



COG OPERATING LLC

Scout State Com # 601H- 606H Section 6-T25S-28E

Eddy County, New Mexico



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. 21628

TABLE OF CONTENTS

- Application
- Compulsory Pooling Application Checklist
- COG Exhibit 1 Self Affirmed Statement of Lizzy Laufer
 - Attachment A C-102's
 - Attachment B Land Exhibit
 - Attachment C Well Proposal Letter and AFE's
- COG Exhibit 2 Self Affirmed Statement of Travis Sparks
 - Attachment D Location Map
 - Attachment E Structure Map
 - Attachment F Cross Section Location Map
 - Attachment G Stratigraphic Cross Section Map
- COG Exhibit 3 Notice of Affidavit and Notice of Publication

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. <u>21628</u>

APPLICATION

COG OPERATING LLC ("COG"), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of N.M. Stat. Ann. § 70-2-17, for an order pooling all uncommitted interests in the Wolfcamp formation, Purple Sage-Wolfcamp Gas Pool (Pool code 98220), underlying a standard 966.73-acre, more or less, horizontal spacing unit comprised of Lots 3-7, SE/4NW/4, E/2SW/4 of Section 6, Lots 1-4 and E/2W/2 of Section 7, and Lots 1-4 and E/2W/2 of Section 18, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico. In support of its application, COG states:

- 1. COG (OGRID Number 229137) is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
- 2. COG proposes to dedicate the above-referenced horizontal spacing unit to the following proposed initial wells, which it proposes to drill simultaneously:
 - The Scout State Com 604H well to be horizontally drilled from a surface hole location in Lot 3 (Unit C) of Section 6 to a bottom hole location in the SE/4SW/4 (Unit N) of Section 18,

- The Scout State Com 605H well to be horizontally drilled from a surface hole location in Lot 4 (Unit D) of Section 6 to a bottom hole location in Lot 4 (Unit M) of Section 18, and
- The Scout State Com 606H well to be horizontally drilled from a surface hole location in Lot 4 (Unit D) of Section 6 to a bottom hole location in Lot 4 (Unit M) of Section 18.
- 3. Because the proposed wells will be simultaneously drilled and completed, COG requests an extension of the 120-day period to drill and complete a well provided by the standard pooling order. COG has sought and been unable to obtain voluntary agreement for the development of these lands from all the working interest owners in the subject spacing unit.
- 4. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.
- 5. In order to permit COG to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the subject spacing unit should be pooled and COG should be designated the operator of the proposed horizontal wells and spacing unit.

WHEREFORE, COG requests that this application be set for hearing before an Examiner of the Oil Conservation Division on January 7, 2021, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit;
- B. Approving the initial wells in the horizontal spacing unit;
- C. Designating COG as operator of this spacing unit and the wells to be drilled thereon;

- Authorizing COG to recover its costs of drilling, equipping and completing the wells;
- E. 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
- F. Imposing a 200% penalty for the risk assumed by COG in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

COG OPERATING LLC

/s/ Michael Rodriguez

Ocean Munds-Dry
Michael Rodriguez
1048 Paseo de Peralta
Santa Fe, New Mexico 87501
(505) 780-8000
omundsdry@concho.com
mrodriguez@concho.com

ATTORNEYS FOR COG OPERATING LLC

CASE ______: Application of COG Operating LLC for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the division pooling all uncommitted interest owners in the Wolfcamp formation, Purple Sage-Wolfcamp Gas Pool (Pool code 98220), underlying a standard 966.73-acre, more or less, horizontal spacing unit comprised of Lots 3-7, SE/4NW/4, E/2SW/4 of Section 6, Lots 1-4 and E/2W/2 of Section 7, and Lots 1-4 and E/2W/2 of Section 18, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico. COG Operating LLC seeks to dedicate the above-referenced horizontal spacing unit to the following proposed wells:

- The Scout State Com 604H well to be horizontally drilled from a surface hole location in Lot 3 (Unit C) of Section 6 to a bottom hole location in the SE/4SW/4 (Unit N) of Section 18,
- The Scout State Com 605H well to be horizontally drilled from a surface hole location in Lot 4 (Unit D) of Section 6 to a bottom hole location in Lot 4 (Unit M) of Section 18, and
- The Scout State Com 606H well to be horizontally drilled from a surface hole location in Lot 4 (Unit D) of Section 6 to a bottom hole location in Lot 4 (Unit M) of Section 18.

Also, to be considered will be the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of COG Operating LLC as operator of the wells, and the imposition of 200% charge for risk involved in drilling and completing said wells. Said area is located approximately 5.4 miles southwest of Malaga, New Mexico.

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 21628	APPLICANT'S RESPONSE				
Date	January 7, 2021				
Applicant	COG Operating LLC				
Designated Operator & OGRID (affiliation if applicable)	OGRID # 229137				
Applicant's Counsel:	Ocean Munds-Dry, Michael Rodriguez				
Case Title:	Application of COG Operating LLC for Compulsory Pooling, Eddy County New Mexico				
Entries of Appearance/Intervenors:					
Well Family	Scouts				
Formation/Pool					
Formation Name(s) or Vertical Extent:	Wolfcamp				
Primary Product (Oil or Gas):	Gas				
Pooling this vertical extent:	Wolfcamp				
Pool Name and Pool Code:	Purple Sage-Wolfcamp Gas Pool (Pool code 98220)				
Well Location Setback Rules:	Statewide				
Spacing Unit Size:	~ 966.85 acres				
Spacing Unit					
Type (Horizontal/Vertical)	Horizontal				
Size (Acres)	~ 640 acres				
Building Blocks:	Quarter-quarter				
Orientation:	Standup				
Description: TRS/County	Lots 3-7, SE/4NW/4, E/2SW/4 of Section 6, Lots 1-4 and E/2W/2 of Section 7, and Lots 1-4 and E/2W/2 of Section 18, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico				
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes				
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	Attachment B				
Well(s)					
Name (API [if assigned]); Surface hole location; Bottom hole location; Completion target (TVD); Orientation, Completion status standard or non-standard).	Attachment A				
Well #1	Scout State Com 604H (API # Pending) SHL: 310 FNL, 2605 FWL, Unit C, 6-25S-28E BHL: 200 FSL, 2134 FWL, Unit N, 18-25S-28E Case No. 21628 - Page 7				

Well #2	Completion Target: Bone Spring formation (Approx. 9350 feet TVD)
0.	Completion status: Standard
Well #2	Scout State Com 605H (API # Pending)
	SHL: 875 FNL, 796 FWL, Unit D, 6-25S-28E
	BHL: 200 FSL, 1232 FWL, Unit M, 18-25S-28E
	Completion Target: Bone Spring formation (Approx. 9350 feet TVD)
	Completion status: Standard
Well #3	Scout State Com 606H (API # Pending)
	SHL: 875 FNL, 766 FWL, Unit D, 6-25S-28E
	BHL: 200 FSL, 330 FWL, Unit M, 18-25S-28E
	Completion Target: Bone Spring formation (Approx. 9350 feet TVD)
	Completion status: Standard
Horizontal Well First and Last Take	Attachment A
Points	
Completion Target (Formation,	Attachment G
TVD and MD)	
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Attachment C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit 3
Proof of Mailed Notice of Hearing	
(20 days before hearing)	Exhibit 3
Proof of Published Notice of	Exitor 9
Hearing (10 days before hearing)	Exhibit 3
Ownership Determination	
Land Ownership Schematic of the	
Spacing Unit	Attachment B
Tract List (including lease numbers	Attacimient B
and owners)	Attachment B
Pooled Parties (including ownership	Attachment B
type)	Attachment B
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance	IVI
(including percentage above &	
below)	N/A
Joinder	
Sample Copy of Proposal Letter	Attachment C
List of Interest Owners (ie Exhibit A	Attachinent
of JOA)	Attachment B
Chronology of Contact with Non-	Attachilett D
Joined Working Interests	Exhibit 1
	N/A
Overhead Rates in Proposal Letter	
Cost Estimate to Drill and Complete	Attachment C
Cost Estimate to Equip Well	Attachment C
Cost Estimate for Production	Attachment C
Facilities	Attachment C
Geology	
Summary (including special	Publica 2
considerations)	Exhibit 2 Case No. 21628 - Page 8
Spacing Unit Schematic	Attachment D

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Gunbarrel/Lateral Trajectory	
Schematic	N/A
Well Orientation (with rationale)	Exhibit 2
Target Formation	Wolfcamp
HSU Cross Section	Attachments F and G
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Attachment A
Tracts	Attachment B
Summary of Interests, Unit	
Recapitulation (Tracts)	Attachment B
General Location Map (including	
basin)	Attachment B
Well Bore Location Map	Attachment D
Structure Contour Map - Subsea	
Depth	Attachment E
Cross Section Location Map	
(including wells)	Attachment F
Cross Section (including Landing	
Zone)	Attachment G
Additional Information	
CERTIFICATION: I hereby	
certify that the information	
provided in this checklist is	
complete and accurate.	
Printed Name (Attorney or Party	
Representative):	Michael Rodriguez
Signed Name (Attorney or Party	/N/ X
Representative):	11/1/2
Date:	01/05/2021

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. 21628

SELF-AFFIRMED STATEMENT OF LIZZY LAUFER

- 1. I am over 18 years of age and am competent to provide this Self-Affirmed Statement. I have personal knowledge of the matters addressed herein.
- 2. I am a Landman with COG Operating LLC ("COG") and 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 familiar with the status of the lands in the subject area.
- 4. I do not anticipate any opposition to this case or the presentation of this case by affidavit.
- 5. COG seeks an order pooling all uncommitted interests in the Wolfcamp formation, Purple Sage-Wolfcamp Gas Pool (Pool code 98220), underlying a standard 966.85-acre, more or less, horizontal spacing unit comprised of Lots 3-7, SE/4NW/4, E/2SW/4 of Section 6, Lots 1-4 and E/2W/2 of Section 7, and Lots 1-4 and E/2W/2 of Section 18, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico.

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Case No. 21628 Exhibit No. 1

Submitted by:

COG OPERATING LLC

Hearing Day: Input/16/28/02/lage 10

- 6. COG proposes to dedicate the above-referenced horizontal spacing unit to the following proposed initial wells, which it proposes to drill simultaneously:
 - The Scout State Com 604H well to be horizontally drilled from a surface hole location
 in Lot 3 (Unit C) of Section 6 to a bottom hole location in the SE/4SW/4 (Unit N) of
 Section 18,
 - The Scout State Com 605H well to be horizontally drilled from a surface hole location in Lot 4 (Unit D) of Section 6 to a bottom hole location in Lot 4 (Unit M) of Section 18, and
 - The Scout State Com 606H well to be horizontally drilled from a surface hole location in Lot 4 (Unit D) of Section 6 to a bottom hole location in Lot 4 (Unit M) of Section 18.
 - 7. Attachment A contains draft Form C-102s for the proposed wells.
- 8. Attachment B depicts the tracts of land comprising the proposed spacing unit in this case. The proposed spacing unit includes fee and state lands. It also identifies the interest ownership and interest type by tract. COG seeks to pool all uncommitted interests identified in this attachment.
- 9. No ownership depth severances exist within this proposed spacing unit, and there are no unleased mineral interests in the subject acreage.
- 10. All interest owners that COG seeks to pool are locatable. COG has conducted a diligent search of all public records in Eddy County, including phone directories and computer databases.

- 11. Attachment C contains well proposal letters and AFEs for each well provided to the working interest owners COG is seeking to pool. The costs reflected on each AFE are consistent with what other operators have incurred for drilling similar horizontal wells in the area.
- 12. In my opinion, COG has made a diligent effort to reach agreement with the nonjoined parties as indicated by the following <u>Chronology of Contact</u>:
 - 1/23/2020 Well proposals and AFEs were sent to all uncommitted working interest owners
 - 2/14/2020 -COG's proposed form of JOA and Designation of Pooled Unit sent to all working interest owners
 - 2/17/2020 Communitization Agreements mailed to all working interest and record title owners
 - 2/20/20 Present Email communication with OXY Y-1 Company and
 Occidental Permian Limited Partnership regarding the planned development.
 Provided a breakdown of their interest in the unit as well as estimated spud dates and asked them to send proposed JOA changes
 - 4/8/2020 Ratification of Communitization Agreements sent to ORRI owners
 - 8/4/2020 EOG traded all working interest in proposed unit to COG
 - 11/1/2020 Mewbourne Oil Company traded all working interest in proposed unit to COG
 - 12/1/2020 Devon Energy Production Company L.P. traded all minerals and working interest in proposed unit to COG
- 13. In my opinion, COG has made a good faith effort to obtain voluntary joinder of the parties it is seeking to pool. If COG reaches an agreement with any of the parties it is seeking to

pool before the Division enters an order, I will inform the Division that COG is no longer seeking to pool those parties.

- 14. COG has estimated the overhead and administrative costs for drilling and producing the proposed wells 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.
- 15. I have provided COG's legal counsel a list of names and addresses of the owners COG seeks to pool and instructed that they be notified of this hearing. Additionally, notice of this hearing was timely published in a newspaper of general circulation in the county where the proposed wells will be located in.
- 16. In my opinion, the granting of COG's application will be in the best interest of conservation, the prevention of waste, and the protection of correlative rights.
- 17. Exhibit 1 and Attachments A through C were either prepared by me, compiled under my direction and supervision, or were compiled from company business records.
- 18. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 18 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 indicated next to my signature below.

C. Janyer Lizzy Laufer

2:46:11 Received by OCD: 1/5/2021 District (1625 N French Dr , Hobbs, NM \$8240 Phone (575) 393-6161 Fax (575) 393-0720 District II BLI S. First St., Artesia, NM \$8210 Phone (575) 748-1283 Fax (575) 748-9720 District [][1000 Rio Brazos Road, Aziec, 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

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

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

☐ AMENDED REPORT

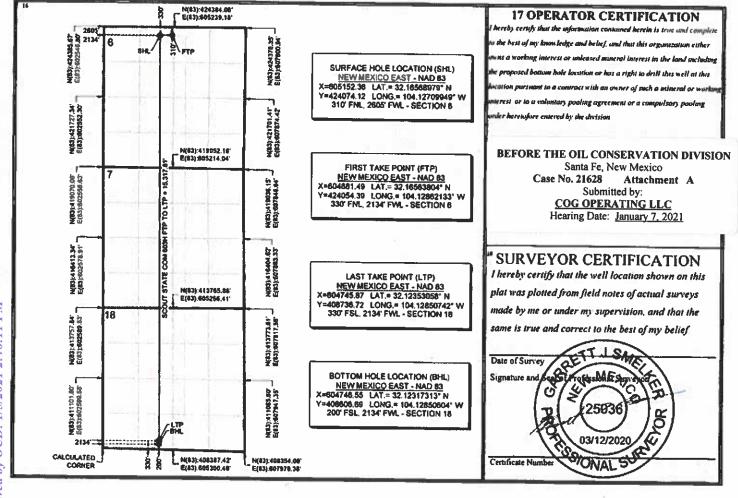
WELL LOCATION AND ACREAGE DEDICATION PLA	AT
--	----

I API Number	2 Poel Code	3 Pool Name
4 Property Code	5 Property Nam SCOUT STATE	
7 OGRID No.	8 Operator Nam COG OPERATIN	

"Surface Location									
UL er let no.	Section 6	Township 25-S	Range 28-E	Let Idn	Foot from the 310'	North/South line NORTH	Feet from the 2605'	Enst/West line WEST	County EDDY

	" Bottom Hole Location If Different From Surface										
UL or lot ne.	Section 18	Township 25-S	Range 28-E	Lot (da	Feet from the 200'	North/South line SOUTH	Feet from the 2134'	East/West line WEST	County EDDY		
12 Dedicated Acre	12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code										

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.



District.1
1625 N French Dr., Hobbs. NM 88240
Phone (575) 393-6161 Fax: (575) 393-0720
District.11
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District.111
1000 Rio Brazos Road, Aziec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District.114
1220 S. St. Francis Dr., Sania Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

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

☐ AMENDED REPORT

		1	WELL LO	<u> DCATIO</u>	N AND AC	REAGE DEDI	CATION PL	AT	
1	API Number				2 Pool Code 3 Pool Name				
4 Property	Cede				5 Property SCOUT STA				6 Well Number 605H
7 OGRID	No.	© Operator Name COG OPERATING LLC							9 Elevation 3064'
111		111			"Surface	Location		·	
UL or let no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	6	25-S	28-E		875'	NORTH	796'	WEST	EDDY
_III			" Bo	ttom Ho	le Location I	f Different Fro	m Surface		
UL or let no.	Section	Township	Range	Let Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	18	25-S	28-E		200'	SOUTH	1232'	WEST	EDDY
12 Dedicated Acre	s 13 Joint o	r Infall	4 Consolidation	Code 15 O	rder No.				

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.

1232	E B FIP	N(83):424384.06' E(83):605239.18'	24		17 OPERATOR CERTIFICATION I hereby cerufy that the information contained herein is true and complete to the hest of my knowledge and helief, and that this organization either
790 (1874) 198 (1874) 198 (1874) 198 (1874)	SHL		N(83):424378.35 E(43):607800.94	SURFACE HOLE LOCATION (SHL) NEW MEXICO EAST - NAD 63 X=603344.62 LAT.= 32.16414911* N Y=423510.24 LONG.= 104.13294502* W	owns a working interest or unleased mineral interest in the land including the proposed bottom hale location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or works
N(83):421727.34* E(83):802552.30*		N(03).419052.16*	N(13):421791.41* E(13):667874.42*	875' FML. 796' FWL - SECTION 6	meters, or to a voluntary pooling agreement or a compulsory pooling order heretofore emercal by the division Signature Date
M(83) 419070.06 N	79 TO LTP n 15,308,30	E(83).505214.04*	M(53)×19036.15°	FIRST TAKE POINT (FTP) NEW MEXICO EAST - NAD 63 X=603779.49 LAT.= 32.16564421* N Y=424054.93 LONG.= 104.13153636* W 330* FNL, 1232* FWL - SECTION 6	Printed Name E-mail Address
N(35) 4 184 13.34 E(83) 602578.91	XAT STATE COM 605H FTP	N(83):413765.88* C E(83):805266.41*	MG3):416404.62* E(03):607983.33	LAST TAKE POINT (LTP) NEW MEXICO EAST - NAD 83 X=803843.78 LAT.= 32.12357884* N Y=408751.77 LONG.= 104.13142130* W	SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys
M831,413757,84' E(63),402588 &T	3	18	MED;413773,51'	330' FSL, 1232' FWL - SECTION 18	made by me or under my supervision, and that the same is true and correct to the best of my belief Date of Survey Signature and Self of Proceedings or the self-ball survey.
7463)41101.80 (83)4802599646	/ ST		N(83)-411065.60* E(83):407847.35*	BOTTOM HOLE LOCATION (BHL) <u>NEW MEXICO EAST - NAD 83</u> X=603844.46 LAT.= 32.12321920°N Y=408621.74 LONG.= 104.13141991°W 200°FSL, 1232°FWL - SECTION 18	25036
CALCULATED	2000	N(83):488397,42' E(83):886398.46'	N(83):408354.00' E(83):807978.38'		Certificate Number ONAL 50

PM Received by OCD: 1/5/2021 2:46:11

District 1 nch Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax. (575) 748-9720 District III 1000 Rio Brazos Road, 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

Μ

12 Dedicated Acres

25-S

28-E

14 Consolidation Code

18

13 Joint or Infill

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

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

☐ AMENDED REPORT

County

EDDY

		W	ELL L	OCATIO	N AND AC	REAGE DEDI	CATION PL	AT		
1	API Numbe		W	2 Poel Co			3 Poel No			
4 Property	Code			<u></u>	5 Preperty SCOUT STA				6 Well Number 606H	
7 OGRID	No.	11	© Operator Name COG OPERATING LLC							
	_				"Surface	Location			<u> </u>	
UL or lot no.	Section 6	Tewnship 25-S	Range 28-E	Lot Ida	Feet from the 875'	North/South line NORTH	Feet from the 766'	East/West line WEST	County EDDY	
			" Bo	ttom Ho	le Location	f Different Fro	m Surface			
UL er lot ne.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	

SOUTH

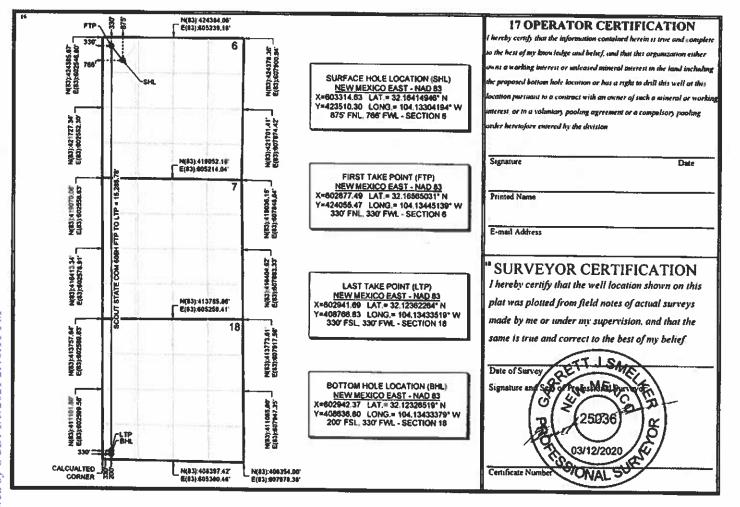
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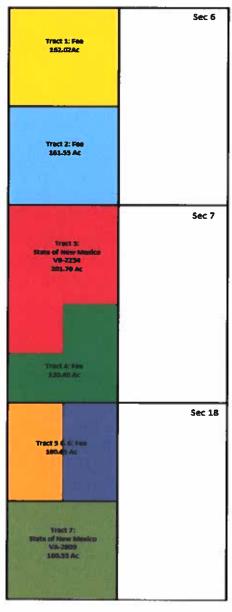
WEST

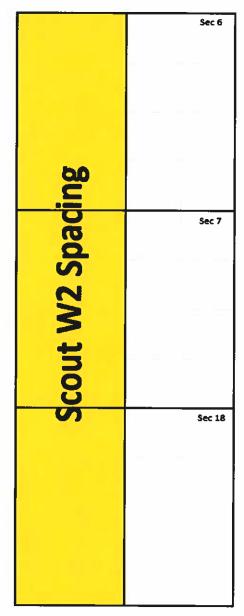
No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

200'

15 Order No.







Scout State Com 701H, 702H, 703H - Compulsory Pooling Info

Section 6: Lots 3-7, SENW, E2SW, Section 7: Lots 1-4, E2W2, Section 18: Lots 1-4, E2W2, T25S-R28E - Wolfcamp

Proposal Sent	YES
COM Sent	YES
DPU Sent	YES
JOA Sent	YES

ORRI Parties to Pool:

Occidental Permian LP
Nestegg Energy Corporation

Working Interest Parties:

COG Operating LLC
Concho Oil & Gas LLC
Occidental Permian LP

Oxy Y-1 Company

Pooling

State Record Title Owner to Pool:

Mewbou	rne (Oil Co	mpa	ny
Occident	al Pe	rmla	n LP	

Owner	TR1	TR 2	TR 3	TR4	TR 5	TR 6	TR 7	UNIT RECAP
COG Operating LLC	14.63642949	16.70890004	20.86156074	12.45281067	7.35895719	6.03458977	10.84906669	88.90231458
Concho Oil & Gas LLC	0.00000000	0.00000000	0.00000000	0.00000000	0.02844785	0.07169746	0.18332846	0.28347377
Oxy Y-1 Company	0.00000000	0.00000000	0.00000000	0.00000000	0.10127188	0.25523671	0.50803656	0.86454516
Occidental Permian LP	2.12108202	0.00000000	0.00000000	0.00000000	0.78561589	1.97999750	5.06296511	9.94966051
							TOTAL	100.0000

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico
Case No. 21628 Attachm

Case No. 21628 Attachment B

COG OPERATING LLC
Hearing Date: January 7,2021



January 23, 2020

Vio CMRRR No. 91 7199 9991 7039 7968 9442

Mewbourne Oil Company, CWM 2000-B, Ltd., Mewbourne Energy
Partners 13-A, 3MG Corporation, Mewbourne Development and
CWM 2000-B II, Ltd.

500 W. Texas Avenue, Suite 1020

Midland, TX 79701

Attn: Land Department

Re:

Scout State Com 604H - 606H

W/2 Scout State Com Unit Lots 3-7, SE/4 NW/4, E/2 SW/4 of Section 6, Lots 1-4 and E/2 W/2 of Section 7, And Lots 1-4 and E/2 W/2 of Section 18, T25S-R28E Eddy County, New Mexico

Dear Sir or Madam:

COG Operating, LLC ("COG"), as Operator, hereby proposes the drilling of the following horizontal wells with productive laterals located in W/2 of Sections 6, 7, and 18, Township 25 South, Range 28 East, Eddy County, New Mexico (collectively, the "Operation"). The surface pad locations will be located in Units B, C, and D of Section 6, T25S-R28E (subject to change).

- Scout State Com 604H, to be drilled to a depth sufficient to test the Wolfcamp A Sand formation at an approximate total vertical depth of 9,350'. The surface location for this well is proposed at a legal location in Lot 3 (Unit C) of Section 6, and a bottom hole location at a legal location in Unit N of Section 18. The dedicated horizontal spacing unit will be Lots 3-7, SE/4 NW/4, and E/2 SW/4 of Section 6, Lots 1-4 and E/2 W/2 of Section 7, and Lots 1-4 and E/2 W/2 of Section 18, T25S-R28E, Eddy County, New Mexico. The total estimated cost to drill and complete said well is \$13,545,000.00, as shown on the attached Authority for Expenditure ("AFE").
- Scout State Com 605H, to be drilled to a depth sufficient to test the Wolfcamp A Sand formation at an approximate total vertical depth of 9,350'. The surface location for this well is proposed at a legal location in Lot 4 (Unit D) of Section 6, and a bottom hole location at a legal location in Lot 4 (Unit M) of Section 18. The dedicated horizontal spacing unit will be Lots 3-7, SE/4 NW/4, and E/2 SW/4 of Section 6, Lots 1-4 and E/2 W/2 of Section 7, and Lots 1-4 and E/2 W/2 of Section 18, T25S-R28E, Eddy County, New Mexico. The total estimated cost to drill and complete said well is \$13,545,000.00, as shown on the attached AFE.
- Scout State Com 606H, to be drilled to a depth sufficient to test the Wolfcamp A Sand formation at an approximate total vertical depth of 9,350'. The surface location for this well is proposed at a legal location in Lot 4 (Unit D) of Section 6, and a bottom hole location at a legal location in Lot 4 (Unit M) of Section 18. The dedicated horizontal spacing unit will be Lots 3-7, SE/4 NW/4, and E/2 SW/4 of Section 6, Lots 1-4 and E/2 W/2 of Section 7, and Lots 1-4 and E/2 W/2 of Section 18, T25S-R28E, Eddy County, New Mexico. The total estimated cost to drill and complete said well is \$13,545,000.00, as shown on the attached AFE.

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico
Case No. 21628 Attachment C
Submitted by:

CQSeORERACIO GPDE 18
Hearing Date: January 7, 2021

January 23, 2020 - Page 2 Scout State Com 604H - 606H (W/2 Unit)

COG is proposing to drill these wells under the terms of a new Operating Agreement which will be sent under separate cover.

Please indicate your participation elections in the space provided below, sign and return this letter, along with a signed copy of the enclosed AFEs and a copy of your geologic requirements, to my attention at the letterhead address or by email to tmacha@concho.com. Should you have any questions, please do not hesitate to contact me at 432.221.0452.

Sincerely,

COG Operating LLC

Travis Macha Landman II

TM:bh Enc

COG OPERATING LLC AUTHORITY FOR EXPENDITURE Drill & Complete

Well Name SCOUT STATE COM SOAH
SHL 6, 240 FNL, 2660 FWL OR UNIT C
BHL 18, 330 FSL, 2134 FWL, OR UNIT N
Formation WOLFCAMP A
Legal
AFE Numbers

Prospect ATUAS 2526 State & County NEW MEXICO, EDDY Objective DRAL & COMPLETE Depth 26,000 TVD 9,350

Cost Description Intangible Costs	Code	PreSpud (P8)	Pre-Set Casing(PC)	Dritting (DR)	Completions (C)	Tank Bitty Constroin(TB)	Pmpq Equip (PEQ)	Revision	Yotal
D-Lctn/Pits/Roads	205	750000000000000000000000000000000000000		\$ 138,000,00	22/2002/90/2002/0	JEOGRAFIE THE REAL PROPERTY.	TOTAL CONTRACT CONTRACT		
D-Orilling Overhead	205 206			\$ 136,000.00 \$ 13,000.00					136,000.00
D-Daywork Contract	209			\$ 953,000.00				\$ - 3	963,000.00
D-Directional Drig Services	210			\$ 456,000.00				3 - 3	456,000.00
D-Fuel & Power	211			\$ 203,000.00				\$. \$	203,000.00
D-Water D-Bits	212			\$ 108,000.00				\$. \$	108,000.00
D-Mud & Chemicals	214			\$ 151,000.00 \$ 361,000.00				\$ - \$ \$. \$	151,000.00
D-Cement Surface	217	1		\$ 28,000.00				3 3	361,000.00 28,000.00
D-Cement Intermed	218			\$ 107,000.00				\$ - \$	107,000.00
D-Prod-2nd int Cm1	219			\$ 158,000.00				\$. \$	158,000.00
D-Float Equipment & Centralizers D-Cag Crews & Equip	221 222			\$ 86,000.00					86,000.00
D-Contract Labor	226			\$ 93,000.00 \$ 10,000.00				\$ 5	93,000.00
D-Company Sprvan	226	ei -		\$ 73,000.00				\$. \$	10,000.00
D-Contract Sprvsn	227			\$ 171,000.00				\$ · \$	73,000.00 171,000.00
D-Tate Cag/The	228			\$ 58,000.00				3 . 3	00.000,68
D-Mud Logging Unit	229			\$ 65,000.00				8	65,000.00
D-Rentals-Surface	235			\$ 281,000.00				\$ 5	281,000.00
D-Rentals-Subsric D-Trucking/ForkBVRig Mob	238			\$ 131,000.00 \$ 201,000.00				\$. \$	131,000.00
D-Welding Services	238			\$ 5,000.00				\$. S	201,000.00
D-Contingency	243	-		\$ 68,000.00				3	5,000.00 88,000.00
D-Environt/Clad Loop	244			\$ 441,000.00	7.7			\$ - 3	441,000.00
C-Wellbore Frac Prep	304		111		\$ 127,000.00			3 - 3	127,000.00
C-Lcin/Pits/Roads	306 306				\$ 16,000.00			\$ 5	16,000.00
C-Completion OH C-Frac Equipment	307				\$ 23,000.00			\$ 5	23,000.00
C-Frac Chemicals	308				\$ 1,484,000.00 \$ 627,000.00	_		\$ - \$ \$ - \$	1,484,000.00
C-Frac Proppant	309				\$ 288,000.00			\$ - 3	285,000.00
C-Frac Propparit Transportation	310		1000		\$ 442,000.00			3 - 3	442,000.00
C-Fuel Delivery & Services	311		_		\$ 64,000.00			\$ - \$	64.000.00
C-Water	312				\$ 866,000.00			\$ 5	866,000.00
C-Frac Surface Rentals C-Contract Labor	325				\$ 480,000.00 \$ 16,000.00			\$ 3	480.000.00
C-Company Sprvsn	326			-	\$ 16,000.00			\$ - S	16,000.00
C-Contract Sprvsn	327				\$ 227,000.00			\$	227,000.00
C-Artificial Lift Install	329				\$ 68,000.00			\$ + \$	68,000.00
C-Pert/Wireline Svc	331				\$ 670,000.00			\$ - 3	570,000.00
C-Trucking/Forts/It/Rig Mob C-Water Disposal	337				\$ 18,000.00			\$. 5	16,000.00
C-Contingency	343				\$ 61,000.00 \$ 226,000.00		0 =	\$. \$	61,000.00
C-Dyed Diesel	345				\$ 495,000.00			\$	226,000.00
C-Drillout	346	5.39			\$ 510,000.00			5 . 5	495,000.00 510,000.00
T8-Demages/Right of Way	351					\$ 2,000.00		\$ 5	2,000.00
TB-Location/Pits/Roads	353					\$ 43,000 00		\$ - \$	43,000.00
TB-Contract Labor PEQ-Contract Labor	356					\$ 184,000.00		\$	164,000.00
PEQ-Water Disposal	374 387						\$ 43,000.00		43,000.00
PEQ-HRZ Well Offset Frec	391						\$ 203,000.00 \$ 21,000.00		203,000.00
Total Intengible Costs	9833333	\$ 15,000 St \$1		\$ 4,377,000.00	\$ 6,599,000.00	\$ 229,000.00	8 267,000.00		21,000.00
							207,000,00	13 74 - 12	11/4/2/00/04/04
Tangible Coets	10-1-4/10-031			THE OWNER OF MICH.	AND THE PARTY OF THE PARTY OF	French Hertoverson	PHILIPPED PROPERTY.	ALTONOMORDON CONTRACTOR	West Control of the San Printer
PEO-Flowback Crews & Equip	392					99,52 ——Him	\$ 122,000.00		122,000.00
D-Surface Casing D-Intermed Cag	401			\$ 35,000.00 \$ 323,000.00				\$	35,000.00
D-Production Casing/Liner	403			\$ 323,000.00 \$ 446,000.00				- 3	323,000.00
D-Wellhead Equip	405			\$ 100.000.00				\$ 5	446,000.00 108,000.00
C-Tubing	504				\$ 79,000.00			5 . 5	79,000.00
C-Welthead Equip	505			pp-std	\$ 43,000.00			3 3	43,000.00
TB-Tanks	510					\$ 80,000.00		\$	80,000.00
TB-Flowlines/Pipelines TB-Hir Trit/Seprir	511		- 11 -			\$ 30,000.00		\$ - \$	30,000.00
TB-Electrical System/Equipment	512 513					\$ 185,000.00 \$ 119,000.00		\$ 5	185,000.00
C-Pokrs/Anchors/Hors	514				\$ 98,000.00	\$ 119,000.00		\$ 8	119,000.00
TB-Couplings/Fittings/Valves	516		8.1			\$ 204,000.00		5	96,000.00
TB-Pumps-Surface	521					\$ 25,000.00		\$ 8	25,000.00
TB-Instrumentation/SCADA/POC	522					\$ 20,000.00		\$	20,000.00
TB-Miscellaneous	623					\$ 20,000.00		\$ - \$	20,000.00
TB-Metera/Lects TB-Flares/Combusters/Emission	525 526					\$ 25,000,00		\$ 5	25,000.00
C-Ges LiA/Compression	527				\$ 38,000.00	\$ 30,000.00		\$ - \$ \$	30,000.00
PEQ-Wellhead Equipment	531				- 50,000.00			\$ - \$	38,000.00 43,000.00
Total Tangibia Costs	1511	\$ E725(51) 12		8 912,000.00	\$ 258,000.00	\$ 738,660.00			2,073,000.00
C BENNEAU IN									
Total Gross Cost	1-17004	STEPARAL TA	2000-0000000000000000000000000000000000	8 5,289,000.00	\$ 0,857,000.00	\$ 967,090.00	\$ 432,000.00		13,545,000.00
Note: The above costs are estimated	les only. A	ctual costs will be	billed as incurred.	77			111		
and the second second									
COG Operating LLC									
Duc						Bate Barrer 1 4 88 87			
By:						Date Prepared: 1.23.20			
						COG Operating LLC			
We approve:						The spread and			
% Working Interest					-	By:			
Common									
Company: By:									

COG OPERATING LLC AUTHORITY FOR EXPENDITURE Drill & Complete

Wall Hame SCOUT STATE COM 606H
83H. 6: 870 FNL, 804 FWL OR UNIT D
BHL 18: 330 FSL, 1232 FWL OR UNIT M
Formation WOLFCAMP A
Legal
AFE Numbers

Prospect ATLAS 2528 State & County NEW MEXICO, EDDY Objective DRILL & COMPLETE Depth 25,000 TVD 9,350

Cast Description Intergible Costs	Code Pri	Spud (PS) Pre-Set Casing PC	Dritting (DR)	Completions (C	Tank Sity Construtn(TB)	Prope Equip (PEQ)	Revision	Total
D-Lctn/Pits/Roads	205		\$ 136,000.00	SHESSARKS FAMO	er counting Americanic			- N
D-Oriting Overhead	206		\$ 13,000.00				\$. \$	138,000.00
D-Daywork Contract	209		\$ 953,000.00				\$ 5	953,000.00
D-Directional Drig Services	210		\$ 466,000.00				\$. \$	456,000.00
D-Fuel & Power D-Water	211		\$ 203,000.00				\$ 8	203,000.00
D-Bits	213		\$ 151,000.00				\$. \$	108,000.00
D-Mud & Chemicals	214		\$ 381,000.00				\$ \$	361,000.00
D-Cement Surface	217		\$ 28,000.00				5 - 5	28,000.00
D-Cement Intermed D-Prod-2nd Int Crnt	218		\$ 107,000.00 \$ 158,000.00				\$. \$	107,000.00
D-Float Equipment & Centralizers	221		\$ 86,000.00				\$. \$	158,000.00 86,000.00
D-Csg Crews & Equip	222		\$ 93,000.00				\$. \$	93,000.00
D-Contract Labor	225		\$ 10,000.00				3-0-5	10,000.00
D-Company Sprvsn D-Contract Sprvsn	226		\$ 73,000.00 \$ 171,000.00				5 5	73,000.08
D-Tsig Csg/Tbg	228		\$ 58,000.00				\$ \$	171,000.00 56,000.00
D-Mud Logging Linit	229		\$ 65,000.00				\$. \$	65,000.00
D-Rentals-Surface	235		\$ 261,000,00				S - S	281,000.00
O-Rentals-Subsrfc O-Trucking/Forklift/Rig Mob	236		\$ 131,000.00				\$ - \$	131,000.00
D-Welding Services	238		\$ 201,000.00				\$. \$	201,000.00
D-Contingency	243		\$ 88,000.00				\$	5,000.00 88,000.00
D-Envmm#/Clad Loop	244		\$ 441,000.00				5 . 3	441,000.00
C-Wellbore Frac Prep	304			\$ 127,000.00			\$	127,000.00
C-Lcin/Pits/Roads C-Completion OH	305 306			\$ 16,000.00 \$ 23,000.00			\$ 11 - \$	16,000.00
C-Frac Equipment	307			\$ 1,464,000.00			\$. \$	23,000.00 1,464,000.00
C-Frac Chemicals	308	— (i)—		\$ 627,000.00			5 5	627,000.00
C-Frac Proppant	309			\$ 285,000.00			5 - 5	285,000.00
C-Frec Proppent Transportation C-Fuel Delivery & Services	310			\$ 442,000.00 \$ 64,000.00			\$. \$	442,000.00
C-Water	312			\$ 866,000.00			\$ - \$ \$ • \$	64,000.00 868,000.00
C-Frac Surface Rentals	315			\$ 480,000.00			\$. \$	480,000.00
C-Contract Labor	325			\$ 16,000.00	- A - A		\$ - 3	18,000.00
C-Company Sprvan C-Contract Sprvan	326 327			\$ 16,000.00 \$ 227,000.00			3	18,000.00
C-Arificial Lift Install	329			\$ 68,000.00			5 5	227,000.00
C-Perl/Wireline Svc	331			\$ 570,000.00			\$. \$	570,000.00
C-Trucking/Forklift/Rig Mob	337			\$ 16,000.00			\$	18,000.00
C-Water Disposal	339			\$ 61,000.00 \$ 226,000.00			3	61,000.00
C-Contingency C-Dyed Diesel	345			\$ 495,000.00			\$. \$	228,000.00 495,000.00
C-Drillout	346			\$ 510,000.00			3 - 5	510,000.00
T9-Damages/Right of Way	361				\$ 2,000.00		\$	2,000.00
TB-Location/Pits/Roads TB-Contract Labor	363			- 10	\$ 43,000.00 \$ 184,000.00		\$	43,000.00
PEQ-Contract Labor	374				\$ 184,000.00	\$ 43,000.00	\$ 0.40	184,000.00
PEQ-Water Disposal	387				177	\$ 203,000.00		203,000 00
PEQ-HRZ Wall Offset Frac	391		A 27 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4		Company of the compan	\$ 21,000.00		21,000.00
Total Intangible Costs	2000 A 60	SERVICE BY SERVICE BY	\$ 4,377,000.00	\$ 6,599,000.00	\$ 229,000.00	\$ 267,000.00	DAMAGES SHEET SHEET	11,472,000.00
Tangible Costs	GEO-PARTICION CO			200.0000	AND RESIDENCE PROPERTY.			2-1)2216511-
PEC-Flowback Crews & Equip	382					\$ 122,000.00	3 - 5	122,000.00
D-Surface Casing	401		\$ 35,000.00				8 - 8	35,000.00
D-Interined Cag	402		\$ 323,000.00				\$ 5	323,000.00
D-Production Casing/Liner D-Welthead Equip	405		\$ 446,000.00				\$ - 0 \$ - 0 \$	448,000.00
C-Tubing	504		9 100,000.00	\$ 79.000.00			\$	108.000.00 79,000.00
C-Welthead Equip	505			\$ 43,000.00				43,000.00
TB-Tanks	510				\$ 80,000.00		\$. \$	80,000.00
TB-Flowlines/Pipelines TB-Hir Trir/Seprir	511 512				\$ 30,000.00 \$ 185,000.00			30,000.00
TB-Electrical System/Equipment	513				\$ 119,000.00		5 - 5	185,000.00 119,000.00
C-Pdus/Anchors/Hgrs	514			\$ 98,000.00			3	98,000.00
TB-Couplings/Fittings/Valves	515	-			\$ 204,000.00		3 - \$	204,000.00
T8-Pumps-Surface T8-Instrumentation/SCADA/POC	521 522				\$ 25,000.00 \$ 20,000.00		5 . 3	25,000.00
18-Miscellaneous	523				\$ 20,000.00 \$ 20,000.00		\$ - \$	20,000.00
T8-Meters/Lects	525				\$ 25,000.00		5 . 8	25,000.00
TB-Flares/Combusters/Emission	526				\$ 30,000.00		\$ - \$	30,000.00
C-Gas Lift/Compression PEQ-Welthead Equipment	527 531			\$ 38,000.00			- 8	38,000.00
Total Tangible Costs	SERVICE \$ 1/4	PERSONAL TRANSPORTED AND A SECURE OF THE SEC	\$ 912,000.00	\$ 258,000.00	\$ 738,000.00	\$ 43,000.00 \$ 165,000.00		43,000.00 2,073,000.00
			4 16/6,04/66	4 550,000,000	7 7-90,000,000	140,041.00	\$ 1500 months and \$ 00	2,0/3,000.00
Total Gross Cost	TABLE ! IN	SENCE TO APPROXIMATE THE	\$ 5,289,000.00	\$ 8,857,000.00	\$ 967,000.00	\$ 432,000.00	1000//02/2019 19 10	13,545,000.00
Hote: The above costs are estimate	les only. Actual o							
COG Operating LLC								
Ву					Date Prepared: 1-23-20			
					COG Operating LLC			
We approve:					OVO Operating LLLC			
% Working Interest					Ву:			
Camazar								
Company:								

COG OPERATING LLC AUTHORITY FOR EXPENDITURE Drill & Complete

Well Name SCOUT STATE COM 608H 8NL 6: 870 FML, 774 FWL OR UNIT D 8NL 18: 330 FSL, 330 FWL OR UNIT M Formation WOLFCAMP A Legal AFE Numbers

Prospect ATLAS 2528 State & County NEW MEXICO, EDDY Objective ORBL, & COMPLETE Depth 25,000 TVD 9,350

								The state of the s	111111111111111111111111111111111111111
Lctn/Pits/Roads	206		\$ 136,000.0					\$ - 11	\$ 136
Drilling Overhead	206		\$ 13,000.0		(34)	11		\$	\$ 1
Daywork Contract	209		\$ 953,000.0					\$	\$ 963
Directional Drig Services	210	11111	\$ 458,000.0		_			\$	\$ 456
Fuel & Power	211		\$ 203,000.0		-			3	\$ 200
Water	212		\$ 108,000.0						\$ 100
Bits Mud & Chemicals	213		\$ 151,000.0					\$	\$ 151
Cement Surface	214		\$ 361,000.0					\$	3 36
Cement Surrace Cement Intermed	217		\$ 28,000.0		A13			\$	\$ 20
			\$ 107,000.0						\$ 107
Prod-2nd int Cmt	219		\$ 158,000.0					\$	\$ 150
Float Equipment & Centralizers	221		\$ 96,000.0					\$ -	\$ 80
Cag Cravis & Equip	222		\$ 93,000.0					\$	\$ 90
Contract Labor	225		\$ 10,000.0					\$	\$ 10
Company Sprvsn	226		\$ 73,000.0				11 11		\$ 73
Contract Sprvsn	227		\$ 171,000.0					\$	\$ 171
Tsig Csg/Tbg	228		\$ 58,000.0					\$ 11	\$ 58
Mud Logging Unit	229		\$ 65,000.0	2.1				\$	\$ 65
Rentals-Surface	235	111	\$ 281,000.0	0.				\$ =	\$ 281
Rentals-Subsric	236		\$ 131,000.0						\$ 131
rucking/Forkitt/Rig Mob	237	_	\$ 201,000.0)					\$ 201
Welding Services	238		\$ 6,000.0					\$	\$
Contingency	243		\$ 88,000.0						\$ 60
Envrnmt/Clad Loop	244		\$ 441,000.0		-	-			\$ 441
Nellbore Frec Prep	304			\$ 127,000	.00				\$ 127
.cln/Pits/Roads	305			\$ 16,000	00				\$ 10
Completion OH	306			\$ 23,000	.00	-			\$ 23
Frac Equipment	307			\$ 1,464,000	00				\$ 1,464
Frac Chemicals	308			\$ 627,000					\$ 627
Frec Proppent	309			\$ 285,000					\$ 285
Frac Proppent Transportation	310			\$ 442,000					\$ 442
Fuel Delivery & Services	311			\$ 64,000					
Water	312			\$ 868,000				\$.	
Frac Surface Rentals	315			\$ 480,000				\$.	\$ 666
Contract Labor	325			\$ 18,000		_		\$	\$ 480
ompany Sprvan	326		-	\$ 16,000					
Contract Sprvan	327			\$ 227,000	00				3 16
Artificial Lift Install	329			\$ 68,000	00			\$.	\$ 227
Perl/Wireline Svc	331			\$ 570,000				-	\$ 68
Frucking/Forkit/Rig Mob	337			\$ 15,000					\$ 570
Water Disposal	339			\$ 61,000		-		\$.	\$ 16
Contingency	343			\$ 228,000					\$ 61
Dyed Diesel	345			\$ 495,000				\$	\$ 220
Drillout	346			\$ 510,000				\$	\$ 495
-Damages/Right of Way	351			# 510,000		2 000 00			\$ 510
-Location/Pits/Roads	353			+	1.5	2.000.00			\$ 2
	356				\$	43,000.00		\$	\$ 43
				1		404 000 00			
			_			184,000.00			\$ 184
-Contract Labor O-Contract Labor	374					1	\$ 43,000.00		\$ 43
Q-Centract Labor Q-Water Disposal	374						\$ 43,000.00 \$ 203,000.00		\$ 43 \$ 203
O-Contract Labor O-Water Disposal O-HRZ, Well Offset Frac	374 387 391						\$ 43,000.00 \$ 203,000.00 \$ 21,000.00	\$ - \$ -	\$ 43 \$ 203 \$ 21
O-Contract Labor O-Water Disposal O-HRZ Well Offset Frac	374	02 • 63 • 65 FF CO-	\$ 4,377,000.80	\$ 6,509,600			\$ 43,000.00 \$ 203,000.00 \$ 21,000.00	\$ - \$ -	\$ 43 \$ 203
Q-Contract Labor Q-Water Disposal Q-HRZ, Well Offset Frac Lef Intengible Costs	374 387 391	. 8	8 4,377,000.60	\$ 4,500,600			\$ 43,000.00 \$ 203,000.00 \$ 21,000.00	\$ - \$ -	\$ 43 \$ 203 \$ 21
O-Contract Labor O-Water Disposal O-HRZ Well Offset Frac tel Intengible Coets ngible Coets	374 387 391 \$	\$ 1 A 1 A 1 A 1 A 1 A 1 A 1 A 1 A 1 A 1	* 8 4,377,000.6r	8 6,589,600		229,000.00	\$ 43,000.00 \$ 203,000.00 \$ 21,000.00 \$ 267,000.00		\$ 43 \$ 203 \$ 21 \$ 11,472
O-Centract Labor D-Water Disposal O-HRZ, Well Offset Frac Lat Intengible Costs Lightle Costs D-Flowback Crews & Equip	374 387 391 8						\$ 43,000.00 \$ 203,000.00 \$ 21,000.00 \$ 267,000.00 \$ 122,000.00	\$ - S - S - S - S - S - S - S - S - S -	\$ 43 \$ 203 \$ 21 \$ 11,473
O-Contract Labor O-Water Disposal O-HRZ, Well Offset Frac Laf Interrigible Costs O-Flowback Crews & Equip Surface Cesting	374 387 391 \$	0.1 • 01 8 01.214.000	\$ 35,000 0			229,000.00	\$ 43,000.00 \$ 203,000.00 \$ 21,000.00 \$ 287,000.00 \$ 122,000.00		\$ 43 \$ 203 \$ 21 \$ 11,477
O-Contract Labor O-Water Disposal O-HRZ, Well Offset Frac tal Interngible Costs O-Flowback Crews & Equip Surface Cealing	374 387 391 \$ 392 401 402	• (1)	\$ 35,000 to			229,000.00	\$ 43,000.00 \$ 203,000.00 \$ 21,000.00 \$ 287,000.00 \$ 122,000.00	\$ - \$ - \$ - \$ - \$ - \$ -	\$ 43 \$ 203 \$ 21 \$ 11,477 \$ 323 \$ 323
O-Contract Lebor O-Water Disposal O-HRZ, Well Offset Frec Lef Intengible Costs Ingible Costs O-Flowback Crews & Equip Surface Ceeing Intermed Cog Production Cealing/Liner	374 397 391 \$ 392 401 402 403	8 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3	\$ 35,000 to \$ 323,000 to \$ 448,000.00			229,000.00	\$ 43,000,00 \$ 203,000,00 \$ 21,000,00 \$ 287,000,00 \$ 122,000,00	\$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ 43 \$ 203 \$ 21 \$ 11,473 \$ 323 \$ 323 \$ 446
O-Contract Labor O-Water Disposal O-HRZ, Web Offset Frac Lat Intengible Costs O-Flowback Crews & Equip Surface Casing Interned Cag Production Casing/Liner Neithead Equip	374 387 391 \$ \$ 392 401 402 403 406	0. · N \$ 14 14 000	\$ 35,000 to		00 \$	229,000.00	\$ 43,000.00 \$ 203,000.00 \$ 21,000.00 \$ 287,000.00 \$ 122,000.00		\$ 43 \$ 203 \$ 21 \$ 11,477 \$ 32 \$ 32 \$ 325 \$ 106
O-Contract Lisbor O-Water Disposal O-HRZ Well Offsat Frac tal Intengible Costs Ingible Costs O-Flowback Crews & Equip Surface Cealing Intermed Csg Production Cealing/Liner Wellhand Equip (ubing	374 387 391 \$ 392 401 402 403 403 504	• • • • • • • • • • • • • • • • • • • •	\$ 35,000 to \$ 323,000 to \$ 448,000.00	\$ 79,000	8 80 8	229,000.00	\$ 43,000.00 \$ 203,000.00 \$ 21,000.00 \$ 287,000.00 \$ 122,000.00	\$	\$ 43 \$ 203 \$ 21 \$ 11,473 \$ 323 \$ 323 \$ 446
O-Contract Labor O-Water Disposal O-HRZ, Well Offsat Frac Lat Intengible Costs Ingible Costs O-Flowback Crews & Equip Surface Cealing Intermed Cog Production Cealing/Liner Nethead Equip (Johns Wethbacd Equip	374 387 391 \$ 392 401 402 403 405 504 505		\$ 35,000 to \$ 323,000 to \$ 448,000.00		8 80 8	229,000.06	\$ 43,000.00 \$ 203,000.00 \$ 21,000.00 \$ 287,000.00 \$ 122,000.00	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ 43 \$ 203 \$ 21 \$ 11,477 \$ 32 \$ 32 \$ 325 \$ 106
O-Contract Lisbor O-Water Disposal O-HRZ, Wall Offsat Frac tal Intengithle Costs ngible Costs O-Flowback Crews & Equip Surface Cesting Intermed Cog Production Casting/Liner Nathmed Equip (ubing Wethned Equip Tenris	374 387 391 \$ 392 401 402 403 406 504 506 510		\$ 35,000 to \$ 323,000 to \$ 448,000.00	\$ 79,000	8 80 8	229,000.00	\$ 43,000.00 \$ 203,000.00 \$ 21,000.00 \$ 287,000.00 \$ 1,22,000.00	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ 43 \$ 200 \$ 21 \$ 11,477 \$ 32 \$ 32 \$ 446 \$ 100 \$ 76
O-Contract Lisbor O-Water Disposal O-HRZ Well Offsat Frac tal Intengible Costs O-Flowback Crews & Equip Surface Cealing njermed Csg Production Ceating/Liner Wellhaed Equip (Joing Nethnead Equip Tanks Flowfings/Pipelines	374 387 391 \$ 392 401 402 403 403 504 505 510 511		\$ 35,000 to \$ 323,000 to \$ 448,000.00	\$ 79,000	00 \$ 00 00 00 00 5 5 5	229,000.00 (80,000.00 (30,000.00 (\$ 43,000.00 \$ 203,000.00 \$ 21,000.00 \$ 287,000.00 \$ 122,000.00	\$	\$ 43 \$ 200 \$ 21 \$ 11,477 \$ 32 \$ 32 \$ 32 \$ 32 \$ 446 \$ 76 \$ 76
O-Centract Labor D-Water Disposal D-Water Disposal D-Water Disposal Interngible Costs D-Flowback Crews & Equip Surface Ceeing Interned Ceg Production Casing/Liner Vellmand Equip Using Vellmand Equip Tanks Flowlines/Pipelines Hr Tetr/Septr	374 387 391 \$ 392 401 402 403 405 504 506 510 511 512		\$ 35,000 to \$ 323,000 to \$ 448,000.00	\$ 79,000	\$ 000 \$ 000 000 000 000 000 000 000 000	80,000.00 30,000.00 185,000.00	\$ 43,000.00 \$ 203,000.00 \$ 21,000.00 \$ 287,000.00 \$ 122,000.00	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ 43 \$ 203 \$ 11,477 \$ 122 \$ 322 \$ 322 \$ 444 \$ 77 \$ 43 \$ 5
O-Contract Lisbor O-Water Disposal O-HRZ, Wall Offsat Frac tal Intengithle Costs Ingible Costs O-Flowback Crews & Equip Surface Cesting Intermed Cog Production Casting/Liner Nathmed Equip (ubing Wethned Equip Tanks Flowfines/Pipelines -Flowfines/Pipelines -Flowfines/Pipelines	374 387 391 \$ 392 401 402 403 406 504 505 510 511 511		\$ 35,000 to \$ 323,000 to \$ 448,000.00	\$ 79,000	000 \$	229,000.00 (80,000.00 (30,000.00 (\$ 43,000.00 \$ 203,000.00 \$ 21,000.00 \$ 267,000.00 \$ 122,000.00	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ 43 \$ 200 \$ 21 \$ 11,472 \$ 122 \$ 3 32 \$ 325 \$ 446 \$ 76 \$ 76 \$ 3 45 \$ 325 \$ 325
O-Contract Lisbor O-Water Disposal O-HRZ Well Offsat Frac tal Intengible Costs Ingible Costs O-Flowback Crews & Equip Surface Cealing Interned Cag Production Casting/Liner Wellhard Equip (John Mellhard Equip Tranks Flowfines/Pipelines Hir TrorSaport Electrical System/Equipment Poters/Anchors/Higns	374 387 391 \$ 392 401 402 403 403 406 504 505 510 611 512 613 514		\$ 35,000 to \$ 323,000 to \$ 448,000.00	\$ 79,000	00 00 00 00 00 00 00 00 00 00 00 00 00	80,000.00 30,000.00 119,000.00	\$ 43,000.00 \$ 203,000.00 \$ 21,000.00 \$ 267,000.00 \$ 122,000.00	\$ - \$ - \$ - \$ - \$ 5 - \$	\$ 43 \$ 200 \$ 21 \$ 11,473 \$ 122 \$ 3 32 \$ 32 \$ 446 \$ 75 \$ 3 45 \$ 32 \$ 3 10 \$ 5 10 \$ 5 75 \$ 3 10 \$ 5 10
O-Contract Labor O-Water Disposal O-HRZ, Well Offset Frec tel Intengible Costs Ingible Costs O-Flowback Crews & Equip Surface Ceeing Intermed Cog Production Ceeing/Liner Nethead Equip Vetting Wetthead Equip Territs FlowfrencyPipelines Hot Tror/Seprir Electrical System/Equipment Potral Anchors/Highs Couplings/Fittings/Valves	374 387 391 \$ 392 401 402 403 405 504 506 510 511 512 613 513	5 × 11 5 × 11 × 11 × 11 × 11 × 11 × 11	\$ 35,000 to \$ 323,000 to \$ 448,000.00	\$ 79,000	000 \$ 000 000 000 000 000 000 000 000 0	80,000.00 30,000.00 185,000.00 119,000.00 204,000.00	\$ 43,000.00 \$ 203,000.00 \$ 21,000.00 \$ 287,000.00 \$ 122,000.00	\$	\$ 43 \$ 205 \$ 21 \$ 11,473 \$ 122 \$ 3 32 \$ 32 \$ 446 \$ 100 \$ 5 100 \$ 5 20 \$ 125 \$ 100 \$ 5
O-Contract Lisbor O-Water Disposal O-HRZ, Well Offisel Frec tal Interngible Costs O-Flowheck Crews & Equip Surface Cealing Interned Cost O-Flowheck Crews & Equip Surface Cealing Interned Cost O-Flowheck Crews & Equip Surface Cealing Interned Cost O-Flowheck Crews & Equip Interned Cost O-Flowheck Crews & Equip Interned Cost O-Flowheck Crews & Equip Interned Cost In	374 387 391 \$ 392 401 402 403 406 504 505 510 511 512 513 514 515 521		\$ 35,000 to \$ 323,000 to \$ 448,000.00	\$ 79,000	00 00 00 00 00 00 00 00 00 00 00 00 00	80,000.00 30,000.00 119,000.00	\$ 43,000.00 \$ 203,000.00 \$ 21,000.00 \$ 287,000.00 \$ 122,000.00	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ 43 \$ 200 \$ 21 \$ 11,472 \$ 122 \$ 3 32 \$ 325 \$ 446 \$ 75 \$ 465 \$ 365 \$ 365
O-Contract Lisbor O-Water Disposal O-HRZ, Well Offsat Frac tal Intengible Costs Ingible Costs O-Flowback Crews & Equip Surface Ceeing Interned Cost Production Casing/Liner Wellhead Equip Liching Wellhead Equip Tanks - Flowfines/Pipelines - HY Trir/Seprir - Electrical System/Equipment - Schraft/Anchors/Hgrs - Couplings/Fritings/Vaives - Pursps-Surface - Instrumentation/SCADA/POC	374 387 391 \$ 392 401 402 403 406 504 505 510 511 512 613 514 515 522		\$ 35,000 to \$ 323,000 to \$ 448,000.00	\$ 79,000	000 \$ 000 000 000 000 000 000 000 000 0	80,000.00 30,000.00 185,000.00 119,000.00 204,000.00	\$ 43,000.00 \$ 203,000.00 \$ 21,000.00 \$ 287,000.00 \$ 122,000.00	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ 44 \$ 200 \$ 221 \$ 11,477 \$ 3. 122 \$ 3. 322 \$ 444 \$ 100 \$ 5 30 \$ 322 \$ 445 \$ 100 \$ 5 30 \$ 322 \$ 3 445 \$ 5 30 \$ 5 30 \$ 5 30 \$ 5 30 \$ 5 30 \$ 5 30 \$ 5 40 \$ 5 5 30 \$ 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5
O-Contract Labor O-Water Disposal O-HRZ, Well Offsat Frac Left Intengible Costs Ingible Costs O-Flowback Crews & Equip Surface Cealing Intermed Cog Production Cealing/Liner Nethead Equip Verthead Equip Franks Flowfines/Pipelines Hor Tror/Seprir Electrical System/Equipment Pokra/Anchors/Pipelines Ocupilings/Fittings/Vaives Purps-Surface Linstrumentation/SCADA/POC Miscellaneous	374 387 391 \$ 392 401 402 403 406 504 505 510 511 512 613 514 515 522		\$ 35,000 to \$ 323,000 to \$ 448,000.00	\$ 79,000	00 \$ 00 00 00 00 00 00 00 00 00 00 00 00	80,000.00 30,000.00 30,000.00 185,000.00 119,000.00 264,000.00 25,000.00	\$ 43,000.00 \$ 203,000.00 \$ 21,000.00 \$ 287,000.00 \$ 122,000.00	\$ - \$ - \$ - \$ 5 -	\$ 44 \$ 20 \$ 21 \$ 11,477 \$ 32 \$ 32 \$ 32 \$ 446 \$ 100 \$ 5 100 \$ 5 20 \$ 32 \$ 32 \$ 32 \$ 32 \$ 32 \$ 32 \$ 32 \$ 32
O-Contract Lisbor O-Water Disposal O-HRZ, Well Offset Frec tal Interngible Costs O-Flowback Crews & Equip Surface Cealing nermed Csg Production Cealing/Liner Wellhead Equip Lubring Wellhead Equip Lubring Flowfines/Pipelines -Hr Trir/Seprir Electrical System/Equipment Polyman-Primal System/Equipment Polyman-Primal System/Equipment Polyman-Primal System/Equipment Polyman-System/Equipment Polyman	374 387 391 \$ 392 401 402 403 405 504 505 510 511 512 513 514 519 521 522 523 525		\$ 35,000 to \$ 323,000 to \$ 448,000.00	\$ 79,000	00 \$ 00 00 00 00 00 00 00 00 00 00 00 00	80,000.00 30,000.00 119,000.00 264,000.00 28,000.00 20,000.00	\$ 43,000.00 \$ 203,000.00 \$ 21,000.00 \$ 287,000.00 \$ 122,000.00	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ 43 \$ 200 \$ 21 \$ 11,473 \$ 32 \$ 32 \$ 32 \$ 446 \$ 75 \$ 46 \$ 75 \$ 36 \$ 32 \$ 32 \$ 32 \$ 32 \$ 32 \$ 32 \$ 32 \$ 32
O-Contract Listor O-Water Disposal O-HRZ, Well Offsat Frac tal Intengible Costs Ingible Costs O-Flowback Crews & Equip Surface Cealing Interned Cost Production Casing/Liner Wellhard Equip Liching Wellhard Equip -Tarks -Prowfines-Pipelines -Hr Trir/Seprir -Bictrical System/Equipment -Coutlings/Fittings/Valves -Purpa-Surface -Instrumentator/SCADA/POC -Miscallaneous -Meters/Locts -Fieres/Combusters/Emission	374 387 391 \$ 392 401 402 403 406 504 505 510 511 512 613 514 516 521 522 323 526		\$ 35,000 to \$ 323,000 to \$ 448,000.00	\$ 79,000	00 \$ 00 00 00 00 00 00 00 00 00 00 00 00	80,000.00 -30,000.00 -30,000.00 185,000.00 119,000.00 25,000.00 20,000.00 20,000.00 25,000.00	\$ 43,000.00 \$ 203,000.00 \$ 21,000.00 \$ 287,000.00	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ 44 \$ 200 \$ 11,477 \$ 12,477 \$ 3, 322 \$ 3, 322 \$ 446 \$ 77 \$ 3 45 \$ 100 \$
O-Contract Listor O-Water Disposal O-HRZ, Well Offsat Frac tal Intengible Costs Ingible Costs O-Flowback Crews & Equip Surface Cealing Interned Cost Production Casing/Liner Wellhard Equip Liching Wellhard Equip -Tarks -Prowfines-Pipelines -Hr Trir/Seprir -Bictrical System/Equipment -Coutlings/Fittings/Valves -Purpa-Surface -Instrumentator/SCADA/POC -Miscallaneous -Meters/Locts -Fieres/Combusters/Emission	374 387 391 \$ 392 401 402 403 405 504 505 510 511 512 513 514 519 521 522 523 525		\$ 35,000 to \$ 323,000 to \$ 448,000.00	\$ 79,000 \$ 43,000 \$ 98,000	\$ 000 \$ 000 000 000 000 000 000 000 000	80,000.00 30,000.00 185,000.00 119,000.00 20,000.00 20,000.00 20,000.00	\$ 43,000.00 \$ 203,000.00 \$ 21,000.00 \$ 287,000.00 \$ 122,000.00	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ 44 \$ 20 \$ 11,477 \$ 12,473 \$ 32 \$ 32 \$ 448 \$ 100 \$ 7 \$ 100 \$ 2 \$ 3 \$ 32 \$ 32 \$ 32 \$ 32 \$ 32 \$ 32 \$
O-Contract Labor O-Contract Labor O-Water Disposal O-HRZ, Well Offset Frac sal Intengible Costs O-Flowback Crews & Equip Surface Cealing Intermed Cag Production Casing/Liner Neithead Equip Using Welfhead Equip Tanks Flowfines/Pipelines Flowfines/Flowfines/Pipelines Flowfines/Flowfines/Pipelines Flowfines/Flowfines/Flowfines Flowfines/Flowfines/Flowfines Flowfines/Flowfines/Flowfines Flowfines/Flowfines	374 387 391 \$ 392 401 402 403 406 504 505 510 511 512 613 514 516 521 522 323 526		\$ 35,000 to \$ 323,000 to \$ 448,000.00	\$ 79,000 \$ 43,000 \$ 90,000	\$ 000 \$ 000 000 000 000 000 000 000 000	80,000.00 -30,000.00 -30,000.00 185,000.00 119,000.00 25,000.00 20,000.00 20,000.00 25,000.00	\$ 43,000.00 \$ 203,000.00 \$ 21,000.00 \$ 287,000.00	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ 44 \$ 200 \$ 21 \$ 11,477 \$ 3. 122 \$ 3. 322 \$ 446 \$ 100 \$ 76 \$ 322 \$ 45 \$ 322 \$ 346 \$ 322 \$ 346 \$ 322 \$ 346 \$ 322 \$ 346 \$ 322 \$
O-Contract Labor O-Contract Labor O-Water Disposal O-HRZ, Well Offsat Frac tal Interngible Costs O-Flowback Crews & Equip Surface Cealing Internac Cealing Internac Cealing Internac Cealing Internac Cealing Internace Internace Cealing Internace Inte	374 387 391 \$ 392 401 402 403 406 904 505 510 511 512 513 514 513 521 522 523 525 526 527 531		\$ 35,000 to \$ 323,000 to \$ 448,000.00 \$ 106,000 to	\$ 79,000	00 \$ 00 00 00 00 00 00 00 00 00 00 00 00	80,000.00 -30,000.00 -30,000.00 185,000.00 119,000.00 25,000.00 20,000.00 20,000.00 25,000.00 30,000.00	\$ 43,000.00 \$ 203,000.00 \$ 21,000.00 \$ 122,000.00 \$ 122,000.00 \$ 143,000.00	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ 44 \$ 200 \$ 11,477 \$ 12,477 \$ 3, 322 \$ 3, 322 \$ 444 \$ 100 \$ 100 \$ 100 \$ 200 \$ 3, 322 \$ 3, 3, 322 \$ 3,
O-Contract Lisbor O-Water Disposal O-HRZ, Well Offsat Frac tal Intengitive Costs Ingible Costs O-Flowback Crews & Equip Surface Cealing Intended Costs O-Flowback Crews & Equip Surface Cealing Interned Cost Production Cealing/Liner Nethbad Equip Lisbrig Velthad Equip Lisbrig Velthad Equip Lisbrig Flowfines/Pipelines -Hr Trir/Saprir Electrical System/Equipment Pokra/Anchors/Hgrs Couplings/Fittings/Valves Pursps-Surface Instrumentation/SCADA/POC Miscallanaous Meters/Locts Flares/Combusters/Emission Ses Lift/Compression O-Welthad Equipment	374 387 391 \$ 392 401 402 403 405 504 505 510 511 512 513 514 515 521 522 823 823 826 627		\$ 35,000 to \$ 323,000 to \$ 448,000.00 \$ 108,000 to	\$ 79,000	00 \$ 00 00 00 00 00 00 00 00 00 00 00 00	80,000.00 -30,000.00 -30,000.00 185,000.00 119,000.00 25,000.00 20,000.00 20,000.00 25,000.00	\$ 43,000.00 \$ 203,000.00 \$ 21,000.00 \$ 122,000.00 \$ 122,000.00 \$ 143,000.00	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ 44 \$ 200 \$ 21 \$ 11,477 \$ 3. 122 \$ 3. 322 \$ 446 \$ 100 \$ 76 \$ 322 \$ 45 \$ 322 \$ 346 \$ 322 \$ 346 \$ 322 \$ 346 \$ 322 \$ 346 \$ 322 \$
O-Contract Lisbor O-Water Disposal O-HRZ, Well Offset Frec tal Intengible Costs O-Flowback Crews & Equip Surface Ceeing niermed Csg Production Casting/Liner Nethead Equip Wellnes/Pipelines Hr Trir/Seprir Electrical System/Equipment Actur/Anchors/High Couplings/Fittings/Valves Pumps-Surface Instrumentation/SCADA/POC Miscellaneous Meters/Locts Meters/Locts Ses Lift/Compression O-Wellnesd Equipment Liter Combusters/Emission Ses Lift/Compression O-Wellnesd Equipment List Tengible Costs	374 387 391 \$ 392 401 402 403 406 504 505 510 511 512 613 514 515 521 522 523 525 527 531 \$		\$ 35,000 OC \$ 323,000 OC \$ 445,000 OC \$ 108,000 OC \$ 108,000 OC	\$ 79,000 \$ 43,000 \$ 98,000 \$ 38,000	000 \$ 000 \$ 5 5 5 5 5 5 5 5 5 5 5 5 5 5	80,000.00 30,000.00 185,000.00 119,000.00 20,000.00 20,000.00 20,000.00 20,000.00 30,000.00 30,000.00 30,000.00	\$ 43,000.00 \$ 203,000.00 \$ 21,000.00 \$ 287,000.00 \$ 122,000.00 \$ 123,000.00 \$ 43,000.00 \$ 163,000.00	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ 44 \$ 20 \$ 11,473 \$ 122 \$ 33 \$ 323 \$ 446 \$ 100 \$ 77 \$ 400 \$ 18 \$ 20 \$ 20 \$ 20 \$ 20 \$ 32 \$ 32 \$ 32 \$ 32 \$ 32 \$ 32 \$ 32 \$ 32
O-Contract Labor O-Contract Labor O-Water Disposal O-HRZ, Well Offset Frec sal Intengible Costs O-Flowback Crews & Equip Surface Cealing Intended Cog Industrial Cog Indust	374 387 391 \$ 392 401 402 403 406 504 505 510 511 512 513 514 515 521 521 522 523 525 526 527 531		\$ 35,000 to \$ 323,000 to \$ 445,000 to \$ 108,000 to \$ 108,000 to	\$ 79,000 \$ 43,000 \$ 98,000 \$ 38,000	000 \$ 000 \$ 5 5 5 5 5 5 5 5 5 5 5 5 5 5	80,000.00 -30,000.00 -30,000.00 185,000.00 119,000.00 25,000.00 20,000.00 20,000.00 25,000.00 30,000.00	\$ 43,000.00 \$ 203,000.00 \$ 21,000.00 \$ 287,000.00 \$ 122,000.00 \$ 123,000.00 \$ 43,000.00 \$ 163,000.00	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ 44 \$ 200 \$ 11,477 \$ 12,477 \$ 3, 322 \$ 3, 322 \$ 444 \$ 100 \$ 100 \$ 100 \$ 200 \$ 3, 322 \$ 3, 3, 322 \$ 3,
O-Contract Lisbor O-Water Disposal O-HRZ, Well Offset Frec tal Interngible Costs O-Flowback Crews & Equip Surface Cesting Interned Cog Production Casing/Liner Wellhead Equip Tubing Wellhead Equip Tranks -Flowlines/Pipelines -Hr Trit/Seprir -Electrical System/Equipment Actural/Anchors/Highs -Couplings/Fittings/Valves -Purps-Surface Instrumentation/SCADA/POC Millicaliannous -Meters/Locts -Flares/Combusters/Emission Ses Lift/Compression O-Wellhead Equipment tal Tangible Costs	374 387 391 \$ 392 401 402 403 406 504 505 510 511 512 513 514 515 521 521 522 523 525 526 527 531		\$ 35,000 to \$ 323,000 to \$ 445,000 to \$ 108,000 to \$ 108,000 to	\$ 79,000 \$ 43,000 \$ 98,000 \$ 38,000	000 \$ 000 \$ 5 5 5 5 5 5 5 5 5 5 5 5 5 5	80,000.00 30,000.00 185,000.00 119,000.00 20,000.00 20,000.00 20,000.00 20,000.00 30,000.00 30,000.00 30,000.00	\$ 43,000.00 \$ 203,000.00 \$ 21,000.00 \$ 287,000.00 \$ 122,000.00 \$ 123,000.00 \$ 43,000.00 \$ 163,000.00	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ 44 \$ 20 \$ 11,473 \$ 122 \$ 33 \$ 323 \$ 446 \$ 100 \$ 77 \$ 400 \$ 18 \$ 20 \$ 20 \$ 20 \$ 20 \$ 32 \$ 32 \$ 32 \$ 32 \$ 32 \$ 32 \$ 32 \$ 32
O-Contract Lisbor O-Water Disposal O-HRZ Well Offset Frec tel Intengible Costs O-Flowback Crews & Equip Surface Ceeing Intended Equip Production Casting/Liner Wellheed Equip Tehnis Nellheed Equip Tehnis Flowfines/Pipelines International Pipelines International Pipelines International Pipelines International Pipelines International Pipelines International Pipelines O-wellings/Fittings/Valves Pureps-Surface Instrumentation/SCADA/POC Miscallaneous Meters/Locts Fleres/Combusters/Emission Sas Lift/Compression O-Weltheed Equipment tal Tengible Costs	374 387 391 \$ 392 401 402 403 406 504 505 510 511 512 513 514 515 521 521 522 523 525 526 527 531		\$ 35,000 to \$ 323,000 to \$ 445,000 to \$ 108,000 to \$ 108,000 to	\$ 79,000 \$ 43,000 \$ 98,000 \$ 38,000	000 \$ 000 \$ 5 5 5 5 5 5 5 5 5 5 5 5 5 5	80,000.00 30,000.00 185,000.00 119,000.00 20,000.00 20,000.00 20,000.00 20,000.00 30,000.00 30,000.00 30,000.00	\$ 43,000.00 \$ 203,000.00 \$ 21,000.00 \$ 287,000.00 \$ 122,000.00 \$ 123,000.00 \$ 43,000.00 \$ 163,000.00	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ 44 \$ 20 \$ 11,473 \$ 122 \$ 33 \$ 323 \$ 446 \$ 100 \$ 77 \$ 400 \$ 18 \$ 20 \$ 20 \$ 20 \$ 20 \$ 32 \$ 32 \$ 32 \$ 32 \$ 32 \$ 32 \$ 32 \$ 32
O-Contract Lisbor O-Water Disposal O-HRZ Well Offset Frec tel Intengible Costs O-Flowback Crews & Equip Surface Ceeing Intended Equip Production Casting/Liner Wellheed Equip Tehnis Nellheed Equip Tehnis Flowfines/Pipelines International Pipelines International Pipelines International Pipelines International Pipelines International Pipelines International Pipelines O-wellings/Fittings/Valves Pureps-Surface Instrumentation/SCADA/POC Miscallaneous Meters/Locts Fleres/Combusters/Emission Sas Lift/Compression O-Weltheed Equipment tal Tengible Costs	374 387 391 \$ 392 401 402 403 406 504 505 510 511 512 513 514 515 521 521 522 523 525 526 527 531		\$ 35,000 to \$ 323,000 to \$ 445,000 to \$ 108,000 to \$ 108,000 to	\$ 79,000 \$ 43,000 \$ 98,000 \$ 38,000	000 \$ 000 \$ 5 5 5 5 5 5 5 5 5 5 5 5 5 5	80,000.00 30,000.00 185,000.00 119,000.00 20,000.00 20,000.00 20,000.00 20,000.00 30,000.00 30,000.00 30,000.00	\$ 43,000.00 \$ 203,000.00 \$ 21,000.00 \$ 287,000.00 \$ 122,000.00 \$ 123,000.00 \$ 43,000.00 \$ 163,000.00	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ 44 \$ 20 \$ 11,473 \$ 122 \$ 33 \$ 323 \$ 446 \$ 100 \$ 77 \$ 400 \$ 18 \$ 20 \$ 20 \$ 20 \$ 20 \$ 32 \$ 32 \$ 32 \$ 32 \$ 32 \$ 32 \$ 32 \$ 32
O-Contract Listor O-Water Disposal O-HRZ, well Offsat Frac tal Inlangible Costs O-Flowback Crews & Equip Surface Cealing Intermed Csg Production Casing/Liner Wellhead Equip Tubing Wellhead Equip Tubing Wellhead Equip Tubing President System/Equipment Pokrs/Anchors/Figrs -Couplings/Fittings/Valves -Pumps-Surface -Instrumentation/SCADA/POC -Miscellaneous -Meters/Locts -Flares/Combusters/Emission Gs Ulf/Yompression G-Wellhead Equipment tal Tangible Costs tal Gross Cost ta: The above costs are assimate KG Operating LLC	374 387 391 \$ 392 401 402 403 406 504 505 510 511 512 513 514 515 521 521 522 523 525 526 527 531		\$ 35,000 to \$ 323,000 to \$ 445,000 to \$ 108,000 to \$ 108,000 to	\$ 79,000 \$ 43,000 \$ 98,000 \$ 38,000	000 \$ 000 \$ 5 5 5 5 5 5 5 5 5 5 5 5 5 5	80,000.00 30,000.00 119,000.00 20,000.00 20,000.00 20,000.00 20,000.00 30,000.00 30,000.00 30,000.00 30,000.00	\$ 43,000.00 \$ 203,000.00 \$ 21,000.00 \$ 287,000.00 \$ 122,000.00 \$ 123,000.00 \$ 43,000.00 \$ 163,000.00	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ 44 \$ 20 \$ 11,473 \$ 122 \$ 33 \$ 323 \$ 446 \$ 100 \$ 77 \$ 400 \$ 18 \$ 20 \$ 20 \$ 20 \$ 20 \$ 32 \$ 32 \$ 32 \$ 32 \$ 32 \$ 32 \$ 32 \$ 32
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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. 21628

SELF-AFFIRMED STATEMENT OF TRAVIS SPARKS

- 1. I am over 18 years of age and am competent to provide this Self-Affirmed Statement. I have personal knowledge of the matters addressed herein.
- 2. I am a geologist with COG Operating LLC ("COG") and have previously testified before the New Mexico Oil Conservation Division ("Division") as an expert witness in petroleum geology 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 I have conducted a geologic study of the lands in the subject area.
- 4. COG is targeting the Wolfcamp formation with its proposed Scout State Com 604H, 605H, and 606H wells (collectively the "Wells").
- 5. Attachment D is a locator map displaying COG's acreage in yellow for the Wolfcamp formation. Existing producing wells in the Wolfcamp interval are represented by solid lines. The approximate wellbore paths for the Wells are marked by dashed lines.
- 6. Attachment E is a subsea structure map that I prepared for the top of the Wolfcamp that is representative of the targeted interval within the Wolfcamp interval. The data points are indicated by crosses. I used the Wolfcamp structure because it is a reliable regional marker and

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 21628 Exhibit No. 2
Case No. 34674864 Bage 23
COG OPERATING LLC

Hearing Date: January 7, 2021

the target intervals lie near this marker. The approximate wellbore paths for the proposed Wells are depicted by dashed lines. The map shows that the formation is gently dipping to the southwest in this area. I do not observe any faulting, pinch-outs, or other geologic impediments to developing the targeted intervals with horizontal wells in this area.

- 7. Attachment F overlays a cross-section line consisting of three wells penetrating the Wolfcamp 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.
- 8. Attachment G is a stratigraphic cross-section using the representative wells depicted on Attachment F. Each well in the cross-section contains gamma ray, resistivity, and porosity logs. The proposed target intervals in the Wolfcamp formation are labeled on the exhibit. The cross-section demonstrates that the targeted intervals are continuous across the proposed spacing unit.
- 9. In my opinion, the stand-up orientation of the proposed wells is the preferred orientation for horizontal well development in this area and is appropriate to efficiently and effectively develop the subject acreage.
- 10. Based on my geologic study, the targeted interval underlying the subject area is suitable for development by horizontal wells, and the acreage comprising the proposed spacing unit will contribute, more-or-less, equally to the production from the wellbores.
- 11. In my opinion, the granting of COG's application will be in the best interest of conservation, the prevention of waste, and the protection of correlative rights.
- 12. Exhibit 2 and Attachments D through G were either prepared by me, compiled under my direction and supervision, or were compiled from company business records.

13. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 16 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 indicated next to my signature below.

Travis Sparks

7-4/- 702

Wolfcamp Pool Scout State Com # 601H- 606H

Scout State Com 603H Scout State Com 603H

Scout State Com 606H Scout State Com 605H

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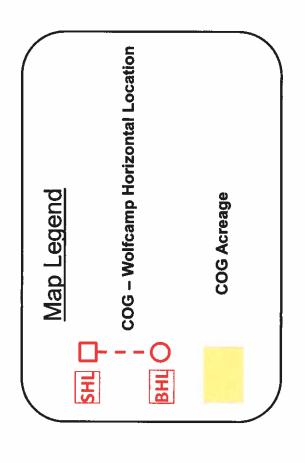
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Scout State Com 603H Scout State Com 604H

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BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 21628 Attachment D Submitted by:
COG OPERATING LLC
Hearing Date: January 7, 2021



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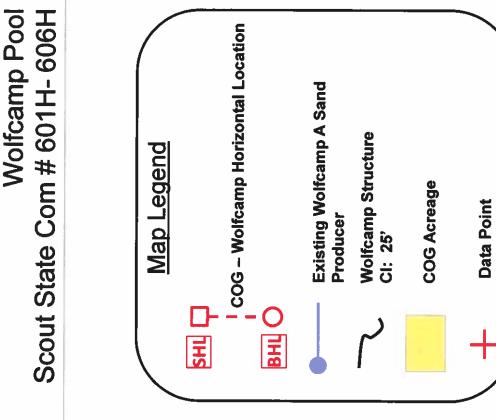
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BEFORE THE OIL CONSERVATION DIVISION Attachment COG OPERATING LLC Hearing Date: January 7, 2021 Santa Fe, New Mexico Case No. 21628 Attachme Submitted by:



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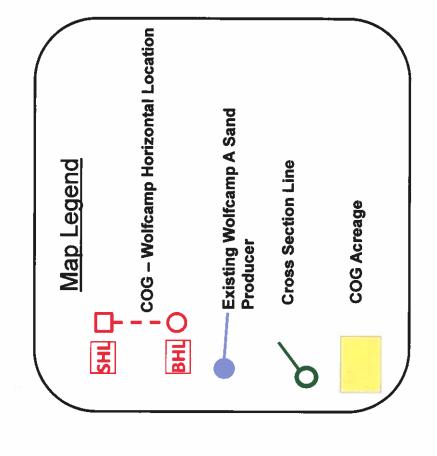
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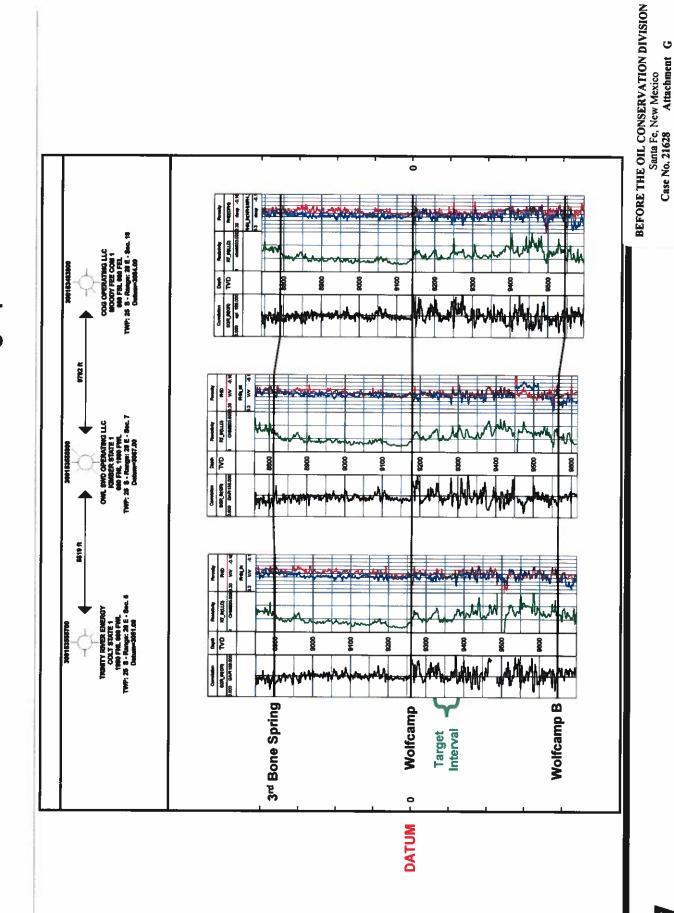
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BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 21628 Attachment F Case No. 21628 Attachment F Submitted by: COG OPERATING LLC Hearing Date: January 7, 2021

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Case No. 21628

Stratigraphic Cross Section A - A'





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Submitted by

COG OPERATING LLC

Hearing Date: January 7, 2021

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

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

CASE NO. 21628

AFFIDAVIT

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

Michael Rodriguez, attorney and authorized representative of COG Operating LLC, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Application were provided under the notice letter and proof of receipts attached hereto.

Michael Rodriguez

SUBSCRIBED AND SWORN to before me this 5th day of January, 2021 by Michael Rodriguez.



Notary Public

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 21628 Exhibit No. 3
Submitted by:
COG OPERATING LLC
CHearing Dat62 & an Prany of 32021

December 18, 2020

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: <u>Case No. 21628</u>: Application of COG Operating, LLC for Compulsory Pooling,

Eddy County, New Mexico.

Scout State Com 604H, 605H and 606H Wells

To Whom It May Concern:

This letter is to advise you that COG Operating LLC has filed the enclosed application with the New Mexico Oil Conservation Division. The hearing will be conducted on **January 7**, **2021** beginning at 8:15 a.m.

During the COVID-19 Pubic Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: http://www.emnrd.state.nm.us/OCD/announcements.html. 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 19.135.4.13.B, parties appearing in a case are required to file a prehearing Statement 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 date. The statement must be filed at the Division's Santa Fe office or electronically submitted to ocd.hearings@state.nm.us 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.

If you have any questions about this matter, please contact Lizzy Laufer at (432) 221-0470 or elaufer@concho.com.

Sincerely,

/s/ Michael Rodriguez

Michael Rodriguez
Attorney for COG Operating LLC

P 432 683.7443 | F 432 683 7441

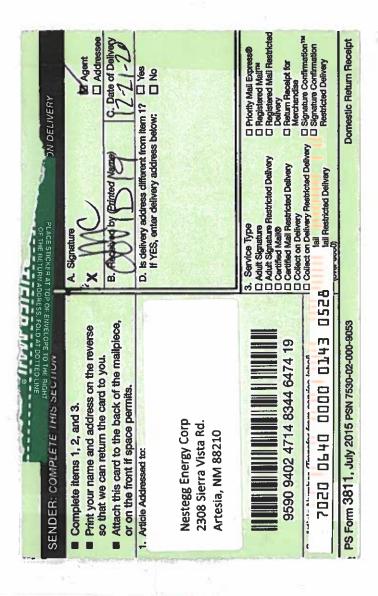
U.S. Postal ServiceTM CERTIFIED MAIL® RECEIPT Domestic Mail Only For delivery information, visit our website at www.usps.com* Cortified Mail Fee Gertified Mail Fee Matt Signature Restricted Delivery \$ 1000 Postman Cortified Mail Signature Restricted Delivery \$ 1000 Postman Cortified Mail Signature Restricted Delivery \$ 1000 Postman Cortified Mail and, TX 79706 PS Form 3800, April 2015 PSW 750-00-00047 Sign Reverse for Instructions

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Carlsbad Current Argus.

Affidavit of Publication Ad # 0004515822 This is not an invoice

CONCHO 1048 PASEO DE PERALTA

SANTA FE, NM 87501

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 on the date as follows, to wit:

12/19/2020

Legal Clerk

Subscribed and sworn before me this December 19, 2020:

State of WI, County of Brown

My commission expires

Ad # 0004515822 PO #: # of Affidavits1

This is not an invoice

NANCY HEYRMAN Notary Public State of Wisconsin

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

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on January 7, 2021. During the COVID-19 Pubic Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: http://www.emn rd.state.nm.us/OCD/announcements.html. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact: Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by December 28, 2020. Public documents, including the agenda and minutes, can be provided in various accessible formats. Members of the public may obtain copies of the docket by contacting Ms. Davidson at the phone number indicated above. Also, the docket will be posted on the Oil Conservation Division website at www.emnrd.state.nm.us/O CD/. Please contact Ms. Davidson if a summary or other type of accessible form is needed.

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 interested parties, including: Occidental Permian Limited Partnership; OXY Y-1 Company; EOG Resources, Inc.; Mewbourne Oil Company; Nestegg Energy Corp.

Case 21628: Application of COG Operating LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the division pooling all uncommitted interest owners in the Wolfcamp formation, Purple Sage-Wolfcamp Gas Pool (Pool code 98220), underlying a standard 966.73-acre, more or less, horizontal spacing unit comprised of Lots 3-7, SE/4NW/4, E/2SW/4 of Section 6, Lots 1-4 and E/2W/2 of Section 7, and Lots 1-4 and E/2W/2 of Section 18, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico. COG Operating LLC seeks to dedicate the above-referenced horizontal spacing unit to the following proposed wells:

- The Scout State Com 604H well to be horizontally drilled from a surface hole location in Lot 3 (Unit C) of Section 6 to a bottom hole location in the SE/4SW/4 (Unit N) of Section 18
- 18,
 The Scout State Com 605H well to be horizontally drilled from a surface hole location in Lot 4 (Unit D) of Section 6 to a bottom hole location in Lot 4 (Unit M) of Section 18, and
 The Scout State Com 606H well to be horizontally drilled from a surface hole location in Lot 4 (Unit D) of Section 6 to a bottom hole location in Lot 4 (Unit M) of Section 18.

Also, to be considered will be the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of COG Operating LLC as operator of the wells, and the imposition of 200% charge for risk involved in drilling and completing said wells. Said area is located approximately 5.4 miles southwest of Malaga, New Mexico.

#4515822, Current Argus, Decemeber 19, 2020.