COG OPERATING LLC Montera Fed Com 603H BS Well Lea County, New Mexico

Case No. 25349
BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING June 5, 2025





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

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

CASE NO. 25349

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COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 25349	APPLICANT'S RESPONSE					
Date	June 5, 2025					
Applicant	COG Operating LLC					
Designated Operator & OGRID (affiliation if applicable)	COG Operating LLC (229137)					
Applicant's Counsel:	Holland & Hart LLP					
Case Title:	APPLICATION OF COG OPERATING FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.					
Entries of Appearance/Intervenors:						
Well Family	Montera Federal Com					
Formation/Pool						
Formation Name(s) or Vertical Extent:	Bone Spring formation					
Primary Product (Oil or Gas):	Oil					
Pooling this vertical extent:	From the top of the Third Bone Spring formation to the base of the Bone Spring formation					
Pool Name and Pool Code:	WC-025 G-09 S253502B; LWR Bone Spring					
Well Location Setback Rules:	Statewide setbacks					
Spacing Unit						
Type (Horizontal/Vertical)	Horizontal					
Size (Acres)	480-acre, more or less					
Building Blocks:	40 acres					
Orientation:	south-north					
Description: TRS/County	SE/4 of Section 3 and E/2 of Section 10, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico.					
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes					
and is approval of non-standard unit requested in this						
application?						
Other Situations	No companie double a companie do					
Depth Severance: Y/N. If yes, description	No ownership depth severance exists; however, COG seeks to pool only from the top of the Third Bone Spring formation to the base of the Bone Spring formation.					

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A
Submitted by: COG Operating LLC Hearing

Date: June 5, 2025 Case No. 25349

N/A

below)

Joinder

Ownership Depth Severance (including percentage above &

Sample Copy of Proposal Letter	Exhibit C-3
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-2
Chronology of Contact with Non-Joined Working Interests	Exhibit C-4
Overhead Rates In Proposal Letter	Exhibit C-3
Cost Estimate to Drill and Complete	Exhibit C-3
Cost Estimate to Equip Well	Exhibit C-3
Cost Estimate for Production Facilities	Exhibit C-3
Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-2
Well Orientation (with rationale)	Exhibit D & D-2
Target Formation	Exhibit D & D-3
HSU Cross Section	Exhibit D-2 & D-3
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-1
Tracts	Exhibit C-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-2
General Location Map (including basin)	Exhibit D-1
Well Bore Location Map	Exhibit D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-2
Cross Section (including Landing Zone)	Exhibit D-3
Additional Information	
Special Provisions/Stipulations	
CERTIFICATION: I hereby certify that the information pro	ovided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Adam G. Rankin
Signed Name (Attorney or Party Representative):	
Date:	5/1/2025

Received by OCD: 5/28/2025/2:48:51 PM

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

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

CASE NO. <u>25</u>349

APPLICATION

COG Operating LLC ("COG" or "Applicant") (OGRID No. 229137), through its

undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant

to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interest owners

in a portion of the Bone Spring formation, from the top of the Third Bone Spring to the base of the

Bone Spring formation, underlying a standard 480-acre, more or less, horizontal well spacing unit

comprised of the SE/4 of Section 3 and the E/2 of Section 10, Township 25 South, Range 35 East,

NMPM, Lea County, New Mexico. In support of this application, COG states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and

has the right to drill thereon.

2. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit

to the Montera Federal Com #603H well, to be horizontally drilled from a surface location in the

N/2 NE/4 of Section 15, with a first take point in the S/2 SE/4 of Section 10 and last take point in

the N/2 SE/4 of Section 3.

. The completed interval of the well is expected to remain within 330 feet of the

adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts

within the proposed horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B

Submitted by: COG Operating LLC
Hearing Date: June 5, 2025

Case No. 25349

- 4. COG has an agreement with another operator that will be developing the Upper Bone Spring; therefore, COG only seeks to pool the Third Bone Spring. COG seeks to pool the Third Bone Spring formation to the base of the Bone Spring formation, from the top of the Third Bone Spring to the base of the Bone Spring formation, to the stratigraphic equivalent the stratigraphic equivalent of 11,164 feet as referenced from the Oxy Banana Girl Federal 2, (API #: 30-025-35322), located in Section 10, Township 25 South, Range 35 East, Lea County, New Mexico. Ownership is uniform in the Bone Spring and there is no depth severance.
- 5. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all interest owners in the subject spacing unit.
- 6. The pooling of interests in the proposed horizontal well spacing unit will allow Applicant to obtain a just and fair share of the oil and gas underlying the subject lands, avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on May 8, 2025, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interest owners in the horizontal spacing unit;
- B. Designating Applicant as operator of this spacing unit and the horizontal well to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, completing, and equipping the well;

- D. 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
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

HOLLAND & HART LLP

Bv:

Michael H. Feldewert
Adam G. Rankin
Paula M. Vance
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421
(505) 983-6043 Facsimile
mfeldewert@hollandhart.com
agrankin@hollandhart.com

ATTORNEYS FOR COG OPERATING LLC

pmvance@hollandhart.com

CASE :

Application of COG Operating LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in a portion of the Bone Spring formation, from the top of the Third Bone Spring to the base of the Bone Spring formation, underlying a standard 480-acre, more or less, horizontal well spacing unit comprised of the SE/4 of Section 3 and the E/2 of Section 10, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to the Montera Federal Com #603H well, to be horizontally drilled from a surface location in the N/2 NE/4 of Section 15, with a first take point in the S/2 SE/4 of Section 10 and last take point in the N/2 SE/4 of Section 3. The completed interval of the well is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC. Said area is located approximately 9 miles northwest of Jal, New Mexico.

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

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

CASE NO. 25349

SELF-AFFIRMED STATEMENT OF CAROLINE FREDERICK

1. My name is Caroline Frederick, and I am a Landman with COG Operating LLC

("COG"), now a wholly owned subsidiary of ConocoPhillips Company.

2. I have previously testified before the New Mexico Oil Conservation Division

("Division") as an expert witness in petroleum land matters. My credentials as a petroleum

landman have been accepted by the Division and made a matter of record.

3. I am familiar with the application filed by COG in this case and the status of the

lands in the subject area.

4. None of the uncommitted parties in this case have indicated opposition to

proceeding by self-affirmed statement and, therefore, I do not expect any opposition at the hearing.

5. In Case No. 25349, COG seeks to pool the uncommitted interests in a portion of

the Bone Spring formation, from the top of the Third Bone Spring to the base of the Bone Spring

formation (WC-025 G-09 S253502B; Lower Bone Spring [98185]) underlying a standard 480-

acre, more or less, horizontal well spacing unit comprised of the SE/4 of Section 3 and the E/2 of

Section 10, and initially dedicate the unit to the Montera Federal Com #603H well, to be

horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 15, with a first

take point in the SE/4 SE/4 (Unit P) of Section 10 and last take point in the NE/4 SE/4 (Unit I) of

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

- Section 3. COG has an agreement with another operator that will be developing the Upper Bone Spring; therefore, COG only seeks to pool the Third Bone Spring.
- 6. COG has an agreement with another operator (Civitas) that will be developing the Upper Bone Spring; therefore, COG only seeks to pool the Third Bone Spring. COG seeks to pool the Third Bone Spring formation, from the top of the Third Bone Spring formation (being the stratigraphic equivalent of 11,164 feet as referenced from the Oxy Banana Girl Federal 2, [API #: 30-025-35322], located in Section 10, Township 25 South, Range 35 East, Lea County, New Mexico), to the base of the Bone Spring formation.
 - 7. Ownership is uniform in the Bone Spring and there is no depth severance.
- 8. **COG Exhibit C-1** contains a C-102 for the proposed well. The well is dedicated to the (WC-025 G-09 S253502B; Lower Bone Spring [98185]). This form demonstrates that the completed interval of the well is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC.
- 9. **COG Exhibit C-2** identifies the tracts of land comprising the horizontal spacing unit, the ownership interests in each tract, and ownership interests on a spacing unit basis. The subject acreage is comprised of federal and fee lands. The parties COG seeks to pool are highlighted in yellow.
- 10. Parties identified as "stranger in title" were either identified as strangers in title in COG's title opinion, identified as strangers in title in Civitas' title but did not show up in COG's title, or were identified as unleased mineral interest owners in Civitas' title but did not show up in COG's title; therefore, COG provided notice and is pooling these parties out of an abundance of caution.

- 11. **COG Exhibit C-3** contains a sample of the well proposal letter and AFEs sent to owners with a working interest. The costs reflected in the AFEs are consistent with what COG and other operators have incurred for drilling similar horizontal wells in the area in this formation.
- 12. COG requests that the overhead and administrative costs for drilling and producing the proposed well be set 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.
- 13. **COG Exhibit** C-4 contains a general summary of the contacts with the uncommitted interest owners. As indicated in the exhibit, COG has made a good faith effort to locate and has had communications with a majority of the parties that appeared in its title and that it seeks to pool in this case in an effort to reach voluntary joinder. In my opinion, COG has undertaken good faith efforts to reach an agreement with the uncommitted interest owners.
- 14. COG has provided the law firm of Holland & Hart LLP with the names and addresses of the parties that COG seeks to pool and instructed that they be notified of this hearing. COG has conducted a diligent search of all public records in the county where the property is located, reviewed telephone directories, and conducted computer searches to locate contact information for each interest owner.
- 15. **COG Exhibit C-1 through C-4** were either prepared by me or compiled under my direction and supervision.
- 16. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

Caroline Frederick

4/30/2025

Date

C-10		28/2025-2:4		ergy, Mi	State of New nerals & Natura	Mexico l Resources Depart	ment			Revised July 9,	
ubmit	Electronicall	y REE		OII	CONSERVAT						
'ia OC	D Permitting	DEI	Santa F	e, New Me	exico			Submittal	☐ Initial Su		
			Submitted by		erating LLC			Type:	☐ Amended	•	
				oate: June e No. 2534	u	ON DIFORMATION			☐ As Drille	a	
			T n 10 1			ON INFORMATION					
API Ni	mber 30-025)-	Pool Code	9818	5	WC-025	G-09 S25	3502B	; LWR B	one Spri	
roper	y Code		Property N	ame		RA FEDERAL COM			Well Number	er 603H	
GRII	^{O No.} 229	137	Operator N	lame	COG	OPERATING LLC			Ground Lev	el Elevation 218.8'	
urfac	Owner: 🗆 S	State 💢 Fee 🗆] Tribal 🗖 Fee	deral		Mineral Owner: 🗆	State 💢 Fee [🗆 Tribal 🛚 🗎	Federal		
					Surfa	ce Location					
<u></u> Љ	Section	Township	Range	Lot	Ft, from N/S	Ft. from E/W	Latitude	L	ongitude	County	
В	15	25-S	35-E		709 FNL	2482 FEL	32.1356		3.354877°W	LEA	
			1 33 2			Hole Location		100			
лL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	L	ongitude	County	
I	3	25-S	35-E		2590 FSL				3.351064°W	LEA	
Dedica	ted Acres	Infill or Defi	ining Well	Defining	g Well API	Overlapping Spacin	g Unit (Y/N)	Consolidati	on Code		
4	1 80	Defir	ning	Pen	ding 603H	N					
order 1	Numbers.	•		•		Well setbacks are ur	nder Common	Ownership:	¶Yes □No		
					Kick Of	f Point (KOP)					
 Л	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	L	ongitude	County	
В	15	25-S	35-E		709 FNL	2482 FEL	32.1356		3.354877°W	LEA	
		.55 5	1 33 2			ke Point (FTP)		1000			
<u></u> Љ	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	L	ongitude	County	
P	10	25-S	35-E		100 FSL	1305 FEL	32.1378	97°N 10	3.351077°W	LEA	
					Last Tal	ce Point (LTP)					
几	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	L	ongitude	County	
I	3	25-S	35-E		2540 FSL	1305 FEL	32.1591	09°N 10	3.351064°W	LEA	
nitize	_	ea of Uniform	Interest	Spacing	Unit Type 🔀 Horizo	ontal Vertical	Grou	nd Floor Elev		218.9'	
	TOD CERT	IEICATIONS				CLIPTICALOR CERTIC	LOATIONG				
PER	ATOR CERT	IFICATIONS				SURVEYOR CERTIF.	ICATIONS				

location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore

If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.

4/8/25

Mayte Reyes 4/9/2025

Printed Name

Mayte Reyes

Email Address mayte.x.reyes@conocophillips.com

Certificate Number

Date of Survey

17777

W.O.#25-353

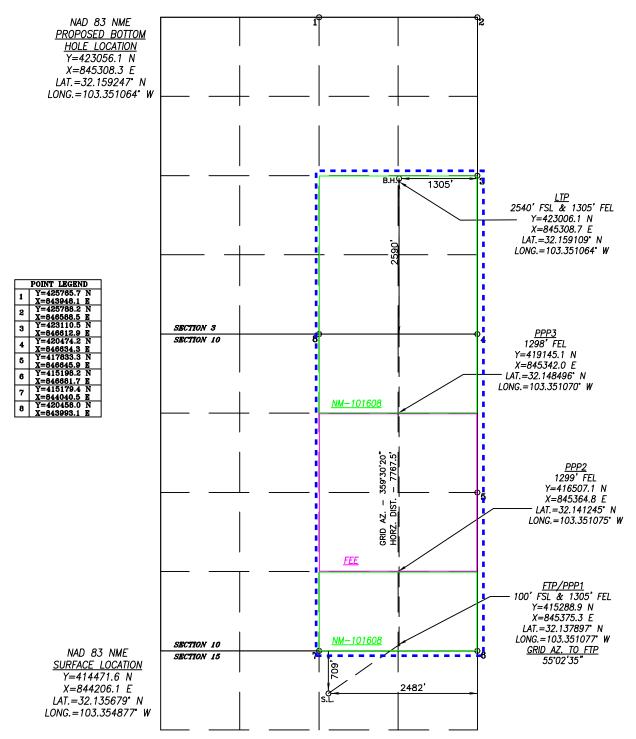
DRAWN BY: WN PAGE 1 OF 2

FEBRUARY 21, 2025

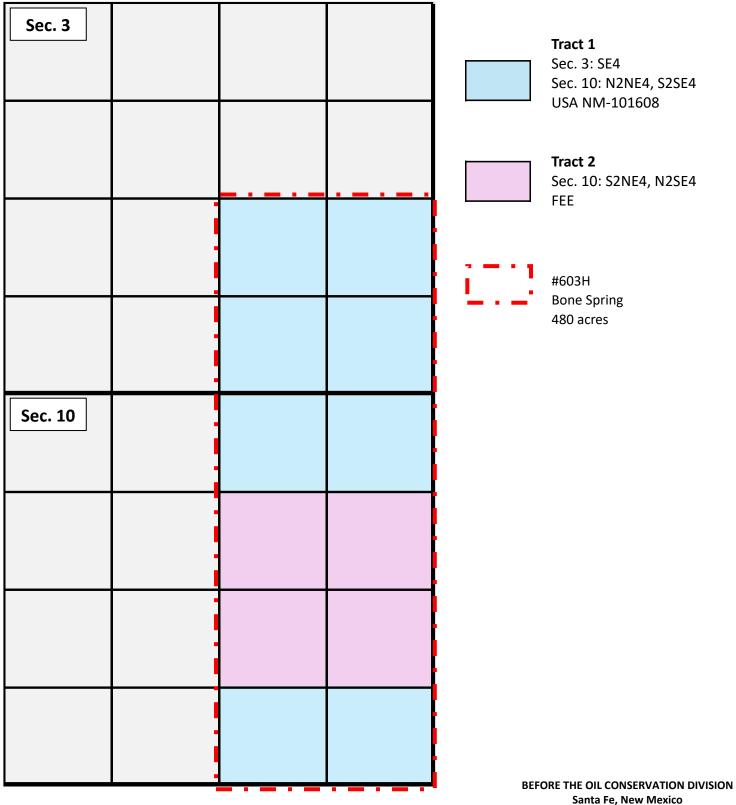
Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the divsion.

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.



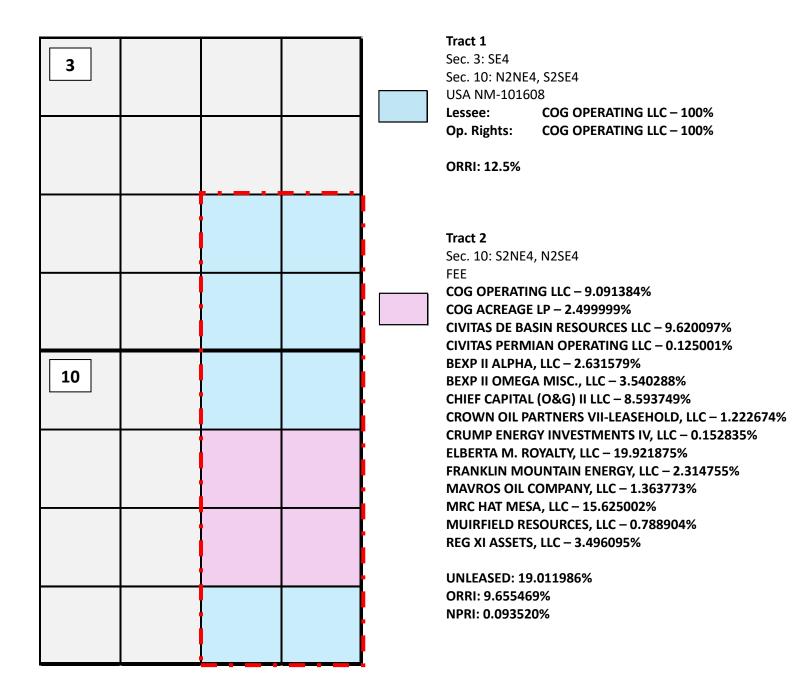
Montera Federal Com Sections 3 and 10, T25S-R35E, NMPM, Lea County, New Mexico



Santa Fe, New Mexico
Exhibit No. C-2
Submitted by: COG Operating LLC
Hearing Date: June 5, 2025
Case No. 25349

Montera Federal Com

Sections 3 and 10, T25S-R35E, NMPM, Lea County, New Mexico



RECAPITULATION							
Party	Interest	Ownership					
BEXP II ALPHA, LLC	WI	0.877193%					
BEXP II OMEGA MISC., LLC	WI	1.180096%					
CHIEF CAPITAL (O&G) II LLC	WI	2.864583%					
CIVITAS DE BASIN RESOURCES LLC	WI	3.206699%					
CIVITAS PERMIAN OPERATING LLC	WI	0.041667%					
COG ACREAGE LP	WI	0.833333%					
COG OPERATING LLC	WI	69.697128%					
CROWN OIL PARTNERS VII-LEASEHOLD, LLC	WI	0.407558%					
CRUMP ENERGY INVESTMENTS IV, LLC	WI	0.050945%					
ELBERTA M. ROYALTY, LLC	WI	6.640625%					
FRANKLIN MOUNTAIN ENERGY, LLC	WI	0.771585%					
MAVROS OIL COMPANY, LLC	WI	0.454591%					
MRC HAT MESA, LLC	WI	5.208334%					
MUIRFIELD RESOURCES, LLC	WI	0.262968%					
REG XI ASSETS, LLC	WI	1.165365%					
1836 ROYALTY PARTNERS, LP	Unleased	0.003418%					
BR2 HOLDINGS, LLC	Unleased	0.009965%					
CAYUGA ROYALTIES, LLC	Unleased	0.019780%					
COERT HOLDINGS I, LLC	Unleased	1.039115%					
DEBORAH L. MCCRORY, PERSONAL REPRESENTATIVE OF THE ESTATE OF MARY ELIZABETH MCCRORY,		0.136719%					
DECEASED	Unleased						
ESTATE OF ANN GERTRUDE HARTUNG ELLISON BARR	Unleased	0.148810%					
ESTATE OF ERNIE W. TUNER, DECEASED	Unleased	0.260417%					
ESTATE OF ROXIE MYRTLE SIMS, DECEASED	Unleased	0.297619%					
ESTATE OF SAMUEL FINIS COLLIER, JR.	Unleased	0.074404%					
ESTATE OF UTA JANE COLLIER FINDLEY	Unleased	0.297619%					
ESTATE OF VIRGINIA HOBSON, DECEASED	Unleased	0.390625%					
HEIRS OF RUBY FOX	Unleased	0.273437%					
JUBILEE ROYALTY HOLDINGS	Unleased	0.003092%					
MARCELLIA GRAYSON SP	Unleased	0.055804%					
MILDRED GUINN ANDERSON	Unleased	0.297619%					
MRC ROYALTIES, LLC	Unleased	1.562500%					
NELDA PAT HALEY, SP	Unleased	0.520833%					
PATRICIA TIDWELL, SP	Unleased	0.136719%					
PREVAIL ENERGY LLC	Unleased	0.013633%					
ROGER HARTUNG SP	Unleased	0.013951%					
VIPER ENERGY PARTNERS, LLC	Unleased	0.781250%					
AARON CLAY DILLARD	Stranger in title	0.00%					
CHAD JACOB DILLARD	Stranger in title	0.00%					
CHARLYNE WARD	Stranger in title	0.00%					

ESTATE OF JACK W. SIMS	Stranger in title	0.00%
ESTATE OF LOWELL CLIFF DILLARD	Stranger in title	0.00%
ESTATE OF MAX W. SIMS	Stranger in title	0.00%
ESTATE OF NELL SIMS TOBIN	Stranger in title	0.00%
ESTATE OF ROBERT W. SIMS	Stranger in title	0.00%
ESTATE OF TIMOTHY C. HOBSON, DECEASED 1995	Stranger in title	0.00%
JAMES SIMS	Stranger in title	0.00%
JEAN RICHELIEU FAETH	Stranger in title	0.00%
JERI HARTUNG	Stranger in title	0.00%
KATY JO LUNDY	Stranger in title	0.00%
KENNETH A. COLEMAN, EXECUTOR OF THE ESTATE OF BARBARA ANN COLEMAN	Stranger in title	0.00%
LAURA LEE SPRINKLE LYTLE	Stranger in title	0.00%
LONNIE DILLARD	Stranger in title	0.00%
MARY DEE SPRINKLE WILLIS	Stranger in title	0.00%
RANCHITO AD4 LP	Stranger in title	0.00%
ROBERT E. LANDRETH	Stranger in title	0.00%
S. DAVID SPRINKLE	Stranger in title	0.00%
STEPHEN DANIEL SPRINKLE	Stranger in title	0.00%
WILLIAM R. SIMS	Stranger in title	0.00%
BR2 HOLDINGS, LLC	ORRI	0.000056%
CAYUGA ROYALTIES, LLC	ORRI	0.000110%
CONSTITUTION RESOURCES II, LP	ORRI	0.000021%
CROWNROCK MINERALS, L.P.	ORRI	0.066250%
FRANKLIN MOUNTAIN ROYLATY INVESTMENTS, LLC	ORRI	0.000464%
MONGOOSE MINERALS LLC	ORRI	0.001859%
MONTICELLO MINERALS, LLC	ORRI	0.000019%
OAK VALLEY MINERAL AND LAND, LP	ORRI	0.000042%
OGX ROYALTY FUND	ORRI	0.000417%
POST OAK MAVROS II, LLC	ORRI	0.000349%
PREVAIL ENERGY LLC	ORRI	0.000076%
SAFEMARK COMPANIES, LLC	ORRI	0.000725%
SANTO ROYALTY COMPANY, LLC	ORRI	0.000417%
SITIO PERMIAN, LP	ORRI	0.000417%
SORTIDA RESOURCES LLC	ORRI	0.000026%
VIPER ENERGY PARTNERS, LLC	ORRI	0.002614%
JOHN P. ATWOOD	NPRI	0.010391%
SCOTT R. CLARK	NPRI	0.010391%
KEVIN BOURQUE	NPRI	0.010391%

All parties highlighted are to be pooled



ConocoPhillips 600 W. Illinois Ave. Midland, TX 79701 www.conocophillips.com

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico
Exhibit No. C-3
Submitted by: COG Operating LLC
Hearing Date: June 5, 2025
Case No. 25349

Via Federal Express

January 27, 2025

Advance Energy Partners Hat Mesa, LLC 11490 Westheimer Road, Suite 950 Houston, TX 77077

Re: Well Proposal – Montera Federal Com 603H, 701H, 702H

Township 25 South – Range 35 East, N.M.P.M.

SE4 of Section 3 and E2 of Section 10

Lea County, New Mexico

Advance Energy Partners Hat Mesa, LLC:

COG Operating LLC ("COG"), as Operator, hereby proposes to drill the following wells in Sections 3 and 10, T25S-S35E, Lea County, New Mexico:

Montera Federal Com #603H, to be drilled to a depth sufficient to test the Bone Spring formation at an approximate total vertical depth of 12,170 feet. The surface hole location for this well will be located in the S2 of Section 10, T25S-R35E. The first take point for this well is at approximately 100' FSL, 1,320' FEL of Section 10, and the last take point is at approximately 2,540' FSL, 1,320' FEL of Section 3. The bottom hole location is approximated to be 2,590' FSL, 1,320' FEL of Section 3. The dedicated horizontal spacing unit will be the SE4 of Section 3 and the E2 of Section 10, T25S-R35E, Lea County, New Mexico. The total estimated cost to drill and complete said well is \$10,521,457.00, as shown on the attached Authority for Expenditure ("AFE").

Montera Federal Com #701H, to be drilled to a depth sufficient to test the Wolfcamp formation at an approximate total vertical depth of 12,300 feet. The surface hole location for this well will be located in the S2 of Section 10, T25S-R35E. The first take point for this well is at approximately 100' FSL, 2,119' FEL of Section 10, and the last take point is at approximately 2,540' FSL, 2,119' FEL of Section 3. The bottom hole location is approximated to be 2,590' FSL, 2,119' FEL of Section 3. The dedicated horizontal spacing unit will be the W2SE4 of Section 3 and the W2E2 of Section 10, T25S-R35E, Lea County, New Mexico. The total estimated cost to drill and complete said well is \$10,521,457.00, as shown on the attached Authority for Expenditure ("AFE").

Montera Federal Com #702H, to be drilled to a depth sufficient to test the Wolfcamp formation at an approximate total vertical depth of 12,300 feet. The surface hole

location for this well will be located in the S2 of Section 10, T25S-R35E. The first take point for this well is at approximately 100' FSL, 521' FEL of Section 10, and the last take point is at approximately 2,540' FSL, 521' FEL of Section 3. The bottom hole location is approximated to be 2,590' FSL, 521' FEL of Section 3. The dedicated horizontal spacing unit will be the E2SE4 of Section 3 and the E2E2 of Section 10, T25S-R35E, Lea County, New Mexico. The total estimated cost to drill and complete said well is \$10,521,457.00, as shown on the attached Authority for Expenditure ("AFE").

COG proposed the well under the terms of a new Operating Agreement which is included for your review and approval. The Operating Agreement has the following general provisions:

100%/300% Non-Consenting Penalty; \$8,000 Drilling and \$800 Producing Rate; and COG Operating LLC named as Operator

In the event you wish not to participate, COG would like to discuss the term assignment of your interest to COG. Please inform me if you are interested in a term assignment via email at caroline.frederick@conocophillips.com.

The Term Assignment offer terminates February 28th, 2025, and is subject to the approval of COG's management and verification of title.

If an agreement is not reached 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 horizontal spacing units for the proposed wells.

Please indicate your participation election in the space provided on page 3, sign, and return this letter, along with a signed copy of the enclosed AFE and fully executed signature pages to the JOA in the enclosed postage paid envelope.

If you have any questions, please do not hesitate to contact me at 432.222.4721 or by email at caroline.frederick@conocophillips.com.

Sincerely,

Caroline Frederick Associate Land Negotiator North Delaware Basin East

	I/We hereby elect to partici MONTERA FEDERAL (completion of the completion o
	I/We hereby elect <u>not</u> to pa MONTERA FEDERAL (articipate in the drilling and completion of the COM 603H
	I/We hereby elect to partici MONTERA FEDERAL (ipate in the drilling and completion of the COM 701H
	I/We hereby elect <u>not</u> to pa MONTERA FEDERAL (articipate in the drilling and completion of the COM 701H
	I/We hereby elect to partici MONTERA FEDERAL (pate in the drilling and completion of the COM 702H
	I/We hereby elect not to pa MONTERA FEDERAL (articipate in the drilling and completion of the COM 702H
	Advance Ener	gy Partners Hat Mesa, LLC
Ву	<u> </u>	
Na	ame:	
Ti	tle:	
Da	ate:	

Project Cost Summary

This document contains proposed and estimated project cost information which is proprietary and confidential to ConocoPhillips.



 Well Name
 Montera Federal Com 603H

 Job Type
 Drill and Complete

 State
 New Mexico - 30

 County/Parish
 Lea - 025

		Grand Total					
Cost Feature Group	Drilling	Completions	Pumping Equipment	Facilities			
A000: CASING & TUBING	\$786,000.00		\$150,000.00				
B000: WELLHEAD, XMAS TREE, AND ASST EQUIPT	\$65,000.00	\$60,000.00	\$100,000.00				
C000: COMPLETION EQUIPMENT & OTHER			\$258,000.00	\$1,202,000.00			
D000: LOCATION (WELLSITE RELATED)	\$232,000.00	\$12,500.00		\$74,167.00			
E000: RIGS & RIG RELATED	\$1,061,000.00		\$19,000.00				
F000: DRILLING & COMPLETION UTILITIES (ALL)	\$221,800.00	\$521,000.00					
G000: FLUID AND CHEMICALS SERVICES	\$250,040.00	\$30,000.00					
H000: DIRECTIONAL DRILLING / MWD / LWD	\$261,000.00						
J000: CEMENTING MATERIALS, SERVICES, AND CSG ACCS	\$292,350.00						
K000: FORMATION EVALUATION	\$39,000.00						
M000: COMPLETION & TESTING		\$15,000.00					
N000: FORMATION STIMULATION & TREATING		\$1,677,000.00					
0000: CERTIFICATION, INSPECT, CONTROL & TEST							
P000: TRANSPORTATION SUPPLY & DISPOSAL	\$88,350.00	\$45,000.00	\$20,000.00				
Q000: DRLG TOOLS & EQPT RNTAL W/WO OPR	\$273,600.00	\$650,000.00	\$12,000.00				
R000: BITS & MILLS	\$95,000.00	\$4,000.00					
S000: SPECIAL SERVICES	\$136,000.00	\$230,000.00	\$17,000.00				
T000: MISCELLANEOUS	\$304,450.00	\$108,000.00	\$36,000.00	\$124,000.00			
U000: PERFORATING & SLICKLINE SERVICES		\$250,000.00	\$9,000.00				
V000: ENG & CONSTRUCTION(E&C), CONSLT, R&D				\$40,000.00			
W000: GENERAL FEES	\$42,500.00	\$5,000.00					
X000: CONOCOPHILLIPS LABOR & OVERHEAD	\$5,700.00	\$22,000.00	\$8,000.00	\$40,000.00			
Y000: TOTALS, CONTINGENCY & MISCELLANEOUS							
Grand Total	\$4,153,790.00	\$3,629,500.00	\$629,000.00	\$1,480,167.00			

Grand Total (\$) 9,892,457.00

NOTIFICATION PURPOSES ONLY

Last Edited By Last Edited Date

Jan 22, 2025

Chronology of Contacts

Party Status Address Mailed Date Delivered Date Tracking Updated AFE Tracking Updated AFE Delivered									
Party	Status	Address	Mailed Date	Delivered Date	Tracking	Updated AFE Tracking	Updated AFE Delivered	Additional Communication	
BEXP II ALPHA, LLC	Not Signed	5914 W. Courtyard Drive, Suite 340 Austin, TX 78730	2/5/2025		FEDEX 034361 28513124344 0				
BEXP II OMEGA MISC., LLC	Not Signed	5914 W. Courtyard Drive, Suite 340 Austin, TX 78730	2/5/2025		FEDEX 034362 28513120237 0				
CHIEF CAPITAL (O&G) II LLC	Not Signed	8111 Westchester, Suite 900 Dallas, TX 75225	2/5/2025		FEDEX 034364 28513111586 0			Nate Coffee (ncoffee@chief.energy) emailed on 2/6/2025 asking about anticipated drill and complete dates. Nate reached out again 2/10/2025 asking about the Civitas development in the 1BS/2BS, I responded confirming the development plans.	
FRANKLIN MOUNTAIN ENERGY, LLC	Not Signed	44 Cook Street, Suite 1000 Denver, CO 80206	2/5/2025		28513095830	FEDEX 034499 28568449785 4			
MRC Hat Mesa, LLC	Not Signed	5400 LBJ Freeway, Suite 1500 Dallas, Texas 75240	2/28/2025		FEDEX 034545	N/A	N/A	Was Constitution Royalties, Fedex returned, moved, left no forwarding address. November 2024 merged with MRC Royalties. Sent packet to Matador and email copies to Addison Costley on 2/27/2025 (addison.costley@matadorresources.com). Addison copied Clay Wooten (clay.wooten@matadorresources.com) to handle the proposals. Clay responded 3/5/2025 asking anticipated spud and I responded.	
1836 ROYALTY PARTNERS, LP	Not signed	306 W WALL STREET, SUITE 620 MIDLAND, TX 79701	2/5/2025	Returned to	FEDEX 034376 28513269621 2	FEDEX 034502		Fedex returned. Emailed Michael Hirsh (michael@1836royalty.com) on 1/7/2025 regarding leasing 1836's interest, he said they're interested and to send a lease form. 1/13/2025 emailed lease form, Michael responded 1/16/2025 asking whether the interest was leased and about to expire, or if it was unleased, I responded stating the interest is unleased. 1/24/2025 Michael emailed asking if the bonus offer was the highest we could go, I responded asking what number they were looking for. Michael never responded, I followed up 2/6/2025 and haven't heard back.	
DEBORAH L. MCCRORY, PERSONAL REPRESENTATIVE OF THE ESTATE OF MARY		17332 430th Ave SE, North Bend, WA			FEDEX 34580 28627992131			Found address in 2016 document filed in Lea County, NM. Debbie called 3/11/2025 stating her interest has been conveyed out to her siblings. 3/11/2025, I followed up via email (debbie.mccrory@gmail.com) showing the interest as it appears in our title opinion, and asking for more information on the conveyance to her siblings. 3/31/2025 I followed up via email stating the title requirements needed to be able to credit the interest to other parties. Debbie provided contact information for the attorney so I can reach out about the documents needed to clear title. Reached out	
ELIZABETH MCCRORY, DECEASED ESTATE OF ANN GERTRUDE HARTUNG ELLISON BARR	Unlocatable,	Unlocatable	3/10/2025 N/A	3/11/2025 N/A	N/A	N/A N/A	N/A N/A	to attorney on 4/1/2025. Holland and Hart to handle notifying via publication. Broker attempted to find address through WhitePages and indexing names on the county website to find recently filed documents with known addresses.	
ESTATE OF ERNIE W. TUNER, DECEASED	Unlocatable,	Unlocatable	N/A	N/A	N/A		N/A	Holland and Hart to handle notifying via publication. Attempted to find address through indexing names in county website to find recently filed documents with known addresses. No current address for the estate found.	
ESTATE OF ROXIE MYRTLE SIMS, DECEASED	,	Unlocatable	N/A	N/A	N/A	N/A	N/A	Holland and Hart to handle notifying via publication. Attempted to find address through indexing names in county website to find recently filed documents with known addresses. Holland and Hart to handle notifying via publication. Broker attempted to find address through	
ESTATE OF SAMUEL FINIS COLLIER, JR.	Unlocatable, Notify	Unlocatable BAD ADDRESS - 10222 KIRKHILL	N/A		N/A FEDEX 03/1369	N/A FEDEX 034512	N/A	WhitePages and indexing names on the county website to find recently filed documents with known addresses. Holland and Hart to handle notifying via publication. Phone conversation 2/25/2025 with Judy	
ESTATE OF UTA JANE COLLIER FINDLEY	Unlocatable, Notify	DRIVE, HOUSTON TX 77089	N/A		28513358556	28568451243	N/A	Forrester, bad address. Can't find address in other recorded documents. Searched Harris county CAD, couldn't find address.	
ESTATE OF VIRGINIA HOBSON, DECEASED	Unlocatable, Notify Unlocatable,	Unlocatable	N/A	N/A	N/A	N/A	N/A	Holland and Hart to handle notifying via publication. Attempted to find address through indexing names in county website to find recently filed documents with known addresses. Holland and Hart to handle notifying via publication. Attempted to find address through indexing	
HEIRS OF RUBY FOX	Notify	Unlocatable	N/A	N/A	N/A	N/A	N/A	names in county website to find recently filed documents with known addresses.	

		Likely bad address -						
		3308 Devalcourt						Holland and Hart to handle notifying via publication. Found address in 2000 document filed in Lea
	Unlocatable,	Ave., Fort Worth, TX						County, NM. Looked address up in Tarrant CAD, no Marcellia Grayson or Marcellia for this address.
MARCELLIA GRAYSON SP	Notify	76119	N/A	N/A	N/A	N/A	N/A	Looked up name variations in CAD, couldn't find address.
		BAD ADDRESS- 194						
		E. LAS ARCOS			FEDEX 034368	FEDEX 034514		Holland and Hart to handle notifying via publication. Phone conversation 2/6/2025 with John Divjak,
	Unlocatable,	GREEN VALLEY, AZ			28513342825			Mildred Guinn Anderson does not reside at this address. Searched online, may be deceased. Can't find
MILDRED GUINN ANDERSON	Notify	85614	N/A	N/A		8	N/A	address in other recorded documents.
	, ,		.,	,	-		,	Was Constitution Royalties, Fedex returned, moved, left no forwarding address. November 2024 merged
								with MRC Royalties. Sent packet to Matador and email copies to Addison Costley on 2/27/2025
		5400 LBJ Freeway,						(addison.costley@matadorresources.com). Addison copied Clay Wooten
		Suite 1500						(clay.wooten@matadorresources.com) to handle the proposals. Clay responded 3/5/2025 asking
MRC ROYALTIES, LLC	Not signed	Dallas, Texas 75240	2/28/2025		FEDEX 034545	N/A	N/A	anticipated spud and I responded.
WINCE NO TALTILO, LLC	Unlocatable,	Danas, Texas 75240	2/20/2023		TEDEX 034343	14//	1477	Holland and Hart to handle notifying via publication. Attempted to find address through indexing
NELDA PAT HALEY, SP	Notify	Unlocatable	N/A	N/A	N/A	N/A	N/A	names in county website to find recently filed documents with known addresses.
WEEDA FATTIALLY, ST	Nouty	omocatable	IVA	IN/A	IN/A	IVA	IV/A	names in county website to find recently med documents with known addresses.
	Unlocatable,							Holland and Hart to handle notifying via publication. Attempted to find address through WhitePages
PATRICIA TIDWELL, SP	Notify	Unlocatable	N/A	N/A	N/A	N/A	N/A	and indexing names in county website to find recently filed documents with known addresses.
FATRICIA TIDWELL, 3F	Nouty	Omocatable	IN/A	IN/A	IN/A	IV/A	IN/A	
								Found address in 2020 document filed in Lea County, NM. Clint Hartung (cchllc@zoho.com) emailed 3/18/2025 asking about the interest stating it has been conveyed to Roger, Clint, and Jeri Hartung.
								Confirmed with title attorney that the Roger Hartung interest has been conveyed to Roger (Keith)
		210 Cedar Rock Ct.,			FEDEX 034578			Hartung, Clint and Jeri. Probate proceedings are necessary to pass marketable title. Had multiple
					28628000403			
ROGER HARTUNG SP	Notsigned	Mansfield, TX 76063	3/10/2025	3/12/2025		N/A	N/A	discussions with Clint and Keith, sent new packets with offers to lease to them and Jeri. Sent email
ROGER HARTONG SP	Not signed	76065	3/10/2023	3/12/2023	2	IN/A	IN/A	explanations of each option presented in the letter, followed up to check in on 4/1/2025.
		EOO W TEVAS AVE			FEDEX 034396	EEDEV 034E10		
		500 W. TEXAS AVE., SUITE 1200			28513231489			Emailed Kelsey Peoples (kpeoples @viperenergy.com) about leasing their interest 2/28/2025. Haven't
VIPER ENERGY PARTNERS. LLC	Notsigned	MIDLAND, TX 79701	2/5/2025	2/6/2025		0	N/A	
VIPER ENERGY PARTNERS, LLC	Not signed	WIIDLAND, IX 79701	2/3/2023	2/0/2023	0	U	IN/A	reached agreement on lease form.
		SEOR ENGLEWOOD			FEDEX 034375	EEDEN 03 4E 03		
		3506 ENGLEWOOD AVENUE			28513259878			
AARON CLAY DILLARD	Notify	LUBBOCK, TX 79407	2/5/2025	2/6/2025		6	2/24/2025	Stranger in title, Holland and Hart to handle notifying via publication.
AARON CEAT DIEEARD	Nouty	LOBBOCK, 1X 73407	2/3/2023	2/0/2023		0	2/24/2023	Stranger in title, normand and hart to handre notifying wa publication.
					FEDEX 034374			
		6037 71st STREET			28513251864			
CHAD JACOB DILLARD	Notify	LUBBOCK, TX 79424	2/5/2025	2/6/2025		FEDEX 034506	N/A	Stranger in title, Holland and Hart to handle notifying via publication.
	Notify	N/A	N/A	N/A		N/A	N/A	Stranger in title, Holland and Hart to handle notifying via publication.
	Notify	N/A	N/A	N/A	<u> </u>		N/A	Stranger in title, Holland and Hart to handle notifying via publication.
	Notify	N/A	N/A	N/A		N/A	N/A	Stranger in title, Holland and Hart to handle notifying via publication.
	Notify	N/A	N/A	N/A		N/A	N/A	Stranger in title, Holland and Hart to handle notifying via publication.
	Notify	N/A	N/A	N/A	-	N/A	N/A	Stranger in title, Holland and Hart to handle notifying via publication.
	Notify	N/A	N/A	N/A	<u> </u>	N/A	N/A	Stranger in title, Holland and Hart to handle notifying via publication.
ESTATE OF TIMOTHY C. HOBSON,	,				,.,		,	and the control of th
DECEASED 1995	Notify	N/A	N/A	N/A	N/A	N/A	N/A	Stranger in title, Holland and Hart to handle notifying via publication.
	Notify	N/A	N/A	N/A	-	N/A	N/A	Stranger in title, Holland and Hart to handle notifying via publication.
	Notify	N/A	N/A	N/A	-	N/A	N/A	Stranger in title, Holland and Hart to handle notifying via publication.
	Notify	N/A	N/A	N/A		N/A	N/A	Stranger in title, Holland and Hart to handle notifying via publication.
KENNETH A. COLEMAN, EXECUTOR OF THE	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		,	,	,			
ESTATE OF BARBARA ANN COLEMAN	Notify	N/A	N/A	N/A	N/A	N/A	N/A	Stranger in title, Holland and Hart to handle notifying via publication.
LAURA LEE SPRINKLE LYTLE	Notify	N/A	N/A	N/A	<u> </u>	N/A	N/A	Stranger in title, Holland and Hart to handle notifying via publication.
LONNIE DILLARD	Notify	· ·	N/A	-			N/A	Stranger in title, Holland and Hart to handle notifying via publication.
	Notify	N/A	N/A				N/A	Stranger in title, Holland and Hart to handle notifying via publication.
	Notify	N/A	N/A	N/A	-	N/A	N/A	Stranger in title, Holland and Hart to handle notifying via publication.
	Notify	N/A	N/A	N/A	<u> </u>		N/A	Stranger in title, Holland and Hart to handle notifying via publication.
	Notify	N/A	N/A	N/A		N/A	N/A	Stranger in title, Holland and Hart to handle notifying via publication.
	Notify	N/A	N/A	N/A		N/A	N/A	Stranger in title, Holland and Hart to handle notifying via publication.
	Notify	N/A	N/A	N/A	-	N/A	N/A	Stranger in title, Holland and Hart to handle notifying via publication.
					<u> </u>	9414 8149		, 0
	Unlocatable,	PO BOX 540711		Returned		0246 9822		
CAYUGA ROYALTIES, LLC	Notify	HOUSTON, TX 77254	2/5/2025			2630 71	N/A	At PO box ready for pickup. Returned unclaimed.
,	,	,, , 231	, -, -,				·	,

								Holland and Hart to handle notifying via publication. 2/7/2025 Phone message from Nancy Cannon
•		BAD ADDRESS - 521			FEDEX 034402			that Prevail is not located at this address. SAP has 641 Monroe Way, Denver CO, 80209 (residential
t.	Unlocatable,	DEXTER STREET			28513197779			address) dramsder99@gmail. Sent email 3/7/2025, email did not go through. Couldn't find email
PREVAIL ENERGY LLC	Notify	DENVER, CO 80220	N/A	N/A	0	N/A	N/A	address online.
•								
		44 COOK STREET,			FEDEX 034423	FEDEX 034512		
RANKLIN MOUNTAIN ROYLATY		SUITE 1000			28513212540	28568443999		
NVESTMENTS, LLC	Not signed	DENVER, CO 80206	2/5/2025	2/6/2025	0	8	2/24/2025	
6					9414 8149			
3		P O BOX 1020			0246 9822			Brian Turner (bturner@santopetroleum.com) emailed 2/28/2025 that Santo assigned all WI to Advance
ANTO ROYALTY COMPANY, LLC	Not signed	ARTESIA, NM 88211	2/5/2025	2/6/2025	5555 88	N/A	N/A	Energy Partners LLC and assigned an ORRI to Santo Royalty Company.
								Found address in 2020 document filed in Lea County, NM. Clint Hartung (cchllc@zoho.com) emailed
								3/18/2025 asking about the interest stating it has been conveyed to Roger, Clint, and Jeri Hartung.
		210 CEDAR ROCK						Confirmed with title attorney that the Roger Hartung interest has been conveyed to Roger (Keith)
	Potential Heir	COURT						Hartung, Clint and Jeri. Probate proceedings are necessary to pass marketable title. Had multiple
	to Roger	MANSFIELD, TX			FED EX			discussions with Clint and Keith, sent new packets with offers to lease to them and Jeri. Sent email
OGER KEITH HARTUNG	Hartung	76063	3/24/2025	3/25/2025	034670	N/A	N/A	explanations of each option presented in the letter, followed up to check in on 4/1/2025.
								Found address in 2020 document filed in Lea County, NM. Clint Hartung (cchllc@zoho.com) emailed
								3/18/2025 asking about the interest stating it has been conveyed to Roger, Clint, and Jeri Hartung.
		711 VZ COUNTY						Confirmed with title attorney that the Roger Hartung interest has been conveyed to Roger (Keith)
	Potential Heir	ROAD 3604						Hartung, Clint and Jeri. Probate proceedings are necessary to pass marketable title. Had multiple
	to Roger	EDGEWOOD, TX			FED EX			discussions with Clint and Keith, sent new packets with offers to lease to them and Jeri. Sent email
JERI HARTUNG	Hartung	75117	3/24/2025	3/25/2025	034672	N/A	N/A	explanations of each option presented in the letter, followed up to check in on 4/1/2025.
		25519 CHERRY						John Atwood (jatwood@bentwingenergy.com) reached out via email 4/7/2025 to let us know COERT
		RANCH, KATY, TX						conveyed an NPRI to John Atwood, Scott Clark, and Kevin Bourque. Emailed
KEVIN BOURQUE	Not Signed	77494	4/23/2025			N/A	N/A	(kbourque@bentwingenergy.com) and mailed copies of NPRI ratifications on 4/23/2024.

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

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

CASE NO. 25349

SELF-AFFIRMED STATEMENT OF TYLER PATRICK

1. My name is Tyler Patrick, and I am a Geologist with COG Operating LLC

("COG"), now a wholly-owned subsidiary of ConocoPhillips Company.

2. I have previously testified before the New Mexico Oil Conservation Division

("Division") as an expert witness in petroleum land matters. My credentials have been accepted

by the Division and made a matter of record.

3. I am familiar with the application filed by COG in this case and have conducted a

geologic study of the lands in the subject area.

4. **COG Exhibit D-1** is a locator map depicting COG's acreage in yellow for the Bone

Spring formation within the proposed spacing unit. Existing producing Bone Spring formation

wells in the Bone Spring interval, which is the targeted formation by COG's proposed well, are

represented by solid lines in the color indicated by the Map Legend. The approximate wellbore

path for COG's proposed well is within the Third Bone Spring interval and depicted with dashed

lines.

5. COG Exhibit D-2 is a subsea structure map that I prepared for the base Bone

Spring formation, with contour intervals of 50 feet. The approximate wellbore path for the

proposed well is again depicted with a dashed line. This map shows that the formation is gently

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe. New Mexico

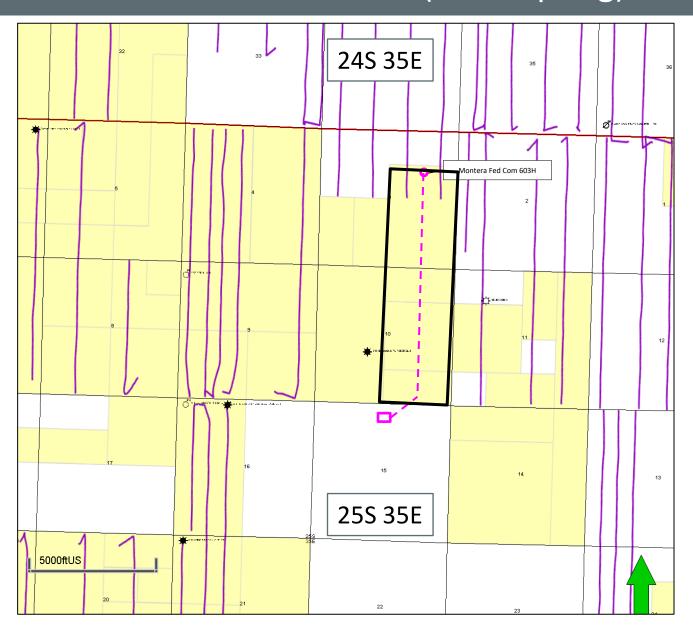
dipping to the west in this area. I do not observe any faulting, pinchouts, or other geologic impediments to developing the targeted interval with horizontal wells in this area.

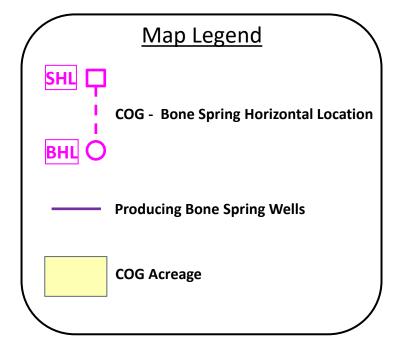
- 6. **COG Exhibit D-3** overlays a cross-section line consisting of two wells penetrating the Bone Spring formation that I used to construct a stratigraphic cross section from A to A'. I consider these well logs to be representative of the geology in the area.
- 7. **COG Exhibit D-4** is a stratigraphic cross-section using the representative wells depicted in COG Exhibit D-3. Each well in the cross-section contains gamma ray, resistivity, and porosity logs. The target interval within the Third Bone Spring is labeled on the exhibit. The cross-section demonstrates that the targeted interval is continuous across the proposed spacing unit.
- 8. My geologic study indicates the Bone Spring formation underlying the subject area is suitable for development by horizontal wells and the acreage comprising the proposed horizontal spacing unit will be productive and contribute proportionately to the production from the well.
- 9. In my opinion, the standup orientation of the proposed well is consistent with existing development in this area and appropriate due to the geologic stress.
- 10. In my opinion, approval of this application is in the best interest of conservation, the prevention of waste, and protection of correlative rights.
- 11. **COG Exhibits D-1 through D-4** were either prepared by me or compiled under my direction and supervision.
- 12. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

Tyler Patrick

Date

Montera Federal Com (Bone Spring) 603H

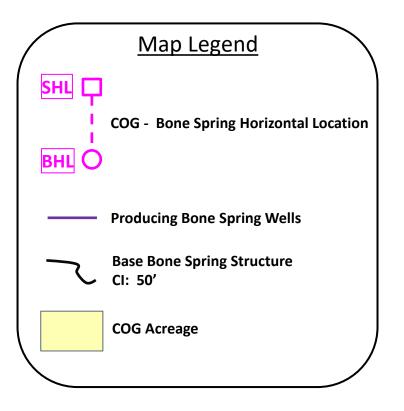




BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D-1
Submitted by: COG Operating LLC
Hearing Date: June 5, 2025
Case No. 25349

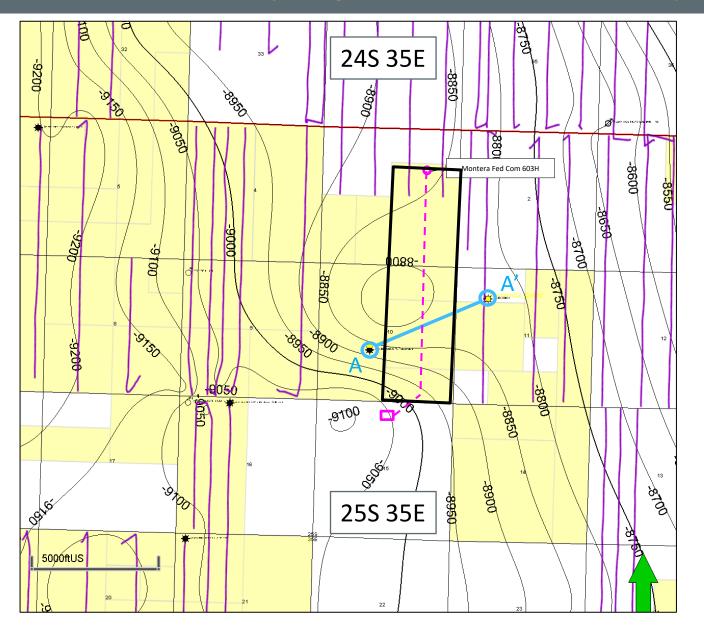
Base Bone Spring Subsea Structure Map

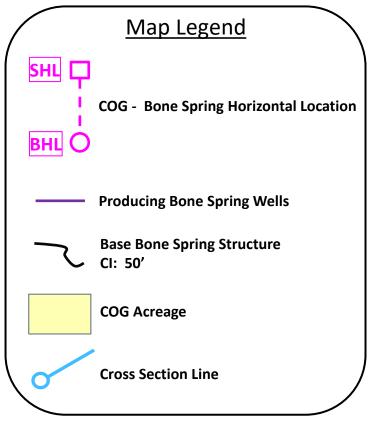




BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D-2
Submitted by: COG Operating LLC
Hearing Date: June 5, 2025
Case No. 25349

Base Bone Spring Subsea Structure Map

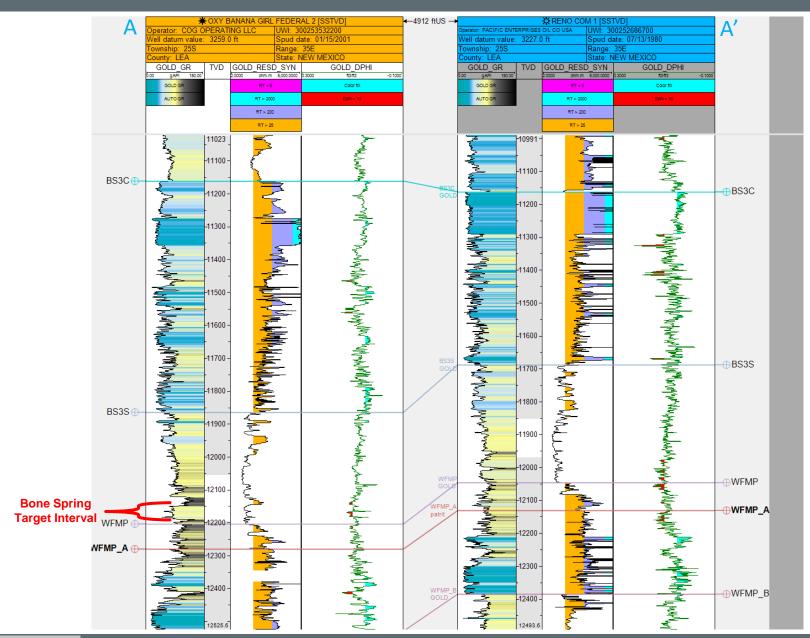




BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico
Exhibit No. D-3
Submitted by: COG Operating LLC
Hearing Date: June 5, 2025
Case No. 25349

Montera Federal Com Section A-A'



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D-4
Submitted by: COG Operating LLC
Hearing Date: June 5, 2025
Case No. 25349

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

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

CASE NO. 25349

SELF-AFFIRMED STATEMENT OF ADAM G. RANKIN

1. I am attorney in fact and authorized representative of COG Operating, LLC

("COG") the Applicant herein. I have personal knowledge of the matter addressed herein and am

competent to provide this self-affirmed statement.

2. The above-referenced application and notice of the hearing on this application was

sent by certified mail to the locatable affected parties on the date set forth in the letter attached

hereto.

3. The spreadsheet attached hereto contains the names of the parties to whom notice

was provided.

4. The spreadsheet attached hereto contains the information provided by the United

States Postal Service on the status of the delivery of this notice as of May 23, 2025.

5. I caused a notice to be published to all parties subject to this proceeding. An

affidavit of publication from the publication's legal clerk with a copy of the notice publication is

attached herein.

6. I affirm under penalty of perjury under the laws of the State of New Mexico that

the foregoing statements are true and correct. I understand that this self-affirmed statement will be

used as written testimony in this case. This statement is made on the date next to my signature

below.

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico

Exhibit No. E
Submitted by: COG Operating LLC

May 27, 2025 Date

Adam G. Rankin



Paula M. Vance **Associate** Phone (505) 988-4421 Email:pmvance@hollandhart.com

April 18, 2025

VIA CERTIFIED MAIL **CERTIFIED RECEIPT REQUESTED**

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Application of COG Operating LLC for Compulsory Pooling, Lea County, Re:

New Mexico: Montera Federal Com #603H

Ladies & Gentlemen:

This letter is to advise you that COG Operating LLC has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on May 8, 2025, and the status of the hearing can be monitored through the Division's website at https://www.emnrd.nm.gov/ocd/.

The State of New Mexico Oil Conservation Division hearing will be held in a hybrid format with both in-person and virtual participation options. The hearing will be held in the Pecos Hall Hearing Room at the Wendall Chino Building, 1st Floor, 1220 South St. Francis Dr., Santa Fe, New Mexico, starting at 8:15 a.m. Virtual access Division's public hearing is available follows: https://www.emnrd.nm.gov/ocd/hearing-info/.

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. Parties appearing in cases are required to file a Pre-hearing Statement four business days in advance of a scheduled hearing that complies with the provisions of NMAC 19.15.4.13.B.

If you have any questions about this matter, please contact Caroline Frederick at (432) 222-4721 or at caroline.frederick@conocophillips.com.

Sincerely,

Paula M. Vance

ATTORNEY FOR COG OPERATING LLC



Paula M. Vance Associate Phone (505) 988-4421 Email:pmvance@hollandhart.com

May 7, 2025

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Application of COG Operating LLC for Compulsory Pooling, Lea County, Re:

New Mexico: Montera Federal Com #603H

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If you have any questions about this matter, please contact Caroline Frederick at (432) 222-4721 or at caroline.frederick@conocophillips.com.

Sincerely,

Paula M. Vance

ATTORNEY FOR COG OPERATING LLC

Received by OCD: 5/28/2025 2:48:51 PM

COG - Montera 603H BS, 701H, 702H WC wells - Case nos. 25349-25351 Postal Delivery Report

9414811898765449848750	Aaron Clay Dillard	3506 Englewood Ave	Lubbock	TX	79407-4034	Your item was returned to the sender on April 28, 2025 at 10:45 am in SANTA FE, NM 87501 because it could not be delivered as addressed.
9414811898765449848767	Chad Jacob Dillard	6037 71st St	Lubbock	TX	79424-1911	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.

COG - Montera BS and WC wells - Case nos. 25349-25351 Postal Delivery Report - Additional Mailing

						Your item has been delivered to the
						original sender at 10:11 am on May
9414811898765444557411	1836 Royalty Partners, LP	223 W Texas Ave Ste 1200	Midland	TX	79701	20, 2025 in SANTA FE, NM 87501.
						This is a reminder to please pick up
						your item at the HOUSTON, TX
9414811898765444557459	Cayuga Royalties, LLC	PO Box 540711	Houston	TX	77254-0711	77254 Post Office.
						Your item was delivered to the
						front desk, reception area, or mail
						room at 11:57 am on May 16, 2025
9414811898765444557466	Chief Capital O&G II LLC	8111 Westchester Dr Ste 900	Dallas	TX	75225-6146	in DALLAS, TX 75225.
						Your item was delivered to an
						individual at the address at 9:54 am
						on May 16, 2025 in DALLAS, TX
9414811898765444557428	Constitution Resources II, LP	5400 Lbj Fwy Ste 1500	Dallas	TX	75240-1017	
	Deborah L. Mccrory, Personal Representative					Your item was picked up at the post
	Of The Estate Of Mary Elizabeth Mccrory,					office at 9:14 am on May 14, 2025
9414811898765444557404	Deceased	PO Box 255	Sagle	ID	83860-0255	in SAGLE, ID 83860.
						Your item was picked up at a postal
						facility at 8:35 am on May 13, 2025
9414811898765444557497	Franklin Mountain Energy, LLC	6001 Deauville Ste 300	Midland	TX	79706-2671	in MIDLAND, TX 79701.
						Your item was picked up at a postal
						facility at 8:35 am on May 13, 2025
9414811898765444557480	Franklin Mountain Roylaty Investments, LLC	6001 Deauville Ste 300	Midland	TX	79706-2671	in MIDLAND, TX 79701.
						Your item was delivered to an
						individual at the address at 9:54 am
						on May 16, 2025 in DALLAS, TX
9414811898765444557435	Mrc Hat Mesa, LLC	5400 Lbj Fwy Ste 1500	Dallas	TX	75240-1017	
						Your item was delivered to an
						individual at the address at 9:54 am
	AADO D. IV. III.O					on May 16, 2025 in DALLAS, TX
9414811898765444557473	MRC Royalties, LLC	5400 Lbj Fwy Ste 1500	Dallas	TX	75240-1017	75240.
						Your item has been delivered to an
						agent and left with an individual at
						the address at 11:01 am on May 17,
0/1/011000765///557510	Poger Hartung SD	210 Cedar Rock Ct	Mansfield	TV	76062-8556	2025 in MANSFIELD, TX 76063.
9414811898765444557510	noger narrung or	ZIU CEUdi KUCK CI	ivialislielu	17	70003-6330	ZUZJ III IVIAINSFIELD, 1A 70003.

Received by OCD: 5/28/2025 2:48:51 PM

COG - Montera BS and WC wells - Case nos. 25349-25351 Postal Delivery Report - Additional Mailing

						Your item was picked up at the post
						office at 9:53 am on May 15, 2025
9414811898765444557565	Santo Royalty Company, LLC	PO Box 1020	Artesia	NM	88211-1020	in ARTESIA, NM 88210.
						Your item has been delivered and is
						available at a PO Box at 8:37 am on
						May 14, 2025 in MIDLAND, TX
9414811898765444557503	Viper Energy Partners, LLC	500 W Texas Ave Ste 1200	Midland	TX	79701-4203	79701.

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

> Beginning with the issue dated April 24, 2025 and ending with the issue dated April 24, 2025.

Publisher

Sworn and subscribed to before me this 24th day of April 2025.

Business Manager

My commission expires

anuary 29 7202 OF NEW MEXICO Seal) **NOTARY PUBLIC GUSSIE RUTH BLACK COMMISSION # 1087526** COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

LEGAL

LEGAL

LEGAL

LEGAL NOTICE April 24, 2025

Case No. 25349: Application of COG Operating LLC for Compulsory Pooling, Lea Country, New Mexico. Notice to all affected Interest owners, including all heirs, devisees and successors of: Aaron Clay Dillard; Cayuga Royalties, LLC; Chad Jacob Dillard; Charlyne Ward; Estate Of Agnual Gertrude Hartung Ellison Barr; Estate Of Ernie W. Tuner, Deceased; Estate Of Jack W. Sims; Estate Of Lowell Cliff Dillard; Estate Of Max W. Sims; Estate Of Nell Sims Tobin; Estate Of Robert W. Sims; Estate Of Timothy C. Hobson, Deceased; Estate Of Samuel Finis Collier, Jr.; Estate Of Timothy C. Hobson, Deceased; Heirs Of Ruby Fox; James Sims; Estate Of Virginia Hobson, Deceased; Heirs Of Ruby Fox; James Sims; Jean Richeleu Faeth; Katy Jo Lundy; Kenneth A. Coleman, Executor Of The Estate Of Barbara Ann Coleman; Laura Lee Sprinkle Lytle; Lonnie Anderson; Nelda Pat Haley, Sp; Patricia Tidwell, Sp; Prevail Energy LLC; Ranchito Ad4 LP; Robert E. Landreth; S. David Sprinkle; Stephen Daniel Sprinkle; William R. Sims. The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby to consider this application. The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Natural Resources Department, Section 3 and the Code to the Hobits of the Natural Resources Department, Resources Department, Resources De

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HOLLAND & HART LLC 110 N GUADALUPE ST., STE. 1 SANTA FE, NM 87501

> BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico **Exhibit No. F**

Submitted by: COG Operating LLC Hearing Date: June 5, 2025 Case No. 25349

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

> Beginning with the issue dated May 09, 2025 and ending with the issue dated May 09, 2025.

Publisher

Sworn and subscribed to before me this 9th day of May 2025.

Business Manager

My commission expires January 29 20 F OF NEW MEXICO NOTARY PUBLIC (Seal) GUSSIE RUTH BLACK **COMMISSION # 1087526**

COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

LEGAL

LEGAL

LEGAL

LEGAL NOTICE May 9, 2025

Case No. 25349: Application of COG Operating LLC for Compulsory Pooling, Lea County, New Mexico. Notice to all affected interest owners, including all heirs, devisees and successors of: 1836 Royalty Partners, LP; Aaron Clay Dillard; Cayuga Royalties, LLC; Cayuga Royalties, LLC; Chad Jacob Dillard; Charlyne Ward; Chief Capital (0&G) il LLC; Constitution Resources II, LP; Deborah L. McCrory, Personal Representative Of The Estate Of Mary Elizabeth McCrory, Deceased; Estate Of Ann Gertrude Hartung Ellison Barr; Estate Of Ernie W. Tuner, Deceased; Estate Of Jack W. Sims; Estate Of Lowell Cliff Dillard; Estate Of Max W. Sims; Estate Of Nober W. Sims; Estate Of Timothy C. Holson, Deceased; 1995; Estate Of Ulard; Estate Of Max W. Sims; Estate Of Wirginia Hobson, Deceased; Franklin Mountain Royalty Investments, LLP; Heirs Of Ruby Fox; James Sims; Jean Richelleu Faeth; Jeri Hartung; Katy Jo Lundy; Kenneth A. Coleman, Executor Of The Estate Of Barbara Ann Coleman; Laura Lee Sprinkle Lytle; Lonnie Dillard; Marcellia Grayson SP; Mary Dee Sprinkle Willis; Mildred Guinn Anderson; MRC Hat Mesa, LLC; MRC Royalties, LLC; Nelda Pat Haley, SP; Patricia Tidwell, SP; Prevall Energy LLC; Prevall Energy LLC; Ranchito Ad4 LP; Robert E. Landreth; Roger Hartung SP; Roger Keith Hartung; S. David Sprinkle; Santo Royalty Company, LLC; Stephen Daniel Sprinkle; Vilper Energy Partners, LLC; and William R. Sims. The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearing 8:30 a.m. on June 5, 2025, to consider this application. The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearing 8:30 a.m. on June 5, 2025, to consider this application. The hearing will be conducted in a hybrid fashion, both in-person at the Energy Minerals, Natural Resources Department, Wendell Ch

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HOLLAND & HART LLC 110 N GUADALUPE ST., STE. 1 SANTA FE, NM 87501