

**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 NOS. 15493 and 15494

COG's PRE-HEARING STATEMENT

COG Operating LLC ("COG"), the applicant in the above referenced matters, submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

One Concho Center
600 W. Illinois Avenue
Midland, TX 79701

ATTORNEY

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APPLICANT'S STATEMENT OF CASE

In Case No. 15493, 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 1, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico; and (2) pooling all mineral interests in the Yeso Formation. This non-standard spacing unit will be the project area for the proposed **Clydesdale 1 Fee No. 5H Well**, which will be horizontally drilled from a surface location in the NE/4 SE/4 (Unit I) to a standard bottom hole location in the NW/4 SW/4 (Unit L) of Section 1.

In Case No. 15494, COG seeks an order (1) creating a 160-acre, more or less, spacing and proration unit comprised of the S/2 S/2 of Section 1, Township 19 South, Range 25 East,

NMPM, Eddy County, New Mexico; and (2) pooling all mineral interests in the Yeso Formation. This non-standard spacing unit will be the project area for COG's proposed **Clydesdale 1 Fee No. 7H Well**, which will be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) to a standard bottom hole location in the SW/4 SW/4 (Unit M) of Section 1. The completed interval for each of these wells will comply with the Division's setback requirements.

APPLICANT'S PROPOSED EVIDENCE

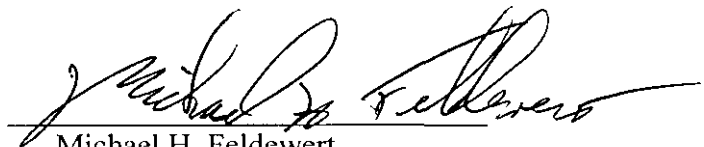
WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Stuart Dirks Landman	Approx. 20	Approx. 10
Greg Clark Geologist	Approx. 20	Approx. 6

PROCEDURAL MATTERS

COG requests that Cases 15493 and 15494 be consolidated for hearing.

Respectfully submitted,

HOLLAND & HART LLP



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