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

APPLICATIONS OF COG OPERATING, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 25349-25351

COG'S CONSOLIDATED PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

ATTORNEY

COG Operating, LLC ("COG")

Michael H. Feldewert Adam G. Rankin Paula M. Vance Holland & Hart, LLP Post Office Box 2208 Santa Fe, New Mexico 87504-2208 (505) 988-4421 (505) 983-6043 Facsimile

APPLICANT'S STATEMENT OF THE CASE

Under these consolidated cases, COG seeks orders pooling for the referenced acreage, all in Township 25 South, Range 35 East, NMPM, Lea County, New Mexico, as follows:

 Under Case No. 25349, COG seeks to pool the uncommitted interests in a portion of the Bone Spring formation, from the top of the Third Bone Spring to the base of the Bone Spring formation (WC-025 G-09 S253502B; Lower Bone Spring [98185]) underlying a standard 480-acre, more or less, horizontal well spacing unit comprised of the SE/4 of Section 3 and the E/2 of Section 10, and initially dedicate the unit to the **Montera Federal Com #603H** well, to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 15, with a first take point in the SE/4 SE/4 (Unit P) of Section 10 and last take point in the NE/4 SE/4 (Unit I) of Section 3. COG has an agreement with another operator that will be developing the Upper Bone Spring; therefore, COG only seeks to pool the Third Bone Spring. COG seeks to pool the Third Bone Spring formation, from the top of the Third Bone Spring formation (being the stratigraphic equivalent of 11,164 feet as referenced from the Oxy Banana Girl Federal 2, [API #: 30-025-35322], located in Section 10, Township 25 South, Range 35 East, Lea County, New Mexico), to the base of the Bone Spring formation. Ownership is uniform in the Bone Spring and there is no depth severance.

- Under Case No. 25350, COG seeks to pool the uncommitted interests in the Wolfcamp formation (Dogie Draw; Wolfcamp [17980]) underlying a standard 240-acre, more or less, horizontal well spacing unit comprised of the W/2 SE/4 of Section 3 and the W/2 E/2 of Section 10, and dedicate the unit to the Montera Federal Com #701H well, to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 15, with a first take point in the SW/4 SE/4 (Unit O) of Section 10 and last take point in the NW/4 SE/4 (Unit J) of Section 3.
- Under Case No. 25351, COG seeks to pool the uncommitted interests in the Wolfcamp formation (Dogie Draw; Wolfcamp [17980]) underlying a standard 240-acre, more or less, horizontal well spacing unit comprised of the E/2 SE/4 of Section 3 and the E/2 E/2 of Section 10, and dedicate the unit to the Montera Federal Com #702H well, to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section

15, with a first take point in the SE/4 SE/4 (Unit P) of Section 10 and last take point in the NE/4 SE/4 (Unit I) of Section 3.

3. The completed interval of the **Montera Federal Com #603H** well is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC. The completed interval for the other wells will comply with statewide setbacks for oil wells. Applicant has sought but been unable to obtain voluntary agreement for the development of these lands from all interest owners in the subject spacing units.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Caroline Frederick, Landman	Self-Affirmed Statement	Approx. 4
Tyler Patrick, Geologist	Self-Affirmed Statement	Approx. 3

PROCEDURAL MATTERS

COG requests that these matters be consolidated for hearing and intends to present these cases by self-affirmed statement if there is no opposition at the time of hearing.

Respectfully submitted,

HOLLAND & HART LLP

Paktuk Michael H. Feldewert

By: ____

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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

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Action 468371

QUESTIONS		
Operator: COG OPERATING LLC	OGRID: 229137	
600 W Illinois Ave Midland, TX 79701	Action Number: 468371	
	Action Type: [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.	