



MONTGOMERY
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2009 SEP 10 P 4: 02

September 10, 2009

HAND DELIVERED

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

**Re: NMOCD Case No. 14382: Application Of Chesapeake Energy
Corporation for Cancellation of a Permit to Drill Issued to COG
Operating LLC, Eddy County, New Mexico**

Dear Ms. Davidson:

On behalf of COG Operating LLC, enclosed for filing are the originals
and two copies each of COG's Entry of Appearance and Pre-Hearing
Statement.

Thank you.

Very truly yours,

Karen Williams
Assistant to J. Scott Hall

JSH/kw
Enclosures
cc: W. Thomas Kellahin, Esq.

00128108

REPLY TO:

325 Paseo de Peralta
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STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

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IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF HEARING:

2009 SEP 10 P 4: 02

CASE NO. 14382

APPLICATION OF CHESAPEAKE ENERGY
CORPORATION FOR CANCELLATION OF A PERMIT
TO DRILL ISSUED TO COG OPERATING LLC, EDDY
COUNTY, NEW MEXICO.

ENTRY OF APPEARANCE

Comes now COG Operating, LLC, by and through its undersigned attorneys,
Montgomery & Andrews, P.A. (J. Scott Hall), and hereby enters its appearance in the above
matter.

MONTGOMERY & ANDREWS, P.A.

By: _____

J. Scott Hall

J. Scott Hall, Esq.

Post Office Box 2307

Santa Fe, New Mexico 87504

(505) 982-3873

Attorneys for COG Operating LLC

Certificate of Service

I hereby certify that a true and correct copy of the foregoing was faxed to
counsel of record on the 10th day of September, 2009, as follows:

W. Thomas Kellahin
Kellahin & Kellahin
706 Gonzales Road
Santa Fe, NM 87501
(505) 982-2047 fax

J. Scott Hall

J. Scott Hall

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

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**IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF HEARING:**

CASE NO. 14382

**APPLICATION OF CHESAPEAKE ENERGY
CORPORATION FOR CANCELLATION OF A PERMIT
TO DRILL ISSUED TO COG OPERATING LLC, EDDY
COUNTY, NEW MEXICO.**

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Chesapeake Energy Corporation

APPLICANT'S ATTORNEY

W. Thomas Kellahin
Kellahin & Kellahin
706 Gonzales Road
Santa Fe, NM 87501
(505) 982-4285

OPPONENT

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

OPPONENT'S ATTORNEY

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

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order canceling the Division's approval of an application for permit to drill ("APD") issued to COG Operating LLC ("COG"), API 30-015-37106, for the Blackhawk "11" Federal Com #2-H Well, a horizontal wellbore with a surface location in Unit K and a bottom-hole location in Unit I of Section 11, T16S, R28E, Eddy County, and to be dedicated to a non-standard 120-acre spacing unit consisting of the NE/4 SW/4 and N/2 SE/4 of this section.

OPPONENT

COG Operating LLC opposes Chesapeake's Application. This case presents virtually identical issues which were presented to the Division on August 20, 2009 in the hearing on the Application of Chesapeake Energy Corporation for cancellation of the Division's approval of an Application for Permit to Drill Issued to COG Operating LLC, Case No. 14323. Reference should be had to that case and the numerous other cases challenging APD's for horizontal drilling projects.

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

OPPONENT

EST. TIME

EXHIBITS

WITNESSES

Jan Spradlin, Landman

20 minutes

Approx. 6

PROCEDURAL MATTERS

COG Operating LLC may file a motion to dismiss Applicant's Application.

Subject to confirmation, this case may be continued by agreement of the parties.

MONTGOMERY & ANDREWS, P.A.



By: _____

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Attorneys for COG Operating LLC

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