

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

**APPLICATION OF COTERRA ENERGY
OPERATING CO. TO EXTEND THE DEADLINE TO
COMMENCE DRILLING UNDER ORDER R-23827,
LEA COUNTY, NEW MEXICO.**

**CASE NO. _____
Order R-23827**

APPLICATION

Coterra Energy Operating Co. ("Coterra") (OGRID No. 215099), through its undersigned attorneys, hereby files this application with the Oil Conservation Division for the limited purpose of amending Order R-23827 (the "Order") to allow for an extension of time to commence drilling certain of the wells authorized by the Order. In support of this application, Coterra states:

1. The Order was issued on September 8, 2025, in Case No. 24849.
2. The Order designated Avant Operating, LLC as the operator of the Unit and the wells to be drilled within the Unit. Coterra is Avant Operating, LLC's successor-in-interest under the Order. In January 2025, Coterra acquired Avant Operating, LLC and Avant Operating, LLC's interests in the lands subject to the Order.
3. The Order pooled all uncommitted interests within a 1280-acre, more or less, Bone Spring horizontal spacing unit comprised of Sections 14 and 23, Township 19 South, Range 33 East, N.M.P.M., Lea County. The Order dedicated the **Sapphire 14 Federal Com #301H, Sapphire 14 Federal Com #302H, Sapphire 14 Federal Com #501H, Sapphire 14 Federal Com #502H, Sapphire 14 Federal Com #601H, Sapphire 14 Federal Com #602H; Sapphire 14 Federal Com #303H and Sapphire 14 Federal Com #603H; Sapphire 14 Federal Com #513H; Sapphire 14 Federal Com #304H, and Sapphire 14 Federal Com #604H; Sapphire 14 Federal Com #514H; Sapphire 14 Federal Com #505H, and Sapphire 14 Federal Com #506H;**

and the **Sapphire 14 Federal Com #305H, Sapphire 14 Federal Com #306H, Sapphire 14 Federal Com #605H, and Sapphire 14 Federal Com #606H** wells to the unit.

4. Under the Order, Coterra would be required to commence drilling the wells by September 8, 2026. Coterra has spud four wells under the Order.

5. Coterra requests that the deadline to commence drilling the wells be extended for a year, to September 8, 2027.

6. This is Coterra's first request for an extension of time. Coterra is seeking an extension of time through the administrative process set forth in paragraph 24 of the Order and is only filing this extension application out of abundance of caution.

7. If the administrative application is approved, Coterra will dismiss this application.

WHEREFORE, Coterra requests this application be set for hearing before an Examiner of the Oil Conservation Division on September 3, 2026 and after notice and hearing as required by law, the Division enter its order extending the time to commence drilling the wells under the Order until September 8, 2027.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS
& SISK, P.A.

By: /s/ Deana M. Bennett

Earl E. DeBrine, Jr.

Deana M. Bennett

Jeff Goodwin

Post Office Box 2168

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800

edebrine@modrall.com

deana.bennett@modrall.com

jeff.goodwin@modrall.com

Attorneys for Coterra Energy Operating Co.

CASE NO. _____: Application of Coterra Energy Operating Co. to Extend the Deadline to Commence Drilling Under Order R-23827, Lea County, New Mexico. Applicant seeks an order from the Division an order amending Order R-23827 to extend the deadline to commence drilling certain of the wells under the Order. Order R-23827 pooled all uncommitted interests in a 1280-acre, more or less, Bone Spring horizontal spacing unit comprised of Sections 14 and 23, Township 19 South, Range 33 East, N.M.P.M., Lea County. The Order dedicated the **Sapphire 14 Federal Com #301H, Sapphire 14 Federal Com #302H, Sapphire 14 Federal Com #501H, Sapphire 14 Federal Com #502H, Sapphire 14 Federal Com #601H, Sapphire 14 Federal Com #602H; Sapphire 14 Federal Com #303H and Sapphire 14 Federal Com #603H; Sapphire 14 Federal Com #513H; Sapphire 14 Federal Com #304H, and Sapphire 14 Federal Com #604H; Sapphire 14 Federal Com #514H; Sapphire 14 Federal Com #505H, and Sapphire 14 Federal Com #506H; and the Sapphire 14 Federal Com #305H, Sapphire 14 Federal Com #306H, Sapphire 14 Federal Com #605H, and Sapphire 14 Federal Com #606H** wells to the unit. Said area is located approximately 23 miles west of Hobbs, New Mexico.