

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

2014 JUN 19 P 2:53

**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 OIL SPACING AND PRORATION
UNIT AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 15112

COG's AMENDED PRE-HEARING STATEMENT

COG Operating LLC ("Concho") submits this Amended 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

Jordan L. Kessler, Esq.
MODRALL, SPERLING, ROEHL,
HARRIS & SISK, P.A.
P. O. Box 2168
Albuquerque, NM 87103-2168
(505) 848-1800

APPLICANT'S STATEMENT OF CASE

Applicant in the above-styled cause seeks an order approving this non-standard spacing and proration unit and pooling all uncommitted working and mineral interests of the Bone Spring formation underlying W/2 W/2 of Section 8, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico.

Concho seeks an order from the Division: (1) creating a 160-acre, more or less, oil spacing and proration unit in the Bone Spring formation, comprised of the W/2 W/2 of Section 8, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico; and (2) pooling all mineral interests in the Bone Spring formation underlying this proposed non-standard spacing and proration unit. This proposed non-standard spacing and proration unit will be the project area for the Tomcat Fee Com. Well No. 1H, to be horizontally drilled. Spacing in this pool is governed by the Special Rules and Regulations adopted in Order No. R-2589, as amended by Order No. R-2589-C which provide for 80-acre spacing units. The Special Rules for this pool require a well to be located within 200 feet of the center of the quarter-quarter section. The completed interval of the proposed well in the Bone Spring formation will comply with the setback requirements of the Scharb-Bone Spring Pool.

Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Concho as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 22 miles west of Hobbs, New Mexico.

APPLICANT'S PROPOSED EVIDENCE

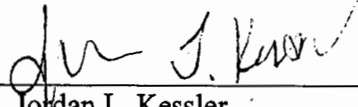
<u>WITNESS</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Jeff Lierly – Landman	Approx. 20 minutes	Approx. 8
Allison Stumpf – Geologist	Approx. 20 minutes	Approx. 5

PROCEDURAL MATTERS

COG Operating LLC has none at this time.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS
& SISK, P.A.

A handwritten signature in dark ink, appearing to read "Jordan L. Kessler", is written over a horizontal line.

Jordan L. Kessler

P.O. Box 2168

Albuquerque, New Mexico 87103-2168

(505) 848-1800

(505) 848-1891 Facsimile

jlk@modrall.com

ATTORNEY FOR COG OPERATING LLC