

DATE 7/21/16	SUSPENSE	ENGINEER LRL	LOGGED IN 7/26/16	TYPE NSL	APP NO P/E 1620857460
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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]

NSL
7452

[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 _____

COG OPERATING [229137]

API# 30-025-43124

LUSK DEEP UNIT A NO. 31H

POOL: LUSK; BONE SPRING

[#41440]

[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 7/21/16
 Print or Type Name Signature Title Date

mwilson@concho.com
 e-mail Address



July 21, 2016

Oil Conservation Division
Attention: Mr. Leonard Lowe
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application for Unorthodox Well Location
Lusk Deep Unit A #31H API No. 30-025-43124
SHL: 500' FNL & 190' FEL (Unit A) Section 20, T19S, R32E
Proposed First Perf: 500' FNL & 330' FEL, Section 20, T19S, R32E
BHL: 330' FNL & 50' FWL (Unit D) Section 20, T19S, R32E
Proposed Last Perf: 330' FNL & 100' FWL, Section 20, T19S, R32E
Lea County, New Mexico

Dear Mr. Lowe:

Pursuant to Division Rule 19.15.15.13, COG Operating LLC (COG) respectfully requests administrative approval of an unorthodox oil well location for its Lusk Deep Unit A #31H well. The producing interval of this well does not meet the 330' from the outer boundary of the producing area requirement. Attached is a Form C-102 showing the project area and the producing area of this well.

COG is seeking approval of the unorthodox location in order to maximize recovery of reserves. The New Mexico Oil Conservation Division's approval of the unorthodox completed interval for the Lusk Deep Unit A #31H well will allow for efficient recovery of reserves thereby preventing waste and improving well performance.

The affected offset tracts are within the boundaries of the Lusk Deep Unit, operated by COG Operating LLC. Attached is a letter from our landman certifying that ownership is uniform throughout the Lusk Deep Unit.

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,

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

Melanie J. Wilson
Lead Regulatory Analyst

Enclosure
cc: OCD Hobbs

CORPORATE ADDRESS

ONE CONCHO CENTER | 600 WEST ILLINOIS AVENUE | MIDLAND, TEXAS 79701
P432.683.7443 | F432.683.7441

ARTESIA WEST OFFICE

2208 MAIN STREET | ARTESIA, NEW MEXICO 88210
P575.748.6940 | F575.746.2096

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240
Phone: (505) 293-6161 Fax: (505) 333-0720

DISTRICT II
811 S. FIRST ST., ARTESIA, NM 88210
Phone: (505) 748-1283 Fax: (505) 748-8720

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) 476-3480 Fax: (505) 476-3482

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-43124	Pool Code 41440	Pool Name Lusk; Bone Spring
Property Code 308161	Property Name LUSK DEEP UNIT A	Well Number 31H
OGRID No. 160 229137	Operator Name COG OPERATING, LLC	Elevation 3590.7'

Surface Location

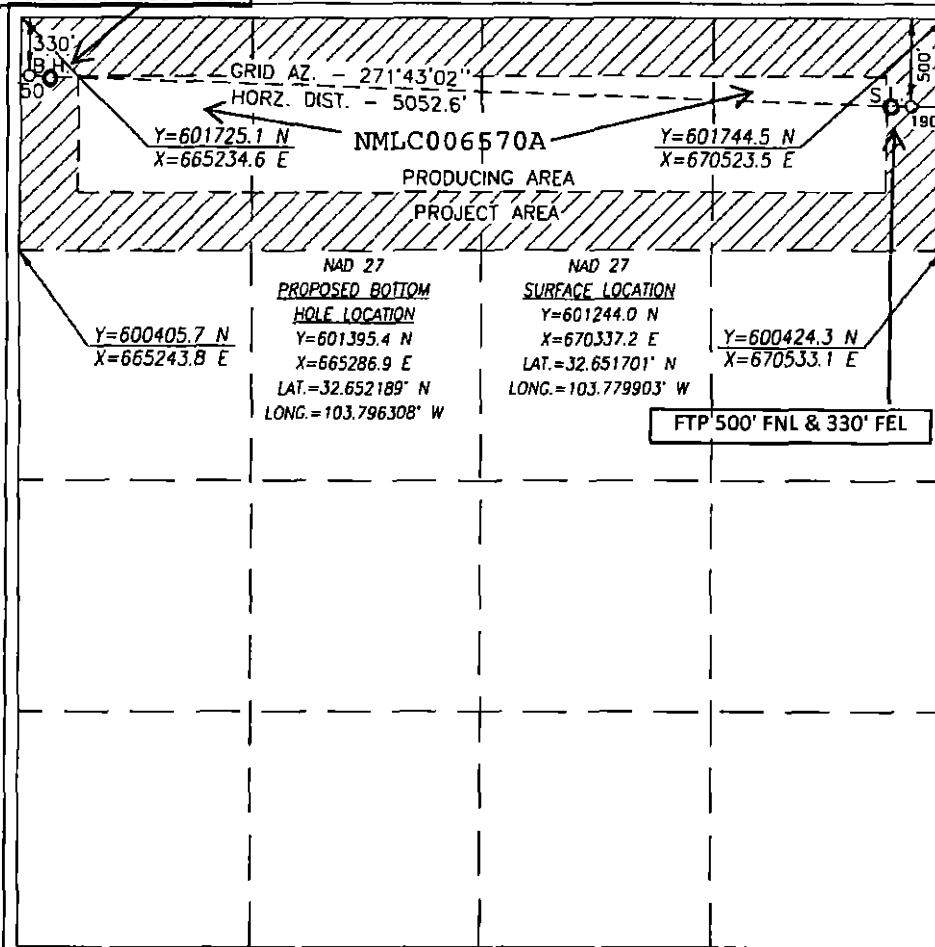
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	20	19-S	32-E		500	NORTH	190	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	20	19-S	32-E		330	NORTH	50	WEST	LEA
Dedicated Acres 160	Joint or Infill	Consolidation Code	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

LTP 330' FNL & 100' FWL



OPERATOR CERTIFICATION

I hereby certify that the information 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 or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Melanie J Wilson 7/20/16
Signature Date

Melanie J Wilson

Printed Name

mwilson@concho.com

E-mail Address

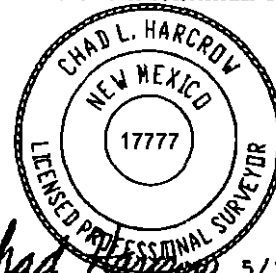
SURVEYOR CERTIFICATION

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.

MAY 17, 2016

Date of Survey

Signature & Seal of Professional Surveyor



Chad Harcrow 5/19/16
Certificate No. CHAD HARCROW 17777
W.O. # 16-390 DRAWN BY: AF



CONCHO

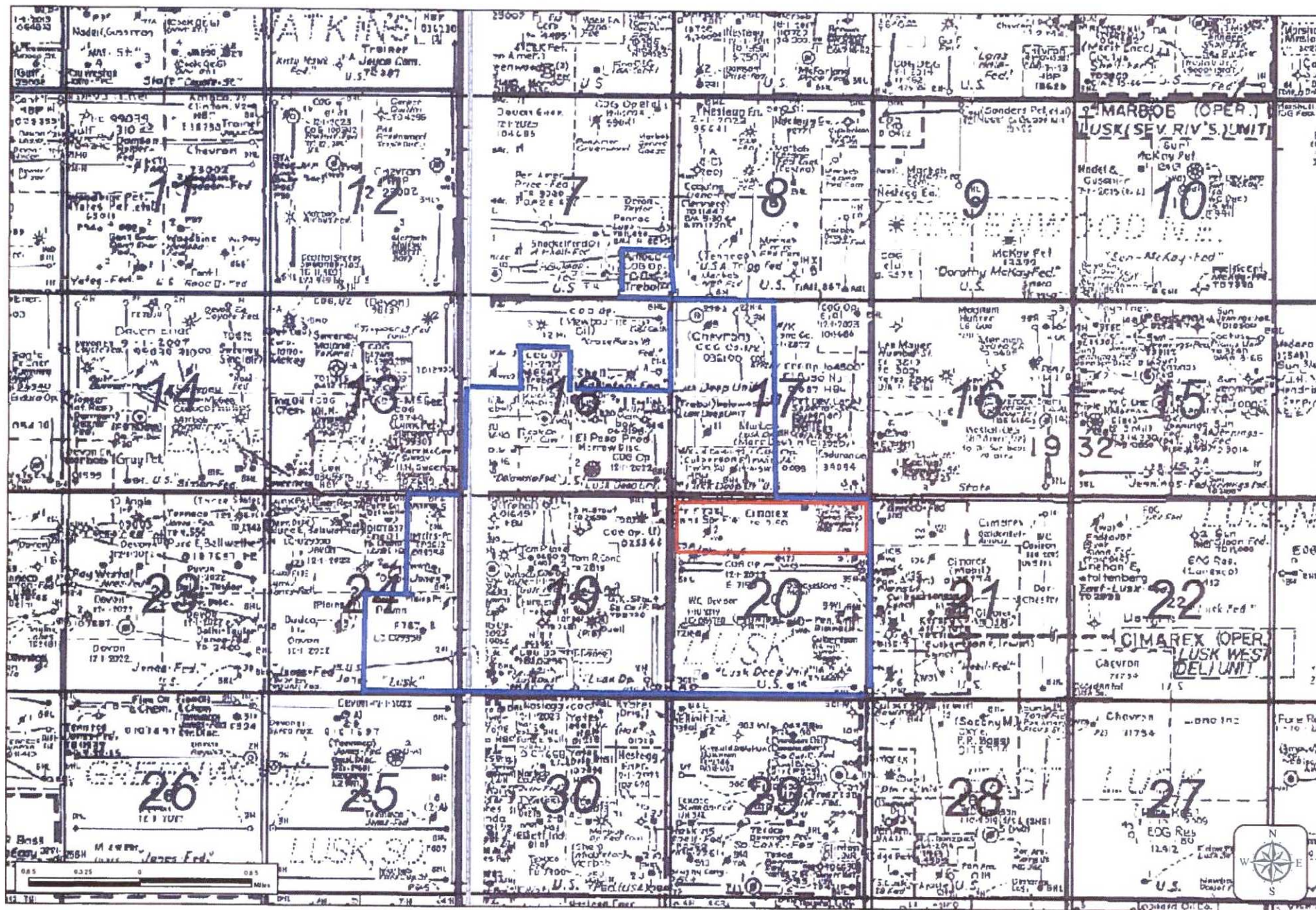


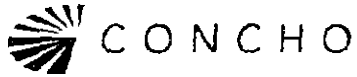
Lusk Deep Unit Boundary



Lusk Deep Unit A #31H Project Area

Lusk Deep Unit A #31H





Ashley Roush
Landman

July 12, 2016

Mr. Leonard Lowe
Engineering and Geological Services Bureau
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

RE: Lusk Deep Unit A #31H Offsetting Tracts
N/2 N/2 of Section 20, T19S-R32E
Lea County, NM

Dear Mr. Lowe,

Please be advised that COG Operating LLC ("Concho") owns the leasehold in the offsetting tracts to the Lusk Deep Unit A #31H non-standard location. The well will be drilled in the N/2 N/2 of Section 20, T19S-R32E.

The affected tracts, NE/4 NE/4 of Section 19 and SE/4 SE/4 of Section 18, are all part of the Lusk Deep Unit and the interest is uniform.

Please feel free to contact me at (432) 818-2358 if you have any questions in regard to this matter.

Sincerely,

COG Operating LLC

A handwritten signature in black ink that reads "Ashley Roush". The signature is written in a cursive, flowing style.

Ashley Roush, RPL
Landman
COG Operating LLC
Phone: 432-818-2358
aroush@concho.com

P R I N T E D

91 7199999170360762376



Ashley Roush
Landman

RECEIVED OGD

July 12, 2016

2016 JUL 14 P 2:18

Mr. Leonard Lowe
Engineering and Geological Services Bureau
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

RE: Lusk Deep Unit A #31H Offsetting Tracts
N/2 N/2 of Section 20, T19S-R32E
Lea County, NM

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The affected tracts, NE/4 NE/4 of Section 19 and SE/4 SE/4 of Section 18, are all part of the Lusk Deep Unit and the interest is uniform.

Please feel free to contact me at (432) 818-2358 if you have any questions in regard to this matter.

Sincerely,

COG Operating LLC

Ashley Roush, RPL
Landman
COG Operating LLC
Phone: 432-818-2358
aroush@concho.com

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Thursday, September 1, 2016 11:39 AM
To: 'Melanie Wilson'
Cc: 'lisa@rwbyram.com'; Brown, Maxey G, EMNRD; Kautz, Paul, EMNRD; 'jglover@blm.gov'; 'scaffey@blm.gov'; 'jstovall@blm.gov'; McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD; Jones, William V, EMNRD
Subject: NSL-7452 APPROVED: Lusk Deep Unit A Well No. 31H, Sec. 20 19S 32E
Importance: High

Ms. Melanie J. Wilson,

The following permit has been issued and will soon be available on the Division's web site:
<http://ocdimage.emnrd.state.nm.us/imaging/WellFileCriteria.aspx>

NSL-7452

COG Operating, LLC

API: 30-025-43124

WELL: Lusk Deep Unit A Well No. 31H, Lea County

Leonard Lowe

Engineering Bureau

Oil Conservation Division

Energy Minerals and Natural Resources Department

1220 South St. Frances

Santa Fe, New Mexico 87004

Office: 505-476-3492

Fax: 505-476-3462

E-mail: leonard.lowe@state.nm.us

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