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2012 MAY 30 P 3: 36

May 30, 2012

Ms. Jami Bailey, Director
NM Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87501

Hand-Delivered

**Re: NMOCD Case No. 14855: Application of COG Operating LLC for
Compulsory Pooling, Eddy County, New Mexico**

Dear Ms. Bailey:

On behalf of COG Operating LLC, enclosed for filing is an original and one copy
of a Pre-hearing Statement in the above-referenced case.

Thank you.

Very truly yours,

Karen Williams
Assistant to J. Scott Hall

:kw
Enclosures

377807

REPLY TO:

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

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

CASE NO. 14855

PRE-HEARING STATEMENT

COG Operating LLC ("COG") provides this Pre-Hearing Statement as required by the rules of the Division.

APPEARANCES

APPLICANT

COG Operating LLC

APPLICANT'S ATTORNEY

J. Scott Hall
Montgomery & Andrews
P.O. Box 2307
Santa Fe, NM 87504-2307
(505) 982-3873

OTHER PARTY

Chisos, Ltd.
670 Dona Ana Road SW
Deming, NM

OTHER PARTY'S ATTORNEY

James Bruce
P.O. Box 1056
Santa Fe, NM 87504
(505) 982-2043

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order consolidating the mineral interests within the SW/4 NE/4 of Section 16, Township 17 South Range 31 East, NMPM and designating the lands a standard 40-acre oil spacing and proration unit for a well to be drilled to the Yeso formation, Mar Loco Glorieta-Yeso pool (97866). Applicant further seeks the

compulsory pooling of all interests in the Yeso formation underlying the referenced lands to be dedicated to its Burkett 16 State No. 1 Well to be drilled from a surface location 1650' from the North line and 1650' from the East line of Section 16. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of COG Operating LLC as operator and a charge for risk involved in drilling the well.

OTHER PARTY

Chisos, Ltd.

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Katie Mohebkhosravi, Landman	15	5
Ramone Reyes, Geologist	15	5

OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
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PROCEDURAL MATTERS

None.

Montgomery and Andrews, P. A.

By: *T. J. Montgomery*

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(505) 982-4289 fax
shall@montand.com
Attorneys for COG Operating LLC

Certificate of Service

I hereby certify that a true and correct copy of the foregoing was served to counsel of record by electronic mail this 30 day of May, 2012.

James Bruce, Esq.
P.O. Box 1056
Santa Fe, NM 87504
jamesbruc@aol.com



J. Scott Hall

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