

KATY PIPELINE and PRODUCTION CORPORATION

104 Audobon Lane
Lufkin, Texas 75904
936/632-8181

September 17, 2013

IN THE MATTER OF THE APPLICATION
OF COG OPERATING, LLC FOR TWO
NON-STANDARD OIL SPACING AND
PRORATION UNITS, GUNNER 8 FEDERAL 5H
AND THE GUNNER 8 FEDERAL 6H WELLS
LEA COUNTY, NEW MEXICO – CASE No. 15035

And

IN THE MATTER OF THE APPLICATION
OF COG OPERATING, LLC FOR NON-
STANDARD SPACING AND PRORATION UNIT
AND COMPULSORY POOLING
GUNNER 5 FEE COM 1H WELL
LEA COUNTY, NEW MEXICO – CASE No. _____

Ladies and Gentlemen:

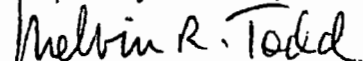
This letter is to advise you that Katy Pipeline and Production Corporation (Katy) is a mineral owner in the N/2NW/4 and the NW/4NE/4 of Section 5, Township 26 South, Range 34 East, Lea County, New Mexico; and as such Katy supports the testimony entered into by the following expert witnesses regarding the above referenced applications and other such matters as are discussed regarding this acreage:

James Ball - Land
George Scott, III - Geologist
John Maxey - Engineer

Katy also supports the testimony found in the Pre-Hearing Statement of Yates Holdings LLP.

Additionally, Katy was not shown on the Exhibit "A" listings of the owners on any of the COG Operating LLC Applications; and therefore, was not given proper notice.

Respectfully submitted,



Melvin R. Todd
President

Oil Conservation Division
Case No. 15035, 15044
Exhibit No. 7