

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

Heather Riley, Division Director
Oil Conservation Division



April 3, 2018

Debora Wilbourn
COG Operating, LLC
dwilbourn@concho.com

NON-STANDARD LOCATION

Administrative Order NSL-7668

COG Operating, LLC. [OGRID 229137]
Dominator 25 Federal Com Well No. 608H
API No. 30-025-Pending

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	280 FSL & 1462 FWL	N	25	25S	33E	Lea
Penetration Point	330 FSL & 1250 FWL	M	25	25S	33E	Lea
Final perforation	330 FNL & 1250 FWL	D	25	25S	33E	Lea
Terminus	200 FNL & 1250 FWL	D	25	25S	33E	Lea

Proposed Project Area

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
W/2 W/2 of Section 25	160	Hardin Tank; Wolfcamp	96658

Reference your application received March 13, 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 location is unorthodox because it is too close to the eastern boundary of the unit.

This well's completed interval is as close as 70 feet from the eastern edge, and 338 feet on the diagonal of the penetration point and as close as 70 feet from the eastern edge, and 338 feet on the diagonal of the final perforation location of the project area. Therefore, encroachments will impact the following tracts.

Section 24, T25S R33E, encroachment to the SE/4 SW/4
Section 25, T25S R33E, encroachment to the E/2 W/2
Section 36, T25S R33E, encroachment to the NE/4 NW/4

OCD understands you have given 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.

OCD also understands you seek this location to provide adequate spacing for the planned spacing test and will allow economic recovery along with co-development of other wells in the section. By testing the viability of simultaneous development on reduced spacing within a single interval, you attempt to maximize recoverable resources from the interval and minimize waste created should you not simultaneously develop these targets.

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 – Hobbs District Office
Bureau of Land Management – Carlsbad Field Office