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. ALCEIVED OCD

CASE NO. 14911

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

<u>ATTORNEY</u>

COG Operating LLC One Concho Center 600 W. Illinois Avenue Midland, Texas 79701 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 seeks an order (1) creating a non-standard 160-acre spacing and proration unit comprised of the N/2 N/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 this acreage to form a 160-acre project area in this formation. COG proposes to dedicate the above-referenced spacing and proration unit as the project area for its proposed

Clydesdale 1 Fee No. 1H well (API #30-015-40214), to be horizontally drilled from a surface location 380 feet from the North line and 150 feet from the East line (Unit A) to a bottom hole location 380 feet from the North line and 330 feet from the West line (Unit D) of Section 1. 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
Stuart Dirks, Petroleum Landman	Approx. 20 mim.	Approx. 5
Greg Clark, Petroleum Geologist	Approx. 20 mim.	Approx. 5

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART, LLP

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