

RECEIVED: 9/22/2017	REVIEWER: LRL	TYPE: NSL	APP NO: PLEL 1726948733
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

6710/13/17

RECEIVED
NEW MEXICO OIL CONSERVATION DIVISION
 Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505
 2017 SEP 22 P 3:48

**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

Applicant: COG Operating LLC**OGRID Number:** 229137**Well Name:** Zeppo 5 Federal Com #15H**API:** 30-025-**Pool:** Maljamar, Yeso, West**Pool Code:** 44500

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

NSL -

1) TYPE OF APPLICATION: Check those which apply for [A]

A. Location - Spacing Unit - Simultaneous Dedication

☒ NSL☐ NSP (PROJECT AREA)☐ NSP (PRORATION UNIT)☐ SD

B. Check one only for [I] or [II]

[I] Commingling - Storage - Measurement

☐ DHC☐ CTB☐ PLC☐ PC☐ OLS☐ OLM

[II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX☐ PMX☐ SWD☐ IPI☐ EOR☐ PPR**2) NOTIFICATION REQUIRED TO:** Check those which apply.A. ☒ Offset operators or lease holdersB. ☐ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☐ Notification and/or concurrent approval by SLOE. ☐ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☒ For all of the above, proof of notification or publication is attached, and/or,H. ☐ No notice required**FOR OCD ONLY**☐ Notice Complete☐ Application Content Complete

3) 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.

Robyn Russell

Print or Type Name

Signature

09/20/2017

Date

(432) 685-4385

Phone Number

Russell@concho.com

e-mail Address



September 20, 2017

New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

RE: Zeppo 5 Federal Com #15H NSL

To Whom It May Concern,

COG Operating LLC respectfully requests approval of a non-standard location for the following well(s):

Zeppo 5 Federal Com #15H – API #30-025-PENDING
SHL: 2490 FNL 2335 FEL, UL G, Sec 5, T17S, R32E
BHL: 55 FSL 2308 FEL, UL O, Sec 8, T17S, R32E
TVD: 5700'

The granting of this NSL will optimize the completed lateral length of this wellbore, reducing waste while protecting correlative rights, and improving well economics and increasing revenue to the State of New Mexico and the Federal Government.

COG Operating LLC is the Operator in Section 5, 8, T17S, R32E. Conoco, Et. Al., as non-operating working interest owners of the leasehold in the offset tracts, has been sent notification via certified mail. Copies of said mail have been attached to this application.

Please contact me should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Robyn Russell", written over a horizontal line.

Robyn Russell
Regulatory Analyst
COG Operating, LLC
(432) 685-4385
Rrussell@concho.com

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 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

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-	² Pool Code 44500	³ Pool Name Maljamar; Yeso, West
⁴ Property Code	⁵ Property Name ZEPP0 5 FEDERAL COM	⁶ Well Number 15H
⁷ OGRID NO. 229137	⁸ Operator Name COG OPERATING, LLC	⁹ Elevation 4099'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
G	5	17S	32E		2490	NORTH	2335	EAST	LEA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
O	8	17S	32E		55	SOUTH	2308	EAST	LEA

¹² Dedicated Acres 240	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

DETAIL "A"

GEODEIC DATA
NAD 83 GRID - NM EAST

SURFACE LOCATION
N: 678523.6 - E: 708881.2
LAT: 32.86409342° N
LONG: 103.78767289° W

BOTTOM HOLE
N: 670510.8 - E: 708957.0
LAT: 32.84206920° N
LONG: 103.78756096° W

CORNER DATA
NAD 83 GRID - NM EAST

A: FOUND BRASS CAP "1913"
N: 670449.0 - E: 705989.7

B: FOUND BRASS CAP "1913"
N: 673083.7 - E: 705979.1

C: FOUND 1-1/2" IRON PIPE
N: 675723.3 - E: 705965.0

D: FOUND BRASS CAP "1913"
N: 678363.7 - E: 705942.4

E: FOUND BRASS CAP "1913"
N: 681002.8 - E: 705922.6

F: FOUND BRASS CAP "1913"
N: 681021.0 - E: 711201.1

G: FOUND BRASS CAP "1913"
N: 678382.0 - E: 711216.6

H: FOUND PK NAIL
N: 675742.1 - E: 711243.8

I: FOUND BRASS CAP "1913"
N: 673102.5 - E: 711246.5

J: FOUND BRASS CAP "1912"
N: 670464.6 - E: 711264.7

K: FOUND BRASS CAP "1912"
N: 670454.6 - E: 708627.4

CALCULATED POINTS
1: N 678372.9 - E 708583.2
2: N 678377.5 - E 709899.8
3: N 670459.5 - E 709946.0

¹⁷ OPERATOR CERTIFICATION
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 unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at 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.

Signature: *[Signature]* Date: 8/23/17
Printed Name: Robyn M. Russell
E-mail Address: Rrussell@concho.com

¹⁸ SURVEYOR CERTIFICATION
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.

10-31-2016
Date of Survey
Signature and Seal of Professional Surveyor: *[Signature]*
19680
Certificate Number



Memorandum

To: Leonard Lowe
Engineering Bureau
New Mexico Oil Conservation Division

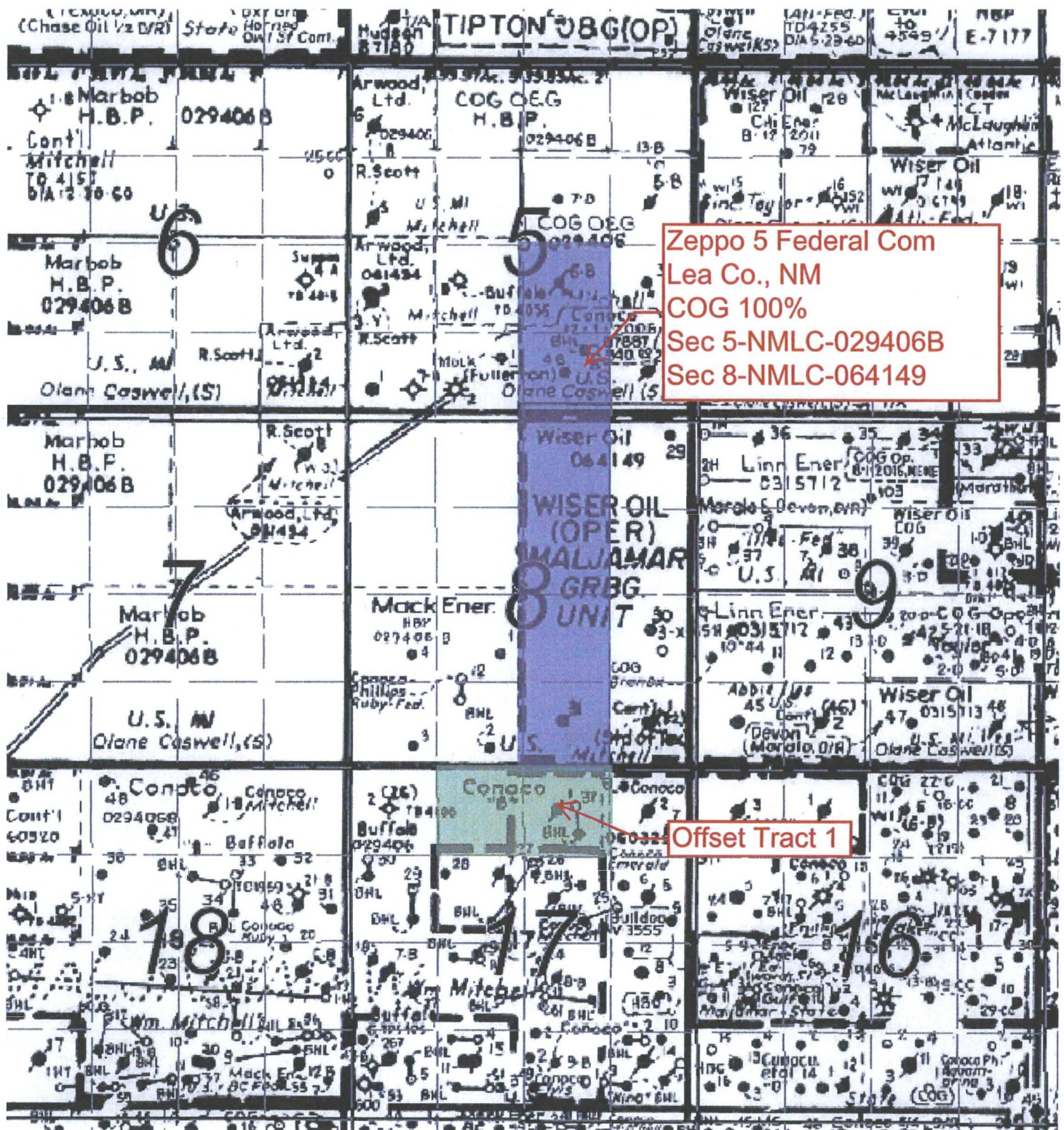
From: Bryan Montgomery
Reservoir Engineering Supervisor, NM Shelf Team
COG Operating LLC

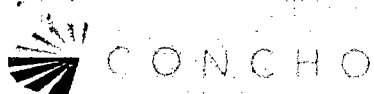
Date: August 23, 2017

Subject: Zeppo 5 Federal Com #15H NSL Engineer Statement

COG Operating LLC (COG) is requesting a non-standard location exception (NSL) for this horizontal well to be able to access and drain Yeso reserves that would otherwise be left in the reservoir, thereby preventing waste of an economic resource. The Yeso is a very low permeability reservoir that does not sufficiently drain a great distance from wellbores and their hydraulic fractures. In addition, it would not be economical to try to access these reserves with a vertical well.

Zeppo 5 Federal Com #15H Land Plat





Sent Certified Mail

Receipt #: 91-7199-9991-7036-0788-0524

August 30, 2017

ConocoPhillips
600 North Dairy Ashford Rd., 2WL-15058
Houston, TX 77079

RE: Designation of Non-Standard Location by COG Operating LLC
Lea County, New Mexico

To Whom It May Concern,

This letter is to advise you that COG Operating LLC has filed the enclosed Well Dedication and Acreage Plats (C-102) with the New Mexico Oil Conservation Division seeking to designate non-standard location in Sections 5 & 8, T17S, R32E, Lea County, New Mexico.

Should your company have any objection, it must be filed in writing within twenty (20) days from the date of this notice. Non response within the 20 day notice shall constitute an approval/waiver of protest to COG's non-standard location.

Please contact me should you have any questions.

Sincerely,

Robyn Russell
Regulatory Analyst
COG Operating, LLC
(432) 685-4385
Russell@concho.com



CONCHO




ONE CONCHO CENTER

600 W. ILLINOIS AVENUE




MIDLAND, TX 79701

91 7199 9991 7036 0788 0524

9500011507000-015

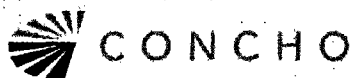
SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY													
<ul style="list-style-type: none">■ Complete items 1, 2, and 3.■ Print your name and address on the reverse so that we can return the card to you.■ Attach this card to the back of the mailpiece, or on the front if space permits.		<p>(A) Signature </p> <p>(B) Received by (Printed Name) </p> <p>(C) Date of Delivery </p> <p>Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>													
<p>ConocoPhillips 600 North Dairy Ashford Rd., 2WL-15058 Houston, Texas 77079 Re: NSL-Zepo5 Federal Com #15H</p>		<p>3. Service Type</p> <table border="0"><tr><td><input type="checkbox"/> Adult Signature</td><td><input type="checkbox"/> Priority Mail Express®</td></tr><tr><td><input type="checkbox"/> Adult Signature Restricted Delivery</td><td><input type="checkbox"/> Registered Mail™</td></tr><tr><td><input checked="" type="checkbox"/> Certified Mail®</td><td><input type="checkbox"/> Registered Mail Restricted Delivery</td></tr><tr><td><input type="checkbox"/> Certified Mail Restricted Delivery</td><td><input type="checkbox"/> Return Receipt for Merchandise</td></tr><tr><td><input type="checkbox"/> Collect on Delivery</td><td><input type="checkbox"/> Signature Confirmation™</td></tr><tr><td><input type="checkbox"/> Collect on Delivery Restricted Delivery</td><td><input type="checkbox"/> Signature Confirmation Restricted Delivery</td></tr></table>		<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®	<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™	<input checked="" type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery	<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Return Receipt for Merchandise	<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation™	<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery
<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®														
<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™														
<input checked="" type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery														
<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Return Receipt for Merchandise														
<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation™														
<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery														
<p>2. Article Number (Transfer from service label)</p> <p>91 7199 9991 7036 0788 0524</p>		<p>Domestic Return Receipt</p>													

PS Form 3811, July 2015 PSN 7530-02-000-9053

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY													
<ul style="list-style-type: none">■ Complete items 1, 2, and 3.■ 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.		<p>(A) Signature </p> <p>(B) Received by (Printed Name) </p> <p>(C) Date of Delivery </p> <p>Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>													
<p>ConocoPhillips 600 North Dairy Ashford Rd., 2WL-15058 Houston, Texas 77079 Re: NSL-Zepo5 Federal Com #15H</p>		<p>COO OPERATING LLC RECEIVED SEP 15 2017</p>													
<p>2. Article Number (Transfer from service label)</p> <p>91 7199 9991 7036 0788 0524</p>		<p>3. Service Type</p> <table border="0"><tr><td><input type="checkbox"/> Adult Signature</td><td><input type="checkbox"/> Priority Mail Express®</td></tr><tr><td><input type="checkbox"/> Adult Signature Restricted Delivery</td><td><input type="checkbox"/> Registered Mail™</td></tr><tr><td><input checked="" type="checkbox"/> Certified Mail®</td><td><input type="checkbox"/> Registered Mail Restricted Delivery</td></tr><tr><td><input type="checkbox"/> Certified Mail Restricted Delivery</td><td><input type="checkbox"/> Return Receipt for Merchandise</td></tr><tr><td><input type="checkbox"/> Collect on Delivery</td><td><input type="checkbox"/> Signature Confirmation™</td></tr><tr><td><input type="checkbox"/> Collect on Delivery Restricted Delivery</td><td><input type="checkbox"/> Signature Confirmation Restricted Delivery</td></tr></table>		<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®	<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™	<input checked="" type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery	<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Return Receipt for Merchandise	<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation™	<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery
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<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery														

PS Form 3811, July 2015 PSN 7530-02-000-9053

ConocoPhillips
600 North Dairy Ashford Rd., 2WL-150
Houston, Texas 77079



October 10, 2017

New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

RE: Zeppo 5 Federal Com #15H NSL

To Whom It May Concern,

COG Operating LLC respectfully requests approval of a non-standard location for the following well(s):

Zeppo 5 Federal Com #15H – API #30-025-PENDING
SHL: 2490 FNL 2335 FEL, UL G, Sec 5, T17S, R32E
BHL: 55 FSL 2308 FEL, UL O, Sec 8, T17S, R32E
TVD: 5700'

The granting of this NSL will optimize the completed lateral length of this wellbore, reducing waste while protecting correlative rights, and improving well economics and increasing revenue to the State of New Mexico and the Federal Government.

COG Operating LLC is the Operator in Section 5, 8, T17S, R32E. ConocoPhillips, as Operator of the Yeso formation in the offset tracts, has been sent notification via certified mail. Copies of said mail have been attached to this application.

Please contact me should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Robyn Russell", written over a horizontal line.

Robyn Russell
Regulatory Analyst
COG Operating, LLC
(432) 685-4385
Rrussell@concho.com

✓
Lowe, Leonard, EMNRD

NSL-7595

From: Robyn Russell <Russell@concho.com>
Sent: Wednesday, October 11, 2017 7:06 AM
To: Lowe, Leonard, EMNRD
Cc: Jones, William V, EMNRD
Subject: RE: NSL Application, additional information: Zeppo 5 Federal Com No. 15H

Hey Leonard,

The Working Interest owner of Unit B of Sec 17 is ConocoPhillips 100%. Please let me know if you need anything else.

Thank you,

Robyn Russell
Regulatory Analyst
(432) 685-4385

From: Lowe, Leonard, EMNRD [mailto:Leonard.Lowe@state.nm.us]
Sent: Tuesday, October 10, 2017 5:02 PM
To: Robyn Russell
Cc: Jones, William V, EMNRD
Subject: [External] NSL Application, additional information: Zeppo 5 Federal Com No. 15H
Importance: High

**** External email. Use caution. ****

Ms. Robyn Russell,

Per your information provided for the NSL request, please provide the additional information.

A list of working interest with percentages in the affected areas.

Reason: your last take point is less than 100 feet to the boundary toward Unit B of Section 17.

Leonard Lowe

Engineering Bureau
Oil Conservation Division
Energy Minerals and Natural Resources Department
1220 South St. Frances
Santa Fe, New Mexico 87004
Office: 505-476-3492
Cell: 505-930-6717
Fax: 505-476-3462
E-mail: leonard.lowe@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/>

NOTICE: The information in this email may be confidential and/or privileged. If you are not the intended recipient or an authorized representative of the intended recipient, you are hereby notified that any review, dissemination or copying

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Friday, October 20, 2017 12:47 PM
To: 'Robyn Russell'
Cc: Brown, Maxey G, EMNRD; Kautz, Paul, EMNRD; Sharp, Karen, EMNRD; 'lisa@rwbyram.com'; 'jglover@blm.gov'; McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD; Jones, William V, EMNRD
Subject: APPROVED NSL-7595 & NSL-7696_COG OPERATING LLC_Zeppo 5 Federal Com Well No. 15H & 25H_SEC 5 17S 32E

Importance: High

Ms. Robyn Russell,

The following administrative orders have been issued and will soon be available on the Division's web site: <http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>

NSL-7595

COG Operating LLC

API #: 30-025-Pending

WELL: Zeppo 5 Federal Com Well No. 15H

NSL-7596

COG Operating LLC

API #: 30-025-Pending

WELL: Zeppo 5 Federal Com Well No. 25H

Leonard Lowe

Engineering Bureau

Oil Conservation Division

Energy Minerals and Natural Resources Department

1220 South St. Frances

Santa Fe, New Mexico 87004

Office: 505-476-3492

Cell: 505-930-6717

Fax: 505-476-3462

E-mail: leonard.lowe@state.nm.us

Website: <http://www.emnrd.state.nm.us/ocd/>