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

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

CASE NO. 20923

PRE-HEARING STATEMENT OF COG OPERATING LLC

COG Operating LLC, the applicant in the above referenced matter, submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES OF THE PARTIES:

APPLICANT:

COG Operating LLC One Concho Center 600 W. Illinois Avenue Midland, Texas 79701

ATTORNEYS:

Ocean Munds-Dry
William F. Carr
Elizabeth A. Ryan
Michael Rodriguez
1048 Paseo de Peralta
Santa Fe, New Mexico 87501
(505) 780-8000
omundsdry@concho.com
wcarr@concho.com
eryan@concho.com
mrodriguez@concho.com

OPPOSING PARTY:

EOG Resources, Inc. 5509 Champions Drive Midland, Texas 79706

OPPOSING PARTIES' ATTORNEYS

Ernie Padilla
Padilla Law Firm, P.A.
PO Box 2523
Santa Fe, NM 87504
505-988-7577
505-988-7592 (fax)
padillalaw@qwestoffice.net

STATEMENT OF THE CASE

Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the Lots 1-2, S/2NE/4, and the SE/4 (E/2 equivalent) of irregular Section 4, and the E/2 of Section 9, Township 24 South, Range 32 East, Lea County, New Mexico. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the following proposed wells:

- The Mastiff Fed Com #201H, the Mastiff Fed Com #202H, the Mastiff Fed Com #301H, the Mastiff Fed Com #302H, Mastiff Fed Com #501H, and the Mastiff Fed Com #502H wells to be drilled from surface hole locations in NE/4NE/4 (Lot 1) of Section 4 to bottom hole locations in the SE/4SE/4 (Unit P) of Section 9.
- The Mastiff Fed Com #203H, the Mastiff Fed Com #303H, the Mastiff Fed Com #304H, the Mastiff Fed Com #305H, the Mastiff Fed Com #503H, and the Mastiff Fed Com #504H wells to be drilled from surface hole locations in NW/4NE/4 (Lot 2) of Section 4 to bottom hole locations in the SW/4SE/4 (Unit O) of Section 9.

The completed intervals for the proposed Mastiff Fed Com #202H well will be within 330' of the quarter-quarter line separating the W/2E/2 and the E/2E/2 of Sections 4 and 9 to allow inclusion of this acreage into a standard 640-acre horizontal well spacing unit.

Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and the imposition of 200% charge for risk involved in drilling and completing each well. Said area is located approximately 23 miles east of Loving, New Mexico.

PROPOSED EVIDENCE

WITNESS	ESTIMATED TIME	EXHIBITS
Adam Reker Petroleum Landman	20 Minutes	Approx. 5
John Bertalott Geologist	20 Minutes	Approx. 13

PROCEDURAL MATTERS

COG Operating LLC requests case numbers 20923, 20924, 20925 and 20926 be consolidated at hearing.

Respectfully submitted,

COG OPERATING LLC

Ocean Munds-Dry

William F. Carr

Elizabeth A. Ryan

Michael Rodriguez

COG Operating LLC

1048 Paseo de Peralta

Santa Fe, New Mexico 87501

(505) 780-8000

omundsdry@concho.com

wcarr@concho.com

eryan@concho.com

rodriguez@concho.com

ATTORNEYS FOR COG OPERATING LLC

CERTIFICATE OF SERVICE

I hereby certify that on February 13, 2020, I filed with the Division clerk the foregoing document and served a copy of the foregoing document to the following counsel of record via Electronic Mail:

Ernie Padilla
Padilla Law Firm, P.A.
PO Box 2523
Santa Fe, NM 87504
505-988-7577
505-988-7592 (fax)
padillalaw@qwestoffice.net

Ocean Munds-Dry William F. Carr

Elizabeth A. Ryan Michael Rodriguez