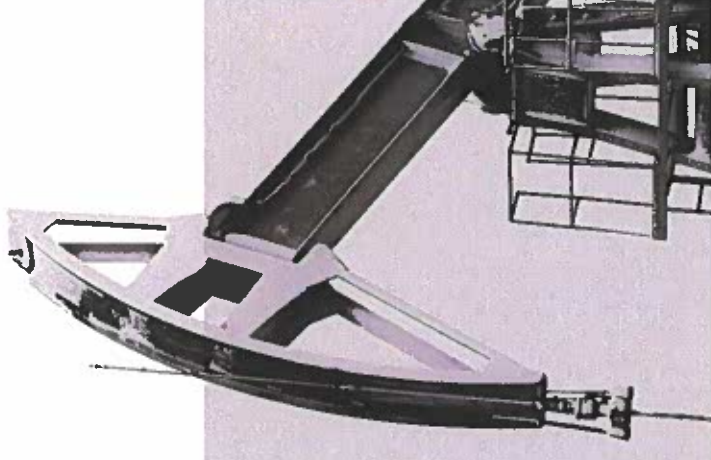




COG Operating LLC

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

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 - 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) 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) 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) 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
Well #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 Points	Exhibit 1, Attachment A
Completion Target (Formation, TVD and MD)	Exhibit 2, Attachment G
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
Tract List (including lease numbers and owners)	Attachment B
Pooled Parties (including ownership type)	Attachment B
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Attachment C
List of Interest Owners (ie Exhibit A of JOA)	Attachment B
Chronology of Contact with Non-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
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

APPLICATION

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;
- D. 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 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:

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 21424 Exhibit No. 1
Submitted by:
COG OPERATING LLC
Hearing Date: September 10, 2020**

- **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 Chronology of Contact:

- 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 another 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.


Affiant

STATE OF TEXAS

COUNTY OF MIDLAND

)
)
)

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

Adam Beker


NOTARY PUBLIC

My Commission Expires:

2-14-2023



District I
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) 748-1281 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Artec, 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

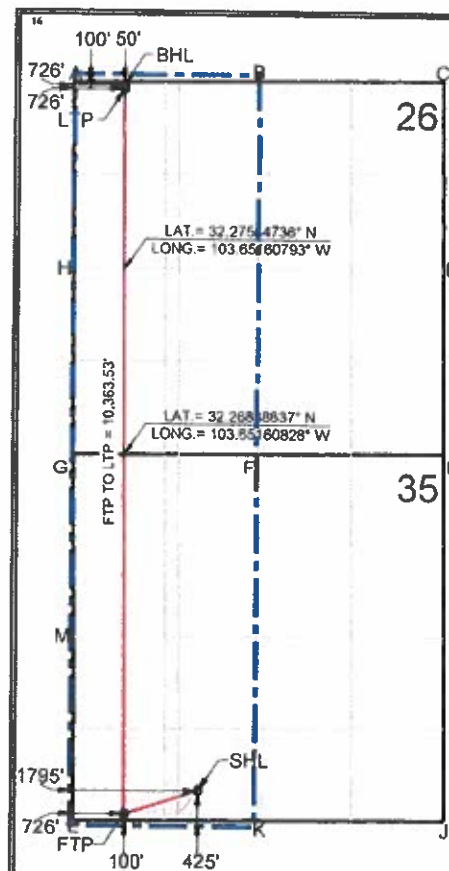
1 API Number 30-025-	2 Pool Code 96603	3 Pool Name Triste Draw; Bone Spring
4 Property Code	5 Property Name BEDLINGTON FEDERAL COM	6 Well Number 201H
7 OGRID No. 229137	8 Operator Name COG OPERATING LLC	9 Elevation 3625'

10 Surface Location									
1/4 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	1795'	WEST	LEA

11 Bottom Hole Location If Different From Surface									
1/4 or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	26	23-S	32-E		50'	NORTH	726'	WEST	LEA

12 Dedicated Acres 640	13 Joint or Infill	14 Consolidation Code	15 Order No.
---------------------------	--------------------	-----------------------	--------------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



CORNER DATA
NEW MEXICO EAST - NAD 83
A - FOUND IRON PIPE W/ BRASS CAP
N: 467315.98' E: 751289.08'
B - FOUND IRON PIPE W/ BRASS CAP
N: 467344.78' E: 753927.62'
C - FOUND IRON PIPE W/ BRASS CAP
N: 467373.32' E: 756564.67'
D - FOUND IRON PIPE W/ BRASS CAP
N: 464728.99' E: 756583.47'
E - FOUND IRON PIPE W/ BRASS CAP
N: 462087.47' E: 756602.15'
F - FOUND IRON PIPE W/ BRASS CAP
N: 462059.80' E: 753961.90'
G - FOUND IRON PIPE W/ BRASS CAP
N: 462034.23' E: 751322.42'
H - FOUND IRON PIPE W/ BRASS CAP
N: 464875.41' E: 751305.83'
I - FOUND BENT IRON PIPE W/ BRASS CAP
N: 459447.89' E: 756620.66'
J - FOUND IRON PIPE W/ BRASS CAP
N: 456808.31' E: 756639.34'
K - FOUND IRON PIPE W/ BRASS CAP
N: 456778.50' E: 753996.44'
L - FOUND IRON PIPE W/ BRASS CAP
N: 450753.78' E: 751353.50'
M - FOUND IRON PIPE W/ BRASS CAP
N: 459393.97' E: 751338.83'

SURFACE HOLE LOCATION (SHL)
NEW MEXICO EAST - NAD 83
X=753148.08
Y=457195.53
LAT = 32.25504770° N
LONG = 103.64815715° W
425' FSL, 1795' FWL
SECTION 35

FIRST TAKE POINT (FTP)
NEW MEXICO EAST - NAD 83
X=752076.92
Y=454860.57
LAT = 32.25414566° N
LONG = 103.65161597° W
100' FSL, 726' FWL
SECTION 35

LAST TAKE POINT (LTP)
NEW MEXICO EAST - NAD 83
X=752015.67
Y=457223.91
LAT = 32.26263241° N
LONG = 103.65160759° W
100' FSL, 726' FWL
SECTION 26

BOTTOM HOLE LOCATION (BHL)
NEW MEXICO EAST - NAD 83
X=752015.36
Y=467273.91
LAT = 32.26263241° N
LONG = 103.65160759° W
50' FSL, 726' FWL
SECTION 26

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

Signature: Stan Wagner Date: 7/6/2020
Printed Name: Stan Wagner
E-mail Address: _____

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

Date of Survey: _____
Signature and Seal of Professional Surveyor: [Signature]
Certificate Number: 25036
05/21/2020

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

District I
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
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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 202H
7 OGRID No. 229137	8 Operator Name COG OPERATING LLC	9 Elevation 3625'

" Surface Location

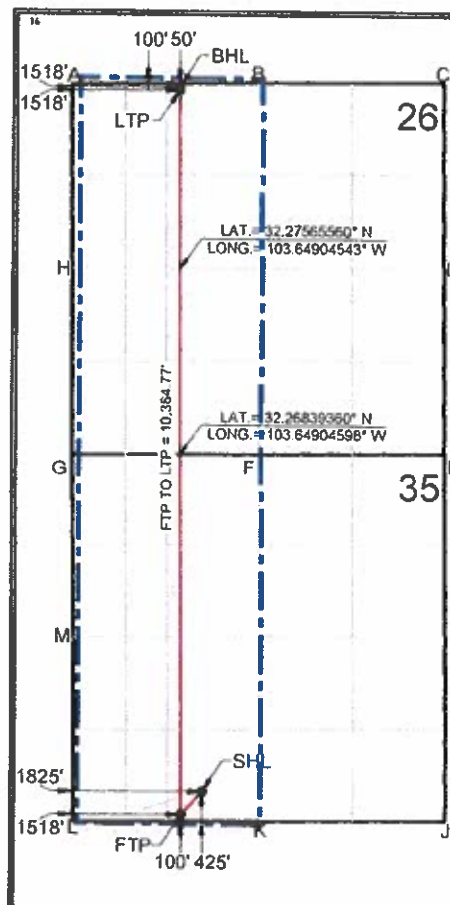
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	35	23-S	32-E		425'	SOUTH	1825'	WEST	LEA

" Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	26	23-S	32-E		50'	NORTH	1518'	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.



CORNER DATA NEW MEXICO EAST - NAD 83 A - FOUND IRON PIPE W/ BRASS CAP N:467315.98' E:751289.08' B - FOUND IRON PIPE W/ BRASS CAP N:467344.78' E:753927.62' C - FOUND IRON PIPE W/ BRASS CAP N:467373.32' E:756564.67' D - FOUND IRON PIPE W/ BRASS CAP N:464728.99' E:756583.47' E - FOUND IRON PIPE W/ BRASS CAP N:462087.47' E:756602.15' F - FOUND IRON PIPE W/ BRASS CAP N:462059.80' E:753961.90' G - FOUND IRON PIPE W/ BRASS CAP N:462034.23' E:751322.42' H - FOUND IRON PIPE W/ BRASS CAP N:464675.41' E:751305.83' I - FOUND BENT IRON PIPE W/ BRASS CAP N:459447.89' E:756620.58' J - FOUND IRON PIPE W/ BRASS CAP N:456806.31' E:756639.34' K - FOUND IRON PIPE W/ BRASS CAP N:456778.50' E:753996.44' L - FOUND IRON PIPE W/ BRASS CAP N:456753.78' E:751353.50' M - FOUND IRON PIPE W/ BRASS CAP N:459393.97' E:751338.83'	
SURFACE HOLE LOCATION (SHL) NEW MEXICO EAST - NAD 83 X=753176.06 Y=457195.84 LAT. = 32.25504804° N LONG. = 103.64904543° W 425' FSL, 1825' FWL SECTION 35	FIRST TAKE POINT (FTP) NEW MEXICO EAST - NAD 83 X=752870.88 Y=456867.97 LAT. = 32.25415217° N LONG. = 103.64905407° W 100' FSL, 1518' FWL SECTION 35
LAST TAKE POINT (LTP) NEW MEXICO EAST - NAD 83 X=752807.63 Y=467232.55 LAT. = 32.26264231° N LONG. = 103.64904490° W 100' FSL, 1518' FWL SECTION 26	BOTTOM HOLE LOCATION (BHL) NEW MEXICO EAST - NAD 83 X=752807.32 Y=467282.55 LAT. = 32.26277975° N LONG. = 103.64904489° W 50' FSL, 1518' FWL SECTION 26

17 OPERATOR CERTIFICATION

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

Signature Stan Wagner Date 7/6/2020
Printed Name
E-mail Address

18 SURVEYOR CERTIFICATION

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

Date of Survey
Signature and Seal of Professional Surveyor
Certificate Number
25036
05/21/2020

District I
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 (505) 748-1283 Fax (505) 748-0720
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 301H
7 OGRID No. 229137		8 Operator Name COG OPERATING LLC			9 Elevation 3623'

" Surface Location

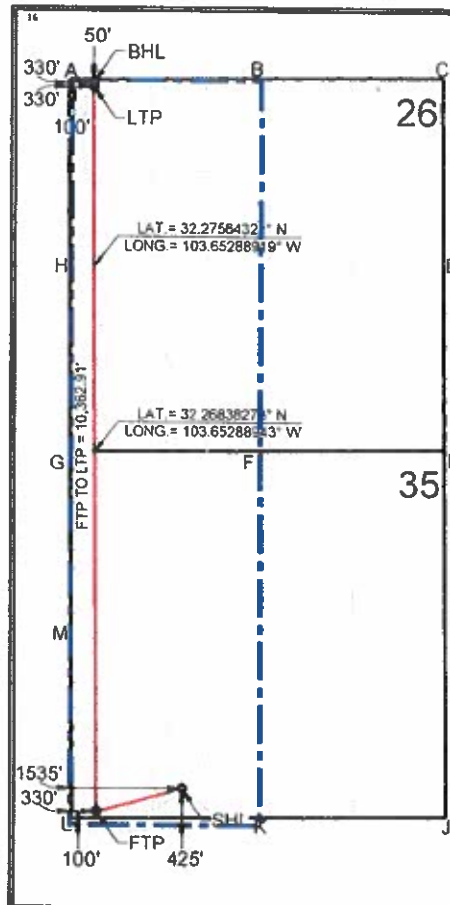
U.L. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	35	23-S	32-E		425'	SOUTH	1535'	WEST	LEA

" Bottom Hole Location If Different From Surface

U.L. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	26	23-S	32-E		50'	NORTH	330'	WEST	LEA

12 Dedicated Acres 640	13 Joint or Infill	14 Consolidation Code	15 Order No.
---------------------------	--------------------	-----------------------	--------------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



SURFACE HOLE LOCATION (SHL)
NEW MEXICO EAST - NAD 83
X=752666.08
Y=457193.12
LAT = 32.25504564° N
LONG = 103.64899822° W
425' FSL 1535' FWL
SECTION 35

FIRST TAKE POINT (FTP)
NEW MEXICO EAST - NAD 83
X=751632.93
Y=456856.86
LAT = 32.25414239° N
LONG = 103.65289693° W
100' FSL 330' FWL
SECTION 35

LAST TAKE POINT (LTP)
NEW MEXICO EAST - NAD 83
X=751619.69
Y=457219.59
LAT = 32.28262744° N
LONG = 103.6528894° W
100' FSL 330' FWL
SECTION 26

BOTTOM HOLE LOCATION (BHL)
NEW MEXICO EAST - NAD 83
X=751618.38
Y=457269.59
LAT = 32.28276489° N
LONG = 103.6528894° W
50' FSL 330' FWL
SECTION 26

17 OPERATOR CERTIFICATION

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

Signature: Stan Wagner Date: 6/30/2020
Printed Name: Stan Wagner

E-mail Address: _____

" SURVEYOR CERTIFICATION

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

Date of Survey: _____
Signature and Seal of Professional Surveyor: Garrett J. Smelter
Certificate Number: 25036
05/21/2020

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☐ 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 302H
7 OGRID No. 229137	8 Operator Name COG OPERATING LLC	9 Elevation 3623'

" Surface Location

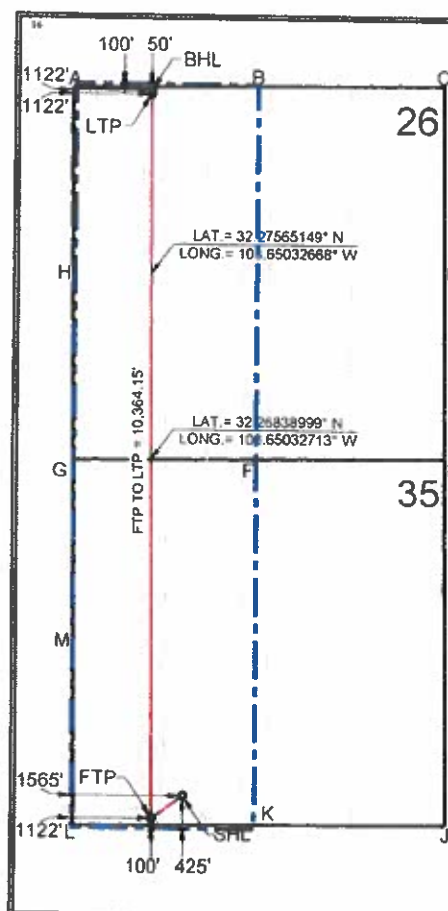
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	35	23-S	32-E		425'	SOUTH	1565'	WEST	LEA

" Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	26	23-S	32-E		50'	NORTH	1122'	WEST	LEA

12 Dedicated Acres 640	13 Joint or Infill	14 Consolidation Code	15 Order No.
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CORNER DATA NEW MEXICO EAST - NAD 83 A - FOUND IRON PIPE W/ BRASS CAP N 467315.98° E: 751289.08' B - FOUND IRON PIPE W/ BRASS CAP N 467344.78° E: 753927.62' C - FOUND IRON PIPE W/ BRASS CAP N 467373.32° E: 756584.67' D - FOUND IRON PIPE W/ BRASS CAP N 464728.99° E: 756583.47' E - FOUND IRON PIPE W/ BRASS CAP N 462087.47° E: 756602.15' F - FOUND IRON PIPE W/ BRASS CAP N 462059.80° E: 753961.90' G - FOUND IRON PIPE W/ BRASS CAP N 462034.23° E: 751322.42' H - FOUND IRON PIPE W/ BRASS CAP N 464675.41° E: 751305.83' I - FOUND BENT IRON PIPE W/ BRASS CAP N 459447.89° E: 756620.56' J - FOUND IRON PIPE W/ BRASS CAP N 456806.31° E: 756639.34' K - FOUND IRON PIPE W/ BRASS CAP N 456778.50° E: 753996.44' L - FOUND IRON PIPE W/ BRASS CAP N 456753.78° E: 751353.50' M - FOUND IRON PIPE W/ BRASS CAP N 459393.97° E: 751338.83'	
SURFACE HOLE LOCATION (SHP) NEW MEXICO EAST - NAD 83 X=752916.08 Y=457193.44 LAT = 32 25 50.4598° N LONG = 101.64890117° W 425' FSL, 1565' FWL SECTION 35	FIRST TAKE POINT (FTP) NEW MEXICO EAST - NAD 83 X=752474.90 Y=456884.27 LAT = 32 25 41.4893° N LONG = 101.65033502° W 100' FSL, 1122' FWL SECTION 35
LAST TAKE POINT (LTP) NEW MEXICO EAST - NAD 83 X=752411.68 Y=467228.23 LAT = 32 28 26.3736° N LONG = 101.65032624° W 100' FNL, 1122' FWL SECTION 26	BOTTOM HOLE LOCATION (BHL) NEW MEXICO EAST - NAD 83 X=752411.34 Y=467218.23 LAT = 32 28 17.7489° N LONG = 101.65032624° W 50' FNL, 1122' FWL SECTION 26

17 OPERATOR CERTIFICATION

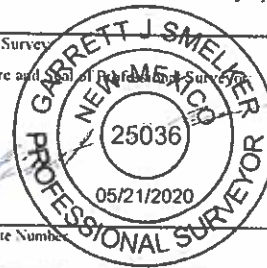
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this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

Signature Stan Wagner Date 6/30/2020
Printed Name
E-mail Address

" SURVEYOR CERTIFICATION

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

Date of Survey
Signature and Seal of Professional Surveyor
Certificate Number



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OIL CONSERVATION DIVISION
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Santa Fe, NM 87505

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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 303H
7 GRID No. 229137	8 Operator Name COG OPERATING LLC	9 Elevation 3623'

" Surface Location

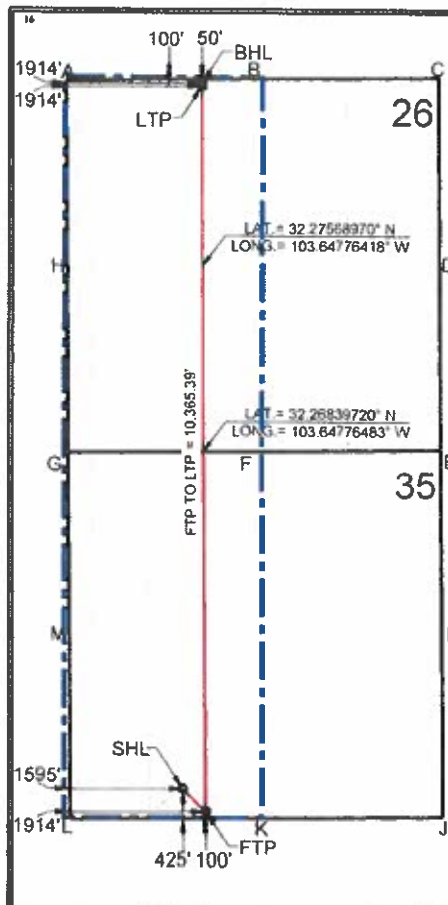
UT. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	35	23-S	32-E		425'	SOUTH	1595'	WEST	LEA

" Bottom Hole Location If Different From Surface

UT. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	26	23-S	32-E		50'	NORTH	1914'	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.



SURFACE HOLE LOCATION (SHL)
NEW MEXICO EAST - NAD 83
X=752946.09
Y=457193.69
LAT. = 32.25594618° N
LONG. = 103.64776483° W
425' FSL, 1595' FWL
SECTION 35

FIRST TAKE POINT (FTP)
NEW MEXICO EAST - NAD 83
X=753286.87
Y=456871.69
LAT. = 32.25415541° N
LONG. = 103.64777312° W
100' FSL, 1914' FWL
SECTION 35

LAST TAKE POINT (LTP)
NEW MEXICO EAST - NAD 83
X=753203.62
Y=467236.87
LAT. = 32.28264724° N
LONG. = 103.64776354° W
100' FSL, 1914' FWL
SECTION 26

BOTTOM HOLE LOCATION (BHL)
NEW MEXICO EAST - NAD 83
X=753203.07
Y=467286.87
LAT. = 32.28278487° N
LONG. = 103.64776427° W
50' FSL, 1914' FWL
SECTION 28

17 OPERATOR CERTIFICATION

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

Signature: Stan Wagner Date: 6/30/2020
Printed Name: Stan Wagner
E-mail Address: _____

" SURVEYOR CERTIFICATION

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

Date of Survey: _____
Signature and Seal of Professional Surveyor: Garrett J. Smelter
Certificate Number: 25036
05/21/2020

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

State of New Mexico
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OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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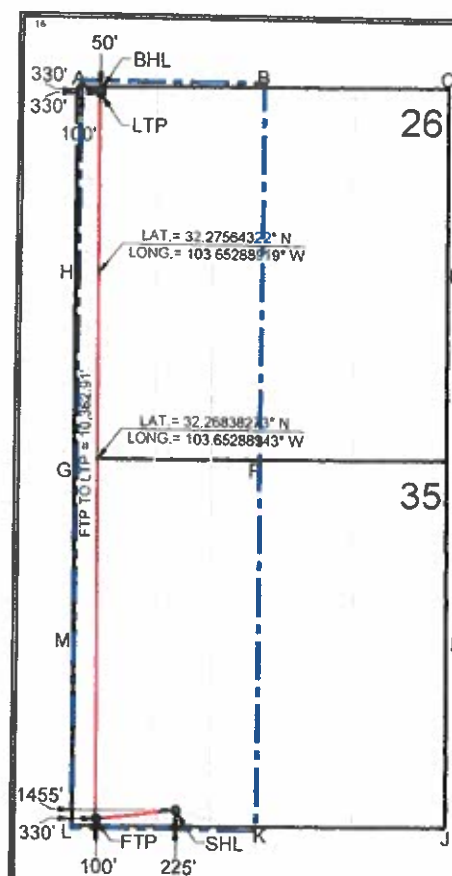
WELL LOCATION AND ACREAGE DEDICATION PLAT

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	
7 OGRID No. 229137	8 Operator Name COG OPERATING LLC	6 Well Number 501H 9 Elevation 3622'

10 Surface Location									
UL or lot no. N	Section 35	Township 23-S	Range 32-E	Lot Idn	Feet from the 225'	North/South line SOUTH	Feet from the 1455'	East/West line WEST	County LEA

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

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



CORNER DATA
NEW MEXICO EAST - NAD 83
A - FOUND IRON PIPE W/ BRASS CAP
N 467315.98' E 751289.08'
B - FOUND IRON PIPE W/ BRASS CAP
N 467344.78' E 753927.62'
C - FOUND IRON PIPE W/ BRASS CAP
N 467373.32' E 756564.67'
D - FOUND IRON PIPE W/ BRASS CAP
N 464726.99' E 756583.47'
E - FOUND IRON PIPE W/ BRASS CAP
N 462087.47' E 756802.15'
F - FOUND IRON PIPE W/ BRASS CAP
N 462059.80' E 753961.90'
G - FOUND IRON PIPE W/ BRASS CAP
N 462034.23' E 751322.42'
H - FOUND IRON PIPE W/ BRASS CAP
N 464675.41' E 751305.83'
I - FOUND BENT IRON PIPE W/ BRASS CAP
N 459447.89' E 756620.56'
J - FOUND IRON PIPE W/ BRASS CAP
N 456806.31' E 756639.34'
K - FOUND IRON PIPE W/ BRASS CAP
N 456778.50' E 753996.44'
L - FOUND IRON PIPE W/ BRASS CAP
N 458753.78' E 751353.50'
M - FOUND IRON PIPE W/ BRASS CAP
N 459393.97' E 751338.83'

SURFACE HOLE LOCATION (SHL)
NEW MEXICO EAST - NAD 83
X=752807.18
Y=456992.39
LAT.= 32.25449527° N
LONG.= 103.64925757° W
225' FSL, 1455' FWL
SECTION 35

FIRST TAKE POINT (FTP)
NEW MEXICO EAST - NAD 83
X=751682.33
Y=456858.85
LAT.= 32.25414233° N
LONG.= 103.65289693° W
100' FSL, 330' FWL
SECTION 35

LAST TAKE POINT (LTP)
NEW MEXICO EAST - NAD 83
X=751619.69
Y=467219.59
LAT.= 32.28252744° N
LONG.= 103.65288894° W
100' FSL, 330' FWL
SECTION 26

BOTTOM HOLE LOCATION (BHL)
NEW MEXICO EAST - NAD 83
X=751619.38
Y=467269.59
LAT.= 32.28276488° N
LONG.= 103.65288894° W
50' FSL, 330' FWL
SECTION 26

17 OPERATOR CERTIFICATION

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

Signature: Stan Wagner Date: 6/24/2020

Printed Name: Stan Wagner

E-mail Address: _____

18 SURVEYOR CERTIFICATION

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

Date of Survey: _____
Signature and Seal of Professional Surveyor: _____

Garrett J. Smeller
Professional Surveyor
25036
05/21/2020

Certificate Number: _____

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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 502H
7 GRID No. 229137		8 Operator Name COG OPERATING LLC			9 Elevation 3622'

10 Surface Location

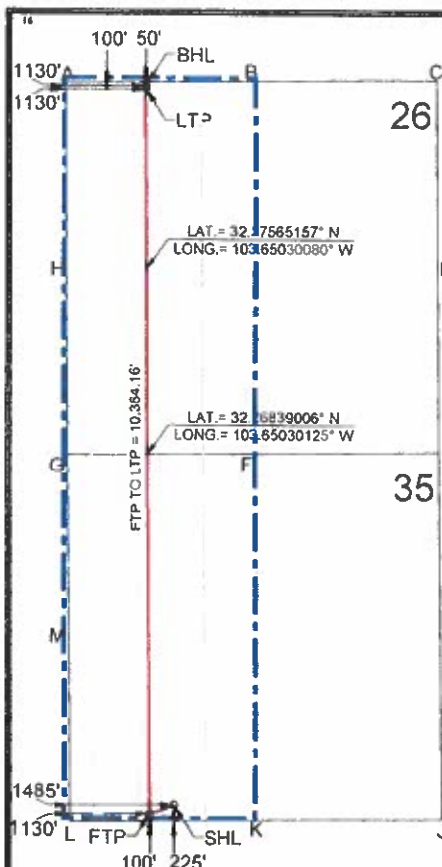
11L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	35	23-S	32-E		225'	SOUTH	1485'	WEST	LEA

11 Bottom Hole Location If Different From Surface

11L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	26	23-S	32-E		50'	NORTH	1130'	WEST	LEA

12 Dedicated Acres 640	13 Joint or Infill	14 Consolidation Code	15 Order No.
---------------------------	--------------------	-----------------------	--------------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



- CORNER DATA**
NEW MEXICO EAST - NAD 83
- A - FOUND IRON PIPE W/ BRASS CAP
N 467315.98' E 751289.08'
 - B - FOUND IRON PIPE W/ BRASS CAP
N 467344.78' E 753927.62'
 - C - FOUND IRON PIPE W/ BRASS CAP
N 467373.32' E 756564.67'
 - D - FOUND IRON PIPE W/ BRASS CAP
N 464728.99' E 756583.47'
 - E - FOUND IRON PIPE W/ BRASS CAP
N 462087.47' E 756602.15'
 - F - FOUND IRON PIPE W/ BRASS CAP
N 462059.80' E 753961.90'
 - G - FOUND IRON PIPE W/ BRASS CAP
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 - H - FOUND IRON PIPE W/ BRASS CAP
N 464675.41' E 751305.83'
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 - J - FOUND IRON PIPE W/ BRASS CAP
N 456808.31' E 756639.34'
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N 456778.50' E 753996.44'
 - L - FOUND IRON PIPE W/ BRASS CAP
N 456753.78' E 751353.50'
 - M - FOUND IRON PIPE W/ BRASS CAP
N 459393.97' E 751338.83'
- SURFACE HOLE LOCATION (SHL)**
NEW MEXICO EAST - NAD 83
X=752837.19
Y=456992.67
LAT. = 32.25448552° N
LONG. = 103.64916049° W
225' FSL 1485' FWL
SECTION 35
- FIRST TAKE POINT (FTP)**
NEW MEXICO EAST - NAD 83
X=752462.90
Y=456864.34
LAT. = 32.25414899° N
LONG. = 103.65030914° W
100' FSL 1130' FWL
SECTION 35
- LAST TAKE POINT (LTP)**
NEW MEXICO EAST - NAD 83
X=752419.66
Y=467228.32
LAT. = 32.28263746° N
LONG. = 103.65030935° W
100' FSL 1130' FWL
SECTION 26
- BOTTOM HOLE LOCATION (BHL)**
NEW MEXICO EAST - NAD 83
X=752419.34
Y=467278.32
LAT. = 32.28277490° N
LONG. = 103.65030935° W
50' FSL 1130' FWL
SECTION 26

17 OPERATOR CERTIFICATION

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Signature: Stan Wagner Date: 6/24/2020
Printed Name: Stan Wagner
E-mail Address: _____

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Signature and Seal of Professional Surveyor: Garrett J. Smelter
Certificate Number: 25036
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Phone (575) 748-1283 Fax (575) 748-0720
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 503H
7 OGRID No. 229137		8 Operator Name COG OPERATING LLC			9 Elevation 3622'

" Surface Location

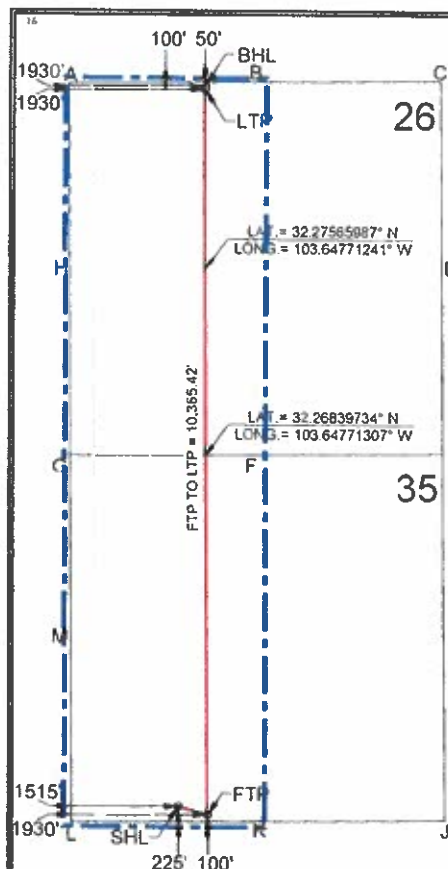
11. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	35	23-S	32-E		225'	SOUTH	1515'	WEST	LEA

" Bottom Hole Location If Different From Surface

11. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	26	23-S	32-E		50'	NORTH	1930'	WEST	LEA

12 Dedicated Acres 640	13 Joint or Infill	14 Consolidation Code	15 Order No.
---------------------------	--------------------	-----------------------	--------------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



CORNER DATA
NEW MEXICO EAST - NAD 83
A - FOUND IRON PIPE W/ BRASS CAP
N 467315.98' E 751289.08'
B - FOUND IRON PIPE W/ BRASS CAP
N 467344.78' E 753927.62'
C - FOUND IRON PIPE W/ BRASS CAP
N 467373.32' E 756564.67'
D - FOUND IRON PIPE W/ BRASS CAP
N 464728.99' E 756583.47'
E - FOUND IRON PIPE W/ BRASS CAP
N 462087.47' E 756602.15'
F - FOUND IRON PIPE W/ BRASS CAP
N 462059.80' E 753961.90'
G - FOUND IRON PIPE W/ BRASS CAP
N 462034.23' E 751322.42'
H - FOUND IRON PIPE W/ BRASS CAP
N 464675.41' E 751305.83'
I - FOUND BENT IRON PIPE W/ BRASS CAP
N 459447.89' E 756620.56'
J - FOUND IRON PIPE W/ BRASS CAP
N 456806.31' E 756639.34'
K - FOUND IRON PIPE W/ BRASS CAP
N 456778.50' E 753996.44'
L - FOUND IRON PIPE W/ BRASS CAP
N 456753.78' E 751353.50'
M - FOUND IRON PIPE W/ BRASS CAP
N 459393.97' E 751338.83'

SURFACE HOLE LOCATION (SHL)
NEW MEXICO EAST - NAD 83
X=752867.18
Y=456992.96
LAT.= 32.25449579° N
LONG.= 103.64906351° W
225' FSL, 1515' FWL
SECTION 35

FIRST TAKE POINT (FTP)
NEW MEXICO EAST - NAD 83
X=753282.87
Y=456871.83
LAT.= 32.25415554° N
LONG.= 103.64772136° W
100' FSL, 1930' FWL
SECTION 35

LAST TAKE POINT (LTP)
NEW MEXICO EAST - NAD 83
X=753218.62
Y=467237.05
LAT.= 32.28264744° N
LONG.= 103.64771177° W
100' FSL, 1930' FWL
SECTION 26

BOTTOM HOLE LOCATION (BHL)
NEW MEXICO EAST - NAD 83
X=753219.30
Y=467287.05
LAT.= 32.28278488° N
LONG.= 103.64771176° W
50' FSL, 1930' FWL
SECTION 26

17 OPERATOR CERTIFICATION

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

Signature Stan Wagner Date 6/25/2020
Printed Name
E-mail Address

" SURVEYOR CERTIFICATION

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

Date of Survey
Signature and Seal of Professional Surveyor
Certificate Number
25036
05/21/2020

COG Operating, LLC—Bedlington Federal Com Wells

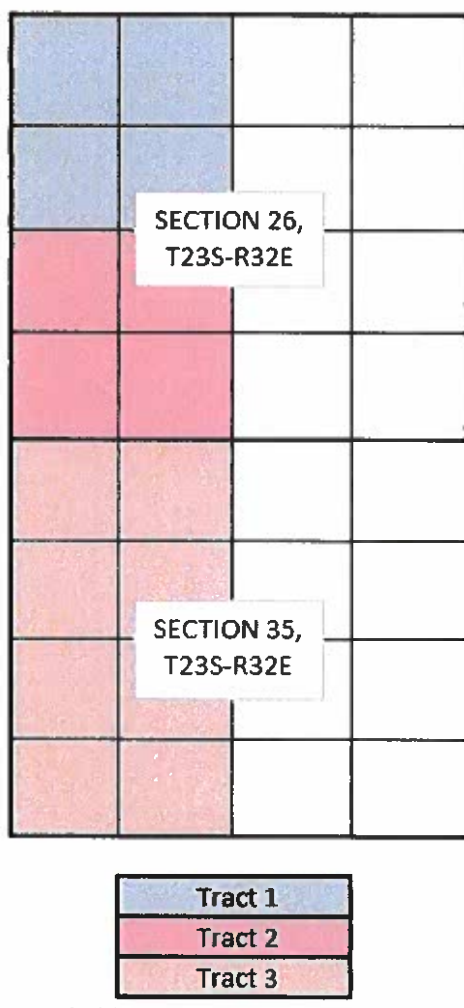
Township 23 South- Range 32 East, N.M.P.M.

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%

Total: **100.000000%**

Participating Parties

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%
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(WI) Magnum Hunter Production Inc.	50.000000%
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Total:	100.000000%
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Participating Parties

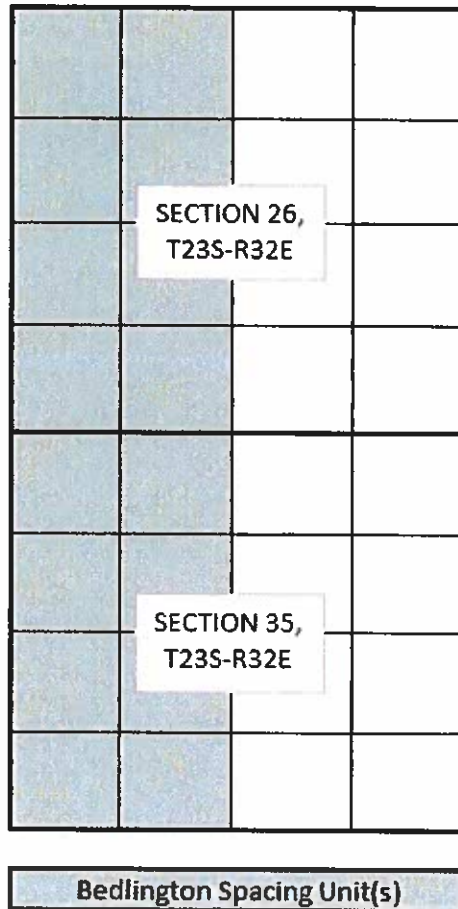
Parties We Seek to Pool

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

(WI) COG Operating LLC	100.000000%
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Total	100.000000%
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Participating Parties



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



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

I/We hereby elect **not** 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 **not** 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 **not** to participate in the drilling and completion of the
BEDLINGTON FEDERAL COM #301H

I/We hereby elect to participate in the drilling and completion of the
BEDLINGTON FEDERAL COM #302H

I/We hereby elect **not** to participate in the drilling and completion of the
BEDLINGTON FEDERAL COM #302H

I/We hereby elect to participate in the drilling and completion of the
BEDLINGTON FEDERAL COM #303H

I/We hereby elect **not** to participate in the drilling and completion of the
BEDLINGTON FEDERAL COM #303H

I/We hereby elect to participate in the drilling and completion of the
BEDLINGTON FEDERAL COM #501H

I/We hereby elect **not** to participate in the drilling and completion of the
BEDLINGTON FEDERAL COM #501H

I/We hereby elect to participate in the drilling and completion of the
BEDLINGTON FEDERAL COM #502H

I/We hereby elect **not** to participate in the drilling and completion of the
BEDLINGTON FEDERAL COM #502H

_____ I/We hereby elect to participate in the drilling and completion of the
BEDLINGTON FEDERAL COM #503H

_____ I/We hereby elect **not** to participate in the drilling and completion of the
BEDLINGTON FEDERAL COM #503H

By: _____
Name: _____
Title: _____
Date: _____

**COG OPERATING LLC
AUTHORITY FOR EXPENDITURE
DRILLING**

WELL NAME: **BEDLINGTON FEDERAL COM 201H**

PROSPECT NAME: **Bulldog 2332 (717112)**

SHL: **Sec 35: 425 FSL & 1795 FWL**

STATE & COUNTY: **Lea County, NM**

BHL: **Sec 28: 50 FNL & 726 FWL**

OBJECTIVE: **Drill and Complete**

FORMATION: **Bonespring (AV)**

DEPTH: **20,060**

LEGAL: **Sec 35: T23S-R32E**

TVD: **9,500**

		Drig - Rig Release(D)	Completion(C)	Tank Btty Constructn(TB)	Pmpg Equipment(PEQ)	TOTAL
INTANGIBLE COSTS						
Title/Curative/Permit	201	20,000				20,000
Insurance	202	2,500	302			2,500
Damages/Right of Way	203	20,000	303	351		20,000
Wellbore Frac Prep			304			0
Survey/Stake Location	204	7,000		352		7,000
Location/Pits/Road Expense	205	155,000	305	353	52,345	217,345
Drilling / Completion Overhead	206	8,700	306			8,700
Turnkey Contract	207		307			758,000
Footage Contract	208		308			418,417
Daywork Contract	209	532,000	309			1,138,861
Directional Drilling Services	210	228,000	310			302,831
Fuel & Power	211	128,000	311	354	367	131,500
Water	212	81,000	312		368	748,079
Bits	213	70,700	313		369	82,700
Mud & Chemicals	214	65,000	314		370	85,000
Drill Stem Test	215		315			0
Coring & Analysis	216					0
Cement Surface	217	28,435				28,435
Cement Intermediate	218	48,111				48,111
Cement 2nd Intermediate/Production	219	99,906				99,906
Cement Squeeze & Other (Kickoff Plug)	220				371	0
Float Equipment & Centralizers	221	38,425				38,425
Casing Crews & Equipment	222	38,120				38,120
Fishing Tools & Service	223		323		372	0
Geologic/Engineering	224		324	355	373	0
Contract Labor	225	6,500	325	356	120,796	189,796
Company Supervision	226	40,116	326	357	375	55,116
Contract Supervision	227	76,851	327	358	376	171,332
Testing Casing/Tubing	228	15,370	328		377	25,370
Mud Logging Unit	229	28,435	329			28,435
Logging	230				378	0
Perforating/Wireline Services	231		331		379	263,717
Stimulation/Treating			332		380	6,230
Completion Unit			333		381	46,722
Swabbing Unit			334		382	0
Rentals-Surface	235	107,591	335	359	383	333,412
Rentals-Subsurface	236	103,749	336		384	138,790
Trucking/Forklift/Rig Mobilization	237	88,379	337	360	385	109,144
Welding Services	238	4,000	338		386	9,000
Water Disposal	239		339	362	90,967	350,957
Plug to Abandon	240		340			0
Seismic Analysis	241		341			0
Miscellaneous	242		342		389	0
Contingency	243	20,000	343	363	390	120,000
Closed Loop & Environmental	244	207,497	344	364	388	212,497
Dyed Diesel			345			182,733
Coil Tubing			346			0
Flowback Crews & Equip			347		392	120,000
Offset Directional/Frac	248		348		391	20,000
TOTAL INTANGIBLES		2,263,385	3,688,116	264,098	382,500	6,598,099
TANGIBLE COSTS						
Surface Casing	401	26,000				26,000
Intermediate Casing	402	133,721				133,721
Production Casing/Liner	403	291,000				291,000
Tubing			504		530	24,555
Wellhead Equipment	405	28,000	505		531	80,208
Pumping Unit					506	0
Prime Mover					507	0
Rods					508	0
Pumps-Sub Surface (BH)			509		532	0
Tanks				510		82,412
Flowlines				511		57,043
Heater Treater/Separator				512		155,022
Electrical System				513		100,684
Packers/Anchors/Hangers	414		514		534	33,743
Couplings/Fittings/Valves	415			515		127,507
Dehydration				517		0
Injection Plant/CO2 Equipment				518		0
Pumps-Surface				521		10,737
Instrumentation/SCADA/POC				522		11,000
Miscellaneous	419		519		529	0
Contingency	420		520		536	0
Meters/LACT				525		21,475
Flares/Combustors/Emission				526		20,804
Gas Lift/Compression			527		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

COG Operating LLC

% of Total Well Cost

35%

48%

12%

5%

Date Prepared: 7/9/2020

COG Operating LLC

We approve:
% Working Interest

By: DR

Company:
By:

Printed Name:
Title:
Date:

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

**COG OPERATING LLC
AUTHORITY FOR EXPENDITURE
DRILLING**

WELL NAME: BEDLINGTON FEDERAL COM 202H
SHL: Sec 35: 425 FSL & 1825 FWL
BHL: Sec 26: 50 FNL & 1518 FWL
FORMATION: Bonespring (AV)
LEGAL: Sec 35: T23S-R32E

PROSPECT NAME: Bulldog 2332 (717112)
STATE & COUNTY: Lea County, NM
OBJECTIVE: Drill and Complete
DEPTH: 20,060
TVD: 9,500

		Drig - Rig Release(D)	Completion(C)	Tank Btty Constctn(TB)	Pmpg Equipment(PEQ)	TOTAL
INTANGIBLE COSTS						
Title/Curative/Permit	201	20,000				20,000
Insurance	202	2,500				2,500
Damages/Right of Way	203	20,000				20,000
Wellbore Frac Prep						0
Survey/State Location	204	7,000				7,000
Location/Pits/Road Expense	205	155,000	10,000	52,345	366	217,345
Drilling / Completion Overhead	206	8,700				8,700
Turnkey Contract	207		758,000			758,000
Footage Contract	208		418,417			418,417
Daywork Contract	209	532,000	606,861			1,138,861
Directional Drilling Services	210	226,000	76,831			302,831
Fuel & Power	211	128,000	3,500		367	131,500
Water	212	81,000	667,079		368	748,079
Bits	213	70,700	12,000		369	82,700
Mud & Chemicals	214	65,000	20,000		370	85,000
Drill Stem Test	215					0
Coring & Analysis	216					0
Cement Surface	217	28,435				28,435
Cement Intermediate	218	46,111				46,111
Cement 2nd Intermediate/Production	219	99,906				99,906
Cement Squeezes & Other (Kickoff Plug)	220				371	0
Float Equipment & Centralizers	221	38,425				38,425
Casing Crews & Equipment	222	36,120				36,120
Fishing Tools & Service	223				372	0
Geologic/Engineering	224				373	0
Contract Labor	225	6,500	20,000	120,786	374	189,786
Company Supervision	226	40,118	15,000		375	55,118
Contract Supervision	227	76,851	94,481		376	171,332
Testing Casing/Tubing	228	15,370	10,000		377	25,370
Mud Logging Unit	229	28,435				28,435
Logging	230				378	0
Perforating/Wireline Services	231		263,717		379	263,717
Stimulation/Treating			6,230		380	6,230
Completion Unit			46,722		381	46,722
Swabbing Unit					382	0
Rentals-Surface	235	107,591	225,821	359	383	333,412
Rentals-Subsurface	236	103,749	35,041		384	138,790
Trucking/Ford/Rig Mobilization	237	88,379	20,765	360	385	109,144
Welding Services	238	4,000	5,000	361	386	9,000
Water Disposal	239		80,000	362	387	350,957
Plug to Abandon	240					0
Seismic Analysis	241					0
Miscellaneous	242				389	0
Contingency	243	20,000	100,000	363	390	120,000
Closed Loop & Environmental	244	207,497	5,000	364	388	212,497
Dyed Diesel			182,733			182,733
Coil Tubing						0
Flowback Crews & Equip			24,918		392	120,000
Offset Directional/Frac	248				391	20,000
TOTAL INTANGIBLES		2,263,385	3,688,116	264,088	382,500	6,598,099
TANGIBLE COSTS						
Surface Casing	401	26,000				26,000
Intermediate Casing	402	133,721				133,721
Production Casing/Liner	403	291,000				291,000
Tubing			24,555		530	24,555
Wellhead Equipment	405	28,000	9,708		531	80,208
Pumping Unit					506	0
Prime Mover					507	0
Rods					508	0
Pumps-Sub Surface (BH)					532	0
Tanks				510		62,412
Flowlines				511		57,043
Master Treater/Separator				512		155,022
Electrical System				513		100,664
Packers/Anchors/Hangers	414		33,743		534	33,743
Couplings/Fittings/Valves	415			515		127,507
Dehydration				517		0
Injection Plant/CO2 Equipment				518		0
Pumps-Surface				521		10,737
Instrumentation/SCADA/POC				522		11,000
Miscellaneous	419			523		0
Contingency	420			524		0
Meters/LACT				525		21,475
Flares/Combusters/Emission				526		20,804
Gas Lift/Compression			5,710	516		96,307
TOTAL TANGIBLES		478,721	73,716	657,281	42,500	1,252,198
TOTAL WELL COSTS		2,742,106	3,761,832	921,359	425,000	7,850,297

COG Operating LLC % of Total Well Cost 35% 48% 12% 5%

Date Prepared: 7/9/2020

We approve:
% Working Interest

COG Operating LLC

By: DR

Company:
By:

Printed Name:
Title:
Date:

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

**COG OPERATING LLC
AUTHORITY FOR EXPENDITURE
DRILLING**

WELL NAME: **BEDLINGTON FEDERAL COM 301H**
 SHL: **Sec 35: 425 FSL & 1535 FWL**
 BHL: **Sec 26: 50 FNL & 330 FWL**
 FORMATION: **Bonespring (AV)**
 LEGAL: **Sec 35: T23S-R32E**

PROSPECT NAME: **Bulldog 2332 (717112)**
 STATE & COUNTY: **Lea County, NM**
 OBJECTIVE: **Drill and Complete**
 DEPTH: **20,210**
 TVD: **9,650**

		Drig - Rig Release(D)	Completion(C)	Tank Btty Constructn(TB)	Pmpg Equipment(PEQ)	TOTAL
INTANGIBLE COSTS						
Title/Cursive/Permit	201	20,000				20,000
Insurance	202	2,500	302			2,500
Damages/Right of Way	203	20,000	303	351		20,000
Wellbore Frac Prep			304			0
Survey/Stake Location	204	7,000		352		7,000
Location/Pits/Road Expense	205	155,000	305	10,000	353	217,345
Drilling / Completion Overhead	206	8,700	306	52,345	366	8,700
Turnkey Contract	207		307	758,000		758,000
Footage Contract	208		308	418,417		418,417
Daywork Contract	209	532,000	309	606,861		1,138,861
Directional Drilling Services	210	226,000	310	76,831		302,831
Fuel & Power	211	128,000	311	3,500	354	131,500
Water	212	81,000	312	667,079	367	748,079
Bits	213	70,700	313	12,000	368	82,700
Mud & Chemicals	214	65,000	314	20,000	370	85,000
Drill Stem Test	215		315			0
Coring & Analysis	216					0
Cement Surface	217	28,435				28,435
Cement Intermediate	218	46,111				46,111
Cement 2nd Intermediate/Production	219	99,906				99,906
Cement Squeeze & Other (Kickoff Plug)	220				371	0
Float Equipment & Centralizers	221	38,425				38,425
Casing Crews & Equipment	222	36,120				36,120
Fishing Tools & Service	223		323		372	0
Geologic/Engineering	224		324	355	373	0
Contract Labor	225	6,500	325	20,000	356	189,786
Company Supervision	226	40,116	326	15,000	357	55,116
Contract Supervision	227	76,851	327	94,481	358	171,332
Testing Casing/Tubing	228	15,370	328	10,000		25,370
Mud Logging Unit	229	28,435	329			28,435
Logging	230				378	0
Perforating/Wireline Services	231		331	263,717	379	263,717
Stimulation/Treating			332	6,230	380	6,230
Completion Unit			333	46,722	381	46,722
Swabbing Unit			334		382	0
Rentals-Surface	235	107,591	335	225,821	359	333,412
Rentals-Subsurface	236	103,749	336	35,041		138,790
Trucking/Forlift/Rig Mobilization	237	88,379	337	20,765	360	109,144
Welding Services	238	4,000	338	5,000	361	9,000
Water Disposal	239		339	60,000	362	350,957
Plug to Abandon	240		340			0
Seismic Analysis	241		341			0
Miscellaneous	242		342		369	0
Contingency	243	20,000	343	100,000	363	120,000
Closed Loop & Environmental	244	207,497	344	5,000	364	212,497
Dyed Diesel			345	182,733		182,733
Coil Tubing			346			0
Flowback Crews & Equip			347	24,918	392	144,918
Offset Directional/Frac	248		348		391	20,000
TOTAL INTANGIBLES		2,263,385	3,688,116	264,098	382,500	6,598,099
TANGIBLE COSTS						
Surface Casing	401	26,000				26,000
Intermediate Casing	402	133,721				133,721
Production Casing/Liner	403	291,000				291,000
Tubing			504	24,555	530	24,555
Wellhead Equipment	405	28,000	505	9,708	531	80,208
Pumping Unit					508	0
Prime Mover					507	0
Rods					508	0
Pumps-Sub Surface (BH)			509		532	0
Tanks				510	62,412	62,412
Flowlines				511	57,043	57,043
Heater Treater/Separator				512	155,022	155,022
Electrical System				513	100,664	100,664
Peckers/Anchors/Hangers	414		514	33,743	534	33,743
Couplings/Fittings/Valves	415			515	127,507	127,507
Dehydration				517		0
Injection Plant/CO2 Equipment				518		0
Pumps-Surface				521	10,737	10,737
Instrumentation/SCADA/POC				522	11,000	11,000
Miscellaneous	419		519		523	0
Contingency	420		520		524	0
Meters/LACT				525	21,475	21,475
Flares/Combusters/Emission				526	20,804	20,804
Gas Lift/Compression			527	5,710	516	96,307
TOTAL TANGIBLES		478,721	73,718	657,261	42,500	1,252,198
TOTAL WELL COSTS		2,742,106	3,761,832	921,359	425,000	7,850,297

COG Operating LLC % of Total Well Cost 35% 48% 12% 5%

Date Prepared 7/9/2020

We approve: COG Operating LLC

% Working Interest

Company:

By:

Printed Name:

Title:

Date:

By: 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 302H**
SHL: **Sec 35: 425 FSL & 1565 FWL**
BHL: **Sec 26: 50 FNL & 1122 FWL**
FORMATION: **Bonespring (AV)**
LEGAL: **Sec 35: T23S-R32E**

PROSPECT NAME: **Bulldog 2332 (717112)**
STATE & COUNTY: **Lea County, NM**
OBJECTIVE: **Drill and Complete**
DEPTH: **20,210**
TVD: **9,650**

		Drig - Rig Release(D)	Completion(C)	Tank Bty. Constructn(TB)	Pmpg. Equipment(PEQ)	TOTAL
INTANGIBLE COSTS						
Title/Curative/Permit	201	20,000				20,000
Insurance	202	2,500	302			2,500
Damages/Right of Way	203	20,000	303	351		20,000
Wellbore Frac Prep			304			0
Survey/Stake Location	204	7,000		352		7,000
Location/Pits/Road Expense	205	155,000	305	353	52,345	217,345
Drilling / Completion Overhead	206	8,700	306			8,700
Turnkey Contract	207		307	758,000		758,000
Footage Contract	208		308	418,417		418,417
Daywork Contract	209	532,000	309	606,861		1,138,861
Directional Drilling Services	210	226,000	310	78,831		302,831
Fuel & Power	211	128,000	311	3,500	354	131,500
Water	212	81,000	312	687,079	367	748,079
Bits	213	70,700	313	12,000	368	82,700
Mud & Chemicals	214	65,000	314	20,000	370	85,000
Drill Stem Test	215		315			0
Coring & Analysis	216					0
Cement Surface	217	28,435				28,435
Cement Intermediate	218	46,111				46,111
Cement 2nd Intermediate/Production	219	99,906				99,906
Cement Squeeze & Other (Kickoff Plug)	220				371	0
Float Equipment & Centralizers	221	38,425				38,425
Casing Crews & Equipment	222	36,120				36,120
Fishing Tools & Service	223		323		372	0
Geologic/Engineering	224		324	355	373	0
Contract Labor	225	6,500	325	20,000	356	189,796
Company Supervision	226	40,118	326	15,000	357	55,116
Contract Supervision	227	76,851	327	94,481	358	171,332
Testing Casing/Tubing	228	15,370	328	10,000	359	25,370
Mud Logging Unit	229	28,435	329		378	28,435
Logging	230				379	0
Perforating/Wireline Services	231		331	263,717	380	263,717
Stimulation/Treating			332	6,230	381	6,230
Completion Unit			333	46,722	382	46,722
Swabbing Unit			334		383	0
Rentals-Surface	235	107,591	335	225,821	359	333,412
Rentals-Subsurface	236	103,749	336	35,041	360	138,790
Trucking/Forklift/Rig Mobilization	237	88,379	337	20,765	361	109,144
Welding Services	238	4,000	338	5,000	362	9,000
Water Disposal	239		339	60,000	363	350,957
Plug to Abandon	240		340		364	0
Seismic Analysis	241		341		365	0
Miscellaneous	242		342		366	0
Contingency	243	20,000	343	100,000	367	120,000
Closed Loop & Environmental	244	207,497	344	5,000	368	212,497
Dyed Diesel			345	182,733	369	182,733
Coil Tubing			346		370	0
Flowback Crews & Equip			347	24,818	371	144,918
Offset Directional/Frac	248		348		372	20,000
TOTAL INTANGIBLES		2,263,365	3,688,116	264,098	382,500	6,598,099
TANGIBLE COSTS						
Surface Casing	401	26,000				26,000
Intermediate Casing	402	133,721				133,721
Production Casing/Liner	403	291,000				291,000
Tubing			504	24,555	530	24,555
Wellhead Equipment	405	28,000	505	9,708	531	80,208
Pumping Unit					506	0
Prime Mover					507	0
Rods					508	0
Pumps-Sub Surface (BH)			509		532	0
Tanks				510	82,412	82,412
Flowlines				511	57,043	57,043
Heater Treater/Separator				512	155,022	155,022
Electrical System				513	100,664	100,664
Packers/Anchors/Hangers	414		514	33,743	534	33,743
Couplings/Fittings/Valves	415			515	127,507	127,507
Dehydration				517		0
Injection Plant/CO2 Equipment				518		0
Pumps-Surface				521	10,737	10,737
Instrumentation/SCADA/POC				522	11,000	11,000
Miscellaneous	419		519		523	0
Contingency	420		520		524	0
Meters/LACT				525	21,475	21,475
Flares/Combustors/Emission				526	20,804	20,804
Gas Lift/Compression			527	5,710	90,597	96,307
TOTAL TANGIBLES		478,721	73,716	657,261	42,500	1,262,198
TOTAL WELL COSTS		2,742,106	3,761,832	921,359	425,000	7,850,297

COG Operating LLC % of Total Well Cost

35% 48% 12% 5%

Date Prepared 7/9/2020

COG Operating LLC

We approve: _____
% Working Interest

By: _____ DR

Company: _____
By: _____

Printed Name: _____
Title: _____
Date: _____

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

**COG OPERATING LLC
AUTHORITY FOR EXPENDITURE
DRILLING**

WELL NAME: BEDLINGTON FEDERAL COM 303H
SHL: Sec 35: 425 FSL & 1595 FWL
BHL: Sec 26: 50 FNL & 1914 FWL
FORMATION: Bonespring (AV)
LEGAL: Sec 35: T23S-R32E

PROSPECT NAME: Bulldog 2332 (717112)
STATE & COUNTY: Lea County, NM
OBJECTIVE: Drill and Complete
DEPTH: 20,210
TVD: 9,650

		Drig - Rig Release(D)	Completion(C)	Tank Btty Constructn(TB)	Pmpg Equipment(PEQ)	TOTAL
INTANGIBLE COSTS						
Title/Curative/Permit	281	20,000				20,000
Insurance	282	2,500				2,500
Damages/Right of Way	283	20,000		351		20,000
Wellbore Frac Prep						0
Survey/State Location	204	7,000		352		7,000
Location/Pits/Road Expense	205	155,000	10,000	353	52,345	217,345
Drilling / Completion Overhead	206	8,700				8,700
Turnkey Contract	287		758,000			758,000
Footage Contract	208		418,417			418,417
Daywork Contract	209	532,000	606,861			1,138,861
Directional Drilling Services	210	226,000	76,831			302,831
Fuel & Power	211	128,000	3,500	354	367	131,500
Water	212	81,000	667,079		368	748,079
Bits	213	70,700	12,000		369	82,700
Mud & Chemicals	214	65,000	20,000		370	85,000
Drill Stem Test	215					0
Coring & Analysis	216					0
Cement Surface	217	28,435				28,435
Cement Intermediate	218	48,111				48,111
Cement 2nd Intermediate/Production	219	99,906				99,906
Cement Squeeze & Other (Kickoff Plug)	220				371	0
Float Equipment & Centralizers	221	38,425				38,425
Casing Crews & Equipment	222	36,120				36,120
Fishing Tools & Service	223		323		372	0
Geologic/Engineering	224		324	355	373	0
Contract Labor	225	6,500	20,000	356	374	189,798
Company Supervision	226	40,116	15,000	357	375	55,116
Contract Supervision	227	76,851	94,481	358	376	171,332
Testing Casing/Tubing	228	15,370	10,000		377	25,370
Mud Logging Unit	229	28,435	329			28,435
Logging	230				378	0
Perforating/Wireline Services	231		263,717		379	263,717
Stimulation/Treating			6,230		380	6,230
Completion Unit			46,722		381	46,722
Swabbing Unit					382	0
Rentals-Surface	235	107,591	225,821	359	383	333,412
Rentals-Subsurface	236	103,749	35,041		384	138,790
Trucking/Forklift/Rig Mobilization	237	88,379	20,785	360	385	109,144
Welding Services	238	4,000	5,000	361	386	9,000
Water Disposal	239		60,000	362	387	350,957
Plug to Abandon	240					0
Seismic Analysis	241					0
Miscellaneous	242				389	0
Contingency	243	20,000	100,000	363	390	120,000
Closed Loop & Environmental	244	267,497	5,000	364	388	212,497
Dyed Diesel			182,733			182,733
Coil Tubing						0
Flowback Crews & Equip			24,918		392	144,918
Offset Directional/Frac	248				391	20,000
TOTAL INTANGIBLES		2,263,385	3,688,116	264,098	382,500	6,598,099
TANGIBLE COSTS						
Surface Casing	401	26,000				26,000
Intermediate Casing	402	133,721				133,721
Production Casing/Liner	403	291,000				291,000
Tubing			24,555		530	24,555
Wellhead Equipment	405	28,000	9,708		531	80,208
Pumping Unit					506	0
Prime Mover					507	0
Rods					508	0
Pumps-Sub Surface (BH)					532	0
Tanks				510		62,412
Flowlines				511		57,043
Heater Treater/Separator				512		155,022
Electrical System				513	533	100,664
Packers/Anchors/Hangers	414		33,743		534	33,743
Couplings/Fittings/Valves	415			515		127,507
Dehydration				517		0
Injection Plant/CO2 Equipment				518		0
Pumps-Surface				521		10,737
Instrumentation/SCADA/POC				522	529	11,000
Miscellaneous	419			523		0
Contingency	420			524		0
Meters/LACT				525		21,475
Flares/Combustors/Emission				526		20,804
Gas Lift/Compression			5,710	516	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

COG Operating LLC % of Total Well Cost 35% 48% 12% 5%

Date Prepared: 7/8/2020
COG Operating LLC
We approve: _____
By: _____ DR
Company: _____
Printed Name: _____
Title: _____
Date: _____
This AFE is only an estimate. By signing you agree to pay your share of the actual costs incurred.

**COG OPERATING LLC
AUTHORITY FOR EXPENDITURE
DRILLING**

WELL NAME: BEDLINGTON FEDERAL COM 501H
SHL: Sec 35: 225 FSL & 1455 FWL
BHL: Sec 26: 50 FNL & 330 FWL
FORMATION: Bonespring
LEGAL: Sec 35: T23S-R32E

PROSPECT NAME: Bulldog 2332 (717112)
STATE & COUNTY: Lea County, NM
OBJECTIVE: Drill and Complete
DEPTH: 21,285
TVD: 10,725

		Drig - Rig Release(D)	Completion(C)	Tank Bty Constrctn(TB)	Prmp. Equipment(PEQ)	TOTAL
INTANGIBLE COSTS						
Title/Cursive/Permit	201	20,000	302			20,000
Insurance	202	2,500	302			2,500
Damages/Right of Way	203	20,000	303	351	9,000	29,000
Wellbore Frac Prep			304			0
Survey/Stake Location	204	7,000		352	2,500	9,500
Location/Pits/Road Expense	205	155,000	306	353	15,000	180,000
Drilling / Completion Overhead	206	8,700	306			8,700
Turnkey Contract	207		307			758,000
Footage Contract	208		308			418,417
Daywork Contract	209	715,200	309			1,322,061
Directional Drilling Services	210	290,000	310			368,831
Fuel & Power	211	138,000	311	354	1,000	142,500
Water	212	97,000	312		368	764,079
Bits	213	80,500	313		369	92,500
Mud & Chemicals	214	81,500	314		370	101,500
Drill Stem Test	215		315			0
Coring & Analysis	216					0
Cement Surface	217	38,100				38,100
Cement Intermediate	218	54,150				54,150
Cement 2nd Intermediate/Production	219	108,299				108,299
Cement Squeeze & Other (Kickoff Plug)	220				371	0
Float Equipment & Centralizers	221	58,225				58,225
Casing Crews & Equipment	222	63,077				63,077
Fishing Tools & Service	223		323		372	0
Geologic/Engineering	224		324	355	373	0
Contract Labor	225	6,308	325	20,000	356	68,808
Company Supervision	226	48,909	326	15,000	357	63,909
Contract Supervision	227	125,184	327	94,481	358	272,010
Testing Casing/Tubing	228	38,817	328	10,000	359	48,817
Mud Logging Unit	229	30,083	329		377	30,083
Logging	230				378	0
Perforating/Wireline Services	231	4,000	331	263,717	379	267,717
Stimulation/Treating			332	6,230	380	6,230
Completion Unit			333	48,722	381	48,722
Swabbing Unit			334		382	0
Rentals-Surface	235	163,031	335	225,821	359	388,852
Rentals-Subsurface	236	103,458	336	35,041	383	138,499
Trucking/Forklift/Rig Mobilization	237	92,853	337	20,765	360	113,618
Welding Services	238	4,000	338	5,000	361	129,796
Water Disposal	239		339	80,000	362	200,000
Plug to Abandon	240		340			0
Seismic Analysis	241		341			0
Miscellaneous	242		342		389	0
Contingency	243	20,000	343	100,000	363	120,000
Closed Loop & Environmental	244	298,890	344	5,000	364	303,890
Dryd Diesel			345	182,733	388	182,733
Coil Tubing			346			0
Flowback Crews & Equip			347	24,918	392	144,918
Offset Directional/Frac	248		348		391	20,000
TOTAL INTANGIBLES		2,870,784	3,688,116	200,641	382,500	7,142,041
TANGIBLE COSTS						
Surface Casing	401	26,000				26,000
Intermediate Casing	402	137,800				137,800
Production Casing/Liner	403	291,000				291,000
Tubing			504	24,555	530	24,555
Wellhead Equipment	405	28,000	505	9,708	531	80,208
Pumping Unit					506	0
Prime Mover					507	0
Rods					508	0
Pumps-Sub Surface (BH)			509		532	0
Tanks				510		0
Flowlines				511		0
Heater Treater/Separator				512	90,597	90,597
Electrical System				513		0
Packers/Anchors/Hangers	414		514	33,743	534	33,743
Couplings/Fittings/Valves	415			515		0
Dehydration				517	57,043	57,043
Injection Plant/CO2 Equipment				518	155,022	155,022
Pumps-Surface				521	100,664	100,664
Instrumentation/SCADA/POC				522	127,507	127,507
Miscellaneous	419		519		523	90,597
Contingency	420		520		524	0
Meters/LACT				525	21,475	21,475
Flares/Combustors/Emission				526	20,804	20,804
Gas Lift/Compression			527	5,710	518	68,122
TOTAL TANGIBLES		482,800	73,716	726,121	42,500	1,325,137
TOTAL WELL COSTS		3,353,584	3,761,832	926,762	425,000	8,467,178

COG Operating LLC % of Total Well Cost 40% 44% 11% 5%

Date Prepared 7/9/2020

COG Operating LLC

We approve: _____
% Working Interest

By: _____ OR _____

Company: _____
By: _____

Printed Name: _____
Title: _____
Date: _____

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

**COG OPERATING LLC
AUTHORITY FOR EXPENDITURE
DRILLING**

WELL NAME: BEDLINGTON FEDERAL COM 502H
SHL: Sec 35: 225 FSL & 1485 FWL
BHL: Sec 28: 50 FNL & 1130 FWL
FORMATION: Bonespring
LEGAL: Sec 35: T23S-R32E

PROSPECT NAME: Bulldog 2332 (717112)
STATE & COUNTY: Lea County, NM
OBJECTIVE: Drill and Complete
DEPTH: 21,535
TVD: 10,975

		<u>Drig - Rig</u> <u>Release(D)</u>	<u>Completion(C)</u>	<u>Tank Bty.</u> <u>Constrcn(TB)</u>	<u>Pmpg.</u> <u>Equipment(PEQ)</u>	<u>TOTAL</u>
INTANGIBLE COSTS						
Title/Curative/Permit	201	20,000				20,000
Insurance	202	2,500				2,500
Damages/Right of Way	203	20,000		351 9,000		29,000
Wellbore Frac Prep						0
Survey/Stake Location	204	7,000		352 2,500		9,500
Location/Pits/Road Expense	205	155,000	305 10,000	353 15,000	366	180,000
Drilling / Completion Overhead	206	8,700	306			8,700
Turnkey Contract	207		307 758,000			758,000
Footage Contract	208		308 418,417			418,417
Daywork Contract	209	715,200	309 806,861			1,322,061
Directional Drilling Services	210	290,000	310 78,831			368,831
Fuel & Power	211	138,000	311 3,500	354 1,000	367	142,500
Water	212	97,000	312 867,079		368	784,079
Bits	213	80,500	313 12,000		369	92,500
Mud & Chemicals	214	81,500	314 20,000		370	101,500
Drill Stem Test	215		315			0
Coring & Analysis	216					0
Cement Surface	217	36,100				36,100
Cement Intermediate	218	54,150				54,150
Cement 2nd Intermediate/Production	219	108,299				108,299
Cement Squeeze & Other (Kickoff Plug)	220				371	0
Float Equipment & Centralizers	221	58,225				58,225
Casing Crews & Equipment	222	63,077				63,077
Fishing Tools & Service	223		323		372	0
Geologic/Engineering	224		324	355	373	0
Contract Labor	225	6,308	325 20,000		374 42,500	68,808
Company Supervision	226	48,909	326 15,000	357	375	63,909
Contract Supervision	227	125,184	327 94,481	358 52,345	376	272,010
Testing Casing/Tubing	228	38,817	328 10,000		377	48,817
Mud Logging Unit	229	30,083	329			30,083
Logging	230				378	0
Perforating/Wireline Services	231	4,000	331 263,717		379	267,717
Stimulation/Treating			332 6,230		380	6,230
Completion Unit			333 46,722		381	46,722
Swabbing Unit			334		382	0
Rentals-Surface	235	163,031	335 225,821	359	383	388,852
Rentals-Subsurface	236	103,458	336 35,041		384	138,499
Trucking/Ford/Rig Mobilization	237	92,853	337 20,765	360	385	113,618
Welding Services	238	4,000	338 5,000	361 120,796	386	129,796
Water Disposal	239		339 60,000	362	387 200,000	260,000
Plug to Abandon	240		340			0
Seismic Analysis	241		341			0
Miscellaneous	242		342		389	0
Contingency	243	20,000	343 100,000	363	390	120,000
Closed Loop & Environmental	244	298,890	344 5,000	364	388	303,890
Dyed Diesel			345 182,733			182,733
Coil Tubing			346			0
Flowback Crews & Equip			347 24,918		392 120,000	144,918
Offset Directional/Frac	248		348		391 20,000	20,000
TOTAL INTANGIBLES		2,870,784	3,688,116	200,641	382,500	7,142,041
TANGIBLE COSTS						
Surface Casing	401	26,000				26,000
Intermediate Casing	402	137,800				137,800
Production Casing/Liner	403	291,000				291,000
Tubing			504 24,555		530	24,555
Wellhead Equipment	405	28,000	505 9,708		531 42,500	80,208
Pumping Unit					506	0
Prime Mover					507	0
Rods					508	0
Pumps-Sub Surface (BHI)			509		532	0
Tanks				510		0
Flowlines				511		0
Heater Treater/Separator				512 90,597		90,597
Electrical System				513	533	0
Packers/Anchors/Hangers	414		514 33,743		534	33,743
Couplings/Fittings/Valves	415			515		0
Dehydration				517 57,043		57,043
Injection Plant/CO2 Equipment				518 155,022		155,022
Pumps-Surface				521 100,864		100,864
Instrumentation/SCADA/POC				522 127,507	529	127,507
Miscellaneous	419		519	523 90,597	535	90,597
Contingency	420		520	524	536	0
Meters/LACT				525 21,475		21,475
Flares/Combustors/Emission				526 20,804		20,804
Gas Lift/Compression			527 5,710	516 62,412	528	68,122
TOTAL TANGIBLES		482,800	73,718	728,121	42,500	1,325,137
TOTAL WELL COSTS		3,353,584	3,761,832	928,762	425,000	8,467,178

COG Operating LLC % of Total Well Cost 40% 44% 11% 5%

Date Prepared: 7/9/2020

COG Operating LLC

We approve: _____
_____% Working Interest

By: _____ DR

Company: _____
By: _____

Printed Name: _____
Title: _____
Date: _____

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

**COG OPERATING LLC
AUTHORITY FOR EXPENDITURE
DRILLING**

WELL NAME: **BEDLINGTON FEDERAL COM 503H**
 SHL: **Sec 35: 225 FSL & 1515 FWL**
 BHL: **Sec 26: 50 FNL & 1930 FWL**
 FORMATION: **Bonespring**
 LEGAL: **Sec 35: T23S-R32E**

PROSPECT NAME: **Bulldog 2332 (717112)**
 STATE & COUNTY: **Lea County, NM**
 OBJECTIVE: **Drill and Complete**
 DEPTH: **21,285**
 TVD: **10,725**

		Drig - Rig Release(D)	Completion(C)	Tank Btty Constrctn(TB)	Pmpg Equipment(PEQ)	TOTAL
INTANGIBLE COSTS						
Title/Cursive/Permit	201	20,000				20,000
Insurance	202	2,500	302			2,500
Damages/Right of Way	203	20,000	303	351 9,000		29,000
Wellbore Frac Prep			304			0
Survey/State Location	204	7,000		352 2,500		9,500
Location/Pits/Road Expense	205	155,000	305 10,000	353 15,000	366	180,000
Drilling / Completion Overhead	206	8,700	306			8,700
Turnkey Contract	207		307 758,000			758,000
Footage Contract	208		308 418,417			418,417
Daywork Contract	209	715,200	309 608,861			1,322,061
Directional Drilling Services	210	290,000	310 76,831			366,831
Fuel & Power	211	138,000	311 3,500	354 1,000	367	142,500
Water	212	97,000	312 687,079		368	784,079
Bits	213	80,500	313 12,000		369	92,500
Mud & Chemicals	214	81,500	314 20,000		370	101,500
Drill Stem Test	215		315			0
Coring & Analysis	216					0
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Mud Logging Unit	229	30,083	329			30,083
Logging	230				378	0
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Simulation/Treating			332 6,230		380	6,230
Completion Unit			333 46,722		381	46,722
Swabbing Unit			334		382	0
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Rentals-Subsurface	236	103,458	336 35,041		384	138,499
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Water Disposal	239		339 60,000	362	387 200,000	260,000
Plug to Abandon	240		340			0
Seismic Analysis	241		341			0
Miscellaneous	242		342		389	0
Contingency	243	20,000	343 100,000	363	390	120,000
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Dyed Diesel			345 182,733			182,733
Coil Tubing			346			0
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Offset Directional/Frac	248		348		391 20,000	20,000
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Tubing			504 24,555		530	24,555
Wellhead Equipment	405	28,000	505 9,708		531 42,500	80,208
Pumping Unit					506	0
Prime Mover					507	0
Rods					508	0
Pumps-Sub Surface (BH)			509		532	0
Tanks				510		0
Flowlines				511		0
Heater Treater/Separator				512 90,597		90,597
Electrical System				513	533	0
Packers/Anchors/Hangers	414		514 33,743		534	33,743
Couplings/Fittings/Valves	415			515		0
Dehydration				517 57,043		57,043
Injection Plant/CO2 Equipment				518 155,022		155,022
Pumps-Surface				521 100,664		100,664
Instrumentation/SCADA/POC				522 127,507	529	127,507
Miscellaneous	419		519 90,597	523 90,597	535	90,597
Contingency	420		520	524	536	0
Meters/LACT				525 21,475		21,475
Flares/Combusters/Emission				526 20,804		20,804
Gas Lift/Compression			527 5,719	516 62,412	528	68,122
TOTAL TANGIBLES		482,800	73,716	728,121	42,500	1,325,137
TOTAL WELL COSTS		3,353,584	3,781,832	928,762	425,000	8,467,178

COG Operating LLC

% of Total Well Cost

40%

44%

11%

5%

Date Prepared 7/9/2020

COG Operating LLC

We approve:
% Working Interest

By: DR

Company:
By:

Printed Name:
Title:
Date:

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

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

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.

11. **Attachment J** overlays a cross-section line consisting of three wells penetrating 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.

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

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

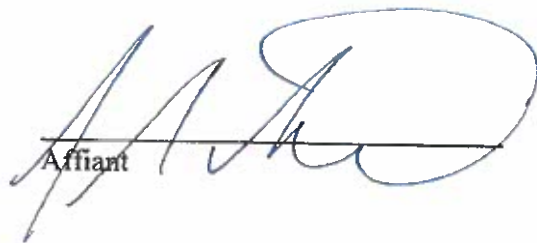
14. Based on my geologic study, the targeted interval underlying the subject area is suitable for development by horizontal wells, and the acreage comprising the proposed spacing unit will contribute, more-or-less, equally to the production from the wellbores.

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

16. **Exhibit 2 and Attachments D through K** were either prepared by me or compiled under my direction and supervision.

THIS CONCLUDES AFFIANT'S STATEMENT.

STATE OF Texas)
COUNTY OF Midland)

Affiant 

State of Texas
County of Midland

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

John Bertalott.




Melissa L. Dimit
NOTARY PUBLIC

My Commission Expires:


9/9/2021

Location Map


Bone Spring Avalon Shale



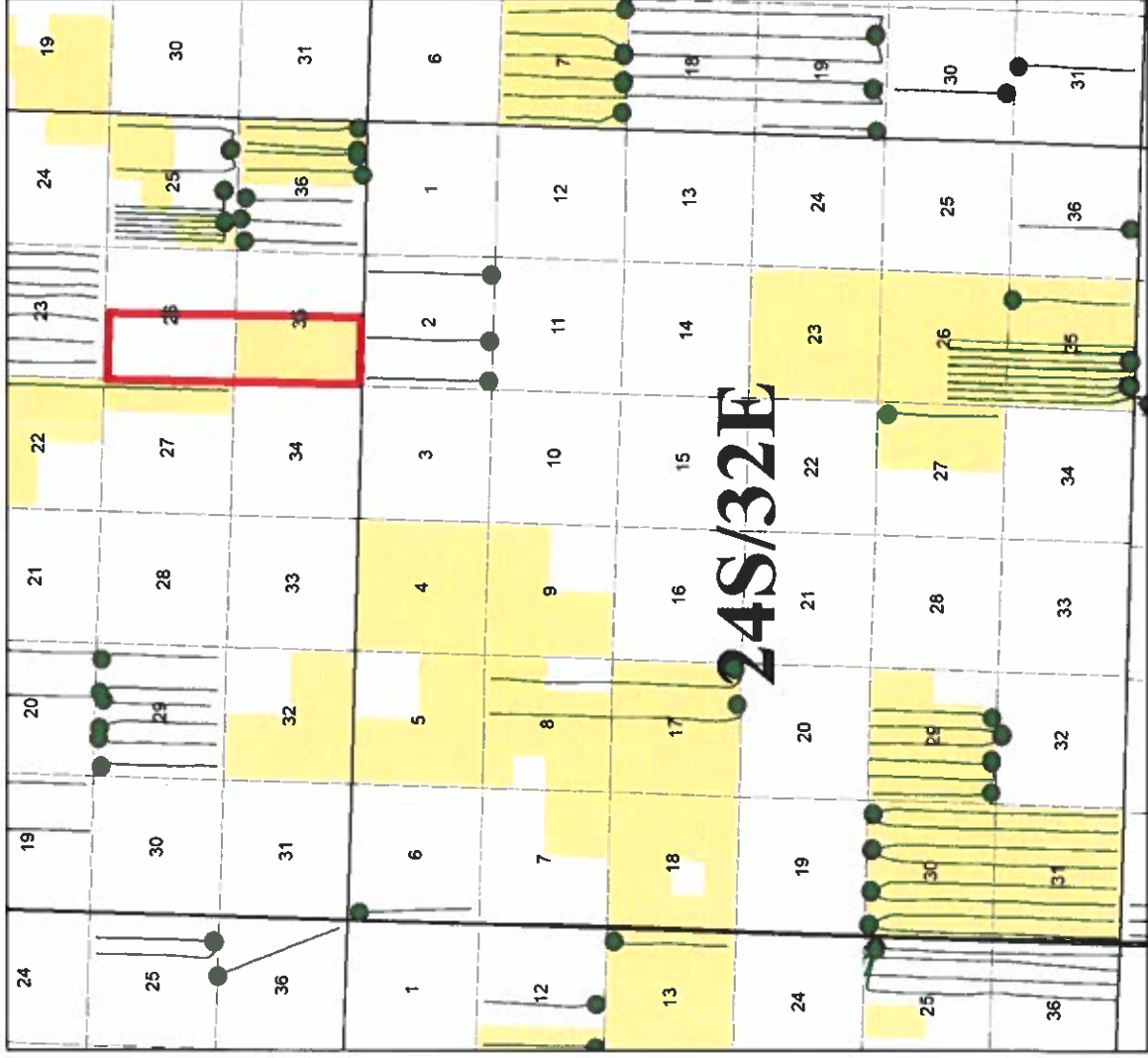
Bedlington Project Area



Producing Avalon Shale Wells

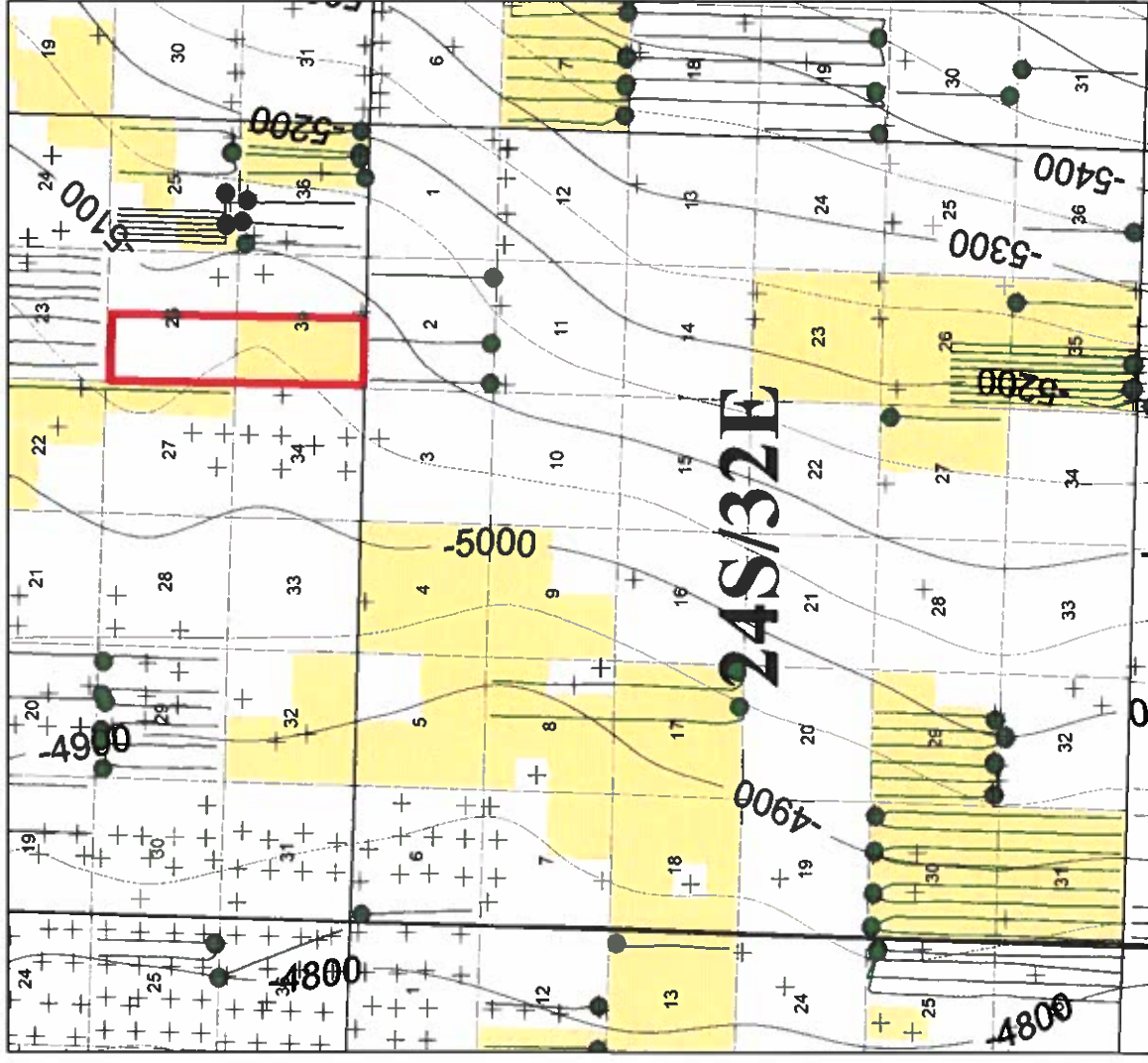
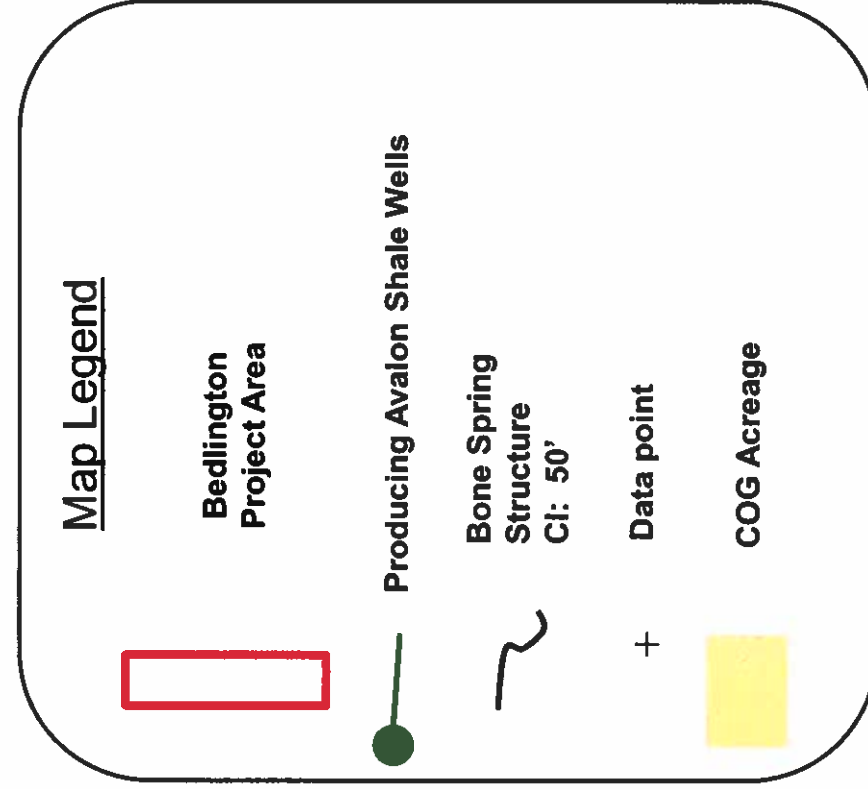


COG Acreage



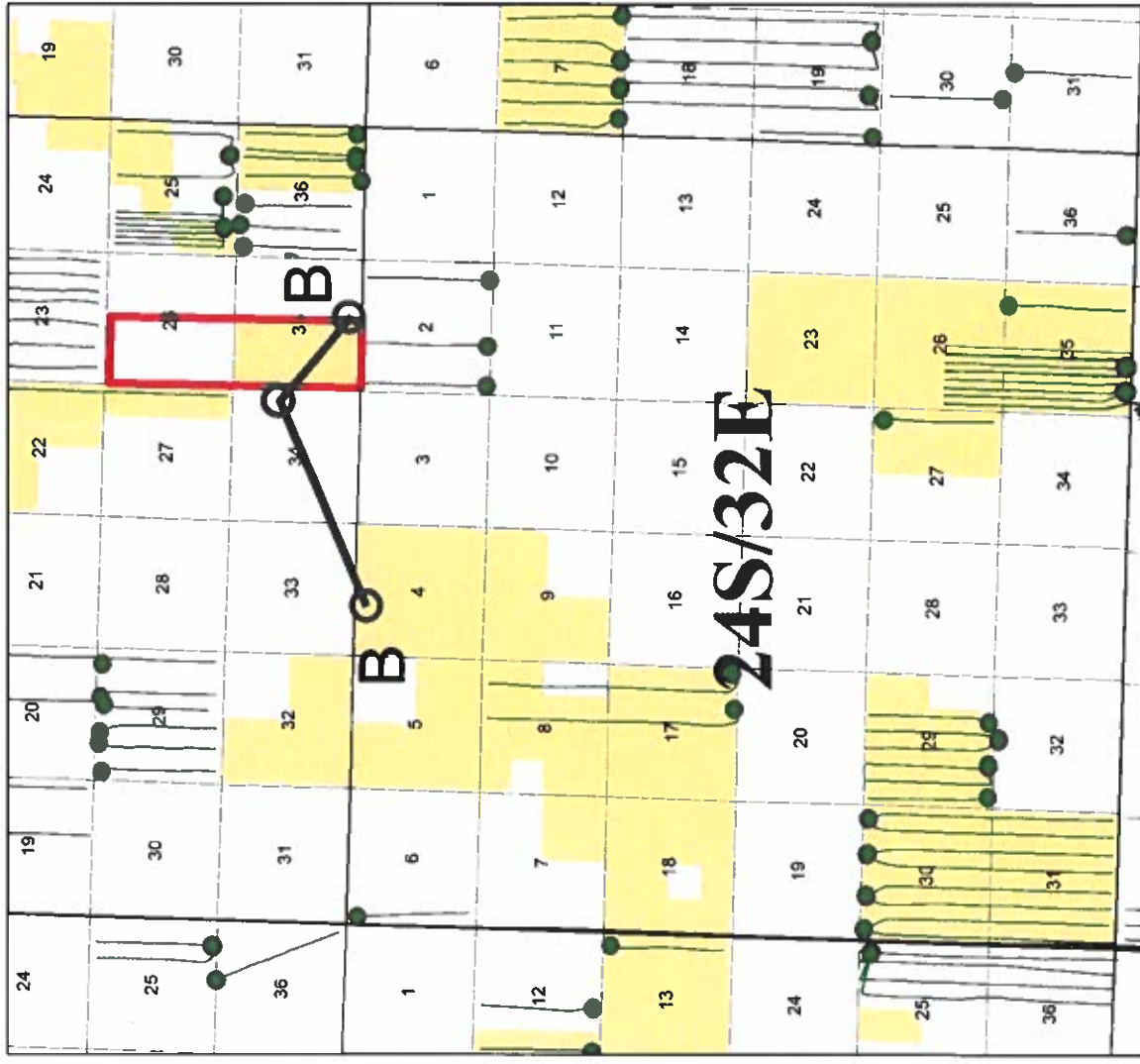
Bone Spring Pool

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



Bone Spring Pool

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



Map Legend



Bedlington
Project Area



Producing Avalon Shale Wells



Cross Section Line B-B'



COG Acreage



BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Case No. 21424 Attachment F

Submitted by:

COG OPERATING LLC

Hearing Date: September 10, 2020

Bone Spring Pool

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

300254206400

300253326100

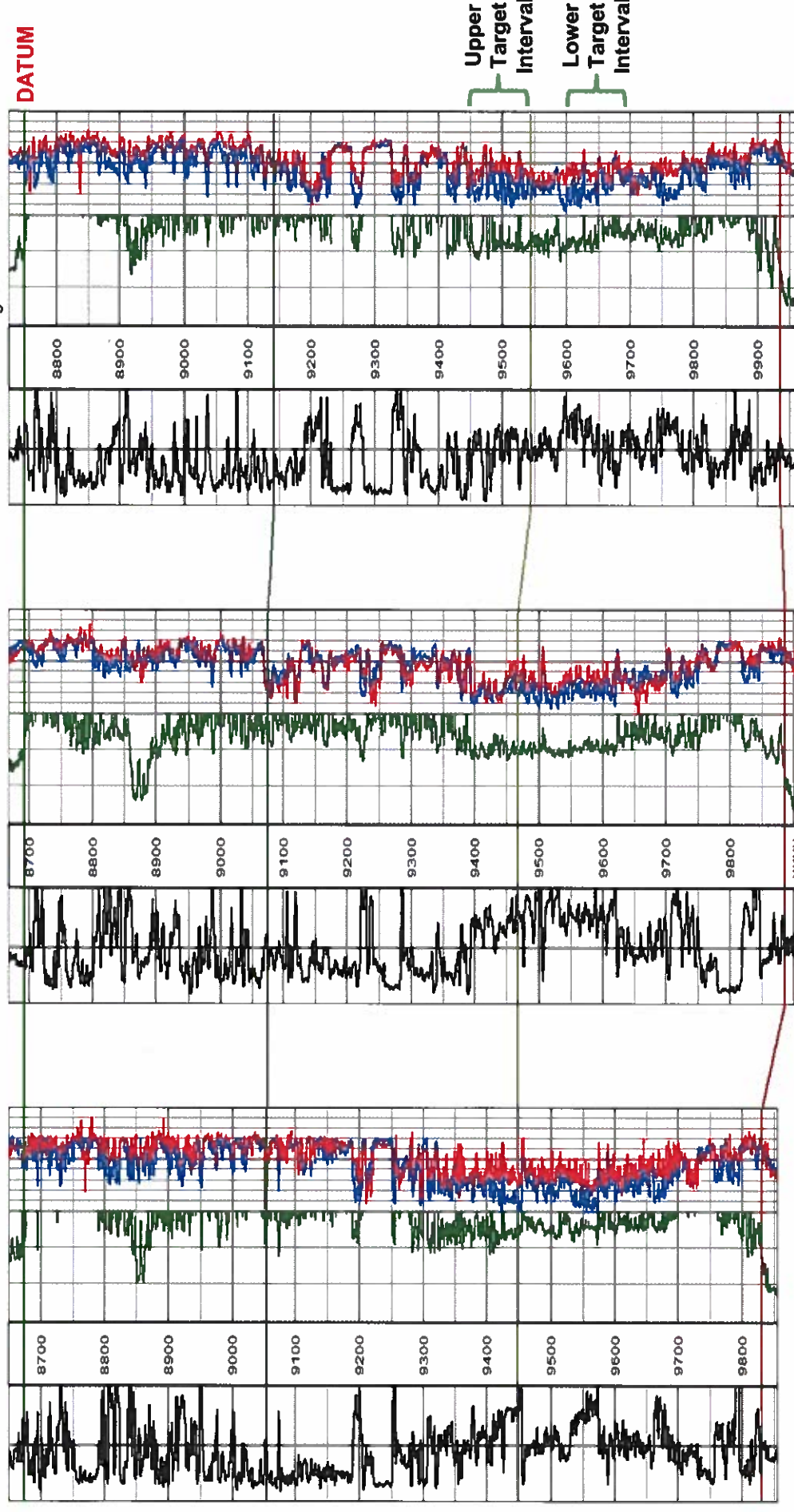
300254152100

B **B'**

COG OPERATING LLC
MASTIFF FEDERAL Pilot Hole 3H
TWP: 24 S - Range: 32 E - Sec. 4

EOG RESOURCES INCORPORATED
DIAMONDTAIL 34 FEDERAL 4
TWP: 23 S - Range: 32 E - Sec. 34


CHEVRON U S A INCORPORATED
COX 35 FEDERAL 2H
TWP: 23 S - Range: 32 E - Sec. 35




Location Map

Bone Spring 2nd Bone Spring Sand


Map Legend



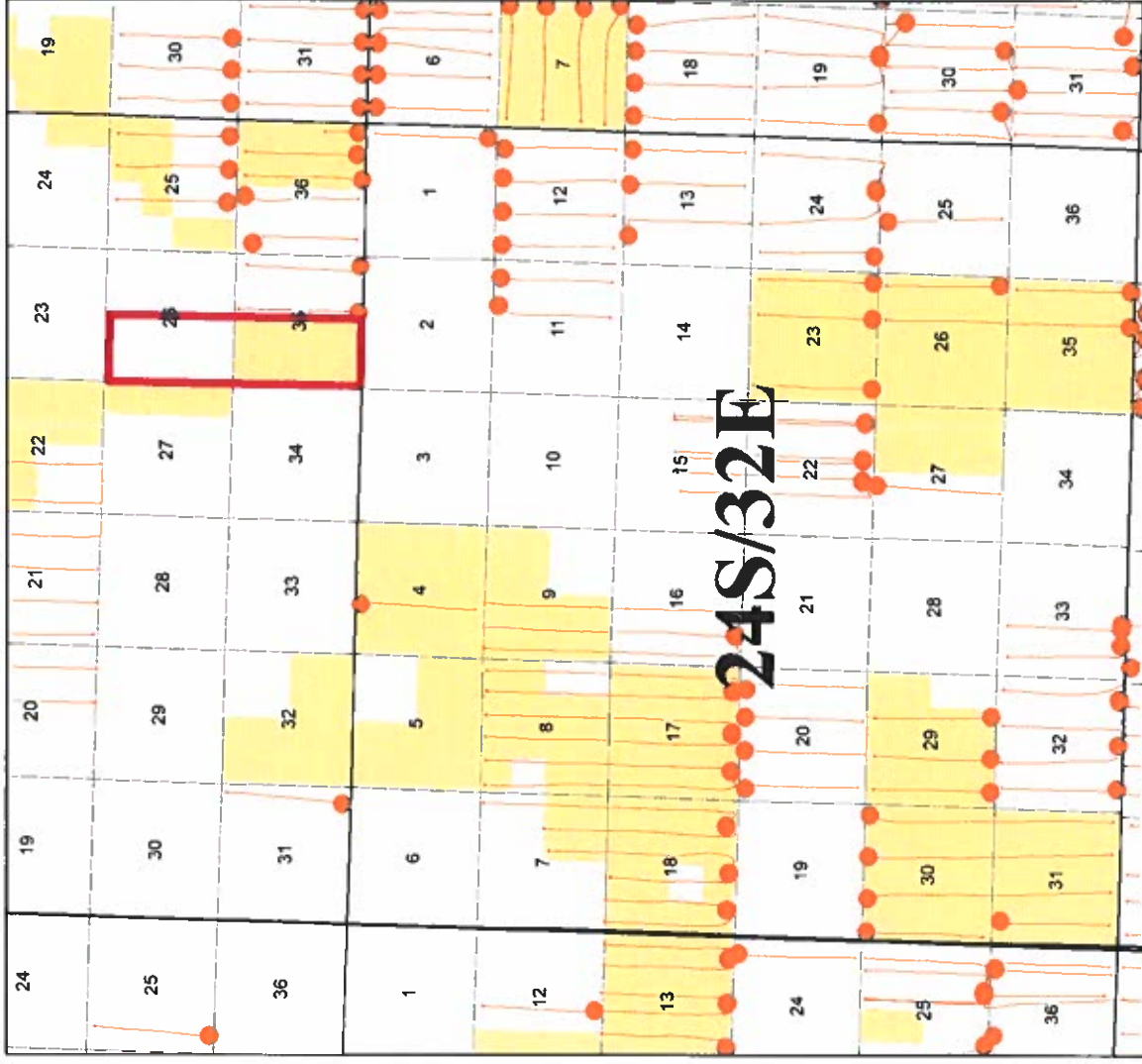
Bedlington
Project Area



Producing 2nd Bone
Spring Sand Wells

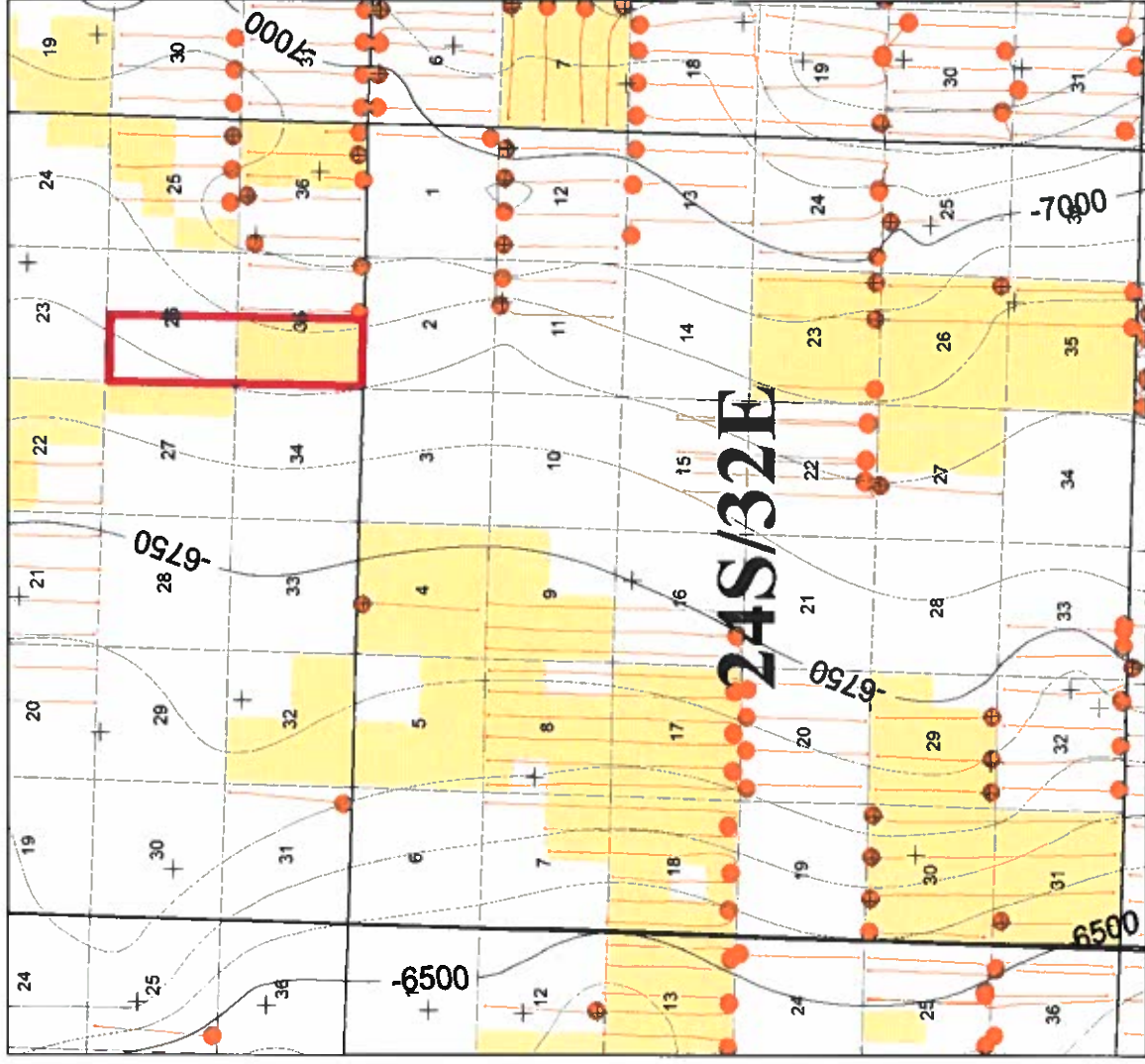
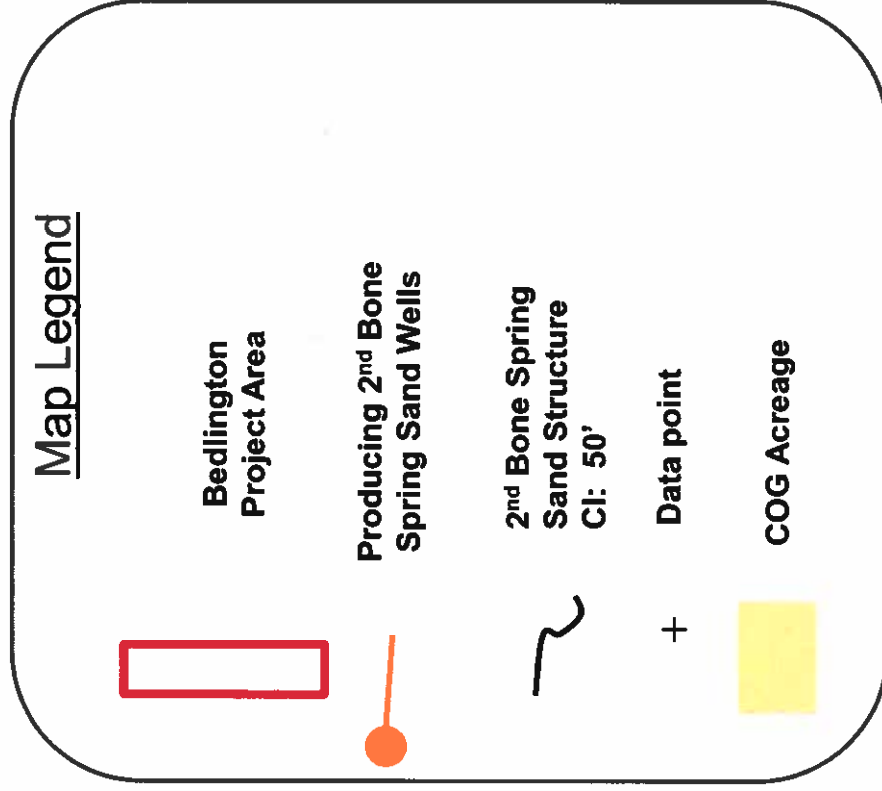


COG Acreage



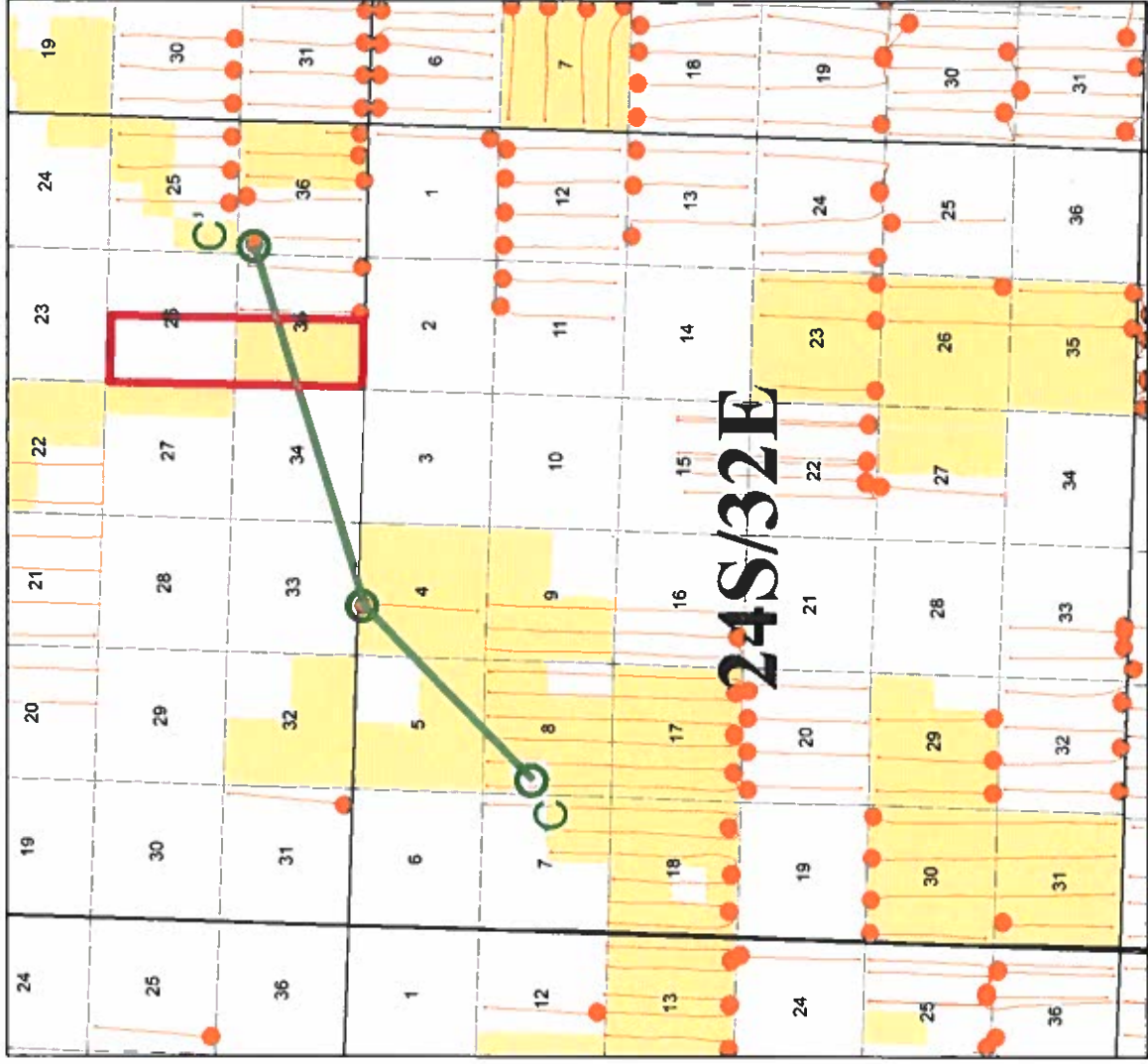
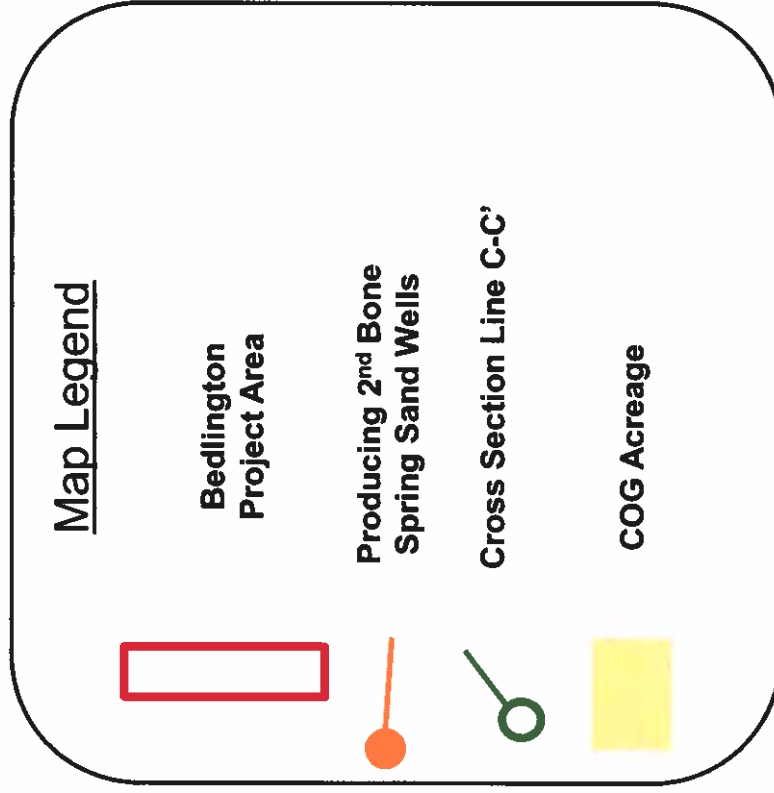
Bone Spring Pool

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



Bone Spring Pool

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



Bone Spring Pool

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

300253219200

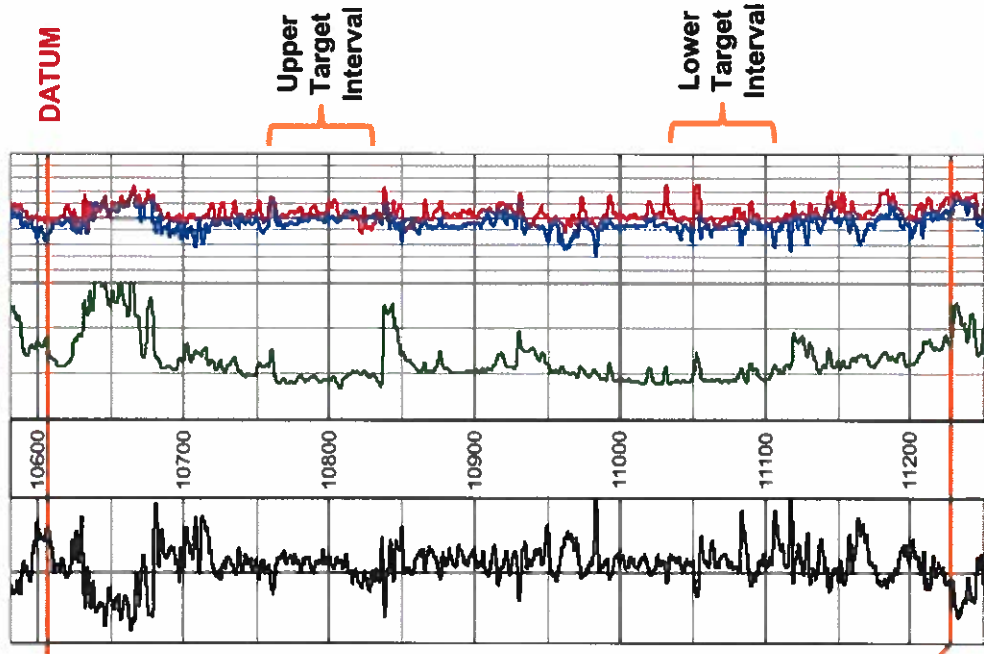
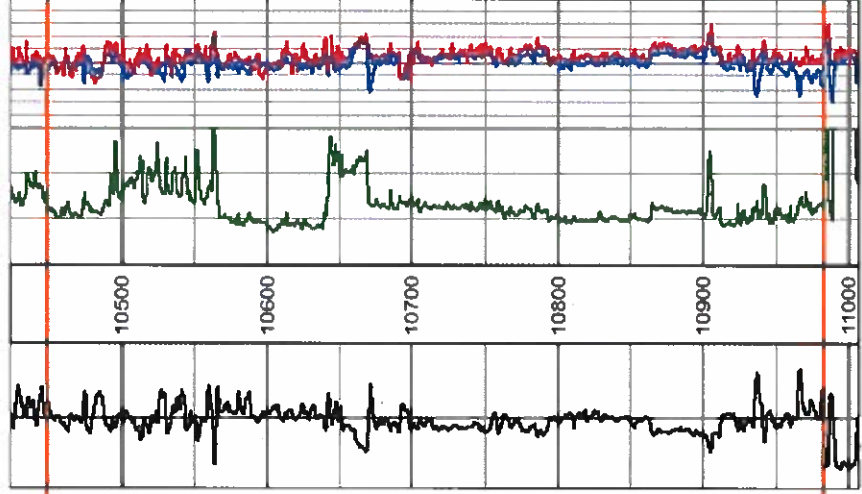
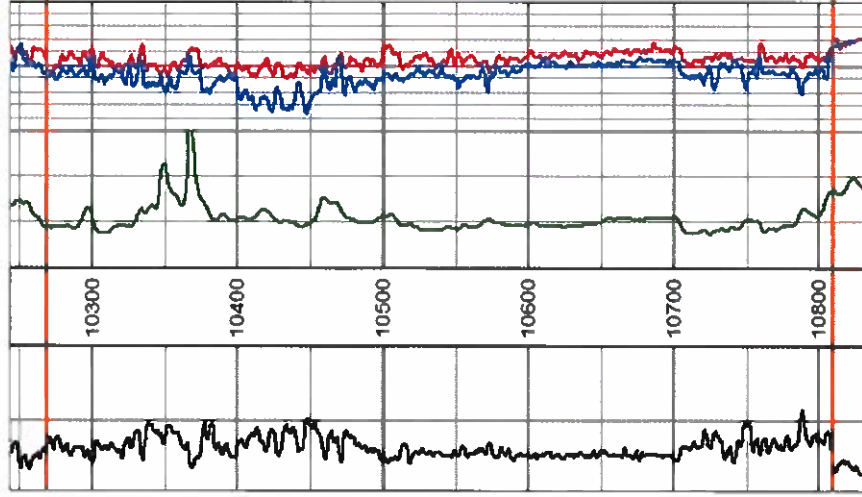
MERIDIAN OIL INCORPORATED
JACK TANK 8' FEDERAL 2
TWP: 24 S - Range: 32 E - Sec. 8

300254206400

COG OPERATING LLC
MASTIFF FEDERAL Pilot Hole 3H

300254057870

CIMAREX ENERGY CO
TRISTE DRAW 36 STATE Pilot Hole 6
TWP: 23 S - Range: 32 E - Sec. 36



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 21424 Exhibit No. 3
Submitted by:
COG OPERATING LLC
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:

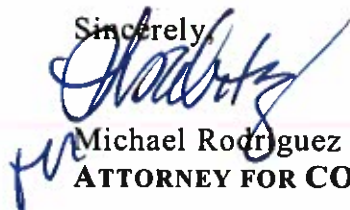
This letter is to advise you that COG Operating LLC has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on September 10, 2020, and the status of the hearing can be monitored through the Division's website at <http://www.emnrd.state.nm.us/oed/>. 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 Public 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 elauger@concho.com.

Sincerely,

**Michael Rodriguez**
ATTORNEY FOR COG OPERATING LLC

CORPORATE ADDRESS

One Concho Center | 600 West Illinois Avenue | Midland, Texas 79701
P 432.683.7443 | F 432.683.7441

SANTA FE OFFICE

1048 Paseo De Peralta | Santa Fe, New Mexico 87501
P 505.780.8000 | F 505.428.0485

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

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OFFICIAL RECEIPT

Certified Mail Fee \$ 3.50

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

☐ Return Receipt (hardcopy) \$ 2.80

☐ Return Receipt (electronic) \$ 0.00

☐ Certified Mail Restricted Delivery \$ 0.00

☐ Adult Signature Required \$ 0.00

☐ Adult Signature Restricted Delivery \$ 0.00

Postage \$ 0.00

Postmark Here AUG 20 2020 NM 87501

Chevron USA Inc.
ATTN: NOJV Group
6301 Deauville Blvd
Midland, TX 79701

PS Form 3800, April 2015 PSN 7530-02-000-1047 See Reverse for Instructions

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

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

OFFICIAL RECEIPT

Certified Mail Fee \$ 3.50

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

☐ Return Receipt (hardcopy) \$ 2.80

☐ Return Receipt (electronic) \$ 0.00

☐ Certified Mail Restricted Delivery \$ 0.00

☐ Adult Signature Required \$ 0.00

☐ Adult Signature Restricted Delivery \$ 0.00

Postage \$ 0.00

Postmark Here AUG 20 2020 NM 87501

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

PS Form 3800, April 2015 PSN 7530-02-000-1047 See Reverse for Instructions


SENDER: COMPLETE THIS SECTION

■ Complete items 1, 2, and 3.

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

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

Chevron USA Inc.
ATTN: NOJV Group
6301 Deauville Blvd
Midland, TX 79701



9590 9402 5941 0062 9999 23

Article Number (Transfer from carrier label)

7020 0640 0000 0143 0214

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

SENDER: COMPLETE THIS SECTION

■ Complete items 1, 2, and 3.

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

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

1. Article Addressed to:

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



9590 9402 5941 0062 9999 16

Article Number (Transfer from carrier label)

7020 0640 0000 0143 0207

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

COMPLETE THIS SECTION ON DELIVERY

A. Signature X AA R20 C-19 ☒ Agent ☐ Addressee

B. Received by (Printed Name) C. Date of Delivery

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

3. Service Type

☐ Priority Mail Express®

☐ Adult Signature

☐ Registered Mail™

☐ Adult Signature Restricted Delivery

☐ Certified Mail®

☐ Return Receipt for Merchandise

☐ Collect on Delivery

☐ Collect on Delivery Restricted Delivery

☐ Signature Confirmation™

☐ Restricted Delivery

Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature X Jack L... ☐ Agent ☐ Addressee

B. Received by (Printed Name) Jack L... ☐ Agent ☐ Addressee

C. Date of Delivery 8/21/20

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

3. Service Type

☐ Priority Mail Express®

☐ Adult Signature

☐ Registered Mail™

☐ Adult Signature Restricted Delivery

☐ Certified Mail®

☐ Return Receipt for Merchandise

☐ Collect on Delivery

☐ Collect on Delivery Restricted Delivery

☐ Signature Confirmation™

☐ Restricted Delivery

Domestic Return Receipt

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

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

OFFICIAL RECEIPT

Certified Mail Fee

Extra Services & Fees (check box and fee amount)
☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
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AUG 20 2020

EOG Resources Inc.
ATTN: Chloe Sawtelle
5509 Champions Drive
Midland, TX 79706

USPS

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

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

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

OFFICIAL RECEIPT

Certified Mail Fee

Extra Services & Fees (check box and fee amount)
☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$

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AUG 20 2020

Magnum Hunter Production Inc. USPS
ATTN: Matt Bruns
600 N. Marienfield Street, Suite 600
Midland, TX 79701

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

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:

EOG Resources Inc.
ATTN: Chloe Sawtelle
5509 Champions Drive
Midland, TX 79706



9590 9402 5941 0062 9999 09

7020 0640 0000 0143 0164

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

Domestic Return Receipt

CERTIFIED MAIL[®]

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

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
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1. Article Addressed to:

Magnum Hunter Production Inc.
ATTN: Matt Bruns
600 N. Marienfield Street, Suite 600
Midland, TX 79701



9590 9402 5941 0062 9998 93

7020 0640 0000 0143 0191

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

Domestic Return Receipt

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7020 0640 0000 0143 0191

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

Domestic Return Receipt

Affidavit of Publication

Ad # 0004341649

This is not an invoice

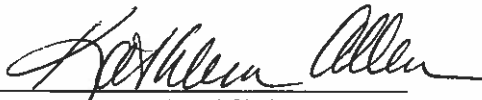
CONCHO

1048 PASEO DE PERALTA

SANTA FE, NM 87501

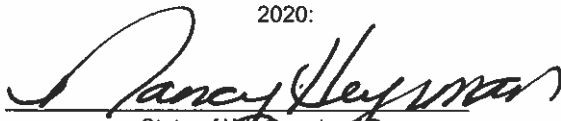
I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements 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:



State of WI, County of Brown
NOTARY PUBLIC
5.15.23

My commission expires

NANCY HEYRMAN
Notary Public
State of Wisconsin

Ad # 0004341649
PO #: 21420
of Affidavits 1

This is not an invoice

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 Public 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 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 NW1/4 and the E1/4 of sections 20 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