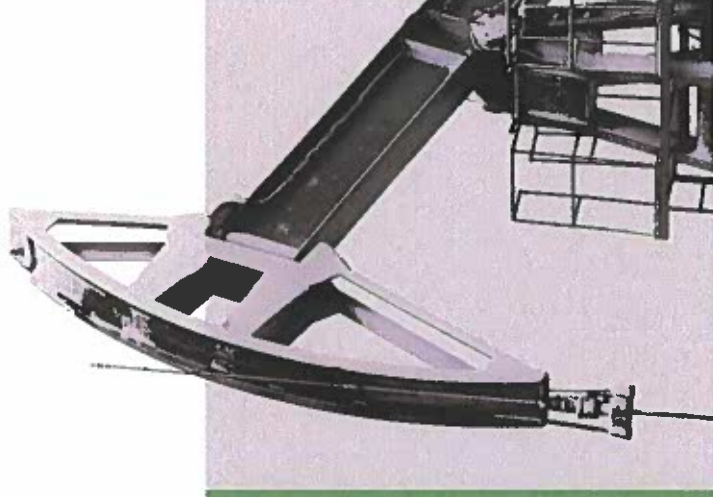




COG Operating LLC

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,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 21421

TABLE OF CONTENTS

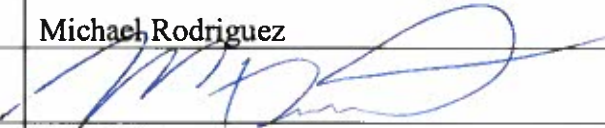
- Compulsory Pooling Application Checklist
- Application for Compulsory Pooling
- COG Exhibit 1 – Landman Affidavit
 - Attachment A – C-102s
 - Attachment B – Land Exhibit
 - Attachment C – Well Proposal Letter with Accompanying AFEs
- Exhibit 2 – Geologist Affidavit
 - Attachment D – General Location Map
 - Attachment E – Subsea Structure Map
 - Attachment F – Cross Section Map
 - Attachment G – 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: 21421	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:	Wolfcamp
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Wolfcamp
Pool Name and Pool Code:	WC-025 G-09 S253236A; Upper Wolfcamp (98158)
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 #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.
Proximity Defining Well: if yes, description	Bedlington Federal Com #702H (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 #701H (API # Pending) SHL: 225 FSL, 1715 FWL, Unit N, 35-23S-32E

	BHL: 50 FNL, 330 FWL, Unit D, 26-23S-32E Completion Target: Wolfcamp formation (Approx. 12410 feet TVD) Completion status: Standard
Well #2	Bedlington Federal Com #702H (API # Pending) SHL: 225 FSL, 1745 FWL, Unit N, 35-23S-32E BHL: 50 FNL, 995 FWL, Unit D, 26-23S-32E Completion Target: Wolfcamp formation (Approx. 12410 feet TVD) Completion status: Standard
Well #3	Bedlington Federal Com #703H (API # Pending) SHL: 225 FSL, 1775 FWL, Unit N, 35-23S-32E BHL: 50 FNL, 1650 FWL, Unit C, 26-23S-32E Completion Target: Wolfcamp formation (Approx. 12410 feet TVD) Completion status: Standard
Well #4	Bedlington Federal Com #704H (API # Pending) SHL: 225 FSL, 1805 FWL, Unit N, 35-23S-32E BHL: 50 FNL, 2310 FWL, Unit C, 26-23S-32E Completion Target: Wolfcamp formation (Approx. 12410 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	Wolfcamp
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. 21421

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 Wolfcamp formation [WC-025 G-09 S253236A; Upper Wolfcamp (98158)] 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 #701H** 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 #702H** 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 #703H** 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 #704H** 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 #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.

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 Wolfcamp formation [WC-025 G-09 S253236A; Upper Wolfcamp (98158)] 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 #701H** 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 #702H** 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 #703H** 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 #704H** 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 #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. 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. 21421

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 Wolfcamp formation [WC-025 G-09 S253236A; Upper Wolfcamp (98158)] 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. 21421 Exhibit No. 1
Submitted by:
COG OPERATING LLC
Hearing Date: September 10, 2020

- Bedlington Federal Com #701H 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 #702H 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 #703H 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 #704H 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 Reker



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) 748-1283 Fax (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone (505) 334-6178 Fax (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3460 Fax (505) 476-3462

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-	2 Pool Code 98158	3 Pool Name WC-025 G-09 S253236A; Upper Wolfcamp
4 Property Code	5 Property Name BEDLINGTON FEDERAL COM	6 Well Number 701H
7 OGRID No. 229137	8 Operator Name COG OPERATING LLC	9 Elevation 3623'

" Surface Location

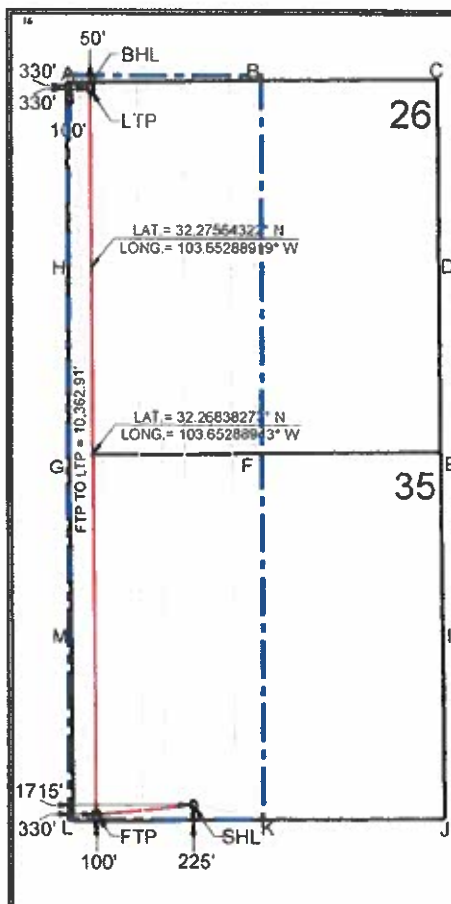
U/L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	35	23-S	32-E		225'	SOUTH	1715'	WEST	LEA

" 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.



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 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 459447.69° E 756820.56'
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=753087.19
Y=456994.83
LAT.= 32.25449743° N
LONG.= 103.64841649° W
225' FSL, 1715' FWL
SECTION 35

FIRST TAKE POINT (FTP)
NEW MEXICO EAST - NAD 83
X=751682.93
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=751619.53
Y=467218.59
LAT.= 32.28262744° 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: 6/12/2020
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. Smelker
Certificate Number: 25036
05/21/2020

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 21421 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
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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 98158		3 Pool Name WC-025 G-09 5253236A, Upper Wolfcamp					
4 Property Code		5 Property Name BEDLINGTON FEDERAL COM							
7 GRID No. 229137		8 Operator Name COG OPERATING LLC							
		6 Well Number 702H							
		9 Elevation 3623'							
" Surface Location									
11, 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 1745'	East/West line WEST	County LEA
" Bottom Hole Location If Different From Surface									
11, 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 995'	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 467728.99' 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: 753981.80' 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: 756638.34' K - FOUND IRON PIPE W/ BRASS CAP N 456778.50' E: 753996.44' L - FOUND IRON PIPE W/ BRASS CAP N 456753.76' E: 751353.50' M - FOUND IRON PIPE W/ BRASS CAP N 459393.97' E: 751338.83'		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: <u>Stan Wagner</u> Date: <u>6/12/20</u> Printed Name: <u>Stan Wagner</u> E-mail Address: _____	
	SURFACE HOLE LOCATION (SHL) NEW MEXICO EAST - NAD 83 X=753091.16 Y=458995.09 LAT.= 32.25449762° N LONG.= 103.54831954° W 225' FSL, 1745' FWL SECTION 35		FIRST TAKE POINT (FTP) NEW MEXICO EAST - NAD 83 X=752342.91 Y=456863.04 LAT.= 32.25414784° N LONG.= 103.55076201° W 100' FSL, 995' FWL SECTION 35	
	LAST TAKE POINT (LTP) NEW MEXICO EAST - NAD 83 X=752284.66 Y=467226.84 LAT.= 32.28263578° N LONG.= 103.65073718° W 100' FSL, 995' FWL SECTION 26		BOTTOM HOLE LOCATION (BHL) NEW MEXICO EAST - NAD 83 X=752284.34 Y=467226.84 LAT.= 32.28277321° N LONG.= 103.65073718° W 50' FSL, 995' FWL SECTION 26	
	Date of Survey _____ Signature and Seal of Professional Surveyor 		Certificate Number _____ 25036	

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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 98158	3 Pool Name WC-025 G-09 S253236A; Upper Wolfcamp
4 Property Code	5 Property Name BEDLINGTON FEDERAL COM	6 Well Number 703H
7 OGRID No. 229137	8 Operator Name COG OPERATING LLC	9 Elevation 3623'

*** Surface Location**

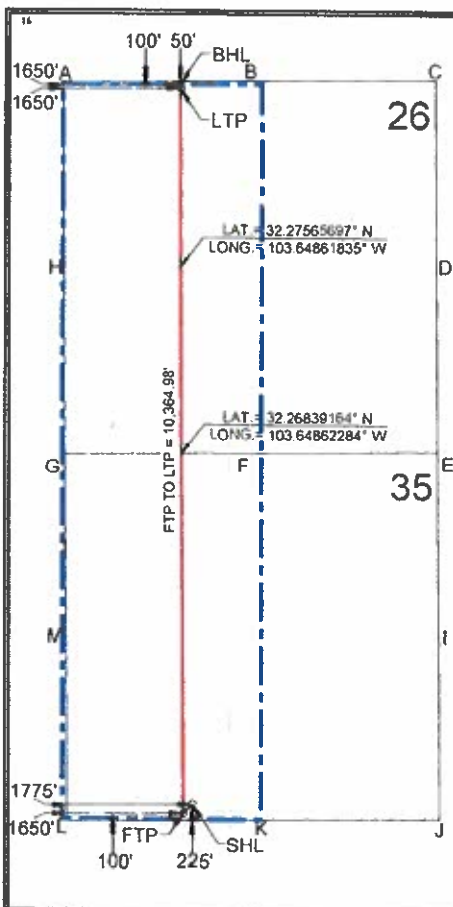
U/L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	35	23-S	32-E		225'	SOUTH	1775'	WEST	LEA

" 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
C	26	23-S	32-E		50'	NORTH	1650'	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=753127.18
Y=456985.39
LAT = 32.25449791° N
LONG = 103.64822242° W
225' FSL 1775' FWL
SECTION 35

FIRST TAKE POINT (FTP)
NEW MEXICO EAST - NAD 83
X=753002.68
Y=456889.21
LAT = 32.25415325° N
LONG = 103.64862708° W
100' FSL 1650' FWL
SECTION 35

LAST TAKE POINT (LTP)
NEW MEXICO EAST - NAD 83
X=752939.63
Y=467233.99
LAT = 32.28264395° N
LONG = 103.64851777° W
100' FSL 1650' FWL
SECTION 26

BOTTOM HOLE LOCATION (BHL)
NEW MEXICO EAST - NAD 83
X=752939.31
Y=467283.99
LAT = 32.28278139° N
LONG = 103.64861777° W
50' FSL 1650' 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: 6/15/2020
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. SMELLER
25036
05/21/2020
Certificate Number: _____

District I
1625 N Trench Dr., Hobbs, NM 88240
Phone (575) 393-6161 Fax (575) 393-0720

District II
811 S. First St., Artesia, NM 88210
Phone (575) 748-1283 Fax (575) 748-9720

District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone (505) 334-6178 Fax (505) 334-6170

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
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State of New Mexico
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OIL CONSERVATION DIVISION
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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 98158	3 Pool Name WC-025 G-09 S253236A; Upper Wolfcamp
4 Property Code	5 Property Name BEDLINGTON FEDERAL COM	6 Well Number 704H
7 OGRID No. 229137	8 Operator Name COG OPERATING LLC	9 Elevation 3623'

" Surface Location

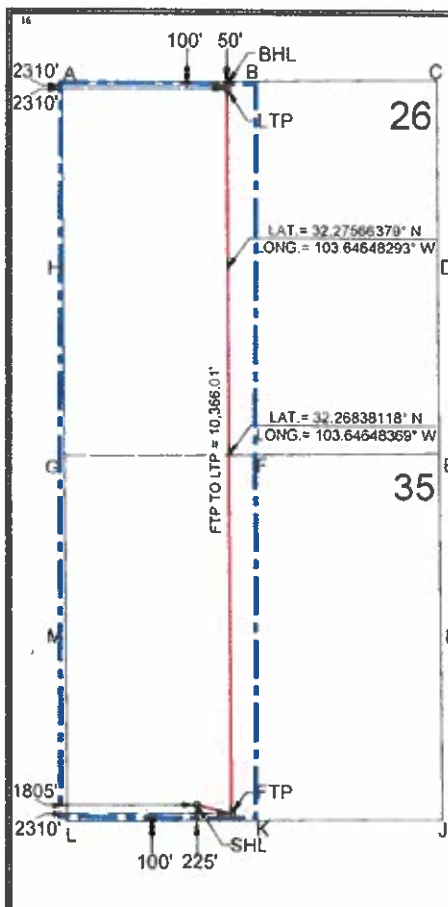
U/L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	35	23-S	32-E		225'	SOUTH	1805'	WEST	LEA

" 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
C	26	23-S	32-E		50'	NORTH	2310'	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=753157.18
Y=456995.68
LAT = 32.25449812° N
LONG = 103.64812540° W
225' FSL, 1805' FVL
SECTION 35

FIRST TAKE POINT (FTP)
NEW MEXICO EAST - NAD 83
X=753662.86
Y=456875.38
LAT = 32.2515863° N
LONG = 103.64649216° W
100' FSL, 2310' FVL
SECTION 35

LAST TAKE POINT (LTP)
NEW MEXICO EAST - NAD 83
X=753599.60
Y=467241.20
LAT = 32.28265216° N
LONG = 103.64648219° W
100' FSL, 2310' FVL
SECTION 26

BOTTOM HOLE LOCATION (BHL)
NEW MEXICO EAST - NAD 83
X=753599.28
Y=467281.20
LAT = 32.28278559° N
LONG = 103.64648218° W
50' FSL, 2310' FVL
SECTION 26

17 OPERATOR CERTIFICATION

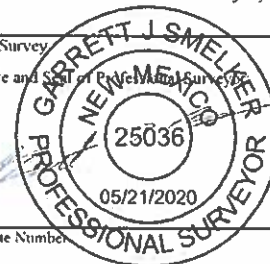
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this 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 6/15/2020
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



COG Operating, LLC—Bedlington Federal Com Wells

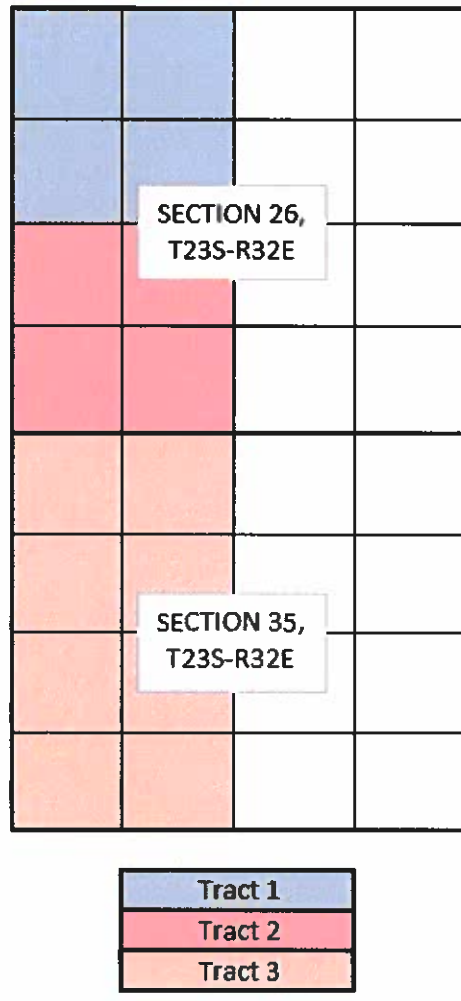
Township 23 South- Range 32 East, N.M.P.M.

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. 21421 Attachment B

Submitted by:

COG OPERATING LLC

Hearing Date: September 10, 2020

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

(WI) Conoco Phillips Company 50.000000%

(WI) Magnum Hunter Production Inc. 50.000000%

Total: 100.000000%

Participating Parties

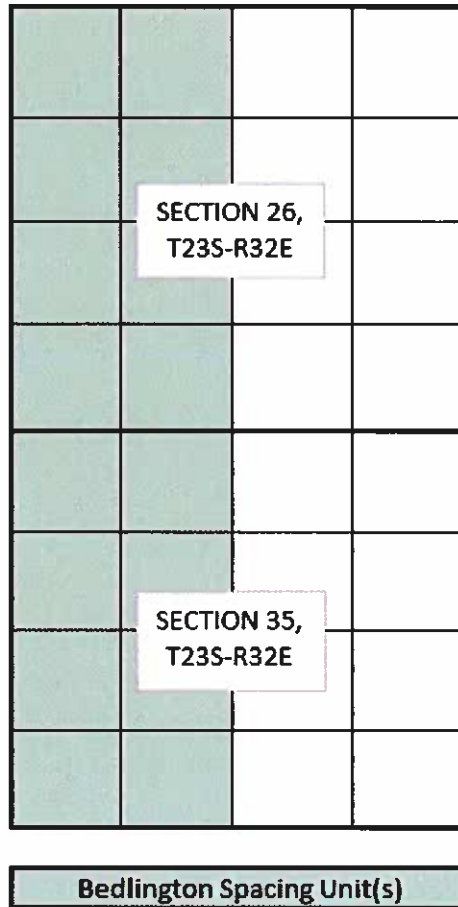
Parties We Seek to Pool

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

(WI) COG Operating LLC 100.000000%

Total 100.000000%

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



BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Case No. 21421 Attachment C

Submitted by:

COG OPERATING LLC

Hearing Date: September 10, 2020

July 7, 2020

Via FedEx Overnight

ConocoPhillips Company
925 N. Eldridge Pkwy
Houston, TX 77079

Re: Well Proposal- BEDLINGTON WELLS
W/2 of Sections 26 & 35, T23S R32E
640 Ac – Wolfcamp 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 #701H**, to be drilled to a depth sufficient to test the Wolfcamp formation at an approximate total vertical depth of 12,410 feet. The estimated surface hole location for this well is proposed at approximately 225' FSL, 1715' 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 \$10,102,394, as shown on the attached Authority for Expenditure ("AFE").
- **BEDLINGTON FEDERAL COM #702H**, to be drilled to a depth sufficient to test the Wolfcamp formation at an approximate total vertical depth of 12,410 feet. The estimated surface hole location for this well is proposed at approximately 225' FSL, 1745' 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, 990' FWL of Section 35, and the last take point is estimated at approximately 100' FNL, 990' FWL of Section 26. The estimated bottom hole location for this well is proposed at approximately 50' FNL, 995' 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 \$10,102,394, as shown on the attached Authority for Expenditure ("AFE").
- **BEDLINGTON FEDERAL COM #703H**, to be drilled to a depth sufficient to test the Wolfcamp formation at an approximate total vertical depth of 12,410 feet. The estimated surface hole location for this well is proposed at approximately 225' FSL, 1775' 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, 1650' FWL of Section 35, and the last take point is estimated at approximately 100' FNL, 1650' FWL of Section 26. The estimated bottom hole location for this well is proposed at approximately 50' FNL, 1650' 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 \$10,102,394, 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:

- 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:**

- 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.

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.

Sincerely,

Ph Ph

Adam Reker, MBA, RPL
Landman
areker@concho.com

_____ I/We hereby elect to participate in the drilling and completion of the
BEDLINGTON FEDERAL COM #701H

_____ I/We hereby elect **not** to participate in the drilling and completion of the
BEDLINGTON FEDERAL COM #701H

_____ I/We hereby elect to participate in the drilling and completion of the
BEDLINGTON FEDERAL COM #702H

_____ I/We hereby elect **not** to participate in the drilling and completion of the
BEDLINGTON FEDERAL COM #702H

_____ I/We hereby elect to participate in the drilling and completion of the
BEDLINGTON FEDERAL COM #703H

_____ I/We hereby elect **not** to participate in the drilling and completion of the
BEDLINGTON FEDERAL COM #703H

_____ I/We hereby elect to participate in the drilling and completion of the
BEDLINGTON FEDERAL COM #704H

_____ I/We hereby elect **not** to participate in the drilling and completion of the
BEDLINGTON FEDERAL COM #704H

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

**COG OPERATING LLC
AUTHORITY FOR EXPENDITURE
DRILLING**

WELL NAME:	BEDLINGTON FED COM 701H	PROSPECT NAME:	Buildog 2332 (717112)
FTP:	Sec 35: 225 FSL & 1715 FWL	STATE & COUNTY:	New Mexico, Lea
LTP:	Sec 26: 50 FNL & 330 FWL	OBJECTIVE:	Drill and Complete
FORMATION:	Wolfcamp	DEPTH:	22,970
LEGAL:	Sec 35: 23S 32E	TVD:	12,410

		Orig - Rig Release(D)	Completion(C)	Tank Bty Constructn(TB)	Prmg 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
Survey/Stake Location	204	7,000		352		7,000
Wellbore Frac Prep			304			0
Location/Pits/Road Expense	205	155,000	305	10,000	353	217,345
Drilling / Completion Overhead	206	8,700	306			8,700
Turnkey Contract	207		307	802,000		802,000
Footage Contract	208		308	418,417		418,417
Daywork Contract	209	1,000,000	309	608,861		1,608,861
Directional Drilling Services	210	425,000	310	76,831		501,831
Fuel & Power	211	245,000	311	3,500	354	248,500
Water	212	175,000	312	667,079	367	842,079
Bits	213	133,000	313	12,000	368	145,000
Mud & Chemicals	214	185,000	314	20,000	369	205,000
Drill Stem Test	215		315		370	0
Coring & Analysis	216					0
Cement Surface	217	53,423				53,423
Cement Intermediate	218	86,632				86,632
Cement 2nd Intermediate/Production	219	187,702				187,702
Cement Squeests & Other (Kickoff Plug)	220				371	0
Floet Equipment & Cartrilizers	221	72,193				72,193
Casing Crews & Equipment	222	67,862				67,862
Fishing Tools & Service	223		323			0
Geologic/Engineering	224		324	355		0
Contract Labor	225	6,500	325	20,000	356	189,798
Company Supervision	226	75,370	326	15,000	357	90,370
Contract Supervision	227	144,387	327	94,481	358	238,868
Testing Casing/Tubing	228	38,817	328	10,000	359	48,817
Mud Logging Unit	229	53,423	329		360	53,423
Logging	230					0
Perforating/Wireline Services	231	4,000	331	263,717	361	267,717
Simulation/Trailing			332	6,230	362	6,230
Completion Unit			333	46,722	363	46,722
Swabbing Unit			334		364	0
Rentals-Surface	235	202,141	335	225,821	365	427,962
Rentals-Subsurface	236	194,922	336	35,401	366	230,323
Trucking/Forklift/Rig Mobilization	237	125,329	337	20,765	367	146,094
Welding Services	238	4,000	338	5,000	368	9,000
Water Disposal	239		339	60,000	369	350,597
Plug to Abandon	240		340		370	0
Seismic Analysis	241		341			0
Miscellaneous	242		342		371	0
Contingency	243	20,000	343	100,000	372	120,000
Closed Loop & Environmental	244	389,844	344	5,000	373	394,844
Dyed Diesel			345	182,733	374	182,733
Coil Tubing			346			0
Flowback Crews & Equip			347	24,918		24,918
HRZ Well Offset Frac					391	20,000
Flowback Crews & Equip					392	120,000
Offset Directional/Frac	248		348			0
TOTAL INTANGIBLES		4,102,745	3,734,476	263,738	382,500	8,483,459
TANGIBLE COSTS						
Surface Casing	401	26,000				26,000
Intermediate Casing	402	251,233				251,233
Production Casing/Liner	403	547,225				547,225
Tubing			504	24,555	530	24,555
Wellhead Equipment	405	32,000	505	9,708	531	41,708
Pumping Unit					506	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	100,684	100,684
Packers/Anchors/Hangers	414		514	33,743	533	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		0
Miscellaneous	419		519		535	0
Contingency	420		520		536	0
Meters/LACT				525	21,475	21,475
Flares/Combustors/Emission				526	20,804	20,804
Gas Lift/Compression			527	5,710	516	96,307
TOTAL TANGIBLES		856,458	73,716	646,261	42,500	1,618,935
TOTAL WELL COSTS		4,959,203	3,808,192	909,999	425,000	10,102,394

COG Operating LLC % of Total Well Cost 49% 38% 9% 4%

Date Prepared 7/9/20

COG Operating LLC

We approve:
% Working Interest

By: DWD 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 702H	PROSPECT NAME:	Bulldog 2332 (717112)
SHL:	Sec 35: 225 FSL & 1745 FWL	STATE & COUNTY:	Lea County, NM
BHL:	Sec 26: 50 FNL & 995 FWL	OBJECTIVE:	Drill and Complete
FORMATION:	Wolfcamp	DEPTH:	22,970
LEGAL:	Sec 35: T23S-R32E	TVD:	12,410

		Drig - Rig Release(D)	Completion(C)	Tank Btty Constrcn(TB)	Pmpg Equipment(PEQ)	TOTAL
INTANGIBLE COSTS						
Title/Cursive/Permit	201	20,000				20,000
Insurance	202	2,500				2,500
Damages/Right of Way	203	20,000		351		20,000
Survey/Stake Location	204	7,000		352		7,000
Wellbore Frac Prep			304			0
Location/Pits/Road Expense	205	155,000	305	10,000	353	217,345
Drilling / Completion Overhead	206	8,700	306			8,700
Turnkey Contract	207		307	802,000		802,000
Footage Contract	208		308	418,417		418,417
Daywork Contract	209	1,000,000	309	608,861		1,608,861
Directional Drilling Services	210	425,000	310	76,831		501,831
Fuel & Power	211	245,000	311	3,500	354	248,500
Water	212	175,000	312	867,079	367	842,079
Bits	213	133,000	313	12,000	368	145,000
Mud & Chemicals	214	185,000	314	20,000	370	205,000
Drill Stem Test	215		315			0
Coring & Analysis	216					0
Cement Surface	217	53,423				53,423
Cement Intermediate	218	86,632				86,632
Cement 2nd Intermediate/Production	219	187,702				187,702
Cement Squeeze & Other (Kickoff Plug)	220				371	0
Float Equipment & Centralizers	221	72,193				72,193
Casing Crews & Equipment	222	67,862				67,862
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	75,370	326	15,000	357	90,370
Contract Supervision	227	144,387	327	94,481	358	238,868
Testing Casing/Tubing	228	38,917	328	10,000	377	48,917
Mud Logging Unit	229	53,423	329			53,423
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	202,141	335	225,821	359	427,962
Rentals-Subsurface	236	194,922	336	35,401	360	230,323
Trucking/Forklift/Rig Mobilization	237	125,329	337	20,765	360	146,094
Welding Services	238	4,000	338	5,000	361	9,000
Water Disposal	239		339	60,000	362	350,597
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	389,844	344	5,000	364	394,844
Dyed Diesel			345	182,733		182,733
Coil Tubing			346			0
Flowback Crews & Equip			347	24,918		24,918
HRZ Well Offset Frac					391	20,000
Flowback Crews & Equip					392	120,000
Offset Directional/Frac	248		348			0
TOTAL INTANGIBLES		4,102,745	3,734,476	263,738	382,500	8,483,459
TANGIBLE COSTS						
Surface Casing	401	26,000				26,000
Intermediate Casing	402	251,233				251,233
Production Casing/Liner	403	547,225				547,225
Tubing			504	24,555	530	24,555
Wellhead Equipment	405	32,000	505	9,708	531	84,208
Pumping Unit					506	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
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		0
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	516	96,307
TOTAL TANGIBLES		856,458	73,716	648,261	42,500	1,618,935
TOTAL WELL COSTS		4,959,203	3,808,192	909,999	425,000	10,102,394

COG Operating LLC	% of Total Well Cost	49%	38%	9%	4%
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	Date Prepared	7/9/20
COG Operating LLC		
We approve:	By: DWO	DR
% Working Interest		
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 703H**
SHL: **Sec 35: 225 FSL & 1775 FWL**
BHL: **Sec 26: 50 FNL & 1650 FWL**
FORMATION: **Wolfcamp**
LEGAL: **Sec 35: T23S-R32E**

PROSPECT NAME: **Bulldog 2332 (717112)**
STATE & COUNTY: **Lea County, NM**
OBJECTIVE: **Drill and Complete**
DEPTH: **22,970**
TVD: **12,410**

		<u>Orig - Rig</u> <u>Release(D)</u>	<u>Completion(C)</u>	<u>Tank Btty</u> <u>Constructn(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		20,000
Survey/State Location	204	7,000		352		7,000
Wellbore Frac Prep			304			0
Location/Pits/Road Expense	205	155,000	305	10,000	353	52,345
Drilling / Completion Overhead	206	8,700	306			8,700
Turnkey Contract	207		307	802,000		802,000
Footage Contract	208		308	418,417		418,417
Daywork Contract	209	1,000,000	309	608,861		1,608,861
Directional Drilling Services	210	425,000	310	76,831		501,831
Fuel & Power	211	245,000	311	3,500	354	248,500
Water	212	175,000	312	667,079	367	842,079
Bits	213	133,000	313	12,000	368	145,000
Mud & Chemicals	214	185,000	314	20,000	370	205,000
Drill Stem Test	215		315			0
Coring & Analysis	216					0
Cement Surface	217	53,423				53,423
Cement Intermediate	218	86,632				86,632
Cement 2nd Intermediate/Production	219	187,702				187,702
Cement Squeeze & Other (Kickoff Plug)	220				371	0
Float Equipment & Centralizers	221	72,193				72,193
Casing Crews & Equipment	222	67,862				67,862
Fishing Tools & Service	223		323		372	0
Geologic/Engineering	224		324	355		0
Contract Labor	225	6,500	325	20,000	356	120,796
Company Supervision	226	75,370	326	15,000	357	90,370
Contract Supervision	227	144,387	327	94,481	358	238,868
Testing Casing/Tubing	228	38,817	328	10,000	377	48,817
Mud Logging Unit	229	53,423	329			53,423
Logging	230				378	0
Perforating/Wireline Services	231	4,000	331	263,717		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	202,141	335	225,821	359	427,962
Rentals-Subsurface	236	194,922	336	35,401		230,323
Trucking/Forklift/Rig Mobilization	237	125,329	337	20,765	360	146,094
Welding Services	238	4,000	338	5,000	361	9,000
Water Disposal	239		339	60,000	362	90,597
Plug to Abandon	240				387	200,000
Seismic Analysis	241		341			0
Miscellaneous	242		342		389	0
Contingency	243	20,000	343	100,000	363	120,000
Closed Loop & Environmental	244	389,844	344	5,000	364	394,844
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HRZ Well Offset Frac					391	20,000
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Tubing			504	24,555	530	24,555
Wellhead Equipment	405	32,000	505	9,708	531	42,500
Pumping Unit					506	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		0
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	516	90,597
TOTAL TANGIBLES		856,458	73,716	646,261	42,500	1,618,935
TOTAL WELL COSTS		4,959,203	3,808,192	909,999	425,000	10,102,394

COG Operating LLC % of Total Well Cost

49%

38%

9%

4%

Date Prepared: 7/9/20

COG Operating LLC

We approve
% Working Interest

By: DWD 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 704H**
SHL: **Sec 35: 225 FSL & 1805 FWL**
BHL: **Sec 28: 50 FNL & 2310 FWL**
FORMATION: **Wolfcamp**
LEGAL: **Sec 35: T23S-R32E**

PROSPECT NAME: **Bulldog 2332 (717112)**
STATE & COUNTY: **Lea County, NM**
OBJECTIVE: **Drill and Complete**
DEPTH: **22,970**
TVD: **12,410**

		Orig - Rig Release(D)	Completion(C)	Tank Btty Constrcn(TB)	Pmpg Equipment(PEQ)	TOTAL
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Daywork Contract	209	1,000,000	309	608,861		1,608,861
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Bits	213	133,000	313	12,000	368	145,000
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Drill Stem Test	215		315		370	0
Coring & Analysis	216					0
Cement Surface	217	53,423				53,423
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Logging	230					0
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Seismic Analysis	241		341			0
Miscellaneous	242		342			0
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Wellhead Equipment	405	32,000	505	9,708	531	41,708
Pumping Unit					506	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
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		0
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	90,597
TOTAL TANGIBLES		856,458	73,716	848,261	42,500	1,818,935
TOTAL WELL COSTS		4,959,203	3,808,192	909,999	425,000	10,102,394

COG Operating LLC % of Total Well Cost

49% 38% 8% 4%

Date Prepared: 7/9/20

COG Operating LLC

We approve:
% Working Interest

By: DWD 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. 21421

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 Wolfcamp formation with its proposed **Bedlington Federal Com 701H, 702H, 703H, and 704H wells** (collectively the "Wells").
5. **Attachment D** is a locator map displaying COG's acreage in yellow for the Wolfcamp formation. Bedlington project area is highlighted with red box. Existing producing wells in the Wolfcamp interval are represented by solid red lines.
6. **Attachment E** is a subsea structure map that I prepared for the top of the Wolfcamp that is representative of the targeted interval within the Wolfcamp interval. The data points are indicated by crosses. I used the Wolfcamp structure because it is a reliable regional

marker and the target intervals lie near this marker. Bedlington project area is highlighted with red box. 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 Wolfcamp formation that I used to construct a stratigraphic cross-section from A to A'. 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 interval in the Wolfcamp formation is labeled on the exhibit. The cross-section demonstrates that the targeted intervals are continuous across the proposed spacing unit.

9. 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.

10. 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.

11. 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.

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

THIS CONCLUDES AFFIANT'S STATEMENT.

[Signature]
Affiant

STATE OF Texas)
COUNTY OF Midland)

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

John Bertalott



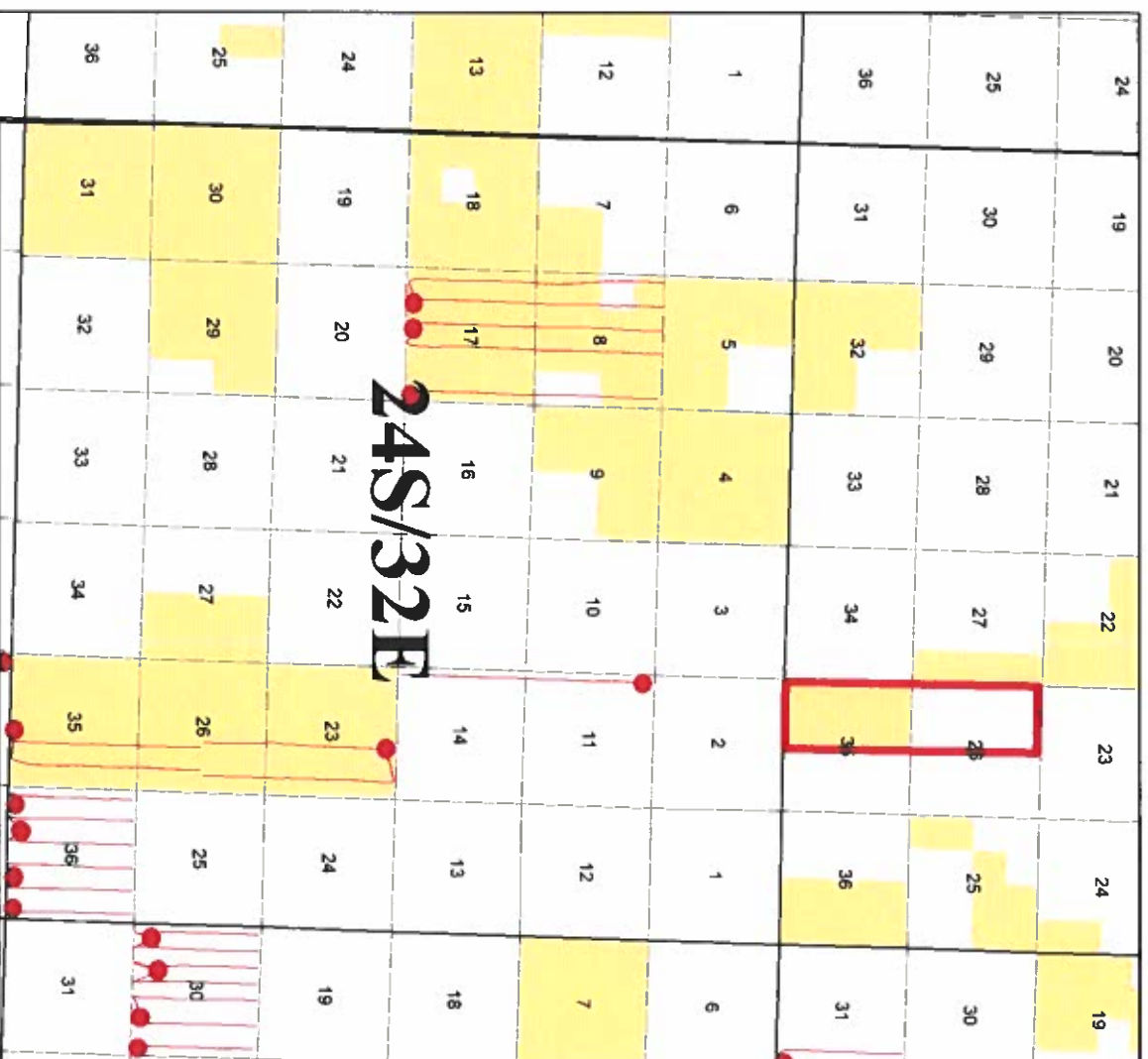
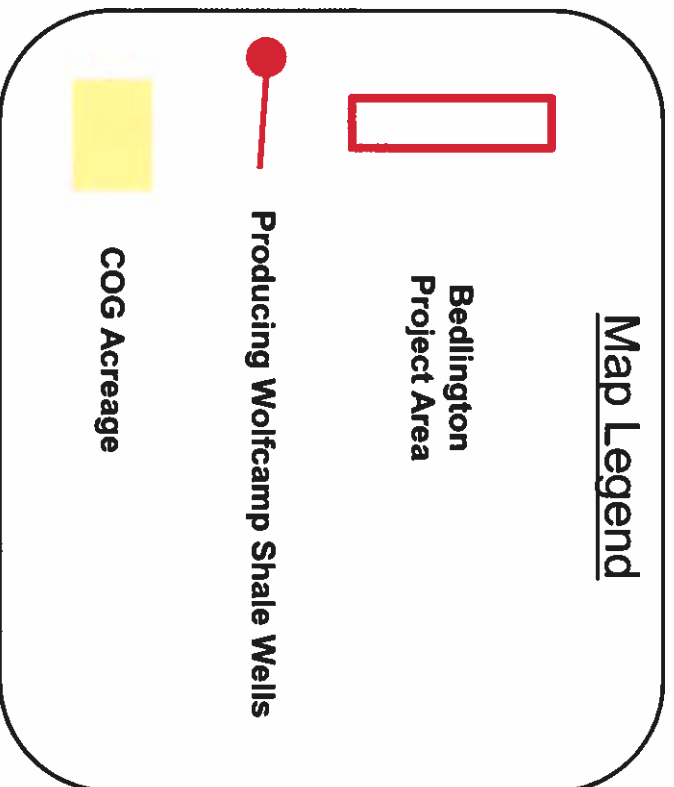
[Signature]
NOTARY PUBLIC

My Commission Expires:

9/9/2021

Location Map

Wolfcamp Shale



Wolfcamp Pool

Bedlington Federal Com 701H, 702H, 703H & 704H

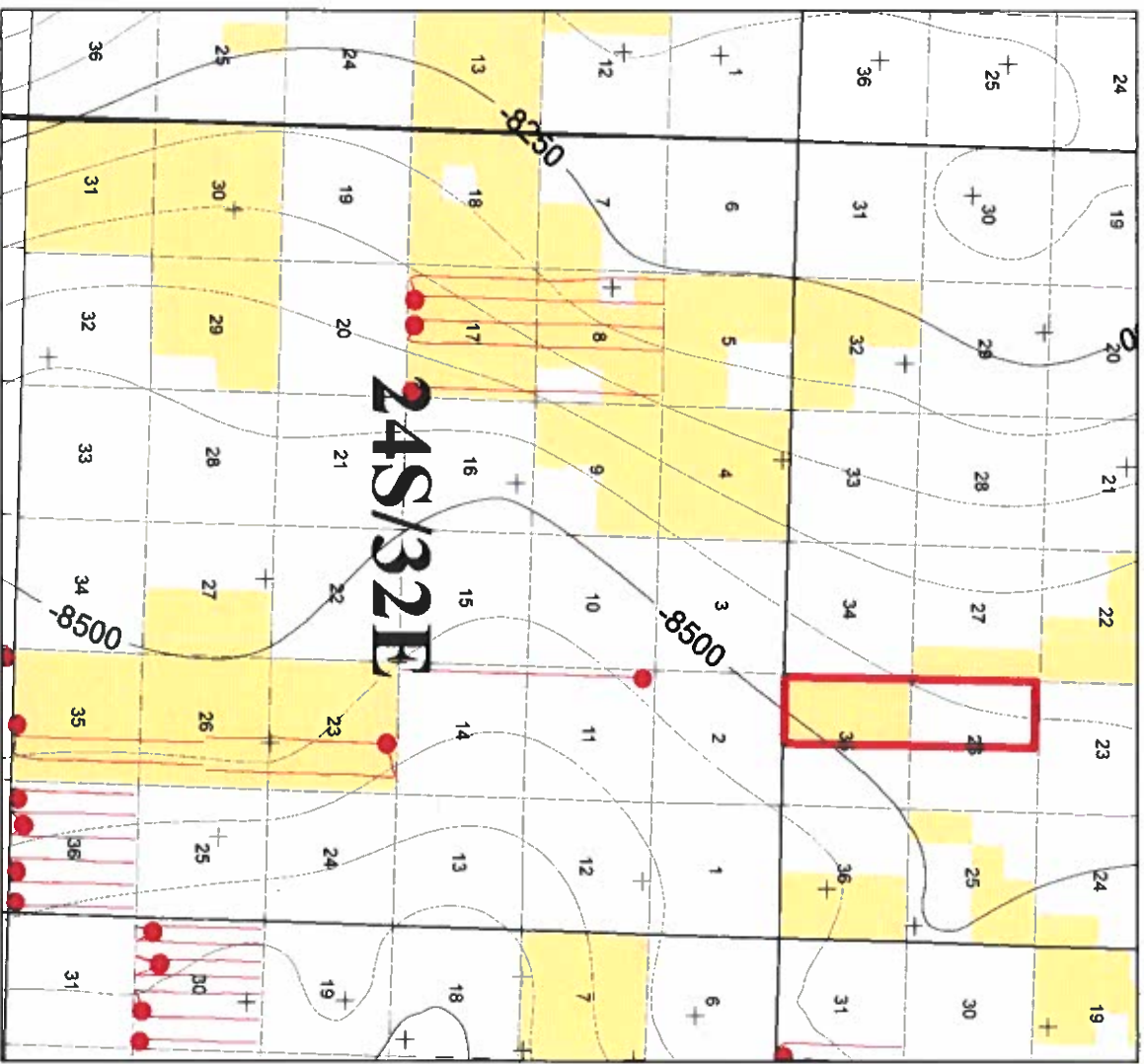
Bedlington
Project Area

Producing Wolfcamp Shale Wells

Wolfcamp
Structure
CI: 50'

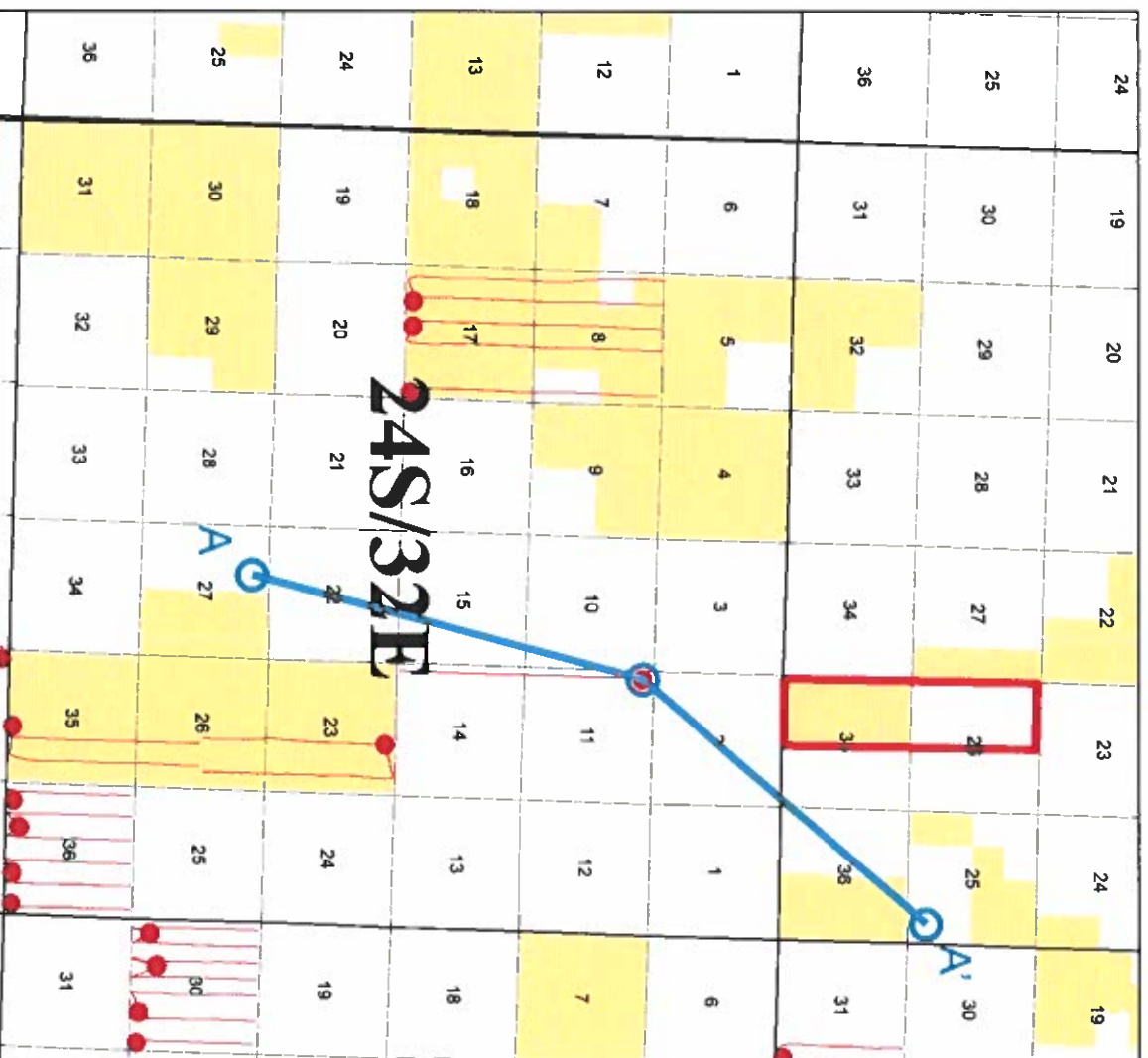
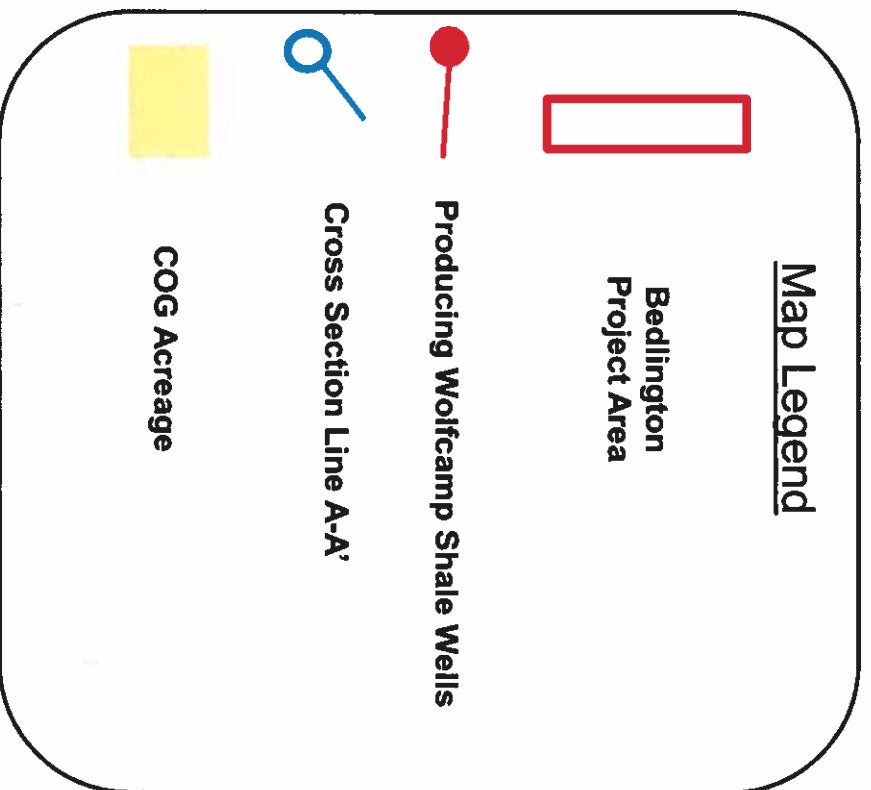
Data point

COG Acreage



Wolfcamp Pool

Bedlington Federal Com 701H, 702H, 703H & 704H

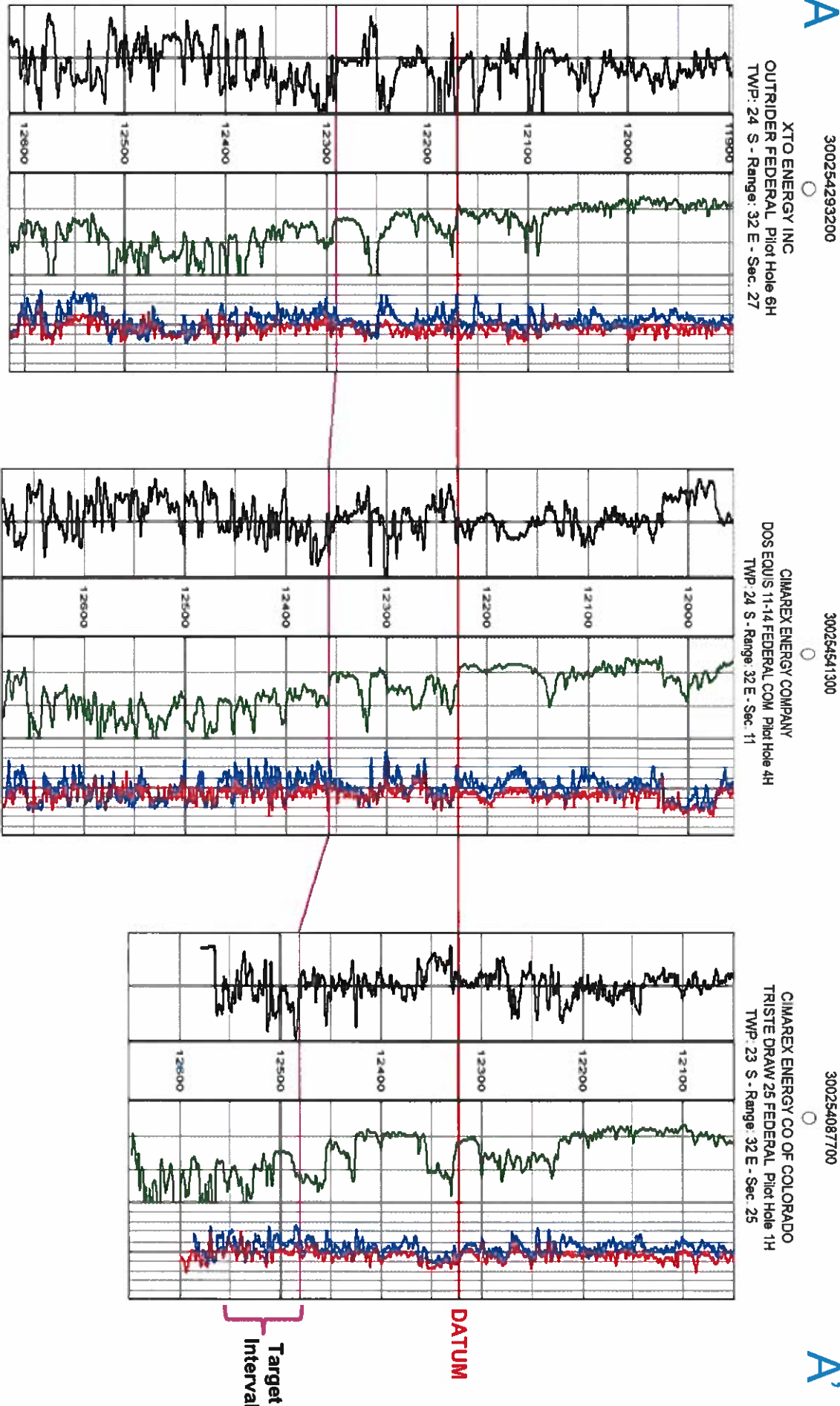


Wolfcamp Pool

Bedlington Federal Com 701H, 702H, 703H & 704H

A

A'



BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Case No. 21421 Attachment G

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. 21421: Application of COG Operating, LLC for Compulsory Pooling,**
Eddy County, New Mexico.
Bedlington Federal 701H, 702H, 703H, 704H Wells

Ladies & Gentlemen:

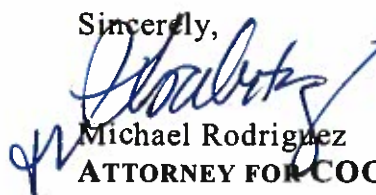
This letter is to advise you that COG Operating LLC has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on September 10, 2020, and the status of the hearing can be monitored through the Division's website at <http://www.emnrd.state.nm.us/ocd/>. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

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

Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

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

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☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$

Postage

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

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

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Certified Mail Fee

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

☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$

Postage

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

See Reverse for Instructions

7020 0640 0000 0143 0214

7020 0640 0000 0143 0207

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

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

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
If YES, enter delivery address below: ☐ No

3. Service Type

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

Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X Jack Turner ☐ Agent ☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

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

3. Service Type

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

Domestic Return Receipt

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Extra Services & Fees (check box, add fee to postage)
☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$
Postage \$
Mark Here
AUG 20 2020
87501

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

PS Form 3800, April 2015 PSN 7530-02-000-9057 See Reverse for Instructions

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OFFICIAL RECEIPT

Certified Mail Fee \$
Extra Services & Fees (check box, add fee to postage)
☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$
Postage \$
Mark Here
AUG 20 2020
87501

Magnum Hunter Production Inc.
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 0184

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.
- 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:

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

ELIVERY

A. Signature

- ☒ 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[®]
 - ☐ Registered Mail[™]
 - ☐ Registered Mail Restricted Delivery
 - ☐ Certified Mail[®]
 - ☐ Certified Mail Restricted Delivery
 - ☐ Collect on Delivery
 - ☐ Signature Confirmation[™]
 - ☐ Signature Confirmation Restricted Delivery
- 4. Additional Services
 - ☐ Collect on Delivery Restricted Delivery (over \$500)

Domestic Return Receipt

ELIVERY

A. Signature

- ☒ 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[®]
 - ☐ Registered Mail[™]
 - ☐ Registered Mail Restricted Delivery
 - ☐ Certified Mail[®]
 - ☐ Certified Mail Restricted Delivery
 - ☐ Collect on Delivery
 - ☐ Signature Confirmation[™]
 - ☐ Signature Confirmation Restricted Delivery
- 4. Additional Services
 - ☐ Collect on Delivery Restricted Delivery (over \$500)

Domestic Return Receipt

Affidavit of Publication

Ad # 0004341669

This is not an invoice

CONCHO
1048 PASEO DE PERALTA

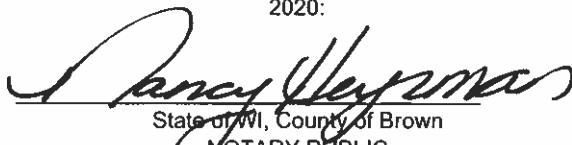
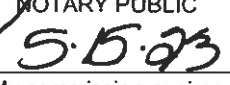
SANTA FE, NM 87501

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

My commission expires

Ad # 0004341669
PO #: 21421
of Affidavits 1

This is not an invoice

NANCY HEYRMAN
Notary Public
State of Wisconsin

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

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on September 10, 2020. During the COVID-19 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. 21421: 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 Wolfcamp formation [WC-025 G-09 S253236A; Upper Wolfcamp (98158)] 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 #701H 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 #702H 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 #703H 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 #704H 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 #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. 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.
#4341669, Current Argus, August 26, 2020