

**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. 21337 & 21338

COG'S CONSOLIDATED AMENDED PRE-HEARING STATEMENT

COG Operating LLC ("COG") (OGRID No. 229137), the applicant in the above-referenced cases, pursuant to the Pre-Hearing Order entered in this matter submits this amended pre-hearing statement.

APPEARANCES

APPLICANT

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ATTORNEY

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OTHER PARTIES

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AND

Colgate Operating, LLC
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APPLICANT'S STATEMENT OF CASE

In these consolidated cases, COG seeks orders pooling all uncommitted interests in the Bone Spring formation [Grama Ridge; Bone Spring West Pool (Pool Code 28432)] underlying two standard horizontal spacing units comprised of the E/2 and the E/2 W/2 of Sections 1 and 12, Township 22 South, Range 33 East, NMPM, Lea County, New Mexico.

Under Case 21337, COG seeks to form and initially dedicate the E/2 of Sections 1 and 12 to the following proposed wells:

- **Tenderloin Federal Com 501H** to be drilled from a surface hole location in NE/4 NE/4 (Unit A) of Section 13 to a bottom hole location in the NE/4 NE/4 (Lot 1) of Section 1; and
- **Tenderloin Federal Com 502H** to be drilled from a surface hole location in NE/4 NE/4 (Unit A) of Section 13 to a bottom hole location in the NW/4 NE/4 (Lot 2) of Section 1.

The completed interval of the Tenderloin Federal Com 502H well will be within 330 feet of the E/2 E/2 of Sections 1 and 12 to allow inclusion of this offsetting acreage in a standard horizontal well spacing unit.

Under Case 21338, COG seeks to form and initially dedicate the E/2 W/2 of Sections 1 and 12 to the **Tenderloin Federal Com 503H** well. This well will be drilled from a surface hole location in NE/4 NW/4 (Unit C) of Section 13 to a bottom hole location in the NE/4 NW/4 (Lot 3) of Section 1.

MATERIAL FACTS AND ISSUES

EOG Resources has not expressed any opposition to these matters. Colgate Operating, LLC, the other party appearing in this matter, initially obtained a late-filed continuance of these pooling cases under the contention that its affiliate CM Resources, which holds the mineral interest in the subject acreage, did not timely receive the pooling applications. Colgate subsequently stated at the July 23rd status conference that it intended to contest COG's good faith efforts to reach a voluntary agreement in these matters. COG is unaware of any other contested facts or issues.

APPLICANT'S WITNESSES AND PROPOSED EVIDENCE

Adam Reker is employed by COG as a landman and has previously testified before the Division as an expert in petroleum land matters. Mr. Reker's direct testimony has been filed in affidavit form as COG Exhibits A and AA. The exhibits referenced in Mr. Reker's affidavit have been filed as COG Exhibits A-1 through A-5, E and F. Mr. Reker will also reference, as necessary, COG Exhibit C (notice affidavit) and COG Exhibit D (affidavit of publication), which have also been filed with the Division.

Brian Sitek is employed by COG as a geologist and has previously testified before the Division as an expert in petroleum geology. Mr. Sitek adopts the testimony and opinions set forth in the Affidavit of Candice Pettijohn, who is unable to attend the hearing. This affidavit has been filed as COG Exhibit B, and Mr. Sitek will reference and discuss, as needed, COG Exhibits B-1 through B-4 filed with that affidavit.

PROCEDURAL MATTERS

If Colgate withdraws its objections, COG intends to present these consolidate cases by affidavit.

Respectfully submitted,

HOLLAND & HART LLP



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CERTIFICATE OF SERVICE

I hereby certify that on August 13, 2020, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

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