

David K. Brooks
Legal Examiner
505-476-3450

Brooks, David K., EMNRD

From: Robyn Odom [rodom@conchoresources.com]
Sent: Thursday, October 01, 2009 2:56 PM
To: Brooks, David K., EMNRD
Cc: Phyllis Edwards
Subject: RE: Folk State #1; NSL Application

Dear Mr. Brooks,

COG does own the offset acreage and the working interests of the NE/4 SW/4 of Section 17. Please let me know if there is any more information I can provide in the approval of this application. Have a great day!

Thank you,

Robyn Odom
X14385

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]
Sent: Thursday, October 01, 2009 3:52 PM
To: Robyn Odom
Subject: Folk State #1; NSL Application

Dear Ms. Odom

It seems that this location encroaches on the diagonal toward the NE/4 SW/4 of Section 17-17S-29E. OCD records show no wells on that unit – hence no operator. Your plat indicates COG as lease owner.

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Sincerely

David K. Brooks
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505-476-3450

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Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Monday, October 05, 2009 9:52 AM
To: 'Robyn Odom'
Subject: NSL Applications for MC Federal #45, JC Federal #36 and Folk State #1

Dear Ms. Odom

Be advised that the referenced applications were granted on September 30, 2009, as follows:

MC Federal #45 – NSL-6091
JC Federal #36 – NSL-6089
Folk State #1 - NSL6094

Please note that NMOCD will no longer mail originals of administrative orders. Copies of the signed orders are available on our website.

Sincerely

David K. Brooks
Legal Examiner