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

AMENDED APPLICATIONS OF NADEL AND GUSSMAN PERMIAN, L.L.C. AND COG OPERATING LLC FOR A NON-STANDARD OIL SPACING AND PRORATION UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NOS. 14627 & 14628

COG's CONSOLIDATED PRE-HEARING STATEMENT

This consolidated pre-hearing statement is submitted by COG OPERATING, LLC as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

COG Operating, LLC Attn: Stuart Dirks 550 W. Texas Avenue Suite 100 Midland, Texas 79701 (432) 685-4354

ATTORNEY

Michael H. Feldewert Holland & Hart LLP Post Office Box 2208 Santa Fe, New Mexico 87504 (505) 988-4421

OTHER PARTIES

ATTORNEY

Nadel and Gussman, L.L.C.

James Bruce Post Office Box 1056 Santa Fe, New Mexico 87504-1056 (505) 982-2043

STATEMENT OF THE CASE

Since the filing of the initial applications in these matters, COG Operating LLC has entered into an agreement with Nadel and Gussman Perman L.L.C. under which COG intends to drill the Patton 5 Fee Well No. 6 (formerly proposed as the Big Iron Well No. 1) as a horizontal well in the Glorieta-Yeso formation at a surface location in the NW¼SW¼ and a terminus in the NE¼SE¼ of Section 5, and the Patton 5 Fee Well No. 8 (formerly proposed as the Big Iron Well

No. 2) as a horizontal well in the Glorieta-Yeso formation at a surface location in the SW¼SW¼ and a terminus in the SE¼SE¼ of Section 5. COG therefore seeks an order (1) approving 160-acre non-standard oil spacing and proration units (project areas) in the Glorieta-Yeso formation comprised of the N/2 S/2 of Section 5 for the Patton 5 Fee Well No. 6 and the S/2 S/2 of Section 5 for the Patton Fee Well No. 8, and (2) pooling the remaining mineral interests in the Glorieta-Yeso formation underlying these non-standard spacing and proration units.

PROPOSED EVIDENCE

APPLICANT:

WITNESSES

EST. TIME

EXHIBITS

Stuart Dirks, Landman

Approx. 20 Minutes

Approx. 5

PROCEDURAL MATTERS

COG Operating, LLC requests that Case Nos. 14627 and 14628 be consolidated for hearing.

Respectfully submitted,

Michael H. Feldewert

Adam G. Rankin

Holland & Hart, LLP

Post Office Box 2208

Santa Fe, New Mexico 87504

(505) 988-4421

(505) 983-6043 Facsimile

ATTORNEYS FOR COG OPERATING, LLC