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

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

CASE NO. 23960

PRE-HEARING STATEMENT

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

APPLICANT ATTORNEYS

COG Operating LLC Dana S. Hardy

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INTERESTED PARTIES ATTORNEYS

None.

STATEMENT OF THE CASE

In this case, COG applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 480-acre, more or less, standard horizontal spacing unit comprised of the E/2 E/2 of Sections 3, 10, and 15, Township 26 South, Range 29 East, Eddy County, New Mexico ("Unit"). Applicant seeks to dedicate the Unit to the **Rock Jelly Federal Com 701H** well ("Well"), which will be drilled from a surface hole location in Lot 1 (NE/4 NE/4 equivalent) of Section 3 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 15.

The completed interval of the Well will be orthodox. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of COG as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well.

The Well is located approximately 12 miles southeast of Malaga, New Mexico.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Gianna Romero	Land Negotiator	Affidavit	Approx. 5
Chris Wray	Geologist	Affidavit	Approx. 4

PROCEDURAL MATTERS

Applicant intends to present this case by affidavit if there is no opposition to its application.

Respectfully submitted,

HINKLE SHANOR, LLP

<u>/s/ Dana S. Hardy</u>

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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 290054

QUESTIONS

Operator:	OGRID:
COG OPERATING LLC	229137
600 W Illinois Ave	Action Number:
Midland, TX 79701	290054
	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.		