

EXHIBIT A

Attn: Mr. Charles Moran
Yates Petroleum Corp.
105 South 4th Street
Artesia, NM 88210-2177

Attn: Mr. Christopher Gertson Oxy
USA Inc.
5 Greenway Plaza, Suite 110
Houston, TX 77046-0521

Attn: Mr. Charles Moran
Sharbro Oil, Ltd. Co.
105 South 4th Street
Artesia, NM 88210-2177

Attn: Ms. Kahlina Valadez
DHA, L.L.C.
500 West Wall St., Suite 300
Midland, TX 79701

Attn: Mr. Charles Moran
Abo Petroleum Corp.
105 South 4th Street
Artesia, NM 88210-2177

Attn: Mr. Charles Moran
Sharbro Energy LLC
105 South 4th Street
Artesia, NM 88210-2177

Attn: Mr. Charles Moran
Myco Industries Inc.
105 South 4th Street
Artesia, NM 88210-2177

Attn: Mr. Corey Mitchell
Mewbourne Oil Company
500 West Texas, Suite 1020
Midland, TX 79701

Attn: Mr. Christopher Gertson Oxy Y-1
Company
5 Greenway Plaza, Suite 110
Houston, TX 77046-0521

Devon SFS Operating Inc.
333 W. Sheridan Avenue
Oklahoma City, OK 73102



**MONTGOMERY
& ANDREWS**
LAW FIRM

J. Scott Hall
Office: (505) 982-3873
Email: shall@montand.com
Reply To: Santa Fe Office
www.montand.com

February 26, 2013

Attn: Mr. Charles Moran
Yates Petroleum Corp.
105 South 4th Street
Artesia, NM 88210-2177

Via Certified Mail
Return Receipt Requested

Re: NMOCD Case No. 14965: Application of COG Operating LLC for Designation of a Non-Standard Spacing and Proration Unit and for Compulsory Pooling, Eddy County, New Mexico

Dear Mr. Moran:

This will advise that COG Operating LLC has filed an Application with the New Mexico Oil Conservation Division for an order consolidating the 40-acre spacing units within the consolidating the 40-acre spacing units within the W/2 W/2 of Section 9, Township 19 South Range 26 East, NMPM and designating the consolidated units as a 160-acre± non-standard oil spacing and proration unit for a well location in the Yeso formation for Applicant's horizontal drilling project area. COG further seeks the compulsory pooling of all interests in the Yeso formation underlying the W/2 W/2 of Section 9 to be dedicated to its Stonewall 9 Fee No. 1-H Well to be drilled horizontally from a surface location in the SW/4 SW/4 of Section 9 to a standard bottom hole location in the NW/4 NW/4 of Section 9 to a depth sufficient to test the Yeso formation, Atoka Glorieta-Yeso Pool (3250). 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 and a charge for risk involved in drilling the well.

A copy of the Application for hearing is enclosed.

This Application will be set for hearing before a Division Examiner on March 21, 2013, at 8:15 a.m. at the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you

REPLY TO:

325 Paseo de Peralta
Santa Fe, New Mexico 87501
Telephone (505) 982-3873 • Fax (505) 982-4289

Post Office Box 2307
Santa Fe, New Mexico 87504-2307

6301 Indian School Road NE, Suite 400
Albuquerque, New Mexico 87110
Telephone (505) 884-4200 • Fax (505) 888-8929

Post Office Box 36210
Albuquerque, New Mexico 87176-6210

Yates Petroleum Corp.
February 25, 2013
Page 2

from challenging this application at a later time. If you intend to attend the hearing and present testimony or evidence, you must enter your appearance and serve the Division, counsel for the Applicant and other parties with a pre-hearing statement at least four business days before the scheduled hearing date in accordance with Division Rule 19.15.4.13.

Very truly yours,

MONTGOMERY & ANDREWS, P.A.

A handwritten signature in black ink, appearing to read "J. Scott Hall". The signature is written in a cursive style with a prominent initial "J" and a long, sweeping underline.

J. Scott Hall

Attorneys for COG Operating LLC

JSH:dh

Enclosure

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

IN THE MATTER OF THE APPLICATION
OF COG OPERATING LLC FOR
DESIGNATION OF A NON-STANDARD OIL
SPACING AND PRORATION UNIT AND
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO

CASE NO. 14965

APPLICATION

COG OPERATING LLC, by its undersigned attorneys, Montgomery and Andrews, P.A. (J. Scott Hall), hereby makes application pursuant to *inter alia* Rules 19.15.16.14 and 19.15.16.15 NMAC of the Division's Rules and regulations and NMSA 1978 Section 70-2-17 (1995) for an order providing as follows:

A. Consolidating each of the 40-acre spacing units within the W/2 W/2 of Section 9 Township 19 South, Range 26 East, NMPM, Eddy County, New Mexico and designating the consolidated units as a 160-acre \pm non-standard oil spacing and proration unit in the Yeso formation, Atoka Glorieta-Yeso Pool (3250) for Applicant's horizontal drilling project area; and

B. Pooling all interests in the Yeso formation underlying the W/2 W/2 of Section 9.

In support, Applicant states:

1. Applicant owns certain working interests in and under the proposed project area in Section 9, and has the right to drill thereon.

2. Applicant proposes to dedicate the above-referenced pooled unit to its Stonewall 9 Fee No. 1H Well to be drilled horizontally from a surface location in the SW/4 SW/4 of Section 9 (Unit M) to a standard bottom hole location in the NW/4 NW/4 of Section 9 (Unit D), to a depth sufficient to test the Yeso formation underlying the proposed project area in Section 9.

The Completed Interval of the well will be located within the Producing Area of the proposed Project Area.

3. Applicant does not have leases or a voluntary agreement for pooling or farmout from certain other interest owners in the above-referenced formation underlying the proposed non-standard unit.

4. In order to permit the Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the mineral interests should be pooled and the Applicant should be designated operator of the well.

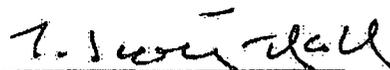
5. The pooling of interests and approval of the non-standard spacing and proration unit and non-standard project area will afford the Applicant the opportunity to produce its just and equitable share of hydrocarbons underlying the spacing unit, will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

WHEREFORE Applicant requests that this Application be set for hearing before a duly appointed hearing examiner of the Oil Conservation Division on March 21, 2013 and that after notice and hearing as required by law, the Division enter its Order approving the non-standard spacing unit and pooling the lands, including provisions for Applicant to recover its costs of drilling, equipping and completing the wells, its costs of supervision while drilling and after completion, including overhead charges and providing for adjustments to such rates in accordance with accepted COPAS accounting procedures, and imposing a 200% risk factor for the risk assumed by the Applicant in drilling, completing and equipping the wells, and making such other and further provisions as may be proper in the premises.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

By:



J. Scott Hall

Seth C. McMillan

P.O. Box 2307

Santa Fe, NM 87504-2307

(505) 982-3873 – Telephone

(505) 982-4289 – Fax

shall@montand.com

smemillan@montand.com

Attorneys for COG Operating LLC

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- 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.

1. Article Addressed to:

Attn: Mr. Corey Mitchell
 Mewbourne Oil Company
 500 West Texas, Suite 1020
 Midland, TX 79701

2. Article Number
(Transfer from service label)

7012 2210 0001 2087 9183

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

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- Agent
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- Addressee

B. Received by (Printed Name)

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 D. Is delivery address different from item 1? Yes
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3. Service Type

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- Certified Mail
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- Registered
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1. Article Addressed to:

Attn: Mr. Charles Moran
 Sharbro Energy LLC
 105 South 4th Street
 Artesia, NM 88210-2177

2. Article Number
(Transfer from service label)

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3. Service Type

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- Certified Mail
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- Registered
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- Return Receipt for Merchandise
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- Insured Mail
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- C.O.D.

4. Restricted Delivery? (Extra Fee) Yes**SENDER: COMPLETE THIS SECTION**

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1. Article Addressed to:

Attn: Mr. Charles Moran
 Abo Petroleum Corp.
 105 South 4th Street
 Artesia, NM 88210-2177

2. Article Number
(Transfer from service label)

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- Addressee

B. Received by (Printed Name)

C. Date of Delivery

 D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

3. Service Type

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- Certified Mail
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- Express Mail
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-
- Registered
-
- Return Receipt for Merchandise
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-
- Insured Mail
-
- C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

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<p>1. Article Addressed to:</p> <p>Attn: Mr. Charles Moran Yates Petroleum Corp. 105 South 4th Street Artesia, NM 88210-2177</p>	<p>3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>2. Article Number (Transfer from service label) 7012 2210 0001 2087 9145</p> <p>PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540</p>	

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<p>1. Article Addressed to:</p> <p>Devon SFS Operating Inc. 333 W. Sheridan Avenue Oklahoma City, OK 73102</p>	<p>3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>2. Article Number (Transfer from service label) 7012 2210 0001 2087 9190</p> <p>PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540</p>	

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<p>1. Article Addressed to:</p> <p>Attn: Ms. Kahlina Valadez DHA, L.L.C. 500 West Wall St., Suite 300 Midland, TX 79701</p>	<p>3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>2. Article Number (Transfer from service label) 7012 2210 0001 2087 9305</p> <p>PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540</p>	

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- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Attn: Mr. Christopher Gertson
 Oxy USA Inc.
 5 Greenway Plaza, Suite 110
 Houston, TX 77046-0521

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent
 Addressee

B. Received by (Printed Name) C. Date of Delivery
 3/1/13

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number (Transfer from service label) 7012 2210 0001 2087 9329

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- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Attn: Mr. Christopher Gertson
 Oxy Y-1 Company
 5 Greenway Plaza, Suite 110
 Houston, TX 77046-0521

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent
 Addressee

B. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number (Transfer from service label) 7012 2210 0001 2087 9312

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1. Article Addressed to:

Attn: Mr. Charles Moran
 Sharbro Oil, Ltd. Co.
 105 South 4th Street
 Artesia, NM 88210-2177

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A. Signature Agent
 Addressee

B. Received by (Printed Name) C. Date of Delivery
 3-27-13

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number (Transfer from service label) 7012 2210 0001 2087 9169

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1. Article Addressed to:

Attn: Mr. Charles Moran
 Myco Industries Inc.
 105 South 4th Street
 Artesia, NM 88210-2177

2. Article Number

(Transfer from service label)

7012 2210 0000 2087 9206

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A. Signature

Anderwood

 Agent Addressee

B. Received by (Printed Name)

Anderwood

C. Date of Delivery

2-27-13

D. Is delivery address different from item 1? Yes

If YES, enter delivery address below:

 No

3. Service Type

 Certified Mail Express Mail Registered Return Receipt for Merchandise Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee)

 Yes