

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

RECEIVED
2014 AUG 28 P 4:20

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

CASE NO. 15185

COG'S PRE-HEARING STATEMENT

COG Operating LLC, submits this Pre-Hearing Statement for the above-referenced case pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

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

ATTORNEY

Jordan L. Kessler, Esq.
MODRALL, SPERLING, ROEHL,
HARRIS & SISK, P.A.
P. O. Box 2168
Albuquerque, New Mexico 87103-2168
(505) 848-1800

INTERESTED PARTY

ConocoPhillips Company
P.O. Box 2197
Houston, Texas 77252-2197

ATTORNEY

James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

STATEMENT OF CASE

APPLICANT:

Applicant in the above-styled cause seeks an order approving this non-standard spacing and proration unit and pooling all uncommitted working and mineral interests in the Yeso

formation underlying the W/2 W/2 of Section 15, Township 17 South, Range 32 East, NMPM, Lea County, New Mexico.

Concho seeks an order from the Division: (1) creating a 160-acre, more or less, oil spacing and proration unit in the Yeso formation, comprised of the W/2 W/2 of Section 15, Township 17 South, Range 32 East, NMPM, Lea County, New Mexico; and (2) pooling all mineral interests in the Yeso formation underlying this proposed non-standard spacing and proration unit. This proposed non-standard spacing and proration unit will be the project area for the Ivar the Boneless Fed. No. 1H well, to be horizontally drilled. This well is located in the West Maljamar-Yeso Pool (pool code 44500) and spacing is governed by the statewide rules. The completed interval for this well will be within the 330-foot setback required by the statewide rules.

Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Concho as operator of the well, and a 200% charge for risk involved in drilling said well. The proposed well is located approximately 1 mile south of Maljamar, New Mexico.

INTERESTED PARTY:

PROPOSED EVIDENCE

APPLICANT:

<u>WITNESS</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Joseph Scott -- Landman	Approx. 20	Approx. 8
Harvin Broughton -- Geologist	Approx. 20	Approx. 5

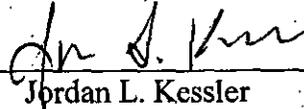
INTERESTED PARTY:

<u>WITNESS</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
----------------	-----------------------	-----------------

PROCEDURAL MATTERS

COG does not have any procedural matters at this time.

Respectfully submitted,



Jordan L. Kessler
Post Office Box 2168
Albuquerque, New Mexico 87103
(505) 848-1800
(505) 848-1897 Facsimile
jlk@modrall.com

Ocean Munds-Dry
COG Operating LLC
1048 Paseo de Peralta
Santa Fe, New Mexico 87501
(505) 780-8000
omundsdry@concho.com

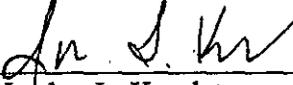
ATTORNEYS FOR COG OPERATING LLC

Certificate of Service

I hereby certify that a true and correct copy of this Pre-Hearing Statement was emailed on 8/28/14 to:

James Bruce
P.O. Box 1056
Santa Fe, NM 87504
jamesbruc@aol.com

Attorney for ConocoPhillips Company



Jordan L. Kessler