

8/18/16

DATE IN 10/27/2016	SUSPENSE	ENGINEER LRL	LOGGED IN 10/27/2016(21)	TYPE NSL	APP NO pKSC1628046688
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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] NSL - 7467
 [A] Location - Spacing Unit - Simultaneous Dedication COG Operating LLC (229137)
 NSL NSP SD Spruce Goose federal Com #3H
 30-025-41369
 Check One Only for [B] or [C]
 [B] Commingling - Storage - Measurement Lusk; Bone Spring, North (41450)
 DHC CTB PLC PC OLS OLM
 [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR
 [D] Other: Specify _____

- [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.

Dehora L. Wilbourn Dehora L. Wilbourn Regulatory Analyst 8/10/16
 Print or Type Name Signature Title Date
 dwilbourn@concho.com
 e-mail Address



August 10, 2016

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

Re: Application for Unorthodox Well Location
Spruce Goose Federal Com #3H API No. 30-025-43169
SHL: 1980' FNL & 210' FWL (Lot 2), Section 7-T19S-R32E
Proposed First Perf: 1980' FNL & 330' FWL, Section 7-T19S-R32E
BHL: 1980' FNL & 50' FEL (Unit H), Section 7-T19S-R32E
Proposed Last Perf: 1980' FNL & 100' FEL, Sec. 7-T19S-R32E
Lea County, New Mexico

Dear Mr. Lowe:

Pursuant to Division Rule 19.15.15.13, COG Operating LLC (COG) respectfully requests administrative approval of an unorthodox oil well location for its Spruce Goose Federal Com #3H well. The producing interval of this well does not meet the 330' from the outer boundary of the producing area requirement. Attached is a Form C-102 showing the project area and the producing area of this well.

COG is seeking approval of the unorthodox location in order to maximize recovery of reserves. The New Mexico Oil Conservation Division's approval of the unorthodox completed interval for the Spruce Goose Federal Com #3H well will allow for efficient recovery of reserves thereby preventing waste and improving well performance.

The affected offset tract is the SW/4 NW/4 of Section 8, T19S-32E. COG Operating, LLC is the designated operator. A notice letter of this application has been sent by certified mail this date to all working, royalty or overriding royalty interest owners under said offset tract, 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 575-748-6958 or by email at dwilbourn@concho.com.

Sincerely,

Debora L. Wilbourn
Regulatory Analyst

Enclosure
cc: OCD Artesia

DISTRICT I
1625 N. FRENCH DR., HOBBY, NM 86540
Phone: (575) 393-8181 Fax: (575) 393-8720

DISTRICT II
811 S. FIRST ST., ARTESIA, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 334-8178 Fax: (505) 334-6170

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 476-3480 Fax: (505) 476-3482

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 30-025-43169	Pool Code 41450	Pool Name LUSK; BONE SPRING, NORTH
Property Code 308225	Property Name SPRUCE GOOSE FEDERAL COM	Well Number 3H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3623.7

Surface Location

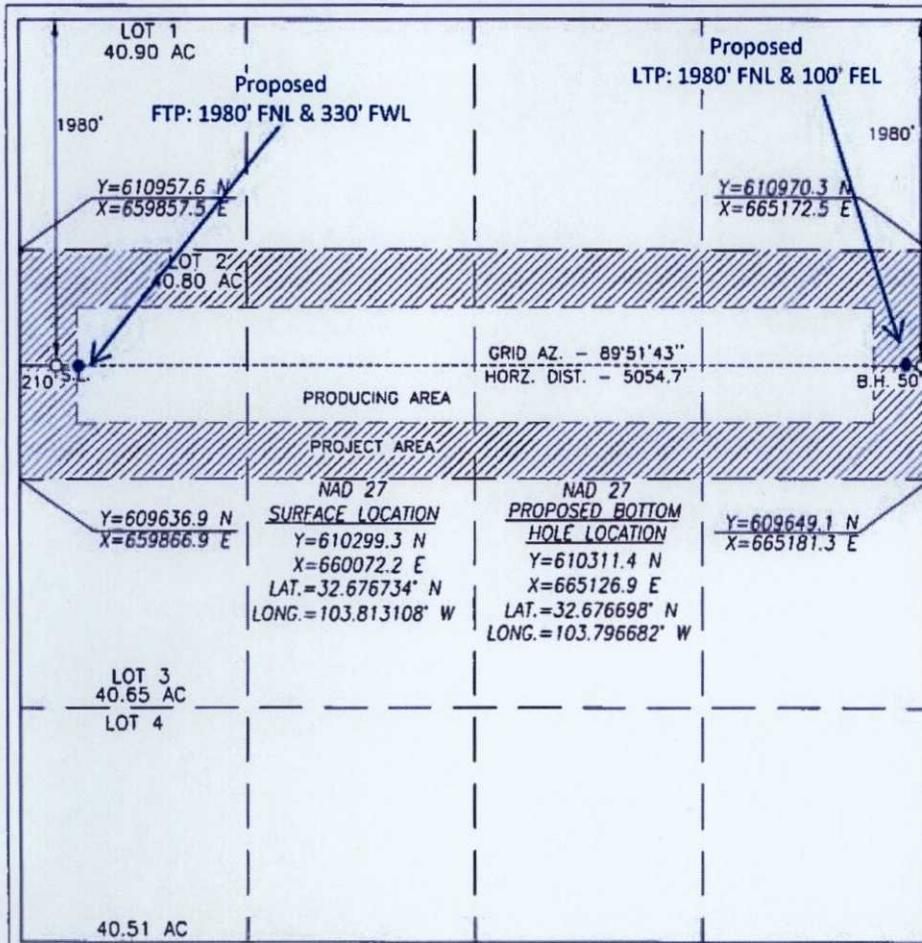
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
2	7	19-S	32-E		1980	NORTH	210	WEST	LEA

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
H	7	19-S	32-E		1980	NORTH	50	EAST	LEA

Dedicated Acres 160.86	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



OPERATOR CERTIFICATION
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.

Debra L. Wilbourn
Signature
Date 8/10/16

Debra L. Wilbourn
Printed Name
dwilbourn@concho.com
E-mail Address

SURVEYOR CERTIFICATION
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.

JULY 12, 2016
Date of Survey

Signature & Seal of Professional Surveyor

Chad L. Harcrow
7/12/16

CHAD L. HARCROW
NEW MEXICO
17777
LICENSED PROFESSIONAL SURVEYOR

Certificate No. CHAD HARCROW 17777
W.O. # 16-561 DRAWN BY: CH

Spruce Goose Federal #3H API #30-025-43169

**Application for Non Standard Location
Notification List**

<i>Date Sent</i>	<i>Initials</i>	<i>Tract</i>	<i>Sent Certified Return Receipt to:</i>	<i>Receipt No.</i>	<i>Rec'd</i>
8/10/2016	DLW	NWNW	BP America, P. O. Box 591, Tulsa, OK 74102	7013 3020 0000 8750 1863	
8/10/2016	DLW	NWNW	Ray Westall, Westall Oil & Gas Co. LLC, P. O. Box 4, Loco Hills, NM 88255	7013 3020 0000 8750 1870	
8/10/2016	DLW	NWNW	ZPZ Delaware LLC, 2000 Post Oak Blvd., Ste. 100, Houston, TX 77056	7006 0810 0000 8979 7282	
8/10/2016	DLW	NWNW	Nestegg Energy Corp., 2308 Sierra Vista Rd., Artesia, NM 88210	7006 0810 0000 8979 7299	
8/10/2016	DLW	NWNW	Randall L. Harris, 439 W. James Funk Rd., Lake Arthur, NM 88253	7006 0810 0000 8797 7305	
8/10/2016	DLW	NWNW	Office of Natural Resources, P. O. Box 25627, Denver, CO 80225	7006 0810 0000 8979 7312	

Mailed 08/10/2016
Debora L. Wilbourn



August 10, 2016

Certified Mail – Return Receipt Requested
7013 3020 0000 8750 1863

BP America
P. O. Box 591
Tulsa, OK 74102

Re: Application for Unorthodox Well Location
Spruce Goose Federal Com #3H API No. 30-025-43169
SHL: 1980' FNL & 210' FWL (Lot 2) Section 7-T19S-R32E
Proposed First Perf: 1980' FNL & 330' FWL
BHL: 1980' FNL & 50' FEL (Unit H) Section 7-T19S-R32E
Proposed Last Perf: 1980' FNL & 100' FEL
Lea County, New Mexico

Gentlemen:

Attached is a copy of COG Operating LLC (COG)'s Application for Unorthodox Well Location for the Spruce Goose Federal Com #3H well in Section 7, T19S-R32E, Lea County, New Mexico. You are being sent a copy of this Application per OCD's requirement to notify all working, royalty or overriding royalty owners under the affected offset 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 Ashley Roush at 432-818-2358 or Greg Geist at 432-221-0452 or by email at aroush@concho.com or ggeist@concho.com.

Sincerely,

Debora L. Wilbourn
Regulatory Analyst

Enclosure

CORPORATE ADDRESS

One Concho Center | 600 West Illinois Avenue | Midland, Texas 79701
PHONE 432.683.7443 | FAX 432.683.7441

LOCAL ADDRESS

Concho West | 2208 West Main Street | Artesia, New Mexico 88210
PHONE 575.748.6940 | FAX 575.748.6968

10/6/16 sent
e-mail inquiring

didn't have it

DEBORA WILBOURN

COG OPERATING

Well Name	Spud	Proposed Completion	NSL App Submitted	End of 20 Day Notice
Spruce Goose Fed Com 3H	07/24/16	10/16/16	08/18/16	09/20/16
Stealth Fed Com 4H	09/24/16	10/30/16	09/14/16	10/04/16
Bultaco St 3H	10/13/16		10/06/16	10/26/16
Smalls Fed 8H	10/20/16		09/21/16	10/10/16
Windward Fed 5H	11/11/16		09/27/16	10/16/16
Windward Fed 6H	12/10/16		09/27/16	10/16/16
Windward Fed 7H	01/08/17		09/27/16	10/16/16
Windward Fed 8H	02/06/17		09/27/16	10/16/16

10/6/16 Sent e-mail to ↑

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Thursday, October 13, 2016 7:26 AM
To: 'Debora Wilbourn'
Cc: Brown, Maxey G, EMNRD; Kautz, Paul, EMNRD; McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD; Jones, William V, EMNRD; 'lisa@rwbyram.com'; 'jglover@blm.gov'; 'scaffey@blm.gov'; 'jstovall@blm.gov'; 'rjsanche@blm.gov'
Subject: NSL-7467_Spruce Goose Federal Com Well No. 3H, Lea County_E(2)/H SEC 7 19S 32E
Importance: High

Ms. Debora Wilbourn

The following permit has been issued and will soon be available on the Division's web site:
<http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>.

NSP-7467

COG Operating LLC

API #: 30-025-43169

WELL: Spruce Goose Federal Com Well No. 3H, 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

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