

**DOCKET: SPECIAL EXAMINER HEARING – FRIDAY, SEPTEMBER 27, 2019**

9:00 a.m. - 1220 South St. Francis, Santa Fe, New Mexico 87505

OCD Rule Subsection B of 19.15.4.13 NMAC requires parties who intend to present evidence at an adjudicatory hearing to file a pre-hearing statement no later than four business days before the hearing and serve a copy on opposing counsel of record. If the OCD does not receive a pre-hearing statement from the applicant by the close of business four days before the hearing, the hearing may be continued. A party who plans on using projection equipment at a hearing must contact Florene Davidson, seven (7) business days prior to the hearing, requesting the use of the projection equipment. Wireless internet is available; however, the party must provide its own laptop computer. The following cases will be heard by an Examiner.

**1. Case No. 20489: Application of COG Operating, LLC for compulsory pooling, Lea County, New Mexico.** Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring and Wolfcamp formations in a 477.95- acre standard horizontal spacing unit comprised of Lots 1, 2, 7, 8, 9, 10, 15, 16 and the SE/4 of irregular Section 2, Township 21 South, Range 32 East Lea County, New Mexico. The-horizontal spacing unit will be dedicated to three initial wells to be simultaneously drilled:

A. The proposed **Cougar Federal Com 601H** to be horizontally drilled to a depth sufficient to test the Bone Spring formation from an orthodox surface location in Lot 1 of Section 2 to an orthodox bottom hole location in the SE/4 SE/4 (Unit P) of Section 2;

B. The proposed **Cougar Federal Com 701H** and the **Cougar Federal Com 901H** to be horizontally drilled to a depth sufficient to test the Wolfcamp formation from orthodox surface locations in Lot 1 of Section 2 to orthodox bottom hole locations in the SE/4SE/4 (Unit P) of Section 2.

Each of the three initial wells will be at orthodox locations at least 330 feet from the outer boundary of the spacing unit and the completed interval in each will be orthodox. Also to be considered will be approval of an extension of the timeframe for drilling and completion of the initial wells on this horizontal spacing unit, the cost of drilling and completing the wells and the allocation of the costs thereof, as well as actual operating costs and charges for supervision, designation of COG Operating, LLC as operator of the wells and horizontal well unit and a 200% charge for risk involved in drilling and completing the wells. Said area is located approximately 35 miles east, northeast of Carlsbad, New Mexico.