

Case No. 24100
BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING January 4, 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. 24100

HEARING PACKAGE TABLE OF CONTENTS

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- COG Exhibit A: Self-Affirmed Statement of Michael Potts, Landman
 - o COG Exhibit A-1: Draft C-102s
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 - o COG Exhibit A-3: Working Interest Ownership
- COG Exhibit B: Self-Affirmed Statement of Ben Breyman, Geologist
 - o COG Exhibit B-1: Location Map
 - o COG Exhibit B-2: Subsea Structure Map
 - o COG Exhibit B-3: Cross Section Map
 - o COG Exhibit B-4: Stratigraphic Cross Section Map
- COG Exhibit C: Notice Affidavit
- **COG Exhibit D:** Affidavit of Publication

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE	APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	5
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Case: 24100	APPLICANT'S RESPONSE
Hearing Date	January 4, 2024
Applicant	COG Operating LLC
Designated Operator & OGRID (affiliation if applicable)	COG Operating LLC (OGRID 229137)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF COG OPERATING LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	
Well Family	Azores Fed Com wells
Formation/Pool	
Formation Name(s) or Vertical Extent:	Upper Wolfcamp formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	WC-025 G-08 S243217P; UPR WOLFCAMP (98248)
Well Location Setback Rules:	Statewide rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320-acres
Building Blocks:	Quarter-quarter sections
Orientation:	South-North
Description: TRS/County	W2W2 of Sections 20 & 29, Township 24 South, Range 32 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	N/A
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit A-3
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	
Well #1	Azores Fed Com 706H (API Pending) SHL: 855' FSL, 1255' FWL (Unit M), Sec. 29, T24S, R32E BHL: 50' FNL, 990' FWL (Unit D) Sec. 20, T24S, R32E Upper Wolfcamp formation South-North Completions are expected to be standard

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Well #2	Azores Fed Com 708H (API Pending) SHL: 855' FSL, 1225' FWL (Unit M), Sec. 29, T24S, R32E BHL: 50' FNL, 330' FWL (Unit D) Sec. 20, T24S, R32E Upper Wolfcamp formation South-North Completions are expected to be standard
Horizontal Well First and Last Take Points	Exhibit A-1
Completion Target (Formation, TVD and MD)	Exhibit B
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	N/A
Production Supervision/Month \$	N/A
Justification for Supervision Costs	N/A
Requested Risk Charge	N/A
Notice of Hearing	
Proposed Notice of Hearing	See filed Application
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit D
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-3
Tract List (including lease numbers and owners)	Exhibit A-2
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-3
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-3
Chronology of Contact with Non-Joined Working Interests	N/A
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-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-1
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B-4
HSU Cross Section	Exhibit B-4
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Forms, Figures and Tables	
C-102	Exhibit A-1
Tracts	Exhibit A-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit B-1
Structure Contour Map - Subsea Depth	Exhibit B-2
Cross Section Location Map (including wells)	Exhibit B-3
Cross Section (including Landing Zone)	Exhibit B-4
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information pr	ovided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Michael H. Feldewet
Signed Name (Attorney or Party Representative):	wall Ma-
Date:	2-Jan-24

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. 24100

APPLICATION

COG Operating LLC ("Applicant"), through its undersigned attorneys, files this application with the Oil Conservation Division for an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 320-acre, more or less, horizontal well spacing unit comprised of the W2W2 of Sections 20 & 29, Township 24 South, Range 32 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 designate COG Production LLC (OGRID No. 217955) as the operator of the proposed spacing unit.
- 3. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to the proposed **Azores Federal Com 708H** and **Azores Federal Com 706H** wells to be horizontally drilled from a surface location in the SW4 of Section 29, with first take points in the SW4SW4 (Unit M) of Section 29 and last take points in the NW4NW4 (Unit D) of Section 20.
- 4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all the interest owners in the subject spacing unit.
- 5. The pooling of interests 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 January 4, 2024, and after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the proposed horizontal well spacing unit;
- C. Designating COG Production LLC as the operator of this spacing unit and the horizontal wells to be drilled thereon;
- D. Authorizing Applicant to recover its costs of drilling, equipping, and completing the wells;
- E. Approving the actual operating charges and costs of supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP

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

pmvance@hollandhart.com

ATTORNEYS FOR COG OPERATING LLC

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 the Wolfcamp formation underlying a standard 320-acre, more or less, horizontal well spacing unit comprised of the W2W2 of Sections 20 & 29, Township 24 South, Range 32 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Azores Federal Com 708H and Azores Federal Com 706H wells to be horizontally drilled from a surface location in the SW4 of Section 29, with first take points in the SW4SW4 (Unit M) of Section 29 and last take points in the NW4NW4 (Unit D) of Section 20. Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of COG Production LLC as operator, and the imposition of 200% charge for risk involved in drilling and completing the wells. Said area is located approximately 29 miles northwest of Jal, New Mexico.

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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, LEA COUNTY, NEW MEXICO.

CASE NO. 24100

SELF-AFFIRMED STATEMENT OF MICHAEL POTTS, LANDMAN

1. My name is Michael Potts, and I am employed by COG Operating LLC

("COG") as a Landman. My responsibilities include the Permian Basin of New Mexico.

I have previously testified before the New Mexico Oil Conservation Division as an expert

witness in petroleum land matters and my credentials have been accepted by the Division

and made a matter of record.

2. I am familiar with the application filed by COG in this matter and the status

of the lands in the subject area. There are no ownership depth severances in the Wolfcamp

formation underlying the subject acreage.

3. COG seeks an order pooling all uncommitted interests in the Wolfcamp

formation underlying a standard 320-acre, more or less, horizontal well spacing unit

comprised of the W2W2 of Sections 20 and 29, Township 24 South, Range 32 East,

NMPM, Lea County, New Mexico. This spacing unit will be initially dedicated to the

proposed Azores Federal Com 706H and Azores Federal Com 708H wells to be horizontally

drilled from a surface location in the SW4 of Section 29, with first take points in the SW4SW4

(Unit M) of Section 29 and last take points in the NW4NW4 (Unit D) of Section 20.

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico

Exhibit No. A

Case No. 24100

- 4. **Exhibit A-1** contains the Form C-102s for the proposed initial wells. They reflect that the wells will be assigned to the WC-025 G-08 S243217P; UPR WOLFCAMP pool (code 98248).
- 5. **Exhibit A-2** identifies the tracts of land comprising the proposed spacing unit, which consists of federal acreage.
- 6. **Exhibit A-3** provides a working interest ownership breakdown by tract and by the proposed spacing unit. COG is seeking to pool the overriding royalty interest owners and a record tile owner that are highlighted and listed on this exhibit.
- 7. COG has been able to locate a mailing address for all the mineral owners that it seeks to pool.
- 8. I have provided the law firm of Holland and Hart LLP with the names and addresses of the mineral owners to be pooled and instructed that they be notified of this hearing.
- 9. Exhibits A-1 through A-3 were prepared by me or compiled under my direction from company business records.
- 10. 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.

MICHAEL POTTS

12/29/2023 Date

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BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico age 11 of 27

Exhibit No. A-1

Submitted by: COG Operating LLC Hearing Date: January 4, 2024

Case No. 24100

State of New Mexico DISTRICT I 1625 N. FRENCH DR., HOBBS, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 Energy, Minerals & Natural Resources Department DISTRICT II 811 S. FIRST ST., ARTESIA, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

DISTRICT III 1000 RIO BRAZOS RD., AZTEC, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

□ AMENDED REPORT

DISTRICT IV 1220 S. ST. FRANCIS DR., SANTA FE, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

 WELL_	LOCATION	AND	ACREAGE	DEDICATION	PLAT	

API Number 30-025-49197	Pool Code 98248	WC-025 G-08 S243217P;UF	PR WOLFCAMP			
Property Code 331170	-	Property Name AZORES FEDERAL COM				
ogrid No. 217955	·	rator Name RATING, LLC	Elevation 3503.6'			

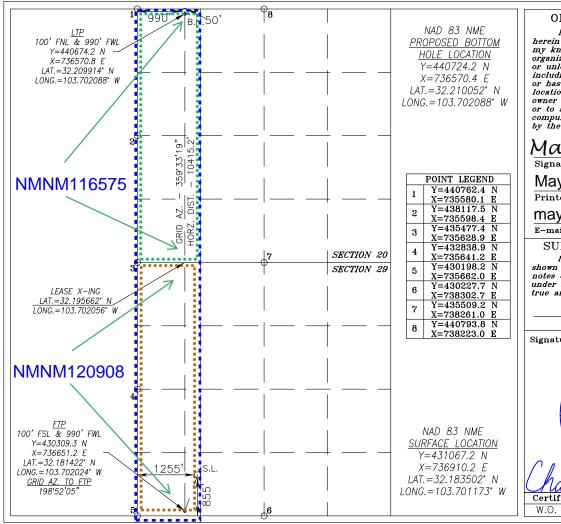
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
М	29	24-S	32-E		855	SOUTH	1255	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Townsh	ip	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	20	24-	S	32-E		50	NORTH	990	WEST	LEA
Dedicated Acres	Dedicated Acres Joint or Infill Consolidation Code		Code Or	der 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



OPERATOR CERTIFICATION

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. I hereby certify that the information

Mayte Reye<u>s 9/07/2023</u>

Signature

Date

Mayte Reyes

Printed Name

mayte.x.reyes@cop.com

E-mail Address

SURVEYOR CERTIFICATION

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.

NOVEMBER 20, 2020

Date of Survey

Signature & Seal of Professional Surveyor CHAD L. HARCRO

MEXIC N. W. 0 R 30/FESSIONA

Certificate No. CHAD HARCROW 17777 22-335 DRAWN BY: WN

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240
Phone: (576) 393-6161 Fax: (575) 393-0720
DISTRICT II
811 S. FIRST ST., ARTESIA, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

DISTRICT III 1000 RIO BRAZOS RD., AZTEC, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV 1220 S. ST. FRANCIS DR., SANTA FE, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

☐ AMENDED REPORT

WELL	LOCATION	AND	ACREAGE	DEDICATION	PLAT

API Number	Pool Code 98248	WC-025 G-08 S243217P	; UPR Wolfcamp
Property Code	-	rety Name	Well Number
331170		FEDERAL COM	708H
ogrid no.	_	ator Name	Elevation
217955		DUCTION, LLC	3503.8'

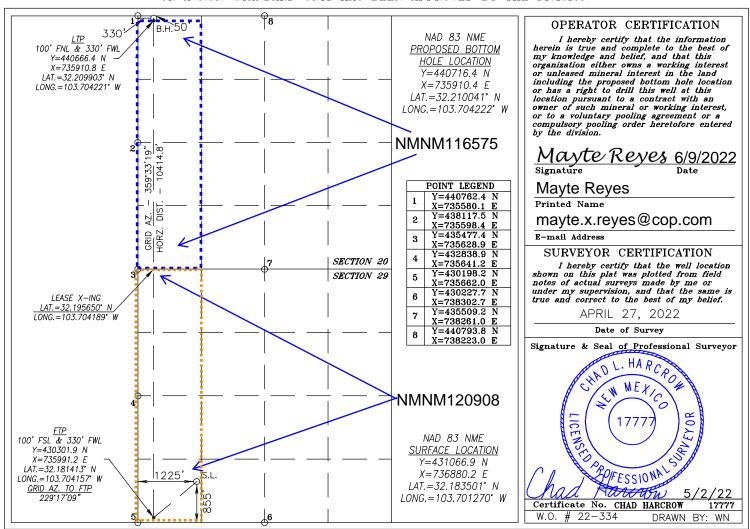
Surface Location

UL or lot No	. Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	29	24-S	32-E		855	SOUTH	1225	WEST	LEA

Bottom Hole Location If Different From Surface

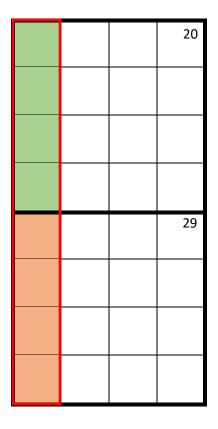
UL or lot No.	Section	Townsh	ip	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	20	24-	S	32-E		50	NORTH	330	WEST	LEA
Dedicated Acre	Joint o	r Infill	Cor	nsolidation (Code O1	der No.				
320										

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



Azores Federal Com (W2W2)

W2W2 of Sections 20 & 29 T24S, R32E, Lea County, NM





- USA NMNM 116575 (Tract 1)
- USA NMNM 120908 (Tract 2)
- Azores Federal Com W2W2 spacing unit

Azores Federal Com

W2W2 of Sections 20 and 29 T24S, R32E, Lea County, NM

Working Interest Ownership

Tract 1 – W2W2 of Section 20, T24S, R32E, Lea County, NM

 COG Operating LLC
 100.000000%

 Total
 100.000000%

<u>Tract 2 – W2W2 of Section 29, T24S, R32E, Lea County, NM</u>

 COG Production LLC
 100.000000%

 Total
 100.000000%

Unit Recapitulation - W2W2 of Sections 20 and 29, T24S, R32E, Lea County, NM

 COG Operating LLC
 50.000000%

 COG Production LLC
 50.000000%

 Total
 100.00000%

Pooled Party List

Overriding Royalty Interest Owners

Devon Energy Production Company, LP (Tract 1)

Malaga EF7, LLC (Tract 2)

Malaga Royalty, LLC (Tract 2)

Record Title Owners

Devon Energy Production Company, LP (Tract 1)

BEFORE THE OIL CONSERVATION 27

Santa Fe, New Mexico
Exhibit No. B

Submitted by: COG Operating LLC Hearing Date: January 4, 2024

Case No. 24100

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

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

CASE Nos. 24097-24100

SELF-AFFIRMED STATEMENT OF BEN BREYMAN, GEOLOGIST

1. My name is Ben Breyman, and I am employed as a geologist by COG Operating

LLC ("COG"), now a wholly owned subsidiary of ConocoPhillips Company. I am familiar with

the applications filed in these consolidated cases and I have conducted a geologic study

of the lands in the subject area.

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

Division as an expert witness in petroleum geology and my credential have been accepted

and made a matter of public record.

3. COG Exhibit B-1 is an area map showing the location of COG's proposed spacing

units outlined in red with dashed purple lines depicting the orientation and general location of

COG's initial wells targeting the Wolfcamp formation. This map also shows the existing wells in

the surrounding sections that are completed in the Wolfcamp formation.

4. The initial target for the proposed wells is the Wolfcamp A interval of the

Wolfcamp formation.

5. **COG Exhibit B-2** is subsea structure maps that I prepared for the top of the

Wolfcamp formation with contour intervals of 50 feet. COG's proposed spacing units are

outlined in red. This exhibit demonstrates that the structure in the Wolfcamp formation

is consistent across the proposed spacing unit and dips gently to the east. I do not observe

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any faulting, pinch outs, or other geologic impediments to developing this formation in this area with horizontal wells.

- 6. **COG** Exhibit B-3 depicts a line of cross section through COG's proposed horizontal spacing unit from A to A'. I chose the logs from these wells to create the cross section because they penetrate the targeted interval and are of good quality. In my opinion, these well logs are representative of the geology in the subject area.
- 7. **COG Exhibit B-4** is a stratigraphic cross section that I prepared using the logs from the representative wells shown on Exhibit B-3. Each well on the cross-section contains gamma ray, resistivity, and porosity logs. The target intervals for the initially proposed wells are identified on the exhibit with "Shale Target Interval" colored red. The cross-section demonstrates that the targeted intervals are continuous and relatively uniform across the proposed spacing unit.
- 8. My geologic study indicates the Wolfcamp 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 wells.
- 9. As reflected in Exhibit B-1, the primary orientation for the existing wells targeting the Wolfcamp formation in this area is standup. In my opinion the standup orientation of COG's proposed wells is consistent with existing development and appropriate for the stress orientation in the Wolfcamp formation in this area, which is roughly north and south direction.
- 10. In my opinion, approval of these applications is in the best interest of conservation, the prevention of waste, and protection of correlative rights.
- 11. **COG Exhibits B-1 through B-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 these cases. This statement is made on the date next to my signature below.

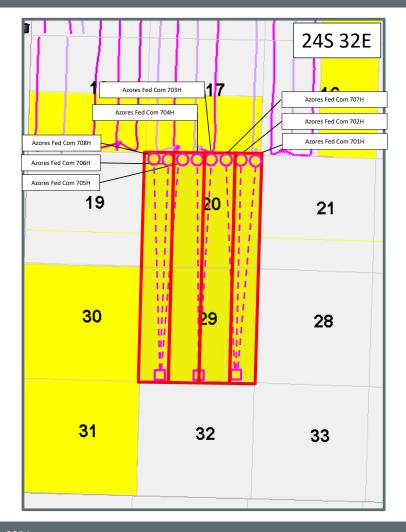
Ben Breyman

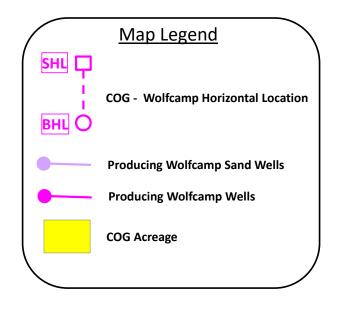
Ben Bryman

Date

12/29/23

Case No. 24097-24100: Azores Federal Com (WC) 708H, 706H, 705H, 704H, 703H, 707H, 702H and 701H





BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B-1
Submitted by: COG Operating LLC
Hearing Date: January 4, 2024
Case No. 24100

ConocoPhillips

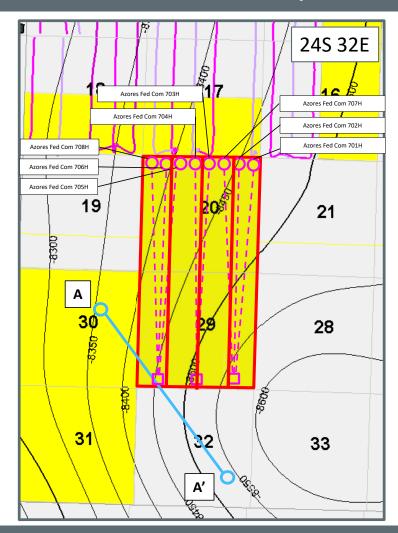
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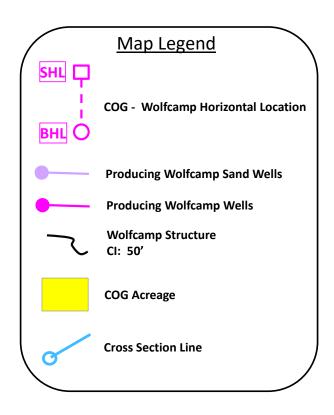
Santa Fe, New Mexico Exhibit No. B-2

Submitted by: COG Operating LLC Hearing Date: January 4, 2024

Case No. 24100

Wolfcamp Subsea Structure Map





ConocoPhillips

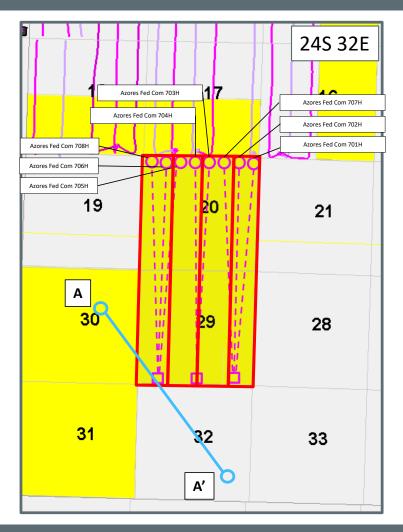
BEFORE THE OIL CONSERVATION DIVISION

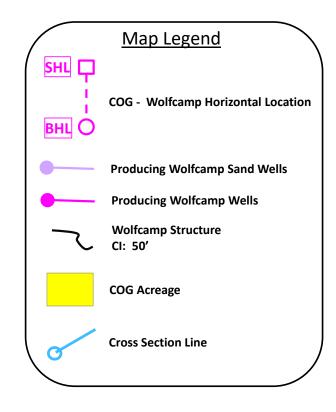
Santa Fe, New Mexico Exhibit No. B-3

Submitted by: COG Operating LLC Hearing Date: January 4, 2024

Case No. 24100

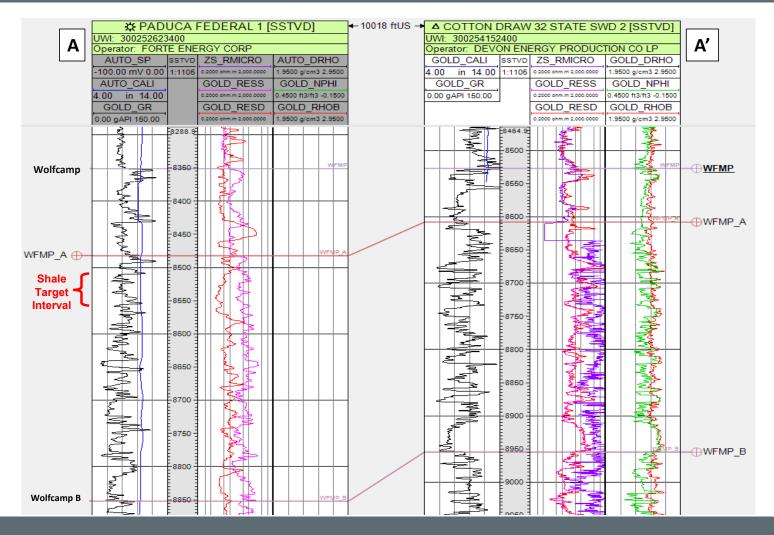
X-section location map





ConocoPhillips

Case No. 24097-24100: Azores Federal Com Section A-A'



ConocoPhillips

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. 24100

<u>AFFIDAVIT</u>

STATE OF NEW MEXICO)

) ss.

COUNTY OF SANTA FE)

Michael H. Feldewert, attorney in fact and authorized representative of the Applicant herein, being first duly sworn, upon oath, states

- 1. The above-referenced application and notice of the hearing on this application was sent by certified mail to the affected parties on the date set forth in the letter attached hereto.
- 2. The spreadsheet attached hereto contains the names of the parties to whom notice was provided.
- 3. 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 December 29, 2023.
- 4. I caused a notice to be published to all parties subject to this compulsory pooling proceeding on December 17, 2023. An affidavit of publication from the publication's legal clerk with a copy of the notice publication is attached as Exhibit D.

Michael H. Feldewert BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico Exhibit No. C

Submitted by: COG Operating LLC Hearing Date: January 4, 2024 Case No. 24100

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State of New Mexico)

County of Santa Fe)

SUBSCRIBED AND SWORN to before me this 2nd day of January, 2024 by

Michael H. Feldewert.

My Commission Expires:

STATE OF NEW MEXICO NOTARY PUBLIC KARI D PEREZ

COMMISSION # 1138272 GOMMISSION EXPIRES 06/28/2026



Michael H. Feldewert Partner Phone (505) 988-4421 mfeldewert@hollandhart.com

[DATE]

<u>VIA CERTIFIED MAIL</u> CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

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

New Mexico: Azores Federal Com 708H and 706H wells

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 January 4, 2024, and the status of the hearing can be monitored through the Division's website at https://www.emnrd.nm.gov/ocd/.

Due to the remodeling of the state building where the New Mexico Oil Conservation Division is located, hearings will be conducted remotely beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: 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 Michael Potts at (432) 253-4542 or at Michael.Potts@conocophillips.com.

Sincerely,

Michael H. Feldewert

ATTORNEY FOR COG OPERATING LLC

COG - Azores 706H and 708H wells - Case no. 24100 Postal Delivery Report

				T		
9414811898765496119780	OXY Y-1 Company	5 Greenway Plz Ste 110	Houston	TX	77046-0521	Your item has been delivered to an agent for final delivery in HOUSTON, TX 77046 on December 19, 2023 at 11:33 am.
						Your item was picked up at a postal facility at 9:51 am on December 20, 2023 in
9414811898765496119735	Devon Energy Production Company, LP	333 W Sheridan Ave	Oklahoma City	OK	73102-5010	OKLAHOMA CITY, OK 73102.
						Your item was picked up at a postal facility at 5:19 pm on December 21, 2023 in
9414811898765496119919	Malaga EF7, LLC	PO Box 731287	Dallas	TX	75373-1287	DALLAS, TX 75260.
9414811898765496119957	Malaga EF7, LLC	1717 West Loop S Ste 1800	Houston	TX	77027-3049	Your item was delivered to the front desk, reception area, or mail room at 3:59 pm on December 19, 2023 in HOUSTON, TX 77027.
9414811898765496119964	Malaga EF7, LLC	PO Box 470788	Fort Worth	TX	76147-0788	Your item has been delivered and is available at a PO Box at 7:51 am on December 19, 2023 in FORT WORTH, TX 76147.
3 12 10 22 30 7 03 13 0 22 33 0 1	Managa El 7, EEC	1 0 DOX 17 07 00	Tore Worth	174	70117 0700	Your item was picked up at
						the post office at 11:14 am on December 21, 2023 in
9414811898765496119926	Malaga Royalty, LLC	PO Box 2064	Midland	TX	79702-2064	MIDLAND, TX 79701.
						Your item was delivered to the front desk, reception area, or mail room at 2:20 pm on December 19, 2023 in
9414811898765496119902	West Bend Energy Partners, LLC	1320 S University Dr Ste 701	Fort Worth	TX	76107-8061	FORT WORTH, TX 76107.

Received by OCD: 1/2/2024 3:43:14 PM

COG - Azores 703H and 707H wells - Case no. 24098 Postal Delivery Report

						Your item was picked up at a
						postal facility at 9:51 am on
						December 20, 2023 in
9414811898765496119995	Devon Energy Production Company, LP	333 W Sheridan Ave	Oklahoma City	ОК	73102-5010	OKLAHOMA CITY, OK 73102.

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 December 17, 2023 and ending with the issue dated December 17, 2023.

Publisher

Sworn and subscribed to before me this 17th day of December 2023.

Business Manager

My commission expires January 29, 2027 (Seal)

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 NOTICE December 17, 2023

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following cases. The hearings will be conducted remotely on Thursday, January 4, 2024, beginning at 8:15 a.m. To participate in the hearings, see the instructions posted below. The docket may be viewed at https://www.emnrd.nm.gov/ocd/hearing-info/ or obtained from Sheila Apodaca, at Sheila.Apodaca@emnrd.nm.gov. Documents filed in these cases may be viewed at https://ocdimage.emnrd.nm.gov/lmaging/Default.aspx. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Sheila Apodaca at Sheila.Apodaca@emnrd.nm.gov, or the New Mexico Relay Network at 1-800-659-1779, no later than December 24, 2023.

Persons may view and participate in the hearings through the following link: https://nmemnrd.webex.com/nmemnrd/j.php?MTID≔mdc8645ccf2c0febe64ceac7 20dd750a3

Webinar number: 2484 878 5178

Join by video system: Dial 24848785178@nmemnrd.webex.com You can also dial 173.243.2.68 and enter your webinar number.

Join by phone: 1-844-992-4726 United States Toll Free +1-408-418-9388 United States Toll

Access code: 2484 878 5178
Panelist password: bxEpP3Je3a5 (29377353 from phones and video systems)

STATE OF NEW MEXICO TO: All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All affected interest owners, including: OXY Y-1 Company; Devon Energy Production Company, LP; Malaga EF7, LLC; Malaga Royalty, LLC; West Bend Energy Partners, LLC, and Devon Energy Production Company, LP.

Case No. 24100: 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 the Wolfcamp formation underlying a standard 320-acre, more or less, horizontal well spacing unit comprised of the W2W2 of Sections 20 & 29, Township 24 South, Range 32 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Azores Federal Com 708H and Azores Federal Com 706H wells to be horizontally drilled from a surface location in the SW4 of Section 29, with first take points in the SW4SW4 (Unit M) of Section 29 and last take points in the NW4NW4 (Unit D) of Section 20. Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of COG Production LLC as operator, and the imposition of 200% charge for risk involved in drilling and completing the wells. Said area is located approximately 29 miles northwest of Jal, New Mexico. #00285823

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HOLLAND & HART LLC PO BOX 2208 SANTA FE. NM 87504-2208

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

Hearing Date: January 4, 2024 Case No. 24100