

**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. 15376
(Reopened)
ORDER NO. R-14072-A**

**APPLICATION OF COG OPERATING LLC TO RE-OPEN CASE NO. 15376 TO
AMEND THE WELL SURFACE LOCATION AND WELL ORIENTATION
UNDER THE TERMS OF COMPULSORY POOLING ORDER NO. R-14072,
EDDY COUNTY, NEW MEXICO**

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on January 21, 2016, at Santa Fe, New Mexico, before Examiner Michael A. McMillan.

NOW, on this 2nd day of March, 2016, 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) Upon the application of COG Operating, LLC ("COG", OGRID 229137), in Case No. 15376, the Division issued Order No. R-14072 on November 3, 2015, creating a 160-acre non-standard oil spacing and proration unit and project area in the N. Seven Rivers; Glorieta-Yeso Pool (Code 97565) consisting of the W/2 W/2 of Section 11, Township 20 South, Range 25 East, NMPM, Eddy County, New Mexico, and pooling uncommitted interests in this spacing unit ("the Unit").

(3) COG is operator of the Bone Yard 11 Fee Well No. 11H (API No. 30-015-43417) which is dedicated to this Unit.

(4) Division Order No. R-14072 approved a surface location 10 feet from the South line and 130 feet from the West line (Unit M) and a bottomhole location 330 feet

from the North line and 330 feet from the West line (Unit D) of Section 11, Township 20 South, Range 25 East, NMPM, Eddy County, New Mexico, for the Bone Yard 11 Fee Well No. 1H.

(5) COG appeared at the hearing with attorney and presented an affidavit by the geologist who testified that the surface location, bottomhole location and well orientation had changed, but the completed interval and the project area remain the same.

(6) The new surface location of the Bone Yard 11 Fee Well No. 1H is 120 feet from the North line and 170 feet from the West line (Unit D) of Section 11 to a terminus or bottomhole location 330 feet from the South line and 330 feet from the West line (Unit M) of Section 11, Township 20 South, Range 25 East, NMPM, Eddy County, New Mexico.

(7) COG is requesting this change due to a combination of surface geology and drilling reasons.

(8) COG provided notice of the location change to parties subject to the pooling and also to offsetting parties.

(9) No other party appeared at the hearing, or otherwise opposed the granting of this application.

(10) In order to protect correlative rights and prevent waste, COG's request for a different surface location, bottomhole location, and well orientation than specified in Order No. R-14072 should be approved.

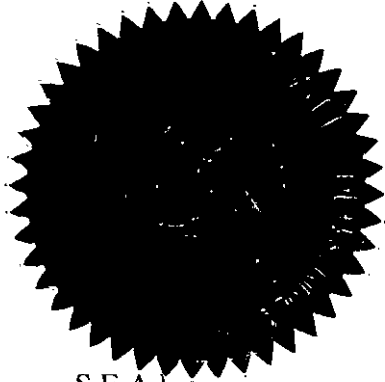
IT IS THEREFORE ORDERED THAT:

(1) Pursuant to the application of COG Operating, LLC, the changes in surface location, bottomhole location and well orientation are hereby approved and are subject to all terms and conditions within Division Order No. R-14072. The new surface location shall be 120 feet from the North line and 170 feet from the West line (Unit D) of Section 11, and the terminus or bottomhole location shall be 330 feet from the South line and 330 feet from the West line (Unit M) of Section 11, Township 20 South, Range 25 East, NMPM, Eddy County, New Mexico.

(2) All other provisions of Division Order No. R-14072 shall remain in full force and effect.

(3) 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.



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in cursive script, reading "David R. Catanach".

DAVID R. CATANACH
Director