

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

APPLICATION OF CIMAREX ENERGY
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO

Case No. 14703
Case No. 14704
Case No. 14705
Case No. 14698

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APPLICATION OF COG OPERATING, LLC FOR A NON-STANDARD
SPACING AND PRORATION UNIT, NON-STANDARD
LOCATION AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

Case No. 14725
Case No. 14726

COG's CONSOLIDATED PRE-HEARING STATEMENT

COG Operating, LLC, submits this Pre-Hearing Statement for the above referenced cases
pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

COG Operating LLC
550 W. Texas Avenue, Suite 100
Midland, Texas 79701

ATTORNEY

Michael H. Feldewert, Esq.
Holland & Hart, LLP
P. O. Box 2208
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OPPONENT

Cimarex Energy Co.
Suite 600
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Midland, Texas 79701

ATTORNEY

James Bruce
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Santa Fe, New Mexico 87504
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APPLICANT'S STATEMENT OF CASE

In Case Nos. 14725 and 14726, COG seeks an order: (1) creating two non-standard 160-acre spacing/proration units and project areas comprised of the W/2 E/2 and the E/2 E/2 of Section 6, Township 19 South, Range 26 East, NMPM, Eddy County, New Mexico; (2) approving a non-standard location for COG's proposed horizontal well in each of these 160-acre project areas (the Arabian "6" Fee Well Nos. 7 and 8), and (3) pooling all mineral interests in the Glorieta-Yeso formation underlying these two 160-acre project areas.

In Case Nos. 14703, 14704, 14705 and 14698, Cimarex Energy Company ("Cimarex") seeks an order pooling all mineral interests to form four 40-acre oil spacing and proration units for the development of the Glorieta-Yeso formation underlying the SE/4 of said Section 6. In contrast to COG's two horizontal wells, Cimarex proposes to drill at least four vertical wells in each quarter-quarter of the SE/4 of Section 6 at what are described as "unorthodox" well locations.

The Division is asked to determine which of these competing development plans affecting the SE/4 of Section 6 are in the best interests of the affected working interest owners, in the best interests of conservation and in the best interests of the prevention of waste.

APPLICANT'S PROPOSED EVIDENCE

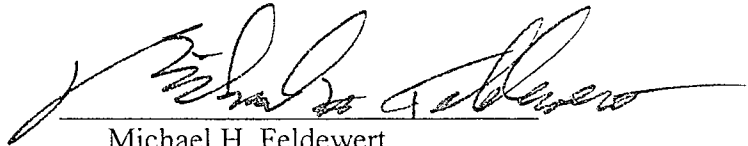
WITNESS Name and Expertise	ESTIMATED TIME	EXBHIBITS
Stuart Dirks – Landman	Approx. 30	Approx. 4
Raymond Reyes – Geologist	Approx. 20	Approx. 6
T.J. Midkiff – Engineer	Approx. 30	Approx. 10

PROCEDURAL MATTERS

The parties have requested that the above referenced cases be consolidated for hearing.

Respectfully submitted,

HOLLAND & HART, LLP



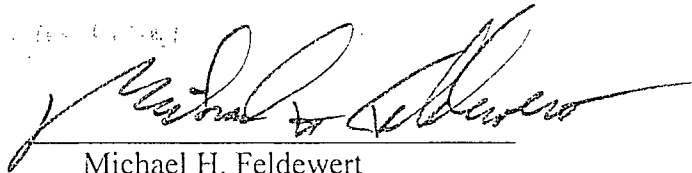
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ATTORNEYS FOR COG OPERATING, LLC.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 25th day of August, 2011 via facsimile transmission to:

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