

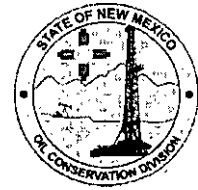
State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

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

David R. Catanach, Division Director
Oil Conservation Division



October 9, 2015

COG Production, LLC
Attn: Mr. Mayte Reyes

ADMINISTRATIVE NON-STANDARD PRORATION UNIT

Administrative Order NSP-2042
Administrative Application Reference No. pMAM1525336562

COG Production, LLC
OGRID 217955

Eata Fajita State Well No. 9H
API No. 30-025-42274

Proposed Location:

	<u>Footages</u>	<u>Unit/lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	200` FSL & 900` FEL	P	8	24S	33E	Lea
Penetration Point	563` FSL & 1027` FEL	P	8	24S	33E	Lea
Final perforation	424` FNL & 1441` FEL	2	5	24S	33E	Lea
Terminus	330` FNL & 1350` FEL	2	5	24S	33E	Lea

Eata Fajita State Well No. 6H
API No. 30-025-41774

Proposed Location:

	<u>Footages</u>	<u>Unit/lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	190` FSL & 1980` FEL	O	8	24S	33E	Lea
Penetration Point	489` FSL & 2027` FEL	O	8	24S	33E	Lea
Final perforation	658` FNL & 2278` FEL	2	5	24S	33E	Lea
Terminus	431` FNL & 2278` FEL	2	5	24S	33E	Lea

Eata Fajita State Well No. 10H
API No. 30-025-42275

Proposed Location:

	<u>Footages</u>	<u>Unit/lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	200` FSL & 850` FEL	P	8	24S	33E	Lea
Penetration Point	602` FSL & 533` FEL	P	8	24S	33E	Lea
Final perforation	403` FNL & 380` FEL	1	5	24S	33E	Lea
Terminus	330` FNL & 380` FEL	1	5	24S	33E	Lea

Cabo Blanco Well No. 1 H
API No. 30-025-40702

Proposed Location:

	<u>Footages</u>	<u>Unit/lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	330` FNL & 2290` FEL	2	5	24S	33E	Lea
Penetration Point	663` FNL & 2256` FEL	2	5	24S	33E	Lea
Final perforation	475` FSL & 2197` FEL	O	5	24S	33E	Lea
Terminus	365` FSL & 2194` FEL	O	5	24S	33E	Lea

Cabo Blanco Well No. 2 H
API No. 30-025-40703

Proposed Location:

	<u>Footages</u>	<u>Unit/lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	430` FNL & 330` FEL	1	5	24S	33E	Lea
Penetration Point	929` FNL & 355` FEL	1	5	24S	33E	Lea
Final perforation	441` FSL & 353` FEL	P	5	24S	33E	Lea
Terminus	364` FSL & 351` FEL	P	5	24S	33E	Lea

Cabo Blanco Well No. 3 H
API No. 30-025-42000

Proposed Location:

	<u>Footages</u>	<u>Unit/lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	490` FNL & 1265` FEL	1	5	24S	33E	Lea
Penetration Point	828` FNL & 1269` FEL	1	5	24S	33E	Lea
Final perforation	509` FSL & 1258` FEL	P	5	24S	33E	Lea
Terminus	328` FSL & 1262` FEL	P	5	24S	33E	Lea

Eata Fajita State Well No. 5 H
API No. 30-025-41997

Proposed Location:

	<u>Footages</u>	<u>Unit/lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	185` FSL & 1315` FEL	P	8	24S	33E	Lea
Penetration Point	619` FSL & 1289` FEL	P	8	24S	33E	Lea
Final perforation	428` FSL & 1355` FEL	B	8	24S	33E	Lea
Terminus	338` FSL & 1328` FEL	B	8	24S	33E	Lea

Eata Fajita State Well No. 4 H
API No. 30-025-41048

Proposed Location:

	<u>Footages</u>	<u>Unit/lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	190` FSL & 380` FEL	P	8	24S	33E	Lea
Penetration Point	628` FSL & 403` FEL	P	8	24S	33E	Lea
Final perforation	445` FNL & 421` FEL	A	8	24S	33E	Lea
Terminus	340` FNL & 421` FEL	A	8	24S	33E	Lea

Eata Fajita State Well No. 3 H
API No. 30-025-40571

Proposed Location:

	<u>Footages</u>	<u>Unit/lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	190` FSL & 2073` FEL	O	8	24S	33E	Lea
Penetration Point	171` FSL & 2020` FEL	O	8	24S	33E	Lea
Final perforation	432` FNL & 2073` FEL	B	8	24S	33E	Lea
Terminus	348` FNL & 2073` FEL	B	8	24S	33E	Lea

Proposed Project Area:

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E/2 of Section 5, and E/2 of Section 8	319.47 320	Triple X; Bone Spring, West	96674

Reference is made to your application received on September 10, 2015.

You have requested an exception pursuant to Rule 19.15.16.7.M NMAC, to approve a non-standard oil spacing and proration unit comprising 639.47-acres, consisting of the entire area described above as the Subject Unit or Project Area.

We understand that you are seeking this exception in order to allow you to create a 639.47-acre non-standard proration unit, comprised of the E/2 of Section 5 and E/2 of 8, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico.

Units Comprising this Project Area

Unit	Acres	Pool	Code
Lot 1 of Section 5	39.72	Triple X; Bone Spring, West	96674
Lot 2 of Section 5	39.75	Triple X; Bone Spring, West	96674
S/2 NE/4 of Section 5	80	Triple X; Bone Spring, West	96674
SE/4 of Section 5	160	Triple X; Bone Spring, West	96674
E/2 of Section 8	320	Triple X; Bone Spring, West	96674

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

You have requested an exception pursuant to Rule 19.15.16.7.M NMAC, to approve a non-standard oil spacing and proration unit comprising 639.47-acres, consisting of the entire area described above as the Subject Unit or Project Area.

It is our understanding that you are seeking this non-standard project area to enhance recovery in the Bone Spring formation. Next, two of the wells drifted past their original designated project areas. Lastly, all of the units are developed in the non-standard project area.

It is also understood that you have given due notice of this application to all persons to whom notice is required by Rule 19.15.4.12.A(3) NMAC.

Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, the above-described non-standard project area is hereby approved.

The above approvals are 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 October 9, 2015

A handwritten signature in black ink, reading "David R. Catanach", written over a horizontal line.

DAVID R. CATANACH
Director

DRC/mam

cc: New Mexico Oil Conservation Division – Hobbs
New Mexico State Land Office - Oil, Gas, and Minerals