

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

**APPLICATION OF COG OPERATING
LLC FOR A NON-STANDARD
SPACING AND PRORATION UNIT
AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO**

Case No. 15485

**SELF-AFFIRMED STATEMENT
OF DAVID MICHAEL WALLACE**

I, David Michael Wallace, testify as follows:

1. I am the same David Michael Wallace who testified at the hearing in this case on April 28, 2016. I have personal knowledge of the matters addressed in this Self-Affirmed Statement.

2. I am submitting this Self-Affirmed Statement to address an interest ownership issue that arose during the April 28, 2016 hearing and resulted in the Examiner continuing the hearing for purposes of COG Operating, LLC ("COG") analyzing the issue. Specifically, COG was asked to determine what interest, if any, the federal government has in the W/2 SW/4 of Section 21, Township 25 South, Range 35 East, N.M.P.M., in Lea County.

3. I directed COG's effort to determine whether the federal government has an ownership interest in the W/2 SW/4 of Section 21.

4. I obtained and have reviewed a United States Patent dated August 8, 1922, a true and correct copy of which is attached hereto as Exhibit A. The patent reveals that the federal government granted all of its interests in the W/2 SW/4 of Section 21 to John H. Medlin. *See Exhibit A.*

OCD Case No. 15485

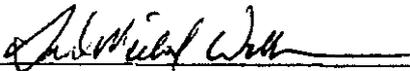
COG OPERATING
Exhibit # 12

5. I also obtained and have reviewed a Corrected Warranty Deed dated November 2, 1972, a true and correct copy of which is attached hereto as Exhibit B. The deed reveals that ten grantors jointly conveyed to the federal government the W/2 SW/4 of Section 21, and reserved the mineral interests underlying the acreage. The deed states that “[t]here is excepted from this conveyance and reserved unto the Grantors all of the oil, gas, potash and other minerals in and under and that may be produced from the above described real estate.” *Exhibit B at 1.*

6. My analysis of these conveyances has led me to conclude that the federal government owns the surface of the W/2 SW/4 of Section 21 but does not own any interest in the underlying minerals.

7. That conclusion is reinforced by a third document that I have received and reviewed, which is a Bureau of Land Management (“BLM”) master land plat for Township 25 South and Range 35 East in Lea County. A true and correct copy of the BLM plat is attached hereto as Exhibit C. As reflected on the BLM plat, the federal government’s ownership interest in the W/2 SW/4 of Section 21 is “surface only.” *Exhibit C.*

8. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in Paragraphs 1 – 7 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.



David Michael Wallace

5/11/16

Date

3/185

185
E

PATENT 3 PAGE 185

UNITED STATES

TO
John H. Medlin

State of New Mexico, County of Lea, ss.

I hereby certify that this instrument was filed for record on 5
day of February, 1925, at 12'clock M., and
was duly recorded.

L.M. Blackman
County Clerk,
Deputy.

Roswell 039402

4--1003

THE UNITED STATES OF AMERICA. John H. Medlin

To All to Whom These Presents Shall Come, Greeting:

WHEREAS, A Certificate of the Register of the Land Office at Roswell, New Mexico, has been deposited in the General Land Office, whereby it appears that, pursuant to the Act of Congress of May 20, 1898, "To secure Homesteads to Actual Settlers on the Public Domain," and the Acts supplemental thereto, the claim of

John H. Medlin has been established and duly consummated, in conformity to law, for the

northwest quarter and the west half of the southwest quarter of Section twenty-one and the south half of the northeast quarter of Section twenty in Township twenty-five south of Range thirty-five east of the New Mexico Meridian, New Mexico, containing three hundred twenty acres.

according to the Official Plat of the Survey of the said land, returned to the GENERAL LAND OFFICE by the Surveyor-General:
NOW, KNOW YE, That there is, therefore, granted by the UNITED STATES unto the said claimant the tract of land above described; TO HAVE AND TO HOLD the said tract of land, with the appurtenances thereof, unto the said claimant and to the heirs and assigns of the said claimant forever; subject to any vested and accrued water rights for mining, agricultural, manufacturing, or other purposes, and rights to ditches and reservoirs used in connection with such water rights, as may be recognized and acknowledged by the local customs, laws, and decisions of courts; and there is reserved from the lands hereby granted a right of way thereon for ditches or canals constructed by the authority of the United States.



IN TESTIMONY WHEREOF, I, Warren G. Harding, President of the United States of America, have caused these letters to be made Patent, and the seal of the General Land Office to be hereunto affixed.

GIVEN under my hand, in the District of Columbia, the TWENTY EIGHT day of AUGUST, in the year of our Lord one thousand nine hundred and TWENTY TWO and of the Independence of the United States the one hundred and FORTY SEVENTH

BY THE PRESIDENT: Warren G. Harding

By Viola B. Pugh, Secretary.

John O'Connell, Acting Recorder of the General Land Office.

RECORDED: Patent Number 877618.

Exhibit A

332/812

Deed BOOK 332 PAGE 812

22756

CORRECTED WARRANTY DEED

RUBERT MADERA and LOYS MADERA, his wife, and MALCOLM MADERA and ELLEN KATE MADERA, his wife, and RUFORD MADERA and YVONNE MADERA, his wife, and MILDRED A. BROMAN and STANLEY E. BROMAN, her husband, and FRED MADERA and ESTHER M. MADERA, his wife, for and in consideration of the exchange of certain lands as authorized by Section 8 of the Act of June 28, 1934, (48 Stat. 1269; 43 U.S.C. 315g) as amended June 26, 1936, (49 Stat. 1976), grant to UNITED STATES OF AMERICA the following described real estate in Lea County, New Mexico:

The South Half of the Northeast Quarter (S $\frac{1}{2}$ NE $\frac{1}{4}$) of Section 20 and the West Half of the Southwest Quarter (W $\frac{1}{2}$ SW $\frac{1}{4}$) of Section 21, all in Township 25 South, Range 35 East, N.M.P.M. There is excepted from this conveyance and reserved unto the Grantors all of the oil, gas, potash and other minerals in and under and that may be produced from the above described real estate, together with the right of ingress and egress for the purpose of prospecting for, mining and removing the same therefrom. THE SURFACE ESTATE ONLY in and to all of the following described lands:

The Southeast Quarter of the Northwest Quarter (SE $\frac{1}{4}$ NW $\frac{1}{4}$) of Section 13, the North Half of the Northeast Quarter (N $\frac{1}{2}$ NE $\frac{1}{4}$) and the West Half (W $\frac{1}{2}$) of Section 24, all in Township 25 South, Range 34 East, N.M.P.M.,

The Southeast Quarter (SE $\frac{1}{4}$) of Section 20, the Northeast Quarter (NE $\frac{1}{4}$) and the South Half (S $\frac{1}{2}$) of Section 26, the North Half of the North Half (N $\frac{1}{2}$ N $\frac{1}{2}$) of Section 29, all in Township 25 South, Range 35 East, N.M.P.M., SUBJECT TO reservations, restrictions and/or easements of record.

All of the above described real estate is the sole and separate property of RUBERT MADERA, MALCOLM MADERA, RUFORD MADERA, FRED MADERA and MILDRED BROMAN, the same having been acquired by said Grantors through inheritance and their respective wives and husband are joining herein pro forma,

with warranty covenants.

Exhibit B

BOOK 332 PAGE 814

STATE OF NEW MEXICO)
: SS
COUNTY OF LINCOLN)

The foregoing instrument was acknowledged before me this
17th day of NOVEMBER, 1972, by RUFORD MADERA and YVONNE MADERA,
his wife.



My Commission Expires:

25 1976

Margaret Whelan
Notary Public

STATE OF NEW MEXICO)
: SS
COUNTY OF ~~SANTA FE~~ ^{BERNALILLO})

The foregoing instrument was acknowledged before me this
24th day of November, 1972, by MILDRED A. BROMAN and ~~STANLEY~~
~~BROMAN, her husband~~



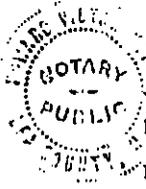
My Commission Expires:

7-14-74

James F. Butters
Notary Public

STATE OF NEW MEXICO)
: SS
COUNTY OF ~~LEA~~ ^{LEA})

The foregoing instrument was acknowledged before me this
9th day of December, 1972, by FRED MADERA and ESTHER H. MADERA,
his wife.



My Commission Expires:

July 23, 1976

Howard V. Kirk
Notary Public

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

The foregoing instrument was acknowledged before me this
7th day of December, 1972, by Stanley E. Broman.



My Commission Expires:
1-11-76

Snyder H. Dorn
Notary Public

JAN 10 1973
11:30
JANE RICH SMITH, County Clerk
By [Signature] Deputy

Township 25 South Range 35 East of the New Mexico Principal Meridian, New Mexico

County: Lea - 025

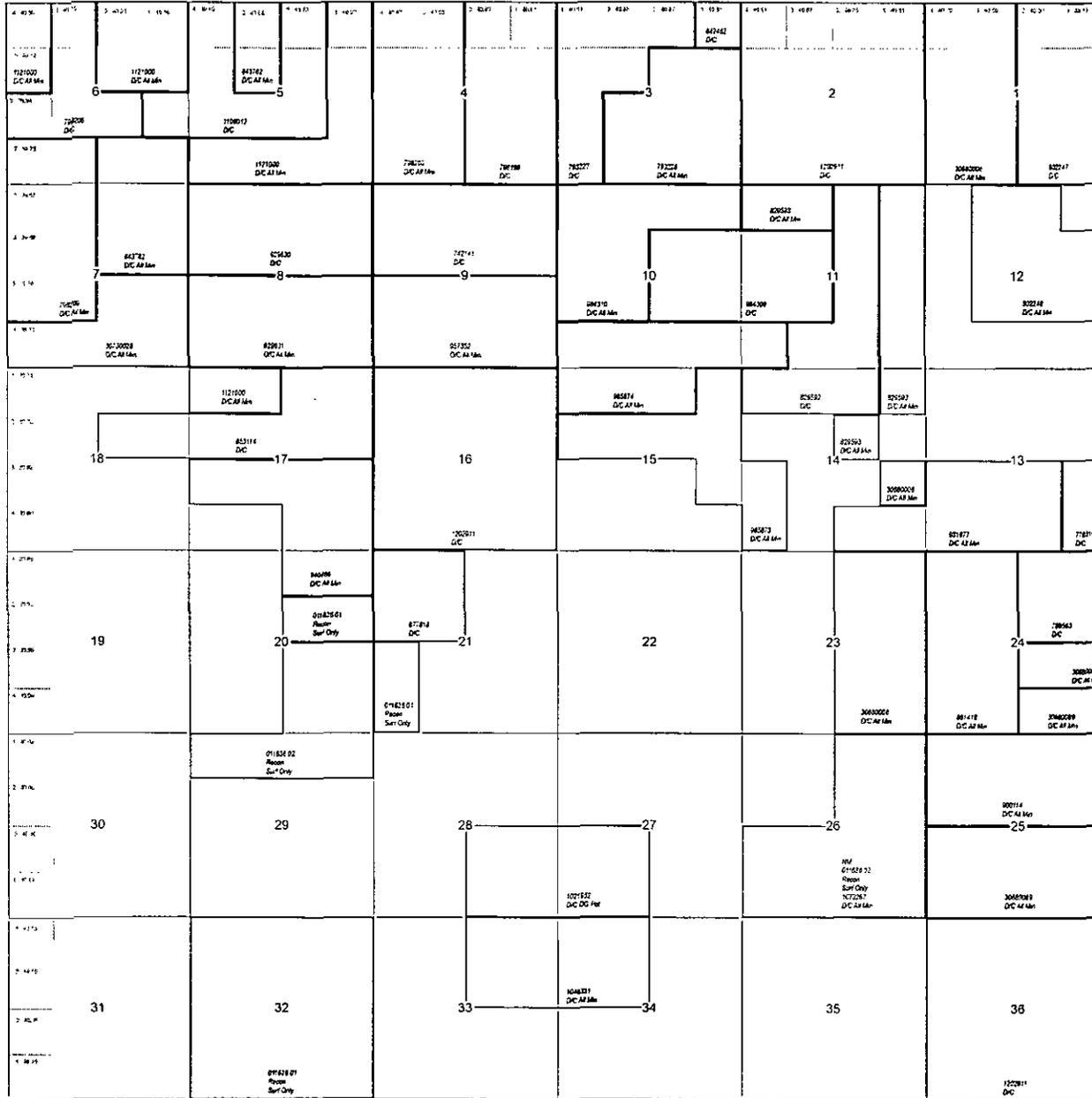
BLM Field Office: Carlsbad

BUREAU OF LAND MANAGEMENT
STATUS OF PUBLIC DOMAIN
LAND AND MINERALS

MTP

T25S R35E

Entire Township included in:
EO Nrd. NM 1 Pol. Res 6 (3/11/1926)
CI of Public Lands NM 0560202 (CI No 3D 06-01)



NOTE: The serial number displayed on the Bureau's LR2000 system format if there is a zero on the 7th position (from the right), the serial number has a "pref" zero example NM 0012345.
If there is not a zero on the 7th position (from the right) then the serial number does not have a "pref" zero, example NM 002345.



1 inch = 30 chains
1 : 23,760

CAVEAT STATEMENT
This plot is the Bureau's Record of Title, and should be used only as a graphic display of the township survey data. Records hereon do not reflect title changes which may have been affected by lateral movements of rivers or other bodies of water. Refer to the cadastral surveys for official survey information.

T 25 S
R 35 E
NMMP