

7/01/2014 Date in		MAM ENS	7/01/2014 L.I.	NSC Type	PMAM1418224524 APP#
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ABOVE THIS LINE FOR DIVISION USE ONLY

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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

Emeral Federal #1 (API# 30-025-40656)

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 _____

-NSC-7115
-CONOCO Phillips
217817

Pool
-MALJAMAN
yes, west

[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.

Susan B. Maunder
Print or Type Name

Susan B. Maunder
Signature

Sr. Regulatory Specialist
Title

6/30/14
Date

Susan.B.Maunder@conocophillips.com
e-mail Address

1625 N. French Dr., Hobbs, NM 88240
 Phone: (575) 393-6161 Fax: (575) 393-0720
District II
 811 S. First St., Artesia, NM 88210
 Phone: (575) 748-1283 Fax: (575) 748-9720
District III
 1000 Rio Brazos Road, Aztec, NM 87410
 Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
 1220 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, NM 87505

Form C-102
 Revised August 1, 2011
 Submit one copy to appropriate
 District Office
☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-40656	² Pool Code 44500	³ Pool Name MALJAMAR; YESO WEST
⁴ Property Code 38742	⁵ Property Name EMERALD FEDERAL	⁶ Well Number 1
⁷ OGRID No. 217817	⁸ Operator Name CONOCOPHILLIPS COMPANY	⁹ Elevation 4042'

¹⁰ 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	17S	32E		730	SOUTH	140	EAST	LEA

¹¹ 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
P	17	17S	32E		191	SOUTH	361	EAST	LEA

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. NSL-PENDING
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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.

¹⁶ 	<p>¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><u>Susan B. Maunder</u> 6/30/14 Signature Date</p> <p>SUSAN B MAUNDER Printed Name</p> <p>Susan.B.Maunder@conocophillips.com E-mail Address</p>
	<p>¹⁸ 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.</p>
	<p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p>
	<p>Certificate Number</p>



Susan B. Maunder
Sr. Regulatory Specialist
Phone: (281) 206-5281

ConocoPhillips Company
600 N. Dairy Ashford Road, Off P10-3096
Houston, TX 77079-1175

June 30, 2014

State of New Mexico
Oil Conservation Division
Attn: Mr. Michael McMillan
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

SUBJECT: REQUEST FOR APPROVAL OF NON-STANDARD LOCATION FOR EMERALD FEDERAL #1

Dear Mr. McMillan,

ConocoPhillips Company respectfully requests a non-standard location exception to produce the Emerald Federal #1 well (API # 30-025-40656). The lease is recorded as NM LC 060329. The well is located in UL P, 730' from the south line and 140' from the east line of Section 17, Township 17S, Range 32E, Lea County, New Mexico. The existing bottom hole location is in UL P, 191' from the south line and 361' from the east line of Section 17, Township 17S, Range 32E. The footages place the well closer than 330' from a Qtr/Qtr Section line and north lease boundary. The table below details the operators of adjacent spacing units.

Spacing Unit	Adjacent Units	# of Wells	Operator(s)
UL P, Sec. 17, T17S, and R32E	UL I, J, and O, Sec. 17, T17S, and R32E	14	ConocoPhillips Company
same	UL L, Sec. 16, T17S, R32E	5	COG Operating, LLC (state lease)
same	UL M, Sec. 16, T17S, R32E	4	Cimarex Energy Co of Colorado (state lease)
same	UL A and B, Sec. 20, T17S, and R32E	4	ConocoPhillips Company
same	UL A and B, Sec. 20, T17S, and R32E	8	COG Operating, LLC
same	UL D, Sec. 21, T17S, R32E	4	COG Operating, LLC
same	UL D, Sec. 21, T17S, R32E	1	ConocoPhillips Company

Enclosed are the following documents in support of this request.

- Administrative Application Checklist
- Copy of the New Mexico Form C-102

A copy of this submittal has been sent to Bureau of Land Management, Carlsbad Field Office, Cimarex Energy Co of Colorado and COG Operating LLC via certified return receipt. A full copy of the package sent to COG Operating LLC is enclosed.

If you have questions regarding this request, I can be reached at 281-206-5281 or via email at Susan.B.Maunders@conocophillips.com.

Sincerely,

A handwritten signature in black ink that reads "Susan B. Maunders". The signature is written in a cursive style with a large, stylized "S" and "M".

Susan B. Maunders
Senior Regulatory Specialist
ConocoPhillips Company

w/Enclosures



Susan B. Maunder
Sr. Regulatory Specialist
Phone: (281) 206-5281

ConocoPhillips Company
600 N. Dairy Ashford Road, Off P10-3096
Houston, TX 77079-1175

VIA CERTIFIED RETURN RECEIPT

June 30, 2014

Cimarex Energy Company of Colorado
600 N. Marienfeld St., Suite 600
Midland, TX 79701

COG Operating LLC
550 West Texas, Suite 1300
Midland, TX 79701

SUBJECT: REQUEST APPROVAL OF NON-STANDARD LOCATION FOR EMERALD FEDERAL #1

Dear Sir or Madam,

ConocoPhillips Company respectfully requests a non-standard location exception to produce the Emerald Federal #1 well. The lease is recorded as NM LC 060329. The well located in UL P, 730' from the south line and 140' from the east line of Section 17, Township 17S, Range 32E, Lea County, New Mexico. The bottom hole location is in UL P, 191' from the south line and 361' from the east line of Section 17, Township 17S, Range 32E. The footages place the well closer than 330' from a Qtr/Qtr Section line and north lease boundary.

You are being provided notification of this action as an interest owner in the adjacent spacing unit. Any comments need to be provided to New Mexico Oil Conservation Division; 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505 within 20 days.

If you have questions regarding this request, I can be reached at 281-206-5281 or via email at Susan.B.Maunder@conocophillips.com.

Sincerely,

A handwritten signature in black ink that reads "Susan B. Maunder".

Susan B. Maunder
Senior Regulatory Specialist
ConocoPhillips Company

w/Attachments



Matthew S. Wasson
Staff Geologist
Phone: (281) 206-5252

ConocoPhillips Company
600 N. Dairy Ashford Rd., Office P10-4-4012
Houston, TX 77079-1175

7/1/2014

State of New Mexico
Oil Conservation Division
Attn: Mr. McMillan
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

SUBJECT: ADDITIONAL INFORMATION NECESSARY TO APPROVE UNORTHODOX LOCATION FOR
EMERALD FEDERAL #1

Dear Sir,

ConocoPhillips Company has respectfully requested a non-standard location exception for the Emerald Federal #1 well. The lease is recorded as NM LC 060329. The well is located on the Emerald Lease (NMLC 060329) UL P, 730' from the south line and 140' from the east line of Section 17, Township 17S, Range 32E, Lea County, New Mexico. The bottom hole is located in UL P, 191' from the south line and 361' from the east line.

This letter serves to provide additional information the Engineering Bureau requires to approve our exception request. Our perforation interval is 5590'-6860' MD. This interval is entirely within UL P. The producing interval top is 362' FSL and 285' FEL of Section 17, Township 17S, and Range 32E.

The granting of this exception will prevent waste and minimize surface disturbance.

This location was found to be the only one suitable for this well, that would allow us to reach our targeted production zone while still protecting sand dune habitat deemed critical by the Bureau of Land Management biologist.

If you have questions regarding this request, I can be reached at the telephone number above or via email at Matt.S.Wasson@conocophillips.com.

Sincerely,

A handwritten signature in black ink, appearing to read 'Matthew S. Wasson'.

Matthew S. Wasson
Staff Geologist
ConocoPhillips Company

SENDER: COMPLETE THIS SECTION

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.

Article Addressed to:

NM OCD - Hobbs
625 N. French Dr.
Hobbs, NM
88240

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☐ Agent ☐ Addressee
B. Received by (Printed Name) C. Date of Delivery
D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type
☐ Certified Mail® ☐ Priority Mail Express™
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ Collect on Delivery
4. Restricted Delivery? (Extra Fee) ☐ Yes ☐ No

Article Number

7013 3020 0001 3264 4422

Transfer from service label

Domestic Return Receipt

EF 1

SENDER: COMPLETE THIS SECTION

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.

Article Addressed to:

BLM
620 E. Greene St.
Carlsbad, NM
88220

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☐ Agent ☐ Addressee
B. Received by (Printed Name) C. Date of Delivery
D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type
☐ Certified Mail® ☐ Priority Mail Express™
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ Collect on Delivery
4. Restricted Delivery? (Extra Fee) ☐ Yes ☐ No

7013 3020 0001 3264 4439

PS Form 3811, July 2013

Domestic Return Receipt

EF 1

SENDER: COMPLETE THIS SECTION

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.

Article Addressed to:

Cimarex
600 N. Marienfeld St, Suite
Midland, TX 79701

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☐ Agent ☐ Addressee
B. Received by (Printed Name) C. Date of Delivery
D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type
☐ Certified Mail® ☐ Priority Mail Express™
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ Collect on Delivery
4. Restricted Delivery? (Extra Fee) ☐ Yes ☐ No

Article Number

7013 3020 0001 3264 4446

Transfer from service label

Domestic Return Receipt

EF 1

SENDER: COMPLETE THIS SECTION

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.

Article Addressed to:

COB Operating LLC
550 W. Texas St.
Midland, TX
79701

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☐ Agent ☐ Addressee
B. Received by (Printed Name) C. Date of Delivery
D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type
☐ Certified Mail® ☐ Priority Mail Express™
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ Collect on Delivery
4. Restricted Delivery? (Extra Fee) ☐ Yes ☐ No

Article Number

7013 3020 0001 3264 4453

Transfer from service label

Domestic Return Receipt

EF 1

PS Form 3811, July 2013

Domestic Return Receipt

EF 1