

J. SCOTT HALL

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December 31, 2009

HAND DELIVERED

Florene Davidson New Mexico Oil Conservation Division 1220 S. St. Francis Drive Santa Fe, NM 87505

Re: NMOCD Case No. 14423 Application of COG Operating LLC for for

Expansion of Pool Boundaries, Eddy County, New Mexico

Dear Ms. Davidson:

Enclosed for filing are the original and two copies of the Application of COG Operating LLC in the above-referenced matter.

A proposed advertisement is also enclosed.

Very truly yours, Karen Williams

Karen Williams

Assistant to J. Scott Hall

JSH/kw Enclosures

cc.

Jan Spradlin

David Copeland, Esq.

00149964

REPLY TO:

325 Paseo de Peralta Santa Fe, New Mexico 87501 Telephone (505) 982-3873 • Fax (505) 982-4289

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

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IN THE MATTER OF THE APPLICATION OF COG OPERATING LLC FOR EXPANSION OF POOL BOUNDARIES, CROWFLATS WOLFCAMP OIL POOL, EDDY COUNTY, NEW MEXICO

CASE NO. 14423

APPLICATION

COG OPERATING LLC, by its undersigned attorneys, Montgomery and Andrews, P.A., (J. Scott Hall), hereby makes application pursuant to, inter alia, Rule 19.15.12.8 of the Division's Rules and Regulations for an order providing for the expansion of the Crow Flats Wolfcamp oil pool (97102), Abo/Wolfcamp formation, to include the S/2 NW/4 of Section 22 T16S R28E in Eddy County, New Mexico. In support, Applicant states:

1. Applicant is the operator of the following well:

Comet 22 Federal Well No. 3

API No. 30-015-35821

Section 22, T16S R28E, NMPM, Eddy County

Surface Location: 1980' from the north line and 330' from the westline (Unit E)

Bottom Hole Location: 1980' from the north line and 330' from the east line (Unit H)

2. The Comet 22 Federal No. 3 well was drilled horizontally and completed as a producing oil well in the Abo/Wolfcamp formation, Crow Flats Wolfcamp Oil Pool (97102). A 160-acre special project area comprised of the S/2 N/2 (Units E, F, G and H) of Section 22 is dedicated to the well.

- 3. The 40-acre tracts within the special project area are subject to two federal oil and gas leases and are consolidated pursuant to Communitization Agreement No. NMNM 123395 approved by the Bureau of Land Management on August 17, 2009, effective June 17, 2009.
- 4. The Bureau of Land Management has noted that only the NW/4 of Section 22 is within a pool designated by the NMOCD and has requested Applicant to obtain pool designation for all of the acreage communitized and dedicated to the subject well.

WHEREFORE, PURSUANT TO Rule 19.15.12.8, Applicant requests that this Application be set for hearing before a duly appointed examiner of the Oil Conservation Division on February 4, 2010, that after notice and hearing as required by law, the Division enter its Order approving of the expansion of the referenced pool to include the S/2 NW/4 of Section 22 T16S R28E within the pool boundaries.

MONTGOMERY & ANDREWS, P. A.

Respectfully submitted.

By:

J. Scott Hall P.O. Box 2307 Santa Fe, NM 87504-2307 (505) 982-3873 Telephone (505) 982-4289 - Fax

Attorneys for COG Operating LLC

Case No. 나무건 Application of COG Operating LLC for Expansion of Pool Boundaries, Eddy County, New Mexico. Applicant seeks an order providing for the expansion of the Crow Flats Wolfcamp oil pool (97102), Abo/Wolfcamp formation, to include the S/2 NW/4 of Section 22 T16S R28E NMPM, Eddy County, New Mexico. Applicant is the operator of the horizontally drilled Comet 22 Federal Well No. 3 (API No. 30-015-35821) within a special project area comprised of the S/2 N/2 of Section 22. The well and lands are located approximately six miles northwest of Loco Hills, New Mexico.