





March 11, 2015

New Mexico Oil Conservation Division  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

Attention: Mr. Michael McMillan

Re: Application for Non Standard Location  
Cuatro Hijos Fee #8H  
Section 17, Township 19 South, Range 35 East  
SHL: 190' FSL & 990' FWL      Planned FTP: 330' FSL & 990' FWL  
BHL: 330' FNL & 660' FWL      Planned LTP: 330' FNL & 660' FWL  
Lea County, New Mexico

Dear Mr. McMillan:

Pursuant to Division Rule 19.15.15.13, COG Operating LLC (COG) respectfully requests administrative approval of a Non Standard Location for its Cuatro Hijos Fee #8H well. This well does not meet the spacing requirements of the Scharb; Bone Spring pool.

Offset operators have been notified of the proposal to drill this well and have been sent a copy of this application by certified mail, return receipt requested.

Attached is a Form C-102 showing the well and the project area

Thank you for your consideration of this application. Should you have questions or require further information, please contact Mayte Reyes at 575-748-6945 email [mreyes1@concho.com](mailto:mreyes1@concho.com) or Melanie Parker at 575-748-6952 email at [mparker@concho.com](mailto:mparker@concho.com).

Sincerely,

  
Mayte Reyes  
Regulatory Analyst

DISTRICT I  
1225 N. FRANCIS DR., ROSAS, NM 87540  
Phone: (505) 392-6181 Fax: (505) 392-6722

DISTRICT II  
511 S. FIRST ST., ARTESIA, NM 88210  
Phone: (505) 748-1223 Fax: (505) 748-8728

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

DISTRICT IV  
1229 S. ST. FRANCIS DR., SANTA FE, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

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 30-025-42468	Pool Code 55610	Pool Name Scharb; Bone Spring
Property Code 40474	Property Name CUATRO HIJOS FEE	Well Number 8H
GRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3857.3

Surface Location

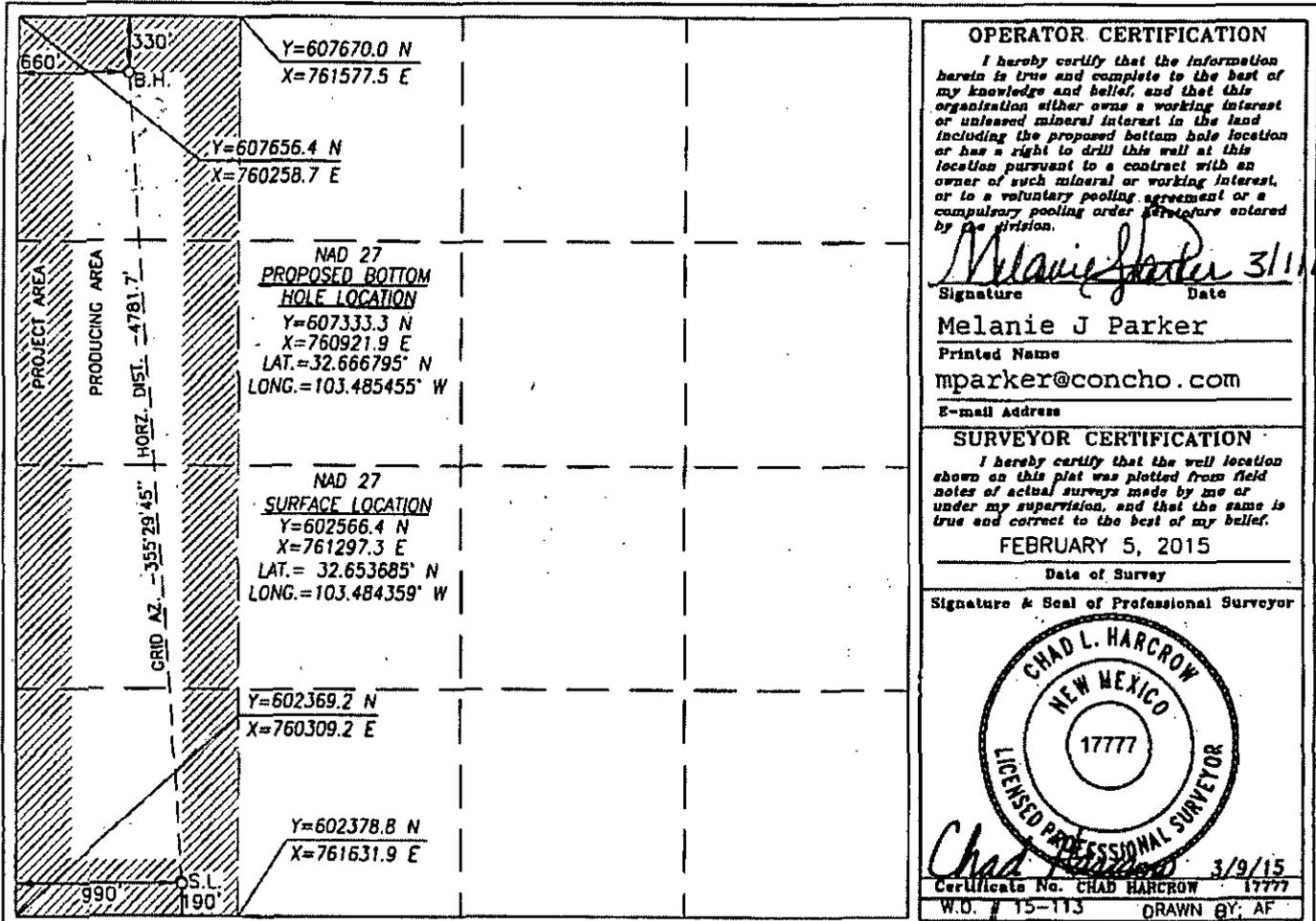
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	17	19-S	35-E		190'	SOUTH	990'	WEST	LEA

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
D	17	19-S	35-E		330'	NORTH	660'	WEST	LEA

Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.
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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





March 11, 2015

**Certified Mail – Return Receipt Requested**

OXY USA Inc.  
6 Desta Drive  
Midland, Texas 79705

Re: Application for Non Standard Location  
Cuatro Hijos Fee #8H  
Section 17, Township 19 South, Range 35 East  
SHL: 190' FSL & 990' FWL      Planned FTP: 330' FSL & 990' FWL  
BHL: 330' FNL & 660' FWL      Planned LTP: 330' FNL & 660' FWL  
Lea County, New Mexico

Gentlemen:

Attached is a copy of COG's Application for Non Standard Location for the Cuatro Hijos Fee #8H well in Section 17, Township 19 South, Range 35 East, Lea County, New Mexico. You are being sent a copy of this Application per OCD's requirement to notify all owners in the offset acreage. If you have any objection to this Application, notification should be given to OCD within 20 days of receipt of this letter.

If you have any questions regarding this Application, please contact me at 575-748-6945 or Melanie Parker at 575-748-6952.

Sincerely,

A handwritten signature in cursive script that reads "Mayte Reyes".

Mayte Reyes  
Regulatory Analyst

Enclosure



March 11, 2015

**Certified Mail – Return Receipt Requested**

Sundown Production, LLC  
Two Galleria Tower  
13455 Noel Road, Suite 2000  
Dallas, Texas 75240

Re: Application for Non Standard Location  
Cuatro Hijos Fee #8H  
Section 17, Township 19 South, Range 35 East  
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Mayte Reyes  
Regulatory Analyst

Enclosure



March 11, 2015

**Certified Mail – Return Receipt Requested**

Chevron U.S.A. Inc.  
P.O. Box 2100  
Houston, Texas 77252

Re: Application for Non Standard Location  
Cuatro Hijos Fee #8H  
Section 17, Township 19 South, Range 35 East  
SHL: 190' FSL & 990' FWL      Planned FTP: 330' FSL & 990' FWL  
BHL: 330' FNL & 660' FWL      Planned LTP: 330' FNL & 660' FWL  
Lea County, New Mexico

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Sincerely,

Mayte Reyes  
Regulatory Analyst

Enclosure

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

**Chevron U.S.A. Inc.**  
**P.O. Box 2100**  
**Houston, Texas 77252**

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature: **X**  Agent  Addressee

B. Received by (Printed Name): \_\_\_\_\_ C. Date of Delivery: \_\_\_\_\_

D. Is delivery address different from item 1?  Yes  No  
 If YES, enter delivery address below: \_\_\_\_\_

3. Service Type:  Certified Mail®  Priority Mail Express™  
 Registered  Return Receipt for Merchandise  
 Insured Mail  Collect on Delivery

4. Restricted Delivery? (Extra Fee)  Yes

2. Article Number (Transfer from service label) **7011 1570 0000 7781 4643**

PS Form 3811, July 2013 Domestic Return Receipt

**SENDER: COMPLETE THIS SECTION**

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- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

**OXY USA Inc**  
**61 Destaj Drive**  
**Midland, Texas 79705**

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature: **X**  Agent  Addressee

B. Received by (Printed Name): \_\_\_\_\_ C. Date of Delivery: \_\_\_\_\_

D. Is delivery address different from item 1?  Yes  No  
 If YES, enter delivery address below: \_\_\_\_\_

3. Service Type:  Certified Mail®  Priority Mail Express™  
 Registered  Return Receipt for Merchandise  
 Insured Mail  Collect on Delivery

4. Restricted Delivery? (Extra Fee)  Yes

2. Article Number (Transfer from service label) **7011 1570 0000 7781 4650**

PS Form 3811, July 2013 Domestic Return Receipt

**SENDER COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Sundown Production, LLC  
Two Galleria Tower  
13455 Noel Road, Suite 2000  
Dallas, Texas 75240

2. Article Number  
(Transfer from service label)

7011 1570 0000 7781 4667

PS Form 3811, July 2013

Domestic Return Receipt

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X

- Agent
- Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below:  No

3. Service Type

- Certified Mail®
- Registered
- Insured Mail
- Priority Mail Express®
- Return Receipt for Merchandise
- Collect on Delivery

4. Restricted Delivery? (Extra Fee)  Yes

**CERTIFIED MAIL**

**7CHO**

ist  
ain Street  
8210

7011 1570 0000 7781 4643

Chevron U.S.A. Inc.  
P.O. Box 2100  
Houston, Texas 77252

**CERTIFIED MAIL**

**7CHO**

st  
ain Street  
8210

7011 1570 0000 7781 4650

OXY USA Inc  
6 Desta Drive  
Midland, Texas 79705

**CERTIFIED MAIL**

**CONCHO**

Concho-West  
2208 West Main Street  
Artesia, NM 88210

7011 1570 0000 7781 4667

Sundown Production, LLC  
Two Galleria Tower  
13455 Noel Road, Suite 2000  
Dallas, Texas 75240

**District I**  
 1025 N. French Dr., Hobbs, NM 88240  
 Phone: (575) 393-8161 Fax: (575) 393-0720  
**District II**  
 811 S. First St., Artesia, NM 88210  
 Phone: (575) 748-1283 Fax: (575) 748-6720  
**District III**  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 Phone: (505) 334-8178 Fax: (505) 334-8170  
**District IV**  
 1220 S. St Francis Dr., Santa Fe, NM 87505  
 Phone: (505) 476-3470 Fax: (505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

Form C-101  
 August 1, 2011  
 Permit 201072

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

1. Operator Name and Address COG OPERATING LLC One Concho Center Midland, TX 79701		2. OGRID Number 229137
		3. API Number 30-025-42468
4. Property Code 40474	5. Property Name CUATRO HIJOS FEE	6. Well No. 008H

**7. Surface Location**

UL - Lot	M	Section	17	Township	19S	Range	35E	Lot Idn		Feet From	190	N/S Line	S	Feet From	990	E/W Line	W	County	Lea
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**8. Proposed Bottom Hole Location**

UL - Lot	D	Section	17	Township	19S	Range	35E	Lot Idn	D	Feet From	330	N/S Line	N	Feet From	660	E/W Line	W	County	Lea
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**9. Pool Information**

SCHARB;BONE SPRING	55610
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**Additional Well Information**

11. Well Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type Private	15. Ground Level Elevation 3857
16. Multiple N	17. Proposed Depth 14495	18. Formation Bone Spring	19. Contractor	20. Spud Date 3/16/2015
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

We will be using a closed-loop system in lieu of lined pits

**21. Proposed Casing and Cement Program**

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Soaks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	1940	1100	
Int1	12.25	9.625	36	3600	950	
Prod	8.75	5.5	17	14495	2580	

**Casing/Cement Program: Additional Comments**

Drill 17-1/2" hole to ~ (+/-) 1940' w/ fresh water spud mud. Run 13-3/8" 54.5# J55 STC casing to TD and cement to surface in one stage. Will use 1" tubing and Class C w/ 2% CaCl2 to cement to surface, if necessary. Drill 12-1/4" hole to ~ (+/-) 3600' with saturated brine water. Run 9-5/8" 36# J55 LTC casing to TD and cement to surface in one stage. Drill 8-3/4" vertical hole, curve, and lateral to ~ (+/-) 14495' with cut brine. Run 5-1/2" 17# HCP110 LTC casing to TD and cement to surface in one stage.

**22. Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	Shaeffer

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.  
 I further certify I have complied with 19.15.14.9 (A) NMAC  and/or 19.15.14.9 (B) NMAC , if applicable.

**OIL CONSERVATION DIVISION**

Signature:		OIL CONSERVATION DIVISION	
Printed Name: Electronically filed by Larry Kehoe	Approved By: Paul Kautz		
Title:	Title: Geologist		
Email Address: Larry.Kehoe@state.nm.us	Approved Date: 3/10/2015	Expiration Date: 3/10/2017	
Date: 3/9/2015	Phone:	Conditions of Approval Attached	

**District I**  
 1625 N. French Dr., Hobbs, NM 88240  
 Phone:(575) 393-6161 Fax:(575) 393-0720

**District II**  
 811 S. First St., Artesia, NM 88210  
 Phone:(575) 748-1283 Fax:(575) 748-9720

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**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

Form C-102  
 August 1, 2011  
 Permit 201072

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-025-42468	2. Pool Code 55610	3. Pool Name SCHARB,BONE SPRING
4. Property Code 40474	5. Property Name CUATRO HIJOS FEE	6. Well No. 008H
7. OGRID No. 229137	8. Operator Name COG OPERATING LLC	9. Elevation 3857

**10. Surface Location**

UL - Lot M	Section 17	Township 19S	Range 35E	Lot Idn	Feet From 190	N/S Line S	Feet From 990	E/W Line W	County Lea
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**11. Bottom Hole Location If Different From Surface**

UL - Lot D	Section 17	Township 19S	Range 35E	Lot Idn	Feet From 330	N/S Line N	Feet From 660	E/W Line W	County Lea
12. Dedicated Aores 160.00	13. Joint or Infill		14. Consolidation Code				15. Order No.		

**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**

	<b>OPERATOR CERTIFICATION</b>
	<p><i>I hereby certify that the information contained 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(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p>E-Signed By:            Larry Kehoe          Title:          Date:                     3/9/2015</p>
	<b>SURVEYOR CERTIFICATION</b>
	<p><i>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.</i></p> <p>Surveyed By:            Chad Harcrow          Date of Survey:        2/5/2015          Certificate Number:    17777</p>

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**State of New Mexico  
Energy, Minerals and Natural Resources  
Oil Conservation Division  
1220 S. St Francis Dr.  
Santa Fe, NM 87505**

**PERMIT COMMENTS**

Operator Name and Address: COG OPERATING LLC [229137] One Concho Center Midland, TX 79701.	API Number: 30-025-42468
	Well: CUATRO HIJOS FEE #008H

Created By	Comment	Comment Date
mreyes1	OIL: COG Operating has conducted a review to determine if an H2S contingency plan is required for the above referenced well. We were able to conclude that any potential hazardous volume would be minimal. H2S concentrations of wells in this area from surface to TD are low enough, therefore we do not believe that an H2S Contingency Plan would be necessary.	3/9/2015

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**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

Form APD Conditions

Permit 201072

**PERMIT CONDITIONS OF APPROVAL**

Operator Name and Address: COG OPERATING LLC [229137] One Concho Center, Midland, TX 79701	API Number: 30-025-42468
	Well: CUATRO HIJOS FEE #008H

OCD Reviewer	Condition
DMULL	Will require a directional survey with the C-104
DMULL	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
pkautz	If using a pit for drilling and completion operations, must have an approved pit from prior to spudding the well.
pkautz	1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface -- 2) PRODUCTION CASING - Cement must tie back into intermediate casing --
pkautz	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water

## McMillan, Michael, EMNRD

---

**From:** Mayte Reyes <mreyes1@concho.com>  
**Sent:** Tuesday, March 31, 2015 9:23 AM  
**To:** McMillan, Michael, EMNRD  
**Subject:** RE: Cuatro Hijos Well No. 8H NSL application

Good morning Mr. McMillan,

We are seeking this location because it will allow for efficient well spacing and reservoir drainage.

Thank you,  
Mayte

---

**From:** McMillan, Michael, EMNRD [<mailto:Michael.McMillan@state.nm.us>]  
**Sent:** Tuesday, March 31, 2015 9:13 AM  
**To:** Mayte Reyes  
**Subject:** Cuatro Hijos Well No. 8H NSL application

Ms. Reyes:

I need a reason for the NSL application (check NSL 7220 API 30-025-42276 for the reason). The 20-day clock ends today, so the quicker you respond, the quicker I can recommend the Director sign the application.

Thank You

### Michael A. McMillan

Engineering and Geological Services Bureau, Oil Conservation Division  
1220 South St. Francis Dr., Santa Fe NM 87505  
O: 505.476.3448 F. 505.476.3462  
[Michael.mcmillan@state.nm.us](mailto:Michael.mcmillan@state.nm.us)

**CONFIDENTIALITY NOTICE:** The information in this email may be confidential and/or privileged. If you are not the intended recipient or an authorized representative of the intended recipient, you are hereby notified that any review, dissemination or copying of this email and its attachments, if any, or the information contained herein, is prohibited. If you have received this email in error, please immediately notify the sender by return email and delete this email from your system. Thank you.