

RECEIVED: 05/08/18	REVIEWER: LRL	TYPE: NSL	APP NO: pLEL1817052014
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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:** Gissler Federal #1711 **API:** 30-015-44914  
**Pool:** Loco Hills; Glorieta-Yeso **Pool Code:** 96718

**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

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.  
 A.  Offset operators or lease holders  
 B.  Royalty, overriding royalty owners, revenue owners  
 C.  Application requires published notice  
 D.  Notification and/or concurrent approval by SLO  
 E.  Notification and/or concurrent approval by BLM  
 F.  Surface owner  
 G.  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

05/08/2018  
 Date

(432) 685-4385  
 Phone Number

Russell@concho.com  
 e-mail Address



May 8, 2018

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

RE: **Gissler Federal #17H NSL**

To Whom It May Concern,

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

Gissler Federal #17H – API #30-015-44914  
SHL: 990 FSL 170 FEL, UL I, Sec 6, T17S, R30E  
BHL: 990 FSL 10 FEL, UL I, Sec 5, T17S, R30E  
TVD: 4550'

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.

Attached to this application is a plat showing this well's location, an updated lease map and letters from the designated Landman and Engineer. COG Operating LLC owns 100% working interest and operates the offset leases in Section 6, T17S, R30E. Apache Corporation, as the operating working interest owner of the leasehold in Sec 4, T17S, R30E, has been notified of this application and has provided a letter to waive any objection to this NSL. A copy of said letter has been attached to this application.

Please contact me should you have any questions.

Sincerely,

A handwritten signature in blue ink that reads "Robyn Russell".

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  
1990 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) 476-1460 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 30-015-44914		2 Pool Code 96718		3 Pool Name Loco Hills; Glorieta-Yeso	
4 Property Code 302499		5 Property Name GISSLER FEDERAL			6 Well Number 17H
7 GRID NO 229137		8 Operator Name COG OPERATING, LLC			9 Elevation 3689'

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	6	17S	30E		990	SOUTH	170	EAST	EDDY

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
P	5	17S	30E		990	SOUTH	10	EAST	EDDY

12 Dedicated Acres 160	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><b>GEODETIC DATA</b> NAD 83 GRID - NM EAST</p> <p><b>SURFACE LOCATION</b> N 678408.6 - E 642874.6 LAT: 32.8550349° N LONG: 104.0033131° W</p> <p><b>BOTTOM HOLE</b> N 678428.1 - E 648118.0 LAT: 32.8550349° N LONG: 103.9855930° W</p> <p><b>GEODETIC DATA</b> NAD 27 GRID - NM EAST</p> <p><b>SURFACE LOCATION</b> N 676345.0 - E 601495.8 LAT: 32.8589193° N LONG: 104.0028045° W</p> <p><b>BOTTOM HOLE</b> N 676362.4 - E 606937.1 LAT: 32.8589193° N LONG: 103.9850847° W</p>	<p><b>CORNER DATA</b> NAD 83 GRID - NM EAST</p> <p>A. FOUND BRASS CAP "1914" N 675387.8 - E 637653.6</p> <p>B. FOUND BRASS CAP "1914" N 678025.5 - E 637653.4</p> <p>C. FOUND BRASS CAP "1914" N 680665.9 - E 637654.6</p> <p>D. FOUND BRASS CAP "1916" N 680673.4 - E 642190.1</p> <p>E. FOUND BRASS CAP "1916" N 680680.6 - E 642829.7</p> <p>F. FOUND BRASS CAP "1916" N 680688.3 - E 645470.0</p> <p>G. FOUND BRASS CAP "1916" N 680696.5 - E 648110.9</p>	<p>H. FOUND BRASS CAP "1916" N 678076.6 - E 648121.2</p> <p>I. FOUND BRASS CAP "1916" N 675436.4 - E 648128.9</p> <p>J. FOUND BRASS CAP "1916" N 675428.2 - E 645485.7</p> <p>K. FOUND BRASS CAP "1916" N 675419.9 - E 642848.2</p> <p>L. FOUND BRASS CAP "1916" N 675403.7 - E 642028.3</p> <p>M. CALCULATED CORNER N 678053.3 - E 642838.9</p> <p><b>CALCULATED POINTS</b></p> <p>1. N 675411.8 - E 641528.3 2. N 676731.2 - E 641523.7 3. N 676739.6 - E 642843.6 4. N 676756.5 - E 648125.0</p>	<p><b>17 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 interest 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 working interest, or as a voluntary pooling agreement or a compulsory pooling.</p> <p><i>[Signature]</i> 10/18/17 Signature Date <b>Robyn M. Russell</b> Printed Name Russell@concho.com Email Address</p>
<p><b>18 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>8-30-2017 Date of Survey</p> <p><i>[Signature]</i> Signature and Seal of Professional Surveyor</p> <p>19680 Certificate Number</p> <p><b>ROBERT M. HOWETT</b> NEW MEXICO 19680 PROFESSIONAL SURVEYOR</p>			<p><b>19</b></p> <p>LOT 4 36.92 Ac. LOT 3 39.79 Ac. LOT 2 39.63 Ac. LOT 1 39.49 Ac. LOT 4 39.41 Ac. LOT 3 39.43 Ac. LOT 2 39.45 Ac. LOT 1 39.47 Ac.</p> <p>DETAIL "A"</p> <p>3689.8' 800' 3686.2'</p> <p>LOT 5 37.03 Ac. 600' S.L.</p> <p>3688.5' 3689.5'</p> <p>LOT 6 37.17 Ac. 6</p> <p>LOT 7 37.11 Ac.</p> <p>330' 990' 170' 330' 330' 330' 330'</p> <p>SEE DETAIL "A"</p> <p>First Take Point 990 FSL 100 FWL</p> <p>Last Take Point 990 FSL 100 FEL</p> <p>B.H. 10'</p> <p>N 89°49'50" E (GRID), 5442.63' (HORIZ)</p> <p>Projected Area</p> <p>Produced Area</p>

Job No.: LS1708552



## Memorandum

To: Leonard Lowe  
Engineering Bureau  
New Mexico Oil Conservation Division

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

Date: May 8, 2018

Subject: Gissler Federal #17H 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.



## Memorandum

To: Leonard Lowe  
Engineering Bureau  
New Mexico Oil Conservation Division

From: Adam Clay Reker, MBA, RPL  
Landman, NM Shelf Team  
COG Operating LLC

Date: April 17, 2018

Subject: Gissler Federal #16H and #17H NSL Landman Statement

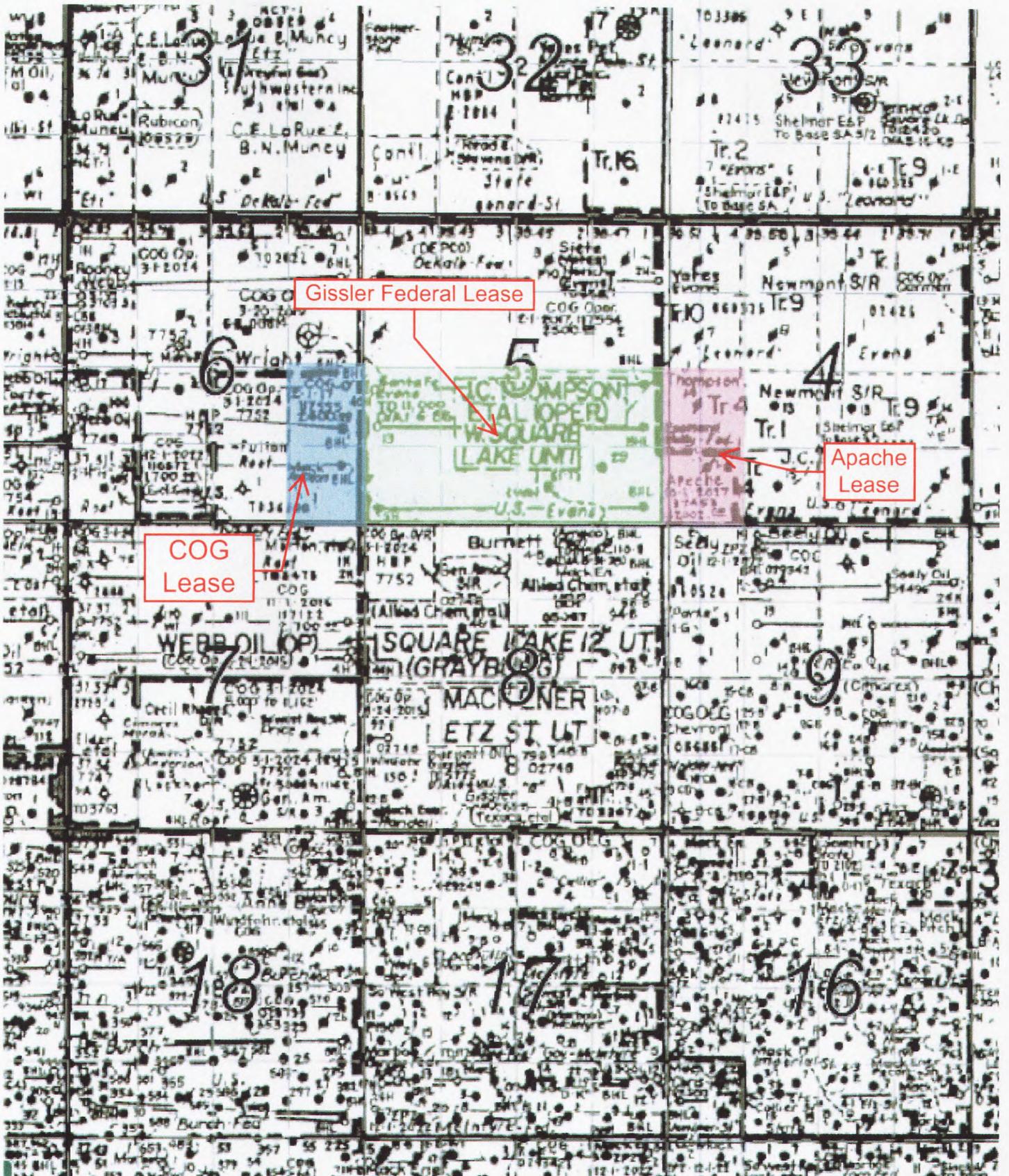
I, Adam Clay Reker, Landman for COG Operating LLC, have examined or have had title attorneys/contract land professionals examine the lands and leases associated with the Gissler Federal #16H and Gissler Federal #17H Wells and their offsets:

COG's "Chimay" lease and "Newcastle" lease cover the NE/4SE/4 and SE/4SE/4 of Section 6, T17S-R30E in Eddy County, NM and are owned 100% by COG in the producing interval (The "heel" of the well). Additionally, Apache Corporation is the operator of the producing interval in All of Section 4, T17S-R30E in Eddy County, NM (The "toe" of the well). Apache has waived its right to protest any NSLs on COG's Gissler Lease (See attached copy of this waiver). This information was researched by myself and/or provided by land professionals who rendered ownership reports covering the aforementioned tracts over the last couple of months. Said leases being Federal Lease USA NM-117555, Federal Lease USA NM-02425 and Federal Lease USA NM-137453.

ADAM C. REKER

Date: 4/17/2018

Gissler Federal #17H Land Plat





Adam C. Reker, MBA

April 24, 2018

Apache Corporation  
Attn: Laci Stretcher  
303 Veterans Airpark Lane Suite 1000  
Midland, TX 79705

RE: **Request for Waiver of Objection – Application for Unorthodox Well Locations**  
Any and All Wells operated by COG located in Section 5, T17S-R30E, Eddy County New Mexico  
"Subject Wells"

Dear Laci,

COG Operating LLC ("COG") will be applying to the New Mexico Oil Conservation Division ("NMOCD") for unorthodox well locations for all wells it drills in Section 5, T17S-R30E. COG is seeking approval of the unorthodox oil well locations in order to maximize recovery of reserves. The NMOCD's approval of the unorthodox completed interval will allow for the efficient recovery of reserves thereby preventing waste and improving well performance.

COG has fulfilled its duties under that certain Letter Agreement dated March 26, 2018, and the NMOCD has subsequently approved Apache Corporation's ("Apache") Thunderbird Unit. Pursuant to the terms of the Letter Agreement, COG is respectfully requesting that Apache waive its right to protest the Subject Wells, along with any future development in Section 5, T17S-R30E, which impacts the East of said section, no closer than 10 feet from the lease line with a last take point no closer than 100 feet from the lease line.

If the foregoing meets your approval, please signify by signing below and email this document to areker@concho.com. If there are any questions concerning this request, please call me at 432-685-2515.

Sincerely,

COG Operating LLC  
Adam C. Reker, MBA, RPL

Apache Corporation  
Laci Stretcher, RPL

I/We hereby waive any objection to any unorthodox well location(s) or any future development as specified in this letter operated by COG located in Section 5, T17S-R30E.

Apache Corporation

By: *Amy D. Lindsey* Date: 4/25/18  
Name: Amy D. Lindsey *is*  
Title: Region Land Manager *Red*

**From:** [Lowe, Leonard, EMNRD](#)  
**To:** "Robyn Russell"  
**Cc:** [Mike Bratcher \(mike.bratcher@state.nm.us\)](#); [Cordero, Gilbert, EMNRD](#); ["lisa@rwbyram.com"](#); [Dawson, Scott, EMNRD](#); [Jones, William V, EMNRD](#); [McMillan, Michael, EMNRD](#); [Goetze, Phillip, EMNRD](#); ["jglover@blm.gov"](#); ["scaffey@blm.gov"](#); ["rjsanche@blm.gov"](#); ["jstovall@blm.gov"](#)  
**Subject:** APPROVED NSL-7733\_COG Operating, LLC\_Gissler Federal Well No. 17H\_SEC 6 17S 30E  
**Date:** Friday, June 22, 2018 3:27:00 PM  
**Importance:** High

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Ms. Robyn Russell,

The following administrative order has been issued and will soon be available on the Division's web site.

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

**ORDER No:** NSL-7733  
**APPLICANT:** COG Operating, LLC. [229137]  
**WELL:** Gissler Federal Well No. 17H [API #: 30-015-44914]  
**POOL:** Loco Hills; Glorieta-Yeso [# 96718]

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