

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

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

APPLICATION OF APACHE CORPORATION AND COG OPERATING LLC TO
AMEND ORDER NO. R-13382 AND TO MAKE THE AMENDED RULES
PERMANENT, LEA AND EDDY COUNTIES.

CASE NO. 14613 (Re-Opened)

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by COG Operating LLC as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

CO-APPLICANT

COG Operating LLC
550 West Texas Ave.
Midland, Texas 79701
(432)685-4304

ATTORNEY

Ocean Munds-Dry
Senior Attorney
COG Operating LLC
1048 Paseo de Peralta
Santa Fe, New Mexico
(505)780-8000

CO-APPLICANT

Apache Corporation

ATTORNEY

Earl E. DeBrine, Jr.
Jordan L. Kessler
MODRALL, SPERLING, ROEHL,
HARRIS & SISK, P.A.
P. O. Box 2168
Albuquerque, New Mexico 87103-2168
(505) 848-1800

INTERESTED PARTY

Burnett Oil Co. Inc.

ATTORNEY

James Bruce
PO Box 1056
Santa Fe, NM 87504
(505) 982-2043

STATEMENT OF THE CASE

Applicants seek to amend and make permanent the Temporary Special Pool Rules approved in Order No. R-13382. In Order No. R-13382, special pool rules were established allowing for a depth bracket allowable of 300 barrels of oil per day and a limiting gas:oil ratio of 3000 to 1 in the Artesia Glorieta-Yeso Pool, Bear Grass Draw Glorieta-Yeso Pool, Cedar Lake Glorieta-Yeso Pool, Empire Glorieta-Yeso Pool, East Empire Glorieta-Yeso Pool, Fren Glorieta-Yeso Pool, East Fren Glorieta-Yeso Pool, Grayburg Jackson Yeso Pool, North Leamex Paddock Pool, Loco Hills Glorieta-Yeso Pool, and West Maljamar Yeso Pool, Lea and Eddy Counties, New Mexico.

Under the terms of Division Order R-13382, the Temporary Special Rules for these pools expired on September, 1, 2014. Applicants seek to increase the depth bracket allowable to 600 barrels of oil per day, and that the amended rules be made permanent retroactive to the September 1, 2014. The pools are located approximately 12 miles east of Artesia, New Mexico and 17 miles west of Lovington, New Mexico.

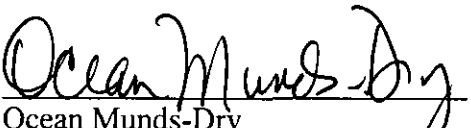
PROPOSED EVIDENCE

CO-APPLICANT

WITNESSES	EXHIBITS	ESTIMATED TIME
David Evans Senior Landman	Approx. 3	Approx. 15 minutes
Harvin Broughton Geoscience Lead	Approx. 4	Approx. 15 minutes
T.J. Midkiff Senior Reservoir Engineer	Approx. 5	Approx. 30 minutes

PROCEDURAL MATTERS

Applicants request the Division disregard the portion of the application addressing the Grayburg Jackson Yeso Pool. By Order No. R-12256-B, the Division abolished the Grayburg Jackson Yeso Pool as defined in Order No. R-12256 and created the Dodd-Glorieta Upper Yeso Pool. COG Operating LLC has filed a separate application to make permanent the special pool rules covering the Dodd-Glorieta Upper Yeso Pool.


Ocean Munds-Dry
Attorney for COG Operating, LLC

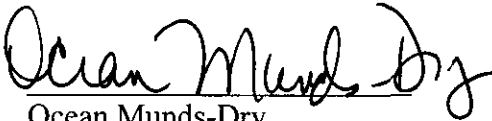
CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of this Pre-hearing Statement was served upon the following counsel of record this 11th day of September, 2014 by e-mail:

Earl E. DeBrine, Jr.
Jordan Kessler
Post Office Box 2168
Albuquerque, New Mexico 87103
(505) 848-1800
(505) 848-1897 Facsimile
eed@modrall.com
jlk@modrall.com
Attorneys for Apache Corporation

James Bruce
P.O. Box 1056
Santa Fe, NM 87504
jamesbruc@aol.com

Attorney for Burnett Oil Co., Inc.


Ocean Munds-Dry