

Approved

NSL

Order

Approved: 08/05/20

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Cabinet Secretary

Adrienne E. Sandoval, Director
Oil Conservation Division



August 5, 2020

Ms. Robyn Russell
Rrussell@concho.com

NON-STANDARD LOCATION

Administrative Order NSL-8054

COG Operating, LLC [OGRID 229137]
Myox 30 State Com Well No. 706H
API No. 30-015-47095

Proposed Location

| | <u>Footages</u> | <u>Unit/Lot</u> | <u>Sec.</u> | <u>Twsp</u> | <u>Range</u> | <u>County</u> |
|------------------|------------------------|------------------------|--------------------|--------------------|---------------------|----------------------|
| Surface | 380 FSL & 1296 FWL | M | 18 | 25S | 28E | Eddy |
| First Take Point | 10 FNL & 450 FWL | D | 19 | 25S | 28E | Eddy |
| Last Take Point | 330 FSL & 450 FWL | M | 30 | 25S | 28E | Eddy |
| Terminus | 200 FSL & 450 FWL | M | 30 | 25S | 28E | Eddy |

Proposed Horizontal Gas Units

| <u>Description</u> | <u>Acres</u> | <u>Pool</u> | <u>Pool Code</u> |
|---------------------------|---------------------|-----------------------------|-------------------------|
| W/2 of Section 19 | 642.72 | Purple Sage; Wolfcamp (GAS) | 98220 |
| W/2 of Section 30 | | | |

Reference is made to your application received on July 15, 2020.

You have requested to complete this horizontal well as a gas well described above in the referenced pool or formation. This well is governed by special rules for the Purple Sage; Wolfcamp (Gas) Pool of and provides for 320-acre units, with wells located at least 330 feet from a unit outer boundary.

This well's completed interval is as close as 10 feet to the northern edge. Encroachment will impact the following tract.

Section 18, encroachment to the SW/4

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all adjoining units towards which the proposed location encroaches.

Division understands you are seeking this unorthodox location to optimize the completed lateral length of this wellbore, reducing waste while protecting correlative rights, and improving well economics and increasing revenue within the Wolfcamp formation underlying the W/2 of Section 19 and the W/2 of Section 30.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) 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.



ADRIENNE E. SANDOVAL
Division Director

AES/lrl

cc: Oil Conservation Division – Artesia District Office
State Land Office – Oil, Gas, and Mineral Division
Bureau of Land Management – Carlsbad Field Office

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Monday, August 10, 2020 4:44 PM
To: 'Robyn Russell'
Cc: Bratcher, Mike, EMNRD; Podany, Raymond, EMNRD; 'lisa@rwbyram.com'; Simmons, Kurt, EMNRD; Terry Warnell; McClure, Dean, EMNRD; Simmons, Kurt, EMNRD; Garcia, John A, EMNRD; Scott Cox; 'jglover@blm.gov'; Holm, Anchor E.
Subject: APPROVED NSLs_COG Operating, LLC_MYOX State Com Wells No. (701H, 702H, 703H, 704H, 705H, 706H)_SEC 18 25S 28E
Attachments: NSL-8049_COG_SIGNED.pdf; NSL-8050_COG_SIGNED.pdf; NSL-8051_COG_SIGNED.pdf; NSL-8052_COG_SIGNED.pdf; NSL-8053_COG_SIGNED.pdf; NSL-8054_COG_SIGNED.pdf
Importance: High

Ms. Robyn Russell,

The following NSL Administrative Orders have been issued and will soon be available on the Division's web site:

<http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>

| NSL | AMD | Applicant | OGRID | WELL NAME | API # |
|------|-----|--------------------|--------|---------------------------------|--------------|
| 8054 | - | COG Operating, LLC | 229137 | Myox 30 State Com Well No. 706H | 30-015-47095 |
| 8053 | - | COG Operating, LLC | 229137 | Myox 30 State Com Well No. 705H | 30-015-47094 |
| 8052 | - | COG Operating, LLC | 229137 | Myox 30 State Com Well No. 704H | 30-015-47093 |
| 8051 | - | COG Operating, LLC | 229137 | Myox 30 State Com Well No. 703H | 30-015-47091 |
| 8050 | - | COG Operating, LLC | 229137 | Myox 30 State Com Well No. 702H | 30-015-47092 |
| 8049 | - | COG Operating, LLC | 229137 | Myox 30 State Com Well No. 701H | 30-015-47090 |

Copies of the approved orders are attached.

Leonard R. Lowe

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