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. 16028

COG's PRE-HEARING STATEMENT

COG Operating LLC ("COG"), the applicant in the above referenced matter, submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

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ATTORNEY

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

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APPLICANT'S STATEMENT OF CASE

COG seeks an order (1) creating a 320-acre, more or less, spacing and proration unit comprised of the W/2 W/2 of Section 17 and the W/2 W/2 of Section 20, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico; and (2) pooling all uncommitted interests in the Bone Spring formation. COG proposes to dedicate the above-referenced spacing and proration unit as the project area for its proposed **Bonaid Fed Com No. 15H Well**, which will be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 17 to a standard

bottom hole location in the SW/4 SW/4 (Unit M) of Section 20. The completed interval for this well is within the 330-foot offset as required by the Statewide rules for oil wells.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Matt Solomon, Landman	Approx. 5	Approx. 4
Henry Zollinger, Geologist	Approx. 5	Approx. 3

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART LLP

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ATTORNEYS FOR COG OPERATING LLC

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