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DATE IN 6/11/2015	SUSPENSE	ENGINEER MAM	LOGGED 6/11/2015	TYPE NSL	PPWD PAYAMIS/6239875
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

[D] Other: Specify _____

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply

- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Melanie J. Wilson

Melanie J. Wilson

Regulatory Analyst

06/11/2015

Print or Type Name

Signature

Title

Date

mwilson@concho.com
 e-mail Address

- NSL 7316
 - COG Productions LLC
 217935
 - well
 - Walcho Walcho State
 Com 7H
 2015 JUN 11 AM 11:00
 RECEIVED OGD
 30-0254248
 Pool
 - Triple X, Bone
 Spring, west
 96674



June 11, 2015

Certified Mail – Return Receipt Requested
7013 3020 0000 8749 8842

Cimarex Energy Company of Colorado
202 S Cheyenne Ave., Suite 1000
Tulsa, OK 74103

Re: Application for Unorthodox Well Location
Macho Nacho State Com #7H API No. 30-025-42489
SHL: 190' FSL & 2255' FEL (Unit O) Section 7, T24S, R33E
BHL: 230' FNL & 2340' FEL (Unit B) Section 7, T24S, R33E
Lea County, New Mexico

Gentlemen:

Attached is a copy of COG's Application for Unorthodox Well Location for the Macho Nacho State Com #7H well in Section 7, T24S, R33E, Lea County, New Mexico. You are being sent a copy of this Application per OCD's requirement to notify the operator of the offset affected acreage. 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 575-748-6952 or by email at mwilson@concho.com.

Sincerely,

A handwritten signature in black ink that reads "Melanie J. Wilson".

Melanie J. Wilson
Lead Regulatory Analyst

Enclosure



June 11, 2015

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

Attention: Mr. Michael McMillan

Re: Application for Unorthodox Well Location
Macho Nacho State Com #7H API No. 30-025-42489
Section 7, T24S, R33E
Lea County, New Mexico
SHL: 190' FSL & 2255' FEL (Unit O) POP & Planned First Perf: 552' FSL & 2443' FEL
BHL: 230' FNL & 2340' FEL (Unit B) Planned Last Perf: 330' FNL & 2340' FEL

Dear Mr. McMillan:

Pursuant to Division Rule 19.15.15.13, COG Production LLC (COG) respectfully requests administrative approval of an unorthodox oil well location for its Macho Nacho State Com #7H well. This well does not meet the 330' from the outer boundary of the producing area requirement. COG Production LLC has drilled and is currently producing Bone Spring wells in this section as described below.

Macho Nacho State #1H	SHL: 330' FNL & 330' FEL	BHL: 407' FNL & 483' FWL
Macho Nacho State #2H	SHL: 1870' FNL & 380' FEL	BHL: 1894' FNL & 357' FWL
Macho Nacho State #3H	SHL: 1870' FSL & 330' FEL	BHL: 1830' FSL & 355' FWL
Macho Nacho State #4H	SHL: 330' FSL & 190' FEL	BHL: 903' FSL & 342' FWL

RECEIVED
OCD
THIS JUN 11 2015
10:58 AM

We plan to test infill drilling in the lower Avalon shale to enhance hydrocarbon recovery between the existing wellbores.

The affected offset tract is the E2W2 of Section 7, T24S, R33E. COG Production LLC is the designated operator of all of Section 7, T24S, R33E. The SE4SW4 of Section 6, T24S, R33E is also affected. Cimarex Energy Company is the operator of that section. They have been notified of this application by certified mail, return receipt requested.

Attached is a Form C-102 showing the project area and the producing area of this well.

Thank you for your consideration of this application. Should you have questions or require further information, please contact me at 575-748-6952 or by email at mwilson@concho.com.

Sincerely,

Melanie J. Wilson
Lead Regulatory Analyst

cc: OCD Hobbs

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

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:

Cimarex Energy Company of Colorado
202 S Cheyenne Ave., Suite 1000
Tulsa, OK 74103

Macho Nachos Com HNSL

2. Article Number:

(Transfer from service label)

7013 3020 0000 8749 8842

PS Form 3811, July 2013

Domestic Return Receipt

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

Priority Mail Express

Registered

Return Receipt for Merchandise

Insured Mail

Collect on Delivery

4. Restricted Delivery? (Extra Fee)

Yes

McMillan, Michael, EMNRD

From: Melanie Wilson <mwilson@concho.com>
Sent: Thursday, June 11, 2015 10:22 AM
To: McMillan, Michael, EMNRD
Cc: Mayte Reyes
Subject: NSL APPLICATION - MACHO NACHO STATE COM #7H - 30-025-42489
Attachments: Macho Nacho State Com #7H NSL Application.pdf

Mike,

Attached is COG's NSL application for our Macho Nacho State Com #7H well.

The penetration point is 552' FSL & 2443' FEL, Section 7, T24S, R33E and the last perf is planned at 330' FNL & 2340' FEL, Section 7.

Please let me know if you need anything further on this.

Thank you!

Melanie J. Wilson

Lead Regulatory Analyst
NM Basin Team

COG Operating LLC

2208 West Main Street

Artesia NM 88210

mparker@concho.com

Phone: 575-748-6952



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