

04/04/16 DATE IN	SUSPENSE	LRL ENGINEER	04/07/16 LOGGED IN	NSL TYPE	PLEL 1609852829 APP NO.
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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



1609852829
APR 11 2016
4:30 PM

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
- 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.

Melanie J. Wilson

Melanie J. Wilson

Regulatory Analyst

3/31/2016

Print or Type Name

Signature

Title

Date

mwilson@concho.com

e-mail Address



March 31, 2016

Certified Mail – Return Receipt Requested
7013 3020 0000 8749 2666

New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Attention: Mr. Leonard Lowe

Re: Application for Unorthodox Well Location
Queso State #8H API No. 30-025-43141
SHL: 400' FSL & 1390' FEL (Unit O) Section 36, T23S, R32E
First perf (planned): 330' FSL & 1345' FEL (Unit O) Section 36, T23S, R32E
BHL: 230' FNL & 1345' FEL (Unit B) Section 36, T23S, R32E
Last perf (planned) 330' FNL & 1345' FEL (Unit B)
Lea County, New Mexico

Dear Mr. Lowe:

Pursuant to Division Rule 19.15.15.13, COG Production LLC (COG) respectfully requests administrative approval of an unorthodox oil well location for its Queso State #8H well. This well does not meet the 330' from the outer boundary of the producing area requirement. COG Production LLC has drilled and is currently producing Bone Spring wells in this section as described below.

Queso State #1H SHL: 180' FSL & 2260' FEL	BHL: 332' FNL & 2258' FEL
Queso State #2H SHL: 373' FSL & 380' FEL	BHL: 396' FNL & 463' FEL
Queso State #3H SHL: 400' FSL & 1260' FEL	BHL: 330' FNL & 1292' FEL
Queso State #5H SHL: 400' FSL & 1160' FEL	BHL: 366' FNL & 1024' FEL
Queso State #6H SHL: 373' FSL & 280' FEL	BHL: 333' FNL & 386' FEL

We plan to test infill drilling in a lower target within the Bone Spring Sand to enhance hydrocarbon recovery between the existing wellbores.

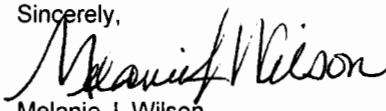
The affected offset tracts are:

1. W/2E/2 Section 36, T23S, R32E and ownership is uniform throughout the entire E/2. Attached is a letter from our Landman stating this.
2. NE/4 Section 1, T24S, R32E – Proof of notification mailed is attached.
3. SE/4 Section 25, T23S, R32E – Proof of notification mailed is attached.

Attached is a Form C-102 showing the project area and the producing area of this well.

Thank you for your consideration of this application. Should you have questions or require further information, please contact me at 575-748-6952 or by email mwilson@concho.com.

Sincerely,


Melanie J. Wilson
Regulatory Analyst

cc: OCD Hobbs

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

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240
Phone: (575) 393-8181 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 RD., AZTEC, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 476-3480 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 30-025-43141	Pool Code 96603	Pool Name TRISTE DRAW;BONE SPRING
Property Code 39335	Property Name QUESO STATE	Well Number 8H
OGRID No. 217955	Operator Name COG PRODUCTION, LLC	Elevation 3644.5'

Surface Location

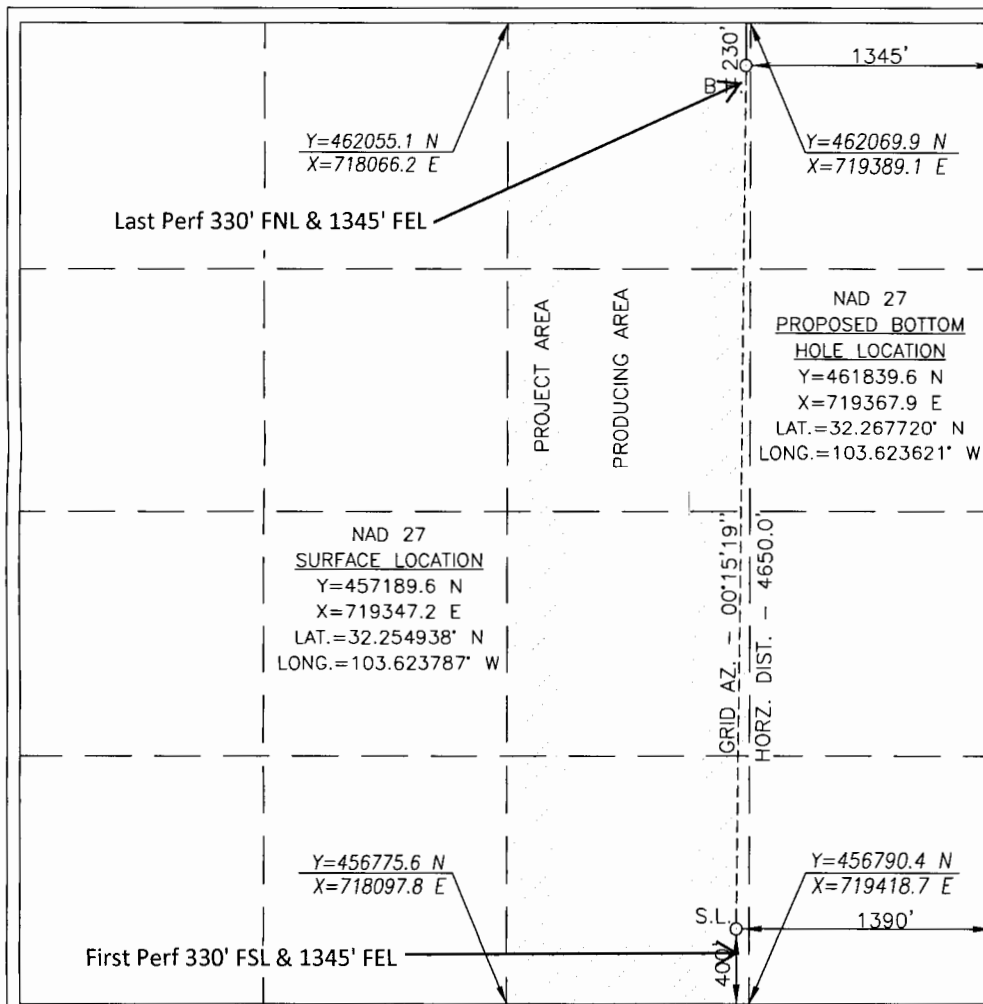
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	36	23-S	32-E		400	SOUTH	1390	EAST	LEA

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
B	36	23-S	32-E		230	NORTH	1345	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160.0			

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.

Melanie J. Wilson 3/30/16
Signature Date

Melanie J. Wilson

Printed Name

mwilson@concho.com

E-mail Address

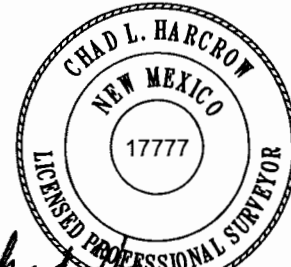
SURVEYOR CERTIFICATION

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 24, 2016

Date of Survey

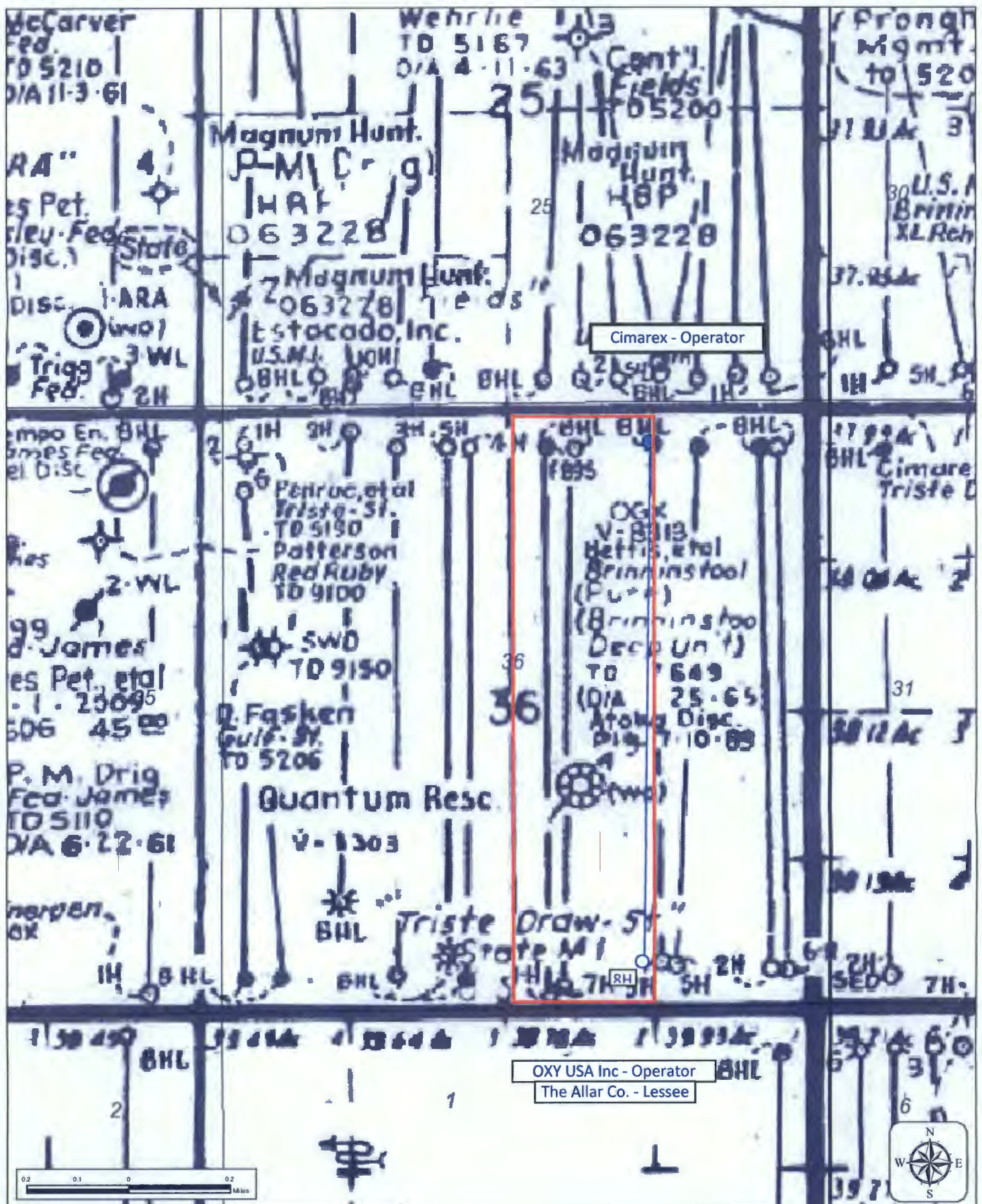
Signature & Seal of Professional Surveyor



Chad L. Harcrow 3/28/16
Certificate No. CHAD HARCROW 17777
W.O. #16-248 DRAWN BY: AF



Queso State #8H - Offset Map





March 31, 2016

Certified Mail – Return Receipt Requested
7013 3020 0000 8749 2673

Cimarex Energy Company of Colorado
202 S Cheyenne Ave., Suite 1000
Tulsa, OK 74103

Re: Application for Unorthodox Well Location
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Planned First Perf: 330' FSL & 1345' FEL
BHL: 230' FNL & 1345' FEL (Unit B) Section 36, T23S, R32E
Planned Last Perf: 330' FNL & 1345' FEL
Lea County, New Mexico

Gentlemen:

Attached is a copy of COG's Application for Unorthodox Well Location for the Queso State #8H well in Section 7, T23S, R33E, Lea County, New Mexico. You are being sent a copy of this Application per OCD's requirement to notify the operator 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.

If you have any questions regarding this Application, please contact me at 575-748-6952 or by email at mwilson@concho.com.

Sincerely,

A handwritten signature in black ink that reads "Melanie J. Wilson". The signature is fluid and cursive, with the first and last names being more prominent.

Melanie J. Wilson
Lead Regulatory Analyst

Enclosure



March 31, 2016

Certified Mail – Return Receipt Requested
7013 3020 0000 8749 2659

OXY USA INC.
5 Greenway Plaza #110
Houston, TX 77045-0521

Re: Application for Unorthodox Well Location
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Sincerely,

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Melanie J. Wilson
Lead Regulatory Analyst

Enclosure



March 31, 2016

Certified Mail – Return Receipt Requested
7013 3020 0000 8749 2642

The Allar Company
PO Box 1567
Graham, TX 76450

Re: Application for Unorthodox Well Location
Queso State #8H API No. 30-025-43141
SHL: 400' FSL & 1390' FEL (Unit O) Section 36, T23S, R32E
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Melanie J. Wilson
Lead Regulatory Analyst

Enclosure

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

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.

1. Article Addressed to:

Cimarex Energy Company of Colorado
202 S Cheyenne Ave., Suite 1000
Tulsa, OK 74103

Queso St 8H - NSL

2. Article Number
(Transfer from service label)

7013 3020 0000 8749 2673

PS Form 3811, July 2013

Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent

☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☒ Certified Mail® ☐ Priority Mail Express™
- ☐ Registered ☐ Return Receipt for Merchandise
- ☐ Insured Mail ☐ Collect on Delivery

4. Restricted Delivery? (Extra Fee) ☐ Yes

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1. Article Addressed to:

The Allar Company
PO Box 1567
Graham, TX 76450

Queso St 8H NSL

2. Article Number
(Transfer from service label)

7013 3020 0000 8749 2642

PS Form 3811, July 2013

Domestic Return Receipt

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A. Signature

X

☐ Agent

☐ Addressee

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C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes

If YES, enter delivery address below: ☐ No

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OXY USA INC.
5 Greenway Plaza #110
Houston, TX 77045-0521

Quest St 8H NSL

2. Article Number
(Transfer from service label)

7013 3020 0000 8749 2659

PS Form 3811, July 2013

Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent

☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail®

☐ Priority Mail Express™

☐ Registered

☐ Return Receipt for Merchandise

☐ Insured Mail

☐ Collect on Delivery

4. Restricted Delivery? (Extra Fee)

☐ Yes

API: 30-025-43141 OPERATOR: COG Production LLC (217955)

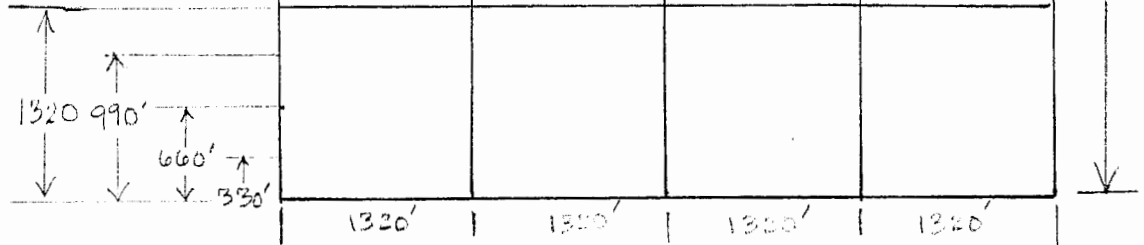
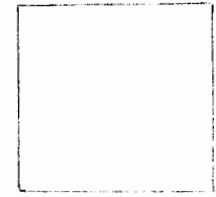
Melanie Wilson
(mwilson@concho.com)
505-748-6952

NSL- POOL: Triste Draw; Bone Springs (# 96603)

WELL: QUESO STATE #8 H

SEC. T. R.

990'
660'
330'



GAS: 320' ACRE SPACING
660' SET BACK

OIL: 40' ACRE SPACING
330' SET BACK

DATE RECEIVED: 04/01/16 + 21 DAYS => 04/22/16

N/A IF NO COMMON INT OR WAIVER SIGNATURE

WELL NAME: