State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Tony Delfin Acting Cabinet Secretary David R. Catanach, Division Director Oil Conservation Division



December 1, 2016

COG Operating, LLC
Attn: Ms. Robyn Russell

NON-STANDARD PRORATION UNIT

Administrative Order NSP-2056 Administrative Application Reference No. pKSC1630746305

COG Operating, LLC OGRID 229137

Beech 25 Federal Well No. 9H API No. 30-015-40208

Beech 25 Federal Well No. 10H API No. 30-015-42363

Beech 25 Federal Well No. 11H API No. 30-015-43176

Beech 25 Federal Well No. 12H API No. 30-015-43181

Pool:

Red Lake; Glorieta-Yeso, Northeast (Pool Code 96836)

Pool Rules:

Division Rule, 19.15.15.9A NMAC 40-Acre Units, 330 foot setbacks

Proposed Project Area (120 Acres)

Section 25, Township 17 South, Range 27 East, Eddy County: SW/4 SE/4 and S/2 SW/4

Reference is made to your application received on November 1, 2016 and to Division records for the subject wells.

You have requested approval of a non-standard oil spacing and proration unit described above. The Applicant is requesting this non-standard spacing unit because the SE/4 SE/4 of Section 25 in the Red Lake; Glorieta-Yeso, Northeast Pool is being developed by another operator. Further, there is no stranded acreage in the S/2 S/2 of Section 25.

You have made application and provided notice as required in 19.15.15.11B. NMAC and 19.15.4.12.A(3) NMAC.

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.

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

David Catanach

Director

DRC/mam

cc: Oil Conservation Division - Artesia

Bureau Land Management - Carlsbad