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

APPLICATION OF COG OPERATING LLC TO AMEND ORDER NO. R-21414, EDDY COUNTY, NEW MEXICO.

| CASE NO. | |
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APPLICATION

COG Operating LLC ("COG"), through its undersigned attorneys, hereby files this application with the Oil Conservation Division to amend Order No. R-21414 ("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-21414, entered on July 29, 2020, in Case No. 21322, created a standard 320-acre standard horizontal spacing unit comprised of the S/2 S/2 of Sections 20 and 21, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico ("Unit"), and designated COG as operator of the Unit.
- 2. The Order further pooled the uncommitted interests in the Bone Spring formation [Winchester; Bone Spring West Pool (97569)] in the Unit, and dedicated the Unit to the proposed initial **Bigfoot State Com #501H well** (API No. 30-015-48101), and the **Bigfoot State Com #601H well** (API No. 30-015-47132).
- 3. COG requests that Order No. R-21414 be re-opened and amended to allow COG additional time to commence drilling the well under the Order.
- 4. There is good cause for COG'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.

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5. Under the Order, COG would be required to commence drilling the well by July 29, 2021, and therefore, asks for the deadline to commence drilling the well be extended for a year, to July 29, 2022.

WHEREFORE, COG 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,

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