

**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. 23472

EXHIBIT INDEX

Compulsory Pooling Checklist

Exhibit A	Self-Affirmed Statement of Gianna Romero
A-1	Application & Proposed Notice of Hearing
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A-3	Plat of Tracts, Tract Ownership, Applicable Lease Numbers, Unit Recapitulation, Pooled Parties
A-4	Sample Well Proposal Letter & AFE
A-5	Chronology of Contact
Exhibit B	Self-Affirmed Statement of Chris Wray
B-1	Location Map of the Riverwalk Fed Com 903H and 503H wells
B-2	Subsea Structure Map
B-3	Cross Section Map
B-4	Stratigraphic Cross-Section
Exhibit C	Self-Affirmed Statement of Dana S. Hardy
C-1	Sample Notice Letter to All Interested Parties
C-2	Chart of Notice to All Interested Parties
C-3	Copies of Certified Mail Receipts and Returns
C-4	Affidavit of Publication from April 14, 2023

COMPULSORY POOLING APPLICATION CHECKLIST**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

Case: 23472	APPLICANT'S RESPONSE
Date	May 4, 2023
Applicant	COG Operating LLC
Designated Operator & OGRID (affiliation if applicable)	OGRID No. 229137
Applicant's Counsel:	Hinkle Shanor LLP
Case Title:	Application of COG Operating LLC for Compulsory Pooling, Eddy County, New Mexico.
Entries of Appearance/Intervenors:	None
Well Family	Riverwalk
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring
Pool Name and Pool Code:	Corral Canyon; Bone Spring, South Pool (Code 13354)
Well Location Setback Rules:	Statewide
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	719.78-acres
Building Blocks:	quarter-quarter
Orientation:	South/North
Description: TRS/County	S/2 SW/4 of Section 8 and the W/2 of Sections 17 and 20, Township 26 South, Range 29 East, Eddy County.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and is approval of non-standard unit requested in this application?</u>	Yes.
Other Situations	
Depth Severance: Y/N. If yes, description	No.
Proximity Tracts: If yes, description	Yes. The completed interval of the Riverwalk Fed Com 503H well will be located within 330' of the quarter-quarter section line separating the W/2 W/2 and E/2 W/2 of Sections 8, 17, and 20, to allow for the creation of a 719.78-acre standard horizontal spacing unit.
Proximity Defining Well: if yes, description	Riverwalk Fed Com 503H
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)	Add wells as needed
Well #1	Riverwalk Fed Com 903H (API # ---) SHL: 250' FNL & 1720' FWL (Unit C), Section 29, T26S, R29E BHL: 1270' FSL & 330' FWL (Unit M), Section 8, T26S, R29E Completion Target: Bone Spring (Approx. 8,570' TVD)

Well #2 <i>Received by OCD: 5/2/2023 4:04:47 PM</i>	Riverwalk Fed Com 503H (API # ---) SHL: 250' FNL & 1750' FWL (Unit C), Section 29, T26S, R29E BHL: 1065' FSL & 1610' FWL (Unit N), Section 8, T26S, R29E Completion Target: Bone Spring (Approx. 8,570' TVD)	<i>Page 3 of 34</i>
Horizontal Well First and Last Take Points	Exhibit A-2	
Completion Target (Formation, TVD and MD)	Exhibit A-4	
AFE Capex and Operating Costs		
Drilling Supervision/Month \$	\$8,000.00	
Production Supervision/Month \$	\$800.00	
Justification for Supervision Costs	Exhibit A	
Requested Risk Charge	200%	
Notice of Hearing		
Proposed Notice of Hearing	Exhibit A-1	
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C-1, Exhibit C-2, Exhibit C-3	
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-4	
Ownership Determination		
Land Ownership Schematic of the Spacing Unit	Exhibit A-3	
Tract List (including lease numbers and owners)	Exhibit A-3	
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)	Exhibit A-3	
Joinder		
Sample Copy of Proposal Letter	Exhibit A-4	
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3	
Chronology of Contact with Non-Joined Working Interests	Exhibit A-5	
Overhead Rates In Proposal Letter	Exhibit A-4	
Cost Estimate to Drill and Complete	Exhibit A-4	
Cost Estimate to Equip Well	Exhibit A-4	
Cost Estimate for Production Facilities	Exhibit A-4	
Geology		
Summary (including special considerations)	Exhibit B	
Spacing Unit Schematic	Exhibit B-1	
Gunbarrel/Lateral Trajectory Schematic	N/A	
Well Orientation (with rationale)	Exhibit B	
Target Formation	Exhibit B	
HSU Cross Section	Exhibit B-3	
Depth Severance Discussion	N/A	
Forms, Figures and Tables		
C-102	Exhibit A-2	
Tracts	Exhibit A-3	
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	Exhibit B-2	<i>Received by OCD: 5/2/2023 4:04:47 PM</i>	<i>Page 4 of 34</i>
Subsea Depth			
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 provided in this checklist is complete and accurate.			
Printed Name (Attorney or Party Representative):	Dana S. Hardy		
Signed Name (Attorney or Party Representative):	/s/ Dana S. Hardy		
Date:			5/2/2023

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. 23472

SELF-AFFIRMED STATEMENT
OF GIANNA ROMERO

1. I am a Senior Land Negotiator for COG Operating LLC (“COG”). I am over 18 years of age, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division (“Division”) and my credentials as an expert in petroleum land matters were accepted and made a matter of record.

2. I am familiar with the land matters involved in the above-referenced case. Copies of COG’s application and proposed hearing notice are attached as **Exhibit A-1**.

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

4. COG seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 719.78-acre, more or less, standard horizontal spacing unit comprised of the S/2 SW/4 of Section 8 and the W/2 of Sections 17 and 20, Township 26 South, Range 29 East, Eddy County, New Mexico (“Unit”).

5. The Unit will be dedicated to the following wells, which will be completed in the Corral Canyon; Bone Spring, South Pool, Code 13354 (“Wells”):

- The Riverwalk Fed Com 903H well, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 29, Township 26

COG Operating LLC
Case No. 23472
Exhibit A

South, Range 29 East, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 8, Township 26 South, Range 29 East; and

- The Riverwalk Fed Com 503H well, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 29, Township 26 South, Range 29 East to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 8, Township 26 South, Range 29 East.

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

7. The completed interval of the Riverwalk Fed Com 503H well will be located within 330' of the quarter-quarter section line separating the W/2 W/2 and E/2 W/2 of Sections 8, 17, and 20, to allow for the creation of a 719.78-acre standard horizontal spacing unit.

8. **Exhibit A-2** contains the C-102 for the Well.

9. **Exhibit A-3** contains a plat identifying ownership by tract in the Unit. This exhibit also includes any applicable lease numbers, a unit recapitulation, and the interests COG seeks to pool highlighted in yellow. All of the parties are locatable in that COG believes it located valid addresses for them.

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

11. **Exhibit A-4** contains a sample well proposal letter and AFE sent to the working interest owners for the Well. The estimated costs reflected on the AFE are fair and reasonable and comparable to the cost of other wells of similar depth and length drilled in the subject formation in the area.

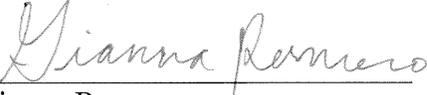
12. In my opinion, COG made a good-faith effort to reach voluntary joinder of uncommitted interests in the Well as indicated by the chronology of contact described in **Exhibit A-5**.

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

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

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

16. I understand this Self-Affirmed Statement will be used as written testimony in the subject cases. I affirm that my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.


Gianna Romero

4/27/23
Date

**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. 23472

APPLICATION

In accordance with NMSA 1978, § 70-2-17, COG Operating LLC (“COG” or “Applicant”), through its undersigned attorneys, files this application with the Oil Conservation Division (“Division”) for an order pooling all uncommitted interests in the Bone Spring formation underlying a 719.78-acre, more or less, standard horizontal spacing unit comprised of the S/2 SW/4 of Section 8 and the W/2 of Sections 17 and 20, Township 26 South, Range 29 East, Eddy County, New Mexico (“Unit”). In support of this application, COG states the following.

1. Applicant (OGRID No. 229137) is a working interest owner in the Unit and has the right to drill thereon.
2. Applicant seeks to dedicate the Unit to the following proposed wells:
 - a. The **Riverwalk Fed Com 903H well**, to be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 29, Township 26 South, Range 29 East, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 8, Township 26 South, Range 29 East; and
 - b. The **Riverwalk Fed Com 503H well**, to be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 29, Township 26 South, Range 29 East to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 8, Township 26 South, Range 29 East.
3. The completed intervals of the wells will be orthodox.

**COG Operating LLC
Case No. 23472
Exhibit A-1**

4. The completed interval of the Riverwalk Fed Com 503H well will be located within 330' of the quarter-quarter section line separating the W/2 W/2 and E/2 W/2 of Sections 8, 17, and 20, to allow for the creation of a 719.78-acre standard horizontal spacing unit.

5. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all of the interest owners in the Unit.

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

7. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the Unit should be pooled and Applicant should be designated the operator of the proposed horizontal wells and the Unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on May 4, 2023, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the Unit;
- B. Approving the initial wells in the Unit;
- C. Designating Applicant as the operator of the 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,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy

Jaclyn M. McLean

Yarithza Peña

P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554

Facsimile: (505) 98208623

dhardy@hinklelawfirm.com

jmclean@hinklelawfirm.com

ypena@hinklelawfirm.com

Counsel for COG Operating LLC

Application of COG Operating LLC for Compulsory Pooling, Eddy County, New Mexico.

Applicant seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 719.78-acre, more or less, standard horizontal spacing unit comprised of the S/2 SW/4 of Section 8 and the W/2 of Sections 17 and 20, Township 26 South, Range 29 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the **Riverwalk Fed Com 903H well**, to be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 29, Township 26 South, Range 29 East, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 8, Township 26 South, Range 29 East; and the **Riverwalk Fed Com 503H well**, to be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 29, Township 26 South, Range 29 East to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 8, Township 26 South, Range 29 East. The completed intervals of the wells will be orthodox. The completed interval of the Riverwalk Fed Com 503H well will be located within 330' of the quarter-quarter section line separating the W/2 W/2 and the E/2 W/2 of Sections 8, 17, and 20, to allow for the creation of a 719.78-acre standard horizontal spacing unit. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost, the designation of Applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells are located approximately 12.4 miles south of Malaga, New Mexico.

District I
1625 N. French 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

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 PLAT

¹ API Number 30-015-		² Pool Code 13354		³ Pool Name Corral Canyon; Bone Spring, South	
⁴ Property Code		⁵ Property Name Riverwalk Federal Com			⁶ Well Number 903H
⁷ OGRID NO. 229137		⁸ Operator Name COG Operating LLC			⁹ Elevation 2922.3'

¹⁰ Surface Location

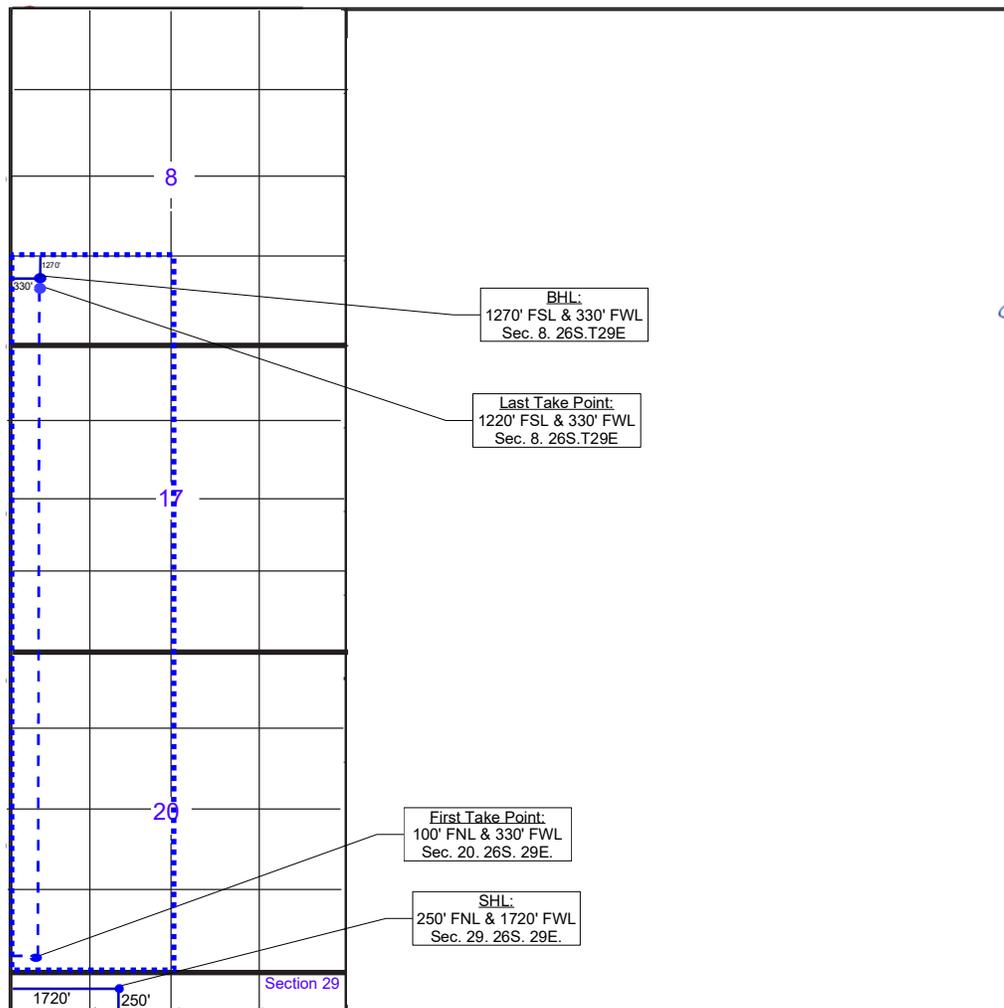
UL or lot no. C	Section 29	Township 26S	Range 29E	Lot Idn	Feet from the 250	North/South line NORTH	Feet From the 1720	East/West line WEST	County EDDY
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no. M	Section 8	Township 26S	Range 29E	Lot Idn	Feet from the 1270	North/South line SOUTH	Feet from the 330	East/West line WEST	County EDDY
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¹² Dedicated Acres 719.78	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.



¹⁷ OPERATOR CERTIFICATION
I hereby certify that the information contained 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: *[Signature]* Date: **04/27/2023**
Printed Name: **Robyn Russell**
E-mail Address: **Robyn.m.russell@conocophillips.com**

¹⁸ 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.

Date of Survey: _____
Signature and Seal of Professional Surveyor: _____

Certificate Number: _____

COG Operating LLC
Case No. 23472 - Exhibit A-2

District I
1625 N. French 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

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 PLAT

¹ API Number 30-015-		² Pool Code 13354		³ Pool Name Corral Canyon; Bone Spring, South	
⁴ Property Code		⁵ Property Name Riverwalk Federal Com			⁶ Well Number 503H
⁷ OGRID NO. 229137		⁸ Operator Name COG Operating LLC			⁹ Elevation 2922.2

¹⁰ Surface Location

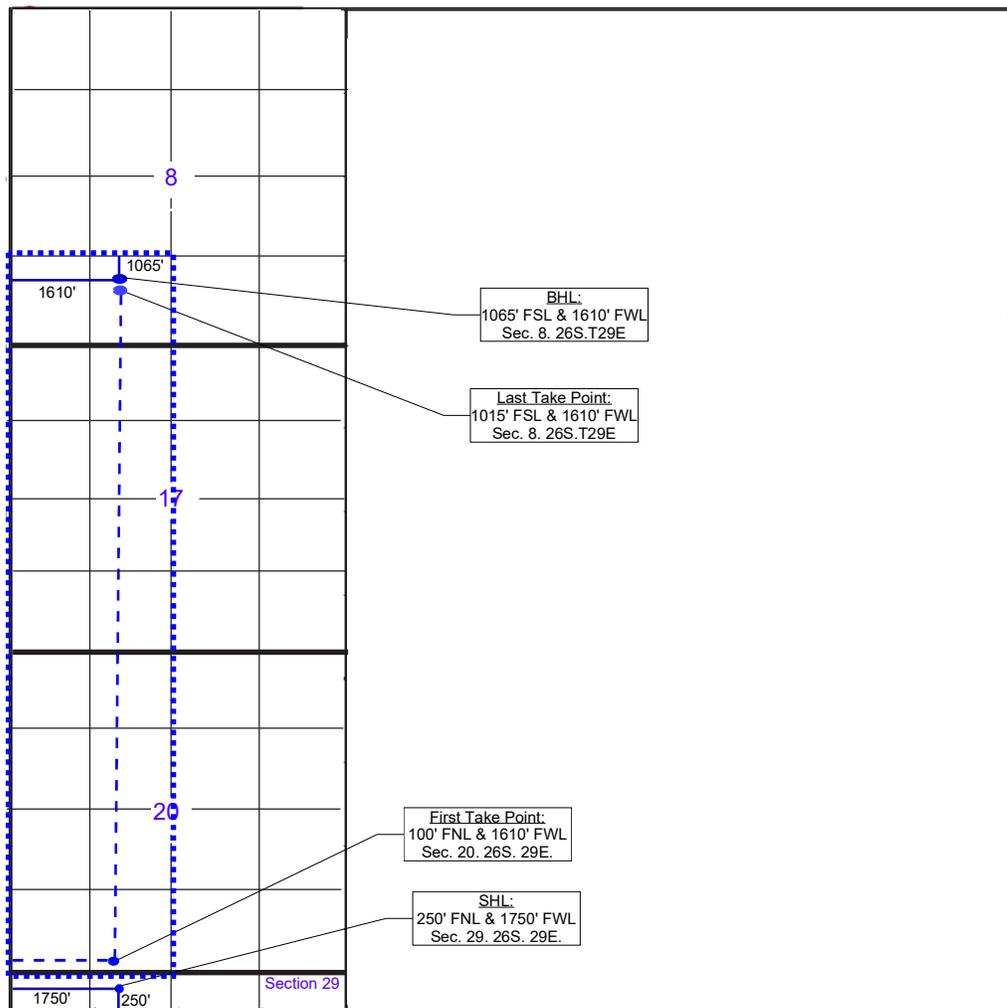
UL or lot no. C	Section 29	Township 26S	Range 29E	Lot Idn	Feet from the 250	North/South line NORTH	Feet From the 1750	East/West line WEST	County EDDY
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no. N	Section 8	Township 26S	Range 29E	Lot Idn	Feet from the 1065	North/South line SOUTH	Feet from the 1610	East/West line WEST	County EDDY
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¹² Dedicated Acres 719.78	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.



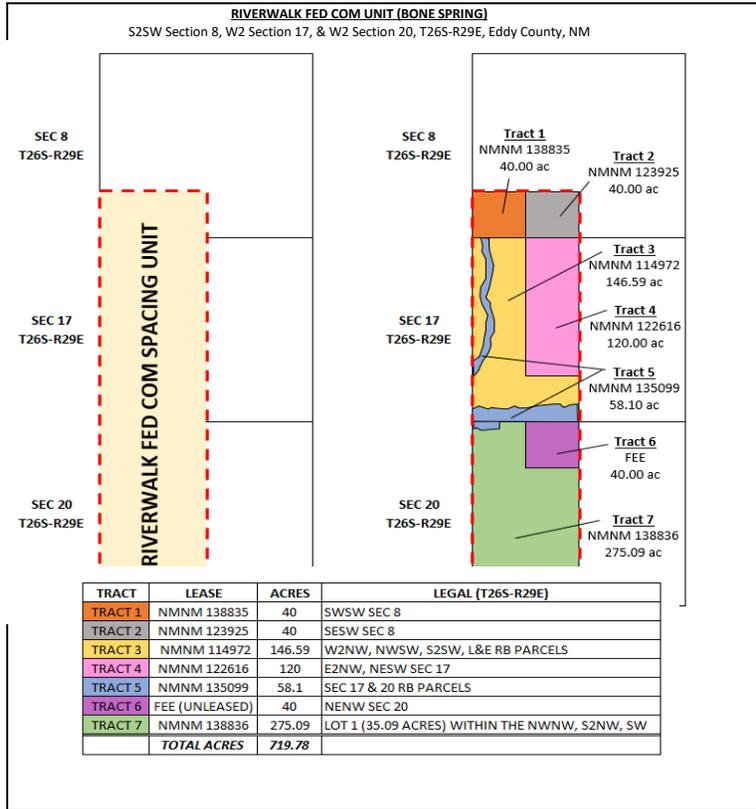
¹⁷ OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: *[Signature]* Date: **04/27/2023**
Printed Name: **Robyn Russell**
E-mail Address: **Robyn.m.russell@conocophillips.com**

¹⁸ 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.

Date of Survey: _____
Signature and Seal of Professional Surveyor: _____

Certificate Number: _____



WORKING INTEREST OWNER	TRACT 1	TRACT 2	TRACT 3	TRACT 4	TRACT 5	TRACT 6	TRACT 7	UNIT RECAP
COG Operating LLC	0.05557254	0.05279391	0.19347648	0.15838173	0.08071911	0.00000000	0.38218622	0.92312998
Concho Oil & Gas LLC	0.00000000	0.00277863	0.01018297	0.00833588	0.00000000	0.00000000	0.00000000	0.02129748
MRC Permian Company	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.05557254	0.00000000	0.05557254
TOTAL:	0.05557254	0.05557254	0.20365945	0.16671761	0.08071911	0.05557254	0.38218622	1.00000000

Well Proposal Sent	YES
Communitization Agmts Sent	YES
Joint Operating Agmt Sent	YES

PARTIES TO POOL	INTEREST TYPE
MRC Permian Company 5400 LBJ Freeway, Suite 1500 Dallas, TX 75240	WI/Unleased MI

**Parties to be pooled are highlighted in yellow.

COG Operating LLC
Case No. 23472
Exhibit A-3



Gianna Romero
Sr. Land Negotiator
600 W. Illinois Ave.
Midland, Texas 79701
Office 3CC-05-5146
432-221-0421
Gianna.Romero@conocophillips.com

February 6, 2023

MRC Permian Company
Attn: Land Department
5400 LBJ Freeway, Suite 1500
Dallas, TX 75240

Via Certified Mail, Return Receipt Requested
No. 9489 0090 0027 6460 5161 32

Re: Well Proposals – Riverwalk Fed Com Wells
Sections 8, 17, & 20, T26S-R29E
720 acres – Bone Spring Formation
Eddy County, New Mexico

Dear Working Interest Owner,

COG Operating LLC (“COG”), as Operator, hereby proposes the drilling of the following horizontal wells with productive laterals located in Sections 8, 17, and 20, T26S-R29E, Eddy County, New Mexico. The surface pad location will be located in Unit C of Section 29, T26S-R29E (subject to change). Please see details below:

- **Riverwalk Fed Com 903H**, to be drilled to a depth sufficient to test the Bone Spring formation at an approximate total vertical depth of 8,570’. The surface location for this well is proposed at a legal location in Unit C of Section 29, T26S-R29E, and a bottom hole location at a legal location in Unit M of Section 8, T26S-R29E. The first take point for this well is proposed at a legal location in Unit M of Section 20, T26S-R29E, and the last take point at a legal location in Unit M of Section 8, T26S-R29E. The dedicated horizontal spacing unit will be the the S2SW4 of Section 8, and the W2 of Sections 17 & 20, T26S-R29E, Eddy County, New Mexico. The total estimated cost to drill and complete said well is \$10,756,000.00, as shown on the attached Authority for Expenditure (“AFE”).
- **Riverwalk Fed Com 503H**, to be drilled to a depth sufficient to test the Bone Spring formation at an approximate total vertical depth of 8,570’. The surface location for this well is proposed at a legal location in Unit C of Section 29, T26S-R29E, and a bottom hole location at a legal location in Unit N of Section 8, T26S-R29E. The first take point for this well is proposed at a legal location in Unit N of Section 20, T26S-R29E, and the last take point at a legal location in Unit N of Section 8, T26S-R29E. The dedicated horizontal spacing unit will be the the S2SW4 of Section 8, and the W2 of Sections 17 & 20, T26S-R29E, Eddy County, New Mexico. The total estimated cost to drill and complete said well is \$10,756,000.00, as shown on the attached Authority for Expenditure (“AFE”).

COG Operating LLC
Case No. 23472
Exhibit A-4

COG Operating LLC is a wholly owned subsidiary of ConocoPhillips

February 6, 2023 - Page 2 of 2
Well Proposals – Riverwalk Fed Com Wells

COG is proposing to drill these wells under the terms of a new Operating Agreement which will be sent under separate cover. The basic terms of this agreement are as follows:

- 1989 Model Form Operating Agreement with Horizontal Modifications
- Overhead Rates: \$8000 Drilling / \$800 Production
- Penalties: 100%/300%/300%
- \$100,000 Expenditure Limit

In the event you wish to not participate, COG would like to discuss the leasing of your interest to COG. Please inform me if you are interested in leasing via email to: Gianna.Romero@conocophillips.com.

If an agreement is not reached within 30 days of the date of this letter, COG will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a horizontal spacing unit for the proposed well.

Please indicate your participation elections in the spaces provided below, sign, and return this letter, along with a signed copy of the enclosed AFE and a copy of your geologic requirements, to the letterhead address or by email at Gianna.Romero@conocophillips.com.

Should you have any questions do not hesitate to contact me at 432-221-0421.

Sincerely,

COG Operating LLC



Gianna Romero, CPL

_____ I/We hereby elect to participate in the drilling and completion of the
RIVERWALK FEDERAL COM #503H.

_____ I/We hereby elect **not** to participate in the drilling and completion of the
RIVERWALK FEDERAL COM #503H.

_____ I/We hereby elect to participate in the drilling and completion of the
RIVERWALK FEDERAL COM #903H.

_____ I/We hereby elect **not** to participate in the drilling and completion of the
RIVERWALK FEDERAL COM #903H.

MRC PERMIAN COMPANY

By: _____

Name: _____

Title: _____

Date: _____

**COG OPERATING LLC
AUTHORITY FOR EXPENDITURE
Drill & Complete**

Well Name RIVERWALK FEDERAL COM 503H
SHL 250' FNL, 1750' FWL SEC 29, T26S-R29E (UNIT C)
BHL 1065' FSL, 1610' FWL SEC 8, T26S-R29E (UNIT N)
Formation BONE SPRING
Legal S2SW4 SEC 8, W2 OF SEC 17 & 20, T26S-R29E
AFE Numbers

Prospect ATLAS 2629
State & County NEW MEXICO, EDDY
Objective DRILL & COMPLETE
Depth 19,870'
TVD 8,570'

Cost Description	Code	PreSpud (PS)	Pre-Set Casing(PC)	Drilling (DR)	Completions (C)	Tank Btty Constrctn(TB)	Pmpq Equip (PEQ)	Revision	Total
Intangible Costs									
D-LcIn/Pits/Roads	205			\$ 106,000.00				\$ -	\$ 106,000.00
D-Drilling Overhead	206			\$ 8,000.00				\$ -	\$ 8,000.00
D-Daywork Contract	209			\$ 577,000.00				\$ -	\$ 577,000.00
D-Directional Drlg Services	210			\$ 307,000.00				\$ -	\$ 307,000.00
D-Fuel & Power	211			\$ 99,000.00				\$ -	\$ 99,000.00
D-Water	212			\$ 84,000.00				\$ -	\$ 84,000.00
D-Bits	213			\$ 106,000.00				\$ -	\$ 106,000.00
D-Mud & Chemicals	214			\$ 216,000.00				\$ -	\$ 216,000.00
D-Cement Surface	217			\$ 22,000.00				\$ -	\$ 22,000.00
D-Cement Intermed	218			\$ 82,000.00				\$ -	\$ 82,000.00
D-Prod-2nd Int Cmt	219			\$ 123,000.00				\$ -	\$ 123,000.00
D-Float Equipment & Centralizers	221			\$ 66,000.00				\$ -	\$ 66,000.00
D-Csg Crews & Equip	222			\$ 71,000.00				\$ -	\$ 71,000.00
D-Contract Labor	225			\$ 7,000.00				\$ -	\$ 7,000.00
D-Company Sprvsn	226			\$ 48,000.00				\$ -	\$ 48,000.00
D-Contract Sprvsn	227			\$ 120,000.00				\$ -	\$ 120,000.00
D-Tslg Csg/Tbg	228			\$ 44,000.00				\$ -	\$ 44,000.00
D-Mud Logging Unit	229			\$ 44,000.00				\$ -	\$ 44,000.00
D-Rentals-Surface	235			\$ 187,000.00				\$ -	\$ 187,000.00
D-Rentals-Subsrfc	236			\$ 88,000.00				\$ -	\$ 88,000.00
D-Trucking/Forklift/Rig Mob	237			\$ 178,000.00				\$ -	\$ 178,000.00
D-Welding Services	238			\$ 2,000.00				\$ -	\$ 2,000.00
D-Contingency	243			\$ 66,000.00				\$ -	\$ 66,000.00
D-Envrmtl/Clsd Loop	244			\$ 294,000.00				\$ -	\$ 294,000.00
C-Wellbore Frac Prep	304				\$ 138,000.00			\$ -	\$ 138,000.00
C-LcIn/Pits/Roads	305				\$ 14,000.00			\$ -	\$ 14,000.00
C-Completion OH	306				\$ 21,000.00			\$ -	\$ 21,000.00
C-Frac Equipment	307				\$ 949,000.00			\$ -	\$ 949,000.00
C-Frac Chemicals	308				\$ 602,000.00			\$ -	\$ 602,000.00
C-Frac Proppant	309				\$ 273,000.00			\$ -	\$ 273,000.00
C-Frac Proppant Transportation	310				\$ 423,000.00			\$ -	\$ 423,000.00
C-Fuel Delivery & Services	311				\$ 61,000.00			\$ -	\$ 61,000.00
C-Water	312				\$ 400,000.00			\$ -	\$ 400,000.00
C-Frac Surface Rentals	315				\$ 378,000.00			\$ -	\$ 378,000.00
C-Contract Labor	325				\$ 14,000.00			\$ -	\$ 14,000.00
C-Company Sprvsn	326				\$ 14,000.00			\$ -	\$ 14,000.00
C-Contract Sprvsn	327				\$ 202,000.00			\$ -	\$ 202,000.00
C-Artificial Lift Install	329				\$ 65,000.00			\$ -	\$ 65,000.00
C-Perf/Wireline Svc	331				\$ 466,000.00			\$ -	\$ 466,000.00
C-Trucking/Forklift/Rig Mob	337				\$ 14,000.00			\$ -	\$ 14,000.00
C-Water Disposal	339				\$ 58,000.00			\$ -	\$ 58,000.00
C-Contingency	343				\$ 109,000.00			\$ -	\$ 109,000.00
C-Dyed Diesel	345				\$ 226,000.00			\$ -	\$ 226,000.00
C-Drillout	346				\$ 432,000.00			\$ -	\$ 432,000.00
TB-Damages/Right of Way	351					\$ 2,000.00		\$ -	\$ 2,000.00
TB-Location/Pits/Roads	353					\$ 47,000.00		\$ -	\$ 47,000.00
TB-Contract Labor	356					\$ 260,000.00		\$ -	\$ 260,000.00
PEQ-Contract Labor	374						\$ 64,000.00	\$ -	\$ 64,000.00
PEQ-Water Disposal	387						\$ 298,000.00	\$ -	\$ 298,000.00
PEQ-HRZ Well Offset Frac	391						\$ 30,000.00	\$ -	\$ 30,000.00
Total Intangible Costs		\$ -	\$ -	\$ 2,945,000.00	\$ 4,859,000.00	\$ 309,000.00	\$ 392,000.00	\$ -	\$ 8,505,000.00
Tangible Costs									
PEQ-Flowback Crews & Equip	392						\$ 180,000.00	\$ -	\$ 180,000.00
D-Surface Casing	401			\$ 24,000.00				\$ -	\$ 24,000.00
D-Intermed Csg	402			\$ 185,000.00				\$ -	\$ 185,000.00
D-Production Casing/Liner	403			\$ 460,000.00				\$ -	\$ 460,000.00
D-Wellhead Equip	405			\$ 84,000.00				\$ -	\$ 84,000.00
C-Tubing	504				\$ 75,000.00			\$ -	\$ 75,000.00
C-Wellhead Equip	505				\$ 40,000.00			\$ -	\$ 40,000.00
TB-Tanks	510					\$ 84,000.00		\$ -	\$ 84,000.00
TB-Flowlines/Pipelines	511					\$ 38,000.00		\$ -	\$ 38,000.00
TB-Htr Trtr/Seprlr	512					\$ 268,000.00		\$ -	\$ 268,000.00
TB-Electrical System/Equipment	513					\$ 164,000.00		\$ -	\$ 164,000.00
C-Pckrs/Anchors/Hgrs	514				\$ 94,000.00			\$ -	\$ 94,000.00
TB-Couplings/Fittings/Valves	515					\$ 279,000.00		\$ -	\$ 279,000.00
TB-Pumps-Surface	521					\$ 38,000.00		\$ -	\$ 38,000.00
TB-Instrumentation/SCADA/POC	522					\$ 28,000.00		\$ -	\$ 28,000.00
TB-Miscellaneous	523					\$ 28,000.00		\$ -	\$ 28,000.00
TB-Meters/Lacts	525					\$ 38,000.00		\$ -	\$ 38,000.00
TB-Flares/Combusters/Emission	526					\$ 43,000.00		\$ -	\$ 43,000.00
C-Gas Lift/Compression	527				\$ 37,000.00			\$ -	\$ 37,000.00
PEQ-Wellhead Equipment	531						\$ 64,000.00	\$ -	\$ 64,000.00
Total Tangible Costs		\$ -	\$ -	\$ 753,000.00	\$ 246,000.00	\$ 1,008,000.00	\$ 244,000.00	\$ -	\$ 2,251,000.00
Total Gross Cost		\$ -	\$ -	\$ 3,698,000.00	\$ 5,105,000.00	\$ 1,317,000.00	\$ 636,000.00	\$ -	\$ 10,756,000.00

Note: The above costs are estimates only. Actual costs will be billed as incurred.

COG Operating LLC

By: _____

Date Prepared: 2/6/2023

We approve:

% Working Interest

COG Operating LLC
By: _____

Company: MRC PERMIAN COMPANY
By: _____

Printed Name: _____
Title: _____
Date: _____

This AFE is only an estimate. By signing you agree to pay your share of the actual costs incurred.

**COG OPERATING LLC
AUTHORITY FOR EXPENDITURE
Drill & Complete**

Well Name RIVERWALK FEDERAL COM 903H
SHL 250' FNL, 1720' FWL SEC 29, T26S-R29E (UNIT C)
BHL 1270' FSL, 330' FWL SEC 8, T26S-R29E (UNIT M)
Formation BONE SPRING
Legal S2SW4 SEC 8, W2 OF SEC 17 & 20, T26S-R29E
AFE Numbers

Prospect ATLAS 2629
State & County NEW MEXICO, EDDY
Objective DRILL & COMPLETE
Depth 20,369'
TVD 8,570'

Cost Description	Code	PreSpud (PS)	Pre-Set Casing(PC)	Drilling (DR)	Completions (C)	Tank Btty Constrctn(TB)	Pmpq Equip (PEQ)	Revision	Total
Intangible Costs									
D-LcIn/Pits/Roads	205			\$ 106,000.00				\$ -	\$ 106,000.00
D-Drilling Overhead	206			\$ 8,000.00				\$ -	\$ 8,000.00
D-Daywork Contract	209			\$ 577,000.00				\$ -	\$ 577,000.00
D-Directional Drig Services	210			\$ 307,000.00				\$ -	\$ 307,000.00
D-Fuel & Power	211			\$ 99,000.00				\$ -	\$ 99,000.00
D-Water	212			\$ 84,000.00				\$ -	\$ 84,000.00
D-Bits	213			\$ 106,000.00				\$ -	\$ 106,000.00
D-Mud & Chemicals	214			\$ 216,000.00				\$ -	\$ 216,000.00
D-Cement Surface	217			\$ 22,000.00				\$ -	\$ 22,000.00
D-Cement Intermed	218			\$ 82,000.00				\$ -	\$ 82,000.00
D-Prod-2nd Int Cmt	219			\$ 123,000.00				\$ -	\$ 123,000.00
D-Float Equipment & Centralizers	221			\$ 66,000.00				\$ -	\$ 66,000.00
D-Csg Crews & Equip	222			\$ 71,000.00				\$ -	\$ 71,000.00
D-Contract Labor	225			\$ 7,000.00				\$ -	\$ 7,000.00
D-Company Sprvsn	226			\$ 48,000.00				\$ -	\$ 48,000.00
D-Contract Sprvsn	227			\$ 120,000.00				\$ -	\$ 120,000.00
D-Tstg Csg/Tbg	228			\$ 44,000.00				\$ -	\$ 44,000.00
D-Mud Logging Unit	229			\$ 44,000.00				\$ -	\$ 44,000.00
D-Rentals-Surface	235			\$ 187,000.00				\$ -	\$ 187,000.00
D-Rentals-Subsrfc	236			\$ 88,000.00				\$ -	\$ 88,000.00
D-Trucking/Forklift/Rig Mob	237			\$ 178,000.00				\$ -	\$ 178,000.00
D-Welding Services	238			\$ 2,000.00				\$ -	\$ 2,000.00
D-Contingency	243			\$ 66,000.00				\$ -	\$ 66,000.00
D-Envmntl/Clsd Loop	244			\$ 294,000.00				\$ -	\$ 294,000.00
C-Wellbore Frac Prep	304				\$ 138,000.00			\$ -	\$ 138,000.00
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C-Frac Proppant	309				\$ 273,000.00			\$ -	\$ 273,000.00
C-Frac Proppant Transportation	310				\$ 423,000.00			\$ -	\$ 423,000.00
C-Fuel Delivery & Services	311				\$ 61,000.00			\$ -	\$ 61,000.00
C-Water	312				\$ 400,000.00			\$ -	\$ 400,000.00
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C-Company Sprvsn	326				\$ 14,000.00			\$ -	\$ 14,000.00
C-Contract Sprvsn	327				\$ 202,000.00			\$ -	\$ 202,000.00
C-Artificial Lift Install	329				\$ 65,000.00			\$ -	\$ 65,000.00
C-Perf/Wireline Svc	331				\$ 466,000.00			\$ -	\$ 466,000.00
C-Trucking/Forklift/Rig Mob	337				\$ 14,000.00			\$ -	\$ 14,000.00
C-Water Disposal	339				\$ 58,000.00			\$ -	\$ 58,000.00
C-Contingency	343				\$ 109,000.00			\$ -	\$ 109,000.00
C-Dyed Diesel	345				\$ 226,000.00			\$ -	\$ 226,000.00
C-Drillout	346				\$ 432,000.00			\$ -	\$ 432,000.00
TB-Damages/Right of Way	351					\$ 2,000.00		\$ -	\$ 2,000.00
TB-Location/Pits/Roads	353					\$ 47,000.00		\$ -	\$ 47,000.00
TB-Contract Labor	356					\$ 260,000.00		\$ -	\$ 260,000.00
PEQ-Contract Labor	374					\$ 64,000.00		\$ -	\$ 64,000.00
PEQ-Water Disposal	387					\$ 298,000.00		\$ -	\$ 298,000.00
PEQ-HRZ Well Offset Frac	391					\$ 30,000.00		\$ -	\$ 30,000.00
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Tangible Costs									
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D-Surface Casing	401			\$ 24,000.00				\$ -	\$ 24,000.00
D-Intermed Csg	402			\$ 185,000.00				\$ -	\$ 185,000.00
D-Production Casing/Liner	403			\$ 460,000.00				\$ -	\$ 460,000.00
D-Wellhead Equip	405			\$ 84,000.00				\$ -	\$ 84,000.00
C-Tubing	504				\$ 75,000.00			\$ -	\$ 75,000.00
C-Wellhead Equip	505				\$ 40,000.00			\$ -	\$ 40,000.00
TB-Tanks	510					\$ 84,000.00		\$ -	\$ 84,000.00
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TB-Electrical System/Equipment	513					\$ 164,000.00		\$ -	\$ 164,000.00
C-Pckrs/Anchors/Hgrs	514				\$ 94,000.00			\$ -	\$ 94,000.00
TB-Couplings/Fittings/Valves	515					\$ 279,000.00		\$ -	\$ 279,000.00
TB-Pumps-Surface	521					\$ 38,000.00		\$ -	\$ 38,000.00
TB-Instrumentation/SCADA/POC	522					\$ 28,000.00		\$ -	\$ 28,000.00
TB-Miscellaneous	523					\$ 28,000.00		\$ -	\$ 28,000.00
TB-Meters/Lacts	525					\$ 38,000.00		\$ -	\$ 38,000.00
TB-Flares/Combusters/Emission	526					\$ 43,000.00		\$ -	\$ 43,000.00
C-Gas Lift/Compression	527				\$ 37,000.00			\$ -	\$ 37,000.00
PEQ-Wellhead Equipment	531					\$ 64,000.00		\$ -	\$ 64,000.00
Total Tangible Costs		\$ -	\$ -	\$ 753,000.00	\$ 246,000.00	\$ 1,008,000.00	\$ 244,000.00	\$ -	\$ 2,251,000.00

Total Gross Cost		\$ -	\$ -	\$ 3,698,000.00	\$ 5,105,000.00	\$ 1,317,000.00	\$ 636,000.00	\$ -	\$ 10,766,000.00
-------------------------	--	------	------	-----------------	-----------------	-----------------	---------------	------	------------------

Note: The above costs are estimates only. Actual costs will be billed as incurred.

COG Operating LLC

By: _____

Date Prepared: 2/6/2023

We approve:
% Working Interest

COG Operating LLC
By: _____

Company: MRC PERMIAN COMPANY
By: _____

Printed Name: _____
Title: _____
Date: _____

This AFE is only an estimate. By signing you agree to pay your share of the actual costs incurred.

Chronology Efforts - Riverwalk Fed Com 503H & Riverwalk Fed Com 903H

02/06/2023 – Well proposal & AFE sent to MRC Permian Company (503H & 903H)

03/09/2023 – OA, lease offer, and proposed lease form sent to MRC Permian Company

03/30/2023 - Federal Communitization Agreements sent to applicable parties (503H & 903H)

Ratification of Federal Communitization Agreements sent to applicable parties (503H & 903H)

**COG Operating LLC
Case No. 23472
Exhibit A-5**

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

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

CASE NO. 23472

**SELF-AFFIRMED STATEMENT
OF CHRIS WRAY**

1. I am a geologist for COG Operating LLC (“COG”). I am over 18 years of age, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division (“Division”) and my credentials as an expert in geology were accepted and made a matter of record.

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

3. **Exhibit B-1** is a location map of the proposed horizontal spacing unit (“Unit”). The approximate wellbore path for the proposed **Riverwalk Fed Com 903H** and **Riverwalk Fed Com 503H** wells is represented by a dashed line. Existing producing wells in the targeted interval are represented by solid lines.

4. **Exhibit B-2** is a subsea structure map for the Bone Spring formation that is representative of the targeted interval. The data points are indicated by crosses. The approximate wellbore paths of the well are depicted by a dashed line. The map demonstrates the formation is gently dipping to the east in this area. I do not observe any faulting, pinch-outs, or geologic impediments to developing the targeted intervals with horizontal wells.

5. **Exhibit B-3** is a cross section map that identifies three wells penetrating the targeted intervals used to construct a structural cross-section from A to A’. I used these well logs

**COG Operating LLC
Case No. 23472
Exhibit B**

because they penetrate the targeted intervals, are of good quality, and are representative of the geology in the area.

6. **Exhibit B-4** is a stratigraphic cross-section using the representative wells identified on Exhibit B-3. It contains gamma ray, resistivity and porosity logs. The proposed landing zone for the well is labeled on the exhibit. This cross-section demonstrates the target intervals are continuous across the Unit.

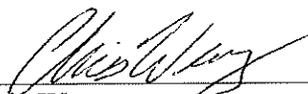
7. In my opinion, a standup orientation for the well is appropriate to properly develop the subject acreage because of consistent rock properties throughout the Unit and the lack of preferred fracture orientation in this portion of the trend.

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

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

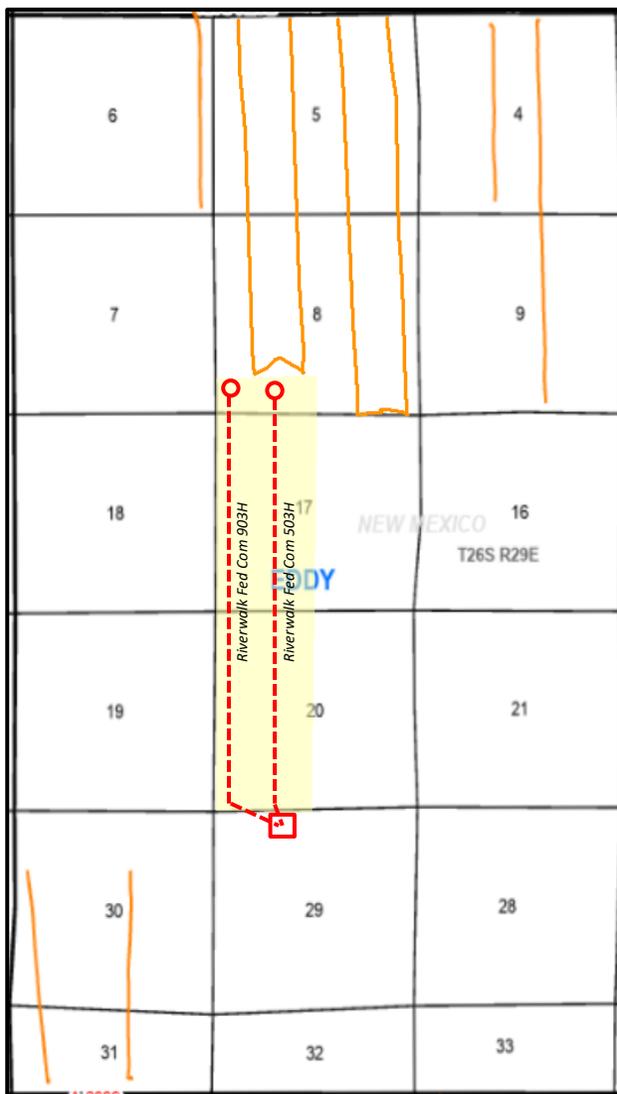
10. The attached exhibits were either prepared by me or under my supervision or were compiled from company business records.

11. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date identified next to my signature below.


Chris Wray

4/25/23
Date

(Exhibit B-1) Riverwalk Fed Com 903H and 503H

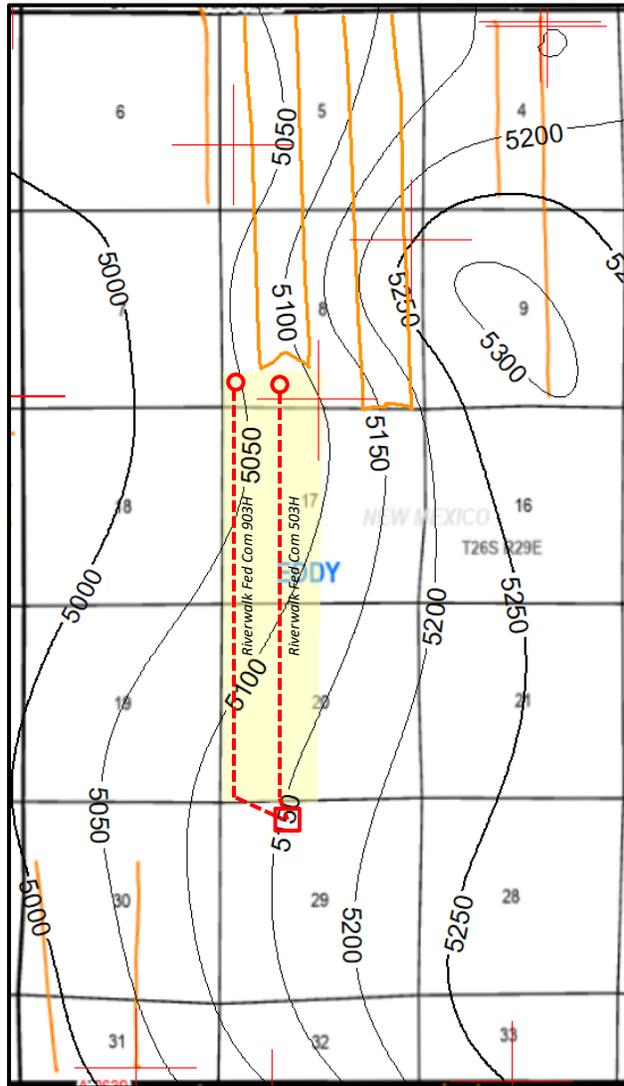


Map Legend

- SHL COG – Bone Spring Horizontal Location
- BHL COG – Bone Spring Horizontal Location
- Existing Second Bone Spring Sand Producer
- COG Acreage

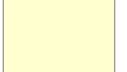
COG Operating LLC
 Case No. 23472
 Exhibit B-1

(Exhibit B-2) Riverwalk Fed Com 903H and 503H: Second Bone Spring Sand – Structure Map



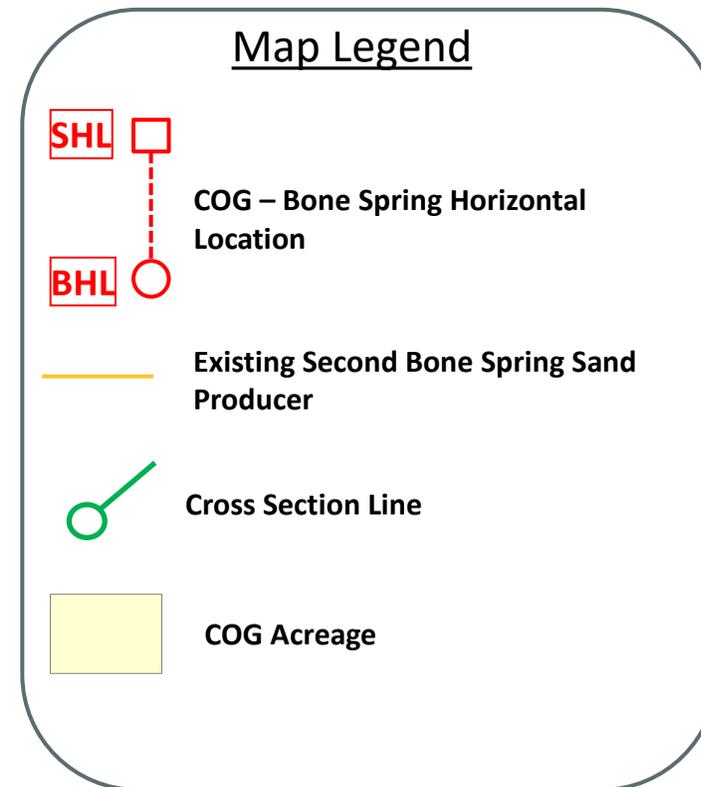
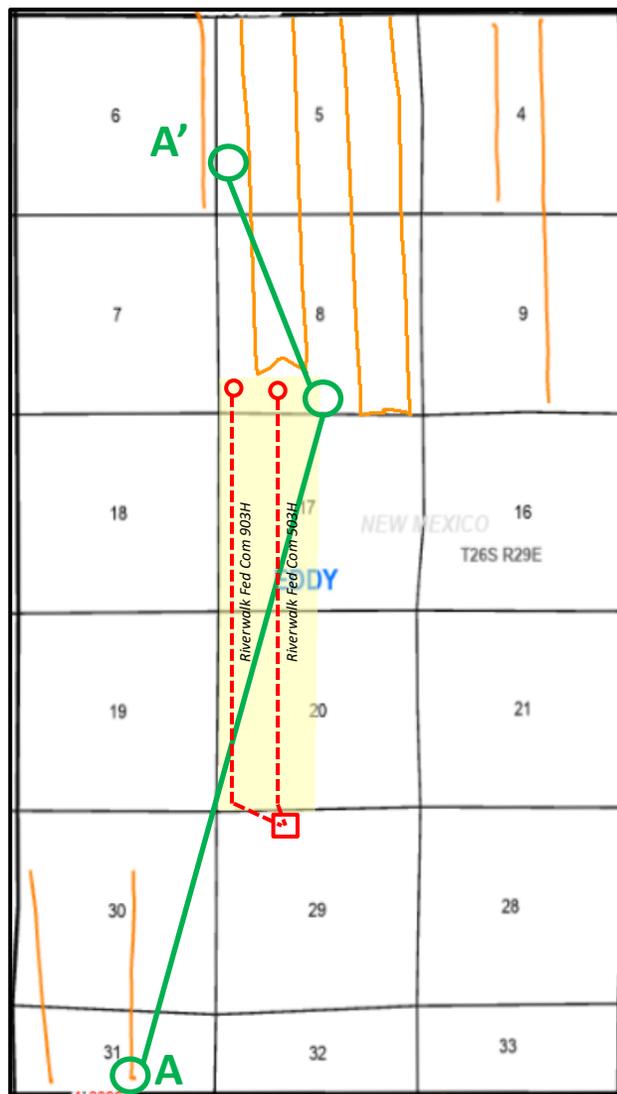
25S 29E

Map Legend

-  **SHL** □
-  **COG – Bone Spring Horizontal Location**
-  **BHL** ○
-  **Existing Second Bone Spring Sand Producer**
-  **Second Bone Spring Sand Subsea Structure**
CI: 50'
-  **Structural Data Point**
-  **COG Acreage**

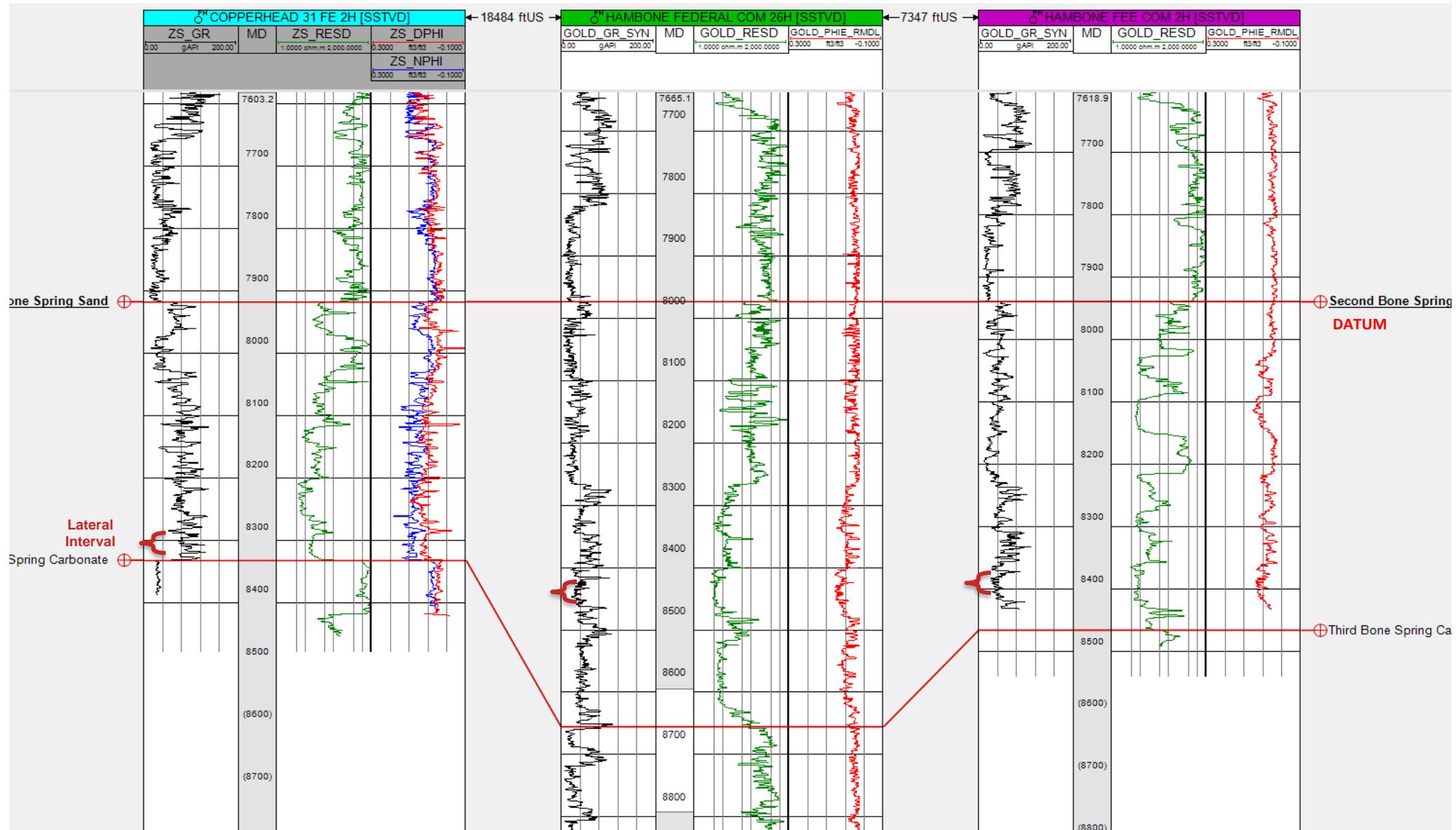
COG Operating LLC
Case No. 23472
Exhibit B-2

(Exhibit B-3) Riverwalk Fed Com 903H and 503H: Cross-section Map



COG Operating LLC
Case No. 23472
Exhibit B-3

(Exhibit B-4) Second Bone Spring Sand – Stratigraphic Cross Section A – A'



COG Operating LLC
Case No. 23472
Exhibit B-4

**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. 23472

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

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

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

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

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

5. On April 14, 2023, I caused a notice to be published to all interested parties in the Carlsbad Current Argus. An Affidavit of Publication from the Legal Clerk of the Carlsbad Current Argus, along with a copy of the notice publication, is attached as **Exhibit C-4**.

6. I understand this Self-Affirmed Statement will be used as written testimony in the subject cases. I affirm that my testimony above is true and correct and it made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

/s/ Dana S. Hardy
Dana S. Hardy

April 27, 2023
Date

**COG Operating LLC
Case No. 23472
Exhibit C**



hinklelawfirm.com

HINKLE SHANOR LLP

ATTORNEYS AT LAW

P.O. BOX 2068

SANTA FE, NEW MEXICO 87504

505-982-4554 (FAX) 505-982-8623

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

April 12, 2023

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO ALL PARTIES ENTITLED TO NOTICE

Re: Case No. 23472 – Application of COG Operating LLC for Compulsory Pooling, Eddy County, New Mexico.

To whom it may concern:

This letter is to advise you that the enclosed application was filed with the New Mexico Oil Conservation Division. The hearing will be conducted on **May 4, 2023**, beginning at 8:15 a.m.

Hearings are currently conducted remotely. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <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.

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

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

Sincerely,

/s/ Dana S. Hardy

Dana S. Hardy

Enclosure

COG Operating LLC
Case No. 23472
Exhibit C-1

PO BOX 10
ROSWELL, NEW MEXICO 88202
(575) 622-6510
FAX (575) 623-9332

7601 JEFFERSON ST NE · SUITE 180
ALBUQUERQUE, NEW MEXICO 87109
505-858-8320
(FAX) 505-858-8321

PO BOX 2068
SANTA FE, NEW MEXICO 87504
(505) 982-4554
FAX (505) 982-8623

**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. 23472

NOTICE LETTER CHART

PARTY	NOTICE LETTER SENT	RETURN RECEIVED
MRC Permian Company 5400 LBJ Freeway, Suite 1500 Dallas, TX 75240	04/12/23	Per USPS Tracking (Last Checked 04/28/23): 04/17/23 – Delivered to individual at the address.
Marathon Oil Permian LLC 990 Town & Country Blvd. Houston, TX 77024	04/12/23	04/26/23
Nestegg Energy Corporation 2308 Sierra Vista Rd Artesia, NM 88210	04/12/23	04/20/23

**COG Operating LLC
Case No. 23472
Exhibit C-2**

7020 0090 0000 0865 6274

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OFFICIAL USE

Certified Mail Fee	\$
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$
Postage	\$
Total Postage and Fees	\$

Postmark Here
 APR 12 2023
 SANTA FE MAIN STATION
 SANTA FE, NM 87501-USPS

Marathon Oil Permian LLC
 990 Town & Country Blvd.
 Houston, TX 77024

23472 COG - Riverwalk

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature X <i>Hinkle Shanor</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name)</p> <p>C. Date of Delivery APR 17 2023</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>RECEIVED APR 26 2023</p>	
<p>1. Article Addressed to:</p> <p>Marathon Oil Permian LLC 990 Town & Country Blvd. Houston, TX 77024</p> <p>23472 COG - Riverwalk</p> <p>9590 9402 7635 2122 8884 33</p>	<p>3. Service Type Hinkle Shanor LLP <input type="checkbox"/> Priority Mail Express® Santa Fe NM 87501 <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Adult Signature <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Insured Mail <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p>	
<p>2. Article Number (Transfer from service label)</p> <p>7020 0090 0000 0865 6274</p>	<p>PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt</p>	

COG Operating LLC
 Case No. 23472
 Exhibit C-3

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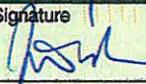
OFFICIAL USE

Certified Mail Fee \$ _____ Extra Services & Fees (check box, add fee as appropriate) <input type="checkbox"/> Return Receipt (hardcopy) \$ _____ <input type="checkbox"/> Return Receipt (electronic) \$ _____ <input type="checkbox"/> Certified Mail Restricted Delivery \$ _____ <input type="checkbox"/> Adult Signature Required \$ _____ <input type="checkbox"/> Adult Signature Restricted Delivery \$ _____ Postage \$ _____ Total Postage and Fees \$ _____	
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7020 0090 0000 0865 6250

Nestegg Energy Corporation
 2308 Sierra Vista Rd
 Artesia, NM 88210
 23472 COG - Riverwalk

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions.

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature X  <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) Joel W. Miller</p> <p>C. Date of Delivery 4-15-23</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below.</p>
<p>1. Article Addressed to:</p> <p style="font-size: 1.2em; margin-left: 20px;">Nestegg Energy Corporation 2308 Sierra Vista Rd Artesia, NM 88210</p> <p style="font-size: 0.8em; margin-left: 100px;">23472 COG - Riverwalk</p>  <p style="font-size: 1.2em; margin-left: 20px;">9590 9402 7635 2122 8884 19</p>	<p style="text-align: center; font-size: 2em; font-weight: bold; color: blue;">RECEIVED</p> <p style="text-align: center; font-size: 1.5em;">APR 20 2023</p> <p style="text-align: center; font-size: 0.8em;">Hinkle Shanor LLP Santa Fe NM 87504</p> <p>3. Service Type <input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Insured Mail <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p>
<p>2. Article Number (Transfer from service label)</p> <p style="font-size: 1.2em;">7020 0090 0000 0865 6250</p>	
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

7020 0090 0000 0865 6458

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OFFICIAL USE

Certified Mail Fee \$ _____

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) \$ _____

Return Receipt (electronic) \$ _____

Certified Mail Restricted Delivery \$ _____

Adult Signature Required \$ _____

Adult Signature Restricted Delivery \$ _____

Postage \$ _____

Total Postage and Fees \$ _____



MRC Permian Company
5400 LBJ Freeway, Suite 1500
Dallas, TX 75240

23472 COG - Rivenwalk

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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FAQs >

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70200090000008656458

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Delivered

Delivered, Left with Individual

DALLAS, TX 75240
April 17, 2023, 10:19 am

Redelivery Scheduled for Next Business Day

DALLAS, TX 75240
April 15, 2023, 9:39 am

Departed USPS Regional Facility

DALLAS TX DISTRIBUTION CENTER
April 15, 2023, 5:02 am

Arrived at USPS Regional Facility

DALLAS TX DISTRIBUTION CENTER
April 14, 2023, 11:49 am

In Transit to Next Facility

April 13, 2023

Departed USPS Facility

ALBUQUERQUE, NM 87101
April 12, 2023, 8:09 pm

Arrived at USPS Facility

ALBUQUERQUE, NM 87101
April 12, 2023, 7:32 pm

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FAQs

Carlsbad Current Argus.

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Affidavit of Publication

Ad # 0005664932

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HINKLE SHANOR, LLP
POBOX 2068

SANTA FE, NM 87504

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

04/14/2023

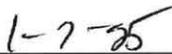


Legal Clerk

Subscribed and sworn before me this April 14, 2023:



State of WI, County of Brown
NOTARY PUBLIC



My commission expires

KATHLEEN ALLEN
Notary Public
State of Wisconsin

Ad # 0005664932
PO #: COG OCD Case 23472
of Affidavits 1

This is not an invoice

This is to notify all interested parties, including MRC Permian Company; Nestegg Energy Corporation; Marathon Oil Permian, LLC; and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by COG Operating LLC (Case No. 23472). The hearing will be conducted remotely on May 4, 2023, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the **OCD Hearings** website for that date: <https://www.emnrd.nm.gov/ocd/hearing-info/>. Applicant applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 719.78-acre, more or less, standard horizontal spacing unit comprised of the S/2 SW/4 of Section 8 and the W/2 of Sections 17 and 20, Township 26 South, Range 29 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the **Riverwalk Fed Com 903H well**, to be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 29, Township 26 South, Range 29 East, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 8, Township 26 South, Range 29 East; and the **Riverwalk Fed Com 503H well**, to be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 29, Township 26 South, Range 29 East to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 8, Township 26 South, Range 29 East. The completed intervals of the wells will be orthodox. The completed interval of the **Riverwalk Fed Com 503H well** will be located within 330' of the quarter-quarter section line separating the W/2 W/2 and E/2 W/2 of Sections 8, 17, and 20, to allow for the creation of a 719.78-acre standard horizontal spacing unit. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost, the designation of Applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells are located approximately 12.4 miles south of Malaga, New Mexico.
#5664932, Current Argus, April 14, 2023

COG Operating LLC
Case No. 23472
Exhibit C-4