

Summary

- *The Burch Keely / Grayburg Deep Unit boundary at 5000' is not a geologic boundary. It is an arbitrary boundary originating from the original Grayburg Deep Federal Unit boundary in 1954.*
- *Mathematical modeling of hydraulic fracturing based on reasonable parameters shows that a hydraulic fracture initiated in the Blinebry above 5000' can grow downward across the 5000' boundary.*
- *ConocoPhillips recommends joint development of the full thickness of the Paddock and Blinebry within the Burch Keely Unit to protect correlative rights and prevent waste of resource.*
- *ConocoPhillips has offered to work with COG to jointly develop the Yeso interval, but COG has declined the offer.*

COP Exhibit No. 17

OCD Case Nos. 14558 / 14577

June 28, 2011

 ConocoPhillips