

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION  
- Engineering Bureau -  
1220 South St. Francis Drive, Santa Fe, NM 87505



APPROVED  
3/31/16

**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

**Application Acronyms:**

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]  
 [A] Location - Spacing Unit - Simultaneous Dedication  
 NSL  NSP  SD  
 Check One Only for [B] or [C]  
 [B] Commingling - Storage - Measurement  
 DHC  CTB  PLC  PC  OLS  OLM  
 [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX  PMX  SWD  IPI  EOR  PPR  
 [D] Other: Specify \_\_\_\_\_

NSL 7407  
 COG Prod. LLC (217955)  
 Triste Draw; Bone Springs  
 POOL: J # 96603  
 WELL: QUESO STATE # 8H  
 API # 30-025-43141

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or  Does Not Apply  
 [A]  Working, Royalty or Overriding Royalty Interest Owners  
 [B]  Offset Operators, Leaseholders or Surface Owner  
 [C]  Application is One Which Requires Published Legal Notice  
 [D]  Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office  
 [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,  
 [F]  Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **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.

Melanie J. Wilson		Regulatory Analyst	3/31/2016
Print or Type Name	Signature	Title	Date
		mwilson@concho.com	
		e-mail Address	



March 31, 2016

**Certified Mail – Return Receipt Requested**  
**7013 3020 0000 8749 2666**

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

Attention: Mr. Leonard Lowe

Re: Application for Unorthodox Well Location  
Queso State #8H API No. 30-025-43141  
SHL: 400' FSL & 1390' FEL (Unit O) Section 36, T23S, R32E  
First perf (planned): 330' FSL & 1345' FEL (Unit O) Section 36, T23S, R32E  
BHL: 230' FNL & 1345' FEL (Unit B) Section 36, T23S, R32E  
Last perf (planned) 330' FNL & 1345' FEL (Unit B)  
Lea County, New Mexico

Dear Mr. Lowe:

Pursuant to Division Rule 19.15.15.13, COG Production LLC (COG) respectfully requests administrative approval of an unorthodox oil well location for its Queso State #8H well. This well does not meet the 330' from the outer boundary of the producing area requirement. COG Production LLC has drilled and is currently producing Bone Spring wells in this section as described below.

Queso State #1H SHL: 180' FSL & 2260' FEL	BHL: 332' FNL & 2258' FEL
Queso State #2H SHL: 373' FSL & 380' FEL	BHL: 396' FNL & 463' FEL
Queso State #3H SHL: 400' FSL & 1260' FEL	BHL: 330' FNL & 1292' FEL
Queso State #5H SHL: 400' FSL & 1160' FEL	BHL: 366' FNL & 1024' FEL
Queso State #6H SHL: 373' FSL & 280' FEL	BHL: 333' FNL & 386' FEL

We plan to test infill drilling in a lower target within the Bone Spring Sand to enhance hydrocarbon recovery between the existing wellbores.

The affected offset tracts are:

1. W/2E/2 Section 36, T23S, R32E and ownership is uniform throughout the entire E/2. Attached is a letter from our Landman stating this.
2. NE/4 Section 1, T24S, R32E – Proof of notification mailed is attached.
3. SE/4 Section 25, T23S, R32E – Proof of notification mailed is attached.

Attached is a Form C-102 showing the project area and the producing area of this well.

Thank you for your consideration of this application. Should you have questions or require further information, please contact me at 575-748-6952 or by email [mwilson@concho.com](mailto:mwilson@concho.com).

Sincerely,  
  
Melanie J. Wilson  
Regulatory Analyst

cc: OCD Hobbs

DISTRICT I  
1625 N. FRENCH DR., HOBBS, NM 88240  
Phone: (575) 393-8181 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 RD., AZTEC, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV  
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505  
Phone: (505) 476-3480 Fax: (505) 476-3482

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 30-025-43141	Pool Code 96603	Pool Name TRISTE DRAW;BONE SPRING
Property Code 39335	Property Name QUESO STATE	
OGRID No. 217955	Operator Name COG PRODUCTION, LLC	
		Well Number 8H
		Elevation 3644.5'

Surface Location

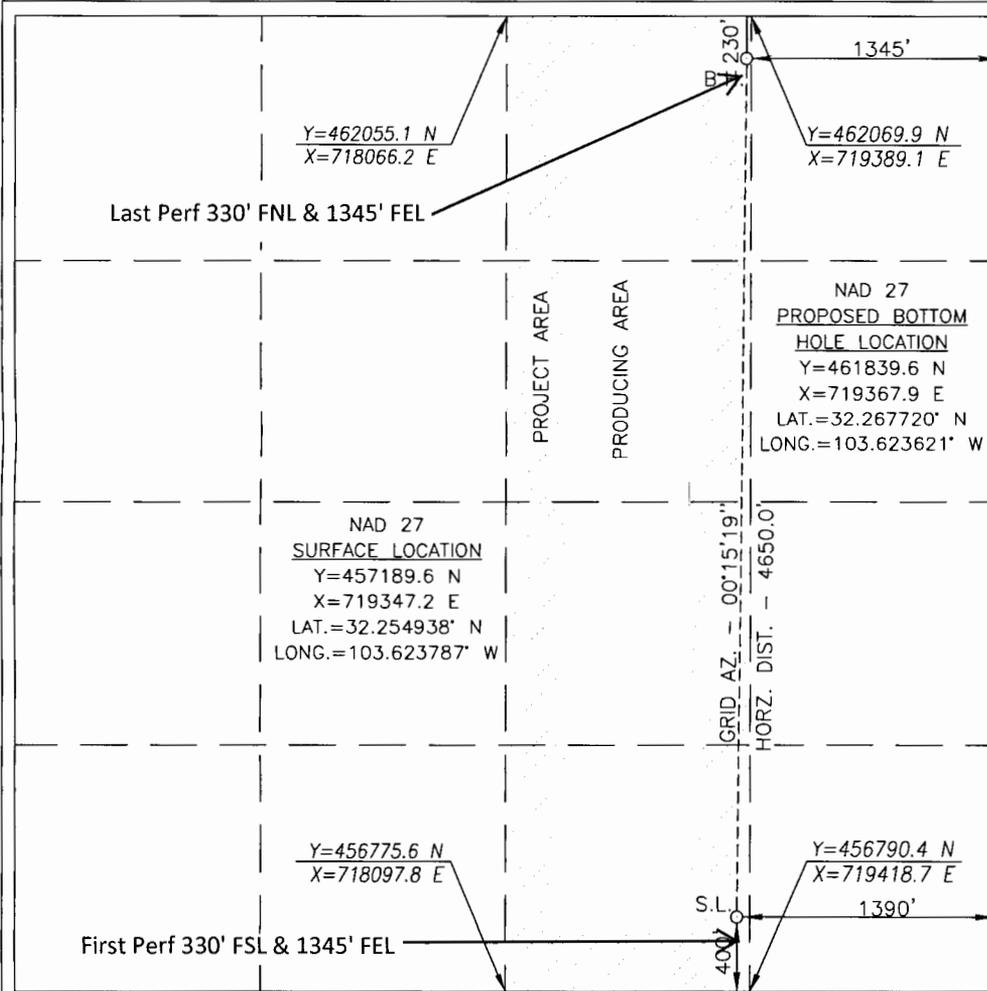
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	36	23-S	32-E		400	SOUTH	1390	EAST	LEA

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
B	36	23-S	32-E		230	NORTH	1345	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160.0			

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



**OPERATOR CERTIFICATION**

*I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.*

*Melanie Wilson 3/30/16*  
Signature Date

Melanie J. Wilson  
Printed Name  
mwilson@concho.com  
E-mail Address

---

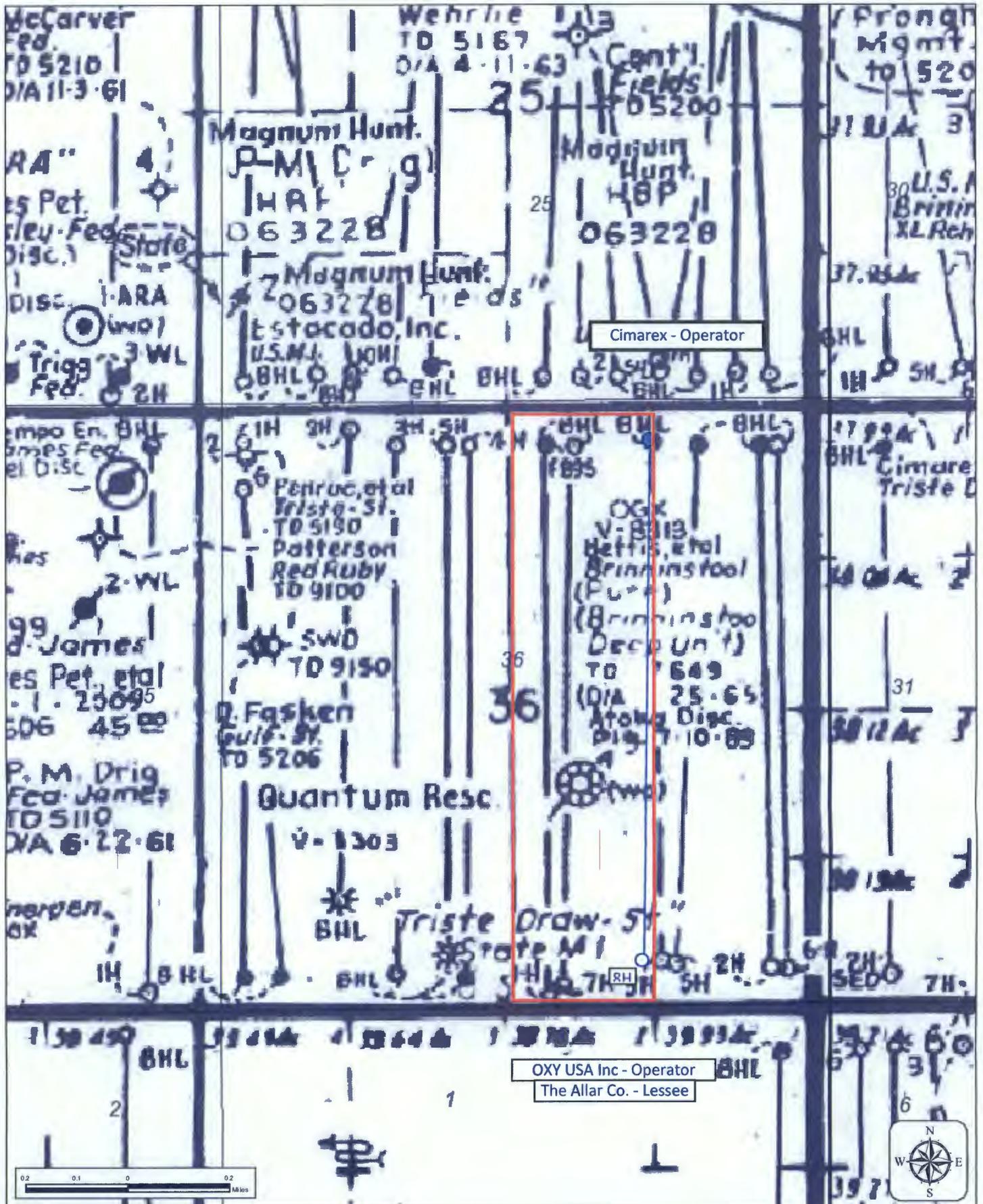
**SURVEYOR CERTIFICATION**

*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.*

MARCH 24, 2016  
Date of Survey

Signature & Seal of Professional Surveyor

*Chad Harcrow 3/28/16*  
Certificate No. CHAD HARCROW 17777  
W.O. #16-248 DRAWN BY: AF





March 31, 2016

**Certified Mail – Return Receipt Requested**  
**7013 3020 0000 8749 2673**

Cimarex Energy Company of Colorado  
202 S Cheyenne Ave., Suite 1000  
Tulsa, OK 74103

Re: Application for Unorthodox Well Location  
Queso State #8H                      API No. 30-025-43141  
SHL: 400' FSL & 1390' FEL (Unit O) Section 36, T23S, R32E  
    Planned First Perf: 330' FSL & 1345' FEL  
BHL: 230' FNL & 1345' FEL (Unit B) Section 36, T23S, R32E  
    Planned Last Perf: 330' FNL & 1345' FEL  
Lea County, New Mexico

Gentlemen:

Attached is a copy of COG's Application for Unorthodox Well Location for the Queso State #8H well in Section 7, T23S, R33E, Lea County, New Mexico. You are being sent a copy of this Application per OCD's requirement to notify the operator of the offset affected 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 575-748-6952 or by email at [mwilson@concho.com](mailto:mwilson@concho.com).

Sincerely,

Melanie J. Wilson  
Lead Regulatory Analyst

Enclosure

CORPORATE ADDRESS

One Concho Center | 600 West Illinois Avenue | Midland, Texas 79701  
PHONE 432.683.7443 | FAX 432.683.7441

LOCAL ADDRESS

Concho West | 2208 West Main Street | Artesia, New Mexico 88210  
PHONE 575.748.6940 | FAX 575.748.6968



March 31, 2016

**Certified Mail – Return Receipt Requested**  
**7013 3020 0000 8749 2659**

OXY USA INC.  
5 Greenway Plaza #110  
Houston, TX 77045-0521

Re: Application for Unorthodox Well Location  
Queso State #8H                      API No. 30-025-43141  
SHL: 400' FSL & 1390' FEL (Unit O) Section 36, T23S, R32E  
    Planned First Perf: 330' FSL & 1345' FEL  
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Sincerely,

Melanie J. Wilson  
Lead Regulatory Analyst

Enclosure



March 31, 2016

**Certified Mail – Return Receipt Requested**  
**7013 3020 0000 8749 2642**

The Allar Company  
PO Box 1567  
Graham, TX 76450

Re: Application for Unorthodox Well Location  
Queso State #8H                      API No. 30-025-43141  
SHL: 400' FSL & 1390' FEL (Unit O) Section 36, T23S, R32E  
    Planned First Perf: 330' FSL & 1345' FEL  
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    Planned Last Perf: 330' FNL & 1345' FEL  
Lea County, New Mexico

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Sincerely,

Melanie J. Wilson  
Lead Regulatory Analyst

Enclosure

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT  
OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

**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:

Cimarex Energy Company of Colorado  
202 S Cheyenne Ave., Suite 1000  
Tulsa, OK 74103

Queso St 84 - NSL

2. Article Number  
(Transfer from service label)

7013 3020 0000 8749 2673

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®  Priority Mail Express™

Registered  Return Receipt for Merchandise

Insured Mail  Collect on Delivery

4. Restricted Delivery? (Extra Fee)

Yes

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1. Article Addressed to:

The Allar Company  
PO Box 1567  
Graham, TX 76450

queso St 8H NSL

2. Article Number  
(Transfer from service label)

7013 3020 0000 8749 2642

PS Form 3811, July 2013

Domestic Return Receipt

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Agent

Addressee

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D. Is delivery address different from item 1?  Yes

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Registered  Return Receipt for Merchandise

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4. Restricted Delivery? (Extra Fee)  Yes

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Questo St 8H NSL

2. Article Number  
(Transfer from service label)

7013 3020 0000 8749 2659

PS Form 3811, July 2013

Domestic Return Receipt

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X

- Agent
- Addressee

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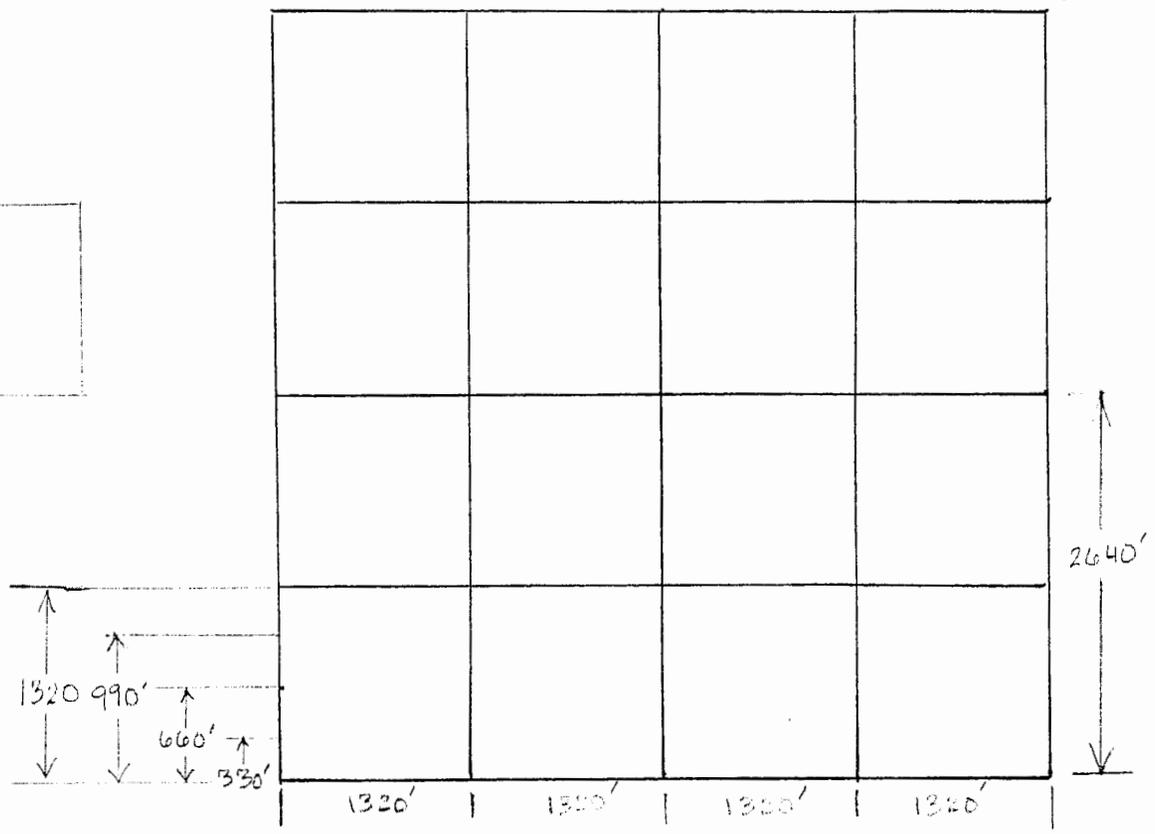
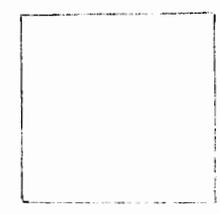
API: 30-025-43141 OPERATOR: COG Production LLC (217955)

Melanie Wilson  
(mwilson@concho.com)  
505-748-6952

NSL- \_\_\_\_\_ POOL: Triste Draw; Bone Springs (# 96603)

WELL: QUESO STATE #8 H ~~##~~

SEC. \_\_\_\_\_ T. \_\_\_\_\_ R. \_\_\_\_\_



WELL NAME:

GAS: 320' ACRE SPACING  
660' SET BACK

OIL: 40' ACRE SPACING  
330' SETBACK

DATE RECEIVED: 04/01/16 + 21 DAYS => 04/22/16

N/A IF NO COMMON INT OR WAIVER SIGNATURE