

State of New Mexico
Energy, Minerals and Natural Resources Department

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Oil Conservation Division



April 3, 2018

Robyn Russell
COG Operating, LLC
Russell@concho.com

NON-STANDARD LOCATION

Administrative Order NSL-7654

COG Operating, LLC. [OGRID 229137]
Chimay 6 Federal Com Well No. 015H
API No. 30-015-43620

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	2310 FSL & 10 FEL	I	1	17S	29E	Eddy
Penetration Point	2310 FSL & 100 FWL	L/ Lot 6	6	17S	30E	Eddy
Final perforation	2310 FSL & 100 FEL	I	6	17S	30E	Eddy
Terminus	2310 FSL & 10 FEL	I	6	17S	30E	Eddy

Proposed Project Area

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
Lot 6, N/2 SE/4 and NE/4 SW/4 (N/2 S/2 equivalent) of Section 6	157.17	Loco Hills; Glorieta-Yeso	96718

Reference is made to your application received on March 19, 2018.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. Subsection A of 19.15.15.9 NMAC governs this pool and provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary.

This well's completed interval is as close as 10 feet from the western and eastern edges, and 345 feet on the diagonal of the penetration point and 345 feet on the final perforation location of the project area and therefore will cause an encroachment toward the following tracts.

Section 1, T17S, R29E, encroachment to the SE/4 NE/4 and NE/4 SE/4
Section 5, T17S, R30E, encroachment to the SW/4 NW/4 and NW/4 SW/4

Normally, you must give notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (2) of Subsection A of 19.15.4.12 NMAC, in all adjoining units towards which the proposed location encroaches. However, COG Operating, LLC is the 100% working interest owner in the affected tracts. Therefore, no notice is required.

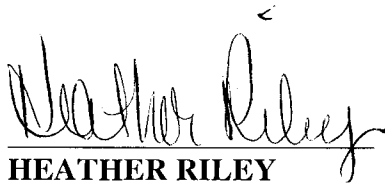
OCD understands that you seek this location to access and drain Yeso reserves that would otherwise be left in the reservoir, thereby preventing waste.

Your application has been filed under 19.15.15.13 NMAC and Paragraph (2) of Subsection A of 19.15.4.12 NMAC.

Pursuant to Subsection B of 19.15.15.13 NMAC, OCD approves the above-described unorthodox location.

The above approvals are subject to your following all other applicable OCD rules.

Jurisdiction of this case is retained for the entry of further orders as OCD deems necessary.



HEATHER RILEY
Director

HR/mam/rbb

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