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

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

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

PRE-HEARING STATEMENT

This pre-hearing statement in submitted by applicant as required by the Oil Conservation

Division.

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APPEARANCES

APPLICANT

COG Operating LLC 550 West Texas Avenue Suite 100 Midland, Texas

APPLICANT'S ATTORNEY

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CASE NO. 14867

William F. Carr 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

OPPONENT

OPPONENT'S ATTORNEY

None at this time.

APPLICANT'S STATEMENT OF CASE

COG Operating LLC seeks an order (1) creating a non-standard 160-acre spacing and proration unit comprised of the E/2 W/2 of Section 8, Township 19 South, Range 26 East, NMPM, Eddy County, New Mexico; and (2) pooling all mineral interests in the Yeso formation

underlying this acreage to form a160-acre project area in this formation. COG proposes to dedicate the above-referenced spacing and proration unit as the project area for its proposed Bradley 8 Fee 2H Well (API #30-015-39811), to be horizontally drilled from an orthodox surface location 150 feet from the South line and 1700 feet from the West line (Unit N) to an orthodox bottom hole location 330 feet from the North line and 1700 feet from the West line (Unit C) of Section 8.

APPLICANT'S PROPOSED EVIDENCE

WITNESS
Name and ExpertiseESTIMATED TIMEEXHIBITSKatayoun Mohebkhosravi,
Petroleum LandmanApprox. 15 mim.Approx. 5

Greg Clark, Petroleum Geologist

Approx. 20 min.

Approx. 5

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART, LLP

William F. Carr Michael H. Feldewert Adam G. Rankin Post Office Box 2208 Santa Fe, New Mexico 87504 (505) 988-4421 (505) 983-6043 Facsimile wcarr@hollandhart.com mfeldewert@hollandhart.com

ATTORNEYS FOR COG OPERATING, LLC