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. 15568

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.

APPEARANCES

APPLICANT

COG Operating LLC One Concho Center 600 W. Illinois Avenue Midland, Texas 79701

<u>ATTORNEY</u>

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APPLICANT'S STATEMENT OF CASE

COG Operating LLC seeks an order (1) creating a 240-acre, more or less, non-standard spacing and proration unit comprised of the E/2 W/2 of Section 10 and the E/2 NW/4 of Section 15, Township 17 South, Range 32 East, Lea County, New Mexico; and (2) pooling all mineral interests in the Yeso formation (Maljamar; Yeso West Pool (44500)). Said non-standard unit is to be dedicated to applicant's **Nelson Federal Com 13H Well**, which will be horizontally drilled from a surface location in the NE/4 SW/4 (Unit K) of Section 15 to a standard bottom hole location in the NE/4 NW/4 (Unit C) of Section 10, Township 17 South, Range 32 East, NMPM,

in Eddy County, New Mexico. The completed interval for this well will comply with the Division's setback requirements.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
James Martin – Landman	Approx. 10	Approx. 6
Drew Nelson – Geologist	Approx. 10	Approx. 4

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART LLP

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