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

APPLICATIONS OF COG OPERATING LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 24884 & 24885

COG OPERATING LLC'S CONSOLIDATED PRE-HEARING STATEMENT

COG Operating LLC ("COG" or "Applicant"), the applicant in the above-referenced matters, submits this consolidated Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT ATTORNEY

COG Operating LLC ("COG")

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APPLICANT'S STATEMENT OF THE CASE

Under these consolidated cases, COG seeks orders pooling for the referenced acreage, all in Township 23 South, Range 32 East, NMPM, Lea County, New Mexico, as follows:

• Under Case No. 24884, COG seeks to pool the uncommitted interests in the Bone Spring formation (DIAMONDTAIL; BONE SPRING [17644]) underlying a standard 640-acre, more or less, horizontal well spacing unit comprised of the E/2 of Sections

22 and 27, and dedicate the unit to the proposed **Avion Fed Com 501H** and **Avion Fed Com 502H**, both to be horizontally drilled from a surface location in the NE/4 of Section 22, with first take points in the NE/4 NE/4 (Unit A) of Section 22 and last take points in the SE/4 SE/4 (Unit P) of Section 27; and **Avion Fed Com 503H**, to be horizontally drilled from a surface location in the NE/4 of Section 22, with a first take point in the NW/4 NE/4 (Unit B) of Section 22 and a last take point in the SW/4 SE/4 (Unit O) of Section 27.

• Under Case No. 24885, COG seeks to pool the uncommitted interests in the Wolfcamp formation (DIAMONDTAIL; WOLFCAMP [17645]) underlying a standard 640-acre, more or less, horizontal well spacing unit comprised of the E/2 of Sections 22 and 27, and dedicate the unit to the proposed Avion Fed Com 701H and Avion Fed Com 702H, both to be horizontally drilled from a surface location in the NE/4 of Section 22, with first take points in the NE/4 NE/4 (Unit A) of Section 22 and last take points in the SE/4 SE/4 (Unit P) of Section 27; and Avion Fed Com 703H and Avion Fed Com 704H, both to be horizontally drilled from a surface location in the NE/4 of Section 22, with first take points in the NW/4 NE/4 (Unit B) of Section 22 and last take points in the SW/4 SE/4 (Unit O) of Section 27.

The completed interval of the **Avion Fed Com 502H** and **Avion Fed Com 702H** are each expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing units under 19.15.16.15.B(1)(b) NMAC.

4. The completed interval for each the other wells will comply with statewide setbacks for oil wells. Applicant has reached a voluntary agreement with all the working interest owners in

this proposed unit but seeks a pooling order for certain non-cost-bearing interest owners, including overriding royalty interest owners and record title owners, who have yet to execute the necessary federal communitization agreement.

<u>APPLICANT'S PROPOSED EVIDENCE</u>

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS	
Michael Monju, Landman	Self-Affirmed Statement	Approx. 5	
Ben Breyman, Geologist	Self-Affirmed Statement	Approx. 5	

PROCEDURAL MATTERS

COG requests that these matters be consolidated for hearing and intends to present these cases by self-affirmed statement if there is no opposition at the time of hearing.

Respectfully submitted,

HOLLAND & HART LLP

By:

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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 395694

QUESTIONS

Operator:	OGRID:
COG OPERATING LLC	229137
600 W Illinois Ave	Action Number:
Midland, TX 79701	395694
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

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