

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

**APPLICATION OF COG OPERATING LLC
TO RE-OPEN CASE NO. 15023 TO POOL
THE INTERESTS OF ADDITIONAL MINERAL
OWNERS UNDER THE TERMS OF
COMPULSORY POOLING ORDER R-13757,
EDDY COUNTY, NEW MEXICO.**

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CASE NO. 15023 (re-opened)

APPLICATION

COG OPERATING LLC (“COG”) (OGRID No. 229137), through its undersigned attorneys, hereby makes application to the Oil Conservation Division to pool the interests of additional mineral owners under the terms of compulsory pooling orders R-13757. Order R-13757 created a non-standard spacing and proration unit comprised of the E/2 W/2 of Section 6, Township 19 South, Range 26 East, NMPM, Eddy County, New Mexico, and pooled all uncommitted interests in the Penasco Draw-San Andres-Yeso (Associated) (Pool Code 50270) underlying said acreage. In support of its application, COG states:

1. Under Division Order R-13757, entered on October 4, 2013, the Division created a 159.67-acre, more or less, non-standard spacing and proration unit comprised of the E/2 W/2 of Section 6, Township 19 South, Range 26 East, NMPM, Eddy County, New Mexico, and pooled certain uncommitted mineral interest owners in this spacing and proration unit (“the Unit”).
2. Order R-13757 dedicated the non-standard spacing and proration unit to the **Arabian 6 Fee No. 6H Well** (API No. 30-015-39625), which was drilled from surface location 183 feet from the south line and 2,267 feet from the west line (Unit N) of Section 6, to standard bottom hole location 330 feet from the north line and 2,177 feet from the west line (Lot 3) of Section 6.
3. On October 5, 2016, Case No. 15023 was re-opened to pool the interest of mineral interest owners due to the expiration of a lease and the termination of a Joint Operating Agreement. Division Order R-13757-A pooled the interest of said mineral interest owners.

4. Once again, multiple additional mineral interest owners are no longer committed to the **Arabian 6 Fee No. 6H Well** due to a lease expiration issue and termination of a Joint Operating Agreement that occurred after the entry of Order R-13757-A.

5. The pooling of these additional mineral interest owners under the terms of Division Order R-13757 will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

5. In order to obtain COG's just and fair share of the oil and gas underlying the Unit, all remaining uncommitted mineral interests in the Unit should be pooled pursuant to the terms of orders R-13757.

WHEREFORE, COG Operating LLC requests that this application be set for hearing before an Examiner of the Oil Conservation Division on August 9, 2018, and, after notice and hearing as required by law, the Division pool all remaining uncommitted mineral interest owners in the Unit pursuant to the terms of existing Division Order R-13757.

Respectfully submitted,

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ATTORNEYS FOR COG OPERATING LLC

CASE 15023 (re-opened): **Application of COG Operating LLC to re-open Case No. 15023 to pool the interests of additional mineral owners under the terms of Compulsory Pooling Order R-13757, Eddy County, New Mexico.** Applicant in the above-styled cause seeks to amend Division Order R-13757 to include the pooling of additional mineral interests in the Penasco Draw-San Andres-Yes (Associated) (Pool Code 50270) consisting of the E/2 W/2 of Section 6, Township 19 South, Range 26 East, NMPM, Eddy County, New Mexico. Said unit is dedicated to the applicant's **Arabian 6 Fee No. 6H Well** and is located approximately 11 miles south of Artesia, New Mexico.