

RECEIVED: <u>1/17/2019</u>	REVIEWER: <u>MAm</u>	TYPE: <u>NSL</u>	APP NO: <u>PMAM19017 39057</u>
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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: Harrier Federal Com 103H **API:** _____
Pool: Jennings; Upper Bone Spring Shale **Pool Code:** 97838

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

NSL-7822

2) **NOTIFICATION REQUIRED TO:** Check those which apply.

- A. Offset operators or lease holders
 B. Royalty, overriding royalty owners, revenue owners
 C. Application requires published notice
 D. Notification and/or concurrent approval by SLO
 E. Notification and/or concurrent approval by BLM
 F. Surface owner
 G. For all of the above, proof of notification or publication is attached, and/or,
 H. No notice required

FOR OCD ONLY	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	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.

Debora L. Wilbourn

Print or Type Name

Debora L. Wilbourn

Signature

1/16/19
Date

575-748-6958
Phone Number

dwilbourn@concho.com
e-mail Address



January 16, 2019

Oil Conservation Division
Attention: Mr. Leonard Lowe
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application for Nonstandard Wellbore Location
Harrier Federal Com #103H
SHL: 435' FNL 232' FWL (Unit D), Section 35-T25S-R32E
Proposed FTP: 100' FNL 10' FWL (Unit D), Section 35-T25S-R32E
BHL: 50' FSL 10' FWL (Unit M), Section 2-T26S-R32E
Proposed LTP: 100' FSL 10' FWL (Unit M), Section 2-T26S-R32E
Lea County, New Mexico

Dear Mr. Lowe:

Pursuant to Division Rule 19.15.15.13, COG Operating LLC (COG) respectfully requests administrative approval of a non-standard wellbore location for its Harrier Federal Com #103H well. The producing interval of this well does not meet the requirement of the producing area being 330' from the outer boundary. Attached is a Form C-102 showing the spacing unit of this well.

COG is seeking approval of the unorthodox location in order to maximize recovery of reserves. The New Mexico Oil Conservation Division's approval of the unorthodox completed interval for the Harrier Federal Com #103H will allow for efficient recovery of reserves, thereby preventing waste and improving well performance. (Please see attached Engineering Statement for more detailed information.)

The affected offset tracts are the E/2 of Sec. 34-T25S-R32E and E/2 of Sec. 3-T26S-R32E. COG is the operator of this offsetting acreage and owns 100% of the working interest in these tracts, therefore no notification of owners is required. COG has notified the working interest owners in the spacing unit for the Harrier wells of this NSL application.

Thank you for your consideration of this application. Should you have questions or require further information, please contact me at 575-748-6958 or by email at dwilbourn@concho.com.

Sincerely,

A handwritten signature in cursive script that reads "Debora L. Wilbourn".

Debora L. Wilbourn
Regulatory Analyst

Enclosures
cc: OCD Hobbs

CORPORATE ADDRESS

ONE CONCHO CENTER | 600 WEST ILLINOIS AVENUE | MIDLAND, TEXAS 79701
P 432.683.7443 | F 432.683.7441

ARTESIA WEST OFFICE

2208 MAIN STREET | ARTESIA, NEW MEXICO 88210
P 575.748.6940 | F 575.746.2096

DISTRICT I
1625 N. FRENCH BL., MOORE, NM 88540
Phone: (575) 522-6121 Fax: (575) 522-6720

DISTRICT II
511 S. PUEBLO ST., ARTESIA, NM 88210
Phone: (575) 740-1222 Fax: (575) 740-9722

DISTRICT III
1000 EGG HEADS RD., ALBUQ., NM 87410
Phone: (505) 534-6170 Fax: (505) 534-6170

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87502
Phone: (505) 470-5460 Fax: (505) 470-5468

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
	97838	Jennings; Upper Bone Spring Shale
Property Code	Property Name	Well Number
	HARRIER FEDERAL COM	103H
OGRD No.	Operator Name	Elevation
229137	COG OPERATING, LLC	3369.5'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	35	25-S	32-E		435	NORTH	232	WEST	LEA

Bottom Hole Location If Different From Surface

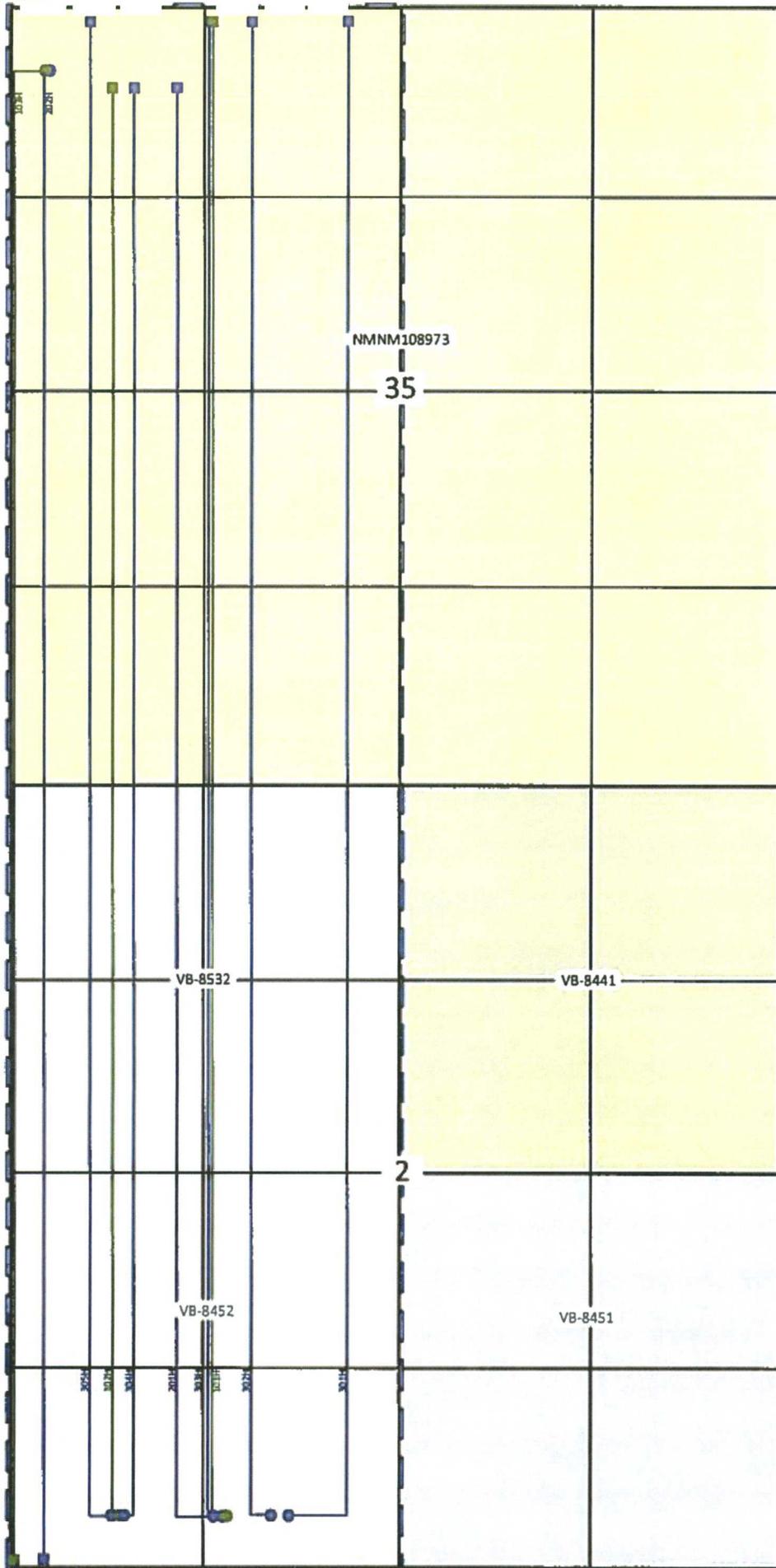
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	2	26-S	32-E		50	SOUTH	10	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320	<input checked="" type="checkbox"/>		

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>Y=398686.8 N X=751636.5 E</p> <p>100' FNL & 10' FWL Y=398588.9 N X=751646.5 E LAT.=32.093974° N LONG.=103.654204° W GRID AZ. TO ETP 326°12'49"</p> <p>LEASE X-ING LAT.=32.079708° N LONG.=103.654207° W</p> <p>LTP 100' FNL & 10' FWL Y=388148.3 N X=751710.8 E LAT.=32.065280° N LONG.=103.654209° W</p> <p>Y=388048.3 N X=751701.7 E</p>	<p>435' 85'.L 232'</p> <p>GRID AZ. - 179°38'50" HORZ. DIST. - 10488.8'</p>	<p>Y=398695.8 N X=752965.6 E</p> <p>NAD 83 NME SURFACE LOCATION Y=398253.3 N X=751869.7 E LAT.=32.093054° N LONG.=103.653490° W</p> <p>SECTION 38 SECTION 8</p> <p>NAD 83 NME PROPOSED BOTTOM HOLE LOCATION Y=388098.3 N X=751711.1 E LAT.=32.065143° N LONG.=103.654209° W</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Debra L. Wilbourn</i> Signature Date 11/16/18</p> <p>Debra L. Wilbourn Printed Name dwilbourn@concho.com E-mail Address</p> <p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>DECEMBER 12, 2018 Date of Survey</p> <p>Signature & Seal of Professional Surveyor</p> <p>CHAD L. HARGROW NEW MEXICO 17777 LICENSED PROFESSIONAL SURVEYOR</p> <p><i>Chad L. Hargrow</i> 12/17/18</p> <p>Certificate No. CHAD HARGROW 17777 W.O. # 18-1700 DRAWN BY: AM</p>
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DW12/14/18



- Upr Avalon SH SHL
- Upr Avalon SH BHL
- Middle Avalon SH SHL
- Middle Avalon SH BHL
- Lwr Avalon SH SHL
- Lwr Avalon SH BHL
- Avalon SH CA

NMNM108973

35

VB-8532

VB-8441

2

VB-8452

VB-8451

Harrier Federal Wells

Sec. 35-T255-R32E & Sec. 2-T265-R32E, Lea County, NM



CONCHO

Sec. 35-T25S-R32E & Sec. 2-T25S-R32E, Lea County, NM

Harrier Federal Com 103H

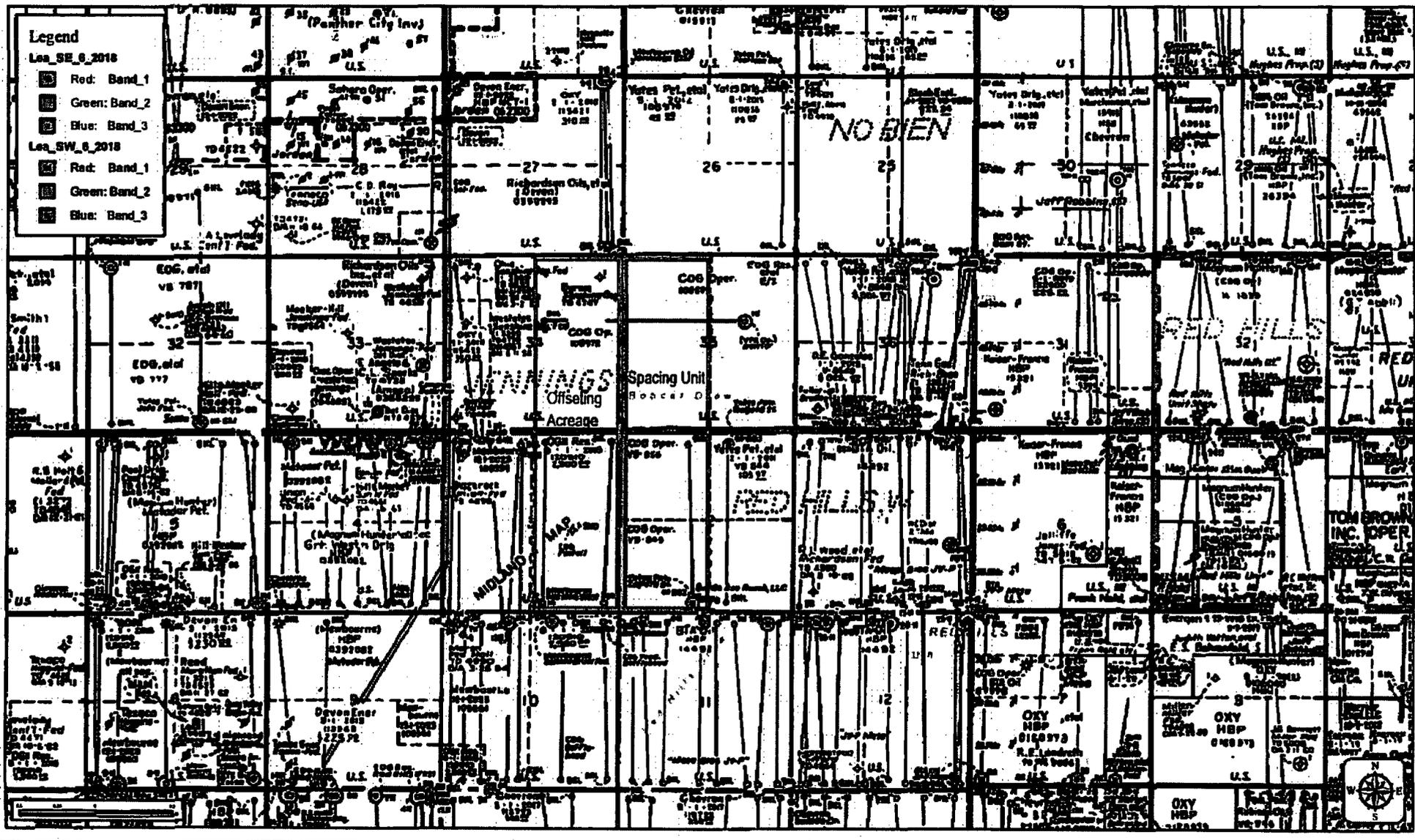
Legend

Lea_SE_8_2018

- Red: Band_1
- Green: Band_2
- Blue: Band_3

Lea_SW_8_2018

- Red: Band_1
- Green: Band_2
- Blue: Band_3



Harrier Federal 103H – NSL Application Engineering Statement

The Harrier Federal 103H well is part of a development project in which COG Operating LLC (COG) will test reduced spacing in the Upper, Lower and Basal Avalon Shale formation. There are a total of 17 wells in the 640 acre development that will be testing this reduced spacing.

Approval of a NSL for the Harrier Federal 103H well will provide adequate spacing for the planned spacing test and will allow economic recovery along with the co-development of the other wells in the section. By testing the viability of simultaneous development on reduced spacing within a single interval, COG is attempting to maximize recoverable resources from the interval and minimize waste created should we not simultaneously develop these targets.



**Matt Solomon
Staff Landman**

January 16, 2019

**Oil Conservation Division
Attention: Mr. Leonard Lowe
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505**

RE: NSL Applications for the Harrier Fed Com 103H and 202H

Mr. Lowe:

My name is Matt Solomon and I am the landman at COG Operating LLC ("Concho") whose area of responsibility includes T25S-R32E and T26S-R32E, Lea County, New Mexico.

Our Harrier Fed Com 103H and 202H wells will not comply with the standard 330' set-back. The affected offset acreage is:

- 1. E/2E/2 of Sec. 34-25S-32E**
- 2. E/2E/2 of Sec. 3-26S-32E**

Both of these tracts are covered by federal leases for which Concho owns 100% of the working interest.

Respectfully submitted,

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

**Matt Solomon - CPL, J.D.
Staff Landman
432-685-4352 (o)
832-544-9492 (c)
msolomon@concho.com**