

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

**APPLICATION OF COG OPERATING LLC  
FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.**

**CASE NO.** \_\_\_\_\_

**APPLICATION**

COG Operating LLC (“COG”), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of N.M. Stat. Ann. § 70-2-17, for an order pooling all uncommitted interests in the Bone Spring formation [Winchester; Bone Spring West Pool (97569)] underlying a 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. In support of its application, COG states:

1. COG Operating LLC (OGRID No. 229137) is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
2. COG seeks to dedicate the above-referenced horizontal spacing unit to the following proposed initial wells:
  - **Bigfoot State Com 502H** to be drilled from a surface hole location in SE/4 SE/4 (Unit P) of Section 19 to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 21; and
  - **Bigfoot State Com 602H** to be drilled from a surface hole location in NE/4 SE/4 (Unit I) of Section 19 to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 21.
3. COG has sought and been unable to obtain voluntary agreement for the development of these lands from all the interest owners in the subject spacing unit.

4. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

5. In order to permit COG to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled and COG Operating LLC should be designated the operator of this proposed horizontal wells and spacing unit.

WHEREFORE, COG requests that this application be set for hearing before an Examiner of the Oil Conservation Division on July 9, 2020, and, after notice and hearing as required by law, the Division enter an order:

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

Respectfully submitted,

HOLLAND & HART LLP

By:   
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