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

IN THE MATTER OF THE APPLICATION OF COG OPERATING LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

Case No. 14,733

COG OPERATING, LLC PRE-HEARING STATEMENT

COG Operating LLC (COG) through its counsel, Beatty & Wozniak, P.C., submits this Pre-Hearing Statement in compliance with OCD Rules.

APPEARANCES

APPLICANT

ATTORNEY

COG Operating, LLC

Carol Leach Beatty & Wozniak, P.C. 500 Don Gaspar Santa Fe, New Mexico 87505 505-983-8901

OPPONENT

STATEMENT OF THE CASE

THE CHENTED

Case No. 14733: Application of COG Operating LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order for the compulsory pooling of all interests in those depths from 2,000 feet below the surface of the earth to 5,000 feet below the surface within Unit M of Section 36, T 17S, R 27E. The Applicant proposes to drill the following wells: P) Big Boy State #1 well at a location of 990' FSL and 990' FWL; (2) Big Boy State #2 well at a location of 330' FSL and 330' FWL; and (4) Big Boy State #4 well at a location of 330' FSL and 990' FWL, or other legal locations, within Unit M (SWSW) to a depth of approximately 4,990 feet below ground level to produce from the Blinebry/Paddock Formations in the Northeast Red Lake Glorieta-Yeso Pool. COG proposes to dedicate the Unit to the proposed Big Boy State #1 well. Also to be considered will be the cost of drilling and completing each well and the allocation of the costs thereof, the actual operating costs, charges for supervision, designation of COG Operating LLC as operator and a charge for the risk involved in drilling each well. The proposed wells and lands are located approximately ten miles east and three and one-half miles south of Artesia, New Mexico.

PROPOSED EVIDENCE

APPLICANT

WITNESSES

ESTIMATED TIME

EXPERTISE

Brandon Gaynor

30 minutes

Landman

PROCEDURAL MATTERS

There are no outstanding matters to be resolved.

Respectfully submitted this 22nd day of September, 2011.

Beatty & Wozniak, P.C.

Carol Leach

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ATTORNEY FOR COG OPERATING LLC

CERTIFICATE OF SERVICE

I hereby certify that on this 22nd day of September, 2011, I sent notice of this filing to the parties of record in this proceeding.