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

2016 JUL -7 P 1: 54

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

Case No. 15295 (re-opened)

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 has applied to re-open Case No. 15295 for purposes of amending Order No. R-14003 by: (1) expanding the previously-approved non-standard oil spacing and proration unit to include the SW/4 SE/4 of Section 5, Township 25 South, Range 35 East, N.M.P.M., in Lea County; and (2) reflecting the Division's revised pool designation. COG's application seeks an order (i) approving a 240-acre non-standard spacing and proration unit comprised of the W/2 E/2 of Section 5, Township 25 South, Range 35 East and the W/2 SE/4 of Section 32, Township 24 South, Range 35 East, and (ii) pooling all uncommitted mineral interests in the WC-025 6-09 S243532M; Wolfbone Pool (pool code 98098) underlying this average. The proposed non-standard spacing and proration unit will be the project area for the Skull Cap Fed Com #22H well, which will be horizontally drilled from a surface location in Unit J of Section 32, Township

24 South, Range 35 East to a bottom hole location in Unit O of Section 5, Township 25 South, Range 35 East.

PROPOSED EVIDENCE

WITNESS	ESTIMATED TIME	<u>EXHIBITS</u>
Mike Wallace (Landman)	15 minutes	Approx. 7
Henry Zollinger (Geologist)	10 minutes	Approx. 3

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.

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