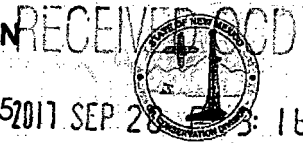


RECEIVED: 9/28/17	REVIEWER: LRL	TYPE: NSL	APP NO: PLEL 1727247401
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & 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

Applicant: COG Operating LLC**OGRID Number:** 229137**Well Name:** Nelson Federal Com #24H**API:** 30-025-**Pool:** Maljamar; Yeso, West**Pool Code:** 44500

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

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

09/26/2017

Date

(432) 685-4385

Phone Number

Russell@concho.com

e-mail Address



September 26, 2017

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

RE: Nelson Federal Com #24H NSL

To Whom It May Concern,

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

Nelson Federal Com #24H – API #30-025-PENDING
SHL: 2188 FSL 2065 FWL, UL K, Sec 15, T17S, R32E
BHL: 10 FNL 2310 FWL, UL C, Sec 10, T17S, R32E
TVD: 6375'

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 3, T17S, R32E. Occidental Permian Limited Partnership, as non-operating working interest owner 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,

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

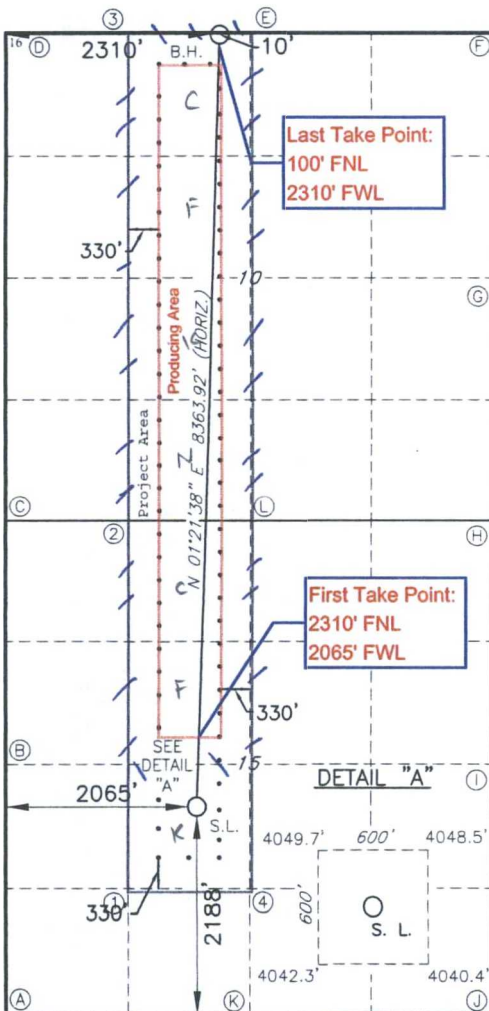
Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ 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 317557		⁵ Property Name NELSON FEDERAL COM						⁶ Well Number 24H	
⁷ OGRID NO. 229137		⁸ Operator Name COG OPERATING, LLC						⁹ Elevation 4043'	
¹⁰ Surface Location									
UL or lot no. K	Section 15	Township 17S	Range 32E	Lot Idn	Feet from the 2188	North South line SOUTH	Feet From the 2065	East/West line WEST	County LEA
¹¹ Bottom Hole Location If Different From Surface									
UL or lot no. C	Section 10	Township 17S	Range 32E	Lot Idn	Feet from the 10	North South line NORTH	Feet from the 2310	East/West line WEST	County LEA
¹² Dedicated Acres 240		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

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.



GEODETTIC DATA
NAD 83 GRID - NM EAST

SURFACE LOCATION
N 667395.2 - E 718627.5
LAT: 32.83336472° N
LONG: 103.75613040 W

BOTTOM HOLE
N 675754.9 - E 718826.0
LAT: 32.8563383° N
LONG: 103.7553355° W

CORNER DATA
NAD 83 GRID - NM EAST

A: FOUND 1" NAIL
N 665199.7 - E 716576.6

B: FOUND 2" IRON PIPE
N 667841.6 - E 716560.2

C: FOUND BRASS CAP "1913"
N 670479.9 - E 716544.7

D: CALCULATED CORNER
N 675762.5 - E 716516.5

E: FOUND BRASS CAP "1913"
N 675765.3 - E 719150.6

F: FOUND BRASS CAP "1913"
N 675771.1 - E 721786.3

G: FOUND BRASS CAP "1913"
N 673135.6 - E 721803.5

H: FOUND BRASS CAP "1913"
N 670497.8 - E 721816.9

I: FOUND BRASS CAP "1913"
N 667859.2 - E 721833.3

J: FOUND BRASS CAP "1913"
N 665220.0 - E 721849.6

K: FOUND BRASS CAP "1913"
N 665210.0 - E 719207.2

L: FOUND BRASS CAP "1913"
N 670494.5 - E 719183.8

1: CALCULATED POINT
N 666525.5 - E 717884.9

2: CALCULATED POINT
N 670487.1 - E 717864.2

3: CALCULATED POINT
N 675763.9 - E 717833.6

4: CALCULATED POINT
N 666530.3 - E 719201.4

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: 08/28/17
Printed Name: Robyn M. Russell
E-mail Address: Russell@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.

4-4-16
Date of Survey

Signature and Seal of Professional Surveyor: *[Signature]*
19680
Certificate Number
REV: BH 7/28/2017

Job No.: LS1603121D



Memorandum

To: Leonard Lowe
Engineering Bureau
New Mexico Oil Conservation Division

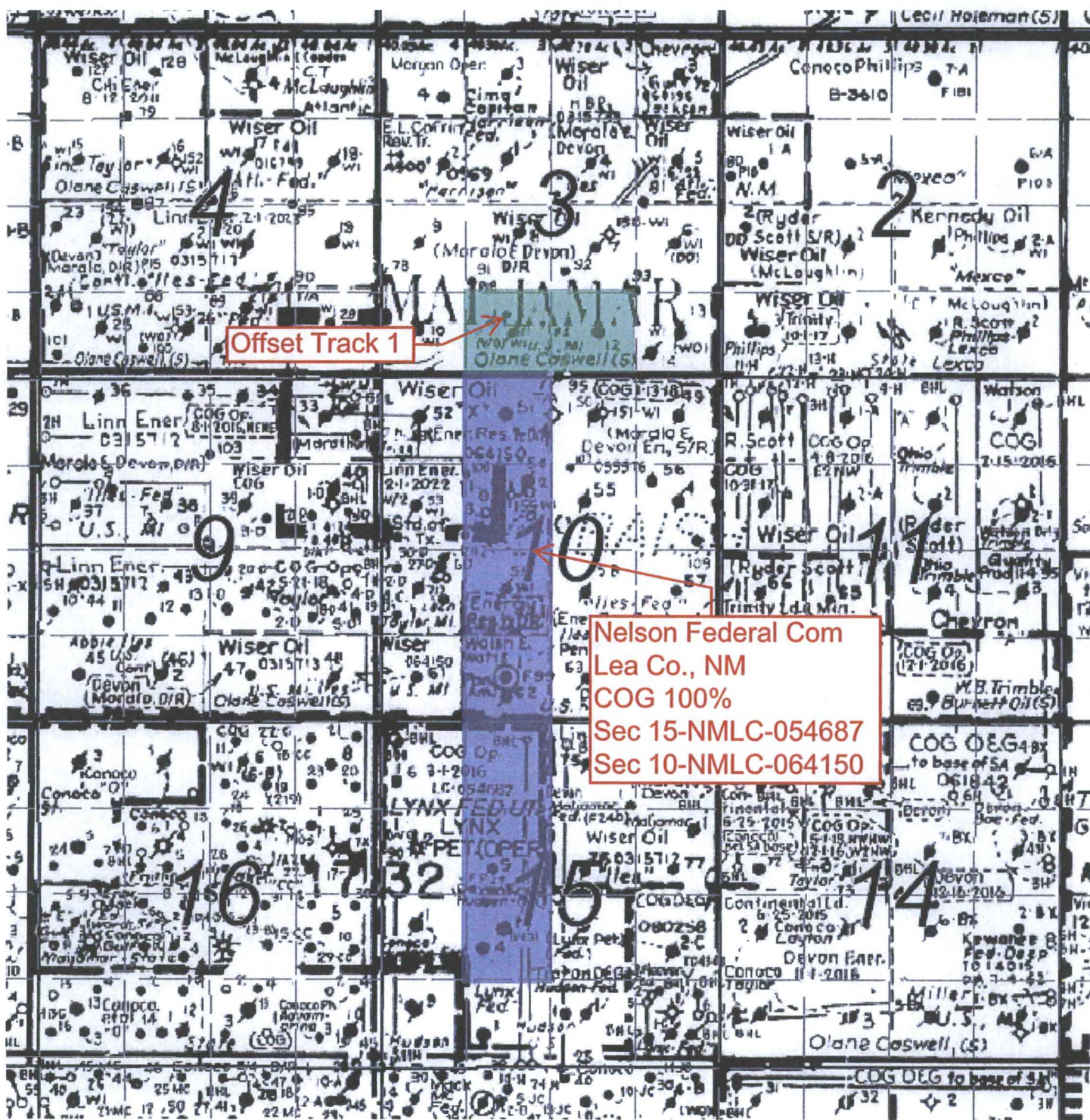
From: Bryan Montgomery
Reservoir Engineering Supervisor, NM Shelf Team
COG Operating LLC

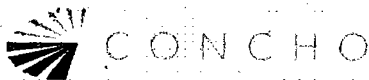
Date: August 28, 2017

Subject: Nelson Federal Com #24H 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.

Nelson Federal Com #24H Land Plat





Sent Certified Mail

Receipt #: 91-7199-9991-7037-9383-0747

August 30, 2017

**Occidental Permian Limited Partnership
P.O. Box 4294
Houston, TX 77210-4294**

**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 10 & 15, 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
Rrussell@concho.com



CONCHO

ONE CONCHO CENTER
600 W. ILLINOIS AVENUE
MIDLAND, TX 79701

91 7199 9991 7037 9383 0747

SENDER: COMPLETE THIS SECTION

- 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.

Occidental Permian Limited Partnership
P.O. Box 4294
Houston, TX 77210-4294
Re: NSL-Nelson Federal Com #24H

9590 9402 2244 6193 1779 43

2. Article Number (Transfer from service label)

91 7199 9991 7037 9383 0747

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

COMPLETE THIS SECTION ON DELIVERY

(A) Signature

X

- ☐ Agent
- ☐ Addressee

(B) Received by (Printed Name)

(C) Date of Delivery

delivery address different from item 1? ☐ Yes
YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery

- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☒ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

Restricted Delivery

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- 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.

Occidental Permian Limited Partnership
P.O. Box 4294
Houston, TX 77210-4294
Re: NSL-Nelson Federal Com #24H

9590 9402 2244 6193 1779 43

2. Article Number (Transfer from service label)

91 7199 9991 7037 9383 0747

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

COMPLETE THIS SECTION ON DELIVERY

(A) Signature

X

- ☐ Agent
- ☐ Addressee

(B) Received by (Printed Name)

(C) Date of Delivery

delivery address different from item 1? ☐ Yes
YES, enter delivery address below: ☐ No

COG OPERATING LLC
RECEIVED
SEP 25 2017

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery

- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☒ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

Restricted Delivery

Domestic Return Receipt

Occidental Permian Limited Partnership
P.O. Box 4294
Houston, TX 77210-4294

USPS Tracking® Results

[Tracking](#)[FAQs](#)[Track Another Package +](#)[Remove X](#)**Tracking Number:** 9171999991703793830747**Delivered****On Time****Expected Delivery On:** Tuesday, September 5, 2017 ⓘ

Product & Tracking Information

[See Available Actions](#)**Postal Product:**
First-Class Mail®**Features:**
Certified Mail™

DATE & TIME	STATUS OF ITEM	LOCATION
September 5, 2017, 4:34 am	Delivered, PO Box	HOUSTON, TX 77201
Your item has been delivered and is available at a PO Box at 4:34 am on September 5, 2017 in HOUSTON, TX 77201.		
September 4, 2017, 11:58 am	Available for Pickup	HOUSTON, TX 77201
September 4, 2017, 11:56 am	Arrived at Hub	HOUSTON, TX 77202
September 3, 2017, 1:04 am	Processing Exception, Regional Weather Delay	NORTH HOUSTON, TX 77315

[See More ▾](#)

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Thursday, October 26, 2017 10:06 AM
To: 'Robyn Russell'
Cc: Brown, Maxey G, EMNRD; Kautz, Paul, EMNRD; Sharp, Karen, EMNRD; Jones, William V, EMNRD; Goetze, Phillip, EMNRD; McMillan, Michael, EMNRD; 'lisa@rwbyram.com'; 'jglover@blm.gov'; 'scaffey@blm.gov'; 'jstovall@blm.gov'
Subject: APPROVED NSL-7600 & 7601_COG OPERATING LLC_Nelson Federal Com No. (14H & 24H)_SEC 15 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-7600

COG Operating LLC

WELL: Nelson Federal Com No. 14H, [API #: 30-025-Pending]

NSL-7601

COG Operating LLC

WELL: Nelson Federal Com No. 24H, [API #: 30-025-Pending]

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/>