

March 15, 2011

HAND-DELIVERY

Case 14619

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Mr. Daniel Sanchez, Acting Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application of COG Operating, LLC for approval of a unit agreement, Lea County, New Mexico.

Dear Mr. Sanchez:

Enclosed in triplicate is the Application of COG Operating, LLC in the above-referenced case as well as a copy of the legal advertisement. COG requests that this matter be placed on the April 14, 2011 Examiner Hearing docket.

Sincerely,

Ocean Munds-Dry
Ocean Munds-Dry

Enclosures

cc: Caleb Hopson

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

**APPLICATION OF COG OPERATING, LLC
FOR APPROVAL OF A UNIT AGREEMENT,
LEA COUNTY, NEW MEXICO.**

CASE NO. 14619

APPLICATION

COG OPERATING, LLC ("COG")(OGRID 229137), through its undersigned attorneys, hereby makes application for an order approving its Corazon State Exploratory Unit and in support of this application states:

1. The proposed Unit Area consists of 2,555.08 acres, more or less, of State of New Mexico lands, situated in Lea County, New Mexico. The horizontal limits of said unit are described as follows:

Township 21 South, Range 33 East, N.M.P.M.

Section 3: All
Section 4: All
Section 10: All

2. The Unit Agreement has been approved by a sufficient percentage of the interest owners within the proposed Unit Area to provide effective control of unit operations.

3. The Applicant, COG Operating, LLC, is designated as Unit Operator in said Unit Agreement and all oil and gas in all formations are unitized.

4. The unit boundaries are consistent and substantially supported by the geological limits of the unitized formations.

5. Said Unit Agreement and the unitized operation and management of the Unit Area will be in the interest of conservation and the prevention of waste, and it will protect the correlative rights of all parties concerned.

WHEREFORE, COG Operating, LLC requests that this application be set for hearing before an Examiner of the Oil Conservation Division on April 14, 2011, that notice be given as required by law and the rules of the Division, and that the Corazon State Exploratory Unit be approved.

Respectfully submitted,

HOLLAND & HART, LLP

By: 
OCEAN MUNDS-DRY
Post Office Box 2208
Santa Fe, New Mexico 87504
Telephone: (505) 988-4421

ATTORNEYS FOR COG OPERATING, LLC

CASE NO. 14619

Application of COG Operating LLC for approval of a Unit Agreement, Lea County, New Mexico. Applicant seeks approval of the Corazon State Exploratory Unit from the surface to the base of the Strawn formation in an area comprising 2,555.08 acres of State of New Mexico lands in Sections 3, 4, & 10 in Township 21 South, Range 33 East, NMPM, which is located approximately 26 miles West of Eunice, New Mexico.