

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

**IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:**

**CASE NO. 14919 Re-Opened
ORDER NO. R-13659-A**

**APPLICATION OF COG OPERATING, LLC TO RE-OPEN CASE 14919 TO
POOL THE INTERESTS OF ADDITIONAL MINERAL OWNERS UNDER THE
TERMS OF COMPULSORY POOLING ORDER NO. R-13659, EDDY COUNTY,
NEW MEXICO.**

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on July 10, 2014, at Santa Fe, New Mexico, before Examiner Michael McMillan.

NOW, on this 14th day of August, 2014, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

FINDS THAT:

(1) Due public notice has been given, and the Division has jurisdiction of this case and of the subject matter.

(2) Pursuant to Order No. R-13659 issued in Case No. 14919 on December 7, 2012, the Division approved a non-standard spacing and proration unit and compulsory pooling for COG Operating, LLC. The Order established a non-standard 160-acre oil spacing and proration unit and project area (the "Unit") consisting of the E/2 of the E/2 of Section 8, Township 19 South, Range 26 East, NMPM, in Eddy County, New Mexico. The proposed well dedicated to the Unit was the Bradley 8 Fee Well No. 4H (API No. 30-015-39813); and Applicant was designated as the operator of the well and the Unit.

(3) Subsequently, Applicant filed a Motion to Re-open this case, and in that Motion informed the Division that Applicant had discovered additional owners with an interest in the lands pooled pursuant to an instrument of record in Eddy County, New Mexico. These owners were not identified in the original title record review and were

subsequently omitted from previous notices provided to owners in this case, as required by Division Rule 19.15.4.12A. (1) NMAC.

(4) At the hearing, Applicant presented through counsel evidence that it had given notice of the original application and the re-opened hearing to the recently identified interest owners, or their heirs, successors or assigns, by certified mail and by publication pursuant to 19.15.4.12.B NMAC. No appearance was entered for these mineral owners, or any personal representative, heir or successor, and no person claiming to own or represent a claimant to an interest derived from these mineral owners has otherwise communicated with the Division.

(5) Applicant previously submitted a request for an extension to commence drilling the proposed well, the Bradley 8 Fee Well No. 4H. The Director approved an extension on August 30, 2013, which provided for a new date of December 15, 2014, for drilling to commence.

(6) At the hearing, Applicant requested an extension past the previously approved December 15, 2014 date.

The Division therefore concludes:

(7) Order No. R-13659 should be amended to compulsory pool the recently identified interest owners and their heirs, devisees, personal representatives, successors and assigns, whoever they may be.

IT IS THEREFORE ORDERED THAT:

(1) Pursuant to the application of COG Operating LLC (OGRID 229137), Order No. R-13659, issued in this case on December 7, 2012, is hereby amended to pool the recently identified interest owners and their heirs, devisees, personal representatives, successors and assigns, as well as all other owners of interests in the Unit, whatever they may be, in the oil and gas located in the Glorieta-Yeso formation underlying the Unit, and they are hereby pooled.

(2) All provisions of Order No. R-13659, including allocation of costs, risk charges, or overhead charges, remain in full force and effect, and are applicable to all recently identified interest owners and their heirs, devisees, personal representatives, successors and assigns pooled in this Order.

(3) The operator of the Unit shall commence drilling the proposed well on or before August 31, 2015, and shall thereafter continue drilling the proposed well with due diligence to test the Glorieta-Yeso formation.

(4) In the event the operator does not commence drilling the proposed well on or before August 31, 2015, Ordering Paragraph (1) shall be of no effect.

(5) Should all the parties to this compulsory pooling order reach voluntary agreement subsequent to entry of this Order, this Order shall thereafter be of no further effect.

(6) The operator of the well and Unit shall notify the Division in writing of the subsequent voluntary agreement of all parties subject to the compulsory pooling provisions of this Order.

(7) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



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A handwritten signature in cursive script, appearing to read "Jami Bailey".

JAMI BAILEY
Director