

6/11/2015 DATE IN	SUSPENSE	ENGINEER MAM	6/11/2015 LOGGED IN	NSL TYPE	PMAM1516240874 APP NO.
----------------------	----------	--------------	------------------------	-------------	---------------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

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]

[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 _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

- [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.

Melanie J. Wilson

Melanie J. Wilson

Regulatory Analyst

06/11/2015

Print or Type Name

Signature

Title

Date

mwilson@concho.com
c-mail Address

- NSL 731
- COG Production LLC
217 955
- WFX
- MALCO NACHO STATE
COM 94
2015 JUN 11 A 11:24
RECEIVED OOD
30-025-42518
Pool
- Triple x j Bone
Springs, West
96674

McMillan, Michael, EMNRD

From: Melanie Wilson <mwilson@concho.com>
Sent: Thursday, June 11, 2015 10:22 AM
To: McMillan, Michael, EMNRD
Cc: Mayte Reyes
Subject: NSL APPLICATION - MACHO NACHO STATE COM #7H - 30-025-42489
Attachments: Macho Nacho State Com #7H NSL Application.pdf

Mike,

Attached is COG's NSL application for our Macho Nacho State Com #7H well.

The penetration point is 552' FSL & 2443' FEL, Section 7, T24S, R33E and the last perf is planned at 330' FNL & 2340' FEL, Section 7.

Please let me know if you need anything further on this.

Thank you!

Melanie J. Wilson

Lead Regulatory Analyst
NM Basin Team

COG Operating LLC

2208 West Main Street

Artesia NM 88210

mparker@concho.com

Phone: 575-748-6952



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.



June 11, 2015

New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Attention: Mr. Michael McMillan

Re: Application for Unorthodox Well Location
Macho Nacho State Com #9H API No. 30-025-42518
Section 7, T24S, R33E
Lea County, New Mexico
SHL: 190' FSL & 1840' FWL (Unit N) POP & Planned First Perf: 330' FSL & 1220' FWL
BHL: 230' FNL & 1220' FWL (Unit D) Planned Last Perf: 330' FNL & 1220' FWL
Dedicated Acreage: W/2W/2 Section 7, T24S, R33E

Dear Mr. McMillan:

Pursuant to Division Rule 19.15.15.13, COG Production LLC (COG) respectfully requests administrative approval of an unorthodox oil well location for its Macho Nacho State Com #9H well. This well does not meet the 330' from the outer boundary of the producing area requirement. COG Production LLC has drilled and is currently producing Bone Spring wells in this section as described below.

Macho Nacho State #1H	SHL: 330' FNL & 330' FEL	BHL: 407' FNL & 483' FWL
Macho Nacho State #2H	SHL: 1870' FNL & 380' FEL	BHL: 1894' FNL & 357' FWL
Macho Nacho State #3H	SHL: 1870' FSL & 330' FEL	BHL: 1830' FSL & 355' FWL
Macho Nacho State #4H	SHL: 330' FSL & 190' FEL	BHL: 903' FSL & 342' FWL

We plan to test infill drilling in the lower Avalon shale to enhance hydrocarbon recovery between the existing wellbores.

The affected offset tract is the E2W2 of Section 7, T24S, R33E. COG Production LLC is the designated operator of all of Section 7, T24S, R33E. The SE4SW4 of Section 6, T24S, R33E is also affected. Cimarex Energy Company is the operator of that section. They have been notified of this application by certified mail, return receipt requested.

Attached is a Form C-102 showing the project area and the producing area of this well.

Thank you for your consideration of this application. Should you have questions or require further information, please contact me at 575-748-6952 or by email at mwilson@concho.com.

Sincerely,

Melanie J. Wilson
Lead Regulatory Analyst

cc: OCD Hobbs

CORPORATE ADDRESS
One Concho Center | 600 West Illinois Avenue | Midland, Texas 79701
PHONE 432.683.7443 | FAX 432.683.7441

LOCAL ADDRESS
Concho West | 2208 West Main Street | Artesia, New Mexico 88210
PHONE 575.748.6940 | FAX 575.748.6968

District I
1825 N. French Dr., Hobbs, NM 88240.
Phone:(505) 393-6181 Fax:(505) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(505) 749-1283 Fax:(505) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 478-3470 Fax:(505) 478-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-102
August 1, 2011
Permit 203068

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-42518	2. Pool Code 96674	3. Pool Name TRIPLE X;BONE SPRING, WEST
4. Property Code 313475	5. Property Name MACHO NACHO STATE COM	6. Well No. 009H
7. OGRID No 217955	8. Operator Name COG PRODUCTION, LLC	9. Elevation 3571

10. Surface Location

UL - Lot N	Section 7	Township 24S	Range 33E	Lot Idn	Feet From 190	N/S Line S	Feet From 1840	E/W Line W	County Lea
---------------	--------------	-----------------	--------------	---------	------------------	---------------	-------------------	---------------	---------------

11. Bottom Hole Location If Different From Surface

UL - Lot D	Section 7	Township 24S	Range 33E	Lot Idn 1	Feet From 230	N/S Line N	Feet From 1220	E/W Line W	County Lea
12. Dedicated Acres 153.40			13. Joint or Infill		14. Consolidation Code			15. 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

	OPERATOR CERTIFICATION	
	<i>I hereby certify that the information contained 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(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i>	
	E-Signed By: DIANE KUYKENDALL Title: Production Reporting Manager Date: 4/16/2015	
	SURVEYOR CERTIFICATION	
<i>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>		
Surveyed By: Chad Harcrow Date of Survey: 2/11/2015 Certificate Number: 17777		



June 11, 2015

Certified Mail – Return Receipt Requested
7013 3020 0000 8749 6831

Cimarex Energy Company of Colorado
202 S Cheyenne Ave., Suite 1000
Tulsa, OK 74103

Re: Application for Unorthodox Well Location
Macho Nacho State Com #9H API No. 30-025-42518
SHL: 190' FSL & 1840' FWL (Unit N) Section 7, T24S, R33E
BHL: 230' FNL & 1220' FWL (Unit D) Section 7, T24S, R33E
Lea County, New Mexico

Gentlemen:

Attached is a copy of COG's Application for Unorthodox Well Location for the Macho Nacho State Com #9H well in Section 7, T24S, R33E, Lea County, New Mexico. You are being sent a copy of this Application per OCD's requirement to notify the operator of the offset affected acreage. If you have any objection to this Application, notification should be given to OCD within 20 days of receipt of this letter.

If you have any questions regarding this Application, please contact me at 575-748-6952 or by email at mwilson@concho.com.

Sincerely,

A handwritten signature in black ink that reads "Melanie J. Wilson".

Melanie J. Wilson
Lead Regulatory Analyst

Enclosure

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

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:

Cimarex Energy Company of Colorado
202 S Cheyenne Ave., Suite 1000
Tulsa, OK 74103

2. Article Number

(Transfer from service label)

7013 3020 0000 8749 6831

PS Form 3811, July 2013

Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent

☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes

If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail® ☐ Priority Mail Express™

☐ Registered ☐ Return Receipt for Merchandise

☐ Insured Mail ☐ Collect on Delivery

4. Restricted Delivery? (Extra Fee)

☐ Yes

Nacho Nacho St Com 9H
NSL

McMillan, Michael, EMNRD

From: Melanie Wilson <mwilson@concho.com>
Sent: Thursday, June 11, 2015 11:16 AM
To: McMillan, Michael, EMNRD
Cc: Mayte Reyes
Subject: NSL APPLICATION - MACHO NACHO STATE COM #9H 30-025-42518
Attachments: Macho Nacho State Com #9H NSL Application.pdf

Mike,

Attached is COG's application for NSL for our Macho Nacho State Com #9H well.

The penetration point is planned at 330' FSL & 1220' FWL.

The last perforation is planned at 330' FNL & 1220' FWL.

If you need anything more from me, please let me know. I think this is the last Macho Nacho NSL application I have for now!

Thank you!!

Melanie J. Wilson

Lead Regulatory Analyst
NM Basin Team

COG Operating LLC

2208 West Main Street
Artesia NM 88210

mparker@concho.com

Phone: 575-748-6952



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.