

**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, EDDY COUNTY, NEW MEXICO.**

CASE 15151

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 (1) creating a 160-acre spacing and proration unit comprised of the E/2W/2 of Section 4, Township 19 South, Range 26 East, NMPM, Eddy County, New Mexico and (2) pooling all mineral interests in the Yeso formation underlying this acreage. COG proposes to dedicate the above-referenced spacing and proration unit as the project area for its **Sherman 4 Fee 2H Well**, which will be horizontally drilled from a surface location in the SE/4SW/4 (Unit N) to a standard bottom hole location in Lot 3 (Unit C) of Section 4. The completed interval for this well will commence in the

SE/4SW/4 (Unit N) of Section 4 and remain within the 330-foot standard offset required by the Division's rules.

APPLICANT'S PROPOSED EVIDENCE

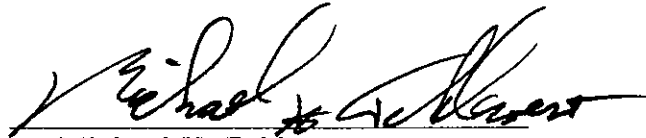
WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Joseph Scott, Landman	Approx. 10 minutes	Approx. 5
Greg Clark, Geologist	Approx. 10 minutes	Approx. 4

PROCEDURAL MATTERS

None.

Respectfully submitted,

HOLLAND & HART, LLP



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