## 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

November 6, 2014

Ms. Ocean Munds-Dry, Senior Attorney COG Operating, LLC 1048 Paseo De Peralta Santa Fe, NM 87501

RE: Request for Extension to Commence Drilling of the Lee 3 Fee Well No. 1H Pursuant to Division Order No. R-13791/Case No. 15075

Dear Ms. Munds-Dry:

Reference is made to your request on behalf of COG Operating, LLC ("COG") received by the Division on November 6, 2014, for the Lee 3 Fee Well No. 1H (API No. 30-015-39586) with a surface location in Unit letter M of Section 3, Township 19 South, Range 26 East, NMPM.

It is our understanding that COG still intends to drill the proposed well but is unable to meet the obligation date of January 31, 2015, included in Ordering Paragraph (5) of Order No. R-13791. COG has stated that additional time is required to compile production data from recently completed wells in the vicinity which will assist COG in determining the economic viability of the proposed location for this well.

The Division has reviewed your request and hereby extends the final date to commence the drilling of this well to January 31, 2016. All other provisions of Order No. R-13791 remain in full force and effect.

If you have any questions, please contact Phillip Goetze at 505.476.3466.

Sincerely,

JAMI BAILEY

Director

JB/prg

cc: Oil Conservation Division – Artesia District Office

Case No. 15075

Well File API 30-015-39586

1220 South St. Francis Drive • Santa Fe, New Mexico 87505 Phone (505) 476-3440 • Fax (505) 476-3462 • www.emnrd.state.nm.us BEFORE THE OIL CONVERSATION
DIVISION
Santa Fe, New Mexico
Exhibit No. 3
Submitted by: COG Operating LLC
Hearing Date: April 2, 2015