

RECEIVED: 2/12/18	REVIEWER: LRL	TYPE: NSL	APP NO: PLEL 1804637511
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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 #28H	API: 30-025-
Pool: Maljamar, Yeso, West	Pool Code: 44500

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

NSL-7650

FEB 12 2018 AM 11:25

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**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

Russell@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 #28H 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 #28H – API #30-025-PENDING
SHL: 450 FSL 2330 FEL, UL P, Sec 5, T17S, R32E
BHL: 430 FSL 2630 FWL, UL N, Sec 3, T17S, R32E
TVD: 6215'

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
Russell@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, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 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

¹ API Number 30-025-		² Pool Code 44500		³ Pool Name Maljamar; Yeso, West	
⁴ Property Code		⁵ Property Name SHOVEL HEAD FEDERAL COM			⁶ Well Number 28H
⁷ GRID NO 229137		⁸ Operator Name COG OPERATING, LLC			⁹ Elevation 4090'

¹⁰ 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		450	SOUTH	230	EAST	LEA

¹¹ 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		430	SOUTH	2630	WEST	LEA

¹² Dedicated Acres 200	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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>GEODETIC DATA NAD 83 GRID - NM EAST SURFACE LOCATION N 676191.1 - E 711009.2 LAT: 32.8576521° N LONG: 103.7807825° W BOTTOM HOLE N 676195.1 - E 719142.1 LAT: 32.8575435° N LONG: 103.7542980° W</p>	<p>CORNER DATA NAD 83 GRID - NM EAST A: FOUND 1 1/2" IRON PIPE 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 675782.5 - E 716516.5 L: FOUND PK NAL N 675742.1 - E 711243.8 M: FOUND BRASS CAP "1913" N 678392.0 - E 711216.6 N: FOUND BRASS CAP "1913" N 678400.1 - E 716493.9</p> <p>CALCULATED POINTS 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>
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OPERATOR CERTIFICATION

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 unworked 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 working interest, or to a voluntary pooling agreement or a compulsory pooling

under the authority entered by the division

Signature: *[Signature]* Date: 10/12/17

Printed Name: Robyn M. Russell

E-mail Address: Rrussell@conhco.com

Signature and Seal of Professional Surveyor

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.

8-31-2017

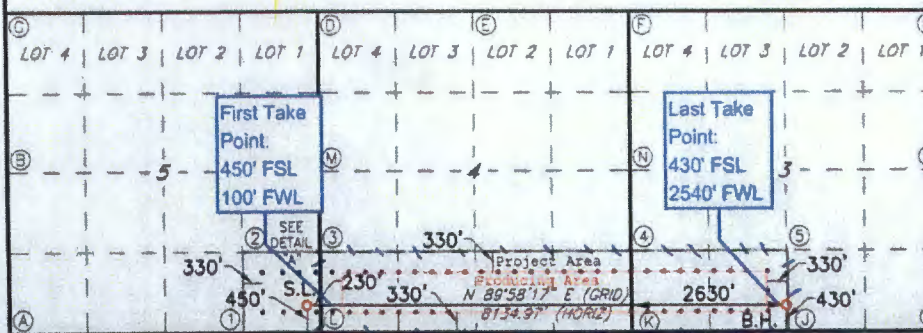
Date of Survey

Signature and Seal of Professional Surveyor



19680

Certificate Number



Job No.: LS1708562



Memorandum

To: Leonard Lowe
Engineering Bureau
New Mexico Oil Conservation Division

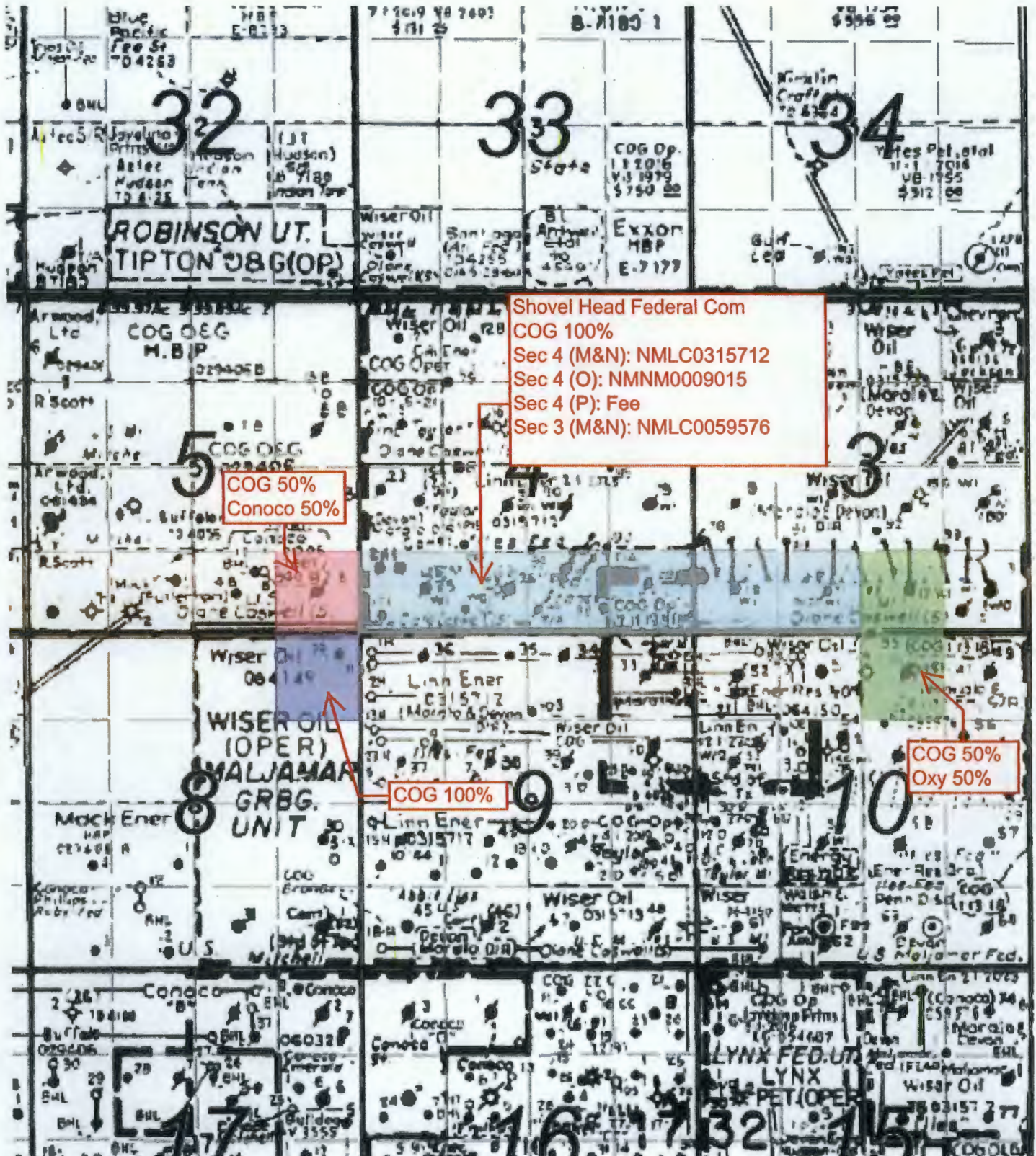
From: Bryan Montgomery
Reservoir Engineering Supervisor, NM Shelf Team
COG Operating LLC

Date: February 09, 2018

Subject: Shovel Head Federal Com #28H 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 #28H Land Plat





Sent Certified Mail
Receipt #: 91-7199-9991-7038-1610-8075

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
Russell@concho.com

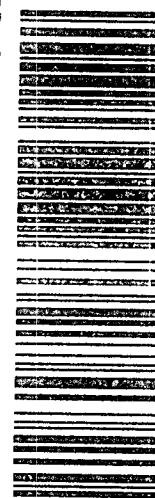
SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p>■ Complete items 1, 2, and 3</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p>		<p>A. Signature <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>X</p> <p>B. Received by (Printed Name) C. Date of Delivery</p>	
<p>1. ConocoPhillips 600 North Dairy Ashford Rd., 2WL-1505 Houston, Texas 77079 Re: NSL-Shovel Head Fed Com #28H</p>		<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below:</p>	
<p>2. Article Number (Transfer from service label) 91 7199 9991 7038 1610 8075</p>		<p>3. Service Type <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Certified Mail® <input checked="" type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Insured Mail</p>	
<p>PS Form 3811, July 2015 PSN 7530-02-000-9053</p>		<p>Domestic Return Receipt</p>	



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

CONCHO CENTER

91 7199 9991 7038 1610 8075



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<p>PS Form 3811, July 2015 PSN 7530-02-000-9053</p>		<p>Domestic Return Receipt</p>	

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



Sent Certified Mail
Receipt #: 91-7199-9991-7038-1610-8082

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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Please contact me should you have any questions.

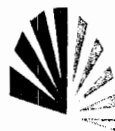
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Robyn Russell
Regulatory Analyst
COG Operating, LLC
(432) 685-4385
Rrussell@concho.com

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<p>1. Occidental Permian Limited Partnership PO Box 4294 Houston, Texas 77210-4294 Re: NSL-Shovel Head Fed Com #28H</p>		<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™</p> <p><input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery <input checked="" type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p>	
<p>2. Article Number (Transfer from service label)</p> <p>91 7199 9991 7038 1610 8082</p>		<p>PS Form 3811, July 2015 PSN 7530-02-000-9053</p>	

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



CONCHO CENTER

91 7199 9991 7038 1610 8082



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<p>2. Article Number (Transfer from service label)</p> <p>91 7199 9991 7038 1610 8082</p>		<p>PS Form 3811, July 2015 PSN 7530-02-000-9053</p>	

FEB 06 2018

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

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