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

## APPLICATION OF COG OPERATING LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

RAG 162018 - 1153

CASE NO. 16317

#### 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:**

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## **ATTORNEYS:**

COG Operating LLC One Concho Center 600 West Illinois Avenue Midland, Texas 79701 Ocean Munds-Dry William F. Carr Elizabeth A. Ryan Concho Resources 1048 Paseo de Peralta Santa Fe, New Mexico 87501 (505) 780-8000 (505) 428-0485 Facsimile omundsdry@concho.com wcarr@concho.com eryan@concho.com

# **OPPOSING:**

Marathon Oil Permian, LLC 5555 San Felipe Street Houston, Texas 77056

## **ATTORNEYS**

Earl E. DeBrine Jennifer Bradfute Zoe E. Lees Modrall, Sperling, Roehl, Harris & Sisk, P.A. Post Office Box 2168 Albuquerque, New Mexico 87103-2168 earl.debrine@modrall.com jennifer.bradfute@modrall.com zoe.lees@modrall.com

#### **STATEMENT OF THE CASE**

Applicant in the above-styled cause seeks an order (1) creating an 160-acre, more or less, spacing and proration unit comprised of W/2SE/4 of Section 18 and W/2NE/4 of Section 19, Township 24 South, Range 35 East, N.M.P.M., Lea County, New Mexico; and (2) pooling all uncommitted interests in the Bone Spring Formation, WC-025 G-09 S243532M; Wolfbone Pool [98098]. COG (OGRID No. 229137) is a working interest owner in the proposed spacing and proration unit and has the right to drill a well thereon. COG proposes to dedicate the abovereferenced spacing and proration unit to the proposed Snapback Fee 502H Well which will be horizontally drilled from the surface location in NW/4SE/4 (Unit J) of Section 18 to a bottom hole location of SW/4NE/4 (Unit G) of Section 19. The completed interval for this Well will meet the 330-foot standard offset from the outer boundaries of the spacing unit as required by the Statewide Rules for horizontal wells in 19.15.16.15 NMAC. COG has sought in good faith 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. As a part of a larger simultaneous drilling and completion project, COG requests an extension of the 120-day time period to drill and complete a well provided by the standard pooling order. 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 spacing unit should be pooled, and COG Operating LLC should be designated the operator of the proposed horizontal wells and spacing unit.

#### **PROPOSED EVIDENCE**

<b>WITNESS</b>	ESTIMATED TIME	<b>EXHIBITS</b>
Matt Solomon, Landman	45	Approx. 8
Matt Fisher, Geologist	45	Approx. 8
Alec Ledet, Engineer	45	Approx. 5

# **PROCEDURAL MATTERS**

COG requests that the following cases 16316, 16317, 16318, 16319 and 16320 be consolidated for hearing.

Respectfully submitted,

COG OPERATING LLC

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ATTORNEYS FOR COG OPERATING LLC

## **CERTIFICATE OF SERVICE**

I hereby certify that on August 16, 2018, I served a copy of the foregoing document to

the following counsel of record via Electronic Mail to:

Earl E. DeBrine Jennifer Bradfute Zoe E. Lees Modrall, Sperling, Roehl, Harris & Sisk, P.A. Post Office Box 2168 Albuquerque, New Mexico 87103-2168 earl.debrine@modrall.com jennifer.bradfute@modrall.com zoe.lees@modrall.com

Ocean Munds-Dry

William F. Carr Elizabeth A. Ryan