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

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

CASE NO. 15063

PRE-HEARING STATEMENT

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

NMAC 19.15.4.13.B.

APPEARANCES

APPLICANT

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

ATTORNEY

Michael H. Feldewert
Adam G. Rankin
Holland & Hart, LLP
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421
(505) 983-6043 Facsimile

STATEMENT OF THE CASE

COG seeks an order from the Division (1) creating a non-standard 160-acre

spacing and proration unit comprised of the W/2 E/2 of Section 18, Township 24 South,

Range 34 East, NMPM, Lea County, New Mexico; and (2) pooling all mineral interests

in the Bone Springs formation, Red Hills; Lower Bone Spring Pool, underlying this

acreage. COG proposes to dedicate the above-referenced spacing and proration unit as

the project area for its **Sebastian Federal Com 3H Well**, which will be horizontally

drilled from a surface location in the NW/4NE/4 of Section 18 (Unit B) to a standard

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bottom hole location in the SW/4SE/4 of Section 18 (Unit O). The completed interval for this well will be in the W/2E/2 of Section 18 and remain within the 330-foot standard offset required by the Division's rules.
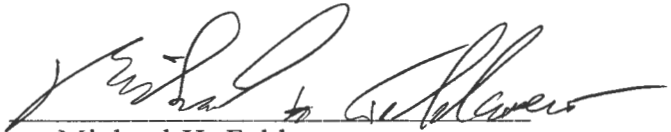
APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Mike Wallace, Landman	Approx. 10 minutes	Approx. 5
David DaGian, Geologist	Approx. 10 minutes	Approx. 4

PROCEDURAL MATTERS

This matter can be consolidated with Case No. 15064 for purposes of hearing efficiency.

Respectfully submitted,

HOLLAND & HART, LLP

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mfeldewert@hollandhart.com
agrankin@hollandhart.com

ATTORNEYS FOR COG OPERATING LLC