STATE OF NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCESED ()() OIL CONSERVATION DIVISION

2015 OCT -8 P 4: 12

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

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Case No. 15392

COG OPERATING LLC'S PRE-HEARING STATEMENT

COG Operating LLC ("COG") submits its Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

COG is the applicant in this case. Its business address is 550 W. Texas Avenue, Suite 100, Midland, Texas 79701. COG is represented by the undersigned counsel.

STATEMENT OF THE CASE

COG's application requests an order (i) approving a 160-acre non-standard spacing and proration unit comprised of the W/2 E/2 of Section 15, Township 17 South, Range 32 East, N.M.P.M., in Lea County, and (ii) pooling all uncommitted mineral interests in the Yeso formation underlying this acreage. The proposed non-standard spacing and proration unit will be the project area for COG's Ragnar Fed Com #25H well, which will be horizontally drilled from a surface location in Unit B of Section 22, Township 17 South, Range 32 East to a bottom hole location in Unit B of Section 15, Township 17 South, Range 32 East. The completed interval for this well will comply with the Division's setback requirements.

PROPOSED EVIDENCE

<u>WITNESS</u>

Bonnie Blue

(Landman)

2

ESTIMATED TIME 10 minutes <u>EXHIBITS</u>

Approx, 7

Cody Bacon (Geologist) 10 minutes

Approx. 2

COG reserves the right to call a rebuttal witness(es) if appropriate.

PROCEDURAL MATTERS

COG is not aware of any procedural matters to be resolved prior to the hearing.

HINKLE SHANOR, LLP

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