

COG OPERATING LLC Bigfoot State Com 501H-502H, 601H-602H Eddy County, New Mexico

Case Nos. 21922-21923
BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING June 03, 2021





APPLICATION OF COG OPERATING LLC TO AMEND ORDER NO. R-21414, EDDY COUNTY, NEW MEXICO.

CASE NO. 21922

APPLICATION OF COG OPERATING LLC TO AMEND ORDER NO. R-21415, EDDY COUNTY, NEW MEXICO.

CASE NO. 21923

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APPLICATION OF COG OPERATING LLC TO AMEND ORDER NO. R-21414, EDDY COUNTY, NEW MEXICO.

CASE NO. 21922

APPLICATION

COG Operating LLC ("COG"), through its undersigned attorneys, hereby files this application with the Oil Conservation Division to amend Order No. R-21414 ("Order") to allow for an extension of time for drilling the proposed initial well under the Order. In support of its

application, COG states:

Division Order No. R-21414, entered on July 29, 2020, in Case No. 21322, created 1.

a standard 320-acre standard horizontal spacing unit comprised of the S/2 S/2 of Sections 20 and

21, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico ("Unit"), and

designated COG as operator of the Unit.

2. The Order further pooled the uncommitted interests in the Bone Spring formation

[Winchester; Bone Spring West Pool (97569)] in the Unit, and dedicated the Unit to the proposed

initial Bigfoot State Com #501H well (API No. 30-015-48101), and the Bigfoot State Com

#601H well (API No. 30-015-47132).

3. COG requests that Order No. R-21414 be re-opened and amended to allow COG

additional time to commence drilling the well under the Order.

There is good cause for COG's request for an extension of time to drill. 4.

Specifically, the decline in commodity prices in 2020 caused by the global COVID pandemic and

other economic factors led to COG reducing its rig count, thereby causing COG to delay its

intended plans to develop the acreage subject to the Order.

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. A Submitted by: COG OPERATING LLC Hearing Date: June 03, 2021

Case Nos. 21922-21923

5. Under the Order, COG would be required to commence drilling the well by July 29, 2021, and therefore, asks for the deadline to commence drilling the well be extended for a year, to July 29, 2022.

WHEREFORE, COG requests that this application be set for hearing before an Examiner of the Oil Conservation Division on June 3, 2021, and, after notice and hearing as required by law, the Division enter an order extending the time for COG to commence drilling the proposed initial well under the Order.

Respectfully submitted,

HOLLAND & HART LLP

By:

Michael H. Feldewert Adam G. Rankin Julia Broggi Kaitlyn A. Luck Post Office Box 2208 Santa Fe, New Mexico 87504-2208 (505) 988-4421 (505) 983-6043 Facsimile mfeldewert@hollandhart.com agrankin@hollandhart.com

jbroggi@hollandhart.com kaluck@hollandhart.com

ATTORNEYS FOR COG OPERATING LLC

APPLICATION OF COG OPERATING LLC TO AMEND ORDER NO. R-21415, EDDY COUNTY, NEW MEXICO.

CASE NO. 21923

APPLICATION

COG Operating LLC ("COG"), through its undersigned attorneys, hereby files this application with the Oil Conservation Division to amend Order No. R-21415 ("Order") to allow for an extension of time for drilling the proposed initial well under the Order. In support of its application, COG states:

- 1. Division Order No. R-21415, entered on July 29, 2020, in Case No. 21323, created a standard 320-acre standard horizontal spacing unit comprised of the N/2 S/2 of Sections 20 and 21, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico ("Unit"), and designated COG as operator of the Unit.
- 2. The Order further pooled the uncommitted interests in the Bone Spring formation [Winchester; Bone Spring West Pool (97569)] in the Unit, and dedicated the Unit to the proposed initial **Bigfoot State Com #502H well** (API No. 30-015-48100), and the **Bigfoot State Com #602H well** (API No. 30-015-47131).
- 3. COG requests that Order No. R-21415 be re-opened and amended to allow COG additional time to commence drilling the well under the Order.
- 4. There is good cause for COG's request for an extension of time to drill. Specifically, the decline in commodity prices in 2020 caused by the global COVID pandemic and other economic factors led to COG reducing its rig count, thereby causing COG to delay its intended plans to develop the acreage subject to the Order.

5. Under the Order, COG would be required to commence drilling the well by July 29, 2021, and therefore, asks for the deadline to commence drilling the well be extended for a year, to July 29, 2022.

WHEREFORE, COG requests that this application be set for hearing before an Examiner of the Oil Conservation Division on June 3, 2021, and, after notice and hearing as required by law, the Division enter an order extending the time for COG to commence drilling the proposed initial well under the Order.

Respectfully submitted,

HOLLAND & HART LLP

Ву:___

Michael H. Feldewert

Adam G. Rankin

Julia Broggi

Kaitlyn A. Luck

Post Office Box 2208

Santa Fe, New Mexico 87504-2208

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ATTORNEYS FOR COG OPERATING LLC

APPLICATION OF COG OPERATING LLC TO AMEND ORDER NO. R-21414, EDDY COUNTY, NEW MEXICO.

CASE NO. 21922

APPLICATION OF COG OPERATING LLC TO AMEND ORDER NO. R-21415, EDDY COUNTY, NEW MEXICO.

CASE NO. 21923

AFFIDAVIT OF JEFF STOUT, LANDMAN

Jeffrey S. Stout, being of lawful age and duly sworn, states the following:

- 1. My name is Jeffry S. Stout and I am employed by COG Operating LLC ("COG") as a Landman.
- 2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum land manager have been accepted by the Division and made a matter of record.
- 3. I am familiar with the applications filed by COG these consolidated matters and the status of the lands in the subject area.
- 4. None of the pooled parties has indicated opposition to this extension application, and therefore I do not expect any opposition at the hearing
- 5. In Case No. 21922, COG seeks to amend Order No. R-21414 to allow for an extension of time for drilling the proposed initial well under the Order. Division Order No. R-21414, entered on July 29, 2020, in Case No. 21322, created a standard 320-acre standard horizontal spacing unit comprised of the S/2 S/2 of Sections 20 and 21,

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, NewMexico
Exhibit No. B
Submitted by: COG OPERATING LLC
Hearing Date: June 03, 2021
Case Nos. 21922-21923

Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico ("Unit"), and designated COG as operator of the Unit.

- 6. Order No. R-21414 further pooled the uncommitted interests in the Bone Spring formation [Winchester; Bone Spring West Pool (97569)] in the Unit, and dedicated the Unit to the proposed initial **Bigfoot State Com #501H well** (API No. 30-015-48101), and the **Bigfoot State Com #601H well** (API No. 30-015-47132).
- 7. In Case No. 21923, COG seeks to amend Order No. R-21415 to allow for an extension of time for drilling the proposed initial well under the Order. Division Order No. R-21415, entered on July 29, 2020, in Case No. 21323, created a standard 320-acre standard horizontal spacing unit comprised of the N/2 S/2 of Sections 20 and 21, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico ("Unit"), and designated COG as operator of the Unit.
- 8. Order No. R-21415 further pooled the uncommitted interests in the Bone Spring formation [Winchester; Bone Spring West Pool (97569)] in the Unit, and dedicated the Unit to the proposed initial Bigfoot State Com #502H well (API No. 30-015-48100), and the Bigfoot State Com #602H well (API No. 30-015-47131).
- 9. COG's change in management, as well as the decline in commodity prices in 2020 caused by the global COVID pandemic and other economic factors, led COG to delay its intended plans to develop the acreage subject to the Orders.
 - 10. The Orders required drilling to commence within a year, by July 29, 2021.
- 11. COG has not yet commenced drilling the wells as required by Order Nos.R-21414 and 21415 but anticipates drilling within the next year.

- 12. COG therefore requests that the deadline to commence drilling under the pooling orders be extended for a year until July 29, 2022.
- 13. COG provided our outside counsel, Holland and Hart, with a list of the working interest owners that remain subject to each pooling order and instructed them to provide notice of this hearing to these pooled working interest owners.
- 14. None of the working interest owners that remain subject to these pooling orders have been asked at this time to make an election on the wells, or to pay their estimated share of the costs to drill, complete and equip the wells.

FURTHER AFFIANT SAYETH NOT.

JEFFREY S. STOUT

STATE OF TEXAS	
COUNTY OF MIDLAND))
SUBSCRIBED and SWOR	N to before me this Alay of May 2021 by
Jeffrey S. Stout. Brittany Hull Notary Public, State of Texas	Bullandfull
Notary ID 13118386-9 My Commission Exp.06-22-2021	NOTARY PUBLIC
My Commission Expires:	

6.22.21

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

APPLICATION OF COG OPERATING LLC TO AMEND ORDER NO. R-21414, EDDY COUNTY, NEW MEXICO.

CASE NO. 21922

APPLICATION OF COG OPERATING LLC TO AMEND ORDER NO. R-21415, EDDY COUNTY, NEW MEXICO.

CASE NO. 21923

AFFIDAVIT

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

Kaitlyn A. Luck, attorney in fact and authorized representative of COG Operating LLC, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Applications have been provided under the notice letters and proof of receipts attached hereto.

Kaitlyn A. Luck

SUBSCRIBED AND SWORN to before me this 24th day of May, 2021 by Kaitlyn A.

Luck.

Notary Public

My Commission Expires:

January 28, 2023

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. C

Submitted by: COG OPERATING LLC
Hearing Date: June 03, 2021
Case Nos. 21922-21923

OFFICIAL SEAL
ANNA K. STORM
NOTARY PUBLIC - STATE OF NEW MEXICO

My Commission Expires: Jaway 25,202



Michael H. Feldewert

Phone: (505) 988-4421 **Fax:** (505) 983-6043

Email: mfeldewert@hollanhart.com

May 14, 2021

<u>VIA CERTIFIED MAIL</u> <u>CERTIFIED RECEIPT REQUESTED</u>

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of COG Operating LLC to Amend Order No. R-21414, Eddy

County, New Mexico.

Big Foot #501H and #601H wells

Greetings:

This letter is to advise you that COG Operating Inc. has filed the enclosed application with the New Mexico Oil Conservation Division.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on June 3, 2021, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: http://www.emnrd.state.nm.us/OCD/announcements.html.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed online or in person at the Division's Santa Fe office and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Jeffrey Stout at (432) 818-1372 or at Jeff.S.Stout@conocophillips.com.

Sincerely,

Michael H. Feldewert

ATTORNEY FOR COG OPERATING LLC



Michael H. Feldewert

Phone: (505) 988-4421 **Fax:** (505) 983-6043

Email: mfeldewert@hollanhart.com

May 14, 2021

<u>VIA CERTIFIED MAIL</u> <u>CERTIFIED RECEIPT REQUESTED</u>

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of COG Operating LLC to Amend Order No. R-21415, Eddy

County, New Mexico.

Big Foot #502H and #602H wells

Greetings:

This letter is to advise you that COG Operating Inc. has filed the enclosed application with the New Mexico Oil Conservation Division.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on June 3, 2021, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: http://www.emnrd.state.nm.us/OCD/announcements.html.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed online or in person at the Division's Santa Fe office and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Jeffrey Stout at (432) 818-1372 or at Jeff.S.Stout@conocophillips.com.

Sincerely,

Michael H. Feldewert

ATTORNEY FOR COG OPERATING LLC

COG - Bigfoot 501H, 601H, 502H, 602H Case Nos. 21922-21923 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
						Your package will arrive later than expected,
						but is still on its way. It is currently in transit
9414811898765893378544	EOG Resources, Inc.	5509 Champions Dr	Midland	TX	79706-2843	to the next facility.
						Your item was delivered to the front desk,
						reception area, or mail room at 1:46 pm on
9414811898765893378582	Marathon Oil Company	5555 San Felipe St	Houston	TX	77056-2701	May 17, 2021 in HOUSTON, TX 77056.
						Your item was delivered to an individual at
						the address at 7:33 am on May 17, 2021 in
9414811898765893378537	WPX Energy Permian, LLC	3500 One Williams Ctr	Tulsa	OK	74172-0135	TULSA, OK 74172.
	Devon Energy Production					Your item was delivered at 9:09 am on May
9414811898765893378575	Company, LP	333 W Sheridan Ave	Oklahoma City	OK	73102-5010	17, 2021 in OKLAHOMA CITY, OK 73102.
						Your item was delivered to the front desk,
						reception area, or mail room at 8:02 am on
9414811898765893377219	Yates Brothers	105 S 4th St	Artesia	NM	88210-2177	May 17, 2021 in ARTESIA, NM 88210.



Affidavit of Publication Ad # 0004738199 This is not an invoice

HOLLAND AND HART POBOX 2208

SANTA FE, NM 87504

I, a legal clerk of the Carlsbad Current Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

05/19/2021

Legal Clerk

Subscribed and sworn before me this May 19, 2021

State of WI, County of Brown

NOTARY PUBLIC

My commission expires

KATHLEEN ALLEN Notary Public State of Wisconsin

Ad # 0004738199 PO #: NOP COG Bigfoot 501H # of Affidavits1

This is not an invoice

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D
Submitted by: COG OPERATING LLC
Hearing Date: June 03, 2021
Case Nos. 21922-21923

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPART-MENT OIL CONSERVATION DIVISION SANTA FE, NEW MEXICO

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on Thursday, June 3, 2021, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at http://www.ve.mnrd.state.nm.us/OCD/hearings.html or obtained from Marlene Salvidrez, at Marlene.Salvidrez@state.nm.us. Documents filled in the case may be viewed at http://ocdimage.emmrd.state.nm.us/m aging/CaseFileCriteria.aspx. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxillary ald or service to attend or participate in a hearing, contact Marlene Salvidrez at Marlene Salvidrez at Mariene Salvidrez at Marlene Salvidrez

Persons may view and participate in the hearings through the following link:

https://nmemnrd.webex.com/nm emnrd/onstage/g.php?MTID=ec1 d641c6ace40cc7558b1e0da81603

Event number: 187 817 6036 Event password: 9i7hAhEhqh5

Join by video: 1878176036@nme mnrd,webex.com Numeric Password: 235514 You can also dial 173.243.2.68 and enter your meeting number

Join by audio: 1-844-992-4726 United States Toll Free Access code: 187 817 6036

STATE OF NEW MEXICO TO: All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All pooled working interest owners, including: EOG Resources, Inc.; Marathon Oil Company; WPX Energy Permian, LLC; Devon Energy Production Company, LP; and Yates Brothers.

Case No. 21922:
Application of COG Operating LLC to Amend Order No. R. 21414, Eddy County, New Mexico. Applicant in the abovestyled couse seeks a year extension of time to drill the well under Order No. R-21414, The Unit is comprised of the S/2 S/2 of Sections 20 and 21, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico. Order No. R-21414 pooled the uncommitted interests in the Bone Spring formation [Winchester; Bone Spring West Pool (97569)] and dedicated the above-referenced horizontal spacing unit to the proposed Bigfoot State Com #501H well and the Bigfoot State Com #501H well and the Bigfoot State Com #601H well. Said area is located approximately 15 miles Northeast of

Carlsbad, New Mexico, #4738199, Current Argus, May 19, 2021

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Affidavit of Publication Ad # 0004738209 This is not an invoice

HOLLAND AND HART POBOX 2208

SANTA FE, NM 87504

I, a legal clerk of the Carlsbad Current Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

05/19/2021

Subscribed and sworn before me this May 19, 2021:

State of WI, County of Brown NOTARY PUBLIC

My commission expires

KATHLEEN ALLEN Notary Public State of Wisconsin

Ad # 0004738209 PO #: NOP COG Bigfoot 502H # of Affidavits1

This is not an invoice

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPART-

MENT OIL CONSERVATION DIVISION SANTA FE, NEW MEXICO

SANTA FE, NEW MEXICO

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Persons may view and partici-pate in the hearings through the following link:

https://nmemnrd.webex.com/nm emnrd/onstage/g.php?MTID=ec1 d641c6ace40cc7558b1e0da81603

Event number: 187 817 6036 Event password: 9i7hAhEhgh5

Join by videa: 1878176036@nme mnrd.webex.com Numeric Password: 235514 You can also dial 173.243.2.68 and enter your meeting number

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STATE OF NEW MEXICO TO: All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All pooled working interest owners, including: EOG Resour-ces, Inc.; Marathon Oil Compa-ny; WPX Energy Permian, LLC; Devon Energy Production Com-pany, LP; and Yates Brothers.

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Case No. 21923:
Application of COG Operating
LLC to Amend Order No. R21415, Eddy County, New
Mexico. Applicant in the abovestyled course seeks a year extension of time to drill the well under Order No. R-21415, The Unit
is comprised of the N/2 5/2 of
Sections 20 and 21, Township 19
South, Range 28 East, NMPM,
Eddy County, New Mexico. Order No. R-21415 pooled the uncommitted interests in the Bone
Spring formation [Winchester;
Bone Spring West Pool (97569)]
and dedicated the abovereferenced horizontal spacing
unit to the proposed Bigfoot
State Com #502H well and the
Bigfoot State Com #602H well.
Said area is located approximately 15 miles Northeast of

Carlsbad, New Mexico, #4738209, current Argus, May 19, 2021