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

2012 MAY 31 P 4: 40

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

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

Case No. 14.855

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Chisos, Ltd. as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

COG Operating LLC

APPLICANT'S ATTORNEY

J. Scott Hall

OPPONENT

Chisos, Ltd.

670 Dona Ana Road SW

Deming, New Mexico

Attention:

OPPONENT'S ATTORNEY

James Bruce

P.O. Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Sue Ann Craddock

(575) 546-8802

STATEMENT OF THE CASE

APPLICANT

OPPONENT

COG Operating LLC ("COG") seeks an order pooling all interests from the surface to the base of the Glorieta-Yeso formation in the SW/4NE/4 of Section 16, Township 17 South, Range 31 East, NMPM.

Chisos, Ltd. ("Chisos") owns a working interest in the well unit. Despite repeated requests, COG has refused to send Chisos an operating agreement and an AFE. Despite COG's actions,

Chisos has informed COG that it will participate in the well. Thus, Chisos asks that the case be dismissed, or that it be dismissed from the case.

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST, TIME

EXHIBITS

OPPONENT

WITNESSES

EST. TIME

EXHIBITS

Sue Ann Craddock

20 min.

Approx. 6

PROCEDURAL MATTERS

Chisos will be filing a motion to dismiss.

Respectfully submitted,

James Bruce

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Attorney for Chisos, Ltd.

CERTIFICATE OF SERVICE

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James Bruce