

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

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

**CASE NO. 24833**

**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 PARTY**

None

**ATTORNEY**

**STATEMENT OF THE CASE**

COG applies for an order: (1) establishing a 1,601.05-acre, more or less, non-standard, overlapping horizontal spacing unit comprised of irregular Sections 30 and 31, and the S/2 of Section 19, Township 25 South, Range 29 East, Eddy County, New Mexico (“Unit”); and (2) pooling all uncommitted interests in the Bone Spring formation underlying the Unit from approximately 8,026’ TVD to the base of the Bone Spring formation. COG seeks to dedicate the Unit to the following proposed wells (“Wells”):

- a) **Wild Thing Fed Com 501H** and **Wild Thing Fed Com 502H** wells, which will be drilled from surface hole locations in the SW/4 SE/4 (Unit O) of Section 31 to bottom hole locations in the NW/4 SE/4 (Unit J) of Section 19;
- b) **Wild Thing Fed Com 503H** well, which will be drilled from a surface hole location in the SE/4 SW/4 (Unit N) of Section 31 to a bottom hole location in the NE/4 SE/4 (Unit K) of Section 19; and
- c) **Wild Thing Fed Com 504H** well, which will be drilled from a surface hole location in the SE/4 SW/4 (Unit N) of Section 31 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 19.

The completed intervals of the wells will be orthodox. There is a depth severance in the Bone Spring formation within the Unit. Accordingly, COG seeks to pool interests from approximately 8,026' TVD to the base of the Bone Spring formation.

COG also requests approval of an overlapping spacing unit, as the Unit will partially overlap with the spacing units for the Showstopper 19 Federal #003H (API No. 30-015-37682), Showstopper 19 Federal Com #004H (API No. 30-015-37374) and Showstopper 19 Federal Com #005H (API No. 30-015-37373) wells ("Showstopper Wells"). The Showstopper Wells are located in Section 19, Township 25 South, Range 29 East, Eddy County, New Mexico, and produce from the Willow Lake; Bone Spring, Southeast Pool (Code 96217). The Unit will also partially overlap with the spacing unit for the Thriller BWL Federal #001H well (API No. 30-015-43909) ("Thriller Well"). The Thriller Well is located in the E/2 E/2 of Section 30, Township 25 South, Range 29 East, Eddy County, and produces from the Rock Spur; Bone Spring Pool (Code 52775). Finally, the Unit will partially overlap with the spacing unit for the Cooper 31 Federal #003H (API No. 30-

015-37749) (“Cooper Well”). The Cooper Well is located in the S/2 N/2 of Section 31, Township 25 South, Range 29 East, and produces from the Brushy Draw; Delaware (Code 8080) Pool.

Applicant also requests approval of a non-standard horizontal spacing unit to allow for the consolidation of surface facilities and thereby prevent surface, environmental, and economic waste.

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 are located approximately 10.2 miles south of Malaga, New Mexico.

**PROPOSED EVIDENCE**

<b>Witness</b>	<b>Occupation</b>	<b>Estimated Time</b>	<b>Exhibits</b>
Gianna Romero	Landman	Affidavit	Approx. 7
Chris Wray	Geologist	Affidavit	Approx. 4

**PROCEDURAL MATTERS**

Applicant will present this case by affidavit if there is no opposition to its application.

Respectfully submitted,

HINKLE SHANOR, LLP

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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 387160

**QUESTIONS**

Operator: COG OPERATING LLC 600 W Illinois Ave Midland, TX 79701	OGRID: 229137
	Action Number: 387160
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

**QUESTIONS**

<b>Testimony</b>	
<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>