Approved

NSL

Order

Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Todd E. Leahy, JD, PhD Deputy Cabinet Secretary Adrienne E. Sandoval, Director Oil Conservation Division



May 4, 2021

Mr. Stan Wagner stan.s.wagner@conocophillips.com

NON-STANDARD LOCATION

Administrative Order NSL-8173

COG Operating, LLC [OGRID 229137] Kraken State Com Well No. 703H API No. 30-015-48097

Proposed Location

-	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	600 FSL & 1060 FEL	Р	33	25S	28E	Eddy
First Take Point	10 FNL & 2106 FEL	В	4	26S	28E	Eddy
Last Take Point/	800 FSL & 2215 FEL	В	16	26S	28E	Eddy
Terminus						•

Proposed Horizontal Gas Units

Description	Acres	Pool	Pool Code
E/2 of Section 4	720	Purple Sage; Wolfcamp (GAS)	98220
E/2 of Section 9			
N/2 NE/4 of Section 16			

Reference is made to your application received on April 4, 2021.

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, R-14262, for the Purple Sage; Wolfcamp (Gas) Pool 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 33, encroachment to the SE/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.

Administrative Order NSL-8173 COG Operating, LLC May 4, 2021 Page 2 of 2

Division understands you are seeking this unorthodox location to allow for efficient well spacing of horizontal wells within the Wolfcamp formation underlying the E/2 of Section 4, E/2 of Section 9 and the N/2 NE/4 of Section 16.

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.

E. SANDOVAL **Division Director**

AES/lrl

cc: Oil Conservation Division – Artesia District Office State Land Office - Oil, Gas and Mineral Division

From:	Lowe, Leonard, EMNRD
То:	Wagner, Stan S
Cc:	Bratcher, Mike, EMNRD; Kautz, Paul, EMNRD; "lisa@rwbyram.com"; Holm, Anchor E.
Subject:	APPROVED NSL_COG Operating, LLC_Kraken State Com Wells No. (701H, 702H, 703H)_SEC 33 25S 28E
Date:	Monday, May 10, 2021 5:22:00 PM
Attachments:	<u>NSL-8171</u> <u>Approved Order.pdf</u> <u>NSL-8172</u> <u>Approved Order.pdf</u> <u>NSL-8173</u> <u>Approved Order.pdf</u> <u>image002.png</u>
Importance:	High

Mr. Stan Wagner,

The following NSL Administrative Order's 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 #
8173	-	COG Operating, LLC	229137	Kraken State Com Well No. 703H	30-015-48097
8172	-	COG Operating, LLC	229137	Kraken State Com Well No. 702H	30-015-48099
8171	-	COG Operating, LLC	229137	Kraken State Com Well No. 701H	30-015-48098

Copies of the approved order are attached.

Leonard R. Lowe Engineering Bureau OCD - EMNRD 5200 Oakland Ave Albuquerque, N.M. 87113 C: 505-930-6717 http://www.emnrd.state.nm.us/ocd/