

CASE 16325



COG OPERATING LLC
Big Papi Federal Com 12H
Section 4-T26S-29E
& Section 9-T26S-R29E
Eddy County, New Mexico



NM OIL CONSERVATION

DISTRICT I
1122 N. ARTEZIA JR. HOMES, NM 87410
Phone: (505) 353-4171 Fax: (505) 353-0720

DISTRICT II
611 S. JESSIE ST. ARTEZIA, NM 88210
Phone: (505) 746-1553 Fax: (505) 746-9720

DISTRICT III
1000 HQ BRAZOS RD., AZTEC, NM 87410
Phone: (505) 334-0178 Fax: (505) 334-0170

DISTRICT IV
2525 S. 2ND ST. ALBUQUERQUE, NM 87103
Phone: (505) 476-3400 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

ARTESIA DISTRICT
MAY 16 2016

Form C-102
Revised August 1, 2011

Submit one copy to appropriate District Office

RECEIVED

DISTRICT IV

2525 S. 2ND ST. ALBUQUERQUE, NM 87103
Phone: (505) 476-3400 Fax: (505) 476-3462

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-43779	Pool Code 13354	Property Name BIG PAPI FEDERAL COM	Well Name Corral Canyon; Bone Spring, South
Property Code 308596	Operator Name COG OPERATING, LLC	Well Number 12H	Elevation 2976.5
OCRID No. 229137	Surface Location		

UL or lot No.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
2/b	4	26-S	29-E		200'	NORTH	2060'	EAST	EDDY
Bottom Hole Location If Different From Surface									
UL or lot No.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
0	9	26-S	29-E		330'	SOUTH	1980'	EAST	EDDY
Dedicated Acres 3.20	Joint or Infill	Consolidation Code	Order 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

<p>UL or lot No. Section Township Range Lot Ida Feet from the North/South line Feet from the East/West line County</p> <p>0 9 26-S 29-E 330' SOUTH 1980' EAST EDDY</p>		<p>UL or lot No. Section Township Range Lot Ida Feet from the North/South line Feet from the East/West line County</p> <p>2/b 4 26-S 29-E 200' NORTH 2060' EAST EDDY</p>	
<p>Bottom Hole Location If Different From Surface</p>			
<p>UL or lot No. Section Township Range Lot Ida Feet from the North/South line Feet from the East/West line County</p> <p>0 9 26-S 29-E 330' SOUTH 1980' EAST EDDY</p>			
<p>Dedicated Acres Joint or Infill Consolidation Code Order No.</p>			
<p>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</p>			
<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <i>Melanie J Wilson</i> Date: 5/4/15</p> <p>Printed Name: Melanie J Wilson</p> <p>E-mail Address: mwilson@concho.com</p>			
<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>JANUARY 19, 2015</p> <p>Signature & Seal of Professional Surveyor</p> <p>CHAD L. HARCROW NEW MEXICO 17777 LICENSED PROFESSIONAL SURVEYOR</p> <p>Certificate No. CHAD HARCROW 17777 W.O. # 15-13 DRAWN BY: AF</p>			
<p>PROPOSED BOTTOM HOLE LOCATION</p> <p>MAD 27 Y=382265.6 N X=607507.8 E LAT.=32.050488° N LONG.=103.986339° W</p> <p>PRODUCING AREA</p> <p>PROJECT AREA</p> <p>GRID AZ. = 178°50'30" HORZ. DIST. = 10112.9'</p> <p>SECTION 4</p> <p>SECTION 9</p> <p>NMNM053231</p> <p>NMNM089162</p> <p>NMNM054291</p> <p>As per LR2000 Lot 2 40.00 Ac</p> <p>Y=392573.3 N X=608027.4 E</p> <p>Y=392573.9 N X=606697.0 E</p> <p>LOT 1 40.90 AC</p> <p>LOT 2 40.15 AC</p> <p>LOT 3 40.66 AC</p> <p>LOT 4 39.89 AC</p> <p>Y=381937.3 N X=608152.1 E</p> <p>Y=381933.8 N X=606818.7 E</p> <p>B.H. 330'</p> <p>1980'</p>			

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. 1

Submitted by: COG OPERATING LLC

Hearing Date: July 26, 2018

Case Nos. 16325

4-26S-29E	Tract 1	
	Tract 2	
	Tract 3	
	Tract 4	
9-26S-29E		

Pooled Working Interest Owners	
Tract 1 - Section 4: W2NE	
COG Operating LLC	0.95
Concho Oil & Gas LLC	0.05
Tract 2- Section 4: W2SE	
COG Operating LLC	0.178125
Concho Oil & Gas LLC	0.009375
COG Acreage LP	0.02941957
COG Production LLC	0.34558043
Oxy USA Inc.	0.375
EOG Y Resources LLC	0.0625
Tract 3 - Section 9: W2NE	
COG Operating LLC	0.35625
Concho Oil & Gas LLC	0.01875
COG Acreage LP	0.01961305
COG Production LLC	0.23038695
Oxy USA Inc.	0.25
EOG Y Resources LLC	0.125
Tract 4 - Section 9: W2SE	
COG Operating LLC	0.7125
Concho Oil & Gas LLC	0.0375
EOG Y Resources LLC	0.25

<u>Unit Working Interest</u>	
COG Operating LLC	0.54921875
Concho Oil & Gas LLC	0.02890625
COG Production LLC	0.14399185
COG Acreage LP	0.01225816
Oxy USA Inc.	0.15625
EOG Y Resources LLC	0.109375
<i>Total</i>	1

Production Payment Owner
Newman Partnership

Overriding Royalty Interest Owners
 Lynn S. Charuk
 Mitchell E. Cheney
 Nestegg Energy Corporation
 Michael G. Hanagan
 EMG Revocable Trust
 Danielle Hannifin
 Nuevo Seis Limited Partnership
 RR Hinkle Company, Inc.
 F. Andrew Groom
 Morris E. Schertz



May 17, 2018

Via Federal Express

WORKING INTEREST OWNERS ON ATTACHED EXHIBIT "A"

Re: **Big Papi Fed Com #12H**
 W2E2 Sections 4 & 9, T26S-R29E
 Eddy County, New Mexico

Dear Sir or Madam:

COG Operating, LLC ("COG") hereby proposes the drilling of the above-referenced horizontal well. The Big Papi Fed Com #12H well will be drilled to a depth sufficient to adequately test the Bone Spring formation at a total vertical depth of approximately 8,685'. The surface location for this well is proposed at a legal location in Unit B of Section 4, T26S-R29E, with a bottom hole location at a legal location in Unit O of Section 9, T26S-R29E, with the dedicated project area being the W2E2 of Section 4 and W2E2 of Section 9, T26S-R29E, Eddy County, New Mexico.

Included herewith is our Authority for Expenditure ("AFE") in the gross amount of \$12,002,210.00, being the total estimated cost to drill and complete said well.

COG is proposing this well under the terms of a new Operating Agreement which will follow under separate cover.

If we do not reach an agreement 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 spacing unit for the proposed well.

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 aroush@concho.com. Should you have any questions, please do not hesitate to contact me at 432.818.2358.

Sincerely,

COG Operating LLC

Ashley Roush, RPL
Landman

AR:dh
Enc

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. 3

Submitted by: **COG OPERATING LLC**

Hearing Date: July 26, 2018

Case Nos. 16325

I/We hereby elect to participate in the drilling and completion of the
Big Papi Fed Com #12H.

I/We hereby elect not to participate in the drilling and completion of the
Big Papi Fed Com #12H.

Company: _____
By: _____
Name: _____
Title: _____
Date: _____

May 17, 2018
Page 3

EXHIBIT "A"
WORKING INTEREST OWNERS

FedEx Overnight
OXY USA, Inc.
5 Greenway Plaza, Suite 110
Houston, TX 77046
Attn: Matt Cole

FedEx Overnight
EOG Y Resources, Inc.
5509 Champions Drive
Midland, TX 79706

COG OPERATING LLC
AUTHORITY FOR EXPENDITURE
Drill & Complete

Well Name	BIG PAP/ FEDERAL COM 12H	Prospect	#717049 ATLAS 2029
SHL	SEC 4 - 200 FNL & 2060 FEL	State & County	NEW MEXICO, EDDY
BHL	SEC 8 - 330 FSL & 1980 FEL	Objective	DRILL & COMPLETE
Formation	2ND BONE SPRING	Depth	18 400
Asset	4-265-29E	TVD	8 685
AFE Numbers	DRAFT-002039, DRAFT-002042, DRAFT-002043, DRAFT-002044, DRAFT-002045, DRAFT-002046		

Cost Description	Code	Presbud (PS)	Drilling (DB)	Completions (C)	Tank Btry Complet (TB)	Pmpt Equip (PEQ)	Reversion	Total
Sample Costs								
D- Surface Casings	401		\$13,000.00				\$0.00	\$13,000.00
D- Intermediate Csg	402		\$64,000.00				\$0.00	\$64,000.00
D- Production Casing/liner	403		\$265,000.00				\$0.00	\$265,000.00
C- Wellhead Equip	405		\$25,000.00				\$0.00	\$25,000.00
C- Tubing	504			\$19,500.00			\$0.00	\$19,500.00
C- Wellhead Equip	505			\$13,200.00			\$0.00	\$13,200.00
PEQ- Pumping Unit	506				\$60,000.00		\$0.00	\$60,000.00
PEQ- Rods	508				\$35,000.00		\$0.00	\$35,000.00
PEQ- Seals/Spoolpieces	511				\$138,000.00		\$0.00	\$138,000.00
TB- 4th Trlbssort	512				\$350,000.00		\$0.00	\$350,000.00
TB- Electrical System/Equipment	513				\$182,000.00		\$0.00	\$182,000.00
C- Pseu/Anderson/Type	514			\$65,000.00			\$0.00	\$65,000.00
TB- Couplings/Fittings/Valves	515			\$380,000.00			\$0.00	\$380,000.00
TB- Gels LHM/Compression	516			\$31,250.00			\$0.00	\$31,250.00
TB- Pumping Surface	521			\$31,250.00			\$0.00	\$31,250.00
TB- Material Acts	525			\$25,750.00			\$0.00	\$25,750.00
TB- 3rd/Complete/Emission	526			\$62,500.00			\$0.00	\$62,500.00
PEQ- Material/Inhibitors/CAD/APV	530				\$7,000.00		\$0.00	\$7,000.00
PEQ- Tubing	531				\$3,000.00		\$0.00	\$3,000.00
PEQ- Wellhead Equipment	532				\$5,000.00		\$0.00	\$5,000.00
PEQ- Pumps	533				\$15,000.00		\$0.00	\$15,000.00
PEQ- Electrical System	534				\$2,000.00		\$0.00	\$2,000.00
PEQ- Miscellaneous	535				\$3,000.00		\$0.00	\$3,000.00
Total Sample Costs		\$0.00	\$367,000.00	\$128,700.00	\$1,424,500.00	\$171,000.00	\$0.00	\$2,089,200.00
Hangable Costs								
PS-1 Performance	201	\$20,000.00					\$0.00	\$20,000.00
D- Cement Slurries	202	\$2,500.00					\$0.00	\$2,500.00
PS-2 Performance ROY	203	\$2,500.00					\$0.00	\$2,500.00
PS-3 Performance LCH	204	\$7,000.00					\$0.00	\$7,000.00
D-1 chn/Gr/Roads	205		\$10.00				\$0.00	\$10.00
D- Turnkey Contract	207		\$20,000.00				\$0.00	\$20,000.00
D- Footage Contract	208		\$2,500.00				\$0.00	\$2,500.00
D- Daywork Contract	209		\$20,000.00				\$0.00	\$20,000.00
D- Directional Drilling Services	210		\$7,000.00				\$0.00	\$7,000.00
D- Fuel & Power	211		\$135,000.00				\$0.00	\$135,000.00
D- Water	212		\$1,500.00				\$0.00	\$1,500.00
D- Diesel Stem Test	215		\$50,000.00				\$0.00	\$50,000.00
D- Cement Slurries	216		\$125,000.00				\$0.00	\$125,000.00
D- Cement Slurries	217		\$175,000.00				\$0.00	\$175,000.00
D- Cement Slurries	218		\$35,000.00				\$0.00	\$35,000.00
D- Prod 2nd Int Cnt	219		\$174,000.00				\$0.00	\$174,000.00
D- Csg Crows & Equip	222		\$16,000.00				\$0.00	\$16,000.00
D- Fishing Tools & Svc	223		\$40,000.00				\$0.00	\$40,000.00
D- Geologic/Logging	224		\$38,000.00				\$0.00	\$38,000.00
D- Contract Labor	225		\$55,000.00				\$0.00	\$55,000.00
D- Contract Steven	227		\$20,000.00				\$0.00	\$20,000.00
D- Plug Casing Log	228		\$45,000.00				\$0.00	\$45,000.00
D- Cement Slurries	231		\$4,400.00				\$0.00	\$4,400.00
D- Rods & Svc	232		\$87,000.00				\$0.00	\$87,000.00
D- Rentals/Skids	236		\$35,000.00				\$0.00	\$35,000.00
D- Trucking/Logging Mob	237		\$30,000.00				\$0.00	\$30,000.00
D- Wellhead Services	238		\$4,000.00				\$0.00	\$4,000.00
D- Plug to Abandon	240		\$110,000.00				\$0.00	\$110,000.00
D- Seismic Analysis	241		\$140,000.00				\$0.00	\$140,000.00
D- Miscellaneous	242		\$180,000.00				\$0.00	\$180,000.00
D- Contingency	243		\$3,500.00				\$0.00	\$3,500.00
D- Environmental Loop	244						\$0.00	
D- Environmental	245		\$12,200.00				\$0.00	\$12,200.00
D- Fine Proppant	308		\$174,000.00				\$0.00	\$174,000.00
C- Fine Chemicals	309		\$1,225,000.00				\$0.00	\$1,225,000.00
C- Fine Proppant Transportation	310		\$154,000.00				\$0.00	\$154,000.00
C- Fuel & Power	311		\$5,000.00				\$0.00	\$5,000.00
C- Water	312		\$1,012,000.00				\$0.00	\$1,012,000.00
C- Bbs	313		\$4,500.00				\$0.00	\$4,500.00
C- Mud & Chemicals	314		\$25,000.00				\$0.00	\$25,000.00
D- Contract Labor	325		\$40,000.00				\$0.00	\$40,000.00
D- Cement Slurries	326		\$15,000.00				\$0.00	\$15,000.00
D- Cement Slurries	327		\$10,000.00				\$0.00	\$10,000.00
C- Tub Casing Log	328		\$500,000.00				\$0.00	\$500,000.00
C- Pad/Vulture Svc	331		\$12,000.00				\$0.00	\$12,000.00
C- Simulation/Trailing	332		\$43,000.00				\$0.00	\$43,000.00
C- Completion Unit	333		\$302,000.00				\$0.00	\$302,000.00
C- Rentals-Surface	335		\$45,000.00				\$0.00	\$45,000.00
C- Rentals-Subsfc	336		\$40,000.00				\$0.00	\$40,000.00
C- Trucking/Logging Mob	337		\$5,000.00				\$0.00	\$5,000.00
C- Wellhead Services	338		\$20,000.00				\$0.00	\$20,000.00
C- Wellhead	339		\$44,000.00				\$0.00	\$44,000.00
C- Environmental Loop	344		\$352,000.00				\$0.00	\$352,000.00
C- Diesel Diesel	345		\$17,000.00				\$0.00	\$17,000.00
C- Flowback Crows & Equip	347		\$1,000.00				\$0.00	\$1,000.00
TB- Damage/Right of Way	352		\$2,500.00				\$0.00	\$2,500.00
TB-1 Location/Right/Roads	353		\$360,000.00				\$0.00	\$360,000.00
TB- Contract Labor	356		\$10,000.00				\$0.00	\$10,000.00
TB- Contract Supervision	358		\$115,000.00				\$0.00	\$115,000.00
TB- Wellhead Disposal	362		\$6,500.00				\$0.00	\$6,500.00
TB- Contract Labor	376		\$3,000.00				\$0.00	\$3,000.00
PEQ- Cement Slurries	381		\$8,800.00				\$0.00	\$8,800.00
PEQ- Cementation Unit	383		\$3,000.00				\$0.00	\$3,000.00
PEQ- Rentals-Surface							\$0.00	
PEQ- Trng/Logging Mobilization	385		\$20,313,010.00				\$0.00	\$20,313,010.00
Total Hangable Costs		\$46,500.00	\$2,193,910.00	\$6,976,700.00	\$662,600.00	\$30,300.00	\$0.00	\$9,913,010.00
Total Gross Cost		\$48,000.00	\$2,560,810.00	\$7,183,000.00	\$2,087,100.00	\$301,300.00	\$0.00	\$12,002,210.00

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

COG Operating LLC

By _____

Date Prepared: _____

We approve: _____

COG Operating LLC

% Working Interest

By _____

Company

Printed Name

Title

Date

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

RATIFICATION OF COMMUNITIZATION AGREEMENT

STATE OF NEW MEXICO)
)
COUNTY OF EDDY)

COG OPERATING LLC, as Operator, executed a Communitization Agreement dated August 17, 2018, for the Big Papi Federal Com 12H, pooling and combining the oil and gas leases set forth therein, insofar as they cover the 320.00 acre communitized area comprised of the W/2 E/2 of Section 4 and the W/2 E/2 of Section 9, T26S-R29E, Eddy County, New Mexico.

NUEVO SEIS, LIMITED PARTNERSHIP, whose address is P.O. Box 2588, Roswell, New Mexico 88202, is the owner of an overriding royalty interest located in the unit referenced above.

NUEVO SEIS, LIMITED PARTNERSHIP, desires to adopt, ratify and confirm the Communitization Agreement insofar as it covers the right, title and interest in and to the oil and gas leases and the lands included in the communitized area created by COG Operating LLC.

In consideration of the premises, **NUEVO SEIS, LIMITED PARTNERSHIP**, does hereby adopt, ratify and confirm the above-described Communitization Agreement insofar as it covers its right, title and interest in the oil and gas leases and the lands included in the communitized area, and agrees that his/her/its interest is subject to all of the terms and provisions therein.

This Ratification is effective as of the effective date of the above-referenced Communitization Agreement.

NUEVO SEIS, LIMITED PARTNERSHIP

By: _____
Title: _____

STATE OF _____)
)
COUNTY OF _____)

This instrument was acknowledged before me this ____ day of _____, 2018, by _____ as _____ of **NUEVO SEIS, LIMITED PARTNERSHIP**.

Notary Public - State of _____

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico
Exhibit No. 4
Submitted by: **COG OPERATING LLC**
Hearing Date: July 26, 2018
Case Nos. 16325

Ratification of Communitization Agreement
Big Papi Federal Com 12H

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

APPLICATION OF COG OPERATING LLC
FOR A NON-STANDARD SPACING AND
PRORATION UNIT AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

CASE NO. 16325

AFFIDAVIT

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

Jordan L. Kessler, attorney in fact and authorized representative of COG Operating LLC,
the Applicant herein, being first duly sworn, upon oath, states that the above-referenced
Applications have been provided under the notice letters and proof of receipts attached hereto.

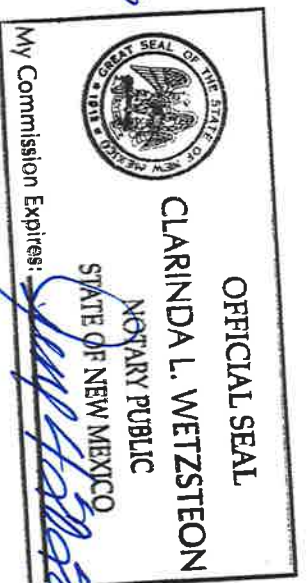


Jordan L. Kessler

SUBSCRIBED AND SWORN to before me this 25 day of July 2018 by Jordan L. Kessler.

Notary Public

My Commission Expires:



BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. 5

Submitted by: COG OPERATING LLC

Hearing Date: July 26, 2018

Case Nos. 16325



Michael H. Feldewert
Recognized Specialist in the
Area of Natural Resources –
Oil and Gas Law – New Mexico Board
of Legal Specification
mfeldewert@hollandhart.com

July 6, 2018

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

**Re: Application of COG Operating LLC for a non-standard spacing and proration
unit and compulsory pooling, Eddy County, New Mexico.
Big Papi Federal Com No. 12H**

Ladies & Gentlemen:

This letter is to advise you that COG Operating LLC has filed the enclosed application with the New Mexico Oil Conservation Division. This application will be set for hearing before a Division Examiner at 8:15 a.m. on July 26, 2018. The hearing will be held in Porter Hall in the Oil Conservation Division's Santa Fe Offices, located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address 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 Ashley Roush at (432) 818-2358 or ARoush@concho.com.

Sincerely,

A handwritten signature in dark ink, appearing to read "Michael H. Feldewert", written over a horizontal line.

Michael H. Feldewert
ATTORNEY FOR COG OPERATING LLC

Holland & Hart LLP

Phone [505] 988-4421 **Fax** [505] 983-6043 **www.hollandhart.com**
110 North Guadalupe Suite 1 Santa Fe, New Mexico 87501 **Mailing Address** P.O. Box 2208 Santa Fe, NM 87504-2208
Aspen Boulder Carson City Colorado Springs Denver Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C. ☼



Michael H. Feldewert
Recognized Specialist in the
Area of Natural Resources –
Oil and Gas Law – New Mexico Board
of Legal Specification
mfeldewert@hollandhart.com

July 6, 2018

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: OFFSETTING LESSEES AND OPERATORS

**Re: Application of COG Operating LLC for a non-standard spacing and proration
unit and compulsory pooling, Eddy County, New Mexico.
Big Papi Federal Com No. 12H**

This letter is to advise you that COG Operating LLC has filed the enclosed application with the New Mexico Oil Conservation Division. *Your interests are not being pooled under this application*, but as a lessee or operator in an offsetting tract, you are entitled to notice of this application.

This application has been set for hearing before a Division Examiner at 8:15 AM on July 26, 2018. The hearing will be held in Porter Hall in the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-Hearing Statement with the Oil Conservation Division's Santa Fe office, four business days in advance of a scheduled hearing, but at least on the Thursday preceding the hearing. This statement must 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 Ashley Roush at (432) 818-2358 or ARoush@concho.com.

Sincerely,

Michael H. Feldewert
ATTORNEY FOR COG OPERATING LLC

COG - Big BapiSummaryTrackingReport_2018_Jul_

	B	C	D	F	G	I	J	K
1	TrackingNo	Well	Transaction Date	ToName	DeliveryAddress	City	State	Zip
2	9414810898765014456543	63736 - Big Papi 12H - 1	07/06/2018	Oxy USA Inc.	5 Greenway Plz Ste 110	Houston	TX	77046-0521
3	9414810898765014456642	63736 - Big Papi 12H - 10	07/06/2018	Danielle Hannifin	PO Box 182	Roswell	NM	88202-0182
4	9414810898765014456666	63736 - Big Papi 12H - 11	07/06/2018	Barbara E Hannifin	PO Box 182	Roswell	NM	88202-0182
5	9414810898765014456673	63736 - Big Papi 12H - 12	07/06/2018	RR Hinkle Company, Inc	PO Box 2292	Roswell	NM	88202-2292
6	9414810898765014456680	63736 - Big Papi 12H - 13	07/06/2018	F. Andrew Grooms	PO Box 2990	Ruidoso	NM	88355-2990
7	9414810898765014456697	63736 - Big Papi 12H - 14	07/06/2018	Xto Holdings LLC	810 Houston St Ste 2000	Ft Worth	TX	76102-6223
8	9414810898765014456703	63736 - Big Papi 12H - 15	07/06/2018	Eog Resources Inc.	PO Box 4362	Houston	TX	77210-4362
9	9414810898765014456710	63736 - Big Papi 12H - 16	07/06/2018	Nm State Land Office	301 Dinosaur Trl	Santa Fe	NM	87508-1560
10	9414810898765014456727	63736 - Big Papi 12H - 17	07/06/2018	Oxy USA Inc	PO Box 27570	Houston	TX	77227-7570
11	9414810898765014456734	63736 - Big Papi 12H - 18	07/06/2018	Cog Op/Prod/Concho, Elk Oil Co.	PO Box 310	Roswell	NM	88202-0310
12	9414810898765014456741	63736 - Big Papi 12H - 19	07/06/2018	Hugh E. Hanagan	PO Box 329	Roswell	NM	88202
13	9414810898765014456567	63736 - Big Papi 12H - 2	07/06/2018	Eog Y Resources Inc.	5509 Champions Dr	Midland	TX	79706-2843
14	9414810898765014456758	63736 - Big Papi 12H - 20	07/06/2018	Michael G. Hanagan/Hanagan Petrole	PO Box 1737	Roswell	NM	88202-1737
15	9414810898765014456765	63736 - Big Papi 12H - 21	07/06/2018	John R. Gray Trust	PO Box 1182	Artesia	NM	88211-1182
16	9414810898765014456789	63736 - Big Papi 12H - 22	07/06/2018	Robert J. Leonard	PO Box 400	Roswell	NM	88202-0400
17	9414810898765014456802	63736 - Big Papi 12H - 23	07/06/2018	Morgan Trust	67 E Baffert Dr Ste 7	Nogales	AZ	85621-3554
18	9414810898765014456819	63736 - Big Papi 12H - 24	07/06/2018	Slash Exploration Lp	PO Box 1973	Roswell	NM	88202-1973
19	9414810898765014456574	63736 - Big Papi 12H - 3	07/06/2018	Newman Partnership	1111 Falcon Rd	Metairie	LA	70005-4129
20	9414810898765014456581	63736 - Big Papi 12H - 4	07/06/2018	Lynn S. Charuk	3921 Tanforan Ave	Midland	TX	79707-1427
21	9414810898765014456598	63736 - Big Papi 12H - 5	07/06/2018	Mitchel E. Cheney	236 Merrie Way Ln	Houston	TX	77024-7435
22	9414810898765014456604	63736 - Big Papi 12H - 6	07/06/2018	Nestegg Energy Corporation	2308 Sierra Vista Rd	Artesia	NM	88210-9409
23	9414810898765014456611	63736 - Big Papi 12H - 7	07/06/2018	Michael G. Hanagan	420 Tierra Berrenda Dr	Roswell	NM	88201-7838
24	9414810898765014456628	63736 - Big Papi 12H - 8	07/06/2018	Eileen M. Grooms, Trustee Of The Em	1000 W 4th St	Roswell	NM	88201-3038
25	9414810898765014456635	63736 - Big Papi 12H - 9	07/06/2018	Morris E. Schertz	PO Box 2588	Roswell	NM	88202-2588

N		U
1	MailDate	USPS_Status
2	07/06/2018	Your item has been delivered and is available at a PO Box at 5:55 am on July 10, 2018 in HOUSTON, TX 77227.
3	07/06/2018	Your item was delivered at 2:00 pm on July 9, 2018 in ROSWELL, NM 88201.
4	07/06/2018	Your item was delivered at 2:00 pm on July 9, 2018 in ROSWELL, NM 88201.
5	07/06/2018	Your item was delivered at 1:04 pm on July 10, 2018 in ROSWELL, NM 88201.
6	07/06/2018	Your item was delivered at 11:46 am on July 10, 2018 in RUIDOSO, NM 88345.
7	07/06/2018	Your item was delivered at 7:42 am on July 10, 2018 in FORT WORTH, TX 76102.
8	07/06/2018	Your item has been delivered to an agent at 4:19 am on July 10, 2018 in HOUSTON, TX 77210.
9	07/06/2018	The item is currently in transit to the next facility as of July 11, 2018.
10	07/06/2018	Your item has been delivered and is available at a PO Box at 5:55 am on July 10, 2018 in HOUSTON, TX 77227.
11	07/06/2018	Your item was delivered at 1:12 pm on July 9, 2018 in ROSWELL, NM 88201.
12	07/06/2018	Your item departed our ALBUQUERQUE, NM 87101 destination facility on July 18, 2018 at 5:44 pm. The item is currently in transit to the destination
13	07/06/2018	Your item was picked up at a postal facility at 7:38 am on July 10, 2018 in MIDLAND, TX 79702.
14	07/06/2018	Your item was delivered at 10:28 am on July 12, 2018 in ROSWELL, NM 88201.
15	07/06/2018	The item is currently in transit to the next facility as of July 18, 2018.
16	07/06/2018	Your item was delivered at 1:30 pm on July 12, 2018 in KERRVILLE, TX 78028.
17	07/06/2018	Your item was delivered to an individual at the address at 11:54 am on July 9, 2018 in NOGALES, AZ 85621.
18	07/06/2018	Your item was delivered at 10:58 am on July 10, 2018 in ROSWELL, NM 88201.
19	07/06/2018	Your item was delivered to an individual at the address at 5:29 pm on July 10, 2018 in METAIRIE, LA 70005.
20	07/06/2018	Your item was delivered to an individual at the address at 1:29 pm on July 9, 2018 in MIDLAND, TX 79707.
21	07/06/2018	The item is currently in transit to the next facility as of July 9, 2018.
22	07/06/2018	Your item was delivered to an individual at the address at 9:26 am on July 9, 2018 in ARTESIA, NM 88210.
23	07/06/2018	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
24	07/06/2018	Your item was delivered to the front desk or reception area at 10:40 am on July 9, 2018 in ROSWELL, NM 88201.
25	07/06/2018	Your item was delivered at 12:31 pm on July 10, 2018 in ROSWELL, NM 88201.

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 **July 26, 2018**, in the Oil Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appointed for the hearing. 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 505-475-3458 or through the New Mexico Relay Network, 1-800-659-1775 by **July 16, 2018**. Public documents, including the agenda and minutes, can be provided in various accessible forms. Please contact Florene 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 cases and notice to the public.

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

To: All offset owners and pooled parties, including: Oxy USA Inc.; EOG Y Resources Inc.; Newman Partnership; Lynn S. Charuk, her heirs and devisees; Mitchell E. Cheney, her heirs and devisees; Nestegg Energy Corporation; Michael G. Hanagan, his heirs and devisees; Eileen M. Grooms, Trustee of the EMG Revocable Trust U/A/D 11/01/2004; Morris E. Schertz, his heirs and devisees; Danielle Hannifin, her heirs and devisees; Barbara E. Hannifin, her heirs and devisees; RR Hinkle Company, Inc.; F. Andrew Grooms, his heirs and devisees; XTO Holdings LLC; EOG Resources Inc.; NM State Land Office; Concho Oil & Gas LLC; Elk Oil Co.; Hugh E. Hanagan; Hanagan Petroleum Corp.; John R. Gray Trust; Robert J. Leonard, his heirs and devisees; Morgan Trust; Slash Exploration LP.

Case No. 16325: Application of COG Operating LLC for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating a 320.66-acre, more or less, spacing and proration unit comprised of Lot 2, SW 1/4 NE 1/4, W 1/2 SE 1/4 (W 1/2 E 2) of Section 4 and W 1/2 E 2 of Section 9, Township 26 South, Range 29 East, NMPM, Eddy County, New Mexico; and (2) pooling all mineral interests in the Corral Canyon Bone Spring South (Pool Code 12354) underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed **Big Papi Federal Com No. 12H**, which will be horizontally drilled from a surface location in the NW 1/4 NE 1/4 (Lot 2) of Section 4 to a bottom hole location in the SW 1/4 SE 1/4 (Unit O) of Section 9. The completed interval for this well will remain within the 330-foot standard offset required by the Division's rules. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of COG Operating LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 12 miles southwest of Malaga, New Mexico.
July 23, 2018

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. 6

Submitted by: **COG OPERATING LLC**

Hearing Date: July 26, 2018

Case Nos. 16325

Order Confirmation

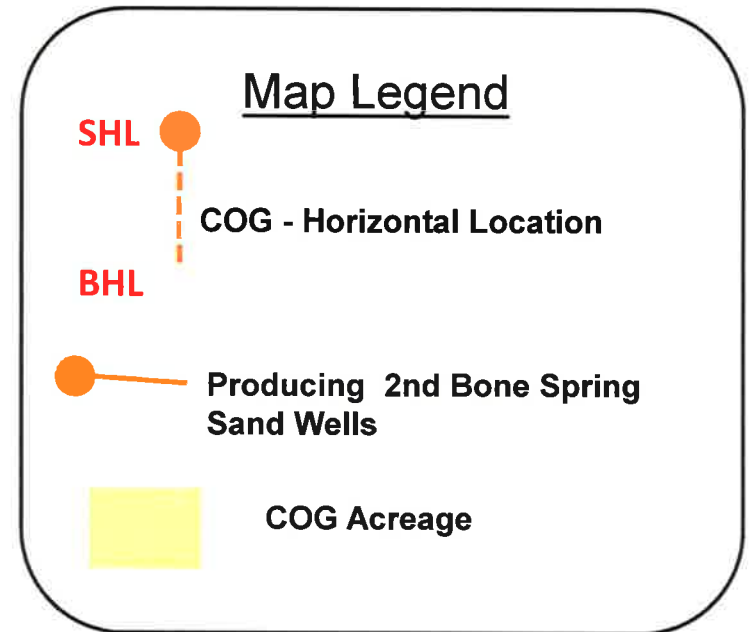
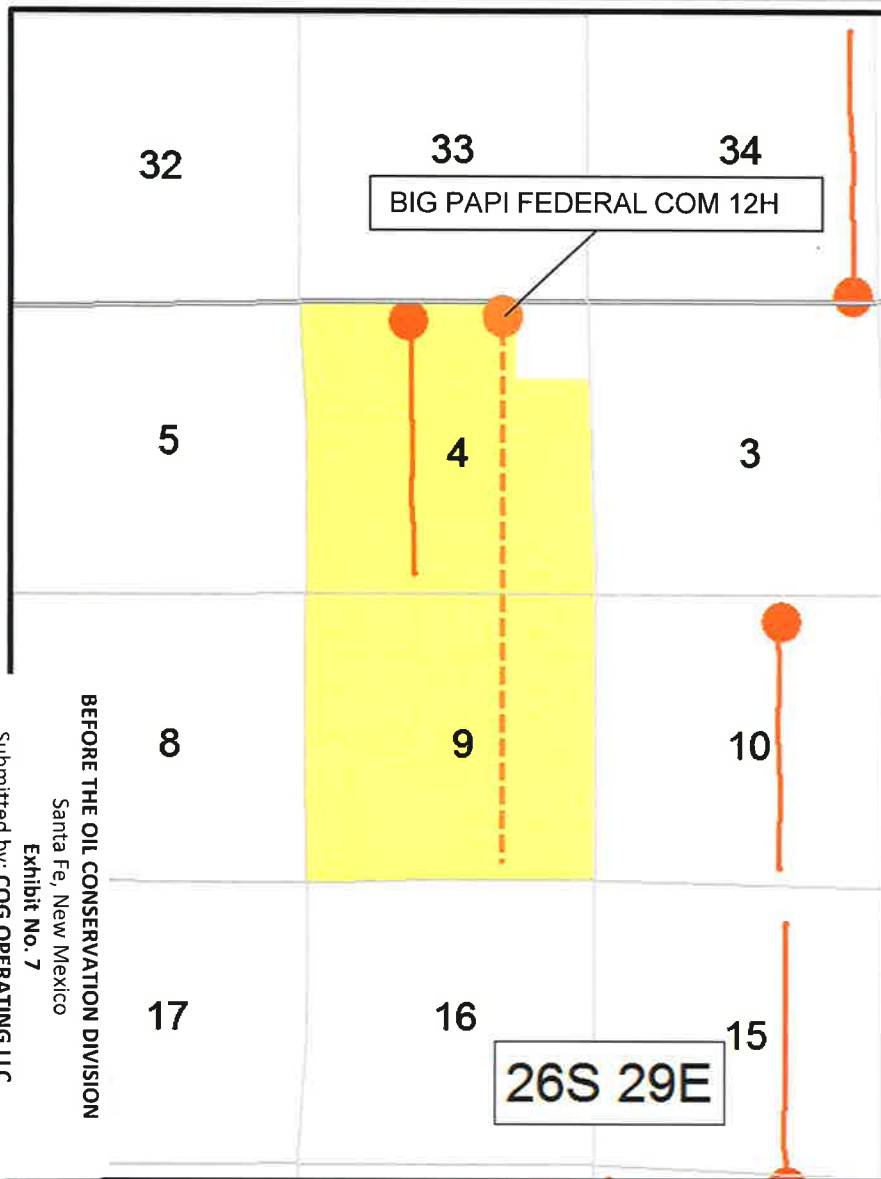
<u>Ad Order Number</u>	<u>Customer</u>	<u>Customer Account</u>	<u>Ordered By</u>	<u>PO Number</u>
0001254056	HOLLAND & HART	16891E	David Washington	Public Hearing
<u>Sales Rep.</u>	<u>Customer Address</u>	<u>Customer Phone #1</u>	<u>Customer Phone #2</u>	
Ystecerra	110 NORTH GLADALUPE, SUITE 1 PO BOX	505-354-7288		
<u>Order Taker</u>		<u>Customer Fax</u>	<u>Customer Email</u>	
Ystecerra	SANTA FE, NM, USA 87504			
<u>Order Source</u>	<u>Payor Customer</u>	<u>Payor Account</u>	<u>Special Pricing</u>	
	HOLLAND & HART	16891E	None	

<u>Tear Sheets</u>	<u>Proofs</u>	<u>Artists</u>	<u>Blind Box</u>	<u>Promo Type</u>	<u>Materials</u>			
0	0	1						
<u>Invoice Text</u>	<u>Ad Order Notes</u>							
	<u>Net Amount</u>	<u>Tax Amount</u>	<u>Total Amount</u>	<u>Payment Method</u>	<u>Payment Amount</u>	<u>Amount Due</u>		
	\$73.53	\$3.27	\$76.80		\$0.00	\$76.80		

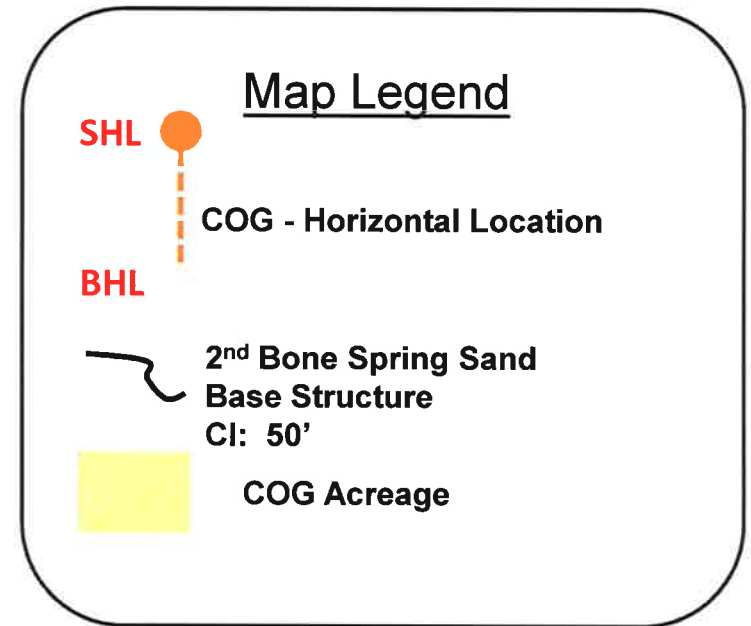
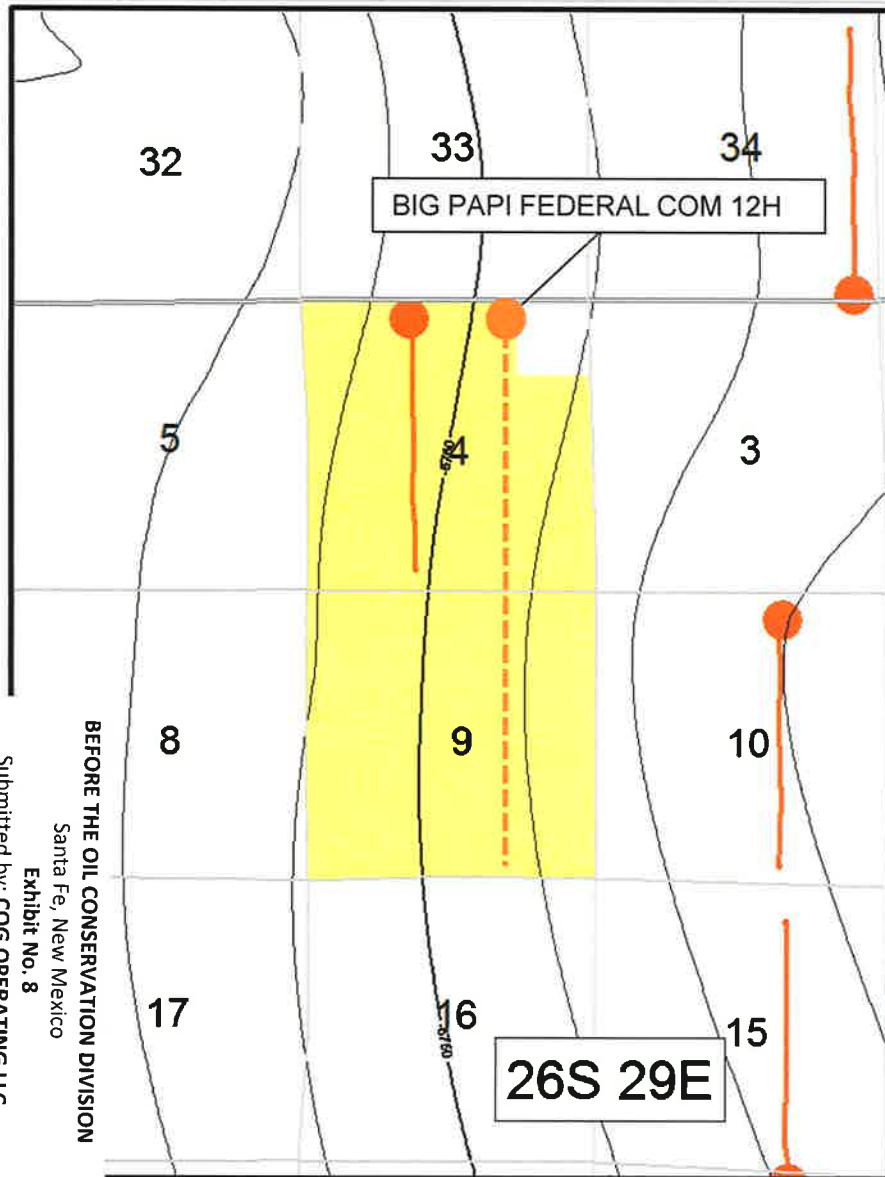
<u>Ad Number</u>	<u>Ad Type</u>	<u>Ad Size</u>	<u>Color</u>	<u>Production</u>	<u>Production Notes</u>
0001254056-01	CLS Legal Inv	30 X 79 L	<NONE>	AD Broom	
<u>Ad Attributes</u>	<u>Ad Released</u>	<u>Pick Up</u>			
	No				

<u>Product Information</u>	<u>Placement/Classification</u>	<u>Run Dates</u>	<u># Inserts</u>	<u>Cost</u>
On-Quart-Argus	Legal - C1 C3	7/23/18	1	\$176.04
<u>Run Schedule/Invoice Text</u>	<u>Sort Text</u>			
STATE OF NEW MEXICO ENERGY	STATE OF NEW MEXICO ENERGY MINERALS AND NAT			

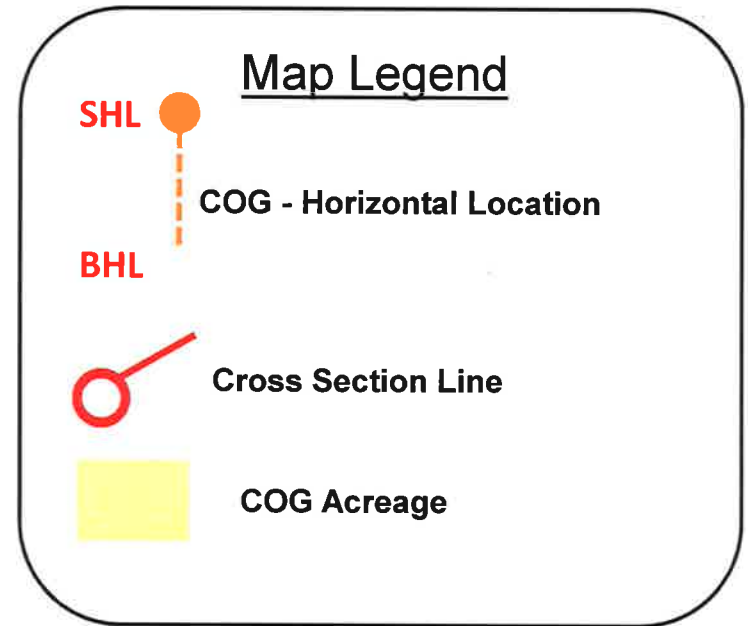
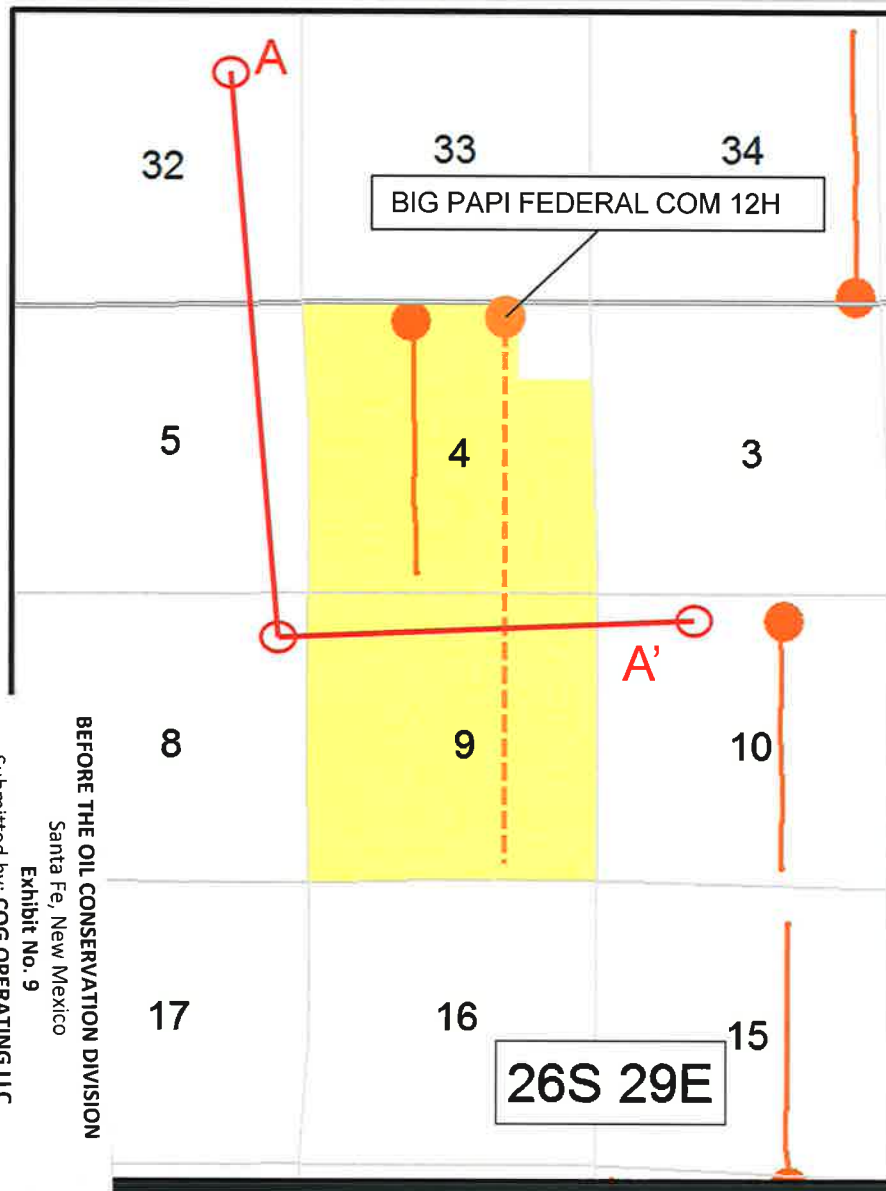
Bone Spring Pool Big Papi Federal Com 12H Location



Bone Spring Pool 2nd Bone Spring Base Structure Map



Bone Spring Pool Cross Section Map



Stratigraphic Cross Section A – A'

