

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Susana Martinez**  
Governor

**David Martin**  
Cabinet Secretary

**Brett F. Woods, Ph.D.**  
Deputy Cabinet Secretary

**David R. Catanach, Division Director**  
Oil Conservation Division



February 5, 2015

COG Operating LLC  
Attn: Ms. Melanie Parker

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

**Administrative Order NSL-7229**  
**Administrative Application Reference No. pMAM1501557013**

**COG Operating LLC**  
OGRID 229137  
**Flyswatter State Well No. 3**  
**API No. 30-015-42764**

**Proposed Location:**

| <u>Footages</u>    | <u>Unit</u> | <u>Sec.</u> | <u>Twsp</u> | <u>Range</u> | <u>County</u> |
|--------------------|-------------|-------------|-------------|--------------|---------------|
| 190 FSL & 1980 FWL | N           | 31          | 23S         | 27E          | Eddy          |

**Proposed Unit:**

| <u>Description</u>      | <u>Acres</u> | <u>Pool</u>                        | <u>Pool Code</u> |
|-------------------------|--------------|------------------------------------|------------------|
| SE/4 SW/4 of Section 31 | 40           | Wildcat G-02 S242703O; Bone Spring | 97837            |

Reference is made to your application received on January 15, 2015.

You have requested to drill this well at an unorthodox oil well location described above in the referenced pool or formation. This location is governed by statewide Rule 19.15.15.9.A NMAC, which provides for 40-acre units with wells located at least 330 feet from a unit outer boundary. This location is less than 330 feet from a unit outer boundary

Your application has been duly filed under the provisions of Division Rules 15.13 19.15.15.13 NMAC and 19.15.4.12.A (2) NMAC.

An unorthodox location is necessary to determine based on testing of this well, which Bone Spring interval would be best suited for future horizontal development.

It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 19.15.4.12 A (2) NMAC, in all adjoining units towards which the proposed location encroaches.

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Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Done at Santa Fe, New Mexico, on February 5, 2015.

A handwritten signature in black ink, reading "David R. Catanach". The signature is fluid and cursive, with a horizontal line drawn underneath it.

DAVID R. CATANACH

Director

DC/mam

cc: New Mexico Oil Conservation Division – Artesia  
New Mexico State Land Office – Oil, Gas, and Minerals  
Bureau of Land Management - Carlsbad