

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

2012 SEP 16 A 7:06

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

**APPLICATION OF COG OPERATING LLC FOR
TWO NON-STANDARD OIL SPACING AND PRORATION
UNITS, AND APPROVAL OF NON-STANDARD PROJECT
AREAS FOR TWO WELLS, LEA COUNTY, NEW MEXICO.**

Case No. 15,035

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Inland Holdings, LLC as required by the Oil Conservation Division.

APPEARANCES

APPLICANT
COG Operating LLC

APPLICANT'S ATTORNEY
Michael Feldewert

OPPONENTS
Inland Title, LLC
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Houston, TX 77210-4294

OPPONENT'S ATTORNEY
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STATEMENT OF THE CASE

APPLICANT

OPPONENTS

Applicant seeks approval of two 280 acre non-standard oil spacing and proration units located in Sections 5 and 8, Township 26 South, Range 34 East, NMPM. Opponent, Inland Title, LLC, is a mineral owner of a certain amount of undivided minerals under the N/2NW, NW/4NE/4 of Section 5, T26S-R34E, Lea County, NM which is excluded from the well units. Opponent's

correlative rights will be harmed by the granting of COG's proposed well units. Opponent further supports the Pre-Hearing Statement filed by Yates Brothers. Opponent also states that it is currently evaluating a settlement offer received on September 12, 2013, proposed by Applicant, and is hoping that an amicable solution can be reached to resolve the disputed issues in this proceeding.

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

OPPONENTS

WITNESSES

EST. TIME

EXHIBITS

Inland Title supports the witnesses identified by Yates Brothers and does not intend to call additional witnesses.

PROCEDURAL MATTERS

Respectfully submitted,

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