



February 2, 2015

New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Attention: Mr. Michael McMillan

Re: Application for Non Standard Proration Unit
Merlin State Com #1H
Township 21 South, Range 34 East
SHL: 1130' FSL & 1650' FWL of Sec 29
BHL: 353' FSL & 2069' FWL of Sec 32
Lea County, New Mexico

FTP: 723' FSL & 1659' FWL
LTP: 460' FSL & 1997' FWL

Dear Mr. McMillan:

Pursuant to Division Rule 19.15.15.11, COG Operating LLC (COG) respectfully requests administrative approval of a Non Standard Proration Unit for its Merlin State Com #1H well. The SESW of Sec 29 is included in this proration unit. The SESW of Sec 29 was originally dedicated to the Osprey 20 State Com #3H well, but due to drilling difficulties the SESW was not penetrated. The Merlin State Com #1H was drilled to develop this acreage.

COG is the only affected offset operator. A copy of this application has also been sent by certified mail, return receipt requested, to the New Mexico State Land Office.

Attached is a Form C-102 showing the well and the project area

Thank you for your consideration of this application. Should you have questions or require further information, please contact Mayte Reyes at 575-748-6945 email mreyes1@concho.com or Melanie Parker at 575-748-6952 email at mparker@concho.com.

Sincerely,

Mayte Reyes
Regulatory Analyst

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 325-6161, Fax: (575) 393-8720
District II
814 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Huerfano Road, Aztec, NM 87410
Phone: (505) 334-6170 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, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office
 AMENDED REPORT
(As Drilled)

RECEIVED
AUG 18 2014

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-025-41590		*Pool Code 96403 97962		*Well Name WLC-025 G-07 9L134-30100 Wildcat; Bont Spring					
*Property Code 40318	*Property Name Merlin State Com			*Well Number 1H					
*OCRID No. 229137	*Operator Name COG Operating LLC			*Elevation 3721' GR					
10 Surface Location									
UL or lot no. N	Section 29	Township 21S	Range 34E	Lot Idn	Feet from the 1130	North/South line South	Feet from the 1650	East/West line West	County Lea
11 Bottom Hole Location If Different From Surface									
UL or lot no. N	Section 32	Township 21S	Range 34E	Lot Idn	Feet from the 357 359	North/South line South	Feet from the 2069	East/West line West	County Lea
12 Dedicated Acres 200	13 Joint or Infill	14 Consolidation Code	15 Order No.						

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.

	<p>16</p>	
	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or released mineral interest in the land including the proposed bottom hole location or has a right to drill this well on this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the Division.</p> <p>Signature: <u>Stormi Davis</u> Date: <u>8/14/14</u></p> <p>Stormi Davis Printed Name</p> <p>sdavis@concho.com E-mail Address</p>	
	<p>18 SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p>	
	<p>REFER TO ORIGINAL PLAT</p>	
	<p>Certificate Number</p>	
	<p>Producing Area 12048.17595'</p>	

SEP 16 2014



February 2, 2015

Certified Mail – Return Receipt Requested

State of New Mexico
Commissioner of Public Lands
310 Old Santa Fe Trail
Santa Fe, NM 87501

Re: Application for Non Standard Proration Unit
Merlin State Com #1H
Township 21 South, Range 34 East
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Gentlemen:

Attached is a copy of COG's Application for Non Standard Proration Unit for the Merlin State Com #1H well in Section 29, Township 21 South, Range 34 East, Lea County, New Mexico. You are being sent a copy of this Application because you are the mineral owner of this tract. If you have any objection to this Application, notification should be given to OCD within 20 days of receipt of this letter.

If you have any questions regarding this Application, please contact me at 575-748-6945 or Melanie Parker at 575-748-6952.

Sincerely,

Mayte Reyes
Regulatory Analyst

Enclosure

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to: **MERLIN ST. COM**
#311

State of New Mexico
Commissioner of Public Lands
310 Old Santa Fe Trail
Santa Fe, NM 87501

2. Article Number
(Transfer from ea) **7011 1570 0000 7781 4636**

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X Agent Addressee

B. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail O.O.D.

4. Restricted Delivery? (Extra Fee) Yes

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to: **MERLIN ST. COM**
#311

State of New Mexico
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

2. Article Number
(Transfer from service label) **7011 1570 0000 7781 4629**

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X Agent Addressee

B. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail O.O.D.

4. Restricted Delivery? (Extra Fee) Yes