

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

**APPLICATION OF COTERRA ENERGY
OPERATING CO. FOR COMPULSORY POOLING,
AND, TO THE EXTENT NECESSARY, APPROVAL OF AN
OVERLAPPING SPACING UNIT,
EDDY COUNTY, NEW MEXICO**

CASE NO. 25344, 25345

**APPLICATION OF COTERRA ENERGY
OPERATING CO. FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

CASE NO. 25346

**COTERRA ENERGY OPERATING CO.'s
CONSOLIDATED PRE-HEARING STATEMENT**

Coterra Energy Operating Co. ("Coterra") submits this Consolidated Pre-Hearing Statement for the above-referenced cases pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Coterra Energy Operating Co.

ATTORNEY

Deana M. Bennett
Earl E. DeBrine, Jr.
Yarithza Peña
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OTHER PARTIES

COG Operating LLC
(Case Nos. 25344, 25345)

ATTORNEY

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STATEMENT OF CASE

APPLICANT:

In **Case No. 25344**, Coterra seeks an order from the Division pooling all uncommitted interests in a standard 320-acre, more or less, Bone Spring spacing unit comprised of the W/2W/2 of Sections 29 and 32, Township 25 South, Range 27 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Southern Hills 32-29 Fed Com #1H** well with a proposed surface hole location in the SE/4 SW/4 (Unit N) of Section 32 and proposed bottom hole location in the NW/4 NW/4 (Unit D) of Section 29. The well will be drilled at orthodox locations. Applicant also seeks, to the extent necessary, approval of an overlapping spacing unit. The proposed horizontal spacing unit will partially overlap with the following existing Bone Spring spacing units in the WC-015 G-03 S252636M;BONE SPRING pool (Pool code 97818):

- A 160-acre spacing unit comprised of the W/2W/2 of Section 29, dedicated to COG Operating LLC's Populus Federal #4H well (API 30-015-44103); and
- A 160-acre spacing unit comprised of the W/2W/2 of Section 32, dedicated to Coterra Energy Operating Co.'s Cottonwood Hills 32 State Com #2H well (API 30-015-41084).

Also to be considered will be the cost of drilling, completing, and equipping said well, the allocation of these costs as well as the actual operating costs and charges for supervision while drilling and after completion, designation of Coterra Energy Operating Co. as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 14 miles southwest of Loving, New Mexico. There is a depth severance in the proposed unit. The depth severance is in the Bone Spring formation at 7,745' in Section 29. Coterra is not seeking to pool any interests in the Bone Spring at 7,745' or above.

In **Case No. 25345**, Coterra seeks an order from the Division pooling all uncommitted interests in a standard 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2W/2 of Sections 29 and 32, Township 25 South, Range 27 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Southern Hills 32-29 Fed Com #3H** well with a proposed surface hole location in the SE/4 SW/4 (Unit N) of Section 32 and proposed bottom hole location in the NE/4 NW/4 (Unit C) of Section 29. The well will be drilled at orthodox locations. Applicant also seeks, to the extent necessary, approval of an overlapping spacing unit. The proposed horizontal spacing unit will partially overlap with the following existing Bone Spring spacing units in the WC-015 G-03 S252636M;BONE SPRING pool (Pool code 97818):

- A 160-acre spacing unit comprised of the E/2W/2 of Section 29, dedicated to COG Operating LLC's Populus Federal #3H well (API 30-015-43256); and
- A 160-acre spacing unit comprised of the E/2W/2 of Section 32, dedicated to Coterra Energy Operating Co.'s Cottonwood Hills 32 State Com #3H well (API 30-015-41603); and

Also to be considered will be the cost of drilling, completing, and equipping said well, the allocation of these costs as well as the actual operating costs and charges for supervision while drilling and after completion, designation of Coterra Energy Operating Co. as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 14 miles southwest of Loving, New Mexico. The depth severance is in the Bone Spring formation at

7,745' in Section 29. Coterra is not seeking to pool any interests in the Bone Spring at 7,745' or above.

In **Case No. 25346**, Coterra seeks an order from the Division pooling all uncommitted interests within a standard 640-acre, more or less, Wolfcamp horizontal spacing unit comprised of the W/2 of Sections 29 and 32, Township 25 South, Range 27 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the following wells: **Southern Hills 32-29 Fed Com #2H** well with a proposed surface hole location in the SE/4 SW/4 (Unit N) of Section 32 and proposed bottom hole location in the NW/4 NW/4 (Unit D) of Section 29; and **Southern Hills 32-29 Fed Com #4H** and the **Southern Hills 32-29 Fed Com #6H** wells with proposed surface hole locations in the SE/4 SW/4 (Unit N) of Section 32 and proposed bottom hole locations in the NE/4 NW/4 (Unit C) of Section 29. The wells will be horizontally drilled and will have non-standard last take points. Applicant has applied for administrative approval of the non-standard locations. Also to be considered will be the cost of drilling, completing, and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision while drilling and after completion, designation of Coterra Energy Operating Co. as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 14 miles southwest of Loving, New Mexico.

PROPOSED EVIDENCE

APPLICANT:

WITNESS	ESTIMATED TIME	EXHIBITS
Landman: Keaton Curtis	Approx. 10 minutes	Approx. 7
Geologist: Cahill Kelleghan	Approx. 10 minutes	Approx. 6

PROCEDURAL ISSUES

Coterra intends to consolidate these cases for presentation by affidavit if there is not opposition to its applications.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS
& SISK, P.A.

By: 

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on counsel of Record for Case Nos. 25344 and 25345 by electronic mail on May 1, 2025:

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

QUESTIONS

Action 457826

QUESTIONS

Operator: Coterra Energy Operating Co. 6001 Deauville Blvd Midland, TX 79706	OGRID: 215099
	Action Number: 457826
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
Please assist us by provide the following information about your testimony.	
Number of witnesses	2
Testimony time (in minutes)	Not answered.