

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

**APPLICATION OF COG OPERATING LLC
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 21344

PRE-HEARING STATEMENT OF COG OPERATING LLC

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

APPEARANCES OF THE PARTIES

APPLICANT:

COG Operating LLC
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ATTORNEYS:

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COMPETING PARTY:

WPX Energy Permian, LLC

ATTORNEYS:

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STATEMENT OF THE CASE

Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation, Purple Sage; Wolfcamp Gas Pool (98220), underlying a standard 1920-acre,

more or less, horizontal spacing unit comprised of all of Sections 3, 10, and 15, Township 26 South, Range 29 East, NMPM, Eddy County, New Mexico. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the to the following proposed wells:

- The **Rock Jelly Fed Com 701H** well to be horizontally drilled from a surface hole location in the NE/4NE/4 (Unit A) of Section 3 to a bottom hole location in the SE/4SE/4 (Unit P) of Section 15,
- The **Rock Jelly Fed Com 702H** well to be horizontally drilled from a surface hole location in the NE/4NE/4 (Unit A) of Section 3 to a bottom hole location in the SW/4SE/4 (Unit O) of Section 15,
- The **Rock Jelly Fed Com 703H** well to be horizontally drilled from a surface hole location in the NE/4NW/4 (Unit C) of Section 3 to a bottom hole location in the SE/4SW/4 (Unit N) of Section 15,
- The **Rock Jelly Fed Com 704H** well to be horizontally drilled from a surface hole location in the NE/4NW/4 (Unit C) of Section 3 to a bottom hole location in the SE/4SW/4 (Unit N) of Section 15,
- The **Rock Jelly Fed Com 705H** well to be horizontally drilled from a surface hole location in the NE/4NW/4 (Unit C) of Section 3 to a bottom hole location in the SW/4SW/4 (Unit M) of Section 15,

The completed interval for the proposed **Rock Jelly Fed Com 703H** will be within 330' of the line separating the W/2E/2 and the E/2W/2 of Sections 3, 10, and 15, which allows inclusion of this acreage into a standard 1920-acre, more or less, horizontal spacing unit.

Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of

applicant as operator, and the imposition of 200% charge for risk involved in drilling and completing each well. Said area is located approximately 12 miles southeast of Malaga, New Mexico.

PROPOSED EVIDENCE AND WITNESS QUALIFICATIONS

Witness 1: Hunter Hall – Landman

Number of exhibits: Approximately 4,
Approximate time: Testimony via verified statement,
Credentials: I graduated from Texas Tech University with a Bachelor of Business Administration in Energy Commerce (concentrations being Petroleum Land Management and Energy Transaction Analysis) in May of 2018. In the summer of 2016, I interned for Anadarko Petroleum Corporation in their land administration department. In the summer of 2017, I interned at COG as a landman before starting full time in May of 2018 after graduating from Texas Tech. I am a member of the following professional organizations: Permian Basin Landmen's Association (PBLA) and American Association of Professional Landmen (AAPL).

Witness 2: Will Neel – Geologist

Number of exhibits: Approximately 4,
Approximate time: Testimony via verified statement,
Credentials: I graduated from Oklahoma State University with both a Bachelor of Science in Geology in 2017 and my Master of Science in Geology in 2018 where my graduate research focused primarily on unconventional reservoirs in the "STACK play." In January 2019, I began working for COG as a geologist in the Delaware Basin where I still work today. I have one accepted publication in the Society of Exploration Geophysicists' "Interpretation" publication and am a member of the American Association of Petroleum Geologists and the Oklahoma State University School of Geology Advisory Board.

Witness 3: Shane Volk – Reservoir Engineer

Number of exhibits: Approximately 5,
Approximate time: Testimony via verified statement,
Credentials: I received an Executive Master of Business Administration from the University of Oklahoma in 2018 and a Bachelor of Science in Petroleum Engineering from the University of Oklahoma in 2005. I held Reservoir Engineer positions with ExxonMobil from July 2009 to October 2011, Devon Energy from November 2011 to October 2019, and COG Operating LLC from March 2020 to present.

LIST OF DISPUTED FACTS AND ISSUES

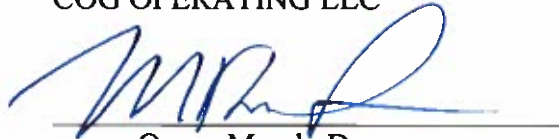
The central issue in dispute is which party should be the designated operator of the W/2 of Section 15, Township 26 South, Range 29 East, NMPM, Eddy County, New Mexico pursuant to a compulsory pooling order.

PROCEDURAL MATTERS

This case is competing with WPX Energy Permian, LLC's Case No. 21371 to the extent it overlaps with COG's application in the W/2 of Section 15.

Respectfully submitted,

COG OPERATING LLC



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ATTORNEYS FOR COG OPERATING LLC

CERTIFICATE OF SERVICE

I hereby certify that on October 15, 2020, I filed with the Division clerk the foregoing document and served a copy of the foregoing document to the following counsel of record via

Electronic Mail:

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