

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

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

CASE NO. 14999

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by COG Operating LLC ("COG"), as required by
NMAC 19.15.4.13.B.

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APPEARANCES

APPLICANT

COG Operating LLC
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600 W. Illinois Avenue
Midland, Texas 79701

ATTORNEY

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STATEMENT OF THE CASE

COG seeks and order from the Division (1) creating a non-standard 160-acre spacing and proration unit comprised of the S/2 S/2 of Section 1, Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico; and (2) pooling all mineral interests in the Yeso formation underlying this acreage. COG proposes to dedicate the above-referenced spacing and proration unit as the project area for its proposed **Shiner Bock 1 Federal Com 8H Well**, which will be horizontally drilled from a surface location in the SE/4 SE/4 of Section 2 (Unit P) to a standard

bottom hole location in the SE/4 SE/4 of Section 1 (Unit P). The completed interval for this well will be in the S/2 S/2 of Section 1 and remain within the 330-foot standard offset required by the Division's rules.

APPLICANT'S PROPOSED EVIDENCE

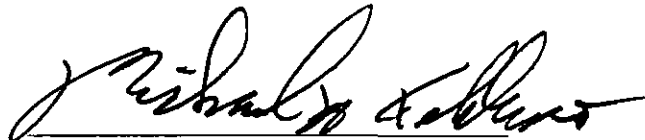
WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Brandon Gaynor, Landman	Approx. 10 minutes	Approx. 5
Harvin Boughton, Geologist	Approx. 15 minutes	Approx. 4

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART, LLP



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