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. 21218

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: COUNSEL:

COG Operating LLC
One Concho Center
Michael Rodriguez
600 W. Illinois Avenue
Midland, Texas 79701
Santa Fe, New Mexico 87501
(505) 780-8000

omundsdry@concho.com mrodriguez@concho.com

STATEMENT OF THE CASE

Applicant in the above styled cause seeks an order pooling all uncommitted interests in the Wolfbone formation, WC-025 G-09 S243532M;WOLFBONE (Pool code 98098), underlying a standard 641.01-acre, more or less, horizontal spacing unit comprised of Lots 3 & 4, S/2NW/4, SW/4 (W/2) of Section 5 & W/2 of Section 8, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico. Said spacing unit shall be dedicated to the following well(s):

- The Deerstalker Federal Com 606H well to be horizontally drilled from a surface hole location in Lot 4 of Section 5 to a bottom hole location in the SE/4SW/4 (Unit N) of Section 8,
- The **Deerstalker Federal Com 703H** well to be horizontally drilled from a surface hole location in Lot 3 of Section 5 to a bottom hole location in the SE/4SW/4 (Unit N) of Section 8, and
- The Deerstalker Federal Com 705H well to be horizontally drilled from a surface hole location in Lot 4 of Section 5 to a bottom hole location in the SW/4SW/4 (Unit M) of Section 8.

The completed interval for the proposed Deerstalker Federal Com 606H will be within 330' of the line separating the W/2W/2 and E/2W/2 of Sections 5 and 8, which allows inclusion of this acreage into a standard 641.01-acre, more or less, horizontal spacing unit.

Also to be considered will be the timing of the drilling and completing of said wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of COG Operating LLC as operator of the wells, and the imposition of 200% charge for risk involved in drilling and completing said wells. Said area is located approximately 11 miles northwest of Jal, New Mexico.

PROPOSED EVIDENCE

WITNESS	ESTIMATED TIME	EXHIBITS
Megan Tipton, Landman	Via Affidavit	Approx. 3
Brian Sitek, Geologist	Via Affidavit	Approx. 7

PROCEDURAL MATTERS

COG Operating LLC intends to present this case by affidavit.

Respectfully submitted,

COG Operating LLC

/s/ Michael Rodriguez

Ocean Munds-Dry Michael Rodriguez COG Operating LLC 1048 Paseo de Peralta Santa Fe, New Mexico 87501 omundsdry@concho.com mrodriguez @concho.com (505) 780-8000

ATTORNEYS FOR COG OPERATING LLC