

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

**APPLICATION OF COG OPERATING LLC
FOR APPROVAL OF AN OVERLAPPING
HORIZONTAL WELL SPACING UNIT
AND 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 pursuant to the provisions of NMSA 1978, § 70-2-17, for an order (1) approving a 640-acre, more or less, overlapping horizontal well spacing unit in a portion of the Wolfcamp formation (oil), measured from the stratigraphic equivalent between 12,600 feet total vertical depth to 13,812 feet total vertical depth beneath the surface, underlying the E/2 of Sections 8 and 17, Township 26 South, Range 33 East, NMPM, Lea County, New Mexico, and (2) pooling all uncommitted interests in this acreage. 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 proposed **Tigercat Federal Com 801H** well, to be drilled from surface location in the N/2 NE/4 of Section 8, a first take point in the NW/4 NE/4 (Unit B) of Section 8 and a last take point in the SW/4 SE/4 (Unit O) of Section 17; and **Tigercat Federal Com 802H** and **Tigercat Federal Com 803H** wells, both to be drilled from surface locations in the N/2 NE/4 of Section 8, with first

take points in the NE/4 NE/4 (Unit A) of Section 8 and last take points in the SE/4 SE/4 (Unit P) of Section 17.

3. This proposed horizontal well spacing unit will overlap the following spacing units in the Wolcamp formation:

- An existing 160-acre spacing unit in the Wolcamp formation underlying the E/2 E/2 of Section 17, T26S-R33E, currently dedicated to COG Operating LLC's Vast State 20H (API No. 30-025-43655), Vast State 21H (API No. 30-025-43550), Vast State 22H (API No. 30-025-43551) and Vast State 23H (API No. 30-025-43552); and
- An existing 160-acre spacing unit in the Wolcamp formation underlying the W/2 E/2 of Section 17, T26S-R33E, currently dedicated to COG Operating LLC's Vast State 24H (API No. 30-025-43545), Vast State 25H (API No. 30-025-43546) and Vast State 26H (API No. 30-025-43547).

4. The completed interval of the **Tigercat Federal Com 802H** is expected within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC.

5. There are no depth severances; however, COG seeks to pool only a portion of the Wolcamp formation, measured from the stratigraphic equivalent of the geological interval that appears between 12,600 feet total vertical depth to 13,812 feet total vertical depth beneath the surface, as shown in that certain Dual Lateralog, Micro Laterlog, Gamma Ray well log in the State GR 1 (API # 30-025-26785), located in Section 17, Township 26 South, Range 33 East, Eddy County, New Mexico.

6. 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.

7. The pooling of interests in the proposed horizontal well spacing 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.

8. The Division issued a prehearing order on August 29, 2025, which set Paloma Permian Assetco, LLC's ("Paloma") Case No. 25470 for a contested hearing on October 14, 2025. This application conflicts with Paloma Permian Assetco, LLC's Case No. 25470. Therefore, COG requests that the Division consolidate this application under the existing prehearing order and issue an amended prehearing order, setting these matters for a contested hearing on October 14, 2025.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on October 14, 2025, and, after notice and hearing as required by law, the Division enter an order:

- A. Approving the proposed overlapping spacing unit and pooling all uncommitted interests therein;
- B. Designating Applicant as operator of the overlapping horizontal spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the wells;
- 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 wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

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ATTORNEYS FOR COG OPERATING LLC

CASE _____: **Application of COG Operating LLC for Approval of an Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Lea County, New Mexico.** Applicant in the above-styled cause seeks an order (1) approving a 640-acre, more or less, overlapping horizontal well spacing unit in a portion of the Wolfcamp formation (oil), measured from the stratigraphic equivalent between 12,600 feet total vertical depth to 13,812 feet total vertical depth beneath the surface, underlying the E/2 of Sections 8 and 17, Township 26 South, Range 33 East, NMPM, Lea County, New Mexico, and (2) pooling all uncommitted interests in this acreage. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to the proposed **Tigercat Federal Com 801H** well, to be drilled from surface location in the N/2 NE/4 of Section 8, a first take point in the NW/4 NE/4 (Unit B) of Section 8 and a last take point in the SW/4 SE/4 (Unit O) of Section 17; and **Tigercat Federal Com 802H** and **Tigercat Federal Com 803H** wells, both to be drilled from surface locations in the N/2 NE/4 of Section 8, first take points in the NE/4 NE/4 (Unit A) of Section 8 and last take points in the SE/4 SE/4 (Unit P) of Section 17. This proposed horizontal well spacing unit will overlap the following spacing units in the Wolfcamp formation:

- An existing 160-acre spacing unit in the Wolfcamp formation underlying the E/2 E/2 of Section 17, T26S-R33E, currently dedicated to COG Operating LLC's Vast State 20H (API No. 30-025-43655), Vast State 21H (API No. 30-025-43550), Vast State 22H (API No. 30-025-43551) and Vast State 23H (API No. 30-025-43552); and
- An existing 160-acre spacing unit in the Wolfcamp formation underlying the W/2 E/2 of Section 17, T26S-R33E, currently dedicated to COG Operating LLC's Vast State 24H (API No. 30-025-43545), Vast State 25H (API No. 30-025-43546) and Vast State 26H (API No. 30-025-43547).

The completed interval of the **Tigercat Federal Com 802H** is expected within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the well, and a 200% charge for risk involved in drilling the wells. The subject area is located approximately 4 miles north of the Texas and New Mexico border.