

**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. 14767
Case No. 14768
Case No. 14769
Case No. 14670
Case No. 14771
Case No. 14772
Case No. 14781

**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. 14791
Case No. 14792
Case No. 14793
Case No. 14794
Case No. 14795

2012 JAN 26 P 2:43

RECEIVED OCD

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
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
505/988-4421

OTHER PARTIES

Cimarex Energy Co.
600 North Marienfeld, Suite 600
Midland, Texas 79701

ATTORNEY

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

OTHER PARTIES

OXY Y-1 Company
6 Desta Drive
Midland, Texas 79705

ATTORNEY

J. Scott Hall
Montgomery & Andrews, P.A.
Post Office Box 2307
Santa Fe, New Mexico 87504
(505) 982-3873

APPLICANT'S STATEMENT OF CASE

The Section 1 competing well proposals. In Case Nos. 14791-14793, COG seeks an order: (1) creating non-standard 160-acre spacing/proration units and project areas comprised of the E/2 W/2, the W/2 W/2, and the E/2 E/2 of Section 1, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico; and (2) pooling all mineral interests in the Glorieta-Yeso formation underlying these 160-acre project areas for the purpose of drilling three horizontal wells. In contrast to COG's horizontal development plans, in Case Nos. 14770-14772 and 14781, Cimarex seeks an order pooling all mineral interests in the equivalent of eight 40-acre oil spacing and proration units for the purpose of developing the Glorieta-Yeso formation underlying this area with at least eight vertical wells.

The Section 31 competing well proposals. In Case Nos. 14794-14795, COG seeks an order (1) creating two non-standard 160-acre spacing/proration units and project areas comprised of the W/2 W/2 and the E/2 E/2 of Section 31, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico; and (2) pooling all mineral interests in the Glorieta-Yeso formation underlying these 160-acre project areas for the purpose of drilling two horizontal wells. In contrast to COG's horizontal development plans, in Case Nos. 14767-14769, Cimarex seeks an order pooling all mineral interests in the equivalent of three 40-acre oil spacing and proration units for the purpose of developing the Glorieta-Yeso formation underlying this area with at least three vertical wells.

The Division is asked to determine which of these competing development plans are in the best interests of the affected working interest, and in the best interests of conservation and the prevention of waste.

APPLICANT'S PROPOSED EVIDENCE

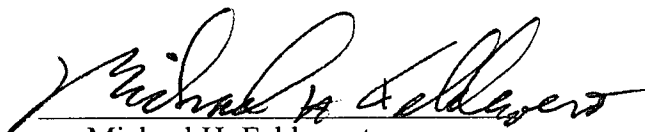
WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Stuart Dirks – Landman	Approx. 30	Approx. 8
Noel Navares - Landman	Approx. 30	Approx 5
Raymond Reyes – Geologist	Approx. 15	Approx. 6
T.J. Midkiff – Engineer	Approx. 60	Approx. 15

PROCEDURAL MATTERS

COG requests that the above referenced cases be consolidated for hearing.

Respectfully submitted,

HOLLAND & HART, LLP



Michael H. Feldewert
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421
(505) 983-6043 Facsimile
mfeldewert@hollandhart.com

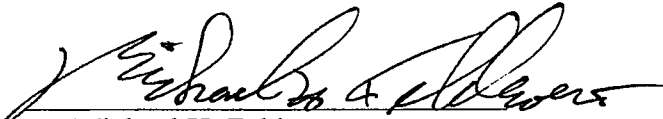
ATTORNEYS FOR COG OPERATING, LLC.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following
counsel of record this 26th day of January, 2012 via facsimile transmission to:

James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043
(505) 982-2151 Facsimile
jamesbruc@aol.com

J. Scott Hall
Montgomery & Andrews
Post Office Box 2307
Santa Fe, New Mexico 87504
(505) 982-3873
(505) 982-4289 Facsimile
shall@montand.com


Michael H. Feldewert