

State of New Mexico
Energy, Minerals and Natural Resources Department

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Oil Conservation Division



June 28, 2018

Bobbie Goodloe
COG Operating, LLC
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NON-STANDARD LOCATION AND NON -STANDARD SPACING UNIT

Administrative Order NSL-7735
Administrative Order NSP-2106

COG Operating, LLC [OGRID 229137]
Littlefield 33 Federal Com Well No. 805H
API No. 30-015-PENDING

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	300 FSL & 2496 FWL	10	33	26S	29E	Eddy
Penetration Point	330 FSL & 2496 FWL	10	33	26S	29E	Eddy
Final perforation	330 FNL & 2496 FWL	C	28	26S	29E	Eddy
Terminus	200 FNL & 2496 FWL	C	28	26S	29E	Eddy

Proposed Project Area

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
NW4 of Section 33 W2 of Section 28	463.13	Purple Sage; Wolfcamp (Gas)	98220

Reference is made to your application received on June 1, 2018.

You have requested to recomplete this horizontal well as a gas well described above in the referenced pool or formation. This well is governed by special rules for the Purple Sage; Wolfcamp (Gas) Pool of and provides for 320-acre units, with wells located at least 330 feet from a unit outer boundary.

This well's completed interval is as close as 360 feet to the southeastern/northeastern edge, and 144 feet to the eastern edge of the project area. Encroachments will impact the following tracts.

Section 33, T26S R29E encroachment to the NE4
Section 28, T26S R29E encroachment to the E2
Section 21, T26S R29E encroachment to the S2

Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (2) of Subsection A of 19.15.4.12 NMAC, in all adjoining units towards which the proposed location encroaches.

Division understands you seek this location to allow for efficient and maximum recovery of production from within the Wolfcamp formation underlying the NW4 of Section 33 and W2 of Section 28.

Your application has been filed under 19.15.15.13 NMAC and Paragraph (2) of Subsection A of 19.15.4.12 NMAC.

Per Subsection B of 19.15.15.13 NMAC, Division approves this unorthodox location.

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as Division deems necessary.

Non-Standard Spacing Unit

You have also requested approval of one or more non-standard spacing units to be included in your proposed project area, as follows:

Proposed Spacing Area (463.13 Acres)


Section 33: NW4
Section 28: W2

The proposed non-standard spacing unit is a reasonable plan of development in the pool within the described acreage and non-acreage standard. Therefore, this application qualifies for approval administratively and notice is not required.

Additional or alternately named wells may be drilled and produce from this non-standard spacing and proration unit or from this project area.

Any horizontal well wholly completed within this 463.13-acre, project area and not completed in all the spacing units comprising this project area shall be dedicated to only those spacing units in which that well is completed. If the Division redefines this 463.13-acre, project area as one spacing unit, this restriction shall not apply.

These approvals are subject to the operator following all other applicable Division rules. Jurisdiction is retained for the entry of such further orders as the Division may deem necessary.


HEATHER RILEY
Director

HR/lrl

cc: Oil Conservation Division – Artesia District Office
Bureau of Land Management – Carlsbad Field Office