

J. SCOTT HALL Cell: (505) 670-7362 [] () () Email: shall@montand.com Reply To: Santa Fe Office www.montand.com

March 25, 2010

Ms. Florene Davidson New Mexico Oil Conservation Division 1220 S. St. Francis Drive Santa Fe, NM 87505 HAND DELIVERED

Re: In the Matter of the Hearing Called by the Oil Conservation Division for the Purpose of Considering the Application of COG Operating LLC to Conduct Injection Operations for Evaluation for Secondary Recovery Operations, Eddy County, New Mexico, NMOCD Case No. 14457

Dear Ms. Davidson:

Enclosed for filing in the above-mentioned case is an original Pre-Hearing Statement and one copy.

Thank you.

Very truly yours,

Karen William

Karen Williams Assistant to J. Scott Hall

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Enclosures 00174405

REPLY TO:

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STATE OF NEW MEXICO

OIL CONSERVATION DIVISION

2010 MAR 25 P 3: 42

IN THE MATTER OF THE APPLICATION OF COG OPERATING, LLC FOR AUTHORIZATION TO CONDUCT INJECTION OPERATIONS FOR EVALUATION FOR SECONDARY RECOVERY OPERATIONS, EDDY COUNTY, NEW MEXICO

CASE NO. 14457

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by COG Operating LLC as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

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COG Operating LLC 550 W. Texas Ave. Suite 1300 Midland, TX 79701

<u>OPPONENT</u>

Lime Rock Resources

APPLICANT'S ATTORNEY

J. Scott Hall Montgomery & Andrews P.O. Box 2307 Santa Fe, New Mexico 87504-2307 (505) 986-2646

OPPONENT'S ATTORNEY

James Bruce P. O. Box 1056 Santa Fe, NM 87504

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order authorizing the injection of water into the Paddock and Blinebry members of the Glorieta-Yeso formation, Loco Hills Glorieta-Yeso Pool (96718) in Eddy County, New Mexico. Applicant is the operator of the following well:

<u>Texaco BE State No. 8</u> API No. 30-015-35253 330' FNL & 2310' FEL (Unit B) Section 16 T-17-S, R-30-E, NMPM Eddy County, New Mexico

The Texaco BE State No. 8 well is drilled to a plugged-back total depth of 6013' and was originally operated as a producing oil well. COG proposes to convert and utilize the well for injection of water through a closed system into the Paddock and Blinebry formations, Loco Hills Glorieta-Yeso Pool, through perforations within the depths of 4,367' to 4,681' (Paddock) and 4,922' to 5,721' (Blinebry). Data from injection will be utilized to evaluate the feasibility of secondary recovery operations in the referenced formations.

Injection operations through the well will be conducted at an anticipated average daily injection pressure of 2,000 psi with a maximum surface injection pressure of 2,000 psi or as permitted by the Division, in excess of a 0.2 psi/ft. gradient. Applicant proposes injection of water at average daily rates of approximately 1,000 bbls and at maximum daily rates of approximately 2,000 bbls. The source of the injected fluids will be formation water from production wells that have been drilled and are scheduled to be drilled in the area.

OPPONENT

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PROPOSED EVIDENCE

<u>APPLICANT</u>

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WITNESSES	EST. TIME	EXHIBITS
Richard Prentice, Petroleum Engineer	1 hour	(C-108's and supporting materials)
Ramon Reyes, Geologist	15 minutes	3
<u>OPPONENT</u>	<u>EST. TIME</u>	EXHIBITS

PROCEDURAL MATTERS

Applicant may request that cases 14,455, 14,456 and 14,457 be consolidated for hearing.

MONTGOMERY & ANDREWS, P.A.

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By: J. Scott Hall, Esq. Post Office Box 2307 Santa Fe, New Mexico 87504 (505) 982-3873 Attorneys for COG Operating, LLC

<u>Certificate of Service</u>

I hereby certify that a true and correct copy of the foregoing was delivered to

counsel of record on the <u>2</u> day of March, 2010, via electronic mail.

James Bruce P. O. Box 1056 Santa Fe, NM 87504

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J. Scott Hall

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