

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

**APPLICATION OF COTERRA ENERGY
OPERATING CO. FOR APPROVAL OF
A NON-STANDARD UNIT
AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO**

CASE NO. 26106

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted for the above-referenced case pursuant to the rules of the Oil Conservation Division. This application was filed on behalf of Coterra Energy Operating Co.

APPEARANCES

APPLICANT

Coterra Energy Operating Co.

ATTORNEY

Deana M. Bennett
Earl E. DeBrine, Jr.
Jeffrey H. Goodwin
MODRALL, SPERLING, ROEHL,
HARRIS & SISK, P.A.
P. O. Box 2168
Albuquerque, New Mexico 87103-2168
(505) 848-1800

OTHER PARTIES

None.

ATTORNEY

STATEMENT OF CASE

APPLICANT:

In **Case No. 26106**, Coterra wells. seeks an order from the Division approving a non-standard spacing unit and pooling all uncommitted interests within a 960-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 of Sections 15, 22, and 27, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico Tonto; Bone Spring Pool (pool code 59475).

This spacing unit will be dedicated to the following wells: **Ruby Federal Com 301H, Ruby Federal Com 501H, and Ruby Federal Com 601H** wells with proposed first take points in NW/4 NE/4 (Unit B) of Section 15 and proposed last take points in the SW/4 SE/4 (Unit O) of Section 27; and **Ruby Federal Com 302H, Ruby Federal Com 303H, Ruby Federal Com 502H, Ruby Federal Com 503H, Ruby Federal Com 602H, and Ruby Federal Com 603H** wells with proposed first take points in NE/4 NE/4 (Unit A) of Section 15 and proposed last take points in the SE/4 SE/4 (Unit P) of Section 27. The wells will be horizontally drilled, and the producing areas for the wells are expected to be orthodox. While the completed intervals for the **Ruby Federal Com 302H, Ruby Federal Com 502H, and Ruby Federal Com 602H** wells are expected to be less than 330 feet from the adjoining tracts, thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit under Rule 19.15.16.15(B)(1)(b) NMAC, Coterra is nevertheless requesting a non-standard unit to allow for future development flexibility. Also to be considered will be the cost of drilling, completing, and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision while drilling and after completion, designation of Coterra Energy Operating Co. as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 14 miles southeast from Maljamar, New Mexico.

PROPOSED EVIDENCE

APPLICANT:

WITNESS	ESTIMATED TIME	EXHIBITS
Landman: Trey Roberson	Approx. 10 minutes	Approx. 11
Geologist: Josh Day	Approx. 10 minutes	Approx. 13

PROCEDURAL ISSUES

Coterra intends to present this case by affidavit if there are no objections.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS
& SISK, P.A.

By: Deana M. Bennett

Deana M. Bennett
Earl E. DeBrine, Jr.
Jeffrey H. Goodwin
Post Office Box 2168

500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
Telephone: 505.848.1800
Deana.bennett@modrall.com
Earl.debrine@modrall.com
Jeff.goodwin@modrall.com

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/contact-us>

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

QUESTIONS

Action 589288

QUESTIONS

Operator: Coterra Energy Operating Co. 6001 Deauville Blvd Midland, TX 79706	OGRID: 215099
	Action Number: 589288
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	2
Testimony time (in minutes)	10