

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

**IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:**

**APPLICATION OF COG OPERATING, LLC
FOR A NON-STANDARD SPACING AND
PRORATION UNIT AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

2012 APR 19 P 4: 30
RECEIVED OGD
CASE NO. 14831

COG's PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

COG Operating LLC
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ATTORNEY

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APPLICANT'S STATEMENT OF CASE

COG Operating LLC seeks an order: (1) creating a non-standard 160-acre spacing and proration unit comprised of the W/2 E/2 of Section 31, Township 18 South, Range 26 East, NMPM, and (2) pooling all mineral interests in the Glorieta-Yeso formation underlying this non-standard spacing and proration unit. This proposed non-standard spacing and proration unit will be the project area for the Falabella "31" Fee Well No. 7H, to be horizontally drilled from a surface location 150 feet from the South line and 1700 feet from the East line (Unit O) to a

bottom hole location 330 feet from the North line and 1700 feet from the East line (Unit B) of Section 31. The completed interval for this well will be in the Penasco Draw; SA-Yeso (Assoc) pool and remain within the 330-foot standard offset required by Division rules.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Sean Johnson – Landman	Approx. 10	Approx. 5
Greg Clark – Geologist	Approx. 10	Approx 5

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART, LLP



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