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

IN THE MATTER OF THE HEARING CALLED B THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING

APPLICATION OF COG OPERATING, LLC FOR A NON-STANDARD SPACING AND PRORATION UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

RECEIVED OCD

CASE NO. 14812

COG's PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

ATTORNEY

COG Operating LLC 550 W. Texas Avenue, Suite 100 Midland, Texas 79701 Michael H. Feldewert, Esq. Adam K. Rankin Holland & Hart, LLP Post Office Box 2208 Santa Fe, New Mexico 87504-2208 (505) 988-4421 (505) 983-6043 Facsimile

APPLICANT'S STATEMENT OF CASE

COG Operating LLC seeks an order: (1) creating a non-standard 160-acre, more or less, oil spacing and proration unit in the Yeso formation, comprised of the E/2 W/2 of Section 6, Township 19 South, Range 26 East, N.M.P.M., Eddy County, New Mexico; and (2) pooling all mineral interests in the Yeso 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 Arabian 6 Fee No. 2H well, to be horizontally drilled from a surface location 150 feet from

the South line and 1700 feet from the West line of said Section 6 (Unit N) to a bottom-hole terminus at a location 330 feet from the North line and 1700 feet from the West line of said Section 6 (Unit C). The completed interval for this well will be in the Penasco Draw; SA-Yeso (Assoc) pool and remain within the 330-foot standard offset required by Division rules.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Brandon K. Gaynor – Landman	Approx. 10	Approx. 5
Greg Clark – Geologist	Approx. 10	Approx 5

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART, LLP

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