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

2012 NOV 20 P 12: 24

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

CASE NO. 14930

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 pooling all mineral interests from the surface to the base of the Glorieta-Yeso formation underlying the SW/4 SW/4 (Unit M) of Section 4, Township 19 South, Range 26 East, NMPM, Eddy County, New Mexico. The SW/4 SW/4 of Section 4 has been dedicated to the Sherman 4 Fee #1 Well (API No. 30-015-39589), which has been vertically drilled at a standard 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. COG recently discovered that a portion of the acreage is owned by an estate previously unknown and not

subject to a voluntary agreement for the development of these lands. Accordingly, COG seeks a pooling order from the division to address this previously unknown interest.

APPLICANT'S PROPOSED EVIDENCE

WITNESS
Name and Expertise

Katie Mohebkhosravi,
Petroleum Landman

EXHIBITS

Approx. 10 minutes
Approx. 5

PROCEDURAL MATTERS

None at this time.

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Respectfully submitted,

HOLLAND & HART, LLP

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ATTORNEYS FOR COG OPERATING LLC