

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

**APPLICATION OF COG OPERATING LLC
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 21668

PRE-HEARING STATEMENT OF COG OPERATING LLC

COG Operating, LLC, the applicant in the above referenced matter, submits this pre-hearing statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES OF THE PARTIES

APPLICANT

COG Operating LLC
One Concho Center
600 West Illinois Avenue
Midland, Texas 79701

COUNSEL

Ocean Munds-Dry
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Santa Fe, New Mexico 87501
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STATEMENT OF THE CASE

Applicant in the above-styled causes seeks an order pooling all uncommitted interests in the Wolfcamp formation, Purple Sage Wolfcamp Gas Pool (98220), underlying a standard 958.16-acre, more or less, horizontal spacing unit comprised of Lots 1, 2, 3, 4, and the E/2W/2 of Sections 6, 7, and 18, Township 26 South, Range 28 East, NMPM, Eddy County, New Mexico. COG Operating LLC seeks to dedicate the above-referenced horizontal spacing unit to the following proposed wells: The Mercury State Com 704H well to be horizontally drilled from a surface hole location in the SE/4SW/4 (Unit N) of Section 18 to a bottom hole location in the NE/4NW/4 (Unit C) of Section 6, The Mercury State Com 705H well to be horizontally drilled from a surface hole location in the SE/4SW/4 (Unit N) of Section 18 to

a bottom hole location in the NW/4NW/4 (Lot 1) of Section 6, and The Mercury State Com 706H well to be horizontally drilled from a surface hole location in the SE/4SW/4 (Unit N) of Section 18 to a bottom hole location in the NW/4NW/4 (Lot 1) of Section 6. Also, to be considered will be the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of COG Operating LLC as operator of the wells, and the imposition of 200% charge for risk involved in drilling and completing said wells. Said area is located approximately 10.6 miles south of Malaga, New Mexico.

PROPOSED EVIDENCE

WITNESS	ESTIMATED TIME	EXHIBITS
Lizzy Laufner – Landman	Affidavit	Approx. 5
Travis Sparks – Geologist	Affidavit	Approx. 5

PROCEDURAL MATTERS

COG plans to present this matter by affidavit.

Respectfully submitted,

COG OPERATING LLC

/s/ Ocean Munds-Dry

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ATTORNEYS FOR COG OPERATING LLC