

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

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

CASE NO. 23303

**APPLICATION OF COG OPERATING LLC
FOR COMPULSORY POOLING AND APPROVAL
OF NON-STANDARD SPACING UNIT,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 23304

AMENDED CONSOLIDATED PRE-HEARING STATEMENT

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

APPLICANT
COG Operating LLC

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STATEMENT OF THE CASE

In **Case No. 23303**, COG applies for an order pooling all uncommitted interests in the Wolfcamp formation underlying a 1,920-acre, more or less, standard horizontal spacing unit comprised of Sections 28 and 33 of Township 25 South, Range 27 East, and Section 4 of Township 26 South, Range 27 East, Eddy County, New Mexico. The spacing unit will be dedicated to the following wells:

- **Flaming Snail Fed Com 701H, Flaming Snail Fed Com 702H, Flaming Snail Fed Com 703H, Flaming Snail Fed Com 801H, and Flaming Snail Fed Com 802H**, to be drilled from surface hole locations in the NE/4 NE/4 (Unit A) of Section 28, Township 25 South, Range 27 East, to bottom hole locations in the SE/4 SE/4 (Unit P) of Section 4, Township 26 South, Range 27 East;
- **Flaming Snail Fed Com 704H, Flaming Snail Fed Com 705H, and Flaming Snail Fed Com 803H**, to be drilled from surface hole locations in the NE/4 NE/4 (Unit A) of Section 28, Township 25 South, Range 27 East, to bottom hole locations in the SW/4 SE/4 (Unit O) of Section 4, Township 26 South, Range 27 East;
- **Flaming Snail Fed Com 706H, Flaming Snail Fed Com 707H, Flaming Snail Fed Com 708H, Flaming Snail Fed Com 804H, and Flaming Snail Fed Com 805H**, to be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 28, Township 25 South, Range 27 East, to bottom hole locations in the SE/4 SW/4 (Unit N) of Section 4, Township 26 South, Range 27 East; and
- **Flaming Snail Fed Com 709H, Flaming Snail Fed Com 710H, and Flaming Snail Fed Com 806H**, to be drilled from surface hole locations in the NE/4 NW/4 (Unit C) of Section 28, Township 25 South, Range 27 East, to bottom hole locations in the SW/4 SW/4 (Unit M) of Section 4, Township 26 South, Range 27 East.

The completed interval of the Flaming Snail Fed Com 706H well will be located within 330' of the quarter-quarter section line separating the E/2 and W/2 of Sections 28 and 33, Township 25 South, Range 27 East, and Section 4, Township 26 South, Range 27 East, to allow for the creation of a 1,920-acre standard horizontal spacing unit.

In **Case No. 23304**, COG applies for an order: (1) establishing a 1,920-acre, more or less, non-standard horizontal spacing unit comprised of Sections 28 and 33 of Township 25 South, Range 27 East, and Section 4 of Township 26 South, Range 27 East, Eddy County, New Mexico; and (2) pooling all uncommitted interests in the Bone Spring formation underlying the unit. The spacing unit will be dedicated to the following wells:

- **Flaming Snail Fed Com 501H** and **Flaming Snail Fed Com 520H**, to be drilled from surface hole locations in the NE/4 NE/4 (Unit A) of Section 28, Township 25 South, Range 27 East, to bottom hole locations in the SE/4 SE/4 (Unit P) of Section 4, Township 26 South, Range 27 East;
- **Flaming Snail Fed Com 502H**, to be drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 28, Township 25 South, Range 27 East, to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 4, Township 26 South, Range 27 East;
- **Flaming Snail Fed Com 503H** and **Flaming Snail Fed Com 521H**, to be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 28, Township 25 South, Range 27 East, to bottom hole locations in the SE/4 SW/4 (Unit N) of Section 4, Township 26 South, Range 27 East; and
- **Flaming Snail Fed Com 504H**, to be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 28, Township 25 South, Range 27 East, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 4, Township 26 South, Range 27 East.

In Case No. 23304, COG is also seeking approval of a non-standard spacing unit to obtain flexibility regarding the placement of surface facilities and the ability to consolidate those facilities. Without approval of a non-standard spacing unit, COG would be required to utilize multiple tank batteries or seek commingling approval, which may or may not be granted. The ability to consolidate surface facilities reduces surface, environmental, and economic waste. The BLM has approved COG’s Applications for Permits to Drill and will allow COG to surface commingle the Bone Spring and Wolfcamp production from the same acreage, reducing the number of surface facilities. A non-standard spacing unit also affords COG the flexibility to optimally locate its proposed wells. Approval of a non-standard spacing unit is necessary to ensure COG is able to optimally locate its wells and, as a result, to prevent waste and protect correlative rights.

The Wells are located approximately 22 miles south of Carlsbad, New Mexico.

PROPOSED EVIDENCE

<u>WITNESS</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Shelley Klingler (Land Professional)	Affidavit	14
Drew Fletcher (Geologist)	Affidavit	13

PROCEDURAL MATTERS

Applicant requests that the Division consolidate these matters for hearing and intends to present these matters by affidavit.

Respectfully submitted,

HINKLE SHANOR, LLP

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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 March 31, 2023

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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 202944

QUESTIONS

Operator: COG OPERATING LLC 600 W Illinois Ave Midland, TX 79701	OGRID: 229137
	Action Number: 202944
	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>