## State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

David Martin Cabinet Secretary

Jami Bailey, Division Director Oil Conservation Division



Brett F. Woods, Ph.D. Deputy Cabinet Secretary

July 10, 2014

Michael Feldewert Attorney for COG Operating, L.L.C 110 N. Guadalupe, Suite 1 Santa Fe, New Mexico 87501

Re: Request for extension to commence the Drilling of COG's Stonewall 9 Fee Well No. 4H (API No. 30-015-39779) Pursuant to Division Order No. R-13629/Case No. 14861.

Dear Mr. Feldewert:

The Oil Conservation Division (OCD) received your letter dated June 25, 2014, regarding the above referenced subject. It is our understanding that due to pipeline capacity issues, and with only one rig in operation at the time, COG was granted the first extension of time to commence the drilling this well on or before October 1, 2014.

It is also our understanding that COG still plans to drill this well but cannot meet the October 1, 2014 deadline, because COG has recently discovered additional interest owners with unmarketable title that requires additional pooling. Accordingly, COG has filed a pooling application to re-open Case No. 14861 to bring these additional interest owners under the current pooling order.

The OCD has reviewed your request and hereby extends the date to commence the drilling of this well on or before April 1, 2015.

If you have any question, please contact Richard Ezeanyim at (505)-476-3467

Sincerely;

Jami Bailey Director

Cc: Oil Conservation Division District II – Artesia

JB/re



Michael H. Feldewert
Recognized Specialist in the Area of
Natural Resources - oil and gas law New Mexico Board of Legal
Specialization
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June 25, 2014

## VIA HAND DELIVERY

Jami Bailey, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Order No. R-13629-A / Case No. 14861: Application of COG Operating LLC For A Non-Standard Spacing And Proration Unit And Compulsory Pooling, Eddy County, New Mexico.

Dear Ms. Bailey:

Division Order No. R-13629 granted COG Operating LLC's application for a non-standard spacing and proration unit and compulsory pooling on September 19, 2012. On October 12, 2012, the Division issued Order No. R-13629-A *Nunc Pro Tunc* in order to amend a clerical error. Order No. R-13629-A authorized the drilling of COG's Stonewall 9 Fee Well No. 4H (API No. 30-015-39779) at a standard location in the E/2E/2 of Section 9, Township 19 South, Range 26 East, NMPM, Eddy County, New Mexico.

Ordering paragraph (4) requires COG to commence drilling the proposed well on or before October 1, 2013. On August 30, 2013, the Division granted an extension to commence drilling of COG's Stonewall 9 Fee Well No. 4H until October 1, 2014. See Attached August Extension Letter. COG still plans to drill the well but has encountered drilling scheduling issues and recently discovered additional interest owners with unmarketable title that requires additional pooling. COG has therefore recently filed an application to re-open Case No. 14861 to bring these additional interest owners under the current pooling order and this application is scheduled to be heard at the July 24th Division docket.

Therefore, COG respectfully requests an extension until April 1, 2015 to commence drilling the Stonewall 9 Fee Well No. 4H.

Sincerely

V lank

Michael H. Feldewert

ATTORNEYS FOR COG OPERATING LLC