

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

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

Case No. 20923

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

Case No. 20924

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

Case No. 20925

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

Case No. 20926

PRE-HEARING STATEMENT

This Pre-hearing Statement is submitted by and through its undersigned counsel, Ernest L. Padilla, PADILLA LAW FIRM, P.A., on behalf of EOG Resources, Inc., as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

COG OPERATING LLC

ATTORNEY

Ocean Munds-Dry
William F. Carr
Elizabeth A. Ryan
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OPPOSITION OR OTHER PARTY

EOG Resources, Inc.

ATTORNEY

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STATEMENT OF CASE**APPLICANT****OPPOSITION OR OTHER PARTY**

EOG Resources opposes the captioned cases because:

1. In September 2019, EOG filed APD requests with the Bureau of Land Management (BLM). These APD requests cover proposed Bone Spring and Wolfcamp wells for its Igor two-mile laterals covering the W/2 of Section 28 and the W/2 of Section 33, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico.
2. Similarly, also in September 2019, EOG has filed APDs requests with the BLM. These APD requests cover proposed Bone Spring and Wolfcamp 1.5-mile Double ABJ wells dedicated the SE/4 of Section 9 and the E/2 of Section 16, Township 24 South, Range 32 East, NMPM, Lea County, New Mexico.
3. With respect to its Igor proposals EOG, through voluntary agreements, controls or owns 70% of the acreage. COG Operating does not have an ownership interest in the W/2 of the EOG interests in Section 33 which COG Operating seeks to pool through its applications.
4. With respect to its Double ABJ proposed wells, EOG owns or controls, through voluntary agreements, 75% of the lands in the SE/4 of Section 9 sought to be pooled by COG Operating. COG does not have an ownership interest in the SE/4 of Section 9.
5. For its Igor and Double ABJ well proposals, EOG anticipates, due to its current efforts to obtain voluntary joinder, that it will not have to bring compulsory pooling applications for the remaining non-committed working interests, and therefore, has not filed competing force pooling applications.
6. COG Operating has options to drill economic one-mile laterals in the W/2 of Section 4 on its own acreage for its West Mastiff proposed wells and 1.5-mile laterals in its East Mastiff prospect on its own acreage without interfering in EOG's drilling plans and contractual relations.

7. Through its applications, COG Operating seeks to obtain, through compulsory pooling, EOG's interests in an unfair and bad faith manner that will impair EOG's correlative rights after the parties' negotiations failed to result in voluntary agreement. After such failure, COG Operating should have dropped its applications or sought other drilling options.

PROPOSED EVIDENCE

APPLICANT:

WITNESS

EST. TIME

EXHIBITS

OPPOSITION:

WITNESS

EST. TIME

EXHIBITS

Chloe Sawtelle, Landman	30 minutes	Approx. 10
Carlos Sonka, Reservoir Engineer	40 minutes	Approx. 10
Denton O'Neal	30 minutes	Approx. 6

PROCEDURAL MATTERS

None.

PADILLA LAW FIRM, P.A.

/s/ Ernest L. Padilla

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the forgoing was served to counsel of record by electronic mail this 13th day of February, 2020 as follows:

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Elizabeth A. Ryan	eryan@concho.com
Michael Rodriguez	mrodriguez@concho.com

/s/ Ernest L. Padilla

Ernest L. Padilla