

| | | | | | |
|-----------------|----------|---------------|-------------------|----------|--------------------|
| DATE IN 5-25-10 | SUSPENSE | ENGINEER D.B. | LOGGED IN 5-25-10 | TYPE NSL | APP NO. 1014546917 |
|-----------------|----------|---------------|-------------------|----------|--------------------|

PT&W
 RECEIVED OGD
 White oak state #21
 2010 MAY 25 A 11:08

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 30-015-

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 | 5/24/10 Date |
| (432) 685-4385 Phone Number | rodom@conchoresources.com E-mail Address | | |

**White Oak State #21
Eddy County, NM**

COG proposes to drill a **VERTICAL** NE/4, 40 acre spacing
Empire;Glorieta-Yeso, East oil well
TD of approximately 5350'

Location:

1035' FNL & 990' FEL Sec 23, T17S, R28E, Unit A

This well had to be drilled at a non-standard location due to electrical 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 Kool Aid State #3 (2160' FNL & 2310' FEL, Section 24, T17S, R28E, UL G)
which was completed in March 2009.

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

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

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

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

Attachment 1

Plat & map

Attachment 2

Map & legend of offset wells.

Attachment 3

Updated land plat showing COG Operating LLC owns the offset acreage.
The acreage we are encroaching is the SE/4 NE/4 of Section 23.

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 30-015-37865 | Pool Code 96210 | Pool Name EMPIRE; GLORIETA-YESO |
| Property Code 302584 | Property Name WHITE OAK STATE | Well Number 21 |
| OGRID No. 229137 | Operator Name COG OPERATING, LLC | Elevation 3674' |

Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| A | 23 | 17-S | 28-E | | 1035 | NORTH | 990 | EAST | EDDY |

Bottom Hole Location If Different From Surface

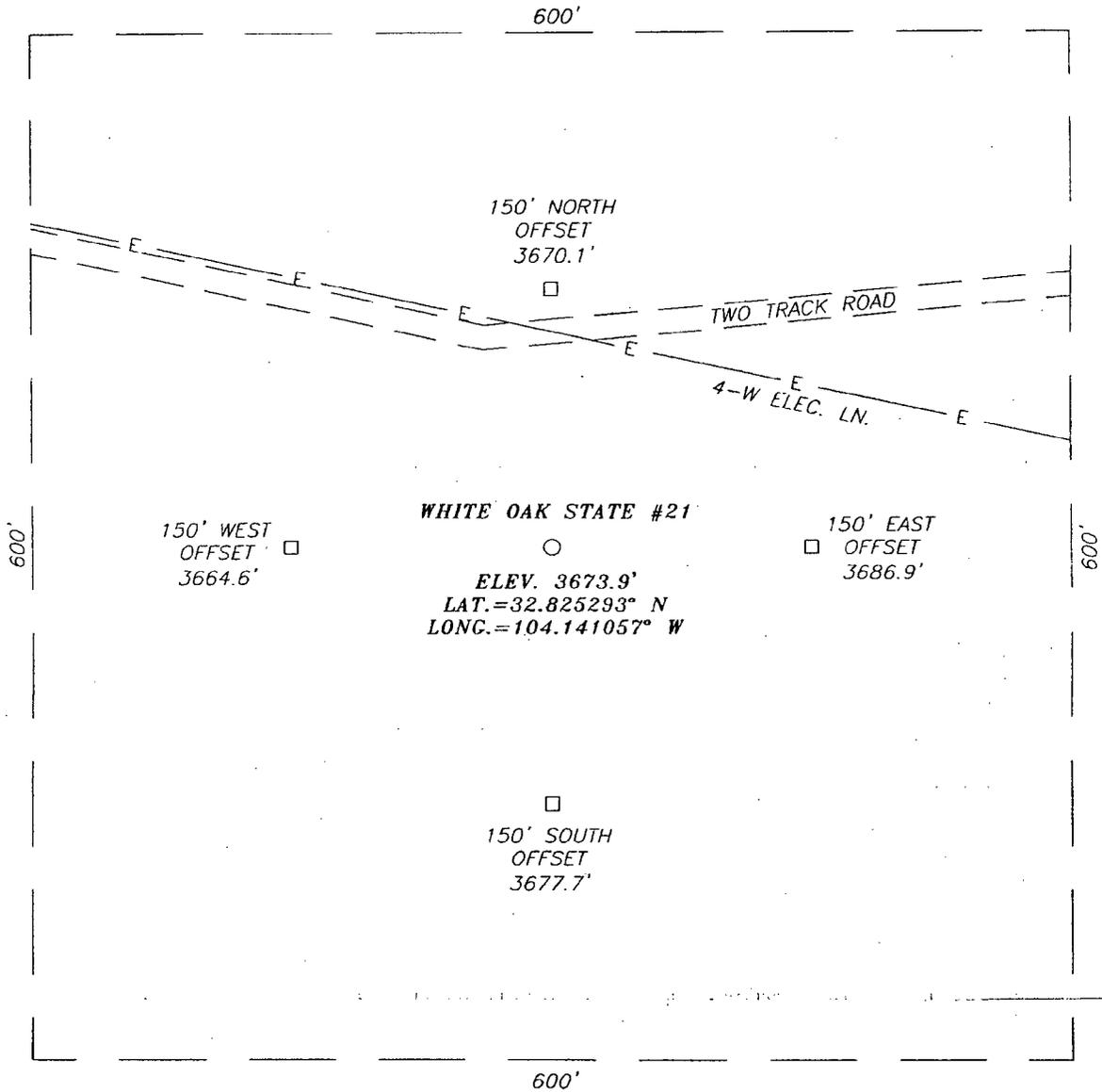
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

| Dedicated Acres | Joint or Infill | Consolidation Code | Order No. |
|-----------------|-----------------|--------------------|-----------|
| 40 | | | |

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

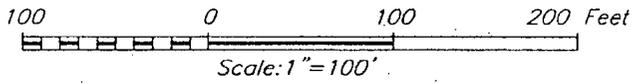
| | |
|--|---|
| <p>GEODETIC COORDINATES NAD 27 NME Y=664006.5 N X=559064.5 E LAT.=32.825293° N LONG.=104.141057° W</p> | <p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a 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.</p> <p><i>Robyn Odom</i> 5/24/2010 Signature Date Robyn Odom Printed Name</p> |
| | <p>SURVEYOR CERTIFICATION</p> <p>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.</p> |
| | <p>Date Surveyed _____ Signature & Seal 62641 Professional Surveyor</p> <p><i>Gary G. Eidson</i> 5/18/10 10.1440702</p> |
| | <p>Certificate No. GARY EIDSON 12641 RONALD J. EIDSON 3239</p> |

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



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF ST. HWY. #82 AND CO. RD. #209 (TURKEY TRACT); GO NORTH ON CO. RD. #209 APPROX. 1.4 MILES. TURN RIGHT AND GO EAST-NORTHEAST APPROX. 0.5 MILES. TURN LEFT AND GO NORTH APPROX. 0.2 MILES. TURN LEFT ON TWO TRACK ROAD AND GO WEST APPROX. 750 FEET. THIS LOCATION IS SOUTH APPROX. 150 FEET.




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

COG OPERATING, LLC

WHITE OAK STATE #21 WELL
 LOCATED 1035 FEET FROM THE NORTH LINE
 AND 990 FEET FROM THE EAST LINE OF SECTION 23,
 TOWNSHIP 17 SOUTH, RANGE 28 EAST; N.M.P.M.,
 EDDY COUNTY, NEW MEXICO.

| | |
|-------------------------|-------------------------|
| Survey Date: 5/11/10 | Sheet 1 of 1 Sheets |
| W.O. Number: 10.11.0702 | Dr By: LA Rev 1:N/A |
| Date: 5/14/10 | 10110702 Scale: 1"=100' |

Offset Wells to White Oak State #21

| API# | Operator | Lease | Well# | County | Legal | Field Name | Reservoir Name | Total Depth | Well Type | Well Status | First Prod. | Last Prod. |
|--------------|---|----------------------|-------|--------|--------------------------|-------------------|--------------------------|-------------|-----------|---------------------|-------------|------------|
| 30-015-01510 | FI-RO CORP | MALCO | 001 | EDDY | S:23, T:17S, R:28E | RED LAKE | QUEEN-GRAYBURG-SA | 0 | PO | Pumping | Jan 1961 | Nov 2001 |
| 30-015-01513 | TANDEM ENERGY CORPORATION | HONDO FEDERAL | 001 | EDDY | S:23, T:17S, R:28E | RED LAKE | QUEEN-GRAYBURG-SA | 2,149 | PO | Pumping | Apr 1962 | Jan 2010 |
| 30-015-10205 | MARBOB ENERGY CORP | HUMBLE STATE 23 | 001 | EDDY | S:23, T:17S, R:28E | RED LAKE | QUEEN-GRAYBURG-SA | | O | Pumping | Aug 1993 | Mar 1994 |
| 30-015-22166 | C F M OIL CO DBA LOUIS AND JUDY FULTON | WOLF | 001 | EDDY | S:23, T:17S, R:28E | EMPIRE | YATES-SEVEN RIVERS, EAST | 0 | O | Pumping | Jan 1979 | Jan 2010 |
| 30-015-22362 | C F M OIL CO DBA LOUIS AND JUDY FULTON | WOLF | 002 | EDDY | S:23, T:17S, R:28E | EMPIRE | YATES-SEVEN RIVERS, EAST | 802 | O | Pumping | Jan 1993 | Jan 2010 |
| 30-015-23082 | C F M OIL CO DBA LOUIS AND JUDY FULTON | WOLF | 003 | EDDY | S:23, T:17S, R:28E | EMPIRE | YATES-SEVEN RIVERS, EAST | 807 | O | Pumping | Jan 1993 | Jan 2010 |
| 30-015-23217 | MARBOB ENERGY CORP | NEW MEXICO CY STATE | 001 | EDDY | S:23, T:17S, R:28E | EMPIRE | ATOKA (GAS) | 11,000 | D | Pumping | Jan 1984 | Dec 1993 |
| 30-015-23217 | MARBOB ENERGY CORP | NEW MEXICO CY STATE | 001 | EDDY | S:23, T:17S, R:28E | WILDCAT | GROUP 3 (DO NOT USE) | 11,000 | D | Pumping | Feb 1994 | Mar 1994 |
| 30-015-23217 | MARBOB ENERGY CORP | NEW MEXICO CY STATE | 001 | EDDY | S:23, T:17S, R:28E | EDDY UNDESIGNATED | ATOKA (GAS) | 11,000 | D | Pumping | Apr 1981 | Dec 1982 |
| 30-015-23217 | MARBOB ENERGY CORP | NEW MEXICO CY STATE | 001 | EDDY | S:23, T:17S, R:28E | RED LAKE | QUEEN-GRAYBURG-SA | 11,000 | D | Pumping | Jan 1973 | Dec 1993 |
| 30-015-23217 | MARBOB ENERGY CORP | NEW MEXICO CY STATE | 001 | EDDY | S:23, T:17S, R:28E | EMPIRE | ABO | 11,000 | D | Pumping | Jan 1994 | Jan 1994 |
| 30-015-23310 | C F M OIL CO DBA LOUIS AND JUDY FULTON | WOLF | 004 | EDDY | S:23, T:17S, R:28E | EMPIRE | YATES-SEVEN RIVERS, EAST | 850 | O | Pumping | Jan 1993 | Jan 2010 |
| 30-015-24064 | C F M OIL CO DBA LOUIS AND JUDY FULTON | SRC STATE | 001 | EDDY | S:23, T:17S, R:28E | EMPIRE | YATES-SEVEN RIVERS, EAST | 0 | O | Pumping | Apr 1982 | Nov 2009 |
| 30-015-24309 | MARBOB ENERGY CORP | SRC STATE | 001 | EDDY | S:23, T:17S, R:28E | RED LAKE | QUEEN-GRAYBURG-SA | 3,494 | O | Pumping | Dec 1982 | Nov 2009 |
| 30-015-25017 | MARBOB ENERGY CORP | MONCRIEF STATE | 001 | EDDY | S:23, T:17S, R:28E | RED LAKE | QUEEN-GRAYBURG-SA | 839 | PO | Pumping | Oct 1984 | Jan 2010 |
| 30-015-25118 | MARBOB ENERGY CORP | M.C. STATE | 001 | EDDY | S:23, T:17S, R:28E | RED LAKE | QUEEN-GRAYBURG-SA | 3,525 | O | Pumping | Jan 1994 | Jan 2010 |
| 30-015-25240 | MARBOB ENERGY CORP | TENNECO FEE | 001 | EDDY | S:23, T:17S, R:28E | RED LAKE | QUEEN-GRAYBURG-SA | 3,025 | O | Pumping | May 1985 | Jan 2010 |
| 30-015-28946 | CONCHO EXPLORATION | DINAH 23 FEDERAL COM | 1 | EDDY | S:23, T:17S, R:28E | EMPIRE | ATOKA (GAS) | 10,560 | G | Salt Water Disposal | Sep 1996 | Nov 2000 |
| | | DINAH 23 | | | S:23, | | | | | | | |

| 30-015-28946 | CONCHO EXPLORATION INC. | FEDERAL COM | 1 | EDDY | T:17S, R:28E | ANDERSON | WOLFCAMP | 10,560 | G | Salt Water Disposal | Dec 2000 | Jun 2001 |
|--------------|--------------------------------|----------------------|-----|------|--------------------|-----------------------------|---------------------------|--------|---|---------------------|----------|----------|
| 30-015-28946 | CHESAPEAKE OPERATING, INC. | DINAH 23 FEDERAL COM | 1 | EDDY | S:23, T:17S, R:28E | EMPIRE | MORROW, SOUTH (GAS) | 10,560 | G | Salt Water Disposal | Jun 2001 | Feb 2009 |
| 30-015-29749 | COG OPERATING LLC | WHITE OAK STATE | 001 | EDDY | S:23, T:17S, R:28E | RED LAKE | QUEEN-GRAYBURG-SA | 7,924 | O | Pumping | Apr 1998 | Feb 2010 |
| 30-015-29749 | MACK ENERGY CORP | WHITE OAK STATE | 001 | EDDY | S:23, T:17S, R:28E | EMPIRE | ABO | 7,924 | O | Pumping | Oct 1997 | Mar 1998 |
| 30-015-30744 | MARBOB ENERGY CORP | MONCRIEF STATE | 002 | EDDY | S:23, T:17S, R:28E | RED LAKE | QUEEN-GRAYBURG-SA | 4,025 | O | Pumping | Oct 1999 | Jan 2010 |
| 30-015-31344 | COG OPERATING LLC | WHITE OAK STATE | 002 | EDDY | S:23, T:17S, R:28E | RED LAKE | QUEEN-GRAYBURG-SA | 3,406 | O | Pumping | Feb 2001 | Feb 2010 |
| 30-015-31345 | COG OPERATING LLC | WHITE OAK STATE | 003 | EDDY | S:23, T:17S, R:28E | RED LAKE | QUEEN-GRAYBURG-SA | 4,400 | O | Pumping | Jan 2001 | Feb 2010 |
| 30-015-31346 | COG OPERATING LLC | WHITE OAK STATE | 004 | EDDY | S:23, T:17S, R:28E | RED LAKE | QUEEN-GRAYBURG-SA | 4,072 | O | Pumping | Dec 2000 | Feb 2010 |
| 30-015-31347 | COG OPERATING LLC | WHITE OAK STATE | 005 | EDDY | S:23, T:17S, R:28E | EMPIRE | YESO | 4,065 | O | Pumping | Feb 2001 | Feb 2010 |
| 30-015-31348 | COG OPERATING LLC | WHITE OAK STATE | 006 | EDDY | S:23, T:17S, R:28E | EMPIRE | YESO | 4,020 | O | Pumping | Apr 2001 | Feb 2010 |
| 30-015-23217 | MARBOB ENERGY CORP | NEW MEXICO CY STATE | 001 | EDDY | S:23, T:17S, R:28E | SWD | PENN | 11,000 | D | Pumping | Jan 2003 | Jan 2010 |
| 30-015-29749 | MACK ENERGY CORP | WHITE OAK STATE | 001 | EDDY | S:23, T:17S, R:28E | ARTESIA | QUEEN-GRAYBURG-SAN ANDRES | 7,924 | O | Pumping | | |
| 30-015-01516 | | HUMBLE 23 | 001 | EDDY | S:23, T:17S, R:28E | RED LAKE | QUEEN-GRAYBURG-SA | 2,180 | O | Active | Jan 1963 | Feb 1979 |
| 30-015-01516 | | HUMBLE 23 | 001 | EDDY | S:23, T:17S, R:28E | EMPIRE | YATES-SEVEN RIVERS, EAST | 2,180 | O | Active | | |
| 30-015-01516 | KINCAID AND WATSON DRILLING CO | HUMBLE STATE | 001 | EDDY | S:23, T:17S, R:28E | RED LAKE GRAYBURG | | 2,180 | O | Active | Mar 1962 | Dec 1962 |
| 30-015-34581 | COG OPERATING LLC | WHITE OAK STATE | 007 | EDDY | S:23, T:17S, R:28E | EMPIRE | YESO | 5,260 | O | Active Permit | Nov 2007 | Feb 2010 |
| 30-015-34582 | COG OPERATING LLC | WHITE OAK STATE | 008 | EDDY | S:23, T:17S, R:28E | EMPIRE, YESO 96210 | | 5,255 | O | Active Permit | Nov 2006 | Dec 2006 |
| 30-015-34583 | COG OPERATING LLC | WHITE OAK STATE | 009 | EDDY | S:23, T:17S, R:28E | EMPIRE | YESO | 5,512 | O | Active Permit | Sep 2007 | Feb 2010 |
| 30-015-34582 | COG OPERATING LLC | WHITE OAK STATE | 008 | EDDY | S:23, T:17S, R:28E | EMPIRE | YESO | 5,255 | O | Active Permit | Nov 2006 | Feb 2010 |
| 30-015-34583 | COG OPERATING LLC | WHITE OAK STATE | 009 | EDDY | S:23, T:17S, R:28E | EMPIRE, GLORIETA-YESO 96210 | | 5,512 | O | Active Permit | Nov 2006 | Feb 2010 |

| 30-015-34581 | COG OPERATING LLC RICKS EXPLORATION, INC. | OAK STATE | 007 | EDDY | T:17S, R:28E S:23 T:17S, R:28E | EMPIRE; GLORIETA-YESO | 5,260 | O | Active Permit | | |
|--------------|--|----------------------------|-----|------|--|-----------------------------|--------|----|---------------------|----------|----------|
| 30-015-28946 | DINAH 23 FEDERAL COM | | 1 | EDDY | S:23 T:17S, R:28E | EMPIRE; MORROW, SOUTH (GAS) | 10,560 | G | Salt Water Disposal | | |
| 30-015-28946 | RICKS EXPLORATION, INC. | DINAH 23 FEDERAL COM | 1 | EDDY | S:23 T:17S, R:28E | ANDERSON; WOLFCAMP | 10,560 | G | Salt Water Disposal | | |
| 30-015-36221 | COG OPERATING LLC | WHITE OAK STATE | 010 | EDDY | S:23, T:17S, R:28E | EMPIRE | 5,505 | O | Active Permit | Feb 2009 | Feb 2010 |
| 30-015-36221 | TEST123 | WHITE OAK STATE | 010 | EDDY | S:23, T:17S, R:28E | EMPIRE; GLORIETA-YESO | 5,505 | O | Active Permit | | |
| 30-015-37757 | COG OPERATING LLC | WHITE OAK STATE | 013 | EDDY | S:23, T:17S, R:28E | EMPIRE (YESO) | 5,350 | PO | Active Permit | | |
| 30-015-37754 | COG OPERATING LLC | WHITE OAK STATE | 019 | EDDY | S:23, T:17S, R:28E | EMPIRE (YESO) | 5,350 | PO | Active Permit | | |

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Tuesday, May 25, 2010 1:56 PM
To: 'Robyn Odom'
Subject: White Oak State #21; NSL Application

Dear Ms. Odom

This location apparently encroaches diagonally toward the SW/4 NE/4 of Section 23, which, per the plat you have attached, is not included in your lease. Our database does not show any wells in the SW NE; so notice to working interest owners will be required unless COG is 100% WI owner of that tract.

In an email last week, you inquired about how to ascertain if a location encroaches diagonally. Our interpretation is that a location encroaches diagonally toward a unit that adjoins the subject unit at a point if the location is closer to the common point than would be the nearest standard location. In a 40-acre oil unit, with 330-foot setbacks, the standard location closed to a corner would be 330 feet north or south, and 330 feet east or west from the unit lines. The footage distance of such a location to the corner would be the square root of (2×330^2) , which is about 467 feet. If the distance from the proposed location is less than that, there is a diagonal encroachment.

In this case, assuming a regular unit, the location is 295 from the south line, and 330 from the west line of the unit. $295^2 = 87,025$. $330^2 = 108,900$. $108,900 + 87,025 = 195,925$. The square root of 195,925 is 443. $443 < 467$. So there is an encroachment. Actually there will always be a diagonal encroachment where the location is exactly 330 feet from one unit line and less than 330 feet from another unit line.

Sincerely

David K. Brooks
Legal Examiner

Brooks, David K., EMNRD

From: Robyn Odom [rododom@conchoresources.com]
Sent: Tuesday, May 25, 2010 2:33 PM
To: Brooks, David K., EMNRD
Subject: RE: White Oak State #21; NSL Application

Dear Mr. Brooks,

Thank you for providing me with that formula!

COG does not own the offset acreage of the SW/4 NE/4 of Section 23. I will notify the WI owner and send you proof of notification as soon as I receive it.

Have a great day!!

Thank you,

Robyn Odom
(432) 685-4385

CONFIDENTIALITY NOTICE: The information in this email may be confidential and/or privileged. If you are not the intended recipient or an authorized representative of the intended recipient, you are hereby notified that any review, dissemination or copying of this email and its attachments, if any, or the information contained herein, is prohibited. If you have received this email in error, please immediately notify the sender by return email and delete this email from your system. Thank you.

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]
Sent: Tuesday, May 25, 2010 2:56 PM
To: Robyn Odom
Subject: White Oak State #21; NSL Application

Dear Ms. Odom

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In this case, assuming a regular unit, the location is 295 from the south line, and 330 from the west line of the unit. $295^2 = 87,025$. $330^2 = 108,900$. $108,900 + 87,025 = 195,925$. The square root of 195,925 is 443. $443 < 467$. So there is an encroachment. Actually there will always be a diagonal encroachment where the location is exactly 330 feet from one unit line and less than 330 feet from another unit line.

Sincerely

David K. Brooks
Legal Examiner

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

May 25, 2010

Harvey E. Yates Co Inc.
P.O. Box 1933
Roswell, NM 88201

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 oil well.

**WHITE OAK STATE #21
Eddy County, NM**

Location:

1035' FNL & 990' FEL Sec 23, T17S, R28E, Unit A

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

432-685-4385
rodom@conchoresources.com

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:

HARVEY E. YATES CO. INC.
P. O. BOX 1933
ROSWELL, NM 88201

2. Article Number
(Transfer from service label)

PS Form 3811, February 2004

7010 0780 0001 8634 9516

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent
 B. Received by (Printed Name) Addressee
 C. Date of Delivery
 D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below No

3. Service Type

- Certified Mail
- Registered
- Insured Mail
- Express Mail
- Return Receipt for Merchandise
- C.O.D.

4. Restricted Delivery? (Extra Fee) Yes