

AFFIDAVIT

STATE OF TEXAS §

COUNTY OF MIDLAND §

Affiant: Kimberly Crandell

Affiant's Work Address: 3300 North A Street, Building 2, Suite 120, Midland, TX 79705

Date of Execution: 8/11/15

Affiant on oath swears that the following statements are true:

My name is Kimberly Crandell. I was personally involved in and witnessed a telephone call between the Midland offices of Nearburg Exploration Company ("Nearburg") and COG Operating, LLC ("COG") on July 10, 2014. Beside me, Randy Howard (with Nearburg) and Kelly Fuchik (with COG) were on the call.

During the call Randy advised Kelly that Nearburg had no plans to sign the Communitization Agreement for the SRO State Com #43H well that had been requested under letter dated July 9, 2014. Randy further advised Kelly that the Term Assignment previously in affect between COG and Nearburg covering the W/2 of Section 20, T-26-S-R-28-E, Eddy County, New Mexico (lands included in the Com Agreement) had terminated on March 1, 2014 when COG terminated the SRO State Exploratory Unit. Kelly advised that she would look into the matter and get back with us.

On August 22, 2014 I emailed a copy of the Term Assignment to Kelly. On August 27, 2014 I did a follow-up email asking for any updates. Kelly replied that COG was looking into this and that the Term Assignment affected multiple wells so they were all being addressed at the same time.

AFFIANT

Kimberly Crandell

STATE OF TEXAS §

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Sworn to and subscribed before me by Kimberly Crandell, the affiant, on this 11th day of August, 2015.



Linda K. Fieseler

Notary Public, State of Texas

My Commission Expires: 9-30-16

NMOCC CASE Nos. 15441, 15481, 15482
NEX, SRO2 LLC AND SRO3 LLC
Exhibit No. 12
February 28, 2017

NEX00005664