

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

**APPLICATION OF COG OPERATING LLC  
FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.**

**CASE NO.** \_\_\_\_\_

**APPLICATION**

COG Operating LLC (“COG” or “Applicant”) (OGRID No. 229137), through its undersigned attorneys, files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling a standard 640-acre, more or less, horizontal well spacing unit Wolfcamp formation underlying the E2 of Sections 20 and 29, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico. In support of this application, COG states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
2. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to the proposed **PowerCaster Federal Com 601H** well, to be drilled from the N2N2 of Section 20, with a first take point in the NE4NE4 (Unit A) of Section 20 and a last take point in the SE4SE4 (Unit P) of Section 29.
3. The completed interval of this well is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to allow inclusion of this acreage in a standard horizontal well spacing unit.
4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all interest owners in the subject spacing unit.

5. Approval of this horizontal well spacing unit and the pooling of interests therein will allow Applicant to obtain a just and fair share of the oil and gas underlying the subject lands, avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on July 10, 2025, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling uncommitted mineral owners in the proposed horizontal well spacing unit;
- B. Designating Applicant as operator of this spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, completing, and equipping the well;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

HOLLAND & HART LLP

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ATTORNEYS FOR COG OPERATING LLC

CASE \_\_\_\_\_: **Application of COG Operating LLC for Compulsory Pooling, Lea County, New Mexico.** Applicant in the above-styled cause seeks an order pooling a standard 640-acre, more or less, horizontal well spacing unit Wolfcamp formation underlying the E2 of Sections 20 and 29, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to the proposed **PowerCaster Federal Com 601H** well, to be drilled from the N2N2 of Section 20, with a first take point in the NE4NE4 (Unit A) of Section 20 and a last take point in the SE4SE4 (Unit P) of Section 29. The completed interval of this well is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to allow inclusion of this acreage in a standard horizontal well spacing unit. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the well, and a 200% charge for risk involved in drilling the well. The subject area is located approximately 20 miles northeast of Jal, New Mexico.