

**Bill Richardson** 

Governor

Joanna Prukop Cabinet Secretary Reese Fullerton Deputy Cabinet Secretary 30 015 36465

Mark Fesmire
Division Director
Oil Conservation Division



July 18, 2008 Administrative Order NSL-5873

COG Operating, LLC Attn: **Ms. Phyllis A. Edwards** 550 W. Texas Av, Suite 1300 Midland, TX 79701

JUL 28 2008 OGD-ARTESIA

Dear Ms Edwards:

## COG's NSL Application: Electra Federal Well No. 28

1190' FNL, 330' FWL, Unit D Section 10 T17S, R30E, N.M.P.M., Eddy County, New Mexico Glorieta Yeso Oil Pool (96701)

Reference is made to the following:

- (a) your application (administrative application reference No. pKVR0816854723) submitted to the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico on June 16, 2008, and
- (b) the Division's records pertinent to this request.

COG Operating LLC (COG) has requested authority to drill and complete its Electra Federal Well No. 28 at an unorthodox Loco Hills; Glorieta Yeso oil well location, 1190 feet from the North line and 330 feet from the West line (Unit D) of Section 10, Township 17 South Range 30 East, N.M.P.M., in Eddy County, New Mexico. The NW/4 NW/4 of Section 10 will be dedicated to this well in order to form a standard 40-acre oil spacing unit in the Loco Hills; Glorieta Yeso Pool. The pool is governed by statewide Rule 104.B (1), which provides for 40-acre units, with well located at least 330 feet from a unit outer boundary.

Your application has been duly filed under the provisions of Division Rules 104.F and 1210.A (2)



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It is also our understanding that COG (OGRID 229137) is seeking this nonstandard location at the Bureau of Land Management's request due to sand dunes.

It is also understood that notice of this application to offsetting operators or owners is unnecessary because COG owns 100% of the working interest in the proposed unit and in the offsetting unit towards which this location encroaches.

Pursuant to the authority granted under the provisions of Division Rule 104.F(2), the above-described unorthodox oil well location is hereby approved.

This approval is subject to your being in compliance with all the other applicable Division rules, including, but not limited to Division Rule 40.

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

Sincerely,

Mark E. Fesmire, P.E. **Division Director** 

MEF/tw

New Mexico Oil Conservation Division - Artesia CC:

United States Bureau of Land Management - Carlsbad