

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Susana Martinez**  
Governor

**Ken McQueen**  
Cabinet Secretary

**Matthias Sayer**  
Deputy Cabinet Secretary

**Heather Riley, Division Director**  
Oil Conservation Division



November 22, 2018

Ms. Debora L. Wilbourn  
[dwilbourn@concho.com](mailto:dwilbourn@concho.com)

NON-STANDARD LOCATION

**Administrative Order NSL-7783**

**COG Operating, LLC [OGRID 229137]  
MYOX 21 State Com Well No. 38H  
API No. 30-015-PENDING**

**Proposed Location**

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	200 FSL & 1739 FWL	N	21	25S	28E	Eddy
First Take Point	330 FSL & 2630 FWL	N	21	25S	28E	Eddy
Last Take Point	330 FNL & 2630 FWL	C	16	25S	28E	Eddy
Terminus	200 FNL & 2630 FWL	C	16	25S	28E	Eddy

**Proposed Gas Units**

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
W2 of Section 21	640	Purple Sage; Wolfcamp (GAS)	98220
W2 of Section 16			

Reference is made to your application received on November 1, 2018.

You have requested to recomplete this horizontal well as a gas well described above in the referenced pool or formation. This well is governed by special rules for the Purple Sage; Wolfcamp (Gas) Pool of and provides for 320-acre units, with wells located at least 330 feet from a unit outer boundary.

This well's completed interval is as close as 10 feet to the eastern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 21, encroachment to the E2.

Section 16, encroachment to the E2.

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all adjoining units towards which the proposed location encroaches

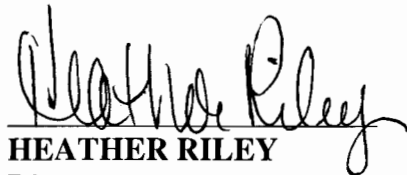
Division understands you seek this unorthodox location as an efficient spacing of horizontal wells and thereby preventing waste within the Wolfcamp formation underlying the W2 of Section 21 and W2 of Section 16.

Your application has been filed under Subsection 6 of Paragraph of Section (C) of 19.15.16.15 NMAC, 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  
State Land Office – Oil, Gas, and Minerals Division