

RECEIVED: 4-10-2017	REVIEWER: LRL	TYPE: NSL	APP NO: pKSC1710158072
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5/11/2017

ABOVE THIS TABLE FOR OCO DIVISION USE ONLY

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



NSC-7528

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

Applicant: COG OPERATING LLC **OGRID Number:** 229137
Well Name: SKULL CAP FEDERAL COM #22H **API:** 30-025-43299
Pool: WC-025 G-09 S243532M; WOLFBONE **Pool Code:** 3147H
 98098

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
 A. Location - Spacing Unit - Simultaneous Dedication
 NSL NSP (PROJECT AREA) NSP (PRORATION UNIT) SD
- B. Check one only for [I] or [II]
 [I] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
 [II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
 A. Offset operators or lease holders
 B. Royalty, overriding royalty owners, revenue owners
 C. Application requires published notice
 D. Notification and/or concurrent approval by SLO
 E. Notification and/or concurrent approval by BLM
 F. Surface owner
 G. For all of the above, proof of notification or publication is attached, and/or,
 H. No notice required

FOR OCD ONLY	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

3) **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.

Debora L. Wilbourn

Print or Type Name

Debora L. Wilbourn
Signature

4/10/17
Date

575-748-6958
Phone Number

dwilbourn@concho.com
e-mail Address



April 10, 2017

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

Re: Application for Unorthodox Well Location
Skull Cap Federal Com #22H API No. 30-025-43299
SHL: 2590' FSL 1980' FEL (Unit J), Section 32-T24S-R35E
First Perf: 2122' FSL 1984' FEL, Section 32-T24S-R35E
BHL: 67' FSL 1947' FEL (Unit O), Section 5-T25S-R35E
Last Perf: 191' FSL 1950' FEL, Section 5-T25S-R35E
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 Skull Cap Federal Com #22H well. The producing interval of this well does not meet the requirement of the producing area being 330' from the outer boundary. Attached is a Form C-102 showing the project/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 Skull Cap Federal Com #22H well will allow for efficient recovery of reserves, thereby preventing waste and improving well performance.

The affected offset tract is the NW/4NE/4 of Section 8-T25S-R35E. Offset operators and the unleased mineral interest owner have been notified by Certified Mail of the proposed non-standard location. The notice letter advises said operators and owners that in the event they have an objection to COG's application, they must file a written letter 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 Hobbs

DISTRICT I
 1625 N. FRENCH DR., HOBBES, NM 88240
 Phone: (505) 282-4101 Fax: (505) 282-9720

DISTRICT II
 811 S. 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
 1229 S. ST. FRANCIS DR., SANTA FE, NM 87505
 Phone: (505) 476-3460 Fax: (505) 476-3462

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 30-025-43299	Pool Code 98098	Pool Name WC-025 G-09 S243532M; Wolfbone
Property Code 314771	Property Name SKULL CAP FEDERAL COM	Well Number 22H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3286.0'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	32	24-S	35-E		2590	SOUTH	1980	EAST	LEA

Bottom Hole Location If Different From Surface

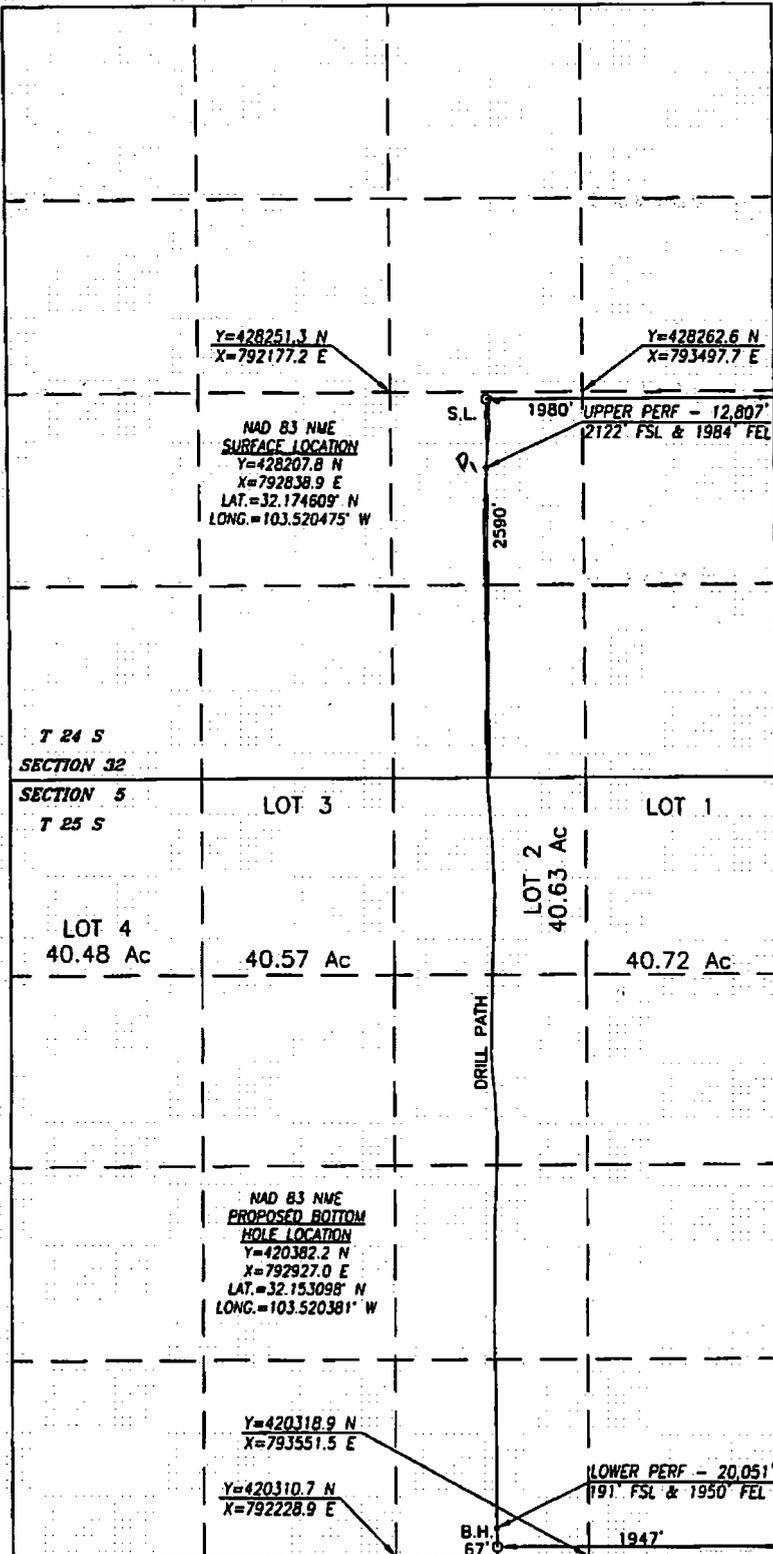
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	5	25-S	35-E		67	SOUTH	1947	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
240.7			

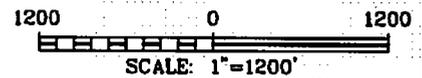
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

SEE PAGE 2

Property Code 314771	Property Name SKULL CAP FEDERAL COM	Well Number 22H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3286.0'



BOREPATH SHOWN HEREON IS BASED ON DIRECTIONAL SURVEY REPORT PROVIDED BY COG OPERATING, LLC FOR THE SKULL CAP FEDERAL COM #22H SUPPLIED TO HARCROW SURVEYING, LLC ON MARCH 2, 2017



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.

Deborah L. Wilbourn
Signature Date 4/10/17

Deborah L. Wilbourn
Printed Name

dwilbourn@concho.com
E-mail Address

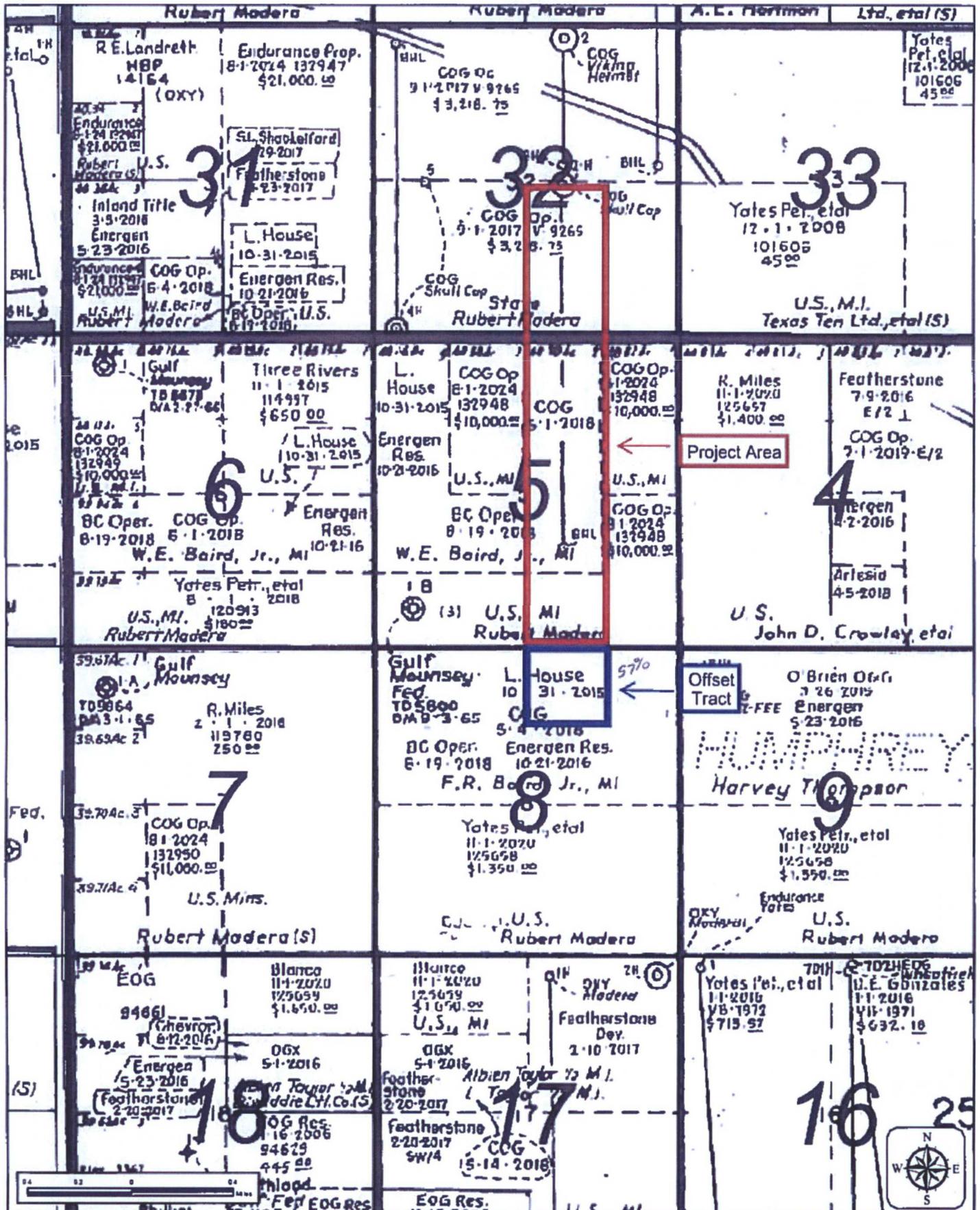
SURVEYOR CERTIFICATION

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.

MARCH 2, 2017
Date of Survey/Date of Geographic Survey

Signature & Seal of Professional Surveyor

Chad L. Harcrow
3/8/17
Certificate No. CHAD HARCROW 17777



Skull Cap Federal Com #22H
Application for Non Standard Location
Notification List

Date Sent	Initials	Sent Certified Return Receipt to:	Receipt No.	Rec'd
04/10/17	DLW	COG Operating LLC, 600 W. Illinois Ave., Midland, TX 79701	no notification required	
04/10/17	DLW	Crown Oil Partners V, LP, P. O. Box 50820, Midland, TX 79710 ✓	7016 2070 0000 8090 8794 ✓	
04/10/17	DLW	Crump Energy Partners II, LLC, P. O. Box 50820, Midland, TX 79710 ✓	7016 2070 0000 8090 8800 ✓	
04/10/17	DLW	Energen Resources Corporation, 605 Richard Arrington, Jr. Blvd, North, Birmingham, AL 35203 ✓	7016 2070 0000 8090 8817 ✓	
04/10/17	DLW	Estate of Eddie Mae Mosley, c/o Mitchell Cappadonna, 1523 Neal Road, Tomball, TX 77375 ✓	7016 2070 0000 8090 8824 ✓	
04/10/17	DLW	Nadel and Gussman Delaware, LLC, 15 E. 5th St., Suite 3300, Tulsa, OK 74103 ✓	7016 2070 0000 8090 8831 ✓	

Mailed 04/10/17
 Debora L. Wilbourn



April 10, 2017

Certified Mail -- Return Receipt Requested
7016 2070 0000 8090 8794

Crown Oil Partners V, LP
P. O. Box 50820
Midland, TX 79710

Re: Application for Unorthodox Well Location
Skull Cap Federal Com #22H API No. 30-025-43299
SHL: 2590' FSL 1980' FEL (Unit J), Section 32-T24S-R35E
First Perf: 2122' FSL 1984' FEL, Section 32-T24S-R35E
BHL: 67' FSL 1947' FEL (Unit O), Section 5-T25S-R35E
Last Perf: 191' FSL 1950' FEL, Section 5-T25S-R35E
Lea County, New Mexico

Gentlemen:

Attached is a copy of COG Operating LLC (COG)'s Application for Unorthodox Well Location for the Skull Cap Federal Com #22H well, the surface hole being located in Sec. 32-T24S-R35E, Lea County, New Mexico. You are receiving a copy of this Application per OCD's requirement to notify the interest owners in the affected offset acreage. If you have any objection to this Application, notification should be given to the NMOCD within 20 days of the date of this letter. The Application has been filed with NMOCD in Santa Fe, NM, as of this date.

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 Mike Wallace at 432-221-0465, email address mwallace@concho.com or Sean Johnson at 432-818-2230, email address sjohnson@concho.com.

Sincerely,

Debora L. Wilbourn
Regulatory Analyst

Enclosure



April 10, 2017

Certified Mail – Return Receipt Requested
7016 2070 0000 8090 8800

Crump Energy Partners II, LLC ✓
P. O. Box 50820
Midland, TX 79710

Re: Application for Unorthodox Well Location
Skull Cap Federal Com #22H API No: 30-025-43299
SHL: 2590' FSL 1980' FEL (Unit J), Section 32-T24S-R35E
 First Perf: 2122' FSL 1984' FEL, Section 32-T24S-R35E
BHL: 67' FSL 1947' FEL (Unit O), Section 5-T25S-R35E
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 Lea County, New Mexico

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Sincerely,

Debora L. Wilbourn
Regulatory Analyst

Enclosure



April 10, 2017

Certified Mail – Return Receipt Requested
7016 2070 0000 8090 8817

Energen Resources Corporation
605 Richard Arrington, Jr. Blvd., North
Birmingham, AL 35203

Re: Application for Unorthodox Well Location
Skull Cap Federal Com #22H API No. 30-025-43299
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 Lea County, New Mexico

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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



April 10, 2017

Certified Mail – Return Receipt Requested
7016 2070 0000 8090 8824

Estate of Eddie Mae Mosely ✓
c/o Mitchell Cappadonna
1523 Neal Road
Tomball, TX 77375

Re: Application for Unorthodox Well Location
Skull Cap Federal Com #22H API No. 30-025-43299
SHL: 2590' FSL 1980' FEL (Unit J), Section 32-T24S-R35E
First Perf: 2122' FSL 1984' FEL, Section 32-T24S-R35E
BHL: 67' FSL 1947' FEL (Unit O), Section 5-T25S-R35E
Last Perf: 191' FSL 1950' FEL, Section 5-T25S-R35E
Lea County, New Mexico

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Sincerely,

Debora L. Wilbourn
Regulatory Analyst

Enclosure



April 10, 2017

Certified Mail – Return Receipt Requested
7016 2070 0000 8090 8831

Nadel and Gussman Delaware, LLC
15 East 5th Street, Ste. 3300
Tulsa, OK 74103

Re: Application for Unorthodox Well Location
Skull Cap Federal Com #22H API No. 30-025-43299
SHL: 2590' FSL 1980' FEL (Unit J), Section 32-T24S-R35E
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 Lea County, New Mexico

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If you have any questions regarding this application, please contact Mike Wallace at 432-221-0465, email address mwallace@concho.com or Sean Johnson at 432-818-2230, email address sjohnson@concho.com.

Sincerely,

Debora L. Wilbourn
Regulatory Analyst

Enclosure

Lowe, Leonard, EMNRD

From: Debora Wilbourn <DWilbourn@concho.com>
Sent: Monday, April 10, 2017 11:52 AM
To: Lowe, Leonard, EMNRD
Cc: Mike Wallace; Sean Johnson; Megan Flanagan; Rand French
Subject: Skull Cap Federal Com #22H NSL Application
Attachments: Skull Cap Federal Com #22H NSL Application.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Mr. Lowe,

Attached is COG's application for non-standard location on the Skull Cap Federal Com #22H. Please let me know if you need anything further.

Thank you,

Debora Wilbourn

Regulatory Analyst
North Delaware Basin Asset Team
dwilbourn@concho.com
575.748.6958
Concho West | 2208 W Main St | Artesia, NM | 88210-3720 | 575.748.6940



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Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Thursday, May 4, 2017 11:56 AM
To: 'Debora Wilbourn'
Cc: Brown, Maxey G, EMNRD; Kautz, Paul, EMNRD; 'lisa@rwbyram.com'; 'jglover@blm.gov'; Jones, William V, EMNRD; McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD
Subject: APPROVED NSL-7528_Skull Cap Federal Com Well No. 22H_32.5 24S 35E_Lea County
Importance: High

Ms. Debora Wilbourn

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

NSL-7528

COG Operating, LLC

API #: 30-025-43299

WELL: Skull Cap Federal Com Well No. 22H, 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

Cell: 505-930-6717

Fax: 505-476-3462

E-mail: leonard.lowe@state.nm.us

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