

**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.**

Case No. 14,882

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Apache Corporation as required by the Oil Conservation Division.

APPEARANCES

APPLICANT
COG Operating LLC

APPLICANT'S ATTORNEY
Adam G. Rankin

OPPONENT
Apache Corporation
Suite 3000
300 Veterans Airpark Lane
Midland, Texas 79705

OPPONENT'S ATTORNEY
James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attention: Lee Scarborough

STATEMENT OF THE CASE

APPLICANT

OPPONENT

COG Operating LLC ("COG") seeks an order pooling all mineral interests in the Yeso formation underlying the S/2S/2 of Section 31, Township 17 South, Range 28 East, NMPM.

Apache Corporation ("Apache") owns a working interest in the well unit, which is subject to an existing operating agreement. Pursuant to the operating agreement Apache has elected to join in

the well. Because Apache and COG are subject to the operating agreement, Apache cannot be force pooled, and asks that it be dismissed from the case.

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
------------------	------------------	-----------------

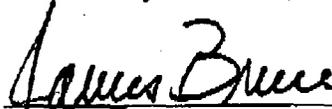
OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
------------------	------------------	-----------------

Lee Scarborough	20 min.	Approx. 4
-----------------	---------	-----------

PROCEDURAL MATTERS

Respectfully submitted,



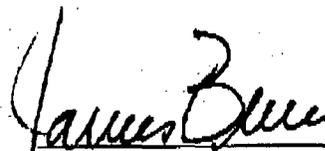
James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Apache Corporation

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 30th day of July, 2012 by facsimile transmission:

Adam G. Rankin
Holland & Hart LLP
P.O. Box 2208
Santa Fe, New Mexico 87504
(505) 983-6043



James Bruce