

RECEIVED: <b>2/12/18</b>	REVIEWER: <b>LRL</b>	TYPE: <b>NSL</b>	APP NO: <b>PLZL1804637149</b>
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Geological & 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

**Applicant:** COG Operating LLC **OGRID Number:** 229137  
**Well Name:** Shovel Head Federal Com #18H **API:** 30-025-  
**Pool:** Maljamar, Yeso, West **Pool Code:** 44500

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION  
 INDICATED BELOW**

**1) TYPE OF APPLICATION:** Check those which apply for [A]

A. Location – Spacing Unit – Simultaneous Dedication

☒ NSL☐ NSP (PROJECT AREA)☐ NSP (PRORATION UNIT)☐ SD

B. Check one only for [I] or [II]

[I] Commingling – Storage – Measurement

☐ DHC☐ CTB☐ PLC☐ PC☐ OLS☐ OLM

[II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery

☐ WFX☐ PMX☐ SWD☐ IPI☐ EOR☐ PPR

FEB 12 2018 AM 11:25

**2) NOTIFICATION REQUIRED TO:** Check those which apply.A. ☒ Offset operators or lease holdersB. ☐ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☐ Notification and/or concurrent approval by SLOE. ☐ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☒ For all of the above, proof of notification or publication is attached, and/or,H. ☐ No notice required**FOR OCD ONLY**☐ Notice Complete☐ Application  
Content  
Complete

**3) 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.**

Robyn Russell

Print or Type Name

Signature

02/09/2018

Date

(432) 685-4385

Phone Number

Rrussell@concho.com

e-mail Address



February 9, 2018

New Mexico Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87505

**RE: Shovel Head Federal Com #18H NSL**

To Whom It May Concern,

COG Operating LLC respectfully requests approval of a non-standard location for the following well(s):

Shovel Head Federal Com #18H – API #30-025-PENDING  
SHL: 330 FSL 200 FEL, UL P, Sec 5, T17S, R32E  
BHL: 330 FSL 2630 FWL, UL N, Sec 3, T17S, R32E  
TVD: 5780'

The granting of this NSL will optimize the completed lateral length of this wellbore, reducing waste while protecting correlative rights, and improving well economics and increasing revenue to the State of New Mexico and the Federal Government.

COG Operating LLC is the Operator in Section 3,4 & 5, T17S, R32E. Occidental Permian Limited Partnership, Et. Al., as non-operating working interest owner of the leasehold in the offset tracts, has been sent notification via certified mail. Copies of said mail have been attached to this application.

Please contact me should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Robyn Russell", written over a horizontal line.

Robyn Russell  
Regulatory Analyst  
COG Operating, LLC  
(432) 685-4385  
Rrussell@concho.com

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Artesia, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-	<sup>2</sup> Pool Code 44500	<sup>3</sup> Pool Name Maljamar; Yeso, West
<sup>4</sup> Property Code	<sup>5</sup> Property Name SHOVEL HEAD FEDERAL COM	<sup>6</sup> Well Number 18H
<sup>7</sup> GRID NO. 229137	<sup>8</sup> Operator Name COG OPERATING, LLC	<sup>9</sup> Elevation 4090'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North South line	Feet From the	East West line	County
P	5	17S	32E		330	SOUTH	200	EAST	LEA

<sup>11</sup> 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
N	3	17S	32E		330	SOUTH	2630	WEST	LEA

<sup>12</sup> Dedicated Acres 200	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

<p><b>GEODETTIC DATA</b> NAD 83 GRID - NM EAST SURFACE LOCATION N 678071.3 - E 711040.5 LAT: 32.8573223° N LONG: 103.7806828° W BOTTOM HOLE N 678095.2 - E 719143.0 LAT: 32.8572687° N LONG: 103.7542970° W</p> <p><b>GEODETTIC DATA</b> NAD 27 GRID - NM EAST SURFACE LOCATION N 678126.6 - E 669831.0 LAT: 32.8575333° N LONG: 103.7802767° W BOTTOM HOLE N 678030.6 - E 677964.8 LAT: 32.8571495° N LONG: 103.7537915° W</p>	<p><b>CORNER DATA</b> NAD 83 GRID - NM EAST A. FOUND 1 1/2" RON P.P.E. N 675723.3 - E 705965.0 B. FOUND BRASS CAP "1913" N 678363.7 - E 705942.4 C. FOUND BRASS CAP "1913" N 681002.8 - E 705922.6 D. FOUND BRASS CAP "1913" N 681021.0 - E 711201.1 E. FOUND BRASS CAP "1913" N 681029.9 - E 713837.2 F. FOUND BRASS CAP "1913" N 681039.6 - E 716477.9 G. FOUND BRASS CAP "1913" N 681058.7 - E 721757.3 H. FOUND BRASS CAP "1913" N 678409.3 - E 721771.1 I. FOUND BRASS CAP "1913" N 675771.1 - E 721786.3 J. FOUND BRASS CAP "1913" N 675765.3 - E 719150.6</p>	<p>K. CALCULATED CORNER N 675762.5 - E 716516.5 L. FOUND PK NAL N 675742.1 - E 741243.8 M. FOUND BRASS CAP "1913" N 678382.0 - E 711216.6 N. FOUND BRASS CAP "1913" N 678400.1 - E 716493.9</p> <p><b>CALCULATED POINTS</b> 1 N 675737.4 - E 709924.1 2 N 677057.4 - E 709912.0 3 N 677062.0 - E 711230.2 4 N 677081.3 - E 716505.2 5 N 677085.0 - E 719142.4</p>	<p><b>OPERATOR CERTIFICATION</b> 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 mineral 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 a mineral or mining interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <i>Robyn M. Russell</i> Date: 10/12/17 Printed Name: Robyn M. Russell E-mail Address: Russell@conhco.com</p>
<p><b>DETAIL "A"</b> 4091.6' 600' 4097.5' 600' S. L. 4084.9' 4090.6'</p>			<p><b>SURVEYOR CERTIFICATION</b> 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.</p> <p>8-31-2017 Date of Survey Signature and Seal of Professional Surveyor: <i>Robert M. Howett</i> 19680 Certificate Number</p>
<p>LOT 4 LOT 3 LOT 2 LOT 1 LOT 4 LOT 3 LOT 2 LOT 1 LOT 4 LOT 3 LOT 2 LOT 1</p> <p>First Take Point: 330' FSL 100' FWL Last Take Point: 330' FSL 2540' FWL</p> <p>Project Area N 89°49'51" E (GRID) 8104.60' (HORIZ)</p>			<p>Job No.: LS1708561</p>



## **Memorandum**

**To: Leonard Lowe**  
**Engineering Bureau**  
**New Mexico Oil Conservation Division**

**From: Bryan Montgomery**  
**Reservoir Engineering Supervisor, NM Shelf Team**  
**COG Operating LLC**

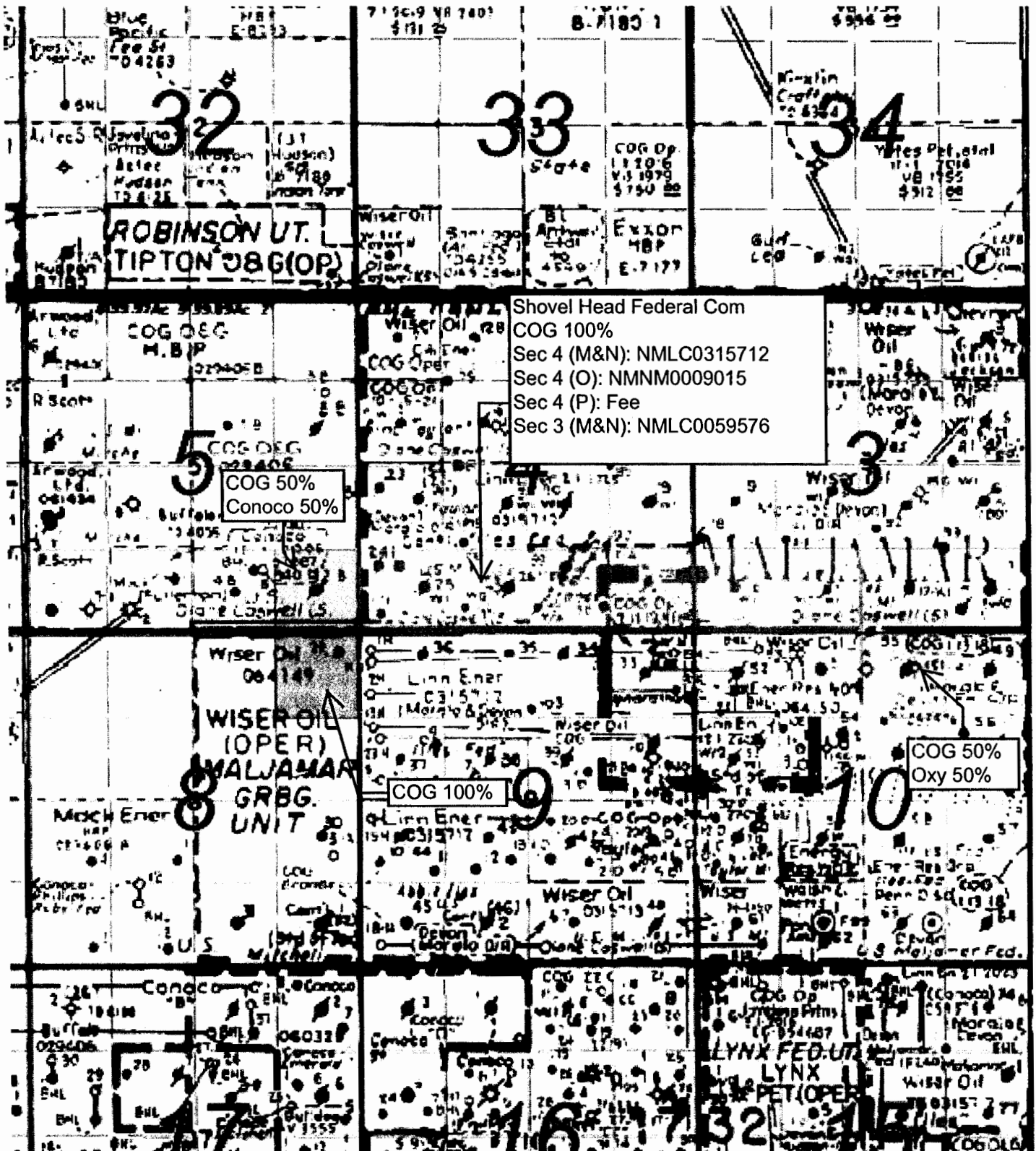
**Date: February 09, 2018**

**Subject: Shovel Head Federal Com #18H NSL Engineer Statement**

COG Operating LLC (COG) is requesting a non-standard location exception (NSL) for this horizontal well to be able to access and drain Yeso reserves that would otherwise be left in the reservoir, thereby preventing waste of an economic resource. The Yeso is a very low permeability reservoir that does not sufficiently drain a great distance from wellbores and their hydraulic fractures. In addition, it would not be economical to try to access these reserves with a vertical well.

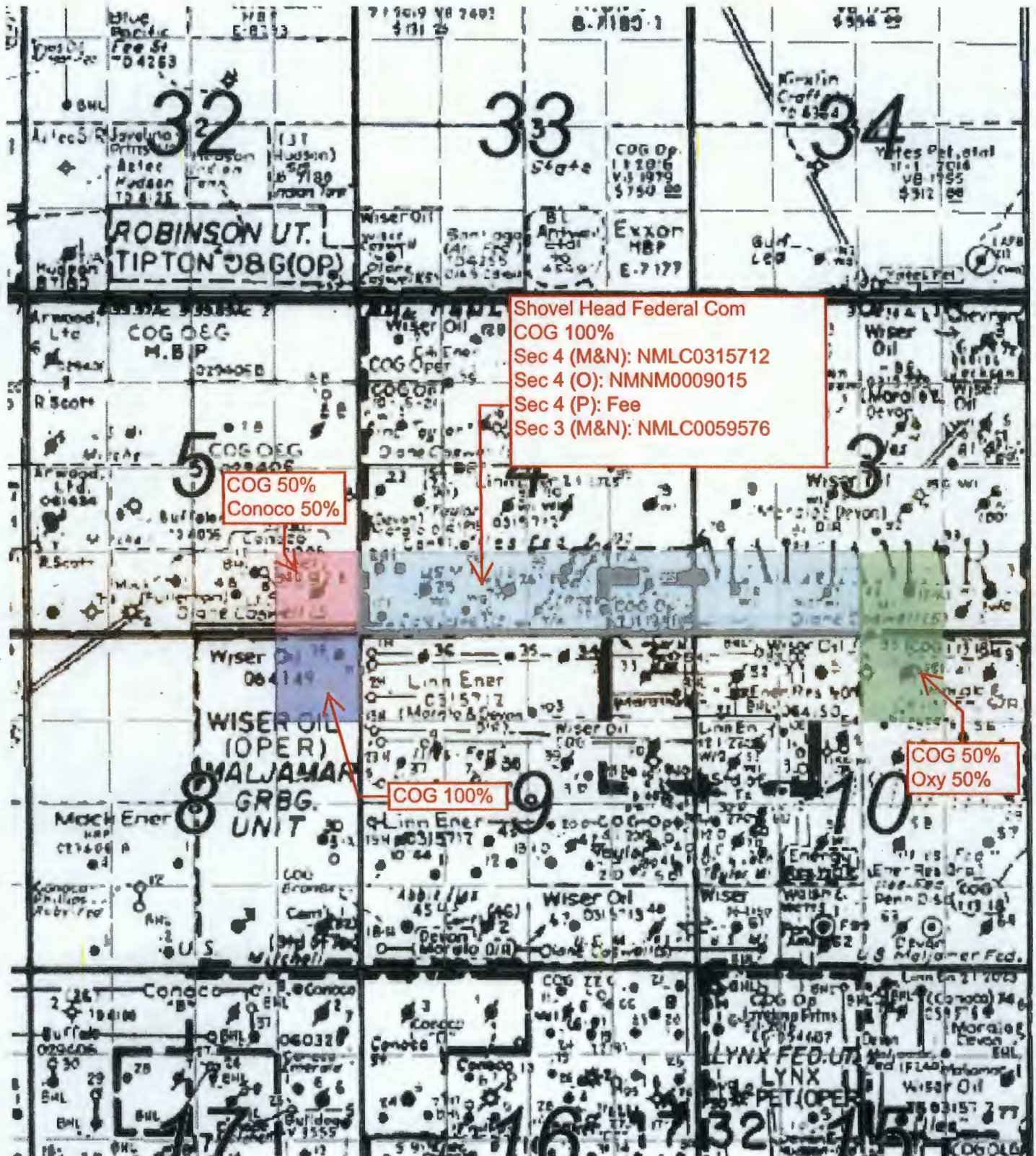


# Shovel Head Federal Com #18H Land Plat





# Shovel Head Federal Com #18H Land Plat





Sent Certified Mail  
Receipt #: 91-7199-9991-7038-1610-8068

January 25, 2018

**ConocoPhillips**  
**600 North Dairy Ashford Rd., 2WL-15058**  
**Houston, TX 77079**

**RE: Designation of Non-Standard Location by COG Operating LLC**  
**Lea County, New Mexico**

To Whom It May Concern,

This letter is to advise you that COG Operating LLC has filed the enclosed Well Dedication and Acreage Plats (C-102) with the New Mexico Oil Conservation Division seeking to designate non-standard location in Sections 3 & 4, T17S, R32E, Lea County, New Mexico.

Should your company have any objection, it must be filed in writing within twenty (20) days from the date of this notice. Non response within the 20 day notice shall constitute an approval/waiver of protest to COG's non-standard location.

Please contact me should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Robyn Russell", written in a cursive style.

Robyn Russell  
Regulatory Analyst  
COG Operating, LLC  
(432) 685-4385  
Rrussell@concho.com

## SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- 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.

ConocoPhillips  
600 North Dairy Ashford Rd.,  
2WL-1505  
Houston, Texas 77079  
Re: NSL-Shovel Head Fed Com #18H



9590 9402 2420 6249 0703 70

2. Article Number (Transfer from service label)

91 7199 9991 7038 1610 8068

PS Form 3811, July 2015 PSN 7530-02-000-9053

## 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

☐ Adult Signature☐ Adult Signature Restricted Delivery☒ Certified Mail®☐ Certified Mail Restricted Delivery☐ Collect on Delivery☐ Collect on Delivery Restricted Delivery☐ Insured Mail☐ Priority Mail Express®☐ Registered Mail™☐ Registered Mail Restricted☐ Delivery☒ Return Receipt for

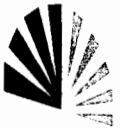
Merchandise

☐ Signature Confirmation™☐ Signature Confirmation

Restricted Delivery

Restricted Delivery

Domestic Return Receipt



ONE CONCHO CENTER  
600 W. ILLINOIS AVENUE  
MIDLAND, TX 79701

CONCHO

## SENDER: COMPLETE THIS SECTION

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C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes  
If YES, enter delivery address below: ☐ No

FEB 02 2018

3. Service Type

☐ Adult Signature☐ Adult Signature Restricted Delivery☒ Certified Mail®☐ Certified Mail Restricted Delivery☐ Collect on Delivery☐ Collect on Delivery Restricted Delivery☐ Insured Mail☐ Priority Mail Express®☐ Registered Mail™☐ Registered Mail Restricted☐ Delivery☒ Return Receipt for

Merchandise

☐ Signature Confirmation™☐ Signature Confirmation

Restricted Delivery

Restricted Delivery

Domestic Return Receipt

91 7199 9991 7038 1610 8068



ConocoPhillips  
600 North Dairy Ashford Rd.,  
2WL-1505  
Houston, Texas 77079





Sent Certified Mail  
Receipt #: 91-7199-9991-7038-1610-8051

January 25, 2018

**Occidental Permian Limited Partnership  
P.O. Box 4294  
Houston, TX 77210-4294**

**RE: Designation of Non-Standard Location by COG Operating LLC  
Lea County, New Mexico**

To Whom It May Concern,

This letter is to advise you that COG Operating LLC has filed the enclosed Well Dedication and Acreage Plats (C-102) with the New Mexico Oil Conservation Division seeking to designate non-standard location in Sections 3 & 4, T17S, R32E, Lea County, New Mexico.

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Sincerely,

A handwritten signature in black ink, appearing to read "Robyn Russell", written in a cursive style.

Robyn Russell  
Regulatory Analyst  
COG Operating, LLC  
(432) 685-4385  
Russell@concho.com

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- Complete items 1, 2, and 3
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- Attach this card to the back of the mailpiece, or on the front if space permits.

1. A/

Occidental Permian Limited Partnership  
PO Box 4294  
Houston, Texas 77210-4294  
Re: NSL-Shovel Head Fed Com #1811



9590 9402 2420 6249 0703 63

2 Article Number (Transfer from service label)

91 7199 9991 7038 1610 8051

PS Form 3811, July 2015 PSN 7530-02-000-9053

## 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

- ☐ Adult Signature  
☐ Adult Signature Restricted Delivery  
☒ Certified Mail®  
☐ Certified Mail Restricted Delivery  
☐ Collect on Delivery  
☐ Collect on Delivery Restricted Delivery  
☐ Insured Mail
- ☐ Priority Mail Express®  
☐ Registered Mail™  
☐ Registered Mail Restricted Delivery  
☒ Return Receipt for Merchandise  
☐ Signature Confirmation™  
☐ Signature Confirmation Restricted Delivery

ricted Delivery

Domestic Return Receipt



ONE CONCHO CENTER  
600 W. ILLINOIS AVENUE  
MIDLAND, TX 79701

CONCHO

91 7199 9991 7038 1610 8051



## SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3
- 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. A/

Occidental Permian Limited Partnership  
PO Box 4294  
Houston, Texas 77210-4294  
Re: NSL-Shovel Head Fed Com #1811



9590 9402 2420 6249 0703 63

2 Article Number (Transfer from service label)

91 7199 9991 7038 1610 8051

PS Form 3811, July 2015 PSN 7530-02-000-9053

## 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

FEB 06 2018

## 3. Service Type

- ☐ Adult Signature  
☐ Adult Signature Restricted Delivery  
☒ Certified Mail®  
☐ Certified Mail Restricted Delivery  
☐ Collect on Delivery  
☐ Collect on Delivery Restricted Delivery  
☐ Insured Mail
- ☐ Priority Mail Express®  
☐ Registered Mail™  
☐ Registered Mail Restricted Delivery  
☒ Return Receipt for Merchandise  
☐ Signature Confirmation™  
☐ Signature Confirmation Restricted Delivery

ricted Delivery

Domestic Return Receipt

Occidental Permian Limited Partnership  
PO Box 4294  
Houston, Texas 77210-4294

**From:** [Lowe, Leonard, EMNRD](#)  
**To:** "Robyn Russell"  
**Cc:** [Brown, Maxey G, EMNRD](#); [Kautz, Paul, EMNRD](#); [Jones, William V, EMNRD](#); [McMillan, Michael, EMNRD](#); [Goetze, Phillip, EMNRD](#); ["lisa@rwbyram.com"](#); ["jglover@blm.gov"](#); ["scaffey@blm.gov"](#); ["jstovall@blm.gov"](#)  
**Subject:** APPROVED NSL-7649 NSL-7650\_COG Operating, LLC\_Shovel Head Federal Well No. (18H & 28H)\_SEC 5 17S 32E  
**Date:** Monday, March 12, 2018 9:19:00 AM  
**Importance:** High

---

**Robyn Russell,**

The following Administrative Orders have been issued:

**ORDER: NSL-7649**  
**OPERATOR: COG Operating, LLC**  
**WELL: Shovel Head Federal Well No. 18H**  
**API NO: 30-025-PENDING**

**ORDER: NSL-7650**  
**OPERATOR: COG Operating, LLC**  
**WELL: Shovel Head Federal Well No. 28H**  
**API NO: 30-025-PENDING**

These orders will soon be available on the Division's web site:

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

Enjoy your Monday!

**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

Cell: 505-930-6717

Fax: 505-476-3462

E-mail: [leonard.lowe@state.nm.us](mailto:leonard.lowe@state.nm.us)

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