

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

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

CASE NOS. 22926, 22927

CONSOLIDATED PRE-HEARING STATEMENT

COG Operating LLC (“COG” or “Applicant”) submits its Consolidated Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT
COG Operating LLC

ATTORNEYS
Dana S. Hardy
Jaclyn M. McLean
P.O. Box 2068
Santa Fe, NM 87504-2068
Phone: (505) 982-4554
Facsimile: (505) 982-8623
dhardy@hinklelawfirm.com
jmclean@hinklelawfirm.com

INTERESTED PARTIES
No other parties of record.

ATTORNEYS

STATEMENT OF THE CASE

In **Case No. 22926**, COG seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit comprised of the E/2 of Sections 10 and 15, Township 22 South, Range 34 East, Lea County, New Mexico. The Unit will be dedicated to the following wells:

- a) The **Yeah Yeah Federal Com #501H well**, to be drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 10 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 15;

- b) The **Yeah Yeah Federal Com #502H well**, to be drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 10 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 15;
- c) The **Yeah Yeah Federal Com #503H well**, to be drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 10 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 15;
- d) The **Yeah Yeah Federal Com #601H well**, to be drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 10 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 15;
- e) The **Yeah Yeah Federal Com #605H well**, to be drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 10 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 15; and
- f) The **Yeah Yeah Federal Com #606 well**, to be drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 10 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 15.

The completed interval of the Wells will be orthodox. The completed interval of the Yeah Yeah Federal Com #502H well will be located within 330' of the quarter-quarter section line separating the W/2 E/2 and E/2 E/2 of Sections 10 and 15 to allow for the creation of a 640-acre standard horizontal spacing unit. 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 the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells.

In **Case No. 22927**, COG seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit comprised of the W/2 of Sections 10 and 15, Township 22 South, Range 34 East, Lea County, New Mexico. The Unit will be dedicated to the following wells:

- a) The **Yeah Yeah Federal Com #504H well**, to be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 10 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 15;
- b) The **Yeah Yeah Federal Com #505H well**, to be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 10 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 15;
- c) The **Yeah Yeah Federal Com #602H well**, to be drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 10 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 15;
- d) **Yeah Yeah Federal Com #603H well**, to be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 10 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 15;
- e) The **Yeah Yeah Federal Com #604H well**, to be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 10 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 15; and
- f) The **Yeah Yeah Federal Com #607H well**, to be drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 10 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 15.

The completed interval of the Wells will be orthodox. The completed interval of the Yeah Yeah Federal Com #504H well will be located within 330' of the quarter-quarter section line separating the W/2 W/2 and E/2 W/2 of Sections 10 and 15 to allow for the creation of a 640-acre standard horizontal spacing unit. 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 the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells.

The wells are located approximately 18 miles west of Eunice, New Mexico.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Mackayla Stone	Land Negotiator	Affidavit	Approx. 5 (each case)
William Schellenbach	Geologist	Affidavit	Approx. 8 (total)

PROCEDURAL MATTERS

Applicant intends to consolidate these matters for hearing and will present its cases by affidavit if there is no opposition.

Respectfully submitted,

HINKLE SHANOR, LLP

/s/ Dana S. Hardy _____

Dana S. Hardy
Jaclyn M. McLean
P.O. Box 2068
Santa Fe, NM 87504-2068
Phone: (505) 982-4554
Facsimile: (505) 982-8623
dhardy@hinklelawfirm.com
jmclean@hinklelawfirm.com
Counsel for COG Operating LLC

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(575) 393-6161 Fax:(575) 393-0720

District II
 811 S. First St., Artesia, NM 88210
 Phone:(575) 748-1283 Fax:(575) 748-9720

District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

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

QUESTIONS

Action 129370

QUESTIONS

Operator: COG OPERATING LLC 600 W Illinois Ave Midland, TX 79701	OGRID: 229137
	Action Number: 129370
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
<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>