State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Tony Delfin Acting Cabinet Secretary David R. Catanach, Division Director Oil Conservation Division



November 2, 2016

COG Production, LLC
Attn: Ms. Debora Wilbourn

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-7476

COG Production, LLC OGRID 217955 Windward Federal Well No. 5H API No. 30-025-43174

Proposed Location:

	Footages	Unit/Lot	Sec.	Twsp	Range	County_
Surface	210° FNL & 530° FWL	1	30	24S	32E	Lea
Penetration Point	330` FNL & 330` FWL	1	30	24S	32E	Lea
Final perforation	100` FSL & 330` FWL	4	31	24S	32E	Lea
Terminus	50° FSL & 330° FWL	4	31	24S	32E	Lea

Proposed Project Area:

Description	Acres	Pool	Pool Code
W/2 W/2 of Section 30	184.88	WC -025 G-06 S253206M; Bone Spring	97899
W/2 W/2 of Section 31	186.84		

Reference is made to your application received on September 22, 2016.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. This location is governed by statewide Rule 19.15.15.9.A NMAC, which provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary. This location is unorthodox because portions of the proposed completed interval are closer to outside boundaries of the proposed project area than any location that would be a standard location under the applicable pool rules.

Your application has been duly filed under the provisions of Division Rules 19.15.15.13 NMAC and 19.15.4.12.A (2) NMAC.

It is our understanding that you are seeking this NSL in order to allow for efficient recovery of reserves and preventing waste and improving well performance.

It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 19.15.4.12 A (2) NMAC, in all adjoining units towards which the proposed location encroaches.

Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DAVID R. CATANACH

Director

DRC/lrl

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