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

IN THE MATTER OF THE APPLICATION OF COG OPERATING LLC FOR DESIGNATION OF A NON-STANDARD OIL SPACING AND PRORATION UNIT AND FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case No. 15028

AFFIDAVIT

STATE OF NEW MEXICO)	
)	SS
COUNTY OF SANTA FE)	

SETH C. McMILLAN, attorney and authorized representative of COG Operating LLC, the Applicant in NMOCD Case No. 15028, being first duly sworn, upon oath states that he sent copies of this Application to the parties as specified on the attached Exhibit A.

SETH C. McMILLAN

SUBSCRIBED AND SWORN to before me this 24th day of July, 2013.

My Commission Expires: Nov. 18, 2013

4872413



NMOCD CASE NO. 15028 July 25, 2013 Exhibit No. 12

EXHIBIT A

Branex Resources, Inc. P.O. Box 2990 Ruidoso, NM 88355-2990

Charles R. Qualia P.O. Box 10181 Midland, TX 79702

Devon Energy Production Company, LP 333 W. Sheridan Avenue Oklahoma City, OK 73102 Attn: Cari Allen

F. Andrew Grooms P.O. Box 2990 Ruidoso, NM 88355-2990

Mark Hawkins P.O. Box 3192 Midland, TX 79702

Alice Crouch 4508 Bannister Lane Austin, TX 78745

Cecilia Aymond 9466 Arborhill Drive Dallas, TX 75243 Halcon Resources Corporation Meridian Tower, Suite 650 5100 East Skelly Drive Tulsa, OK 74135

Kyla Taylor Thompson 1122 Green Valley Rd NW Los Ranchos, NM 87107

Chevron North American Exploration and Production Company 1400 Smith Street, Room 43198 Houston, TX 77002 Attn: Kelly Bass

Occidental Oil and Gas Corporation 5 Greenway Plaza, Suite 110 Houston, TX 77046 Attn: Tiffany Pollack

Marathon Oil Company P.O. Box 3487 Houston. TX 77253-3487

Ray Devoe Taylor P.O. Box 723 Tatum, NM 88267

Druella Wilbanks P.O. Box 84 Maljamar, NM 88264



SETH C. MCMILLAN

Direct: 505-986-2519

Email: smcmillan@montand.com

Reply To: Santa Fe Office www.montand.com

July 3, 2013

Branex Resources, Inc. P.O. Box 2990 Ruidoso, NM 88355-2990 Via Certified Mail Return Receipt Requested

Re: NMOCD Case No. 15028: Application of COG Operating LLC for Designation of a Non-Standard Oil Spacing and Proration Unit and for Compulsory Pooling, Lea County, New Mexico

Dear Sir or Madam:

This is to advise that COG Operating LLC has filed an application with the New Mexico Oil Conservation Division for an order consolidating the 40-acre spacing units within the S/2 N/2 of Section 9, Township 17 South, Range 32 East, NMPM, Lea County, New Mexico and designating the consolidated units as a 160-acre± non-standard oil spacing and proration unit for a well location in the Yeso formation, West Maljamar Yeso Pool (44500) for Applicant's horizontal drilling project area.

Applicant further seeks the compulsory pooling of all interests in the Yeso formation underlying the S/2 N/2 of Section 9 to be dedicated to its Sneed 9 Federal Com No. 3H Well to be drilled horizontally from a standard surface location in the SW/4 NW/4 (Unit E) of Section 9 to a standard bottom hole location in the SE/4 NE/4 (Unit H) of Section 9 to a depth sufficient to test the Yeso formation, West Maljamar Yeso Pool (44500). Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of COG Operating LLC as operator and a charge for risk involved in drilling the well.

A copy of the Application is enclosed.

You are being notified as an offsetting operator. If you do not object to COG's Application, we would appreciate your acknowledgement by signing the enclosed copy of this letter and returning the same to us at your earliest convenience.

REPLY TO:

325 Paseo de Peralta Santa Fe, New Mexico 87501 Telephone (505) 982-3873 • Fax (505) 982-4289

Post Office Box 2307 Santa Fe, New Mexico 87504-2307 6301 Indian School Road NE, Suite 400 Albuquerque, New Mexico 87110 Telephone (505) 884-4200 • Fax (505) 888-8929

Post Office Box 36210 Albuquerque, New Mexico 87176-6210 Branex Resources, Inc. July 3, 2013 Page 2

This Application will be set for hearing before a Division Examiner on July 25, 2013, at 8:15 a.m. at the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time. If you intend to attend the hearing and present testimony or evidence, you must enter your appearance and serve the Division, counsel for the Applicant and other parties with a pre-hearing statement at least four business days before the scheduled hearing date in accordance with Division Rule 19.15.4.13.

Very truly yours,

MONTGOMERY & ANDREWS, P.A.

Seth C. McMillan J. Scott Hall

Attorneys for COG Operating LLC

Enclosures

Branex Resources, Inc.

By:

:	SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
	 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. 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, 	A Signature A Signature A Agent Addressee B Received by (Printed Name) C. Date of Delivery	
. :	or on the front if space permits. 1. Article Addressed to:	D. Is delivery address different from item 1?	
. :	Branex Resources, Inc.	JUL - 8 2013	
	Ruidoso, New Mexico 88355-2990	3. Service Type Certified Mail	
	2. Article Number 7012 29	20 0000 4584 7342	
	PS Form 3811. February 2004 Domestic Re	eturn Receipt 102595-02-M	
	SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
	 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. 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. 	A. Signature X A. Agent Addressee B. Received by (Printed Name) B. ARBAMES FELDER	
;	1. Article Addressed to: Marathan Oil Company P.O. Box 3487	D. Is delivery address different from item 1? Yes If VES enter delivery address below: No	
	Houston, TX 77253-3487	3. Service Type ☐ Certified Mail ☐ Express Mail ☐ Registered ☐ Insured Mail ☐ C.O.D.	
!_	epr.)	4. Restricted Delivery? (Extra Fee)	
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	or on the front if space permits. 1. Article Addressed to:	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No	
;	Ray Devoe Taylor P.O.:Box 723		
•	Tatum, New Mexico 88267	3. Service Type Qertified Mail	
<u>;</u> _		4. Restricted Delivery? (Extra Fee) ☐ Yes	
!	2. Article Number 7012 2920 0000 4584 7410 (Transfer from service label)		

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-	F. Andrew Grooms PO Box 2990	8203		
	Ruidosa, New Mexico 88355	3. Service Type		
	(e-	Certified Mail Express Mail 5 Registered Return Receipt for Merchandise Insured Mail C.O.D.		
		4. Restricted Delivery? (Extra Fee) ☐ Yes		
	2. Article Number 1 7012 2920	0000 4584 7380		
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1	Kyla Taylor Thompson 1122 Green Valley Rd NW			
to the second se	Los Ranchos, NM 87107	3. Service Type Certified Mail Express Mail Registered Registered Insured Mail C.O.D.		
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	Section 1			
	Halcon Resources Corporation			
•	Meridian Tower, Suite 650	3. Service Type		
•	5100 East Skelly Drive Tulsa, Oklahoma 74135	Certified Mail		
Ì		☐ Insured Mail ☐ C.O.D. 4. Restricted Delivery? (Extra Fee) ☐ Yes		
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Devon Energy Corporation 333 W. Sheridan	}
Oklahoma City, Oklahoma 73102-5010	
Attn: Cari Allen	3. Service Type ☐ Certified Mail ☐ Express Mail ☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D.
	4. Restricted Delivery? (Extra Fee)
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■ Print your name and address on the reverse so that we can return the card to you.	B. Received by (Printed Name) C. Date of Pelivery
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Alice Crouch	
4508 Banister Lane Austin, TX 78745	3. Service Type
Austrii, 1A 70745	Gertified Mail
	4. Restricted Delivery? (Extra Fee) ☐ Yes
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Cecilia Aymond	<u> </u>
9466 Arborhill Drive	L
Dallas, TX 75243	3. Service Type Certified Mall Express Mail Registered Receipt for Merchandise
	☐ Registered
	4. Restricted Delivery? (Extra Fee)
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PS Form 3811, February 2004

Domestic Return Receipt

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•	Article Addressed to: Occidental Oil and Gas Corporation	If YES, enter delivery address below:		
	5 Greenway Plaza, Suite 110			
,	Houston, TX 77046	3. Service Type Certified Mail □ Express Mail □ Registered □ Return Receipt for Merchandise □ Insured Mail □ C.O.D.		
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	and Production Company 1400 Smith Street, Room 43198			
	Houston, TX 77002	3. Service Type		
	Attn: Kelly Bass	Certified Mail Registered Insured Mail C.O.D.		
		4. Restricted Delivery? (Extra Fee) ☐ Yes		
	Article Number (Transfer from service label)	7012 2920 0000 4584 7458		
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