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

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

CASE NOS. 25138 and 25139

COG'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")

Elizabeth Ryan Keri Hatley ConocoPhillips 1048 Paseo de Peralta Santa Fe, New Mexico 87501 (505) 780-8000 beth.ryan@conocophillips.com keri.hatley@conocophillips.com

INTERESTED PARTY

None

N/A

ATTORNEY

APPLICANT'S STATEMENT OF THE CASE

Under these consolidated cases, COG seeks orders pooling for the referenced acreage, all

in Township 25 South, Range 35 East, NMPM, Lea County, New Mexico, as follows:

 Under Case No. 25138, COG seeks to pool the uncommitted interests in the Bone Spring Formation (Fairview Mills; Bone Spring [96340]) underlying a standard 480acre, more or less, horizontal well spacing unit comprised of the E/2W/2 of Sections 19, 30, and 31, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico, and initially dedicate the unit to the **Pitchblende 19-30 Federal Com 601H** well, to be horizontally drilled from a surface location in the NE4NW4 (Unit C) of Section 19, with a first take point also in the NE4NW4 (Unit C) of Section 19 and last take point in the SE4SW4 (Unit N) of Section 31. The completed interval of the well will be orthodox.

Under Case No. 25139, COG seeks to pool the uncommitted interests in the Bone Spring Formation (Fairview Mills; Bone Spring [96340]) underlying a standard 480.72-acre, more or less, horizontal well spacing unit comprised of the Lots 1-4 of Section 19, Lots 1-4 of Section 30, and Lots 1-4 of Section 31 (the W2W2), Township 25 South, Range 35 East, NMPM, Lea County, New Mexico, and dedicate the unit to the Pitchblende 19-30 Federal Com 602H well, to be horizontally drilled from a surface location in the NW4NW4 (Unit D) of Section 19, with a first take point also in NW4NW4 (Unit D) of Section 19 and last take point in the SW4SW4 (Unit M) of Section 31. The completed interval of the well will be orthodox.

3. Neither of the standard horizontal spacing units will overlap any existing spacing units.

4. Applicant has sought but been unable to obtain voluntary agreement for the development of these lands from all interest owners in the subject spacing units.

COG is only seeking to pool an overriding royalty interest owner, namely OGX
Minerals II LP, as all working interests are committed to the Wells.

6. The Wells are located approximately 14 miles west of Jal, New Mexico.

APPLICANT'S PROPOSED EVIDENCE

| WITNESS Name and Expertise | ESTIMATED TIME | EXHIBITS |
|-------------------------------|-------------------------|-----------|
| Caroline Frederick, Landman | Self-Affirmed Statement | Approx. 5 |
| Tyler Patrick, Geologist | Self-Affirmed Statement | Approx. 4 |

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,

COG Operating LLC

By: <u>/s/Keri Hatley</u>

Elizabeth Ryan Keri Hatley ConocoPhillips 1048 Paseo de Peralta Santa Fe, New Mexico 87501 (505) 780-8000 beth.ryan@conocophillips.com keri.hatley@conocophillips.com

ATTORNEYS FOR COG OPERATING LLC

Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

QUESTIONS

| Operator: | OGRID: |
|--------------------|--|
| COG OPERATING LLC | 229137 |
| 600 W Illinois Ave | Action Number: |
| Midland, TX 79701 | 429280 |
| | Action Type: |
| | [HEAR] Prehearing Statement (PREHEARING) |
| | |

QUESTIONS

| Testimony | | |
|---|----|--|
| Please assist us by provide the following information about your testimony. | | |
| Number of witnesses | 2 | |
| Testimony time (in minutes) | 10 | |

Page 4 of 4

Action 429280