

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**APPLICATION OF COG OPERATING LLC
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

CASE NO. _____

APPLICATION

In accordance with NMSA 1978, § 70-2-17, COG Operating LLC (“COG” or “Applicant”), through its undersigned attorneys, files this application with the Oil Conservation Division (“Division”) seeking an order pooling all uncommitted interests in the Wolfcamp formation underlying a 1,920.38-acre, more or less, standard horizontal spacing unit comprised of Sections 19, 30, and 31, Township 25 South, Range 29 East, Eddy County, New Mexico (“Unit”). In support of this application, COG states the following.

1. Applicant (OGRID No. 229137) is a working interest owner in the Unit and has the right to drill thereon.
2. Applicant seeks to dedicate the Unit to the following proposed wells (“Wells”):
 - a. **Wild Thing Fed Com Unit 701H, Wild Thing Fed Com Unit 702H, Wild Thing Fed Com Unit 901H, and Wild Thing Fed Com Unit 902H** wells, to be drilled from surface hole locations in the SW/4 SE/4 (Unit O) of Section 31 to bottom hole locations in the NE/4 NE/4 (Unit A) of Section 19;
 - b. **Wild Thing Fed Com Unit 703H, Wild Thing Fed Com Unit 704H, Wild Thing Fed Com 705H, Wild Thing Fed Com Unit 903H, Wild Thing Fed Com Unit 904H, and Wild Thing Fed Com 905H** wells to be drilled from surface hole locations in the SW/4 SE/4 (Unit O) of Section 31 to bottom hole locations in the NW/4 NE/4 (Unit B) of Section 19;

- c. **Wild Thing Fed Com Unit 706H, Wild Thing Fed Com Unit 707H, Wild Thing Fed Com Unit 708H, Wild Thing Fed Com Unit 906H, Wild Thing Fed Com Unit 907H, and Wild Thing Fed Com Unit 908H** wells to be drilled from surface hole locations in the SE/4 SW/4 (Unit N) of Section 31 to bottom hole locations in the NE/4 NW/4 (Unit C) of Section 19; and
 - d. **Wild Thing Fed Com Unit 709H, Wild Thing Fed Com Unit 710H, Wild Thing Fed Com Unit 909H, and Wild Thing Fed Com Unit 910H** wells, to be drilled from surface hole locations in the SE/4 SW/4 (Unit N) of Section 31 to bottom hole locations in the NW/4 NW/4 (Unit D) of Section 19.
3. The completed intervals of the Wells will be orthodox.
 4. The completed interval of the Wild Thing Fed Com Unit 906H well will be located within 330' of the quarter section line separating the E/2 and W/2 of Sections 19, 30 and 31 to allow for the creation of a 1,920.38-acre standard horizontal spacing unit.
 5. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all of the interest owners in the Unit.
 6. The pooling of interests will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.
 7. Approval of a horizontal spacing unit is necessary to prevent waste and protect correlative rights.
 8. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the Unit should be pooled and Applicant should be designated the operator of the proposed horizontal wells and the Unit.

WHEREFORE, Applicant requests that this application be set for hearing before an

Examiner of the Oil Conservation Division on July 6, 2023, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the Unit;
- B. Approving the initial wells in the Unit;
- C. Designating Applicant as the operator of the Unit and the horizontal wells to be drilled thereon;
- D. Authorizing Applicant to recover its costs of drilling, equipping, and completing the wells;
- E. Approving the actual operating charges and costs of supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HINKLE SHANOR LLP

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