

RECEIVED: <u>6/8/17</u>	REVIEWER: <u>LRL</u>	TYPE: <u>NSL/NSP</u>	APP NO: <u>PLEL 1715947448</u>
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY PRC 1716029620

Rec. 6/8/17
E-MAIL

NEW MEXICO OIL CONSERVATION DIVISION
- Geological & 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

Applicant: <u>COG Operating LLC</u>	OGRID Number: <u>229137</u>
Well Name: <u>Burkett 16 State #12H</u>	API: <u>30-015-44268</u>
Pool: <u>Fren: Glorieta-Yeso</u>	Pool Code: <u>26770</u>

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

NSL - 7554
NSP - 2068

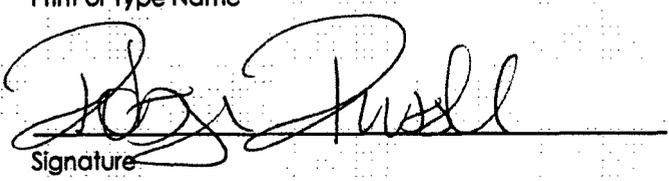
- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
- A. Offset operators or lease holders
- B. Royalty, overriding royalty owners, revenue owners
- C. Application requires published notice
- D. Notification and/or concurrent approval by SLO
- E. Notification and/or concurrent approval by BLM
- 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 checked="" 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.

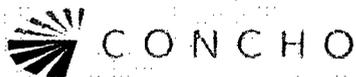
Robyn Russell _____
 Print or Type Name


 Signature

06/06/2017
 Date

(432) 685-4385
 Phone Number

Russell@concho.com
 e-mail Address



June 8, 2017

New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

RE: Burkett 16 State #12H NSL & NSP

To Whom It May Concern,

COG Operating LLC respectfully requests approval of a non-standard project area and non-standard location for the following well:

Burkett 16 State #12H – API #30015
SHL: 1520 FNL 330 FWL, UL E, Sec 16, T17S, R31E
BHL: 987 FNL 1330 FEL, UL B, Sec 16, T17S, R31E
TVD: 4850'

The granting of this NSL & NSP will optimize the completed lateral length of this wellbore, reducing waste while protecting correlative rights, and improving well economics and increasing revenue to the State of New Mexico and the federal government.

Attached to this application is a plat showing this well's location, an updated lease map and letters from the designated Landman and Engineer. COG Operating LLC owns and operates the offset leases in UL A & H of Sec 16, T17S, R31E. All interests are the same in these offsets leases and no notification is needed.

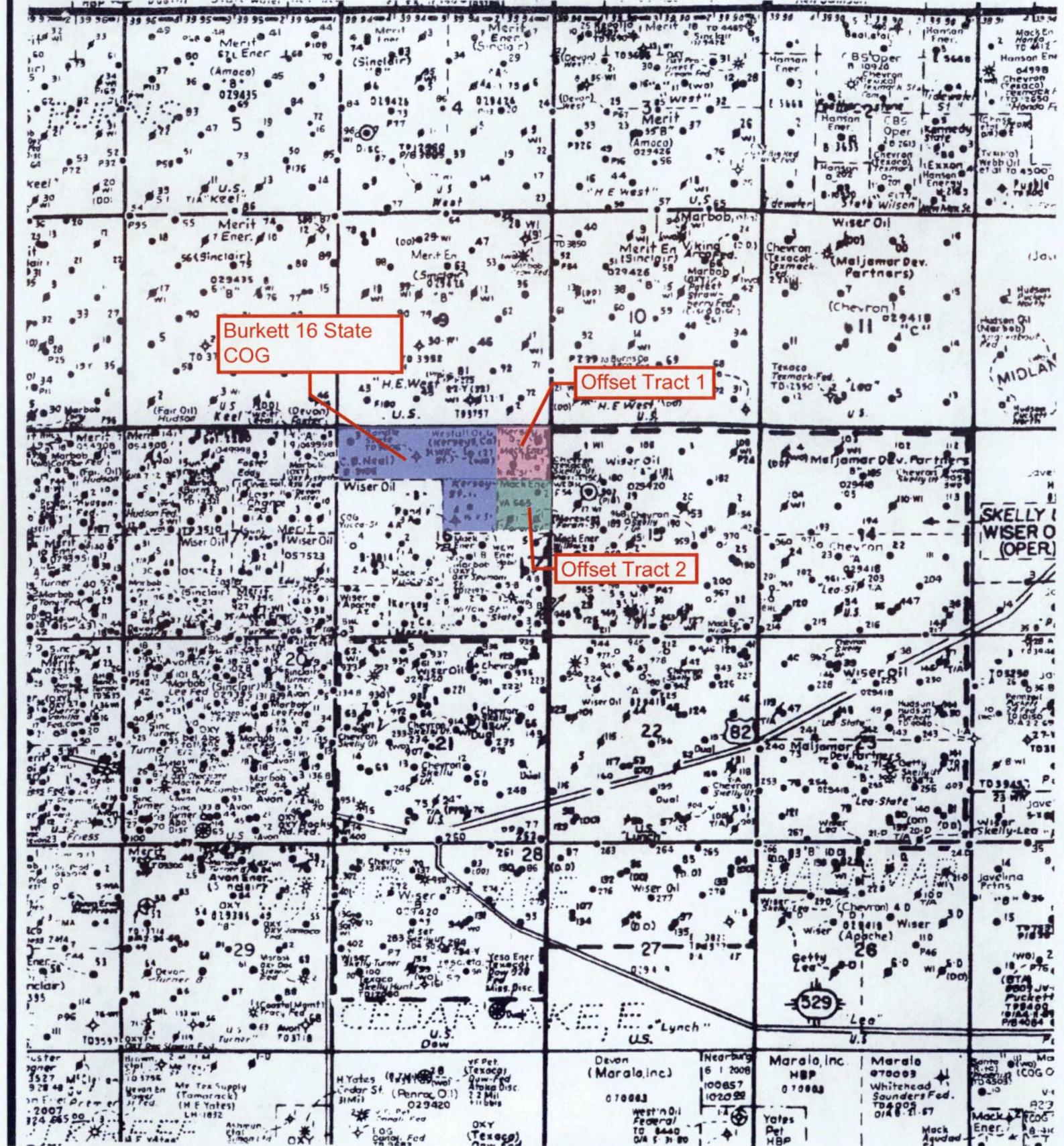
Please contact me should you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Robyn Russell".

Robyn Russell
Regulatory Analyst
COG Operating, LLC
(432) 685-4385
Russell@concho.com

Burkett 16 State #12H NSL Land Map



Burkett 16 State
COG

Offset Tract 1

Offset Tract 2

CLARK

Yates (Texaco)
Under St. (Ponrac OI)
31111
029420

Devon (Marala, Inc.)
612008
100657
102022

Marala, Inc.
HBP
070983

Marala
070093
Whitehead
Saunders Fed.
TD4905
014621-57

Mack
Ener.



Memorandum

**To: Leonard Lowe
Engineering Bureau
New Mexico Oil Conservation Division**

**From: Joseph Scott
Landman, NM Shelf Team
COG Operating LLC**

Date: June 6, 2017

Subject: Burkett 16 State #12H NSL Landman Statement

I, Joseph Scott, Landman for COG Operating LLC, have examined the lands and leases associated with the subject well and its offsets:

The offset lease V-184-2 in the NE/4NE/4 of Section 16, T17S-R31E and the offset lease V-184-2 in the SE/4NE/4 of Section 16, T17S-R31E is wholly owned 100% by COG Operating at all depths. This fact was confirmed by an ownership report prepared from dated June 27, 2008 and the State Land Office records.

The aforementioned lands leases are the only offsets not within the 330' setback rule.



Memorandum

**To: Leonard Lowe
Engineering Bureau
New Mexico Oil Conservation Division**

**From: Bryan Montgomery
Reservoir Engineering Supervisor, NM Shelf Team
COG Operating LLC**

Date: June 6, 2017

Subject: Burkett 16 State #12H NSL Engineer Statement

COG Operating LLC (COG) is requesting a non-standard location exception (NSL) for this horizontal well to be able to access and drain Yeso reserves that would otherwise be left in the reservoir, thereby preventing waste of an economic resource. The Yeso is a very low permeability reservoir that does not sufficiently drain a great distance from wellbores and their hydraulic fractures. In addition, it would not be economical to try to access these reserves with a vertical well.

Lowe, Leonard, EMNRD

From: Robyn Russell <Rrussell@concho.com>
Sent: Thursday, June 8, 2017 2:37 PM
To: Lowe, Leonard, EMNRD
Subject: Burkett 16 State #12H NSL Corrections
Attachments: Burkett 16 State 12H NSL Corrections.pdf

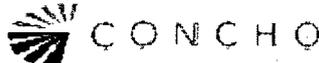
Hey Leonard,

Attached are the corrected pages that we spoke about. Please let me know if you need anything else for the approval of this application.

Thank you,

Robyn Russell

Regulatory Analyst
COG Operating LLC
600 W. Illinois Ave
Midland, Tx 79701
(432) 685-4385



NOTICE: The information in this email may be confidential and/or privileged. If you are not the intended recipient or an authorized representative of the intended recipient, you are hereby notified that any review, dissemination or copying of this email and its attachments, if any, or the information contained herein, is prohibited. If you have received this email in error, please immediately notify the sender by return email and delete this email from your system. Further, any contract terms proposed or purportedly accepted in this email are not binding and are subject to management's final approval as memorialized in a separate written instrument, excluding electronic correspondence, executed by an authorized representative of COG Operating LLC or its affiliates.