



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joan naPrukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

June 11, 2007

COG Operating L.L.C.
550 W. Texas
Suite 1300
Midland, Texas 79701

Attention: Ms. Phyllis A. Edwards

Re: **Electra Federal Well No. 13**
API No. 30-015-37473
1741' FNL & 1060' FWL, Unit E,
Section 10, T-17 South, R-30 East, NMPM,
Eddy County, New Mexico

Administrative Order NSL-5638

Dear Ms. Edwards:

Reference is made to the following:

(a) COG Operating, L.L.C.'s ("COG") application for a non-standard well location (*administrative application reference No. pCLP0715630153*) for the Electra Federal Well No. 13 that was submitted to the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico on June 4, 2007; and

(b) the Division's records pertinent to your request.

COG requests approval of an unorthodox oil well location for its Electra Federal Well No. 13 in the Undesignated Loco Hills Glorieta-Yeso (Oil - 96718) Pool which is to be drilled 1741 feet from the North line and 1060 feet from the West line (Unit E) of Section 10, Township 17 South, Range 30 East, NMPM, Eddy County, New Mexico. The SW/4 NW/4 of Section 10 is to be dedicated to the well in the Undesignated Loco Hills Glorieta-Yeso Pool forming a standard 40-acre oil spacing and proration unit.

The Loco Hills Glorieta-Yeso Pool is currently governed by Division Rule No. 19.15.3.104(B).

Evidence presented by the applicant demonstrates that the proposed unorthodox location is necessary due to topographic considerations within the SW/4 NW/4 of Section 10.

It is our understanding that COG owns the N/2 of Section 10, which includes the affected offset acreage, and that the interest ownership within this area is common throughout. Consequently, there are no adversely affected offset operators and/or interest owners.

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Division records show that there are no other wells currently producing from the Undesignated Loco Hills Glorieta-Yeso Pool within the SW/4 NW/4 of Section 10.

Pursuant to the authority granted under the provisions of Division Rule 19.15.3.104.F(2), the above-described unorthodox oil well location in the Loco Hills Glorieta-Yeso Pool is hereby approved.

Sincerely,



Mark E. Fesmire, P.E.
Division Director

MEF/drc

cc: OCD-Artesia
Bureau of Land Management-Carlsbad