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

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

JAN 02 2015 PM2:59

CASE NO. 20121

COG'S PRE-HEARING STATEMENT

COG Operating LLC ("COG"), 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 One Concho Center 600 W. Illinois Avenue Midland, Texas 79701

ATTORNEY

Michael H. Feldewert, Esq. Jordan L. Kessler, Esq. Adam G. Rankin, Esq. Holland & Hart, LLP Post Office Box 2208 Santa Fe, New Mexico 87504-2208 (505) 988-4421 (505) 983-6043 Facsimile

APPLICANT'S STATEMENT OF CASE

COG seeks an order pooling all uncommitted interests in the Bone Spring formation in the in the 320-acre horizontal spacing unit comprised of the E/2 W/2 of Section 15 and the E/2 W/2 of Section 22, Township 21 South, Range 34 East, NMPM, Lea County, New Mexico. This horizontal spacing until will be dedicated to the proposed **Lychee State Com No. 3H Well,** which will be horizontally drilled from a surface location in the SE/4SW/4 (Unit N) of Section 22 to bottom hole location in the NE/4NW/4 (Unit C) of Section 15. The completed interval for this well will remain within the standard setback as required by the Statewide rules for oil wells.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Danny Kidwell, Landman	Approx. 10	Approx. 5
Cody Bacon, Geologist	Approx. 10	Approx. 4

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART LLP

Michael H. Feldewert Jordan L. Kessler Adam G. Rankin Post Office Box 2208

Santa Fe, New Mexico 87504-2208

(505) 988-4421

(505) 983-6043 Facsimile mfeldewert@hollandhart.com jlkessler@hollandhart.com agrankin@hollandhart.com

ATTORNEYS FOR COG OPERATING LLC