

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

**APPLICATION OF COG OPERATING, LLC
FOR A NON-STANDARD SPACING AND
PRORATION UNIT, AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 15096

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by COG Operating LLC ("COG"), as required by NMAC 19.15.4.13.B.

APPEARANCES

APPLICANT

COG Operating LLC
One Concho Center
600 W. Illinois Avenue
Midland, Texas 79701

ATTORNEY

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STATEMENT OF THE CASE

COG seeks an order from the Division (1) creating a non-standard 160-acre spacing and proration unit comprised of the W/2W/2 of Section 18, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico; and (2) pooling all mineral interests in the Bone Spring formation underlying this acreage. COG proposes to dedicate the above-referenced spacing and proration unit as the project area for its **Sebastian Federal Com 1H Well**, which will be horizontally drilled from a surface location in the NW/4NW/4 (Lot 1) to a standard bottom hole location in the SW/4SW/4 (Lot 4) of

Section 18. The completed interval for this well will remain within the 330-foot standard offset required by the Division's rules.

APPLICANT'S PROPOSED EVIDENCE

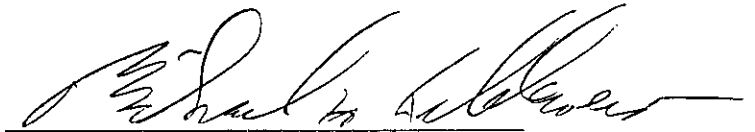
WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Mike Wallace, Landman	Approx. 10 minutes	Approx. 5
David DaGian, Geologist	Approx. 10 minutes	Approx. 4

PROCEDURAL MATTERS

This matter can be consolidated with Case No. 15097 for purposes of hearing efficiency.

Respectfully submitted,

HOLLAND & HART, LLP



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