

DATE IN 7-12-10	SUSPENSE	ENGINEER DB.	LOGGED IN 7-12-10	TYPE NSL	APP NO 1019329224
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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
(229137)

ADMINISTRATIVE APPLICATION CHECKLIST

Skelly Unit #979

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]**

NSL-6235

[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
2010 JUL -9 PM 3:24

[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		REGULATORY ANALYST	
Print or Type Name	Signature	Title	Date
(432) 685-4385		rodom@conchoresources.com	
Phone Number		E-mail Address	

**Skelly Unit #979
Eddy County, NM**

Fren; Glorieta Yeso oil well
TD of approximately 6700'

Non-Standard Location:
1385' FNL & 1556' FEL Sec 22, T17S, R31E, Unit G

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

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 similar to the

Willow State #8
330 FSL & 1650 FEL, Section 16, T17S, R31E, UL O
drilled in March 2006

The Willow State #8 Yeso completion has overall perforations from 5380.5' – 5845.5', but is divided into 2 perf/stimulation intervals. At this time, we assume the Skelly Unit 634 will be very similar.

1st Interval: 5650' – 5845.5', 67 total holes.
acidized w/ 2265 gals acid,
frac'd w/ 8000# LiteProp, 30,000 gals 30# gel, 54,663 gals 40# gel, & 90,560#
16/30 sand

2nd Interval: 5380.5' – 5544', 56 total holes.
acidized w/ 2550 gals acid,
frac'd w/ 8006# LiteProp, 30,000 gals 30# gel, 53,000 gals 40# gel, & 91,740#
16/30 sand

Attachment 1
Plat and map

Attachment 2
Map and legend of offset wells.

Attachment 3
Updated land plat showing that COG Operating LLC owns the offset acreage.
The acreage we are encroaching on is the NW/4 NE/4 and the NE/4 NE/4 of
Section 22.

Interests are the same.

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

DISTRICT I
1625 N. FRENCH DR., HOBBS, 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

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

11885 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

DISTRICT IV
11885 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-	Pool Code 26770	Pool Name <i>under</i> FREN; GLORIETA-YESO
Property Code 305607	Property Name SKELLY UNIT	Well Number 979
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3861'

Surface Location

UL or lot No. G	Section 22	Township 17-S	Range 31-E	Lot Idn	Feet from the 1385	North/South line NORTH	Feet from the 1556	East/West line EAST	County EDDY
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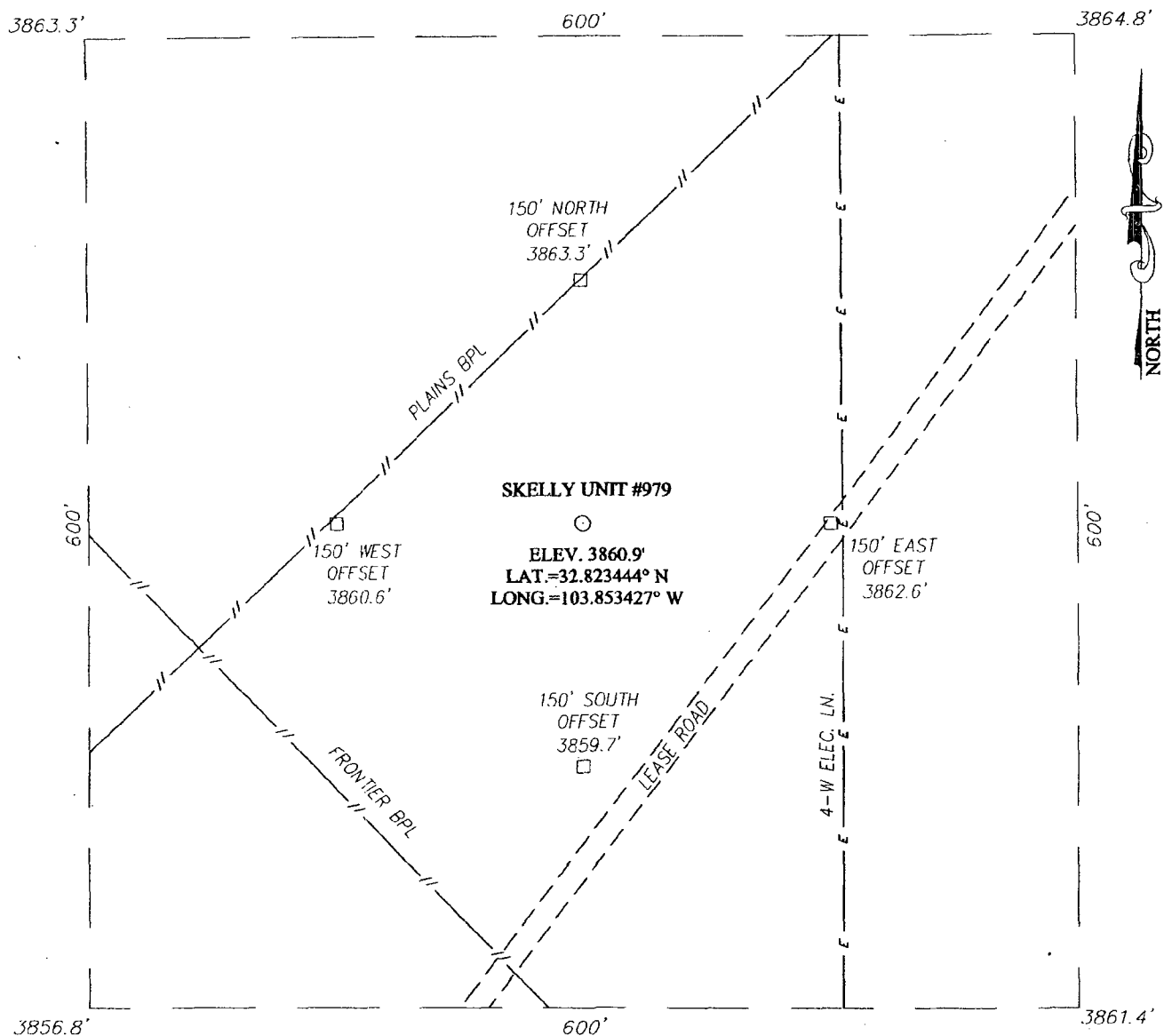
Bottom Hole Location If Different From Surface

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

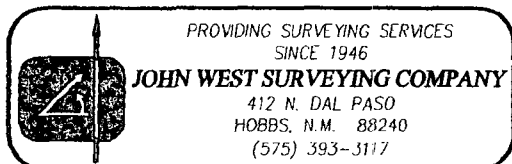
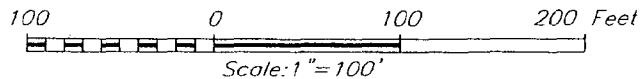
GEODETIC COORDINATES NAD 27 NME Y=663614.7 N X=647424.2 E LAT.=32.823444° N LONG.=103.853427° W Distances: 1385', 1556', 3863.3', 3864.8', 3856.8', 3861.4', 600', 600'	OPERATOR CERTIFICATION I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and 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>Robyn Odom</i> 7/8/2010 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. <i>Ronald J. Eidson</i> Date Surveyed: JUNE 22, 2010 Signature & Seal of Professional Surveyor Certificate No. GARY EIDSON 12641 RONALD EIDSON 3239
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SECTION 22, TOWNSHIP 17 SOUTH, RANGE 31 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION:

FROM THE INTERSECTION OF U.S. HWY. #82 AND CO. RD. #223 (SWEET GUM RD.) GO EAST ON US. HWY. #82 APPROX. 0.9 MILES. TURN LEFT AND GO NORTH APPROX. 0.4 MILES. THE LOCATION STAKE IS APPROX. 206 FEET NORTH OF LEASE ROAD.



COG OPERATING, LLC			
SKELLY UNIT #979 WELL LOCATED 1385 FEET FROM THE NORTH LINE AND 1556 FEET FROM THE EAST LINE OF SECTION 22, TOWNSHIP 17 SOUTH, RANGE 31 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.			
Survey Date: 6/22/10	Sheet 1 of 1 Sheets		
W.O. Number: 10.11.0874	Dr By: LA	Rev 1: N/A	
Date: 6/26/10	10110874	Scale: 1" = 100'	

Offset Wells to Skelly Unit #979

API#	Operator	Lease	Well#	County	Legal	Field Name	Reservoir Name	Total Depth	Well Type	Well Status	First Prod.	Last Prod.
30-015-05343	FOREST OIL CORPORATION	SKELLY UNIT	041	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	3,818	I	Injection Well	Jan 1967	Jun 2004
30-015-05344	FOREST OIL CORPORATION	SKELLY UNIT	002	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	0	O	Pumping	Jan 1967	Nov 2009
30-015-05344	WISER OIL CO (THE)	SKELLY UNIT	002	EDDY	S:22, T:17S, R:31E	GRAYBURG JKSN SR-Q-G-SA(DO NOT USE)		0	O	Pumping	Jan 1969	Dec 1977
30-015-05345	FOREST OIL CORPORATION	SKELLY UNIT	052	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	2,170	I	Injection Well	Aug 2001	Jun 2004
30-015-05345	WISER OIL CO (THE)	SKELLY UNIT	052	EDDY	S:22, T:17S, R:31E	GRAYBURG JKSN SR-Q-G-SA(DO NOT USE)		2,170	I	Injection Well		
30-015-05346	WISER OIL CO (THE)	SKELLY UNIT	045	EDDY	S:22, T:17S, R:31E	GRAYBURG JKSN SR-Q-G-SA(DO NOT USE)		3,804	I	Injection Well	Jan 1967	Dec 1977
30-015-05346	FOREST OIL CORPORATION	SKELLY UNIT	045	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	3,804	I	Injection Well	Jan 1969	Jun 2006
30-015-05347	WISER OIL CO (THE)	SKELLY UNIT	003	EDDY	S:22, T:17S, R:31E	GRAYBURG JKSN SR-Q-G-SA(DO NOT USE)		12,384	O	Active	Jan 1967	Mar 1974
30-015-05347	WISER OIL CO (THE)	SKELLY UNIT	003	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	12,384	O	Active	Jan 1967	Mar 1974
30-015-05348	WISER OIL CO (THE)	SKELLY UNIT	051	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	12,204	O	Shut-in	Jan 1971	Feb 1997
30-015-05348	WISER OIL CO (THE)	SKELLY UNIT	051	EDDY	S:22, T:17S, R:31E	GRAYBURG JKSN SR-Q-G-SA(DO NOT USE)		12,204	O	Shut-in	Jan 1967	Dec 1977
30-015-05349	WISER OIL CO (THE)	SKELLY UNIT	055	EDDY	S:22, T:17S, R:31E	GRAYBURG JKSN SR-Q-G-SA(DO NOT USE)		3,690	I	Injection Well	Jan 1967	Dec 1977
30-015-05349	FOREST OIL CORPORATION	SKELLY UNIT	055	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	3,690	I	Injection Well	Jan 1969	Nov 2008
30-015-05350	FOREST OIL CORPORATION	SKELLY UNIT	056	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	3,709	I	Injection Well	Apr 2002	Nov 2009
30-015-05350	WISER OIL CO (THE)	SKELLY UNIT	056	EDDY	S:22, T:17S, R:31E	GRAYBURG JKSN SR-Q-G-SA(DO NOT USE)		3,709	I	Injection Well		
30-015-05351	FOREST OIL CORPORATION	SKELLY UNIT	054	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	3,800	PI	Injection Well		
30-015-05351	WISER OIL CO (THE)	SKELLY UNIT	054	EDDY	S:22, T:17S, R:31E	GRAYBURG JKSN SR-Q-G-SA(DO NOT USE)		3,800	PI	Injection Well		
30-015-05352	WISER OIL CO (THE)	SKELLY UNIT	053	EDDY	S:22, T:17S, R:31E	GRAYBURG JKSN SR-Q-G-SA(DO NOT USE)		3,810	G	Active	Jan 1967	Dec 1977

30-015-05352	WISER OIL CO (THE)	SKELLY UNIT	053	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	3,810	G	Active	Jan 1989	Feb 1987
30-015-05353	FOREST OIL CORPORATION	SKELLY UNIT	057	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	0	I	Injection Well	Jan 1971	Nov 2009
30-015-05353	WISER OIL CO (THE)	SKELLY UNIT	057	EDDY	S:22, T:17S, R:31E	GRAYBURG JKSN SR-Q-G-SA(DO NOT USE)		0	I	Injection Well	Jan 1967	Dec 1977
30-015-05354	WISER OIL CO (THE)	SKELLY UNIT	044	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	3,804	I	Shut-in		
30-015-05355	FOREST OIL CORPORATION	SKELLY UNIT	058	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	0	I	Injection Well	Jan 2001	May 2006
30-015-05355	WISER OIL CO (THE)	SKELLY UNIT	058	EDDY	S:22, T:17S, R:31E	GRAYBURG JKSN SR-Q-G-SA(DO NOT USE)		0	I	Injection Well	Jan 1967	Dec 1967
30-015-05356	WISER OIL CO (THE)	SKELLY UNIT	042	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	2,165	I	Injection Well		
30-015-05356	WISER OIL CO (THE)	SKELLY UNIT	042	EDDY	S:22, T:17S, R:31E	GRAYBURG JKSN SR-Q-G-SA(DO NOT USE)		2,165	I	Injection Well		
30-015-05357	WISER OIL CO (THE)	SKELLY UNIT	046	EDDY	S:22, T:17S, R:31E	GRAYBURG JKSN SR-Q-G-SA(DO NOT USE)		3,820	I	Injection Well		
30-015-05357	FOREST OIL CORPORATION	SKELLY UNIT	046	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	3,820	I	Injection Well	Aug 2001	Jul 2008
30-015-05358	FOREST OIL CORPORATION	SKELLY UNIT	101	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	3,725	I	Injection Well	Jan 1971	Jun 2004
30-015-05358	WISER OIL CO (THE)	SKELLY UNIT	101	EDDY	S:22, T:17S, R:31E	GRAYBURG JKSN SR-Q-G-SA(DO NOT USE)		3,725	I	Injection Well	Jan 1967	Dec 1977
30-015-10500	FOREST OIL CORPORATION	SKELLY UNIT	043	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	0	G	Active	Jan 1967	Oct 2005
30-015-21089	WISER OIL CO (THE)	SKELLY UNIT	115	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	3,910	O	Temporarily Abandoned	Jan 1993	Sep 1997
30-015-21090	FOREST OIL CORPORATION	SKELLY UNIT	116	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	4,000	O	Active	Jan 1993	Nov 2009
30-015-22251	FOREST OIL CORPORATION	SKELLY UNIT	117	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	0	O	Pumping	Jan 1993	Nov 2009
30-015-22252	FOREST OIL CORPORATION	SKELLY UNIT	118	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	2,580	O	Temporarily Abandoned	Jan 1993	Nov 2009
30-015-22256	FOREST OIL CORPORATION	SKELLY UNIT	122	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	2,600	O	Pumping	Jan 1993	Nov 2009
30-015-22257	FOREST OIL CORPORATION	SKELLY UNIT	123	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	2,580	O	Shut-in	Sep 2001	Aug 2004
	FOREST OIL	SKELLY UNIT			S:22, T:17S,							

30-015-22268	CORPORATION	UNIT	124	EDDY	R:31E S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	11,065	O	Active	Jan 1993	Nov 2009
30-015-22269	FOREST OIL CORPORATION	SKELLY UNIT	125	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	2,500	O	Active	Jan 1993	Nov 2009
30-015-22262	WISER OIL CO (THE)	SKELLY UNIT	128	EDDY	S:22, T:17S, R:31E	GRAYBURG JKSN SR-Q-G-SA(DO NOT USE)		2,550	O	Active	Jan 1972	Dec 1977
30-015-22262	FOREST OIL CORPORATION	SKELLY UNIT	128	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	2,550	O	Active	Jan 1979	Nov 2009
30-015-25038	FOREST OIL CORPORATION	SKELLY UNIT	156	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	3,685	O	Active	Jan 1993	Nov 2009
30-015-25039	FOREST OIL CORPORATION	SKELLY UNIT	157	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	3,705	PO	Active	Jan 1993	Nov 2009
30-015-25040	FOREST OIL CORPORATION	SKELLY UNIT	158	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	4,049	PO	Temporarily Abandoned	Jan 1993	Jul 2009
30-015-25041	FOREST OIL CORPORATION	SKELLY UNIT	159	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	3,962	PO	Active	Jan 1993	Nov 2009
30-015-25042	FOREST OIL CORPORATION	SKELLY UNIT	160	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	3,900	PO	Active	Jan 1993	Nov 2009
30-015-28948	FOREST OIL CORPORATION	SKELLY UNIT	227	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	3,950	O	Pumping	Jul 1996	Nov 2009
30-015-28973	FOREST OIL CORPORATION	SKELLY UNIT	225	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	4,000	O	Pumping	Aug 1996	Nov 2009
30-015-29031	FOREST OIL CORPORATION	SKELLY UNIT	212	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	4,060	O	Pumping	Nov 1996	Nov 2009
30-015-29182	FOREST OIL CORPORATION	SKELLY UNIT	226	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	4,000	O	Pumping	Dec 1996	Nov 2009
30-015-29208	WISER OIL CO (THE)	SKELLY UNIT	224	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	4,000	O	Shut-in	Dec 1996	Oct 1999
30-015-29419	CHEVRON USA, INC.	SKELLY UNIT	903	EDDY	S:22, T:17S, R:31E	CEDAR LAKE ABO EAST		8,000	O	Pumping	Jul 1997	Dec 2003
30-015-29461	CHEVRON USA, INC.	SKELLY UNIT	904	EDDY	S:22, T:17S, R:31E	CEDAR LAKE ABO EAST		9,200	O	Shut-in	Apr 1998	Nov 2003
30-015-29762	FOREST OIL CORPORATION	SKELLY UNIT	213	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA	3,950	O	Pumping	Oct 1997	Nov 2009
30-015-00000		LYNCH A FEDERAL	006	EDDY	S:22, T:17S, R:31E	FREN	PENN (GAS)		G	Active	Jan 1958	Dec 1965
30-015-32600	CHEVRON U S A INC	SKELLY UNIT	941	EDDY	S:22, T:17S, R:31E	FREN	PADDOCK	5,478	O	Active	Nov 2003	Mar 2010
30-015-32599	CHEVRON U S A INC	SKELLY UNIT	940	EDDY	S:22, T:17S, R:31E	FREN	PADDOCK	5,427	O	Active	Nov 2003	Mar 2010

30-015-32963	CHEVRON U S A INC	SKELLY UNIT	944	EDDY	S:22, T:17S, R:31E	FREN		PADDOCK	5,450	O	Active	Jan 2004	Mar 2010
30-015-32964	CHEVRON U S A INC	SKELLY UNIT	945	EDDY	S:22, T:17S, R:31E	FREN		PADDOCK	5,483	O	Active	Feb 2004	Mar 2010
30-015-32966	CHEVRON U S A INC	SKELLY UNIT	947	EDDY	S:22, T:17S, R:31E	FREN		PADDOCK	5,430	O	Active	Feb 2005	Mar 2010
30-015-32962	CHEVRON U S A INC	SKELLY UNIT	943	EDDY	S:22, T:17S, R:31E	FREN		PADDOCK	5,410	O	Active	Mar 2005	Mar 2010
30-015-32965	CHEVRON U S A INC	SKELLY UNIT	946	EDDY	S:22, T:17S, R:31E	FREN		PADDOCK	5,430	O	Active	Feb 2005	Mar 2010
30-015-32966	CHEVRON USA, INC.	SKELLY UNIT	947	EDDY	S:22, T:17S, R:31E	FREN		MORROW	5,430	O	Active		
30-015-32962	CHEVRON USA, INC.	SKELLY UNIT	943	EDDY	S:22, T:17S, R:31E	FREN		MORROW	5,410	O	Active		
30-015-32965	CHEVRON USA, INC.	SKELLY UNIT	946	EDDY	S:22, T:17S, R:31E	FREN		MORROW	5,430	O	Active		
30-015-00000	SKELLY OIL CO	LYNCH A BTRY 1	001	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON QUEEN GBR S A CTD				O	Active	Jan 1947	Dec 1966
30-015-00000	SKELLY OIL COMPANY	LYNCH "A"	006	EDDY	S:22, T:17S, R:31E	EDDY COUNTY WILDCATS				G	Active	Jan 1954	Dec 1956
30-015-00000	SKELLY OIL CO	LYNCH A FED	002	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON QUEEN GBR S A CTD				G	Active	Jan 1947	Dec 1966
30-015-00000	SKELLY OIL CO	LYNCH A FED SEC 22	004	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON QUEEN GBR S A CTD				O	Active	Jan 1947	Dec 1962
30-015-00000	SKELLY OIL CO	LYNCH A FED SEC 22	005	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON QUEEN GBR S A CTD				G	Active	Jul 1961	Dec 1966
30-015-00000	SKELLY OIL CO	LYNCH A FED SEC 22	007	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON QUEEN GBR S A CTD				O	Active	Jan 1955	Dec 1966
30-015-00000	SKELLY OIL CO	LYNCH A FED SEC 22	009	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON QUEEN GBR S A CTD				G	Active	Sep 1958	Dec 1963
30-015-00000	SKELLY OIL CO	LYNCH A FED SEC 22	012	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON QUEEN GBR S A CTD				G	Active	Jan 1960	Dec 1963
30-015-00000	SKELLY OIL CO	LYNCH A FED SEC 22	013	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON QUEEN GBR S A CTD				G	Active	Mar 1959	Dec 1963
30-015-00000	SKELLY OIL CO	LYNCH A FED SEC 22	014	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON QUEEN GBR S A CTD				G	Active	Sep 1959	Dec 1966
30-015-00000	SKELLY OIL CO	LYNCH A FED SEC 22	015	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON QUEEN GBR S A CTD				G	Active	Nov 1961	Dec 1963

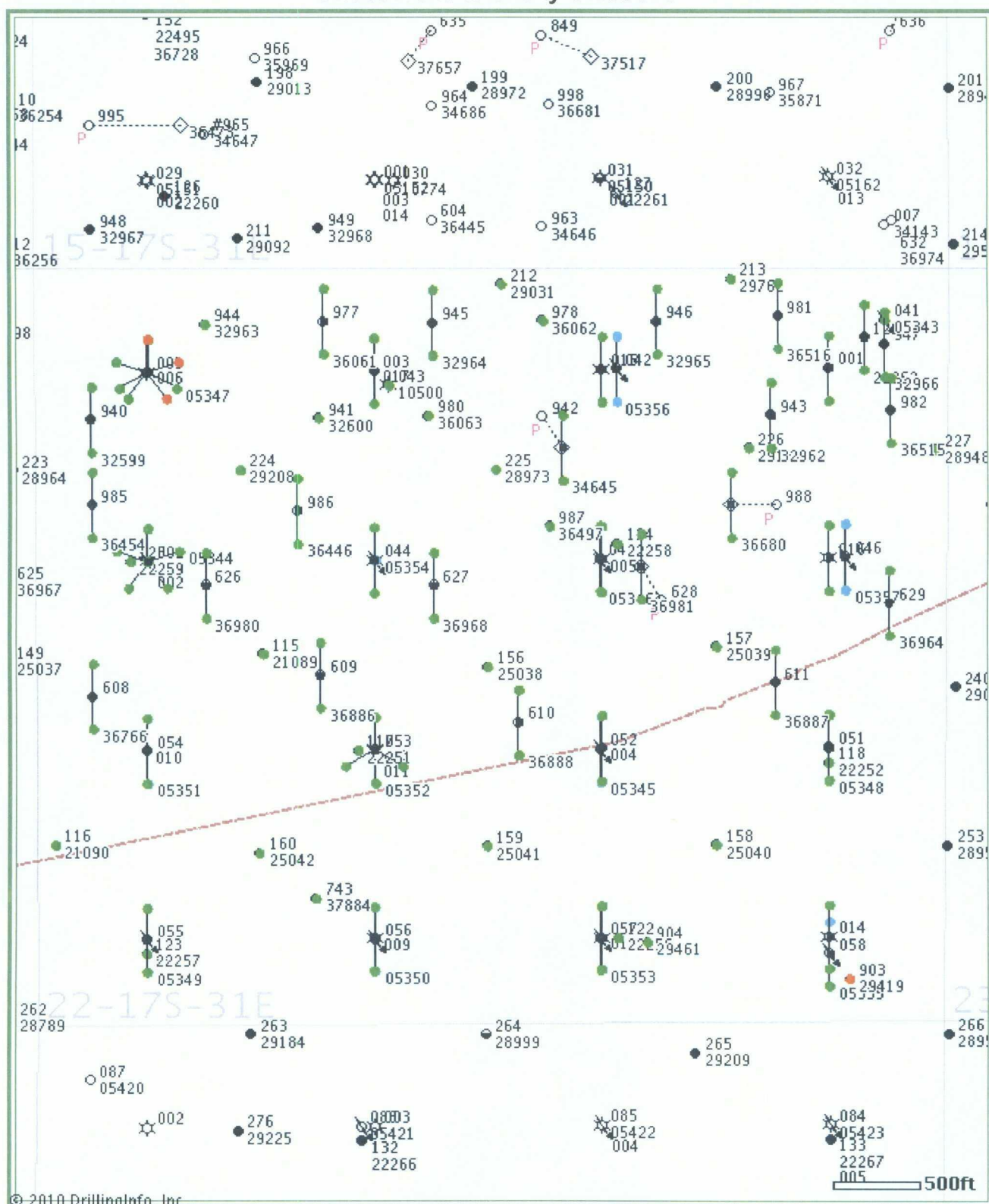
30-015-00000	SKELLY OIL CO	22	016	EDDY	R:31E S:22, T:17S, R:31E	GRAYBURG JACKSON QUEEN GBR S A CTD			G	Active	Dec 1961	Dec 1963
30-015-00000	SKELLY OIL CO.	LYNCH A	003	EDDY	R:31E	FREN	MORROW		O	Active	Jan 1947	Dec 1966
30-015-00000	SKELLY OIL CO	LYNCH A BTRY 1	007	EDDY	S:22, T:17S, R:31E	GRAYBURG	UPPER PENN		O	Active	Jan 1958	Dec 1961
30-015-00000	SKELLY OIL CO	LYNCH A FED SEC 22	008	EDDY	S:22, T:17S, R:31E	GRAYBURG			O	Active	Jul 1958	Dec 1966
30-015-00000	SKELLY OIL CO	LYNCH A FED SEC 22	010	EDDY	S:22, T:17S, R:31E	GRAYBURG	UPPER PENN		O	Active	Oct 1958	Dec 1963
30-015-00000	SKELLY OIL CO	LYNCH A FED SEC 22	011	EDDY	S:22, T:17S, R:31E	GRAYBURG	UPPER PENN		G	Active	Nov 1958	Dec 1966
30-015-00000	SKELLY OIL CO.	LYNCH A	001	EDDY	S:22, T:17S, R:31E	GRAYBURG-JACKSON			O	Active	Jan 1948	Dec 1964
30-015-00000	SKELLY OIL CO.	LYNCH A	004	EDDY	S:22, T:17S, R:31E	GRAYBURG-JACKSON			O	Active	Jan 1948	Apr 1965
30-015-00000	SKELLY OIL CO	LYNCH A FEDERAL	006	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON Q			G	Active	Apr 1963	Dec 1965
30-015-00000	SKELLY OIL COMPANY	LYNCH A	006	EDDY	S:22, T:17S, R:31E	FREN-PENN.			G	Active	Jan 1957	Dec 1960
30-015-00000	SKELLY OIL COMPANY	LYNCH A	006	EDDY	S:22, T:17S, R:31E	FREN-PENNSYLVANIAN			G	Active		
30-015-05344	SKELLY OIL COMPANY	SKELLY UNIT	002	EDDY	S:22, T:17S, R:31E	FREN 7 RVRS		0	O	Pumping	Jan 1971	Dec 1971
30-015-05347	SKELLY OIL COMPANY	SKELLY UNIT	003	EDDY	S:22, T:17S, R:31E	FREN 7 RVRS		12,384	O	Active	Jan 1971	Dec 1971
30-015-00000	SKELLY OIL CO	LYNCH A BATTERY	017	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON	SR-Q-G-SA		AP	Unknown	May 1965	Dec 1966
30-015-34645	COG OPERATING LLC	SKELLY UNIT	942	EDDY	S:22, T:17S, R:31E	FREN	PADDOCK	6,500	O	Active Permit	Jan 2008	Mar 2010
30-015-00000	SKELLY OIL CO	LYNCH A FED REP 2	005	EDDY	S:22, T:17S, R:31E				G	Active	Jan 1964	Dec 1965
30-015-00000	SKELLY OIL CO	LYNCH A FED REP 2	007	EDDY	S:22, T:17S, R:31E				O	Active	Jan 1964	Dec 1965
30-015-00000	SKELLY OIL CO	LYNCH A FED REP 2	008	EDDY	S:22, T:17S, R:31E				O	Active	Jan 1964	Dec 1965
30-015-00000	SKELLY OIL CO	LYNCH A FED REP 2	009	EDDY	S:22, T:17S, R:31E				G	Active	Jan 1964	Apr 1965
30-015-00000	SKELLY OIL CO	LYNCH A FED REP 2	010	EDDY	S:22, T:17S, R:31E				O	Active	Jan 1964	Apr 1965

30-015-00000	SKELLY OIL CO	LYNCH A FED REP 2	011	EDDY	S:22, T:17S, R:31E						G	Active	Jan 1964	Dec 1965
30-015-00000	SKELLY OIL CO	LYNCH A FED REP 2	012	EDDY	S:22, T:17S, R:31E						G	Active	Jan 1964	Dec 1965
30-015-00000	SKELLY OIL CO	LYNCH A FED REP 2	013	EDDY	S:22, T:17S, R:31E						G	Active	Jan 1964	Apr 1965
30-015-00000	SKELLY OIL CO	LYNCH A FED REP 2	014	EDDY	S:22, T:17S, R:31E	GRAYBURG JACKSON QUEEN					G	Active	Jan 1964	Dec 1965
30-015-00000	SKELLY OIL CO	LYNCH A FED REP 2	015	EDDY	S:22, T:17S, R:31E						G	Active	Jan 1964	Apr 1965
30-015-00000	SKELLY OIL CO	LYNCH A FED REP 2	016	EDDY	S:22, T:17S, R:31E						G	Active	Jan 1964	Apr 1965
30-015-36061	COG OPERATING LLC	SKELLY UNIT	977	EDDY	S:22, T:17S, R:31E	FREN	PADDOCK	6,510			O	Active Permit	Mar 2008	Mar 2010
30-015-36062	CHEVRON U S A INC	SKELLY UNIT	978	EDDY	S:22, T:17S, R:31E	FREN	PADDOCK	6,500			PO	Active Permit		
30-015-36063	CHEVRON U S A INC	SKELLY UNIT	980	EDDY	S:22, T:17S, R:31E	FREN	PADDOCK	6,500			PO	Active Permit		
30-015-34645	COG OPERATING LLC	SKELLY UNIT	942	EDDY	S:22, T:17S, R:31E	FREN; GLORIETA-YESO		6,500			O	Active Permit		
30-015-36061	COG OPERATING LLC	SKELLY UNIT	977	EDDY	S:22, T:17S, R:31E	FREN; GLORIETA-YESO		6,510			O	Active Permit		
30-015-36446	COG OPERATING LLC	SKELLY UNIT	986	EDDY	S:22, T:17S, R:31E	FREN (PADDOCK)	PADDOCK	6,625			O	Active Permit	Nov 2009	Mar 2010
30-015-36454	COG OPERATING LLC	SKELLY UNIT	985	EDDY	S:22, T:17S, R:31E	FREN (PADDOCK)	PADDOCK	6,530			O	Active Permit	Oct 2008	Mar 2010
30-015-36497	COG OPERATING LLC	SKELLY UNIT	987	EDDY	S:22, T:17S, R:31E	FREN (PADDOCK)	PADDOCK	6,600			PO	Active Permit		
30-015-36516	COG OPERATING LLC	SKELLY UNIT	981	EDDY	S:22, T:17S, R:31E	FREN (PADDOCK)	PADDOCK	6,505			O	Active Permit	Dec 2008	Mar 2010
30-015-36515	COG OPERATING LLC	SKELLY UNIT	982	EDDY	S:22, T:17S, R:31E	FREN (PADDOCK)	PADDOCK	6,830			U	Active Permit	Mar 2010	Mar 2010
30-015-36680	COG OPERATING LLC	SKELLY UNIT	988	EDDY	S:22, T:17S, R:31E	FREN; GLORIETA-YESO		6,716			O	Active Permit	Feb 2009	Jul 2009
30-015-36766	COG OPERATING LLC	SKELLY UNIT	608	EDDY	S:22, T:17S, R:31E	FREN (PADDOCK)	PADDOCK	6,723			O	Active Permit	Mar 2009	Mar 2010
30-015-36516	CHEVRON USA INCORPORATED	SKELLY UNIT	981	EDDY	S:22, T:17S, R:31E	FREN	PENN (GAS)	6,505			O	Active Permit		
30-015-36516	COG OPERATING LLC	SKELLY UNIT			S:22, T:17S,									

30-015-36886	LLC	UNIT	609	EDDY	R:31E	FREN (PADDOCK)	PADDOCK	6,802	O	Active Permit	Sep 2009	Mar 2010
30-015-36887	COG OPERATING LLC	SKELLY UNIT	611	EDDY	S:22, T:17S, R:31E	FREN (PADDOCK)	PADDOCK	6,890	O	Active Permit	Jul 2009	Mar 2010
30-015-36888	COG OPERATING LLC	SKELLY UNIT	610	EDDY	S:22, T:17S, R:31E	FREN (PADDOCK)	PADDOCK	6,935	O	Active Permit	Jul 2009	Mar 2010
30-015-36454	COG OPERATING LLC	SKELLY UNIT	985	EDDY	S:22, T:17S, R:31E	FREN	PENN (GAS)	6,530	O	Active Permit		
30-015-36766	COG OPERATING LLC	SKELLY UNIT	608	EDDY	S:22, T:17S, R:31E	FREN; GLORIETA-YESO		6,723	O	Active Permit		
30-015-36968	COG OPERATING LLC	SKELLY UNIT	627	EDDY	S:22, T:17S, R:31E	FREN (PADDOCK)	PADDOCK	6,815	O	Active Permit	Dec 2009	Mar 2010
30-015-36964	COG OPERATING LLC	SKELLY UNIT	629	EDDY	S:22, T:17S, R:31E	FREN (PADDOCK)	PADDOCK	6,804	O	Active Permit	Nov 2009	Mar 2010
30-015-36981	COG OPERATING LLC	SKELLY UNIT	628	EDDY	S:22, T:17S, R:31E	FREN (PADDOCK)	PADDOCK	6,846	O	Active Permit	Sep 2009	Mar 2010
30-015-36980	COG OPERATING LLC	SKELLY UNIT	626	EDDY	S:22, T:17S, R:31E	FREN (PADDOCK)	PADDOCK	6,840	O	Active Permit	Jan 2010	Mar 2010
30-015-32599	CHEVRONTXACO	SKELLY UNIT	940	EDDY	S:22, T:17S, R:31E	FREN; PADDOCK		5,427	O	Active		
30-015-36887	COG OPERATING LLC	SKELLY UNIT	611	EDDY	S:22, T:17S, R:31E	FREN; GLORIETA-YESO		6,890	O	Active Permit		
30-015-36888	COG OPERATING LLC	SKELLY UNIT	610	EDDY	S:22, T:17S, R:31E	FREN; GLORIETA-YESO		6,935	O	Active Permit		
30-015-36981	COG OPERATING LLC	SKELLY UNIT	628	EDDY	S:22, T:17S, R:31E	FREN; GLORIETA-YESO		6,846	O	Active Permit		
30-015-36886	COG OPERATING LLC	SKELLY UNIT	609	EDDY	S:22, T:17S, R:31E	FREN	PENN (GAS)	6,802	O	Active Permit		
30-015-36680	COG OPERATING LLC	SKELLY UNIT	988	EDDY	S:22, T:17S, R:31E	FREN (PADDOCK)	PADDOCK	6,716	O	Active Permit	Feb 2009	Mar 2010
30-015-36446	COG OPERATING LLC	SKELLY UNIT	986	EDDY	S:22, T:17S, R:31E	FREN; GLORIETA-YESO		6,625	O	Active Permit		
30-015-36964	COG OPERATING LLC	SKELLY UNIT	629	EDDY	S:22, T:17S, R:31E	FREN; GLORIETA-YESO		6,804	O	Active Permit		
30-015-36968	COG OPERATING LLC	SKELLY UNIT	627	EDDY	S:22, T:17S, R:31E	FREN	PENN (GAS)	6,815	O	Active Permit		
30-015-36980	COG OPERATING LLC	SKELLY UNIT	626	EDDY	S:22, T:17S, R:31E	FREN	PENN (GAS)	6,840	O	Active Permit		
30-015-36515	CHEVRON USA INCORPORATED	SKELLY UNIT	982	EDDY	S:22, T:17S, R:31E	FREN; GLORIETA-YESO		6,830	U	Active Permit		

30-015-32964	CHEVRON USA INC.	SKELLY UNIT	945	EDDY	S:22, T:17S, R:31E	FREN PADDOCK			5,483	O	Active		
30-015-37884	COG OPERATING LLC	SKELLY UNIT	743	EDDY	S:22, T:17S, R:31E	FREN (PADDOCK)	PADDOCK		7,050	PO	Active Permit		

Offset Wells to Skelly Unit #979



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Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Monday, July 12, 2010 11:13 AM
To: 'Robyn Odom'
Subject: Skelly Unit #979; NSL Application

We have received the referenced application. I have two questions:

1. In addition to the encroachments noted in your application to the North toward the NW/4 NE/4 and diagonally toward the NE/4 NE/4 of Section 22, it seems this location also encroaches to the east toward the SE/4 NE/4. The call is 1556 from the east line. Assuming this is a regular section, this would place it only 226 feet from the eastern boundary of the spacing unit. Does the statement that interests in the Glorieta-Yeso are identical apply to the SE/4 NE/4, as well as the NW/4 NE/4 and the NE/4 NE/4?
2. OCD records indicate that Chevron, USA also operates wells completed in the Fren Glorieta-Yeso in Units A and B of Section 22.

Please advise concerning these issues.

Sincerely

David K. Brooks
Legal Examiner

Brooks, David K., EMNRD

From: Robyn Odom [rodom@conchoresources.com]
Sent: Monday, July 12, 2010 12:24 PM
To: Brooks, David K., EMNRD
Subject: RE: Skelly Unit #979; NSL Application

Dear Mr. Brooks,

Sorry I missed this, but yes you are correct. COG does own all of Section 22.

To answer your next question, I will notify Chevron for this NSL and send proof of notification as soon as I receive it.

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: Monday, July 12, 2010 12:13 PM
To: Robyn Odom
Subject: Skelly Unit #979; NSL Application

We have received the referenced application. I have two questions:

1. In addition to the encroachments noted in your application to the North toward the NW/4 NE/4 and diagonally toward the NE/4 NE/4 of Section 22, it seems this location also encroaches to the east toward the SE/4 NE/4. The call is 1556 from the east line. Assuming this is a regular section, this would place it only 226 feet from the eastern boundary of the spacing unit. Does the statement that interests in the Glorieta-Yeso are identical apply to the SE/4 NE/4, as well as the NW/4 NE/4 and the NE/4 NE/4?
2. OCD records indicate that Chevron, USA also operates wells completed in the Fren Glorieta-Yeso in Units A and B of Section 22.

Please advise concerning these issues.

Sincerely

David K. Brooks
Legal Examiner

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

July 12, 2010

Chevron USA
P.O. Box 1635
Houston, TX 77251

TW
RECEIVED OCD
2010 JUL 20 P 1:00

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 Fren: GLORIETA-YESO oil well.

**SKELLY UNIT #979
Eddy County, NM**

1385' FNL & 1556' FEL Sec 22, T17S, R31E, Unit G

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 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:

Chevron USA
P.O. BOX 1635
Houston, TX 77251

COMPLETE THIS SECTION ON DELIVERY

A. Signature  ☐ Agent ☐ Addressee

B. Received by (Printed Name) HANG PLAM C. Date of Delivery 7/14/10

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

2. Article Number (Transfer from service label) 7010 0780 0001 0634 9769

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540