

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

AMENDED APPLICATION OF COG OPERATING LLC, TO RE-OPEN CASE NO. 14795 TO POOL THE INTERESTS OF ADDITIONAL MINERAL OWNERS UNDER THE TERMS OF COMPULSORY POOLING ORDERS R-13535 AND R-13535-A, EDDY COUNTY, NEW MEXICO.

CASE NO. 14795 (re-opened)

COG's AMENDED 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
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600 W. Illinois Avenue
Midland, Texas 79701

ATTORNEY

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APPLICANT'S STATEMENT OF CASE

COG Operating LLC seeks to amend Order R-13808 to (1) pool additional uncommitted interest owners under the terms of Orders R-13535 and R-13535-A; and (2) pool the San Andrews formation within the Unit within the Penasco Draw-San Andres-Yeso (Associated) Pool (50270). Division Order R-13535, entered on April 11, 2012, created a 160-acre non-standard spacing and proration unit comprised of the E/2 E/2 of Section 31, Township 18 South, Range 26 East, NMPM in Eddy County, New Mexico, and pooled the mineral interests underlying said unit in the Penasco Draw-San Andres-Yeso (Associated) Pool (50270). Division Order R-13535-A was subsequently issued to pool additional mineral interests and to change the

initial well dedicated to the Unit to the **Falabella 31 Fee No. 8H Well** (API No. 30-015-39515). The **Falabella 31 Fee No. 8H Well** was drilled from a surface location 150 feet from the South line and 380 feet from the East line (Unit P) to a standard bottomhole location 330 feet from the North line and 380 feet from the East line (Unit A) of Section 31.

Since the entry of Orders R-13535 and 13535-A, certain leases have expired and a Joint Operating Agreement terminated, resulting in mineral interest owners that are no longer contractually committed to the well. COG now seeks to amend Orders R-13535 and 13535-A to include these additional interests under the terms of those pooling orders. COG also seeks to pool the San Andres formation within the Unit, in addition to the Yeso formation, within the Penasco Draw-San Andres-Yeso (Associated) Pool.

APPLICANT'S PROPOSED EVIDENCE

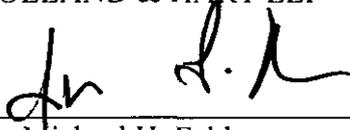
WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Joseph Scott	Approx. 15	Approx. 3

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART LLP



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