Approved

NSL

Order

Approved: 08/05/20

State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham

Governor

Sarah Cottrell Propst Cabinet Secretary Adrienne E. Sandoval, Director Oil Conservation Division

Todd E. Leahy, JD, PhDDeputy Cabinet Secretary

SANE OF NEW MERICO

Ms. Robyn Russell Rrussell@concho.com

NON-STANDARD LOCATION

August 5, 2020

Administrative Order NSL-8049

COG Operating, LLC [OGRID 229137] Myox 30 State Com Well No. 701H API No. 30-015-47090

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County_
Surface	400 FSL & 1296 FEL	P	18	25S	28E	Eddy
First Take Point	10 FNL & 450 FEL	A	19	25S	28E	Eddy
Last Take Point	330 FSL & 450 FEL	P	30	25S	28E	Eddy
Terminus	200 FSL & 450 FEL	P	30	25S	28E	Eddy

Proposed Horizontal Gas Units

Description	Acres	Pool	Pool Code
E/2 of Section 19	640	Purple Sage; Wolfcamp (GAS)	98220
E/2 of Section 30			

Reference is made to your application received on July 15, 2020.

You have requested to complete this horizontal well as a gas well described above in the referenced pool or formation. This well is governed by special rules for the Purple Sage; Wolfcamp (Gas) Pool of and provides for 320-acre units, with wells located at least 330 feet from a unit outer boundary.

This well's completed interval is as close as 10 feet to the northern edge. Encroachment will impact the following tract.

Section 18, encroachment to the SE/4

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all adjoining units towards which the proposed location encroaches.

Administrative Order NSL-8049 COG Operating, LLC August 5, 2020 Page 2 of 2

Division understands you are seeking this unorthodox location to optimize the completed lateral length of this wellbore, reducing waste while protecting correlative rights, and improving well economics and increasing revenue within the Wolfcamp formation underlying the E/2 of Section 19 and the E/2 of Section 30.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

Per Subsection B of 19.15.15.13 NMAC, Division approves this unorthodox location.

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as Division deems necessary.

ADRIENNE E. SANDOVAL Division Director

AES/lrl

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

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD

Sent: Monday, August 10, 2020 4:44 PM

To: 'Robyn Russell'

Cc: Bratcher, Mike, EMNRD; Podany, Raymond, EMNRD; 'lisa@rwbyram.com'; Simmons, Kurt, EMNRD;

Terry Warnell; McClure, Dean, EMNRD; Simmons, Kurt, EMNRD; Garcia, John A, EMNRD; Scott Cox;

'jglover@blm.gov'; Holm, Anchor E.

Subject: APPROVED NSLs_COG Operating, LLC._MYOX State Com Wells No. (701H, 702H, 703H, 704H, 705H,

706H)_SEC 18 25S 28E

Attachments: NSL-8049_COG_SIGNED.pdf; NSL-8050_COG_SIGNED.pdf; NSL-8051_COG_SIGNED.pdf; NSL-8052

COG SIGNED.pdf; NSL-8053 COG SIGNED.pdf; NSL-8054 COG SIGNED.pdf

Importance: High

Ms. Robyn Russell,

The following NSL Administrative Orders have been issued and will soon be available on the Division's web site:

http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx

NSL	AMD	Applicant	OGRID	WELL NAME	API#
8054	_	COG Operating, LLC	229137	Myox 30 State Com Well No. 706H	30-015-47095
8053	-	COG Operating, LLC	229137	Myox 30 State Com Well No. 705H	30-015-47094
8052	_	COG Operating, LLC	229137	Myox 30 State Com Well No. 704H	30-015-47093
8051	-	COG Operating, LLC	229137	Myox 30 State Com Well No. 703H	30-015-47091
8050	_	COG Operating, LLC	229137	Myox 30 State Com Well No. 702H	30-015-47092
8049	-	COG Operating, LLC	229137	Myox 30 State Com Well No. 701H	30-015-47090

Copies of the approved orders are attached.

Leonard R. Lowe

Engineering Bureau OCD - EMNRD 5200 Oakland Ave Albuqueque, N.M. 87113

C: 505-930-6717

 $\underline{http://www.emnrd.state.nm.us/ocd/}$