

DATE IN	SUSPENSE	ENGINEER LRL	LOGGED IN 10/3/16	TYPE NSL	APP NO <del>PKSC1627741397</del> PKSC1627746632
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ABOVE THIS LINE FOR DIVISION USE ONLY

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



**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 NSL  
     [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
         ☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR  
     [D] Other: Specify \_\_\_\_\_  
     NSL  
     ~~EOG Production LLC (217955)~~  
     ~~Azores Federal #8 30-025-43212~~  
     ~~WC-025-G-06 5253206M;BONE~~  
     ~~SPRING (97899)~~  
     COG Production LLC (217955)  
     Azores Federal #12 ~~H~~  
     30-025-43178  
     WC-025-G-06  
     5253206M;BONE SPRING (97899)
- [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.

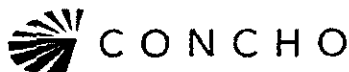
Melanie J. Wilson  
Print or Type Name

*Melanie J. Wilson*  
Signature

Regulatory Analyst  
Title

7/8/16  
Date

mwilson@concho.com  
e-mail Address



July 8, 2016

Oil Conservation Division  
Attention: Mr. Leonard Lowe  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

Re: Applications for Unorthodox Well Locations  
Section 29-T24S-R32E  
Lea County, New Mexico

Azores Federal #8H API No. 30-025-43212  
SHL: 210' FSL & 1780' FWL (Unit N)  
Planned FTP: 330' FSL & 1780' FWL  
BHL: 50' FNL & 1650' FWL (Unit C)  
Planned LTP: 100' FNL & 1650' FWL

Azores Federal #12H API No. 30-025-43178  
SHL: 210' FSL & 1680' FWL (Unit N)  
Planned FTP: 330' FSL & 990' FWL  
BHL: 50' FNL & 990' FWL (Unit D)  
Planned LTP: 100' FNL & 990' FWL

Dear Mr. Lowe:

Pursuant to Division Rule 19.15.15.13, COG Production LLC (COG) respectfully requests administrative approval of unorthodox oil well locations for its Azores Federal #8H and #12H wells. The producing intervals of these wells do not meet the 330' from the outer boundary of the producing area requirement. Attached are Forms C-102 showing the project areas and the producing areas of these wells.

COG is seeking approval of the unorthodox locations in order to maximize recovery of reserves. The New Mexico Oil Conservation Division's approval of the unorthodox completed intervals for the Azores Federal #8H and #12H wells will allow for efficient recovery of reserves thereby preventing waste and improving well performance.

The affected offset tracts are the SWSW and SESW of Section 20, T24S, R32E. Please be advised that Devon Energy Production Company, L.P. is the designated operator of all of Section 20. A notice of this application has been sent by certified mail this date to Devon Energy Production Company, L.P., advising them that if they object to COG's application, they must file a written objection with the Division within twenty (20) days from the date the Division received this application.

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 at [mwilson@concho.com](mailto:mwilson@concho.com).

Sincerely,

A handwritten signature in black ink, appearing to read "Melanie J. Wilson".

Melanie J. Wilson  
Lead Regulatory Analyst

Enclosure  
cc: OCD Hobbs

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CORPORATE ADDRESS

ONE CONCHO CENTER | 600 WEST ILLINOIS AVENUE | MIDLAND, TEXAS 79701  
P 432.683.7443 | F 432.683.7441

ARTESIA WEST OFFICE

2208 MAIN STREET | ARTESIA, NEW MEXICO 88210  
P 575.748.6940 | F 575.746.2096

DISTRICT I  
1625 N. FRENCH DR., BOBBY, NM 87640  
Phone: (505) 393-6181 Fax: (505) 393-0720

DISTRICT II  
511 E. FIRST ST., ARTESIA, NM 88210  
Phone: (505) 748-1283 Fax: (505) 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) 478-3460 Fax: (505) 478-3462

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 30-025-43178	Pool Code 97899	Pool Name WC-025 G-06 S253206M; Bone Spring
Property Code 39881	Property Name AZORES FEDERAL	Well Number 12H
OGRID No. 217955	Operator Name COG PRODUCTION, LLC	Elevation 3496.1'

**Surface Location**

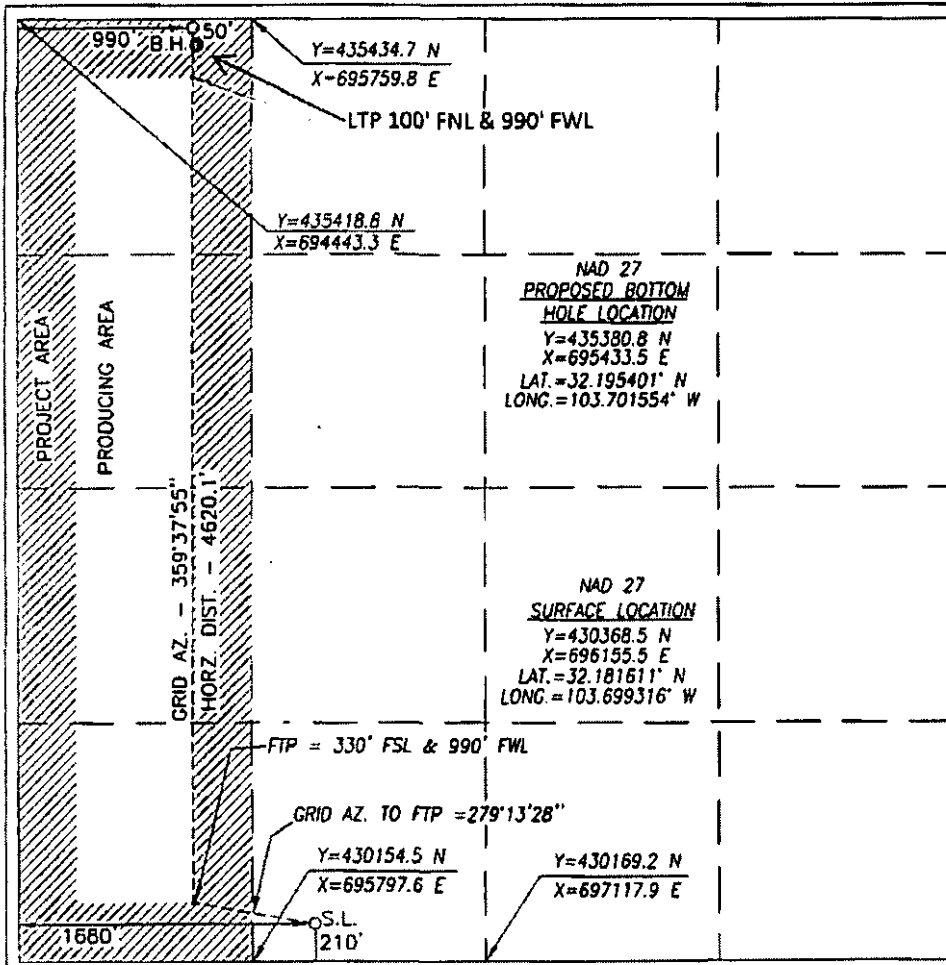

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	29	24-S	32-E		210	SOUTH	1680	WEST	LEA

**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
D	29	24-S	32-E		50	NORTH	990	WEST	LEA

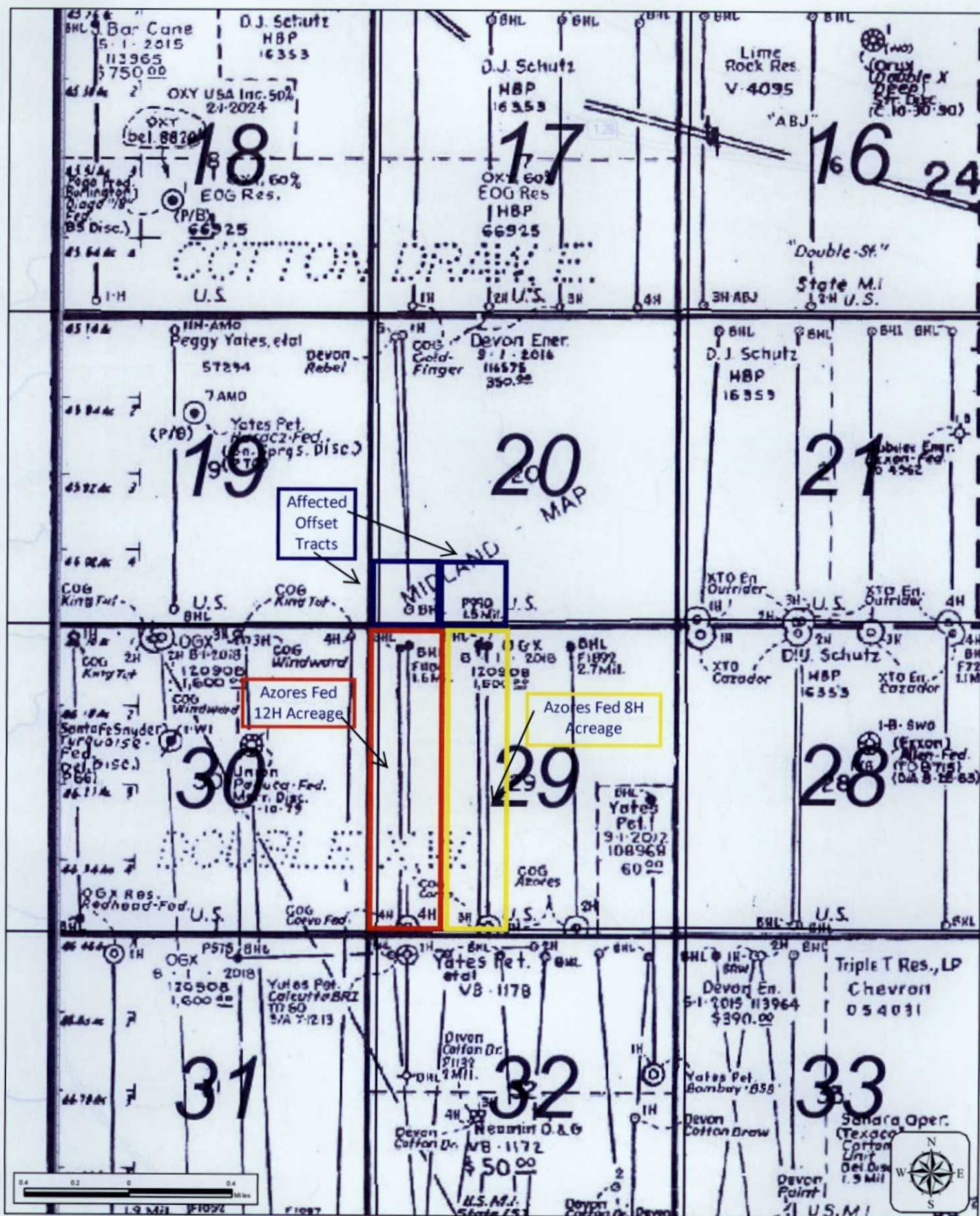
Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<b>OPERATOR CERTIFICATION</b> 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.  Signature <u>Melanie J Wilson</u> Date <u>7/18/16</u> Printed Name <u>Melanie J Wilson</u> E-mail Address <u>mwilson@concho.com</u>
	<b>SURVEYOR CERTIFICATION</b> 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.  NOVEMBER 30, 2015 Date of Survey Signature & Seal of Professional Surveyor  Certificate No. <u>CHAD HARCROW 17777</u> W.O. # <u>18-353</u> DRAWN BY: <u>AF</u>



Azores Federal #8H & #12H



**Azores Federal #8H 30-025-43212**  
**Azores Federal #12H 30-025-43178**  
**Application for Non Standard Location**  
**Notification List**

<b><i>Date Sent</i></b>	<b><i>Initials</i></b>	<b><i>Sent Certified Return Receipt to:</i></b>	<b><i>Receipt No.</i></b>
7/8/2016	MJW	Devon Energy Production Company, L.P., 333 W Sheradan Ave., Oklahoma City, OK 74102	7013 3020 0000 8749 8286

Mailed 07/08/2016  
Melanie J. Wilson



July 8, 2016

**Certified Mail – Return Receipt Requested**  
**7013 3020 0000 8749 8286**

Devon Energy Production Company, L.P.  
333 W. Sheridan Avenue  
Oklahoma City, OK 74102

Re: Applications for Unorthodox Well Locations  
Section 29-T24S-R32E  
Lea County, New Mexico

~~Azores Federal #8H API No. 30-025-43212~~  
~~SHL: 210' FSL & 1780' FWL (Unit N)~~  
~~Planned FTP: 330' FSL & 1780' FWL~~  
~~BHL: 50' FNL & 1650' FWL (Unit C)~~  
~~Planned LTP: 100' FNL & 1650' FWL~~

Azores Federal #12H API No. 30-025-43178  
SHL: 210' FSL & 1680' FWL (Unit N)  
Planned FTP: 330' FSL & 990' FWL  
BHL: 50' FNL & 990' FWL (Unit D)  
Planned LTP: 100' FNL & 990' FWL

Gentlemen:

Attached is a copy of COG Production LLC (COG)'s Application for Unorthodox Well Locations for the Azores Federal ~~#8H~~ and Azores Federal #12H wells in Section 29, T24S, R32E, 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.

COG is seeking approval of the unorthodox location in order to allow for the efficient recovery of reserves thereby preventing waste.

If you have any questions regarding this application, please contact Ryan Owen at 432-818-2327 or by email at Rowen@concho.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Melanie J. Wilson".

Melanie J. Wilson  
Lead Regulatory Analyst

Enclosure

**CORPORATE ADDRESS**

ONE CONCHO CENTER | 600 WEST ILLINOIS AVENUE | MIDLAND, TEXAS 79701  
P 432 683 7443 | F 432 683 7441

**ARTESIA WEST OFFICE**

2208 MAIN STREET | ARTESIA, NEW MEXICO 88210  
P 575 748 6940 | F 575 746 2096

## **Lowe, Leonard, EMNRD**

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**From:** Lowe, Leonard, EMNRD  
**Sent:** Wednesday, October 5, 2016 8:53 AM  
**To:** 'Melanie Wilson'  
**Cc:** 'lisa@rwbyram.com'; Brown, Maxey G, EMNRD; Kautz, Paul, EMNRD; 'jglover@blm.gov'; 'scaffey@blm.gov'; 'jstovall@blm.gov'; McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD; Jones, William V, EMNRD  
**Subject:** NSL-7463\_NSL-7464 (Azores Federal Well No. 8H & Azores Federal Well No. 12H, Lea County) 29 24S 32E  
  
**Importance:** High

Ms. Melanie J. Wilson,

The following permits have been issued and will soon be available on the Division's web site:  
<http://ocdimage.emnrd.state.nm.us/imaging/WellFileCriteria.aspx>

### **NSL-7463**

COG Production, LLC

API: 30-025-43212

WELL: Azores Federal Well No. 8H, Lea County

### **NSL-7464**

COG Production, LLC

API: 30-025-43178

WELL: Azores Federal Well No. 12H, Lea County

### **Leonard Lowe**

Engineering Bureau

Oil Conservation Division

Energy Minerals and Natural Resources Department

1220 South St. Frances

Santa Fe, New Mexico 87004

Office: 505-476-3492

Fax: 505-476-3462

E-mail: [leonard.lowe@state.nm.us](mailto:leonard.lowe@state.nm.us)

Website: <http://www.emnrd.state.nm.us/ocd/>