State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Ken McQueen Cabinet Secretary Heather Riley, Division Director Oil Conservation Division



Matthias Sayer Deputy Cabinet Secretary

June 22, 2018

Debora Wilbourn COG Operating, LLC dwilbourn@concho.com

NON-STANDARD LOCATION

Administrative Order NSL-7734

COG Operating, LLC [OGRID 229137] Vast State Well No. 23H API No. 30-025-43552

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	210 FSL & 1205 FEL	P	17	26S	33E	Lea
Penetration Point	493 FSL & 1319 FEL	P	17	26S	33E	Lea
Final perforation	355 FNL & 1318 FEL	Α	17	26S	33E	Lea
Terminus	200 FNL & 1305 FEL	Α	17	26S	33E	Lea

Proposed Project Area

Description	Acres	Pool	Pool Code
E2 E2 of Section 17	160	Sanders Tank; Upper Wolfcamp	98097

Reference is made to your application received on May 7, 2018.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. Subsection A of 19.15.15.9 NMAC governs this pool and provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary.

This well's completed interval is as close as 355 feet to the northwestern edge, and 1 - 2 feet to the western edge of the project area. Encroachments will impact the following tracts.

Section 8, T26S R33E encroachment to the SW4 SE4 Section 17, T26S R33E encroachment to the W2 E2

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Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (2) of Subsection A of 19.15.4.12 NMAC, in all adjoining units towards which the proposed location encroaches. Any and all waivers were received to allow the processing of this application. There were no objections.

Division understands you seek this location to allow for efficient and maximum recovery of production from within the Wolfcamp formation underlying the E2 E2 of Section 17.

Your application has been filed under 19.15.15.13 NMAC and Paragraph (2) of Subsection A of 19.15.4.12 NMAC.

Per Subsection B of 19.15.15.13 NMAC, Division approves this unorthodox location.

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as Division deems necessary.

HEATHER RILEY

Director

HR/lrl

cc: Oil Conservation Division – Hobbs District Office State Land Office – Oil, Gas, and Minerals Division