

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

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

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

**Case No. 14,815**

**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

**OPPONENT'S ATTORNEY**  
James Bruce  
P.O. Box 1056  
Santa Fe, New Mexico 87504  
(505) 982-2043

Attention: Sue Ann Craddock  
(575) 546-8802

**STATEMENT OF THE CASE**

**APPLICANT**

**OPPONENT**

Applicant seeks an order approving a non-standard oil spacing and proration unit in the Yeso formation comprised of the NW/4NE/4 and N/2NW/4 of Section 16, Township 17 South, Range 31 East, NMPM, to form a non-standard 120-acre oil spacing and proration unit, and pooling all mineral interests in the Yeso formation underlying the non-standard unit.

Chisos, Ltd. owns an interest in the well unit, and has agreed to participate in the well. Thus, it asks that it be dismissed from the case.

### PROPOSED EVIDENCE

#### APPLICANT

WITNESSES

EST. TIME

EXHIBITS

#### OPPONENT

WITNESSES

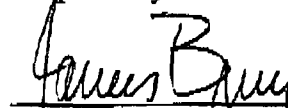
EST. TIME

EXHIBITS

Chisos, Ltd. does not plan on presenting a witness.

### PROCEDURAL MATTERS

Respectfully submitted,



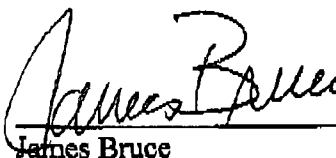
James Bruce  
Post Office Box 1056  
Santa Fe, New Mexico 87504  
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Attorney for Chisos, Ltd.

### CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 19th day of April, 2012 by facsimile transmission:

J. Scott Hall  
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James Bruce