

COG OPERATING LLC Case No. 21562 Momba Wells Hearing on January 7, 2021





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

APPLICATION OF COG OPERATING LLC TO POOL ADDITIONAL INTEREST OWNERS UNDER ORDER NO. R-21442 EDDY COUNTY, NEW MEXICO

CASE NO. 21562 ORDER NO. R-21442 (Re-Open)

APPLICATION

COG Operating LLC ("COG") (OGRID No. 229137), through its undersigned attorneys, hereby files this application with the Oil Conservation Division ("Division") for the limited purpose of pooling additional interest owners under the terms of Division Order No. R-21442. In support of its application, COG states:

1. The Division entered Order No. R-21442 in Case No. 21343 on September 3, 2020, which created a 767.94-acre, more or less, standard horizontal spacing unit comprised of the E/2 of Sections 24 and 25, and the E/2 of irregular Section 36, Township 26 South, Range 28 East, Eddy County, New Mexico ("Unit"), and designated COG as the operator of the Unit.

Order No. R-21442 further pooled all uncommitted interests within the Purple Sage
 Wolfcamp Gas Pool (Pool Code: 98220) underlying the Unit and dedicated the Unit to the Momba
 Fed Com # 701H, 702H, and 703H wells.

3. COG has identified additional mineral interest owners in the Unit that have not been pooled under the terms of Order No. R-21442.

4. In order to permit COG to obtain its just and fair share of the oil and gas underlying the subject lands, COG requests that Order No. R-21442 be opened for the limited purpose of pooling the additional mineral interest owners in the Unit pursuant to the terms within Order No. R-21442.

WHEREFORE, COG requests that this application be set for hearing before an Examiner of the Oil Conservation Division on January 7, 2021, after notice and hearing as required by law, the Division pool the additional interest owners pursuant to the terms of Order No. R-21442.

Respectfully submitted,

COG OPERATING LLC

/s/ Michael Rodriguez

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

ATTORNEYS FOR COG OPERATING LLC

Case No. 21562 - Page 3



Application of COG Operating LLC to pool additional interest owners under Order No. R-21442, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division for the limited purpose of pooling additional interest owners under the terms of Division Order No. R-21442. The Division entered Order No. R-21442 in Case No. 21343 on September 3, 2020, which created a 767.94-acre, more or less, standard horizontal spacing unit comprised of the E/2 of Sections 24 and 25, and the E/2 of irregular Section 36, Township 26 South, Range 28 East, Eddy County, New Mexico ("Unit"), and designated COG as the operator of the Unit. Order No. R-21442 further pooled all uncommitted interests within the Purple Sage Wolfcamp Gas Pool (Pool Code: 98220) underlying the Unit and dedicated the Unit to the Momba Fed Com # 701H, 702H, and 703H wells. COG has identified additional mineral interest owners in the Unit that have not been pooled under the terms of Order No. R-21442. In order to permit COG to obtain its just and fair share of the oil and gas underlying the subject lands, COG requests that Order No. R-21442 be opened for the limited purpose of pooling the additional mineral interest owners in the Unit pursuant to the terms within Order No. R-21442.

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

APPLICATION OF COG OPERATING LLC TO POOL ADDITIONAL INTEREST OWNERS UNDER ORDER NO. R-21442 EDDY COUNTY, NEW MEXICO

CASE NO. 21562 ORDER NO. R-21442 (Re-Open)

SELF-AFFIRMED STATEMENT OF HUNTER HALL

1. I am over 18 years of age and am competent to provide this Self-Affirmed Statement. I have personal knowledge of the matters addressed herein.

2. I am a Landman with COG Operating LLC ("COG") and have previously testified before the New Mexico Oil Conservation Division ("Division") as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.

3. I am familiar with the application filed by COG in this case and familiar with the status of the lands in the subject area.

4. I do not anticipate any opposition to this case or the presentation of this case by affidavit.

5. The Division entered Order No. R-21442 in Case No. 21343 on September 3, 2020, which created a 767.94-acre, more or less, standard horizontal spacing unit comprised of the E/2 of Sections 24 and 25, and the E/2 of irregular Section 36, Township 26 South, Range 28 East, Eddy County, New Mexico ("Unit"), and designated COG as the operator of the Unit.

1

Order No. R-21442 further pooled all uncommitted interests within the Purple Sage
 Wolfcamp Gas Pool (Pool Code: 98220) underlying the Unit and dedicated the Unit to the Momba
 Fed Com # 701H, 702H, and 703H wells.

7. Exhibit 2 contains Division Order No. R-21442.

8. COG has identified additional mineral interest owners in the Unit that have not been pooled under the terms of Order No. R-21442.

9. Exhibit 3 identifies the additional mineral interest owners to be pooled under the terms of Order No. 21442 and the location of its interests COG seeks to pool within the subject tracts.

10. Exhibit 4 contains a sample well proposal letter, along with AFEs, sent to the additional mineral interest owners.

11. Notice of COG's application and the Division hearing was timely provided to the uncommitted interest owners by certified mail. Additionally, notice of COG's application and the Division hearing was timely published in a newspaper of general circulation in Eddy County, New Mexico.

12. Exhibits 1 through 4 were either prepared by me, compiled under my direction and supervision, or were compiled from company business records.

13. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 12 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date indicated next to my signature below.

Hunter Hall

Received by OCD: 1/5/2021 2:44:14 PM

12/14/20	
Date	

2

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY COG OPERATING LLC

CASE NO. 21343 ORDER NO. R-21442

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on August 20, 2020, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

- COG Operating LLC ("Operator") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.

- 10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.
- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
- 21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall

render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

- 24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Estimated Well Costs that exceed the Reasonable Well Costs.
- 26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.

- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION ADRIENNE SANDOVAL DIRECTOR

Date: 9/03/2020

AES/tgw

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 21343	APPLICANT'S RESPONSE
Date	August 20, 2020
Applicant	COG Operating LLC
Designated Operator & OGRID (affiliation if applicable)	OGRID # 229137
Applicant's Counsel:	Ocean Munds-Dry, Michael Rodriguez
Case Title:	Application of COG Operating LLC for Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	MRC Permian Company, EOG Resources, Inc.
Well Family	Momba
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Wolfcamp A
Pool Name and Pool Code:	Purple Sage Wolfcamp Gas Pool (98220)
Well Location Setback Rules:	Statewide
Spacing Unit Size:	~767.94 acres
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	~767.94 acres
Building Blocks:	Quarter-quarter
Orientation:	Standup
Description: TRS/County	E/2 of Sections 24 and 25, and the E/2 of irregular Section 36, Township 26 South, Range 28 East, Eddy County, New Mexico.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Attachment B
Well(s)	
Name (API [if assigned]); Surface hole location; Bottom hole location; Completion target (TVD); Orientation, Completion status (standard or non-standard).	Attachment A
Well #1	Momba Fed Com #701H (API # Pending) SHL: ~ 320 FSL, 1490 FEL, OR UNIT O, 13-26S-28E BHL: ~ 200 FSL, 330 FEL, OR LOT 4, 36-26S-28E Completion Target: Wolfcamp formation (Approx. 9791 feet TVD)

CASE NO.	21343
ORDER NO.	R-21442

	Completion status: Standard
Well #2	Momba Fed Com #702H (API # Pending)
	SHL: ~ 320 FSL, 1520 FEL, OR UNIT O, 13-26S-28E
	BHL: ~ 200 FSL, 1210 FEL, OR LOT 4, 36-26S-28E
	Completion Target: Wolfcamp formation (Approx. 9791 feet TVD)
	Completion status: Standard
Well #3	Momba Fed Com #703H (API # Pending)
	SHL: ~ 320 FSL, 1550 FEL, OR UNIT O, 13-26S-28E
	BHL: ~ 200 FSL, 2090 FEL, OR LOT 3, 36-26S-28E
	Completion Target: Wolfcamp formation (Approx. 9791 feet TVD)
	Completion status: Standard
Horizontal Well First and Last Take Points	Exhibit 1, Attachment A
Completion Target (Formation,	Exhibit 2, Attachment G
TVD and MD)	
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit 1, Attachment C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit 3
Proof of Mailed Notice of Hearing	
(20 days before hearing)	Exhibit 3
Proof of Published Notice of	
Hearing (10 days before hearing)	Exhibit 3
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Attachment B
Tract List (including lease numbers	
and owners)	Attachment B
Pooled Parties (including ownership	
type)	Attachment B
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance	
(including percentage above &	
below)	N/A
Joinder	
Sample Copy of Proposal Letter	Attachment C
List of Interest Owners (ie Exhibit A of JOA)	Attachment B
Chronology of Contact with Non- Joined Working Interests	Exhibit 1 (¶ 12), Attachment C
Overhead Rates In Proposal Letter	N/A
Cost Estimate to Drill and Complete	Attachment C
Cost Estimate to Equip Well	Attachment C
Cost Estimate for Production	
Facilities	Attachment C
Geology	
Summary (including special	
considerations)	Exhibit 2
Spacing Unit Schematic	Attachment D

CASE NO. 21343 ORDER NO. R-21442

Page **6** of **7**

Gunbarrel/Lateral Trajectory	1
Schematic	N/A
Well Orientation (with rationale)	Exhibit 2
Target Formation	Wolfcamp
HSU Cross Section	Attachments F and G
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Attachment A
Tracts	Attachment B
Summary of Interests, Unit Recapitulation (Tracts)	Attachment B
General Location Map (including basin)	Attachment B
Well Bore Location Map	Attachment D
Structure Contour Map - Subsea Depth	Attachment E
Cross Section Location Map (including wells)	Attachment F
Cross Section (including Landing Zone)	Attachment G
Additional Information	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Michael Rodriguez
Signed Name (Attorney or Party Representative):	MAN
Date:	08/26/2020

Page 7 of 7



Momba Fed Com 701H, 702H, 703H - Compulsory Pooling Info Section 24: E2, Section 25: E2, Section 36: N2NE, Lots 3, 4, T26S-R28E - Wolfcamp

Proposal Sent	YES
COMEnt	MEC
COM Sent	YES
DPU Sent	YEŞ
JOA Sent	YES

			LEASEHOLD V	/I TOTALS		
	COG Op/Prod/Acre/Oil and Gas	Oxy USA	Oxy Y-1	Sharbro Energy	MRC Permian Company	Chevron
Tract 1	50.0000%	50.0000%	0.0000%	0.0000%	0.0000%	0.0000%
Tract 2	50.0000%	50.0000%	0.0000%	0.0000%	0.0000%	0.0000%
Tract 3	96.8750%	3.1250%	0.0000%	0.0000%	0.0000%	0.0000%
Tract 4	96.8750%	3.1250%	0.0000%	0.0000%	0.0000%	0.0000%
Tract 5	73.4375%	1.5625%	0.0000%	0.0000%	25,0000%	0.0000%
Tract 6	73.4375%	1.5625%	0.0000%	0.0000%	25,0000%	0.0000%
Tract 7	88.5000%	0.0000%	10.0000%	1.5000%	0,0000%	0.0000%

Unit Capitulation	WI
COG Operating LLC	63.18727318%
COG Production LLC	13,16019056%
COC A ID	0.000010001

Due to a number of OA's within the area, the

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Case No. 21562 Exhibit No. 3 Case Notite 1502 - Page 14 <u>COG OPERATING LLC</u> Hearing Date: January 7, 2021

L			LEASEHOLD	WITOTALS		
	COG Op/Prod/Acre/Oil and Gas	Oxy USA	Oxy Y-1	Sharbro Energy	MRC Permian Company	Chevron
Tract 1	50.0000%	50.0000%	0.0000%	0.0000%	0.0000%	0.0000%
Tract 2	50.0000%	50.0000%	0.0000%	0.0000%	0.0000%	0.000%
Tract 3	96.8750%	3.1250%	0.0000%	0.0000%	0.0000%	0.0000%
Tract 4	96.8750%	3.1250%	0.0000%	0.0000%	0.0000%	0.0000%
Tract 5	73.4375%	1.5625%	0.0000%	0.0000%	25.0000%	0.000%
Tract 6	73.4375%	1.5625%	0.0000%	0.0000%	25.0000%	0.0000%
Tract 7	88.5000%	0.0000%	10.0000%	1.5000%	0.0000%	0.0000%

PARTIE	S TO POOL	n ar u Cincere.	
Party	Interest Type	Address	
OXY USA, Inc.	WI/RTO	5 Greenway Plaza, Suite 110, Houston, TX 77046	*12/14/20 addition
Oxy Y-1 Company	WI	5 Greenway Plaza, Suite 110, Houston, TX 77046	
Sharbro Energy LLC	WI	327 W. Main St., Artesia, NM 88210	
MRC Permian Company	WI/RTO	5400 LBJ Freeway Suite 1500, Dallas, TX 75240	
Chevron U.S.A. Inc.	WI/RTO	6301 Deauville Ave, Midland, TX 79706	
Abo Petroleum	ORRI	1111 Bagsby, Sky Lobby 2, Houston, TX 77002	
Chisos Minerals	ORRI	1111 Bagby Street, Suite 2150, Houston, TX 77002	
Frank Blow Fowlkes	NPRI	316 Granada Avenue, El Paso, TX 79912	
J.M. Fowlkes, Jr.	NPRI	1801 Madison St, Pecos, TX 79772	
Maco Stewart Fowlkes	NPRI	7915 Fairdale Lane, Houston, TX 77063	
Edwin "Trey" Fowlkes III	NPRI	PO Box 23416, Waco, TX 76702	
Janet Renee Fowlkes Murrey	NPRI	PO Box 417, Eddy, TX 76524	
Kathleen Fowlkes Moller	NPRI	Box 516, Springville, UT 84663	
John M. Fowlkes	NPRI	PO Box 1470, Marfa, TX 79843	
Lauren Fowlkes Mattio	NPRI	2048 Timberline Drive, Naples, FL 34109	
Nancy Fowlkes Donley	NPRI	2506 Wilderness Hill Drive, San Antonio, TX 78231	
Penny Rae Harrison	NPRI	2101 Brooklake West, Denton, TX 76207	
Pardue Limited Co	NPRI	PO Box 2018, Carlsbad, NM 88221	
Delaware Ranch Inc.	NPRI/RI	1304 W. Riverside Drive, Carisbad, NM 88220	
1836 Royalty Partners LLC	NPRI	306 W. Wall Street, Suite 620, Midland, TX 79701	
		1800 Bering Drive, Suite 1075, Houston, TX 77057	
Buckhorn Minerals IV LP	NPRI	•	
Camarie Oil & Gas LLC	ORRI	2502 Camarie Avenue, Midland, TX 79705	
Camie Wade	NPRI	PO Box 65150, Lubbock TX 79464	
		7 Cordella Place, The Woodlands TX 77382	
Cathie & Mark Parchman Rev Tst	NPRI	Condenia Place, The Woodianus TX 77362	
Christine S Fowlkes	NPRI	416 S. Manzanita Drive, Horizon City, TX 79928	
Shiristine Brownes		410 S. Manzanita Drive, Horizon City, TX 79928	
Christopher C Fowlkes	NPRI	417 S. Manzanita Drive, HURZON City, 1X 75928	
David Kerby	NPRI	10704 CD 1440 Molffords TV 70202	
Debra Kay Primera		16704 CR 1440, Wolfforth, TX 79382	
Douglas C. Koch	ORRI	PO Box 28504, Austin, TX 78755	
Edwin Fowlkes Heirs Family LP,	NPRI	PO Box 540244, Houston, TX 77254	
Partnership Kathleen F. Moller		555 N. 1400 E, Mapleton, UT 84664	
Gen Ptr	NIDDI		
	NPRI	DO Dev 200 Marchie Frite TV 7007A	
George Poage III	NPRI	PO Box 369, Marble Falls, TX 78654	
George Thompson	NPRI	4619 19th St, Lubbock, TX 79424	
Jubilee Royalty Holdings	NPRI	615 Washington Road, Suite 400, Pittsburgh, PA	
Kemp Smith LLP	NPRI	221 N. Kansas, Suite 1700, El Paso, TX 79901	
Linda Gay Tenberg	NPRI	500 Egger Cove, Round Rock, TX 78664	
Lynn S. Charuk	ORRI	PO Box 52370, Midland, TX 79710	
Madison M. Hinkle	ORRI	PO Box 2292, Roswell, NM, 88202	
Marguerite Fort Bruns	ORRI	10316 Country Manor PI NW, Albuquerque, NM	
Mark Alan Parchman	NPRI	7 Cordella Place, The Woodlands TX 77382	

			LEASEHOLD	WITOTALS		
	COG Op/Prod/Acre/Oil and Gas	Oxy USA	Oxy Y-1	Sharbro Energy	MRC Permian Company	Chevron
Tract 1	50.0000%	50.0000%	0.0000%	0.0000%	0.0000%	0.0000%
Tract 2	50.0000%	50.0000%	0.0000%	0.0000%	0.0000%	0.0000%
Tract 3	96.8750%	3.1250%	0.0000%	0.0000%	0.0000%	0.000%
Tract 4	96.8750%	3.1250%	0.0000%	0.0000%	0.0000%	0.0000%
Tract 5	73.4375%	1.5625%	0.0000%	0.0000%	25.0000%	0.0000%
Tract 6	73.4375%	1.5625%	0.0000%	0.0000%	25.0000%	0.0000%
Tract 7	88.5000%	0.0000%	10.0000%	1.5000%	0.0000%	0.0000%

	PARTIES TO	O POOL	
Party		Interest Type	Address
OXY USA, Inc.		/I/RTO	5 Greenway Plaza,
Oxy Y-1 Company	W	-	5 Greenway Plaza,
Sharbro Energy LLC	W		327 W. Main St., A
MRC Permian Company	v w	/I/RTO	5400 LBJ Freeway
Chevron U.S.A. Inc.		/I/RTO	6301 Deauville Ave
Abo Petroleum	Of	RRI	1111 Bagsby, Sky L
Chisos Minerals	OF	RRI	1111 Bagby Street
Frank Blow Fowlkes	NE	PRI	316 Granada Aven
J.M. Fowlkes, Jr.	NE	PRI	1801 Madison St, I
Maco Stewart Fowlkes	NE	PRI	7915 Fairdale Lane
Edwin "Trey" Fowlkes I	ll NF	PRI	PO Box 23416, Wa
Janet Renee Fowlkes M	lurrey NI	PRI	PO Box 417, Eddy,
Kathleen Fowlkes Molle	er NF	PRI	Box 516, Springville
John M. Fowlkes	NF	PRI	PO Box 1470, Marl
Lauren Fowlkes Mattio	NF	PRI	2048 Timberline D
Nancy Fowlkes Donley	NF	PRI	2506 Wilderness H
Penny Rae Harrison	NE	PRI	2101 Brooklake W
Pardue Limited Co	NF	PRI	PO Box 2018, Carls
Delaware Ranch Inc.	NF	PRI/RI	1304 W. Riverside
1836 Royalty Partners I	LLC NF	PRI	306 W. Wall Street
			1800 Bering Drive;
Buckhorn Minerals IV L	P NE	PRI	
Camarie Oil & Gas LLC	O	RRI	2502 Camarie Aver
Camie Wade	NE	PRI	PO Box 65150, Lub
			7 Cordella Place, Tl
Cathie & Mark Parchma	an Rev Tst NR	PRI	
Christine S Fowlkes	NE	PRI	416 S. Manzanita D
			417 S. Manzanita D
Christopher C Fowlkes	NF	PRI	
David Kerby		PRI	16704 CR 1440, W
Debra Kay Primera		RRI	PO Box 28504, Aus
Douglas C. Koch		PRI	PO Box 540244, Ho
Edwin Fowlkes Heirs Fa			555 N. 1400 E. Maj
Partnership Kathleen F.			555 W 1400 C, Wa
Gen Ptr		PRI	
George Poage III		PRI	PO Box 369, Marbl
George Thompson		PRI	4619 19th St, Lubb
Jubilee Royalty Holding		PRI	615 Washington Re
Kemp Smith LLP		PRI	221 N. Kansas, Suit
Linda Gay Tenberg		PRI	500 Egger Cove, Ro
Lynn S. Charuk		RRI	
Madison M. Hinkle			PO Box 52370, Mid
Marguerite Fort Bruns		RRI	PO Box 2292, Rosw
Marguerite Fort Bruns Mark Alan Parchman		RRI	10316 Country Ma
iviark Alan Parchman	NF	PRI	7 Cordella Place, Ti

RATIFICATION OF COMMUNITIZATION AGREEMENT

E/2 MOMBA FED COM UNIT E/2 Sections 24, 25, and N/2 NE/4 & Lots 3-4 (E/2) of Section 36, T26S-R28E, Eddy County, New Mexico

STATE OF NEW MEXICO)
)
COUNTY OF EDDY)

COG OPERATING LLC, as Operator, executed a Communitization Agreement dated July 1, 2020, pooling and combining the oil and gas leases set forth therein, insofar as they cover the 767.94 acre communitized area comprised of the E/2 of Sections 24, 25, and N/2 NE/4 & Lots 3-4 (E/2) of Section 36, T26S-R28E, Eddy County, New Mexico, as to the Wolfcamp formation.

Christine S. Fowlkes, whose address is 416 S Manzanita Dr., Horizon City, TX 79928, is the owner of a *non-participating royalty interest* located in the unit referenced above.

Christine S. Fowlkes, 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 **Christine S. Fowlkes**, 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.

Christine S. I	Fowlkes
----------------	---------

	Notary Public - State of _	
This instrument was acknowledged before r	me on the day of, 2	2020, by
) COUNTY OF)		
STATE OF)		

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Case No. 21562 Exhibit No. 4 Submitted by: COCNPERASEINCOLE. Hearing Date: January 7, 2021

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

APPLICATION OF COG OPERATING LLC TO POOL ADDITIONAL INTEREST OWNERS UNDER ORDER NO. R-21442 EDDY COUNTY, NEW MEXICO.

CASE NO. 21562

AFFIDAVIT

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

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

Michael Rodriguez

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

Rodriguez.

OFFICIAL BEAL LISAMARIE ORTIZ NOTARY PUBLIC-STATE OF NEW hic BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico Case No. 21562 Exhibit No. 5 Submitted by: <u>COG OPERATING LLC</u> Hcaring: Date: 2/16/64ry 7/2002/18



December 18, 2020

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: <u>Case No. 21562</u>: Application of COG Operating LLC to pool additional interest owners under Order No. R-21442, Eddy County, New Mexico. Momba Fed Com # 701H, 702H, and 703H Wells.

To Whom It May Concern:

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

During the COVID-19 Pubic Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <u>http://www.emnrd.state.nm.us/OCD/announcements.html</u>. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Pursuant to Division Rule 19.135.4.13.B, parties appearing in a case are required to file a prehearing Statement at least four business days in advance of a scheduled hearing, but in no event later than 5:00 p.m. mountain time, on the Thursday preceding the scheduled hearing date. The statement must be filed at the Division's Santa Fe office or electronically submitted to ocd.hearings@state.nm.us and should include: the names of the parties and their attorneys, a concise statement of the case, the names of all witnesses the party will call to testify at the hearing, the approximate time the party will need to present its case, and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Hunter Hall at (432) 253-4525 or hhall@concho.com.

Sincerely,

/s/ Michael Rodriguez

Michael Rodriguez Attorney for COG Operating LLC

CORPORATE ADDRESS

SANTA FE OFFICE

One Concho Center | 600 West Illinois Avenue | Midland. Texas 79701 ₱ 432.683.7443 | ₱ 432.683.7441

1048 Paseo De Peralta | Santa Fe, \Case\Noc21562\4 Page 19 \$505.780.8000 | \$505.428.0485



Domestic Return Receipt

PS Form 3811, July 2015 PSN 7530-02-000-9053

CS





Domestic Return Receipt



CERTIFIED MAIL® RECEIPT

U.S. Postal Service[™]













O E



Case No. 21562 - Page 26











PS Form 3811, July 2015 PSN 7630-02-000-9053		Linda Gay Tenberg 500 Egger Cove Round Rock, TX 78664	Complete items 1, 2, and 3. A. Sig 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. D. Is do Attach Address of the mailpiece, B. Rec	SENDER: COMPLETE THIS SECTION
Domestic Return Receipt	3. Service Type Adult Signature Restricted Delivery Adult Signature Restricted Delivery Certified Mail Restricted Delivery Collect on Delivery Restricted Delivery Collect on Delivery Agil Collect on Delivery Agil Collect on Delivery Restricted Delivery Signature Confirmation Agil Signature Confirmation		Anture Con Civilian and the Con Civilian and the Con Civilian and the Constant of the Civilian and the Civil	COMPLETE THIS SECTION OF DELIVERY







CERTIFIED MAIL® RECEIPT

U.S. Postal Service"





Adult Signature Adult Signature Adult Signature Adult Signature Collect on Delivery all New Yes, enter Adult Signature Adult Signature Collect on Delivery all New Adult Signature Adult Adult A	PS Form 3811, July 2015 PSN 7530-02-000-9053	7019 2970 0000 7642 8037	9590 9402 5941 0062 9996 19	Preston L. Fowikes 1800 Golf Course Rd Marfa, TX 79843	 Attach this card to the back of the mailplece, or on the front if space permits. Antivia Androggent to: 	 Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. 	SENDER: COMPLETE THIS SECTION
	Domestic Return Receipt	Delivery Restricted Delivery D all Restricted Delivery (over \$500)	stricted Delivery ricted Delivery		Is delivery address different from item if VES, enter delivery address below	NN NN	darroo fa Loo a sanada sanada a sanada s

1000



	PS Form 3811 like and a new second second	1008 5415 0000 07P5 P107	0 9402 5941 0062 9996 40	SENDER: COMPLETE THIS SECTION Complete items 1, 2, and 5 Phint your name and add the temperation of that we can return the card to your addition Attach this card to the back of the mailpiece, or on the front if space permits. Andore Additional Attach Mineral Properties LLC 9716 Admiral Emerson Ave NE Albuquerque, NM 87111
Domestic Return Receipt	(over \$500) Restricted Delivery	=	3. Service Type 1 Adult Signature Adult Signature Adult Signature Restricted Delivery Certified Mail® Certified Mail®	D. In Communication of the second sec













Carlsbad Current Argus.

Affidavit of Publication Ad # 0004515760 This is not an invoice

CONCHO 1048 PASEO DE PERALTA

SANTA FE, NM 87501

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

12/19/2020

Legal Clerk

Subscribed and sworn before me this December 19,

2020: of WI, County of Brown NOTARY PUBLIC

My commission expires

Ad # 0004515760 PO #: # of Affidavits 1 This is not on invoic

Received by OCD: 1/5/2021 2:44:14 PM

This is not an invoice

NANCY HEYRMAN Notary Public State of Wisconsin

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

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

STATE OF NEW MEXICO TO: All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

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

To: All interested parties, including: 1836 Royalty Partners LLC; Buckhorn Minerals IV LP; Camarie Oil & Gas LLC; Camie Wade; Cathie & Mark Parchman Rev Tst; Christine S Fowlkes; Christopher C Fowlkes; David Kerby; Debra Kay Primera; Douglas C. Koch; Edwin Fowlkes Heirs Family LP, Partnership Kathleen F. Moller Gen Ptr; George Poage III; George Thompson; Jubilee Royalty Holdings; Kemp Smith LLP; Linda Gay Tenberg; Lynn S. Charuk; Madison M. Hinkle; Marguerite Fort Bruns; Mark Alan Parchman; Mitchell E. Cheney; Patrick K. Fowlkes; Penasco Petroleum LLC; Preston L. Fowlkes; R. Carver Parchman Tst; Ranchito AD4 LP; Rfort Mineral Properties LLC; Ricky D. Raindi; Robert Mitchell Raindl; Sonia M. Scott; Sonia M. Scott Living Tst; Suzanne B. Koch; Tommy L. Fort; Tundra AD3, LP; Vlosich Trust/Dan Vlosich; Wayne A. Bissett; Wing Resources IV LLC.

Case 21562: Application of COG Operating LLC to Pool Additional Interest Owners Under Order No. R-21442, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division for the limited purpose of pooling additional interest owners under the terms of Division Order No. R-21442. The Division entered Order No. R-21442 in Case No. 21343 on September 3, 2020, which created a 767.94-acre, more or less, standard horizontal spacing unit comprised of the E/2 of Sections 24 and 25, and the E/2 of irregular Section 36, Township 26 South, Range 28 East, Eddy County, New Mexico ("Unit"), and designated COG as the operator of the Unit. Order No. R-21442 further pooled all uncommitted interests within the Purple Sage Wolfcamp Gas Pool (Pool Code: 98220) underlying the Unit and dedicated the Unit to the Momba Fed Com # 701H, 702H, and 703H wells. COG has identified additional mineral interest owners in the Unit that have not been pooled under the terms of Order No. R-21442. In order to permit COG to obtain its just and fair share of the oil and gas underlying the subject lands, COG requests that Order No. R-21442 be opened for the limited purpose of pooling the additional mineral interest owners in the Unit pursuant to the terms within Order No. R-21442.

#4515760, Current Argus, Decemeber 19, 2020.