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

APPLICATION OF COG OPERATING LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 23472

PRE-HEARING STATEMENT

COG Operating LLC ("COG" or "Applicant") submits its Pre-Hearing Statement pursuant

to the rules of the Oil Conservation Division.

APPLICANT

COG Operating LLC

ATTORNEYS

Dana S. Hardy Jaclyn McLean Yarithza Peña Hinkle Shanor LLP P.O. Box 2068 Santa Fe, NM 87504-2068 Phone: (505) 982-4554 dhardy@hinklelawfirm.com jmclean@hinklelawfirm.com

INTERESTED PARTIES

ATTORNEYS

None.

STATEMENT OF THE CASE

COG applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 719.78-acre, more or less, standard horizontal spacing unit comprised of the S/2 SW/4 of Section 8 and the W/2 of Sections 17 and 20, Township 26 South, Range 29 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the following wells ("Wells"):

• The Riverwalk Fed Com 903H well, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 29, Township 26 South, Range 29 East, to a

bottom hole location in the SW/4 SW/4 (Unit M) of Section 8, Township 26 South, Range 29 East; and

• The Riverwalk Fed Com 503H well, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 29, Township 26 South, Range 29 East to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 8, Township 26 South, Range 29 East.

The completed intervals of the Wells will be orthodox. The completed interval of the Riverwalk Fed Com 503H well will be located within 330' of the quarter-quarter section line separating the W/2 W/2 and E/2 W/2 of Sections 8, 17, and 20, to allow for the creation of a 719.78-acre standard horizontal spacing unit.

Also to be considered in each case will be the cost of drilling and completing the Wells and the allocation of the costs, the designation of Applicant as the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells.

The Wells are located approximately 12.4 miles south of Malaga, New Mexico.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Gianna Romero	Land Negotiator	Affidavit	Approx. 5
Chris Wray	Geologist	Affidavit	Approx. 4

PROCEDURAL MATTERS

Applicant will present these matters by affidavit if there is no opposition.

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Respectfully submitted,

HINKLE SHANOR, LLP

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QUESTIONS

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Action 211500

QUESTIONS

Operator:	OGRID:
COG OPERATING LLC	229137
600 W Illinois Ave	Action Number:
Midland, TX 79701	211500
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony			
	Please assist us by provide the following information about your testimony.		
ſ	Number of witnesses	Not answered.	
I	Testimony time (in minutes)	Not answered.	