

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

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

CASE NO. 15075

COG's PRE-HEARING STATEMENT

COG Operating, LLC, submits this Pre-Hearing Statement for the above referenced case pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

COG Operating LLC
550 W. Texas Avenue, Suite 100
Midland, Texas 79701

ATTORNEY

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APPLICANT'S STATEMENT OF CASE

COG Operating LLC seeks an order: (1) creating a non-standard 160-acre spacing and proration unit comprised of the W/2 W/2 of Section 3, Township 19 South, Range 26 East, NMPM, and (2) pooling all mineral interests in the Yeso formation underlying this non-standard spacing and proration unit. The Division has indicated that this location falls within the Atoka; Glorieta-Yeso Pool (Pool Code 3250) rather than the Dayton; Grayburg (Pool Code 15960). The proposed non-standard spacing and proration unit will be the project area for the Lee 3 Fee Well No 1H (API 30-015-39586) to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 3. The completed

interval for this well will remain within the 330-foot standard offset required by the Statewide Rules set forth in 19.15.15 NMAC.

APPLICANT'S PROPOSED EVIDENCE

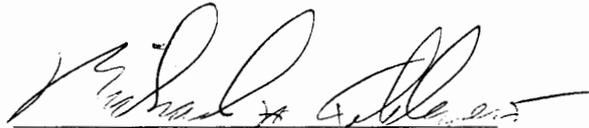
WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Stuart Dirks – Landman	Approx. 10	Approx. 5
Greg Clark – Geologist	Approx. 10	Approx 5

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART, LLP



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