STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT 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, LEA COUNTY, NEW MEXICO.

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

Case No. 15,467

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by BC Operating, Inc., Oak Valley Mineral and Land LP, Mavros Minerals LLC, CEP Minerals LLC, Crump Energy Partners, LLC, and Crown Oil Partners IV, LP, as required by the Oil Conservation Division.

APPEARANCES

APPLICANT COG Operating LLC

OPPONENT BC Operating, Inc., et al. Suite 310 4000 North Big Spring Midland, Texas 79705

Attention: Harmon Murphy (432) 684-9696 APPLICANT'S ATTORNEY Jordan L. Kessler

OPPONENT''S ATTORNEY

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

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STATEMENT OF THE CASE

APPLICANT

COG Operating LLC seeks to pool the Wolfbonc Pool in (i) the E/2SE/4 of Section 19 and E/2E/2 of Section 30, and (ii)the W/2SE/4 of Section 19 and W/2E/2 of Section 30, all in Township 24 South, Range 35 East, N.M.P.M., for the purpose of drilling two wells.

OPPONENT

Opponents assert that there have been insufficient negotiations by Applicant with the parties being pooled.

PROPOSED EVIDENCE

APPLICANT

WITNESSES	<u>EST. TIME</u>	EXHIBITS
<u>OPPONENT</u>		
WITNESSES	<u>EST. TIME</u>	EXHIBITS
Harmon Murphy (landman)	15 min.	Approx. 5
Mike Moylett (geologist)	10 min.	Approx. 3

PROCEDURAL MATTERS

Opponents request that this matter be continued to allow further negotiations between the parties.

Respectfully submitted.

James Bruce

Post Office Box 1056 Santa Fe, New Mexico 87504 (505) 982-2043

Attorney for BC Operating, Inc., Oak Valley Mineral and Land LP, Mavros Minerals LLC, CEP Minerals LLC, Crump Energy Partners, LLC, and Crown Oil Partners IV, LP.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this $\frac{2.4}{1.4}$ day of March, 2016 by e-mail:

Jordan L. Kessler jlkessler@hollandhart.com

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James Bruce Blue