Approved

NSL

Order

Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Todd E. Leahy, JD, PhD Deputy Cabinet Secretary Adrienne E. Sandoval, Director Oil Conservation Division



March 24, 2021

Mr. Stan Wagner Stan.s.wagner@conocophillips.com

NON-STANDARD LOCATION

Administrative Order NSL-8146

COG Operating, LLC [OGRID 229137] Myox 21 State Com Well No. 501H API No. 30-015-47994

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	240 FNL & 2585 FWL	С	28	25S	28E	Eddy
First Take Point	10 FSL & 1485 FEL	Ο	21	25S	28E	Eddy
Last Take Point	100 FNL & 1485 FEL	В	16	25S	28E	Eddy
Terminus	50 FNL & 1485 FEL	В	16	25S	28E	Eddy

Proposed Horizontal Units

Description	Acres	Pool	Pool Code
E/2 of Section 21	640	San Lorenzo; Bone Spring	53600
E/2 of Section 16			

Reference is made to your application received on March 3rd, 2021.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. 19.15.16.15(B)(1)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal oil well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal oil well's completed interval penetrates, each of which consists of a governmental quarter-quarter section or equivalent.

This well's completed interval is as close as 10 feet to the southern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 28, encroachment to the NW/4 NE/4

Administrative Order NSL-8146 COG Operating, LLC March 24, 2021 Page 2 of 2

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

Division understands you are seeking this unorthodox location to allow for efficient well spacing within the Bone Spring formation underlying the E/2 of Section 21 and the E/2 of Section 16, thus maximize resource recovery and preventing waste.

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 19.15.15.13 (B) 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.



AES/lrl

cc: Oil Conservation Division – Artesia District Office State Land Office – Oil, Gas, and Mineral Division

From:	Lowe, Leonard, EMNRD			
To:	<u>"Wagner, Stan S"</u>			
Cc:	Bratcher, Mike, EMNRD; Kautz, Paul, EMNRD; "lisa@rwbyram.com"; Holm, Anchor E.			
Subject:	APPROVED NSL-(8146,8147,8148)_COG Operating LLC_Myox 21 State Com Wells_SEC 28 25S 28E			
Date:	Friday, March 26, 2021 3:06:00 PM			
Attachments:	NSL-8146 COG Operating, LLC Myox 21 State Com Well No. 501H APPROVED.pdf			
	image001.png			
	NSL-8147 COG Operating, LLC Myox 21 State Com Well No. 502H APPROVED.pdf			
	NSL-8148 COG Operating, LLC Myox 21 State Com Well No. 503H APPROVED.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	M	WELL NAME	API #	POOL
		Myox 21 State Com Well No. 503H		
		Myox 21 State Com Well No. 502H		
8146	-	Myox 21 State Com Well No. 501H	30-015-47994	San Lorenzo; Bone Spring

Copies of the approved orders are attached.

Leonard R. Lowe Engineering Bureau OCD - EMNRD 5200 Oakland Ave Albuquerque, N.M. 87113 C: 505-930-6717 http://www.emnrd.state.nm.us/ocd/