

RECEIVED: 3/19/2018	REVIEWER:	TYPE: NS	APP NO: DMA-180804946
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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 Production LLC **OGRID Number:** 217955
Well Name: Eider Federal 206H **API:** **44882**
Pool: WC-025 G-07 S243225C; Bone Spring **Pool Code:** 97964

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

MAR 21 2018 PM 01:13

1) TYPE OF APPLICATION: Check those which apply for [A]

A. Location - Spacing Unit - Simultaneous Dedication

☒ NSL☐ NSP (PROJECT AREA)☐ NSP (PRORATION UNIT)☐ SD

NSL 7752

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.

 Debora L. Wilbourn

Print or Type Name

3/19/18

 Date

575-748-6958

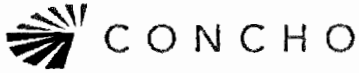
 Phone Number

dwilbourn@concho.com

 e-mail Address

Debora L. Wilbourn

 Signature



March 19, 2018

Oil Conservation Division
Attention: Mr. Leonard Lowe
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application for Nonstandard Wellbore Location
Eider Federal #206H
SHL: 210' FSL 2230' FEL (Unit O), Section 35-T24S-R32E
Proposed FTP: 330' FSL 1315' FEL (Unit P)
BHL: 2410' FSL 1315' FEL (Unit I), Section 26-T24S-R32E
Proposed LTP: 2410' FSL 1315' FEL (Unit I)
Lea County, New Mexico

Dear Mr. Lowe:

Pursuant to Division Rule 19.15.15.13, COG Operating LLC (COG) respectfully requests administrative approval of a non-standard wellbore location for its Eider Federal #206H well. The producing interval of this well does not meet the requirement of the producing area being 330' from the outer boundary. Attached is a Form C-102 showing the project/producing area of this well.

COG is seeking approval of the unorthodox location in order to maximize recovery of reserves. The New Mexico Oil Conservation Division's approval of the unorthodox completed intervals for the Eider Federal #202H, 204H and 206H wells will allow for efficient recovery of reserves, thereby preventing waste and improving well performance. (Please see attached Engineering Statement for more detailed information.)

The affected offset tracts are the SE/4NE/4, SW/4NE/4 of Section 26-T24S-R32E, the W/2SE/4 of Section 26 and W/2E/2 of Section 35-T24S-R32E, and the NW/4NE/4, NE/4NE/4 of Section 35-T24S-R32E. EOG Y Resources, Inc. is the operator of record in the S/2NW/4 of Section 26 and the N/2NW/4 of Section 35. COG is the sole working interest owner in the W/2SE/4 of Section 26 and W/2E/2 of Section 35. EOG Y Resources, Inc. has been notified by Certified Mail of the proposed non-standard location. The notice letter advises said operator that in the event they have an objection to COG's application, they must file a written letter with the Division within twenty (20) days from the date the Division receives this application.

Thank you for your consideration of this application. Should you have questions or require further information, please contact me at 575-748-6958 or by email at dwilbourn@concho.com.

Sincerely,

A handwritten signature in cursive script that reads "Debora L. Wilbourn".

Debora L. Wilbourn
Regulatory Analyst

Enclosures
cc: OCD Hobbs

CORPORATE ADDRESS

ONE CONCHO CENTER | 600 WEST ILLINOIS AVENUE | MIDLAND, TEXAS 79701
P 432.683.7443 | F 432.683.7441

ARTESIA WEST OFFICE

2208 MAIN STREET | ARTESIA, NEW MEXICO 88210
P 575.748.6940 | F 575.746.2096

**Eider Federal 202H, 204H & 206H
NSL Application
Engineering Statement**

The Eider Federal 202H, 204H and 206H wells are part of a development project in which COG Production LLC (COG) will test reduced spacing in the Upper, Lower, and Basal Avalon Shale and the 1st Bone Spring Sand Intervals. There are a total of twelve (12) wells in SW/4 of Section 26 and the W/2 of Section 35 that will be testing this reduced spacing.

Approval of NSLs for the three aforementioned Eider Federal wells will provide adequate spacing for the planned spacing test and will allow economic recovery along with the co-development of the other wells in the section. By testing the viability of simultaneous development on reduced spacing within a single interval, COG is attempting to maximize recoverable resources from the interval and minimize waste created should we not simultaneously developing these targets.

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240
Phone: (505) 383-0181 Fax: (505) 383-0790

DISTRICT II
811 S. FIRST ST., ARTESIA, NM 88210
Phone: (505) 746-1263 Fax: (505) 746-9720

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 334-0178 Fax: (505) 334-0170

DISTRICT IV
1625 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3460

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-44880	Pool Code 97964	Pool Name WC-025 G-07 S243225C; Bone Spring
Property Code	Property Name EIDER FEDERAL	Well Number 206H
OGRID No. 217955	Operator Name COG PRODUCTION, LLC	Elevation 3529.9'

Surface Location

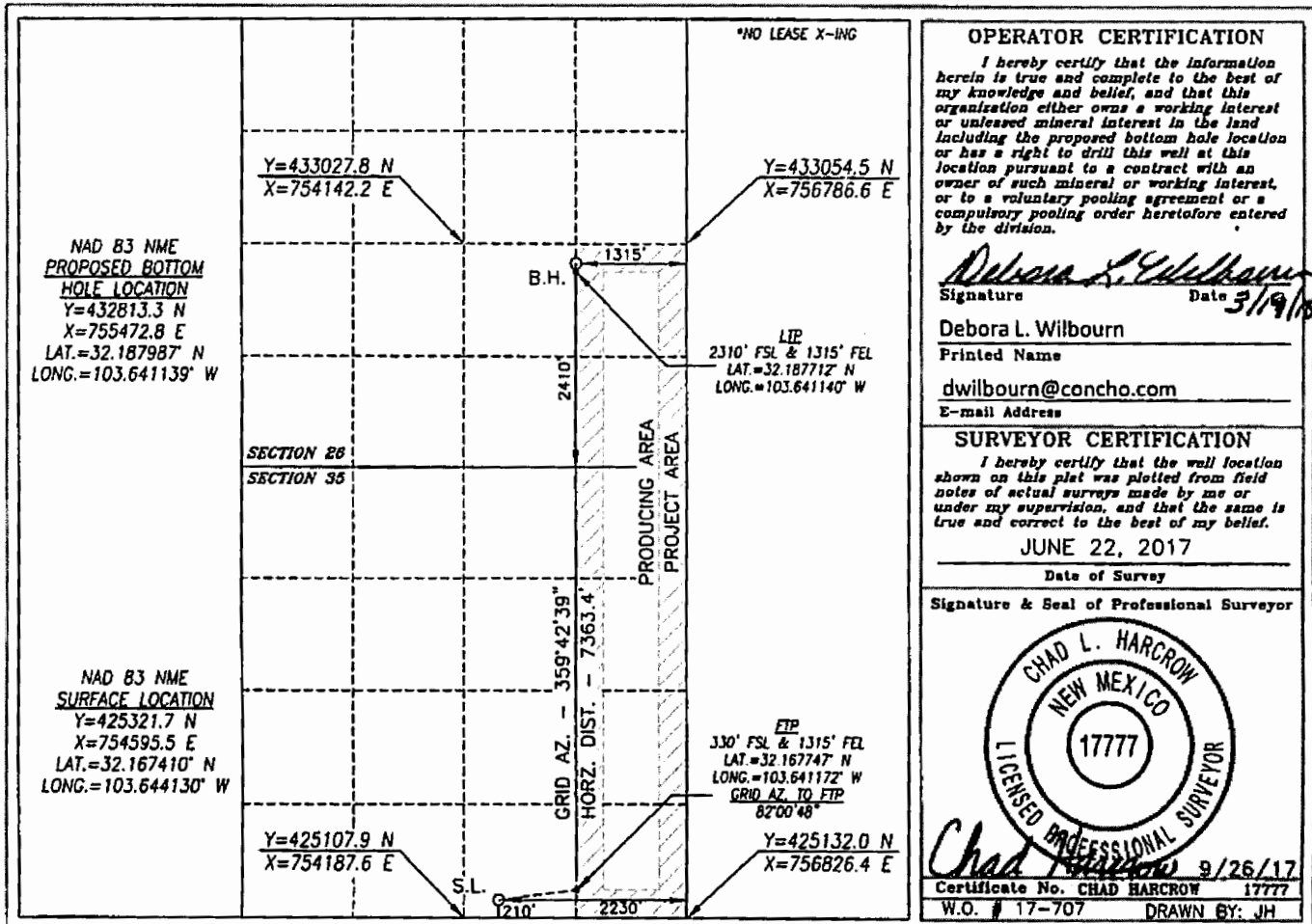
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	35	24-S	32-E		210	SOUTH	2230	EAST	LEA

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
1	26	24-S	32-E		2410	SOUTH	1315	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
240			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION





March 19, 2018

Certified Mail – Return Receipt Request
7017 3040 0000 2540 3525

EOG Y Resources, Inc.
5509 Champions Dr.
Midland, TX 79706

Re: Application for Nonstandard Wellbore Location
Eider Federal #202H, 204H & 206H (see attached Exhibit "A")
Section 26, 35-T24S-R32E
Lea County, New Mexico

Gentlemen:

Enclosed is a copy of COG Operating LLC's (COG)'s Application for Unorthodox Well Location for the Eider Federal wells, the SHL's of which are all located in Section 25-T24S-R32E, Lea County, New Mexico. You are being provided a copy of this Application per OCD's requirement to notify the operators of the affected offset acreage. If you have any objection to this Application, notification should be given to OCD within 20 days of receipt of this letter.

COG is seeking approval of the unorthodox location in order to allow for the efficient recovery of reserves, thereby preventing waste.

If you have any questions regarding this application, please contact Matt Solomon at (432) 685-4352 or Sean Johnson at (432) 818-2230 or by email at msolomon@concho.com or sjohnson@concho.com.

Sincerely,

Debora L. Wilbourn
Regulatory Analyst

Enclosure

CORPORATE ADDRESS

ONE CONCHO CENTER | 600 WEST ILLINOIS AVENUE | MIDLAND, TEXAS 79701
P 432.683.7443 | F 432.683.7441

ARTESIA WEST OFFICE

2208 MAIN STREET | ARTESIA, NEW MEXICO 88210
P 575.748.6940 | F 575.746.2096

EXHIBIT "A"

Non-Standard Location Application

**Eider Federal Wells
Section 26, 35-T24S-R32E
Lea County, NM**

Eider Federal #202H

SHL: 210' FSL 1080' FWL (Unit M), Section 35-T24S-R32E
Proposed FTP: 330' FSL 1315' FWL (Unit M)
BHL: 2410' FSL 1315' FWL (Unit L), Section 26-T24S-R32E
Proposed LTP: 2410' FSL 1315' FWL (Unit L)

Eider Federal #204H

SHL: 210' FSL 2060' FWL (Unit N), Section 35-T24S-R32E
Proposed FTP: 330' FSL 2635' FWL (Unit B)
BHL: 2410' FSL 2635' FWL (Unit K), Section 26-T24S-R32E
Proposed LTP: 2310' FSL 2635' FWL (Unit B)

Eider Federal #206H

SHL: 210' FSL 2230' FEL (Unit O), Section 35-T24S-R32E
Proposed FTP: 330' FSL 1315' FEL (Unit P)
BHL: 2410' FSL 1315' FEL (Unit I), Section 26-T24S-R32E
Proposed LTP: 2410' FSL 1315' FEL (Unit I)

McMillan, Michael, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Wednesday, March 21, 2018 12:43 PM
To: McMillan, Michael, EMNRD
Subject: FW: Eider Federal #206H NSL Application
Attachments: Eider Federal 206H NSL Application - OCD.pdf

Importance: High

From: Debora Wilbourn [mailto:DWilbourn@concho.com]
Sent: Monday, March 19, 2018 10:50 AM
To: Lowe, Leonard, EMNRD <Leonard.Lowe@state.nm.us>
Cc: Jones, William V, EMNRD <WilliamV.Jones@state.nm.us>
Subject: Eider Federal #206H NSL Application
Importance: High

Mr. Lowe,

Please see the attached NSL application for the Eider Federal #206H. If you need any further information, please contact me.

Thank you,

Debora Wilbourn

Regulatory Analyst II
North Delaware Basin Asset Team
dwilbourn@concho.com
575.748.6958

Concho West | 2208 W Main St | Artesia, NM | 88210-3720 | 575.748.6940



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