



OCEAN MUNDS-DRY  
Senior Attorney

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**VIA HAND-DELIVERY**

Mr. David Catanach, Director  
Oil Conservation Division  
New Mexico Department of Energy, Minerals and Natural Resources  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

*Case 15326*

Dear Director Catanach:

Enclosed for filing, please find COG Operating LLC's application for special pool rules for the West Triple X Bone Spring Pool with a proposed advertisement. Concho requests this application be heard on the June 25, 2015 Division Examiner docket.

Thank you for your time and attention to this matter.

Sincerely,

*Ocean Munds Dry*

Ocean Munds-Dry  
Senior Attorney  
COG Operating LLC

**CORPORATE ADDRESS**

One Concho Center | 600 West Illinois Avenue | Midland, Texas 79701  
PHONE 432.683.7443 | FAX 432.683.7441

**LOCAL ADDRESS**

1048 Paseo De Peralta | Santa Fe, New Mexico 87501  
PHONE 505.780.8000 | FAX 505.428.0485

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

**APPLICATION OF COG OPERATING LLC  
FOR SPECIAL POOL RULES,  
LEA COUNTY, NEW MEXICO.**

CASE NO. 15326

**APPLICATION**

COG Operating LLC ("Concho"), through its undersigned attorneys, hereby makes application for special pool rules for the West Triple X-Bone Spring Pool (96674), Lea County, New Mexico and in support thereof, states as follows:

1. Concho is an operator in the West Triple X-Bone Spring Pool which was created by Division Order No. R-10910 on August 1, 1997, and consists of the following acreage:

**TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM**

Section 6: SE/4

2. The pool has been unofficially expanded by the Division District office to include the following acreage:

**TOWNSHIP 23 SOUTH, RANGE 33 EAST, NMPM**

Section 30: All

Section 31: All

**TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM**

Sections 5-10: All

Sections 15-18: All

Sections 20-22: All

**TOWNSHIP 24 SOUTH, RANGE 32 EAST, NMPM**

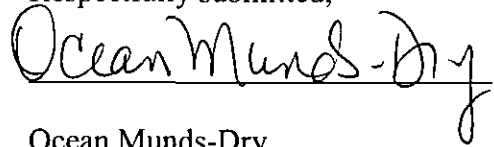
Section 1: All

Sections 12-13: All

3. The discovery well for the pool was the Tres Equis State Well No. 1 (Unit J) located in the NW/4 SE/4 of Section 6, Township 24 South, Range 33 East, NMPM and had a top perforation of 11,015 feet. Pursuant to Division Rule 19.15.20.12.A, this pool was assigned a depth bracket allowable of 365 barrels of oil per day for each 40-acre spacing unit.
4. Applicant intends to drill and complete horizontal wells in the Pool, or within one mile thereof, including well units which will contain at least 2 Bone Spring wells in a single well unit. Applicant believes that such well units will produce in excess of the current allowable.
5. Also, the allowable is not sufficient to effectively and efficiently drain the Bone Spring formation.
6. Therefore, Concho requests as follows:
  - a. Special rules and regulations that allow for a depth bracket allowable of 990 barrels of oil per day for a 40-acre spacing unit and a 4000:1 gas to oil ratio.
  - b. The special rules and regulations for the Pool to be made effective retroactive to the date of first production of the wells.
  - c. All other rules shall be in conformance with the statewide rules.
7. The granting of this application is in the interest of conservation, the prevention of waste and the protection of correlative rights.
8. Notice of this application has been given to all division-designated operators in the pool, division-designated operators of wells within the same formation as the pool within one mile of the pool's outer boundary as shown on Exhibit A.

WHEREFORE, COG Operating LLC requests this application be set for hearing before an Examiner of the Oil Conservation Division on June 25, 2015, and that the application be approved.

Respectfully submitted,

A handwritten signature in black ink that reads "Ocean Munds-Dry". The signature is written in a cursive, flowing style. The word "Ocean" is written in a larger, more prominent script, while "Munds-Dry" is written in a slightly smaller, more compact script. The signature is positioned above a horizontal line.

Ocean Munds-Dry  
Senior Attorney  
COG Operating LLC  
1048 Paseo de Peralta  
Santa Fe, New Mexico 87501  
(505) 780-8000  
(505) 428-0485 Facsimile

**EXHIBIT A**  
**COG OPERATING LLC NOTICE LIST**

Cimarex Energy Co.  
600 N. Marienfeld St. Suite 600  
Midland, TX 79701

XTO Energy, Inc.  
200 N. Loraine Suite 800  
Midland, TX 79701

XTO Energy, Inc.  
810 Houston Street  
Fort Worth, TX 78102

OXY USA, Inc.  
P.O. Box 50250  
Midland, TX 79710

OXY USA, Inc.  
P.O. Box 4294  
Houston, TX 77210

EOG Resources Inc.  
5509 Champions Dr.  
Midland, TX 79706

EOG Resources Inc.  
P.O. Box 2267  
Midland, TX 79702

Murchison Oil & Gas, Inc.  
1100 Mira Vista Blvd.  
Plano, TX 75093

Yates Petroleum Corp.  
105 South Fourth St.  
Artesia, NM 88210

Devon Energy Production Company, LP  
333 W. Sheridan Ave.  
Oklahoma City, OK 73102

New Mexico State Land Office  
Attn: Ed Martin, Oil & Gas Manager  
P.O. Box 1148  
Santa Fe, NM 87504

Bureau of Land Management  
Carlsbad Field Office  
620 E. Greene St.  
Carlsbad, NM 88220-6292

CASE NO. 15326: Application of COG Operating LLC for the creation of special pool rules, Lea County, New Mexico. Applicant seeks an order establishing special rules and regulations to include a depth bracket allowable of 990 barrels of oil per day for a 40-acre oil spacing and proration unit and a limiting gas: oil ratio of 4000 to 1. The West Triple X-Bone Spring Pool includes Sections 30 and 31, Township 23 South, Range 33 East, NMPM; Sections 5-10, 15-18 and 20-22, Township 24 South, Range 33 East, NMPM; and Sections 1, 12 and 13, Township 24 South, Range 32 East, NMPM, Lea County, New Mexico. The pool is located approximately 25 miles northwest of Jal, New Mexico.