

**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 OVERLAPPING, NON-STANDARD SPACING UNIT,
LEA COUNTY, NEW MEXICO.**

CASE NO. 26226

PRE-HEARING STATEMENT

COG Operating LLC (“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.

ATTORNEYS

STATEMENT OF THE CASE

Applicant applies for an order pooling all uncommitted interests in the Wolfcamp B interval of the Wolfcamp formation underlying a 1,600-acre, more or less, non-standard, overlapping horizontal spacing unit comprised of the S/2 of Section 29 and all of Section 32, Township 25 South, Range 35 East, and all of Section 5, Township 26 South, Range 35 East, Lea County, New Mexico (“Unit”). This unit will be dedicated to the following wells (“Wells”): **Boater Federal Com 801H**, which will be drilled from a surface hole location in the SW/4 NW/4

(Unit E) of Section 29, Township 25 South, Range 35 East, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 5, Township 26 South, Range 35 East; **Boater Federal Com 802H**, which will be drilled from a surface hole location in the SE/4 NW/4 (Unit F) of Section 29, Township 25 South, Range 35 East, to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 5, Township 26 South, Range 35 East; **Boater Federal Com 805H**, which will be drilled from a surface hole location in the SW/4 NE/4 (Unit G) of Section 29, Township 25 South, Range 35 East, to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 5, Township 26 South, Range 35 East; and **Boater Federal Com 806H**, which will be drilled from a surface hole location in the SW/4 NE/4 (Unit G) of Section 29, Township 25 South, Range 35 East, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 5, Township 26 South, Range 35 East. The completed intervals of the Wells will be orthodox. Applicant also requests approval of a non-standard horizontal spacing unit pursuant to Rule 19.15.16.15(B)(5) NMAC, which will create cost efficiencies, prevent waste, and protect correlative rights.

Due to a depth severance within the Unit, Applicant seeks to pool only those uncommitted interests from a stratigraphic equivalent of approximately 12,736' TVD, as observed on the Tele Delux 32 State 4H well log (API No. 30-025-42362), to the base of the Wolfcamp formation. Further, the spacing unit for the Wells partially overlaps with the spacing units for the following wells, which produce from the WC-025 G-09 S263504N; Wolfcamp Pool (98117): Cave Lion 5 WC Federal #002H (API No. 30-025-45421) located in the W/2 of Section 5, Township 26 South, Range 35 East; Cave Lion 5 WA Federal #005H (API No. 30-025-44102) located in the W/2W/2 of Section 5, Township 26 South, Range 35 East; Cave Lion 5 WXY Federal #006H (API No. 30-025-45426) located in the W/2W/2 of Section 5, Township 26 South, Range 35 East; Cave Lion 5 WA Federal #009H (API No. 30-025-45420) located in the E/2W/2 of Section 5, Township 26 South, Range 35 East.

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

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Caroline Frederick	Landman	Affidavit	Approx. 7
Tyler Patrick	Geologist	Affidavit	Approx. 4

PROCEDURAL MATTERS

Applicant intends to present the case by affidavit if there are no objections to its application.

Respectfully submitted,

HARDY McLEAN LLC

/s/ Dana S. Hardy

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Oil Conservation Division
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QUESTIONS

Action 601321

QUESTIONS

Operator: COG OPERATING LLC 600 W Illinois Ave Midland, TX 79701	OGRID: 229137
	Action Number: 601321
	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.