

**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, hereby files this application with the Oil Conservation Division for an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal well spacing unit comprised of the W/2 W/2 of Sections 24 and 25, Township 25 South, Range 34 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 **Pitchblende 24-25 Federal Com #606H** well, to be horizontally drilled from a surface location in the N/2 NW/2 of Section 24, with a first take point in the NW/4 NW/4 (Unit D) of Section 24 and last take point in the SW/4 SW/4 (Unit M) of Section 25.
3. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all interest owners in the subject spacing unit.
4. The pooling of interests 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 January 9, 2025, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the proposed horizontal well spacing unit;
- B. Designating COG Operating LLC as operator of this horizontal well spacing unit and the well to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, completing, and equipping the well;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

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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 320-acre, more or less, horizontal well spacing unit comprised of the W/2 W/2 of Sections 24 and 25, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to the **Pitchblende 24-25 Federal Com #606H** well, to be horizontally drilled from a surface location in the N/2 NW/2 of Section 24, with a first take point in the NW/4 NW/4 (Unit D) of Section 24 and last take point in the SW/4 SW/4 (Unit M) of Section 25. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of COG Operating LLC as operator of the well, and a 200% charge for risk involved in drilling the well. Said area is located approximately 14 miles west of Jal, New Mexico.