

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

**APPLICATION OF TITUS OIL & GAS PRODUCTION, LLC
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO**

Case No. 21621

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

Case Nos. 21734-21737

PRE-HEARING STATEMENT

TITUS OIL & GAS PRODUCTION, LLC (“Titus”) provides this Pre-Hearing Statement as required by the rules of the Division.

APPEARANCES

APPLICANT

TITUS OIL & GAS
PRODUCTION, LLC

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OPPONENT

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COLGATE OPERATING, LLC

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STATEMENT OF THE CASE

Titus's application in Case No. 21621 was filed on December 8, 2020. COG Operating, LLC ("COG") filed competing applications in Case Nos. 21734-21737 on February 9, 2021. These competing applications are set for a status conference on December 16, 2021, to determine a date for a contested hearing. In accordance with the anticipated pre-hearing order, Titus will file a supplemental prehearing statement prior to the contested hearing, summarizing the reasons that its proposals are superior to those of COG.

In Case No. **21197**, Titus seeks an order from the Division pooling all uncommitted interests in the Bone Spring formation (Lea; Bone Spring [37570]) underlying a standard 1,280-acre, more or less, horizontal spacing and proration unit ("HSU") comprised of Section 25 and Section 36, all within Township 19 South, Range 34 East, NMPM, in Lea County, New Mexico. Applicant proposes to drill the following wells: **Cane West Fed Com 121H** well, to be horizontally drilled from an approximate surface hole location 966' FNL and 1234' FWL of Section 1, T20S-R34E, to an approximate bottom hole location 10' FNL and 330' FWL of

Section 25, T19S-R34E; **Cane West Fed Com 123H** well, to be horizontally drilled from an approximate surface hole location 1047' FNL and 1534' FEL of Section 1, T20S-R34E, to an approximate bottom hole location 10' FNL and 1650' FEL of Section 25, T19S-R34E; **Cane West Fed Com 124H** well, to be horizontally drilled from an approximate surface hole location 268' FNL and 340' FEL of Section 1, T20S-R34E, to an approximate bottom hole location 10' FNL and 330' FEL of Section 25, T19S-R34E; **Cane West Fed Com 221H** well, to be horizontally drilled from an approximate surface hole location 996' FNL and 1234' FWL of Section 1, T20S-R34E, to an approximate bottom hole location 10' FNL and 330' FWL of Section 25, T19S-R34E; **Cane West Fed Com 223H** well, to be horizontally drilled from an approximate surface hole location 1047' FNL and 1564' FEL of Section 1, T20S-R34E, to an approximate bottom hole location 10' FNL and 1650' FEL of Section 25, T19S-R34E; and **Cane West Fed Com 224H** well, to be horizontally drilled from an approximate surface hole location 268' FNL and 370' FEL of Section 1, T20S-R34E, to an approximate bottom hole location 10' FNL and 330' FEL of Section 25, T19S-R34E. The completed intervals and first and last take points for these wells will meet statewide setback requirements for horizontal wells. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs, the designation of Applicant as Operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately twenty-three miles southwest of Hobbs, New Mexico.

In Case Nos. 21734-21737, COG seeks to develop the same or overlapping lands.

PROPOSED EVIDENCE

APPLICANT TITUS

WITNESSES	TIME	EXHIBITS
Landman TBD	Dependent on cross-examination	10-12
Geologist TBD	Dependent on cross-examination	10-12
Engineer TBD	Dependent on cross-examination	10-12

OPPONENT/APPLICANT COG

WITNESSES	TIME	EXHIBITS
TBD		

OTHER INTERESTED PARTY

WITNESSES	TIME	EXHIBITS
TBD		

PROCEDURAL MATTERS

These cases will be heard as a status conference on December 16, 2021, to set a date for a contested hearing of the competing proposals. Titus will be filing new applications for the same wells, requesting the pooling of smaller spacing units. Titus anticipates filing the new applications no later than February 1, 2022. Titus would be prepared to go to a contested hearing by March 3, 2022, or on the next available docket.

Respectfully submitted,
MONTGOMERY & ANDREWS, P.A.

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on the following counsel of record by electronic mail on December 9, 2021:

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
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QUESTIONS

Action 66120

QUESTIONS

Operator: COG OPERATING LLC 600 W Illinois Ave Midland, TX 79701	OGRID: 229137
	Action Number: 66120
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	Not answered.
Testimony time (in minutes)	Not answered.