

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

**APPLICATION OF COG OPERATING LLC  
FOR APPROVAL OF A NON-STANDARD  
947-ACRE HORIZONTAL WELL SPACING UNIT  
AND COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 25164**

**COG'S PRE-HEARING STATEMENT**

COG Operating, LLC ("COG" or "Applicant"), the applicant in the above-referenced matters, submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

COG Operating, LLC ("COG")

**ATTORNEY**

Michael H. Feldewert  
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Paula M. Vance  
Holland & Hart, LLP  
Post Office Box 2208  
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**OTHER PARTIES**

Chief Capital (O&G) II LLC ("Chief  
Capital") & WR Non-Op LLC ("WR")

Kaitlyn A. Luck  
P.O. Box 483  
Taos, NM 87571

**APPLICANT'S STATEMENT OF THE CASE**

Under **Case No. 25164**, COG seeks an order (a) approving a 947-acre, more or less, non-standard horizontal well spacing unit in the Wolfcamp formation (Purple Sage-Wolfcamp Gas Pool [98220]) underlying Lots 3-4, E/2 SW/4, and SE/4 (S/2 equivalent) of irregular Section 30

and all of irregular Section 31, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico and (b) pooling all uncommitted interests in this acreage.

Due to the nature and configuration of the federal leases in the subject area, the Bureau of Land Management (BLM) will not approve the commingling of production at central facilities if the subject area is developed using standard horizontal well spacing units. *See, e.g.*, 43 CFR 3173.14 (addressing authorized commingling). However, if the proposed non-standard spacing unit is approved by the Division, the BLM has stated it will issue a corresponding Communitization Agreement for the federal leases within the subject area to allow commingling and the corresponding reduction of the necessary surface facilities.

COG seeks to minimize cost and surface disturbance by consolidating facilities and commingling production from existing and future wells in the proposed non-standard spacing unit. To allow the proposed wells to be dedicated to a federal Communitization Agreement, COG requires approval of a corresponding non-standard horizontal well spacing unit in the Wolfcamp formation.

COG seeks to initially dedicate the above-referenced non-standard spacing unit to the **Bat Bomb Fed Com 401H** “U-Turn” well, to be drilled from a surface location in the Lot 1 (NW/4 NW/4 equivalent) of irregular Section 31, a first take point in Lot 4 (SW/4 SW/4 equivalent) of irregular Section 30 and a last take point in Lot 3 (NW/4 SW/4 equivalent) of irregular Section 30; **Bat Bomb Fed Com 402H** “U-Turn” well, to be drilled from a surface location in the Lot 1 (NW/4 NW/4 equivalent) of irregular Section 31, a first take point in Lot 2 (SW/4 NW/4 equivalent) of irregular Section 31 and a last take point in Lot 3 (NW/4 SW/4 equivalent) of irregular Section 31; **Bat Bomb Fed Com 421H** “U-Turn” well, to be drilled from a surface location in the Lot 1 (NW/4 NW/4 equivalent) of irregular Section 31, a first take point in Lot 1 (NW/4 NW/4 equivalent) of

irregular Section 31 and a last take point in Lot 4 (SW/4 SW/4 equivalent) of irregular Section 30; and **Bat Bomb Fed Com 422H** “U-Turn” well, to be drilled from a surface location in the Lot 1 (NW/4 NW/4 equivalent) of irregular Section 31, a first take point in Lot 2 (SW/4 NW/4 equivalent) of irregular Section 31 and a last take point in Lot 4 (SW/4 SW/4 equivalent) of irregular Section 30.

The completed interval for the wells will comply with the Purple Sage Special Pool rules. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all interest owners in the subject acreage.

#### **APPLICANT’S PROPOSED EVIDENCE**


| <b>WITNESS<br/>Name and Expertise</b> | <b>ESTIMATED TIME</b>    | <b>EXHIBITS</b> |
|---------------------------------------|--------------------------|-----------------|
| Shelley C. Klingler, Landman          | Self-Affirmed Statement  | Approx. 5       |
| Jessica Pontiff, Geologist            | Self- Affirmed Statement | Approx. 4       |

#### **PROCEDURAL MATTERS**

COG intends to present this case by self-affirmed statement if there is no opposition at the time of hearing.

Respectfully submitted,

HOLLAND & HART LLP

By:   
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ATTORNEYS FOR COG OPERATING, LLC

**CERTIFICATE OF SERVICE**

I hereby certify that on March 6, 2025, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

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***Attorneys for Chief Capital (O&G) II LLC &  
WR Non-Op LLC***

A handwritten signature in blue ink, appearing to read "Paula M. Vance", is written over a horizontal line.

Paula M. Vance

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State of New Mexico  
Energy, Minerals and Natural Resources  
Oil Conservation Division  
1220 S. St Francis Dr.  
Santa Fe, NM 87505

QUESTIONS

Action 439700

QUESTIONS

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|---|--|
| Operator:<br>COG OPERATING LLC<br>600 W Illinois Ave<br>Midland, TX 79701 | OGRID:<br>229137   |
|   | Action Number:<br>439700                                 |
|   | Action Type:<br>[HEAR] Prehearing Statement (PREHEARING) |

QUESTIONS

|   |               |
|---|---------------|
| Testimony   |               |
| Please assist us by provide the following information about your testimony. |               |
| Number of witnesses   | Not answered. |
| Testimony time (in minutes)   | Not answered. |