

NSL

Initial

Application

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Cabinet Secretary

Adrienne E. Sandoval, Director
Oil Conservation Division



December 1, 2020

Mr. Stan Wagner
swagner@concho.com

NON-STANDARD LOCATION

Administrative Order NSL-8103
(Amends/Supersedes Administrative Order NSL-8052)

COG Operating, LLC [OGRID 229137]
Myox 30 State Com Well No. 704H
API No. 30-015-47093

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	380 FSL & 1356 FWL	N	18	25S	28E	Eddy
First Take Point	10 FNL & 2202 FWL	C	19	25S	28E	Eddy
Last Take Point	330 FSL & 2202 FWL	N	31	25S	28E	Eddy
Terminus	200 FSL & 2202 FWL	N	31	25S	28E	Eddy

Proposed Horizontal Gas Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
W/2 of Section 19	963.36	Purple Sage; Wolfcamp (GAS)	98220
W/2 of Section 30			
W/2 of Section 31			

Reference is made to your application received on July 15, 2020.

You have requested to complete 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 10 feet to the northern edge and 100 feet to the southern edge. Encroachment will impact the following tract.

Section 18, encroachment to the SW/4
Section 6, 26S 28E, encroachment to the NW/4

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all adjoining units towards which the proposed location encroaches.

Division understands you are seeking this unorthodox location to optimize the completed lateral length of this wellbore, reducing waste while protecting correlative rights, and improving well economics and increasing revenue within the Wolfcamp formation underlying the W/2 of Section 19, W/2 of Section 30 and the W/2 of Section 31.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) 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.



ADRIENNE E. SANDOVAL
Division Director

AES/lrl

cc: Oil Conservation Division – Artesia District Office
State Land Office – Oil, Gas, and Mineral Division
Bureau of Land Management – Carlsbad Field Office

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Monday, December 7, 2020 9:24 PM
To: Stan Wagner
Cc: Bratcher, Mike, EMNRD; Kautz, Paul, EMNRD; 'lisa@rwbyram.com'; Simmons, Kurt, EMNRD; Terry Warnell; McClure, Dean, EMNRD; Simmons, Kurt, EMNRD; Garcia, John A, EMNRD; Powell, Brandon, EMNRD; jglover@blm.gov; Holm, Anchor E.
Subject: APPROVED NSL-8103, 8104, 8105_COG Operating, LLC_MYOX 30 State Com Wells No. (704H, 705H, 706H)_SEC 18 25S 28E
Attachments: NSL-8103_Approved Order.pdf; NSL-8104_Approved Order.pdf; NSL-8105_Approved Order.pdf

Importance: High

Mr. Stan Wagner,

The following NSL Administrative Orders have been issued and will soon be available on the Division's web site:

<http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>

NSL	AMD	Applicant	OGRID	WELL NAME	API #	POOL
8105	8054	COG Operating, LLC	229137	Myox 30 State Com Well No. 706H	30-015-47095	Purple Sage: Wolfcamp (Gas) Pool
8104	8053	COG Operating, LLC	229137	Myox 30 State Com Well No. 705H	30-015-47094	Purple Sage: Wolfcamp (Gas) Pool
8103	8052	COG Operating, LLC	229137	Myox 30 State Com Well No. 704H	30-015-47093	Purple Sage: Wolfcamp (Gas) Pool

Copies of the approved orders are attached.

Leonard R. Lowe

Engineering Bureau

OCD - EMNRD

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<http://www.emnrd.state.nm.us/ocd/>