



MODRALL SPERLING

L A W Y E R S

March 13, 2014

Jordan L. Kessler
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Via Facsimile

Ms. Jami Bailey, Director
Oil Conservation Division
New Mexico Department of Energy, Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 97505

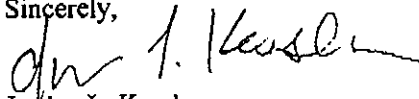
Re: Pre-hearing Statement for Case No. 15105

Dear Ms. Bailey:

Enclosed, please find the Pre-Hearing Statement for COG Operating LLC, Case No. 15105. This pertains to the Airstrip Fee Com. Well No. 1H. The original will be sent in triplicate in a correspondence to follow.

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RECEIVED OGD

Sincerely,



Jordan L. Kessler

cc: Ocean Munds-Dry/Caleb Hopson

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

**IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:**

**APPLICATION OF COG OPERATING LLC FOR
A NON-STANDARD OIL SPACING AND PRORATION
UNIT AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

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CASE NO. 15105

COG's CONSOLIDATED PRE-HEARING STATEMENT

COG Operating LLC ("Concho") submits this Pre-Hearing Statement for the above-referenced cases pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

COG Operating LLC
550 W. Texas Avenue, Suite 100
Midland, Texas 79701

ATTORNEY

Jordan L. Kessler, Esq.
Modrall Sperling, P.A.
P. O. Box 2168
Albuquerque, NM 87103-2168
(505) 848-1800

APPLICANT'S STATEMENT OF CASE

Applicant in the above-styled cause seeks an order approving three non-standard spacing and proration units and pooling all uncommitted mineral interests of the Bone Spring formation

underlying E/2 SE/4 of Section 6 and the E/2 E/2 of Section 7, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico.

Concho seeks an order from the Division: (1) authorizing a non-standard location; (2) creating a non-standard 240-acre, more or less, oil spacing and proration unit in the Bone Spring formation, comprised of the E/2 SE/4 of Section 6 and the E/2 E/2 of Section 7, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico; and (3) pooling all mineral interests in the Bone Spring formation underlying this proposed non-standard spacing and proration unit. This proposed non-standard spacing and proration unit will be the project area for the Airstrip Fee Com. Well No. 1H, to be horizontally drilled. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Concho as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 4 miles northwest of Ochoa, New Mexico.

APPLICANT'S PROPOSED EVIDENCE

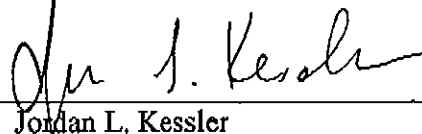
<u>WITNESS</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Caleb Hopson – Landman	Approx. 20 minutes	Approx. 8
David DaGian – Geologist	Approx. 20 minutes	Approx. 5

PROCEDURAL MATTERS

COG Operating LLC has none at this time.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS
& SISK, P.A.

A handwritten signature in black ink, appearing to read "Jordan L. Kessler", is written over a horizontal line.

Jordan L. Kessler

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