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

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

CASE NO. 22595

COG OPERATING LLC'S RESPONSE TO THE OIL CONSERVATION DIVISION'S INQUIRY

COG Operating LLC ("COG") hereby provides the following response in support of the above-referenced application:

1. In the above-referenced case, COG seeks an order pooling all uncommitted interests in the Corral Canyon; Bone Spring, South Pool (13354) within the Bone Spring formation underlying a 280-acre, more or less, standard horizontal spacing unit comprised of the W/2W/2 of Section 5, the W/2NW/4 and NW/4SW/4 of Section 8, Township 26 South, Range 29 East, Eddy County, New Mexico and seeks to dedicate this unit to its Hambone Federal Com #506H well.

2. The above-referenced case was heard and taken under advisement at the Oil Conservation Division ("Division") hearing held on March 3, 2022. During the hearing, the Division expressed concern regarding the status of the acreage in the SW/4SW/4 of Section 8.

3. COG intends to include and develop the S/2SW/4 of Section 8 within a separate spacing unit. Accordingly, the SW/4SW/4 of Section 8 will not be stranded.

Respectfully submitted,

HINKLE SHANOR LLP

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CERTIFICATE OF SERVICE

I hereby certify that on March 3, 2022, I caused a true and correct copy of this document to be electronically served on the following:

James Bruce jamesbruc@aol.com Attorney for MRC Permian Company and Matador Production Company

/s/ Dana S. Hardy

Dana S. Hardy