

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

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

CASE NO. 23344

PRE-HEARING STATEMENT

COG Operating LLC (“COG” or “Applicant”) submits its Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPLICANT

COG Operating LLC

ATTORNEYS

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INTERESTED PARTIES

None.

ATTORNEYS

STATEMENT OF THE CASE

COG applies for an order pooling all uncommitted interests in the Wolfcamp formation underlying a 1,535.8-acre, more or less, standard horizontal spacing unit comprised of Sections 23 and 26, and the N/2 N/2 and Lots 1, 2, 3, and 4 (“all”) of irregular Section 35, Township 26 South, Range 28 East, Eddy County, New Mexico (“Unit”). The Unit will be dedicated to the following wells (“Wells”):

- **Keg Shell Fed Com 701H, Keg Shell Fed Com 702H, Keg Shell Fed Com 901H, and Keg Shell Fed Com 902H**, to be drilled from a surface hole location in Lot 4 of

- Section 35, Township 26 South, Range 28 East, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 23, Township 26 South, Range 28 East;
- **Keg Shell Fed Com 703H**, to be drilled from a surface hole location in Lot 3 of Section 35, Township 26 South, Range 28 East, to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 23, Township 26 South, Range 28 East;
 - **Keg Shell Fed Com 704H** and **Keg Shell Fed Com 705H**, to be drilled from a surface hole location in Lot 2 of Section 35, Township 26 South, Range 28 East, to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 23, Township 26 South, Range 28 East;
 - **Keg Shell Fed Com 706H**, **Keg Shell Fed Com 908H**, and **Keg Shell Fed Com 909H**, to be drilled from a surface hole location in Lot 1 of Section 35, Township 26 South, Range 28 East, to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 23, Township 26 South, Range 28 East;
 - **Keg Shell Fed Com 903H** and **Keg Shell Fed Com 904H**, to be drilled from a surface hole location in Lot 4 of Section 35, Township 26 South, Range 28 East, to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 35, Township 26 South, Range 28 East; and
 - **Keg Shell Fed Com 906H** and **Keg Shell Fed Com 907H**, to be drilled from a surface hole location in Lot 1 of Section 35, Township 26 South, Range 28 East, to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 23, Township 26 South, Range 28 East.

The completed intervals of the Wells will be orthodox. The completed interval of the Keg Shell Fed Com 906H well will be located within 330' of the line separating the E/2 and W/2 of Sections 23, 26, and 35 to allow for the creation of a 1,535.8-acre standard horizontal spacing unit.

Also to be considered in each case will be the cost of drilling and completing the wells and the allocation of the costs, the designation of Applicant as the operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells.

The Wells are located approximately 13.6 miles south of Malaga, New Mexico.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Shelley C. Klingler	Land Negotiator	Affidavit	Approx. 5
Jessica Pontiff	Geologist	Affidavit	Approx. 4

PROCEDURAL MATTERS

Applicant will present these matters by affidavit if there is no opposition.

Respectfully submitted,

HINKLE SHANOR, LLP

/s/ Dana S. Hardy

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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 195465

QUESTIONS

Operator: COG OPERATING LLC 600 W Illinois Ave Midland, TX 79701	OGRID: 229137
	Action Number: 195465
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

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