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 for an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 640-acre, more or less, horizontal well spacing unit comprised of the E2 of Sections 22 and 27, Township 23 South, Range 32 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 following proposed wells:

- Avion Fed Com 501H and Avion Fed Com 502H to be horizontally drilled from a surface location in the NE4 of Section 22, with first take points in the NE4NE4 (Unit A) of Section 22 and last take points in the SE4SE4 (Unit P) of Section 27; and
- Avion Fed Com 503H to be horizontally drilled from a surface location in the NE4 of Section 22, with a first take point in the NW4NE4 (Unit B) of Section 22 and a last take point in the SW4SE4 (Unit O) of Section 27.

3. The completed interval of the Avion Fed Com 502H well is expected to remain within 330 feet of the offsetting quarter-quarter section or equivalent tracts to allow inclusion of this acreage in a standard horizontal well spacing unit.

4. Applicant has reached a voluntary agreement with all the working interest owners in this proposed unit but seeks a pooling order for certain non-cost-bearing interest owners, including overriding royalty interest owners and record title owners, who have yet to execute the necessary federal communitization agreement.

5. The pooling of interests in the proposed unit 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 October 31, 2024, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling the interests of certain non-cost bearing owners in the proposed horizontal well spacing unit; and
- B. Designating Applicant as the operator of this spacing unit and the horizontal wells to be drilled thereon.

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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 certain non-cost bearing interest owners in the Bone Spring formation underlying a standard 640-acre, more or less, horizontal well spacing unit comprised of the E2 of Sections 22 and 27, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to the following proposed wells:

- Avion Fed Com 501H and Avion Fed Com 502H to be horizontally drilled from a surface location in the NE4 of Section 22, with first take points in the NE4NE4 (Unit A) of Section 22 and last take points in the SE4SE4 (Unit P) of Section 27; and
- Avion Fed Com 503H to be horizontally drilled from a surface location in the NE4 of Section 22, with a first take point in the NW4NE4 (Unit B) of Section 22 and a last take point in the SW4SE4 (Unit O) of Section 27.

The completed interval of the Avion Fed Com 502H well is expected to remain within 330 feet of the offsetting quarter-quarter section or equivalent tracts to allow inclusion of this acreage in a standard horizontal well spacing unit. Said area is located approximately 25 miles east of Loving, New Mexico.