

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

**APPLICATION OF COG OPERATING LLC TO  
AMEND ORDER NO. R-21107-A, DISMISS  
ORDER NO. R-21052, AND FOR COMPULSORY  
POOLING, EDDY 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 (“Division”) to amend pooling Order No. R-21107-A to incorporate the acreage under Order No. R-21052, dismiss Order No. R-21052, and pool all uncommitted interests in the Wolfcamp formation underlying standard 1,535.08-acre, more or less, horizontal well spacing unit comprised of the Sections 20 and 29, and the N/2 N/2 and Lots 1-4 of irregular Section 32 (N/2 equivalent), Township 26 South, Range 28 East, NMPM, Eddy County, New Mexico. In support of this application, COG states:

1. COG is the designated operator under Order No. R-21107-A and Order No. R-21052. Order No. R-21107-A was entered into on June 12, 2020, and Order No. R-21052 was entered into on January 20, 2020.

2. Order No. R-21107-A, under Case No. 21308, adopted the terms and conditions of the Amended Order Template. Order No. R-21107, under Case No. 20903, pooled uncommitted mineral interest in the Wolfcamp formation (Purple Sage-Wolfcamp Gas Pool [98220]) underlying a standard 767.51-acre horizontal well spacing unit comprised of the W/2 of Sections 20 and 29, and the N/2 NW/4 and Lots 1-2 or irregular Section 32 (NW/4 equivalent), Township 26 South, Range 28 East, NMPM, Eddy County, New Mexico. This standard horizontal well spacing unit is dedicated to the **Honey Graham State Com 702H** (API No. 30-015-46385) drilled from a surface

location in the NW/4 NW/4 (Unit D) of Section 20, a first take point in the NE/4 NW/4 (Unit C) of Section 20 and a last take point in Lot 2 (SE/4 NW/4 equivalent), and **Honey Graham State Com 703H** (API No. 30-015-46386) drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 20, a first take point in the NW/4 NW/4 (Unit D) of Section 20 and a last take point in Lot 1 (SW/4 NW/4 equivalent).

3. Order R-21052, under Case No. 20928, pooled uncommitted mineral interest in the Wolfcamp formation (Purple Sage-Wolfcamp Gas Pool [98220]) underlying a standard 767.57-acre horizontal well spacing unit comprised of the E/2 of Sections 20 and 29, and the N/2 NE/4 and Lots 3-4 or irregular Section 32 (NE/4 equivalent), Township 26 South, Range 28 East, NMPM, Eddy County, New Mexico. This standard horizontal well spacing unit is dedicated to the **Honey Graham State Com 701H** (API No. 30-015-46381) drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 20, a first take point in the NE/4 NE/4 (Unit A) of Section 20 and a last take point in Lot 4 (SE/4 NE/4 equivalent).

4. Applicant requests to combine the dedicated acreage from the two original units to form a standard 1,535.08-acre, more or less, horizontal well spacing unit in the Wolfcamp formation comprised of the Sections 20 and 29, and the N/2 N/2 and Lots 1-4 of irregular Section 32 (N/2 equivalent), Township 26 South, Range 28 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be rededicated to the existing wells, and include the following additional wells:

- **Honey Graham State Com 704H** (API No. 30-015-PENDING), which will be drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 20, a first take point in the NW/4 NE/4 (Unit B) of Section 20 and a last take point in Lot 3 (SW/4 NE/4 equivalent); and

- **Honey Graham State Com 706H** (API No. 30-015-PENDING), which will be drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 20, a first take point in the NE/4 NW/4 (Unit C) of Section 20 and a last take point in Lot 3 (SW/4 NE/4 equivalent). The completed interval of the **Honey Graham State Com 706H** well is expected to remain within 330 feet of the offsetting quarter section or equivalent tracts to include that acreage in a standard horizontal well spacing unit.

5. Applicant has reached a voluntary agreement with all working interest owners in this proposed unit and seeks only pool certain non-cost-bearing interest owners, including overriding royalty interest owners and record title owners, who have yet to execute the necessary state communitization agreements.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on June 27, 2024, and, after notice and hearing as required by law, the Division enter an order:

- A. Amending pooling Order No. R-21107-A to incorporate the acreage under Order No. R-21052, and dedicate the new spacing unit to the existing and proposed wells;
- B. Dismiss Order No. R-21052; and
- C. Pool certain overriding royalty interest owners and record title owners in the proposed horizontal well spacing unit.

Respectfully submitted,

HOLLAND & HART LLP

By: \_\_\_\_\_

Michael H. Feldewert  
Adam G. Rankin  
Paula M. Vance  
Post Office Box 2208  
Santa Fe, New Mexico 87504-2208  
(505) 988-4421  
(505) 983-6043 Facsimile  
mfeldewert@hollandhart.com  
agrarkin@hollandhart.com  
pmvance@hollandhart.com

**ATTORNEYS FOR COG OPERATING LLC**

CASE \_\_\_\_\_: **Application of COG Operating LLC to amend Order No. R-21107-A, , dismiss Order No. R-21052, and for Compulsory Pooling, Eddy County, New Mexico.** Applicant in the above-styled cause seeks to amend pooling Order No. R-21107-A to incorporate the acreage under Order No. R-21052, dismiss Order No. R-21052, and pool all uncommitted interests in the Wolfcamp formation underlying standard 1,535.08-acre, more or less, horizontal well spacing unit comprised of the Sections 20 and 29, and the N/2 N/2 and Lots 1-4 of irregular Section 32 (N/2 equivalent), Township 26 South, Range 28 East, NMPM, Eddy County, New Mexico. The new unit will be dedicated to the following existing and proposed wells:

- The existing **Honey Graham State Com 702H** (API No. 30-015-46385) drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 20, a first take point in the NE/4 NW/4 (Unit C) of Section 20 and a last take point in Lot 2 (SE/4 NW/4 equivalent), and existing **Honey Graham State Com 703H** (API No. 30-015-46386) drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 20, a first take point in the NW/4 NW/4 (Unit D) of Section 20 and a last take point in Lot 1 (SW/4 NW/4 equivalent);
- The existing **Honey Graham State Com 701H** (API No. 30-015-46381) drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 20, a first take point in the NE/4 NE/4 (Unit A) of Section 20 and a last take point in Lot 4 (SE/4 NE/4 equivalent);
- The proposed **Honey Graham State Com 704H** to be drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 20, a first take point in the NW/4 NE/4 (Unit B) of Section 20 and a last take point in Lot 3 (SW/4 NE/4 equivalent); and
- The proposed **Honey Graham State Com 706H** to be drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 20, a first take point in the NE/4 NW/4 (Unit C) of Section 20 and a last take point in Lot 3 (SW/4 NE/4 equivalent).

The completed interval of the **Honey Graham State Com 706H** well is expected to remain within 330 feet of the offsetting quarter section or equivalent tracts to include that acreage in a standard horizontal well spacing unit. Said area is located approximately 14 miles southwest of Malaga, New Mexico.