

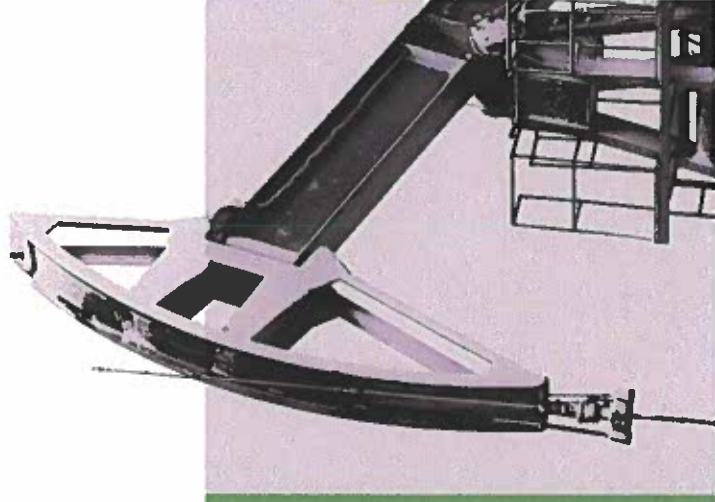


COG OPERATING LLC

Admiral Fed Com 501H, 502H, 503H, 504H, &
505H

Section 28 & 21 - T25S-29E

Eddy County, New Mexico



**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**

CASE NO. 20836

AFFIDAVIT OF MONICA BEAL

Monica Beal, of lawful age and being first duly sworn, declares as follows:

1. My name is Monica Beal, and I am a Landman with COG Operating LLC ("COG").
2. I have not testified before the New Mexico Oil Conservation Division ("Division") as an expert witness in petroleum land matters.
3. I graduated from the University of Oklahoma with a Bachelor of Business Administration in Energy Management in December 2016. In January 2017, I began working for COG as a Lease Analyst. Since October 2017, I have been working as a Landman, including in the Permian Basin. I am a member of the following professional organizations: Permian Basin Landmen's Association (PBLA) and American Association of Professional Landmen (AAPL).
4. I am familiar with the application filed by COG in this case and familiar with the status of the lands in the subject area.
5. None of the parties proposed to be pooled in this case have indicated opposition to this proceeding, therefore I do not expect any opposition at the hearing.
6. COG seeks an order pooling all uncommitted interests in the Bone Spring formation, Willow Lake; Bone Spring Pool (Pool code 96217), underlying a standard 1280-acre, more or less, horizontal spacing unit comprised of all of Sections 21 and 28, Township 25 South,

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 20836 Exhibit No. A
Submitted by:
COG OPERATING LLC
Hearing Date: November 14, 2019**

Range 29 East, NMPM, Eddy County, New Mexico. This horizontal spacing unit will be dedicated to following proposed initial wells:

- **Admiral Fed Com 501H well** to be horizontally drilled from a surface hole location in the SW/4SW/4 (Unit M) of Section 28 to a bottom hole location in the NW/4NW/4 (Unit D) of Section 21,
- **Admiral Fed Com 502H well** to be horizontally drilled from a surface hole location in the SW/4SW/4 (Unit M) of Section 28 to a bottom hole location in the NE/4NW/4 (Unit C) of Section 21,
- **Admiral Fed Com 503H well** to be horizontally drilled from a surface hole location in the SE/4SW/4 (Unit N) of Section 28 to a bottom hole location in the NE/4NW/4 (Unit C) of Section 21,
- **Admiral Fed Com 504H well** to be horizontally drilled from a surface hole location in the SE/4SE/4 (Unit P) of Section 28 to a bottom hole location in the NW/4NE/4 (Unit B) of Section 21,
- **Admiral Fed Com 505H well** to be horizontally drilled from a surface hole location in the SE/4SE/4 (Unit P) of Section 28 to a bottom hole location in the NE/4NE/4 (Unit A) of Section 21.

7. The completed interval for the **Admiral Fed Com 502H well** will be within 330 feet of the line separating the W/2W/2 and E2/W2 of Sections 21 and 28. The completed interval for the **Admiral Fed Com 503H well** will be within 330 feet of the line separating the E/2W/2 and W2/E2 of Sections 21 and 28. The completed interval for the **Admiral Fed Com 504H well** will be within 330 feet of the line separating the W/2E/2 and the E2/E2 of Sections 21 and 28. Therefore, the **Admiral Fed Com 502H**, the **Admiral Fed Com 503H well**, and the **Admiral Fed**

Com 504H well allow for the incorporation of each well's respective proximity acreage into a standard 1280-acre horizontal spacing unit comprised of all of Sections 21 and 28. As such, these wells will comply with the Division's setback requirements.

8. **COG Exhibit No. A-1** contains a draft Form C-102 for the proposed wells.

9. **COG Exhibit No. A-2** identifies the tracts of land comprising the proposed spacing unit in this case, which includes federal lands. This exhibit also identifies the interest ownership by tract. COG is seeking to pool both the working interest owners and overriding royalty interest owners highlighted on the exhibit.

10. All interest owners that COG seeks to pool are locatable. COG has conducted a diligent search of all public records in Eddy County, including phone directories and computer databases.

11. **COG Exhibit No. A-3** contains a sample well proposal letter along with the AFEs provided to the working interest owners COG is seeking to pool. In addition to this letter, COG has made a diligent effort to reach agreement with the parties it is seeking to pool.

12. The costs reflected on each AFE contained in Exhibit No. A-3 are consistent with what other operators have incurred for drilling similar horizontal wells in the area.

13. In my opinion, COG has made a good faith effort to obtain voluntary joinder of the parties it is seeking to pool. If COG reaches an agreement with any of the proposed pool parties before the Division enters an order, I will inform the Division that COG is no longer seeking to pool those parties.

14. No ownership depth severances exist within this proposed spacing unit, and there are no unleased mineral interests in the subject acreage.

15. COG has estimated the overhead and administrative costs for drilling and producing the proposed wells at \$7,000 per month while drilling and \$700 per month while producing. These costs are consistent with what other operators are charging in this area for similar wells.

16. I have provided COG's legal counsel a list of names and addresses of the owners COG seeks to pool and instructed that they be notified of this hearing. Additionally, notice of this hearing was timely published in the Carlsbad Current Argus, a newspaper of general circulation in Eddy County, New Mexico.

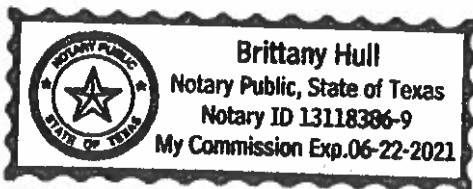
17. Exhibit Nos. A-1 through A-3 were either prepared by me or compiled under my direction and supervision.

THIS CONCLUDES AFFIANT'S STATEMENT.

Monica Beal
Affiant

STATE OF Texas)
COUNTY OF Midland)

SUBSCRIBED and SWORN to before me this 12th day of November, 2019, by
Monica Beal.



Brittany Hull
NOTARY PUBLIC

My Commission Expires:

6-22-21

DISTRICT I
1625 N. FRENCH DR., HOHES, NM 88240
Phone: (505) 393-6161 Fax: (505) 393-0720

DISTRICT II
811 S. FIRST ST., ARTESIA, NM 88210
Phone: (505) 748-1283 Fax: (505) 748-9720

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 478-3480 Fax: (505) 478-3482

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name ADMIRAL FEDERAL COM	Well Number 501H
GRID No.	Operator Name COG OPERATING, LLC	Elevation 2983.3'

Surface Location

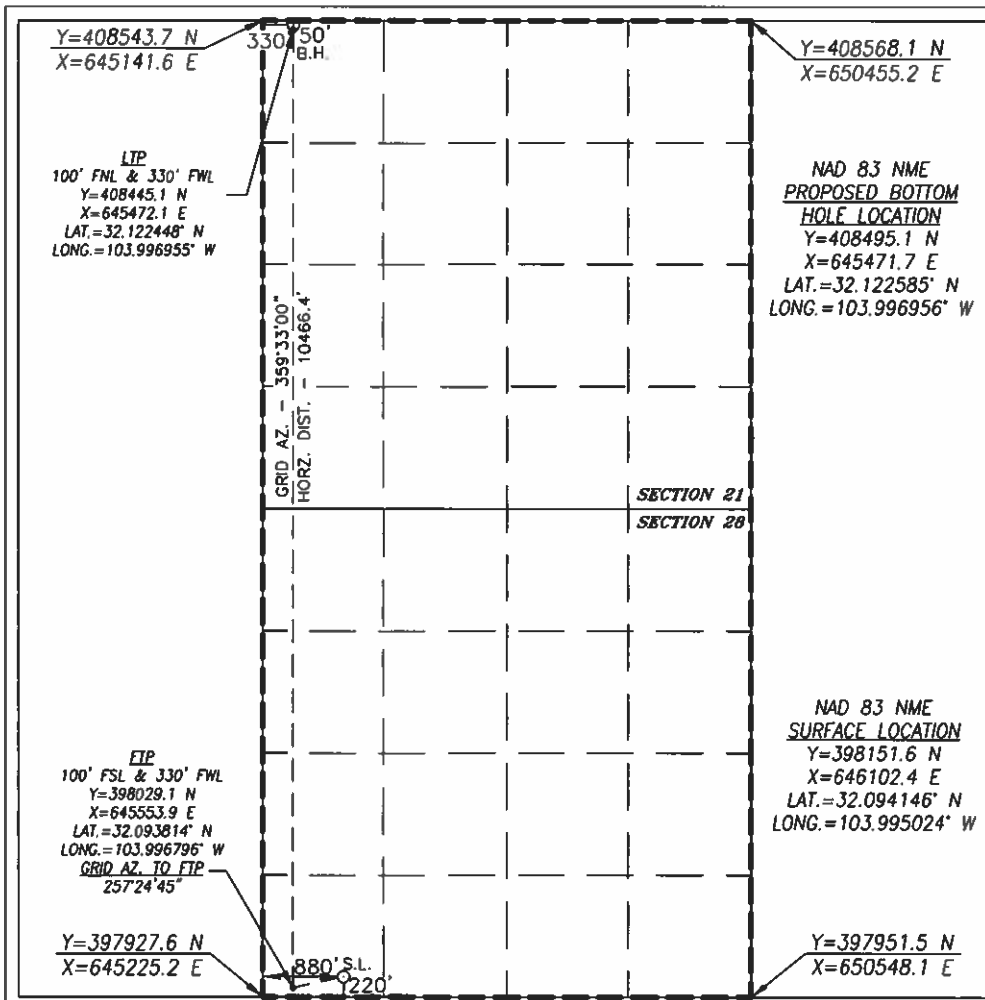
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	28	25-S	29-E		220	SOUTH	880	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	21	25-S	29-E		50	NORTH	330	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico
Case No. 20836 Exhibit No. A-1
Submitted by:
COG OPERATING LLC
Hearing Date: November 14, 2019

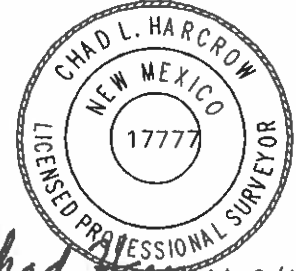
SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

AUGUST 23, 2019

Date of Survey

Signature & Seal of Professional Surveyor



Chad L. Harcrow 9/13/19
Certificate No. CHAD HARCROW 17777
W.O. #19-1519 DRAWN BY: AM

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 476-3480 Fax: (505) 476-3482

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

Chad Harcrow 9/13/19
Certificate No. CHAD HARCROW 17777
W.O. #19-1520 DRAWN BY: DS

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240
Phone: (575) 393-0161 Fax: (575) 393-0720

DISTRICT II
811 S. FIRST ST., ARTESIA, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 478-3480 Fax: (505) 478-3482

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

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Submit one copy to appropriate
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name ADMIRAL FEDERAL COM	Well Number 503H
OGRID No.	Operator Name COG OPERATING, LLC	Elevation 2986.2'

Surface Location

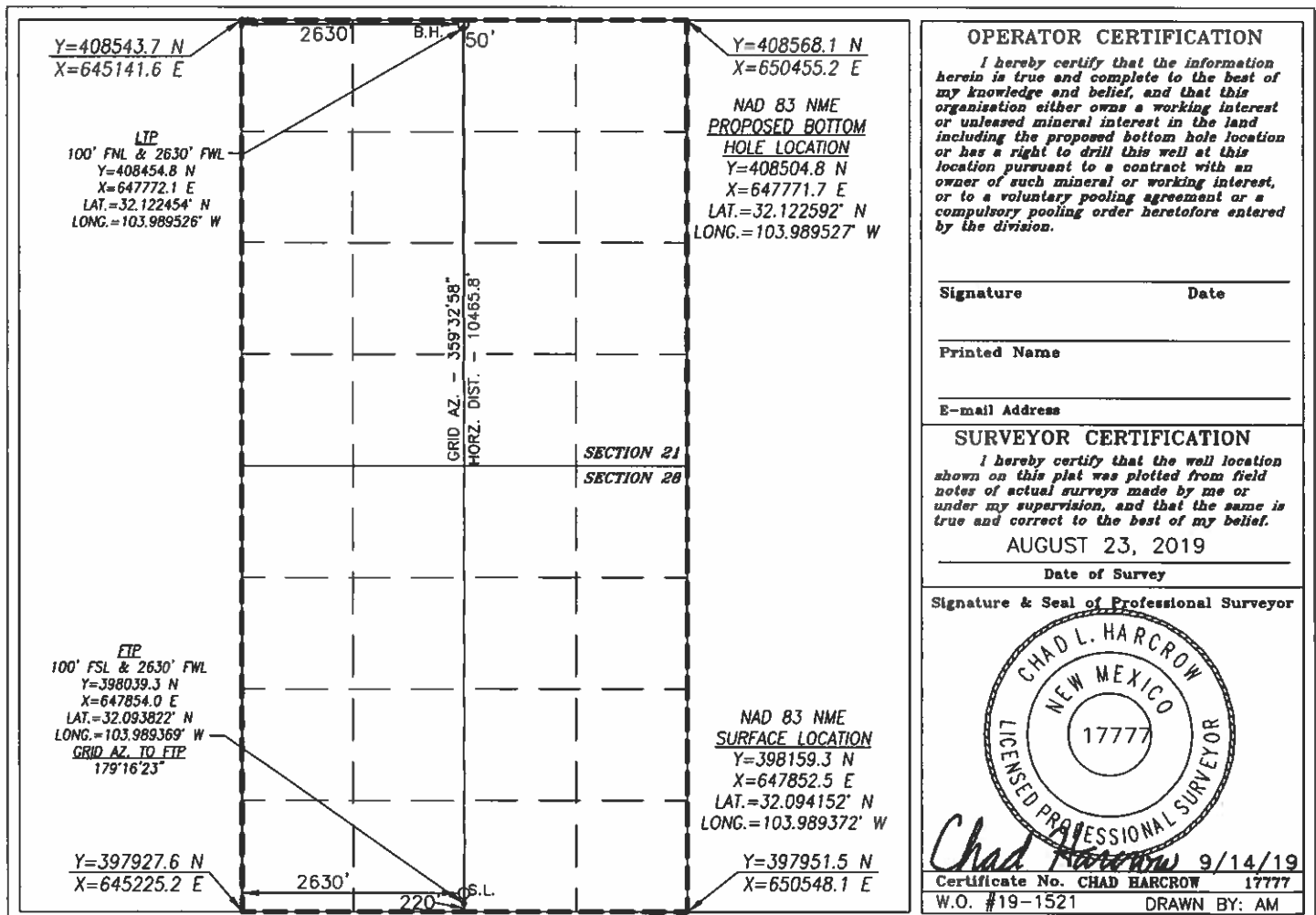
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	28	25-S	29-E		220	SOUTH	2630	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	21	25-S	29-E		50	NORTH	2630	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
-----------------	-----------------	--------------------	-----------

**NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION**



DISTRICT I
1625 N. FRENCH DR., HOBBES, NM 88240
Phone: (575) 393-6101 Fax: (575) 393-0720

DISTRICT II
511 S. FIRST ST., ARTESIA, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-0720

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 334-6175 Fax: (505) 334-6170

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 476-3480 Fax: (505) 476-3482

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name ADMIRAL FEDERAL COM	Well Number 504H
OGRID No.	Operator Name COG OPERATING, LLC	Elevation 2980.8'

Surface Location

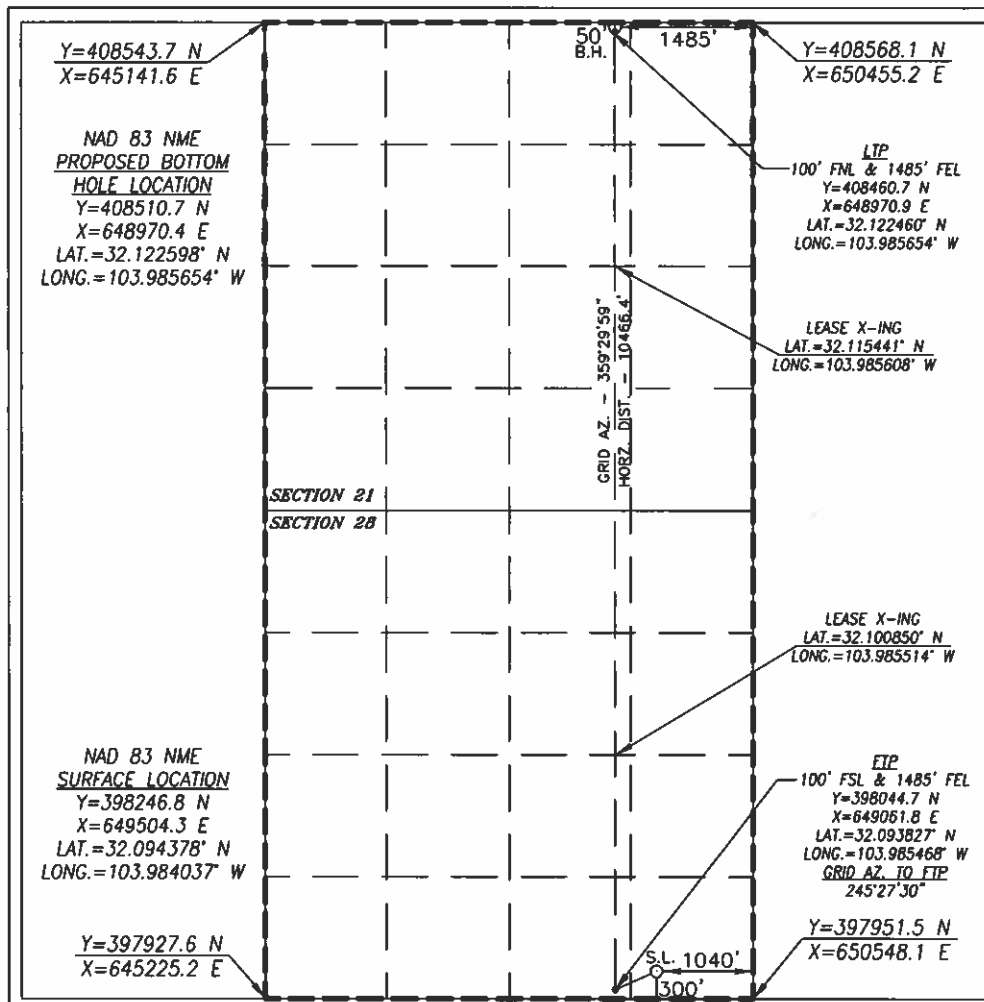
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	28	25-S	29-E		300	SOUTH	1040	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	21	25-S	29-E		50	NORTH	1485	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

**NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION**



OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

AUGUST 23, 2019

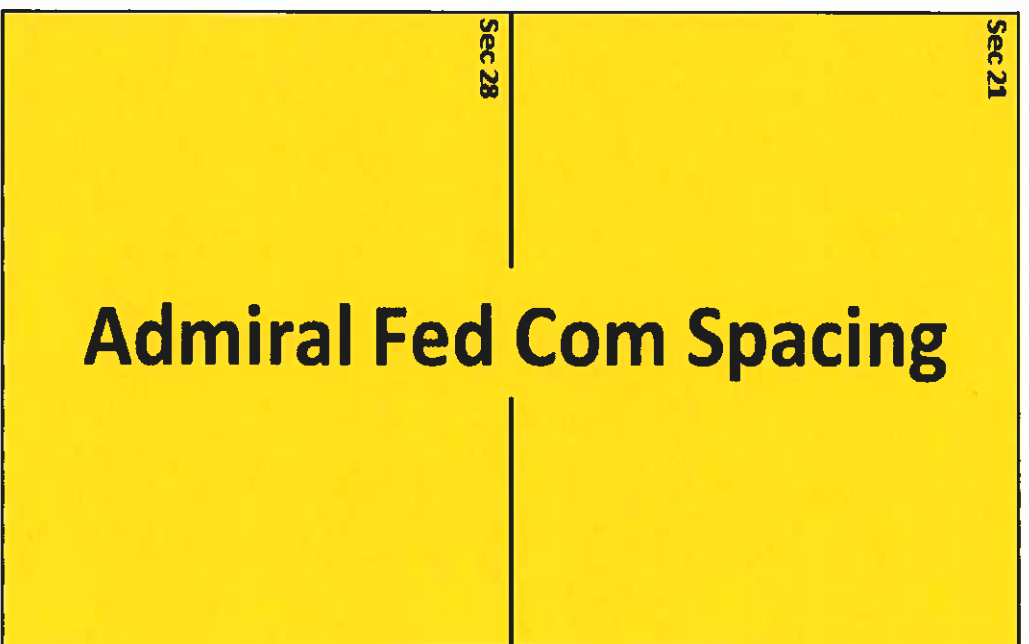
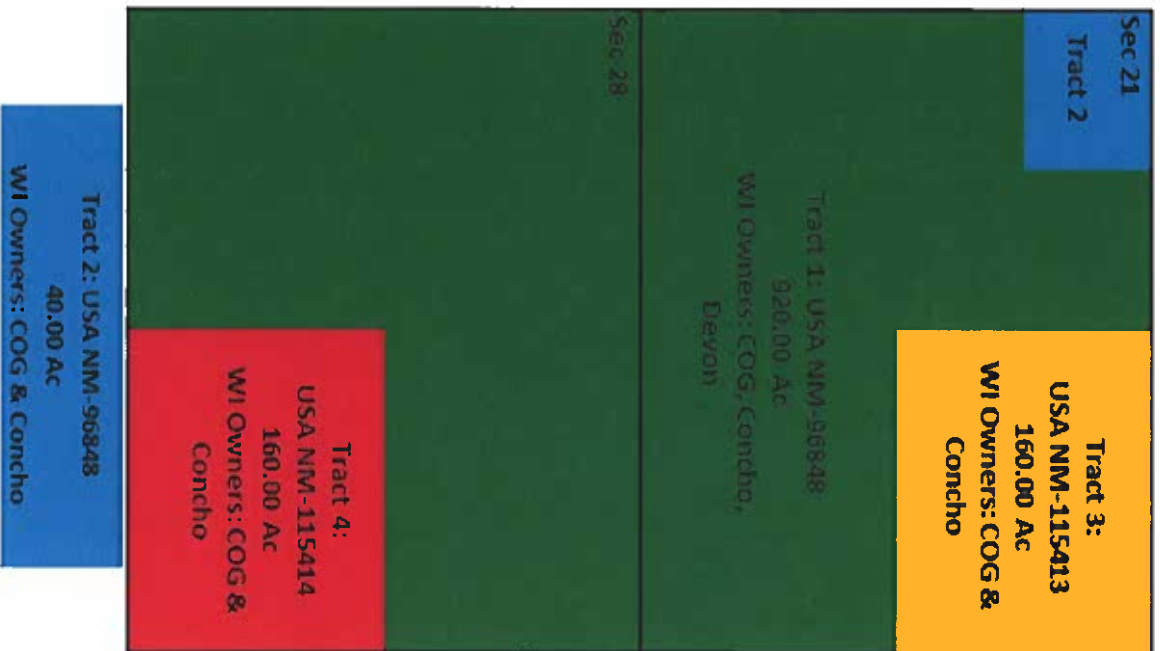
Date of Survey

Signature & Seal of Professional Surveyor



Chad Harcrow 9/14/19
Certificate No. CHAD HARCROW 17777
W.O. #19-1522 DRAWN BY: AM

Chad Harcrow 9/14/19
Certificate No. CHAD HARCROW 17777
W.O. # 19-1523 DRAWN BY: AM



Admiral Federal Com 501H, 502H, 503H, 504H, 505H - Compulsory Pooling Info
 Section 21: All, Section 28: All, T25-R29E

Admiral Federal Com 501H, 502H, 503H, 504H, 505H - Compulsory Pooling Info
Section 21: All, Section 28: All, T25S-R29E

Proposal Sent
JOA Sent
COM Sent

ORRI Parties:

Crown Rock Minerals, L.P.	Ratified COM
George Vaught, Jr.	Ratified COM
Jareed Partners, Ltd.	Ratified COM
John D. Bergman, Trustee of the Penwell Energy Royalty Pool	Ratified COM
John Kyle Thoma, Trustee of the Cornerstone Family Trust	Ratified COM
Kimbell Royalty Holdings, LLC	
Kingdom Investments, Limited	
Paul R. Barwis and wife, Dianne Barwis	Ratified COM
Philip L. White	
Rachel E. White	Ratified COM
Rave Energy, Inc.	
Rave Energy, Inc. d/b/a GEP III	
Rusk Capital Management LLC	
Salt Fork Limited	
Santa Elena Minerals IV, LP	Ratified COM
The Taurus Royalty, LLC	Ratified COM
William R. Golden	Ratified COM

WI Parties:

COG Operating LLC X
Concho Oil & Gas LLC X
Devon Energy Production Company, L.P. Signed COM

Pooling

	COG	Leasehold WI		
		Concho	Devon	
Tract 1 - Sec 21: NENW, S2NW, S2 Sec 28: SW, N2	0.6707	0.0353		0.294
Tract 2 - Sec 21: NWNW	0.95	0.05		0
Tract 3 - Sec 21: NE	0.95	0.05		0
Tract 4 - Sec 28: SE	0.95	0.05		0

Unit Recapitulation	
Owner	Working Interest
COG Operating LLC	74.925312%
Concho Oil & Gas LLC	3.943438%
Devon Energy Production Company, L.P.	21.131250%
Total	100.000000%



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 20836 Exhibit No. A-3
Submitted by:
COG OPERATING LLC
Hearing Date: November 14, 2019

August 20, 2019

Via E-CM No. 9414 8149 0246 9822 0239 10

Devon Energy Production Company LP

333 W Sheridan Ave.

Oklahoma City, OK 73102

Attn: Land Department

Re: Reproposal - Admiral Fed Com 501H, 502H, 503H, 504H, 505H

All of Sections 21 & 28

1280 Ac – Bone Spring Formation

Eddy County, New Mexico

Dear Sir or Madam:

COG Operating, LLC ("COG") previously proposed the above-referenced wells on June 14, 2019. COG is now rescinding those previous well proposals and reproposing the drilling of the following horizontal wells with productive laterals located on all of Sections 21 and 28, T25S-R29E, Eddy County, New Mexico. The surface pad locations will be located in Units M, N, and P of Section 28, T25S-R29E (Subject to Change).

- **Admiral Fed Com 501H**, to be drilled to a depth sufficient to test the 2nd Bone Spring formation at a total vertical depth of 8,685'. The surface location for this well is proposed at a legal location in Unit M of Section 28, and a bottom hole location at a legal location in Unit D of Section 21. The dedicated horizontal spacing unit will be all of Sections 28 and 21, T25S-R29E, Eddy County, New Mexico. The total estimated cost to drill and complete said well is \$9,140,200.00, as shown on the attached Authority for Expenditure ("AFE").
- **Admiral Fed Com 502H**, to be drilled to a depth sufficient to test the 2nd Bone Spring formation at a total vertical depth of 8,685'. The surface location for this well is proposed at a legal location in Unit M of Section 28, and a bottom hole location at a legal location in Unit C of Section 21. The dedicated horizontal spacing unit will be all of Sections 28 and 21, T25S-R29E, Eddy County, New Mexico. The total estimated cost to drill and complete said well is \$9,140,200.00, as shown on the attached AFE.
- **Admiral Fed Com 503H**, to be drilled to a depth sufficient to test the 2nd Bone Spring formation at a total vertical depth of 8,685'. The surface location for this well is proposed at a legal location in Unit N of Section 28, and a bottom hole location at a legal location in Unit C of Section 21. The dedicated horizontal spacing unit will be all of Sections 28 and 21, T25S-R29E, Eddy County, New Mexico, and this will be the defining well. The total estimated cost to drill and complete said well is \$9,140,200.00, as shown on the attached AFE.
- **Admiral Fed Com 504H**, to be drilled to a depth sufficient to test the 2nd Bone Spring formation at a total vertical depth of 8,685'. The surface location for this well is proposed at a legal location in Unit P of Section 28, and a bottom hole location at a legal location in Unit B of Section 21. The dedicated horizontal spacing unit will be all of Sections 28 and 21, T25S-R29E, Eddy County, New Mexico. The total estimated cost to drill and complete said well is \$9,140,200.00, as shown on the attached AFE.

- **Admiral Fed Com 505H**, to be drilled to a depth sufficient to test the 2nd Bone Spring formation at a total vertical depth of 8,685'. The surface location for this well is proposed at a legal location in Unit P of Section 28, and a bottom hole location at a legal location in Unit A of Section 21. The dedicated horizontal spacing unit will be all of Sections 28 and 21, T25S-R29E, Eddy County, New Mexico. The total estimated cost to drill and complete said well is \$9,140,200.00, as shown on the attached AFE.

COG is proposing these wells under the terms of the Operating Agreement dated and previously sent on July 16, 2019, covering all of Sections 21 and 28, T25S-R29E, Eddy County, New Mexico, as to all depths.

If we do not reach an agreement within 30 days of the date of this letter, COG will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the proposed wells.

Please indicate your participation elections in the space provided below, sign and return this letter, along with a signed copy of the enclosed AFEs and a copy of your geologic requirements, to my attention at the letterhead address or by email to mbeal@concho.com. Should you have any questions, please do not hesitate to contact me at 432.818.2310.

Sincerely,

COG Operating LLC

Monica Beal
Landman

CM:
Enc

_____ I/We hereby elect to participate in the drilling and completion of the
Admiral Fed Com 501H.

_____ I/We hereby elect not to participate in the drilling and completion of the
Admiral Fed Com 501H.

_____ I/We hereby elect to participate in the drilling and completion of the
Admiral Fed Com 502H.

_____ I/We hereby elect not to participate in the drilling and completion of the
Admiral Fed Com 502H.

_____ I/We hereby elect to participate in the drilling and completion of the
Admiral Fed Com 503H.

_____ I/We hereby elect not to participate in the drilling and completion of the
Admiral Fed Com 503H.

_____ I/We hereby elect to participate in the drilling and completion of the
Admiral Fed Com 504H.

_____ I/We hereby elect not to participate in the drilling and completion of the
Admiral Fed Com 504H.

_____ I/We hereby elect to participate in the drilling and completion of the
Admiral Fed Com 505H.

_____ I/We hereby elect not to participate in the drilling and completion of the
Admiral Fed Com 505H.

By: _____

Name: _____

Title: _____

Date: _____

COG OPERATING LLC
AUTHORITY FOR EXPENDITURE
Drill & Complete

Well Name	Admiral Federal Com 501H	Prospect	Atlas 2529
SHL	Sec 28: 400' FSL 1650' FWL OR Unit N	State & County	NEW MEXICO, EDDY
BHL	Sec 21: 50' FNL 330' FWL OR Unit D	Objective	DRILL & COMPLETE
Formation	BONE SPRING	Depth	19,060
Legal	W2W2 of Sections 21 and 28 of T25S-R29E	TVD	8,700
AFE Numbers			

Cost Description	Code	PreSpud (PS)	Drilling (DR)	Completions (C)	Tank Btty Constrctn(TB)	Pmpq Equip (PEQ)	Revision	Total
Tangible Costs								
D-Surface Casing	401		\$15,900.00				\$0.00	\$15,900.00
D-Intermed Csg	402		\$87,800.00				\$0.00	\$87,800.00
D-Production Casing/Liner	403		\$265,800.00				\$0.00	\$265,800.00
D-Wellhead Equip	405		\$42,600.00				\$0.00	\$42,600.00
C-Tubing	504			\$24,300.00			\$0.00	\$24,300.00
C-Wellhead Equip	505			\$13,900.00			\$0.00	\$13,900.00
PEQ-Pumping Unit	506					\$44,600.00	\$0.00	\$44,600.00
PEQ-Rods	508					\$23,300.00	\$0.00	\$23,300.00
TB-Tanks	510				\$84,300.00		\$0.00	\$84,300.00
TB-Flowlines/Pipelines	511				\$77,200.00		\$0.00	\$77,200.00
TB-Htr Trtr/Seprtr	512				\$189,600.00		\$0.00	\$189,600.00
TB-Electrical System/Equipment	513				\$126,400.00		\$0.00	\$126,400.00
C-Pckrs/Anchors/Hgrs	514			\$34,000.00			\$0.00	\$34,000.00
TB-Couplings/Fittings/Valves	515				\$189,600.00		\$0.00	\$189,600.00
TB-Gas Lift/Compression	516				\$133,400.00		\$0.00	\$133,400.00
TB-Pumps-Surface	521				\$19,700.00		\$0.00	\$19,700.00
TB-Meters/Lacts	525				\$24,600.00		\$0.00	\$24,600.00
TB-Flares/Combusters/Emission	526				\$24,600.00		\$0.00	\$24,600.00
C-Gas Lift/Compression	527			\$8,300.00			\$0.00	\$8,300.00
PEQ-Instrumentation/SCADA/PO	529					\$3,600.00	\$0.00	\$3,600.00
PEQ-Tubing	530					\$2,600.00	\$0.00	\$2,600.00
PEQ-Wellhead Equipment	531					\$1,600.00	\$0.00	\$1,600.00
PEQ-Pumps	532					\$2,600.00	\$0.00	\$2,600.00
PEQ-Electrical System	533					\$7,800.00	\$0.00	\$7,800.00
PEQ-Packers/Anchors/Hangers	534					\$36,300.00	\$0.00	\$36,300.00
PEQ-Miscellaneous	535					\$1,600.00	\$0.00	\$1,600.00
Total Tangible Costs		\$0.00	\$412,100.00	\$80,500.00	\$869,400.00	\$124,000.00	\$0.00	\$1,486,000.00

Intangible Costs								
PS-Title/Permits	201	\$5,700.00					\$0.00	\$5,700.00
D-Insurance	202	\$1,600.00					\$0.00	\$1,600.00
PS-Damages/RQW	203	\$9,500.00					\$0.00	\$9,500.00
PS-Survey/Stake Lctn	204	\$600.00					\$0.00	\$600.00
D-Lctn/Pits/Roads	205		\$82,000.00				\$0.00	\$82,000.00
D-Drilling Overhead	206		\$4,800.00				\$0.00	\$4,800.00
D-Daywork Contract	209		\$550,100.00				\$0.00	\$550,100.00
D-Directional Drig Services	210		\$233,400.00				\$0.00	\$233,400.00
D-Fuel & Power	211		\$131,600.00				\$0.00	\$131,600.00
D-Water	212		\$30,500.00				\$0.00	\$30,500.00
D-Bits	213		\$61,700.00				\$0.00	\$61,700.00
D-Mud & Chemicals	214		\$147,500.00				\$0.00	\$147,500.00
D-Cement Surface	217		\$12,100.00				\$0.00	\$12,100.00
D-Cement Intermed	218		\$56,600.00				\$0.00	\$56,600.00
D-Prod-2nd Int Cmt	219		\$61,700.00				\$0.00	\$61,700.00
D-Float Equipment & Centralizers	221		\$47,700.00				\$0.00	\$47,700.00
D-Csg Crews & Equip	222		\$31,200.00				\$0.00	\$31,200.00
D-Contract Labor	225		\$9,500.00				\$0.00	\$9,500.00
D-Company Sprvsn	226		\$38,200.00				\$0.00	\$38,200.00
D-Contract Sprvsn	227		\$61,700.00				\$0.00	\$61,700.00
D-Tstg Csg/Tbg	228		\$31,200.00				\$0.00	\$31,200.00
D-Mud Logging Unit	229		\$20,400.00				\$0.00	\$20,400.00
D-Perf/Wireline Svc	231		\$2,500.00				\$0.00	\$2,500.00
D-Rentals-Surface	235		\$164,100.00				\$0.00	\$164,100.00
D-Rentals-Subsrfc	236		\$141,200.00				\$0.00	\$141,200.00
D-Trucking/Forklift/Rig Mob	237		\$107,500.00				\$0.00	\$107,500.00
D-Welding Services	238		\$3,200.00				\$0.00	\$3,200.00
D-Contingency	243		\$39,400.00				\$0.00	\$39,400.00
D-Envmntl/Clsd Loop	244		\$220,700.00				\$0.00	\$220,700.00
C-Lctn/Pits/Roads	305			\$4,900.00			\$0.00	\$4,900.00
C-Frac Equipment	307			\$895,900.00			\$0.00	\$895,900.00
C-Frac Chemicals	308			\$545,800.00			\$0.00	\$545,800.00
C-Frac Proppant	309			\$849,300.00			\$0.00	\$849,300.00
C-Frac Proppant Transportation	310			\$132,600.00			\$0.00	\$132,600.00
C-Fuel & Power	311			\$8,300.00			\$0.00	\$8,300.00
C-Water	312			\$643,100.00			\$0.00	\$643,100.00
C-Bits	313			\$9,700.00			\$0.00	\$9,700.00
C-Mud & Chemicals	314			\$18,100.00			\$0.00	\$18,100.00
C-Contract Labor	325			\$9,700.00			\$0.00	\$9,700.00
C-Company Sprvsn	326			\$15,300.00			\$0.00	\$15,300.00
C-Contract Sprvsn	327			\$209,700.00			\$0.00	\$209,700.00
C-Tstg Csg/Tbg	328			\$2,800.00			\$0.00	\$2,800.00
C-Perf/Wireline Svc	331			\$359,700.00			\$0.00	\$359,700.00
C-Stimulation/Treating	332			\$6,300.00			\$0.00	\$6,300.00
C-Completion Unit	333			\$31,300.00			\$0.00	\$31,300.00
C-Rentals-Surface	335			\$239,600.00			\$0.00	\$239,600.00
C-Rentals-Subsrfc	336			\$34,000.00			\$0.00	\$34,000.00
C-Trucking/Forklift/Rig Mob	337			\$11,100.00			\$0.00	\$11,100.00
C-Welding Services	338			\$2,800.00			\$0.00	\$2,800.00
C-Water Disposal	339			\$31,300.00			\$0.00	\$31,300.00
C-Contingency	343			\$202,100.00			\$0.00	\$202,100.00
C-Envmntl/Clsd Loop	344			\$2,800.00			\$0.00	\$2,800.00
C-Dyed Diesel	345			\$334,000.00			\$0.00	\$334,000.00
C-Coil Tubing	346			\$317,400.00			\$0.00	\$317,400.00
C-Flowback Crews & Equip	347			\$31,900.00			\$0.00	\$31,900.00
TB-Location/Pits/Roads	353				\$78,700.00		\$0.00	\$78,700.00
TB-Contract Labor	356				\$189,600.00		\$0.00	\$189,600.00
TB-Water Disposal	362				\$112,400.00		\$0.00	\$112,400.00
PEQ-Contract Labor	374					\$2,900.00	\$0.00	\$2,900.00
PEQ-Contract Supervision	376					\$2,600.00	\$0.00	\$2,600.00
PEQ-Completion Unit	381					\$5,400.00	\$0.00	\$5,400.00
PEQ-Rentals-Surface	383					\$3,600.00	\$0.00	\$3,600.00
PEQ-Trkg/Forklift/Rig Mobilization	385					\$1,600.00	\$0.00	\$1,600.00
Total Intangible Costs		\$17,400.00	\$2,290,500.00	\$4,949,500.00	\$380,700.00	\$16,100.00	\$0.00	\$7,654,200.00

Total Gross Cost	\$17,400.00	\$2,702,600.00	\$5,030,000.00	\$1,250,100.00	\$140,100.00	\$0.00	\$9,140,200.00
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Note: The above costs are estimates only. Actual costs will be billed as incurred.

COG Operating LLC

By: _____

Date Prepared: _____

We approve:
% Working Interest

COG Operating LLC

By: _____

Company: _____

By: _____

Printed Name: _____

Title: _____

Date: _____

This AFE is only an estimate. By signing you agree to pay your share of the actual costs incurred.

COG OPERATING LLC
AUTHORITY FOR EXPENDITURE
Drill & Complete

Well Name	Admiral Federal Com 502H	Prospect	Atlas 2529
SHL	Sec 28: 400' FSL 1680' FWL OR Unit N	State & County	NEW MEXICO, EDDY
BHL	Sec 21: 50' FNL 1485' FWL OR Unit C	Objective	DRILL & COMPLETE
Formation	BONE SPRING	Depth	19,060
Legal	E2W2 of Sections 21 and 28 of T25S-R29E	TVD	8,700
AFE Numbers			

Cost Description	Code	PreSpud (PS)	Drilling (DR)	Completions (C)	Tank Btty Constrcn(TB)	Pmpq Equip (PEQ)	Revision	Total
Tangible Costs								
D-Surface Casing	401		\$15,900.00				\$0.00	\$15,900.00
D-Intermed Csg	402		\$87,800.00				\$0.00	\$87,800.00
D-Production Casing/Liner	403		\$265,800.00				\$0.00	\$265,800.00
D-Wellhead Equip	405		\$42,600.00				\$0.00	\$42,600.00
C-Tubing	504			\$24,300.00			\$0.00	\$24,300.00
C-Wellhead Equip	505			\$13,900.00			\$0.00	\$13,900.00
PEQ-Pumping Unit	506					\$44,600.00	\$0.00	\$44,600.00
PEQ-Rods	508					\$23,300.00	\$0.00	\$23,300.00
TB-Tanks	510				\$84,300.00		\$0.00	\$84,300.00
TB-Flowlines/Pipelines	511				\$77,200.00		\$0.00	\$77,200.00
TB-Htr Trtr/Seprtr	512				\$189,600.00		\$0.00	\$189,600.00
TB-Electrical System/Equipment	513				\$126,400.00		\$0.00	\$126,400.00
C-Pckrs/Anchors/Hgrs	514			\$34,000.00			\$0.00	\$34,000.00
TB-Couplings/Fittings/Valves	515				\$189,600.00		\$0.00	\$189,600.00
TB-Gas Lift/Compression	516				\$133,400.00		\$0.00	\$133,400.00
TB-Pumps-Surface	521				\$19,700.00		\$0.00	\$19,700.00
TB-Meters/Lacts	525				\$24,600.00		\$0.00	\$24,600.00
TB-Flares/Combusters/Emission	526				\$24,600.00		\$0.00	\$24,600.00
C-Gas Lift/Compression	527			\$8,300.00			\$0.00	\$8,300.00
PEQ-Instrumentation/SCADA/PO	529					\$3,600.00	\$0.00	\$3,600.00
PEQ-Tubing	530					\$2,600.00	\$0.00	\$2,600.00
PEQ-Wellhead Equipment	531					\$1,600.00	\$0.00	\$1,600.00
PEQ-Pumps	532					\$2,600.00	\$0.00	\$2,600.00
PEQ-Electrical System	533					\$7,800.00	\$0.00	\$7,800.00
PEQ-Packers/Anchors/Hangers	534					\$36,300.00	\$0.00	\$36,300.00
PEQ-Miscellaneous	535					\$1,600.00	\$0.00	\$1,600.00
Total Tangible Costs		\$0.00	\$412,100.00	\$80,500.00	\$869,400.00	\$124,000.00	\$0.00	\$1,486,000.00

Intangible Costs								
PS-Title/Permits	201	\$5,700.00					\$0.00	\$5,700.00
D-Insurance	202	\$1,600.00					\$0.00	\$1,600.00
PS-Damages/ROW	203	\$9,500.00					\$0.00	\$9,500.00
PS-Survey/Stake Lctn	204	\$600.00					\$0.00	\$600.00
D-Lctn/Pits/Roads	205		\$82,000.00				\$0.00	\$82,000.00
D-Drilling Overhead	206		\$4,800.00				\$0.00	\$4,800.00
D-Daywork Contract	209		\$550,100.00				\$0.00	\$550,100.00
D-Directional Drig Services	210		\$233,400.00				\$0.00	\$233,400.00
D-Fuel & Power	211		\$131,600.00				\$0.00	\$131,600.00
D-Water	212		\$30,500.00				\$0.00	\$30,500.00
D-Bits	213		\$61,700.00				\$0.00	\$61,700.00
D-Mud & Chemicals	214		\$147,500.00				\$0.00	\$147,500.00
D-Cement Surface	217		\$12,100.00				\$0.00	\$12,100.00
D-Cement Intermed	218		\$56,600.00				\$0.00	\$56,600.00
D-Prod-2nd Int Cmt	219		\$61,700.00				\$0.00	\$61,700.00
D-Float Equipment & Centralizers	221		\$47,700.00				\$0.00	\$47,700.00
D-Csg Crews & Equip	222		\$31,200.00				\$0.00	\$31,200.00
D-Contract Labor	225		\$9,500.00				\$0.00	\$9,500.00
D-Company Sprvsn	226		\$38,200.00				\$0.00	\$38,200.00
D-Contract Sprvsn	227		\$61,700.00				\$0.00	\$61,700.00
D-Tstg Csg/Tbg	228		\$31,200.00				\$0.00	\$31,200.00
D-Mud Logging Unit	229		\$20,400.00				\$0.00	\$20,400.00
D-Perf/Wireline Svc	231		\$2,500.00				\$0.00	\$2,500.00
D-Rentals-Surface	235		\$164,100.00				\$0.00	\$164,100.00
D-Rentals-Subsrfc	236		\$141,200.00				\$0.00	\$141,200.00
D-Trucking/Forklift/Rig Mob	237		\$107,500.00				\$0.00	\$107,500.00
D-Welding Services	238		\$3,200.00				\$0.00	\$3,200.00
D-Contingency	243		\$39,400.00				\$0.00	\$39,400.00
D-Envmntl/Cisd Loop	244		\$220,700.00				\$0.00	\$220,700.00
C-Lctn/Pits/Roads	305			\$4,900.00			\$0.00	\$4,900.00
C-Frac Equipment	307			\$895,900.00			\$0.00	\$895,900.00
C-Frac Chemicals	308			\$545,800.00			\$0.00	\$545,800.00
C-Frac Proppant	309			\$849,300.00			\$0.00	\$849,300.00
C-Frac Proppant Transportation	310			\$132,600.00			\$0.00	\$132,600.00
C-Fuel & Power	311			\$8,300.00			\$0.00	\$8,300.00
C-Water	312			\$643,100.00			\$0.00	\$643,100.00
C-Bits	313			\$9,700.00			\$0.00	\$9,700.00
C-Mud & Chemicals	314			\$18,100.00			\$0.00	\$18,100.00
C-Contract Labor	325			\$9,700.00			\$0.00	\$9,700.00
C-Company Sprvsn	326			\$15,300.00			\$0.00	\$15,300.00
C-Contract Sprvsn	327			\$209,700.00			\$0.00	\$209,700.00
C-Tstg Csg/Tbg	328			\$2,800.00			\$0.00	\$2,800.00
C-Perf/Wireline Svc	331			\$359,700.00			\$0.00	\$359,700.00
C-Stimulation/Treating	332			\$6,300.00			\$0.00	\$6,300.00
C-Completion Unit	333			\$31,300.00			\$0.00	\$31,300.00
C-Rentals-Surface	335			\$239,600.00			\$0.00	\$239,600.00
C-Rentals-Subsrfc	336			\$34,000.00			\$0.00	\$34,000.00
C-Trucking/Forklift/Rig Mob	337			\$11,100.00			\$0.00	\$11,100.00
C-Welding Services	338			\$2,800.00			\$0.00	\$2,800.00
C-Water Disposal	339			\$31,300.00			\$0.00	\$31,300.00
C-Contingency	343			\$202,100.00			\$0.00	\$202,100.00
C-Envmntl/Cisd Loop	344			\$2,800.00			\$0.00	\$2,800.00
C-Dyed Diesel	345			\$334,000.00			\$0.00	\$334,000.00
C-Coil Tubing	346			\$317,400.00			\$0.00	\$317,400.00
C-Flowback Crews & Equip	347			\$31,900.00			\$0.00	\$31,900.00
TB-Location/Pits/Roads	353				\$78,700.00		\$0.00	\$78,700.00
TB-Contract Labor	356				\$189,600.00		\$0.00	\$189,600.00
TB-Water Disposal	362				\$112,400.00		\$0.00	\$112,400.00
PEQ-Contract Labor	374					\$2,900.00	\$0.00	\$2,900.00
PEQ-Contract Supervision	376					\$2,600.00	\$0.00	\$2,600.00
PEQ-Completion Unit	381					\$5,400.00	\$0.00	\$5,400.00
PEQ-Rentals-Surface	383					\$3,600.00	\$0.00	\$3,600.00
PEQ-Trkg/Forklift/Rig Mobilization	385					\$1,600.00	\$0.00	\$1,600.00
Total Intangible Costs		\$17,400.00	\$2,290,500.00	\$4,949,500.00	\$380,700.00	\$16,100.00	\$0.00	\$7,654,200.00

Total Gross Cost	\$17,400.00	\$2,702,600.00	\$5,030,000.00	\$1,250,100.00	\$140,100.00	\$0.00	\$9,140,200.00
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Note: The above costs are estimates only. Actual costs will be billed as incurred.

COG Operating LLC

By: _____

Date Prepared: _____

We approve:
% Working Interest

COG Operating LLC

By: _____

Company:
By: _____

Printed Name: _____
Title: _____
Date: _____

This AFE is only an estimate. By signing you agree to pay your share of the actual costs incurred.

COG OPERATING LLC
AUTHORITY FOR EXPENDITURE
Drill & Complete

Well Name	Admiral Federal Corn 503H	Prospect	Atlas 2529
SHL	Sec 28: 400' FSL 1710' FWL OR Unit N	State & County	NEW MEXICO, EDDY
BHL	Sec 21: 50' FNL 2630' FWL OR Unit C OR Unit B	Objective	DRILL & COMPLETE
Formation	BONE SPRING	Depth	19,060
Legal	E2W2 OR W2E2 of Sections 21 and 28 of T25S-R29E	TVD	8,700
AFE Numbers			

Cost Description	Code	PreSpud (PS)	Drilling (DR)	Completions (C)	Tank Btty Constrctn(TB)	Pmpq Equip (PEQ)	Revision	Total
Tangible Costs								
D-Surface Casing	401		\$15,900.00				\$0.00	\$15,900.00
D-Intermed Csg	402		\$87,800.00				\$0.00	\$87,800.00
D-Production Casing/Liner	403		\$265,800.00				\$0.00	\$265,800.00
D-Wellhead Equip	405		\$42,600.00				\$0.00	\$42,600.00
C-Tubing	504			\$24,300.00			\$0.00	\$24,300.00
C-Wellhead Equip	505			\$13,900.00			\$0.00	\$13,900.00
PEQ-Pumping Unit	506					\$44,600.00	\$0.00	\$44,600.00
PEQ-Rods	508					\$23,300.00	\$0.00	\$23,300.00
TB-Tanks	510				\$84,300.00		\$0.00	\$84,300.00
TB-Flowlines/Pipelines	511				\$77,200.00		\$0.00	\$77,200.00
TB-Hlr Trlr/Seprtr	512				\$189,600.00		\$0.00	\$189,600.00
TB-Electrical System/Equipment	513				\$126,400.00		\$0.00	\$126,400.00
C-Pckrs/Anchors/Hgrs	514			\$34,000.00			\$0.00	\$34,000.00
TB-Couplings/Fittings/Valves	515				\$189,600.00		\$0.00	\$189,600.00
TB-Gas Lift/Compression	516				\$133,400.00		\$0.00	\$133,400.00
TB-Pumps-Surface	521				\$19,700.00		\$0.00	\$19,700.00
TB-Meters/Lacts	525				\$24,600.00		\$0.00	\$24,600.00
TB-Flares/Combusters/Emission	526				\$24,600.00		\$0.00	\$24,600.00
C-Gas Lift/Compression	527			\$8,300.00			\$0.00	\$8,300.00
PEQ-Instrumentation/SCADA/PO	529					\$3,600.00	\$0.00	\$3,600.00
PEQ-Tubing	530					\$2,600.00	\$0.00	\$2,600.00
PEQ-Wellhead Equipment	531					\$1,600.00	\$0.00	\$1,600.00
PEQ-Pumps	532					\$2,600.00	\$0.00	\$2,600.00
PEQ-Electrical System	533					\$7,800.00	\$0.00	\$7,800.00
PEQ-Packers/Anchors/Hangers	534					\$36,300.00	\$0.00	\$36,300.00
PEQ-Miscellaneous	535					\$1,600.00	\$0.00	\$1,600.00
Total Tangible Costs		\$0.00	\$412,100.00	\$80,500.00	\$869,400.00	\$124,000.00	\$0.00	\$1,486,000.00

Intangible Costs								
PS-Title/Permits	201	\$5,700.00					\$0.00	\$5,700.00
D-Insurance	202	\$1,600.00					\$0.00	\$1,600.00
PS-Damages/ROW	203	\$9,500.00					\$0.00	\$9,500.00
PS-Survey/Stake Lctn	204	\$600.00					\$0.00	\$600.00
D-Lctn/Pits/Roads	205		\$82,000.00				\$0.00	\$82,000.00
D-Drilling Overhead	206		\$4,800.00				\$0.00	\$4,800.00
D-Daywork Contract	209		\$550,100.00				\$0.00	\$550,100.00
D-Directional Drig Services	210		\$233,400.00				\$0.00	\$233,400.00
D-Fuel & Power	211		\$131,600.00				\$0.00	\$131,600.00
D-Water	212		\$30,500.00				\$0.00	\$30,500.00
D-Bits	213		\$61,700.00				\$0.00	\$61,700.00
D-Mud & Chemicals	214		\$147,500.00				\$0.00	\$147,500.00
D-Cement Surface	217		\$12,100.00				\$0.00	\$12,100.00
D-Cement Intermed	218		\$56,600.00				\$0.00	\$56,600.00
D-Prod-2nd Int Cmt	219		\$61,700.00				\$0.00	\$61,700.00
D-Float Equipment & Centralizers	221		\$47,700.00				\$0.00	\$47,700.00
D-Csg Crews & Equip	222		\$31,200.00				\$0.00	\$31,200.00
D-Contract Labor	225		\$9,500.00				\$0.00	\$9,500.00
D-Company Sprvsn	226		\$38,200.00				\$0.00	\$38,200.00
D-Contract Sprvsn	227		\$61,700.00				\$0.00	\$61,700.00
D-Tstg Csg/Tbg	228		\$31,200.00				\$0.00	\$31,200.00
D-Mud Logging Unit	229		\$20,400.00				\$0.00	\$20,400.00
D-Perf/Wireline Svc	231		\$2,500.00				\$0.00	\$2,500.00
D-Rentals-Surface	235		\$164,100.00				\$0.00	\$164,100.00
D-Rentals-Subsrfc	236		\$141,200.00				\$0.00	\$141,200.00
D-Trucking/Forklift/Rig Mob	237		\$107,500.00				\$0.00	\$107,500.00
D-Welding Services	238		\$3,200.00				\$0.00	\$3,200.00
D-Contingency	243		\$39,400.00				\$0.00	\$39,400.00
D-Envrmtl/Clsd Loop	244		\$220,700.00				\$0.00	\$220,700.00
C-Lctn/Pits/Roads	305			\$4,900.00			\$0.00	\$4,900.00
C-Frac Equipment	307			\$895,900.00			\$0.00	\$895,900.00
C-Frac Chemicals	308			\$545,800.00			\$0.00	\$545,800.00
C-Frac Proppant	309			\$849,300.00			\$0.00	\$849,300.00
C-Frac Proppant Transportation	310			\$132,600.00			\$0.00	\$132,600.00
C-Fuel & Power	311			\$8,300.00			\$0.00	\$8,300.00
C-Water	312			\$643,100.00			\$0.00	\$643,100.00
C-Bits	313			\$9,700.00			\$0.00	\$9,700.00
C-Mud & Chemicals	314			\$18,100.00			\$0.00	\$18,100.00
C-Contract Labor	325			\$9,700.00			\$0.00	\$9,700.00
C-Company Sprvsn	326			\$15,300.00			\$0.00	\$15,300.00
C-Contract Sprvsn	327			\$209,700.00			\$0.00	\$209,700.00
C-Tstg Csg/Tbg	328			\$2,800.00			\$0.00	\$2,800.00
C-Perf/Wireline Svc	331			\$359,700.00			\$0.00	\$359,700.00
C-Stimulation/Treating	332			\$6,300.00			\$0.00	\$6,300.00
C-Completion Unit	333			\$31,300.00			\$0.00	\$31,300.00
C-Rentals-Surface	335			\$239,600.00			\$0.00	\$239,600.00
C-Rentals-Subsrfc	336			\$34,000.00			\$0.00	\$34,000.00
C-Trucking/Forklift/Rig Mob	337			\$11,100.00			\$0.00	\$11,100.00
C-Welding Services	338			\$2,800.00			\$0.00	\$2,800.00
C-Water Disposal	339			\$31,300.00			\$0.00	\$31,300.00
C-Contingency	343			\$202,100.00			\$0.00	\$202,100.00
C-Envrmtl/Clsd Loop	344			\$2,800.00			\$0.00	\$2,800.00
C-Dyed Diesel	345			\$334,000.00			\$0.00	\$334,000.00
C-Coil Tubing	346			\$317,400.00			\$0.00	\$317,400.00
C-Flowback Crews & Equip	347			\$31,900.00			\$0.00	\$31,900.00
TB-Location/Pits/Roads	353				\$78,700.00		\$0.00	\$78,700.00
TB-Contract Labor	356				\$189,600.00		\$0.00	\$189,600.00
TB-Water Disposal	362				\$112,400.00		\$0.00	\$112,400.00
PEQ-Contract Labor	374					\$2,900.00	\$0.00	\$2,900.00
PEQ-Contract Supervision	376					\$2,600.00	\$0.00	\$2,600.00
PEQ-Completion Unit	381					\$5,400.00	\$0.00	\$5,400.00
PEQ-Rentals-Surface	383					\$3,600.00	\$0.00	\$3,600.00
PEQ-Trkg/Forklift/Rig Mobilization	385					\$1,600.00	\$0.00	\$1,600.00
Total Intangible Costs		\$17,400.00	\$2,290,500.00	\$4,949,500.00	\$380,700.00	\$16,100.00	\$0.00	\$7,654,200.00

Total Gross Cost	\$17,400.00	\$2,702,600.00	\$5,030,000.00	\$1,250,100.00	\$140,100.00	\$0.00	\$9,140,200.00
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Note: The above costs are estimates only. Actual costs will be billed as incurred.

COG Operating LLC

By: _____

Date Prepared: _____

We approve:
% Working Interest

COG Operating LLC

Company:
By: _____

By: _____

Printed Name: _____

Title: _____

Date: _____

This AFE is only an estimate. By signing you agree to pay your share of the actual costs incurred.

COG OPERATING LLC
AUTHORITY FOR EXPENDITURE
Drill & Complete

Well Name	Admiral Federal Com 504H	Prospect	Alias 2529
SHL	Sec 28: 320' FSL 1330' FWL OR Unit O OR Unit P	State & County	NEW MEXICO, EDDY
BHL	Sec 21: 50' FNL 1485' FWL OR Unit B	Objective	DRILL & COMPLETE
Formation	BONE SPRING	Depth	19,060
Legal	W2E2 of Sections 21 and 28 of T25S-R29E	TVD	8,700
A/E Numbers			

Cost Description	Code	PreSpud (PS)	Drilling (DR)	Completions (C)	Tank Btty Constrctn(TB)	Pmpq Equip (PEQ)	Revision	Total
Tangible Costs								
D-Surface Casing	401		\$15,900.00				\$0.00	\$15,900.00
D-Intermed Csg	402		\$87,800.00				\$0.00	\$87,800.00
D-Production Casing/Liner	403		\$265,800.00				\$0.00	\$265,800.00
D-Wellhead Equip	405		\$42,600.00				\$0.00	\$42,600.00
C-Tubing	504			\$24,300.00			\$0.00	\$24,300.00
C-Wellhead Equip	505			\$13,900.00			\$0.00	\$13,900.00
PEQ-Pumping Unit	506					\$44,600.00	\$0.00	\$44,600.00
PEQ-Rods	508					\$23,300.00	\$0.00	\$23,300.00
TB-Tanks	510				\$84,300.00		\$0.00	\$84,300.00
TB-Flowlines/Pipelines	511				\$77,200.00		\$0.00	\$77,200.00
TB-Htr Trtr/Seprtr	512				\$189,600.00		\$0.00	\$189,600.00
TB-Electrical System/Equipment	513				\$126,400.00		\$0.00	\$126,400.00
C-Pckrs/Anchors/Hgrs	514			\$34,000.00			\$0.00	\$34,000.00
TB-Couplings/Fittings/Valves	515				\$189,600.00		\$0.00	\$189,600.00
TB-Gas Lift/Compression	516				\$133,400.00		\$0.00	\$133,400.00
TB-Pumps-Surface	521				\$19,700.00		\$0.00	\$19,700.00
TB-Meters/Lacts	525				\$24,600.00		\$0.00	\$24,600.00
TB-Flares/Combusters/Emission	526				\$24,600.00		\$0.00	\$24,600.00
C-Gas Lift/Compression	527			\$8,300.00			\$0.00	\$8,300.00
PEQ-Instrumentation/SCADA/PO	529					\$3,600.00	\$0.00	\$3,600.00
PEQ-Tubing	530					\$2,600.00	\$0.00	\$2,600.00
PEQ-Wellhead Equipment	531					\$1,600.00	\$0.00	\$1,600.00
PEQ-Pumps	532					\$2,600.00	\$0.00	\$2,600.00
PEQ-Electrical System	533					\$7,800.00	\$0.00	\$7,800.00
PEQ-Packers/Anchors/Hangers	534					\$36,300.00	\$0.00	\$36,300.00
PEQ-Miscellaneous	535					\$1,600.00	\$0.00	\$1,600.00
Total Tangible Costs		\$0.00	\$412,100.00	\$80,500.00	\$869,400.00	\$124,000.00	\$0.00	\$1,486,000.00

Intangible Costs								
PS-Title/Permits	201	\$5,700.00					\$0.00	\$5,700.00
D-Insurance	202	\$1,600.00					\$0.00	\$1,600.00
PS-Damages/ROW	203	\$9,500.00					\$0.00	\$9,500.00
PS-Survey/Stake Lctn	204	\$600.00					\$0.00	\$600.00
D-Lctn/Pits/Roads	205		\$82,000.00				\$0.00	\$82,000.00
D-Drilling Overhead	206		\$4,800.00				\$0.00	\$4,800.00
D-Daywork Contract	209		\$550,100.00				\$0.00	\$550,100.00
D-Directional Drtg Services	210		\$233,400.00				\$0.00	\$233,400.00
D-Fuel & Power	211		\$131,600.00				\$0.00	\$131,600.00
D-Water	212		\$30,500.00				\$0.00	\$30,500.00
D-Bits	213		\$61,700.00				\$0.00	\$61,700.00
D-Mud & Chemicals	214		\$147,500.00				\$0.00	\$147,500.00
D-Cement Surface	217		\$12,100.00				\$0.00	\$12,100.00
D-Cement Intermed	218		\$56,600.00				\$0.00	\$56,600.00
D-Prod-2nd Int Cmt	219		\$61,700.00				\$0.00	\$61,700.00
D-Float Equipment & Centralizers	221		\$47,700.00				\$0.00	\$47,700.00
D-Csg Crews & Equip	222		\$31,200.00				\$0.00	\$31,200.00
D-Contract Labor	225		\$9,500.00				\$0.00	\$9,500.00
D-Company Sprvsn	226		\$38,200.00				\$0.00	\$38,200.00
D-Contract Sprvsn	227		\$61,700.00				\$0.00	\$61,700.00
D-Tstg Csg/Tbg	228		\$31,200.00				\$0.00	\$31,200.00
D-Mud Logging Unit	229		\$20,400.00				\$0.00	\$20,400.00
D-Perf/Wireline Svc	231		\$2,500.00				\$0.00	\$2,500.00
D-Rentals-Surface	235		\$164,100.00				\$0.00	\$164,100.00
D-Rentals-Subsrfc	236		\$141,200.00				\$0.00	\$141,200.00
D-Trucking/Forklift/Rig Mob	237		\$107,500.00				\$0.00	\$107,500.00
D-Welding Services	238		\$3,200.00				\$0.00	\$3,200.00
D-Contingency	243		\$39,400.00				\$0.00	\$39,400.00
D-Envmntl/Clsd Loop	244		\$220,700.00				\$0.00	\$220,700.00
C-Lctn/Pits/Roads	305			\$4,900.00			\$0.00	\$4,900.00
C-Frac Equipment	307			\$895,900.00			\$0.00	\$895,900.00
C-Frac Chemicals	308			\$545,800.00			\$0.00	\$545,800.00
C-Frac Proppant	309			\$849,300.00			\$0.00	\$849,300.00
C-Frac Proppant Transportation	310			\$132,600.00			\$0.00	\$132,600.00
C-Fuel & Power	311			\$8,300.00			\$0.00	\$8,300.00
C-Water	312			\$643,100.00			\$0.00	\$643,100.00
C-Bits	313			\$9,700.00			\$0.00	\$9,700.00
C-Mud & Chemicals	314			\$18,100.00			\$0.00	\$18,100.00
C-Contract Labor	325			\$9,700.00			\$0.00	\$9,700.00
C-Company Sprvsn	326			\$15,300.00			\$0.00	\$15,300.00
C-Contract Sprvsn	327			\$209,700.00			\$0.00	\$209,700.00
C-Tstg Csg/Tbg	328			\$2,800.00			\$0.00	\$2,800.00
C-Perf/Wireline Svc	331			\$359,700.00			\$0.00	\$359,700.00
C-Stimulation/Treating	332			\$6,300.00			\$0.00	\$6,300.00
C-Completion Unit	333			\$31,300.00			\$0.00	\$31,300.00
C-Rentals-Surface	335			\$239,600.00			\$0.00	\$239,600.00
C-Rentals-Subsrfc	336			\$34,000.00			\$0.00	\$34,000.00
C-Trucking/Forklift/Rig Mob	337			\$11,100.00			\$0.00	\$11,100.00
C-Welding Services	338			\$2,800.00			\$0.00	\$2,800.00
C-Water Disposal	339			\$31,300.00			\$0.00	\$31,300.00
C-Contingency	343			\$202,100.00			\$0.00	\$202,100.00
C-Envmntl/Clsd Loop	344			\$2,800.00			\$0.00	\$2,800.00
C-Dyed Diesel	345			\$334,000.00			\$0.00	\$334,000.00
C-Coil Tubing	346			\$317,400.00			\$0.00	\$317,400.00
C-Flowback Crews & Equip	347			\$31,900.00			\$0.00	\$31,900.00
TB-Location/Pits/Roads	353				\$78,700.00		\$0.00	\$78,700.00
TB-Contract Labor	356				\$189,600.00		\$0.00	\$189,600.00
TB-Water Disposal	362				\$112,400.00		\$0.00	\$112,400.00
PEQ-Contract Labor	374					\$2,900.00	\$0.00	\$2,900.00
PEQ-Contract Supervision	376					\$2,600.00	\$0.00	\$2,600.00
PEQ-Completion Unit	381					\$5,400.00	\$0.00	\$5,400.00
PEQ-Rentals-Surface	383					\$3,600.00	\$0.00	\$3,600.00
PEQ-Trkg/Forklift/Rig Mobilization	385					\$1,600.00	\$0.00	\$1,600.00
Total Intangible Costs		\$17,400.00	\$2,290,500.00	\$4,949,500.00	\$380,700.00	\$16,100.00	\$0.00	\$7,654,200.00

Total Gross Cost	\$17,400.00	\$2,702,600.00	\$5,030,000.00	\$1,250,100.00	\$140,100.00	\$0.00	\$9,140,200.00
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Note: The above costs are estimates only. Actual costs will be billed as incurred.

COG Operating LLC

By: _____

Date Prepared: _____

We approve:

% Working Interest

COG Operating LLC
By: _____

Company: _____
By: _____

Printed Name: _____
Title: _____
Date: _____

This AFE is only an estimate. By signing you agree to pay your share of the actual costs incurred.

COG OPERATING LLC
AUTHORITY FOR EXPENDITURE
Drill & Complete

Well Name	Admiral Federal Com 505H	Prospect	Atlas 2529
SHL	Sec 28: 320' FSL 1300' FWL OR Unit P	State & County	NEW MEXICO, EDDY
BHL	Sec 21: 50' FNL 330' FWL OR Unit A	Objective	DRILL & COMPLETE
Formation	BONE SPRING	Depth	19,060
Leqal	E2E2 of Sections 21 and 28 of T25S-R29E	TVD	8,700
AFE Numbers			

Cost Description	Code	PreSpud (PS)	Drilling (DR)	Completions (C)	Tank Btty Constrcn(TB)	Pmpq Equip (PEQ)	Revision	Total
Tangible Costs								
D-Surface Casing	401		\$15,900.00				\$0.00	\$15,900.00
D-Intermed Csg	402		\$87,800.00				\$0.00	\$87,800.00
D-Production Casing/Liner	403		\$265,800.00				\$0.00	\$265,800.00
D-Wellhead Equip	405		\$42,600.00				\$0.00	\$42,600.00
C-Tubing	504			\$24,300.00			\$0.00	\$24,300.00
C-Wellhead Equip	505			\$13,900.00			\$0.00	\$13,900.00
PEQ-Pumping Unit	506					\$44,600.00	\$0.00	\$44,600.00
PEQ-Rods	508					\$23,300.00	\$0.00	\$23,300.00
TB-Tanks	510				\$84,300.00		\$0.00	\$84,300.00
TB-Flowlines/Pipelines	511				\$77,200.00		\$0.00	\$77,200.00
TB-Htr Trlr/Seprtr	512				\$189,600.00		\$0.00	\$189,600.00
TB-Electrical System/Equipment	513				\$126,400.00		\$0.00	\$126,400.00
C-Pckrs/Anchors/Hgrs	514			\$34,000.00			\$0.00	\$34,000.00
TB-Couplings/Fittings/Valves	515				\$189,600.00		\$0.00	\$189,600.00
TB-Gas Lift/Compression	516				\$133,400.00		\$0.00	\$133,400.00
TB-Pumps-Surface	521				\$19,700.00		\$0.00	\$19,700.00
TB-Meters/Lacts	525				\$24,600.00		\$0.00	\$24,600.00
TB-Flares/Combusters/Emission	526				\$24,600.00		\$0.00	\$24,600.00
C-Gas Lift/Compression	527			\$8,300.00			\$0.00	\$8,300.00
PEQ-Instrumentation/SCADA/PO	529					\$3,600.00	\$0.00	\$3,600.00
PEQ-Tubing	530					\$2,600.00	\$0.00	\$2,600.00
PEQ-Wellhead Equipment	531					\$1,600.00	\$0.00	\$1,600.00
PEQ-Pumps	532					\$2,600.00	\$0.00	\$2,600.00
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PS-Survey/Stake Lctn	204	\$600.00					\$0.00	\$600.00
D-Lctr/Pits/Roads	205		\$82,000.00				\$0.00	\$82,000.00
D-Drilling Overhead	206		\$4,800.00				\$0.00	\$4,800.00
D-Daywork Contract	209		\$550,100.00				\$0.00	\$550,100.00
D-Directional Drig Services	210		\$233,400.00				\$0.00	\$233,400.00
D-Fuel & Power	211		\$131,600.00				\$0.00	\$131,600.00
D-Water	212		\$30,500.00				\$0.00	\$30,500.00
D-Bits	213		\$61,700.00				\$0.00	\$61,700.00
D-Mud & Chemicals	214		\$147,500.00				\$0.00	\$147,500.00
D-Cement Surface	217		\$12,100.00				\$0.00	\$12,100.00
D-Cement Intermed	218		\$56,600.00				\$0.00	\$56,600.00
D-Prod-2nd Int Cmt	219		\$61,700.00				\$0.00	\$61,700.00
D-Float Equipment & Centralizers	221		\$47,700.00				\$0.00	\$47,700.00
D-Csg Crews & Equip	222		\$31,200.00				\$0.00	\$31,200.00
D-Contract Labor	225		\$9,500.00				\$0.00	\$9,500.00
D-Company Sprvsn	226		\$38,200.00				\$0.00	\$38,200.00
D-Contract Sprvsn	227		\$61,700.00				\$0.00	\$61,700.00
D-Tstg Csg/Tbg	228		\$31,200.00				\$0.00	\$31,200.00
D-Mud Logging Unit	229		\$20,400.00				\$0.00	\$20,400.00
D-Perf/Wireline Svc	231		\$2,500.00				\$0.00	\$2,500.00
D-Rentals-Surface	235		\$164,100.00				\$0.00	\$164,100.00
D-Rentals-Subsrfc	236		\$141,200.00				\$0.00	\$141,200.00
D-Trucking/Forklift/Rig Mob	237		\$107,500.00				\$0.00	\$107,500.00
D-Welding Services	238		\$3,200.00				\$0.00	\$3,200.00
D-Contingency	243		\$39,400.00				\$0.00	\$39,400.00
D-Envrnmntl/Clsd Loop	244		\$220,700.00				\$0.00	\$220,700.00
C-Lctr/Pits/Roads	305			\$4,900.00			\$0.00	\$4,900.00
C-Frac Equipment	307			\$895,900.00			\$0.00	\$895,900.00
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C-Frac Proppant	309			\$849,300.00			\$0.00	\$849,300.00
C-Frac Proppant Transportation	310			\$132,600.00			\$0.00	\$132,600.00
C-Fuel & Power	311			\$8,300.00			\$0.00	\$8,300.00
C-Water	312			\$643,100.00			\$0.00	\$643,100.00
C-Bits	313			\$9,700.00			\$0.00	\$9,700.00
C-Mud & Chemicals	314			\$18,100.00			\$0.00	\$18,100.00
C-Contract Labor	325			\$9,700.00			\$0.00	\$9,700.00
C-Company Sprvsn	326			\$15,300.00			\$0.00	\$15,300.00
C-Contract Sprvsn	327			\$209,700.00			\$0.00	\$209,700.00
C-Tstg Csg/Tbg	328			\$2,800.00			\$0.00	\$2,800.00
C-Perf/Wireline Svc	331			\$359,700.00			\$0.00	\$359,700.00
C-Stimulation/Treating	332			\$6,300.00			\$0.00	\$6,300.00
C-Completion Unit	333			\$31,300.00			\$0.00	\$31,300.00
C-Rentals-Surface	335			\$239,600.00			\$0.00	\$239,600.00
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C-Trucking/Forklift/Rig Mob	337			\$11,100.00			\$0.00	\$11,100.00
C-Welding Services	338			\$2,800.00			\$0.00	\$2,800.00
C-Water Disposal	339			\$31,300.00			\$0.00	\$31,300.00
C-Contingency	343			\$202,100.00			\$0.00	\$202,100.00
C-Envrnmntl/Clsd Loop	344			\$2,800.00			\$0.00	\$2,800.00
C-Dyed Diesel	345			\$334,000.00			\$0.00	\$334,000.00
C-Coil Tubing	346			\$317,400.00			\$0.00	\$317,400.00
C-Flowback Crews & Equip	347			\$31,900.00			\$0.00	\$31,900.00
TB-Location/Pits/Roads	353				\$78,700.00		\$0.00	\$78,700.00
TB-Contract Labor	356				\$189,600.00		\$0.00	\$189,600.00
TB-Water Disposal	362				\$112,400.00		\$0.00	\$112,400.00
PEQ-Contract Labor	374					\$2,900.00	\$0.00	\$2,900.00
PEQ-Contract Supervision	376					\$2,600.00	\$0.00	\$2,600.00
PEQ-Completion Unit	381					\$5,400.00	\$0.00	\$5,400.00
PEQ-Rentals-Surface	383					\$3,600.00	\$0.00	\$3,600.00
PEQ-Trkg/Forklift/Rig Mobilization	385					\$1,600.00	\$0.00	\$1,600.00
Total Intangible Costs		\$17,400.00	\$2,290,500.00	\$4,949,500.00	\$380,700.00	\$18,100.00	\$0.00	\$7,654,200.00

Total Gross Cost	\$17,400.00	\$2,702,600.00	\$5,030,000.00	\$1,250,100.00	\$140,100.00	\$0.00	\$9,140,200.00
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Note: The above costs are estimates only. Actual costs will be billed as incurred.

COG Operating LLC

By: _____

Date Prepared: _____

We approve:
% Working Interest

COG Operating LLC

By: _____

Company:
By: _____

Printed Name:
Title:
Date: _____

This AFE is only an estimate. By signing you agree to pay your share of the actual costs incurred.

Monica Beal

Concho Resources Inc. • 432-818-2310 • mbeal@concho.com

EXPERIENCE

Concho Resources Inc., Midland, TX
Landman I

October 2017 – Present

Concho Resources Inc., Midland, TX
Lease Analyst

January 2017 – October 2017

Concho Resources Inc., Midland, TX
Land Intern

Summer 2016

EDUCATION

University of Oklahoma, Norman, OK
Bachelor of Business Administration
Major: Energy Management
Minor: Finance
GPA: 3.59

December 2016

ORGANIZATIONS AND MEMBERSHIPS

American Association of Professional Landmen (AAPL)
Member

Permian Basin Landmen's Association (PBLA)
Member

**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**

CASE NO. 20836

AFFIDAVIT OF TRAVIS SPARKS

Travis Sparks, of lawful age and being first duly sworn, declares as follows:

1. My name is Travis Sparks, and I am a Geologist with COG Operating LLC (“COG”).

2. I have previously testified before the New Mexico Oil Conservation Division (“Division”) as an expert witness in petroleum land matters, and my credentials have been accepted and made a matter of public record.

3. I am familiar with the application filed by COG in this case and I have conducted a geologic study of the targeted 2nd Bone Spring formation underlying the subject acreage.

4. **COG Exhibit No. B-1** is a project locator map that reflects COG’s acreage in yellow. The paths of the proposed wells are depicted by dashed orange lines. Existing producing wells in the 2nd Bone Spring interval are represented by solid orange lines.

5. COG is targeting the 2nd Bone Spring formation with its proposed **Admiral Fed Com 501H, Admiral Fed Com 502H, Admiral Fed Com 503H, Admiral Fed Com 504H, and Admiral Fed Com 505H wells**. **COG Exhibit No. B-2** is a subsea structure map that I prepared for the top of the 2nd Bone Spring interval that is representative of the targeted interval within the Bone Spring formation. The structure map shows that the formation is gently dipping to the east

in this area. I do not observe any faulting, pinch-outs, or other geologic impediments to developing the targeted 2nd Bone Spring interval with horizontal wells in this area.

6. **COG Exhibit No. B-3** overlays a cross-section line in red consisting of three wells penetrating the Bone Spring formation that I used to construct a stratigraphic cross-section from A to A'. I consider these well logs are representative of the geology in the area.

7. **COG Exhibit No. B-4** is a stratigraphic cross-section using the representative wells depicted on Exhibit B-3. Each well in the cross-section contains gamma ray, resistivity, and porosity logs. The proposed target intervals in the Bone Spring formation are labeled on the exhibit. The cross-section demonstrates that the targeted interval is continuous across the proposed spacing unit.

8. In my opinion, the stand-up orientation of the proposed wells is the preferred orientation for horizontal well development in this area and is appropriate to efficiently and effectively develop the subject acreage.

9. Based on my geologic study, the targeted interval underlying the subject area is suitable for development by horizontal wells, and the acreage comprising the proposed spacing unit will contribute, more-or-less, equally to the production from the wellbores.

10. In my opinion, the granting of COG's application will be in the best interest of conservation, the prevention of waste, and the protection of correlative rights.

11. COG Exhibit Nos. B-1 through B-4 were either prepared by me or compiled under my direction and supervision.

THIS CONCLUDES AFFIANT'S STATEMENT.

Travis Sparks
Affiant

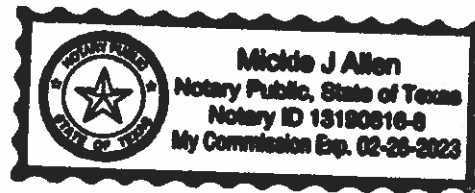
STATE OF Texas)
COUNTY OF Midland)

SUBSCRIBED and SWORN to before me this 12th day of November, by
[Signature]

[Signature]
NOTARY PUBLIC

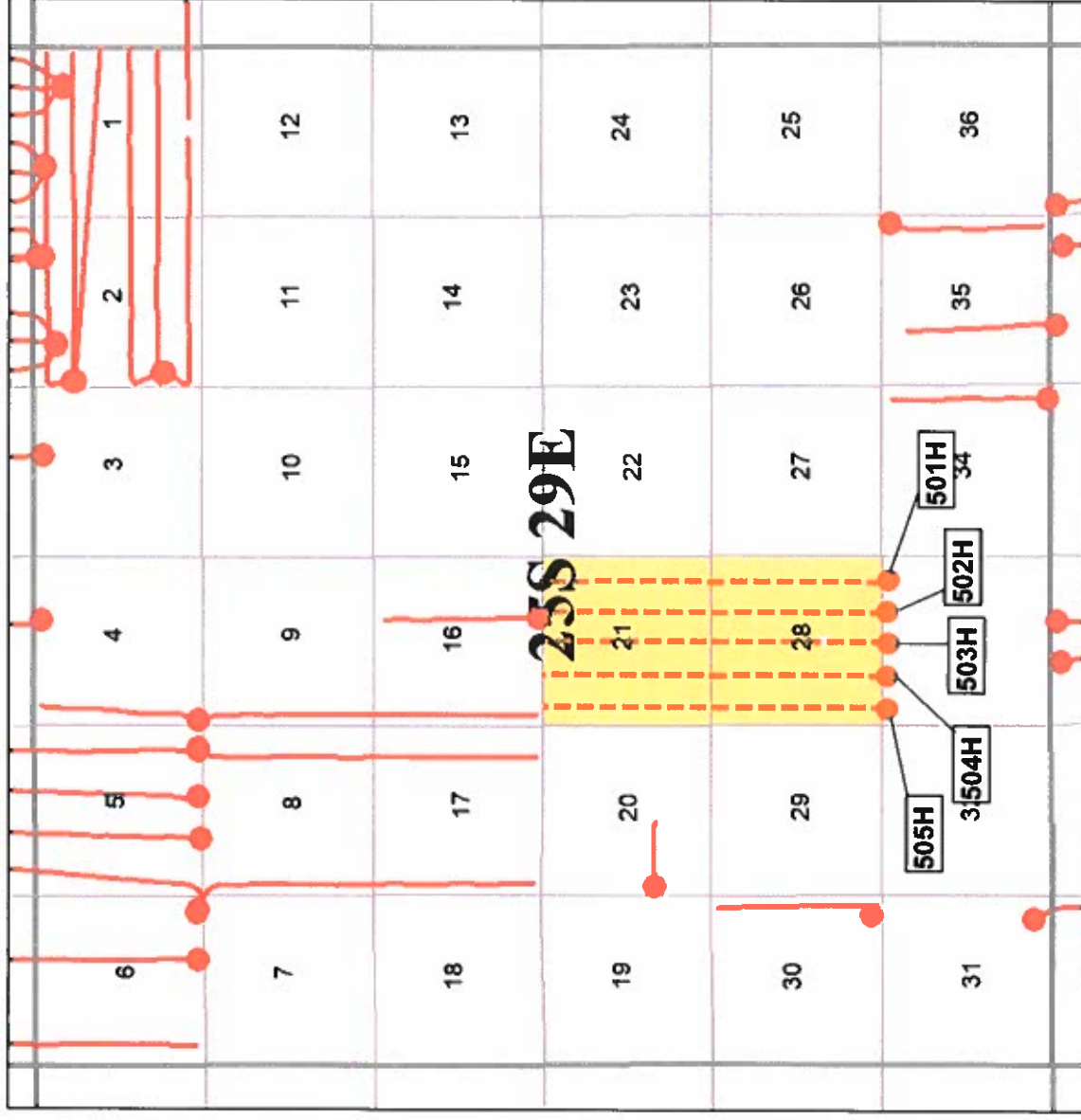
My Commission Expires:

2-26-2023



Bone Spring Pool

Admiral Fed Com Location Map



Map Legend

SHL
BHL

COG – Proposed Admiral
501H, 502H, 503H, 504H, &
505H Locations

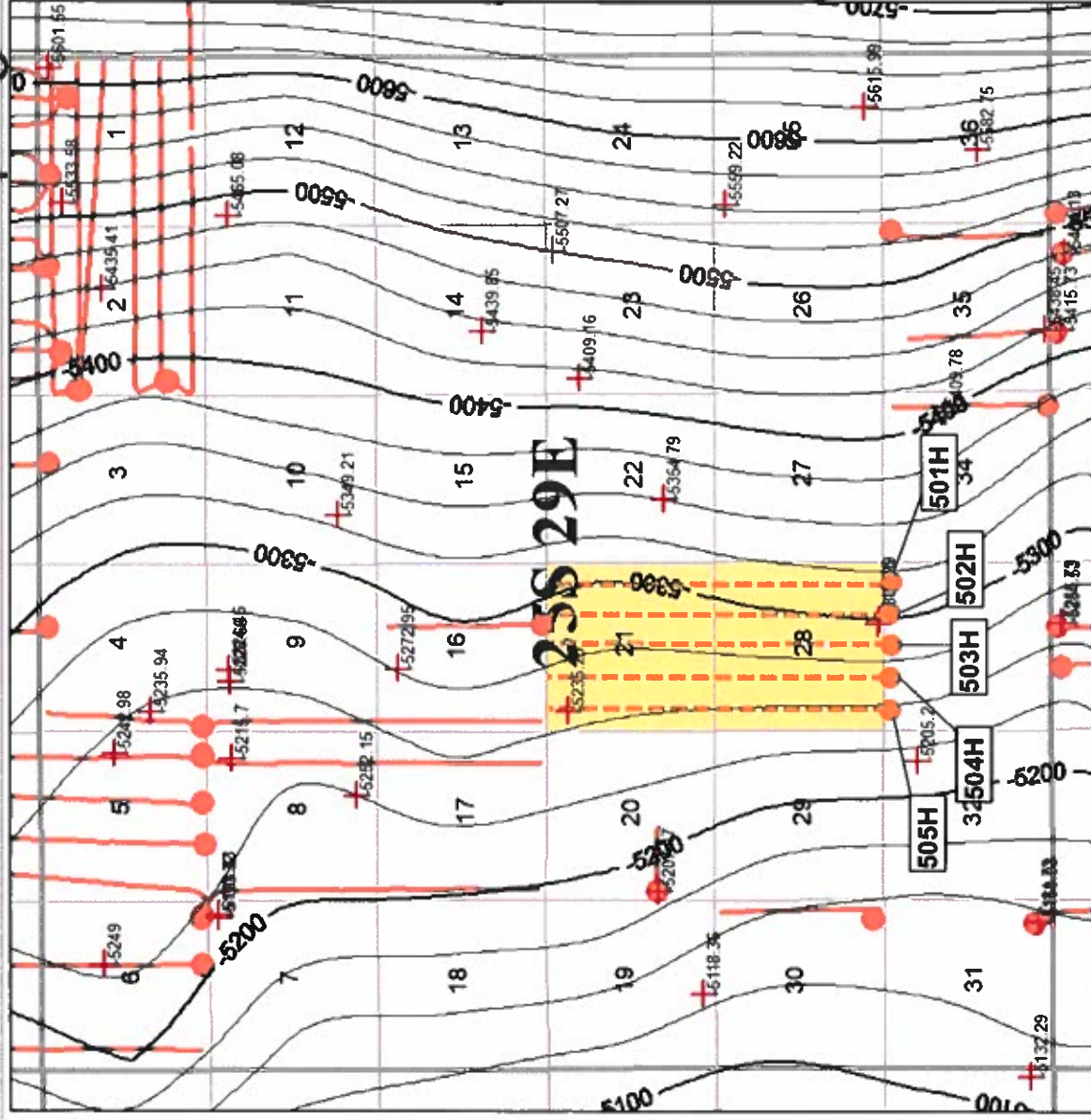
Producing Second Bone
Spring Horizontals

COG Acreage



Bone Spring Pool

Second Bone Spring Subsea Structure Map



Map Legend

SHL
BHL

COG – Proposed Admiral
501H, 502H, 503H, 504H, &
505H Locations

Producing Second Bone
Spring Horizontals

COG Acreage

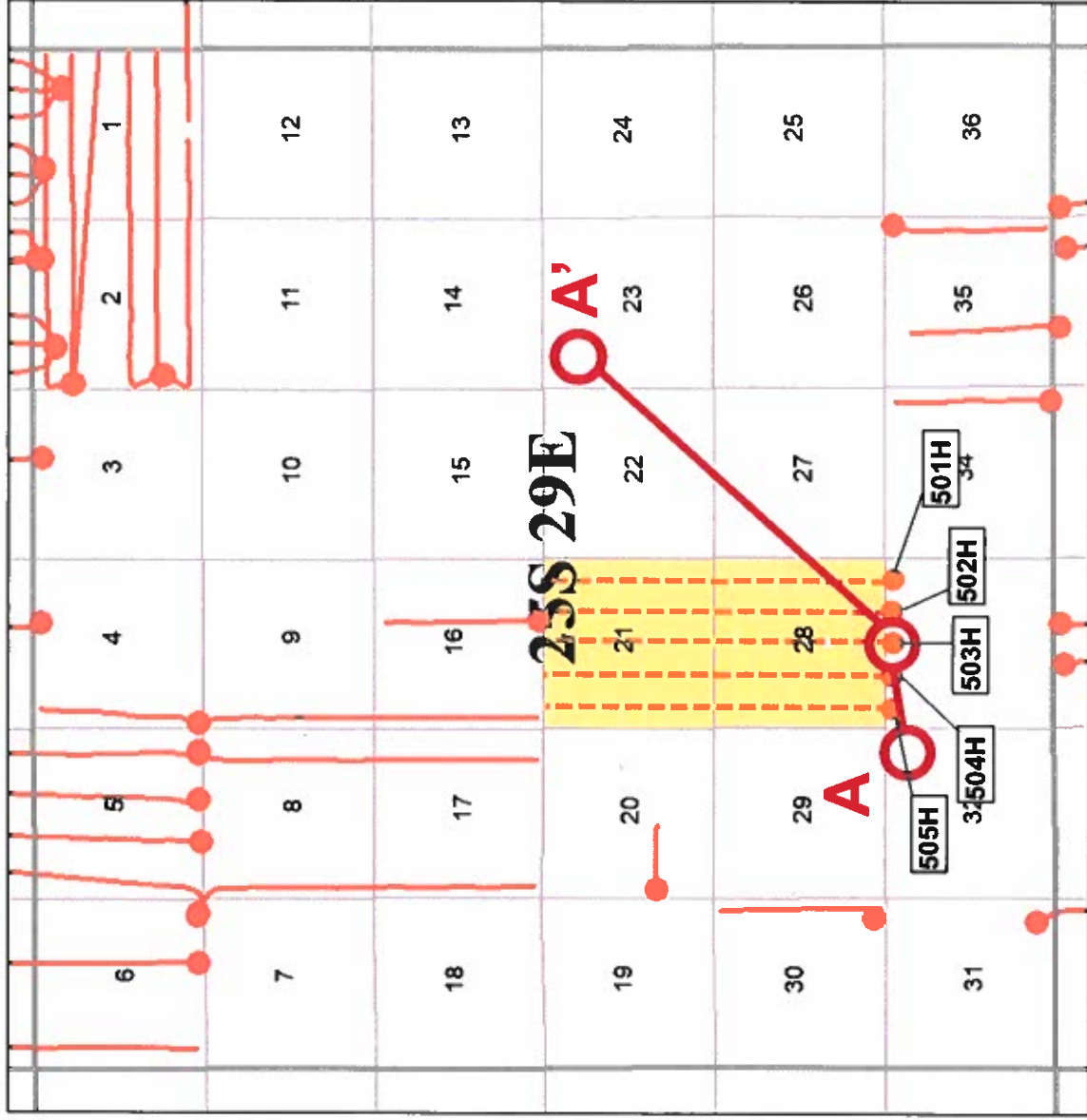
Sub Sea Structure Data Point
+6084 44

Contour Interval: 25FT



Bone Spring Pool

Cross Section Location Map

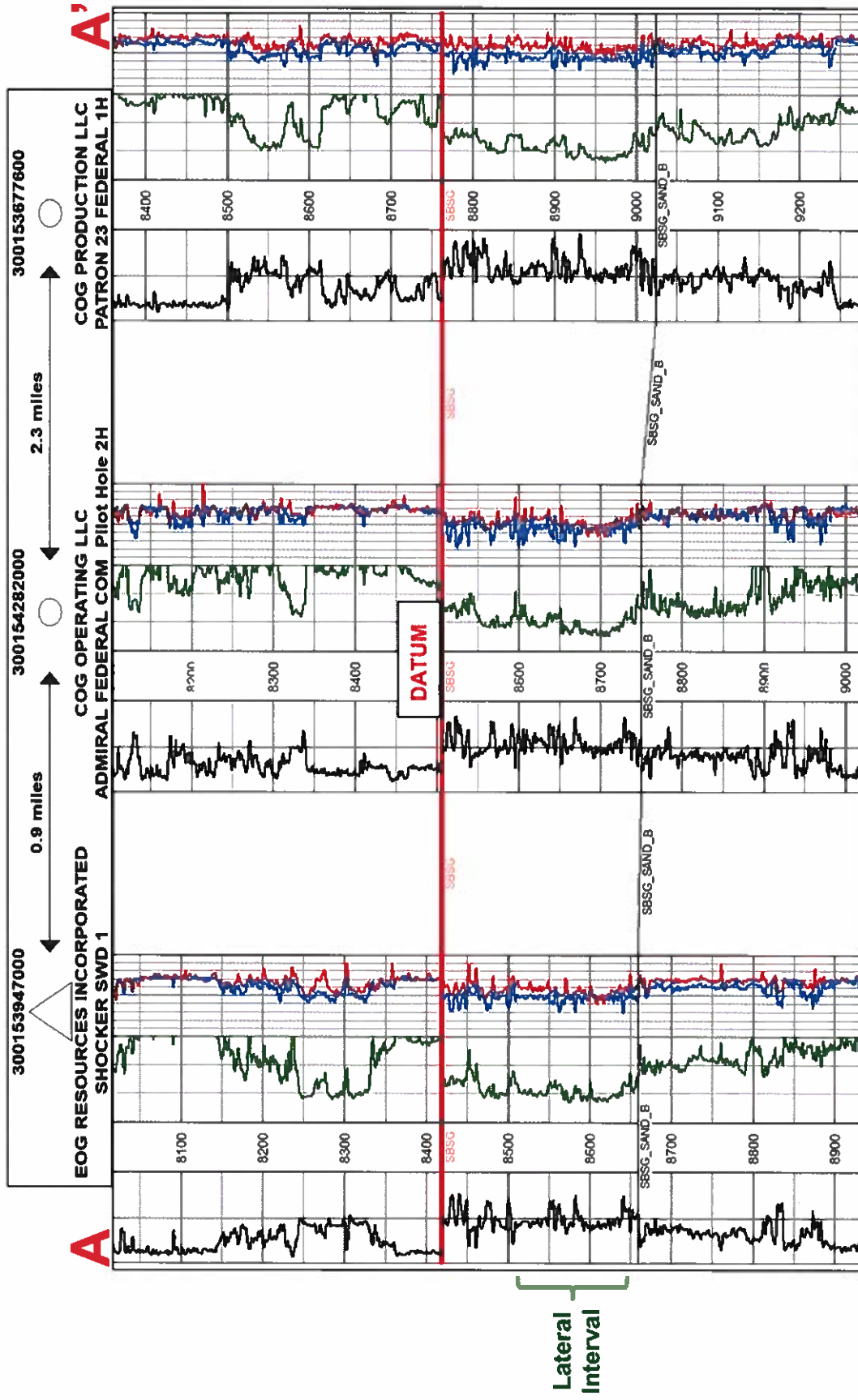


Map Legend

- SHL
- BHL
- COG - Proposed Admiral 501H, 502H, 503H, 504H, & 505H Locations
- Producing Second Bone Spring Horizontals
- COG Acreage
- Cross Section Line



Stratigraphic Cross Section A – A'



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

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

CASE NO. 20836

AFFIDAVIT

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

Michael Rodriguez, attorney and authorized representative of COG Operating LLC, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Application was provided under the notice letter and proof of receipt attached hereto.



Michael Rodriguez

SUBSCRIBED AND SWORN to before me this 13th day of November 2019 by Michael Rodriguez.



**OFFICIAL SEAL
LISAMARIE ORTIZ
NOTARY PUBLIC-STATE OF NEW MEXICO**
My commission expires 01/14/2023



Notary Public

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 20836 Exhibit No. C
Submitted by:
COG OPERATING LLC
Hearing Date: November 14, 2019



Ocean Munds-Dry
Senior Attorney

October 25, 2019

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

**Re: Case No. 20836: Application of COG Operating, LLC for compulsory pooling,
Eddy County, New Mexico.**

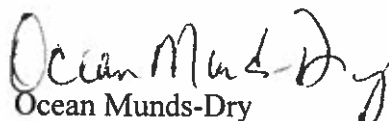
To Whom It May Concern:

This letter is to advise you that COG Operating LLC has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on **November 14, 2019**, and the status of the hearing can be monitored through the Division's website at <http://www.emnrd.state.nm.us/ocd/>. Division hearings will commence at 8:15 a.m. in Porter Hall at the Oil Conservation Division's Santa Fe offices located at 1200 South Saint Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Pursuant to Division Rule 19.135.4.13.B, parties appearing in a case are required to file a Pre-hearing Statement at least four business days in advance of a scheduled hearing, but in no event later than 5:00 p.m. mountain time, on the Thursday preceding the scheduled hearing date. The statement must be filed at the Division's Santa Fe office at the above-specified address and should include: the names of the parties and their attorneys, a concise statement of the case, the names of all witnesses the party will call to testify at the hearing, the approximate time the party will need to present its case, and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Monica Beal at (432) 818-2310 or mbeal@concho.com.

Sincerely,


Ocean Munds-Dry

CORPORATE ADDRESS

ONE CONCHO CENTER | 600 WEST ILLINOIS AVENUE | MIDLAND, TEXAS 79701
P 432.683.7443 | F 432.683.7441

SANTA FE OFFICE

1048 PASEO DE PERALTA | SANTA FE, NEW MEXICO 87501
P 505.780.8000 | F 505.428.0485

WI Owner

Devon Energy Production Company LP
333 W Sheridan Ave.
Oklahoma City, OK 73102

ORRI Owners

Nestegg Energy Corporation
2308 Sierra Vista RD
Artesia, NM 88210

Paul R. Barwis and wife, Dianne Barwis
c/o Dutton, Harris & Assoc.
P.O. Box 230
Midland, TX 79702

Jareed Partners, Ltd.
P.O. Box 51451
Midland, TX 79710

Kingdom Investments, Limited
2102 Cedar Springs Rd, Suite 600
Dallas, TX 75201

Kimbell Royalty Holdings, LLC
c/o Duncan Management LLC, Agent
P.O. Box 671099
Dallas, TX 75367
OR
777 Taylor St, Suite 810
Ft. Worth, TX 76102

John D. Bergman, Trustee of the Penwell Energy Royalty Pool
200 N. Loraine Street #1550
Midland, TX 79701

Devon Energy Production Company
333 W. Sheridan Ave
Oklahoma City, OK 73102

John Kyle Thoma, Trustee of the Cornerstone Family Trust
P.O. Box 558
Peyton, CO 80831

CrownRock Minerals, L.P.
P.O. Box 51933
Midland, TX 79710

Rave Energy, Inc. d/b/a GEP III

P.O. Box 3087
Houston, TX 77253

Rusk Capital Management LLC

7600 W. Tidwell Road, Suite 800
Houston, TX 77040

The Taurus Royalty, LLC

c/o Robert B. Payne Jr.
P.O. Box 1477
Little Elm, TX 75068

Rave Energy, Inc.

P.O. Box 3087
Houston, TX 77253

George Vaught, Jr.

P.O. Box 13557
Denver, CO 80201

Salt Fork Limited

P.O. Box 911
Breckenridge, TX 76424

William R. Golden

P.O. Box 97
Roswell, NM 88202

Philip L. White

P.O. Box 25968
Albuquerque, NM 87125

Santa Elena Minerals IV, LP

P.O. Box 2063
Midland, TX 79702

Rachel E. White

709 Los Arboles NW
Albuquerque, NM 87107

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Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$

☐ Return Receipt (electronic) \$

☐ Certified Mail Restricted Delivery \$

☐ Adult Signature Required \$

☐ Adult Signature Restricted Delivery \$

Postage \$

Postmark
Here

Devon Energy Production Company LP
 333 W Sheridan Ave.
 Oklahoma City, OK 73102

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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☐ Return Receipt (electronic) \$

☐ Certified Mail Restricted Delivery \$

☐ Adult Signature Required \$

☐ Adult Signature Restricted Delivery \$

Postage \$

Postmark
Here

Nestegg Energy Corporation
 2308 Sierra Vista RD
 Artesia, NM 88210

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Addressee Addressed to:

Devon Energy Production Company LP
 333 W Sheridan Ave.
 Oklahoma City, OK 73102

9590 9402 4582 8278 5895 81

701B 3090 0001 4742 3658

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Addressee Addressed to:

Nestegg Energy Corporation
 2308 Sierra Vista RD
 Artesia, NM 88210

9590 9402 4582 8278 5895 98

701B 3090 0001 4742 3641

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT

DELIVERY

Received by (Printed Name) Standard (Growth) Agent

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes ☐ No
 If YES, enter delivery address below:

3. Service Type

☐ Adult Signature

☐ Adult Signature Restricted Delivery

☐ Certified Mail

☐ Certified Mail Restricted Delivery

☐ Collect on Delivery

☐ Collect on Delivery Restricted Delivery

☐ Signature Confirmation[™]

☐ Signature Confirmation Restricted Delivery

☐ Priority Mail Express[®]

☐ Registered Mail[™]

☐ Registered Mail Restricted Delivery

☐ Return Receipt for Merchandise

☐ Signature Confirmation[™]

☐ Signature Confirmation Restricted Delivery

A. Signature

[Signature] Agent

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes ☐ No
 If YES, enter delivery address below:

3. Service Type

☐ Adult Signature

☐ Adult Signature Restricted Delivery

☐ Certified Mail

☐ Certified Mail Restricted Delivery

☐ Collect on Delivery

☐ Collect on Delivery Restricted Delivery

☐ Signature Confirmation[™]

☐ Signature Confirmation Restricted Delivery

☐ Priority Mail Express[®]

☐ Registered Mail[™]

☐ Registered Mail Restricted Delivery

☐ Return Receipt for Merchandise

☐ Signature Confirmation[™]

☐ Signature Confirmation Restricted Delivery

2. Article Number (Transfer from service label)

701B 3090 0001 4742 3641

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

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Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$

☐ Return Receipt (electronic) \$

☐ Certified Mail Restricted Delivery \$

☐ Adult Signature Required \$

☐ Adult Signature Restricted Delivery \$

Postage \$

Paul R. Barwis and wife, Dianne Barwis
 c/o Dutton, Harris & Assoc.
 P.O. Box 230
 Midland, TX 79702

PS Form 3800, April 2015 PSN 7530-02-000-90A7 See Reverse for Instructions

7018 3090 0001 4742 3627

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OFFICIAL USE

Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$

☐ Return Receipt (electronic) \$

☐ Certified Mail Restricted Delivery \$

☐ Adult Signature Required \$

☐ Adult Signature Restricted Delivery \$

Postage \$

Jareed Partners, Ltd.
 P.O. Box 51451
 Midland, TX 79710

PS Form 3800, April 2015 PSN 7530-02-000-90A7 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

■ Complete items 1, 2, and 3.

■ Print your name and address on the reverse so that we can return the card to you.

■ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Paul R. Barwis and wife, Dianne Barwis
 c/o Dutton, Harris & Assoc.
 P.O. Box 230
 Midland, TX 79702

2. Article Number (Transfer from service label)

7018 3090 0001 4742 3634

PS Form 3811, July 2015 PSN 7530-02-000-90E3

COMPLETE THIS SECTION ON DELIVERY

A. Signature

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: ☐ No

3. Service Type

☐ Adult Signature
☐ Adult Signature Restricted Delivery
☐ Certified Mail[®]
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Signature Confirmation[™]
☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

■ Complete items 1, 2, and 3.

■ Print your name and address on the reverse so that we can return the card to you.

■ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Jareed Partners, Ltd.
 P.O. Box 51451
 Midland, TX 79710



9590 9402 4582 8278 5896 11

2. Article Number (Transfer from service label)

7018 3090 0001 4742 3627

PS Form 3811, July 2015 PSN 7530-02-000-90E3

A. Signature

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: ☐ No

3. Service Type

☐ Adult Signature
☐ Adult Signature Restricted Delivery
☐ Certified Mail[®]
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Signature Confirmation[™]
☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

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Certified Mail Fee \$

Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$

Postage \$

7018 3090 0001 4742 3610

Kingdom Investments, Limited
2102 Cedar Springs Rd, Suite 600
Dallas, TX 75201

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

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Certified Mail Fee \$

Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$

Postage \$

7018 3090 0001 4742 3597

Kimbell Royalty Holdings, LLC
c/o Duncan Management LLC, Agent
777 Taylor St, Suite 810
Ft. Worth, TX 76102

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

SENDER, COMPLETE THIS SECTION

PLACE STICKER TO THE RIGHT OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS. FOLD AT DOTTED LINE.

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

Kimbell Royalty Holdings, LLC
c/o Duncan Management LLC, Agent
777 Taylor St, Suite 810
Ft. Worth, TX 76102



9590 9482 4582 8278 5896 42

7018 3090 0001 4742 3597

PS Form 3811, July 2015 PSN 7530-02-000-8003

FOR DELIVERY

A. Signature [Signature] ☐ Agent
 B. Received by (Printed Name) [Name] ☐ Addressee
 C. Date of Delivery 10/28
 D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: ☐ No

3. Service Type
- ☐ Priority Mail Express®
 - ☐ Registered Mail™
 - ☐ Certified Mail®
 - ☐ Certified Mail Restricted Delivery
 - ☐ Collect on Delivery
 - ☐ Collect on Delivery Restricted Delivery
 - ☐ Mail Restricted Delivery
 - ☐ Return Receipt for Merchandise
 - ☐ Signature Confirmation™
 - ☐ Restricted Delivery

Domestic Return Receipt

7018 3090 0001 4742 3580

7018 3090 0001 4742 3603

U.S. Postal ServiceTM

CERTIFIED MAIL[®] RECEIPT

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For delivery information, visit our website at www.usps.com.

Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)

<input type="checkbox"/> Return Receipt (hardcopy)	\$ _____
<input type="checkbox"/> Return Receipt (electronic)	\$ _____
<input type="checkbox"/> Certified Mail Restricted Delivery	\$ _____
<input type="checkbox"/> Adult Signature Required	\$ _____
<input type="checkbox"/> Adult Signature Restricted Delivery	\$ _____

Postmark
Here

Kimbell Royalty Holdings, LLC
c/o Duncan Management LLC, Agent
P.O. Box 671099
Dallas, TX 75367

U.S. Postal ServiceTM

CERTIFIED MAIL[®] RECEIPT

Domestic Mail Only

For delivery information, visit our website at www.usps.com.

OFFICIAL USE

Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)

<input type="checkbox"/> Return Receipt (hardcopy)	\$ _____
<input type="checkbox"/> Return Receipt (electronic)	\$ _____
<input type="checkbox"/> Certified Mail Restricted Delivery	\$ _____
<input type="checkbox"/> Adult Signature Required	\$ _____
<input type="checkbox"/> Adult Signature Restricted Delivery	\$ _____

Postage

John D. Bergman, Trustee of the
Penwell Energy Royalty Pool
200 N. Loraine Street #1550
Midland, TX 79701

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.

- Print your name and address on the reverse so that we can return the card to you.

- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Kimbell Royalty Holdings, LLC
c/o Duncan Management LLC, Agent
P.O. Box 671099
Dallas, TX 75367

9590 9402 4582 8278 5896 35

2. Article Number (Transfer from service label)

7018 3090 0001 4742 3603

PS Form 3811, July 2015 PSN 7530-02-000-9053

U.S. MAIL
FIRST CLASS PERMIT NO. 1000 DALLAS, TX
NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

A. Signature

[Signature]

☐ Agent

B. Received by (Print Name)

[Signature]

☐ Addressee

C. Date of Delivery

10/29/18

☐ Yes ☐ No

D. Is delivery address different from item 1? ☐ Yes ☐ No

3. Service Type

☐ Adult Signature
☐ Adult Signature Restricted Delivery
☐ Certified Mail[®]
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Insured Mail

☐ Priority Mail Express[®]
☐ Registered Mail[™]
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation[™]
☐ Signature Confirmation Restricted Delivery

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.

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- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

John D. Bergman, Trustee of the
Penwell Energy Royalty Pool
200 N. Loraine Street #1550
Midland, TX 79701

9590 9402 4582 8278 5896 59

2. Article Number (Transfer from service label)

7018 3090 0001 4742 3580

PS Form 3811, July 2015 PSN 7530-02-000-9053

A. Signature

[Signature]

☐ Agent

B. Received by (Print Name)

[Signature]

☐ Addressee

C. Date of Delivery

10/29/18

☐ Yes ☐ No

D. Is delivery address different from item 1? ☐ Yes ☐ No

3. Service Type

☐ Adult Signature
☐ Adult Signature Restricted Delivery
☐ Certified Mail[®]
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Insured Mail

☐ Priority Mail Express[®]
☐ Registered Mail[™]
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation[™]
☐ Signature Confirmation Restricted Delivery

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1. Article Addressed to:

John D. Bergman, Trustee of the
Penwell Energy Royalty Pool
200 N. Loraine Street #1550
Midland, TX 79701

9590 9402 4582 8278 5896 59

2. Article Number (Transfer from service label)

7018 3090 0001 4742 3580

PS Form 3811, July 2015 PSN 7530-02-000-9053

A. Signature

[Signature]

☐ Agent

B. Received by (Print Name)

[Signature]

☐ Addressee

C. Date of Delivery

10/29/18

☐ Yes ☐ No

D. Is delivery address different from item 1? ☐ Yes ☐ No

3. Service Type

☐ Adult Signature
☐ Adult Signature Restricted Delivery
☐ Certified Mail[®]
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Insured Mail

☐ Priority Mail Express[®]
☐ Registered Mail[™]
☐ Registered Mail Restricted Delivery
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☐ Signature Confirmation[™]
☐ Signature Confirmation Restricted Delivery

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200 N. Loraine Street #1550
Midland, TX 79701

9590 9402 4582 8278 5896 59

2. Article Number (Transfer from service label)

7018 3090 0001 4742 3580

PS Form 3811, July 2015 PSN 7530-02-000-9053

A. Signature

[Signature]

☐ Agent

B. Received by (Print Name)

[Signature]

☐ Addressee

C. Date of Delivery

10/29/18

☐ Yes ☐ No

D. Is delivery address different from item 1? ☐ Yes ☐ No

3. Service Type

☐ Adult Signature
☐ Adult Signature Restricted Delivery
☐ Certified Mail[®]
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
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☐ Insured Mail

☐ Priority Mail Express[®]
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☐ Signature Confirmation Restricted Delivery

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9590 9402 4582 8278 5896 59

2. Article Number (Transfer from service label)

7018 3090 0001 4742 3580

PS Form 3811, July 2015 PSN 7530-02-000-9053

A. Signature

[Signature]

☐ Agent

B. Received by (Print Name)

[Signature]

☐ Addressee

C. Date of Delivery

10/29/18

☐ Yes ☐ No

D. Is delivery address different from item 1? ☐ Yes ☐ No

3. Service Type

☐ Adult Signature
☐ Adult Signature Restricted Delivery
☐ Certified Mail[®]
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Insured Mail

☐ Priority Mail Express[®]
☐ Registered Mail[™]
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation[™]
☐ Signature Confirmation Restricted Delivery

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200 N. Loraine Street #1550
Midland, TX 79701

9590 9402 4582 8278 5896 59

2. Article Number (Transfer from service label)

7018 3090 0001 4742 3580

PS Form 3811, July 2015 PSN 7530-02-000-9053

A. Signature

[Signature]

☐ Agent

B. Received by (Print Name)

[Signature]

☐ Addressee

C. Date of Delivery

10/29/18

☐ Yes ☐ No

D. Is delivery address different from item 1? ☐ Yes ☐ No

3. Service Type

☐ Adult Signature
☐ Adult Signature Restricted Delivery
☐ Certified Mail[®]
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Insured Mail

☐ Priority Mail Express[®]
☐ Registered Mail[™]
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation[™]
☐ Signature Confirmation Restricted Delivery

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200 N. Loraine Street #1550
Midland, TX 79701

9590 9402 4582 8278 5896 59

2. Article Number (Transfer from service label)

7018 3090 0001 4742 3580

PS Form 3811, July 2015 PSN 7530-02-000-9053

A. Signature

[Signature]

☐ Agent

B. Received by (Print Name)

[Signature]

☐ Addressee

C. Date of Delivery

10/29/18

☐ Yes ☐ No

D. Is delivery address different from item 1? ☐ Yes ☐ No

3. Service Type

☐ Adult Signature
☐ Adult Signature Restricted Delivery
☐ Certified Mail[®]
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Insured Mail

☐ Priority Mail Express[®]
☐ Registered Mail[™]
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation[™]
☐ Signature Confirmation Restricted Delivery

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.

- Print your name and address on the reverse so that we can return the card to you.

- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

John D. Bergman, Trustee of the
Penwell Energy Royalty Pool
200 N. Loraine Street #1550
Midland, TX 79701

9590 9402 4582 8278 5896 59

2. Article Number (Transfer from service label)

7018 3090 0001 4742 3580

PS Form 3811, July 2015 PSN 7530-02-000-9053

A. Signature

[Signature]

☐ Agent

B. Received by (Print Name)

[Signature]

☐ Addressee

C. Date of Delivery

10/29/18

☐ Yes ☐ No

D. Is delivery address different from item 1? ☐ Yes ☐ No

3. Service Type

☐ Adult Signature
☐ Adult Signature Restricted Delivery
☐ Certified Mail[®]
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Insured Mail

☐ Priority Mail Express[®]
☐ Registered Mail[™]
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation[™]
☐ Signature Confirmation Restricted Delivery

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.

- Print your name and address on the reverse so that we can return the card to you.

- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

John D. Bergman, Trustee of the
Pen

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$ 2.80

☐ Return Receipt (electronic) \$ 0.00

☐ Certified Mail Restricted Delivery \$ 0.00

☐ Adult Signature Required \$ 0.00

☐ Adult Signature Restricted Delivery \$ 0.00

Postage \$ 0.00

John Kyle Thoma, Trustee of the
Cornerstone Family Trust
P.O. Box 558
Peyton, CO 80831

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7018 3090 0001 4742 3573

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OFFICIAL USE

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Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$ 2.80

☐ Return Receipt (electronic) \$ 0.00

☐ Certified Mail Restricted Delivery \$ 0.00

☐ Adult Signature Required \$ 0.00

☐ Adult Signature Restricted Delivery \$ 0.00

Postage \$ 0.00

CrownRock Minerals, L.P.
P.O. Box 51933
Midland, TX 79710

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7018 3090 0001 4742 3566

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

John Kyle Thoma, Trustee of the
Cornerstone Family Trust
P.O. Box 558
Peyton, CO 80831



2. Article Number (Transfer from service label)
7018 3090 0001 4742 3573

PS Form 3811, July 2015 PSN 7530-02-000-9053

SENDER: COMPLETE THIS SECTION

A. Signature [Signature] **B. Received by (Printed Name)** John Kyle Thoma

C. Date of Delivery 11/2/2019

D. Is delivery address different from item 1? If YES, enter delivery address below: ☐ Yes ☒ No

3. Service Type

☒ Adult Signature ☐ Priority Mail Express®

☐ Adult Signature Restricted Delivery ☐ Registered Mail™

☐ Certified Mail® ☐ Registered Mail Restricted Delivery

☐ Certified Mail Restricted Delivery ☐ Return Receipt for Merchandise

☐ Collect on Delivery ☐ Signature Confirmation™

☐ Restricted Delivery ☐ Restricted Delivery

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

CrownRock Minerals, L.P.
P.O. Box 51933
Midland, TX 79710



2. Article Number (Transfer from service label)
7018 3090 0001 4742 3566

PS Form 3811, July 2015 PSN 7530-02-000-9053

DELIVERY

A. Signature [Signature] **B. Received by (Printed Name)** Alison Shelby

C. Date of Delivery 11/4/19

D. Is delivery address different from item 1? If YES, enter delivery address below: ☐ Yes ☒ No

3. Service Type

☒ Adult Signature ☐ Priority Mail Express®

☐ Adult Signature Restricted Delivery ☐ Registered Mail™

☐ Certified Mail® ☐ Registered Mail Restricted Delivery

☐ Certified Mail Restricted Delivery ☐ Return Receipt for Merchandise

☐ Collect on Delivery ☐ Signature Confirmation™

☐ Restricted Delivery ☐ Restricted Delivery

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

CrownRock Minerals, L.P.
P.O. Box 51933
Midland, TX 79710



2. Article Number (Transfer from service label)
7018 3090 0001 4742 3566

PS Form 3811, July 2015 PSN 7530-02-000-9053

DELIVERY

A. Signature [Signature] **B. Received by (Printed Name)** Alison Shelby

C. Date of Delivery 11/4/19

D. Is delivery address different from item 1? If YES, enter delivery address below: ☐ Yes ☒ No

3. Service Type

☒ Adult Signature ☐ Priority Mail Express®

☐ Adult Signature Restricted Delivery ☐ Registered Mail™

☐ Certified Mail® ☐ Registered Mail Restricted Delivery

☐ Certified Mail Restricted Delivery ☐ Return Receipt for Merchandise

☐ Collect on Delivery ☐ Signature Confirmation™

☐ Restricted Delivery ☐ Restricted Delivery

Domestic Return Receipt

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Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$

Postage

Rave Energy, Inc. d/b/a GEP III
P.O. Box 3087
Houston, TX 77253

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

7018 3090 0001 4742 3542

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OFFICIAL USE

Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$

Postage

Rusk Capital Management LLC
7600 W. Tidwell Road, Suite 800
Houston, TX 77040

PS Form 3800, April 2015 PSN 7530-02-000-9047

for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

Article Addressed to:

Rave Energy, Inc. d/b/a GEP III
P.O. Box 3087
Houston, TX 77253

9590 9402 4582 8278 5896 80

2. Article Number (Transfer from service label)

7018 3090 0001 4742 3559

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent
B. Received by (Printed Name) ☐ Addressee
C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☐ Certified Mail[®]
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Delivery Restricted Delivery
☐ Signature ConfirmationTM
☐ Signature Confirmation Restricted Delivery
☐ Priority Mail Express[®]
☐ Registered MailTM
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

Rusk Capital Management LLC
7600 W. Tidwell Road, Suite 800
Houston, TX 77040

9590 9402 4582 8278 5896 97

2. Article Number (Transfer from service label)

7018 3090 0001 4742 3542

PS Form 3811, July 2015 PSN 7530-02-000-9053

3. Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☐ Certified Mail[®]
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Delivery Restricted Delivery
☐ Signature ConfirmationTM
☐ Signature Confirmation Restricted Delivery
☐ Priority Mail Express[®]
☐ Registered MailTM
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

U.S. Postal ServiceTM
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 Domestic Mail Only

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$

☐ Return Receipt (electronic) \$

☐ Certified Mail Restricted Delivery \$

☐ Adult Signature Required \$

☐ Adult Signature Restricted Delivery \$

Postage \$

The Taurus Royalty, LLC
 c/o Robert B. Payne Jr.
 P.O. Box 1477
 Little Elm, TX 75068

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7018 3090 0001 4742 3535

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Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$

☐ Return Receipt (electronic) \$

☐ Certified Mail Restricted Delivery \$

☐ Adult Signature Required \$

☐ Adult Signature Restricted Delivery \$

Postage \$

George Vaught, Jr.
 P.O. Box 13557
 Denver, CO 80201

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7018 3090 0001 4742 3528

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

The Taurus Royalty, LLC
 c/o Robert B. Payne Jr.
 P.O. Box 1477
 Little Elm, TX 75068

9590 9402 4582 8278 5897 03

7018 3090 0001 4742 3535

PS Form 3811, July 2015 PSN 7530-02-000-9053

POSTED TO TOP OF ENVELOPE TO THE RIGHT OF THE DOTTED LINE
 ADDRESS, FOLD AT DOTTED LINE
 IN DELIVERY

A. Signature
 [Signature]
Agent

B. Received by (Printed Name)
 [Signature]
Address

C. Date of Delivery
 10-28-19

D. Is delivery address different from item 1? ☐ Yes ☐ No
 If YES, enter delivery address below:

3. Service Type

☐ Adult Signature ☐ Priority Mail Express[®]

☐ Adult Signature Restricted Delivery ☐ Registered MailTM

☐ Certified Mail[®] ☐ Registered Mail Restricted Delivery

☐ Certified Mail Restricted Delivery ☐ Return Receipt for Merchandise

☐ Collect on Delivery ☐ Signature ConfirmationTM

☐ Collect on Delivery Restricted Delivery ☐ Signature Confirmation Restricted Delivery

☐ Collect on Delivery Restricted Delivery ☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

George Vaught, Jr.
 P.O. Box 13557
 Denver, CO 80201

9590 9402 4582 8278 5897 10

7018 3090 0001 4742 3528

PS Form 3811, July 2015 PSN 7530-02-000-9053

DELIVERED
 UNIT 101 AT 10:04 AM, ADDRESS, ADDITIONAL UNIT 101
 UNIT 101 AT 10:04 AM, ADDRESS, ADDITIONAL UNIT 101

COMPLETE THIS SECTION ON DELIVERY

A. Signature
 [Signature]
Agent

B. Received by (Printed Name)
 [Signature]
Address

C. Date of Delivery
 10-31-19

D. Is delivery address different from item 1? ☐ Yes ☐ No
 If YES, enter delivery address below:

3. Service Type

☐ Adult Signature ☐ Priority Mail Express[®]

☐ Adult Signature Restricted Delivery ☐ Registered MailTM

☐ Certified Mail[®] ☐ Registered Mail Restricted Delivery

☐ Certified Mail Restricted Delivery ☐ Return Receipt for Merchandise

☐ Collect on Delivery ☐ Signature ConfirmationTM

☐ Collect on Delivery Restricted Delivery ☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

U.S. Postal ServiceTM
CERTIFIED MAIL[®] RECEIPT
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For delivery information, visit our website at www.usps.com.

OFFICIAL USE

Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$

Postmark
 Here
 OCT 25 2019
 SANTA FE NM MAIN
 OFFICE

Salt Fork Limited
 P.O. Box 911
 Breckenridge, TX 76424

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

U.S. Postal ServiceTM
CERTIFIED MAIL[®] RECEIPT
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For delivery information, visit our website at www.usps.com.

OFFICIAL USE

Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$

Postmark
 Here
 OCT 25 2019
 SANTA FE NM MAIN
 OFFICE

William R. Golden
 P.O. Box 97
 Roswell, NM 88202

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

SENDER: COMPLETE THIS SECTION
 PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
 OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

■ Complete items 1, 2, and 3.

■ Print your name and address on the reverse so that we can return the card to you.

■ Attach this card to the back of the mailpiece, or on the front if space permits.

1 Article Addressed to:

Salt Fork Limited
 P.O. Box 911
 Breckenridge, TX 76424



9590 9402 4582 8278 5897 27

2 Article Number (Transfer from service label)

7018 3090 0001 4742 3511

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

A. Signature

☒ Agent

B. Received by (Printed Name)
 Markeneuth

☐ Addressee

C. Date of Delivery
 November 11, 2019

D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: ☐ No

3. Service Type

☐ Priority Mail Express[®]
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☐ Certified Mail[®]
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Signature ConfirmationTM
☐ Signature Confirmation Restricted Delivery

SENDER: COMPLETE THIS SECTION

■ Complete items 1, 2, and 3.

■ Print your name and address on the reverse so that we can return the card to you.

■ Attach this card to the back of the mailpiece, or on the front if space permits.

1 Article Addressed to:

William R. Golden
 P.O. Box 97
 Roswell, NM 88202



9590 9402 4582 8278 5897 34

2. Article Number (Transfer from service label)

7018 3090 0001 4742 3504

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

A. Signature
 [Signature]

☐ Agent

B. Received by (Printed Name)
 Markeneuth

☐ Addressee

C. Date of Delivery
 OCT 29 2019

D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: ☐ No

3. Service Type

☐ Priority Mail Express[®]
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☐ Certified Mail[®]
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Signature ConfirmationTM
☐ Signature Confirmation Restricted Delivery

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OFFICIAL USE

Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$

Postage

Philip L. White
P.O. Box 25968
Albuquerque, NM 87125

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

7018 3090 0001 4742 3481

7018 3090 0001 4742 3498

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OFFICIAL USE

Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$

Postage

Santa Elena Minerals IV, LP
P.O. Box 2063
Midland, TX 79702

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

SENDER, COMPLETE THIS SECTION

■ Complete items 1, 2, and 3.

■ Print your name and address on the reverse so that we can return the card to you.

■ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Philip L. White
P.O. Box 25968
Albuquerque, NM 87125

9590 9402 4582 8278 5897 41

2. Article Number (Transfer from card or label)
7018 3090 0001 4742 3498

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

SENDER, COMPLETE THIS SECTION

■ Complete items 1, 2, and 3.

■ Print your name and address on the reverse so that we can return the card to you.

■ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Santa Elena Minerals IV, LP
P.O. Box 2063
Midland, TX 79702

9590 9402 4582 8278 5897 58

2. Article Number (Transfer from card or label)
7018 3090 0001 4742 3481

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

SENT BY MAIL TO THE ADDRESSEE
OF THE POST OFFICE AT THE RIGHT
PLACE STICKER IN THE RIGHT
CORNER OF THE SECTION ON DELIVERY

A. Received by

Philip L. White

APR 11

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☐ Adult Signature
☐ Adult Signature Restricted Delivery
☐ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

A. Signature

Philip L. White

☐ Agent

B. Received by (Printed Name)

Philip L. White

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☐ Adult Signature
☐ Adult Signature Restricted Delivery
☐ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

7018 3090 0001 4742 4266

U.S. Postal ServiceTM
CERTIFIED MAIL[®] RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com[®]

OFFICIAL USE

Certified Mail Fee

Extra Services & Fees (check box, add fees as appropriate)

<input type="checkbox"/> Return Receipt (hardcopy)	\$	
<input type="checkbox"/> Return Receipt (electronic)	\$	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$	
<input type="checkbox"/> Adult Signature Required	\$	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$	

Postage

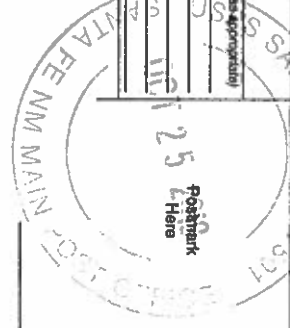
Rachel E. White

709 Los Arboles NW

Albuquerque, NM 87107

PS Form 3800, April 2013 PSN 7530-02-000-9047

See Reverse for Instructions



Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

Affidavit of Publication

Ad # 0003869315

CONCHO
1048 PASEO DE PERALTA


SANTA FE, NM 87501

I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

October 29, 2019


Legal Clerk

Subscribed and sworn before me this October 29, 2019:


State of WI, County of Brown
NOTARY PUBLIC
8-25-23
My commission expires

SHELLY HORA
Notary Public
State of Wisconsin

Ad # 0003869315
PO #: Admiral
of Affidavits : 1

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

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on November 14, 2019, in the Oil Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appointed for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by November 5, 2019. Public documents including the agenda and minutes can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed.

STATE OF NEW MEXICO All named parties and persons Having any right, title, interest or claim in the following cases and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All Overriding Royalty Interest Owners, Non-Participating Royalty Interest Owners, Pooled Parties, Working Interest Owners; Devon Energy Production Company LP; Nestegg Energy Corporation; Paul R. Barwis and wife, Dianne Barwis, his and her successors or assigns; Jareed Partners, Ltd.; Kingdom Investments, Limited; Kimbell Royalty Holdings, LLC; John D. Bergman, Trustee of the Penwell Energy Royalty Pool; John Kyle Thoma, Trustee of the Cornerstone Family Trust; CrownRock Minerals, L.P.; Rave Energy, Inc. d/b/a GEF III; Rusk Capital Management LLC; The Taurus Royalty, LLC; Rave Energy, Inc.; George Vaught, Jr., his successors or assigns; Salt Fork Limited; William R. Golden, his successors or assigns; Philip L. White, his successors or assigns; Santa Elena Minerals IV, LP; Rachel E. White, her successors or assigns;

Case No. 20836: Application of COG Operating LLC for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the division pooling all uncommitted interest owners in the Bone Spring formation underlying a standard 1280-acre, more or less, horizontal spacing unit comprised of all of Sections 21 and 28, Township 25 South, Range 29 East, NMPM, Eddy County, New Mexico. COG Operating LLC seeks to dedicate the above-referenced horizontal spacing unit to the following proposed wells:

The **Admiral Fed Com 501H** well to be horizontally drilled from a surface hole location in the SW/4SW/4 (Unit M) of Section 28 to a bottom hole location in the NW/4NW/4 (Unit D) of Section 21,

The **Admiral Fed Com 502H** well to be horizontally drilled from a surface hole location in the SW/4SW/4 (Unit M) of Section 28 to a bottom hole location in the NE/4NW/4 (Unit C) of Section 21,

The **Admiral Fed Com 503H** well to be horizontally drilled from a surface hole location in the SE/4SW/4 (Unit N) of Section 28 to a bottom hole location in the NE/4NW/4 (Unit C) of Section 21,

The **Admiral Fed Com 504H** well to be horizontally drilled from a surface hole location in the SE/4SE/4 (Unit P) of Section 28 to a bottom hole location in the NW/4NE/4 (Unit B) of Section 21,

The **Admiral Fed Com 505H** well to be horizontally drilled from a surface hole location in the SE/4SE/4 (Unit P) of Section 28 to a bottom hole location in the NE/4NE/4 (Unit A) of Section 21.

The completed interval for the proposed **Admiral Fed Com 503H** will be within 330' of the quarter-quarter line separating the W/2E/2 and the E/2W/2 of Sections 21 and 28, which allows inclusion of this acreage into a standard 1280-acre, more or less, horizontal spacing unit. Also, to be considered will be the timing of the drilling and completing of said wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of COG Operating LLC as operator of the wells, and the imposition of 200% charge for risk involved in drilling and completing said wells. Said area is located approximately 8 miles southeast of Malaga, New Mexico.

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