

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

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2017 NOV 21 P 4: 38

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

Case No. 15880

**OCCIDENTAL'S PRE-HEARING STATEMENT**

Occidental Permian Limited Partnership ("Occidental") files this pre-hearing statement in accordance with section 19.15.4.13.B NMAC.

**APPEARANCES**

**APPLICANT**

COG Operating LLC

**ATTORNEY**

Gary W. Larson  
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**OPPONENT**

Occidental Permian Limited Partnership  
5 East Greenway Plaza, #110  
Houston, TX 77046

**ATTORNEY**

Dalva L. Moellenberg  
Gene F. Creely II  
Gallagher & Kennedy, P.A.  
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**OPPONENT'S STATEMENT OF CASE**

Applicant seeks an order (i) approving a 160-acre, non-standard spacing and proration unit in the E/2 W/2 of Section 8, Township 26 South, Range 33 East, Lea County, New Mexico, and (ii) pooling all uncommitted mineral interests in the Wolfcamp formation. Applicant proposes to dedicate the above-referenced non-standard spacing and proration unit as the project

area for its Tigercat Federal Com #3H well. Applicant has filed three related applications in cases No. 15778 (Bone Spring, E/2 E/2 of Section 8 and E/2 E/2 of Section 17—Tigercat Federal Com #1H well), No. 15779 (Bone Spring, W/2 E/2 of Section 8 and W/2 E/2 of Section 17—Tigercat Federal Com #2H well), and No. 15781 (Bone Spring, W/2 W/2 of Section 8—Tigercat Federal Com #4H well).

Opponent Occidental holds material working interests in the S/2 of the same Section 8 (320 acres), the S/2 of NE/4 and SE/4 of NW/4 of the same Section 8 (120 acres), and the W/2 of the same Section 17 (320 acres). Consequently, Occidental holds a 37.5% working interest in the proposed Tigercat Federal Com #1H and #2H wells, a 75% working interest in the proposed Tigercat Federal Com #3H well, and a 50% working interest in the proposed Tigercat Federal Com #4H well. Occidental does not agree with Applicant's development plans. Occidental's concerns include, but are not limited to, a preference for earlier development of proven prolific and shallower benches. Occidental has sought to discuss these matters in order to reach a mutually agreeable resolution with Applicant, but Applicant has not been responsive to Occidental's concerns.

### **OPPONENT'S PROPOSED EVIDENCE**

<b>WITNESS Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Jonathan Gonzales Land Negotiator with Occidental	15 minutes	Approx. 10 land maps and/or plats and related agreements

Tyler Evans  
Geologist

15 minutes

Approx. 5 geologic  
maps and cross-  
sections

Sam Moonesan  
Senior Reservoir Engineer

15 minutes

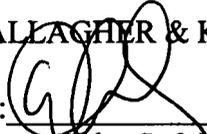
Approx. 5 reservoir  
maps and figures

**PROCEDURAL MATTERS**

As of the date of this filing, Occidental has had only one week's notice of this hearing. Occidental has filed a Motion for Continuance of this matter requesting a continuance to the next regular Hearing Examiner docket on December 21, 2017.

Respectfully submitted,

GALLAGHER & KENNEDY, P.A.

By: 

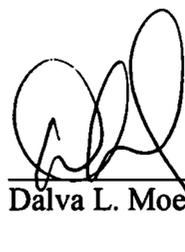
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ATTORNEY FOR Occidental Permian Limited  
Partnership

**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing pleading, was served electronically upon the following counsel on this 21<sup>st</sup> day of November, 2017.

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