

DATE IN 9/21/16	SUSPENSE	ENGINEER LRL	LOGGED IN 9/21/16	TYPE NSL	APP NO PHSEK26430323
-----------------	----------	--------------	-------------------	----------	----------------------

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]

NSL-7469

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☒ NSL ☐ NSP ☐ SD

COG OPERATING LLC
STEALTH FED COM-#4H
API: -25-43338

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ 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.

Debra L. Wilbourn
Print or Type Name

Debra L. Wilbourn
Signature

Regulatory Analyst
Title

9/14/16
Date

dwilbourn@concho.com
e-mail Address



September 14, 2016

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

Re: Application for Unorthodox Well Location
Stealth Federal Com #4H API No. 30-025-43338
SHL: 317' FSL & 940' FEL (Unit P), Section 17-T19S-R32E
Proposed First Perf: 330' FSL & 330' FEL, Sec. 17-T19S-R32E
BHL: 50' FNL & 330' FEL (Unit A), Section 17-T19S-R32E
Proposed Last Perf: 100' FNL & 330' FEL, Sec. 17-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 Stealth Federal Com #4H 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 Stealth Federal Com #4H well will allow for efficient recovery of reserves thereby preventing waste and improving well performance.

The affected offset tracts are the SE/4SE/4 of Sec. 8-T19S-R32E (Tract 1), and the SW/4SW/4 of Sec. 9-T19S-R32E (Tract 2). COG Operating, LLC, is the operator of Tract 1. There is no designated operator for Tract 2. A notice letter of this application has been sent by certified mail this date to the working interest owners under Tract 1 and the lessee of record under Tract 2. The notice letter advises that should they have an objection to COG's application, they must file a written objection with the Division within twenty (20) days from the date the Division receives 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
1825 N. FRENCH DR., BOHNS, NM 88540
Phone: (575) 362-0181 Fax: (575) 362-0755

DISTRICT II
511 E. FIRST ST., ARTESIA, NM 88210
Phone: (575) 749-1283 Fax: (575) 749-0730

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 334-8178 Fax: (505) 334-8170

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87503
Phone: (505) 478-3480 Fax: (505) 478-3482

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 30-025-43338	Pool Code 41440	Pool Name Lusk, Bone Spring
Property Code 308558	Property Name STEALTH FEDERAL COM	Well Number 4H
GRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3592.0'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	17	19-S	32-E		317	SOUTH	940	EAST	LEA

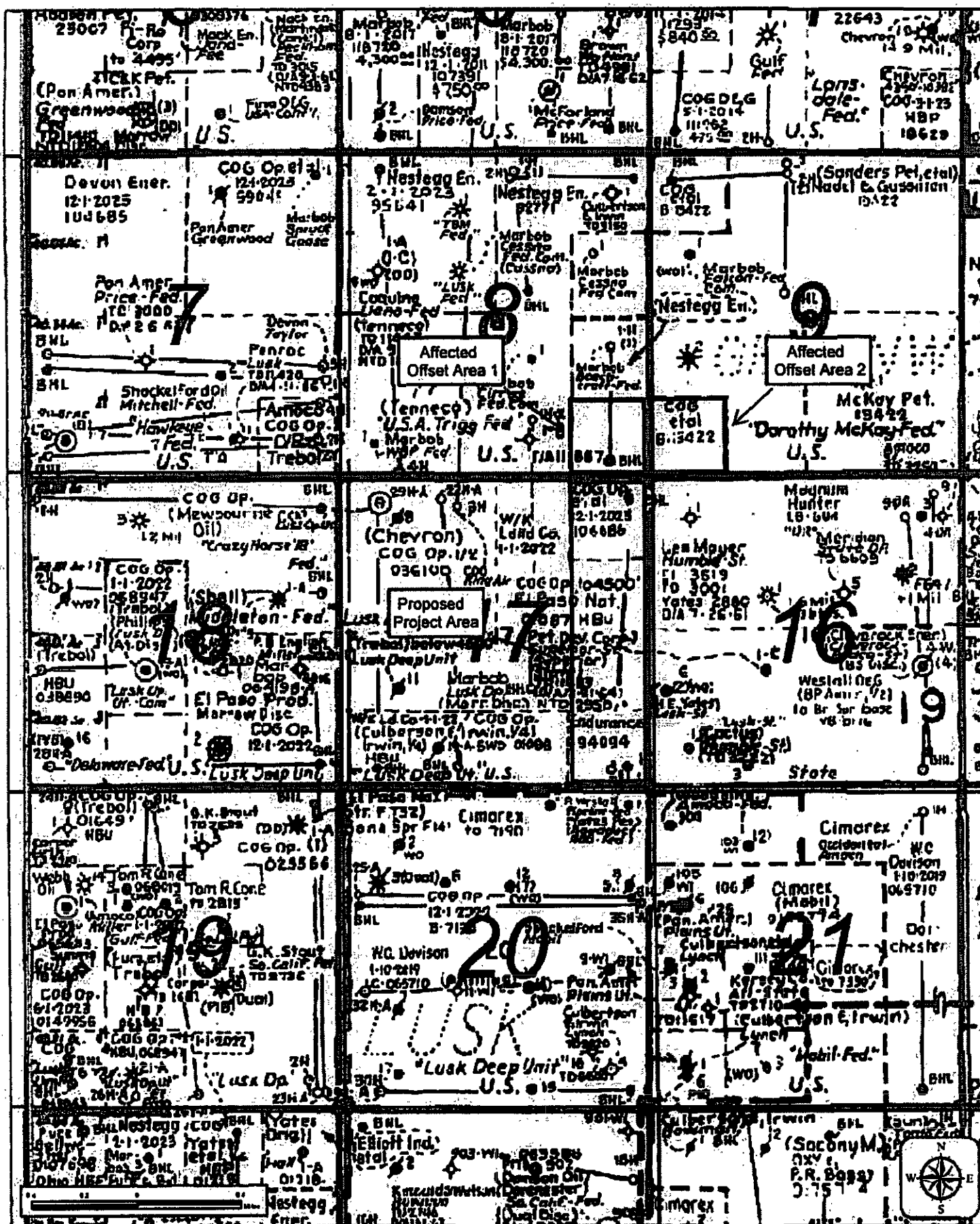
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	17	19-S	32-E		50	NORTH	330	EAST	LEA

Dedicated Acres 160.00	Joint or Infill	Consolidation Code	Order No.
---------------------------	-----------------	--------------------	-----------

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

<p>Proposed LTP 100' FNL & 330' FEL</p> <p>Y=607022.7 N X=669164.5 E</p> <p>Y=607027.1 N X=670486.6 E</p> <p>NAD 27 PROPOSED BOTTOM HOLE LOCATION Y=606976.0 N X=670156.8 E LAT.=32.667459° N LONG.=103.780392° W</p> <p>NAD 27 SURFACE LOCATION Y=602059.8 N X=669581.1 E LAT.=32.653955° N LONG.=103.782345° W</p> <p>Y=601744.5 N X=670523.6 E</p> <p>Y=601742.4 N X=669200.0 E</p> <p>Proposed LTP 330' FSL & 330' FEL</p>	<p>PROJECT AREA</p> <p>PRODUCING AREA</p> <p>GRID AZ. = 06°40'46" HORZ. DIST. = 4949.8</p>	<p>OPERATOR CERTIFICATION</p> <p>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.</p> <p><i>Debora L. Wilbourn</i> Signature Date 9/14/16</p> <p>Debora L. Wilbourn Printed Name dwilbourn@concho.com E-mail Address</p> <p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>AUGUST 7, 2015 Date of Survey</p> <p>Signature & Seal of Professional Surveyor</p> <p>CHAD L. HARCROW NEW MEXICO 17777 LICENSED PROFESSIONAL SURVEYOR</p> <p><i>Chad L. Harcrow</i> 3/18/16 Certificate No. CHAD HARCROW 17777 W.O. #18-221 DRAWN BY: WN</p>
--	--	---



Stealth Federal Com #4H API #30-25-43338

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>
09/14/16	DLW	1, 2	McKay Petroleum, One McKay Place, Roswell, NM 88201	7013 3020 8749 8880	
09/14/16	DLW	1	Tierra Oil Company, 2631 Bulverde Rd., Ste. 103, Bulverde, TX 78163	7013 3020 8749 8897	
09/14/16	DLW	1	Sandra Shank, Westall Family Oil Properties, LLC, 1208 Karabella Way, Roswell, NM 88201	7013 3020 8749 8903	
09/14/16	DLW	1	Ray Westall, Westall Oil & Gas Co., LLC, P. O. Box 4, Loco Hills, NM 88255	7013 3020 8749 8910	

Mailed 09/14/2016

Debora L. Wilbourn



September 14, 2016

Tierra Oil Company
2631 Bulverde Rd., Ste. 103
Bulverde, TX 78163

Re: Application for Unorthodox Well Location
Stealth Federal Com #4H API No. 30-025-43338
SHL: 317' FSL & 940' FEL (Unit P), Section 17-T19S-R32E
Proposed First Perf: 330' FSL & 330' FEL, Sec. 17-T19S-R32E
BHL: 50' FNL & 330' FEL (Unit A), Section 17-T19S-R32E
Proposed Last Perf: 100' FNL & 330' FEL, Sec. 17-T19S-R32E
Lea County, New Mexico

Gentlemen:

Attached is a copy of COG Operating LLC (COG)'s Application for Unorthodox Well Location for the Stealth Federal Com #4H well, the SHL of which is located in Section 17, T19S-R32E, Lea County, New Mexico. You are being sent a copy of this Application per OCD's requirement to notify the operator or lessee of record 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 letter, please contact
Greg Geist at 432-221-0452 or b

Sincerely,

Debora L. Wilbourn

Debora L. Wilbourn
Regulatory Analyst

Enclosure

CORPORATE ADDRESS
One Concho Center | 600 West Illinois Avenue
PHONE 432.683.7443 | FAX 432.683.7441

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)
For delivery information visit our website at www.usps.com

OFFICIAL USE	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark: 9/14/16

TIERRA OIL COMPANY
2631 BULVERDE RD STE 103
BULVERDE TX 78163

PS Form 3800, August 2005 See Reverse for Instructions

7013 3020 0000 8749 8897

Ce

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none">Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.Print your name and address on the reverse so that we can return the card to you.Attach this card to the back of the mailpiece, or on the front if space permits.		A. Signature x <i>D. B. Hall</i> <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee	
1. Article Addressed to:		B. Received by (Printed Name) <i>D. B. Hall</i>	C. Date of Delivery <i>9/19/16</i>
TIERRA OIL COMPANY 2631 BULVERDE RD STE 103 BULVERDE TX 78163		D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below:	
		3. Service Type <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> Collect on Delivery	
		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	

2. Article Number
(Transfer from service label)
PS Form 3811, July 2013 Domestic Return Receipt



September 14, 2016

Sandra Shank
Westall Family Oil Properties, LLC
1208 Karabella Way
Roswell, NM 88201

Re: Application for Unorthodox Well Location
Stealth Federal Com #4H API No. 30-025-43338
SHL: 317' FSL & 940' FEL (Unit P), Section 17-T19S-R32E
Proposed First Perf: 330' FSL & 330' FEL, Sec. 17-T19S-R32E
BHL: 50' FNL & 330' FEL (Unit A), Section 17-T19S-R32E
Proposed Last Perf: 100' FNL & 330' FEL, Sec. 17-T19S-R32E
Lea County, New Mexico

Dear Ms. Shank:

Attached is a copy of COG Operating LLC (COG)'s Application for Unorthodox Well Location for the Stealth Federal Com #4H well, the SHL of which is located in Section 17, T19S-R32E, Lea County, New Mexico. You are being sent a copy of this Application per OCD's requirement to notify the operator or lessee of record 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.

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none">■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.■ Print your name and address on the reverse so that we can return the card to you.■ Attach this card to the back of the mailpiece, or on the front if space permits.		<p>A. Signature x <i>Sandra Shank</i></p> <p>B. Received by (Printed Name) <i>Sandra Shank</i></p> <p>C. Date of Delivery <i>9-17-16</i></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If Yes, enter delivery address below: <input type="checkbox"/> No</p> <p>3. Service Type <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Priority Mail Express™ <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> Collect on Delivery</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>	
1. Article Addressed to: WESTALL FAMILY OIL PROPERTIES LLC ATTN SANDRA SHANK 1208 KARABELLA WAY ROSWELL NM 88201		<p>5. Article Number (Transfer from service label) 7013 3020 0000 8749 8903</p> <p>PS Form 3811, July 2013 Domestic Return Receipt</p>	

U.S. Postal Service™ CERTIFIED MAIL® RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage \$	
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees \$	
WESTALL FAMILY OIL PROPERTIES LLC ATTN SANDRA SHANK 1208 KARABELLA WAY ROSWELL NM 88201	
PS Form 3800, August 2006 See Reverse for Instructions	

Buy Roush at 432-818-2358 or
concho.com

8 West Main Street | Artesia, New Mexico 88210
FAX 575.748.6968



September 14, 2016

Ray Westall
Westall Oil & Gas Co., LLC
P. O. Box 4
Loco Hills, NM 88255

Re: Application for Unorthodox Well Location
Stealth Federal Com #4H API No. 30-025-43338
SHL: 317' FSL & 940' FEL (Unit P), Section 17-T19S-R32E
Proposed First Perf: 330' FSL & 330' FEL, Sec. 17-T19S-R32E
BHL: 50' FNL & 330' FEL (Unit A), Section 17-T19S-R32E
Proposed Last Perf: 100' FNL & 330' FEL, Sec. 17-T19S-R32E
Lea County, New Mexico

Gentlemen:

Attached is a copy of COG Operating LLC (COG)'s Application for Unorthodox Well Location for the Stealth Federal Com #4H well, the SHL of which is located in Section 17, T19S-R32E, Lea County, New Mexico. You are being sent a copy of this Application per OCD's requirement to notify the operator or lessee of record 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 letter,
Greg Geist at 432-221-0452 or

Sincerely,

Debora L. Wilbourn

Debora L. Wilbourn
Regulatory Analyst

Enclosure

CORPORATE ADDRESS
One Concho Center | 600 West Illinois Avenue
PHONE 432.683.7443 | FAX 432.683.7441

U.S. Postal Service
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)
For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage \$
Certified Fee \$
Return Receipt Fee (Endorsement Required) \$
Restricted Delivery Fee (Endorsement Required) \$
Total Postage & Fees \$

7013 3020 0000 8749 8910

Sen WESTALL OIL & GAS LLC
Attn RAY WESTALL
P O BOX 4
City LOCO HILLS NM 88255

PS Form 3800, August 2005 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

1. Complete Items 1, 2, and 3. Also complete Item 4 if Restricted Delivery is desired.
2. Print your name and address on the reverse so that we can return the card to you.
3. Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
WESTALL OIL & GAS LLC
ATTN RAY WESTALL
P O BOX 4
LOCO HILLS NM 88255

2. Article Number (Transfer from service label)
Stealth 4H-NSL

COMPLETE THIS SECTION ON DELIVERY

A. Signature
B. Received by (Printed Name)
C. Date of Delivery
D. Is delivery address different from Item 1? If YES, enter delivery address below:
E. Service Type
F. Restricted Delivery? (Extra Fee)

☐ Agent
☐ Addressee
☐ Yes
☐ No
☐ Certified Mail™
☐ Registered
☐ Insured Mail
☐ Priority Mail Express™
☐ Return Receipt for Merchandise
☐ Collect on Delivery
☐ Yes

7013 3020 0000 8749 8910
PS Form 3811, July 2013 Domestic Return Receipt



September 14, 2016

McKay Petroleum
One McKay Place
Roswell, NM 88201

Re: Application for Unorthodox Well Location

Stealth Federal Com #4H

API No. 30-025-43338

SHL: 317' FSL & 940' FEL (Unit P), Section 17-T19S-R32E

Proposed First Perf: 330' FSL & 330' FEL, Sec. 17-T19S-R32E

BHL: 50' FNL & 330' FEL (Unit A), Section 17-T19S-R32E

Proposed Last Perf: 100' FNL & 330' FEL, Sec. 17-T19S-R32E

Lea County, New Mexico

Gentlemen:

Attached is a copy of COG Operating LLC (COG)'s Application for Unorthodox Well Location for the Stealth Federal Com #4H well, the SHL of which is located in Section 17, T19S-R32E, Lea County, New Mexico. You are being sent a copy of this Application per OCD's requirement to notify the operator or lessee of record 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.

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<input checked="" type="checkbox"/> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. <input checked="" type="checkbox"/> Print your name and address on the reverse so that we can return the card to you. <input checked="" type="checkbox"/> Attach this card to the back of the mailpiece, or on the front if space permits.		A. Signature <input checked="" type="checkbox"/> <i>[Signature]</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to: MCKAY PETROLEUM ONE MCKAY PL ROSWELL NM 88201		B. Received by (Printed Name) Reg. Mail	
		C. Date of Delivery 9-17-16	
		D. Is delivery address different from item 1? <input type="checkbox"/> Yes If Yes, Other delivery address below: <input type="checkbox"/> No	
		3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Registered <input type="checkbox"/> Insured Mail <input type="checkbox"/> Priority Mail Express <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Collect on Delivery	
		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	
2. Article Number (Transfer from service label)		7013 3020 0000 8749 8880	
PS Form 3811, July 2013		Domestic Return Receipt	

U.S. Postal Service SM	
CERTIFIED MAIL [®] RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
MCKAY PETROLEUM ONE MCKAY PL ROSWELL NM 88201	
PS Form 3800, August 2005	
See Reverse for Instructions	

Key Roush at 432-818-2358 or
concho.com.

West Main Street | Artesia, New Mexico 88210
Fax 575.748.6968

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Wednesday, October 19, 2016 4:43 PM
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-7469_Stealth Federal Com Well No. 4H, Lea County_SEC 17 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-7469

COG Operating LLC

API #: 30-025-43338

WELL: Stealth Federal Com Well No. 4H, 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/>