

RECEIVED: 12/04/2017	REVIEWER: MAM	TYPE: OLM	APP NO: DMAM1733859529
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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

<b>Applicant:</b> COG Operating LLC	<b>OGRID Number:</b> 229137
<b>Well Name:</b> Zapata BQZ State Com #1H	<b>API:</b> 30-025-40001
<b>Pool:</b> Jennings; Upr Bone Spring Shale	<b>Pool Code:</b> 97879

**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

RECEIVED OCD  
 2017 DEC -4 A 1:27

*OLM - 124*

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.**

Debra L. Wilbourn

Print or Type Name

*Debra L. Wilbourn*

Signature

December 4, 2017  
 Date

575-748-6958  
 Phone Number

dwilbourn@concho.com  
 e-mail Address



December 4, 2017

Oil Conservation Division  
Attn: Mr. Michael McMillan  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

Re: Application for Administrative Approval  
Zapata BQZ State Com #1H  
API #30-025-40001  
SHL: 330' FSL 2180' FWL, Ut. N, Sec. 2-T26S-R32E  
BHL: 330' FNL 1980' FWL, Ut. C, Sec. 2-T26S-R32E  
Lea County, NM

Dear Mr. McMillan:

Pursuant to OCD Rule 19.15.12.C.4, COG Operating LLC (COG) respectfully requests administrative approval for Off-Lease Measurement of gas only for the Zapata BQZ State Com #1H well.

The off-lease Lucid gas sales meter will be located in Unit O, Sec. 2-T26S-R32E where gas will flow and custody transfer will occur. The location of the gas sales meter is outside the communitization agreement boundary for said well.

The working interest owners in the Zapata BQZ State Com #1H have been notified by certified mail of COG's intent to measure and sell the gas off-lease.

Please see the attached Administrative Application Checklist, C-102, site facility diagram, lease map, last six months of production, and list of working interest owners. Proof of delivery of notifications will be provided at a later date.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in cursive script that reads "Debora L. Wilbourn".

Debora L. Wilbourn  
Regulatory Analyst

Enclosures

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CORPORATE ADDRESS

ONE CONCHO CENTER | 600 WEST ILLINOIS AVENUE | MIDLAND, TEXAS 79701  
P432.683.7443 | F432.683.7441

ARTESIA WEST OFFICE

2208 MAIN STREET | ARTESIA, NEW MEXICO 88210  
P575.748.6940 | F575.746.2096

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 30-025-40001		<sup>2</sup> Pool Code 97879		<sup>3</sup> Pool Name Jennings; Upr Bone Spring Shale	
<sup>4</sup> Property Code 38431		<sup>5</sup> Property Name Zapata BQZ State Com			<sup>6</sup> Well Number 1H
<sup>7</sup> OGRID No. 229137		<sup>8</sup> Operator Name COG OPERATING LLC			<sup>9</sup> Elevation 3256

<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
N	2	26S	32E		330	S	2180	W	Lea

<sup>11</sup> Bottom Hole Location If Different From Surface

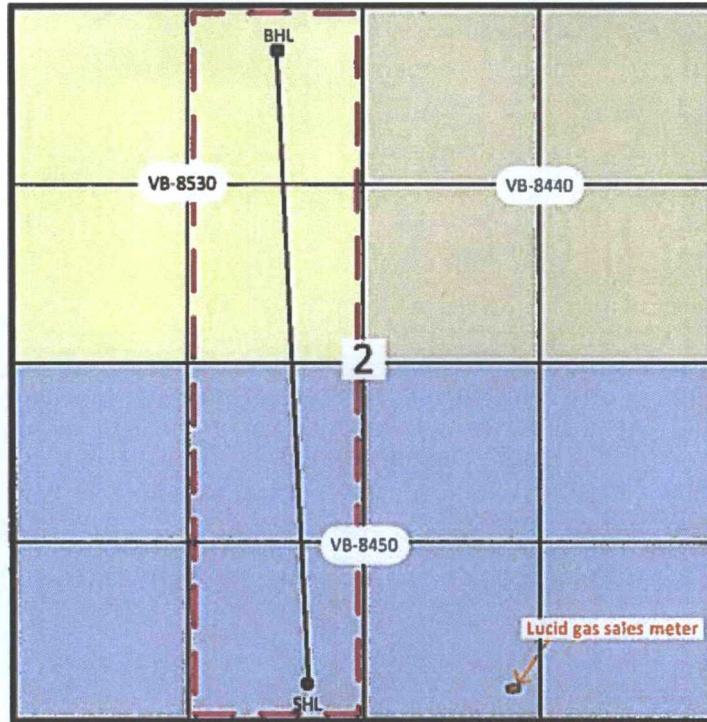
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	2	26S	32E		330	N	1980	W	Lea

<sup>12</sup> Dedicated Acres 160	<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 interests have been consolidated or a non-standard unit has been approved by the division.

	<p><b><sup>16</sup> OPERATOR CERTIFICATION</b> 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.</p> <p><i>Debra L. Wilbourn</i> Signature _____ Date <u>12/4/12</u></p> <p>Debra L. Wilbourn Printed Name _____</p> <p>dwilbourn@concho.com E-mail Address _____</p>
	<p><b><sup>17</sup> SURVEYOR CERTIFICATION</b> 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.</p> <p>_____ Date of Survey</p> <p>_____ Signature and Seal of Professional Surveyor:</p>
	<p>*see original plat dated 12/12/2010*</p> <p>_____ Certificate Number</p>

# Zapata BQZ State Com #1H



▬ Bone Spring CA

Sec. 2-T26S-R32E  
Lea County, NM



### Zapata BQZ State Com #1H

Jennings; Upr Bone Spring Shale

	Oil BBLS	Gas MCF	Water BBLS
Jan	343	9058	130
Feb	466	7089	126
Mar	413	6961	293
Apr	603	6217	0
May	408	6526	0
Jun	536	6818	0
Jul	44	1651	0
Aug	181	3602	0
Sep	1	0	0

**Zapata BQZ State Com #1H - API #30-025-40001**  
**Application for Off-lease Gas Measurement and Sales**  
**Notification List**

<i>Date Sent</i>	<i>Initials</i>	<i>Sent Certified Return Receipt Notice to:</i>	<i>Receipt No.</i>	<i>Rec'd</i>
12/4/17	DW	Oxy Y-1 Company, P. O. Box 27570, Houston, TX 77227	7016 2070 0000 8090 9227	
12/4/17	DW	Sharbro Energy LLC, 104 S. 4th St., Artesia, NM 88210	7016 2070 0000 8090 9203	

Mailed 12/4/17  
Debora L. Wilbourn



**Certified Mail – Return Receipt Requested**  
**7016 2070 0000 8090 9227**

December 4, 2017

Oxy Y-1 Company  
P. O. Box 27570  
Houston, TX 77227

Re: Application for Administrative Approval  
Zapata BQZ State Com #1H  
API #30-025-40001  
SHL: 330' FSL 2180' FWL, Ut. N, Sec. 2-T26S-R32E  
BHL: 330' FNL 1980' FWL, Ut. C, Sec. 2-T26S-R32E  
Lea County, NM

Dear Interest Owner:

This letter will serve as notice under OCD Rule 19.15.12.C.4 that COG Operating LLC has requested administrative approval from the Oil and Gas Division in Santa Fe, NM for Off-Lease Measurement of the gas only from the referenced Zapata BQZ State Com #1H well.

The off-lease Lucid gas sales meter will be located in Unit O, Sec. 2-T26S-R32E where gas will flow and custody transfer will occur. The location of the gas sales meter will be outside the communitization agreement boundary for said well.

Should your company have an objection to this method of gas measurement, it must be filed with the NMOCD in Santa Fe in writing within twenty (20) days from the date of this notice. The Division Director may approve the Off-Lease Measurement if no objection has been made within this time frame.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in cursive script that reads "Debora L. Wilbourn".

Debora L. Wilbourn  
Regulatory Analyst

Enclosures

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2208 MAIN STREET | ARTESIA, NEW MEXICO 88210  
P575.748.6940 | F575.746.2096

## Track USPS package

70162070000080909227

Track

USPS package #70162070000080909227  
www.usps.com

Delivered: Friday, Dec 8, 2017 05:54 AM

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Processed	In transit	Delivered	
DATE	TIME	LOCATION	STATUS
Dec 8	5:54 AM	Houston, TX, United States	Delivered, individual picked up at postal facility
Dec 7	4:03 AM	North Houston Tx Distribution Center	Departed USPS regional facility
Dec 6	10:45 AM	North Houston Tx Distribution Center	Arrived at USPS regional facility
Dec 6	9:15 AM	On Its Way To Houston, TX, United States	In transit to destination
Dec 5	5:15 AM	Lubbock Tx Distribution Center	Departed USPS regional facility

Show less shipping details ^

Data from usps.com

## Track USPS package

70162070000080909203

Track

USPS package #70162070000080909203  
www.usps.com

Delivered: Monday, Dec 11, 2017 08:37 AM

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Processed	In transit	Delivered	
DATE	TIME	LOCATION	STATUS
Dec 11	8:37 AM	Artesia, NM, United States	Delivered, left with individual
Dec 11	7:34 AM	Artesia, NM, United States	Arrived at unit
Dec 9	5:22 PM	Lubbock Tx Distribution Center	Departed USPS regional facility
Dec 9	4:15 PM	Lubbock Tx Distribution Center	Arrived at USPS regional facility
Dec 9	1:20 AM	Coppell Tx Distribution Center	Departed USPS regional facility

Show less shipping details ^

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