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

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

CASE NO. 15249

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COG's PRE-HEARING STATEMENT

COG Operating, LLC, the applicant in the above referenced matter, submits this Pre-

Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

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

<u>ATTORNEY</u>

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APPLICANT'S STATEMENT OF CASE

COG Operating LLC seeks an order (1) creating a 160-acre spacing and proration unit comprised of the N/2S/2 of Section 22, Township 25 South, Range 29 East, NMPM, Eddy County, New Mexico; and (2) pooling all mineral interests in the Bone Spring formation underlying this acreage (Willow Lake; Bone Spring SE (96217)). This proposed non-standard spacing and proration unit will be the project area for the proposed Mescal 22 Federal 1H Well, which will be horizontally drilled from a surface location in the NE/4SE/4 (Unit I) to a standard

bottom hole location in NW/4SW/4 (Unit L) of Section 22. The completed interval for this well will comply with the Division's setback requirements.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Aaron Myers – Landman	Approx. 10	Approx. 5
Drew Bergman Geologist	Approx. 10	Approx 5

PROCEDURAL MATTERS

None at this time.

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Respectfully submitted,

HOLLAND & HART, LLP

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