State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary David R. Catanach, Division Director Oil Conservation Division



November 20, 2017

COG Production, LLC

Attn: Ms. Debora L. Wilbourn

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL-7609

COG Production, LLC OGRID 217955 Windward Federal Well No. 7H API No. 30-025-43516

Non-Standard Location

Proposed Location:

-	Footages	Unit	Sec.	Twsp	Range	County
Surface	210' FNL & 1850' FWL	C	30	24S	32E	Lea
Penetration Point	580' FNL & 1648' FWL	\mathbf{C}	30	24S	32E	Lea
Final perforation	346` FSL & 1661` FWL	N	31	24S	32E	Lea
Terminus	251` FSL & 1661` FWL	N	31	24S	32E	Lea

Proposed Project Area:

Description	Acres	Pool	Pool Code
E/2 W/2 of Section 30	160	WC-025 G-06 S253206M; Bone Spring	97899
E/2 W/2 of Section 31	160		

Reference is made to your application received on November 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.

Administrative Order NSL-7609 COG Production, LLC November 20, 2017 Page 2 of 2

It is our understanding that COG Operating, LLC. inadvertently drilled the lateral portion of this wellbore at a non-standard footage from the west quarter-section line of Section 30.

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 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.

DAVID R. CATANACH

Director

DRC/lrl

cc: Oil Conservation Division – Hobbs District Office

Bureau of Land Management - Carlsbad