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Ms. Florene Davidson **OCD Staff Specialist** Oil Conservation Division

1220 S. St. Francis Drive Santa Fe, New Mexico 87505 August 2, 2011

Dept. of Energy, Minerals and Natural Resources

Re:

Case Nos. 14,557 and 14,558 (Consolidated)

Dear Ms. Davidson:

Enclosed for filing in the above consolidated case are the original and two (2) copies of the Affidavit of Matthew G. Hyde dated July 26, 2011, a copy of which was filed on July 27, 2011 as an exhibit to COG's Response to Motion For Continuance. Please file the original and return receipted copies to the undersigned for service to counsel for the parties.

Thank you for your assistance.

Legal Assistant

:mho **Enclosures** 

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

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

> Case No. 14558 Order No. R-7900-C De Novo

APPLICATION OF MARBOB ENERGY CORPORATION (NOW COG OPERATING LLC) FOR VERTICAL EXPANSION OF THE BURCH-KEELY UNIT, EDDY COUNTY, NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

> Case No. 14,577 Order No. R-10,067-B De Novo

APPLICATION OF COG OPERATING, LLC FOR VERTICAL EXPANSION OF THE GRAYBURG-JACKSON (SEVEN RIVERS-QUEEN-GRAYBURG-SAN ANDRES) POOL TO CORRESPOND WITH THE UNITIZED FORMATION OF THE BURCH KEELY UNIT, EDDY COUNTY, NEW MEXICO

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AFFIDAVIT OF MATTHEW G. HYDE

STATE OF TEXAS ) ss. COUNTY OF MIDLAND )

MATTHEW G. HYDE, Senior Vice President -- Exploration and Land, for COG Operating LLC (COG), being first duly sworn, upon oath, states as follows:

- 1. In my position as Senior Vice President for Exploration and Land I frequently speak with representatives of other companies regarding issues we have in common.
- 2. In early 2011 I spoke with Roger Alexander, Regional Manager Permian Basin for Cimarex Energy Co. I distinctly remember Mr. Alexander calling to express his wish that COG and ConocoPhillips Company would work out their disagreement regarding the Burch Keely Unit and the Grayburg Jackson Pool. I recall that this discussion took place before the Division level orders were issued.
- 3. I have attempted to determine the date of this conversation and have located two dates noted by my assistant regarding communications with Mr. Alexander. Those dates are January 21, 2011, and February 8, 2011. I am confident that the discussion described above regarding the Burch Keely Unit and Grayburg Jackson Pool cases disputed by Conoco took place in early 2011.

Matthew G. Hyde

SUBSCRIBED AND SWORN to before me on July 26, 2011.

LISA FIELDS

Notary Public, State of Texas

My Commission Expires

September 06, 2014

Notary Public

My Commission Expires: 9-6-2014