

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

**APPLICATION OF COTERRA ENERGY  
OPERATING CO. FOR COMPULSORY POOLING  
AND APPROVAL OF A NON-STANDARD SPACING UNIT,  
LEA COUNTY, NEW MEXICO**

**CASE NO. 25805**

**AMENDED APPLICATION**

Coterra Energy Operating Co. (“Coterra”), OGRID Number 215099, through its undersigned attorneys, hereby submits this amended application<sup>1</sup> to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order pooling all uncommitted mineral interests within a 640-acre, more or less, Wolfcamp spacing unit comprised of the E/2 of Sections 25 and 36, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico and approving a non-standard unit. In support of this application, Coterra states as follows:

1. Coterra has an interest in the subject lands and has a right to drill and operate a well thereon.
2. Coterra seeks to dedicate the E/2 of Sections 25 and 36, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico to form a 640-acre, more or less, Wolfcamp horizontal spacing unit.
3. Coterra seeks to dedicate the unit to the following well: the **Eastwood Federal Com 36-25 #404H** well with proposed surface hole locations in the SE/4 SE/4 (Unit P) of Section 36 and proposed last take points in the NE/4 NE/4 (Unit A) of Section 25.
4. The well will be horizontally drilled, and the producing areas for the well are expected to be orthodox.

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<sup>1</sup> This application is amended only to 1) request approval of a non-standard spacing unit and 2) to remove certain wells that appeared on the original application.

5. Coterra sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Wolfcamp formation underlying the proposed spacing unit to participate in the drilling of the well or to otherwise commit their interests to the well.

6. The pooling of all interests in the Wolfcamp formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

7. Approval of a non-standard spacing unit will allow Coterra to efficiently locate surface facilities for the recovery of oil and gas underlying the subject lands and reduce surface disturbance.

WHEREFORE, Coterra requests that this case is set for hearing before an Examiner of the Oil Conservation Division on March 5, 2026, and after notice and hearing as required by law, the Division enter its order:

A. Pooling all uncommitted mineral interests in the Wolfcamp formation underlying the E/2 of Sections 25 and 36, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico;

B. Approving the non-standard spacing unit;

C. Designating Coterra as operator of this unit and the wells to be drilled thereon;

D. Authorizing Coterra to recover its costs of drilling, equipping and completing the well;

E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and

F. Setting a 200% charge for the risk involved in drilling and completing the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS  
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**CASE NO. 25805: Amended Application of Coterra Energy Operating Co. for compulsory pooling and approval of a non-standard spacing unit, Lea County, New Mexico.** Applicant seeks an order from the Division approving a non-standard spacing unit and pooling all uncommitted interests within a 640-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2 of Sections 25 and 36, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the **Eastwood Federal Com 36-25 #404H** well with a proposed surface hole location in the SE/4 SE/4 (Unit P) of Section 36 and a proposed last take point in the NE/4 NE/4 (Unit A) of Section 25. The well will be drilled at orthodox locations. Also to be considered will be the cost of drilling, completing, and equipping said well, the allocation of these costs as well as the actual operating costs and charges for supervision while drilling and after completion, designation of Coterra Energy Operating Co. as operator of the wells, and a 200% charge for risk involved in drilling said well. Said area is located approximately 28 miles west of Hobbs, New Mexico.