

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

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APPLICATION OF COG OPERATING, LLC, TO RE-OPEN CASE NO. 14861 TO POOL THE INTERESTS OF ADDITIONAL MINERAL OWNERS UNDER THE TERMS OF COMPULSORY POOLING ORDER R-13629 AS AMENDED BY R-13629-A, EDDY COUNTY, NEW MEXICO.

CASE NO.14861 (re-opened)

APPLICATION

COG OPERATING LLC, ("COG") through its undersigned attorneys, hereby makes application to the Oil Conservation Division to pool the interests of additional mineral owners under the terms of compulsory pooling Order R-13629, as amended by Order R-13629-A, which created and pooled the uncommitted mineral interests in the Yeso formation (Atoka-Glorieta-Yeso Pool (3250)) underlying the 160-acre oil spacing and proration unit consisting of the E/2 E/2 of Section 9, Township 19 South, Range 26 East, NMPM, Eddy County, New Mexico. In support of its application, COG states:

1. Under Division Order R-13629 entered September 19, 2012, the Division created a 160-acre non-standard spacing and proration unit in the Yeso (Paddock) formation consisting of the E/2 E/2 of Section 9, Township 19 South, Range 26 East, NMPM, Eddy County, New Mexico and pooled the uncommitted mineral interest in this spacing and proration unit ("the Unit").

2. The Division entered Order R-13629-A *Nunc Pro Tunc* on October 12, 2012, to amend a clerical error in the formation name.

3. Under Order R-13629-A, the Unit is dedicated to COG's proposed **Stonewall 9 Fee Well No. 4H** (API No. 30-015-39779), which has not yet been drilled and is subject to an approved extension of time to commence drilling until September 30, 2014.

4. Since the entry of Order R-13629-A, COG has discovered additional mineral interests in the Unit that were not notified and pooled under Case No. 14861.

5. COG has sought and been unable to obtain voluntary agreement for the development of these lands from these additional mineral interest owners in the Unit, some of which are not locatable or currently have unmarketable title.

6. The pooling of these additional mineral interests under the terms of Division Order R-14861 will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

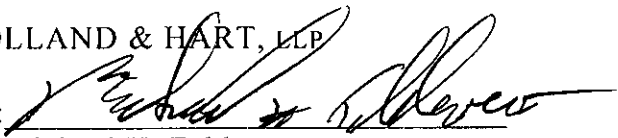
7. In order to permit COG to obtain its just and fair share of the oil and gas underlying the Unit, all remaining uncommitted mineral interests in the Unit should be pooled pursuant to the terms of Division Order R-13629-A.

WHEREFORE, COG Operating LLC requests that this application be set for hearing before an Examiner of the Oil Conservation Division on July 24, 2014, and, after notice and hearing as required by law, the Division pool all remaining uncommitted mineral interest owners in the Unit pursuant to the terms of existing Order R-13629-A.

Respectfully submitted,

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CASE 14861 (re-opened): Application Of COG Operating, LLC, To Re-Open Case No. 14861 To Pool The Interests Of Additional Mineral Owners Under The Terms Of Compulsory Pooling Order R-13629-A, Eddy County, New Mexico. Applicant in the above-styled cause seeks to amend Division Order R-13629-A to include the pooling of additional mineral interests in the Yeso formation underlying the 160-acre oil spacing and proration unit created under Division Order R-13629-A consisting of the E/2 E/2 of Section 9, Township 19 South, Range 26 East, NMPM, Eddy County, New Mexico. Said unit is dedicated to applicant's proposed **Stonewall 9 Fee Well No. 4H** and is located approximately 1 mile southeast of Frontier Post, New Mexico.