

**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. 21526

COG OPERATING LLC'S PRE-HEARING STATEMENT

COG Operating, LLC, the applicant in the above referenced matter, submits this consolidated Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

<u>APPLICANT</u>	<u>COUNSEL</u>
COG Operating LLC One Concho Center 600 W. Illinois Avenue Midland, Texas 79701	Ocean Munds-Dry Michael Rodriguez 1048 Paseo de Peralta Santa Fe, New Mexico 87501 (505) 780-8000 omundsdry@concho.com mrodriguez@concho.com
<u>PARTICIPATING PARTY</u>	<u>COUNSEL</u>
None	

STATEMENT OF THE CASE

Applicant in the above-styled cause seeks an order pooling all additional uncommitted interests in the Wolfcamp formation [Purple Sage-Wolfcamp Gas Pool (Pool Code: 98220)] underlying a standard 767.72-acre, more or less, horizontal spacing unit comprised of the E/2 of Sections 22 and 27, and the N/2NE/4 and Lots 3-4 (E/2 Equivalent) of irregular Section 34, Township 26 South, Range 28 East, NMPM, Eddy County, New Mexico. Applicant

seeks to dedicate the above-referenced horizontal spacing unit to the to the following proposed wells: Potato Baby State Com #702H, to be drilled from a surface hole location in the SE/4SW/4 (Lot 4) of Section 34 to a bottom hole location in the NW/4NW/4 (Unit H) of Section 22; and Potato Baby State Com #703H, to be drilled from a surface hole location in the SE/4SW/4 (Lot 4) of Section 34 to a bottom hole location in the NW/4NW/4 (Unit B) of Section 22. Order No. R-21101 created a 767.72-acre, more or less, standard horizontal spacing unit consisting of the E/2 of Sections 22 and 27, and the N/2NE/4 and Lots 3-4 (E/2 Equivalent) of irregular Section 34, Township 26 South, Range 28 East, NMPM, Eddy County, New Mexico (“Unit”), and pooled all uncommitted interests within the Purple Sage-Wolfcamp Gas Pool (Pool Code: 98220) underlying the Unit. The Division entered Order No. R-21101-A in Case No. 21311 on June 12, 2020, which conformed Order No. R-21101 to the amended order template described in the Letter of the Division Director dated April 9, 2020 (RE: Amendments to Compulsory Pooling Order Template). Since the entry of Order No. R-21101-A, COG has identified additional unleased mineral interest owners in the Unit that have not been pooled pursuant to the terms of Order No. R-21101.

Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, the imposition of 200% charge for risk involved in drilling and completing each well and Amending Division Order No. R-21101-A to reflect the changes identified herein. Said area is located approximately 13 miles south of Malaga, New Mexico.

PROPOSED EVIDENCE

WITNESS	ESTIMATED TIME	ESTIMATED EXHIBITS
Lizzy Laufer - Petroleum Landman	Affidavit	5
Malachi Lopez – Petroleum Geologist	Affidavit	4

PROCEDURAL MATTERS

COG Operating LLC intends to present these cases by affidavit.

Respectfully submitted,

COG OPERATING LLC

By: /s/ Michael Rodriguez

Ocean Munds-Dry

Michael Rodriguez

COG Operating LLC

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ATTORNEYS FOR COG OPERATING LLC

CERTIFICATE OF SERVICE

I hereby certify that on October 29, 2020, I filed with the Division clerk the foregoing document and served a copy of the foregoing document to the following counsel of record via Electronic Mail:

/s/ Michael Rodriguez
Ocean Munds-Dry
Michael Rodriguez