

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

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**IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:**

**APPLICATION OF APACHE CORPORATION AND
COG OPERATING LLC TO AMEND ORDER NO.
R-13382, ETC., LEA AND EDDY COUNTIES
NEW MEXICO AND TO MAKE THE AMENDED RULES
PERMANENT.**

CASE NO. 14613 (Re-opened)

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Apache Corporation ("Apache") as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Apache Corporation
303 Veterans Airpark Ln. # 600
Midland, Texas 79705

ATTORNEY

Earl E. DeBrine, Jr., Esq.
Jordan L. Kessler, Esq.
MODRALL, SPERLING, ROEHL,
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Albuquerque, New Mexico 87103-2168
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CO-APPLICANT

COG Operating LLC
550 W. Texas Avenue, Suite 100
Midland, Texas 79701

ATTORNEY

Ocean Munds-Dry, Esq.
1048 Paseo de Peralta
COG Operating LLC
Santa Fe, New Mexico 87501
(505) 780-8000

INTERESTED PARTY

Burnett Oil Co., Inc.
550 W. Texas Avenue, Suite 100
Midland, Texas 79701

ATTORNEY

James Bruce, Esq.
P.O. Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

STATEMENT OF CASE**APPLICANT:**

Applicants seek to amend Order R-13382 which established Temporary Special Pool Rules for the Artesia Glorieta-Yeso, Bear Grass Draw Glorieta-Yeso, Cedar Lake Glorieta-Yeso, Empire Glorieta-Yeso, East Empire Glorieta-Yeso, Fren Glorieta-Yeso, East Fren Glorieta-Yeso, Grayburg Jackson Yeso, North Leamex Paddock, Loco Hills Glorieta-Yeso, and West Maljamar Yeso, Lea and Eddy Counties, New Mexico.

Under the terms of Division Order R-13382, the Temporary Special Rules for these pools expired on September 1, 2014. Applicants seek to increase the depth bracket allowable to 600 barrels of oil per day, and that the amended rules be made permanent retroactive to the September 1, 2014. The pools are located approximately 12 miles east of Artesia, New Mexico and 17 miles west of Lovington, New Mexico.

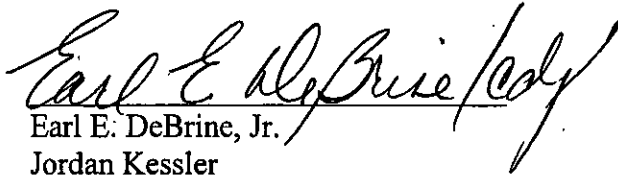
PROPOSED EVIDENCE**APPLICANT:****WITNESS****ESTIMATED TIME****EXHIBITS**

Clinton Mills – Production Engineer	Approx. 20	Approx. 3
Alexander Gonzales – Geologist	Approx. 20	Approx. 4
Alejandro Oniszcuk – Reservoir Engineer	Approx. 30	Approx. 5-10
Mark Thomas – Production Engineer	Approx. 10	Approx. 2
Mark Henkhaus – Land and Regulatory	Approx. 20	Approx. 3-5

PROCEDURAL MATTERS

By Order No. R-12256-B, the Division abolished the Grayburg Jackson Yeso Pool as defined in Order No. R-12256 and created the Dodd-Glorieta Upper Yeso Pool. COG Operating LLC has filed a separate application to make permanent the special pool rules covering the Dodd-Glorieta Upper Yeso Pool. Therefore the lands covered by the former Grayburg Jackson Yeso Pool are not to be considered as part of these proceedings.

Respectfully submitted,

A handwritten signature in cursive script, reading "Earl E. DeBrine, Jr.", followed by a diagonal slash and the word "copy".

Earl E. DeBrine, Jr.

Jordan Kessler

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Certificate of Service

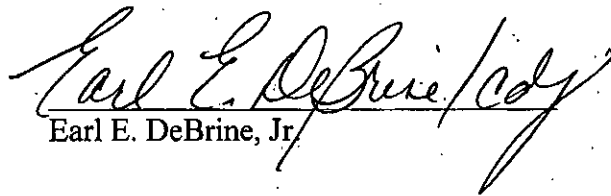
I hereby certify that a true and correct copy of this Pre-Hearing Statement was emailed on September 11, 2014 to:

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Earl E. DeBrine, Jr.

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