

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

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

Case No. 15417

**COG OPERATING LLC'S
PRE-HEARING STATEMENT**

COG Operating LLC ("COG") submits its Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

COG is the applicant in this case. Its business address is 550 W. Texas Avenue, Suite 100, Midland, Texas 79701. COG is represented by the undersigned counsel.

STATEMENT OF THE CASE

COG's application requests an order (i) approving a 240-acre non-standard spacing and proration unit comprised of the W/2 SW/4 of Section 12 and the W/2 W/2 of Section 13, Township 24 South, Range 34 East, N.M.P.M., in Lea County, and (ii) pooling all uncommitted mineral interests in the Avalon Shale portion of the Bone Spring formation underlying this acreage. The proposed non-standard spacing and proration unit will be the project area for COG's Sombrero Federal Com No. 4H well, which will be horizontally drilled from a surface location in Unit M of Section 13, Township 24 South, Range 34 East to a bottom hole location in Unit L of Section 12, Township 24 South, Range 34 East. The completed interval for this well will comply with the Division's setback requirements.

PROPOSED EVIDENCE

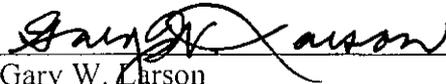
<u>WITNESS</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Mike Wallace (Landman)	10 minutes	Approx. 7
John Bertalott (Geologist)	10 minutes	Approx. 3

COG reserves the right to call a rebuttal witness(es) if appropriate.

PROCEDURAL MATTERS

COG is not aware of any procedural matters to be resolved prior to the hearing.

HINKLE SHANOR, LLP


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