

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

**APPLICATION OF COG OPERATING LLC
FOR A NON-STANDARD SPACING AND
PRORATION UNIT AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

FEB 06 2018 PM04:26

CASE NO. 16005

APPLICATION

COG Operating LLC, ("COG") through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of N.M. Stat. Ann. § 70-2-17, for an order (1) creating a 160-acre, more or less, spacing and proration unit comprised of the S/2 N/2 of Section 22, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico; and (2) pooling record title owners in the San Andres formation (Red Lake; San Andres Pool (Pool Code 97253)). In support of its application, COG states:

1. COG Operating LLC (OGRID No. 229137) owns 100 percent of the working interest in the proposed non-standard spacing unit.
2. COG proposes to dedicate the above-referenced spacing and proration unit as the project area for the **Collier 22 State Com No. 43H Well**. This is a horizontal well that has been drilled from a surface location in the SW/4 NW/4 (Unit E) to a standard bottom hole location in the SE/4 NE/4 (Unit H) of Section 22.
3. The completed interval for this well is within the 330-foot offset as required by the Statewide rules for oil wells.
4. COG has sought and been unable to obtain signatures on the communitization agreements from the record title owners in the subject spacing unit.

5. The pooling of uncommitted record title owners will prevent waste and will protect correlative rights.

WHEREFORE, COG requests that this application be set for hearing before an Examiner of the Oil Conservation Division on March 8, 2018, and, after notice and hearing as required by law, the Division enter an order:

- A. Creating a 160-acre, more or less, spacing and proration unit comprised of the S/2 N/2 of Section 22, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico;
- B. Pooling all uncommitted record title interests in the non-standard spacing and proration unit; and
- C. Designating COG Operating LLC operator of this non-standard spacing unit and the horizontal well to be drilled thereon.

Respectfully submitted,

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ATTORNEYS FOR COG OPERATING LLC

CASE 16005.

Application of COG Operating LLC for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating a non-standard 160-acre, more or less, spacing and proration unit comprised of the S/2 N/2 of Section 22, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico; and (2) pooling record title owners in the San Andres formation (Red Lake; San Andres Pool (Pool Code 97253)). Said non-standard unit is to be dedicated to applicant's **Collier 22 State Com No. 43H Well**. This is a horizontal well that has been drilled from a surface location in the SW/4 NW/4 (Unit E) to a standard bottom hole location in the SE/4 NE/4 (Unit H) of Section 22. The completed interval for this well is within the 330-foot offset as required by the Statewide rules for oil wells. Said area is located approximately 13 miles east of Artesia, New Mexico.