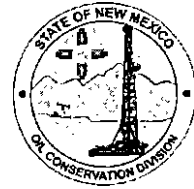


State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Tony Delfin
Acting Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



September 1, 2016

COG Operating LLC
Attn: Ms. Melanie J. Wilson

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-7456

COG Operating LLC
OGRID 229137
Raspberry State Com Well No. 1H
API No. 30-025-43179

Proposed Location:

	<u>Footages</u>	<u>Unit</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	334' FSL & 200' FEL	P	27	21S	33E	Lea
Penetration Point	330' FSL & 330' FEL	P	27	21S	33E	Lea
Final perforation	200' FNL & 330' FEL	A	22	21S	33E	Lea
Terminus	51' FNL & 330' FEL	A	22	21S	33E	Lea

Proposed project area:

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E2/ E/2 of Section 27	160	WC-025 G-06 S213326D;	97929
E/2 E/2 of Section 22	160	Bone Spring	

Reference is made to your application received on July 12, 2016.

The NSL application was initially protested on August 11, 2016 and was set for Hearing. The protest was resolved between parties.

You have requested to drill this 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 less than 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 15.13 19.15.15.13 NMAC and 19.15.4.12.A (2) NMAC.

An unorthodox location is required in order to maximize recovery of reserves.

It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 19.15.4.12 (A) 2 NMAC, in all adjoining units towards which the proposed location encroaches. However, the affected parties signed the waiver.

Pursuant to the authority conferred by Division Rule 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 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
State Land Office – Oil, Gas, and Minerals Division