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

APPLICATIONS OF COG OPERATING LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NOS. 21627 & 21628

CONSOLIDATED PRE-HEARING STATEMENT OF COG OPERATING LLC

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

APPEARANCES OF THE PARTIES

APPLICANT: ATTORNEYS:

COG Operating LLC Ocean Munds-Dry
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INTERESTED PARTY: ATTORNEYS:

None. None.

STATEMENT OF THE CASE

In Case No. 21627, Applicant in the above-styled cause seeks an order from the division pooling all uncommitted interest owners in the Wolfcamp formation, Purple Sage-Wolfcamp Gas Pool (Pool code 98220), underlying a standard 960.48-acre, more or less, horizontal spacing unit comprised of Lots 1, 2, S/2NE/4, SE/4 of Section 6, E/2 of Section 7, and E/2 of Section 18,

Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico. COG Operating LLC seeks to dedicate the above-referenced horizontal spacing unit to the following proposed wells: Scout State Com 601H well to be horizontally drilled from a surface hole location in Lot 1 (Unit A) of Section 6 to a bottom hole location in the SE/4SE/4 (Unit P) of Section 18, Scout State Com 602H well to be horizontally drilled from a surface hole location in Lot 1 (Unit A) of Section 6 to a bottom hole location in the SW/4SE/4 (Unit O) of Section 18, and Scout State Com 603H well to be horizontally drilled from a surface hole location in Lot 2 (Unit B) of Section 6 to a bottom hole location in the SW/4SE/4 (Unit O) of Section 18.

Also, to be considered will be the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of COG Operating LLC as operator of the wells, and the imposition of 200% charge for risk involved in drilling and completing said wells. Said area is located approximately 5.4 miles southwest of Malaga, New Mexico.

In Case No. 21628, Applicant in the above-styled cause seeks an order from the division pooling all uncommitted interest owners in the Wolfcamp formation, Purple Sage-Wolfcamp Gas Pool (Pool code 98220), underlying a standard 966.73-acre, more or less, horizontal spacing unit comprised of Lots 3-7, SE/4NW/4, E/2SW/4 of Section 6, Lots 1-4 and E/2W/2 of Section 7, and Lots 1-4 and E/2W/2 of Section 18, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico. COG Operating LLC seeks to dedicate the above-referenced horizontal spacing unit to the following proposed wells: Scout State Com 604H well to be horizontally drilled from a surface hole location in Lot 3 (Unit C) of Section 6 to a bottom hole location in the SE/4SW/4 (Unit N) of Section 18, Scout State Com 605H well to be horizontally drilled from a surface hole location in Lot 4 (Unit D) of Section 6 to a bottom hole location in Lot 4 (Unit M) of Section 18,

and Scout State Com 606H well to be horizontally drilled from a surface hole location in Lot 4 (Unit D) of Section 6 to a bottom hole location in Lot 4 (Unit M) of Section 18.

Also, to be considered will be the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of COG Operating LLC as operator of the wells, and the imposition of 200% charge for risk involved in drilling and completing said wells. Said area is located approximately 5.4 miles southwest of Malaga, New Mexico.

PROPOSED EVIDENCE

WITNESS	ESTIMATED TIME	EXHIBITS
Lizzy Laufer, Landman	Via affidavit	Approx. 3
Travis Sparks, Geologist	Via affidavit	Approx. 4

PROCEDURAL MATTERS

COG Operating LLC intends to present these cases by affidavit and requests the subject cases be consolidated at hearing.

Respectfully submitted,

COG OPERATING LLC

/s/ Michael Rodriguez

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