

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

JUL 19 2018 PM03:11

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

**CASE NO. 16329**

**PRE-HEARING STATEMENT OF COG OPERATING LLC**

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 OF THE PARTIES:**

**APPLICANT:**

COG Operating LLC  
One Concho Center  
600 West Illinois Avenue  
Midland, Texas 79701

**ATTORNEYS:**

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**OPPOSING:**

EOG Resources  
5509 Champions Drive  
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**ATTORNEYS**

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Santa Fe, New Mexico 87504  
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### **STATEMENT OF THE CASE**

Applicant in the above-styled cause seeks an order (1) creating a 240-acre, more or less, spacing and proration unit comprised of the W/2 SE/4 of Section 28 and the W/2 E/2 of Section 33, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico; and (2) pooling all uncommitted interests in the Bone Spring formation. COG Operating LLC is a working interest owner in the proposed non-standard spacing unit and has the right to drill thereon. COG proposes to dedicate the above-referenced spacing and proration unit as the project area for its proposed Little Bear Federal Com No. 3H Well, which will be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 33 to a bottom hole location in the NW/4 SE/4 (Unit J) of Section 28. The completed interval for the Little Bear Federal Com No. 3H Well will remain within the 330-foot offset as required by the statewide rules. COG has sought and been unable to obtain voluntary agreement for the development of these lands from all of the working interest owners in the subject spacing unit. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights. In order to permit COG to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this non-standard spacing unit should be pooled and COG Operating LLC should be designated the operator of this proposed horizontal well and spacing unit.

### **PROPOSED EVIDENCE**

<b><u>WITNESS</u></b>	<b><u>ESTIMATED TIME</u></b>	<b><u>EXHIBITS</u></b>
Danny Kidwell, Landman	20	Approx. 15
Henry Zollinger, Geologist	30	Approx. 10
Jayne Junell, Engineer	15	Approx. 5

**PROCEDURAL MATTERS**

COG requests that the following cases 16327, 16328, 16329, 16330, 16331, 16332, 16333, 16334 and 16335 be consolidated for hearing.

Respectfully submitted,

COG OPERATING LLC

Ocean Munds-Dry

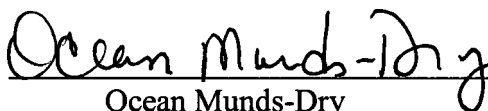
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**ATTORNEYS FOR COG OPERATING LLC**

**CERTIFICATE OF SERVICE**

I hereby certify that on July 19, 2018, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

Ernie Padilla  
Padilla Law Firm  
Post Office Box 2523  
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(505) 988-7577  
padillalaw@qwestoffice.net

A handwritten signature in black ink that reads "Ocean Munds-Dry". The signature is written in a cursive, flowing style. The first name "Ocean" is written in a larger, more prominent script, while "Munds-Dry" is written in a slightly smaller, more compact script. The signature is positioned above a horizontal line.

Ocean Munds-Dry  
William F. Carr  
Elizabeth A. Ryan