

**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,
LEA COUNTY, NEW MEXICO**

Case No. 15537

**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 seeks an order (i) approving a 240-acre non-standard spacing and proration unit comprised of the E/2 W/2 of Section 8 and the E/2 SW/4 of Section 5, Township 19 South, Range 32 East, N.M.P.M., in Lea County, and (ii) pooling all uncommitted mineral interests in the Bone Spring formation underlying this average. The proposed non-standard spacing and proration unit will be the project area for COG's King Air 8 Fed Com #3H well, which will be horizontally drilled from a surface location in Unit C of Section 17, Township 19 South, Range 32 East to a bottom hole location in Unit K of Section 5, Township 19 South, Range 32 East. The completed interval for the well will comply with the Division's setback requirements.

PROPOSED EVIDENCE

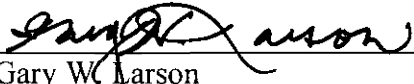
<u>WITNESS</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Ashley Roush (Landman)	10 minutes	Approx. 6
Mike Burke (Geologist)	10 minutes	Approx. 3

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.

HINKLE SHANOR, LLP



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