

# Approved

## NSL

## Order

Approved: 11/21/19

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Michelle Lujan Grisham**  
Governor

**Sarah Cottrell Propst**  
Cabinet Secretary

**Todd E. Leahy, JD, PhD**  
Deputy Cabinet Secretary

**Adrienne E. Sandoval, Director**  
Oil Conservation Division



November 21, 2019

Mr. Stan Wagner  
[swagner@concho.com](mailto:swagner@concho.com)

NON-STANDARD LOCATION

**Administrative Order NSL-7958**

**COG Operating, LLC. [OGRID 229137]**  
**Hambone Federal Com Well No. 705H**  
**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	1353 FSL & 1725 FWL	K	8	26S	29E	Eddy
First Take Point	1420 FSL & 2154 FWL	L	8	26S	29E	Eddy
Last Take Point	330 FNL & 2154 FWL	D	5	26S	29E	Eddy
Terminus	200 FNL & 2154 FWL	D	5	26S	29E	Eddy

**Proposed Horizontal Gas Units**

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
N/2 SW/4 & NW/4 of Section 8 & W2 of Section 5	560	Purple Sage; Wolfcamp (GAS)	98220

Reference is made to your application received on October 16, 2019.

You have requested to complete 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 100 feet to the southern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 8, encroachment to the S/2 SW/4

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 in order to optimize resources to improve well economics for your horizontal well, thereby preventing waste within the Wolfcamp formation underlying the N/2 SW/4 & NW/4 of Section 8 and W2 of Section 5.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) 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.



**ADRIENNE E. SANDOVAL**  
**Division Director**

AES/lrl

cc: Oil Conservation Division – Artesia District Office  
Bureau of Land Management – Carlsbad Field Office  
State Land Office – Oil, Gas, and Minerals Division