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

APPLICATION OF COG OPERATING LLC TO AMEND ORDER NO. R-21450, EDDY COUNTY, NEW MEXICO.

APPLICATION

COG Operating LLC ("Applicant") (OGRID No. 229137), through its undersigned attorneys, hereby files this application with the Oil Conservation Division to amend Order No. R-21450 ("Order") to allow for an extension of time for drilling the proposed initial well under the Order. In support of its application, COG states:

- 1. Division Order No. R-21450, entered on September 3, 2020, in Case No. 21259, created a standard 960-acre, more or less, horizontal spacing unit comprised of the E/2 of Sections 24, 25, and 36, Township 25 South, Range 27 East, NMPM, Eddy County, New Mexico (the "Unit"), and designed COG as operator of the Unit.
- 2. The Order further pooled the uncommitted interests in the Wolfcamp formation in the Unit, and dedicated the unit to the proposed initial **Atticus State Com #701H well** (API No. 30-015-46869), the **Atticus State Com #702H well** (API No. 30-015-46873), and the **Atticus State Com #703H well** (API No. 30-015-46870).
- 3. Applicant requests that Order No. R-21450 be re-opened and amended to allow Applicant additional time to commence drilling the well under the Order.
- 4. There is good cause for Applicant's request for an extension of time to drill. Specifically, the decline in commodity prices in 2020 caused by the global COVID pandemic and other economic factors led to COG reducing its rig count, thereby causing COG to delay its intended plans to develop the acreage subject to the Order.

5. Under the Order, Applicant would be required to commence drilling the well by September 3, 2021, and therefore, asks for the deadline to commence drilling the well be extended for a year, to September 3, 2022.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on June 3, 2021, and, after notice and hearing as required by law, the Division enter an order extending the time for COG to commence drilling the proposed initial well under the Order.

Respectfully submitted,

HOLLAND & HART LLP

By:

Michael H. Feldewert Adam G. Rankin Julia Broggi Kaitlyn A. Luck Post Office Box 2208 Santa Fe, New Mexico 87504-2208

(505) 988-4421 (505) 983-6043 Facsimile mfeldewert@hollandhart.com agrankin@hollandhart.com jbroggi@hollandhart.com

kaluck@hollandhart.com

ATTORNEYS FOR COG OPERATING LLC