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 NO. 15283

2015

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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 Michael H. FeldewertUJordan L. KesslerاللهHolland & Hart, LLPاللهPost Office Box 2208Santa Fe, New Mexico 87504-2208(505) 988-4421(505) 983-6043 Facsimile

ATTORNEY

STATEMENT OF THE CASE

COG seeks an order (1) creating a 160-acre, more or less, spacing and proration unit comprised of the N/2 S/2 of Section 27, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico; and (2) pooling all mineral interests in the Yeso formation, Red Lake; Glorieta Yeso Northeast pool (96836). COG proposes to dedicate the above-referenced spacing and proration unit as the project area for its proposed **Halberd 27 State Com No 2H Well**, which will be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 26 to a standard bottom hole location in the NW/4 SW/4 (Unit L) of Section 27. The completed interval for this well will commence in NE/4 SE/4 (Unit I) of Section 27 and remain within the 330-foot standard offset required by the Statewide Rules for oil pools.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Dylan Park, Landman	Approx. 10 minutes	Approx. 5
Greg Clark, Geologist	Approx. 10 minutes	Approx. 5

PROCEDURAL MATTERS

COG intends to consolidate this matter with Case No. 15282 for hearing.

Respectfully submitted,

HOLLAND & HART, LLP

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ATTORNEYS FOR COG OPERATING LLC