



# New Mexico Energy, Minerals and Natural Resources Department

**Susana Martinez**  
Governor

**John H. Bemis**  
Cabinet Secretary-Designate

**Brett F. Woods, Ph.D.**  
Deputy Cabinet Secretary

**Jami Bailey**  
Division Director  
Oil Conservation Division



August 24, 2011

COG Operating, LLC  
Attn: Ms. Kelly J. Holly

**Administrative Order NSL-6454**  
**Administrative Application Reference No. pTWG11-21028368**

**COG Operating, LLC**  
OGRID 229137  
**Tex-Mack Well No. 224**  
**API No. 30-015-39243**

**Proposed Location:**

| <u>Footages</u>    | <u>Unit</u> | <u>Section</u> | <u>Township</u> | <u>Range</u> | <u>County</u> |
|--------------------|-------------|----------------|-----------------|--------------|---------------|
| 865 FNL & 1105 FEL | A(Lot 1)    | 2              | 17S             | 31E          | Eddy          |

**Proposed Unit:**

| <u>Description</u>          | <u>Acres</u> | <u>Pool</u>                               | <u>Pool Code</u> |
|-----------------------------|--------------|---|------------------|
| Lot 1 (NE/4 NE/4) Section 2 | 39.9         | undesignated East Fren; Glorieta-<br>Yeso | 97213            |

Reference is made to your application received on July 29, 2011.

You have requested to drill or re-complete this well at an unorthodox oil well location described above, in the referenced pool or formation. This location is governed by statewide Rule 15.9.A [19.15.15.9.A NMAC], which provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary. This location is less than 330 feet from a unit boundary.

Your application has been duly filed under the provisions of Division Rules 15.13 [19.15.15.13 NMAC] and 4.12.A(2) [19.15.4.12.A(2) NMAC].

It is our understanding that you are seeking this location to avoid interference with another well location.

Oil Conservation Division  
1220 South St. Francis Drive • Santa Fe, New Mexico 87505  
Phone (505) 476-3440 • Fax (505) 476-3462 • [www.emnrd.state.nm.us/OCD](http://www.emnrd.state.nm.us/OCD)



It is also understood that notice of this application to offsetting operators or owners is unnecessary due to common ownership.

Pursuant to the authority conferred by Division Rule 15.13.B, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 5.9 [19.15.5.9 NMAC].

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in black ink, appearing to read "Jami Bailey". The signature is fluid and cursive, with the first name "Jami" and last name "Bailey" clearly distinguishable.

Jami Bailey  
Director

JB/db

cc: New Mexico Oil Conservation Division – Artesia  
New Mexico State Land Office