

RECEIVED: <u>9/22/2017</u>	REVIEWER: <u>LRL</u>	TYPE: <u>NSL</u>	APP NO: <u>PLEL1726949057</u>
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY



510/13117  
 RECEIVED **NEW MEXICO OIL CONSERVATION DIVISION**  
 Geological & Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505  
 2017 SEP 22 P 3:48

### 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

<b>Applicant:</b> COG Operating LLC	<b>OGRID Number:</b> 229137
<b>Well Name:</b> Zeppo 5 Federal Com #25H	<b>API:</b> 30-025-
<b>Pool:</b> Maljamar, Yeso, West	<b>Pool Code:</b> 44500

### SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

NSL-7596

- 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	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	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.

Robyn Russell

Print or Type Name

Signature

09/20/2017  
Date

(432) 685-4385  
Phone Number

Russell@concho.com  
e-mail Address



September 20, 2017

New Mexico Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87505

**RE: Zeppo 5 Federal Com #25H NSL**

To Whom It May Concern,

COG Operating LLC respectfully requests approval of a non-standard location for the following well(s):

Zeppo 5 Federal Com #25H – API #30-025-PENDING  
SHL: 2490 FNL 2210 FEL, UL G, Sec 5, T17S, R32E  
BHL: 121 FSL 2308 FEL, UL O, Sec 8, T17S, R32E  
TVD: 6220'

The granting of this NSL will optimize the completed lateral length of this wellbore, reducing waste while protecting correlative rights, and improving well economics and increasing revenue to the State of New Mexico and the Federal Government.

COG Operating LLC is the Operator in Section 5, 8, T17S, R32E. Conoco, Et. Al., as non-operating working interest owners of the leasehold in the offset tracts, has been sent notification via certified mail. Copies of said mail have been attached to this application.

Please contact me should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Robyn Russell", written over a white background.

Robyn Russell  
Regulatory Analyst  
COG Operating, LLC  
(432) 685-4385  
Russell@concho.com

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  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 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, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-		<sup>2</sup> Pool Code 44500		<sup>3</sup> Pool Name Maljamar; Yeso, West	
<sup>4</sup> Property Code		<sup>5</sup> Property Name ZEPO 5 FEDERAL COM			<sup>6</sup> Well Number 25H
<sup>7</sup> GRID NO. 229137		<sup>8</sup> Operator Name COG OPERATING, LLC			<sup>9</sup> Elevation 4100'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
G	5	17S	32E		2490	NORTH	2210	EAST	LEA

<sup>11</sup> 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
O	8	17S	32E		121	SOUTH	2308	EAST	LEA

<sup>12</sup> Dedicated Acres 240	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

**DETAIL "A"**

LOT 4, LOT 3, LOT 2, LOT 1

4099.5', 725', 4106.9', 600', 4093.0', 4103.3', 2490', 2210', 330', 330', 330', 121', 2308'

SEE DETAIL "A"

S. L.

Producing Area

Protect Area

S 00°21'25" W (GRID) 7,949.29' (HORIZ.)

First Take Point:  
2310' FSL  
2210' FEL

Last Take Point:  
121' FSL  
2308' FEL

**GEODETIC DATA**  
NAD 83 GRID - NM EAST

**SURFACE LOCATION**  
N: 678524.1 - E: 709006.2  
LAT: 32.86409297° N  
LONG: 103.78726583° W

**BOTTOM HOLE**  
N: 670576.8 - E: 708956.8  
LAT: 32.84225060° N  
LONG: 103.78756050° W

**CORNER DATA**  
NAD 83 GRID - NM EAST

A: FOUND BRASS CAP "1913"  
N: 670449.0 - E: 705989.7

B: FOUND BRASS CAP "1913"  
N: 673083.7 - E: 705979.1

C: FOUND 1-1/2" IRON PIPE  
N: 675723.3 - E: 705965.0

D: FOUND BRASS CAP "1913"  
N: 678363.7 - E: 705942.4

E: FOUND BRASS CAP "1913"  
N: 681002.8 - E: 705922.6

F: FOUND BRASS CAP "1913"  
N: 681021.0 - E: 711201.1

G: FOUND BRASS CAP "1913"  
N: 678382.0 - E: 711216.6

H: FOUND PK NAIL  
N: 675742.1 - E: 711243.8

I: FOUND BRASS CAP "1913"  
N: 673102.5 - E: 711246.5

J: FOUND BRASS CAP "1912"  
N: 670464.6 - E: 711264.7

K: FOUND BRASS CAP "1912"  
N: 670454.6 - E: 708627.4

**CALCULATED POINTS**  
1: N 678372.9 - E 708583.2  
2: N 678377.5 - E 709899.8  
3: N 670459.5 - E 709946.0

**<sup>17</sup> OPERATOR CERTIFICATION**

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 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.

Signature: *[Signature]* Date: 8/23/17  
Printed Name: Robyn M. Russell  
E-mail Address: Rrussell@concho.com

**<sup>18</sup> 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.

10-31-2016  
Date of Survey

Signature and Seal of Professional Surveyor: *[Signature]*

19680  
Certificate Number



## **Memorandum**

**To: Leonard Lowe**  
**Engineering Bureau**  
**New Mexico Oil Conservation Division**

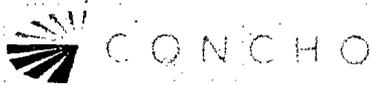
**From: Bryan Montgomery**  
**Reservoir Engineering Supervisor, NM Shelf Team**  
**COG Operating LLC**

**Date: August 23, 2017**

**Subject: Zeppo 5 Federal Com #25H NSL Engineer Statement**

COG Operating LLC (COG) is requesting a non-standard location exception (NSL) for this horizontal well to be able to access and drain Yeso reserves that would otherwise be left in the reservoir, thereby preventing waste of an economic resource. The Yeso is a very low permeability reservoir that does not sufficiently drain a great distance from wellbores and their hydraulic fractures. In addition, it would not be economical to try to access these reserves with a vertical well.





Sent Certified Mail  
Receipt #: 91-7199-9991-7036-0788-0531

August 30, 2017

**ConocoPhillips**  
**600 North Dairy Ashford Rd., 2WL-15058**  
**Houston, TX 77079**

**RE: Designation of Non-Standard Location by COG Operating LLC**  
**Lea County, New Mexico**

To Whom It May Concern,

This letter is to advise you that COG Operating LLC has filed the enclosed Well Dedication and Acreage Plats (C-102) with the New Mexico Oil Conservation Division seeking to designate non-standard location in Sections 5 & 8, T17S, R32E, Lea County, New Mexico.

Should your company have any objection, it must be filed in writing within twenty (20) days from the date of this notice. Non response within the 20 day notice shall constitute an approval/waiver of protest to COG's non-standard location.

Please contact me should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Robyn Russell", written over a large, faint circular stamp or watermark.

Robyn Russell  
Regulatory Analyst  
COG Operating, LLC  
(432) 685-4385  
Russell@concho.com

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3.
- 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.

**ConocoPhillips**  
 600 North Dairy Ashford Rd., 2WL-15058  
 Houston, Texas 77079  
 Re: NSL-Zepo5 Federal Com #25H

9590 9402 2244 6193 1778 99

2. Article Number (Transfer from service label)  
 91 7199 9991 7036 0788 0531

PS Form 3811, July 2015 PSN 7530-02-000-9053

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  
 Addressee  
 B. Received by (Printed Name)  Date of Delivery

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

3. Service Type
- Adult Signature
  - Adult Signature Restricted Delivery
  - Certified Mail®
  - Certified Mail Restricted Delivery
  - Collect on Delivery
  - Collect on Delivery Restricted Delivery
  - Priority Mail Express®
  - Registered Mail™
  - Registered Mail Restricted Delivery
  - Return Receipt for Merchandise
  - Signature Confirmation™
  - Signature Confirmation Restricted Delivery

Domestic Return Receipt



CONCHO

ONE CONCHO CENTER  
 600 W. ILLINOIS AVENUE  
 MIDLAND, TX 79701

91 7199 9991 7036 0788 0531



**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3.
- 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.

**ConocoPhillips**  
 600 North Dairy Ashford Rd., 2WL-15058  
 Houston, Texas 77079  
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A. Signature  Agent  
 Addressee  
 B. Received by (Printed Name)  Date of Delivery

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

3. Service Type
- Adult Signature
  - Adult Signature Restricted Delivery
  - Certified Mail®
  - Certified Mail Restricted Delivery
  - Collect on Delivery
  - Collect on Delivery Restricted Delivery
  - Priority Mail Express®
  - Registered Mail™
  - Registered Mail Restricted Delivery
  - Return Receipt for Merchandise
  - Signature Confirmation™
  - Signature Confirmation Restricted Delivery

Domestic Return Receipt

COG OPERATING LLC  
**RECEIVED**  
 SEP 15 2017

ConocoPhillips  
 600 North Dairy Ashford Rd., 2WL-15058  
 Houston, Texas 77079



**Lowe, Leonard, EMNRD**

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**From:** Lowe, Leonard, EMNRD  
**Sent:** Friday, October 20, 2017 12:47 PM  
**To:** 'Robyn Russell'  
**Cc:** Brown, Maxey G, EMNRD; Kautz, Paul, EMNRD; Sharp, Karen, EMNRD; 'lisa@rwbyram.com'; 'jglover@blm.gov'; McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD; Jones, William V, EMNRD  
**Subject:** APPROVED NSL-7595 & NSL-7696\_COG OPERATING LLC\_Zeppo 5 Federal Com Well No. 15H & 25H\_SEC 5 17S 32E  
  
**Importance:** High

Ms. Robyn Russell,

The following administrative orders have been issued and will soon be available on the Division's web site: <http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>

**NSL-7595**

COG Operating LLC  
API #: 30-025-Pending  
WELL: Zeppo 5 Federal Com Well No. 15H

**NSL-7596**

COG Operating LLC  
API #: 30-025-Pending  
WELL: Zeppo 5 Federal Com Well No. 25H

**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  
Fax: 505-476-3462  
E-mail: [leonard.lowe@state.nm.us](mailto:leonard.lowe@state.nm.us)  
Website: <http://www.emnrd.state.nm.us/ocd/>