

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Susana Martinez**  
Governor

**Ken McQueen**  
Cabinet Secretary

**Matthias Sayer**  
Deputy Cabinet Secretary

**David R. Catanach, Division Director**  
Oil Conservation Division



July 20, 2017

COG Operating LLC  
Attn: Ms. Robyn Russell

ADMINISTRATIVE NON-STANDARD LOCATION

**Administrative Order NSL-7554-A**  
**Administrative Order NSP-2068-A**

**COG Operating LLC**  
OGRID 229137  
**Burkett 16 State Well No. 12H**  
**API No. 30-015-44268**

**Non-Standard Location**

**Proposed Location:**

	<u>Footages</u>	<u>Unit</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	1160' FNL & 1630' FEL	B	16	17S	31E	Eddy
Penetration Point	973' FNL & 2160' FEL	B	16	17S	31E	Eddy
Final perforation	990' FNL & 100' FWL	D	16	17S	31E	Eddy
Terminus	990' FNL & 10' FWL	D	16	17S	31E	Eddy

**Proposed Project Area:**

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
N/2 NW/4 of Section 16 NW/4 NE/4	120	Fren; Glorieta-Yeso	26770

Reference is made to your application received on June 6, 2017.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. This location is governed by statewide Rule 19.15.15.9 A NMAC, which provides for 40-acre units with wells located at least 330 feet from a unit outer boundary. This location is unorthodox because portions of the proposed completed interval are closer to outside boundaries of the proposed project area than any location that would be a standard location under the applicable pool rules.

Your application has been duly filed under the provisions of Division Rules 19.15.15.13 NMAC and 19.15.4.12.A (2) NMAC.

It is our understanding that the applicant is requesting this non-standard location to optimize the completed lateral length of the wellbore, reducing waste while protecting correlative rights.

This Order supersedes Administrative Order NSL-7554 and NSP-2068, issued on July 13, 2017.

Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, the above-described unorthodox location is hereby approved.

The above approvals are subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

**Non-Standard Project Area**

You have also requested approval of one or more non-standard proration units to be included in your proposed project area, as follows:

**Proposed Project Area (120 Acres):**

Section 16: N/2 NW/4 & NW/4 NW/4

Pursuant to the authority conferred by Division Rule 19.15.15.13 B (4) NMAC, the above-described non-standard project area is hereby approved.

The above approvals are subject to your being in compliance with all other applicable Division rules.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.



**DAVID R. CATANACH**  
**Director**

DRC/lrl

cc: Oil Conservation Division – Artesia District Office  
State Land Office – Oil, Gas, and Minerals Division