



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



June 1, 2011

COG Operating, LLC  
Attn: Ms. Kelly J. Holly  
Fasken Center, Tower II  
550 West Texas Ave., Suite 1300  
Midland, TX 79701

**Administrative Order NSL-6387**

**Re: Dodd Federal Unit Well No. 576  
API No. 30-015  
990 feet FSL & 2370 feet FEL  
Unit O, Section 10-17S-29E  
Eddy County, New Mexico**

Dear Ms. Holly:

Reference is made to the following:

(a) your application (**administrative application reference No. pTGW11-12942959**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on May 6, 2011, and

(b) the Division's records pertinent to this request.

COG Operating, LLC [OGRID 229137] (COG) has requested to drill the above-referenced well at an unorthodox oil well location, described above in the caption of this letter. The SW/4 SE/4 of Section 10 will be dedicated to this well in order to form a standard 40-acre oil spacing and proration unit in the Grayburg Jackson Seven Rivers-Queen-Grayburg-San Andres-Glorieta-Yeso Pool (97558). This pool is governed by statewide Rule 15.9 [19.15.15.9 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 the western unit boundary.

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)



Your application has been duly filed under the provisions of Division Rules 15.13 [19.15.15.13 NAMC] 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 existing electrical lines.

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 [19.15.15.13.B NMAC], 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", written in a cursive style.

Jami Bailey  
Director

JB/db

cc: New Mexico Oil Conservation Division – Artesia  
United States Bureau of Land Management