

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Dave Martin
Cabinet Secretary

Tony Delfin
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



May 13, 2016

William F. Carr, Esq.
Senior Attorney for COG Operating LLC
1048 Paseo De Peralta
Santa Fe, New Mexico 87501

Re: **Request for Extension of Time to Commencement Drilling**
Van Gogh Fee Well No. 2H (30-025-41109)
Division Order No. R-13985 (Case No. 15294)

Dear Mr. Carr:

The Oil Conservation Division (OCD) received your letter regarding the referenced subject on May 3, 2016. It is our understanding that COG Operating LLC intends to drill this well but has deferred the date of spud due to product prices.

The OCD has reviewed your request and hereby extends the deadline to commence drilling to calendar date May 31, 2017.

If you have any question, please contact William V. Jones at williamv.jones@state.nm.us or call (505)-476-3477.

Sincerely;


DAVID R. CATANACH
Director

DRC/wvjj

Cc: Oil Conservation Division -- Hobbs District Office
Case file 15294



WILLIAM F. CARR
Senior Counsel

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May 3, 2016

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VIA HAND DELIVERY

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

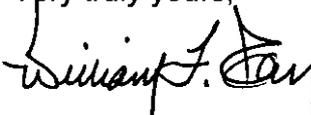
Re: Case 15294: Application of COG Operating LLC for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico.

Dear Mr. Catanach:

On May 11, 2015, the Oil Conservation Division entered Order No. R-13985 granting the application of COG Operating LLC ("COG") in the above-referenced case pooling a non-standard 160-acre oil spacing and proration unit and project area in the North Red Hills-Bone Spring Pool comprised of the W/2 of the E/2 of Section 11, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico. This spacing unit is to be dedicated to the COG Van Gogh Fee Well No. 2H (API No. 30-025-41109). Order No. R-13985 provides that if COG does not commence drilling the proposed well on or before May 31, 2016, this Order shall be of no effect unless COG obtains a time extension from the Division Director.

Recent economic conditions in the oil and gas industry have forced COG to defer the actual commencement of this well beyond May 31, 2016. While this drilling delay is based on economics, COG intends to drill this well and therefore requests that you extend Order No. R-13985 until May 31, 2017.

Your attention to this request is appreciated.

Very truly yours,

William F. Carr
Senior Counsel

cc: Mike Wallace
Senior Landman
COG Operating LLC

CORPORATE ADDRESS

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