

State of New Mexico
Energy, Minerals and Natural Resources Department

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Governor

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Heather Riley, Division Director
Oil Conservation Division



August 27, 2018

Debora Wilbourn
COG Production, LLC
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NON-STANDARD LOCATION

Administrative Order NSL-7751

COG Production, LLC [OGRID 217955]
Eider Federal Well No. 202H
API No. 30-025-44627

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	210 FSL & 1080 FWL	M	35	24S	32E	Lea
Penetration Point	330 FSL & 1315 FWL	M	35	24S	32E	Lea
Final perforation/ Terminus	2410 FSL & 1315 FWL	L	26	24S	32E	Lea

Proposed Project Area

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
W2 SW4 of Section 26 W2 W2 of Section 35	240	WC-025 G-06 S253210M; Upper Bone Spring	97784

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 330 feet to the northeastern edge, and 5 feet to the eastern edge, and 330 feet to the southeastern edge of the project area. Encroachments will impact the following tracts.

Section 26, T24S R32E encroachment to the SE4 NW4 and E2 SW4
Section 35, T24S R32E encroachment to the E2 W2
Section 2, T25S R32E encroachment to the NW4 NE4

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.

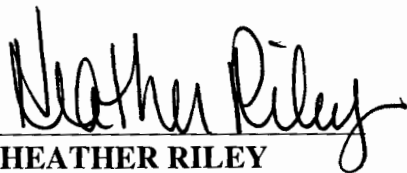
Division understands you seek this location to allow for efficient and maximum recovery of production from within the Bone Spring formation underlying the W2 SW4 of Section 26 and W2 W2 of Section 35.

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/mam

cc: Oil Conservation Division – Hobbs District Office
State Land Office – Oil, Gas, and Minerals Division