

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

**APPLICATION OF COG OPERATING
LLC FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO**

Case No. 21538

**COG OPERATING LLC'S
PRE-HEARING STATEMENT**

COG Operating LLC ("COG") submits its Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

COG is the applicant in this case. Its business address is 600 West Illinois Avenue, Midland, Texas 79701. COG is represented by the undersigned counsel.

STATEMENT OF THE CASE

COG seeks an order pooling all uncommitted mineral interests in the WC-025 G-09 S243532M; Wolfbone Pool (98098) underlying a 320.81-acre, more or less, standard horizontal spacing unit comprised of Lot 1, SE/4 NE/4 and the E/2 SE/4 of irregular Section 4 (E/2 E/2 equivalent) and the E/2 E/2 of Section 9, Township 25 South, Range 35 East in Lea County, New Mexico. The horizontal spacing unit will be dedicated to the Fez Federal Com #707H well, which will be horizontally drilled from a surface location in Unit O in Section 9 to a bottom hole location in Lot 1 in Section 4. The completed interval of the well will be orthodox. Also to be considered will be the costs of drilling and completing the well and the allocation of the costs, the designation of COG as the operator of the well, and a 200% charge for the risk involved in drilling and

completing the well. The granting of COG's application will serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

PROPOSED EVIDENCE

<u>WITNESS</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Megan Tipton (Landman)	10 minutes	Approx. 8
Allison Holcomb (Geologist)	10 minutes	Approx. 5

COG reserves the right to call a rebuttal witness(es) if appropriate.

PROCEDURAL MATTERS

COG is not aware of any procedural matters to be resolved prior to the hearing. If there is no opposition to its application, COG will present its case by affidavit.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy

P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554

Facsimile: (505) 982-8623

dhardy@hinklelawfirm.com

Counsel for COG Operating LLC