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, LEA COUNTY, NEW MEXICO.

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

HECENTED OUD

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Case No. 15,467

Case No. 15,466

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by BC Operating, Inc., Oak Valley Mineral and Land LP, Mavros Minerals LLC, CEP Minerals LLC, Crump Energy Partners, LLC, and Crown Oil Partners IV, LP, as required by the Oil Conservation Division.

APPEARANCES

APPLICANT
COG Operating LLC

OPPONENT
BC Operating, Inc., et al.
Suite 310
4000 North Big Spring
Midland, Texas 79705

Attention: Harmon Murphy (432) 684-9696

APPLICANT'S ATTORNEY
Jordan L. Kessler

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

STATEMENT OF THE CASE

APPLICANT

COG Operating LLC seeks to pool the Wolfbone Pool in (i) the E/2SE/4 of Section 19 and E/2E/2 of Section 30, and (ii)the W/2SE/4 of Section 19 and W/2E/2 of Section 30, all in Township 24 South, Range 35 East, N.M.P.M., for the purpose of drilling two wells.

OPPONENT

Opponents assert that there have been insufficient negotiations by Applicant with the parties being pooled.

PROPOSED EVIDENCE

<u>APPLICANT</u>

WITNESSES	EST. TIME	<u>EXHIBITS</u>
<u>OPPONENT</u>		
WITNESSES	EST. TIME	<u>EXHIBITS</u>
Harmon Murphy (landman)	15 min.	Approx. 5
Mike Moylett (geologist)	10 min.	Approx. 3

PROCEDURAL MATTERS

Opponents request that this matter be continued to allow further negotiations between the parties.

Respectfully submitted.

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Santa Fe, New Mexico 87504

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Attorney for BC Operating, Inc., Oak Valley Mineral and Land LP, Mavros Minerals LLC, CEP Minerals LLC, Crump Energy Partners, LLC, and Crown Oil Partners IV, LP.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 24 to day of March, 2016 by e-mail:

Jordan L. Kessler jlkessler@hollandhart.com

James Bruce Bluce