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

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Case No. 16019

COG OPERATING LLC'S PRE-HEARING STATEMENT

COG Operating LLC ("COG") submits its Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

COG is the applicant in this case. Its business address is 600 West Illinois Avenue, Midland, Texas 79701. COG is represented by the undersigned counsel.

STATEMENT OF THE CASE

COG's application seeks an order (i) approving a 240.01-acre, more or less, non-standard spacing and proration unit comprised of the E/2 W/2 of Section 1 and the E/2 NW/4 of Section 12, Township 24 South, Range 34 East, N.M.P.M., in Lea County, and (ii) pooling all uncommitted mineral interests in the Bone Spring formation underlying this acreage. The proposed non-standard spacing and proration unit will be the project area for the Mortarboard Federal Com #13H well, which will be horizontally drilled from a surface location in Lot 3 in Section 1 to a bottom hole location in Unit F of Section 12, Township 24 South, Range 34 East. The completed interval for the well will comply with the Division's setback requirements.

PROPOSED EVIDENCE

WITNESS	ESTIMATED TIME	<u>EXHIBITS</u>
Matt Solomon (Landman)	10 minutes	Approx. 9
Brian Sitek (Geologist)	10 minutes	Approx. 2

COG reserves the right to call a rebuttal witness(es) if appropriate.

PROCEDURAL MATTERS

COG is not aware of any procedural matters to be resolved prior to the hearing.

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