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

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

FEB 20 2018 ARI 1:30

CASE NO. 20267

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

ATTORNEY

APPLICANT

COG Operating LLC 550 West Texas Avenue, Suite 100 Midland, Texas 79701 William F. Carr Ocean Munds-Dry Elizabeth A. Ryan 1048 Paseo de Peralta Santa Fe, New Mexico 87501 (505) 780-8000

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STATEMENT OF THE CASE

COG OPERATING, LLC (COG), seeks an order creating a 767.57-acre, more or less, horizontal spacing unit comprised of the E/2 of Section 20, the E/2 of Section 29, and the E/2 equivalent (N/2 NE/4, Lot 3, Lot 4) of Section 32, Township 26 South, Range 28 East, NMPM, Eddy County, New Mexico and compulsory pooling all uncommitted interests in the Wolfcamp formation, Purple Sage-Wolfcamp Gas Pool. COG seeks to dedicate the above referenced horizontal spacing unit to the following six initial wells to be drilled simultaneously:

A. The proposed Honey Graham State Com 801H Well, the proposed Honey Graham State Com 802H Well, and the proposed Honey Graham State Com 701H Well, to be horizontally drilled from an orthodox surface location

- in the NE/4NE/4 (Unit A) of Section 20 to an orthodox bottom hole location in Unit H of Section 32, and the
- B. The proposed Honey Graham State Com 803H Well, the proposed Honey Graham State Com 804H Well, and the proposed Honey Graham State Com 702H Well, to be horizontally drilled from an orthodox surface location in the NW/4NE/4 (Unit B) of Section 20 to an orthodox bottom hole location in Unit G of Section 32.

COG has negotiated in good faith with all parties it seeks to pool in this case.

PROPOSED EVIDENCE

WITNESS	ESTIMATED TIME	EXHIBITS
Ashley Roush, Land	Approx. 10 minutes	Approx. 5
Matt Fischer, Geology	Approx. 10 Minutes	Approx. 4

PROCEDURAL MATTERS

If this application is unopposed, COG proposes to present this case by affidavit.

Respectfully Submitted,

COG OPERATING LLC

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