

COG OPERATING LLC USHANKA FED COM 23H

Section 1-T26S-35E Lea County, New Mexico



BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING NOVEMBER 30, 2017

CASE NO. 15896



DISTRICT I
1025 N. French Dr., Hobbs, NM 88240
Phome (670) 983-6161 Fac: (676) 393-0720
DISTRICT II
811 S. First St., Artesis, NM 88210
Phome (670) 746-1223 Fac: (676) 748-0720

DISTRICT III 1000 Rio Brasos Rd., Asteo, NM 87410 Phone (508) 334-4170 Fee: (508) 334-4170

DISTRICT IV 1226 S. St. Francis Dr., Santa Fe, MS 87506 Phone (506) 476-3460 Fer: (505) 476-3462

ADI Nomber

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-102 Revised August 1, 2011

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION 1226 South St. Francis Dr

1226 South St. Francis Dr. Santa Fe, New Mexico 87505

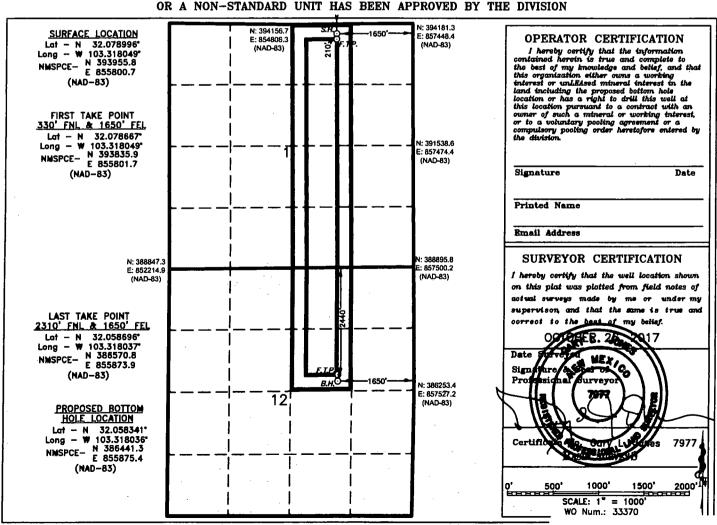
WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number				Pool Code	.					
Property Code			Property Name USHANKA FED COM					Well Number		
ogrid n	o.		Operator Name COG OPERATING, LLC						Rievation 3036'	
			-		Surface Loc	ation				
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
В	1	26 S	35 E		210	210 NORTH 1650 EA				
			Bottom	Hole Lo	eation If Diffe	erent From Sur	face			
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	

G 12 26 S 35 E 2440 NORTH 1650 EAST LEA Dedicated Acres 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



BEFORE THE OIL CONSERVATION DIVISIO

USHANKA FEDERAL COM #23H T26S-R35E-Section 1, W/2 E/2 T26S-R35E-Section 12, W/2 NE/4 Lea County, NM

	TRACT 1 W/2 E/2 160 AC.	
1		
12	TRACT 2 W/2 NE/4 80 AC.	
	OVAC,	

Tract 1: W/2 E/2 Section 1-T26S-R35E (160 ACRES)

COG Operating LLC	70.00%
Devon Energy Production Company, L.P.	15.00%
Chevron U.S.A. Inc.	15.00%
Total	100.00%

Tract 2: W/2 NE/4 Section 12-T26S-R35E (80 ACRES)

COG Production LLC	100.00%
Total	100.00%

UNIT RECAPITULATION

T26S-R35E-Section 1, W/2 E/2 T26S-R35E-Section 12, W/2 NE/4 Lea County, NM

Total:	100.00%
Chevron U.S.A. Inc.	10.00%
Devon Energy Production Company, L.P.	10.00%
COG Production LLC	33.33%
COG Operating LLC	46.67%

Interests seeking to Compulsory Pool



September 27, 2017

US Certified Mail - 91 7199 9991 7038 1580 8532

Devon Energy Production Company, L.P.

333 West Sheridan Ave. Oklahoma City, OK 73102

Attn: Justin Carter

Re: Well Proposal – Ushanka Federal Com 23H

Sec 1: Lot 2, SW/4NE/4, W/2SE/4 - T26S-R35E

Sec 12: W/2NE/4 - T26S-R35E

SHL: 210' FNL/ 1650' FEL, or a legal location in Sec 1 (Unit B) BHL: 2440' FNL/ 1650' FEL, or a legal location in Sec 12 (Unit G)

Lea County, New Mexico

Dear Sir/Madam:

COG Operating LLC (COG), as Operator, hereby proposes to drill the Ushanka Federal Com 23H well as a horizontal well at the above-captioned location, or at a legal location as approved by the governing regulatory agency, to a TVD of approximately 12,160' and a MD of approximately 18,600' to test the Wolfcamp formation ("Operation"). The total cost of the Operation is estimated to be \$10,684,300.00, and a detailed description of the cost is set out in the enclosed Authority for Expenditure ("AFE").

COG is proposing to drill this well under the terms of the modified 1989 AAPL form of Operating Agreement which is enclosed for your review and approval. The Operating Agreement covers Sec 1: Lot 2, SW/4NE/4, W/2SE/4 - T26S-R35E and Sec 12: W/2NE/4 - T26S-R35E. It has the following general provisions:

- 100/300 Non-Consenting Penalty
- \$7,000/\$700 Drilling and Producing Rate
- COG Operating LLC named as Operator

Please indicate your participation election in the space provided below, sign and return this letter, along with a signed copy of the enclosed AFE and a copy of your geologic well requirements. A self-addressed, postage paid envelope is enclosed for your convenience. If you do not wish to participate, COG proposes to acquire your interest via term assignment. It has the following general provisions:

- 3 year primary term
- Delivering a 75% NRI, proportionately reduced
- \$750 per net acre bonus consideration

The Term Assignment offer terminates December 1, 2017 and is subject to the approval of COG's management and verification of title.

If an agreement cannot be 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 spacing unit for the proposed well if uncommitted at such time.

If you have any	questions, please do not hesitate to contact the undersigned at (432) 221-0465.
Respectfully,	
A	_
Mike Wallace Senior Landma	n
	I/We haveby elect to newtoingto in the Hebenke Federal Com 22H
	I/We hereby elect to participate in the Ushanka Federal Com 23H.
	I/We hereby elect <u>not</u> to participate in the Ushanka Federal Com 23H.
Company:	
Ву:	
Name:	
	·
Date:	

COG OPERATING LLC AUTHORITY FOR EXPENDITURE DRILLING

WELL NAME:	Ushanka Fed Com #23H	PROSPECT NAME:	Top Hat 3rd BSS & UWC no PH 1.5M
SHL:	Sec 1: 210 FNL and 1650 FEL	STATE & COUNTY:	New Mexico, Lea
BHL:	Sec 12: 2440 FNL and 1650 FEL	OBJECTIVE:	Drill and Complete
FORMATION:	Wolfcamp A	DEPTH:	18,800
LEGAL:	T26S R35E	TVD:	12,160

NTANGIBLE COSTS tte/Curative/Permit	201	Drlg - Rig Release(D) 11,000		Completion(C)		Tank Btty Constrctn(TB)		Pmpg Equipment(PEQ)	TOTAL
surance	202	4,000	302	A STATE OF THE STA					11,
amages/Right of Way	203		303		054				4,
urvey/Stake Location		5,000	303		351				5,
cation/Pits/Road Expense	204 205	6,000 120,000	305	10.000	352 353	PR 000	000	STATE OF THE PARTY OF THE PARTY.	6,
				10,000	353	57,000	366	No. 18 Hald Switters on	187,
illing / Completion Overhead	206	10,800	306	Maria Carlo					10,
rnkey Contract	207			N Portal Control Control					
otage Contract	208								_
aywork Contract	209	680,000							680
rectional Drilling Services	210	274,000						是他们是是否是是自己的问题	274
ac Equipment			307	1,372,000					1,372
ac Chemicals			308	386,000					386
ac Proppant			309	833,000					833
ac Proppant Transportation			310	106,000					106
el & Power	211	198,000	311		354		367		203
ater	212	50,000	312	621,000			368		671
S	213	122,400	313	4,500			369		126
d & Chemicals									
	214	150,000	314	25,000			370	CONTRACTOR AND DESCRIPTION OF THE PARTY.	175
ill Stem Test	215		315	NOW HAVE BUILDING AND AND ADDRESS OF					
ring & Analysis	216	50,000							50
ment Surface	217	28,000				不 或是 《中央》(1)(1)(1)(1)(1)(1)(1)(1)(1)(1)(1)(1)(1)(28
ment Intermediate	218	45,000							45
ment 2nd Intermediate/Production	219	160,000							160
ement Squeeze & Other (Kickoff Plug)	220	50,000					371		50
pat Equipment & Centralizers	221	17,800							17
using Crews & Equipment	222	50,000		THE SECTION OF THE PARTY OF		AND RESIDENCE OF THE PARTY.			50
shing Tools & Service	223	00,000	323	the second secon			372	A STATE OF THE PARTY OF THE PAR	
					255	THE RESERVE OF STREET, SALES OF STREET,			
nologic/Engineering	224		324		355		373		
ntract Labor	225	5,500	325	8,200	356	54,000	374	6,500	74
mpany Supervision	226	64,800	326	30,000	357		375		94
ntract Supervision	227	105,000	327	129,000	358		376	5,000	239
sting Casing/Tubing	228	20,000	328	10,000			377		30
d Logging Unit	229	45,000	329						45
gging	230	180,000					378		180
rforating/Wireline Services	231	25,000	331	350,000		CHARLEST STATE OF THE STATE OF	379		375
mulation/Treating	201	20,000	332	289,000			380		289
		CONTROL PROBLEMS OF THE PROPERTY OF THE PROPER						2.000	
mpletion Unit			333	138,000			381	8,800	146
vabbing Unit			334			All the second of the second o	382		
entals-Surface	235	150,000	335		359		383	7,000	472
entals-Subsurface	236	150,000	336	75,000			384		225
ucking/Forklift/Rig Mobilization	237	120,000	337	20,000	360		385	3,000	143
elding Services	238	4,000	338	5,000	361		386		9
ater Disposal	239		339	60,000	362	135,000	387		195
ug to Abandon	240		340						
elsmic Analysis	241		341						
scellaneous	242		342			Access and the part of the second	389	Process of the party of the control	
	243	59,700	343	175,000	363	And the second second second	390		234
ontingency									
osed Loop & Environmental	244	250,000	344	5,000	364	CAN BE THE SEASON OF THE PARTY	388		25
ed Diesel	245		345	299,000					
pil Tubing			346	80,000				经产品的	8
owback Crews & Equip			347	98,000					98
ffset Directional/Frac	248		348				391		
TOTAL INTANGIBLES		3,211,000		5,448,700		246,000		30,300	8,93
ANGIBLE COSTS urface Casing ermediate Casing	401 402	64,000 479,000							6 47
oduction Casing/Liner	403	357,000							35
bing			504	47,300			530	5,000	5
ellhead Equipment	405	65,000	505	22,000		CARLES SERVICE	531	3,000	9
imping Unit	100			0			506	96,000	9
				0			507		
me Mover				0				05.000	
ods				Control of the Contro		を企成してある時間の回答と言葉は一般であった。 をはれたななしているようと、またののによってなる。	508	35,000	3
ımps-Sub Surface (BH)			509	AND THE RESIDENCE OF THE PARTY OF THE PARTY OF THE PARTY.			532	5,000	
nks					510	37,000			3
owlines					511	84,000			8
eater Treater/Separator					512	106,000		STATE OF BUILDING	10
ectrical System					513	69,000	533	15,000	8
ackers/Anchors/Hangers	414		514	6,000			534	2,000	
puplings/Fittings/Valves	415				515	123,000		X SQ TO S	12
hydration				Company of the Company	517	120,000			- 12
ection Plant/CO2 Equipment				Total Control Control Control Control	518	10.000			
mps-Surface					521	12,000		CONTRACTOR OF THE PARTY OF THE	
strumentation/SCADA/POC		ENGLISH THE RESERVE		基础的 和总统。	522		529	7,000	
scellaneous	419		519		523		535	3,000	
ontingency	420		520		524		536		
eters/LACT				The state of the s	525	31,000			3
		State of the second second			526	25,000			2
			527	15,000	516		528		5
ares/Combustors/Emission		FOR PARTY SHOW THE PARTY SHOW THE PARTY OF T	SZI	15,000	010		020		
as Lift/Compression		005.000		00.000		E00 000		474 000	
s Lift/Compression TOTAL TANGIBLES		965,000		90,300		522,000		171,000	1,74
s Lift/Compression		965,000 4,176,000		90,300 5,539,000		522,000 768,000		171,000 201,300	10,68

Date Prepared: 9/21/2017

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. 15896

AFFIDAVIT

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

Adam G. Rankin, attorney in fact and authorized representative of COG Operating, LLC, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Application has been provided under the notice letters and proof of receipts attached hereto.

Adam G. Rankin

SUBSCRIBED AND SWORN to before me this 29th day of November, 2017, by Adam

G. Rankin.

⁾ Notary Public



Jordan L. Kessler Associate Phone (505) 988-4421 Fax (505) 983-6043 JLKessler@hollandhart.com

November 9, 2017

<u>VIA CERTIFIED MAIL</u> 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, Lea County, New Mexico.

Ushanka Federal Com No. 23H Well

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 November 30, 2017. 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 Megan Flanagan at (432) 685-2588 or MFlanagan@concho.com.

Sincerely

Jordan L. Kesslei

ATTORNEY FOR COG OPERATING LLC



Jordan L. Kessler Associate Phone (505) 988-4421 Fax (505) 983-6043 JLKessler@hollandhart.com

November 9, 2017

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, Lea County, New Mexico.

Ushanka Federal Com No. 23H Well

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 November 30, 2017. 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 Megan Flanagan at (432) 685-2588 or MFlanagan@concho.com.

Sincerely,

Jordan L. Kessler

ATTORNEY FOR COG OPERATING LLC

Ushanka Federal Com No. 23H Well Pooled Parties (4) Case No.15896

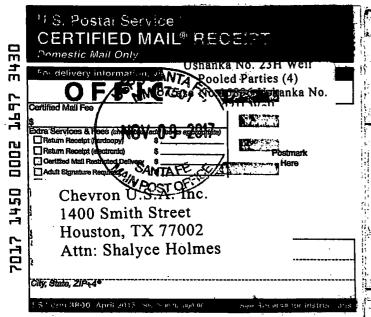
Devon Energy Production Company, L.P. 333 West Sheridan Ave. Oklahoma City, OK 73102 Attn: Melissa Miller

Chevron U.S.A. Inc. 1400 Smith Street Houston, TX 77002 Attn: Shalyce Holmes

Chevron U.S.A. Inc. 6301 Deauville Blvd. Midland, TX 79706 Attn: Kristen Hunter

COG Operating LLC 600 W. Illinois Ave. Midland, TX 79701

Attn: Megan Tipton 1CC-8



5# onn 3811 July 20 tsreen 7630-024060-9053	Domestic Return to talk
The second secon	TE THIS SECTION ON DOLLYGIN
Print your name and address on the reverse so that we can return the card to you.	A. Signature X Agerit Addresses
**************************************	B. Received by (Printed Name) C. Date of Delivery
1: Afticle Addressed to:	D. Is delivery address different from item 1? Yes
Chevron U.S.A. Inc.	If YES, enter Clare Clare Control No.
1400 Smith Street	
Houston, TX 77002	G Sam Horston Station
Attn. Shalyce Holmes	9 NOV 2017
portransa in la cara.	3. Service Type Houston, IX 77002 Remisered Maines
La contraction of the second	☐ Adult Signature Restricted Delivery ☐ Restricted Mail (Assistated) ☐ Certified Mail®
9590 9402 3164 7166 2882 00	Contined Mail Programed Between Contined Mail Records Mai
2. Apticle Number (Transfer from service tabel)	Tringmed Mail
7017 1450 0002 1697 3431	Maritable Delivery
NSIForm 3811, July 2015/PSN 7530-02-009-9053	Domestic Return Receipt



Ushanka Federal Com 23H Offset (14) Case No.15896

Devon Energy Production 15896Company, L.P. 333 West Sheridan Ave. Oklahoma City, OK 73102 Attn: Melissa Miller

Chevron U.S.A. Inc. 1400 Smith Street Houston, TX 77002 Attn: Shalyce Holmes

Chevron U.S.A. Inc. 6301 Deauville Blvd. Midland, TX 79706 Attn: Kristen Hunter

COG Operating LLC Attn: Megan Tipton 1CC-8 600 W. Illinois Ave. Midland, TX 79701

Ben F. Fortson 500 Throckmorton St. Ft. Worth, TX 76102

Rosehill Operating Co. LLC 16200 Park Row, Ste. 300 Houston, TX 77084

Tema Oil & Gas Co. c/o Rosemore, Inc. 1 N. Charles Street, 22nd Floor Baltimore, MD 21201

Custer & Wright P. O. Box 2334 Midland, TX 79702

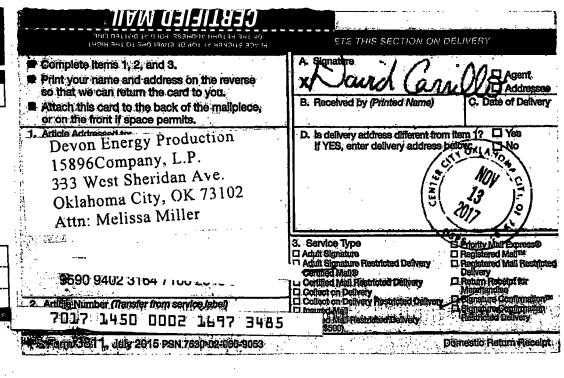
M. A. Custer P. O. Box 2334 Midland, TX 79702

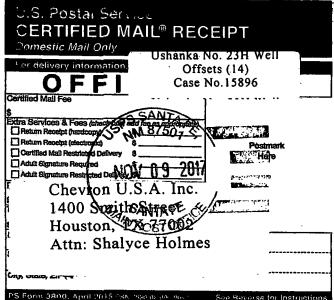
Paul R. Wright P. O. Box 2334 Midland, TX 79702 Devon Energy Production Company, LP Attn: Melissa Miller 333 W. Sheridan Ave. Oklahoma City, OK 73102-5010

Newkumet Exploration Inc. P. O. Box 11330 Midland, TX 79701

Caza Petroleum, LLC P. O. Box 11330 Midland, TX 79702

Caza Petroleum, LLC 16945 Northchase Drive, Suite 1430 Houston, Texas 77060





<u>_</u>

出

02 169

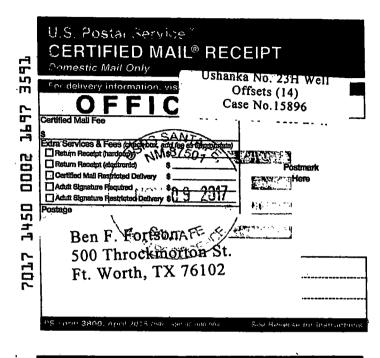
8

2

4

710







m

멸

50

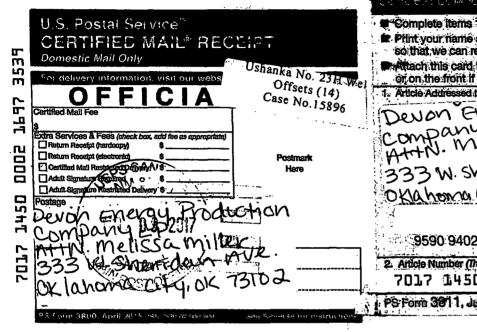
4

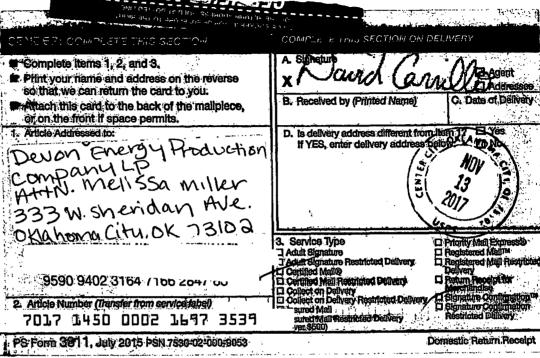
~

		1112010		
D	September C. Albertains and Charles and Ch	and the speciments of the speciments		
\$25.27	COMPLETE THIS SEC	TION	COMPLETE THIS SECTION OF	N DELIVERY
Print you so that the Attach t	te items 1, 2, and 3, ur name and address on we can return the card t his card to the back of t e front if space permits,	ýyoù.	A. Signature X B. Received by (Righted Name) Phillip Cosella	Agent Addressee C. Date of Delivery
1. Article Ad	dressed to:		D. Is delivery address different for If YES, enter delivery address	
162	ehill Operating (00 Park Row, St Iston, TX 77084	Co. LLC e. 300		
	U U-UL-U 104 7 1052		3. Service Type Adult Signature Adult Signature Restricted Delivery Contined Mail Restricted Delivery Contined Mail Restricted Delivery Collection Delivery	☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricted Celvery ☐ Return Receipt for Manyjardise
2. Article N	imber (Transfer from seryic	(abel)	Collect on Delivery Restricted Deliver	41 Signature Confirmation
70:	17 1450 0002.	1697 3584	Mail Restricted Delivery	Restricted Delivery
PS Form 3	811, July 2015 PSN 753	0-02-000-0053		Domestic Return Received

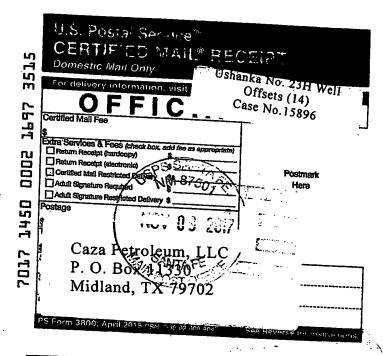












1697 3508	CERTIFIED MAIL® RECUPTION COMMENTS OF THE STATE OF THE S
20 00ds	Extra Services & Fees (checkber and lee as exproprime) Return Receipt (perdoopy). Re
7017	16945 Northchase Drive, Suite 1430 Houston, Texas 77060
1450	Adult Signature Required Adult Signature Restricted Delivery \$ Postage Caza Petroleum, LLC 16945 Northchase Drive, Suite 1430

PULL DE LOIS PLUTONE SERVINGE MADE AND AND AND AND THE SENDERS COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
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 malipiece, or on the front if space permits.	A. Signature Agent Addressee B. Referred by (Printed Name) C. Date of Delivery C. Date of Delivery
1. Afticle Addressed to: Caza Petroleum, LLC 16945 Northchase Drive, Suite 1430 Houston, Texas 77060	D. Is delivery address different from item 1?
9590'94U2 3T64 / 166 2845 U9 2. Article Number (Nebster from service factor) 7017 1450 0002 1697 3508	3. Service Type Adult Signature Registered Mail Peopless Adult Signature Registered Mail Restricted Registered Mail Restri
PS/Form 3811, July 2015 PSN 7580-02-000-9063	Domestic Return Receipt

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs. New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

> Beginning with the issue dated November 15, 2017 and ending with the issue dated November 15, 2017.

Publisher

Sworn and subscribed to before me this 15th day of November 2017.

Business Manager

My commission-expires



January 29, 2019 OFFICIAL SEAL **GUSSIE BLACK** Notary Public State of New Mexico

My Commission Expires

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

LEGAL

LEGAL

LEGAL NOTICE November 15, 2017

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 **November 30, 2017**, in the Oil Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appoint 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 language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact: Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by November 20, 2017. 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: Devon Energy Production Company, L.P.; Chevron U.S.A. Inc.; COG Operating LLC.

Case No. 15896: Application of COG Operating LLC for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating a non-standard 240-acre, more or less, spacing and proration unit comprised of the W/2 E/2 of Irregular Section 1 (Lot 2, SW/4·NE/4, and W/2 SE/4) and the W/2 NE/4 of Section 12, Township 26 South, Range 35 East, NMPM, Lea County, New Mexico; and (2) pooling all uncommitted interests in the Wolfcamp formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed Ushanka Federal Com No. 23H Well, which will be horizontally drilled from a surface location in the NW/4 NE/4 (Lot 2) of Irregular Section 1 to a standard bottom hole horizontally drilled from a surface location in the NW/4 NE/4 (Lot 2) of Irregular Section 1 to a standard bottom hole location in the SW/4 NE/4 (Unit G) of Section 12. The completed interval for this well will remain within the 330-foot offset as required by the Statewide rules for oil wells. 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 8.3 miles southwest of Jal, New Mexico. southwest of Jal, New Mexico. #32246

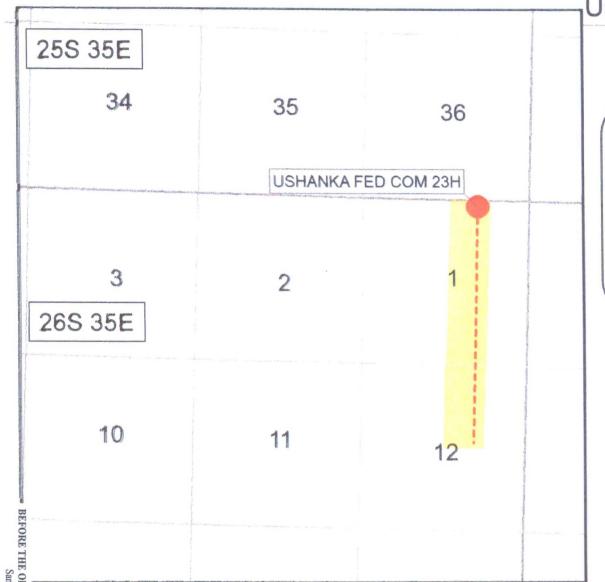
67100754

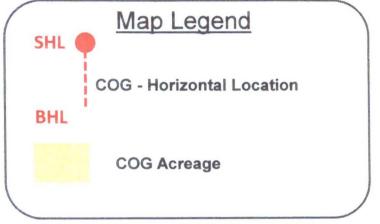
00202779

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

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. 5 Submitted by: COG OPERATING, LLC Hearing Date: November 30, 2017

Wolfcamp Pool Ushanka Fed Com 23H Location

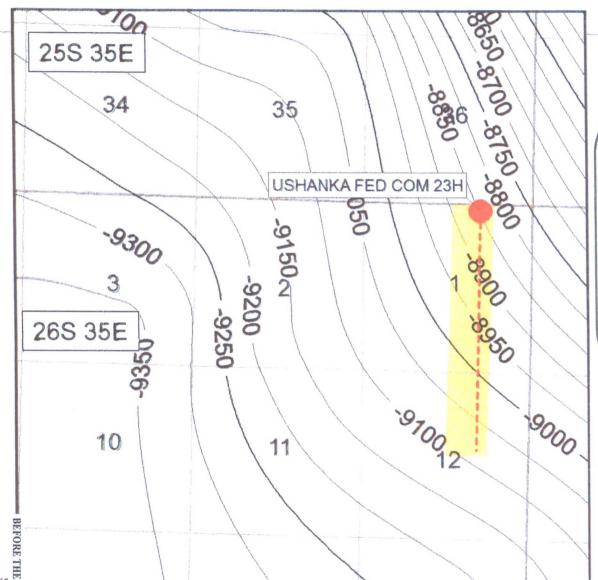


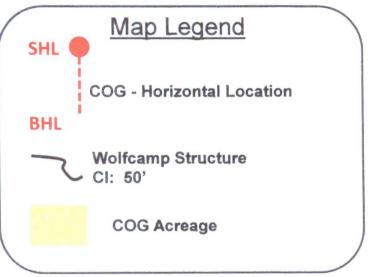




BEFORE THE OFL CONSERVATION DIVISIO Santa Fe, New Mexico Exhibit No. 6 Submitted by: COG OPERATING, LLC

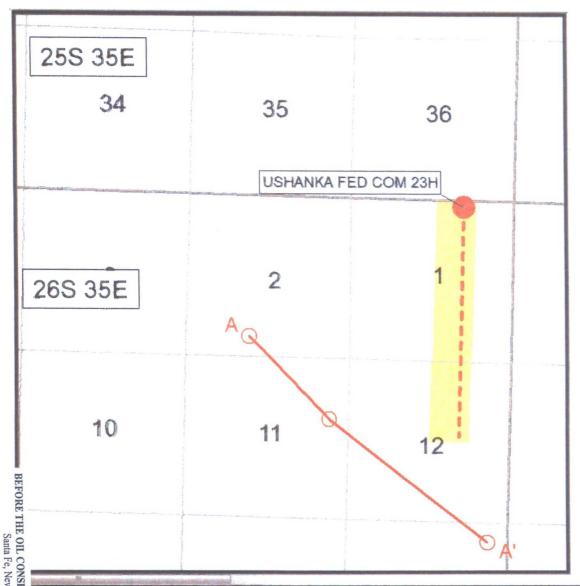
Wolfcamp Pool Wolfcamp Structure Map







Wolfcamp Pool Cross Section Map



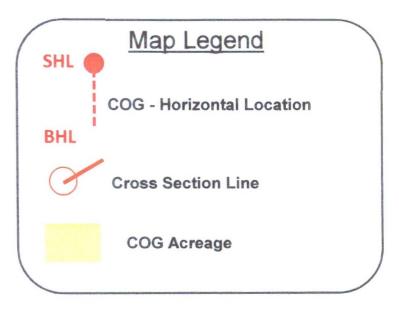




Exhibit No. 8
Submitted by: COG OPERAT

Stratigraphic Cross Section A - A'

