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#### 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. 23349

#### **EXHIBIT INDEX**

#### Compulsory Pooling Checklist

Exhibit A	Self-Affirmed Statement of Gianna Romero
A-1	Resume of Gianna Romero
A-2	Application & Proposed Notice of Hearing
A-3	C-102
A-4	Plat of Tracts, Tract Ownership, Pooled Parties, Unit Recapitulation
A-5	Sample Ratification of Communitization Agreement
A-6	Chronology of Contact
Exhibit B	Self-Affirmed Statement of Christopher Wray
B-1	Resume of Christopher Wray
B-2	Location Map of the Hambone Federal Com #501H
B-3	Second Bone Spring Sand Structure Map
B-4	Cross-Section Map
B-5	Stratigraphic Cross-Section
Exhibit C	Self-Affirmed Statement of Dana S. Hardy
C-1	Sample Notice Letter to All Interested Parties
C-2	Chart of Notice to All Interested Parties
C-3	Copies of Certified Mail Green Cards and White Slips
C-4	Affidavit of Publication for February 12, 2023

### COMPULSORY POON APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Page 2 of 32

Case: 23349	APPLICANT'S RESPONSE
Date	March 2, 2023
Applicant	COG Operating LLC
Designated Operator & OGRID (affiliation if applicable)	OGRID No. 229137
Applicant's Counsel:	Hinkle Shanor LLP
Case Title:	Application of COG Operating LLC for Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	None
Well Family	Hambone
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring
Pool Name and Pool Code:	Corral Canyon; Bone Spring, South Pool (Code 13354)
Well Location Setback Rules:	Statewide
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres
Building Blocks:	quarter-quarter
Orientation:	South/North
Description: TRS/County	E/2 E/2 of Sections 5 and 8, Township 26 South, Range 29 East, Eddy County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is	Yes.
approval of non-standard unit requested in this application?	
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit A-4
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	Hambone Federal Com #501H (API #) SHL: 222' FSL & 908' FEL (Unit P), Section 8, T26S, R29E BHL: 50' FNL & 330' FEL (Unit A), Section 5, T26S, R29E Completion Target: Bone Spring (Approx. 8,500' TVD)
Horizontal Well First and Last Take Points	Exhibit A-3
Completion Target (Formation, TVD and MD)	Bone Spring; 8,500' TVD
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	N/A
Production Supervision/Month \$	N/A
Justification for Supervision Costs	N/A
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R Beesiver Hisk Ch Dig 2/28/2023 11:48:39 AM	N/A Page 3	of 32
Notice of Hearing		5
Proposed Notice of Hearing	Exhibit A-2	
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C-1, Exhibit C-2, Exhibit C-3	
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-4	
Ownership Determination	Exhibit A-4	
Land Ownership Schematic of the Spacing Unit	Exhibit A-4	
Tract List (including lease numbers and owners) If approval of Non-Standard Spacing Unit is requested, Tract List		
(including lease numbers and owners) of Tracts subject to notice		
requirements.	N/A	
Pooled Parties (including ownership type)	Exhibit A-4	
Unlocatable Parties to be Pooled	N/A	
Ownership Depth Severance (including percentage above & below)	N/A	
Joinder		
Sample Copy of Proposal Letter	N/A	
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-4	
Chronology of Contact with Non-Joined Working Interests	Exhibit A-6	
Overhead Rates In Proposal Letter	N/A	
Cost Estimate to Drill and Complete	N/A	
Cost Estimate to Equip Well	N/A	
Cost Estimate for Production Facilities	N/A	
Geology		
Summary (including special considerations)	Exhibit B	
Spacing Unit Schematic	Exhibit B-2	
Gunbarrel/Lateral Trajectory Schematic	N/A	
Well Orientation (with rationale)	Exhibit B	
Target Formation	Exhibit B	
HSU Cross Section	Exhibit B-4	
Depth Severance Discussion	N/A	
Forms, Figures and Tables		
C-102	Exhibit A-3	
Tracts	Exhibit A-4	
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-4	
General Location Map (including basin)	Exhibit B-2	
Well Bore Location Map	Exhibit B-2	
Structure Contour Map - Subsea Depth	Exhibit B-3	
Cross Section Location Map (including wells)	Exhibit B-4	
Cross Section (including Landing Zone)	Exhibit B-5	
Additional Information		
Special Provisions/Stipulations	N/A	
CERTIFICATION: I hereby certify that the information provided in	this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Dana S. Hardy	

Signedired the ACTOracia Sci 423 the Representative):	/s/ Dana S. Hardy Page	4 of 32
Date:	2/28/202	3

#### 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. 23349

#### SELF-AFFIRMED STATEMENT OF GIANNA ROMERO

1. I am a Senior Land Negotiator for COG Operating LLC ("COG"). I am over 18 years of age, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement. I have not previously testified before the New Mexico Oil Conservation Division ("Division"). I have a Bachelor of Business Administration degree from the University of Oklahoma and have worked in the petroleum industry for approximately 10 years. A copy of my resume is attached as **Exhibit A-1**.

2. I am familiar with the land matters involved in the above-referenced case. Copies of COG's application and proposed hearing notice are attached as **Exhibit A-2**.

3. None of the parties proposed to be pooled in this case indicated opposition to this matter proceeding by affidavit, therefore I do not expect any opposition at hearing.

4. COG seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the E/2 E/2 of Sections 5 and 8, Township 26 South, Range 29 East, Eddy County, New Mexico ("Unit").

5. The Unit will be dedicated to the **Hambone Federal Com #501H** well ("Well"), which will be completed in the Corral Canyon; Bone Spring, South Pool (Code 13354). The Well was horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 8 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 5.

6. The completed interval of the Well will be orthodox.

COG Operating LLC Case No. 23349 Exhibit A 7. **Exhibit A-3** contains the C-102 for the Well.

8. **Exhibit A-4** contains a plat identifying ownership by tract in the Unit. This exhibit also includes any applicable lease numbers, a unit recapitulation, and the interests COG seeks to pool highlighted in yellow. All of the parties are locatable in that COG believes it located valid addresses for them.

9. COG has conducted a diligent search of all county public records including phone directories and computer databases, as well as internet searches, to locate the interest owners it seeks to pool.

10. **Exhibit A-5** contains a sample Ratification of Communitization Agreement sent to the overriding royalty interest owners for the Well.

11. In my opinion, COG made a good-faith effort to reach voluntary joinder of uncommitted interests in the Well as indicated by the chronology of contact described in **Exhibit A-6**.

12. COG requests overhead and administrative rates of \$8,000 per month while the Well is being drilled and \$800 per month while the Well is producing. These rates are fair and are comparable to the rates charged by COG and other operators in the vicinity.

13. The attached exhibits were either prepared by me or under my supervision or were compiled from company business records.

14. In my opinion, the granting of COG's application for compulsory pooling would serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

15. I understand this Self-Affirmed Statement will be used as written testimony in the subject cases. I affirm that my testimony 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.

Hianna Romero Gianna Romero

<u>2/27/2023</u> Date

#### Gianna Romero, CPL

#### 5605 Rio Grande Ave • Midland, TX 79707 • (720) 480-1471 • gianna.n.reese@gmail.com

#### **INDUSTRY EXPERIENCE**

#### ConocoPhillips, Midland, TX

Senior Land Negotiator (January 2023 – Current)

- Managed leasehold position covering 28 townships in Eddy & Lea Counties
- Negotiated exchange agreements, leases, and JOAs with landowners and partners
- Calculated and tracked down well critical dates on a daily basis
- Prepared and submitted yearly Plan of Development to BLM for Lusk Deep Unit in Eddy County

#### ConocoPhillips, Midland, TX

Permian Supervisor – Land Reporting, Systems, & Processes (March 2021 – December 2022)

- Led team of four Land Analysts and four GIS Analysts that support all Permian Land Teams
- Implemented geospatial tools to enhance Land Team capabilities such as the interactive Webmap and tracking of SWD payments on company owned surface
- Assisted in the integration of Land systems for Concho and Shell acquisitions
- Spearheaded process improvement efforts and collaborated with various teams on changes
- Facilitated project between Accounting, Finance, Reserves, and Land to allocate \$6.5B in unproved leasehold value within QLS
- Adept in various programs including Quorum, Business Objects, SAP, Spotfire, and Avocet

#### Concho Resources, Midland, TX

Landman II (March 2019 – February 2021)

- Managed RSP acquisition leasehold in Loving and Winkler Counties (Delaware Basin)
- Monitored continuous development obligations over 80+ leases to determine drilling critical dates
- Negotiated leases, amendments, letter agreements, and JOAs with landowners and partners
- Consulted with Legal Team on drafting of agreements and lease obligation analysis
- Evaluated complex mineral ownership and cleared title prior to drilling
- Reconciled internal Lease and Division Order records against title opinions to improve system accuracy
- Communicated with Operations Team on down well critical dates for cessation of production

#### SM Energy Company, Denver, CO

Landman II (August 2017 – February 2019)

- Handled Rock Oil acquisition assets in Howard County, TX (Midland Basin)
- Prepared complex drilling units that included multiple subdivisions (300+ tracts)
- Ordered plats from surveyors and ensured accuracy against the source deeds
- Collaborated with Regulatory Team on exception waivers, notice of unleased owners, permit filings
- Oversaw brokers and title attorneys over multiple projects

Senior Land Technician III (February 2017 – August 2017)

- Researched, prepared, and recorded unit designations
- Drafted, mailed, and tracked JOAs and AFE packages sent to partners
- Executed extension payments after reviewing the title and lease area priority
- Organized and paid invoices timely for brokers, surveyors, attorneys, and other various vendors

Division Order Analyst II (May 2013 – February 2017)

- Maintained North Dakota (Bakken), Wyoming (Powder River), and Texas (Eagleford) assets
- Responsible for updating revenue decks and JIB decks for owner maintenance
- Reviewed title opinions, chained ownership, and cured outstanding requirements
- Analyzed agreements (JOA's, farmouts) and partner elections for various payout scenarios
- Communicated regularly with accounting, marketing, and regional office to ensure correct payments

#### EDUCATION

#### University of Oklahoma, Norman, OK

Bachelor of Business Administration Graduated: May 2013 Major(s): Energy Management and Finance; 3.79 GPA – Academic distinction

#### 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. 23349

#### **APPLICATION**

Pursuant to NMSA 1978, § 70-2-17, COG Operating LLC (OGRID No. 229137) ("COG" or "Applicant") applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the E/2 E/2 of Sections 5 and 8, Township 26 South, Range 29 East, Eddy County, New Mexico ("Unit"). In support of this application, COG states the following.

1. Applicant is a working interest owner in the Unit and has the right to drill wells thereon.

2. The Unit will be dedicated to the **Hambone Federal Com #501H** well ("Well"), to be drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 8 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 5.

3. The completed interval of the Well will be orthodox.

4. Applicant has undertaken diligent, good-faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Well but has been unable to obtain voluntary agreements from all interest owners.

5. The pooling of uncommitted interests will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

COG Operating LLC Case No. 23349 Exhibit A-2 6. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the Unit should be pooled and Applicant should be designated as the operator of the Well and Unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on March 2, 2023, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the Unit;
- B. Approving the Well in the Unit;
- C. Designating Applicant as operator of the Unit and the Well to be drilled thereon;
- D. Authorizing Applicant to recover its costs of drilling, equipping and completing the Well;
- E. Approving the actual operating charged and costs of supervision while drilling and after completion, together with a provision adjusting the rated pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% penalty 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,

HINKLE SHANOR LLP

<u>/s/ Dana S. Hardy</u> Dana S. Hardy Jaclyn M. McLean Yarithza Peña P.O. Box 2068 Santa Fe, NM 87504-2068 Phone: (505) 982-4554

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dhardy@hinklelawfirm.com jmclean@hinklelawfirm.com ypena@hinklelawfirm.com *Counsel for COG Operating LLC*  **Application of COG Operating LLC for Compulsory Pooling, Eddy County, New Mexico.** Applicant seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the E/2 E/2 of Sections 5 and 8, Township 26 South, Range 29 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the **Hambone Federal Com #501H** well ("Well"), to be drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 8 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 5. The completed interval of the Well will be orthodox. Also to be considered will be the cost of drilling and completing the Well and the allocation of the cost, the designation of Applicant as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 10.4 miles south of Malaga, New Mexico.

#### Case No. 23349 Exhibit A-3 State of New Mexico DISTRICT I 1625 N. FRENCH DR., HOBBS, NM 88240 Phone: (575) 393-6161 Fax: (575) 398-0720 Energy, Minerals & Natural Resources Department Form C-102 DISTRICT II 811 S. FIRST ST., ARTESIA, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 OIL CONSERVATION DIVISION Revised August 1, 2011 1220 SOUTH ST. FRANCIS DR. Submit one copy to appropriate **District** Office DISTRICT III 1000 RIO BRAZOS RD., AZTEC, NM 87410 Phone: (505) 334-8178 Fax: (505) 334-8170 Santa Fe, New Mexico 87505 DISTRICT IV 1220 S. ST. FRANCIS DR., SANTA FE, NM 67505 Phone: (505) 476-3460 Fax: (505) 476-3462 □ AMENDED REPORT WELL LOCATION AND ACREAGE DEDICATION PLAT API Number Pool Code Pool Name 13354 Corral Canyon; Bone Spring, South 30-015-49113 Property Code Well Number Property Name HAMBONE FEDERAL COM 501H OGRID No. **Operator** Name Elevation COG OPERATING, LLC 229137 2917.2' Surface Location UL or lot No. Feet from the North/South line East/West line Section Township Range Lot Idn Feet from the County Ρ 8 26 - S29-E 222 SOUTH 908 EAST EDDY Bottom Hole Location If Different From Surface East/West line UL or lot No. Section Township Range Lot Idn Feet from the North/South line Feet from the County A 5 26 - S29 - F50 NORTH 330 FAST FDDY Dedicated Acres Joint or Infill Consolidation Code Order No. 320 NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION Y=392610.2 N Y=392621.3 N OPERATOR CERTIFICATION B.H. X=642555.7 E X=645220.7 E I hereby certify that the information I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. NAD 83 NME PROPOSED BOTTOM HOLE LOCATION <u>LTP</u> 100' FNL & 330' FEL Y=392519.9 N Y=392569.9 N X=644892,7 E X=644893.3 E LAT.=32.078813" N LAT.=32.078676° N LONG.=103.998985" W LONG.=103.998986" W 3.6 Mayte Keyes 1/7/2022 LEASE X-ING 42 LAT.=32.071725' N LONG.=103.998910' W Signature 35<u>917'</u>4 - 10513 Date Mayte Reves Printed Name AZ. -DIST. LEASE X-ING mayte.x.reyes@conocophillips.com LAT.=32.064362' N LONG.=103.998830' W GRID / HORZ. E-mail Address SURVEYOR CERTIFICATION SECTION 5 I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. SECTION 8 LEASE X-ING LAT.=32.060692" N LONG.=103.998791\* W JULY 3, 2019 Date of Survey Signature & Seal of Professional Surveyor LEASE X-ING CHAD L. HARCRO W WEXIC A.W FTP 100' FSL & 330' FEL Y=382057.1 N ICENS 0 177 NAD 83 NME X=645021.9 E SURFACE LOCATION LAT.=32.049913' N LONG.=103.998674' W GRID AZ. TO FTP 101'48'22" Y=382178.1 N X=644442.9 E ESSIONA LAT.=32.050251° N <u>8/6/</u>19 LONG.=104.000542° W Natown Y=381957.6 N Y=381953.2 N Certificate No. CHAD HARCROW 17777 X=645352.8 E X=642682.2 E W.O. #19-1110 DRAWN BY: CD

COG Operating Life 32

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5-26S-29E	Ŧ	5-265-29E	Tract 1 NM-115417 80 ac
	D COM 501H G UNIT		Tract 2 NM-124655 80 ac
8-26S-29E	HAMBONE FED COM 501H SPACING UNIT	8-26S-29E	Tract 4 NM-123925 80 ac
	±		Tract 3 NM-57261 80 ac

WORKING INTEREST OWNER	TRACT 1	TRACT 2	TRACT 3	TRACT 4	UNIT RECAP
COG Operating LLC	0.23928571	0.24062500	0.25000000	0.23750000	0.96741071
Concho Oil & Gas LLC	0.01071429	0.00937500	0.00000000	0.01250000	0.03258929
				TOTAL	1.00000000

Well Proposal Sent	N/A
Communitization Agmts Sent	Yes
Joint Operating Agmt Sent	N/A

PARTIES TO POOL	INTEREST TYPE
Fortis Minerals II, LLC	
PO Box 470788, Ft Worth, TX 76147	ORRI

COG Operating LLC Case No. 23349 Exhibit A-4



February 6, 2023

Via CMRRR No. 9489 0090 0027 6460 5161 49

Fortis Minerals II, LLC P.O. BOX 470698 Fort Worth, TX 76147

Re: Hambone Federal Com Wells E2 of Sections 5 & 8, T26S-R29E Eddy County, New Mexico ("Subject Lands")

Dear Sir or Madam:

COG Operating LLC ("COG") previously pooled your interest in the Subject Lands under the following compulsory pooling orders (the "Orders"):

- Case No. 22369, Order No. R-22016; Hambone Federal Com #501H (E2E2 Sections 5 & 8, T26S-R29E)
- Case No. 22596, Order No. R-22095; Hambone Federal Com #502H (W2E2 Sections 5 & 8, T26S-R29E)

The Orders have expired, therefore COG has submitted new compulsory pooling applications with the NMOCD. As an interest owner in the Subject Lands, COG respectfully requests your signature on the following documents:

- Ratification of Communitization Agreement Hambone Fed Com 501H Federal CA
- Ratification of Communitization Agreement Hambone Fed Com 502H Federal CA

Please return the designated signature pages to my attention at the letterhead address. Should you have any questions, please do not hesitate to contact me.

Sincerely,

**COG Operating LLC** 

Tessa Elder Senior Land Tech

Enc

COG Operating LLC Case No. 23349 Exhibit A-5

#### RATIFICATION OF COMMUNITIZATION AGREEMENT HAMBONE FED COM 501H UNIT, HAMBONE FED COM 502H UNIT

STATE OF NEW MEXICO	
	)
COUNTY OF EDDY	)

**COG OPERATING LLC**, as Operator, executed Federal Communitization Agreements ("Federal CAs"), each effective November 1, 2021, designating the following units, and pooling and combining the oil and gas leases set forth therein, insofar as they cover the respective communitized area described below.

HAMBONE FED COM 501H UNIT FEDERAL CA Township 26 South, Range 29 East, N.M.P.M. Section 5: E2E2 and Section 8: E2E2 Eddy County, New Mexico As to the Bone Spring formation only Comprised of 320.00 acres, more or less HAMBONE FED COM 502H UNIT FEDERAL CA

Township 26 South, Range 29 East, N.M.P.M. Section 5: W2E2 and Section 8: W2E2 Eddy County, New Mexico As to the Bone Spring formation only Comprised of 320.00 acres, more or less

**FORTIS MINERALS II, LLC**, whose address is P.O. Box 470698, Ft. Worth, TX 76147, is/are an owner of an interest located in the unit referenced above.

**FORTIS MINERALS II, LLC,** desire(s) to adopt, ratify and confirm the above-described Federal CAs insofar as each Federal CA covers the right, title and interest in and to the oil and gas leases and the lands included in the described units.

In consideration of the premises, **FORTIS MINERALS II, LLC** do(es) hereby adopt, ratify and confirm the above-described Federal CAs insofar as each Federal CA covers his/her/its right, title and interest in the oil and gas leases and the lands included in the units, and agrees that his/her/its interest is subject to all of the terms and provisions therein.

This Ratification is effective as of the effective date of the above-referenced Federal CAs.

#### FORTIS MINERALS II, LLC

By: \_\_\_\_\_\_ Title: \_\_\_\_\_\_

STATE OF \_\_\_\_\_)
COUNTY OF \_\_\_\_\_)

This instrument was acknowledged	pefore me on the	day of	, 2023,
by	(name) as		(title)
of FORTIS MINERALS II, LLC, on beha	alf of same.		

Notary Public – State of \_\_\_\_\_

#### Hambone Fed Com 501H - Chronology Efforts

- 10/12/2021- Sent Federal Communitization Agreements to applicable parties
- 10/12/2021- Sent Ratifications of Federal Communitization Agreements to applicable parties
- 02/06/2023 Sent Ratifications of Federal Communitization Agreements to applicable parties

COG Operating LLC Case No. 23349 Exhibit A-6

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#### 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. 23349

#### SELF-AFFIRMED STATEMENT OF CHRISTOPHER WRAY

1. I am a geologist for COG Operating LLC ("COG"). I am over 18 years of age, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement. I have not previously testified before the New Mexico Oil Conservation Division ("Division"). I have a Master's degree from Louisiana State University and have worked in the petroleum industry for approximately 4 years. A copy of my resume is attached as **Exhibit B-1**.

2. I am familiar with the geological matters that pertain to the above-referenced case.

3. **Exhibit B-2** is a location map of the proposed horizontal spacing unit ("Unit"). The approximate wellbore paths for the **Hambone Federal Com #501H** well is represented by a dashed line. Existing producing wells in the targeted interval are represented by solid lines.

4. **Exhibit B-3** is a subsea structure map for the Bone Spring formation that is representative of the targeted interval. The data points are indicated by crosses. The approximate wellbore paths of the well is depicted by a dashed line. The map demonstrates the formation is dipping to the east in this area. I do not observe any faulting, pinch-outs, or geologic impediments to developing the targeted intervals with horizontal wells.

5. **Exhibit B-4** is a cross section map that identifies three wells penetrating the targeted intervals used to construct a structural cross-section from A to A'. I used these well logs

COG Operating LLC Case No. 23349 Exhibit B because they penetrate the targeted intervals, are of good quality, and are representative of the geology in the area.

6. **Exhibit B-5** is a stratigraphic cross-section using the representative wells identified on Exhibit B-4. It contains gamma ray, resistivity and porosity logs. The landing zone for the well is labeled on the exhibit. This cross-section demonstrates the target intervals are continuous across the Unit.

7. In my opinion, a standup orientation for the well is appropriate to properly develop the subject acreage because of consistent rock properties throughout the Unit and the lack of preferred fracture orientation in this portion of the trend.

8. Based on my geologic study of the area, the targeted interval underlying the Unit is suitable for development by horizontal wells and the tracts comprising the Unit will contribute more or less equally to the production of the well.

9. In my opinion, the granting of COG's application will serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

10. The attached exhibits were either prepared by me or under my supervision or were compiled from company business records.

11. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm my testimony 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 identified next to my signature below.

Christopher Wray

<u>Z-Z3-20Z3</u> Date

### Christopher M. Wray

5204 Lavaca Avenue, Midland, TX 79705 (281) 387-8083, <u>chmwray@gmail.com</u>

### Petroleum Experience

#### ConocoPhillips, Midland, TX

Asset Geologist – Delaware Basin West

- Asset geologist and project manager for Delaware Basin West positions located in Eddy County and Reeves County.
- Provided operational support for 1 rig continuously resulting in drilling 16 wells in 2022 across 5 different projects/positions.
- Provided geological support for acreage trades resulting in blocking core acreage and extending operated lateral positions with COP positions.

#### ConocoPhillips, Midland, TX

Geoscience Analyst - Senior Geological Analyst - Midland Basin Team

- Technical support for Midland Basin Business Unit during data migration into ConocoPhillips environment during company transition.
- Lead technical support for integration of heritage Concho workflows into ArcGIS.

#### Concho Resources, Midland, TX

Geoscience Tech 2 – Midland Basin Team

- Provided support to business users with data, application support and data loading/gathering.
   Includes well headers, directional surveys, logs, culture layers, and zone data.
- Managed and maintained landing zone workflow for Midland Basin Business group.
- Worked with asset team to maintain activity maps including landing zone, IP wells, permits, and projects.

QEP Resources, Denver, Colorado

Geology Intern – Exploration Team

- Conducted a recompletion project on Travis Peak Formation and Rodessa Formation in North Louisiana to extend life of field and avoid P&A.
- Worked alongside RE intern to develop Travis Peak and Rodessa well decline curves, volumetric estimates, and recoverable volumes.
- Dataset consisted of over 500 well logs, 105 petrophysical logs, 200 mudlogs, 6 cores, 10 production logs, and 200 wellbore diagrams.

#### Concho Resources, Midland, Texas

Geology Intern – Exploration Team

- Developed an unconventional shale play in unexplored section in western Midland Basin utilizing well logs, mudlogs, XRD, and SRA data.
- Data set consisted of over 1,500 well logs for structure and thickness layers, 150 mudlogs for gas shows, oil cut, fluorescence, and 5 wells with core data encompassing an area approximately 2,100 square miles.

#### IBA Spring 2015: Competition Team, Cooper Basin, Australia

- Dataset included 3D seismic cube and 11 well logs.
- Conducted petrophysical analysis in order to calculate net pay, net sand, reservoir quality
- Created structure and isochore maps for net reservoir and source based on well log analysis
- Assisted in 3D seismic interpretation and source modeling in PetroMod.

COG Operating LLC Case No. 23349 Exhibit B-1

12/2022 - Present

2/2019 - 1/2021

1/2021 - 12/2021

5/2015 - 8/2015

5/2015 - 8/2015

IBA Spring 2014: Practice Team, Taranaki Basin, New Zealand

- Dataset included 200 2D seismic lines and 9 well logs.
- Developed CRS maps based from paleogeographic maps, well logs and seismic interpretation.
- Worked on petrophysical well logs and assisted in seismic interpretation.

#### **Petroleum Short Courses:**

- Predictive Sequence Stratigraphy Vitor Abreu, Geologica, October 17-21, 2022
- Induced Seismicity Workshop WTGS, April 4, 2022 •
- ConocoPhillips GGRE School, March 29 April 1, 2022
- 3D Seismic Interpretation Dr. Erik Scott, LSU, December 16-18, 2015
- Geosteering Short course BHL Geosteering, LSU, November 21, 2015 •
- Volumetrics and Risk Dr. Erik Scott, LSU, February 20, 2015
- Seismic Interpretation Dr. Brian Lock, ULL, January 8-9, 2015
- Petrel Intro and Geology Schlumberger, Houston, January 5-7, 2015 ٠
- Unconventional Resources Dr. Alan Brown, Schlumberger, LSU, October 11, 2014
- Fracture Modeling Dr. Alan Brown, Schlumberger, LSU, October 8, 2014

#### **Educational Background**

#### Louisiana State University, Baton Rouge, Louisiana

MS Geology

Advisor: Dr. Achim Herrmann

Thesis Title: Investigating Uranium incorporation in modern carbonates by sequential extraction: Applied to the Permian-Triassic boundary in Lung Cam Vietnam.

- Applied Depositional Geosystems Certificate (ADG)
- Adam Sturlese Memorial Geology Scholarship (Fall 2014-Spring 2016)

College of Geosciences, BS in Geology – Engineering Option

Distinguished Student (Spring, 2010, Summer 2010, Fall 2010)

#### Work Experience

Louisiana State University, Baton Rouge, Louisiana

Graduate Assistant – CxC Science Studio

- Developed and implemented a science writing workshop for undergraduate students. •
- Present lectures on proper scientific writing techniques.
- Mentor undergraduates on communication-based projects and overall communication skills.
- Wrote a grant proposal and budget to the Board of Regents for higher learning technology. • and visual communication tools totaling over \$100K.

Teaching Assistant – Department of Geology and Geophysics

- Prepared and presented weekly lectures for two Physical Geology labs. •
  - Held weekly office hours for individual student consultations.
- Graded and evaluated student performance for 60 students.

1/2014 - 5/2014

1/2014 - 8/2018

**GPR 3.8** 

**GPR 3.12** 

1/2008 - 5/2011

8/2014 - Present

#### **Red River Authority of Texas,** Wichita Falls, TX

Environmental Lab Technician

- Performed routine and non-standardized tests of aqueous samples for clients.
- Prepared various technical reports for clients, records, and quality control charts for audits.
- Worked closely with Clean Rivers Project documentation and analysis of samples for the northern 43 counties of Texas.

#### Radarview LLC., Humble, TX

Staff Geologist

- Fieldwork for detailed mapping using GPS grids utilizing GPR equipment at chemical plants.
- Used AutoCAD to construct accurate maps and formal reports of problematic void zones during construction phases to avoid future environmental problems.

#### Texas A&M University, College Station, Texas

Student Worker – Geology and Geophysics Department

- Dismantled, reduced, and reorganized the Department of Geology and Geophysics research core sample supply.
- Coordinated and shipped four major shipments of core (6000 total) to leading core depositories.

#### **Affiliations**

Member of West Texas Geological Society	1/2014 - Present
Member of Association of Petroleum Geologists	1/2014 - 1/2019
Member of LSU AAPG Student Chapter	1/2014 - 8/2018
• Secretary Chair for academic year 2015-2016	
Member of Texas A&M Geology and Geophysics Society	1/2008 - 5/2011
Member of Texas A&M Judo Team	1/2008 - 5/2011

#### **Software Experience and Skills**

Petrel, PetroMod, Geographix, Trinity, ArcGIS, Spotfire, Landmark, Matlab, AutoCAD, Bilingual - Spanish

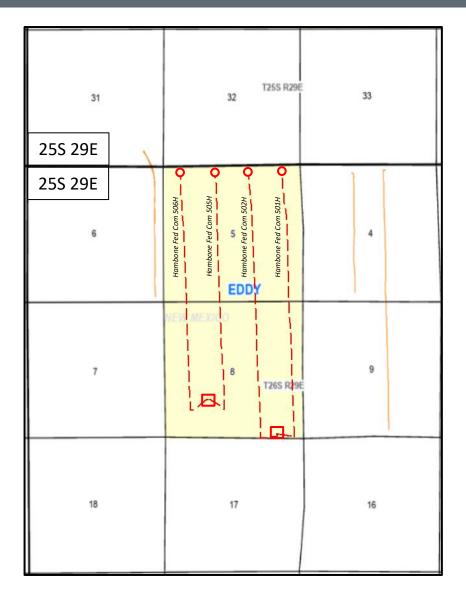
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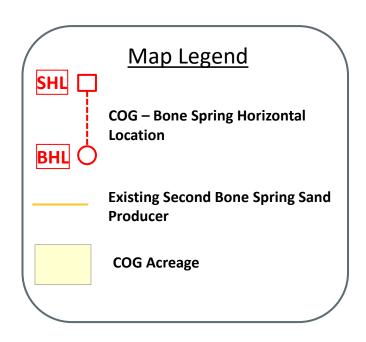
1/2013 - 3/2013

3/2013 - 12/2013

9/2010 - 5/2011

# (Exhibit B-2) Hambone Fed Com 501H, 502H, 505H, 506H



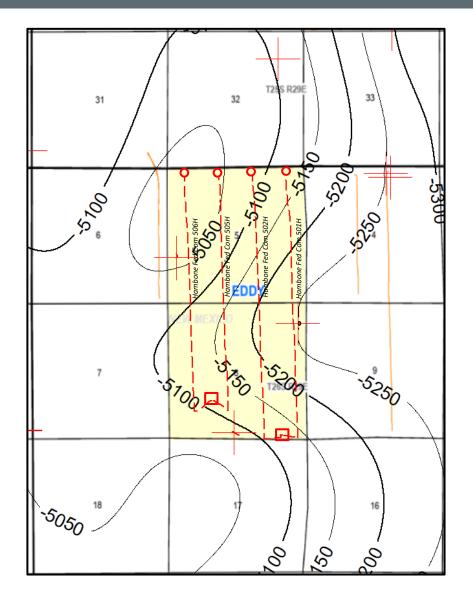


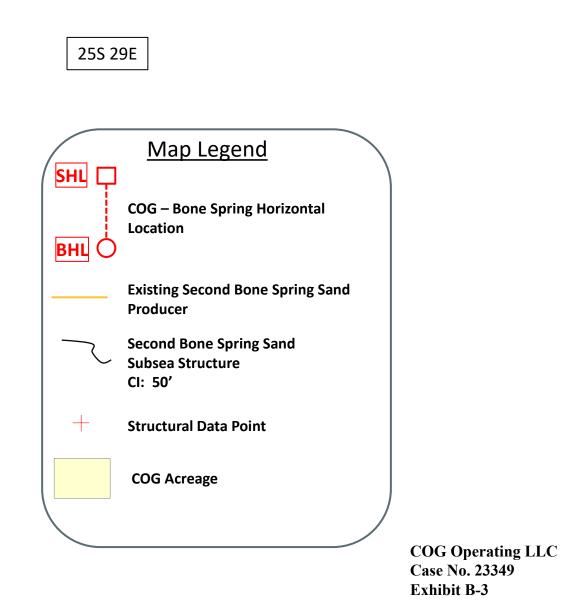
COG Operating LLC Case No. 23349 Exhibit B-2



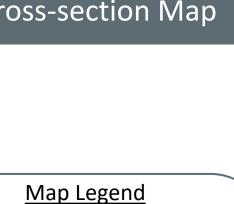
(Exhibit B-3) Hambone Fed Com 501H, 502H, 505H, 506H: Second Bone Spring Sand – Structures

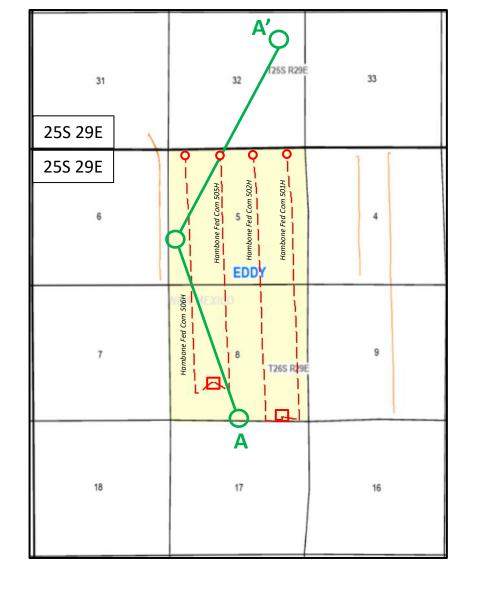
### Map

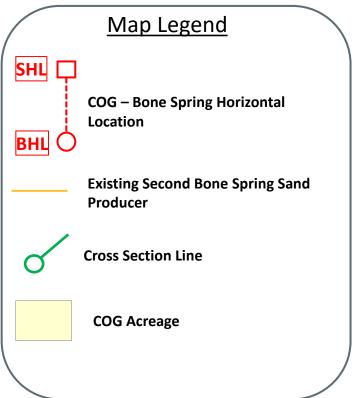












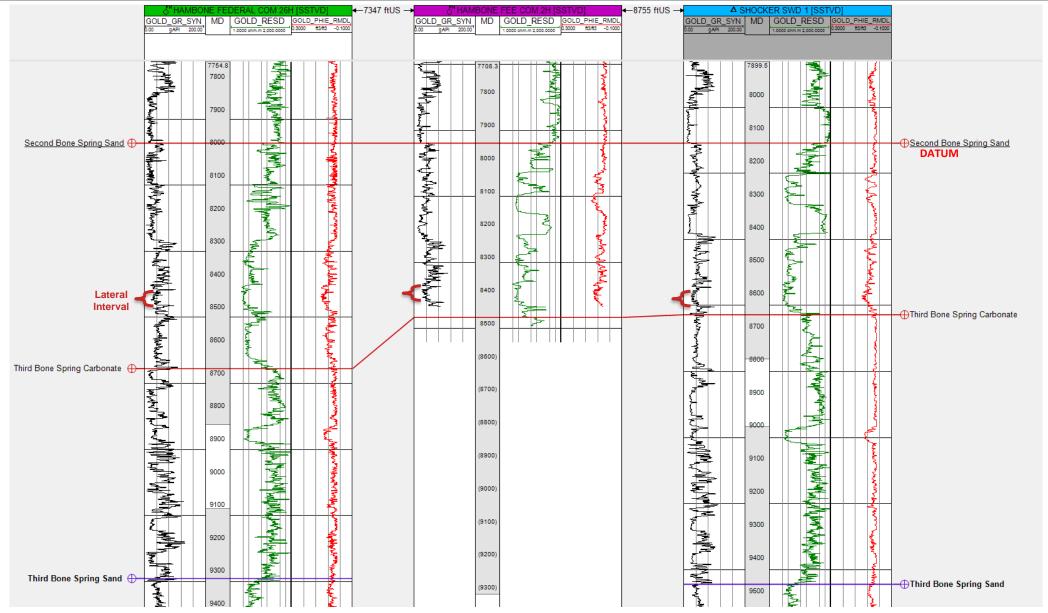
COG Operating LLC Case No. 23349 Exhibit B-4



Page 26 of 32

## (Exhibit B-5) Second Bone Spring Sand – Stratigraphic Cross Section A – A'





COG Operating LLC Case No. 23349 Exhibit B-5



#### 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. 23349

#### SELF-AFFIRMED STATEMENT OF DANA S. HARDY

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

2. I am familiar with the Notice Letter attached as **Exhibit C-1** and caused the Notice Letter, along with the Application in this case, to be sent to the parties set out in the chart attached as **Exhibit C-2**.

3. Exhibit C-2 also provides the date each Notice Letter was sent and the date each return was received.

4. Copies of the certified mail green cards and white slips are attached as Exhibit C-3 as supporting documentation for proof of mailing and the information provided on Exhibit C-2.

5. On February 12, 2023, I caused a notice to be published to all interested parties in the Carlsbad Current Argus. An Affidavit of Publication from the Legal Clerk of the Carlsbad Current Argus, along with a copy of the notice publication, is attached as **Exhibit C-4**.

6. I understand this Self-Affirmed Statement will be used as written testimony in the subject cases. I affirm that my testimony above is true and correct and it 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.

<u>/s/ Dana S. Hardy</u> Dana S. Hardy February 26, 2022 Date

> COG Operating LLC Case No. 23349 Exhibit C



#### HINKLE SHANOR LLP

ATTORNEYS AT LAW P.O. BOX 2068 SANTA FE, NEW MEXICO 87504 505-982-4554 (FAX) 505-982-8623

WRITER: Dana S. Hardy, Partner dhardy@hinklelawfirm.com

## VIA CERTIFIED MAIL

February 7, 2023

### RETURN RECEIPT REQUESTED

#### TO ALL PARTIES ENTITLED TO NOTICE

## Re: Case No. 23349 – Application of COG Operating LLC for Compulsory Pooling, Eddy County, New Mexico.

To whom it may concern:

This letter is to advise you that the enclosed application was filed with the New Mexico Oil Conservation Division. The hearing will be conducted on **March 2, 2023**, beginning at 8:15 a.m.

Hearings are currently conducted remotely. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <u>https://www.emnrd.nm.gov/ocd/hearing-info/</u>. 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.

Pursuant to Division Rule 19.15.4.13.B, a party who intends to present evidence at the hearing shall file a pre-hearing statement and serve copies on other parties, or the attorneys of parties who are represented by counsel, at least four business days in advance of a scheduled hearing, but in no event later than 5:00 p.m. Mountain Time, on the Thursday preceding the scheduled hearing The statement must be submitted through the OCD E-Permitting system date. (https://wwwapps.emnrd.nm.gov/ocd/ocdpermitting/ via e-mail to ) or ocd.hearings@emnrd.nm.gov and should include: the names of the parties and their attorneys, a concise statement of the case, the names of all witnesses the party will call to testify at the hearing, the approximate time the party will need to present its case, and identification of any procedural matters that are to be resolved prior to the hearing.

Please contact Gianna Romero, CPL, Senior Land Negotiator for COG Operating LLC, by phone at (432) 221-0421 if you have any questions regarding this matter.

Sincerely,

<u>/s/ Dana S. Hardy</u> Dana S. Hardy

> COG Operating LLC Case No. 23349 Exhibit C-1

PO BOX 10 ROSWELL, NEW MEXICO 88202 (575) 622-6510 FAX (575) 623-9332 7601 JEFFERSON ST NE · SUITE 180 ALBUQUERQUE, NEW MEXICO 87109 505-858-8320 (FAX) 505-858-8321 PO BOX 2068 SANTA FE, NEW MEXICO 87504 (505) 982-4554 FAX (505) 982-8623

Enclosure

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

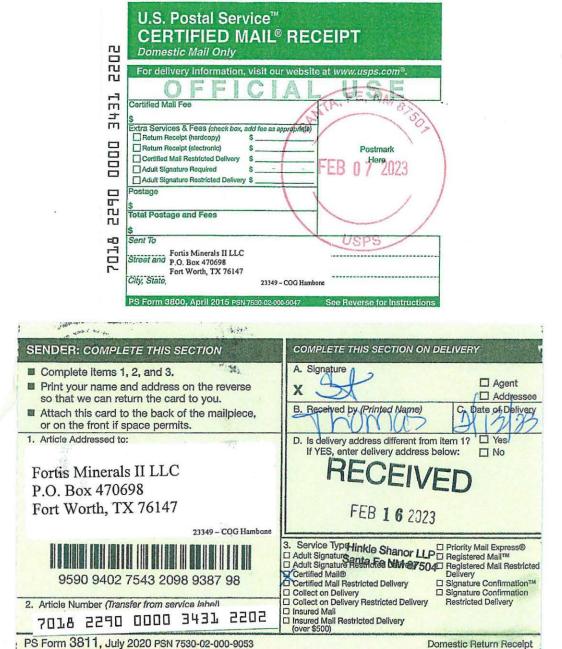
#### APPLICATION OF COG OPERATING LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 23349

#### NOTICE LETTER CHART

PARTY	NOTICE LETTER SENT	<b>RETURN RECEIVED</b>
Fortis Minerals II LLC	02/07/23	02/16/23
P.O. Box 470698		
Fort Worth, TX 76147		

COG Operating LLC Case No. 23349 Exhibit C-2



**Domestic Return Receipt** 

COG Operating LLC Case No. 23349 **Exhibit C-3** 

Receiver 10 000 - 208/2023 1249: 62.01

### **Carlsbad Current Argus**.

Affidavit of Publication Ad # 0005590103 This is not an invoice

#### HINKLE SHANOR LLP POBOX 10

ROSWELL, NM 88202-0010

I, a legal clerk of the Carlsbad Current Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

02/12/2023

Legal Clerk

Subscribed and sworn before me this February 13, 2023:

State of WI, County of Brown NOTARY PUBLIC

7 N

My commission expires

KATHLEEN ALLEN Notary Public State of Wisconsin

This is to notify all interested parties, including Fortis Minerals II LLC; and their successors and assigns, that the New Mexico Oil Conservation Division will conduct vation Division will conduct a hearing on an application submitted by COG Operat-ing LLC (Case No. 23349). The hearing will be conduct-ed remotely on March 2, 2023, beginning at 8:15 a.m. To participate in the elec-tronic hearing, see the instructions posted on the OCD Hearings website for that date: https://www.emnr d.nm.gov/ocd/hearing-info/. Applicant applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit com-prised of the E/2 E/2 of Sections 5 and 8, Township 26 South, Range 29 East, Eddy County, New Mexico ("Uni-t"). The Unit will be dedicated to the Hambone Federal ed to the Hambone Federal Com #501H well ("Well"), to be drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 8 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 5. The completed in-terval of the Well will be or-thodox. Also to be considthodox. Also to be consid-ered will be the cost of drilling and completing the Well and the allocation of the cost, the designation of Applicant as operator of the Well, and a 200% charge for Viel, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approxi-mately 10.4 miles south of Malaga, New Mexico. #5590103, Current Argus, February 12, 2023

Ad # 0005590103 PO #: 0005590103 # of Affidavits: 1

This is not an invoice

COG Operating LLC Case No. 23349 Exhibit C-4