



COG OPERATING LLC

Rock Jelly Fed Com 701H, 702H, 703H,
704H, & 705H

Section 3, 10, & 15 - T26S-29E

Eddy County, New Mexico



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

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

CASE NO. 21344

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**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. _____

APPLICATION

COG OPERATING LLC ("COG"), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of N.M. Stat. Ann. § 70-2-17, for an order pooling all uncommitted interests in the Wolfcamp formation, Purple Sage; Wolfcamp Pool (Pool code 98220), underlying a standard 1920-acre, more or less, horizontal spacing unit comprised of all of Sections 3, 10, and 15, Township 26 South, Range 29 East, NMPM, Eddy County, New Mexico. In support of its application, COG states:

1. COG (OGRID Number 229137) is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.

2. COG proposes to dedicate the above-referenced horizontal spacing unit to the following proposed initial wells, which it proposes to drill simultaneously:

- The **Rock Jelly Fed Com 701H** well to be horizontally drilled from a surface hole location in the NE/4NE/4 (Unit A) of Section 3 to a bottom hole location in the SE/4SE/4 (Unit P) of Section 15,
- The **Rock Jelly Fed Com 702H** well to be horizontally drilled from a surface hole location in the NE/4NE/4 (Unit A) of Section 3 to a bottom hole location in the SW/4SE/4 (Unit O) of Section 15,

- The **Rock Jelly Fed Com 703H** well to be horizontally drilled from a surface hole location in the NE/4NW/4 (Unit C) of Section 3 to a bottom hole location in the SE/4SW/4 (Unit N) of Section 15,
- The **Rock Jelly Fed Com 704H** well to be horizontally drilled from a surface hole location in the NE/4NW/4 (Unit C) of Section 3 to a bottom hole location in the SE/4SW/4 (Unit N) of Section 15,
- The **Rock Jelly Fed Com 705H** well to be horizontally drilled from a surface hole location in the NE/4NW/4 (Unit C) of Section 3 to a bottom hole location in the SW/4SW/4 (Unit M) of Section 15,

The completed interval for the proposed **Rock Jelly Fed Com 703H** will be within 330' of the line separating the W/2E/2 and the E/2W/2 of Sections 3, 10, and 15, which allows inclusion of this acreage into a standard 1920-acre, more or less, horizontal spacing unit.

3. Because the proposed wells will be simultaneously drilled and completed, COG requests an extension of the 120-day period to drill and complete a well provided by the standard pooling order.

4. COG has sought and been unable to obtain voluntary agreement for the development of these lands from all the working interest owners in the subject spacing unit.

5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

6. In order to permit COG to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the subject spacing unit should be pooled and COG should be designated the operator of the proposed horizontal wells and spacing unit.

WHEREFORE, COG requests that this application be set for hearing before an Examiner of the Oil Conservation Division on July 9, 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. Providing an extension of the 120-days requirement to drill and complete a well;
- D. Designating COG as operator of this spacing unit and the wells to be drilled thereon;
- E. Authorizing COG to recover its costs of drilling, equipping and completing the wells;
- F. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- G. Imposing a 200% penalty for the risk assumed by COG in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

COG OPERATING LLC

A handwritten signature in blue ink, appearing to read 'MR', is written over a horizontal line.

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

ATTORNEYS FOR COG OPERATING LLC

CASE _____:

Application of COG Operating LLC for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the division pooling all uncommitted interest owners in the Wolfcamp formation underlying a standard 1920-acre, more or less, horizontal spacing unit comprised of all of Sections 3, 10, and 15, Township 26 South, Range 29 East, NMPM, Eddy County, New Mexico. COG Operating LLC seeks to dedicate the above-referenced horizontal spacing unit to the following proposed wells:

- The **Rock Jelly Fed Com 701H** well to be horizontally drilled from a surface hole location in the NE/4NE/4 (Unit A) of Section 3 to a bottom hole location in the SE/4SE/4 (Unit P) of Section 15,
- The **Rock Jelly Fed Com 702H** well to be horizontally drilled from a surface hole location in the NE/4NE/4 (Unit A) of Section 3 to a bottom hole location in the SW/4SE/4 (Unit O) of Section 15,
- The **Rock Jelly Fed Com 703H** well to be horizontally drilled from a surface hole location in the NE/4NW/4 (Unit C) of Section 3 to a bottom hole location in the SE/4SW/4 (Unit N) of Section 15
- The **Rock Jelly Fed Com 704H** well to be horizontally drilled from a surface hole location in the NE/4NW/4 (Unit C) of Section 3 to a bottom hole location in the SE/4SW/4 (Unit N) of Section 15,
- The **Rock Jelly Fed Com 705H** well to be horizontally drilled from a surface hole location in the NE/4NW/4 (Unit C) of Section 3 to a bottom hole location in the SW/4SW/4 (Unit M) of Section 15.

The completed interval for the proposed **Rock Jelly Fed Com 703H** will be within 330' of the line separating the W/2E/2 and the E/2W/2 of Sections 3, 10, and 15, which allows inclusion of this acreage into a standard 1920-acre, more or less, horizontal spacing unit. Also, to be considered will be the timing of the drilling and completing of said wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of COG Operating LLC as operator of the wells, and the imposition of 200% charge for risk involved in drilling and completing said wells. Said area is located approximately 12 miles southeast 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,
EDDY COUNTY, NEW MEXICO**

CASE NO. 21344

VERIFIED STATEMENT OF HUNTER HALL

Hunter Hall, being duly sworn upon his oath, deposes and states:

1. My name is Hunter Hall. I have been a landman with COG Operating LLC ("COG") since 2018. I have personal knowledge of the matters stated herein and am familiar with the statutes of the lands that are the subject of this application.
2. I have previously testified before the New Mexico Oil Conservation Division ("Division") where my credentials as a petroleum landman were accepted and made a matter of record.
3. In this application, COG seeks an order pooling all uncommitted interests in the Wolfcamp formation, Purple Sage; Wolfcamp Pool (Pool code 98220), underlying a standard 1920-acre, more or less, horizontal spacing unit comprised of all of Sections 3, 10, and 15, Township 26 South, Range 29 East, NMPM, Eddy County, New Mexico.
4. COG proposes to dedicate the above-referenced horizontal spacing unit to the following proposed initial wells, which it proposes to drill simultaneously:
 - (a) The Rock Jelly Fed Com 701H well to be horizontally drilled from a surface hole location in the NE/4NE/4 (Unit A) of Section 3 to a bottom hole location in the SE/4SE/4 (Unit P) of Section 15,
 - (b) The Rock Jelly Fed Com 702H well to be horizontally drilled from a surface hole location in the NE/4NE/4 (Unit A) of Section 3 to a bottom hole location in the SW/4SE/4 (Unit O) of Section 15,
 - (c) The Rock Jelly Fed Com 703H well to be horizontally drilled from a surface hole location in the NE/4NW/4 (Unit C) of Section 3 to a bottom hole location in the SE/4SW/4 (Unit N) of Section 15,
 - (d) The Rock Jelly Fed Com 704H well to be horizontally drilled from a surface hole location in the NE/4NW/4 (Unit C) of Section 3 to a bottom hole location in the SE/4SW/4 (Unit N) of Section 15,

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Case No. 21344 Exhibit No. A

Submitted by:

COG OPERATING LLC

Hearing Date: October 22, 2020

(e) The Rock Jelly Fed Com 705H well to be horizontally drilled from a surface hole location in the NE/4NW/4 (Unit C) of Section 3 to a bottom hole location in the SW/4SW/4 (Unit M) of Section 15,

5. The completed interval for the proposed Rock Jelly Fed Com 703H will be within 330' of the line separating the W/2E/2 and the E/2W/2 of Sections 3, 10, and 15, which allows inclusion of this acreage into a standard 1920-acre, more or less, horizontal spacing unit.

6. The proposed wells will comply with all Statewide setback requirements.

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

8. Federal APDs for the proposed wells were approved on October 8, 2020.

9. **COG Exhibit No. A-2** 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. COG owns roughly 92% of the working interest in the proposed spacing unit. **COG Exhibit No. A-2.**

11. As indicated in **COG Exhibit No. A-2**, COG owns 100% of the working interest in Tract 7, which encompasses all of Section 15. In its compulsory pooling application, WPX Energy Permian, LLC ("WPX") seeks to pool the W/2 of Section 15 into its proposed spacing unit where it owns 0% of the working interest.

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

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

14. **COG Exhibit No. A-3** contains a sample well proposal letter 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.

15. In my opinion, COG has made good-faith efforts to reach agreement with the non-joined parties as indicated by the following Chronology of Contact:

- (a) 4/22/2020 – Well proposals, AFEs, and COG's proposed form of JOA was sent to all uncommitted working interest owners.
- (b) 3Q/4Q 2020 – Present – Ongoing email/phone communication with XTO Holdings LLC regarding the planned development, proposed OA, and their interest in the unit.

(c) 3Q/4Q 2020 – Present – Ongoing email/phone communication with WPX Energy Permian regarding the planned development, proposed OA, potential trade possibilities and their interest within the unit.

- i. 3/11/2020 - WPX Notification to COG that WPX did not support the proposed development plan.
- ii. 3/11/2020 - 9/22/2020: Ongoing dispute resolution discussions. Multiple trade scenarios discussed but parties could not come to terms.

16. COG continues to work with the parties to obtain voluntary joinder within the proposed spacing unit and will continue to do so in good faith. 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.

17. 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.

18. 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 Eddy County, New Mexico.

19. In my opinion, Granting COG's applications and denying WPX's application is in the best interest of conservation, will prevent waste, and protect correlative rights.

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



Hunter Hall

VERIFICATION

STATE OF TEXAS

)
)ss.
)

COUNTY OF MIDLAND

Hunter Hall, being duly sworn upon his oath, deposes and states that: He is a landman for COG Operating LLC; he is authorized to make this verification on its behalf; he has read the foregoing statement, and knows the contents thereof; and the same is true and correct to the best of his knowledge, information, and belief.

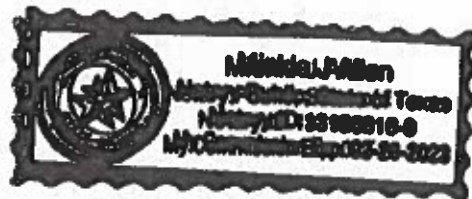
Hunter Hall

SUBSCRIBED and SWORN to before me this 13th day of October, 2020 by
Hunter Hall.

My Commission Expires:

2-26-23

NOTARY PUBLIC



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

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

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

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code	Pool Name
Property Code	Property Name ROCK JELLY FEDERAL COM		Well Number 701H
OGRID No.	Operator Name COG OPERATING, LLC		Elevation 2978.0'

Surface Location

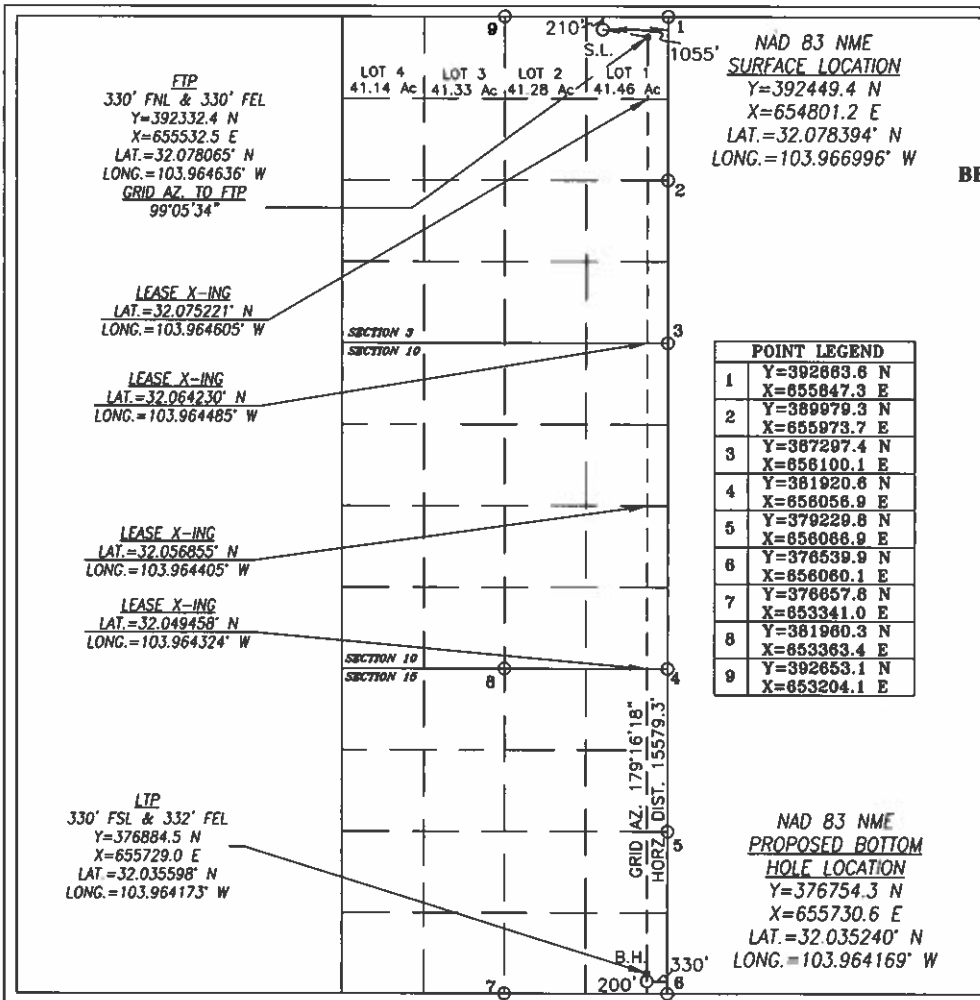
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	3	26-S	29-E		210	NORTH	1055	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	15	26-S	29-E		200	SOUTH	330	EAST	EDDY

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



OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Case No. 21344 Exhibit No. A-1

Submitted by:

COG OPERATING LLC

Hearing Date: October 22, 2020

POINT LEGEND

1	Y=392663.6 N X=558647.3 E
2	Y=389979.3 N X=655973.7 E
3	Y=367297.4 N X=656100.1 E
4	Y=381920.8 N X=658056.9 E
5	Y=379220.8 N X=656068.9 E
6	Y=376539.9 N X=656060.1 E
7	Y=376657.8 N X=653341.0 E
8	Y=381960.3 N X=653363.4 E
9	Y=392653.1 N X=653204.1 E

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.

OCTOBER 11, 2019

Date of Survey

Signature & Seal of Professional Surveyor



Chad Harcrow 5/27/20
Certificate No. CHAD HARCROW 17777
W.O. # 20-760 DRAWN BY: DS

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) 748-1263 Fax: (575) 748-9720

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

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 476-3400 Fax: (505) 476-3462

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

Form C-102
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name	Well Number
	ROCK JELLY FEDERAL COM	702H
OGRID No.	Operator Name	Elevation
	COG OPERATING, LLC	2977.8'

Surface Location

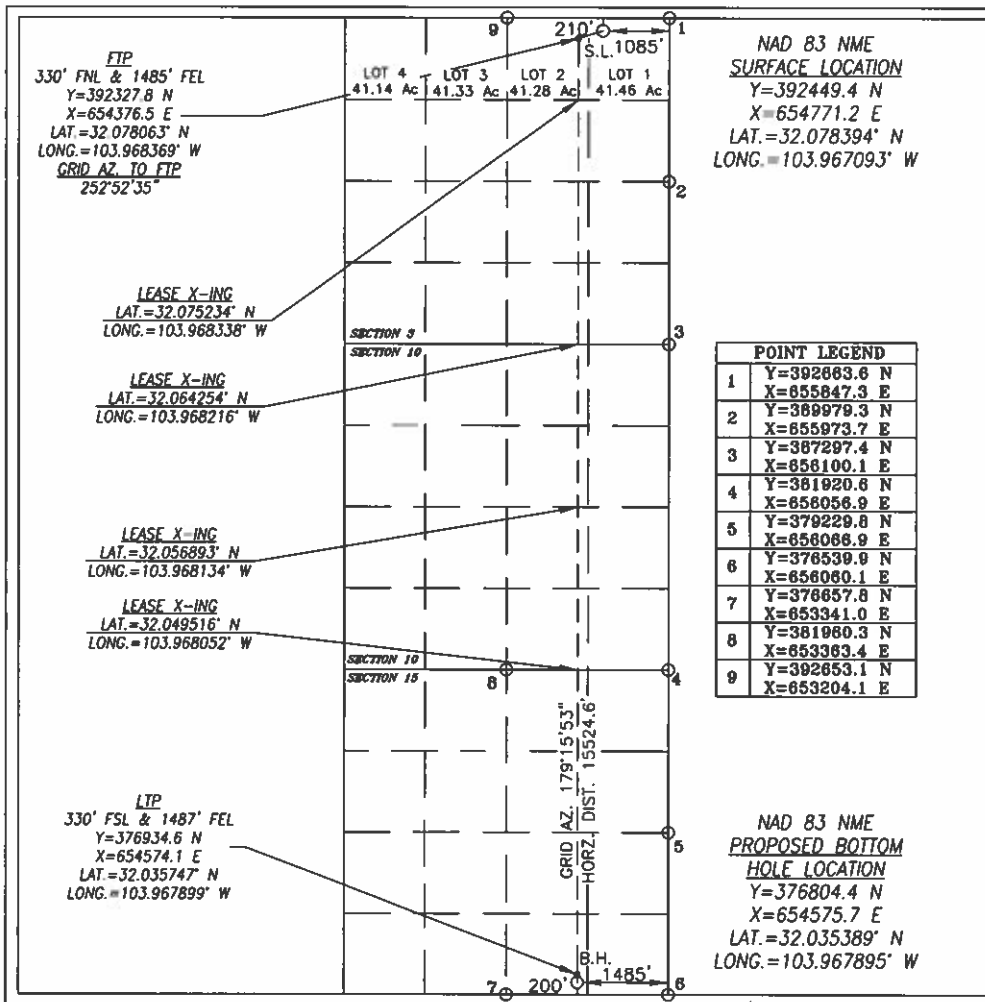
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	3	26-S	29-E		210	NORTH	1085	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	15	26-S	29-E		200	SOUTH	1485	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

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



OPERATOR CERTIFICATION

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

Signature _____ Date _____

Printed Name _____

E-mail Address _____

SURVEYOR CERTIFICATION

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

OCTOBER 11, 2019

Date of Survey

Signature & Seal of Professional Surveyor



Chad L. Harcrow 5/27/20
Certificate No. CHAD HARCROW 17777
W.O. # 20-759 DRAWN BY: DS

DISTRICT I
1825 N. FRENCH DR., HOBBBS, NM 86240
Phone: (575) 393-0101 Fax: (575) 393-0720

DISTRICT II
811 S. FIRST ST., ARTESIA, NM 86210
Phone: (575) 748-1283 Fax: (575) 748-9720

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

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 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, New Mexico 87505

Form C-102
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name ROCK JELLY FEDERAL COM	Well Number 703H
OGRID No.	Operator Name COG OPERATING, LLC	Elevation 2978.6'

Surface Location

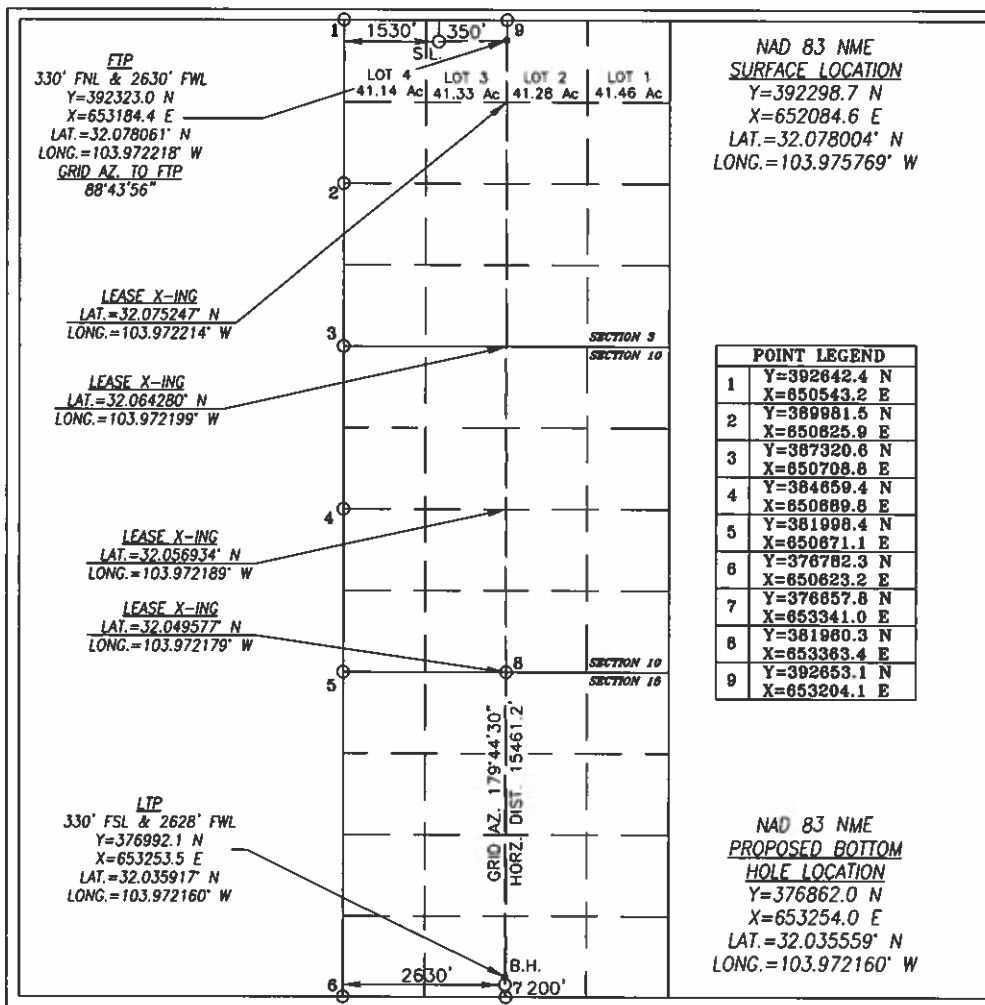
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
3	3	26-S	29-E		350	NORTH	1530	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	15	26-S	29-E		200	SOUTH	2630	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

**NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
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**NAD 83 NME
SURFACE LOCATION**
Y=392298.7 N
X=652084.6 E
LAT.=32.078004° N
LONG.=103.975769° W

POINT	LEGEND
1	Y=392642.4 N X=650543.2 E
2	Y=389981.5 N X=650825.9 E
3	Y=387320.6 N X=650708.8 E
4	Y=384859.4 N X=650889.8 E
5	Y=381998.4 N X=650871.1 E
6	Y=378782.3 N X=650623.2 E
7	Y=376857.8 N X=653341.0 E
8	Y=381980.3 N X=653363.4 E
9	Y=392653.1 N X=653204.1 E

**NAD 83 NME
PROPOSED BOTTOM
HOLE LOCATION**
Y=376862.0 N
X=653254.0 E
LAT.=32.035559° N
LONG.=103.972160° W

OPERATOR CERTIFICATION

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

Signature _____ Date _____

Printed Name _____

E-mail Address _____

SURVEYOR CERTIFICATION

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

OCTOBER 11, 2019

Date of Survey

Signature & Seal of Professional Surveyor



Chad L. Hargrow 5/27/20
Certificate No. CHAD HARGROW 17777
W.O. # 20-758 DRAWN BY: DS

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

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

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

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 476-5400 Fax: (505) 476-5462

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name	Well Number
	ROCK JELLY FEDERAL COM	704H
OGRID No.	Operator Name	Elevation
	COG OPERATING, LLC	2978.4'

Surface Location

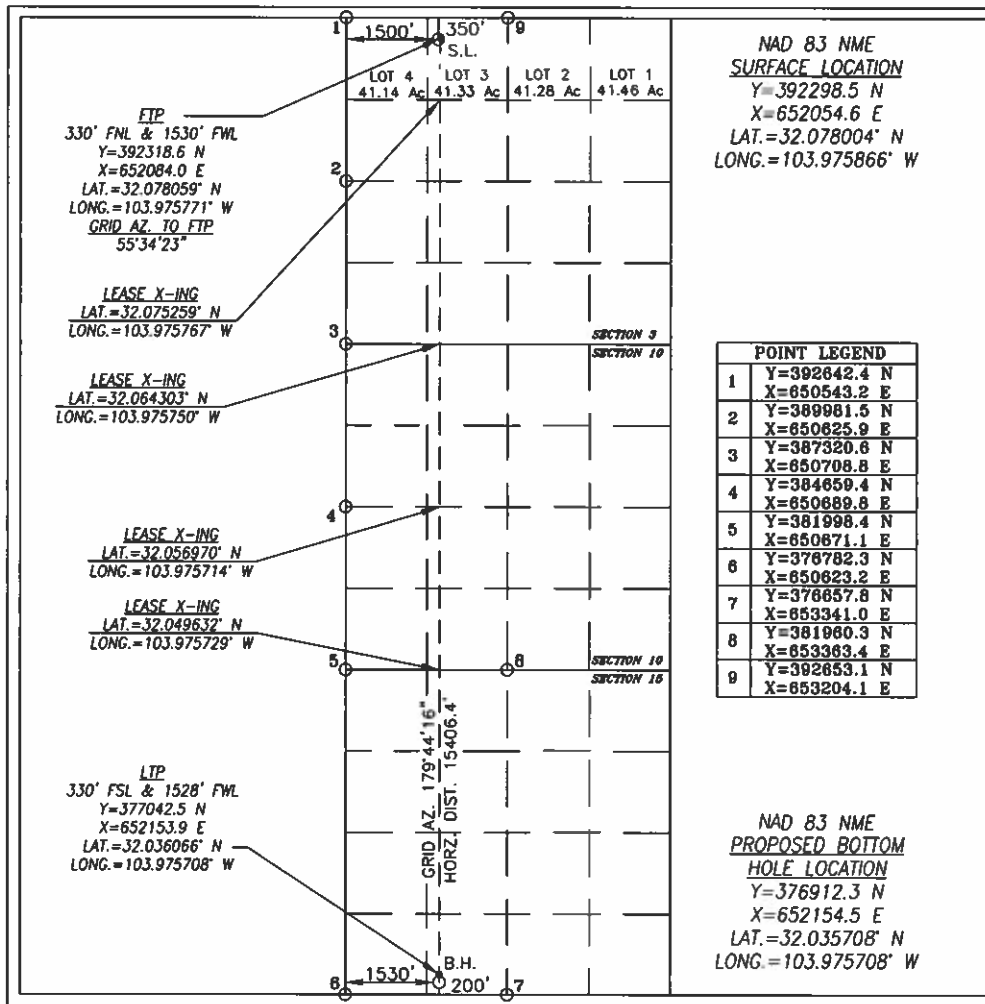
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
3	3	26-S	29-E		350	NORTH	1500	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	15	26-S	29-E		200	SOUTH	1530	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

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



NAD 83 NME
SURFACE LOCATION
Y=392298.5 N
X=652054.6 E
LAT.=32.078004° N
LONG.=103.975866° W

POINT	LEGEND
1	Y=392642.4 N X=650543.2 E
2	Y=389981.5 N X=650625.9 E
3	Y=387320.6 N X=650708.8 E
4	Y=384659.4 N X=650689.8 E
5	Y=381998.4 N X=650871.1 E
6	Y=378782.3 N X=650623.2 E
7	Y=376857.8 N X=653341.0 E
8	Y=381960.3 N X=653363.4 E
9	Y=392653.1 N X=653204.1 E

NAD 83 NME
PROPOSED BOTTOM HOLE LOCATION
Y=376912.3 N
X=652154.5 E
LAT.=32.035708° N
LONG.=103.975708° W

OPERATOR CERTIFICATION

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

Signature _____ Date _____

Printed Name _____

E-mail Address _____

SURVEYOR CERTIFICATION

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

OCTOBER 11, 2019

Date of Survey

Signature & Seal of Professional Surveyor



Chad L. Harcrow 5/27/20
Certificate No. CHAD HARCROW 17777
W.O. # 20-740 DRAWN BY: DS

DISTRICT I
1025 N. FRENCH DR., HOBBS, NM 88240
Phone: (576) 393-6101 Fax: (576) 393-0720

DISTRICT II
811 S. FIRST ST., ARTESIA, NM 88210
Phone: (576) 748-1263 Fax: (576) 748-0720

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 334-6176 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, New Mexico 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name ROCK JELLY FEDERAL COM	Well Number 705H
OGRID No.	Operator Name COG OPERATING, LLC	Elevation 2978.3'

Surface Location

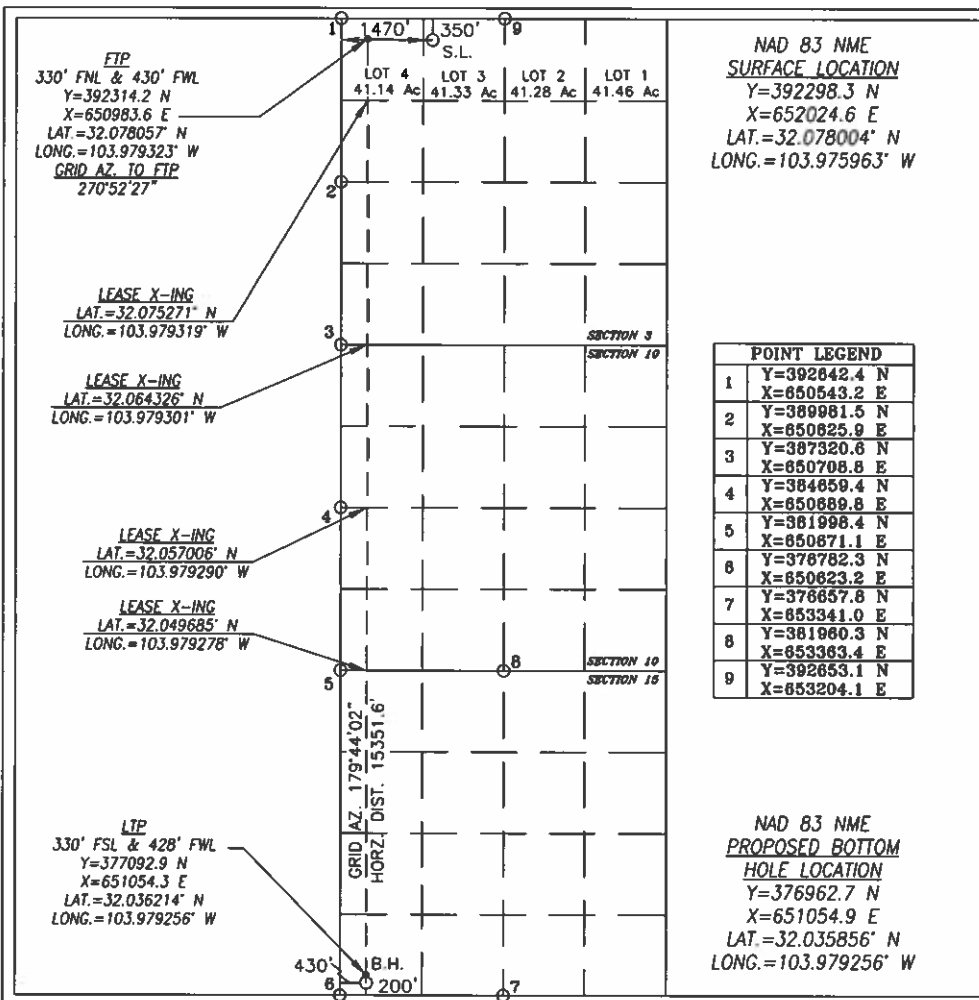
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
3	3	26-S	29-E		350	NORTH	1470	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	15	26-S	29-E		200	SOUTH	430	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

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



OPERATOR CERTIFICATION

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

Signature _____ Date _____

Printed Name _____

E-mail Address _____

SURVEYOR CERTIFICATION

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

OCTOBER 11, 2019

Date of Survey

Signature & Seal of Professional Surveyor



Chad L. Hargrow 5/27/20
Certificate No. CHAD HARGROW 17777
W.O. # 20-741 DRAWN BY: DS

Rock Jelly 701H-705H - Compulsory Pooling Info
Section 3, Section 10, Section 15, T26S-R29E - Wolfcamp

3-26S-R29E Proposed Rock Jelly 1920 Ac. Unit	3-26S-R29E Tract 1	Tract 3
	Tract 2	Tract 2
10-26S-R29E Proposed Rock Jelly 1920 Ac. Unit	10-26S-R29E Tract 4	Tract 5
	Tract 5	Tract 6
15-26S-R29E Proposed Rock Jelly 1920 Ac. Unit	15-26S-R29E Tract 7	

LEASEHOLD OWNER	Tract 1 - 80 ac NMNM 138834	Tract 2 - 400 ac NMNM 96849	Tract 3 - 160 ac NM 13997	Tract 4 - 160 ac NM 92177	Tract 5 - 240 ac NM 54291	Tract 6 - 240 ac NM 58809	Tract 7 - 640 ac NM 44532
COG Operating LLC	0.0000%	95.0000%	53.0688%	95.6250%	96.2500%	55.8750%	100.0000%
Concho Oil & Gas LLC	0.0000%	5.0000%	0.0000%	4.3750%	3.7500%	0.1250%	0.0000%
COG Production LLC	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	40.5481%	0.0000%
COG Acreage LP	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	3.4519%	0.0000%
XTO Holdings LLC	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
WPX Energy Permian, LLC	0.0000%	0.0000%	46.9313%	0.0000%	0.0000%	0.0000%	0.0000%
SUM	100.0000%	100.0000%	100.0001%	100.0000%	100.0000%	100.0000%	100.0000%

RECORD TITLE & OVERRIDING ROYALTY INTEREST OWNER	Tract 1 - 80 ac NMNM 138834	Tract 2 - 400 ac NMNM 96849	Tract 3 - 160 ac NM 13997	Tract 4 - 160 ac NM 92177	Tract 5 - 240 ac NM 54291	Tract 6 - 240 ac NM 58809	Tract 7 - 640 ac NM 44532
XTO Holdings LLC	RT						ORRI
COG Operating LLC		RT			RT		
Concho Oil & Gas LLC		RT			RT		
El Paso Natural Gas Co / Burlington Resources Oil & Gas Co			RT				
WPX Energy Permian LLC			RT / ORRI			ORRI	
OXY USA Inc.				RT		RT	
EOG Resources Inc.							RT
Nestegg Energy Corporation		ORRI		ORRI			
F. Andrew Grooms, Trustee of the F. Andrews Grooms SSP Trust UAD 3.24.14					ORRI		
Eileen M. Grooms, Trustee of the EMG Rev Trust UAD 11.1.04					ORRI		
Nuevo Seis, LP					ORRI		
Wing Resources III, LLC					ORRI		
Danielle Hannifin					ORRI		
Morris E. Schertz and wife, Holly K. Schertz					ORRI		
AFC Partnership						ORRI	ORRI

PARTIES TO POOL			
	El Paso Natural Gas Co 1001 Louisiana St Houston, TX 77002	Nestegg Energy Corporation 2308 Sierra Vista Road Artesia, NM 88210	Nuevo Seis, LP PO Box 2588 Roswell, NM 88202
WPX Energy Permian, LLC 3500 One Williams Center, MD 35 Tulsa, OK 74103	Burlington Resources Oil & Gas Co 925 N. Eldridge Pkwy SP2 07-E236 Houston, TX 77079	F. Andrews Grooms, Trustee PO Box 2990 Ruidoso, NM 88355	Wing Resources III, LLC 2100 McKinney Ave, Suite 1540 Dallas, TX 75201
EOG Resources Inc. 5509 Champions Dr Midland, TX 79706	OXY USA Inc. 5 Greenway Plaza, Suite 110 Houston, TX 77046	Eileen M. Grooms, Trustee 1000 W. Fourth Street Roswell, NM 88201	Danielle Hannifin PO Box 182 Roswell, NM 88202
Morris E. Schertz & wife PO Box 2588 Roswell, NM 88202	AFC Partnership 12701 Treeridge Terrace Poway, CA 92064		

Unit Recapitulation	WI	NRI	Committed Party?
COG Operating LLC	86.36510417%	74.17084558%	Yes
Concho Oil & Gas LLC	1.89062500%	1.63515625%	Yes
COG Production LLC	3.37900858%	2.53425642%	Yes
COG Acreage LP	0.28765808%	0.21574358%	Yes
XTO Holdings LLC	4.16666667%	3.64583333%	Yes
WPX Energy Permian	3.91093750%	3.49503983%	No
SUM	100.00000000%	85.69687500%	
COMMITTED WORKING INTEREST PERCENTAGE	96.08906250%		
	3.91093750%		
SUM	100.00000000%		

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 21344 Exhibit No. A-2
Submitted by:
COG OPERATING LLC
Hearing Date: October 22, 2020



April 22, 2020

Via CMRRR No. 91 7199 9991 8029 5489
And electronic mail to tanner.tepe@wpxenergy.com
WPX Energy Permian, LLC
3500 One Williams Center, MD 35
Tulsa, OK 74103
Attn: Land Manager

Re: **Rock Jelly Fed Com 701H-705H**
Sections 3, 10 & 15, T26S-R29E
Eddy County, New Mexico

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 21344 Exhibit No. A-3
Submitted by:
COG OPERATING LLC
Hearing Date: October 22, 2020

Dear Sir or Madam:

COG Operating, LLC ("COG"), as Operator, hereby proposes the drilling of the following horizontal wells with productive laterals located in All of Sections 3, 10 & 15, Township 26 South, Range 29 East, Eddy County, New Mexico (collectively, the "Operation"). The surface pad locations will be located in Units A and C of Section 3, T26S-R29E (subject to change).

- **Rock Jelly Fed Com 701H**, to be drilled to a depth sufficient to test the Wolfcamp A formation at a total vertical depth of 10,100'. The surface hole location for this well is proposed at a legal location in Unit A of Section 3 and the bottomhole location in a legal location in Unit P of Section 15. The dedicated project area will be All of Sections 3, 10 & 15, T26S-R29E, Eddy County, New Mexico. The total estimated cost to drill and complete said well is \$13,545,000.00, as shown on the attached Authority for Expenditure ("AFE").
- **Rock Jelly Fed Com 702H**, to be drilled to a depth sufficient to test the Wolfcamp A formation at a total vertical depth of 10,100'. The surface hole location for this well is proposed at a legal location in Unit A of Section 3 and the bottomhole location in a legal location in Unit O of Section 15. The dedicated project area will be All of Sections 3, 10 & 15, T26S-R29E, Eddy County, New Mexico. The total estimated cost to drill and complete said well is \$13,545,000.00, as shown on the attached AFE.
- **Rock Jelly Fed Com 703H**, to be drilled to a depth sufficient to test the Wolfcamp A formation at a total vertical depth of 10,100'. The surface hole location for this well is proposed at a legal location in Unit C of Section 3 and the bottomhole location in a legal location in Unit N of Section 15. The dedicated project area will be All of Sections 3, 10 & 15, T26S-R29E, Eddy County, New Mexico. The total estimated cost to drill and complete said well is \$13,545,000.00, as shown on the attached AFE.
- **Rock Jelly Fed Com 704H**, to be drilled to a depth sufficient to test the Wolfcamp A formation at a total vertical depth of 10,100'. The surface hole location for this well is proposed at a legal location in Unit C of Section 3 and the bottomhole location in a legal location in Unit N of Section 15. The dedicated project area will be All of Sections 3, 10 & 15, T26S-R29E, Eddy County, New Mexico. The total estimated cost to drill and complete said well is \$13,545,000.00, as shown on the attached AFE.

- **Rock Jelly Fed Com 705H**, to be drilled to a depth sufficient to test the Wolfcamp A formation at a total vertical depth of 10,100'. The surface hole location for this well is proposed at a legal location in Unit C of Section 3 and the bottomhole location in a legal location in Unit M of Section 15. The dedicated project area will be All of Sections 3, 10 & 15, T26S-R29E, Eddy County, New Mexico. The total estimated cost to drill and complete said well is \$13,545,000.00, as shown on the attached AFE.

COG is proposing these wells under the terms of a new Operating Agreement which is included electronically herewith, covering All of Sections 3, 10, and 15, T26S-R29E, Eddy County, New Mexico, as to the Wolfcamp formation. It includes the following general provisions:

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

Due to our offices working remotely for the time being, I have not mailed a physical copy of the OA to your office at this time. Please review the attached electronic version and email a copy to my attention upon approval. Eventually, we will need an original signature on the Memorandum for recording purposes, but will follow up with you at a later date. If you would like a physical copy of the OA mailed to you, please let me know.

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

Please indicate your participation elections in the space provided below, sign and return this letter, along with a signed copy of the enclosed AFEs and a copy of your geologic requirements, to my attention at the letterhead address or by email to hhall@concho.com. Should you have any questions, please do not hesitate to contact me at 806.782.2341.

Sincerely,

COG Operating LLC

Hunter Hall

Hunter Hall
Landman

HH:bh
Enc

Please make your election below:

WELL NAME	Elect to PARTICIPATE in drilling and completion	Elect NOT TO PARTICIPATE in drilling and completion
Rock Jelly Fed Com 701H		
Rock Jelly Fed Com 702H		
Rock Jelly Fed Com 703H		
Rock Jelly Fed Com 704H		
Rock Jelly Fed Com 705H		

WPX ENERGY PERMIAN, LLC

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

**COG OPERATING LLC
AUTHORITY FOR EXPENDITURE
Drill & Complete**

Well Name Rock Jelly Fed Com #705H
SHL 350 FNL, 1470 FWL, OR UNIT C, 3-26S-29E
BHL 200 FSL, 430 FWL, OR UNIT M, 15-26S-29E
Formation WOLFCAMP A
Legal 26S-29E-03
AFE Numbers

Prospect ATLAS 2629
State & County NEW MEXICO, EDDY
Objective DRILL & COMPLETE
Depth 25,300
TVD 10,100

Cost Description	Code	PreSpud (PS)	Pre-Set Casing(PC)	Drilling (DR)	Completions (C)	Tank Btty Constrcn(TB)	Pmpg Equip (PEQ)	Revision	Total
Intangible Costs									
D-Lctr/Pits/Roads	205			\$ 136,000.00			\$ -	\$ -	136,000.00
D-Drilling Overhead	208			\$ 13,000.00			\$ -	\$ -	13,000.00
D-Daywork Contract	209			\$ 953,000.00			\$ -	\$ -	953,000.00
D-Directional Drig Services	210			\$ 456,000.00			\$ -	\$ -	456,000.00
D-Fuel & Power	211			\$ 203,000.00			\$ -	\$ -	203,000.00
D-Water	212			\$ 108,000.00			\$ -	\$ -	108,000.00
D-Bits	213			\$ 151,000.00			\$ -	\$ -	151,000.00
D-Mud & Chemicals	214			\$ 381,000.00			\$ -	\$ -	381,000.00
D-Cement Surface	217			\$ 28,000.00			\$ -	\$ -	28,000.00
D-Cement Intermed	218			\$ 107,000.00			\$ -	\$ -	107,000.00
D-Prod-2nd Int Cmt	219			\$ 158,000.00			\$ -	\$ -	158,000.00
D-Float Equipment & Controllers	221			\$ 86,000.00			\$ -	\$ -	86,000.00
D-Cag Crews & Equip	222			\$ 93,000.00			\$ -	\$ -	93,000.00
D-Contract Labor	225			\$ 10,000.00			\$ -	\$ -	10,000.00
D-Company Sprvsn	226			\$ 73,000.00			\$ -	\$ -	73,000.00
D-Contract Sprvsn	227			\$ 171,000.00			\$ -	\$ -	171,000.00
D-Telg Cag/Tbg	228			\$ 58,000.00			\$ -	\$ -	58,000.00
D-Mud Logging Unit	229			\$ 65,000.00			\$ -	\$ -	65,000.00
D-Rentals-Surface	235			\$ 281,000.00			\$ -	\$ -	281,000.00
D-Rentals-Subarfc	236			\$ 131,000.00			\$ -	\$ -	131,000.00
D-Trucking/Forklift/Rig Mob	237			\$ 201,000.00			\$ -	\$ -	201,000.00
D-Welding Services	238			\$ 5,000.00			\$ -	\$ -	5,000.00
D-Contingency	243			\$ 88,000.00			\$ -	\$ -	88,000.00
D-Envrmtl/Cld Loop	244			\$ 441,000.00			\$ -	\$ -	441,000.00
C-Wellbore Frac Prep	304				\$ 127,000.00		\$ -	\$ -	127,000.00
C-Lctr/Pits/Roads	305				\$ 16,000.00		\$ -	\$ -	16,000.00
C-Completion OH	308				\$ 23,000.00		\$ -	\$ -	23,000.00
C-Frac Equipment	307				\$ 1,464,000.00		\$ -	\$ -	1,464,000.00
C-Frac Chemicals	308				\$ 627,000.00		\$ -	\$ -	627,000.00
C-Frac Proppant	309				\$ 285,000.00		\$ -	\$ -	285,000.00
C-Frac Proppant Transportation	310				\$ 442,000.00		\$ -	\$ -	442,000.00
C-Fuel Delivery & Services	311				\$ 64,000.00		\$ -	\$ -	64,000.00
C-Water	312				\$ 866,000.00		\$ -	\$ -	866,000.00
C-Frac Surface Rentals	315				\$ 480,000.00		\$ -	\$ -	480,000.00
C-Contract Labor	325				\$ 16,000.00		\$ -	\$ -	16,000.00
C-Company Sprvsn	326				\$ 16,000.00		\$ -	\$ -	16,000.00
C-Contract Sprvsn	327				\$ 227,000.00		\$ -	\$ -	227,000.00
C-Artificial Lift Install	329				\$ 68,000.00		\$ -	\$ -	68,000.00
C-Perf/Wireline Svc	331				\$ 570,000.00		\$ -	\$ -	570,000.00
C-Trucking/Forklift/Rig Mob	337				\$ 16,000.00		\$ -	\$ -	16,000.00
C-Water Disposal	339				\$ 61,000.00		\$ -	\$ -	61,000.00
C-Contingency	343				\$ 226,000.00		\$ -	\$ -	226,000.00
C-Dyed Diesel	345				\$ 495,000.00		\$ -	\$ -	495,000.00
C-Unilout	346				\$ 510,000.00		\$ -	\$ -	510,000.00
TB-Damages/Right of Way	351					\$ 2,000.00	\$ -	\$ -	2,000.00
TB-Location/Pits/Roads	353					\$ 43,000.00	\$ -	\$ -	43,000.00
TB-Contract Labor	358					\$ 184,000.00	\$ -	\$ -	184,000.00
PEQ-Contract Labor	374						\$ 43,000.00	\$ -	43,000.00
PEQ-Water Disposal	387						\$ 203,000.00	\$ -	203,000.00
PEQ-HRZ Well Offset Frac	391						\$ 21,000.00	\$ -	21,000.00
Total Intangible Costs		\$ -	\$ -	\$ 4,377,000.00	\$ 6,699,000.00	\$ 229,000.00	\$ 267,000.00	\$ -	11,472,000.00

Tangible Costs									
PEQ-Flowback Crews & Equip	392						\$ 122,000.00	\$ -	122,000.00
D-Surface Casing	401			\$ 35,000.00			\$ -	\$ -	35,000.00
D-Intermed Cag	402			\$ 323,000.00			\$ -	\$ -	323,000.00
D-Production Casing/Liner	403			\$ 446,000.00			\$ -	\$ -	446,000.00
D-Wellhead Equip	405			\$ 108,000.00			\$ -	\$ -	108,000.00
C-Tubing	504				\$ 79,000.00		\$ -	\$ -	79,000.00
C-Wellhead Equip	505				\$ 43,000.00		\$ -	\$ -	43,000.00
TB-Tanks	510					\$ 80,000.00	\$ -	\$ -	80,000.00
TB-Flowlines/Pipelines	511					\$ 30,000.00	\$ -	\$ -	30,000.00
TB-Htr Trlr/Seprtr	512					\$ 185,000.00	\$ -	\$ -	185,000.00
TB-Electrical System/Equipment	513					\$ 119,000.00	\$ -	\$ -	119,000.00
C-Pckrs/Anchors/Hgra	514				\$ 98,000.00		\$ -	\$ -	98,000.00
TB-Couplings/Fittings/Valves	515					\$ 204,000.00	\$ -	\$ -	204,000.00
TB-Pumps-Surface	521					\$ 25,000.00	\$ -	\$ -	25,000.00
TB-Instrumentation/SCADA/POC	522					\$ 20,000.00	\$ -	\$ -	20,000.00
TB-Miscellaneous	523					\$ 20,000.00	\$ -	\$ -	20,000.00
TB-Meters/Lacts	525					\$ 25,000.00	\$ -	\$ -	25,000.00
TB-Flares/Combusters/Emission	526					\$ 30,000.00	\$ -	\$ -	30,000.00
C-Gas Lift/Compression	527				\$ 38,000.00		\$ -	\$ -	38,000.00
PEQ-Wellhead Equipment	531						\$ 43,000.00	\$ -	43,000.00
Total Tangible Costs		\$ -	\$ -	\$ 912,000.00	\$ 256,000.00	\$ 738,000.00	\$ 165,000.00	\$ -	2,073,000.00

Total Gross Cost	\$ -	\$ -	\$ 5,289,000.00	\$ 6,957,000.00	\$ 967,000.00	\$ 432,000.00	\$ -	\$ -	13,545,000.00
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Note: The above costs are estimates only. Actual costs will be billed as incurred.

COG Operating LLC

By: _____

Date Prepared: _____

We approve:
% Working Interest

COG Operating LLC

By: _____

Company:
By: _____

Printed Name:
Title:
Date: _____

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

**COG OPERATING LLC
AUTHORITY FOR EXPENDITURE
Drill & Complete**

Well Name Rock Jelly Fed Com #701H
SHL 210 FNL, 1055 FEL, OR UNIT A, 3-26S-29E
BHL 200 FSL, 330 FEL, OR UNIT P, 15-26S-29E
Formation WOLFCAMP A
Legal 26S-29E-03
AFE Numbers

Prospect ATLAS 2629
State & County NEW MEXICO, EDDY
Objective DRILL & COMPLETE
Depth 25,300
TVD 10,100

Cost Description	Code	PreSpud (PS)	Pre-Set Casing(PC)	Drilling (DR)	Completions (C)	Tank Btty Constrcto(TB)	Pmpq Equip (PEQ)	Revision	Total
Intangible Costs									
D-Lctn/Pits/Roads	205			\$ 136,000.00			\$ -	\$ -	\$ 136,000.00
D-Drilling Overhead	206			\$ 13,000.00			\$ -	\$ -	\$ 13,000.00
D-Daywork Contract	209			\$ 953,000.00			\$ -	\$ -	\$ 953,000.00
D-Directional Drig Services	210			\$ 456,000.00			\$ -	\$ -	\$ 456,000.00
D-Fuel & Power	211			\$ 203,000.00			\$ -	\$ -	\$ 203,000.00
D-Water	212			\$ 108,000.00			\$ -	\$ -	\$ 108,000.00
D-Bits	213			\$ 151,000.00			\$ -	\$ -	\$ 151,000.00
D-Mud & Chemicals	214			\$ 361,000.00			\$ -	\$ -	\$ 361,000.00
D-Cement Surface	217			\$ 28,000.00			\$ -	\$ -	\$ 28,000.00
D-Cement Intermed	218			\$ 107,000.00			\$ -	\$ -	\$ 107,000.00
D-Prod-2nd Int Cmt	219			\$ 158,000.00			\$ -	\$ -	\$ 158,000.00
D-Float Equipment & Centralizers	221			\$ 86,000.00			\$ -	\$ -	\$ 86,000.00
D-Csg Crews & Equip	222			\$ 93,000.00			\$ -	\$ -	\$ 93,000.00
D-Contract Labor	225			\$ 10,000.00			\$ -	\$ -	\$ 10,000.00
D-Company Sprvsn	226			\$ 73,000.00			\$ -	\$ -	\$ 73,000.00
D-Contract Sprvsn	227			\$ 171,000.00			\$ -	\$ -	\$ 171,000.00
D-Tstg Csg/Tbg	228			\$ 58,000.00			\$ -	\$ -	\$ 58,000.00
D-Mud Logging Unit	229			\$ 65,000.00			\$ -	\$ -	\$ 65,000.00
D-Rentals-Surface	235			\$ 281,000.00			\$ -	\$ -	\$ 281,000.00
D-Rentals-Subsrfc	236			\$ 131,000.00			\$ -	\$ -	\$ 131,000.00
D-Trucking/Forklift/Rig Mob	237			\$ 201,000.00			\$ -	\$ -	\$ 201,000.00
D-Welding Services	238			\$ 5,000.00			\$ -	\$ -	\$ 5,000.00
D-Contingency	243			\$ 88,000.00			\$ -	\$ -	\$ 88,000.00
D-Envrmtl/Cld Loop	244			\$ 441,000.00			\$ -	\$ -	\$ 441,000.00
C-Wellbore Frac Prep	304				\$ 127,000.00		\$ -	\$ -	\$ 127,000.00
C-Lctn/Pits/Roads	305				\$ 16,000.00		\$ -	\$ -	\$ 16,000.00
C-Completion OH	306				\$ 23,000.00		\$ -	\$ -	\$ 23,000.00
C-Frac Equipment	307				\$ 1,464,000.00		\$ -	\$ -	\$ 1,464,000.00
C-Frac Chemicals	308				\$ 627,000.00		\$ -	\$ -	\$ 627,000.00
C-Frac Proppant	309				\$ 285,000.00		\$ -	\$ -	\$ 285,000.00
C-Frac Proppant Transportation	310				\$ 442,000.00		\$ -	\$ -	\$ 442,000.00
C-Fuel Delivery & Services	311				\$ 64,000.00		\$ -	\$ -	\$ 64,000.00
C-Water	312				\$ 866,000.00		\$ -	\$ -	\$ 866,000.00
C-Frac Surface Rentals	315				\$ 480,000.00		\$ -	\$ -	\$ 480,000.00
C-Contract Labor	325				\$ 16,000.00		\$ -	\$ -	\$ 16,000.00
C-Company Sprvsn	326				\$ 16,000.00		\$ -	\$ -	\$ 16,000.00
C-Contract Sprvsn	327				\$ 227,000.00		\$ -	\$ -	\$ 227,000.00
C-Artificial Lift Install	329				\$ 68,000.00		\$ -	\$ -	\$ 68,000.00
C-Perf/Wireline Svc	331				\$ 570,000.00		\$ -	\$ -	\$ 570,000.00
C-Trucking/Forklift/Rig Mob	337				\$ 16,000.00		\$ -	\$ -	\$ 16,000.00
C-Water Disposal	339				\$ 61,000.00		\$ -	\$ -	\$ 61,000.00
C-Contingency	343				\$ 228,000.00		\$ -	\$ -	\$ 228,000.00
C-Dyed Diesel	345				\$ 495,000.00		\$ -	\$ -	\$ 495,000.00
C-Drillout	346				\$ 510,000.00		\$ -	\$ -	\$ 510,000.00
TB-Damages/Right of Way	351					\$ 2,000.00	\$ -	\$ -	\$ 2,000.00
TB-Location/Pits/Roads	353					\$ 43,000.00	\$ -	\$ -	\$ 43,000.00
TB-Contract Labor	356					\$ 184,000.00	\$ -	\$ -	\$ 184,000.00
PEQ-Contract Labor	374						\$ 43,000.00	\$ -	\$ 43,000.00
PEQ-Water Disposal	387						\$ 203,000.00	\$ -	\$ 203,000.00
PEQ-HRZ Well Offset Frac	391						\$ 21,000.00	\$ -	\$ 21,000.00
Total Intangible Costs		\$ -	\$ -	\$ 4,377,000.00	\$ 6,599,000.00	\$ 229,000.00	\$ 287,000.00	\$ -	\$ 11,472,000.00
Tangible Costs									
PEQ-Flowback Crews & Equip	392						\$ 122,000.00	\$ -	\$ 122,000.00
D-Surface Casing	401			\$ 35,000.00			\$ -	\$ -	\$ 35,000.00
D-Intermed Csg	402			\$ 323,000.00			\$ -	\$ -	\$ 323,000.00
D-Production Casing/Liner	403			\$ 446,000.00			\$ -	\$ -	\$ 446,000.00
D-Wellhead Equip	405			\$ 108,000.00			\$ -	\$ -	\$ 108,000.00
C-Tubing	504				\$ 79,000.00		\$ -	\$ -	\$ 79,000.00
C-Wellhead Equip	505				\$ 43,000.00		\$ -	\$ -	\$ 43,000.00
TB-Tanks	510					\$ 80,000.00	\$ -	\$ -	\$ 80,000.00
TB-Flowlines/Pipelines	511					\$ 30,000.00	\$ -	\$ -	\$ 30,000.00
TB-Htr Trt/Seprtr	512					\$ 185,000.00	\$ -	\$ -	\$ 185,000.00
TB-Electrical System/Equipment	513					\$ 119,000.00	\$ -	\$ -	\$ 119,000.00
C-Pckrs/Anchors/Hgrs	514				\$ 98,000.00		\$ -	\$ -	\$ 98,000.00
TB-Couplings/Fittings/Valves	515					\$ 204,000.00	\$ -	\$ -	\$ 204,000.00
TB-Pumps-Surface	521					\$ 25,000.00	\$ -	\$ -	\$ 25,000.00
TB-Instrumentation/SCADA/POC	522					\$ 20,000.00	\$ -	\$ -	\$ 20,000.00
TB-Miscellaneous	523					\$ 20,000.00	\$ -	\$ -	\$ 20,000.00
TB-Meters/Lacts	525					\$ 25,000.00	\$ -	\$ -	\$ 25,000.00
TB-Flares/Combusters/Emission	526					\$ 30,000.00	\$ -	\$ -	\$ 30,000.00
C-Gas Lift/Compression	527				\$ 38,000.00		\$ -	\$ -	\$ 38,000.00
PEQ-Wellhead Equipment	531						\$ 43,000.00	\$ -	\$ 43,000.00
Total Tangible Costs		\$ -	\$ -	\$ 912,000.00	\$ 258,000.00	\$ 738,000.00	\$ 165,000.00	\$ -	\$ 2,073,000.00
Total Gross Cost		\$ -	\$ -	\$ 5,289,000.00	\$ 6,857,000.00	\$ 967,000.00	\$ 452,000.00	\$ -	\$ 13,545,000.00

Note: The above costs are estimates only. Actual costs will be billed as incurred.

COG Operating LLC

By: _____

Date Prepared: _____

We approve:
% Working Interest

COG Operating LLC

By: _____

Company: _____

By: _____

Printed Name: _____

Title: _____

Date: _____

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**COG OPERATING LLC
AUTHORITY FOR EXPENDITURE
Drill & Complete**

Well Name Rock Jelly Fed Com #702H
SHL 210 FNL, 1085 FEL, OR UNIT A, 3-26S-29E
BHL 200 FSL, 1485 FEL, OR UNIT O, 15-26S-29E
Formation WOLF CAMP A
Legal 26S-29E-03
AFE Numbers

Prospect ATLAS 2628
State & County NEW MEXICO, EDDY
Objective DRILL & COMPLETE
Depth 25,300
TVD 10,100

Cost Description	Code	PreSpud (PS)	Pre-Set Casing(PC)	Drilling (DR)	Completions (C)	Tank Btty Constrctn(TB)	Pmpg Equip (PEQ)	Revision	Total
Intangible Costs									
D-Lctr/Pits/Roads	205			\$ 136,000.00				\$ -	\$ 136,000.00
D-Drilling Overhead	206			\$ 13,000.00				\$ -	\$ 13,000.00
D-Daywork Contract	209			\$ 953,000.00				\$ -	\$ 953,000.00
D-Directional Drig Services	210			\$ 456,000.00				\$ -	\$ 456,000.00
D-Fuel & Power	211			\$ 203,000.00				\$ -	\$ 203,000.00
D-Water	212			\$ 108,000.00				\$ -	\$ 108,000.00
D-Bits	213			\$ 151,000.00				\$ -	\$ 151,000.00
D-Mud & Chemicals	214			\$ 361,000.00				\$ -	\$ 361,000.00
D-Cement Surface	217			\$ 28,000.00				\$ -	\$ 28,000.00
D-Cement Intermed	218			\$ 107,000.00				\$ -	\$ 107,000.00
D-Prod-2nd Int Cmt	219			\$ 158,000.00				\$ -	\$ 158,000.00
D-Float Equipment & Centralizers	221			\$ 86,000.00				\$ -	\$ 86,000.00
D-Csg Crews & Equip	222			\$ 93,000.00				\$ -	\$ 93,000.00
D-Contract Labor	225			\$ 10,000.00				\$ -	\$ 10,000.00
D-Company Sprvsn	226			\$ 73,000.00				\$ -	\$ 73,000.00
D-Contract Sprvsn	227			\$ 171,000.00				\$ -	\$ 171,000.00
D-Tstg Csg/Tbg	228			\$ 58,000.00				\$ -	\$ 58,000.00
D-Mud Logging Unit	229			\$ 65,000.00				\$ -	\$ 65,000.00
D-Rentals-Surface	235			\$ 281,000.00				\$ -	\$ 281,000.00
D-Rentals-Subsrfc	236			\$ 131,000.00				\$ -	\$ 131,000.00
D-Trucking/Forklift/Rig Mob	237			\$ 201,000.00				\$ -	\$ 201,000.00
D-Welding Services	238			\$ 5,000.00				\$ -	\$ 5,000.00
D-Contingency	243			\$ 88,000.00				\$ -	\$ 88,000.00
D-Envrnmnt/Clad Loop	244			\$ 441,000.00				\$ -	\$ 441,000.00
C-Wellbore Frac Prep	304				\$ 127,000.00			\$ -	\$ 127,000.00
C-Lctr/Pits/Roads	305				\$ 16,000.00			\$ -	\$ 16,000.00
C-Completion OH	306				\$ 23,000.00			\$ -	\$ 23,000.00
C-Frac Equipment	307				\$ 1,464,000.00			\$ -	\$ 1,464,000.00
C-Frac Chemicals	308				\$ 627,000.00			\$ -	\$ 627,000.00
C-Frac Proppant	309				\$ 285,000.00			\$ -	\$ 285,000.00
C-Frac Proppant Transportation	310				\$ 442,000.00			\$ -	\$ 442,000.00
C-Fuel Delivery & Services	311				\$ 64,000.00			\$ -	\$ 64,000.00
C-Water	312				\$ 866,000.00			\$ -	\$ 866,000.00
C-Frac Surface Rentals	315				\$ 480,000.00			\$ -	\$ 480,000.00
C-Contract Labor	325				\$ 16,000.00			\$ -	\$ 16,000.00
C-Company Sprvsn	326				\$ 16,000.00			\$ -	\$ 16,000.00
C-Contract Sprvsn	327				\$ 227,000.00			\$ -	\$ 227,000.00
C-Artificial Lift Install	329				\$ 68,000.00			\$ -	\$ 68,000.00
C-Perf/Wireline Svc	331				\$ 570,000.00			\$ -	\$ 570,000.00
C-Trucking/Forklift/Rig Mob	337				\$ 16,000.00			\$ -	\$ 16,000.00
C-Water Disposal	339				\$ 61,000.00			\$ -	\$ 61,000.00
C-Contingency	343				\$ 226,000.00			\$ -	\$ 226,000.00
C-Dyed Diesel	345				\$ 495,000.00			\$ -	\$ 495,000.00
C-Drillout	346				\$ 510,000.00			\$ -	\$ 510,000.00
TB-Damages/Right of Way	351					\$ 2,000.00		\$ -	\$ 2,000.00
TB-Location/Pits/Roads	353					\$ 43,000.00		\$ -	\$ 43,000.00
TB-Contract Labor	356					\$ 184,000.00		\$ -	\$ 184,000.00
PEQ-Contract Labor	374						\$ 43,000.00	\$ -	\$ 43,000.00
PEQ-Water Disposal	387						\$ 203,000.00	\$ -	\$ 203,000.00
PEQ-HRZ Well Offset Frac	391						\$ 21,000.00	\$ -	\$ 21,000.00
Total Intangible Costs		\$ -	\$ -	\$ 4,377,000.00	\$ 6,509,000.00	\$ 229,000.00	\$ 267,000.00	\$ -	\$ 11,472,000.00
Tangible Costs									
PEQ-Flowback Crews & Equip	392						\$ 122,000.00	\$ -	\$ 122,000.00
D-Surface Casing	401			\$ 35,000.00				\$ -	\$ 35,000.00
D-Intermed Csg	402			\$ 323,000.00				\$ -	\$ 323,000.00
D-Production Casing/Liner	403			\$ 446,000.00				\$ -	\$ 446,000.00
D-Wellhead Equip	405			\$ 108,000.00				\$ -	\$ 108,000.00
C-Tubing	504				\$ 79,000.00			\$ -	\$ 79,000.00
C-Wellhead Equip	505				\$ 43,000.00			\$ -	\$ 43,000.00
TB-Tanks	510					\$ 80,000.00		\$ -	\$ 80,000.00
TB-Flowlines/Pipelines	511					\$ 30,000.00		\$ -	\$ 30,000.00
TB-Htr Trtr/Seprtr	512					\$ 185,000.00		\$ -	\$ 185,000.00
TB-Electrical System/Equipment	513					\$ 119,000.00		\$ -	\$ 119,000.00
C-Pckrs/Anchors/Hgrs	514				\$ 98,000.00			\$ -	\$ 98,000.00
TB-Couplings/Fittings/Valves	515					\$ 204,000.00		\$ -	\$ 204,000.00
TB-Pumps-Surface	521					\$ 25,000.00		\$ -	\$ 25,000.00
TB-Instrumentation/SCADA/POC	522					\$ 20,000.00		\$ -	\$ 20,000.00
TB-Miscellaneous	523					\$ 20,000.00		\$ -	\$ 20,000.00
TB-Meters/Lacts	525					\$ 25,000.00		\$ -	\$ 25,000.00
TB-Flares/Combusters/Emission	526					\$ 30,000.00		\$ -	\$ 30,000.00
C-Gas Lift/Compression	527				\$ 38,000.00			\$ -	\$ 38,000.00
PEQ-Wellhead Equipment	531						\$ 43,000.00	\$ -	\$ 43,000.00
Total Tangible Costs		\$ -	\$ -	\$ 912,000.00	\$ 258,000.00	\$ 738,000.00	\$ 165,000.00	\$ -	\$ 2,073,000.00
Total Gross Cost		\$ -	\$ -	\$ 5,289,000.00	\$ 6,857,000.00	\$ 967,000.00	\$ 432,000.00	\$ -	\$ 13,545,000.00

Note: The above costs are estimates only. Actual costs will be billed as incurred.

COG Operating LLC

By: _____

Date Prepared: _____

We approve:
% Working Interest

COG Operating LLC

By: _____

Company: _____

By: _____

Printed Name: _____

Title: _____

Date: _____

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**COG OPERATING LLC
AUTHORITY FOR EXPENDITURE
Drill & Complete**

Well Name Rock Jelly Fed Com #703H
SHL 350 FNL, 1530 FWL, OR UNIT C, 3-26S-29E
BHL 200 FNL, 2630 FWL, OR UNIT N, 15-26S-29E
Formation WOLFCAMP
Legal 26S-29E-03
AFE Numbers

Prospect ATLAS 2629
State & County NEW MEXICO, EDDY
Objective DRILL & COMPLETE
Depth 25,300
TVD 10,100

Cost Description	Code	PreSpud (PS)	Pre-Set Casing(PC)	Drilling (DR)	Completions (C)	Tank Btty Constrcn(TB)	Pmpg Equip (PEQ)	Revision	Total
Intangible Costs									
D-Lctr/Pits/Roads	205			\$ 136,000.00			\$ -	\$ -	\$ 136,000.00
D-Drilling Overhead	206			\$ 13,000.00			\$ -	\$ -	\$ 13,000.00
D-Daywork Contract	209			\$ 953,000.00			\$ -	\$ -	\$ 953,000.00
D-Directional Drig Services	210			\$ 456,000.00			\$ -	\$ -	\$ 456,000.00
D-Fuel & Power	211			\$ 203,000.00			\$ -	\$ -	\$ 203,000.00
D-Water	212			\$ 108,000.00			\$ -	\$ -	\$ 108,000.00
D-Bits	213			\$ 151,000.00			\$ -	\$ -	\$ 151,000.00
D-Mud & Chemicals	214			\$ 361,000.00			\$ -	\$ -	\$ 361,000.00
D-Cement Surface	217			\$ 28,000.00			\$ -	\$ -	\$ 28,000.00
D-Cement Intermed	218			\$ 107,000.00			\$ -	\$ -	\$ 107,000.00
D-Prod-2nd Int Cmt	219			\$ 158,000.00			\$ -	\$ -	\$ 158,000.00
D-Float Equipment & Centralizers	221			\$ 86,000.00			\$ -	\$ -	\$ 86,000.00
D-Csg Crews & Equip	222			\$ 93,000.00			\$ -	\$ -	\$ 93,000.00
D-Contract Labor	225			\$ 10,000.00			\$ -	\$ -	\$ 10,000.00
D-Company Sprvsn	226			\$ 73,000.00			\$ -	\$ -	\$ 73,000.00
D-Contract Sprvsn	227			\$ 171,000.00			\$ -	\$ -	\$ 171,000.00
D-Tstg Csg/Tbg	228			\$ 58,000.00			\$ -	\$ -	\$ 58,000.00
D-Mud Logging Unit	229			\$ 65,000.00			\$ -	\$ -	\$ 65,000.00
D-Rentals-Surface	235			\$ 281,000.00			\$ -	\$ -	\$ 281,000.00
D-Rentals-Subsrfc	236			\$ 131,000.00			\$ -	\$ -	\$ 131,000.00
D-Trucking/Forklift/Rig Mob	237			\$ 201,000.00			\$ -	\$ -	\$ 201,000.00
D-Welding Services	238			\$ 5,000.00			\$ -	\$ -	\$ 5,000.00
D-Contingency	243			\$ 88,000.00			\$ -	\$ -	\$ 88,000.00
D-Envrnmnt/Cld Loop	244			\$ 441,000.00			\$ -	\$ -	\$ 441,000.00
C-Wellbore Frac Prep	304				\$ 127,000.00		\$ -	\$ -	\$ 127,000.00
C-Lctr/Pits/Roads	305				\$ 16,000.00		\$ -	\$ -	\$ 16,000.00
C-Completion OH	306				\$ 23,000.00		\$ -	\$ -	\$ 23,000.00
C-Frac Equipment	307				\$ 1,464,000.00		\$ -	\$ -	\$ 1,464,000.00
C-Frac Chemicals	308				\$ 627,000.00		\$ -	\$ -	\$ 627,000.00
C-Frac Proppant	309				\$ 285,000.00		\$ -	\$ -	\$ 285,000.00
C-Frac Proppant Transportation	310				\$ 442,000.00		\$ -	\$ -	\$ 442,000.00
C-Fuel Delivery & Services	311				\$ 64,000.00		\$ -	\$ -	\$ 64,000.00
C-Water	312				\$ 866,000.00		\$ -	\$ -	\$ 866,000.00
C-Frac Surface Rentals	315				\$ 480,000.00		\$ -	\$ -	\$ 480,000.00
C-Contract Labor	325				\$ 16,000.00		\$ -	\$ -	\$ 16,000.00
C-Company Sprvsn	326				\$ 16,000.00		\$ -	\$ -	\$ 16,000.00
C-Contract Sprvsn	327				\$ 227,000.00		\$ -	\$ -	\$ 227,000.00
C-Artificial Lift Install	329				\$ 68,000.00		\$ -	\$ -	\$ 68,000.00
C-Perf/Wireline Svc	331				\$ 570,000.00		\$ -	\$ -	\$ 570,000.00
C-Trucking/Forklift/Rig Mob	337				\$ 16,000.00		\$ -	\$ -	\$ 16,000.00
C-Water Disposal	339				\$ 61,000.00		\$ -	\$ -	\$ 61,000.00
C-Contingency	343				\$ 226,000.00		\$ -	\$ -	\$ 226,000.00
C-Dyed Diesel	345				\$ 495,000.00		\$ -	\$ -	\$ 495,000.00
C-Dnrlout	346				\$ 510,000.00		\$ -	\$ -	\$ 510,000.00
TB-Damages/Right of Way	351					\$ 2,000.00	\$ -	\$ -	\$ 2,000.00
TB-Location/Pits/Roads	353					\$ 43,000.00	\$ -	\$ -	\$ 43,000.00
TB-Contract Labor	356					\$ 184,000.00	\$ -	\$ -	\$ 184,000.00
PEQ-Contract Labor	374						\$ 43,000.00	\$ -	\$ 43,000.00
PEQ-Water Disposal	387						\$ 203,000.00	\$ -	\$ 203,000.00
PEQ-HRZ Well Offset Frac	391						\$ 21,000.00	\$ -	\$ 21,000.00
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D-Intermed Csg	402			\$ 323,000.00			\$ -	\$ -	\$ 323,000.00
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D-Wellhead Equip	405			\$ 108,000.00			\$ -	\$ -	\$ 108,000.00
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TB-Couplings/Fittings/Valves	515					\$ 204,000.00	\$ -	\$ -	\$ 204,000.00
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TB-Miscellaneous	523					\$ 20,000.00	\$ -	\$ -	\$ 20,000.00
TB-Meters/Lacts	525					\$ 25,000.00	\$ -	\$ -	\$ 25,000.00
TB-Flares/Combusters/Emission	526					\$ 30,000.00	\$ -	\$ -	\$ 30,000.00
C-Gas Lift/Compression	527			\$ 38,000.00			\$ -	\$ -	\$ 38,000.00
PEQ-Wellhead Equipment	531						\$ 43,000.00	\$ -	\$ 43,000.00
Total Tangible Costs		\$ -	\$ -	\$ 912,000.00	\$ 258,000.00	\$ 736,000.00	\$ 165,000.00	\$ -	\$ 2,073,000.00
Total Gross Cost		\$ -	\$ -	\$ 5,289,000.00	\$ 6,857,000.00	\$ 967,000.00	\$ 432,000.00	\$ -	\$ 13,545,000.00

Note: The above costs are estimates only. Actual costs will be billed as incurred.

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AUTHORITY FOR EXPENDITURE
Drill & Complete**

Well Name Rock Jelly Fed Com #704H
SHL 350 FNL, 1500 FWL, OR UNIT C, 3-26S-29E
BHL 200 FSL, 1530 FWL, OR UNIT N, 1S-26S-29E
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Prospect ATLAS 2629
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Objective DRILL & COMPLETE
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D-Daywork Contract	209			\$ 953,000.00			\$ -	\$ -	953,000.00
D-Directional Drig Services	210			\$ 456,000.00			\$ -	\$ -	456,000.00
D-Fuel & Power	211			\$ 203,000.00			\$ -	\$ -	203,000.00
D-Water	212			\$ 108,000.00			\$ -	\$ -	108,000.00
D-Bits	213			\$ 151,000.00			\$ -	\$ -	151,000.00
D-Mud & Chemicals	214			\$ 361,000.00			\$ -	\$ -	361,000.00
D-Cement Surface	217			\$ 28,000.00			\$ -	\$ -	28,000.00
D-Cement Intermed	218			\$ 107,000.00			\$ -	\$ -	107,000.00
D-Prod-2nd Int Cmt	219			\$ 158,000.00			\$ -	\$ -	158,000.00
D-Float Equipment & Centralizers	221			\$ 86,000.00			\$ -	\$ -	86,000.00
D-Csg Crews & Equip	222			\$ 93,000.00			\$ -	\$ -	93,000.00
D-Contract Labor	225			\$ 10,000.00			\$ -	\$ -	10,000.00
D-Company Sprvsn	226			\$ 73,000.00			\$ -	\$ -	73,000.00
D-Contract Sprvsn	227			\$ 171,000.00			\$ -	\$ -	171,000.00
D-Tstg Csg/Tbg	228			\$ 58,000.00			\$ -	\$ -	58,000.00
D-Mud Logging Unit	229			\$ 65,000.00			\$ -	\$ -	65,000.00
D-Rentals-Surface	235			\$ 281,000.00			\$ -	\$ -	281,000.00
D-Rentals-Subsrfc	236			\$ 131,000.00			\$ -	\$ -	131,000.00
D-Trucking/Forklift/Rig Mob	237			\$ 201,000.00			\$ -	\$ -	201,000.00
D-Welding Services	238			\$ 5,000.00			\$ -	\$ -	5,000.00
D-Contingency	243			\$ 88,000.00			\$ -	\$ -	88,000.00
D-Envrmtl/Cld Loop	244			\$ 441,000.00			\$ -	\$ -	441,000.00
C-Wellbore Frac Prep	304				\$ 127,000.00		\$ -	\$ -	127,000.00
C-Lctr/Pits/Roads	305				\$ 16,000.00		\$ -	\$ -	16,000.00
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C-Frac Equipment	307				\$ 1,464,000.00		\$ -	\$ -	1,464,000.00
C-Frac Chemicals	308				\$ 627,000.00		\$ -	\$ -	627,000.00
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C-Frac Proppant Transportation	310				\$ 442,000.00		\$ -	\$ -	442,000.00
C-Fuel Delivery & Services	311				\$ 64,000.00		\$ -	\$ -	64,000.00
C-Water	312				\$ 866,000.00		\$ -	\$ -	866,000.00
C-Frac Surface Rentals	315				\$ 480,000.00		\$ -	\$ -	480,000.00
C-Contract Labor	325				\$ 16,000.00		\$ -	\$ -	16,000.00
C-Company Sprvsn	326				\$ 16,000.00		\$ -	\$ -	16,000.00
C-Contract Sprvsn	327				\$ 227,000.00		\$ -	\$ -	227,000.00
C-Artificial Lift Install	329				\$ 68,000.00		\$ -	\$ -	68,000.00
C-Perf/Wireline Svc	331				\$ 570,000.00		\$ -	\$ -	570,000.00
C-Trucking/Forklift/Rig Mob	337				\$ 16,000.00		\$ -	\$ -	16,000.00
C-Water Disposal	339				\$ 61,000.00		\$ -	\$ -	61,000.00
C-Contingency	343				\$ 226,000.00		\$ -	\$ -	226,000.00
C-Dyed Diesel	345				\$ 495,000.00		\$ -	\$ -	495,000.00
C-Drillout	346				\$ 510,000.00		\$ -	\$ -	510,000.00
TB-Damages/Right of Way	351					\$ 2,000.00	\$ -	\$ -	2,000.00
TB-Location/Pits/Roads	353					\$ 43,000.00	\$ -	\$ -	43,000.00
TB-Contract Labor	356					\$ 184,000.00	\$ -	\$ -	184,000.00
PEQ-Contract Labor	374						\$ 43,000.00	\$ -	43,000.00
PEQ-Water Disposal	387						\$ 203,000.00	\$ -	203,000.00
PEQ-HRZ Well Offset Frac	391						\$ 21,000.00	\$ -	21,000.00
Total Intangible Costs		\$ -	\$ -	\$ 4,377,000.00	\$ 6,599,000.00	\$ 229,000.00	\$ 267,000.00	\$ -	\$ 11,472,000.00
Tangible Costs									
PEQ-Flowback Crews & Equip	392						\$ 122,000.00	\$ -	122,000.00
D-Surface Casing	401			\$ 35,000.00			\$ -	\$ -	35,000.00
D-Intermed Csg	402			\$ 323,000.00			\$ -	\$ -	323,000.00
D-Production Casing/Liner	403			\$ 446,000.00			\$ -	\$ -	446,000.00
D-Wellhead Equip	405			\$ 108,000.00			\$ -	\$ -	108,000.00
C-Tubing	504				\$ 79,000.00		\$ -	\$ -	79,000.00
C-Wellhead Equip	505				\$ 43,000.00		\$ -	\$ -	43,000.00
TB-Tanks	510					\$ 80,000.00	\$ -	\$ -	80,000.00
TB-Flowlines/Pipelines	511					\$ 30,000.00	\$ -	\$ -	30,000.00
TB-Htr Trt/Seprtr	512					\$ 185,000.00	\$ -	\$ -	185,000.00
TB-Electrical System/Equipment	513					\$ 119,000.00	\$ -	\$ -	119,000.00
C-Pckrs/Anchors/Hgrs	514				\$ 98,000.00		\$ -	\$ -	98,000.00
TB-Couplings/Fittings/Valves	515					\$ 204,000.00	\$ -	\$ -	204,000.00
TB-Pumps-Surface	521					\$ 25,000.00	\$ -	\$ -	25,000.00
TB-Instrumentation/SCADA/POC	522					\$ 20,000.00	\$ -	\$ -	20,000.00
TB-Miscellaneous	523					\$ 20,000.00	\$ -	\$ -	20,000.00
TB-Meters/Lacts	525					\$ 25,000.00	\$ -	\$ -	25,000.00
TB-Flares/Combusters/Emission	526					\$ 30,000.00	\$ -	\$ -	30,000.00
C-Gas Lift/Compression	527				\$ 38,000.00		\$ -	\$ -	38,000.00
PEQ-Wellhead Equipment	531						\$ 43,000.00	\$ -	43,000.00
Total Tangible Costs		\$ -	\$ -	\$ 912,000.00	\$ 258,000.00	\$ 738,000.00	\$ 165,000.00	\$ -	\$ 2,073,000.00
Total Gross Cost		\$ -	\$ -	\$ 5,289,000.00	\$ 6,857,000.00	\$ 967,000.00	\$ 432,000.00	\$ -	\$ 13,545,000.00

Note: The above costs are estimates only. Actual costs will be billed as incurred.

COG Operating LLC

By: _____

Date Prepared: _____

We approve:
% Working Interest

COG Operating LLC

By: _____

Company: _____

By: _____

Printed Name: _____

Title: _____

Date: _____

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

**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. 21344

VERIFIED STATEMENT OF WILL NEELY

Will Neely, being duly sworn upon his oath, deposes and states:

1. My name is Will Neely. I have been a geologist with COG Operating LLC ("COG") since 2019. 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.

2. I have not previously testified before the New Mexico Oil Conservation Division ("Division"). My experience and qualifications are as follows:

I graduated from Oklahoma State University with both a Bachelor of Science in Geology in 2017 and my Master of Science in Geology in 2018 where my graduate research focused primarily on unconventional reservoirs in the "STACK play." In January 2019, I began working for COG as a geologist in the Delaware Basin where I still work today. I have one accepted publication in the Society of Exploration Geophysicists' "Interpretation" publication and am a member of the American Association of Petroleum Geologists and the Oklahoma State University School of Geology Advisory Board.

3. COG is targeting the Wolfcamp formation with its proposed Rock Jelly Federal Com 701H, 702H, 703H, 704H, and 705H wells (collectively the "Wells").

4. **Attachment A** is a locator map displaying COG's acreage in yellow for the Wolfcamp formation. Existing producing wells in the Wolfcamp A Shale interval are represented by solid lines. The approximate wellbore paths for the Wells are marked by dashed lines.

5. **Attachment B** is a subsea structure map that I prepared for the top of the Wolfcamp formation that is representative of the targeted interval within the Wolfcamp A 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. The approximate wellbore paths for the proposed Wells are depicted by dashed lines. The map shows that the formation is dipping to the east-southeast in this area.

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Case No. 21344 Exhibit No. B

Submitted by:

COG OPERATING LLC

Hearing Date: October 22, 2020

6. 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 C** overlays a cross-section line consisting of five 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 D** is a stratigraphic cross-section using the representative wells depicted on **Attachment C**. Each well in the cross-section contains gamma ray, resistivity, and porosity logs. The proposed target interval in the Wolfcamp formation are 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, Granting COG's applications and denying WPX's application is in the best interest of conservation, will prevent waste, and protect correlative rights.

12. **COG Exhibit No. 2 and Attachments A through D** were either prepared by me or compiled under my direction and supervision.

THIS CONCLUDES WILL NEELY'S STATEMENT.

VERIFICATION

STATE OF TEXAS

)

)ss.

COUNTY OF MIDLAND

)

Will Neely, being duly sworn upon his oath, deposes and states that: He is a geologist for COG Operating LLC; he is authorized to make this verification on its behalf; he has read the foregoing statement, and knows the contents thereof; and the same is true and correct to the best of his knowledge, information, and belief.

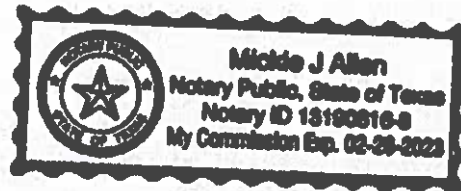

Will Neely

SUBSCRIBED and SWORN to before me this 14th day of October, by
William Neely.

My Commission Expires:

2-26-23


NOTARY PUBLIC



William Christopher Neely

2103 Ward St. | Midland, TX 79705 | 903.821.1174 | wcneely2@gmail.com

Professional Experience

Geologist I | Concho Resources, Midland, TX

January 2019 – Present

- Evaluate, plan, and execute single & multi-well pad projects and SWD wells while working closely with other disciplines throughout all phases of project planning
- Continuously incorporate a multi-disciplinary approach to assess secondary and tertiary target potential on a core to regional scale for multiple asset areas in the Permian Basin
- Extensive technical work in well log interpretation, log based sequence stratigraphy, multivariate predictive processes, geomodelling, geosteering, geologic mapping, and resource evaluation

Completed Professional Course Topics/Certifications

Petra/Geographix/Petrel/Kingdom/Transform	Reservoir Characterization & Geostatistical Modeling	ArcGIS
Geomechanical Concepts in Unconventional Completions	Unconventional Resource Assessment & Evaluation	
Applied Well Log Sequence Stratigraphy for Exploration and Production	Spotfire Essentials	Starsteer Geosteering

Professional Organizations and Organizational Boards

AAPG (American Association of Petroleum Geologists)

Aug 2014 – Present

Oklahoma State University School of Geology Alumni Board

June 2019 – Present

Oil and Gas Network "Street Team"

October 2019 – Present

Previous Related Work Experience

Geoscience Intern | Concho Resources, Midland, TX

May 2018 – August 2018

- Large scale acreage evaluation in the Northern Delaware Basin
- Determined favorable economic targets in undeveloped area from over 5000 feet of strata
- Worked with both reservoir engineering department and land department to both qualify and quantify geologic work

Geoscience Intern | WPX Energy, Tulsa, OK

May 2017 – August 2017

- Exploration and initial development of potential lateral play within a carbonate system of the Williston Basin in ND, MT.
- Aided in development of theoretical depositional model of the carbonate sequences.
- Analyzation of geochemical (SRA) data from potential source rocks interbedded within carbonate system.

Geoscience Intern | BGEnergy Partners, Oklahoma City, OK

August 2014 – May 2017

- Gathered additional information of newly leased areas and developed potential prospects (North-Central Oklahoma)
- Evaluated key target formations and helped execute secondary recovery procedures in sandstone reservoirs

Education and Certifications

Oklahoma State University

Graduation: Fall 2018

Master of Science in Geology

Cumulative GPA: 4.00/4.00

Thesis Topic | Multidisciplinary Characterization of Reservoir Heterogeneity within the Meramec Interval of the STACK Play, Central Oklahoma

Publications (1) | *Interpretation*, "Characterization of Reservoir Heterogeneity within the Meramec Interval of the STACK Play, Central Oklahoma". In print. 2020.

Oklahoma State University

Graduation: May 2017

Bachelor of Science in Geology

Cumulative GPA: 3.50/4.00

Research Emphasis: Characterization of Subsurface after Observed Seismic Activity

Major GPA: 3.70/4.00

Related Coursework | Short Courses:

Well Log Analysis	Petroleum Rocks & Fluids	Subsurface Methods	Petroleum Geology
Advanced Carbonate Petrology and Geochemistry		Seismic Interpretation	Sequence Stratigraphy
Geophysical exploration		Basin Evolution	Fundamentals of GIS

Related Collegiate Experience and Community Involvement

AAPG Imperial Barrel Award Competition | 2nd Place Mid-Continent Region

Spring 2018

- Bight Basin | Australia | Created synthetics, structure/isochron/isopach maps for interpretation, applied a suite of attributes to aid in interpretation, developed 3-D conceptual models of petroleum system, and developed a prospect with associated volumetric analysis

Vice President | AAPG OSU Student Chapter

Sept. 2016 – May 2017

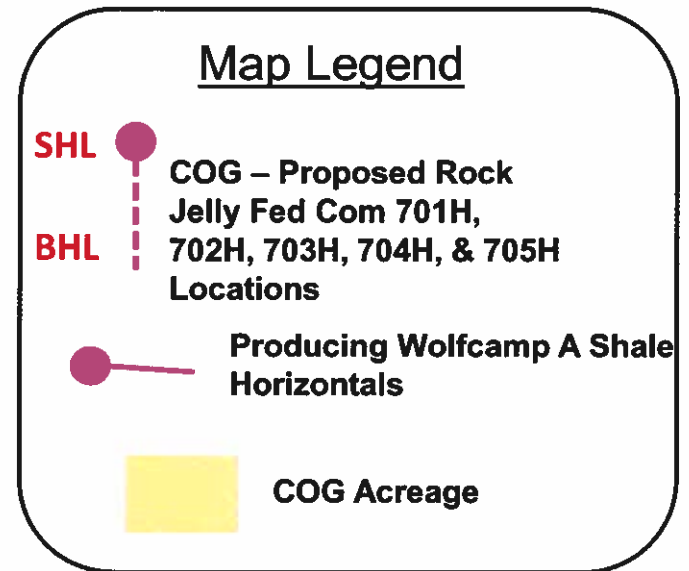
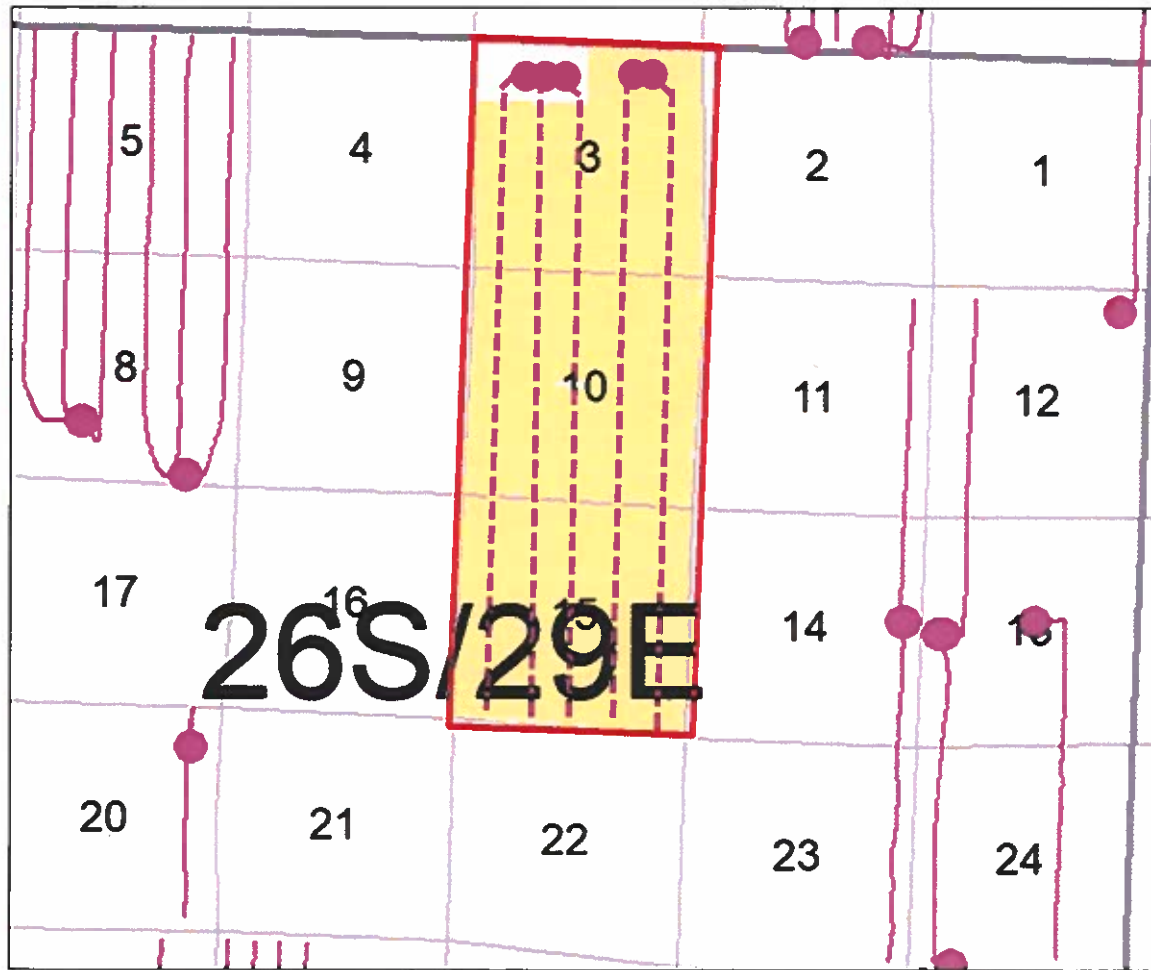
- Coordinate professional development events and activities and communicate valuable information to students.

Executive Director- Co-Founder | "Gatorfest"

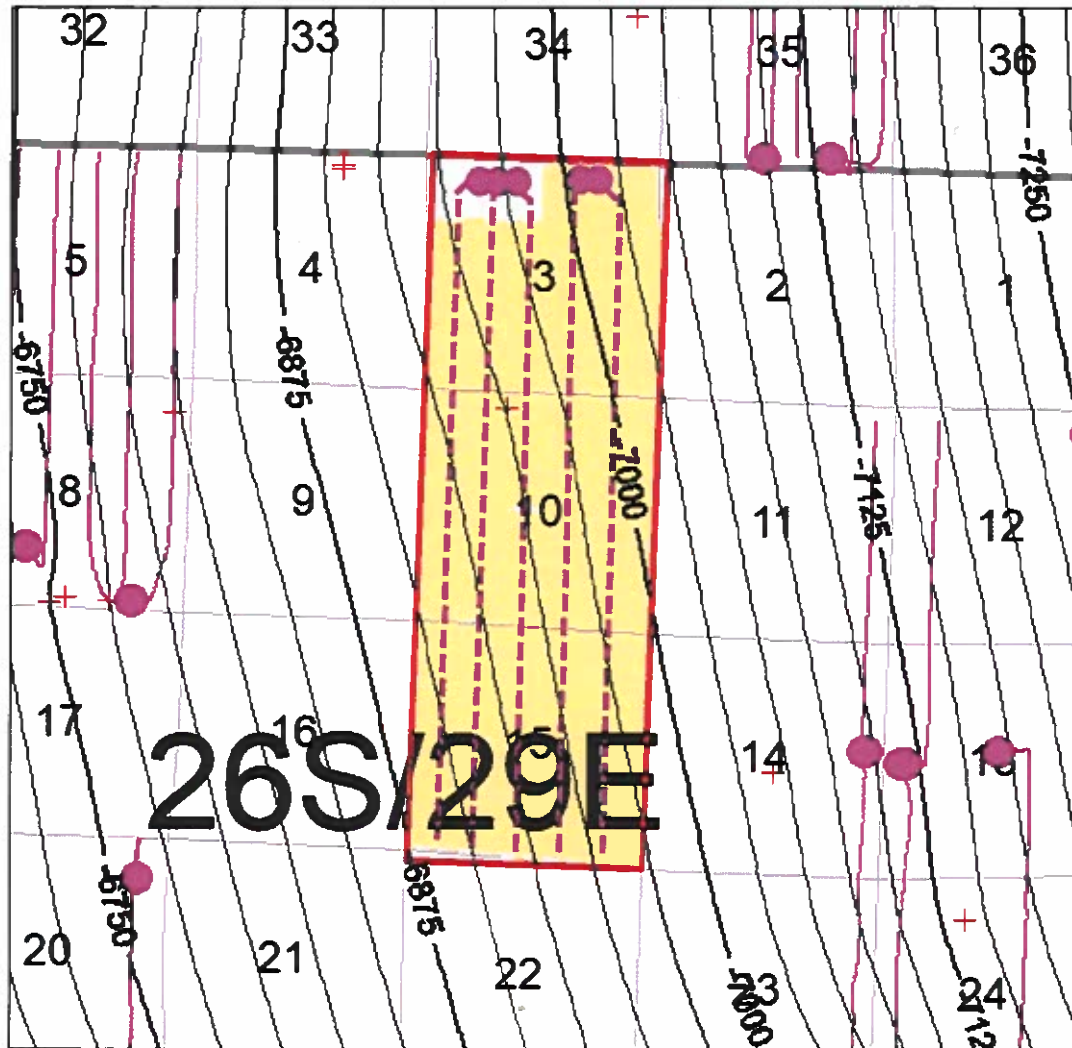
August 2013 – May 2015

- Raised over \$10,000 each year for the Stillwater YMCA as director and the event still takes place every spring.






Purple Sage Pool Rock Jelly Fed Com Location Map



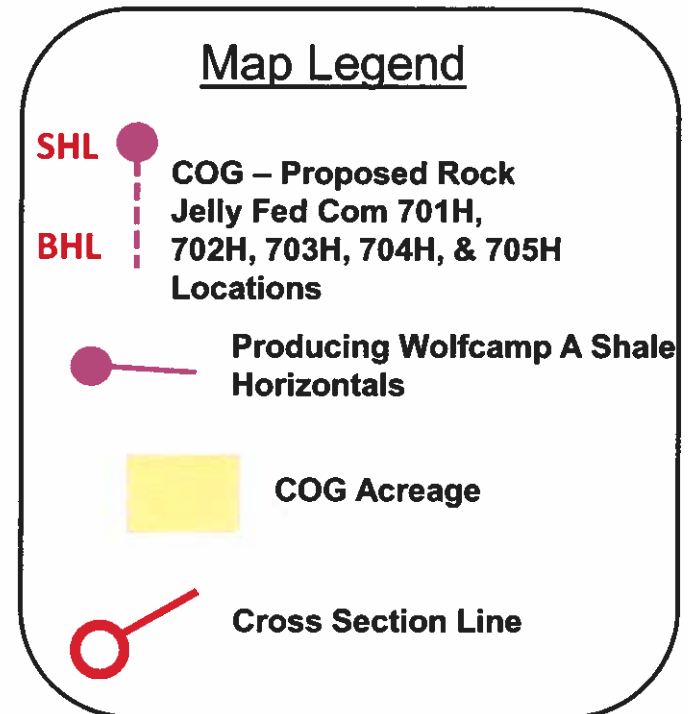
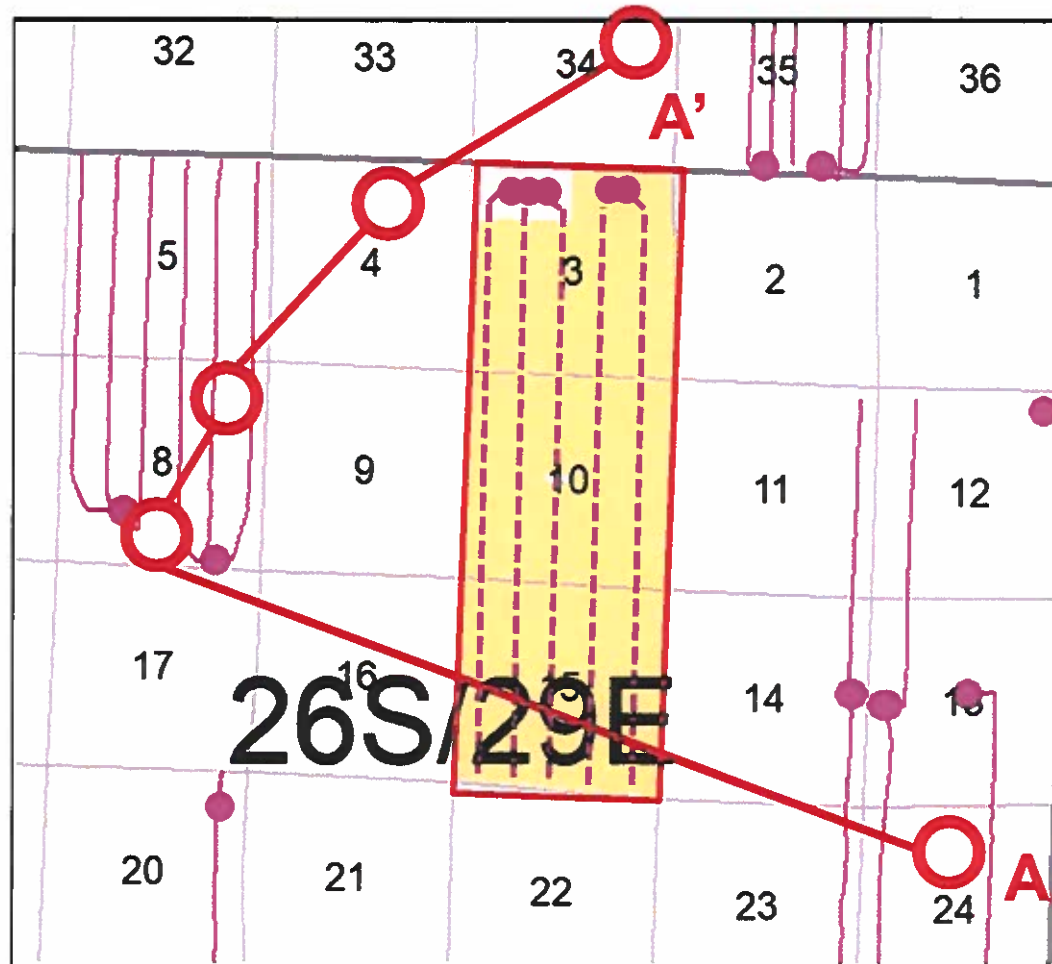
Purple Sage Pool Wolfcamp Subsea Structure Map



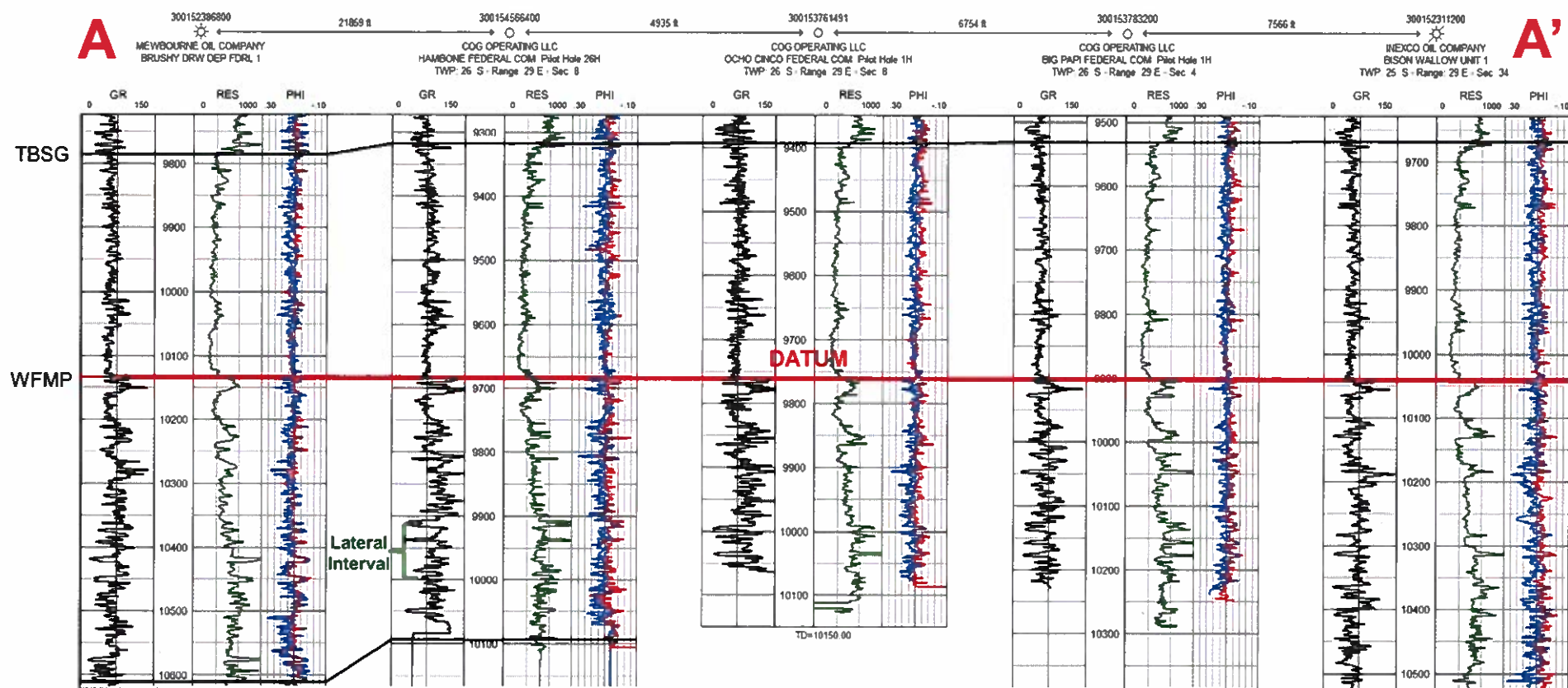
Map Legend

- SHL**  COG – Proposed Rock Jelly Fed Com 701H, 702H, 703H, 704H, & 705H Locations
- BHL**  Producing Wolfcamp A Shale Horizontals
-  COG Acreage
-  Sub Sea Structure Data Point
-  Contour Line (C.I. = 25')

Purple Sage Pool Cross Section Location Map



Stratigraphic Cross Section A – A'



BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Case No. 21344 Attachment D
 Submitted by:
COG OPERATING LLC
 Hearing Date: October 22, 2020

Shane Volk

Reservoir Engineer

Contact

Address

6463 Valley View Rd
Edmond, Oklahoma, 73034

Phone

(918) 724-0085

E-mail

shanevolk@att.net

Skills

Asset Valuations

Economic Analysis

Budgeting & Scenario Analysis

Decline Curve Analysis

Type Curve Generation

Field Development Planning

Operational Planning

Production Forecasting

Probabilistic Analysis

Risk & Uncertainty Analysis

Portfolio Characterizations

Project Management

Reserves Estimation

Data Analysis

Strengths

Emotional Intelligence

Leadership

Commercial Mindset

Continuous Improvement

Attention to Detail

Mentoring & Developing Others

Analytical Problem-Solving

Versatile, proactive, and meticulous Reservoir Engineer with over ten years of experience in multiple basins in the upstream oil and gas industry. Proven success in leadership, reservoir engineering, as well as strategic & operational planning. Servant leader experienced in driving great team successes in both supervisory and support staff roles. Unique ability to actualize the value proposition associated with complex technical problems. Recognized consistently for exceptional ability to improve processes and tools. Proficient across the entire value chain, with specialized expertise in economic analysis, asset valuations, and development planning. Big picture focus, communicating strategic direction and vision to succeed.

Work History

2019-03 -

2019-10

BU Strategic Planning

Devon Energy, Oklahoma City, OK

- Area: Permian Basin
- Transformed strategic planning capabilities through integration of subsurface characterizations with surface infrastructure; identified bottlenecks & created field development scenarios which maximized free cash flow
- Automated BU marketing production forecast process with IT collaboration; eliminated monthly work previously done by six engineers
- Enhanced Enersight software utilization from a simple production forecast only tool to a dynamic scenario analysis tool focused on optimizing free cash flow

2018-05 -

2019-02

Reservoir Engineering

Devon Energy, Oklahoma City, OK

- Area: Anadarko Basin
- Identified path to commerciality for gas heavy STACK assets; innovatively exposed significant gas marketing agreement disadvantage & asset margin impact
- Developed economic screening process for exploration prospects to prioritize team efforts and quickly progress highest value opportunities
- Initiated team efforts to propose creative JV finance options in high GOR areas to reduce capital expenses and improve economic metrics
- Selected as BU expert to join corporate Business Development group for multiple valuations; routinely evaluated PDP and risked upside development scenarios for potential acquisitions

2015-11 -

2018-04

Reservoir Engineering Supervisor

Devon Energy, Oklahoma City, OK

- Area: Powder River Basin
- Interim Reservoir Manager from Dec 2015 – Feb 2016
- Successfully assumed Reservoir Manager & Supervisor responsibilities and led department efforts to integrate ~\$500

Software

PEEP

Enersight

Microsoft Office

IHS Harmony

IHS Enerdeq

DrillingInfo

OFM

Spotfire

Aries

Most Proud Of

Completing EMBA

Excelled (4.0) while also balancing the demands of a full-time job and family of five

1st Planning Supervisor

Selected as one of the first Execution Planning Supervisors at Devon Energy

Education

2017-08 - 2018-10

Executive MBA

University of Oklahoma - Norman, OK

2005-08 - 2009-05

Bachelor of Science: Petroleum Engineering

University of Oklahoma - Norman, OK

2014-08 -
2015-10

million acquisition of RKI Exploration

- Utilized economic distributions to create probability of commercial success methodology; facilitated meaningful leadership discussion around uncertainty between investment opportunities
- Initiated and led subsurface asset team efforts to prioritize and progress asset valuation opportunities (acreage trades, state/federal lease sales, JVs, DrillCo transactions)
- Selected as BU subsurface lead to join Business Development for significant divestiture valued at ~\$1 billion; served as primary point of contact with investment banking experts to characterize PDP & upside opportunities

Execution Planning Supervisor

Devon Energy, Oklahoma City, OK

- Area: Powder River Basin
- Instrumental in leading BU through project management change management initiative
- Supervised multi-functional development team (geoscience, land, drilling, operations, completions) and led efforts to generate, implement, and execute four rig drilling program
- Generated quality assurance reports/tools to track progress & manage change with respect to daily operations & program performance (cost, schedule, production, risk)
- Created and implemented permitting flow model to provide increased regulatory transparency, process improvement, and inventory management
- Led and coordinated efforts to define and implement development planning hand-off process between subsurface asset and execution teams

Special Assignment - Project Management

Devon Energy, Oklahoma City, Oklahoma

- One of five selected for enterprise transformation initiative
- Defined and implemented enterprise BU roles and responsibilities for Devon's Project Management Methodology (asset and execution teams)
- Served as subject matter expert during company-wide implementation training courses

Reservoir Engineering

Devon Energy, Oklahoma City, Oklahoma

- Area: Powder River Basin
- Interim Reservoir Manager from Jan 2014 - Feb 2014
- Selected for newly-created role accountable for managing and coordinating corporate processes for the entire BU; included business performance analysis, budget development and forecasts, portfolio updates, full life cycle economic lookbacks, and SEC reserves management

2014-04 -
2014-07

2012-09 -
2014-03

- Championed and implemented new portfolio characterization process to reduce burden on other reservoir engineers
- Established new reconciliation and review process to improve effectiveness in SEC reserves management
- Implemented end-of-field-life methodology for declining assets; included transferable profitability screening process of any asset

2011-11 -
2012-08

Reservoir Engineering

Devon Energy, Oklahoma City, Oklahoma

- Area: Wind River Basin (Enhanced Oil Recovery)
- Identified the critical surveillance metric for the Madison CO2 flood – Injection Withdrawal Ratio – which drove performance and enabled a peak rate of ~6,000 BOPD
- Created and stewarded injection schedule for the Madison CO2 flood; resulting WAG cycle mitigated significant gas breakthrough issues
- Organized and led team technical reviews to quickly identify, evaluate, and obtain approval for additional opportunities for the Madison CO2 flood prior to budget (compression upgrade, recompletions, drilling, and conformance)

2011-03 -
2011-10

Reservoir Engineering

ExxonMobil, Houston, TX

- Area: Permian Basin
- One of two reservoir engineers selected to multi-functional project execution team targeting emerging tight oil plays (Bone Spring/Wolfberry)
- Developed initial five well appraisal plan and potential range of outcomes with subsurface team
- Coordinated budget activities for twenty-five assets; developed plan which positioned assets for profitable growth

2009-07 -
2011-02

Reservoir Engineering

ExxonMobil, Houston, TX

- Area: Offshore Gulf of Mexico
- After inheriting compression upgrade project after key technical checkpoint, subsequently identified and corrected significant incremental economics modeling error resulting in project deferral (\$11 million CAPEX savings)
- Completed reservoir characterization of 14 horizons; proactively evaluated net-asset-value scenarios of three associated platforms and subsequently recommended and led divestiture efforts
- Developed well seriatim based on TGOR and WOR to optimize production due to significant facility constraints; initially resulted in ~800 BOPD uplift

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

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

Case No. 21344

VERIFIED STATEMENT OF SHANE VOLK

Shane Volk, of lawful age and being first duly sworn, declares as follows:

1. My name is Shane Volk. I have been a reservoir engineer with COG Operating LLC since March of 2020. I am familiar with the application filed by COG Operating LLC and engineering matters involved with this case. I have conducted an economic evaluation of the subject wells.
2. I have not previously testified before the New Mexico Oil Conservation Division. My experience and qualifications are as follows:
 - a. Education
 - i. Executive MBA, University of Oklahoma, 2018
 - ii. BS Petroleum Engineering, University of Oklahoma, 2005
 - b. Work History
 - i. Reservoir Engineer, ExxonMobil, July 2009 – October 2011
 - ii. Reservoir Engineer, Devon Energy, November 2011 – October 2019
 - iii. Reservoir Engineer, Concho, March 2020 – Present
3. I have prepared certain exhibits in support of COG's application for the hearing and I will explain each for the examiners.
4. **COG Exhibit No. C-1** is a summary of the points I will demonstrate in the following exhibits to show why COG's development plan is in the best interest of conservation, the prevention of waste and the protection of correlative rights. Additionally, COG's proposed development plan is the most efficient and economic way to develop this acreage.
5. **COG Exhibit No. C-2** is a development plan comparison. On the left-hand side, I have shown COG's preferred development plan. On the right-hand side, I have shown an alternative development plan if COG's application is denied. The preferred development pattern will allow for 15,180 feet of total lateral. Project capital will be approximately \$47.6 million. If Concho were forced to follow the sub-optimal development plan, it

would only allow for 10,956 feet of total lateral but would take \$57.5 million in project capital.

The alternate plan would cause waste because it would use capital inefficiently (requires an estimated \$9.9 million of additional capital to fully develop the 3 sections), and results in increased surface land used by wellbore SHLs as well as production facilities.

6. **COG Exhibit No. C-3** shows a surface usage comparison. Pad locations are shown in yellow. The alternate development plan will require 50% more surface locations. COG's preferred development plan reduces surface and facility usage.
7. **COG Exhibit No. C-4** illustrates how Concho's development plan will allow for more efficient recovery of the area. The red bar areas show the non-stimulated area. The alternative plan would lead to a portion of the reservoir that would not be stimulated due to lost lateral length from statewide offset requirements.
8. **COG Exhibit No. C-5** provides a net economic comparison between COG's preferred development plan and the alternate plan. The Net Present Value discounted at 10% for our preferred development plan will be more than 9% than the alternate plan. The preferred plan will cost almost \$10 million dollars less. Additionally, the preferred plan will provide 18% more Profits to Investment (discounted at 10%) and 15% improvement to the total development Return on Investment. Finally, using the lateral lengths from Exhibit C-2, drilling and completion costs (in total and on a per foot basis) are less under the preferred plan. If the alternate plan is forced, it will result in ~\$7 million in lost value to all parties involved.
9. Granting COG's applications is in the best interest of conservation, will prevent waste, and protect correlative rights.
10. COG Exhibit Nos. C-1 through C-5 were prepared by me or compiled under my direction or supervision.

THIS CONCLUDES SHANE VOLK'S STATEMENT.

VERIFICATION

STATE OF TEXAS)

)ss.

COUNTY OF MIDLAND)

Shane Volk, being duly sworn upon his oath, deposes and states that: he is a Reservoir Engineer for COG Operating LLC; he is authorized to make this verification on its behalf; he has read the foregoing statement, and knows the contents thereof; and the same is true and correct to the best of his knowledge, information, and belief.

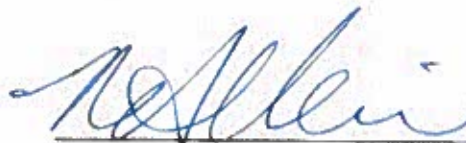


Shane Volk

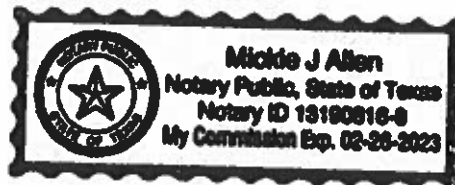
SUBSCRIBED and SWORN to before me this 13th day of October, 2020, by
Shane Volk.

My Commission Expires:

2-26-2023



NOTARY PUBLIC



Summary

- ❖ **COG's development plan maximizes the economic recovery of sections 3, 10 and 15**
- ❖ **WPX's alternate development plan has the following consequences to recover the same reserves:**
 - Five additional wells
 - ~\$10 MM additional net CapEx
 - Reduces average lateral length by ~28%
 - Increases surface pad locations by 50%
 - Reduces completed lateral/section by 55'
 - Creates value erosion for Concho
 - NPV₁₀ reduced by \$7 MM
 - Discounted P/I reduced by ~15%
 - ROR reduced by ~13%

Development Plan Comparison

Preferred Development Plan



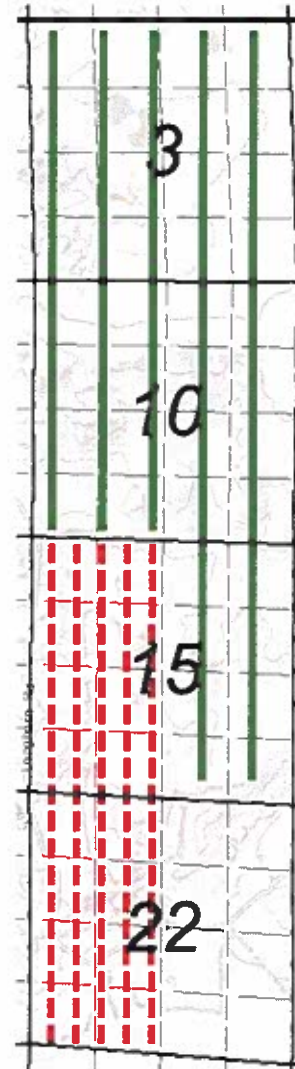
COG "Rock Jelly" DSU

- ❖ Lateral length: 3 miles
- ❖ Well count: 5
- ❖ Average lateral: 15,180'
- ❖ Project Net CapEx: \$47.62 MM

Total

- ❖ Well count: 5
- ❖ Average lateral: 15,180'
- ❖ Project Net CapEx: \$47.62 MM

Alternate Development Plan



COG New E/2 DSU

- ❖ Lateral length: 3 miles
- ❖ Well count: 2
- ❖ Average lateral: 15,180'
- ❖ Project Net CapEx: \$19.10 MM

COG New W/2 DSU

- ❖ Lateral length: 2 miles
- ❖ Well count: 3
- ❖ Average lateral: 9,900'
- ❖ Project Net CapEx: \$20.08 MM

WPX "French" DSU

- ❖ Lateral length: 2 miles
- ❖ Well count: 5
- ❖ Average lateral: 9,900'
- ❖ Project Net CapEx: \$18.30 MM

Total

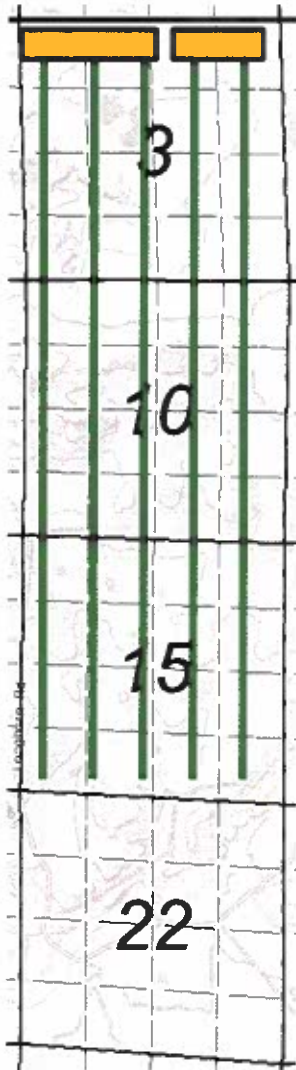
- ❖ Well count: 10
- ❖ Average lateral: 10,956'
- ❖ Project Net CapEx: \$57.47 MM



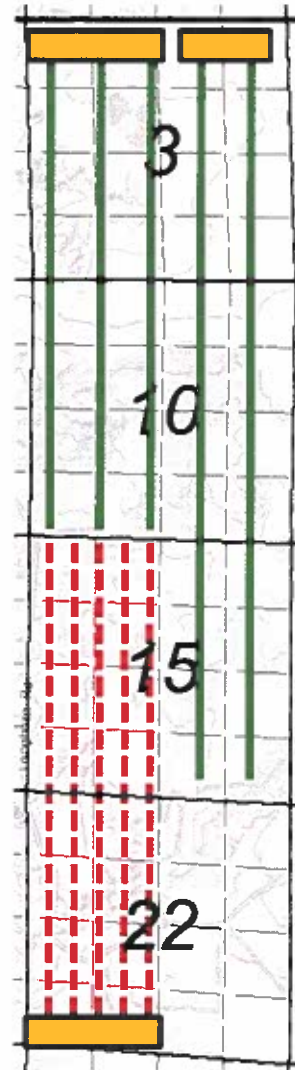
Surface Usage Comparison

Pad Location

Preferred Development Plan



Alternate Development Plan



Alternate development plan
requires **50% more surface
locations**

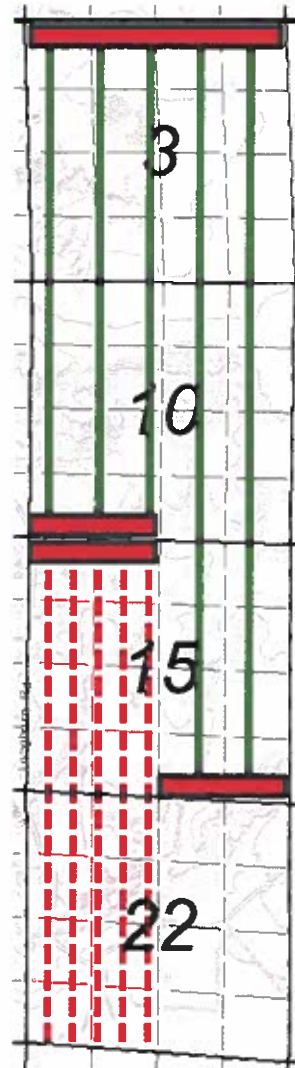
Recovery Comparison

Non-Stimulated Reservoir

Preferred Development Plan



Alternate Development Plan



Completed Lateral/Section

- ❖ Preferred: 5,060'
- ❖ Alternate: 5,005'

Preferred development plan
maximizes total completed lateral

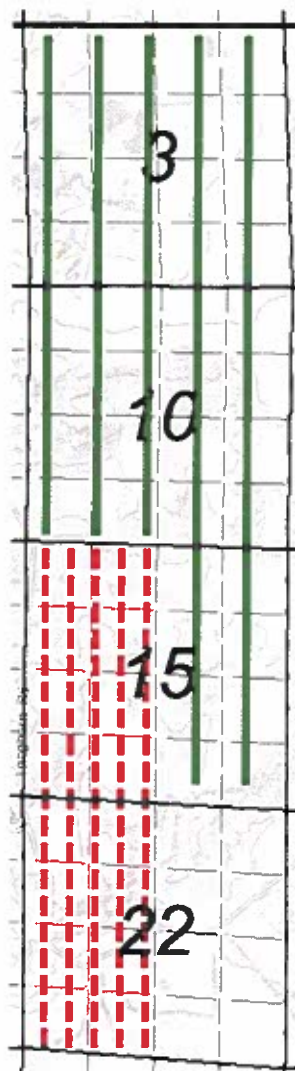


Net Economic Comparison

Preferred Development Plan



Alternate Development Plan



Metric	Preferred	Alternate
NPV ₁₀ (\$ MM)	+9%	---
CapEx (\$ MM)	47.62	57.47
PIR ₁₀	+18%	--
ROR	+15%	---
D&C/foot (\$)	704	746

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

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

CASE NO. 21344

AFFIDAVIT

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

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




Michael Rodriguez

SUBSCRIBED AND SWORN to before me this 15th day of October 2020 by Michael Rodriguez.



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



Notary Public

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 21344 Exhibit No. D
Submitted by:
COG OPERATING LLC
Hearing Date: October 22, 2020**



June 18, 2020

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

**Re: Case No. 21344: Application of COG Operating, LLC for Compulsory Pooling,
Eddy County, New Mexico.
Rock Jelly Fed Com #701H, #702H, #703H, #704H, #705H Wells**

To whom it may concern:

This letter is to advise you that COG Operating LLC has filed the enclosed application with the New Mexico Oil Conservation Division. The hearing will be conducted on **July 9, 2020** beginning at 8:15 a.m.

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>. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Pursuant to Division Rule 19.135.4.13.B, parties appearing in a case are required to file a pre-hearing Statement at least four business days in advance of a scheduled hearing, but in no event later than 5:00 p.m. mountain time, on the Thursday preceding the scheduled hearing date. The statement must be filed at the Division's Santa Fe office or electronically submitted to ocd.hearings@state.nm.us 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 Travis Macha at (432) 221-0452 or tmacha@concho.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "M. Rodriguez", written over a horizontal line.

Michael Rodriguez
ATTORNEY FOR COG OPERATING LLC

Affidavit of Publication

Ad # 0004246513

This is not an invoice

CONCHO

1048 PASEO DE PERALTA

SANTA FE, NM 87501

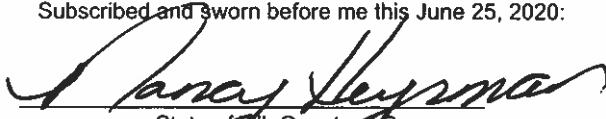
I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements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

06/25/2020



Legal Clerk

Subscribed and sworn before me this June 25, 2020:



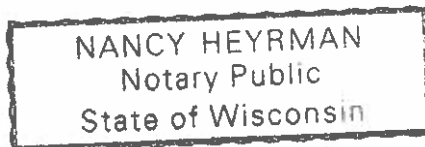
State of WI, County of Brown
NOTARY PUBLIC
5.15.23

My commission expires

Ad # 0004246513

PO #: NOP Rock Jelly
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 July 9, 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 June 30, 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: Burlington Resources Oil & Gas Co.; OXY U.S.A., Inc.; EOG Resources, Inc.; XTO Holdings, LLC; WPX Energy Permian, LLC; Nestegg Energy Corporation; Nuevo Seis, LP; Wing Resources III, LLC; Danielle Hannifin; R.R. Hinkle Company, Inc.; Morris E. Schertz and wife, Holly K. Schertz; Pony Oil Operating, LLC.

CASE 21344: Application of COG Operating LLC for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the division pooling all uncommitted interest owners in the Wolfcamp formation underlying a standard 1920-acre, more or less, horizontal spacing unit comprised of all of Sections 3, 10, and 15, Township 26 South, Range 29 East, NMPM, Eddy County, New Mexico. COG Operating LLC seeks to dedicate the above-referenced horizontal spacing unit to the following proposed wells:

- The Rock Jelly Fed Com 701H well to be horizontally drilled from a surface hole location in the NE/4NE/4 (Unit A) of Section 3 to a bottom hole location in the SE/4SE/4 (Unit P) of Section 15,
- The Rock Jelly Fed Com 702H well to be horizontally drilled from a surface hole location in the NE/4NE/4 (Unit A) of Section 3 to a bottom hole location in the SW/4SE/4 (Unit O) of Section 15,
- The Rock Jelly Fed Com 703H well to be horizontally drilled from a surface hole location in the NE/4NW/4 (Unit C) of Section 3 to a bottom hole location in the SE/4SW/4 (Unit N) of Section 15,
- The Rock Jelly Fed Com 704H well to be horizontally drilled from a surface hole location in the NE/4NW/4 (Unit C) of Section 3 to a bottom hole location in the SE/4SW/4 (Unit N) of Section 15,
- The Rock Jelly Fed Com 705H well to be horizontally drilled from a surface hole location in the NE/4NW/4 (Unit C) of Section 3 to a bottom hole location in the SW/4SW/4 (Unit M) of Section 15.

• The completed interval for the proposed Rock Jelly Fed Com 703H will be within 330' of the line separating the W/2E/2 and the E/2W/2 of Sections 3, 10, and 15, which allows inclusion of this acreage into a standard 1920-acre, more or less, horizontal spacing unit. Also, to be considered will be the timing of the drilling and completing of said wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of COG Operating LLC as operator of the wells, and the imposition of 200% charge for risk involved in drilling and completing said wells. Said area is located approximately 12 miles southeast of Malaga, New Mexico.

June 25, 2020

7018 2290 0000 3423 1053

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

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

Postage

Postmark Here

Burlington Resources Oil & Gas Co
 925 N. Eldridge Pkwy SP2 07-E236
 Houston, TX 77079

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

7018 2290 0000 3423 1060

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Certified Mail Fee
 \$

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

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

Postage

Postmark Here

El Paso Natural Gas Company, LLC
 1550 Windway St.
 Odessa, TX 79763

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:

Burlington Resources Oil & Gas Co
 925 N. Eldridge Pkwy SP2 07-E236
 Houston, TX 77079

9590 9402 4714 8344 6472 42

7018 2290 0000 3423 1053

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

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☐ Agent ☐ Addressee

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

Joelie Turner 6/23/20

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

3. Service Type

<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®
<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™
<input type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery
<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Return Receipt for Merchandise
<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation™
<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery

(over \$500)

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:

El Paso Natural Gas Company, LLC
 1550 Windway St.
 Odessa, TX 79763

9590 9402 4582 8278 6195 92

7018 2290 0000 3423 1060

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

COMPLETE THIS SECTION ON DELIVERY

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

<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®
<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™
<input type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery
<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Return Receipt for Merchandise
<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation™
<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery

(over \$500)

7018 2290 0000 3423 1077

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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

AFC Partnership
 12701 Treeridge Terrace
 Poway, CA 92064

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

See Reverse for Instructions

U.S. Postal ServiceTM
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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

Eileen M. Grooms, Trustee of the EMG
 Revocable Trust U/A/D Nov 1, 2004
 1000 W. Fourth Street
 Roswell, NM 88201

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:

AFC Partnership
 12701 Treeridge Terrace
 Poway, CA 92064



9590 9402 4582 8278 6195 85

7018 2290 0000 3423 1077

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

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *James Shields* ☒ Agent ☒ Addressee

B. Received by (Printed Name)

LAUREL M. SHIELDS

C. Date of Delivery

6-25-20

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

3. Service Type

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

(over \$500)

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:

Eileen M. Grooms, Trustee of the EMG
 Revocable Trust U/A/D Nov 1, 2004
 1000 W. Fourth Street
 Roswell, NM 88201



9590 9402 4582 8278 6195 78

7018 2290 0000 3423 1084

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

A. Signature

X *SS 08 019* ☐ Agent ☐ Addressee

B. Received by (Printed Name)

S. Roby

C. Date of Delivery

6-22-20

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

3. Service Type

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

(over \$500)

Domestic Return Receipt

7018 2290 0000 3423 1107

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

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

Postage

Postmark Here
JUN 18 2020

Morris E. Schertz and wife, Holly K. Schertz
P.O. Box 2588
Roswell, NM 88202

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:

Morris E. Schertz and wife, Holly K. Schertz
P.O. Box 2588
Roswell, NM 88202



9590 9402 4582 8278 6199 43

7018 2290 0000 3423 1107

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

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X [Signature]

☐ Agent☐ Addressee

B. Received by (Printed Name)

F. J. S. F.

C. Date of Delivery

6/29/20

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
☐ Mail Restricted Delivery

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

Domestic Return Receipt

7018 2290 0000 3423 1091

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Certified Mail Fee
\$

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

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

Postage

Postmark Here
JUN 18 2020

Pony Oil Operating, LLC
4245 N. Central Expy., Suite 320, Box 109
Dallas, TX 75205

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:

Pony Oil Operating, LLC
4245 N. Central Expy., Suite 320, Box 109
Dallas, TX 75205



9590 9402 4582 8278 6199 50

7018 2290 0000 3423 1091

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

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X ROUTE 502 C19

☐ Agent☐ Addressee

B. Received by (Printed Name)

J.S.F.

C. Date of Delivery

6/24/20

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
☐ Mail Restricted Delivery

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

Domestic Return Receipt

7018 2290 0000 3423 1114

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Certified Mail Fee

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

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

Postage

Postmark
 Here

R.R. Hinkle Company, Inc.
 P.O. Box 2292
 Roswell, NM 88202

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

See Reverse for Instructions

7018 2290 0000 3423 1121

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Certified Mail Fee

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

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

Postage

Postmark
 Here

Danielle Hannifin
 P.O. Box 182
 Roswell, NM 88202

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.

R.R. Hinkle Company, Inc.
 P.O. Box 2292
 Roswell, NM 88202



9590 9402 4582 8278 6199 36

7018 2290 0000 3423 1114

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

DELIVERY

A. Signature

X

☒ 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

<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®
<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™
<input type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery
<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Return Receipt for Merchandise
<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation™
<input type="checkbox"/> Delivery Restricted Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery
<input type="checkbox"/> Insured Mail	

(over \$500)

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

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

Danielle Hannifin
 P.O. Box 182
 Roswell, NM 88202



9590 9402 4582 8278 6199 29

7018 2290 0000 3423 1121

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

DELIVERY

A. Signature

X

☒ 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

<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®
<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™
<input type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery
<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Return Receipt for Merchandise
<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation™
<input type="checkbox"/> Delivery Restricted Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery
<input type="checkbox"/> Insured Mail	

(over \$500)

Domestic Return Receipt

7018 2290 0000 3423 1138

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OFFICIAL RECEIPT

Certified Mail Fee
 \$

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

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

Postage

Wing Resources III, LLC
 2100 McKinney Ave, Suite 1540
 Dallas, TX 75201

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:
 Wing Resources III, LLC
 2100 McKinney Ave, Suite 1540
 Dallas, TX 75201

2. Article Number (Transfer from service label)
 7018 2290 0000 3423 1138

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

COMPLETE THIS SECTION ON DELIVERY

A. Signature
 X [Signature] ☐ Agent ☐ Addressee

B. Received by (Printed Name)
 C. Date of Delivery
 6/18/20

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

3. Service Type

<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®
<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™
<input type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery
<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Return Receipt for Merchandise
<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation™
<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery

(over \$500)

Domestic Return Receipt

7018 2290 0000 3423 1152

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OFFICIAL RECEIPT

Certified Mail Fee
 \$

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

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

Postage

Nestegg Energy Corporation
 2308 Sierra Vista Road
 Artesia, NM 88210

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



SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:
 Nestegg Energy Corporation
 2308 Sierra Vista Road
 Artesia, NM 88210

2. Article Number (Transfer from service label)
 7018 2290 0000 3423 1152

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

COMPLETE THIS SECTION ON DELIVERY

A. Signature
 X [Signature] ☐ Agent ☐ Addressee

B. Received by (Printed Name)
 C. Date of Delivery
 Raye Miller 6/29/20

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

3. Service Type

<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®
<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™
<input type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery
<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Return Receipt for Merchandise
<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation™
<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery

(over \$500)

Domestic Return Receipt

6911 6246 0000 3423 1169
7018 2290 0000 3423 1169

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

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

OFFICIAL

Certified Mail Fee
\$

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

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

Postage

WPX Energy Permian, LLC
3817 Northwest Expressway, Suite 950
Oklahoma City, OK 73112
Attn: Land Manager

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

5117 6246 0000 3423 1145
7018 2290 0000 3423 1145

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

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

OFFICIAL

Certified Mail Fee
\$

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

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

Postage

Nuevo Seis, LP
P.O. Box 2588
Roswell, NM 88202

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

Returned

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:

Nuevo Seis, LP
P.O. Box 2588
Roswell, NM 88202

2. Article Number (Transfer from service label)
7018 2290 0000 3423 1145

3. Service Type

<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express [®]
<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail TM
<input type="checkbox"/> Certified Mail [®]	<input type="checkbox"/> Registered Mail Restricted Delivery
<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Return Receipt for Merchandise
<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation TM
<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery
<input type="checkbox"/> Mail	
<input type="checkbox"/> Mail Restricted Delivery	

4. Signature

5. Received by (Printed Name)

6. Date of Delivery

7. Is delivery address different from item 1? If YES, enter delivery address below.

8. Agent

9. Addressee

10. PS Form 3811, July 2015 PSN 7530-02-000-9053 Domestic Return Receipt

7019 2970 0000 7642 7924

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

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

OFFICIAL USE

Certified Mail Fee
 \$

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

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

Postage

XTO Holdings, LLC
 P.O. Box 840780
 Dallas, TX 75284
 Attn: Land Manager

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

Postmark Here
 JUN 21 2020
 MAIN POST OFFICE

7019 2970 0000 7642 7931

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

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

OFFICIAL USE

Certified Mail Fee
 \$

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

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

Postage

EOG Resources, Inc.
 5509 Champions Drive
 Midland, TX 79706
 Attn: Land Manager

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

Postmark Here
 JUN 21 2020
 MAIN POST OFFICE

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.

XTO Holdings, LLC
 P.O. Box 840780
 Dallas, TX 75284
 Attn: Land Manager



9590 9402 4368 8190 0163 96

2 Article Number (Transfer from service label)

7019 2970 0000 7642 7924

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

Domestic Return Receipt

A. Signature

X Eric H.

☐ 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

JUN 21 2020

3. Service Type

<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®
<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™
<input type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery
<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Return Receipt for Merchandise
<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation™
<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery

tail Restricted Delivery

0)

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.
 5509 Champions Drive
 Midland, TX 79706
 Attn: Land Manager



9590 9402 4368 8190 0164 26

2 Article Number (Transfer from service label)

7019 2970 0000 7642 7931

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

Domestic Return Receipt

A. Signature

X J. Burg

☒ 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

6-23-20

3. Service Type

<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®
<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™
<input type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery
<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Return Receipt for Merchandise
<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation™
<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery

tail Restricted Delivery

0)

7019 2970 0000 7642 7948

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

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

OFFICIAL USE

Certified Mail Fee

\$

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

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

Postage

OXY U.S.A., Inc.
 5 Greenway Plaza, Suite 110
 Houston, TX 77046
 Attn: Courtney Carr



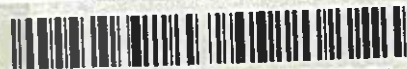
PS Form 3800, April 2015 PSN 7530-02-000-9047

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.

OXY U.S.A., Inc.
 5 Greenway Plaza, Suite 110
 Houston, TX 77046
 Attn: Courtney Carr



9590 9402 4368 8190 0159 31

2 Article Number (Transfer from carrier label)

7019 2970 0000 7642 7948

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

COMPLETE THIS SECTION FOR DELIVERY

A. Signature

X CU19

☒ Agent

☐ Addressee

B. Received by (Printed Name)

CU19611

C. Date of Delivery

6/22/2015

D. Is delivery address different from item 1? If YES, enter delivery address below:

☐ Yes

☒ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☐ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery

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

☒ Restricted Delivery

Domestic Return Receipt



NORTHERN DELAWARE BASIN
COG/WPX WFMP

Author: NALVAEZ
Scale: 1" = 2,000'
Date: 21 October, 2020
AOI:
File Path:

10 14 12
— COG OPERATING WFMP
— WPX ENERGY WFMP

25S/28E

25S/29E

25S/30E

26S/28E

26S/29E

26S/30E