

NSL-7783

Revised March 23, 2017

RECEIVED: 11/01/18	REVIEWER: LRL	TYPE: NSL	APP NO: pLEL1831058382
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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: MYOX 21 State Com 38H **API:** _____
Pool: Purple Sage; Wolfcamp Gas **Pool Code:** 98220

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.

Debora L. Wilbourn

Print or Type Name

Debora L. Wilbourn

Signature

11/1/18
 Date

575-748-6958

Phone Number

dwilbourn@concho.com

e-mail Address



November 1, 2018

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

Re: Application for Unorthodox Well Location
MYOX 21 State Com 38H
SHL: 200' FSL 1739' FWL (Unit N), Sec. 21-T25S-R28E
Proposed FTP: 330' FSL 2630' FWL, Sec. 21-T25S-R28E
BHL: 200' FNL 2630' FWL (Unit C), Sec. 16-T25S-R28E
Proposed LTP: 330' FNL 2630' FWL, Sec. 16-T25S-R28E
Eddy County, NM

Dear Mr. Lowe:

COG Operating LLC (COG) respectfully requests administrative approval of a Non-standard Wellbore Location for its MYOX 21 State Com 38H well. The completed interval of this well will not meet the requirement for being 330' from the outer boundary of the spacing unit. Attached is Form C-102 showing the Horizontal Spacing Unit for this well.

COG is seeking approval of the Non-standard Location in order to maximize recovery of reserves. The New Mexico Oil Conservation Division's approval of the non-standard completed interval for the MYOX 21 State Com 38H well 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 tract is the E/2 of Sec.16 and E/2 of Sec. 21-T25S-R28E. COG Operating LLC is the operator of the offsetting acreage, therefore the working interest owner under COG's acreage has been notified by Certified Mail of the proposed Non-standard Location. The notice letter advises said working interest owner 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 blue ink 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

1625 N. FRENCH DR., HOBBS, NM 58240
Phone: (575) 293-0101 Fax: (575) 383-0720

DISTRICT II

611 S. FIRST ST., ARTESIA, NM 86210
Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III

1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV

1820 S. ST. FRANCIS DR., SANTA FE, NM 87506
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		Pool Code	Pool Name
		98220	Purple Sage; Wolfcamp Gas
Property Code	Property Name		Well Number
38521	MYOX 21 STATE COM		38H
OGRID No.	Operator Name		Elevation
229137	COG OPERATING, LLC		2976.9'

Surface Location

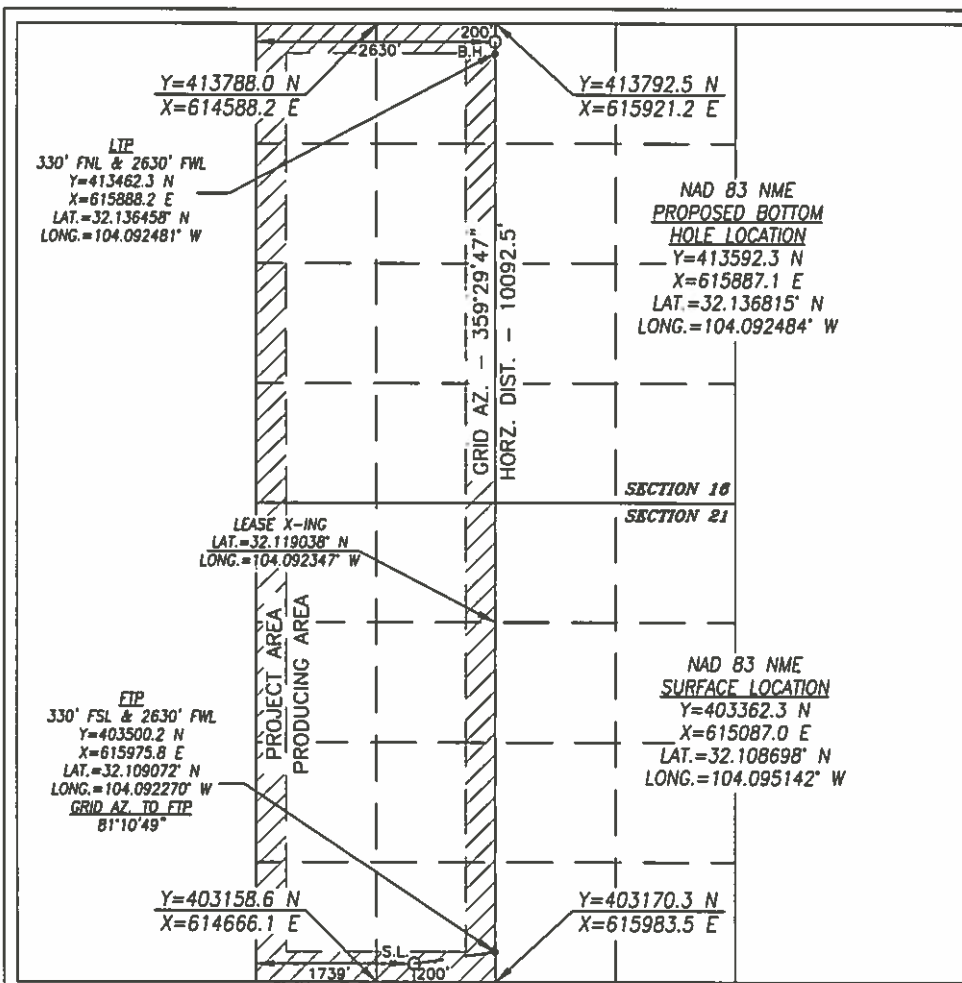
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	21	25-S	28-E		200	SOUTH	1739	WEST	EDDY

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
C	16	25-S	28-E		200	NORTH	2630	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
640			

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



OPERATOR CERTIFICATION

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 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Debra L. Ekman

Signature _____ Date 11/1/18
Debora L. Wilbourn
 Printed Name

dwilbourn@concho.com

SURVEYOR CERTIFICATION

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.

AUGUST 10, 2018

Date of Survey

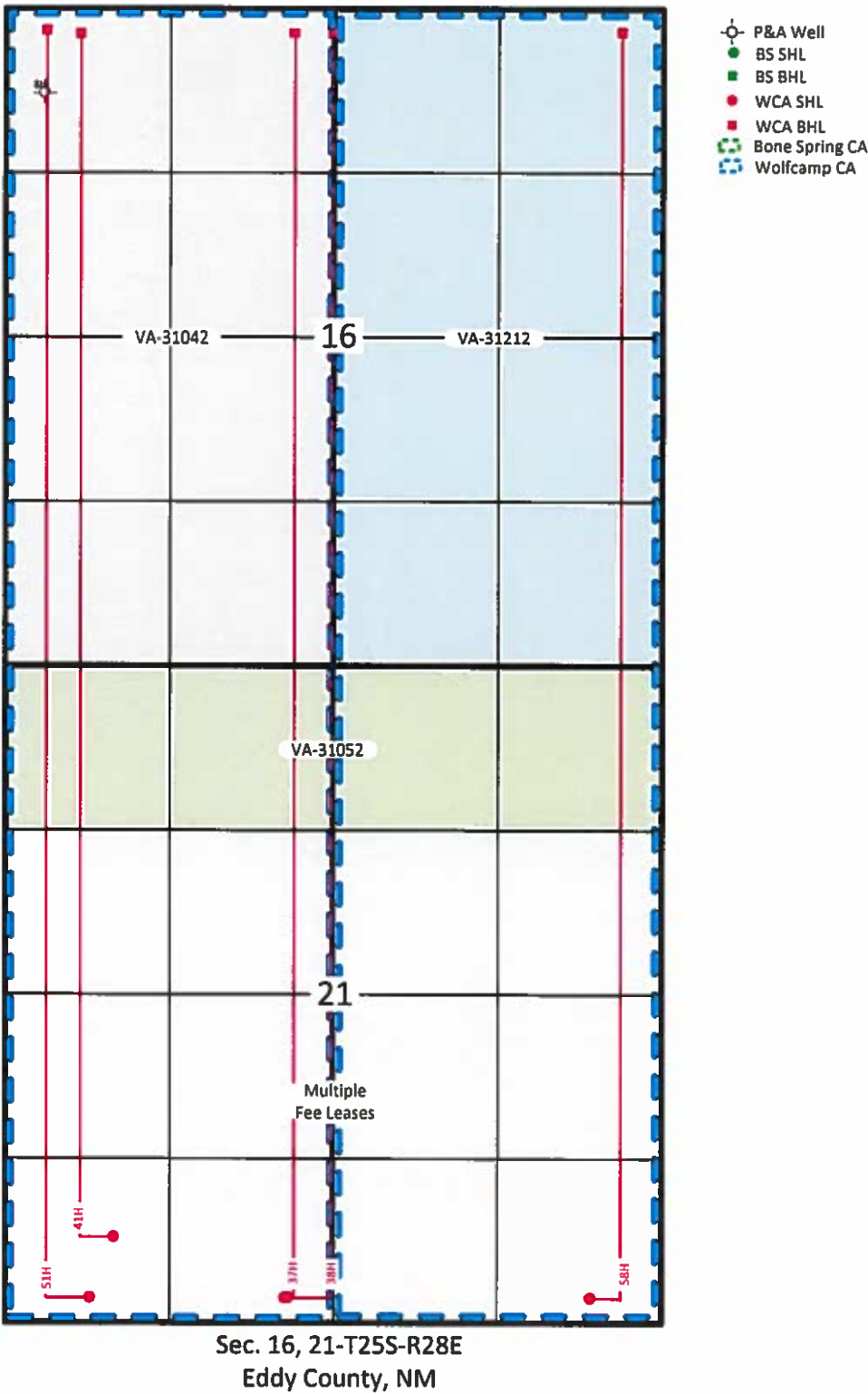
Signature & Seal of Professional Surveyor



Chad [Signature] 9/27/18

Certificate No. CHAD HARCROW 17777
W.O. # 18-877 DRAWN BY: JH

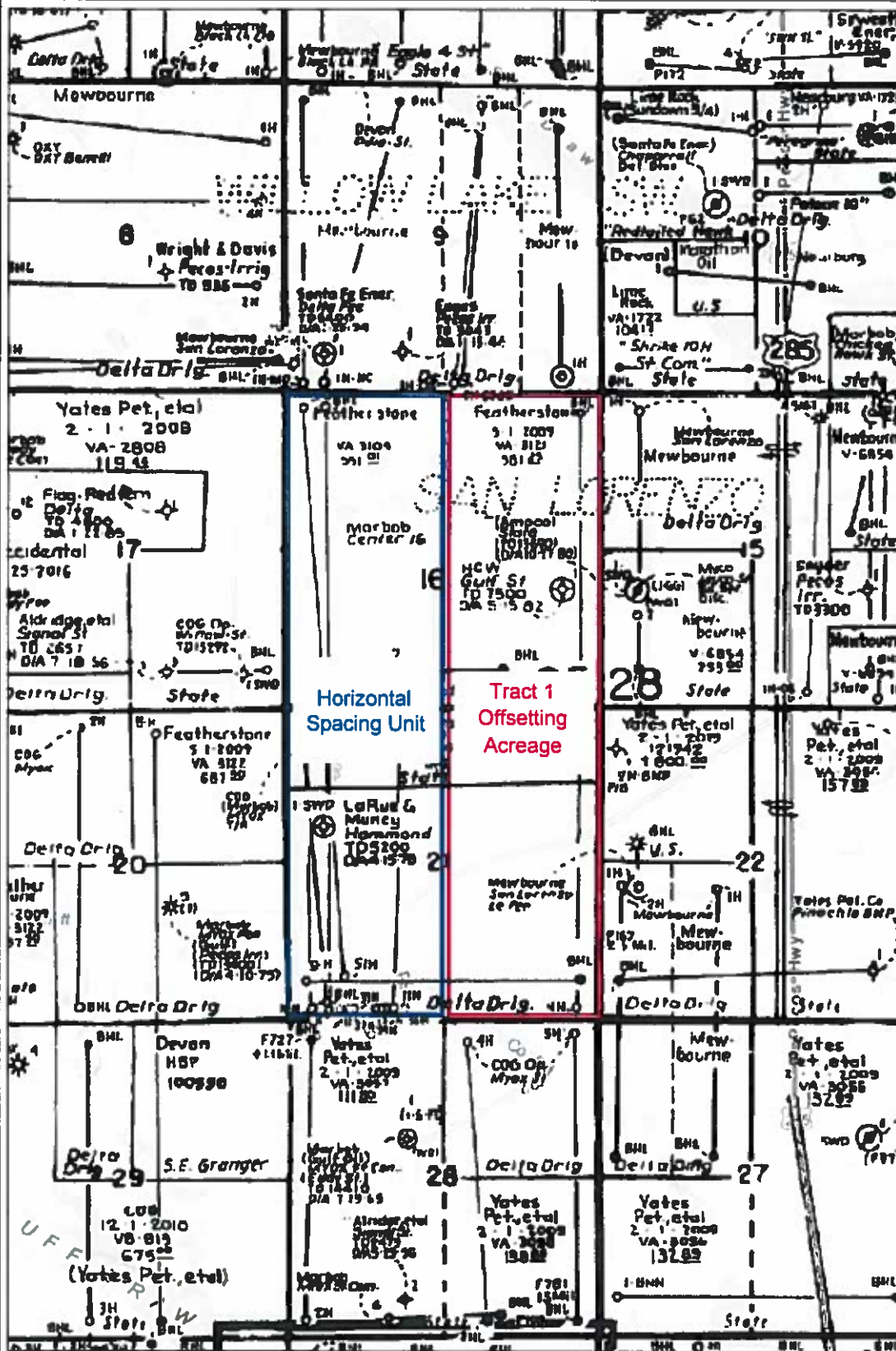
MYOX 21 State Wells





CONCHO MYOX 21 STATE COM 38H

Sec. 16, 25-T25S-R28E
Eddy County, NM



Legend

East Eddy 06_2018

High: 255

Low: 0

West Eddy 06_2018

High: 255

Low: 0

0.48 0 0.48 0.96 Miles

WGS_1984_Web_Mercator_Auxiliary_Sphere

Map Scale 1:36,111



MYOX 21 State Com 38H – NSL Application Engineering Statement

The MYOX 21 State Com 38H well is part of a development project in which COG Operating LLC (COG) will test reduced spacing in the Wolfcamp Shale interval. There are a total of five Wolfcamp Shale wells in Sections 16, 21-T25S-R28E, that will be testing this reduced spacing.

Approval of NSL for the MYOX 21 State Com 38H well 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 develop these targets.

**MYOX 21 State Com 38H
Owner Notification List**

Tracts	Working Interest Owners	Certified Receipt No.	Received
1	Oxy Y-1 Company Attn: Matthew Cole 5 Greenway Plaza, Ste. 110 Houston, TX 77046	7017 3040 0000 2540 4003	



November 1, 2018

Certified Mail – Return Receipt Request
7017 3040 0000 2540 4003

Oxy Y-1 Company
Attention: Matthew Cole
5 Greenway Plaza, Ste 110
Houston, TX 77046

Re: Application for Unorthodox Well Location
MYOX 21 State Com 38H
SHL: 200' FSL 1739' FWL (Unit N), Sec. 21-T25S-R28E
Proposed FTP: 330' FSL 2630' FWL, Sec. 21-T25S-R28E
BHL: 200' FNL 2630' FWL (Unit C), Sec. 16-T25S-R28E
Proposed LTP: 330' FNL 2630' FWL, Sec. 16-T25S-R28E
Eddy County, NM

Gentlemen:

Attached is a copy of COG Operating LLC (COG)'s Application for a Non-standard Wellbore Location for the MYOX 21 State Com 38H, the SHL of which is located in Sec. 21-T25S-R28E, Eddy County, New Mexico. You are being provided a copy of this Application per OCD's requirement to notify the operators/working interest owners 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 non-standard location in order to allow for the efficient recovery of reserves, thereby preventing waste.

If you have any questions regarding this application, please contact Ashley Roush at (432) 818-2358 or Jackie Chatterton at (432) 688-6688 or by email at aroush@concho.com or jchatterton@concho.com.

Sincerely,

A handwritten signature in blue ink that reads "Debora L. Wilbourn".

Debora L. Wilbourn
Regulatory Analyst

Enclosures

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

Lowe, Leonard, EMNRD

From: Debora Wilbourn <DWilbourn@concho.com>
Sent: Thursday, November 1, 2018 4:26 PM
To: Lowe, Leonard, EMNRD
Cc: Jones, William V, EMNRD; Ashley Roush; Debora Wilbourn
Subject: [EXT] MYOX 21 State Com 38H NSL Application
Attachments: MYOX 21 St Com 28H NSL Application.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Mr. Lowe,

Attached is COG's NSL application for our MYOX 21 State Com 38H well. Please let me know if you have any questions.

Debora Wilbourn

Production Compliance Lead
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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Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Thursday, November 29, 2018 3:36 PM
To: 'Debora Wilbourn'
Cc: Mike Bratcher (mike.bratcher@state.nm.us); 'lisa@rwbyram.com'; Jones, William V, EMNRD; McMillan, Michael, EMNRD; Dawson, Scott, EMNRD; Goetze, Phillip, EMNRD; Holm, Anchor E.; Martin, Ed; Cordero, Gilbert, EMNRD
Subject: APPROVED NSL-7783_COG Operating LLC_MYOX 21 State Com Well No. 38H_SEC 16 25S 28E
Importance: High

Debora Wilbourn,

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>

NSL-7783

COG Operating LLC

API #: 30-015-PENDING

WELL: MYOX 21 State Com Well No. 38H

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/>