Davidson, Florene, EMNRD

From:

McMillan, Michael, EMNRD

Sent:

Thursday, May 07, 2015 3:40 PM

To:

Davidson, Florene, EMNRD

Subject:

FW: Texas A&M University System - COG (Lea, NM) Application for Compulsory Pooling

(2015180007)

Importance:

High

From: Joseph, Gina M. [mailto:Gina.Joseph@tamus.edu]

Sent: Thursday, May 07, 2015 3:39 PM

To: McMillan, Michael, EMNRD

Cc: glarson@hinklelawfirm.com; Sodolak, John

Subject: Texas A&M University System - COG (Lea, NM) Application for Compulsory Pooling (2015180007)

Importance: High



THE TEXAS A&M UNIVERSITY SYSTEM

Office of General Counsel

John B. Connally Building 301 Tarrow, 6th Floor College Station; Texas 77840-7896

Phone 979,458,6120 - Fax 979,458,6150 - Campus Mail Stop 1230 - www.tamus.edu/offices/legal

Good afternoon Mr. McMillan,

I represent The Texas A&M University System ("TAMUS") in oil and gas matters. My Landman, John Sodolak, called the Oil Conservation Commission yesterday and spoke to you in regards to an *Application of COG Operating, LLC for a Non-standard Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico* (Division Case No. 15296) ("Application"), pertaining to the Coachman Fee Com No. 4H, covering the W2W2, Section 21, Township 25S, Range 35E, Lea County, New Mexico, which we understand is set for hearing at 8:15 am on Thursday, May 14, 2015 (the "Hearing") in Porter Hall at the Division's offices located at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505.

Concho Operating, LLC ("COG") offered TAMUS the opportunity to elect to jointly participate in the drilling of the Coachman Fee Com No. 4H well with a total estimated cost of \$12,759,750. It wasn't until earlier this week that COG offered to lease TAMUS' mineral interests. Unfortunately, we have not been able to reach an agreement on lease terms thus far.

Given that we only this week received a lease offer from COG and have not had sufficient time to seek and evaluate other lease offers prior to today's deadline to file a Pre-Hearing Statement in order to appear at the Hearing scheduled for May 14, 2015, TAMUS hereby respectfully requests a Continuance of said Hearing so that we may have sufficient time to research, negotiate, and fairly determine the most equitable offer for our interests without being forced into making a hasty decision given the very short deadline.

Mr. Gary Larson, attorney for COG, is copied on this email.

Please let me know if you need any additional information.

Sincerely,

Gina M. Joseph '95 | Assistant General Counsel
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