

State of New Mexico
Energy, Minerals and Natural Resources Department

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Oil Conservation Division



May 22, 2018

Robyn Russell
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NON-STANDARD LOCATION

Administrative Order NSL-7719

COG Operating, LLC [OGRID 229137]
Gissler Federal Well No. 16H
API No. 30-015-44913

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	1550 FSL & 170 FEL	I	6	17S	30E	Eddy
Penetration Point	1650 FSL & 100 FWL	L	5	17S	30E	Eddy
Final perforation	1650 FSL & 100 FEL	I	5	17S	30E	Eddy
Terminus	1650 FSL & 10 FEL	I	5	17S	30E	Eddy

Proposed Project Area

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
N2 S2 of Section 5	160	Loco Hills; Glorieta-Yeso	96718

Reference is made to your application received on May 9, 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 345 feet to the southwestern edge, 100 feet to the western edge, 100 feet to the eastern edge, and 345 feet to the southeastern edge of the project area. Encroachments will impact the following tracts.

Section 6, T17S R30E encroachment to the E2 SE4
Section 4, T17S R30E encroachment to the W2 SW4

Division 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.

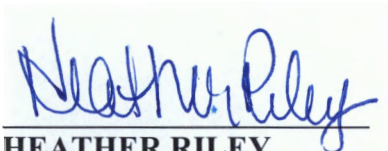
Division understands you seek this location to optimize the completed lateral length of this wellbore, therefore reducing waste and protecting correlative rights within the Glorieta-Yeso formation underlying the N2 S2 of Section 5.

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

Per Subsection B of 19.15.15.13 NMAC, Division approves this unorthodox location.

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

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


HEATHER RILEY
Director

HR/lrl

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