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

APPLICATION OF COG OPERATING LLC TO POOL ADDITIONAL INTEREST OWNERS UNDER ORDER NO. R-22094, EDDY COUNTY, NEW MEXICO.

CASE NO. ____ORDER NO. R-22094 (Re-Open)

<u>APPLICATION</u>

Pursuant to NMSA § 70-2-17, COG Operating LLC ("Applicant") (OGRID No. 229137) files this application with the Oil Conservation Division ("Division") for the limited purpose of pooling additional interest owners under the terms of Division Order No. R-22094. Applicant states the following in support of its application:

- 1. On April 4, 2022, the Division entered Order No. R-22094 ("Order") in Case No. 22595, which pooled all uncommitted interests in the Corral Canyon; Bone Spring, South Pool (Pool Code 13354) within the Bone Spring formation underlying a 280-acre, more or less, standard horizontal spacing unit comprised of the W/2W/2 of Section 5 and the W/2NW/4 and NW/4SW/4 of Section 8, Township 26 South, Range 29 East, Eddy County, New Mexico ("Unit"). The Order further dedicated the Unit to the Hambone Federal Com #506H ("Well") and designated Applicant as operator of the Unit and Well.
- 2. Since entry of the Order, Applicant has identified additional interest owners in the Unit that have not been pooled under the terms of the Order.
- 3. Applicant has undertaken diligent, good-faith efforts to obtain voluntary agreements from the additional interest owners to participate in the drilling of the Well but has been unable to obtain voluntary agreements from the owners.

- 4. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the additional interest owners should be pooled into the Unit pursuant to the terms of the Order.
- 5. The pooling of the additional interest owners will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, Applicant requests this application be set for hearing before an Examiner of the Oil Conservation Division on June 2, 2022, and after notice and hearing as required by law, the Division pool the additional interest owners into the Unit pursuant to the terms of Division Order No. R-22094.

Respectfully submitted,

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