

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

**IN THE MATTER OF THE APPLICATION OF  
NEARBURG EXPLORATION COMPANY, L.L.C., SRO2 LLC  
AND SRO3 LLC FOR AN ACCOUNTING AND LIMITATION  
ON RECOVERY OF WELL COSTS, AND FOR  
CANCELLATION OF APPLICATION FOR PERMIT  
TO DRILL, EDDY COUNTY, NEW MEXICO**

**CASE NO. 15441**

**IN THE MATTER OF THE APPLICATION OF  
COG OPERATING LLC FOR A NON-STANDARD SPACING  
AND PRORATION UNIT AND COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO**

**CASE NO. 15481**

**IN THE MATTER OF THE APPLICATION OF  
COG OPERATING LLC FOR A NON-STANDARD SPACING  
AND PRORATION UNIT AND COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO**

**CASE NO. 15482**

**OIL CONSERVATION COMMISSION HEARING**

**February 28, 2017**

**VOLUME I of II**

**(Exhibits 1 through 34)**

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

**IN THE MATTER OF THE APPLICATION OF  
NEARBURG EXPLORATION COMPANY, L.L.C., SRO2 LLC  
AND SRO3 LLC FOR AN ACCOUNTING AND LIMITATION  
ON RECOVERY OF WELL COSTS, AND FOR  
CANCELLATION OF APPLICATION FOR PERMIT  
TO DRILL, EDDY COUNTY, NEW MEXICO**

**CASE NO. 15441**

**IN THE MATTER OF THE APPLICATION OF  
COG OPERATING LLC FOR A NON-STANDARD SPACING  
AND PRORATION UNIT AND COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO**

**CASE NO. 15481**

**IN THE MATTER OF THE APPLICATION OF  
COG OPERATING LLC FOR A NON-STANDARD SPACING  
AND PRORATION UNIT AND COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO**

**CASE NO. 15482**

**NEARBURG EXPLORATION COMPANY EXHIBITS**

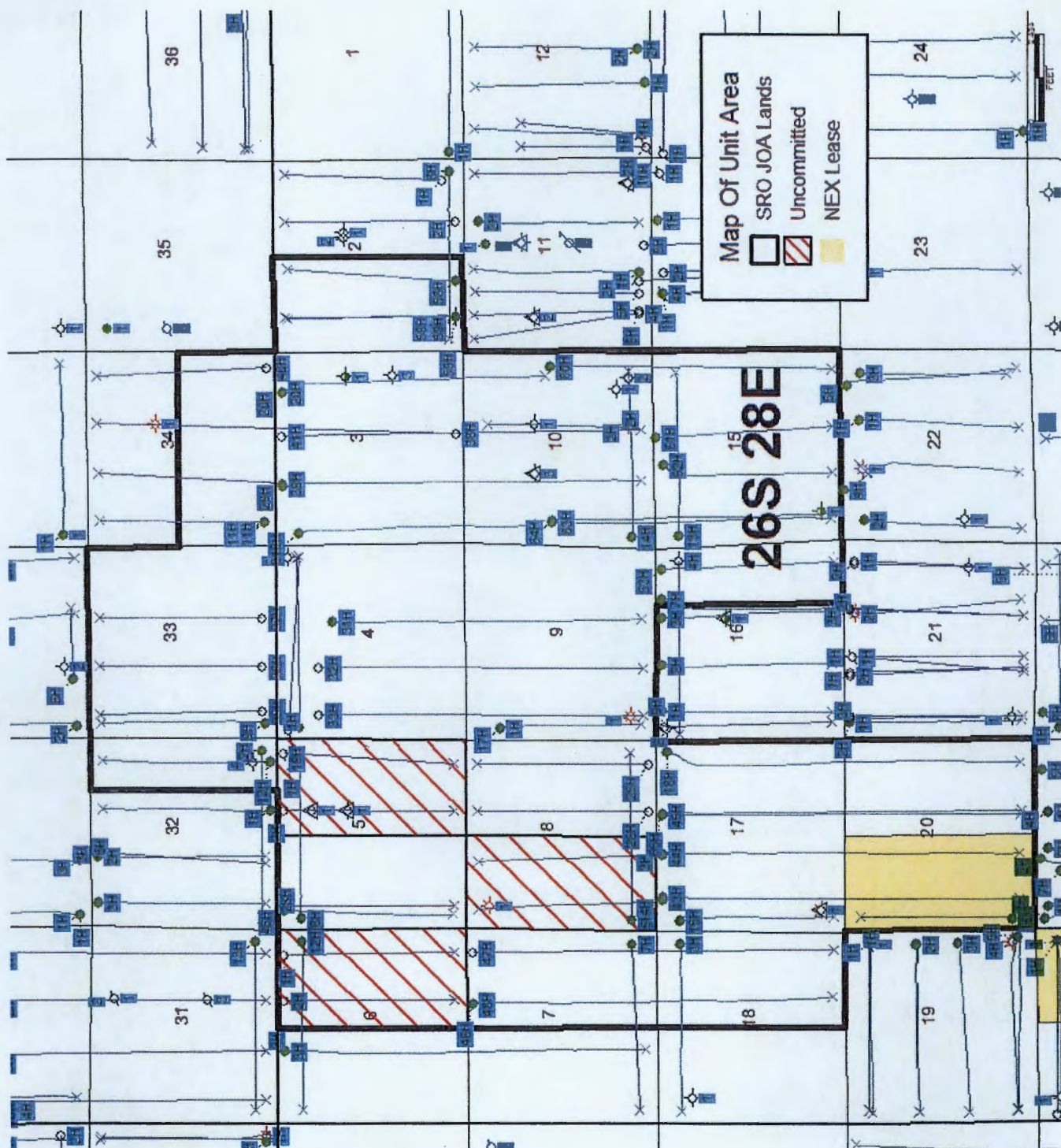
**February 28, 2017**

**EXHIBITS**

EX #	DESCRIPTION	BATES	WITNESS
<b>VOLUME I</b>			
1	SRO Unit Map		Howard
1A	Stratigraphic Column		
2	Term Assignment		Griffin
3	43H - C101 Application for Permit to Drill 43H C102 Well Location and Acreage Dedication Plat	C 024544 C 024577	Howard Howard Owen

EX #	DESCRIPTION	BATES	WITNESS
4	44H C101 Application for Permit to Drill 44H C102 Well Location and Acreage Dedication Plat	C 024586 C 024618	Howard Howard Owen
5	16H C102 Well Location and Acreage Dedication Plat	C 000009	Howard
6	69H C101 Application for Permit to Drill 69H C102 Well Location and Acreage Dedication Plat	C 014091 C 014092	Howard Owen Howard
7	Ratification and Joinder of Unit Agreement	C 045646	Howard Owen
8	NMSLO Preliminary Approval letter 5/28/2009		
8A	NMSLO Approval of subsequent joinder 7/22/2009		
9	Request for Voluntary Termination	NEX 002197	Howard Owen
10	7/9/2014 Fuchik letter	C 023405	
11	8/22/2014 Crandell email	NEX 00008142	
12	Crandell Affidavit	NEX 00005664	
13	1/8/2015 Howard email to Sawyer transmitting NEX's SRO Well List	C 046284 – C 046285	Howard Owen
14	4/22/2015 Sawyer email to Howard requesting communitization agreements; note attached Meeting Agenda: NMSLO lease cancellation, spud dates for 43H and 44H	C 041511 – C 041512	Howard Owen
15	5/28/2015 NEX letter to COG reserving rights		Howard Owen
16 16A 16B	6/10/2015 NEX transmittal letter to COG 43H Communitization Agreement: 2 <sup>nd</sup> Bone Spring 44H Communitization Agreement: 2 <sup>nd</sup> Bone Spring	C 041077	Howard Owen
17	SRO2 Assignment and BOS SRO3 Assignment and BOS		Howard Howard
18	Recorded copy of Communitization Agreement for 43H: Entire Bone Spring formation Recorded copy of Communitization Agreement for 44H: Entire Bone Spring formation	C 024515  C 024542	Howard  Howard
19	Rules 19.15.14.8.B, 19.15.16.15.A, C and F		Howard

EX #	DESCRIPTION	BATES	WITNESS
20	10/8/2014 Title Opinion	NEX 001896	Howard Owen
21	1/19/2015 Sawyer email with SRO Title Opinion (1/9/2015) re Requirement E: "Obtain an Amendment to this Term Assignment..."	C 046273	Howard Owen
22	1/9/2015 Title Opinion	C 002396	Howard Owen
23	1/27/2015 Sawyer email with Title Opinion (10/8/2014) "[T]erm Assignment is now expired and the interests assigned thereunder in all Subject lands...have reverted back to Nearburg Exploration Company, L.L.C."	NEX 001895, NEX 001896	Howard Owen
24	6/17/2015 Title Opinion	C 002212	Howard Owen
25	11/3/2014 email from Randy Howard to Brent Sawyer – regarding possible amended or corrected term assignment	C 46412	Howard Owen
26	11/3/2014 email from Sawyer to Howard discussing replacement TA for W/2 20-26S-28E	C 046404	Howard
27	11/18/2014 email from Sawyer to Howard with proposed replacement TA; Sawyer states "as we discussed a few weeks ago in our meeting, this correction will be to tie the term assignment to the Unit Operating agreement (which will persist as long as any contributing leases persist), instead of to the Unit Agreement (already voluntarily dissolved)"	C 046396, C 041457	Howard Owen
28	3/6/2014 COG Files and Amended C-102 Well Location and Acreage Dedication Plat for 43H with false certification by Mayte Reyes.	C 024556	Howard Owen
29	3/6/2014 COG files an Amended C-102 Well Location and Acreage Dedication Plat for 44H with false certification by Mayte Reyes.	C 024598	Howard Owen
30A 30B	7/31/2015 letter from NEX to COG re refund for ORRI 8/17/2015 letter from NEX to COG re revoked division orders		
31	Graphic timeline display of the events		Howard
32	Chronology of Data Receipt		Griffin
33	Production Summary Reports		Griffin
34	Cross Section		



# BONE SPRING STRATIGRAPHY

Delaware Basin				
Age		Strata		Oil Plays
Triassic		Chinle		
		Santa Rosa		
Permian	Ochoan	Dewey Lake		
		Rustler		
		Salado		
		Castile		
	Gualalupian	Delaware Moutail Group	Bell Canyon	Delaware Mountain Group Basinal Sandstone
			Cherry Canyon	
			Brushy Canyon	
	Leonardian	Bone Spring	Upper	1st Bone Spring/Avalon Shale
			Middle	2nd Bone Spring
			Lower	3rd Bone Spring
Wolfcampian	Wolfcamp		Wolfcamp/Leonard/ Basinal Carbonate	