



**MONTGOMERY  
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2013 JUL 18 P 4: 29

July 18, 2013

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

**Hand-Delivered**

**Re: NMOCD Case No. 15029: Application of COG Operating LLC for Designation of a Non-Standard Spacing and Proration Unit and for Compulsory Pooling, Lea County, New Mexico**

Dear Ms. Bailey:

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

Very truly yours,

Karen Williams  
Assistant to J. Scott Hall

JSH:kw  
Enclosures

cc: James Bruce, Esq.  
Mr. Sean Johnson, COG  
Ms. Ocean Munds-Dry

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**REPLY TO:**

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

RECEIVED OGD  
2013 JUL 18 P 4: 29

**IN THE MATTER OF THE APPLICATION  
OF COG OPERATING LLC FOR  
DESIGNATION OF A NONSTANDARD  
SPACING AND PRORATION UNIT AND  
FOR COMPULSORY POOLING, LEA  
COUNTY, NEW MEXICO**

**Case No. 15029**

**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**

CML Exploration, LLC

**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 40-acre spacing units within the E/2 E/2 of Section 11 and the NE/4 NE/4 of Section 14, Township 17 South Range 32 East,

NMPM and designating the consolidated units as a 200-acre± non-standard oil spacing and proration unit for a well location in the Yeso formation for Applicant's horizontal drilling project area. Applicant further seeks the compulsory pooling of all interests in the Yeso formation underlying the E/2 E/2 of Section 11 and the NE/4 NE/4 of Section 14 to be dedicated to its Flat Head Fed Com No. 8-H Well to be drilled horizontally from a surface location in the NE/4 NE/4 of Section 11 to a standard bottom hole location NE/4 NE/4 of Section 14 to a depth sufficient to test the Yeso formation, West Maljamar Yeso Pool (44500). Also to be considered will be the cost of drilling and completing said well and the allocation of the cost 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.

### **PROPOSED EVIDENCE**

#### APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Sean Johnson, Landman	20 minutes	6
Harvin Broughton, Geologist	20 minutes	4
Jesse Lawson, Petroleum Engineer	20 minutes	4

#### OPPONENT

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

Applicant may request that this case be consolidated for hearing with Case No. 15030.

Montgomery and Andrews, P. A.

By:



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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 18<sup>th</sup> day of July, 2013.

James Bruce  
P.O. Box 1056  
Santa Fe, NM 87504  
(505) 982-2043  
Attorney for CML Exploration, LLC



J. Scott Hall

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