



Via Certified Mail
Return Receipt: 91 7199 9991 7035 3278 8025

February 19, 2015

Mr. David R. Catanach
Attn: Mr. Phillip R. Goetze
Oil Conservation Division
New Mexico Department of Energy, Minerals and Natural Resources
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

4/30/15 (1A)
5/26/15 (6)
RECEIVED OGD
2015 FEB -8 P 3: 14
(9/24/14) (10/16/14)
(10/21/14) (6)

RE: **Order R-13913, as amended by R-13913-A/Case No. 15185**
Application of COG Operating LLC for a non-standard spacing
unit and proration unit and compulsory pooling
Lea County, New Mexico

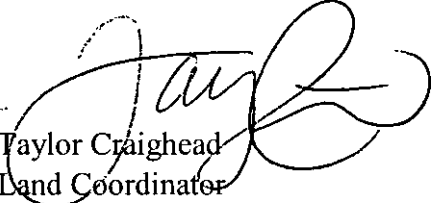
Dear Mr. Ard:

Pursuant to Ordering Paragraph 11 of Order R-13913, please find enclosed an itemized schedule of actual well costs for the Ivar the Boneless Federal #11H (API: 30-025-42514). By copy of this letter, the itemized schedule of actual well costs is also being sent to the New Mexico Oil Conservation Division.

Should you have any questions, please contact Joseph Scott at 432-688-6601 or jscott@concho.com.

Sincerely,

COG OPERATING LLC


Taylor Craighead
Land Coordinator

Enclosure(s)

CC:

Ard Oil, Ltd. & Ard Energy, Ltd.
Attn: Mr. Julian Ard
222 W. 4th Street PH 5
Fort Worth, TX 76102

AFE Report (Gross)

AFE Category	Description	Budget	Actual Amount	Variance	Current Month Amount	Comment
AFE: 007265 IVAR THE BONELESS FED #11 02/01/2016 Status: ACTIV Prospect: IVAR THE BONELESS FED #11H Objective: DRLG Operator: COG OPERATING LLC Beginning Date: 12/01/2014 Completion Date: Remarks: IVAR THE BONELESS FED #11						
IDC - ACP						
305	C-Lctn/Pits/Roads	25,000.00	18,740.45	6,259.55	0.00	
306	C-Completion OH	2,000.00	7,025.18	(5,025.18)	0.00	
311	C-Fuel & Power	5,000.00	0.00	5,000.00	0.00	
312	C-Water	85,000.00	83,110.31	1,889.69	0.00	
313	C-Bits	5,000.00	0.00	5,000.00	0.00	
314	C-Mud & Chemicals	0.00	17,038.02	(17,038.02)	0.00	Generated on Batch
319	C-Cement Productn	48,000.00	54,926.51	(6,926.51)	0.00	
321	C-Float Equipment	7,000.00	5,081.93	1,918.07	0.00	
322	C-Csg Crews & Equip	12,000.00	0.00	12,000.00	0.00	
325	C-Contract Labor	38,000.00	9,253.31	28,746.69	0.00	
326	C-Company Sprvsn	2,000.00	9,000.00	(7,000.00)	0.00	
327	C-Contract Sprvsn	46,000.00	55,264.17	(9,264.17)	0.00	
328	C-Tstg Csg/Tbg	4,500.00	5,556.59	(1,056.59)	0.00	
330	C-Logging	0.00	8,719.60	(8,719.60)	0.00	Generated on Batch
331	C-Perf/Wireline Svc	118,000.00	170,199.44	(52,199.44)	0.00	
332	C-Stimulation/Treating	782,000.00	935,194.35	(153,194.35)	0.00	
333	C-Completion Unit	35,000.00	17,360.28	17,639.72	0.00	
335	C-Rentals-Surface	230,000.00	139,130.36	90,869.64	0.00	
336	C-Rentals-Subsrfc	28,000.00	10,773.00	17,227.00	0.00	
337	C-Trucking/Forklift/Rig Mob	50,000.00	72,452.85	(22,452.85)	0.00	
338	C-Welding Services	3,000.00	0.00	3,000.00	0.00	
339	C-Water Disposal	5,000.00	9,159.57	(4,159.57)	0.00	
342	C-Miscellaneous	0.00	924.69	(924.69)	0.00	Generated on Batch
343	C-Contingency	31,500.00	0.00	31,500.00	0.00	
344	C-Envmntl/Clsd Loop	0.00	543.04	(543.04)	0.00	Generated on Batch
IDC - ACP Totals		1,562,000.00	1,629,453.65	(67,453.65)	0.00	
IDC - BCP						
200.2000	IDC	0.00	0.00	0.00	0.00	Generated on Batch
200.2100	Compltn Cost Accrual	0.00	0.00	0.00	0.00	Generated on Batch
201	D-Title/Permits	11,000.00	215,336.65	(204,336.65)	0.00	
202	D-Insurance	4,000.00	710.93	3,289.07	0.00	
203	D-Damages/ROW	12,000.00	2,798.00	9,202.00	0.00	
204	D-Survey/Stake Lctn	3,000.00	13,319.23	(10,319.23)	0.00	
205	D-Lctn/Pits/Roads	80,000.00	138,828.18	(58,828.18)	0.00	
206	D-Drilling Overhead	4,000.00	5,203.84	(1,203.84)	0.00	
209	D-Daywork Contract	160,000.00	179,086.17	(19,086.17)	0.00	
210	D-Directional Drlg Services	86,000.00	86,935.57	(935.57)	0.00	
211	D-Fuel & Power	26,000.00	26,769.24	(769.24)	0.00	
212	D-Water	31,000.00	64,713.34	(33,713.34)	0.00	
213	D-Bits	43,600.00	44,277.07	(677.07)	0.00	
214	D-Mud & Chemicals	37,000.00	31,432.31	5,567.69	0.00	
217	D-Cement Surface	17,000.00	27,089.30	(10,089.30)	0.00	
218	D-Cement Intermed	22,000.00	19,783.75	2,216.25	0.00	
221	D-Float Equipment & Centralizer	3,000.00	3,969.60	(969.60)	0.00	
222	D-Csg Crews & Equip	8,000.00	11,830.49	(3,830.49)	0.00	
224	D-Geologic/Engnrg	0.00	0.00	0.00	0.00	
225	D-Contract Labor	5,000.00	206,898.07	(201,898.07)	0.00	
226	D-Company Sprvsn	0.00	3,200.00	(3,200.00)	0.00	
227	D-Contract Sprvsn	19,000.00	27,690.65	(8,690.65)	0.00	
228	D-Tstg Csg/Tbg	2,490.00	8,218.99	(5,728.99)	0.00	

AFE Report (Gross)

AFE Category	Description	Budget	Actual Amount	Variance	Current Month Amount	Comment
229	D-Mud Logging Unit	20,000.00	10,079.56	9,920.44	0.00	
230	D-Logging	18,000.00	0.00	18,000.00	0.00	
231	D-Perf/Wireline Svc	1,500.00	0.00	1,500.00	0.00	
235	D-Rentals-Surface	42,000.00	67,668.05	(25,668.05)	0.00	
236	D-Rentals-Subsrfc	52,000.00	48,956.01	3,043.99	0.00	
237	D-Trucking/Forklift/Rig Mob	58,000.00	97,888.99	(39,888.99)	0.00	
238	D-Welding Services	5,000.00	1,101.24	3,898.76	0.00	
242	D-Miscellaneous	0.00	79,525.62	(79,525.62)	0.00	Generated on Batch
243	D-Contingency	17,410.00	0.00	17,410.00	0.00	
244	D-Envrnmtl/Clsd Loop	60,000.00	110,170.82	(50,170.82)	0.00	
IDC - BCP Totals		848,000.00	1,533,481.67	(685,481.67)	0.00	

L&W EQUIP - ACP

503	C-Prodctn Csg/Liner	199,000.00	186,394.22	12,605.78	0.00	
504	C-Tubing	27,000.00	25,275.18	1,724.82	0.00	
505	C-Wellhead Equip	14,000.00	15,466.92	(1,466.92)	0.00	
506	PEQ-Pumping Unit	72,000.00	0.00	72,000.00	0.00	
508	PEQ-Rods	16,000.00	0.00	16,000.00	0.00	
509	C-Pumps-Bottomhole	63,000.00	28,791.88	34,208.12	0.00	
510	TB-Tanks	19,000.00	85,515.45	(66,515.45)	0.00	
511	TB-Flowlines/Pipelines	11,000.00	38,546.35	(27,546.35)	0.00	
512	TB-Htr.Trtr/Septr	29,000.00	175,182.70	(146,182.70)	0.00	
513	TB-Electrical System/Equipment	18,000.00	68,274.91	(50,274.91)	0.00	
514	C-Pckrs/Anchors/Hgrs	2,000.00	0.00	2,000.00	0.00	
515	TB-Couplings/Fittings/Valves	36,000.00	218,934.36	(182,934.36)	0.00	
516	TB-Gas Compressors	4,000.00	1,334.91	2,665.09	0.00	
519	C-Miscellaneous Other Equip	4,000.00	52,728.78	(48,728.78)	0.00	
520	C-Contingency	0.00	0.00	0.00	0.00	
521	TB-Pumps-Surface	0.00	10,736.90	(10,736.90)	0.00	Generated on Batch
522	TB-Instrumentation/SCADA Equi	0.00	4,236.65	(4,236.65)	0.00	Generated on Batch
681	FAC-Flowlines-Pipelines	0.00	0.00	0.00	0.00	Generated on Batch
685	FAC-Couplings/Fittings/Valves	0.00	0.00	0.00	0.00	Generated on Batch
L&W EQUIP - ACP Totals		514,000.00	911,419.21	(397,419.21)	0.00	

L&W EQUIPMENT - BCP

401	D-Surface Casing	18,000.00	29,553.11	(11,553.11)	0.00	
402	D-Intermed Csg	49,000.00	50,153.15	(1,153.15)	0.00	
405	D-Wellhead Equip	8,200.00	16,543.40	(8,343.40)	0.00	
415	D-Couplings/Fittings/Valves	500.00	0.00	500.00	0.00	
419	D-Miscellaneous	500.00	0.00	500.00	0.00	
420	D-Contingency	800.00	0.00	800.00	0.00	
L&W EQUIPMENT - BCP Totals		77,000.00	96,249.66	(19,249.66)	0.00	

OTHER

270.2800	Proved Complt Cost Accrual	0.00	0.00	0.00	0.00	Generated on Batch
270.2900	Proved Property Accrual Accoun	0.00	0.00	0.00	0.00	Generated on Batch
270.2901	JIB/Unbilled Accrual	0.00	0.00	0.00	0.00	Generated on Batch
270.2902	Suspense Prov Compl Accrual	0.00	0.00	0.00	0.00	Generated on Batch
OTHER Totals		0.00	0.00	0.00	0.00	

Total Well Costs	3,001,000.00	4,170,604.19	(1,169,604.19)	0.00	
	3,001,000.00	4,170,604.19	(1,169,604.19)	0.00	

Afe = 007265 IVAR THE
BONELESS FED #11H
Current Month =
2/1/2016 12:00:00 AM