

RECEIVED: <b>3/19/2018</b>	REVIEWER:	TYPE: <b>NSL</b>	APP NO: <b>pmAm180805009</b>
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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:** 217055**Well Name:** Eider Federal 204H**API:** 44636**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 01:14

**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 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

Date

Print or Type Name

575-748-6958

Phone Number

dwilbourn@concho.com

e-mail Address

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 #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)  
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 #204H 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/4NW/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/4NW/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](mailto:dwilbourn@concho.com).

Sincerely,

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 1<sup>st</sup> 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  
3625 N. FRENCH DR., HOBBE, NM 88240  
Phone: (505) 963-6161 Fax: (505) 363-0728

DISTRICT II  
811 S. FIRST ST., ARTESIA, NM 88210  
Phone: (505) 748-1883 Fax: (505) 748-9780

DISTRICT III  
1000 RIO BRAZOS RD., AZTEC, NM 87410  
Phone: (505) 334-6176 Fax: (505) 334-6170

DISTRICT IV  
1225 S. ST. FRANCIS DR., SANTA FE, NM 87505  
Phone: (505) 476-3480 Fax: (505) 476-3482

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 <b>30-225-14123</b>	Pool Code <b>97964</b>	Pool Name <b>WC-025 G-07 S243225C; Bone Spring</b>
Property Code	Property Name <b>EIDER FEDERAL</b>	Well Number <b>204H</b>
OGRID No. <b>217955</b>	Operator Name <b>COG PRODUCTION, LLC</b>	Elevation <b>3525.8'</b>

**Surface Location**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	35	24-S	32-E		210	SOUTH	2060	WEST	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
K	26	24-S	32-E		2410	SOUTH	2635	WEST	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

<p>Y=433014.4 N X=752820.0 E</p> <p>LTP 2310' FSL &amp; 2635' FWL LAT.=32.187706° N LONG.=103.645467° W</p> <p>GRID AZ. - 359°38'32" HORZ. DIST. - 7364.7</p> <p>Y=425095.2 N X=752867.3 E</p>	<p>Y=433041.2 N X=755464.4 E</p> <p>NAD 83 NME <u>PROPOSED BOTTOM HOLE LOCATION</u> Y=432802.4 N X=754133.9 E LAT.=32.187981° N LONG.=103.645467° W</p> <p>SECTION 26 SECTION 35</p> <p>PROJECT AREA PRODUCING AREA</p> <p>GRID AZ. - 359°38'32" HORZ. DIST. - 7364.7</p> <p>Y=425119.9 N X=755507.0 E</p>	<p>*NO LEASE X-ING</p> <p><b>OPERATOR CERTIFICATION</b> I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unless 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Debora L. Wilbourn</i> Signature Date <b>3/14/18</b> Debora L. Wilbourn Printed Name dwilbourn@concho.com E-mail Address</p> <p><b>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>JUNE 22, 2017 Date of Survey</p> <p>Signature &amp; Seal of Professional Surveyor</p> <p><b>CHAD L. HARCROW</b> NEW MEXICO 17777 LICENSED PROFESSIONAL SURVEYOR</p> <p><i>Chad L. Harcrow</i> 9/26/17 Certificate No. CHAD HARCROW 17777 W.O. # 17-1198 DRAWN BY: AJ</p>
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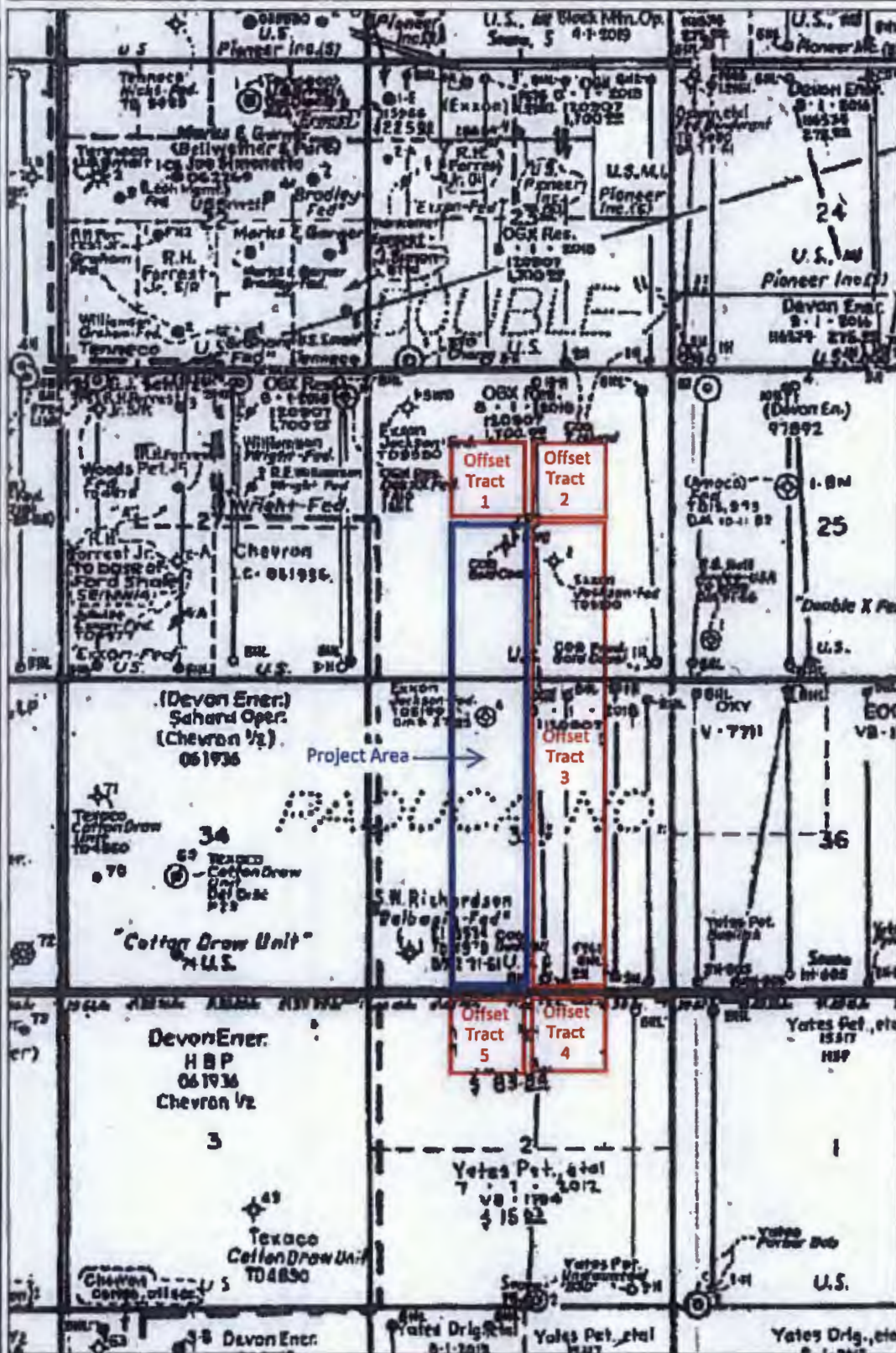




CONCHO

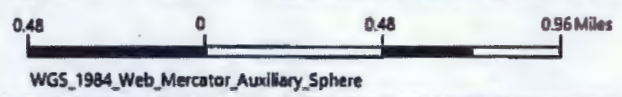
Sec. 26, 35-T24S-R32E

Eider Federal #204H



Legend

- Lea\_NE\_1\_11\_2014
  - Red: Band\_1
  - Green: Band\_2
  - Blue: Band\_3
- Lea\_NE\_2\_11\_2014
  - Red: Band\_1
  - Green: Band\_2
  - Blue: Band\_3
- Lea\_NW\_1\_11\_2014
  - Red: Band\_1
  - Green: Band\_2
  - Blue: Band\_3
- Lea\_NW\_2\_11\_2014
  - Red: Band\_1
  - Green: Band\_2
  - Blue: Band\_3
- SE Lea 01\_2018
  - High: 255
  - Low: 0
- SW Lea 01\_2018
  - High: 255
  - Low: 0

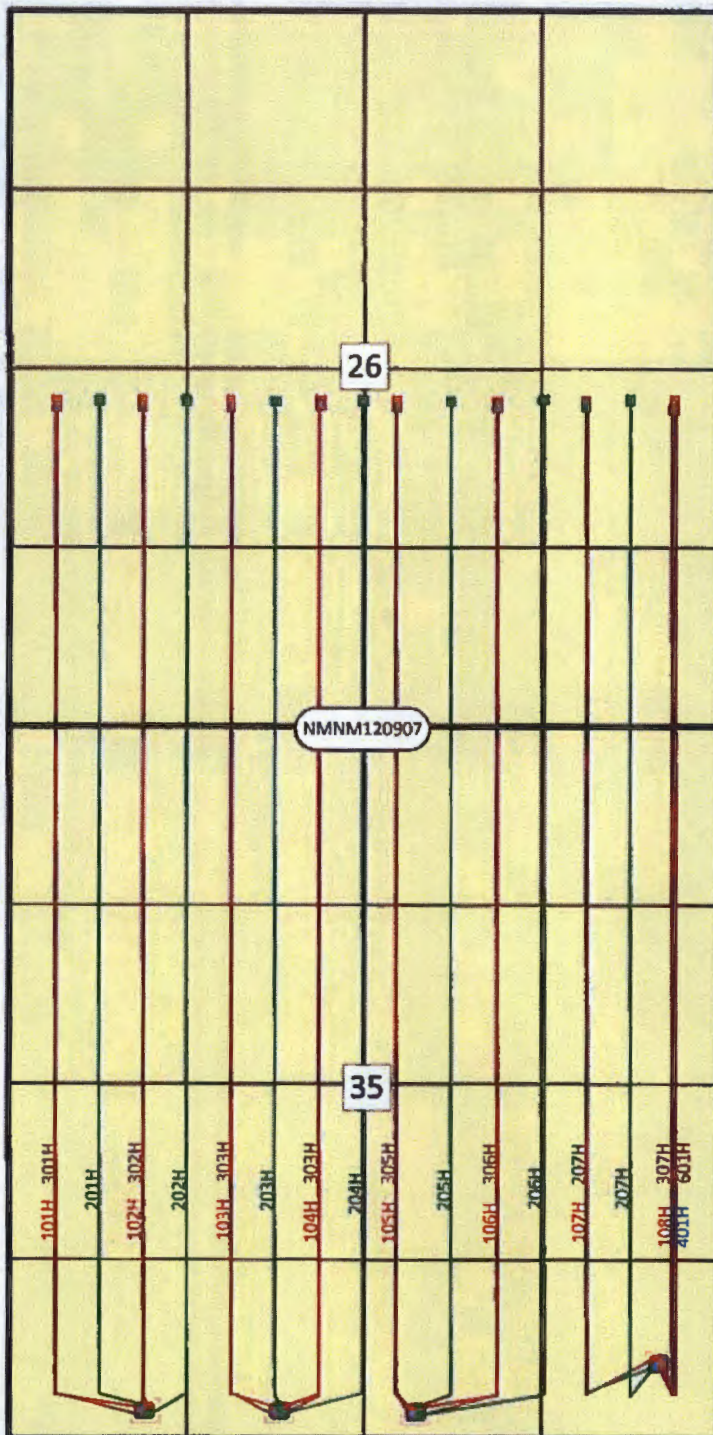


Map Scale 1:36,111





# Eider Federal Wells



- Proposed Upr AV SH SHL
- Proposed Upr AV SH BHL
- Proposed Lwr AV SH SHL
- Proposed Lwr AV SH BHL
- Proposed Basal AV SH SHL
- Proposed Basal AV SH BHL
- Proposed 1<sup>st</sup> BSS SHL
- Proposed 1<sup>st</sup> BSS BHL
- Proposed Wolfcamp A SHL
- Proposed Wolfcamp A BHL

Sec. 26, 35-T24S-R32E  
Lea County, NM

## **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)



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](mailto:msolomon@concho.com) or [sjohnson@concho.com](mailto: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



## McMillan, Michael, EMNRD

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**From:** Lowe, Leonard, EMNRD  
**Sent:** Wednesday, March 21, 2018 12:43 PM  
**To:** McMillan, Michael, EMNRD  
**Subject:** FW: Eider Federal #204H NSL Application  
**Attachments:** Eider Federal 204H NSL Application - OCD.pdf

**From:** Debora Wilbourn [mailto:DWilbourn@ccncho.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:** RE: Eider Federal #204H NSL Application

With attachment.....

**From:** Debora Wilbourn  
**Sent:** Monday, March 19, 2018 10:49 AM  
**To:** 'Leonard.Lowe@state.nm.us'  
**Cc:** Jones, William V, EMNRD ([WilliamV.Jones@state.nm.us](mailto:WilliamV.Jones@state.nm.us))  
**Subject:** Eider Federal #204H NSL Application  
**Importance:** High

Mr. Lowe,

Please see the attached NSL application for the Eider Federal #204H. If you need any further information, please contact me.

Thank you,

*Debora Wilbourn*

Regulatory Analyst II  
North Delaware Basin Asset Team

[dwilbourn@concho.com](mailto:dwilbourn@concho.com)

575.748.6958

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



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