

State of New Mexico  
Energy, Minerals and Natural Resources Department

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Mr. Stan Wagner  
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NON-STANDARD LOCATION

**Administrative Order NSL - 8408**

**COG Production, LLC [OGRID 217955]  
Cabo Wabo Federal Com Well No. 704H  
API No. 30-015-47662**

**Proposed Location**

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	210 FNL & 1730 FWL	C	24	25S	29E	Eddy
First Take Point	330 FNL & 2390 FWL	C	24	25S	29E	Eddy
Last Take Point	330 FSL & 2390 FWL	N	25	25S	29E	Eddy
Terminus	200 FSL & 2390 FWL	N	25	25S	29E	Eddy

**Proposed Horizontal Gas Units**

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
W/2 of Section 24	640	Purple Sage; Wolfcamp (GAS)	98220
W/2 of Section 25			

Reference is made to your application received on July 14<sup>th</sup>, 2022.

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 250 feet to the eastern edge. Encroachment will impact the following tract.

- Section 24, encroachment to the E/2
- Section 25, encroachment to the E/2

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 allow for efficient spacing of horizontal wells and thereby preventing waste within the Wolfcamp formation underlying the W/2 of Section 24, and the W/2 of Section 25.

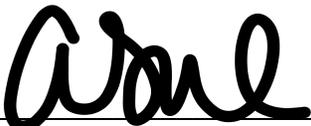
Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

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

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, to place this well into production.

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.



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ADRIENNE E. SANDOVAL

**Division Director**

Date: 8/09/2022

AES/lrl