

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

RECEIVED OCD
2012 MAY 17 P 3:40

**IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:**

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

CASE NO. 14851

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by COG Operating LLC ("COG") as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

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

ATTORNEY

Michael H. Feldewert
Adam G. Rankin
Holland & Hart, LLP
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421
(505) 983-6043 Facsimile

STATEMENT OF THE CASE

COG Operating LLC seeks an order (1) creating a non-standard, 160-acre spacing and proration unit comprised of the N/2 N/2 of Section 2, Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico; and (2) pooling all mineral interests in the Yeso formation underlying this acreage to form a 160-acre project area in this formation. COG proposes to

dedicate the above-referenced spacing a proration unit as the project area for its proposed Ouimet State Com #2H Well, which it will drill to a depth sufficient to test the Yeso formation from a surface location 990 feet from the North line and 330 feet from the East line (Unit A) to a bottom hole location 990 feet from the North line and 330 feet from the West line (Unit D) of Section 2. The completed interval for this well will be within the 330-foot standard offset required by the rules.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Brandon Gaynor, Landman	Approx. 20 minutes	Approx. 5
Harvin Broughton, Petroleum Geologist	Approx. 20 minutes	Approx. 5

PROCEDURAL MATTERS

COG intends to present testimony and exhibits together for Case Nos. 14849, 14850, 14851 and 14852.

Respectfully submitted,

HOLLAND & HART, LLP



Michael H. Feldewert
Adam G. Rankin
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421
(505) 983-6043 Facsimile

ATTORNEYS FOR COG OPERATING LLC