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

APPLICATION TO AMEND ORDER R-13744 TO CHANGE THE INITIAL WELL DEDICATED TO THE APPROVED SPACING AND PRORATION UNIT, LEA COUNTY, NEW MEXICO.

CASE NO.15027

<u>APPLICATION</u>

COG OPERATING LLC, ("COG") through its undersigned attorneys, hereby applies to the Oil Conservation Division to change the initially dedicated well in the 160-acre oil spacing and proration unit created under Division Order R-13744 from the Sneed 9 Federal Com. Well No. 1H to the Sneed 9 Federal Com. Well No. 2H. In support of its application, COG states:

- 1. Under Division Order R-13744 entered September 12, 2013 the Division created a 160-acre non-standard spacing and proration unit in the West Maljamar-Yeso Pool (Pool Code 44500) consisting of the N/2 N/2 of Section 9, Township 17 South, Range 32 East, NMPM, Lea County, New Mexico and pooled the uncommitted mineral interest in this spacing and proration unit ("the Unit").
- 2. Under Order R-13744, the Unit is to be initially dedicated to COG's proposed **Sneed 9 Federal Com. Well No. 1H**, which is proposed to be drilled as a horizontal well at a surface location 330 feet from the North line and 150 feet from the West line (Unit D) to a terminus 330 feet from the North line and 330 feet from the East line (Unit A) of Section 19.
- 3. COG now proposes to initially dedicate the Unit to its proposed **Sneed 9**Federal Com. Well No. 2H (API No. 30-025-41409) which will be horizontally drilled

from a surface location 990 feet from the North line and 150 feet from the West line (Unit D) to a standard terminus 990 feet from the North line and 330 feet from the East line (Unit A) of Section 9. The completed interval for this well will commence remain within the 330-foot standard offset required by the Division's Rules.

4. Dedicating the Unit to the **Sneed 9 Federal Com. Well No. 2H** will allow for orderly development of Section 9, will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

WHEREFORE, COG Operating, LLC requests that this application be set for hearing before an Examiner of the Oil Conservation Division on May 1, 2014, and, after notice and hearing as required by law, the Division amend Division Order R-13744 to dedicate the Unit to the **Sneed 9 Federal Com. Well No. 2H** pursuant to the terms of that existing Order.

Respectfully submitted,

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ATTORNEYS FOR COG OPERATING LLC

CASE 15027 (re-opened): Application of COG Operating, LLC To Amend Order R-13744 To Change The Initial Well Dedicated To The Approved Spacing And Proration Unit, Lea County, New Mexico. Applicant in the above-styled cause seeks to amend Division Order R-13744 to change the well initially dedicated to the approved 160-acre oil spacing and proration unit from the Sneed 9 Fed. Com Well No. 1H to the Sneed 9 Fed. Com Well No. 2H (API No. 30-025-41409) will be drilled from a surface location 990 feet from the North line and 150 feet from the West line (Unit D) to a standard terminus 990 feet from the North line and 330 feet from the East line (Unit A) of Section 9, Township 17 South, Range 32 East, NMPM, Lea County, New Mexico. The completed interval for this well will remain within the 330-foot standard setbacks required by the Division's rules. Said area is located approximately 1 mile Southwest of Maljimar, New Mexico.