

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

Heather Riley, Division Director
Oil Conservation Division



May 21, 2018

Ms. Ocean Munds-Dry, Senior Attorney
COG Operating, LLC
1048 Paseo De Peralta
Santa Fe, NM 87501

**RE: Request for Extension to Complete the Baseball Cap Federal Com Well No. 24H
Pursuant to Division Order No. R-14520/Case No. 15830**

**Request for Extension to Complete the Baseball Cap Federal Com Well No. 26H
Pursuant to Division Order No. R-14521/Case No. 15831**

Dear Ms. Munds-Dry:

Reference is made to your request on behalf of COG Operating, LLC ("COG") received by the Division on February 28, 2018, for the following wells:

Baseball Cap Federal Com Well No. 26H (API No. 30-025-44153) with a surface location 320 feet from the South line and 1980 feet from the West line in Unit N of Section 25, Township 24 South, Range 34 East, NMPM. Spud date of the well was December 9, 2017. Rig released February 10, 2018.

Baseball Cap Federal Com Well No. 24H (API No. 30-025-44152) with a surface location 360 feet from the South line and 1980 feet from the East line in Unit O of Section 25, Township 24 South, Range 34 East, NMPM. Estimated spud date of the well is on or before May 31, 2018.

It is our understanding that COG is unable to meet the obligation of 120 days to complete the referenced wells as stipulated in Ordering Paragraph (6) of the respective Hearing Orders. COG has requested an additional four months for the Baseball Cap Federal Com Well No. 26H, and two months for the Baseball Cap Federal Com Well No. 24H because COG is drilling the vertical portion of each well, then drilling the horizontal portion later. Further, COG is planning on completing all of the wells at the same time.

The Division has reviewed your request and finds granting this request to extend is in the interest of conservation and will prevent waste. The Division hereby extends the final date to complete the wells to September 1, 2018. All other provisions of Order Nos. R-14520, and Nos. R-14521 shall remain in full force and effect.

Extension of Order Nos. R-14520 and R-14521

COG Operating, LLC

May 21, 2018

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If you have any questions, please contact Michael McMillan at 505.476.3448.

Sincerely,

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

HEATHER RILEY

Director

HR/mam

cc: Oil Conservation Division – Hobbs District Office
Case No. 15830
Case No. 15831