STATE OF NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES 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 A STANDARD SPACING AND PRORATION UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO. RECEIVED UCD

CASE NO. 14887

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by COG Operating LLC ("COG") as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

ATTORNEY

COG Operating LLC One Concho Center 600 W. Illinois Avenue Midland, Texas 79701 Michael H. Feldewert Adam G. Rankin Holland & Hart, LLP Post Office Box 2208 Santa Fe, New Mexico 87504-2208 (505) 988-4421 (505) 983-6043 Facsimile

STATEMENT OF THE CASE

COG seeks an order creating a standard 40-acre spacing and proration unit and pooling all mineral interests from the surface to the base of the Glorieta-Yeso formation underlying the SW/4 SW/4 of Section 4, Township 19 South, Range 26 East, NMPM, Eddy County, New Mexico. COG proposes to drill the Sherman 4 Fee #1 Well (API#: 30-015-39589) to be vertically drilled from a standard surface location 612 feet from the South line and 380 feet from

the West line (Unit M) of Section 4 to a depth sufficient to test the Glorieta-Yeso formation, and seeks to dedicate the SW/4 SW/4 of Section 4 to the well to form a standard 40-acre oil spacing and proration unit for any formations and/or pools within that vertical extent.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Katie Mohebkhosravi, Petroleum Landman	Approx. 15 mins.	Approx. 3.
Greg Clark, Petroleum Geologist	Approx. 15 mins.	Approx 4.

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART, LLP

Michael H. Feldewert Adam G. Rankin Post Office Box 2208 Santa Fe, New Mexico 87504-2208 (505) 988-4421 (505) 983-6043 Facsimile

ATTORNEYS FOR COG OPERATING LLC

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