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

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

CASE NO. 15258

COG's PRE-HEARING STATEMENT

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

APPEARANCES

<u>APPLICANT</u>

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

ATTORNEY

Michael H. Feldewert, Esq.

Jordan L. Kessler, Esq.
Holland & Hart, LLP
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421
(505) 983-6043 Facsimile

APPLICANT'S STATEMENT OF CASE

COG Operating LLC for an order (1) creating a 160-acre, more or less, spacing and proration unit comprised of the W/2E/2 of Section 3, Township 19 South, Range 26 East, NMPM, Eddy County, New Mexico; and (2) pooling all mineral interests in the Yeso formation (Atoka; Glorieta Yeso Pool (3250)). This proposed non-standard spacing and proration unit will be the project area for the proposed Lee 3 Fee No. 7H Well, which will be horizontally drilled from a surface location in the SW/4SE/4 (Unit O) to a standard bottom hole location in the NW/4NE/4 (Unit B) of Section 3.

The completed interval for this well will comply with the Division's setback requirements.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Pedie Monta – Landman	Approx. 10	Approx. 5
Greg Clark – Geologist	Approx. 10	Approx 5

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART, LLP

Michael H. Feldewert

Jordan L. Kessler

Post Office Box 2208

Santa Fe, New Mexico 87504-2208

(505) 988-4421

(505) 983-6043 Facsimile

mfeldewert@hollandhart.com

jlkessler@hollandhart.com

ATTORNEYS FOR COG OPERATING LLC.