

RECEIVED: 02/02/18	REVIEWER: LRL	TYPE: NSL	APP NO: pLEL1804059748
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

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: COG Operating LLC **OGRID Number:** 229137
Well Name: Fez Federal Com #602H **API:** _____
Pool: Bone Spring **Pool Code:** _____

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

NSL - 7642

- 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

2/2/2018
 Date

575-748-6958
 Phone Number

dwlbourn@concho.com
 e-mail Address



February 2, 2018

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

Re: Application for Nonstandard Wellbore Location
Fez Federal Com #602H
SHL: 280' FSL 1690' FWL (Unit N), Section 9-T25S-R35E
Proposed FTP: 330' FSL 1450' FWL (Unit N), Section 9-T25S-R35E
BHL: 200' FNL 1450' FWL (Lot 3), Section 4-T25S-R35E
Proposed LTP: 330' FNL 1450' FWL (Lot 3), Section 4-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 a non-standard wellbore location for its Fez Federal Com #602H 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 Fez Federal Com #602H well will allow for efficient recovery of reserves, thereby preventing waste and improving well performance.

The affected offset tracts are the SW/4SW/4 of Section 33-T24S-R35E, the W/2W/2 of Section 4-T25S-R35E, the W/2W/2 of Section 9-T25S-R35E, and the NW/4NW/4 of Section 16-T25S-R35E. COG is the operator a producing lease in the 40 acre tract in Section 16. All offsetting operators and COG's working interest owners 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,

A handwritten signature in blue ink that reads "Debora L. Wilbourn".

Debora L. Wilbourn
Regulatory Analyst

Enclosure

cc: OCD Hobbs

CORPORATE ADDRESS

ONE CONCHO CENTER | 600 WEST ILLINOIS AVENUE | MIDLAND, TEXAS 79701
P432.683.7443 | F432.683.7441

ARTESIA WEST OFFICE

2208 MAIN STREET | ARTESIA, NEW MEXICO 88210
P575.748.6940 | F575.746.2096

DISTRICT I
1825 N. FRENCH DR., HOBBS, NM 88240
Phone: (575) 593-8191 Fax: (575) 383-0720

DISTRICT II
811 S. FIRST ST., ARTESIA, NM 88210
Phone: (575) 748-1253 Fax: (575) 748-0720

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) 476-3460 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	Pool Code	Pool Name Bone Spring
Property Code 314000	Property Name FEZ FEDERAL COM	Well Number 602H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3243.5'

Surface Location

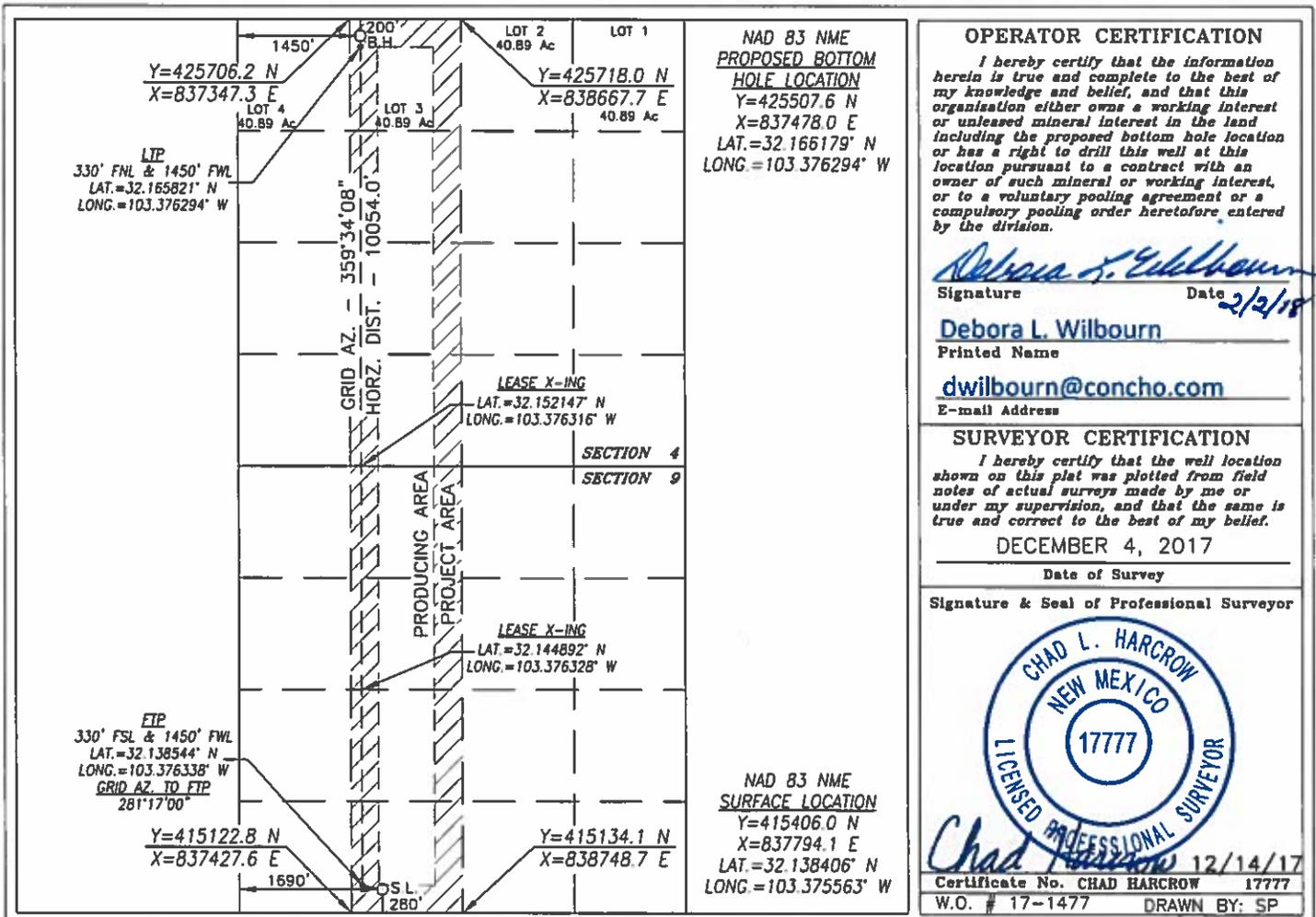
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	9	25-S	35-E		280	SOUTH	1690	WEST	LEA

Bottom Hole Location If Different From Surface

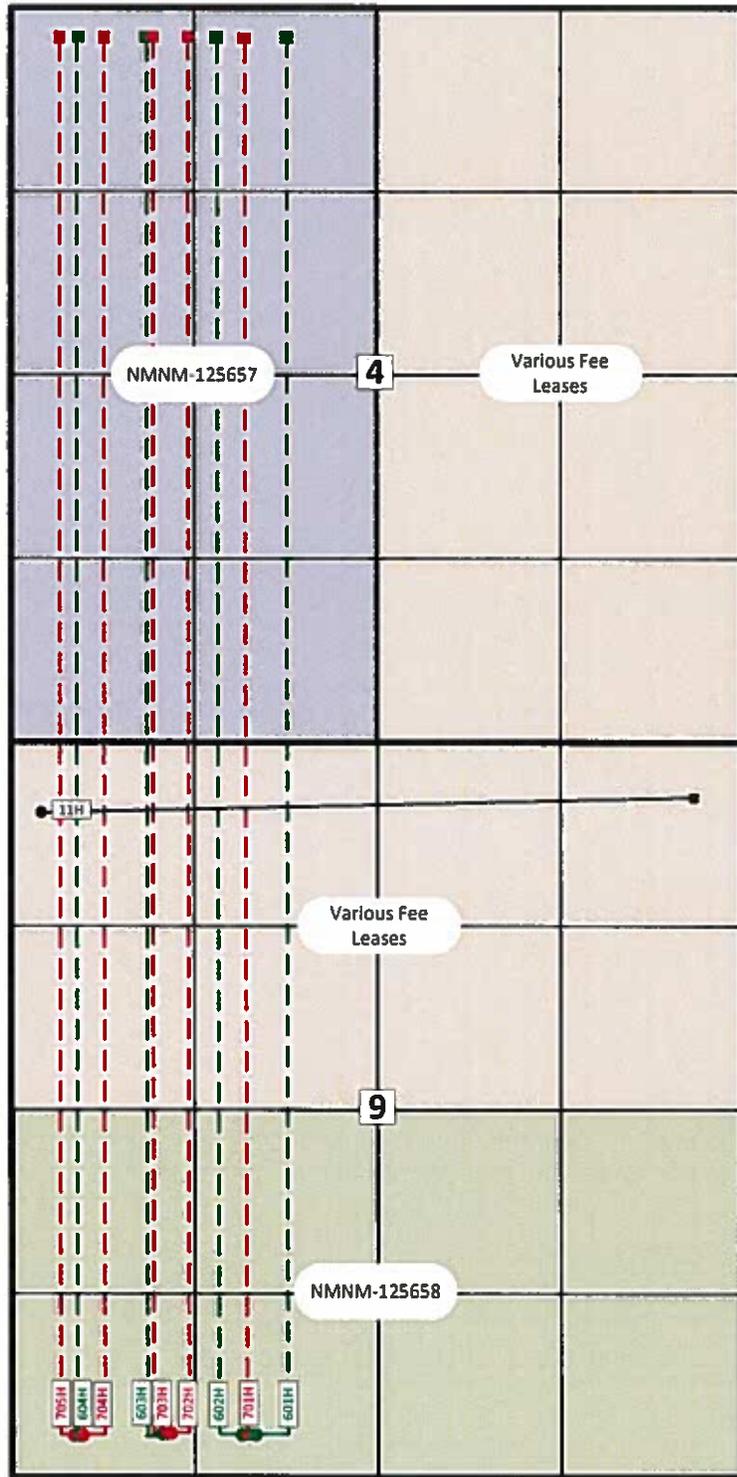
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
3	4	25-S	35-E		200	NORTH	1450	WEST	LEA

Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.
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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

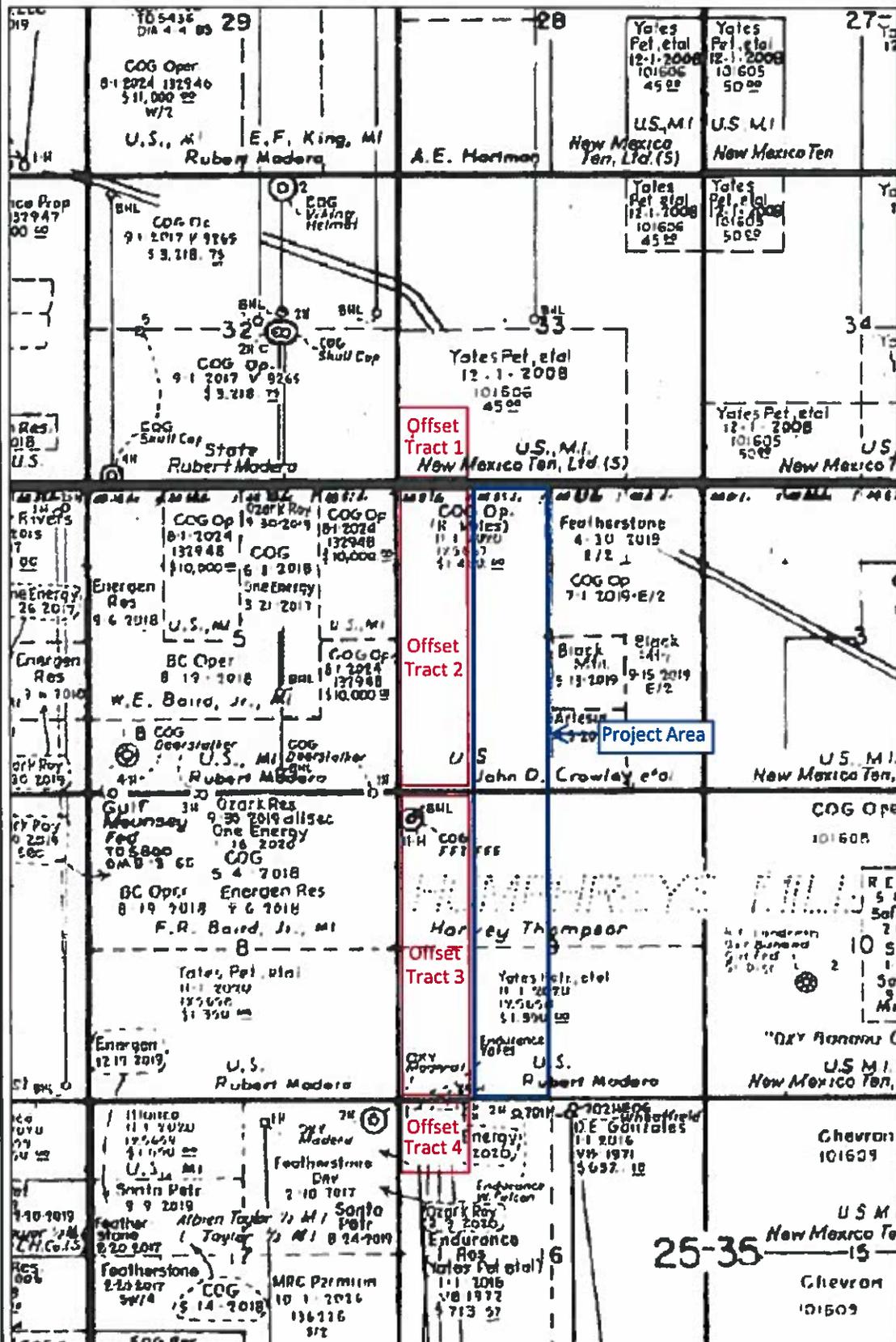


Fez Federal Wells



- Existing SHL
- Existing BHL
- Proposed WCA SHL
- Proposed WCA BHL
- Proposed 3BS SHL
- Proposed 3BS BHL

Sec. 4, 9-T25S-R35E
Lea County, NM



Legend

- Lea_NE_1_11_2014
 - Red: Band_1
 - Green: Band_2
 - Blue: Band_3
- Lea_NE_2_11_2014
 - Red: Band_1
 - Green: Band_2
 - Blue: Band_3
- Lea_NW_1_11_2014
 - Red: Band_1
 - Green: Band_2
 - Blue: Band_3
- Lea_NW_2_11_2014
 - Red: Band_1
 - Green: Band_2
 - Blue: Band_3
- SE Lea 10_2017
 - High: 255
 - Low: 0
- SW Lea 10_2017
 - High: 255
 - Low: 0



WGS_1984_Web_Mercator_Auxiliary_Sphere

Map Scale 1:36,111



Fez Federal Com #602H – Offset Owners

Tract 1: SW/4 SW/4, Sec. 33-24S-35E
Bureau of Land Management
P.O. Box 27115
Santa Fe, NM 87502-0115

Certified Return Receipt No.
7017 1070 0000 9708 2670

Tract 2: W/2 W/2, Sec. 4-25S-35E
V-F Petroleum, Inc.
Attention: Jerry M. Gahr
P.O. Box 1889
Midland, Texas 79702

7017 3040 0000 2540 2542

Tract 3: W/2 W/2, Sec. 9-25S-35E
EOG Y Resources, Inc.
Attention: Clay Haggard, Land Department
105 S. 4th St.
Artesia, NM 88210

7017 3040 0000 2540 5000

EOG A Resources, Inc.
Attention: Clay Haggard, Land Department
105 S. 4th St.
Artesia, NM 88210

7017 3040 0000 2540 4980

EOG M Resources, Inc.
Attention: Clay Haggard, Land Department
105 S. 4th St.
Artesia, NM 88210

7017 3040 0000 2540 4997

Tract 4: NW/4 NW/4, Sec. 16-25S-35E
COG Operating LLC
One Concho Center
600 W Illinois Ave.
Midland, TX 79701

no notification required

Below are COG's partners in the White Falcon wells in the above referenced 40 acre tract:

EOG Y Resources, Inc.
Attention: Clay Haggard, Land Department
105 S. 4th St.
Artesia, NM 88210

see above

EOG A Resources, Inc.
Attention: Clay Haggard, Land Department
105 S. 4th St.
Artesia, NM 88210

see above

EOG M Resources, Inc.
Attention: Clay Haggard, Land Department
105 S. 4th St.
Artesia, NM 88210

see above

Fuel Products, Inc.
Attention: Jerry M. Gahr
P.O. Box 1889
Midland, Texas 79702

7017 3040 0000 2540 2511

Gahr Energy Company
Attention: Jerry M. Gahr
P.O. Box 1889
Midland, Texas 79702

7017 3040 0000 2540 2528

S.N.S. Oil & Gas Properties, Inc.
PO Box 2234
Ardmore, OK 73402

7017 3040 0000 2540 2535

Apache Corp.
303 Veterans Airpark, Ste. 1000
Midland, TX 79705

7017 1070 0000 9708 2687

Chisos, Ltd.
670 Dona Ana Rd, SW
Deming, NM 88030

7017 1070 0000 9708 2694

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

7017 1070 0000 9708 2700

From: Debora Wilbourn
To: [Lowe, Leonard, EMNRD](#)
Cc: [Jones, William V, EMNRD](#)
Subject: Fez Federal Com 602H NSL Application
Date: Friday, February 2, 2018 10:26:52 AM
Attachments: [Fez Federal Com 602H NSL Application.pdf](#)

Mr. Lowe,

Please see attached NSL application for COG Operating LLC's Fez Federal Com 602H well. Let me know if you need anything further.

Debora Wilbourn

Regulatory Analyst II

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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From: Debora Wilbourn
To: [Lowe, Leonard, EMNRD](#)
Cc: [Jones, William V, EMNRD](#); [Mike Wallace](#)
Subject: RE: Fez Federal Com 602H NSL Application
Date: Monday, February 12, 2018 4:05:37 PM
Importance: High

Mr. Lowe,

I spoke with Mike Wallace, our Landman for this project, this afternoon. He explained to me that he had spoken with Paul Kautz in January regarding the pool and pool code for designation for these wells. Mr. Kautz agreed that we could permit these wells in the Wildcat Wolfbone pool ([WC-025 G-09 S243532M; Wildcat Wolfbone – Pool Code #98098](#)). I will copy Mr. Wallaces' email below for your reference. Please let me know if you need further information or documentation from me in order to proceed with this NSL application.

Thank you,
Debora

From: Mike Wallace
Sent: Tuesday, January 16, 2018 4:15 PM
To: 'paul.kautz@state.nm.us'
Cc: Henry Zollinger; Sean Johnson; Megan Flanagan; Melissa Dimit
Subject: COG Fez Fed Com Wells

Paul,

Per our conversation this afternoon, COG Operating LLC would like to expand the Wildcat Wolfbone Pool to cover Sec.'s 4 and 9-T25S-R35E, Lea Co., NM. We plan to drill nine wells in this pool as a padded well project later this year. These wells will be in the W/2 of both of these sections. We will subsequently drill nine wells in the E/2 of both of these sections as well. I need to propose these wells as soon as possible to get them on the docket for compulsory pooling.

Can you please confirm that you are in agreement with placing these wells in the Wildcat Wolfbone Pool (Pool ID #: 98098) and expanding the pool into Sec.'s 4 and 9-T25S-R35E? I really appreciate your help on this request.

Thanks,

Mike Wallace
Staff Landman
COG Operating LLC
Phone: (432) 221-0465
Fax: (432) 221-0856
mwallace@concho.com



From: Lowe, Leonard, EMNRD [mailto:Leonard.Lowe@state.nm.us]
Sent: Tuesday, February 06, 2018 10:33 AM
To: Debora Wilbourn
Cc: Jones, William V, EMNRD
Subject: [External] RE: Fez Federal Com 602H NSL Application
Importance: High

**** External email. Use caution. ****

Debora Wilbourn,

What pool are you seeking? Bone Spring is only referenced. As you know there are several Bone Springs, which one? There is also no Pool Code.

Please submit vital information needed for your Unorthodox Location request.

Your application is on hold until you submit information. Your 20 days start the day you submit all required MINIMUM information. That has not been met.

Thank you,

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/>

From: Debora Wilbourn [mailto:DWilbourn@concho.com]
Sent: Friday, February 2, 2018 10:27 AM
To: Lowe, Leonard, EMNRD <Leonard.Lowe@state.nm.us>
Cc: Jones, William V, EMNRD <WilliamV.Jones@state.nm.us>
Subject: Fez Federal Com 602H NSL Application

Mr. Lowe,

Please see attached NSL application for COG Operating LLC's Fez Federal Com 602H well. Let me know if you need anything further.

Debora Wilbourn

Regulatory Analyst II
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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From: [Lowe, Leonard, EMNRD](#)
To: "Debra 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"
Subject: APPROVED NSL-7642 & 7643_COG Operating, LLC_Fez Fed Com Well No. (602H & 702H)_SEC 4 25S 35E
Date: Tuesday, February 27, 2018 1:13:00 PM
Attachments: [NSL-7642.pdf](#)
[NSL-7643.pdf](#)
Importance: High

Ms. Debora Wilbourn,

The following Administrative Orders have been issued, for:

OPERATOR: COG Operating, LLC

ORDER: NSL-7642
WELL: Fez Fed Com Well No. 602H
API NO: 30-025-PENDING

ORDER: NSL-7643
WELL: Fez Fed Com Well No. 702H
API NO: 30-025-PENDING

These Orders will soon be available on the Division's web site:
<http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>

Thank you!

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/>