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

APPLICATION OF COG OPERATING LLC, TO RE-OPEN CASE NO. 14795 TO POOL THE INTERESTS OF ADDITIONAL MINERAL OWNERS UNDER THE TERMS OF COMPULSORY POOLING ORDERS R-13535 AND R-13535-A, EDDY COUNTY, NEW MEXICO.

CASE NO. 14795 (re-opened)

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.

RECEIVED

2016 JUN 30 P

APPEARANCES

<u>APPLICANT</u>

English St.

COG Operating LLC One Concho Center 600 W. Illinois Avenue 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 seeks to amend Orders R-13535 and R-13535-A to pool additional uncommitted interest owners in the non-standard spacing and proration unit. Division Order R-13535, entered on April 11, 2012, created a 160-acre non-standard spacing and proration unit comprised of the E/2 E/2 of Section 31, Township 18 South, Range 26 East, NMPM in Eddy County, New Mexico, and pooled the mineral interests underlying said unit in the Penasco Draw-San Andres-Yeso (Associated) Pool (50270). Division Order R-13535-A was subsequently issued to pool additional mineral interests and to change the initial well dedicated to the Unit to

the Falabella 31 Fee No. 8H Well (API No. 30-015-39515). The Falabella 31 Fee No. 8H Well was drilled from a surface location 150 feet from the South line and 380 feet from the East line (Unit P) to a standard bottomhole location 330 feet from the North line and 380 feet from the East line (Unit A) of Section 31. Since the entry of Orders R-13535 and 13535-A, certain leases have expired and a Joint Operating Agreement terminated, resulting in mineral interest owners that are no longer contractually committed to the well. COG now seeks to amend Orders R-13535 and 13535-A to include these additional interests under the terms of those pooling orders.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS

PROCEDURAL MATTERS

This case will be presented via affidavit.

م وين

Respectfully submitted,

HOLLAND & HART LLP

Midhael 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