

COG Operating LLC Bedlington Force Pooling Lea 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, COUNTY, NEW MEXICO.

CASE NO. 21420

TABLE OF CONTENTS

- Compulsory Pooling Application Checklist
- Application for Compulsory Pooling
- COG Exhibit 1 Landman Affidavit
 - o Attachment A C-102s
 - o Attachment B Land Exhibit
 - o Attachment C Well Proposal Letter with Accompanying AFEs
- Exhibit 2 Geologist Affidavit
 - o Attachment D General Location Map
 - Attachment E Subsea Structure Map
 - Attachment F Cross Section Map
 - Attachment G Stratigraphic Cross Section Map
 - o Attachment H General Location Map
 - Attachment I Subsea Structure Map
 - Attachment J Cross Section Map
 - Attachment K Stratigraphic Cross Section Map
- Exhibit 3 Notice Affidavit and Notice of Publication

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 21420	APPLICANT'S RESPONSE					
Date	September 10, 2020					
Applicant	COG Operating LLC					
Designated Operator & OGRID (affiliation if applicable)	OGRID # 229137					
Applicant's Counsel:	Ocean Munds-Dry, Michael Rodriguez					
Case Title:	Application of COG Operating LLC for Compulsory Pooling, Lea County, New Mexico					
Entries of Appearance/Intervenors:						
Well Family	Bedlington					
Formation/Pool						
Formation Name(s) or Vertical Extent:	Bone Spring					
Primary Product (Oil or Gas):	Oil					
Pooling this vertical extent:	Bone Spring					
Pool Name and Pool Code:	Triste Draw;Bone Spring (96603)					
Well Location Setback Rules:	Statewide					
Spacing Unit Size:	~ 640 acres					
Spacing Unit						
Type (Horizontal/Vertical)	Horizontal					
Size (Acres)	~ 640 acres					
Building Blocks:	Quarter-quarter					
Orientation:	Standup					
Description: TRS/County	W/2 of Sections 26 and 35, Township 23 South, Range 32 East, Lea County, New Mexico.					
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes					
Other Situations						
Depth Severance: Y/N. If yes, description	No					
Proximity Tracts: If yes, description	The completed interval for the proposed Bedlington Federal Com #302H well will be within 330' of the quarter-quarter line separating the W/2W/2 and the E/2W/2 of Sections 26 and 35 to allow inclusion of this acreage into a standard 640-acre horizontal well spacing unit.					
Proximity Defining Well: if yes, description	Bedlington Federal Com #302H (API # Pending)					
Applicant's Ownership in Each Tract	Attachment B					
Well(s)						
Name (API [if assigned]); Surface hole location; Bottom hole location; Completion target (TVD); Orientation, Completion status (standard or non-standard).	Attachment A					
Well #1	Bedlington Federal Com #201H (API # Pending) SHL: 425 FSL, 1795 FWL, Unit N, 35-23S-32E					

	BHL: 50 FNL, 726 FWL, Unit D, 26-23S-32E
	Completion Target: Bone Spring formation (Approx. 9500 feet TVD) Completion status: Standard
Well #2	Bedlington Federal Com #202H (API # Pending)
W CII #2	SHL: 425 FSL, 1825 FWL, Unit N, 35-23S-32E
	BHL: 50 FNL, 1518 FWL, Unit C, 26-23S-32E
	Completion Target: Bone Spring formation (Approx. 9500 feet TVD) Completion status: Standard
Well #3	Bedlington Federal Com #301H (API # Pending)
Ψ CII #3	SHL: 425 FSL, 1535 FWL, Unit N, 35-23S-32E
	BHL: 50 FNL, 330 FWL, Unit D, 26-23S-32E
	Completion Target: Bone Spring formation (Approx. 9650 feet TVD)
	Completion status: Standard
Well #4	Bedlington Federal Com #302H (API # Pending)
VV OIL II I	SHL: 425 FSL, 1565 FWL, Unit N, 35-23S-32E
	BHL: 50 FNL, 1122 FWL, Unit D, 26-23S-32E
	Completion Target: Bone Spring formation (Approx. 9650 feet TVD)
	Completion status: Standard
Well #5	Bedlington Federal Com #303H (API # Pending)
,, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	SHL: 425 FSL, 1595 FWL, Unit N, 35-23S-32E
	BHL: 50 FNL, 1914 FWL, Unit C, 26-23S-32E
	Completion Target: Bone Spring formation (Approx. 9650 feet TVD)
	Completion status: Standard
Well #6	Bedlington Federal Com #501H (API # Pending)
	SHL: 225 FSL, 1455 FWL, Unit N, 35-23S-32E
	BHL: 50 FNL, 330 FWL, Unit D, 26-23S-32E
	Completion Target: Bone Spring formation (Approx. 10725 feet TVD)
	Completion status: Standard
Weil #7	Bedlington Federal Com #502H (API # Pending)
	SHL: 225 FSL, 1485 FWL, Unit N, 35-23S-32E
	BHL: 50 FNL, 1130 FWL, Unit D, 26-23S-32E
	Completion Target: Bone Spring formation (Approx. 10975 feet TVD)
	Completion status: Standard
Well #8	Bedlington Federal Com #503H (API # Pending)
., • • • • • • • • • • • • • • • • • • •	SHL: 225 FSL, 1515 FWL, Unit N, 35-23S-32E
	BHL: 50 FNL, 1930 FWL, Unit C, 26-23S-32E
	Completion Target: Bone Spring formation (Approx. 10725 feet TVD)
	Completion status: Standard
Horizontal Well First and Last Take	Exhibit 1, Attachment A
Points	
Completion Target (Formation,	Exhibit 2, Attachment G
TVD and MD)	
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit 1, Attachment C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit 3
Proof of Mailed Notice of Hearing	
(20 days before hearing)	Exhibit 3
Proof of Published Notice of	
Hearing (10 days before hearing)	Exhibit 3
Ownership Determination	

Land Ownership Schematic of the Spacing Unit	Attachment B
	Attachment B
Tract List (including lease numbers and owners)	Attachment B
	Attachment B
Pooled Parties (including ownership	Attachment B
type) Unlocatable Parties to be Pooled	Attachment B
	N/A
Ownership Depth Severance	
(including percentage above &	27/4
below)	N/A
Joinder Samuel Comment of Description	
Sample Copy of Proposal Letter	Attachment C
List of Interest Owners (ie Exhibit A	
of JOA)	Attachment B
Chronology of Contact with Non-	P 122.1
Joined Working Interests	Exhibit 1
Overhead Rates In Proposal Letter	N/A
Cost Estimate to Drill and Complete	Attachment C
Cost Estimate to Equip Well	Attachment C
Cost Estimate for Production	
Facilities	Attachment C
Geology	
Summary (including special	
considerations)	Exhibit 2
Spacing Unit Schematic	Attachment D
Gunbarrel/Lateral Trajectory	
Schematic	N/A
Well Orientation (with rationale)	Exhibit 2
Target Formation	Bone Spring
HSU Cross Section	Attachments F and G
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Attachment A
Tracts	Attachment B
Summary of Interests, Unit	
Recapitulation (Tracts)	Attachment B
General Location Map (including	
basin)	Attachment B
Well Bore Location Map	Attachment D
Structure Contour Map - Subsea	
Depth	Attachment E
Cross Section Location Map	
(including wells)	Attachment F
Cross Section (including Landing	
Zone)	Attachment G
Additional Information	
CERTIFICATION: I hereby	
certify that the information	
provided in this checklist is	
complete and accurate.	
Printed Name (Attorney or Party	
Representative):	Michael Rodriguez

Signed Name (Attorney or Party	$ \langle n \cap x \rangle \rangle$
Representative):	
Date:	09/08/2020

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

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

CASE NO. 21420

<u>APPLICATION</u>

COG Operating LLC ("Applicant") (OGRID No. 229137), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Bone Spring formation [Triste Draw;Bone Spring (96603)] underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Sections 26 and 35, Township 23 South, Range 32 East, Lea County, New Mexico. In support of its application, COG states:

- 1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
- 2. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the following proposed wells:
 - Bedlington Federal Com #201H to be drilled from a surface hole location in SE/4SW/4 (Unit N) of Section 35 to a bottom hole location in the NW/4NW/4 (Unit D) of Section 26;
 - Bedlington Federal Com #202H to be drilled from a surface hole location in SE/4SW/4 (Unit N) of Section 35 to a bottom hole location in the NE/4NW/4 (Unit C) of Section 26;

- Bedlington Federal Com #301H to be drilled from a surface hole location in SE/4SW/4 (Unit N) of Section 35 to a bottom hole location in the NW/4NW/4 (Unit D) of Section 26;
- Bedlington Federal Com #302H to be drilled from a surface hole location in SE/4SW/4 (Unit N) of Section 35 to a bottom hole location in the NW/4NW/4 (Unit D) of Section 26;
- Bedlington Federal Com #303H to be drilled from a surface hole location in SE/4SW/4 (Unit N) of Section 35 to a bottom hole location in the NE/4NW/4 (Unit C) of Section 26;
- Bedlington Federal Com #501H to be drilled from a surface hole location in SE/4SW/4 (Unit N) of Section 35 to a bottom hole location in the NW/4NW/4 (Unit D) of Section 26;
- Bedlington Federal Com #502H to be drilled from a surface hole location in SE/4SW/4 (Unit N) of Section 35 to a bottom hole location in the NW/4NW/4 (Unit D) of Section 26;
- Bedlington Federal Com #503H to be drilled from a surface hole location in SE/4SW/4 (Unit N) of Section 35 to a bottom hole location in the NE/4NW/4 (Unit C) of Section 26.

The completed interval for the proposed **Bedlington Federal Com #302H** well will be within 330' of the quarter-quarter line separating the W/2W/2 and the E/2W/2 of Sections 26 and 35 to allow inclusion of this acreage into a standard 640-acre horizontal well spacing unit.

- 3. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all the interest owners in the subject spacing unit.
- 4. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.
- 5. In order to permit Applicant to obtain it's just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled and Applicant should be designated the operator of the proposed horizontal well spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on September 10, 2020, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit;
- B. Approving the initial wells in the horizontal spacing unit;
- C. Designating Applicant as the operator of this spacing unit and the horizontal wells to be drilled thereon;
- Authorizing Applicant to recover its costs of drilling, equipping, and completing the wells;
- E. Approving the actual operating charges and costs of supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

COG OPERATING LLC

/s/ Michael Rodriguez

Ocean Munds-Dry
Michael Rodriguez
1048 Paseo de Peralta
Santa Fe, New Mexico 87501
(505) 780-8000
omundsdry@concho.com
mrodriguez@concho.com

ATTORNEYS FOR COG OPERATING LLC

Case No. : Application of COG Operating LLC for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation [Triste Draw; Bone Spring (96603)] underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Sections 26 and 35, Township 23 South, Range 32 East, Lea County, New Mexico. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the to the following proposed wells: Bedlington Federal Com #201H to be drilled from a surface hole location in SE/4SW/4 (Unit N) of Section 35 to a bottom hole location in the NW/4NW/4 (Unit D) of Section 26; Bedlington Federal Com #202H to be drilled from a surface hole location in SE/4SW/4 (Unit N) of Section 35 to a bottom hole location in the NE/4NW/4 (Unit C) of Section 26; Bedlington Federal Com #301H to be drilled from a surface hole location in SE/4SW/4 (Unit N) of Section 35 to a bottom hole location in the NW/4NW/4 (Unit D) of Section 26; Bedlington Federal Com #302H to be drilled from a surface hole location in SE/4SW/4 (Unit N) of Section 35 to a bottom hole location in the NW/4NW/4 (Unit D) of Section 26; Bedlington Federal Com #303H to be drilled from a surface hole location in SE/4SW/4 (Unit N) of Section 35 to a bottom hole location in the NE/4NW/4 (Unit C) of Section 26; Bedlington Federal Com #501H to be drilled from a surface hole location in SE/4SW/4 (Unit N) of Section 35 to a bottom hole location in the NW/4NW/4 (Unit D) of Section 26; Bedlington Federal Com #502H to be drilled from a surface hole location in SE/4SW/4 (Unit N) of Section 35 to a bottom hole location in the NW/4NW/4 (Unit D) of Section 26; Bedlington Federal Com #503H to be drilled from a surface hole location in SE/4SW/4 (Unit N) of Section 35 to a bottom hole location in the NE/4NW/4 (Unit C) of Section 26. The completed interval for the proposed Bedlington Federal Com #302H well will be within 330' of the quarter-quarter line separating the W/2W/2 and the E/2W/2 of Sections 26 and 35 to allow inclusion of this acreage into a standard 640-acre horizontal well spacing unit. Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and the imposition of 200% charge for risk involved in drilling and completing each well. Said area is located approximately 25 miles east of Malaga, New Mexico.

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

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

CASE NO. 21420

LANDMAN AFFIDAVIT

- I, Adam Reker, of lawful age and being first duly sworn, declare as follows:
- 1. My name is Adam Reker, and I am a Landman with COG Operating LLC ("COG").
- 1. I have testified before the New Mexico Oil Conservation Division ("Division") and my credentials as an expert witness in petroleum land matters and my credentials have been accepted and made a matter of public record.
- 2. I am familiar with the application filed by COG in this case and familiar with the status of the lands in the subject area.
- 3. 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 hearing.
- 4. COG seeks an order pooling all uncommitted interests in the Bone Spring formation [Triste Draw; Bone Spring (96603)] underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Sections 26 and 35, Township 23 South, Range 32 East, Lea County, New Mexico.
- 5. COG proposes to dedicate the above-referenced horizontal spacing unit to the following proposed initial wells, which it proposes to drill simultaneously:

- Bedlington Federal Com #201H to be drilled from a surface hole location in SE/4SW/4
 (Unit N) of Section 35 to a bottom hole location in the NW/4NW/4 (Unit D) of Section 26;
- Bedlington Federal Com #202H to be drilled from a surface hole location in SE/4SW/4
 (Unit N) of Section 35 to a bottom hole location in the NE/4NW/4 (Unit C) of Section 26;
- Bedlington Federal Com #301H to be drilled from a surface hole location in SE/4SW/4
 (Unit N) of Section 35 to a bottom hole location in the NW/4NW/4 (Unit D) of Section 26;
- Bedlington Federal Com #302H to be drilled from a surface hole location in SE/4SW/4
 (Unit N) of Section 35 to a bottom hole location in the NW/4NW/4 (Unit D) of Section 26;
- Bedlington Federal Com #303H to be drilled from a surface hole location in SE/4SW/4
 (Unit N) of Section 35 to a bottom hole location in the NE/4NW/4 (Unit C) of Section 26;
- Bedlington Federal Com #501H to be drilled from a surface hole location in SE/4SW/4
 (Unit N) of Section 35 to a bottom hole location in the NW/4NW/4 (Unit D) of Section 26;
- Bedlington Federal Com #502H to be drilled from a surface hole location in SE/4SW/4
 (Unit N) of Section 35 to a bottom hole location in the NW/4NW/4 (Unit D) of Section 26;

- Bedlington Federal Com #503H to be drilled from a surface hole location in SE/4SW/4
 (Unit N) of Section 35 to a bottom hole location in the NE/4NW/4 (Unit C) of Section 26.
- 6. The completed interval for the proposed Bedlington Federal Com #702H well will be within 330' of the quarter-quarter line separating the W/2W/2 and the E/2W/2 of Sections 26 and 35 to allow inclusion of this acreage into a standard 640-acre horizontal well spacing unit.
 - 7. Attachment A contains draft Form C-102s for the proposed wells.
- 8. No ownership depth severances exist within this proposed spacing unit, and there are no unleased mineral interests in the subject acreage.
- 9. Attachment B depicts the tracts of land comprising the proposed spacing unit in this case. The proposed spacing unit includes federal lands. It also identifies the interest ownership and interest type by tract. COG seeks to pool all uncommitted interests identified in this attachment.
- 10. All interest owners that COG seeks to pool are locatable. COG has conducted a diligent search of all public records in Lea County, including phone directories and computer databases.
- 11. Attachment C contains well proposal letters and AFEs for each well provided to the working interest owners COG is seeking to pool. The costs reflected on each AFE are consistent with what other operators have incurred for drilling similar horizontal wells in the area.
- 12. In my opinion, COG has made a diligent effort to reach agreement with the non-joined parties as indicated by the following <u>Chronology of Contact</u>:

- 1/23/2020 Well proposals, AFEs, and COG's proposed form of JOA were sent to all uncommitted working interest owners except Conoco Phillips
 Company (Title Attorney erroneously left them off of our ownership report)
- 3/2/2020 Well proposals, AFEs, and COG's proposed form of JOA was sent to Conoco Phillips Company once COG found out that they owned an interest.
- February 2020 to August 24, 2020 Negotiations of the Joint Operating Agreement with Magnum Hunter Production Company. They signed our JOA in August 2020.
- 7/7/2020 COG's AFE costs came down significantly since wells were first
 proposed in January and March respectively. COG rescinded old Bedlington
 proposals and re-proposed at lower costs. COG felt this was necessary because
 wells had become significantly cheaper than we had previously proposed and
 we wanted non-operators to have most up to date costs.
- 8/6/2020 through Present Emailed Chevron USA Inc to see if they needed any more information to make an election on Bedlington wells. We have several emails back and forth. They indicated that they may want to participate but they have not signed a JOA yet.
- 8/6/2020 Sent EOG Resources Inc. an email to see if they needed anything else from me in evaluating the project. No reply.
- 8/10/2020 Conoco Phillips Company indicated that they want to participate in Bedlington and work toward a JOA. I sent them the Operating Agreement that we had negotiated with Magnum Hunter and they have not gotten back to me on whether they want to sign it.

- 8/31/2020 COG and Chevron had a call with landmen, geologists, and reservoir engineers to discuss spacing, well timing, etc. Chevron still evaluating.
- 9/3/2020 followed up my 8/6 email to EOG Resources Inc. with anther email.
 Emails and call with EOG landman occurred throughout the day on 9/3/2020.
 EOG proposed us a trade on 9/3/20 and that trade was rejected by COG on the afternoon of 9/3/2020.
- 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 parties it is seeking to pool before the Division enters an order, I will inform the Division that COG is no longer seeking to pool those parties.
- 14. COG has estimated the overhead and administrative costs for drilling and producing the proposed wells at \$8,000 per month while drilling and \$800 per month while producing. These costs are consistent with what other operators are charging in this area for similar wells.
- 15. 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 a newspaper of general circulation in Lea County, New Mexico.
- 16. Exhibit 1 and Attachments A through C were either prepared by me or compiled under my direction and supervision.

THIS CONCLUDES AFFIANT'S STATEMENT.

STATE OF TEXAS

COUNTY OF MIDLAND

SUBSCRIBED and SWORN to before me this 4th day of September 10,20 by am Beker

Source R Ruma

Apam Beker

My Commission Expires:

2-14-2023

Laura R Reyna Notary Public, State of Texas

District 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 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 Road, Aztec, NM 87410 Phone (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

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

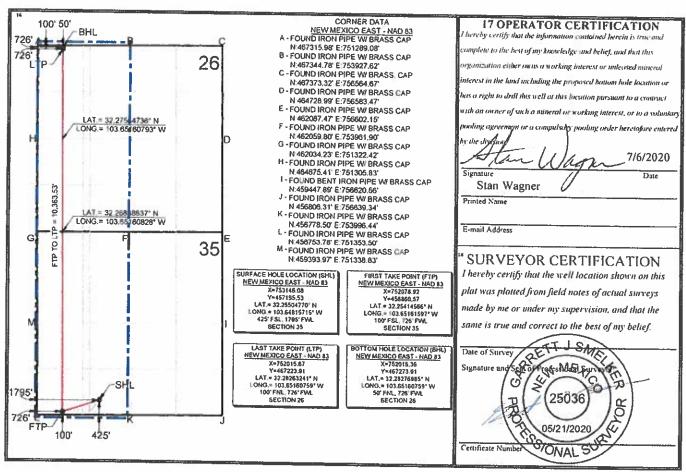
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-	2 Pool Code 96603	3 Pool Name Triste Draw; Bone Spring	
4 Property Code	5 Property Name BEDLINGTON FEDERAL COM		6 Well Number 201 H
7 OGRID No. 229137	8 Operator Name COG OPERATING LLC		9 Elevation 3625'

Surface Location UL or lot no. ownship Range Lot Idn Feet from the North/South line Feet from the East/West line County N 35 23-S 32-E 425' SOUTH 1795 WEST LEA "Bottom Hole Location If Different From Surface UL or lot no. Section Township Lot Idn Feet from the forth/South line Feet from the East/West line County 26 23-S 32-E 501 NORTH 726' WEST LEA 12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No. 640

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.



BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Case No. 21424 Attachment A Submitted by:

COG OPERATING LLC Hearing Date: September 10, 2020 | <u>District I</u> | 1625 N. French Dr., Hobbs, NM 88240 |
Plane (575) 393-6161 Fav (575) 393-0720 |
<u>District II</u> | 811 S. First St., Artesia, NM 88210 |
Phone (575) 748-1283 Fax, (575) 748-9720 |
<u>District III</u> | 1000 Rio Brazos Road, Aziec, NM 87410 |
Phone (505) 334-6178 Fax (505) 334-6170 |
<u>District IV</u> | 1220 S. St. Francis Dr., Santa Fe, NM 87505 |
<u>Plione</u>: (505) 476-3460 Fax: (505) 476-3462 |

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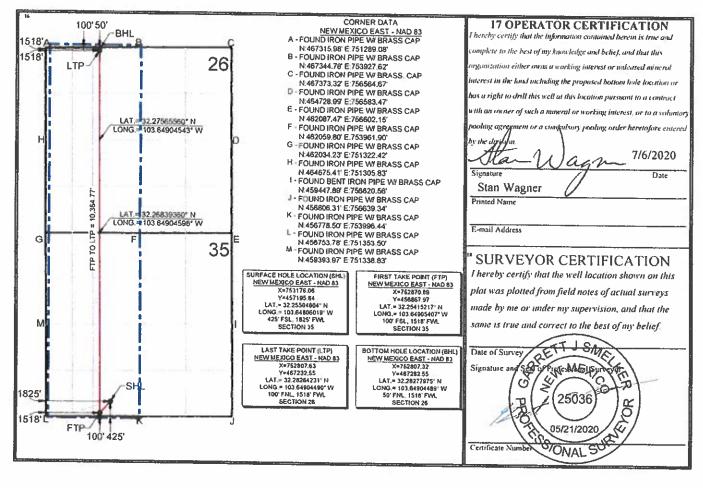
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

		The state of the s							
1.	API Numbe	2 Pool Cude 3 Pool Name							
30-0	025-			96603		Triste Draw; Bone Spring			
4 Property	Code		5 Property Name BEDLINGTON FEDERAL COM						Well Number 202H
7 OGRID 22913	· ·		8 Operator Name COG OPERATING LLC						9 Elevation 3625'
					" 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	35	23-S	32-E		425'	SOUTH	1825'	WEST	LEA

1825 WEST LEA "Bottom Hole Location If Different From Surface UL or lot no Township Section Range Lot Idn Feet from the North/South line Feet from the East/West line County 26 23-S 32-E 50 NORTH 1518 WEST LEA 12 Dedicated Acres 14 Consolidation Code 13 Joint or Infill 15 Order No.



Distinct 1
1625 N. French Dr., Hobbs, NM 88240
Phone (575) 393-6161 Fax. (575) 393-6720
District III
811 S. First St., Artesia, NM 88210
Phone (575) 748-1283 Fax. (575) 748-9720
Distinct III
1000 Rito Brazos Road, Aztec, NM 87410
Phone (505) 334-6178 Fax. (505) 334-6170
Distinct IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

Phone (505) 476-3460 Fax: (505) 476-3462

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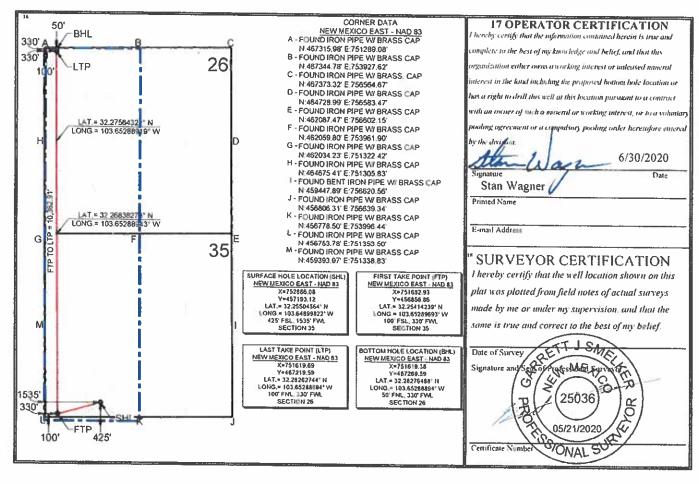
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

■ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1.	API Number	r	2 Pool Code 3 Pool Name						
30-02:	5-			96603		Triste Draw; Bone Spring			
4 Property	Code		5 Property Name BEDLINGTON FEDERAL COM					6	Well Number 301H
7 OGRID 22913	· ·						9 Elevation 3623'		
					" Surface	Location			
UL or lot no.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County
N	35	23-S	32-E		425'	SOUTH	1535'	WEST	LEA

"Bottom Hole Location If Different From Surface UL or lot no. Section Township Range Lot Ida Feet from the North/South line Feet from the East/West line County D 26 23-S NORTH 50 3301 WEST LEA 12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No. 640



District 1
1025 N French Dr., Hobbs, NM 88240
Pitone (375) 393-6161 Fax: (575) 393-6720
District III
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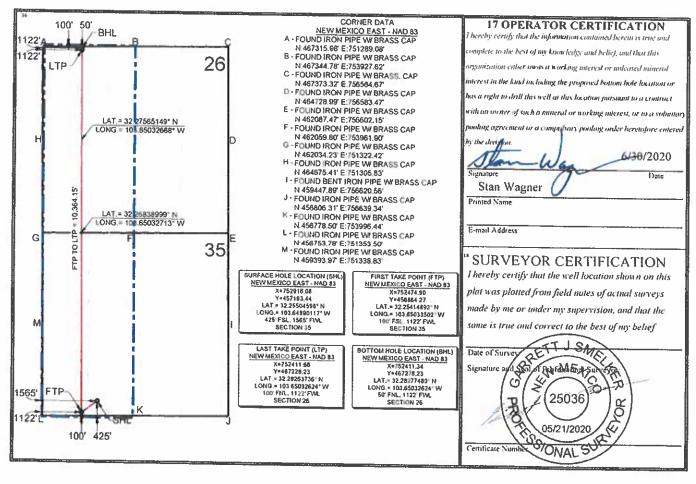
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■ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

LAPI Number	2 Pool Code	ame	
30-025-	96603	Spring	
4 Property Code	5 Propert BEDLINGTON F		6 Well Number 302H
7 OGRID No. 229137	8 Operato COG OPERA		9 Elevation 3623'

Surface Location UL or lot no. Section ownship Range Lot Idn Feet from the North/South line Feet from the East/West line County N 35 23-S 32-E 4251 SOUTH 1565 WEST LEA "Bottom Hole Location If Different From Surface UL or lot no. Section Fownship Runee Lot Idn Feet from the North/South line Feet from the East/West line County D 26 23-S 32-E 50 NORTH 1122 WEST LEA 12 Dedicated Acres i3 Jaint or Infill 14 Consolidation Code 15 Order No. 640



District 1 1625 N. French Dr. Hobbs, NM \$8040 Phone (575) 393-6161 Fax (575) 393-0720 District II 811 S. First St., Artenia, NM 88210 Phone (575) 748-1283 Fax (575) 748-9720 Destrict III 1000 Río Brazos Road, Aztec, NM 87410 Phone (505) 334-6178 Fax (505) 334-6170 District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone. (505) 476-3460 Fax (505) 476-3462

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

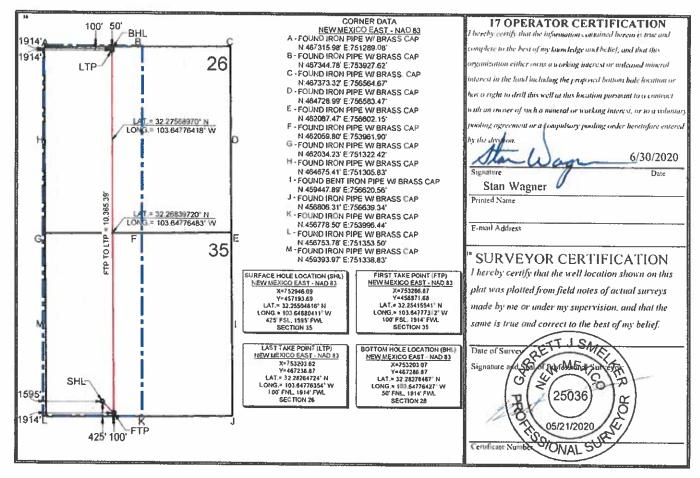
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number	2 Pool Code 3 Pool Name			
30-025-	96603	Triste Draw; Bone Spring		
4 Property Code		rty Name 6 Well Number FEDERAL COM 303H		
7 OGRID No. 229137	8 Operator Name COG OPERATING LLC			
		e Location		
Il. or lot no. Section Townshi	Range Lot Idn Feet from th	North/South line Feet from the East/West line Coun		

N 35 23-S 32-E SOUTH 425' 1595' WEST LEA "Bottom Hole Location If Different From Surface UL or lot no. Section Township Range Feet from the North/South line Feet from the East/West line County C23-S 32-E NORTH 26 50' 1914' WEST LEA 12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No. 640



| <u>District.1</u> | 1025 N. French Dr., Hobbs, NM 88240 | Hone (375) 393-6161 Fax. (575) 393-0720 | <u>District.11</u> | 811 S. First St., Artesia, NM 88210 | Phone (575) 748-1283 Fax. (575) 748-9720 | <u>District.11</u> | 1000 Rio Brazos Road, Artec, NM 37410 | Phone, (505) 334-6178 Fax. (505) 334-6170 | <u>District.11</u> | 1220 S. St. Francis Dr., Santa Fe, NM 87505 | Phone (505) 476-3460 Fax: (505) 476-3462

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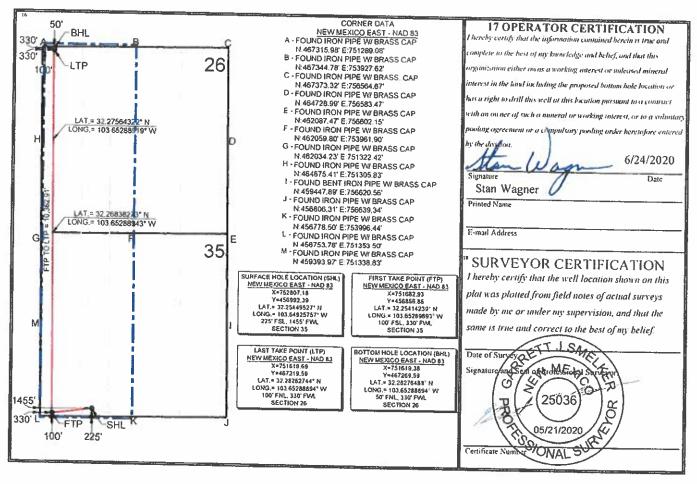
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-	2 Pool Cade 96603	Triste Draw; Bone Spr	3 Pool Name	
4 Property Code		pperty Name N FEDERAL COM	6 Well Number 501H	
7 OGRID No. 229137	8 O _I COG OPI	erator Name ERATING LLC	9 Elevation 3622'	

"Surface Location UL or lot no. Township Section Range Lot Ida Feet from the North/South line Feet from the East/West line County N 35 23-S 32-E 2251 SOUTH 1455' WEST LEA " Bottom Hole Location If Different From Surface UL or lot no. Section Township Range Lot Idn Feet from the Yorth/South line Feet from the East/West line County D 26 23-S 32-E 50' NORTH 330 WEST LEA 12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No. 640



District I
1025 N French Dr., Hobbs, NM 88240
Phone (578) 393-6161 Fax (575) 393-0720
District II
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Phone (575) 748-1283 Fax (575) 748-9720
District III
1000 Rio Brazos Road, Aziec, NM 87410
Phone, (505) 334-6178 Fax (505) 334-6170
District IV
1220 S St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3460 Fax (505) 476-3402

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

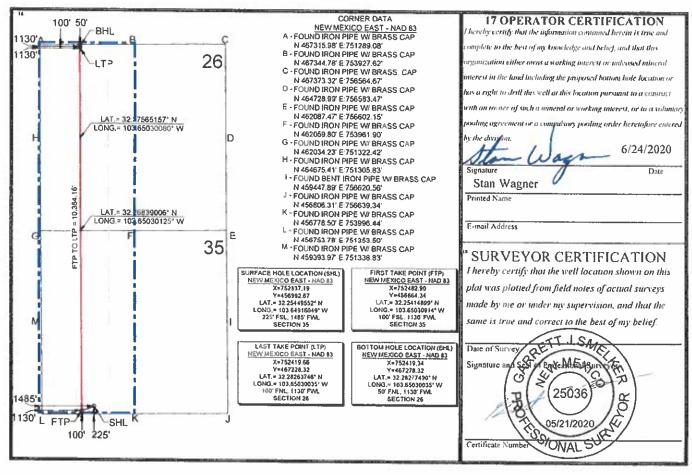
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

I API Number	2 Pool Code	3 Pool Name	Pool Name	
30-025-	96603	Triste Draw; Bone Spring		
4 Property Code		operty Name 6 Well Nun N FEDERAL COM 502H		
7 OGRID No. 229137		erator Name 9 Elevati ERATING LLC 3622	-	
		ace Location		
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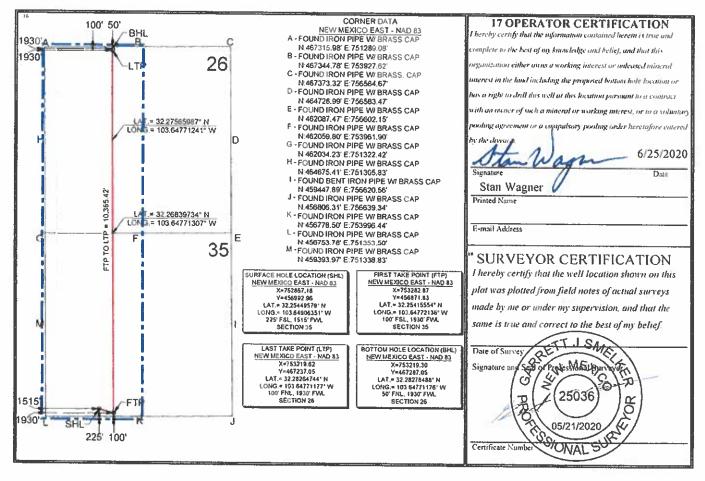
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

FAPI Number 30-025-	2 Poul Code 96603	one Spring	
4 Property Code	5 Property Name BEDLINGTON FEDERAL COM 8 Operator Name COG OPERATING LLC		6 Well Number 503H
7 OGRID No. 229137			9 Elevation 3622'

Surface Location UL or lot no. Section Fownship Lot Idn Range Feet from the North/South line Feet from the East/West line County Ν 35 23-S 32-E 225' SOUTH 1515 WEST LEA "Bottom Hole Location If Different From Surface UL or lot no. Township Section Range Lot 1dn Feet from the Varth/South line Feet from the Enst/West line County 26 23-S 32-E 50 NORTH 1930 WEST LEA 12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No. 640



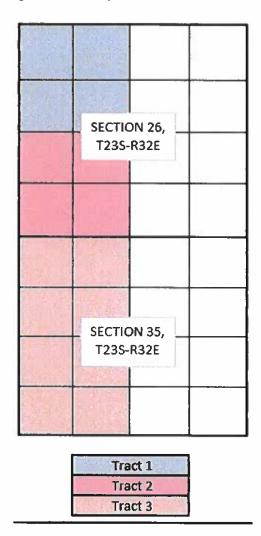
COG Operating, LLC—Bedlington Federal Com Wells

Township 23 South-Range 32 East, N.M.P.M.

Section 26: W/2 Section 35: W/2

Lea County, New Mexico

Depths Limited to the Bone Spring and Wolfcamp Formations



Tract 1 (Federal Lease USA NMNM-088164): Section 26: NW/4 (160.00 Acres more or less), T23S-R32E

(WI) EOG Resources Inc.

90.000000%

(WI) Chevron USA Inc.

10.000000%

Participating Parties

Total:

100.000000%

Parties We Seek to Pool

Bedlington Federal Com Wells – Bone Spring and Wolfcamp Pools

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 21424 Attachment B

Submitted by:
COG OPERATING LLC
Hearing Date: September 10, 2020

Tract 2 (USA LC-063228): Section 26: SW/4 (160.00 Acres more or less), T23S-R32E

(WI) Conoco Phillips Company

50.000000%

(WI) Magnum Hunter Production Inc.

50.000000%

Total:

100.000000%

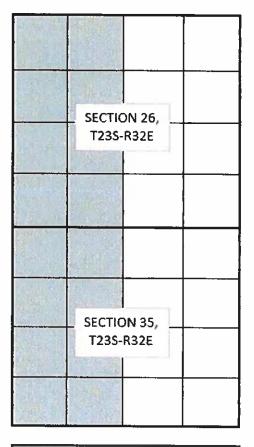
Participating Parties

Parties We Seek to Pool

Tract 3 (USA NMNM-136217): Section 35: W/2 (320.00 Acres more or less), T23S-R32E

(WI) COG Operating LLC	100.00000%
Total	100.000000%

Participating Parties



Bedlington Spacing Unit(s)

W/2 Spacing Unit Summary (640.00 Acres more or less), Sections 26 and 35, T23S-R32E

(WI) COG Operating LLC	50.000000%
(WI) EOG Resources Inc.	22.500000%
(WI) Conoco Phillips Company	12.500000%
(WI) Magnum Hunter Production Inc.	12.500000%
(WI) Chevron USA Inc.	2.500000%
Total:	100.000000%

Participating Parties

Parties We Seek to Pool



BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico
Case No. 21424 Attackment C
Submitted by:

COG OPERATING LLC
Hearing Date: September 10, 2020

July 7, 2020

Via FedEx Overnight

Conoco Phillips Company 925 N. Eldridge Pkwy Houston, TX 77079

Re: Well Proposal- BEDLINGTON WELLS

W/2 of Sections 26 & 35, T23S R32E 640 Ac – Bone Spring Formation Lea County, New Mexico

Dear Sir or Madam:

COG Operating LLC ("COG"), as Operator, hereby proposes the drilling of the following horizontal wells with productive laterals located in the W2 of Sections 26 and 35, T23S-R32E, Lea County, New Mexico (collectively, the "Operation"). The surface pad locations will be located in Unit Letter N of Section 35, T23S-R32E (or another legal location chosen by Operator).

- BEDLINGTON FEDERAL COM #201H, to be drilled to a depth sufficient to test the Bonespring formation at an approximate total vertical depth of 9,500 feet. The estimated surface hole location for this well is proposed at approximately 425' FSL, 1795' FWL of Section 35 or a legal location in Unit N of Section 35. The first take point for this well is estimated at approximately 100' FSL, 726' FWL of Section 35, and the last take point is estimated at approximately 100' FNL, 726' FWL of Section 26. The estimated bottom hole location for this well is proposed at approximately 50' FNL, 726' FWL of Section 26 or a legal location in Unit D of Section 26. The dedicated horizontal spacing unit will be W2 of Sections 35 and 26, T23S-R32E, Lea County, New Mexico. The total estimated cost to drill and complete said well is \$7,850,297, as shown on the attached Authority for Expenditure ("AFE").
- BEDLINGTON FEDERAL COM #202H, to be drilled to a depth sufficient to test the Bonespring formation at an approximate total vertical depth of 9,500 feet. The estimated surface hole location for this well is proposed at approximately 425' FSL, 1825' FWL of Section 35 or a legal location in Unit N of Section 35. The first take point for this well is estimated at approximately 100' FSL, 1518' FWL of Section 35, and the last take point is estimated at approximately 100' FNL, 1518' FWL of Section 26. The estimated bottom hole location for this well is proposed at approximately 50' FNL, 1518' FWL of Section 26 or a legal location in Unit C of Section 26. The dedicated horizontal spacing unit will be W2 of Sections 35 and 26, T23S-R32E, Lea County, New Mexico. The total estimated cost to drill and complete said well is \$7,850,297, as shown on the attached Authority for Expenditure ("AFE").
- BEDLINGTON FEDERAL COM #301H, to be drilled to a depth sufficient to test the Bonespring formation at an approximate total vertical depth of 9,650 feet. The estimated surface hole location for this well is proposed at approximately 425' FSL, 1535' FWL of Section 35 or a legal location in Unit N of Section 35. The first take point for this well is estimated at approximately 100' FSL, 330' FWL of Section 35, and the last take point is estimated at approximately 100' FNL, 330' FWL of Section 26. The estimated bottom hole location for this well is proposed at approximately 50' FNL, 330' FWL of Section 26 or a legal location in Unit D of Section 26. The dedicated horizontal spacing unit will be W2 of Sections 35 and 26, T23S-R32E, Lea County, New Mexico. The total estimated cost to drill and complete said well is \$7,850,297, as shown on the attached Authority for Expenditure ("AFE").

- BEDLINGTON FEDERAL COM #302H, to be drilled to a depth sufficient to test the Bonespring formation at an approximate total vertical depth of 9,650 feet. The estimated surface hole location for this well is proposed at approximately 425' FSL, 1565' FWL of Section 35 or a legal location in Unit N of Section 35. The first take point for this well is estimated at approximately 100' FSL, 1122' FWL of Section 35, and the last take point is estimated at approximately 100' FNL, 1122' FWL of Section 26. The estimated bottom hole location for this well is proposed at approximately 50' FNL, 1122' FWL of Section 26 or a legal location in Unit D of Section 26. The dedicated horizontal spacing unit will be W2 of Sections 35 and 26, T23S-R32E, Lea County, New Mexico. The total estimated cost to drill and complete said well is \$7,850,297, as shown on the attached Authority for Expenditure ("AFE").
- BEDLINGTON FEDERAL COM #303H, to be drilled to a depth sufficient to test the Bonespring formation at an approximate total vertical depth of 9,650 feet. The estimated surface hole location for this well is proposed at approximately 425' FSL, 1595' FWL of Section 35 or a legal location in Unit N of Section 35. The first take point for this well is estimated at approximately 100' FSL, 1914' FWL of Section 35, and the last take point is estimated at approximately 100' FNL, 1914' FWL of Section 26. The estimated bottom hole location for this well is proposed at approximately 50' FNL, 1914' FWL of Section 26 or a legal location in Unit C of Section 26. The dedicated horizontal spacing unit will be W2 of Sections 35 and 26, T23S-R32E, Lea County, New Mexico. The total estimated cost to drill and complete said well is \$7,850,297, as shown on the attached Authority for Expenditure ("AFE").
- BEDLINGTON FEDERAL COM #501H, to be drilled to a depth sufficient to test the Bonespring formation at an approximate total vertical depth of 10,725 feet. The estimated surface hole location for this well is proposed at approximately 225' FSL, 1455' FWL of Section 35 or a legal location in Unit N of Section 35. The first take point for this well is estimated at approximately 100' FSL, 330' FWL of Section 35, and the last take point is estimated at approximately 100' FNL, 330' FWL of Section 26. The estimated bottom hole location for this well is proposed at approximately 50' FNL, 330' FWL of Section 26 or a legal location in Unit D of Section 26. The dedicated horizontal spacing unit will be W2 of Sections 35 and 26, T23S-R32E, Lea County, New Mexico. The total estimated cost to drill and complete said well is \$8,467,178, as shown on the attached Authority for Expenditure ("AFE").
- BEDLINGTON FEDERAL COM #502H, to be drilled to a depth sufficient to test the Bonespring formation at an approximate total vertical depth of 10,975 feet. The estimated surface hole location for this well is proposed at approximately 225' FSL, 1485' FWL of Section 35 or a legal location in Unit N of Section 35. The first take point for this well is estimated at approximately 100' FSL, 1130' FWL of Section 35, and the last take point is estimated at approximately 100' FNL, 1130' FWL of Section 26. The estimated bottom hole location for this well is proposed at approximately 50' FNL, 1130' FWL of Section 26 or a legal location in Unit D of Section 26. The dedicated horizontal spacing unit will be W2 of Sections 35 and 26, T23S-R32E, Lea County, New Mexico. The total estimated cost to drill and complete said well is \$8,467,178, as shown on the attached Authority for Expenditure ("AFE").
- BEDLINGTON FEDERAL COM #503H, to be drilled to a depth sufficient to test the Bonespring formation at an approximate total vertical depth of 10,725 feet. The estimated surface hole location for this well is proposed at approximately 225' FSL, 1515' FWL of Section 35 or a legal location in Unit N of Section 35. The first take point for this well is estimated at approximately 100' FSL, 1930' FWL of Section 35, and the last take point is estimated at approximately 100' FNL, 1930' FWL of Section 26. The estimated bottom hole location for this well is proposed at approximately 50' FNL, 1930' FWL of Section 26 or a legal location in Unit C of Section 26. The dedicated horizontal spacing unit will be W2 of Sections 35 and 26, T23S-R32E, Lea County, New Mexico. The total estimated cost to drill and complete said well is \$8,467,178, as shown on the attached Authority for Expenditure ("AFE").

COG is proposing these wells under the terms of a new Operating Agreement which is included for your review and approval. It has the following general provisions:

- 100%/300% Non-Consenting Penalty;
- \$8000 Drilling and \$800 Producing Rate; and
- COG Operating LLC named as Operator.

If you do not wish to participate in the Operation, COG would like to discuss the term assignment of your interest to COG under the following indicative terms:

- \$3,000/acre bonus;
- 3 Year Primary Term; and
- Overriding Royalty Interest reserved unto assignor of the positive difference (if any) between existing burdens of record and 20%.

Please indicate your desire to term assign your Working Interest to COG by contacting me at the email or telephone number below. The offer for term assignment will expire on August 7, 2020 unless extended by COG prior to that date.

In the interest of time, 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 horizontal spacing unit for the proposed wells.

Please indicate your participation elections in the spaces 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 areker@concho.com.

If you have any questions, please do not hesitate to contact me at 432-685-2515.

Sincerely,

COG Operating LLC

Adam Reker, MBA, RPL

Landman

areker@concho.com

	I/We hereby elect to participate in the drilling and completion of the BEDLINGTON FEDERAL COM #201H
1	I/We hereby elect <u>not</u> to participate in the drilling and completion of the BEDLINGTON FEDERAL COM #201H
-	I/We hereby elect to participate in the drilling and completion of the BEDLINGTON FEDERAL COM #202H
	I/We hereby elect <u>not</u> to participate in the drilling and completion of the BEDLINGTON FEDERAL COM #202H
	I/We hereby elect to participate in the drilling and completion of the BEDLINGTON FEDERAL COM #301H
	I/We hereby elect <u>not</u> to participate in the drilling and completion of the BEDLINGTON FEDERAL COM #301H
3 -10-1-10-1	I/We hereby elect to participate in the drilling and completion of the BEDLINGTON FEDERAL COM #302H
	I/We hereby elect <u>not</u> to participate in the drilling and completion of the BEDLINGTON FEDERAL COM #302H
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-	I/We hereby elect to participate in the drilling and completion of the BEDLINGTON FEDERAL COM #503H
	I/We hereby elect <u>not</u> to participate in the drilling and completion of the BEDLINGTON FEDERAL COM #503H
By:	
Name:	
Title:	
Date:	

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COG OPERATING LLC AUTHORITY FOR EXPENDITURE DRILLING

	BEDLINGTON FEDERAL COM 201H	PROSPECT NAME:	Bulldog 2332 (717112)
SHL:	Sec 35: 425 FSL & 1795 FWL	STATE & COUNTY:	Lea County, NM
BHL:	Sec 26: 50 FNL & 726 FWL	OBJECTIVE:	Drill and Complete
FORMATION:	Bonespring (AV)	DEPTH:	20,060
LEGAL:	Sec 35: T23S-R32E	TVD:	9,500

INTANGIBLE COSTS Title/Curative/Permit	201	Orig - Rig Release(D) 20,000		Completion(C)		Tank Btty Constrctn(TB)		Pmpg Equipment(PEQ)	TOTA
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ost Equipment & Centralizers	221	38,425		DOMESTICAL DISEASE		CHOLEMONS IN 21			38
esing Crews & Equipment	222	36.120		CALLSONA RAMARILLA		STATEMENT STATEMENT			36
ishing Tools & Service	223		323			STEVENSKE STATE	372		
eologic/Engineering	224		324		355		373		
ontract Labor	225	6.500	325	20,000	356	120,798	374	42.500	189
ompany Supervision	226	40,116	326	15.000	357		375		55
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ogging	230			2000 (MILPH) 100 (L000 MP)		SLAMOR PURSUITE	378		
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ocking/Forklift/Rig Mobilization	237	68,379	337	20,765	360		385		109
elding Services	238	4.000	338	5,000	361	-	386		9
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ectrical System		PHILIPPINAL PROPERTY		STATE CLARK MASSAGE	513	100,684	533		100
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ouplings/Fittings/Valves	415			SAN CONTRACTOR INCOME.	515	127.507			127
shydration		WINTED STREET, ST.		V. Charles Completed	517	121.001			
jection Plant/CQ2 Equipment		Consultations account		APPROVIDE THE THEFT	518				
umps-Surface		Simply arrange		DISSOBLEMENT AND REAL	521	10.737			10
strumentation/SCADA/POC		FIRM DEVIDE STORY AND		Chate was the way	522		E30		
iscallaneous	419		510	A CONTRACTOR OF THE		11,000	529		11
			519		523		535		
ontingency	420	Totals Tay of Figure	520	Amortino montre	524		536		
eters/LACT		***************************************		THE PERSON NAMED IN PERSON NAMED IN	525	21.475			2
eres/Combusters/Emission		A TIRE STATE BETWEEN		STATE OF THE STATE	526	20,804	_		21
as Lift/Compression		CONTROL PROGRAMMENT	527	5.710	516	90.597	528		96
		478.721		73,716		657.261		42,500	1,25
TOTAL TANGIBLES		2.742.106		3.761,632		921,359		425,000	7.850
				48%		12%		5%	
TOTAL TANGIBLES TOTAL WELL COSTS		320		90%		14%		576	
TOTAL TANGIBLES TOTAL WELL COSTS % of Total Well Cost		35%							
TOTAL YANGIBLES TOTAL WELL COSTS % of Total Well Cost		Date Prepared:		7/9/2020					
TOTAL WELL COSTS Yell Cost G Operating LLC				7/9/2020					
TOTAL YANGIBLES TOTAL WELL COSTS % of Total Well Cost		Date Prepared:		7/9/2020 DR					

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 DRILLING

WELL NAME:	BEDLINGTON FEDERAL COM 202H	PROSPECT NAME:	Bulldog 2332 (717112)
SHL:	Sec 35: 425 FSL & 1825 FWL	STATE & COUNTY:	Lea County, NM
BHL:	Sec 26: 50 FNL & 1518 FWL	OBJECTIVE:	Driff and Complete
FORMATION:	Bonespring (AV)	DEPTH:	20,060
LEGAL:	Sec 35: T23\$-R32E	TVD:	9,500

NTANGIBLE COSTS tle/Curative/Permit	201	Drig - Rig Release(D) 20,000		Completion(C)		Tank Btty Constrctn(TB)		Pmpg Equipment(PEQ)	<u>TOTA</u>
surance	202	2,500	302						2
amages/Right of Way	203	20.000	303		351			PRINTED FOR ITS	20
fellbore Frac Prep	20.	2000	304			Cherry of Spanis		YEAR STATISTICS AND STATES	
urvey/Stake Location ocation/Prits/Road Expense	204 205	7,000 155,000	305	10,000	352 353	E2.24E	366	W SOLDSOIDSE ACCESS	7
rilling / Completion Overhead	206	8.700	306	10,000	333	52.345	300		217
urnkey Contract	207	0.700	307	758.000		article designation of the control of the			758
oolage Contract	208		308	418,417		PRINCE DOWNSELLY			418
aywork Contract	209	532.000	309	606,861		posto Maria Star Braza			1,138
rectional Drilling Services	210	226,000	310	76.831		SWITTOM BUILDING			302
uel & Power	211		311	3.500	354		367		131
ater	212	81.000	312	667,079		SHOYERSON HOUSES	368		748
ts	213		313	12.000		PERMISSION	369		82
ud & Chemicals	214	65,000	314	20,000		PERSONAL PROPERTY.	370		85
ill Stem Test	215		315			Physical Physics Color			
oring & Analysis	216			ACTIONAL PROPERTY.		NUMBER OF STREET			
ment Surface	217	28,435		K BESCHWARTS BETTER		LEAST CONTROL PRODUCTION			28
ment Intermediate	218	46.111		eminamus/esc/		LA Sur establishment			48
ment 2nd Intermediate/Production	219	99,906		LASTA SECTION AND SANCTO		AUCUPAGIGN/PECLARAN			89
rment Squeeze & Other (Kickoff Plug)	220			countrium lastance.		STATE OF THE PARTY OF	371		
bet Equipment & Centralizers	221	38.425		575.0878HF181850186		SOLDER THE PERSONS			38
sing Crews & Equipment	222	36.120		PROXIME FOR		DA STREET, STATE OF			36
hing Tools & Service	223		323			TO PORTAL MADERA	372		
ologic/Engineering	224		324		355		373		
intract Labor	225	6,500	325	20,000	356	120,796	374	42.500	189
mpany Supervision	226	40,116	326	15,000	357		375		55
entract Supervision	227	76.851	327	94,481	358		376		171
sting Casing/Tubing	228		328	10,000		DECEMBER OF STATE AND STATE OF	377		25
ad Logging Unit	229	28.435	329	CONTROL DE LA CONTROL DE L		THE RESERVE OF THE PARTY.			28
gging	230		92.	SCORPHINE BUILDING			378		
rforating/Wireline Services	231	No. Port to Market Street	331	263.717		TO SHARE WITH THE BOOK A	379		263
mulation/Treating		Publication and a	332	6.230		THE LONG PERSON NAMED IN	380		6
		A THE REAL PROPERTY AND ADDRESS OF THE PARTY A	333	46.722		B STATE OF THE STA	381		46
rabbing Unit	235	107.591	334	225.621	359		382 383		-
entals-Subsurface	236	103,749	336	35.041	224	encedia di Caracanono	384		138
ucking/Forldift/Rig Mobilization	237		337	20,765	360	THE SHARE THE SALES	385		
elding Services	238	4.000	338	5,000	361		386		109
nter Disposal	239	4.000	339	80.000	362	90.957	387	200,000	350
g to Abandon	240		340	00,000	VJ2	50.50/	201	200,000	
ismic Analysis	241		341			Martin British Carlos C			
scellaneous	242		342			MARKET TO HOLDER TO THE	389		
intingency	243	20.000	343	100.000	363		390		120
osed Loop & Environmental	244	207,497	344	5.000	364		388		212
ved Diesel		Tracker from metabolis	345	182.733		EX-Section of Views		SCHWINGSMINUSES	182
priduT lic		ADMERITMENT TO SEASON OF	346	<u> </u>		STRATE OF BUTCHERSON			
owback Crews & Equip		ENTERNMENTAL SERVICES	347	24.918		sure Edit autom Crawne	392	120.000	144
ffset Directional/Frac	248		348			PACKETO HALISTER, 21	391	20.000	20
TOTAL INTANGIBLES				3,688,116		264.098		382,500	6,598
		2.263.385		4.044.114					
		2.263.385		4.044.27					
						lovenillosteri			
rface Casing	401	26,000		S. S. Willer, subject		W. SCHOOL PROPERTY		ALCO PROMISERS	26
rface Casing ermediate Casing	402	26,000 133,721				Marika Palar II Marika Palar II		26-00-75-14-7241 0-30-0-75-14-7241	133
rface Casing ermediate Casing oduction Casing/Liner		26,000		er jan 1900albar suubin 1940albar ja				check 15 (1452) to a span or magnism a span or magnism	133 291
rface Casing ermediate Casing oduction Casing(Liner bing	402 403	26,000 133,721 291,000	504	24.555			530	check 15 Add 25 C	133 291 24
rface Casing ermediate Casing oduction CasingLiner bing ellhaed Equipment	402	26,000 133,721	504 505	er jan 1900albar suubin 1940albar ja			531	42 500	133 291
rface Casing ermediate Casing doubton Casing/Liner bing allhead Equipment mping Unit	402 403	26,000 133,721 291,000		24.555		A STATE OF S	531 506	42.500	133 291 24
rface Casing ermediate Casing doubtion Casing/Liner bing ellhead Equipment mping Unit ma Nover	402 403	26,000 133,721 291,000		24.555			531 506 507	42.500	133 291 24
urface Casing ermediate Casing oduction Casing/Liner biting ellhead Equipment imping Unit imping Unit imping Morer ods	402 403	26,000 133,721 291,000	505	24.555		SECONDATE SECONDA SECONDATE SECONDA	531 506 507 508	42500	133 291 24
rfece Casing ermediste Casing doubton Casing-Liner bing eilhead Equipment mping Unit ime Mover dis mpe-Sub Surfece (BH)	402 403	26,000 133,721 291,000		24.555			531 506 507	42 500	133 291 24 80
urface Casing ermediate Casing doubtion Casing/Liner bing ellhead Equipment mipring Unit time Mover ads mmps-Sub-Surface (BH) seks	402 403	26,000 133,721 291,000	505	24.555	510	62,412	531 506 507 508	42 500	133 291 24 80
rface Casing ermediate Casing oduction Casing/Liner bing ellhead Equipment mping Unit ime Mover dds mps-Sub-Surface (BH) nks	402 403	26,000 133,721 291,000	505	24.555	511	62.412 57.043	531 506 507 508	42.500	133 291 24 80 62 57
rface Casing ermediate Casing doubton Casing-Liner bing ellhead Equipment mping Unit ime Mover dd	402 403	26,000 133,721 291,000	505	24.555	511 512	62.412 57.043 155.022	531 506 507 508 532	42 500	133 291 24 80 62 57
rface Casing ermediate Casing doubtion Casing/Liner bing ellhead Equipment mping Unit ma Mover ds mps-Sub Surface (BH) nks wkines seter Treater/Separator activical System	402 403 405	26.000 133.721 291.000 28.000	505	24.555 9.708	511	62.412 57.043	531 506 507 508 532	42 500	133 291 24 80 62 57 155
rface Casing ermediste Casing douction Casing/Liner bing ellhead Equipment mping Unit me Mover ds mpa-Sub Surface (BH) nks owlines eter Treater/Separator schrick System clore System clore System clore System clore System	402 403 405 414	26.000 133.721 291.000 28.000	505	24.555	511 512 513	62,412 57,043 155,022 100,664	531 506 507 508 532	42 500	133 291 24 80 62 57 155 100
rface Casing ermediate Casing doubtion Casing-Liner bing ellhead Equipment imping Unit ime Mover ds mps-Sub Surfece (BH) nks powlines atter Treater/Separator actrical System acters/Anchors/Hangers upsinger/Fixing-Valvee	402 403 405	26.000 133.721 291.000 28.000	505	24.555 9.708	511 512 513 515	62.412 57.043 155.022	531 506 507 508 532	42 500	133 291 24 80 62 57 155
urface Casing ermediate Casing doubtion Casing/Liner ubing ellhead Equipment imping Unit ime Mover dds imps-Sub Surface (BH) inks writes writes saler Treater/Separator actical System colorary Archors/Hangers publings/Fittings/Valives whydration	402 403 405 414	26.000 133.721 291.000 28.000	505	24.555 9.708	511 512 513 515 517	62,412 57,043 155,022 100,664	531 506 507 508 532	42 500	133 291 24 80 62 57 155 100
urface Casing ermediate Casing doubtion Casing/Liner bing ellhead Equipment imping Unit ime Mover ods impa-Sub Surface (BH) riks owlines sater Treater/Separator actival System uckers/Anchors/Hangers uppings/Fithings/Valves shydralision shydralision	402 403 405 414	26.000 133.721 291.000 28.000	505	24.555 9.708	511 512 513 515 517 518	62.412 57.043 155.022 100.664	531 506 507 508 532	42 500	133 291 24 80 62 57 1555 100 33 127
rface Casing ermediate Casing doubtlon Casing/Liner bing silhead Equipment mping Unit me Mover ds mps-Sub Surface (BH) nks ownies ater Treater/Separator actinical System actinical System cokers/Anchors/Hangers uptings/Frange/Valves hydration section Plant/CO2 Equipment mps-Surface	402 403 405 414	26.000 133.721 291.000 28.000	505	24.555 9.708	511 512 513 515 517 518 521	62,412 57,043 155,022 100,654 127,507	531 506 507 508 532 533 534	42 500	133 291 24 80 62 57 155 100 33 127
rface Casing ermediate Casing doubtion Casing/Liner bing allhead Equipment mping Unit me Mover ds mps-Sub Surface (BH) nits are Treater/Separator action I System Class System	402 403 405 414 414 415	26,000 133,721 291,000 28,000	509	24.555 9.708	511 512 513 515 517 518 521 522	62.412 57.043 155.022 100.664	531 506 507 508 532 533 534	42 500	133 291 24 80 62 57 1555 100 33 127
rface Casing ermediate Casing doubtion Casing/Liner bing ellhead Equipment mping Unit mas Mover ds mmps-Sub Surface (BH) nks sovimes sater Treater/Separator actical System ckers/Anchors/Hangers upsinger/Enting EV/Alvee hybritation action Pfant/CO2 Equipment mps-Surface strumentation/SCADA/POC scellaneous	402 403 405 414 415	26,000 133,721 291,000 28,000	505 509 514	24.555 9.708	511 512 513 515 517 518 521 522 523	62,412 57,043 155,022 100,654 127,507	531 506 507 508 532 533 534 529 535	42 500	133 291 24 80 62 57 155 100 33 127
risce Casing ermediste Casing duction Casing/Liner bing silhead Equipment mping Unit me Mover ds mps-Sub Surfece (BH) niks vertices defermed System cherischer/Separator actrical System actrical Syste	402 403 405 414 414 415	26,000 133,721 291,000 28,000	509	24.555 9.708	511 512 513 515 517 518 521 522	62.412 57.043 155.022 100.654 127.507 10.737 11.000	531 506 507 508 532 533 534	42 500	133 291 244 80 62 57 155 100 33 127
riface Casing streedists Casing doubtion Casing/Liner bing lithead Equipment man Mover ds man Mover ds man-Sub Surface (BH) sks whines ater Treater/Separator citrical System clair Syst	402 403 405 414 415	26,000 133,721 291,000 28,000	505 509 514	24.555 9.708	511 512 513 515 517 518 521 522 523 524 525	62.412 57.043 155.022 100.654 127.507 10.737 11.000	531 506 507 508 532 533 534 529 535	42 500	133 291 244 80 62 57 155 150 33 127
risce Casing ermediste Casing doubton CasingLiner bing silhead Equipment mping Unit ma Mover dis mps-Sub Surface (BH) nks mps-Sub Surface (BH) nks workines ster Trester/Separator cubical System cubical	402 403 405 414 415	26,000 133,721 291,000 28,000	505 509 514	24.555 9.708	511 512 513 515 517 518 521 522 523 524	82.412 57.043 155.022 100.664 127.507 11.000	531 506 507 508 532 533 534 529 535	42 500	133 291 244 80 62 57 155 100 333 127
risce Casing ermediste Casing doubton CasingLiner bing silhead Equipment mping Unit ma Mover dis mps-Sub Surface (BH) nks mps-Sub Surface (BH) nks workines ster Trester/Separator cubical System cubical	402 403 405 414 415	26,000 133,721 291,000 28,000	505 509 514 519 520	24.555 9.708	511 512 513 515 517 518 521 522 523 524 525 526	62.412 57.043 155.022 100.654 127.507 10.737 11.000	531 506 507 508 532 533 534 529 535 536	42 500	133 291 244 80 62 57 155 150 33 127
risce Casing wheelete Casing duction Casing/Liner bing illheed Equipment mping Unit me Mover ds mps-Sub Surface (BH) nks whines atter Treater/Separator circia System ckers/Anchora/Hangers upings/Fithora/Valves hydration schor Hant/CO2 Equipment mps-Surface trumentation/SCADA/POC icellaneous firmgency ters/LACT ress/Combusters/Emission s Lift/Compression	402 403 405 414 415	26,000 133,721 291,000 28,000 28,000	509 514 519 520	24.555 9,708 33,743 5,710	511 512 513 515 517 518 521 522 523 524 525 526	82,412 57,043 155,022 100,664 127,507 10,737 11,000 21,475 20,804 90,597	531 506 507 508 532 533 534 529 535 536		133 291 244 80 62 57 1555 100 33 127 10 11 11
risce Casing ermediste Casing doubt the CasingLiner bing silhead Equipment mping Unit me Mover ds mps-Sub Surface (BH) nks wellines after Treater/Separator actinical System cubical Syste	402 403 405 414 415	26,000 133,721 291,000 28,000	509 514 519 520	24.555 9.708 33.743 37.743	511 512 513 515 517 518 521 522 523 524 525 526	62.412 57.043 155.022 100.654 127.507 10.737 11.000 21.475 20.804 90.597 557.261	531 506 507 508 532 533 534 529 535 536	42.500	133 291 244 80 62 57 155 150 111 112 21 20 96 96
TOTAL WELL COSTS	402 403 405 414 415	26,000 133,721 291,000 28,000 476,721 2,742,106	509 514 519 520	24.555 9,708 33.743 33.743 5,710 73.716 3.761,832	511 512 513 515 517 518 521 522 523 524 525 526	82,412 57,043 155,022 100,654 127,507 10,737 11,000 21,475 20,804 90,597 657,201 921,359	531 506 507 508 532 533 534 529 535 536	42.500 425.000	133 291 244 80 62 57,7 155 150 133 127 10 11
riface Casing ermediate Casing doubtion Casing/Liner bing eithead Equipment mping Unit ime Mover ds mps-Sub-Surface (BH) riks whines sater Treater/Separator actrical System ckers/Anchors/Hangers uptings/Fithings/Valves shydration section Pfant/CO2 Equipment mps-Surface strumentation/SCADA/POC scellaneous minganery pless/LACT ives/Combression set Life/Compression TOTAL TANGIBLES TOTAL WELL COSTS % of Total Well Cost DG Operating LLC	402 403 405 414 415	26,000 133,721 291,000 28,000 28,000 476,721 2,742,106 35%	509 514 519 520	24.555 9.708 33.743 33.743 5.710 73.716 3.761.832 48%	511 512 513 515 517 518 521 522 523 524 525 526	82,412 57,043 155,022 100,654 127,507 10,737 11,000 21,475 20,804 90,597 657,201 921,359	531 506 507 508 532 533 534 529 535 536	42.500 425.000	133 291 244 80 62 57 155 150 111 112 21 20 96 96
rface Casing ermediate Casing doubton Casing/Liner bing eithead Equipment mping Unit ime Mover dids mps-Sub Surface (BH) nks mps-Sub Surface (BH) nks ownines start Treate/Separator actrical System cobinal Cobinal System c	402 403 405 414 415	26,000 133,721 291,000 28,000 28,000 478,721 2,742,108 35% Date Prepared. COG Operating LLC	509 514 519 520	24.555 9.708 33.743 33.743 5.710 73.716 3.761,832 48%	511 512 513 515 517 518 521 522 523 524 525 526	82,412 57,043 155,022 100,654 127,507 10,737 11,000 21,475 20,804 90,597 657,201 921,359	531 506 507 508 532 533 534 529 535 536	42.500 425.000	133 291 244 80 62 57,7 155 150 133 127 10 11
Inface Casing ermediate Casing doubtion CasingLiner bing eithead Equipment imping Unit ime Mover ods maps-Sub Surface (BH) riks ovinies safer Treater/Separator activical System ac	402 403 405 414 415	26,000 133,721 291,000 28,000 28,000 28,000 478,721 2,742,108 35% Date Prepared.	509 514 519 520	24.555 9.708 33.743 33.743 5.710 73.716 3.761.832 48%	511 512 513 515 517 518 521 522 523 524 525 526	82,412 57,043 155,022 100,654 127,507 10,737 11,000 21,475 20,804 90,597 657,201 921,359	531 506 507 508 532 533 534 529 535 536	42.500 425.000	133 291 244 80 62 57 155 150 111 112 21 20 96 96
rface Casing ermediate Casing doubtlon Casing/Liner bing silhead Equipment mping Unit me Mover ds mps-Sub Surface (BH) nks whines ster Treater/Separator actinical System actinical System actinical System actinical System cokers/Anchors/Hangers uptings/Fathys/Valves hydration section Plant/CO2 Equipment mps-Surface sittementation/SCADA/POC scellaneous miningency ters/LACT sera/Combusters/Emission so LdVCompression TOTAL TANGIBLES TOTAL WELL COSTS % of Total Well Cost as approve. % Working Interest mpany.	402 403 405 414 415	26,000 133,721 291,000 28,000 28,000 478,721 2,742,108 35% Date Prepared. COG Operating LLC	509 514 519 520	24.555 9.708 33.743 33.743 5.710 73.716 3.761,832 48%	511 512 513 515 517 518 521 522 523 524 525 526	82,412 57,043 155,022 100,654 127,507 10,737 11,000 21,475 20,804 90,597 657,201 921,359	531 506 507 508 532 533 534 529 535 536	42.500 425.000	133 291 244 80 62 57 155 150 111 112 21 20 96 96
face Casing Interest Casing Author Casing/Liner Joing Jihaed Equipment Imping Unit Mas Mover dis Impa-Sub Surface (BH) Als Microsoft System Liter Treater/Separator Cirical System Literar/Anchora/Hangers Jupings-Fitting Interest Literar/Anchora/Hangers Jupings-Fitting Interest May Compared Co	402 403 405 414 415	26,000 133,721 291,000 28,000 28,000 478,721 2,742,108 35% Date Prepared. COG Operating LLC	509 514 519 520	24.555 9.708 33.743 33.743 5.710 73.716 3.761,832 48%	511 512 513 515 517 518 521 522 523 524 525 526	82,412 57,043 155,022 100,654 127,507 10,737 11,000 21,475 20,804 90,597 657,201 921,359	531 506 507 508 532 533 534 529 535 536	42.500 425.000	133 291 244 80 62 57 155 150 111 112 21 20 96 96
face Casing Interests Casing John Casing C	402 403 405 414 415	26,000 133,721 291,000 28,000 28,000 478,721 2,742,108 35% Date Prepared. COG Operating LLC	509 514 519 520	24.555 9.708 33.743 33.743 5.710 73.716 3.761,832 48%	511 512 513 515 517 518 521 522 523 524 525 526	82,412 57,043 155,022 100,654 127,507 10,737 11,000 21,475 20,804 90,597 657,201 921,359	531 506 507 508 532 533 534 529 535 536	42.500 425.000	133 291 244 80 62 57 155 150 111 112 21 20 96 96

COG OPERATING LLC AUTHORITY FOR EXPENDITURE DRILLING

WELL NAME:	BEDLINGTON FEDERAL COM 301H	PROSPECT NAME:	Buildog 2332 (717112)
\$HL:	Sec 35: 425 FSL & 1535 FWL	STATE & COUNTY:	Lea County, NM
BHL:	Sec 26: 50 FNL & 330 FWL	OBJECTIVE:	Drill and Complete
FORMATION:	Bonespring (AV)	DEPTH:	20,210
LEGAL:	Sec 35: T23S-R32E	TVD:	9,650

INTANGIBLE COSTS		<u>Drig - Rig</u> Release(D)		Completion(C)		Tank Btty Constrctn(TB)		Pmpa Equipment(PEQ)	TOTA
Fide/Curative/Permit	201	20,000		A THE REPORT OF THE PARTY OF		THE REPORT OF THE PARTY OF		2007年至2000年以下	20.
nsurence	202	2.500	302			Soldingson and gother		JARSSANIA CASESSON	2.
Jamages/Right of Way Velibora Frac Prep	203	20,000	303		351			STREET, STREET	20,
			304					MULTINESPORTER STATE OF THE STA	
survey/Stake Location	204	7,000		Carlo March 1997	352			NAME OF THE PARTY	7.
ocation/Pita/Road Expense	205	155,000	305	10.000	353	52,345	366		217.
Criting / Completion Overhead	206	6,700	306						8,
urnkey Contract	207		307	758,000		acceptable attraction			758.
ootage Contract	208		308	418.417		K MORTO TREATMENT OF THE LICEN			418.
Naywork Contract	209	532,000	309	606.861		AND SHOULD AND SHOULD BE S			1,138,
Directional Drilling Services	210	226.000	310	76,831		Senantikrast School			302.
uel & Power	211	128.000	311	3,500	354		367		131,
Vater	212	81,000	312	667.079		COURSETS MATSURED IN	368		748.
its	213	70,700	313	12,000		und from the manual design to	369		82.
fud & Chemicals	214	65.000	314	20,000			370		85.
rill Stem Test	215	- 00.000	315	20,000		THE PERSON NAMED IN COLUMN TO SERVICE	310		
oring & Analysis			313			PATER ENGINEERING WILLIAM WILL			
	216			A PRINCE TO SETTING					
ement Surface	217	28.435		A STATE OF THE PARTY OF THE PAR		ENGINEERING BURNEY			28.
ement Intermediate	218	46,111		THE PLAN SHEET SERVICES		MED THAT EXCELLENCE AND A SERVICE			46.
ement 2nd Intermediate/Production	219	99.906		141/04/98/05/2019 1825		SEASON CONTRACTOR (NO. 1)			99.
ement Squeeze & Other (Kickoff Plug)	220			DENERGHATER		*SPERMENTANCES CONTROL	371		
lost Equipment & Centralizers	221	38,425		прионивногоефия		ANTI-CARD PROTEING AND A			38,
asing Craws & Equipment	222	36,120		PROTESTA CARROLLADORER		MANAGEMENT OF THE PARTY OF			36.
ishing Tools & Service	223		323			THE REPORT OF THE RESIDENCE	372		
eologic/Engineering	224		324		355		373		
ontract Labor	225	6.500	325			184 507			
				20,000	356	120,796	374	42,500	189.
ompany Supervision	226	40.116	326	15,000	357		375		55.
contract Supervision	227	76.851	327	94.481	358		376		171.
esting Casing/Tubing	228	15.370	328	10.000		TACOMINADAMENTAL PARTY	377		25,
fud Logging Unit	229	28.435	329						28.
ogging	230			AND CANADOM SCHOOL		Without State of the	378		
erforating/Wireline Services	231		331	263,717		SPERMANDIAN CHR. CO.	379		263,
timulation/Treating		TORING SOCIETARIA CALL	332	6,230		MR & CRIME BY SECTION	380		6.
Completion Unit		PARTITION NAMED IN COLUMN 2 IN COLUMN 2	333	46.722		AND ASSESSMENT OF THE PARTY OF	381		
evebbing Unit		NOT AND DESCRIPTION OF THE PARTY OF THE PART		40.124					46.
tentals-Surface		***************************************	334			THE REPORT OF BUILDING	382		
	235	107.591	335	225.821	359		383		333.
entals-Subsurface	236	103,749	336	35,041		STATE OF VEHICLE OF VEHICLE	384		138.
rucking/Forklift/Rig Mobilization	237	88,379	337	20.765	360		385		109,
/elding Services	238	4,000	338	5.000	361		386		9.
/ater Disposal	239		339	60,000	362	90.957	387	200,000	350.
Tug to Abandon	240		340			CONSTANT/ROWON INTO S			
Seismic Analysis	241		341			E-manuschender-grane			
liscellaneous	242		342			Links and Acceptable 1811	389		
Contingency	243	20,000	343	100,000	363		390		100
Closed Loop & Environmental	244	207,497	344		364				120.
	244	201,491		5.000	304		388		212,
yed Diesel			345	182,733				HELIAPISSY-MERCAPORTER	182.
coil Tubing		2011/2011/10 R ADMINI	346			HO-TO EDECICO JURINOSA			
lowback Craws & Equip		U.S. SCHLIKTSKY DATES & SALIDAY	347	24.918		CASSESSES SOMEON	392	120,000	144.
Offset Directional/Frac	248		348			THE RESERVE OF SHIPPING	391	20.000	20.
TOTAL INTANGIBLES		2.263.385		3.688,118		264,098		382.500	6,598,
ANGIBLE COSTS									
urface Casing	401	26.000				printed Eventers			20
termediate Casing	402	133,721						THE RESERVE OF THE PARTY OF THE	26.
				A CLEAN AND ADDRESS		ATTENDED TO SECURE TO SECURE TO SECURE			133,
roduction Cesing/Liner	403	291,000		CANDOON CONTRACTOR		ATTACAST AND AND ADDRESS OF THE PARTY OF THE		Market Brown Company	291.
ubing		The second second	504	24,555		THE PROPERTY OF THE PARTY OF TH	530		24.
/ellhead Equipment	405	28,000	505	9.708		SHORRER AND PROPERTY IN	531	42.500	60,
umping Unit		THE REAL PROPERTY.		(6) A/Shappen Padaw		PORTS PROPERTY SECURIO	506		
rime Mover		Interestant and A		THE REST OF STREET, ST		STATE OF STATE OF STREET	507		
ods		IDH-9558 #367(EHGA-677)		92 (2-500) 15:27 (90)		Savig vicities as your period	508		
		427 (Mg/H) (M/L) (Mg/m)	509			Sections in a record	532		
umps-Sub Surface (BH)			- 20						62.
umps-Sub Surface (BH)					510	82.412			62
anks		THE SECREPT STREET, SALES		A FRANCISCO DOS ANTON	510	62,412			
anks lowlines		DI SELECTION CONT.		CANADA SAME SAME	511	57,043			57.
anks lowines eater Treater/Separator		DE SE ALMER A LONGE DE LA CONTRACTION DEL CONTRACTION DE LA CONTRA		Carlotte Anna Carlotte	511 512	57,043 155,022			57. 155.
anka lowlines deter Treater/Separator lectrical System		DE SE COMO DE LA COMO DEL COMO DE LA COMO DEL COMO DE LA COMO DEL COMO DEL COMO DEL COMO DE LA COMO DEL			511	57,043	533		57.
anka owines eater Treater/Separator lectrical System	414	A CHARLEST AND STATE	514	33,743	511 512	57,043 155,022			57. 155.
umps-Sub Surface (BH) anks lovelines leater Treater/Separator leatrical System ackers/Anchors/Hangers outlings/Fittings/Valves	414 415	DI SER EL MAN DE PRESENTATION DE L'ANNE LE L'ANNE LE L'ANNE LE L'ANNE LE L'ANNE L	514	33,743	511 512	57,043 155,022	533		57, 155, 100, 33,
anks covinnes eater Treater/Separator lectrical System ackers/Anchors/Hangers		LAT WEST DESTRUCTION OF A DAY OF THE STATE O	514	33,743	511 512 513	57,043 155,022 100,664	533		57, 155, 100, 33,
anks owlines eater Treater/Separator fectrical System ackers/Anchors/Hangers outplings/Fittings/Valves ehydration		CONTROL OF	514	33,743	511 512 513 515	57,043 155,022 100,664	533		57, 155, 100,
owines activated // Separator activated // System activated System activated // Anchors/Hangers puplings/Fittings/Valves hydration jection Plan/CO2 Equipment		ACTION OF THE PROPERTY OF THE	514	33,743	511 512 513 515 517 518	57,043 155,022 100,664 127,507	533		57. 155, 100. 33, 127,
anks ownines sater Treater/Separator ectrical System sckers/Anchors/Hangers ouppings/Fittings/Valves shydration jection Plant/CO2 Equipment umps-Surface			514	33,743	511 512 513 515 517 518 521	57,043 155,022 100,684 127,507	533 534		57. 155, 100. 33. 127.
anks owlines sater Treater/Separator ectrical System sckera/Anchors/Hangers puppings/Fittings/Valves ehydration jection Plant/CO2 Equipment umps-Surface strumentation/SCADA/POC	415			33,743	511 512 513 515 517 518 521 522	57,043 155,022 100,684 127,507	533 534 529		57. 155, 100. 33. 127.
nnks owinnes sater Treater/Separator schars/Anchors/Hangers puplings/Fittings/Valves styrication section Plant/CO2 Equipment mps-Surface strumentation/SCADA/POC iscellansous	415	The second secon	519	33,743	511 512 513 515 517 518 521 522 523	57,043 155,022 100,684 127,507	533 534 529 535		57. 155, 100. 33. 127.
nks powlines atter Treater/Separator activital System cokirs/Anchors/Hangers uptings/Fittings/Valves hydration ection Plant/CO2 Equipment mps-Surface strumentation/SCADA/POC scellaneous ningency	415	The second secon		33,743	511 512 513 515 517 518 521 522 523 524	57,043 155,022 100,864 127,507 10,737 11,000	533 534 529		57, 155, 100, 33, 127,
inks owlines atter Treater/Separator ectirical System ecters/Anchors/Hangers supplings/Fittings/Valves shydration ection Plant/CO2 Equipment imps-Surface sicumentation/SCADA/POC scellanaous portingency eters/ACT	415	THE RESERVE OF THE SECOND STATES OF THE SECOND STAT	519	33,743	511 512 513 515 517 518 521 522 523 524 525	57,043 155,022 100,684 127,507 10,737 11,000	533 534 529 535		57, 155, 100, 33, 127, 10, 11,
anks owines sater Treater/Separator schrack/Anchors/Hangers poptings/Fittings/Valves shydration section Plant/CO2 Equipment imps-Surface strumentation/SCADA/POC iscellaneous swingency elers/LACT ares/Combusters/Emission	415	The second secon	519 520	The Property of the Control of the C	511 512 513 515 517 518 521 522 523 524 525 526	57,043 155,022 100,684 127,507 10,737 11,000	533 534 529 535 536		57, 155, 100, 33, 127, 10, 11,
initis postines actirical System actirical Sy	415	The second secon	519	33,743	511 512 513 515 517 518 521 522 523 524 525	57,043 155,022 100,684 127,507 10,737 11,000	533 534 529 535		57, 155, 100, 33,
nnks owines sater Treater/Separator schara/Anchors/Hangers publings/Fittings/Valves shydration section Plant/CO2 Equipment umps-Surface strumentsion/SCADA/POC scellaneous owingency sters/LACT ares/Combusters/Emission	415	478.721	519 520	The Property of the Control of the C	511 512 513 515 517 518 521 522 523 524 525 526	57,043 155,022 100,684 127,507 10,737 11,000	533 534 529 535 536	42,500	57, 155, 100, 33, 127, 10, 11, 21, 20, 96,
initis postines actirical System actirical Sy	415		519 520	5.710 73,716	511 512 513 515 517 518 521 522 523 524 525 526	57,043 155,022 100,664 127,507 10,737 11,000 21,475 20,804 90,597 657,261	533 534 529 535 536		57, 155, 100, 33, 127, 10, 11, 21, 20, 98, 1,252,
anks owkines activical System activical System activical System schera/Anchors/Hangers puplings/Fittings/Valves shydration estion Plant/CO2 Equipment umps-Surface atrumentation/SCADA/POC sizellaneous ontingency eters/LACT ares/Combusters/Emission as Lift/Compression TOTAL TANGIBLES TOTAL WELL COSTS % of Total Well Cost	415	478.721 2.742.106 38%	519 520	5.710	511 512 513 515 517 518 521 522 523 524 525 526	57,043 155,022 100,684 127,507 10,737 11,000 21,475 20,804 90,597	533 534 529 535 536	42,500 425,000 5%	57, 155, 100, 33, 127, 10, 11, 21, 20, 98, 1,252,
anks owkines activical System activical System activical System schera/Anchors/Hangers puplings/Fittings/Valves shydration estion Plant/CO2 Equipment umps-Surface atrumentation/SCADA/POC sizellaneous ontingency eters/LACT ares/Combusters/Emission as Lift/Compression TOTAL TANGIBLES TOTAL WELL COSTS % of Total Well Cost	415	2.742.106	519 520	5.710 73,716 3.761,832 48%	511 512 513 515 517 518 521 522 523 524 525 526	57,043 155,022 100,664 127,507 10,737 11,000 21,475 20,804 90,597 657,261 921,359	533 534 529 535 536	425,000	57, 155, 100, 33, 127, 10, 11, 21,
anks owtines ester Treater/Separator fectrical System sciters/Anchors/Fangers outpings/Fitings/Valves ehydration jection Plan/CO2 Equipment umps-Surface strumentation/SCADA/POC iscellaneous ontingency elers/LACT ares/Combuster/Emission as Lift/Compression TOTAL TANGIBLES TOTAL WELL COSTS % of Total Well Cost	415	2,742,106	519 520	5.710 73,716 3.761,832	511 512 513 515 517 518 521 522 523 524 525 526	57,043 155,022 100,664 127,507 10,737 11,000 21,475 20,804 90,597 657,261 921,359	533 534 529 535 536	425,000	57, 155, 100, 33, 127, 10, 11, 21, 20, 98, 1,252,
anks owlines ester Treater/Separator lectrical System ackers/Anchors/Hangers outprings/Fittings/Valves ehydration jection Plant/CO2 Equipment umps-Surface strumentation/SCADA/POC iscellaneous ontingency eters/LCT ares/Combusters/Emission as Lit/Compression TOTAL TANGIBLES TOTAL WELL COSTS % of Total Well Cost //e approve:	415	2.742.106 35% Date Prepared: COG Operating LLC	519 520	5.710 73,716 3.761.832 48% 779/2020	511 512 513 515 517 518 521 522 523 524 525 526	57,043 155,022 100,664 127,507 10,737 11,000 21,475 20,804 90,597 657,261 921,359	533 534 529 535 536	425,000	57, 155, 100. 33, 127. 10, 11. 21. 20. 98, 1.262.
anks owtines ester Treater/Separator fectrical System sciters/Anchors/Fangers outpings/Fitings/Valves ehydration jection Plan/CO2 Equipment umps-Surface strumentation/SCADA/POC iscellaneous ontingency elers/LACT ares/Combuster/Emission as Lift/Compression TOTAL TANGIBLES TOTAL WELL COSTS % of Total Well Cost	415	2.742.106 35% Date Prepared:	519 520	5.710 73,716 3.761,832 48%	511 512 513 515 517 518 521 522 523 524 525 526	57,043 155,022 100,664 127,507 10,737 11,000 21,475 20,804 90,597 657,261 921,359	533 534 529 535 536	425,000	57, 155, 100, 33, 127, 10, 11, 21, 20, 98, 1,252,
anks owlines ester Treater/Separator lectrical System ackers/Anchors/Hangers outprings/Fittings/Valves ehydration jection Plant/CO2 Equipment umps-Surface strumentation/SCADA/POC iscellaneous ontingency eters/LCT ares/Combusters/Emission as Lit/Compression TOTAL TANGIBLES TOTAL WELL COSTS % of Total Well Cost //e approve:	415	2.742.106 35% Date Prepared: COG Operating LLC	519 520	5.710 73,716 3.761.832 48% 779/2020	511 512 513 515 517 518 521 522 523 524 525 526	57,043 155,022 100,664 127,507 10,737 11,000 21,475 20,804 90,597 657,261 921,359	533 534 529 535 536	425,000	57, 155, 100, 33, 127, 10, 11, 21, 20, 98, 1,252,

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

WELL NAME:	BEDLINGTON FEDERAL COM 302H	PROSPECT NAME:	Bulldog 2332 (717112)
SHL:	Sec 35: 425 FSL & 1565 FWL	STATE & COUNTY:	Lea County, NM
BHL:	Sec 26: 50 FNL & 1122 FWL	OBJECTIVE:	Drill and Complete
FORMATION:	Bonespring (AV)	DEPTH:	20,210
LEGAL:	Sec 35: T23S-R32E	TVD:	9,650

						<u> </u>			
INTANGIBLE COSTS		Drig - Rig Release(D)		Completion(C)		Tank Bttv Constrctn(TB)		Pmpg Equipment(PEQ)	TOTAL
Title/Curative/Permit Insurance	201	20,000	202	ARCHISE WEST		A TOTAL PROPERTY.		2:1000/07/07/06/06/06/06	20,000
Damages/Right of Way	202	20.000	302		351			SAMPLE DESCRIPTION	2,500
Wellbore Frac Prep		NIV SIDERAN SONELLO	304	111		Programma and the		100000000000000000000000000000000000000	20,000
Survey/Stake Location	204	7.000		SERVICE STREET, COURSE	352			C-TORRORPHOADLE-SALE	7 000
Location/Pits/Road Expense	205	155.000	305	10,000	353	52,345	366		217,345
Drilling / Completion Overhead	206	8,700	306			H-CONTRACTOR CONTRACTOR			8,700
Turnkey Contract	207		307	758.000		LOWER DAY OF			758.000
Footage Contract Daywork Contract	208		308	418,417		5, F78 Circle (200)			418,417
Directional Drilling Services	209 210	532.000 226,000	309	76,831		AND DESCRIPTION OF THE PERSON			1,138,861 302,831
Fuel & Power	211	128,000	311	3,500	354		367		131,500
Water	212	81.000	312	667.079		TO RESTREE FRANCISCO	368		748,079
Bits	213	70,700	313	12.000		7-15/2009-1-12/05/05/05	369		82,700
Mud & Chemicals	214	65.000	314	20,000		A GUNDANI POLITICA DE LA COLONIA DE LA C	370		85.000
Drill Stem Test	215		315			MEMORIE PROPERTY			0
Coring & Analysis	216			A TOP OF BOARD SHAPE AND THE BOARD		EXPERTAL LABORATION AND ADDRESS OF			0
Cement Surface Cement Intermediate	217 218	28.435 46.111		Action Services		SCAVEAUM HUNE STORES			28.435
Cement 2nd Intermediate/Production	219	99,906		ESTALTO GRAZA (CREV)		A COMMUNICATION AND			45,111 99,906
Cement Squeezs & Other (Kickoff Plug)	220	55,500				PRODUCTION OF THE PROPERTY.	371		00,800
Float Equipment & Centralizers	221	38.425		STATE OF LICE AND ADDRESS OF THE PARTY OF TH		CAR BURE COME OF	011		38,425
Casing Craws & Equipment	222	36,120		RESERVATIVE SERVER		And the Street of the			36,120
Fishing Tools & Service	223		323			LEARNING TO STATE OF	372		0
Geologic/Engineering	224		324		355		373		0
Contract Labor	225	6.500	325	20.000		120,796	374	42.500	189.796
Company Supervision	226	40,118		15.000			375		55.116
Contract Supervision Testing Casing/Tubing	227	76.851	327	94,481	358	P.L. P. Company of the Company of th	376		171,332
Testing Casing/Tubing Mud Logging Unit	228 229	15.370 28.435	328 329	10,000	,	AND STATE OF STATES AND ASSESSED.	377		25,370 28,435
Logging Unit	230	20.435	254	HANNA AND COMMENTS		Service Control of the Control of th	378		28.435
Perforating/Wireline Services	231		331	263,717		100000	379		263,717
Stimulation/Treating		A PART SCHOOL	332	6,230		在公司中国的	380		6.230
Completion Unit		CARL STATE OF THE OWNER, STATE OF	333	46,722		PUMPIN KESTERYAN	381		48.722
Swabbing Unit		TO SHE TRAVE	334		,	ACHROMEGIOUS ESTRUMENTA	382		0
Rentals-Surface	235	107,591	335	225,821	359		383		333.412
Rentala-Subsurface Trucking/Forklift/Rig Mobilization	236	103.749	336	35,041		FANTANEND DE ENTRE	384		138,790
Welding Services	237 238	88,379 4,000	337	20,765	360 361		385 386		9.000
Water Disposal	239	4,000	339	60,000	362	90.957	387	200.000	350.957
Plug to Abendon	240		340			Scattled Company of the Company of t	001	200.000	0
Seismic Analysis	241		341		1	PSYMPROTECTION AND PROPERTY.			0
Miscellaneous	242		342			JUST THE WALK STONES	389		0
Contingency	243	20,000	343	100.000	363		390		120,000
Closed Loop & Environmental	244	207,497	344	5.000	364		388		212.497
Dyad Diesel Coil Tubing		CHICAS DA SERVICIONE	345	182.733				235/25/06/25/17/34/52	182.733
Flowback Crews & Equip		11 15 77 75 17 77 77 77 78 78 78 78 78 78 78 78 78 78	347	24,918		STREET BOOK AND AND SECURE	392	120,000	144,918
Offset Directional/Frac	248		348			JERNING SARROWS	391	20,000	20.000
TOTAL INTANGIBLES		2.263.365		3,688,116		264,098		382.500	6.598.099
TANGIBLE COSTS									
Surface Casing	401	26.000		CATE MERCH		Carlo Salar Salar Salar		(中心) 经国际公司	26.000
Intermediate Casing	402	133,721		out was feet an admitted		LIPORUM SOUND SAN		THE REAL PROPERTY AND THE PERSON NAMED IN	133,721
Production Casing/Liner Tubing	403	291,000	504	24 555		Contraction of Philips	F 20		291.000
Wellheed Equipment	405	28.000	505	24,555 9,708		AND DE LOCALIDADES	530 531	42.500	24,555 80,208
Pumping Unit		CIACOLOWS/Schittlesia	000	STEVANIA WE LEGAL		LUDYOWKS WILLIAM	506	42.300	0.200
Prime Mover		activities of the party		Ferchally streets		PERSONAL PROPERTY OF THE PERSON OF THE PERSO	507		
Rods		KANPARENI KIRTI		THE RESERVED AND THE		2012 WHITE THE COURT	508		0
Pumps-Sub Surface (BH)		Same and Supplied the	509			OA-OUNGABALOOK	532		0
Tanks		THE PERSON NAMED IN		TOTAL SERVICE STREET	510	62.412			62.412
Flowlines Handar Venetar/Separator		and the second second		AND THE OWNER OF STREET	511	57,043			57.043
Heater Treater/Separator Electrical System		TACK PROSON IN PROPERTY			512 513	155,022 100.664	622		155,022
Packers/Anchors/Hangers	414		514	33.743	313	100.664	533 534		100.664 33.743
Couplings/Fittings/Valves	415			140/2019/2019/2019	515	127,507		-	127,507
Dehydration		PRODUCTION OF THE PARTY		ent of political 9m Votes	517				0
Injection Plant/CO2 Equipment		50 (1964) (150) (150)		STATISTICS CHIEFLING	518				. 0
Pumps-Surface		无种实践的(图明)		AND OPPOSITIONS A	521	10,737			10.737
Instrumentation/SCADA/PDC	4	MEDIUM, ANTONIO		POTENTIAL PROPERTY.	522	11.000	529		11.000
Miscellaneous	419		519		523		535		0
Contingency Meters/LACT	420	Segripos probable	520	STREET, DRIVING AND	524 525	21.475	538		21,475
Flares/Combusters/Emission		A SAME CONTINUES, MAY S.		SCHOOL COM SERVICE	526	20.804			20.804
Gas Lift/Compression		ALTERNATURAL MARKET	527	5.710		90.597	528		96,307
TOTAL TANGIBLES		478,721		73.716		657,261		42,500	1,252,198
TOTAL WELL COSTS		2,742.106		3,761,832		921.359		425,000	7.850.297
% of Total Well Cost		35%		48%		12%		5%	
COG Operating LLC		22%		4076		1276		379	
		Date Prepared:		7/0/2020					
		Sere cropered		7/9/2020					
Ma assessa		COG Operating LLC							
We approve:% Working Interest		By:		DR					
				UR				-	
Company: By:									
Printed Name:		This same of		_ SSA _ (MARKET		76.			
Title:		This AFE is only an estir of the actual costs incur	mate. red	By signing you agree to p	рву ус	our share			
		The service season michigan	-						

WELL NAME:	BEDLINGTON FEDERAL COM 303H	PROSPECT NAME:	Bulldog 2332 (717112)
SHL:	Sec 35: 425 FSL & 1595 FWL	STATE & COUNTY:	Lea County, NM
BHL:	Sec 26: 50 FNL & 1914 FWL	OBJECTIVE:	Drill and Complete
FORMATION:	Bonespring (AV)	DEPTH:	20,210
LEGAL:	Sec 35: T23S-R32E	TVD:	9,650

ide/Curative/Permit nsurance Damages/Right of Way	201	Release(D) 20.000		Completion(C)		Tank Btty Constrctn(TB)		Pmpa Equipment(PEQ)	TOTAL 20.00
emages/Right of Way	202	2,500	302			PURPOS PARKET COLPET		HARLIST SANSANDA	20.00
	203	20,000	303		351			CONTRACTOR CONTRACTOR	20.00
Veltbore Frac Prep	102.00	THE WAY THE	304			TRANSPORTATION OF THE PARTY			
urvey/Stake Location	204	7.000		INVESTIGATION OF THE OTHER	352			WORKS AND A STATE OF THE PARTY NAMED AND THE P	7.00
ocation/Pits/Road Expense	205 206	155,000	305	10.000	353	52,345	366		217.34
urnkey Contract	207	8.700	306	758.000		A STATE OF THE PARTY AND THE P			758.00
ootage Contract	208		308	418,417		Annex Sent manual sent sent a			418.41
aywork Contract	209	532,000	309	606,861		C-20000071114C-20000000			1,138,80
irectional Drilling Services	210	226,000	310	76.831		ENGINEES AUGUSTO			302.8
uel & Power	211	128,000	311	3,500	354		367		131.50
/ater	212	81,000	312	667,079		1 Will SCHOOLSCHAL	368		748,0
48	213	70,700	313	12,000		Published Alberta	369		82.7
lud & Chemicals	214	65.000	314	20.000		rectifies Printeduction	370		85.0
irill Stem Test oring & Analysis	215 216		315			PARTIES DE L'ANDRES DE L'ANDRE			
ement Surface	217	28.435		N. S.		POST ACCOUNTS A WOOD OF			28.4
ement Intermediate	218	46,111				TOTAL SCHOOL SET DATE OF STATE			48,1
Sement 2nd Intermediate/Production	219	99.906		/to/Elikibaruethoesi		ré-ac-ac-adice-ac-ac-ac-			99.90
Sement Squeeze & Other (Kickoff Plug)	220			ANGE REPORTED FOR THE PARTY OF		A CHECKSON STREET	371		
Ioat Equipment & Centratizers	221	38,425		TO THE REAL PROPERTY.		DESIGNATION OF THE PARTY OF THE			38.4
esing Crews & Equipment	222	36.120		NW 200 D 683750 0-1		http://www.hackencomm			36.12
ishing Tools & Service	223		323			CALCABADITIONS	372		
Seologic/Engineering	224		324		355		373		
iontract Labor	225	6.500	325	20,000	356	120.796	374	42.500	169,7
company Supervision Contract Supervision	226	40.116	326	15,000	357		375		55.1
esting Casing/Tubing	227	76,851 15,370	327	94,481	358	CAMADARAGAMA	376 377		171,3
Aud Logging Unit	229	28,435	329	10.000		Version expensions	ur.		28.4
ogging	230		•	MAZNA TO LEVENCE		A SECTION ASSESSMENT	378		
erforating/Wireline Services	231		331	263,717		ANNI ANTONI	379		263,7
Stimulation/Treating		EN CHERTERING PROPERTY	332	6,230		MEDIEDWICE OF DELL	380		6.2
Completion Unit		SAVERATOR CORE.	333	48,722		2000 TO ENGINEER	381		46.7
wabbing Unit		3505555504	334				382		
Rentals-Surface	235	107.591	335	225,821	359		383		333.4
Rentale-Subsurface	236	103,749	336	35,041		A PROTA DESIGNATION OF THE PROPERTY OF THE PROPERTY OF THE PROTECT OF THE PROPERTY OF THE PROPERTY OF THE PROPERTY OF THE PROTECT OF THE PROPERTY OF THE PROPE	384		138.79
rucking/Forklift/Rig Mobilization Yefding Services	237	88.379	337	20,765	360		385		109.14
Yater Disposal	238	4.000	338	5,000	361 362	90.957	386 387	200,000	9.00
fug to Abendon	240		340	00,000	302	273-0 3 7-272-055 miles miles	301	200,000	350,90
eismic Analysis	241		341			SN TO RECEIVE LINE			
liscellaneous	242		342			STEEDER LANDER	389		
Contingency	243	20.000	343	100,000	363		390		120.0
Rosed Loop & Environmental	244	207.497	344	5,000	364	F100	388		212.4
Pyed Diesel		THE WASHINGTON	345	182,733		-15th and Control of the Control of		manuacity systems	182.7
Coil Tubing		A STATE OF THE STA	346						
Nowback Crews & Equip Offset Directional/Frec	248	ACT AREA MASSES THE SEA FLANDARY	347	24,918		AND STATES OF THE PARTY OF THE	392	120.000	144.9
TOTAL INTANGIBLES	240	2,263,385	348	3,688,116		264.098	391	20.000 382.500	20.00 6.598.00
				4.4444		201,000		000,000	0.030.01
ANGIBLE COSTS									
Surface Casing	401	26.000		yrazitation rusa		SPECIES NUMBER		GREEN WARREN	26.00
ntermediate Casing	402	133.721		DESCRIPTION OF A STREET		CLOSE descriptions in		DESIREM SERVICES	133,7
roduction Casing/Liner	403	291,000		AUTEONIA POST		FROM A SERVICE AND		FROM LAURADIN RC a.	291.00
ubing		0.3463.547,955.00	504	24,555		John Particle States	530		24.5
Velthead Equipment	405	28.000	505	9.708			531	42.500	80.20
Pumping Unit		Attendanta was some		The second second second		A STATE OF THE PARTY OF THE PAR	506		
rime Mover		CHIEFERNIE CHIEFE		THE RESIDENCE OF THE PARTY OF T		SCORES CONTRACTOR	507 508		
Pumpe-Sub Surface (BH)		CHINAS CANADAS CON	509				532		
anks		3,1990 \$7644.9364occ	200	NYTHIOTON V PORTS SERVE	510	62,412	THE		62.4
Towlines		UNDERSONAL PROPERTY.		PARTITION OF THE PERSON	511	57.043			57.0
leater Treater/Separator		同于在一个有效的 为中心会		RATE OF STREET	512	155.022			155,0
Electrical System		SVC OWNERS IN DESCRIPTION		mark tivelet week	513	100,664	533		100.6
ackers/Anchors/Hangers	414		514	33.743		140 PROMO PROPERTY	534		33.7
ouplings/Fittings/Valves	415			WHEN SERVINGS	515	127,507			127.5
hydration		THE SHAPE OF STREET, A.		AND THE PROPERTY OF THE PROPER	517				
vinction Plant/CO2 Equipment		FF99563/HC3+63/60HC+		CARL BARRETS	518 521	10,737			
nstrumentation/SCADA/POC		ESTATES STORY AND		AVE. OF SECURITY AND AVE.	521	11,000	529		10.7
lisceflaneous	419		519		523	11,000	535		11.0
Contingency	420		520		524		536		
leters/LACT		n. Link qual rik calabi.		Constitution by Street	525	21,475			21.4
Pares/Combusters/Emission		USE AND TELESPORTED		SECOLAR SAMPLE	526	20.804			20.8
es Lift/Compression		HERMING HISTORY	527	5,710	516	90,597	528		96,3
TOTAL TANGIBLES		478,721		73,716		657,261		42.500	1,252,1
TOTAL WELL COSTS		2.742.108		3,761,832		921.359		425,000	7,850.2
% of Total Well Cost OG Operating LLC		35%		48%		12%		5%	
		Oste Prepared:		7/9/2020					
		COG Operating LLC							
		The obsessing FFA							
Ve approve: % Working Interest		Ву:		<u>D</u> R					
% Working Interest		Ву:		DR				•	
		Ву:		<u> </u>				-	
% Working Interest		Ву:		<u> p</u> R				-	

WELL NAME:	BEDLINGTON FEDERAL COM 501H	PROSPECT NAME:	Buildog 2332 (717112)
SHL:	Sec 35; 225 FSL & 1455 FWL	STATE & COUNTY:	Lea County, NM
BHL:	Sec 26: 50 FNL & 330 FWL	OBJEÇTIVE:	Drill and Complete
FORMATION:	Bonespring	DEPTH:	21,285
LEGAL:	Sec 35: T23S-R32E	TVD:	10,725

NTANGIBLE COSTS		Drig - Rig Release(D)		Completion(C)		Tank Bttv Constrctn(TB)		Pmpg Equipment(PEQ)	TOT
de/Curative/Permit	201	20.000		THE REPORT OF THE STATE OF		ESSENTIAL CONTRACTOR		CHELLENGY HISTORY	
surance	202	2.500	302			entransport and distributions		FURLESPINE SPRINGS	
rmages/Right of Way	203	20,000	303		351	9.000		CHARLES WELLING WELFALL	
elibore Frec Prep rvey/Stake Location	204	7,000	304		252	2.500		ACCESS OF THE PROPERTY.	
cstion/Pits/Road Expense	204 205	155,000	306	10,000	352	2,500 15,000	366	CONTRACTOR OF THE PARTY OF THE	
illing / Completion Overhead	206	8.700	306	10,000	353	15.000	300		18
rnkey Contract	207	8.700	307	758.000		AND PROPERTY OF THE PROPERTY OF			
olage Contract	208		308	418.417		March and Self-Self-Self-Self-			7:
aywork Contract	209	715.200	309	506,861					1,3
rectional Oriting Services	210	290,000	310	76,831		/ Add to but the property of the second			
sel & Power	211	138,000	311	3.500	354	1,000	367		3
ater	212	97.000	312	687,079	334	1,000	368		
is a contract of the contract	213	80,500	313	12.000		POTENTIAL PROPERTY AND ADDRESS.	369		71
ad & Chemicals	214	81,500	314			CONTRACTOR STATEMENT OF STATEME	370		- 1
ill Stom Test	219	81,500		20.000			370		1
ring & Analysis			315	A CANTON AND DOOR AND D		COUNTY THAT THE LABOUR.			_
ment Surface	216 217	38,100				CHARLES MODELLA CONTROL OF THE CONTR			
ement Intermediate	218	54,150		CONTRACTOR OF PERSONS IN					
ement 2nd Intermediate/Production		108.299		COUNTY OF STREET AND ADDRESS OF STREET					
	219	105,299		Control of the least of the lea		CITY OF STREET STREET,			10
ement Squeeze & Other (Kickoff Plug)	220	F8.800		THE RESERVE OF THE PARTY OF THE		The second secon	371		
oat Equipment & Centralizers	221	58,225							
asing Crews & Equipment	222	63,077	225	AND DESCRIPTIONS		HINDS DESIGNATION	474		
thing Tools & Service	223		323		25-	mental statement (FIES)	372		
ologic/Engineering	224		324	****	355		373		
ontract Labor	225	6,308	325	20,000	356		374	42.500	
ompany Supervision ontract Supervision	226 227	48,909	326	15.000	357	F0.0.17	375		
	227	125,184	327	94,481	358	52.345	376		2
esting Casing/Tubing ud Logging Unit		38.817	328	10,000		And the same of the same of	377		
	229	30,083	329	Visit bend in the work		AT A BOOK MATTER THE A	970		3
ogging referation Attinuing Consises		4000	224	444.5-4			378		
erforating/Wireline Services	231	4.000	331	263,717		THE PERSON NAMED IN COLUMN	379		26
imulation/Treating		ON A THE PROPERTY AND ADDRESS.	332	6.230			380		
ompletion Unit		COLA COLORDO DE LA COLORDO DE	333	46,722			381		
wabbing Unit		The Brown of Section 65	334			SCHOOL STREET, STREET, STREET,	382		
entals-Surface	235	163.031	335	225.621	359		383		38
entals-Subsurface	236	103.458	336	35,041		Schraid Sederal Sedical	384		13
ucking/Forklift/Rig Mobilization	237	92.853	337	20,765	360		385		
elding Services	238	4,000	338	5,000	361	120.796	386		12
ater Disposal	239		339	80,000	362		387	200,000	26
lug to Abandon	240		340			Della Salander			
eismic Analysis	241		341			THE RESERVE OF THE PARTY OF THE			
iscellaneous	242		342			DATES TO PERSON DECEMBER	389		
ontingency	243	20.000	343	100,000	363		390		12
losed Loop & Environmental	244	298.890	344	5.000	364		368		30
yed Diesel		ALS A SURVEY CONTRACTOR	345	182.733		Sul School District		MANUAL CARREST	16
oil Tubing		mentilicitistis entilitiale.	346			CANADA NAME OF STREET			
lowback Craws & Equip		2007 TOURN Z 6F 8 C00525-90 F 6	347	24,918		CATA TRANSPORT AND CONTRACT	392	120.000	14
fiset Directional/Frec TOTAL INTANGIBLES	248	2,870.784	348	0.000.440		555.044	391	20.000	
TOTAL INTANGIBLES		2,070.704		3.688,116		200,641		382,500	7,14
ANGIBLE COSTS									
urface Casing	401	26.000		time of the state of					2
termediate Casing	402	137,800		CONSTRUCTION OF THE PARTY NAMED IN		THE RESERVE AND ADDRESS.		I-bennelsonburge	13
oduction Casing/Liner	403	291,000		PUTABLISHED USERWAY		of the Date of the best windown		THE RESERVE WAS ASSESSED.	29
bing	144	and the control of th	504	24,555		Constitution of	530		
athead Equipment	405	28.000	505	9,708		(A) 5 (A)	531	42.500	
imping Unit	-50	20.000	000	*,700		MATURISPICATION OF STREET	506	42.500	
ime Mover		Sana Coryale uper con-		Data Provincia de Sancia		Disar in House has come	507		
ods		V Netto ANNES TRANSPORTE				team consentences	508		
umps-Sub Surface (BH)		PARTY OF THE PROPERTY.	509			West the Burney area	532		
unipersulu suriace (BH)		All desired and the second	200	Reference and a property of the	510		442		
owines		Salasting of Alberta In I		Service and Parket	511				
sater Treater/Separator		A NA DECIDANDA DE VIA		STORY BUILDING	512	90,597			
actor Treater/Separator		t-strong telegraph		AND RESIDENCE OF THE PARTY.		90,397	522		
ackers/Anchors/Hangers	414		514	33,743	513	A PRODUCTION OF THE PROPERTY OF	533 534		
xyptings/Fittings/Valves	415		314	33,743	515		534		
	⊸1 3	the latest that the		Elitable and a second		£7.646			
ehydration		NAME OF REAL PROPERTY.		A Disposition of the last of	517	57.043			
jection Ptent/CO2 Equipment umps-Surface		Called Strategic Bridge		FUSIF SPOUPLE LEVEL	518	155.022			15
strumentation/SCADA/POC		Continues of the second		and history on the second	521 522		520		10
	410		6.00				529		17
scellaneous	419		519		523	90.597	535		
entingency	420	NACCOLINAL TO THE	520	At Distance - commence	524	45.454	536		
Mers/LACT		FOR CHARLES IN THE RESIDENCE		THE PARTY OF THE P	525	21,475			- 8
ares/Combusters/Emission		STATE OF THE PROPERTY AND ADDRESS OF THE PARTY OF T	547	THE REPORT OF THE PARTY OF THE	526	20.804			
as Lift/Compression		Annual and graph transmitted	527	5,710	516		528	-0.00	
TOTAL TANGIBLES TOTAL WELL COSTS		482,800 3,353,584		73,716		726,121		42.500	1.32
% of Total Well Cost		3,353,584		3,761,832		926.762		425,000	8.46
OG Operating LLC		Date Prepared:		7/9/2020					
e approva:		COG Operating LLC		DR					
4/ Washing Internal									
% Working Interest ompany:		By:		UK				•	

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

	BEDLINGTON FEDERAL COM 502H	PROSPECT NAME:	Bulldog 2332 (717112)
SHL:	Sec 35: 225 FSL & 1485 FWL	STATE & COUNTY:	Lea County, NM
BHL:	Sec 26: 50 FNL & 1130 FWL	OBJECTIVE:	Drill and Complete
FORMATION:	Bonespring	DEPTH:	21,535
LEGAL:	Sec 35: T23S-R32E	TVD:	10,975

							_		
INTANGIBLE COSTS Title/Curative/Permit	200	Drig - Rig Release(D)		Completion(C)		Tank Btty Constrctn(TB)		Pmpg Equipment(PEQ)	TOTA
	201	20,000	207	PRINCIPLE AMEDICAL		2.2006040 new days (5.			20
nsurance Demographic of Way	202		302			SAME BEING AND STATES		WOOD STEELS AND ARREST	2
felibore Frac Prep	203	20.000	303		351	9,000		AH HIJY HIRE PROPERTY	29
	204	7.000	304		252	0.500		ESTABLISHED TO SERVICE STATES	
urvey/Stake Location postion/Pits/Road Expense	204	7,000		HEREST HTB. I SOMEWHALLOW SHOW	352	2.500		NOTES YOUR DESIGNATION	
	205	155.000	305	10,000	353	15,000	366		180
rilling / Completion Overhead	206	8,700	306			HITCH CASHOLING			8
urnkey Contract	207		307	758.000		POSTURACIONALACI			758
oolage Contract	208		308	418,417					418
laywork Contract	209	715,200	309	606,861		contains som substreets			1,322
Pirectional Drilling Services	210	290,000	310	76.631		(F770) NO 21 PRO 12 PA			366
uel & Power	211	138.000	311	3,500	354	1.000	367		142
Vater	212	97,000	312	667,079		V/Report remainment and Au-	368		764
its	213	60,500	313	12.000		A 2 STATE OF THE PARTY OF THE P	369		92
lud & Chemicals	214	81.500	314	20.000		WASHINGTON WASHINGTON	370		101
rill Stern Test	215		315			Garantilecure (fasint-laryalis)			
oring & Analysis	216			#1000 P\$17755500 PS		ESTANDAMENTO PROPERTY.			
ement Surface	217	36.100		idrodownámickámiem		ORGANISH CHINARY WAS			36
ement Intermediate	218	54,150		CACHARLATALAHITAK SA		LIBERTHON STATES AND A STATE OF THE STATE OF			54
ement 2nd Intermediate/Production	219	108,299		YE'N KINYON KINYON		Elizabeth Add General Co.			108
ement Squeeze & Other (Kickoff Plug)	220			Next consultations are		FOR FIRE AND VALUE OF THE P	371		100
loet Equipment & Centralizers	221	58.225		to Language and the language of the		PURCHASING THE PROPERTY OF THE	911		58
asing Crews & Equipment	222	63.077		CALABOTORIS SECURIO		(VA) (S) (S) (S)			
shing Tools & Service	223	03.077	323	The same of the sa		A PLANTAGE OF THE PARTY OF THE	200		63
eologic/Engineering					255	The state of the second	372		
	224		324	****	355		373		
ontract Labor	225	6.308	325	20.000	356		374	42.500	68
Company Supervision	226	48,909	326	15.000	357		375		63
Contract Supervision	227	125, 184	327	94,481	358	52.345	376		272
esting Casing/Tubing	228	38.817	328	10.000		HERPEULL WALLES	377		48
lud Logging Unit	229	30,083	329			TALE DISCUSSION BROWN IN			30
ogging	230			STATE BY STANFOLD		to August mid-Sparters	378		
erforating/Wireline Services	231	4,000	331	263,717		Programmy Charles	379		267
timulation/Treating		Art Assistant Street in Street	332	6.230		HALDER PROMERTIES	380		6.
Completion Unit		ESHERIO ESCUPLIENCE	333	48,722		TO AN THE REST WAS ALTONOOUR	381		46.
Wabbing Unit		ILIBRARIOS RASONI	334			ight representation in the responsibility	382		
lentals-Surface	235	163,031	335	225.821	359		383		388
entals-Subsurface	236	103,458	336	35.041		13/10/10/10/10/10/10/10/10/10/10/10/10/10/	384		138
rucking/ForMift/Rig Mobilization	237	92.853	337	20,765	360		385		113.
felding Services	238	4,000	338	5.000	361	120,796	386		129.
/ster Disposal	239		339	60,000	362	120,100	387	200,000	260
fug to Abandon	240		340	90,000	502	DATA TO SECURE OF STREET	301	200.000	200
leismic Analysis	241		341			A PWY PLEME LINE AND MARKET WATER			
Bacaltaneous	242		342			AT ANY DAY THE CONTRACT OF THE PARTY OF THE	389		
Contingency	243	20.000		100,000	262	NEW YORK WAS DISTRIBUTED.			
Josed Loop & Environmental	244		343		363 364		390		120
lyed Diesel	244	298.890		5,000	304	*********	388		303
		S. C. L. S.	345	182.733		CONTRACTOR OF STREET			182
Coil Tubing		A THE RESIDENCE OF THE PARTY OF	346						
Nowbeck Crews & Equip		THE DESCRIPTIONS	347	24.918			392	120.000	144,
Offset Directional/Frac	248		348			The state of the s	391	20.000	20.
TOTAL INTANGIBLES		2.870.764		3.688.116		200.641		382.500	7.142.
ANGIBLE COSTS									
Surface Casing	401	26.000		a territo de la come de		医有关性 美国的 电影的		and the second stillers	26.
ntermediate Casing	402	137,800		CONTRIBUSACIONE		VALUE AND		PERSONAL PROPERTY OF PROPERTY	137,
roduction Casing/Liner	403	291,000		DEFENSIVE PROPERTY.		17. 水源的Kiccanacasa		PROPERTY AND PROPER	291.
ubing		AND THE PROPERTY OF STREET	504	24,555		PARAMETERSHA	530		24
Velihead Equipment	405	28,000	505	9,708		ALKALAMOVAGE	531	42 500	80.
umping Unit		EVSECTO SUBSCIENT		SOCIOCALINA MADINATION		Children and Property of	506		
time Mover		ALCOHOLD BY AND SERVICE OF THE SERVI		KNOWN KINDSON KITCH		NUAS REMARKADO DE MORAS	507		
lods		WESTER LINES OF THE PARTY OF TH		THE TRANSPORTED THE PERSONS		TAGE DUNANTE SER	508		
rumps-Sub Surface (BH)		VIALY CONTRACTOR	509			SANISTED STATEMENTS	532		
anks		SELLA DESENSAMENTA		AA SA NIGISHAGA KAN INCOM	510		-04		
Towlines		LAPID OF CENTURE		2/2.1391538/EPECADER	511				
leater Treater/Separator		PERSONAL BANKS STREET		Assessor WI V. T. Land Greats	512	90,597			
dectrical System		MSCHOOLS AND A COL		ACCOUNTS OF A STATE OF		90,587			90.
ackers/Anchors/Hangers	44.4	C. STORY PRINCIPLE		00.743	513	MITTERS IN THE AND PERSONS THAT	533		
	414		514	33,743		AND STREET, STREET, THE CHARLES STREET, ST.	534		33
ouplings/Fittings/Valves	415	The state of the same of the same		FEST A SPECIF FOR PARTIES.	515				
Dehydration		-1,445.760/2/49255.1		A STANDARD BARRADA	517	57,043			57.
jection Plant/CO2 Equipment		OF REMANDERS AND ADDRESS.		OCCUPANT MANAGEMENT OF THE PARTY OF THE PART	518	155.022			155.
umpe-Surface		PRANCESCO PRODUCTION		PROPERTY OF THE PERSON	521	100,664			100,
strumentation/SCADA/POC		WANTER PROPERTY		RECOVERY SCHOOL	522	127,507	529		127.
liscellaneous	419		519		523	90.597	535		90.
ontingency	420		520		524		536		
eters/LACT		第二十年度10月1日		ASSESSED FOR	525	21,475			21
e/es/Combusters/Emission		UNIVERSITY OF THE PARTY OF THE		The Action Districts in	526	20,804			20
as Lift/Compression		AMPROVAMENTAL PORT OF THE	527	5,710	516	62.412	528		68
TOTAL TANGIBLES		482.800		73,716	-	726.121		42.500	1,325
TOTAL WELL COSTS		3.353.584		3,761,832		926,762		425,000	8.467
						520,102		723,000	0.497
OG Operating LLC		40%		44%		11%		5%	
		Date Prepared:		7/9/2020					
		COG Operating LLC							
/e approve: % Working Interest		Dur							
		Ву		DR				-	
ompeny:									
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inted Name:									
		and the second second		A 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1					

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

WELL NAME:	BEDLINGTON FEDERAL COM 503H	PROSPECT NAME:	Bulldog 2332 (717112)
SHL:	Sec 35: 225 FSL & 1515 FWL	STATE & COUNTY:	Lea County, NM
BHL:	Sec 26: 50 FNL & 1930 FWL	OBJECTIVE:	Onill and Complete
FORMATION:	Bonespring	DEPTH:	21,285
LEGAL:	Sec 35: T23S-R32E	TVD:	10,725

NTANGIBLE COSTS		<u>Drig - Rig</u> Release(D)		Completion(C)		Tank Btty Constrctn(TB)		Pmpa Equipment(PEQ)	<u> 101/</u>
de/Curative/Permit	201	20.000	000					MARCHE REPRACED	2
amages/Right of Way	202	2,500	302		351	0.000		The state of the s	
elibore Frec Prep	203	20.000			351	9.000		Change Cast and Change	2
		HAVE VERY WATER AT THE	304			PRINTER VEHICLE AND INCOME.		ATHERS BING COLUM	
urvey/Stake Location	204	7,000		HE SHARPER SAFARES	352	2.500		march sumposts if 454	
ocation/Pits/Road Expense	205	155,000	305	10,000	353	15,000	366		18
rilling / Completion Overhead	206	8.700	306			CCC BEST ASSESSMENT A PARK			
rnkey Contract	207		307	758,000		J. Print Phill Scottist Field School Str.			75
polage Contract	208		308			The second secon			
				418,417		TABLE BOOK TO BEEN			410
aywork Contract	209	715,200	309	606,861					1.32
irectional Oriting Services	210	290.000	310	76,831		ABTODISTANCES IN THE OWN			36
uel & Power	211	138,000	311	3.500	354	1,000	367		142
aler	212	97,000	312		004	1,000	368		
				667,079					76-
ts	213	80.500	313	12,000		Old Benedit Grantmaker	369		99
ud & Chemicals	214	81,500	314	20.000		UNDERSTRUCTURED OF THE	370		10
ill Stem Test	215		315			AND DOMESTICATION OF			
oring & Analysis	216		0.0	TABLE DATE OF THE SECOND CO.					
				CHG32-47-27-15-76-21					
ament Surface	217	36,100		CONTABLES - PROSESSION		14. United 1990 Long U 1992 0			3
ement Intermediate	218	54,150		PROFESSION ASSESSMENT		AND RECORDS OF THE			54
ement 2nd Intermediate/Production	219	108.299		AND REAL PROPERTY.		of contract of the contract of			101
sment Squeeze & Other (Kickoff Plug)	220						074		
						The state of the s	371		
ost Equipment & Centralizers	221	58,225		ALCOHOLD TO		BUNDLE CONTRACTOR			51
sing Crews & Equipment	222	63.077		. *URPO ROBERTALIO		HESTERNATURE IN REPORTED			63
shing Tools & Service	223		323			the second second second	372		
					255	9.1			
ologic/Engineering	224		324		355		373		
ontract Labor	225	6.308	325	20,000	356		374	42.500	. 61
ompany Supervision	226	48.909	326	15,000	357		375		6:
ontract Supervision	227	125,184	327	94,481	358	52,345	376		272
					~00	34,345			
eting Casing/Tubing	228	38.817	328	10.000		arvantaria and an arrangement	377		4
ud Logging Unit	229	30.083	329			GZHZZAN			36
oging	230			DESIGNATION AS		NY RESTRUMENTAL TO SEE Y	378		
rforating/Wireline Services	231	4.000	331	263.717		SULEMBER DE L'ANNE	379		26
imulation/Treating		1277272.000							
		MERCHANICA - 1839	332	6,230		CONTRACTOR BUT INC.	380		
empletion Unit		N321	333	48.722		\$265 P. MILES E. SAND	381		41
vabbing Unit		PARTY SOLITON TO THE STATE OF T	334			THE TUNESTED BY ACTION	382		
intata-Surface	235	163,031	335	225,821	359		383		380
					208				
intals-Subsurface	236	103,458	336	35,041		NAME OF THE OWNER OF THE OWNER.	384		138
ucking/Forklrft/Rig Mobilization	237	92.853	337	20,765	360		385		113
elding Services	238	4.000	338	5,000	361	120.796	386		121
nter Disposal	239		339		362				
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This AFE is only an estimate. By signing you agree to pay your share of the actual costs incurred.

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

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

CASE NO. 21420

GEOLOGIST AFFIDAVIT

John Bertalott, of lawful age and being first duly sworn, declares as follows:

1. My name is John Bertalott, 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 geology 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 lands in the subject area.

4. COG is targeting the Bone Spring formation with its proposed Bedlington

Federal Com 201H, 202H, 301H, 302H, 303H, 501H, 502H, and 503H wells (collectively the

"Wells").

5. Attachment D is a locator map displaying COG's acreage in yellow for the Bone

Spring formation. The Bedlington project area is highlighted with red box. Existing producing

wells in the Bone Spring Avalon Shale interval are represented by solid dark green lines.

6. Attachment E is a subsea structure map that I prepared for the top of the Bone

Spring that is representative of the targeted interval within the Avalon Shale. The data points are

BEFORE THE OIL CONSERVATION DIVISION

indicated by crosses. I used the Bone Spring structure because it is a reliable regional marker and the target intervals lie near this marker. The map shows that the formation is gently dipping to the southeast in this area. I do not observe any faulting, pinch-outs, or other geologic impediments to developing the targeted intervals with horizontal wells in this area.

- 7. Attachment F overlays a cross-section line consisting of three wells penetrating the Avalon Shale that I used to construct a stratigraphic cross-section from B to B'. I consider these well logs to be representative of the geology in the area.
- 8. Attachment G is a stratigraphic cross-section using the representative wells depicted on Attachment F. Each well in the cross-section contains gamma ray, resistivity, and porosity logs. The proposed target intervals in the Avalon Shale are labeled on the exhibit. The cross-section demonstrates that the targeted intervals are continuous across the proposed spacing unit.
- 9. Attachment H is a locator map displaying COG's acreage in yellow for the Bone Spring formation. The Bedlington project area is highlighted with red box. Existing producing wells in the 2nd Bone Spring Sand interval are represented by solid orange lines.
- 10. Attachment I is a subsea structure map that I prepared for the top of the 2nd Bone Spring that is representative of the targeted interval within the 2nd Bone Spring Sand. The data points are indicated by crosses. I used the Bone Spring structure because it is a reliable regional marker and the target intervals lie near this marker. The map shows that the formation is gently dipping to the southeast in this area. I do not observe any faulting, pinch-outs, or other geologic impediments to developing the targeted intervals with horizontal wells in this area.

Attachment J overlays a cross-section line consisting of three wells penetrating 11. the 2nd Bone Spring Sand that I used to construct a stratigraphic cross-section from C to C'. I

consider these well logs to be representative of the geology in the area.

Attachment K is a stratigraphic cross-section using the representative wells 12.

depicted on Attachment J. Each well in the cross-section contains gamma ray, resistivity, and

porosity logs. The proposed target intervals in the 2nd Bone Spring Sand are labeled on the

exhibit. The cross-section demonstrates that the targeted intervals are continuous across the

proposed spacing unit.

In my opinion, the stand-up orientation of the proposed wells is the preferred 13.

orientation for horizontal well development in this area and is appropriate to efficiently and

effectively develop the subject acreage.

Based on my geologic study, the targeted interval underlying the subject area is 14.

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.

In my opinion, the granting of COG's application will be in the best interest of 15.

conservation, the prevention of waste, and the protection of correlative rights.

Exhibit 2 and Attachments D through K were either prepared by me or 16.

compiled under my direction and supervision.

THIS CONCLUDES AFFIANT'S STATEMENT.

STATE OF

COUNTY OF

State of Texas County of Midland

SUBSCRIBED and SWORN to before me this 4th day of September 2020 by __

John Bertalott.



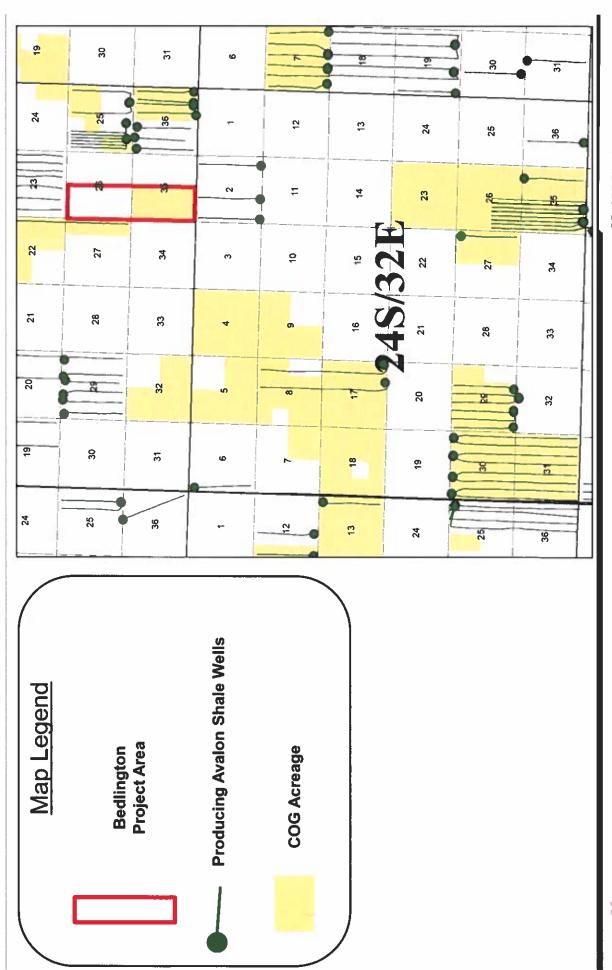
Melling & Minus

My Commission Expires:

9/9/2021

Location Map

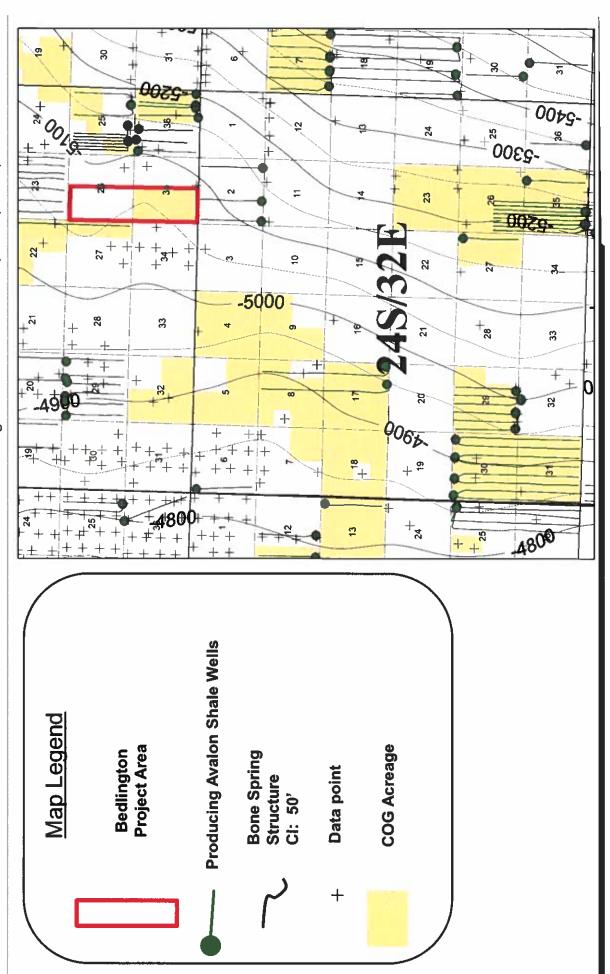
Bone Spring Avalon Shale





BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 21424 Attachment D
Submitted by:
COG OPERATING LLC
Hearing Date: September 10, 2020

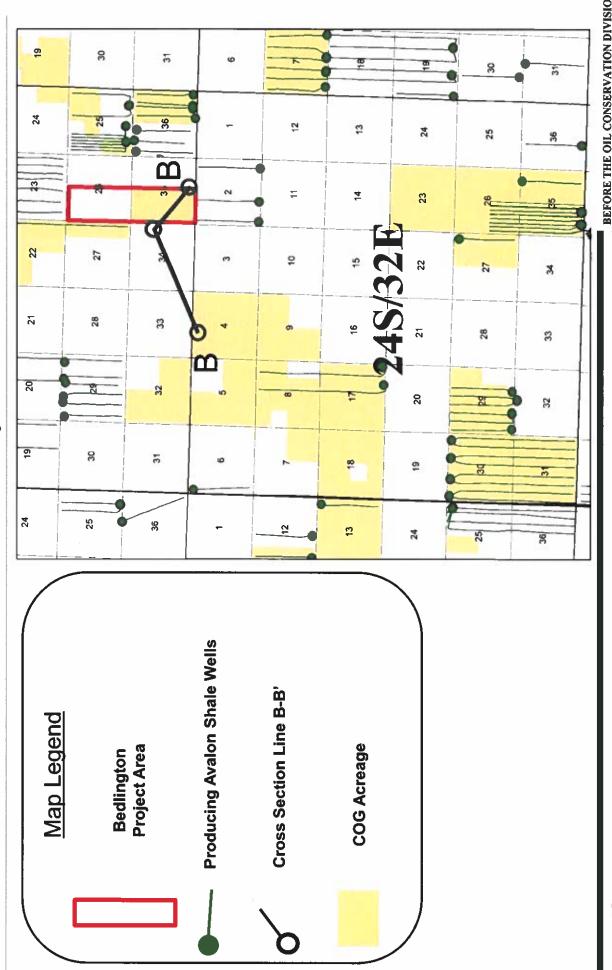
Bedlington Federal Com 201H, 202H, 301H, 302H & 303H





BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 21424 Attachment E
Submitted by:
COG OPERATING LLC
Hearing Date: September 10, 2020

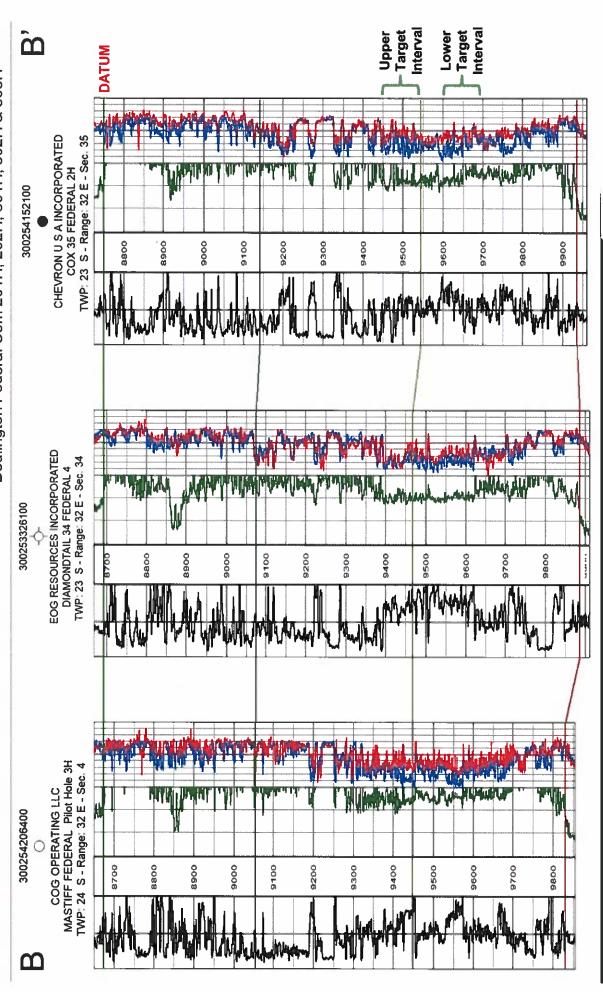
Bedlington Federal Com 201H, 202H, 301H, 302H & 303H





BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 21424 Attachment F Submitted by:
COG OPERATING LLC
Hearing Date: September 10, 2020

Bedlington Federal Com 201H, 202H, 301H, 302H & 303H

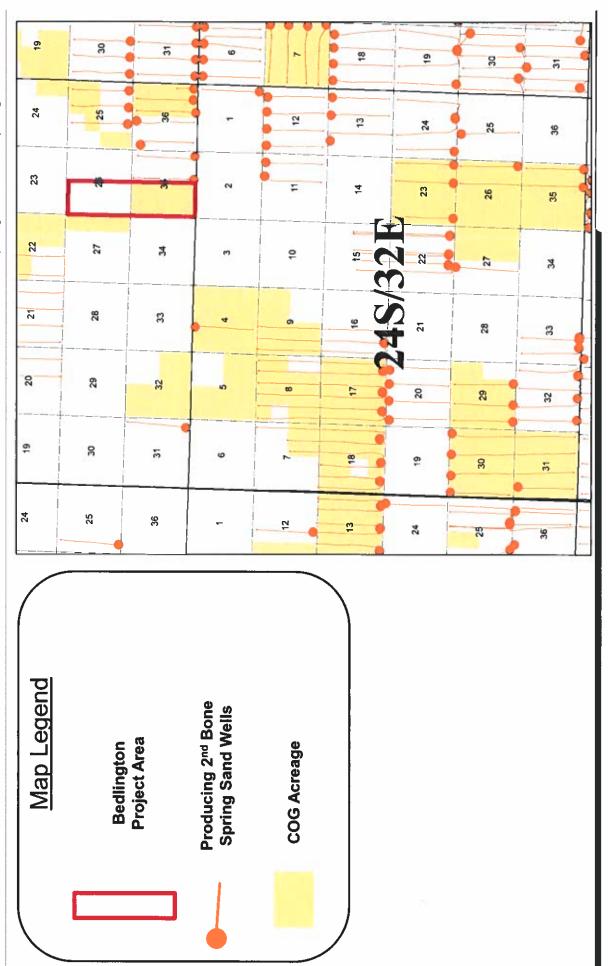




BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 21424 Attachment G
Submitted by:
COG OPERATING LLC
Hearing Date: September 10, 2020

Location Map

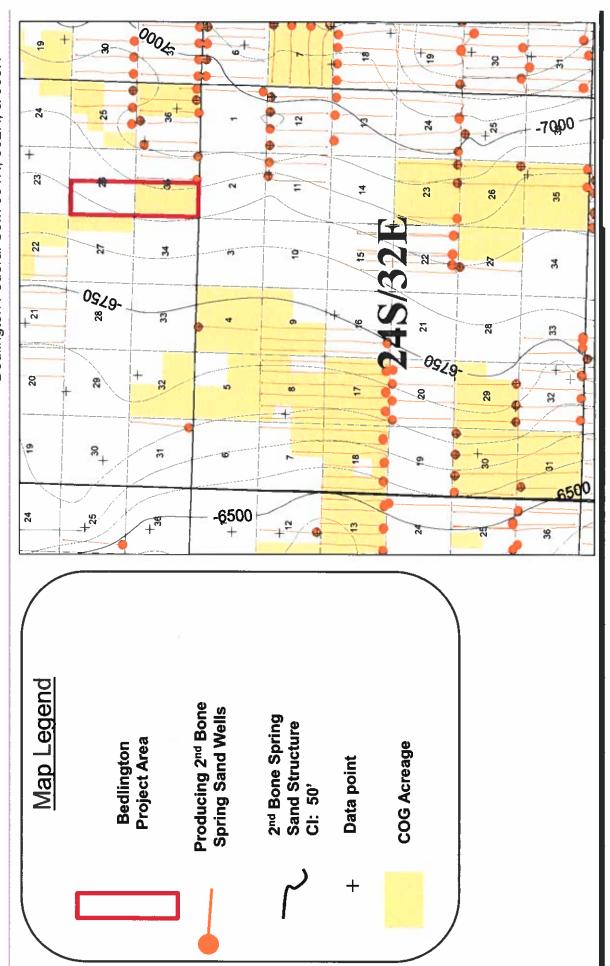
Bone Spring 2nd Bone Spring Sand





BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 21424 Attachment H
Submitted by:
COG OPERATING LLC
Hearing Date: September 10, 2020

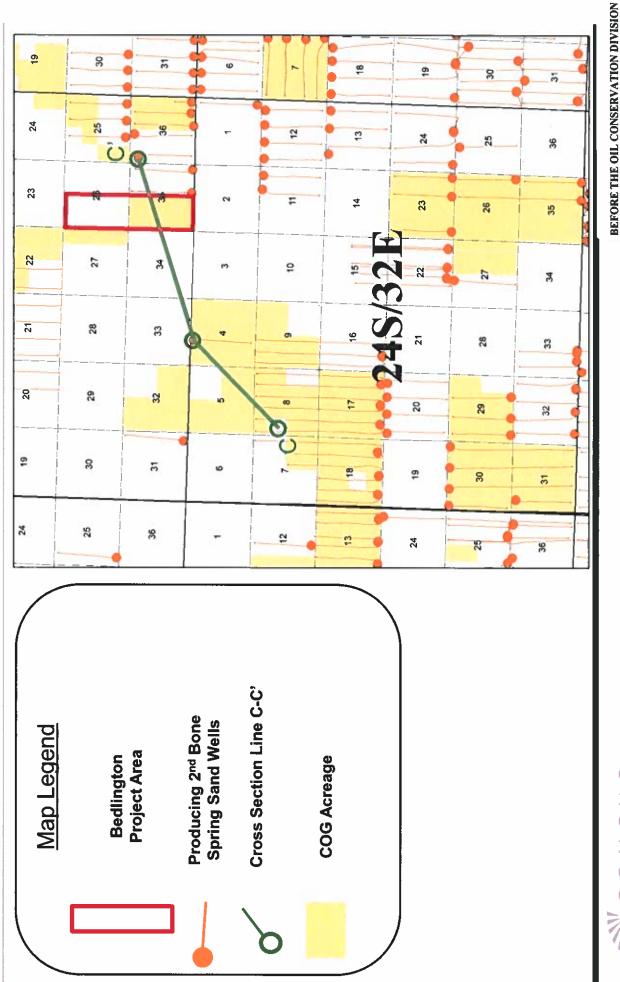
Bedlington Federal Com 501H, 502H, & 503H





BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 21424 Attachment I
Submitted by:
COG OPERATING LLC
Hearing Date: September 10, 2020

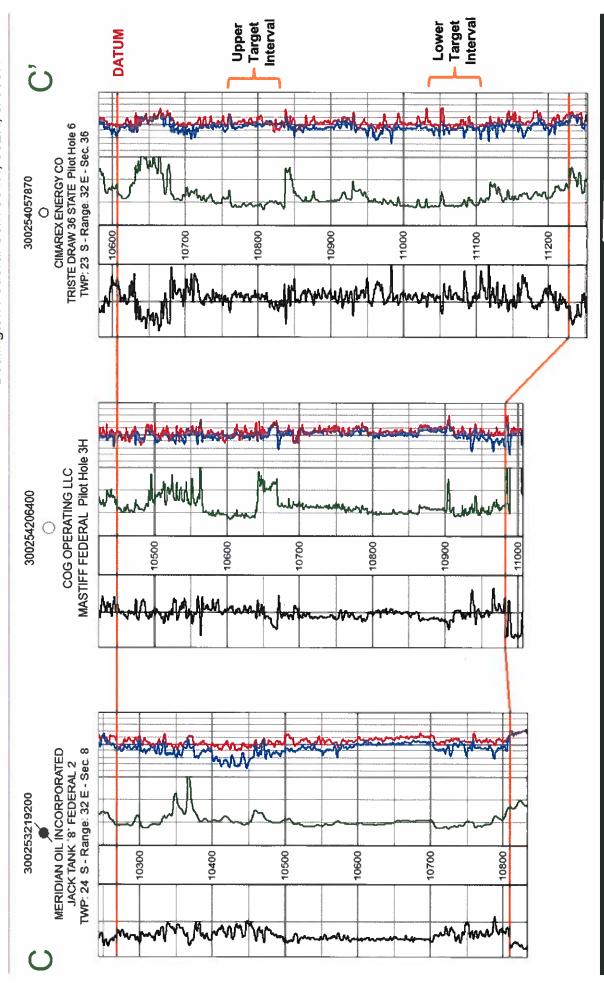
Bedlington Federal Com 501H, 502H, & 503H





Santa Fe, New Mexico
Case No. 21424 Attachment J
Submitted by:
COG OPERATING LLC
Hearing Date: September 10, 2020

Bedlington Federal Com 501H, 502H, & 503H





BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 21424 Attachment K
Submitted by:
COG OPERATING LLC
Hearing Date: September 10, 2020

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

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

CASE NO. 21420

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 were provided under the notice letter and proof of receipts attached hereto.

Michael Rodriguez

SUBSCRIBED AND SWORN to before me this 8th day of September 2020 by Michael Rodriguez.



Notary Public

Hearing Date: September 10, 2020



August 20, 2020

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Case No. 21420: Application of COG Operating, LLC for Compulsory Pooling,

Eddy County, New Mexico.

Bedlington Federal 201H, 202H, 301H, 302H, 303H, 501H, 502H, 503H Wells

Ladies & Gentlemen:

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 September 10, 2020, and the status of the hearing can be monitored through the Division's website at http://www.emnrd.state.nm.us/ocd/. 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.

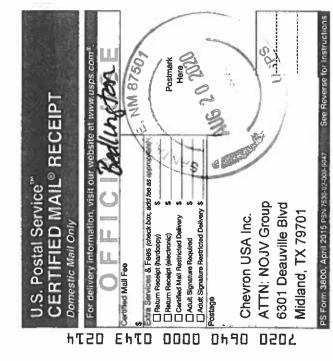
During the COVID-19 Pubic Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. To participate in the electronic hearing, please see the instructions posted on the OCD Hearings website: http://www.emnrd.state.nm.us/OCD/announcements.html.

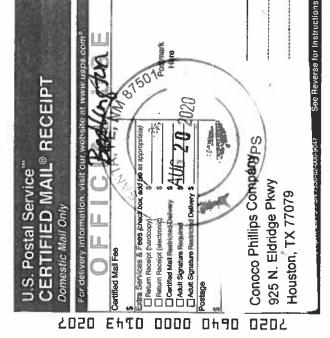
Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their 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.

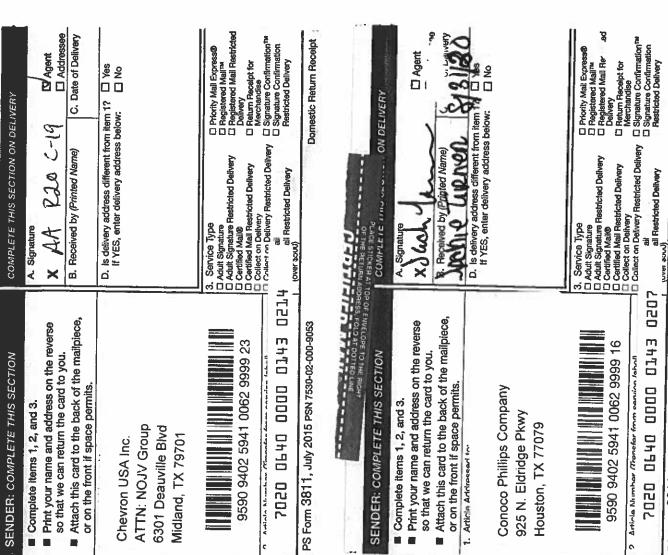
If you have any questions about this matter, please contact Lizzy Laufer, at (432) 221-0470 or elaufer@concho.com.

Michael Rodriguez

ATTORNEY FOR COG OPERATING LLC



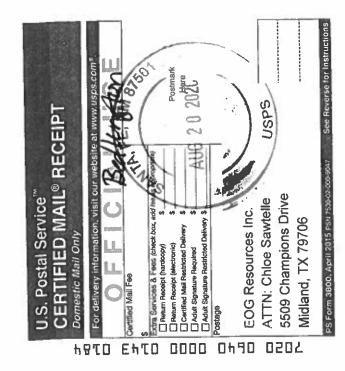


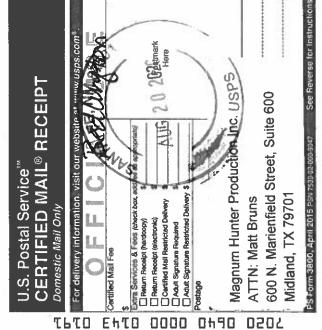


PS Form 3811, July 2015 PSN 7630-02-000-9053

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Domestic Return Receipt





SENDER: COMPLETE THIS SECTION	NO. PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS, FOLD AT DOTTED LINE	лілеву.
Complete Items 1, 2, and 3. Print your name and address on the reverse	A. Signature	拉 Agent
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.	B. Is delivery address different from item	C Date of Delivery
EOG Resources Inc.	If YES, enter delivery address below:	
ATTN: Chloe Sawtelle 5509 Champions Drive Midland, TX 79706	g	
9590 9402 5941 0062 9999 09	3. Service Type D Adult Signature Adult Signature Restricted Delivery Certified Mail® Certified Mail® Certified Mail®	☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricted ☐ Delivery ☐ Getturn Receipt for Machandies
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PS Form 3811, July 2015 PSN 7530-02-000-9053	المقا هجري	Domestic Return Receipt
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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.	X A (Matho	D Agent DAdressee
Avirta Addressed to: Magnum Hunter Production Inc	very address , enter deliv	wn item 1? 🗀 Yes below: 🗀 No
ATTN: Matt Bruns	27	
oud N. Manler::eld Street, Suite 500 Midland, TX 79701		
9590 9402 5941 0062 9998 93	3. Service Type Adult Signature Adult Signature Restricted Delivery Certified Mail® Certified Mail® Confided Mail®	☐ Priority Mall Express® ☐ Registered Mali™ ☐ Registered Mali Restricted Delivery ☐ Refurn Receipt for
7020 640 0000 0143 0191	☐ Collect on Delivery ☐ Collect on Delivery Mail Mail Mail Restricted Delivery (vver → v.00)	
PS Form 3811, July 2015 PSN 7530-02-000-9053		Domestic Return Receipt

Affidavit of Publication Ad # 0004341649 This is not an invoice

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:

08/26/2020

Legal Clerk

Subscribed and sworn before me this August 26,

2020:

County of Brown

My commission expires

Ad # 0004341649 PO #: 21420 # of Affidavits1

This is not an invoice

NANCY HEYRMAN Notary Public State of Wisconsin

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 September 10, 2020. During the COVID-19 Pubic Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: http://www.emnrd.state.nm.us/OCD/announcements.html. 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 September 1, 2020. Public documents, including the agenda and minutes, can be provided in various accessible formats. Members of the public may obtain copies of the docket by contacting Ms. Davidson at the phone number indicated above. Also, the docket will be posted on the Oil Conservation Division website at www.emnrd.state.nm.us/OCD/. please contact Ms. Davidson if a summary or other type of accessible form is needed.

STATE OF NEW MEXICO TO: All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

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

To: All interested parties, including: Chevron U.S.A. Inc.; EOG Resources, Inc.; Conoco Phillips Company; Magnum Hunter Production Inc.

Case No. 21420: Application of COG Operating LLC for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation [Triste Draw; Bone Spring (96603)] underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Sections 26 and 35, Township 23 South, Range 32 East, Lea County, New Mexico. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the to the following proposed wells:

- Bedlington Federal Com #201H to be drilled from a surface hole location in SE/4SW/4 (Unit N) of Section 35 to a bottom hole location in the NW/4NW/4 (Unit D) of Section 26:
- Bedlington Federal Com #202H to be drilled from a surface hole location in SE/4SW/4 (Unit N) of Section 35 to a bottom hole location in the NE/4NW/4 (Unit C) of Section 26:
- Bedlington Federal Com #301H to be drilled from a surface hole location in SE/4SW/4 (Unit N) of Section 35 to a bottom hole location in the NW/4NW/4 (Unit D) of Section 25.
- Bedlington Federal Com #302H to be drilled from a surface hole location in SE/4SW/4 (Unit N) of Section 35 to a bottom hole location in the NW/4NW/4 (Unit D) of Section 26;
- Bedlington Federal Com #303H to be drilled from a surface hole location in SE/4SW/4 (Unit N) of Section 35 to a bottom hole location in the NE/4NW/4 (Unit C) of Section 26:
- Bedlington Federal Com #501H to be drilled from a surface hole location in SE/4SW/4 (Unit N) of Section 35 to a bottom hole location in the NW/4NW/4 (Unit D) of Section 26:
- Bedlington Federal Com #502H to be drilled from a surface hole location in SE/4SW/4 (Unit N) of Section 35 to a bottom hole location in the NW/4NW/4 (Unit D) of Section 26.
- Bedlington Federal Com #503H to be drilled from a surface hole location in SE/4SW/4 (Unit N) of Section 35 to a bottom hole location in the NE/4NW/4 (Unit C) of Section 26.

The completed interval for the proposed Bedlington Federal Com #302H well will be within 330' of the quarter-quarter

and 35 to allow inclusion of this acreage into a standard 640-acre horizontal well spacing unit. Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and the imposition of 200% charge for risk involved in drilling and completing each well. Said area is located approximately 25 miles east of Malaga, New Mexico. #43, Current Arqus, August 26, 2020