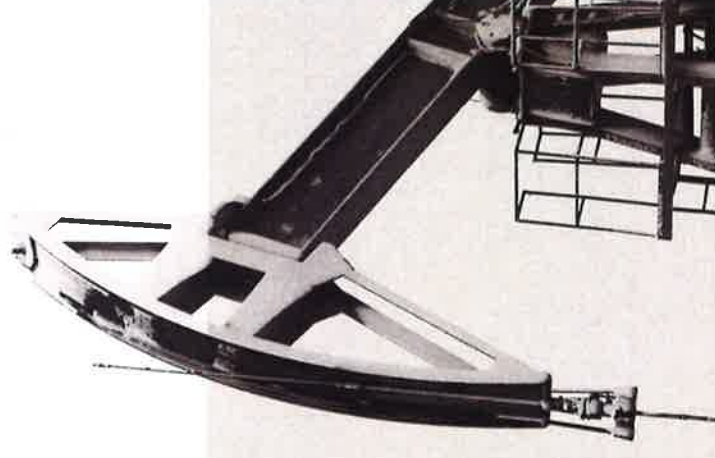


# COG OPERATING LLC

HAMBONE FEDERAL COM 25H and 26H

Section 5 & 8-T26S-29E  
Eddy County, New Mexico



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

APPLICATIONS OF COG OPERATING LLC FOR NON-STANDARD SPACING  
AND PRORATION UNITS AND COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.

CASE NOS. 16117 and 16188

HEARING AFFIDAVIT OF ASHLEY ROUSH

Ashley Roush, of lawful age and being first duly sworn, declares as follows:

1. My name is Ashely Roush and I am employed by COG Operating LLC ("COG") as a Landman. I previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters and my credentials as a petroleum landman have been accepted by the Division and made a matter of public record.
2. I am familiar with the applications filed by COG in these consolidated cases and I am familiar with the status of the lands in the subject area.
3. COG seeks orders from the Division pooling the following standard horizontal well spacing units for development of the Wolfcamp formation underlying Sections 5 and 8 of Township 26 South, Range 29 East, NMPM, Eddy County, New Mexico:

In Case No. 16117 a 640-acre spacing unit, more or less, in the Wolfcamp formation comprised of the W/2 of Sections 5 and 8 to be dedicated to the proposed **Hambone Federal Com 25H Well**, which will be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 8 to a standard bottom hole location in the NE/4 NW/4 (Lot 3) of Section 5; and

In Case No. 16188 a 640-acre spacing unit in the Wolfcamp formation comprised of the E/2 of Sections 5 and 8 to be dedicated to the proposed **Hambone Federal Com 26H Well**, which will be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 8 to a standard bottom hole location in the NW/4 NE/4 (Lot 2) of Section 5.

4. The parties that COG seeks to pool to form these standard horizontal well spacing units have been located and no longer oppose these applications.

5. **COG Exhibit No. 1A** contains draft Forms C-102 for the proposed well in each of the spacing units. COG has been informed that these wells will be placed in the Purple Sage-Wolfcamp Gas Pool (Pool Code 98220). These draft Forms C-102 reflect that the completed intervals will remain within the standard offsets required by the Division's Rules for this pool.

6. **COG Exhibit 1B** identifies the tracts of land comprising the proposed spacing units and confirms the subject acreage consists of federal, state and fee lands. This exhibit further identifies the interest ownership by tract and in the combined spacing units. COG seeks to pool the working interest and non-cost bearing owners highlighted in yellow on this exhibit.

7. There are no ownership depth severances underlying the subject acreage.

8. As noted on COG Exhibit 1B, the federal acreage comprising the SW/4 SW/4 of Section 8 (Tract 5) has only recently been leased by the BLM. COG has been unable to determine the lessee of this acreage. The remaining interest owners COG seeks to pool have been located.

9. **COG Exhibits 1C** contain the well proposal letters along with an AFE for each of the subject wells that was provided to the parties COG seeks to pool. In addition to this letter, I have discussed COG's well proposals with each of the pooled parties in a good faith effort to reach a voluntary agreement.

10. The costs reflected on each of the AFE's are consistent with what other operators have incurred for drilling similar horizontal wells in the area in each of these formations.

11. COG estimates the overhead and administrative costs for drilling each well and while producing are \$7000 per month while drilling and \$700 per month while producing. These costs are consistent with what other operators are charging in this area for similar wells.

12. I provided the law firm of Holland & Hart LLP a list of names and addresses for the owners that COG seeks to pool and instructed that they be notified of this hearing.

13. **COG Exhibits 1A through 1C** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

Ashley Roush  
Ashley Roush

STATE OF TEXAS )  
COUNTY OF Midland )

SUBSCRIBED and SWORN to before me this 29th day of October 2018 by Ashley Roush.



Brittany Hull  
NOTARY PUBLIC

My Commission Expires:

6.22.21

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
**District II**  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
**District III**  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
**District IV**  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>HAMBONE FEDERAL COM</b>	
<sup>7</sup> OGRID No. <b>229137</b>	<sup>8</sup> Operator Name <b>COG OPERATING, LLC.</b>	<sup>6</sup> Well Number <b>25H</b>
		<sup>9</sup> Elevation <b>2894.1</b>

<sup>10</sup> Surface Location

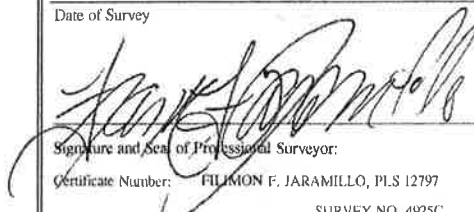
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>N</b>	<b>8</b>	<b>26 S</b>	<b>29 E</b>		<b>330</b>	<b>SOUTH</b>	<b>2410</b>	<b>WEST</b>	<b>EDDY</b>

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>3</b>	<b>5</b>	<b>26 S</b>	<b>29 E</b>		<b>200</b>	<b>NORTH</b>	<b>2310</b>	<b>WEST</b>	<b>EDDY</b>

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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>N=392544.87 E=598734.66</p> <p><b>BOTTOM OF HOLE</b> 200' FNL, 2310' FWL LAT. = 32.0782707N (NAD27) LONG. = 104.0070989W NMSP EAST (FT) N = 392351.77 E = 601045.17</p> <p>N=387240.30 E=598773.10</p> <p><b>HAMBONE FEDERAL COM 25H</b> ELEV. = 2894.1' LAT. = 32.0504506N (NAD27) LONG. = 104.0066608W NMSP EAST (FT) N = 382232.28 E = 601211.49</p> <p>N=381959.61 E=598807.79</p>	<p>LOT 2 LOT 1</p> <p>N=392552.74 E=601370.72 LAST TAKE POINT 330' FNL, 2310' FWL LAT=32.0779133N LONG=104.0070978W</p> <p>SEC. 5</p> <p>LATITUDE AND LONGITUDE VALUES ARE NAD 27 STATE PLANE VALUES ARE NMSP EAST GRID</p> <p>N=387248.30 E=601462.30</p> <p>SEC. 8</p> <p>FIRST TAKE POINT 330' FNL, 2310' FWL LAT=32.0504580N LONG=104.0069837W GRID AZ. TO FTP N88°38'17"W N=381895.39 E=601496.66</p>	<p><sup>17</sup> <b>OPERATOR CERTIFICATION</b></p> <p><i>I hereby certify that the information contained 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p>
		<p><sup>18</sup> <b>SURVEYOR CERTIFICATION</b></p> <p><i>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.</i></p> <p>MARCH 8, 2018</p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor: </p> <p>Certificate Number: FILIMON F. JARAMILLO, PLS 12797</p> <p>SURVEY NO. 4925C</p>

**BEFORE THE OIL CONSERVATION DIVISION**  
Santa Fe, New Mexico  
**Exhibit No. 1A**  
Submitted by: **COG OPERATING LLC**  
Hearing Date: October 30, 2018  
Case Nos. 16117 & 16188

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
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District Office

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

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<sup>7</sup> OGRID No. <b>229137</b>	<sup>8</sup> Operator Name <b>COG OPERATING, LLC.</b>	<sup>6</sup> Well Number <b>26H</b>
		<sup>9</sup> Elevation <b>2894.1</b>

<sup>10</sup> Surface Location									
UL or lot no. <b>N</b>	Section <b>8</b>	Township <b>26 S</b>	Range <b>29 E</b>	Lot Idn	Feet from the <b>330</b>	North/South line <b>SOUTH</b>	Feet from the <b>2440</b>	East/West line <b>WEST</b>	County <b>EDDY</b>

<sup>11</sup> Bottom Hole Location If Different From Surface									
UL or lot no. <b>2</b>	Section <b>5</b>	Township <b>26 S</b>	Range <b>29 E</b>	Lot Idn	Feet from the <b>200</b>	North/South line <b>NORTH</b>	Feet from the <b>2310</b>	East/West line <b>WEST</b>	County <b>EDDY</b>
<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.

**<sup>17</sup> OPERATOR CERTIFICATION**

I hereby certify that the information contained 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Printed Name \_\_\_\_\_

E-mail Address \_\_\_\_\_

**<sup>18</sup> SURVEYOR CERTIFICATION**

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.

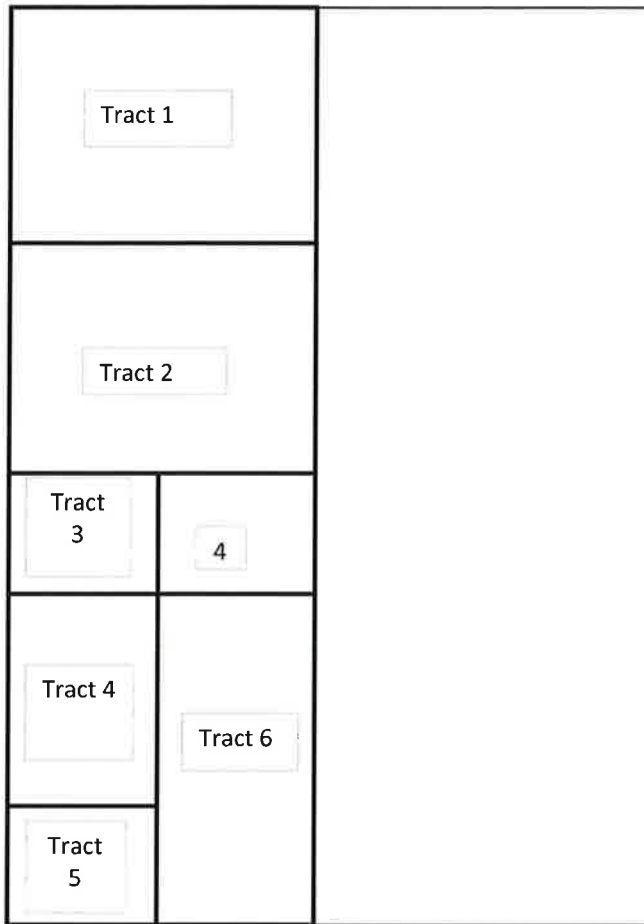
MARCH 9, 2018

Date of Survey \_\_\_\_\_

Signature and Seal of Professional Surveyor:

Certificate Number: FILIMON F. JARAMILLO, PLS 12797

SURVEY NO. 4926C



**Tract 1: Section 5: NW, T26S-R29E**

COG Operating LLC	0.475
Concho Oil and Gas LLC	0.025
Devon Energy Production Company	0.5

**Tract 2: Section 5: SW, T26S-R29E**

Marathon Oil Permian LLC	1
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**Tract 3: Section 8: NWNW, T26S-R29E**

COG Operating LLC	0.52578125
Concho Oil and Gas LLC	0.025
Tap Rock Resources LLC	0.43532986
Marathon Oil Permian LLC	0.01388889

**Tract 4: Section 8: NENW, SWNW, NWSW, T26S-R29E**

MRC Permian Company	1
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**Tract 5: Section 8: SWSW, T26S-R29E**

Federal acreage- unknown owner	1
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**Tract 6: Section 8: SENW, E2SW, T26S-R29E**

COG Operating LLC	0.95
Concho Oil and Gas LLC	0.05

**RI with insufficient pooling language**

Delaware Ranch, Inc.

**ORRI with insufficient pooling language**

Debra Kay Primera

**NPRI with insufficient pooling language**

Christopher Clegg Fowlkes

George Poage III & Nicole F. Poage

**Record Title Owner**

VanGuard Operating, LLC

**BEFORE THE OIL CONSERVATION DIVISION**

Santa Fe, New Mexico

**Exhibit No. 1B**

Submitted by: **COG OPERATING LLC**

Hearing Date: October 30, 2018

Case Nos. 16117 & 16188

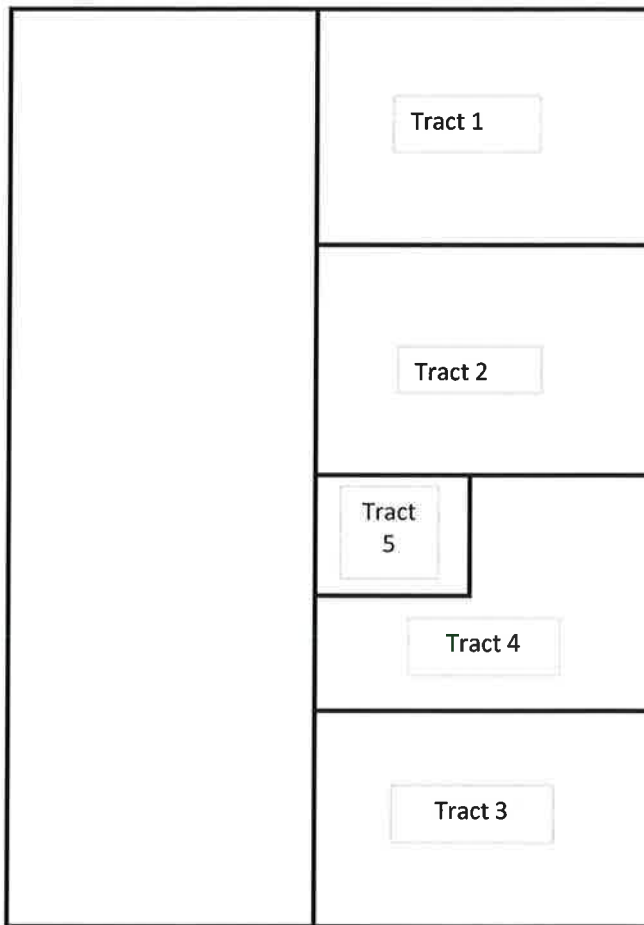
**Unit Ownership**

COG Operating LLC	0.32973632
Concho Oil and Gas LLC	0.0171875
Devon Energy Production Company	0.125
Marathon Oil Permian LLC	0.25086806
Tap Rock Resources LLC	0.02720812
MRC Permian Company	0.1875
Federal Acreage- Unknown Owner	0.0625

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1





**Tract 1: Section 5: NE, T26S-R29E**

COG Operating LLC	0.814285715
Concho Oil and Gas LLC	0.042857142
Oxy USA, Inc.	0.142857143

**ORRI with insufficient pooling language**

James E. Guy

**Tract 2: Section 5: SE, T26S-R29E**

COG Operating LLC	0.7125
Concho Oil and Gas LLC	0.0375
Tap Rock Resources, LLC	0.25

**Tract 3: Section 8: SE, T26S-R29E**

Oxy Y-1 Company	0.32
EOG A Resources, Inc.	0.32
EOG M Resources, Inc.	0.32
EOG Y Resources, Inc.	0.04

**Tract 4: Section 8: NENE, S2NE, T26S-R29E**

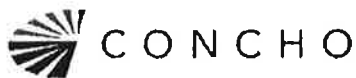
COG Operating LLC	0.95
Concho Oil & Gas LLC	0.05

**Tract 5: Section 8: SWSW, T26S-R29E**

MRC Permian Company	1
---------------------	---

**Unit Ownership**

COG Operating LLC	0.559821429
Concho Oil and Gas LLC	0.029464286
Oxy USA Inc	0.035714286
Tap Rock Resources LLC	0.0625
EOG A Resources, Inc	0.08
EOG M Resources, Inc.	0.08
EOG Y Resources, Inc.	0.01
OXY -1 Company	0.08
MRC Permian Company	0.0625
	<hr/>
	1.00000000



February 26, 2018

*Via Federal Express*

**WORKING INTEREST OWNERS ON ATTACHED EXHIBIT "A"**

Re: **Hambone Fed Com #25H**  
W/2 of Sections 5 & 8, 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 Hambone Fed Com #25H well will be drilled to a depth sufficient to adequately test the Wolfcamp formation at a total measured depth of approximately 20,800'. The surface location for this well is proposed at a legal location in Unit N of Section 8, T26S-R29E, with a bottom hole location at a legal location in Unit C of Section 5, T26S-R29E, with the dedicated project area being the W/2 of Sections 5 and 8, T26S-R29E, Eddy County, New Mexico.

Included herewith is our Authority for Expenditure ("AFE") in the gross amount of \$12,708,800, 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](mailto:aroush@concho.com). Should you have any questions, please do not hesitate to contact me at 432.818.2358.

Sincerely,

COG Operating LLC

A handwritten signature in black ink that reads "Ashley Roush".

Ashley Roush, RPL  
Landman

AR:bh  
Enc

**BEFORE THE OIL CONSERVATION DIVISION**  
Santa Fe, New Mexico  
**Exhibit No. 1C**  
Submitted by: **COG OPERATING LLC**  
Hearing Date: October 30, 2018  
Case Nos. 16117 & 16188

\_\_\_\_\_ I/We hereby elect to participate in the drilling and completion of the Hambone Fed Com #25H.

\_\_\_\_\_ I/We hereby elect not to participate in the drilling and completion of the Hambone Fed Com #25H.

Company: \_\_\_\_\_  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

February 26, 2018

Page 3

**EXHIBIT "A"**  
**WORKING INTEREST OWNERS**

*FedEx Overnight*

Tap Rock Resources

602 Park Point Drive, Suite 200

Golden, CO 80401

*FedEx Overnight*

Marathon Oil Permian LLC

5555 San Felipe Street

Houston, TX 77056

Attn: Land Department

*FedEx Overnight*

MRC Permian Company

One Lincoln Center Ste. 1500

5400 Lyndon B Johnson Fwy

Dallas, TX 75240-1017

*FedEx Overnight*

Devon Energy Production Company, LP

333 W. Sheridan Ave.

Oklahoma City, OK 73102-5015

**COG OPERATING LLC  
AUTHORITY FOR EXPENDITURE  
Drill & Complete**

Well Name	HAMBONE FED COM 25H	Prospect	N717049	
BHL	SEC 8: 330 FSL & 2310 FWL or Unit N	State & County	NEW MEXICO, EDDY COUNTY	
BHL	SEC 5: 200 FNL & 2310 FWL or Unit C	Objective	Drill & Complete	
Formation	WOLFCAMP	Depth	20,600	
Legal	8-26S-29E	TVD	11,045	
AFE Numbers				
Cost Description	Code	Cost	Revision	Total
Tangible Costs				
D-Surface Casing	401	\$48,000.00	\$0.00	\$48,000.00
D-Intermed Csg	402	\$381,000.00	\$0.00	\$381,000.00
D-Production Casing/Liner	403	\$412,000.00	\$0.00	\$412,000.00
D-Wellhead Equip	405	\$40,000.00	\$0.00	\$40,000.00
C-Tubing	504	\$47,300.00	\$0.00	\$47,300.00
C-Wellhead Equip	505	\$27,500.00	\$0.00	\$27,500.00
PEQ-Pumping Unit	506	\$98,000.00	\$0.00	\$98,000.00
PEQ-Rods	508	\$35,000.00	\$0.00	\$35,000.00
TB-Tanks	510	\$47,000.00	\$0.00	\$47,000.00
TB-Flowlines/Pipelines	511	\$108,000.00	\$0.00	\$108,000.00
TB-Htr Trtl/Seprtr	512	\$108,000.00	\$0.00	\$108,000.00
TB-Electrical System/Equipment	513	\$88,000.00	\$0.00	\$88,000.00
C-Pckrs/Anchors/Hgns	514	\$6,000.00	\$0.00	\$6,000.00
TB-Couplings/Fittings/Valves	515	\$156,000.00	\$0.00	\$156,000.00
TB-Gas Lift/Compression	516	\$35,000.00	\$0.00	\$35,000.00
C-Miscellaneous	519	\$80,000.00	\$0.00	\$80,000.00
TB-Pumps-Surface	521	\$16,000.00	\$0.00	\$16,000.00
TB-Meters/Lacts	525	\$32,000.00	\$0.00	\$32,000.00
TB-Flares/Combustors/Emission	526	\$31,000.00	\$0.00	\$31,000.00
C-Gas Lift/Compression	527	\$15,000.00	\$0.00	\$15,000.00
PEQ-Instrumentation/SCADA/POC	529	\$7,000.00	\$0.00	\$7,000.00
PEQ-Tubing	530	\$5,000.00	\$0.00	\$5,000.00
PEQ-Wellhead Equipment	531	\$3,000.00	\$0.00	\$3,000.00
PEQ-Pumps	532	\$5,000.00	\$0.00	\$5,000.00
PEQ-Electrical System	533	\$15,000.00	\$0.00	\$15,000.00
PEQ-Packers/Anchors/Hangers	534	\$2,000.00	\$0.00	\$2,000.00
PEQ-Miscellaneous	535	\$3,000.00	\$0.00	\$3,000.00
Total Tangible Costs		\$1,848,800.00	\$0.00	\$1,848,800.00
Intangible Costs				
PS-Title/Permits	201	\$11,000.00	\$0.00	\$11,000.00
D-Insurance	202	\$4,000.00	\$0.00	\$4,000.00
PS-Damages/ROW	203	\$5,000.00	\$0.00	\$5,000.00
PS-Survey/State Lctn	204	\$6,000.00	\$0.00	\$6,000.00
D-Lctn/Pits/Roads	205	\$125,000.00	\$0.00	\$125,000.00
D-Drilling Overhead	206	\$9,000.00	\$0.00	\$9,000.00
D-Daywork Contract	209	\$770,000.00	\$0.00	\$770,000.00
D-Directional Drig Services	210	\$300,000.00	\$0.00	\$300,000.00
D-Fuel & Power	211	\$160,000.00	\$0.00	\$160,000.00
D-Water	212	\$55,000.00	\$0.00	\$55,000.00
D-Bits	213	\$109,000.00	\$0.00	\$109,000.00
D-Mud & Chemicals	214	\$275,000.00	\$0.00	\$275,000.00
D-Cement Surface	217	\$30,000.00	\$0.00	\$30,000.00
D-Cement Intermed	218	\$85,000.00	\$0.00	\$85,000.00
D-Prod-2nd Int Cmt	219	\$110,000.00	\$0.00	\$110,000.00
D-Float Equipment & Centrifazrs	221	\$40,000.00	\$0.00	\$40,000.00
D-Ceg Crews & Equip	222	\$50,000.00	\$0.00	\$50,000.00
D-Contract Labor	225	\$6,500.00	\$0.00	\$6,500.00
D-Company Sprvsn	226	\$72,000.00	\$0.00	\$72,000.00
D-Contract Sprvsn	227	\$118,000.00	\$0.00	\$118,000.00
D-Tsig Csg/Tbg	228	\$30,000.00	\$0.00	\$30,000.00
D-Mud Logging Unit	229	\$41,000.00	\$0.00	\$41,000.00
D-Perf/Wireline Svc	231	\$4,000.00	\$0.00	\$4,000.00
D-Rentals-Surface	235	\$160,000.00	\$0.00	\$160,000.00
D-Rentals-Subsrfc	236	\$160,000.00	\$0.00	\$160,000.00
D-Trucking/Forklift/Rtg Mob	237	\$150,000.00	\$0.00	\$150,000.00
D-Welding Services	238	\$3,500.00	\$0.00	\$3,500.00
D-Contingency	243	\$49,000.00	\$0.00	\$49,000.00
D-Envrnmnt/Csd Loop	244	\$280,000.00	\$0.00	\$280,000.00
C-Lctn/Pits/Roads	305	\$10,000.00	\$0.00	\$10,000.00
C-Frac Equipment	307	\$1,003,000.00	\$0.00	\$1,003,000.00
C-Frac Chemicals	308	\$626,000.00	\$0.00	\$626,000.00
C-Frac Proppant	309	\$1,150,000.00	\$0.00	\$1,150,000.00
C-Frac Proppant Transportation	310	\$148,000.00	\$0.00	\$148,000.00
C-Fuel & Power	311	\$5,000.00	\$0.00	\$5,000.00
C-Water	312	\$935,000.00	\$0.00	\$935,000.00
C-Bits	319	\$9,000.00	\$0.00	\$9,000.00
C-Mud & Chemicals	314	\$25,000.00	\$0.00	\$25,000.00
C-Contract Labor	325	\$8,200.00	\$0.00	\$8,200.00
C-Company Sprvsn	326	\$30,000.00	\$0.00	\$30,000.00
C-Contract Sprvsn	327	\$134,000.00	\$0.00	\$134,000.00
C-Tsig Csg/Tbg	328	\$5,000.00	\$0.00	\$5,000.00
C-Perf/Wireline Svc	331	\$479,000.00	\$0.00	\$479,000.00
C-Stimulation/Treating	332	\$398,000.00	\$0.00	\$398,000.00
C-Completion Unit	333	\$60,000.00	\$0.00	\$60,000.00
C-Rentals-Surface	335	\$190,000.00	\$0.00	\$190,000.00
C-Rentals-Subsrfc	336	\$65,000.00	\$0.00	\$65,000.00
C-Trucking/Forklift/Rtg Mob	337	\$22,500.00	\$0.00	\$22,500.00
C-Welding Services	338	\$5,000.00	\$0.00	\$5,000.00
C-Water Disposal	339	\$60,000.00	\$0.00	\$60,000.00
C-Contingency	343	\$250,000.00	\$0.00	\$250,000.00
C-Envrnmnt/Csd Loop	344	\$5,000.00	\$0.00	\$5,000.00
C-Dyed Diesel	345	\$416,000.00	\$0.00	\$416,000.00
C-Coil Tubing	346	\$285,000.00	\$0.00	\$285,000.00
C-Flowback Crews & Equip	347	\$98,000.00	\$0.00	\$98,000.00
TB-Location/Pits/Roads	353	\$73,000.00	\$0.00	\$73,000.00
TB-Contract Labor	356	\$69,000.00	\$0.00	\$69,000.00
TB-Water Disposal	362	\$135,000.00	\$0.00	\$135,000.00
PEQ-Contract Labor	374	\$6,500.00	\$0.00	\$6,500.00
PEQ-Contract Supervision	376	\$5,000.00	\$0.00	\$5,000.00
PEQ-Completion Unit	381	\$8,800.00	\$0.00	\$8,800.00
PEQ-Rentals-Surface	383	\$7,000.00	\$0.00	\$7,000.00
PEQ-Trkg/Forklift/Rtg Mobilization	385	\$3,000.00	\$0.00	\$3,000.00
Total Intangible Costs		\$10,860,000.00	\$0.00	\$10,860,000.00
Total Gross Cost		\$12,708,800.00	\$0.00	\$12,708,800.00

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

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

COG Operating LLC

By: \_\_\_\_\_

Date Prepared: \_\_\_\_\_

We approve:  
N Working Interest

COG Operating LLC

By: \_\_\_\_\_

Company: \_\_\_\_\_  
By: \_\_\_\_\_

Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

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



CONCHO



copy

March 27, 2018

*Via Federal Express*

**WORKING INTEREST OWNERS ON ATTACHED EXHIBIT "A"**

Re: **Hambone Fed Com #26H**  
E/2 of Sections 5 & 8, 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 Hambone Fed Com #26H well will be drilled to a depth sufficient to adequately test the Wolfcamp formation at a total measured depth of approximately 20,800'. The surface location for this well is proposed at a legal location in Unit N of Section 8, T26S-R29E, with a bottom hole location at a legal location in Lot 2 of Section 5, T26S-R29E, with the dedicated project area being the E/2 of Section 5 and E/2 of Section 8, T26S-R29E, Eddy County, New Mexico.

Included herewith is our Authority for Expenditure ("AFE") in the gross amount of \$13,285,800.00, 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](mailto: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:bh  
Enc

March 27, 2018  
Page 2

\_\_\_\_\_ I/We hereby elect to participate in the drilling and completion of the  
Hambone Fed Com #26H.

\_\_\_\_\_ I/We hereby elect not to participate in the drilling and completion of the  
Hambone Fed Com #26H.

Company: \_\_\_\_\_  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



March 27, 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*

**The Allar Company**

735 Elm Street

Graham, TX 76450

Attn: Jack Graham

*FedEx Overnight*

**EOG Y Resources Inc.**

5509 Champions Drive

Midland, TX 79706

*FedEx Overnight*

**MRC Permian Company**

One Lincoln Center Ste. 1500

5400 Lyndon B Johnson Fwy

Dallas, TX 75240-1017

*FedEx Overnight*

**Tap Rock Resources**

602 Park Point Drive, Suite 200

Golden, CO 80401

**COG OPERATING LLC  
AUTHORITY FOR EXPENDITURE  
Drill & Complete**

<b>Well Name</b>	HAMBONE FEDERAL COM 26H	<b>Prospect</b>	#717049 ATLAS 2629
<b>SHL</b>	SEC 8: 330 FSL & 2440 FWL	<b>State &amp; County</b>	NEW MEXICO, EDDY
<b>BHL</b>	SEC 5: 200 FNL & 2310 FEL	<b>Objective</b>	DRILL & COMPLETE + PH
<b>Formation</b>	WOLFCAMP D SHALE	<b>Depth</b>	20,800
<b>Legal</b>	26S 29E 8	<b>TVD</b>	11,012
<b>A/E Numbers</b>	DRAFT-001922, DRAFT-001923, DRAFT-001924, DRAFT-001925, DRAFT-001926, DRAFT-001927	<b>PH-TD:</b>	12,600

Cost Description	Code	PreSpud (PS)	Drilling (DR)	Completion (C)	Tank Btty Constrn(TB)	Pmpq Equip (PEQ)	Revision	Total
<b>Tangible Costs</b>								
D-Surface Casing	401		\$61,000.00				\$0.00	\$61,000.00
D-Intermediate Csg	402		\$357,000.00				\$0.00	\$357,000.00
D-Production Casing/Liner	403		\$343,000.00				\$0.00	\$343,000.00
D-Wellhead Equip	405		\$75,000.00				\$0.00	\$75,000.00
C-Tubing	504			\$47,300.00			\$0.00	\$47,300.00
C-Wellhead Equip	505			\$27,500.00			\$0.00	\$27,500.00
PEQ-Pumping Unit	506					\$96,000.00	\$0.00	\$96,000.00
PEQ-Rods	508					\$43,000.00	\$0.00	\$43,000.00
TB-Tanks	510				\$69,000.00		\$0.00	\$69,000.00
TB-Flowlines/Pipelines	511				\$30,000.00		\$0.00	\$30,000.00
TB-Hy Trn/Septs	512				\$154,000.00		\$0.00	\$154,000.00
TB-Electrical System/Equipment	513				\$156,000.00		\$0.00	\$156,000.00
C-Pkts/Anchors/Hrgs	514			\$68,000.00			\$0.00	\$68,000.00
TB-Couplings/Fittings/Valves	515				\$190,000.00		\$0.00	\$190,000.00
TB-Gas Lift/Compression	516				\$35,000.00		\$0.00	\$35,000.00
TB-Pumps-Surface	521				\$16,000.00		\$0.00	\$16,000.00
TB-Meters/Lacts	525				\$32,000.00		\$0.00	\$32,000.00
TB-Flares/Combusters/Emission	526				\$31,000.00		\$0.00	\$31,000.00
C-Gas Lift/Compression	527			\$15,000.00			\$0.00	\$15,000.00
PEQ-Instrumentation/SCADA/POK	529					\$7,000.00	\$0.00	\$7,000.00
PEQ-Tubing	530					\$5,000.00	\$0.00	\$5,000.00
PEQ-Wellhead Equipment	531					\$3,000.00	\$0.00	\$3,000.00
PEQ-Pumps	532					\$6,000.00	\$0.00	\$6,000.00
PEQ-Electrical System	533					\$15,000.00	\$0.00	\$15,000.00
PEQ-Packers/Anchors/Hangers	534					\$2,000.00	\$0.00	\$2,000.00
PEQ-Miscellaneous	535					\$3,000.00	\$0.00	\$3,000.00
<b>Total Tangible Costs</b>		<b>\$0.00</b>	<b>\$836,000.00</b>	<b>\$165,800.00</b>	<b>\$707,000.00</b>	<b>\$179,000.00</b>	<b>\$0.00</b>	<b>\$1,877,800.00</b>

<b>Intangible Costs</b>								
PS-Title/Permits	201	\$20,000.00					\$0.00	\$20,000.00
D-Insurance	202	\$2,500.00					\$0.00	\$2,500.00
PS-Damages/ROW	203	\$20,000.00					\$0.00	\$20,000.00
PS-Survey/State Lotn	204	\$7,000.00					\$0.00	\$7,000.00
D-Lctr/Pnts/Roads	205		\$135,000.00				\$0.00	\$135,000.00
D-Drilling Overhead	206		\$12,000.00				\$0.00	\$12,000.00
D-Daywork Contract	209		\$880,000.00				\$0.00	\$880,000.00
D-Directional Drg Services	210		\$408,000.00				\$0.00	\$408,000.00
D-Fuel & Power	211		\$228,000.00				\$0.00	\$228,000.00
D-Water	212		\$55,000.00				\$0.00	\$55,000.00
D-Bits	213		\$136,000.00				\$0.00	\$136,000.00
D-Mud & Chemicals	214		\$310,000.00				\$0.00	\$310,000.00
D-Coring & Analysis	216		\$100,000.00				\$0.00	\$100,000.00
D-Cement Surface	217		\$22,000.00				\$0.00	\$22,000.00
D-Cement Intermed	218		\$65,000.00				\$0.00	\$65,000.00
D-Prod-2nd Int Cmt	219		\$110,000.00				\$0.00	\$110,000.00
D-Cement Squeeze	220		\$40,000.00				\$0.00	\$40,000.00
D-Frost Equipment & Centralizers	221		\$40,000.00				\$0.00	\$40,000.00
D-Crg Crews & Equip	222		\$45,000.00				\$0.00	\$45,000.00
D-Contract Labor	225		\$15,000.00				\$0.00	\$15,000.00
D-Company Servn	226		\$72,000.00				\$0.00	\$72,000.00
D-Contract Servn	227		\$133,000.00				\$0.00	\$133,000.00
D-Tsig Csg/Tbg	228		\$55,000.00				\$0.00	\$55,000.00
D-Mud Logging Unit	229		\$36,000.00				\$0.00	\$36,000.00
D-Logging	230		\$150,000.00				\$0.00	\$150,000.00
D-Perf/Wireline Svc	231		\$4,000.00				\$0.00	\$4,000.00
D-Rentals-Surface	235		\$230,000.00				\$0.00	\$230,000.00
D-Rentals-Subsurb	236		\$160,000.00				\$0.00	\$160,000.00
D-Trucking/Forklift/Rig Mob	237		\$135,000.00				\$0.00	\$135,000.00
D-Welding Services	238		\$3,500.00				\$0.00	\$3,500.00
D-Contingency	243		\$73,000.00				\$0.00	\$73,000.00
D-Envmntl/Cld Loop	244		\$330,000.00				\$0.00	\$330,000.00
C-Lctr/Pnts/Roads	305			\$10,000.00			\$0.00	\$10,000.00
C-Frac Equipment	307			\$1,472,000.00			\$0.00	\$1,472,000.00
C-Frac Chemicals	308			\$786,000.00			\$0.00	\$786,000.00
C-Frac Proppant	309			\$1,159,000.00			\$0.00	\$1,159,000.00
C-Frac Proppant Transportation	310			\$148,000.00			\$0.00	\$148,000.00
C-Fuel & Power	311			\$5,000.00			\$0.00	\$5,000.00
C-Water	312			\$935,000.00			\$0.00	\$935,000.00
C-Bits	313			\$9,000.00			\$0.00	\$9,000.00
C-Mud & Chemicals	314			\$25,000.00			\$0.00	\$25,000.00
C-Contract Labor	325			\$8,200.00			\$0.00	\$8,200.00
C-Company Servn	326			\$15,000.00			\$0.00	\$15,000.00
C-Contract Servn	327			\$134,000.00			\$0.00	\$134,000.00
C-Tsig Csg/Tbg	328			\$5,000.00			\$0.00	\$5,000.00
C-Perf/Wireline Svc	331			\$508,000.00			\$0.00	\$508,000.00
C-Simulation/Treating	332			\$12,000.00			\$0.00	\$12,000.00
C-Completion Unit	333			\$60,000.00			\$0.00	\$60,000.00
C-Rentals-Surface	335			\$296,000.00			\$0.00	\$296,000.00
C-Rentals-Subsurb	336			\$65,000.00			\$0.00	\$65,000.00
C-Trucking/Forklift/Rig Mob	337			\$27,500.00			\$0.00	\$27,500.00
C-Welding Services	338			\$5,000.00			\$0.00	\$5,000.00
C-Water Disposal	339			\$60,000.00			\$0.00	\$60,000.00
C-Contingency	343			\$250,000.00			\$0.00	\$250,000.00
C-Envmntl/Cld Loop	344			\$5,000.00			\$0.00	\$5,000.00
C-Dyed Diesel	345			\$455,000.00			\$0.00	\$455,000.00
C-Cor Tubing	346			\$435,000.00			\$0.00	\$435,000.00
C-Flowback Crews & Equip	347			\$48,000.00			\$0.00	\$48,000.00
TB-Location/Pnts/Roads	353				\$78,000.00		\$0.00	\$78,000.00
TB-Contract Labor	356				\$180,000.00		\$0.00	\$180,000.00
TB-Water Disposal	362				\$135,000.00		\$0.00	\$135,000.00
PEQ-Contract Labor	374					\$6,500.00	\$0.00	\$6,500.00
PEQ-Contract Supervision	376					\$5,000.00	\$0.00	\$5,000.00
PEQ-Completion Unit	381					\$8,600.00	\$0.00	\$8,600.00
PEQ-Rentals-Surface	383					\$7,000.00	\$0.00	\$7,000.00
PEQ-Trkg/Forklift/Rig Mobilization	385					\$3,000.00	\$0.00	\$3,000.00
<b>Total Intangible Costs</b>		<b>\$48,000.00</b>	<b>\$4,002,500.00</b>	<b>\$6,932,700.00</b>	<b>\$393,000.00</b>	<b>\$30,300.00</b>	<b>\$0.00</b>	<b>\$11,408,800.00</b>

<b>Total Gross Cost</b>	<b>\$48,000.00</b>	<b>\$4,838,500.00</b>	<b>\$7,088,500.00</b>	<b>\$1,100,000.00</b>	<b>\$209,300.00</b>	<b>\$0.00</b>	<b>\$13,285,800.00</b>
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Note: The above costs are estimates only. Actual costs will be billed as incurred.

COG Operating LLC

By: \_\_\_\_\_

Date Prepared: \_\_\_\_\_

We approve:  
% Working Interest

COG Operating LLC

By: \_\_\_\_\_

Company:  
By: \_\_\_\_\_

Printed Name:  
Title:  
Date: \_\_\_\_\_

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

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

**APPLICATIONS OF COG OPERATING LLC FOR NON-STANDARD SPACING  
AND PRORATION UNITS AND COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.**

**CASE NOS. 16117 and 16188**

**HEARING AFFIDAVIT OF MATT FISHER**

Matt Fisher, being of lawful age and being first duly sworn, declares as follows:

1. My name is Matt Fisher and I work for COG Operating LLC ("COG") as a geologist. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology and my credentials have been accepted by the Division and made a matter of public record.

2. I am familiar with the applications filed by COG in these consolidated cases and I have conducted a geologic study of the Wolfcamp formation underlying the subject acreage.

3. COG is targeting the Wolfcamp D interval with the proposed Hambone 25H and 26H wells. **COG Exhibit 2A** shows the current development in the area and reflects there are no Wolfcamp D wells within a mile of the subject acreage. A clear majority of the existing development in the Wolfcamp and Bone Spring formations in the larger surrounding area are drilled with a standup orientation.

4. **COG Exhibit 2B** contains a subsea structure map that I prepared for the Wolfcamp D interval with contour lines every 25 feet. The proposed wellbore paths for the Hambone wells are denoted by red dashed lines on each map. The Wolfcamp D interval in this area is gently dipping to the East and I do not observe any faulting, pinchouts, or other geologic

impediments to developing this targeted interval with horizontal wells. These two wells will be drilled approximately along strike with the Wolfcamp D structure.

5. **COG Exhibit 2C** identifies the wells that I used to construct a stratigraphic cross-section map of the Wolfcamp D formation. I chose these wells because they are the only wells in the area with useable logs that extend into the Wolfcamp formation and I consider them to be representative of the geology of the area.

6. **COG Exhibit 2D** contains a stratigraphic cross section for the Wolfcamp D interval using the representative wells depicted on Exhibit 2C. Each well in the cross-section contains gamma ray (in black), deep resistivity (green), and porosity logs (neutron in blue and density in red). The proposed target interval in the Wolfcamp D interval for the Hambone wells is identified with a green bracket. This cross-section demonstrates that the targeted interval extends across the subject acreage.

7. The south to north orientation for the proposed wells in the Wolfcamp D interval will place the wells perpendicular to the known stress direction in the subject area and is appropriate to efficiently and effectively develop the targeted interval under the subject acreage.

8. My geologic study demonstrates that the Wolfcamp formation underlying the subject acreage is suitable for development with horizontal wells, that the acreage comprising the proposed horizontal spacing units will contribute more-or-less equally to the production from the wellbores, and that the granting of these consolidated applications is in the best interest of conservation, the prevention of waste, and protection of correlative rights.

FURTHER AFFIANT SAYETH NOT.

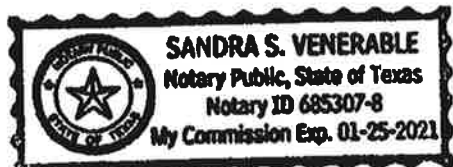
A handwritten signature in cursive script, appearing to read "Matt Fisher", written in black ink.

Matt Fisher

STATE OF TEXAS )

COUNTY OF Midland )

SUBSCRIBED and SWORN to before me this 29<sup>th</sup> day of October 2018 by  
Matt Fisher.

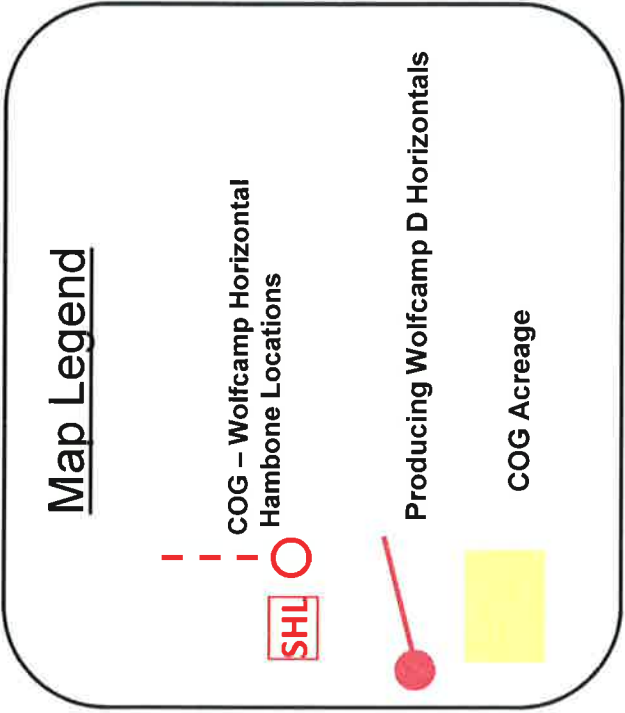
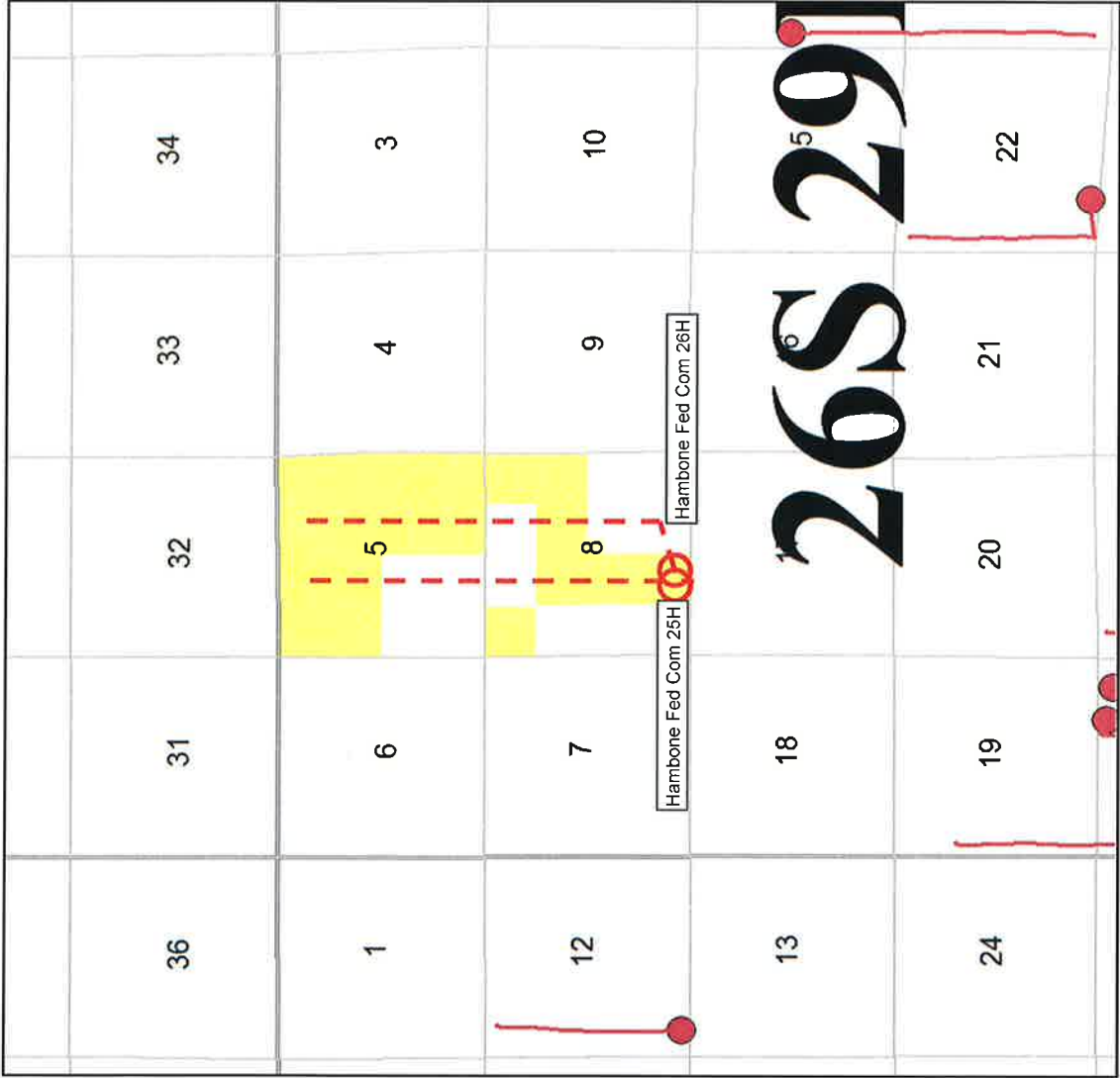


My Commission Expires:

\_\_\_\_\_

Sandra S. Venerable  
NOTARY PUBLIC

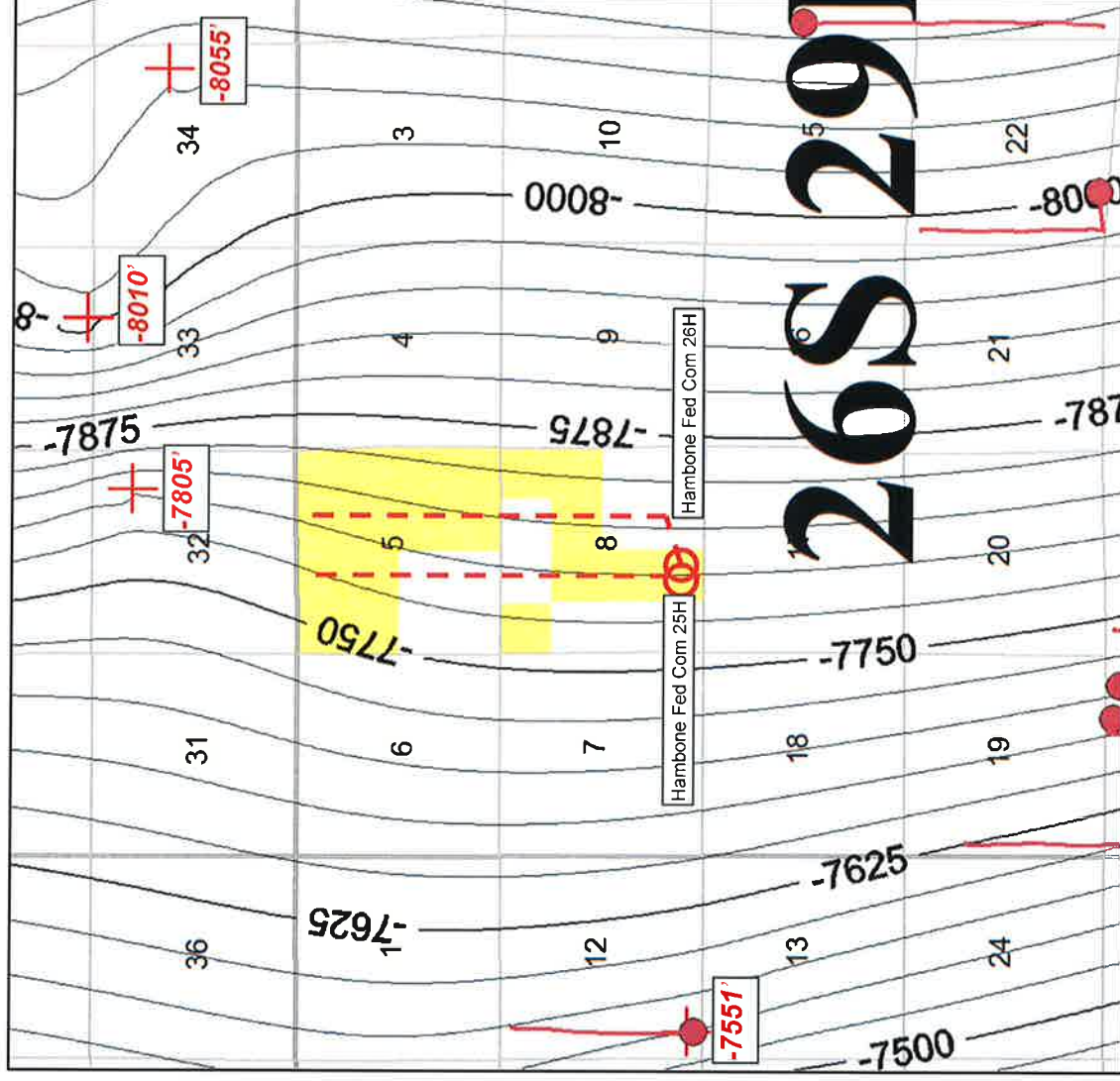
Hambone Location Map



BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. 2A  
Submitted by: COG OPERATING LLC  
Hearing Date: October 30, 2018  
Case Nos. 16117 & 16188

# Wolfcamp Pool

## Wolfcamp D Structure Map

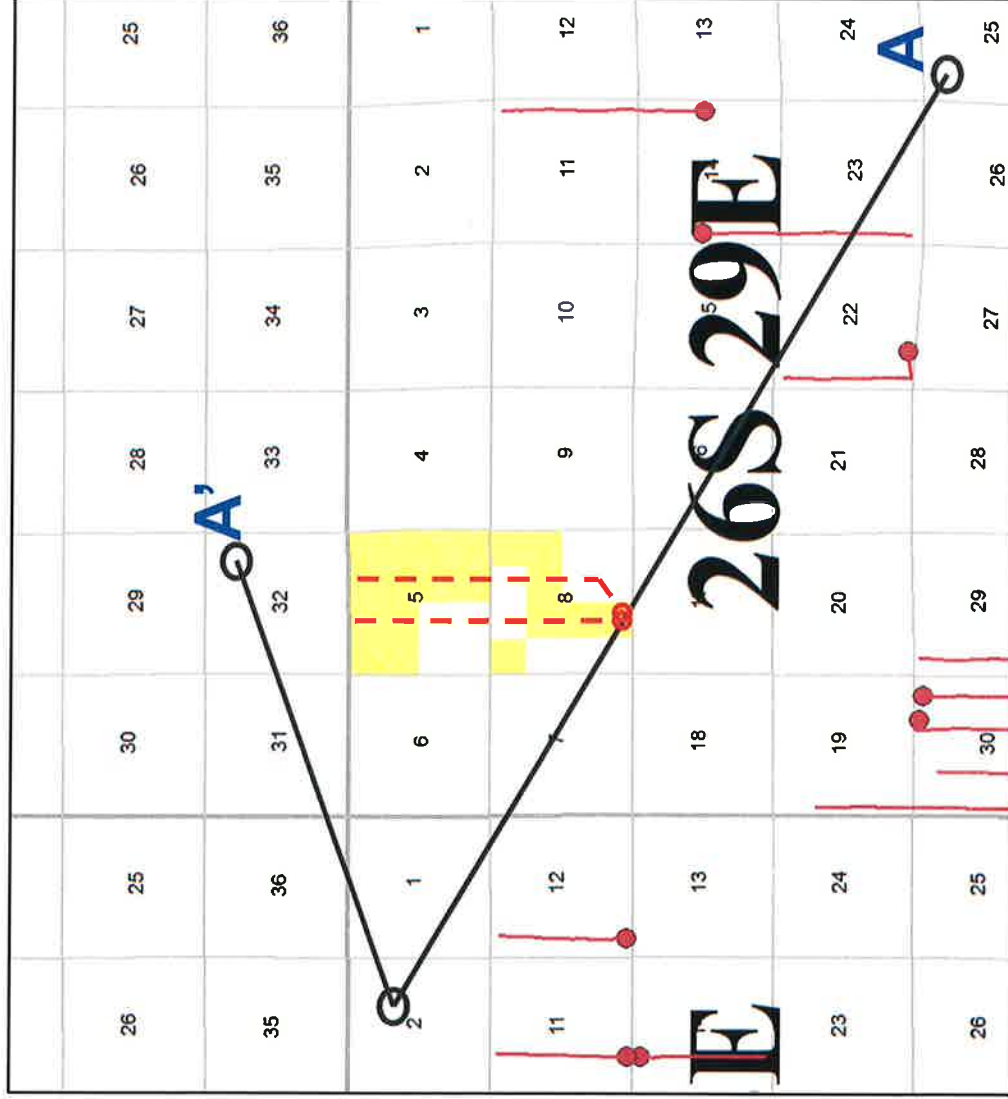


### Map Legend

- COG - Wolfcamp Horizontal Hambone Locations
- Producing Wolfcamp D Wells
- Wolfcamp D Subsea Structure Contours
- COG Acreage
- Data Point



# Cross Section Location Map





## A



**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, EDDY COUNTY,  
NEW MEXICO.**

**CASE NOS. 16117**

**AFFIDAVIT**

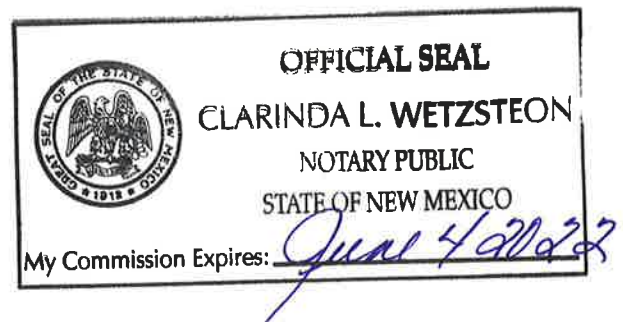
STATE OF NEW MEXICO    )  
                                      ) ss.  
COUNTY OF SANTA FE    )

Michael H. Feldewert, 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.

  
Michael H. Feldewert

SUBSCRIBED AND SWORN to before me this 8th day of October 29, 2018 by Michael H. Feldewert.

  
Notary Public



**BEFORE THE OIL CONSERVATION DIVISION**  
Santa Fe, New Mexico  
Exhibit No. 3  
Submitted by: **COG OPERATING LLC**  
Hearing Date: October 30, 2018  
Case Nos. 16117 & 16188



**Adam G. Rankin**  
**Associate**  
**Phone** (505) 988-4421  
**Fax** (505) 983-6043  
agrakin@hollandhart.com

May 11, 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.**  
**Hambone Federal Com 25H 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 May 31, 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,

Adam G. Rankin  
**ATTORNEY FOR COG OPERATING LLC**

## **POOLED PARTY LIST**

### **WORKING INTEREST OWNERS**

Marathon Oil Permian LLC  
5555 San Felipe Street  
Houston, TX 77056  
Attn: Land Department  
Phone: 713-296-3024  
Email: jgorman1@marathonoil.com

MRC Permian Company  
5400 LBJ Freeway Suite 1500  
Dallas, TX 75240

Devon Energy Production Company, LP  
333 West Sheridan Ave.  
Oklahoma City, OK 73102

Tap Rock Resources  
602 Park Point Dr, Ste 200  
Golden, CO 80401  
Attn: Clayton Sporich  
Phone: 720-772-5093  
Email: csporich@taprk.com

### **MINERAL OWNER (NO POOLING LANGUAGE)**

Delaware Ranch, Inc.  
1304 W. Riverside Drive  
Carlsbad, NM 88220

### **NPRI OWNERS**

Suzanne B. Koch  
5735 Tanglewood Dr  
Houston, TX 77057  
PO Box 270475  
Houston, TX 77277

Douglas C. Koch  
PO Box 540244  
Houston, TX 77254

Wayne A. Bissett  
Laura Bissett  
PO Box 2101  
Midland, TX 79702

Christine Fowlkes  
404 Glenosa

Hambone Fed Com 25H Poole Party List (002)

El Paso, TX 79928

Christopher Clegg Folwkes  
404 Glenosa Dr  
El Paso, TX 79928

Kemp Smith, LLP  
221 N. Kansas, Suite 1700  
El Paso, TX 79901

David Kerby  
Rebecca Kerby  
16704 CR 1440  
Wolfforth, TX 79382

George Thompson  
Shirley Thompson  
4619 94<sup>th</sup> St  
Lubbock, TX 79424

Camie Wade  
Matthew Wade  
10706 Orlando Ave  
Lubbock, TX 79423

John M. Fowlkes  
Lauren M. Fowlkes  
PO Box 1470  
Marfa, TX 79843

George Poage III  
Nicole F. Poage  
PO Box 369  
Marble Falls, TX 78654

**ORRI OWNERS**

Vanguard Operating LLC  
5847 San Felipe, Suite 3000  
Houston, TX 77057

Nestegg Energy Corporation  
2308 Sierra Vista Road  
Artesia, NM 88210

Madison M. Hinkle  
Susan Hinkle  
PO Box 2292  
Roswell, NM 88202

Rolla R. Hinkle III  
Rosemary Hinkle

## Hambone Fed Com 25H Pooléu Party List (002)

105 West 3<sup>rd</sup> Street Suite 314  
Roswell, NM 88201

R.F. Fort  
PO Box 65043  
Lubbock, TX 79646

Debra Kay Primera  
PO Box 28504  
Austin, TX 78755

Robert Mitchell Raindl  
PO Box 843  
Tahoka, TX 79373

Ricky D. Raindl  
PO Box 142454  
Irving, TX 75014

Mitchel E. Cheney  
Elizabeth Cheney  
236 Merrie Way Lane  
Houston, TX 77024

Lynn S. Charuk  
Grace Charuk  
3921 Tanforan Ct  
Midland, TX 79707

	A	B	E	F	G	I	J	K
1	MailClass	TrackingNo	ToCompanyName	ToName	DeliveryAddress	City	State	Zip
2	Certified with Return Receipt (Signature)	9414810898765011213422	Marathon Oil Permian LLC	Land Department	5555 San Felipe Street	Houston	TX	77056
3	Certified with Return Receipt (Signature)	9414810898765011213446	MRC Permian Company		1914-10-13 00:00:00	Dallas	TX	75240
4	Certified with Return Receipt (Signature)	9414810898765011213453	Devon Energy Production Company LP		333 W Sheridan Ave	Oklahoma City	OK	80701
5	Certified with Return Receipt (Signature)	9414810898765011213460	Tap Rock Resources	Clayton Sporich	602 Park Point Dr Suite 200	Golden	CO	80401
6	Certified with Return Receipt (Signature)	9414810898765011213477	Delaware Ranch Inc		1304 W Riverside Drive	Carlsbad	NM	88220
7	Certified with Return Receipt (Signature)	9414810898765011213484	Suzanne B. Koch		PO Box 540244	Houston	TX	77254
8	Certified with Return Receipt (Signature)	9414810898765011213491	Wayne A Bissett	Laura Bissett	PO Box 2101	Midland	TX	79702
9	Certified with Return Receipt (Signature)	9414810898765011213507	Christine Fowlkes		404 Glenosa	El Paso	TX	79928
10	Certified with Return Receipt (Signature)	9414810898765011213514	Christopher Clegg Fowlkes		404 Glenosa	El Paso	TX	79928
11	Certified with Return Receipt (Signature)	9414810898765011213521	Kemp Smith LLP		221 N Kansas Suite 1700	El Paso	TX	79901
12	Certified with Return Receipt (Signature)	9414810898765011213538	David Kerby	Rebecca Kerby	16704 Cr 1440	Wolfforth	TX	79382
13	Certified with Return Receipt (Signature)	9414810898765011213545	George Thompson	Shirley Thompson	4619 94th St	Lubbock	TX	79424
14	Certified with Return Receipt (Signature)	9414810898765011213552	Camie Wade	Matthew Wade	10706 Orlando Ave	Lubbock	TX	79432
15	Certified with Return Receipt (Signature)	9414810898765011213569	John M Fowlkes	Lauren M Fowlkes	PO Box 1470	Marfa	TX	79843
16	Certified with Return Receipt (Signature)	9414810898765011213576	George Poage III	Nicole F Poage	PO Box 369	Marble Falls	TX	78654
17	Certified with Return Receipt (Signature)	9414810898765011213583	Vanguard Operating LLC		5847 San Felipe Suite 3000	Houston	TX	77057
18	Certified with Return Receipt (Signature)	9414810898765011213590	Nestegg Energy Corporation		2308 Sierra Vista Road	Artesia	NM	88210
19	Certified with Return Receipt (Signature)	9414810898765011213606	Madison M Hinkle	Susan Hinkle	PO Box 2292	Roswell	NM	88202
20	Certified with Return Receipt (Signature)	9414810898765011213613	Rolla R Hinkle III	Rosemary Hinkle	105 W 3rd Street Suite 314	Roswell	NM	88201
21	Certified with Return Receipt (Signature)	9414810898765011213620	RF Forte		PO Box 65043	Lubbock	TX	79646

	N	R	U	
	MailDate	ERR_SigDate	USPS_Status	
1	05/11/2018	05/15/2018	Your item was delivered to an individual at the address at 1:04 pm on May 14, 2018 in HOUSTON, TX 77056.	
2	05/11/2018	05/15/2018	Your item was delivered to the front desk or reception area at 11:31 am on May 14, 2018 in DALLAS, TX 75240.	
3	05/11/2018	05/23/2018	Your item was delivered at 7:21 am on May 21, 2018 in OKLAHOMA CITY, OK 73102.	
4	05/11/2018	05/15/2018	Your item was delivered to an individual at the address at 1:19 pm on May 14, 2018 in GOLDEN, CO 80401.	
5	05/11/2018	05/16/2018	Your item was delivered to an individual at the address at 9:06 am on May 15, 2018 in CARLSBAD, NM 88220.	
6	05/11/2018	05/16/2018	Your item was picked up at a postal facility at 10:05 am on May 16, 2018 in HOUSTON, TX 77098.	
7	05/11/2018		The item is currently in transit to the next facility as of May 17, 2018.	
8	05/11/2018	05/22/2018	Your item was delivered to an individual at the address at 12:36 pm on May 21, 2018 in EL PASO, TX 79928.	
9	05/11/2018	05/19/2018	Your item was delivered to an individual at the address at 11:53 am on May 18, 2018 in EL PASO, TX 79928.	
10	05/11/2018	05/16/2018	Your item has been delivered and is available at a PO Box at 8:28 am on May 16, 2018 in EL PASO, TX 79901.	
11	05/11/2018	05/16/2018	Your item was delivered to an individual at the address at 2:41 pm on May 15, 2018 in WOLFFORTH, TX 79382.	
12	05/11/2018	05/16/2018	Your item was delivered to an individual at the address at 2:16 pm on May 15, 2018 in LUBBOCK, TX 79424.	
13	05/11/2018		This is a reminder to arrange for redelivery of your item or your item will be returned to sender.	
14	05/11/2018	05/17/2018	Your item was delivered at 11:47 am on May 15, 2018 in MARFA, TX 79843.	
15	05/11/2018	05/16/2018	Your item was delivered at 2:26 pm on May 15, 2018 in MARBLE FALLS, TX 78654.	
16	05/11/2018	05/15/2018	Your item was delivered to an individual at the address at 3:44 pm on May 14, 2018 in HOUSTON, TX 77057.	
17	05/11/2018	05/18/2018	Your item was delivered at 10:30 am on May 17, 2018 in ARTESIA, NM 88210.	
18	05/11/2018	05/17/2018	Your item was delivered at 11:40 am on May 16, 2018 in ROSWELL, NM 88201.	
19	05/11/2018	05/16/2018	Your item was delivered to an individual at the address at 10:11 am on May 15, 2018 in ROSWELL, NM 88201.	
20	05/11/2018	05/18/2018	Your item was delivered at 12:55 pm on May 17, 2018 in LUBBOCK, TX 79464.	
21	05/11/2018			



Hambone 25H

	A	B	E	F	G	I	J	K
22	Certified with Return Receipt (Signature)	9414810898765011213637	Debra Kay Primera		PO Box 28504	Austin	TX	78755
23	Certified with Return Receipt (Signature)	9414810898765011213644	Robert Mitchell Raindl		PO Box 843	Tahoka	TX	79373
24	Certified with Return Receipt (Signature)	9414810898765011213668	Ricki D Raindl		PO Box 142454	Irving	TX	75014
25	Certified with Return Receipt (Signature)	9414810898765011213675	Mitchel E Cheney	Elizabeth Cheney	236 Merrie Way Lane	Houston	TX	77024
26	Certified with Return Receipt (Signature)	9414810898765011213682	Lynn S Charuk	Grace Haruk	3921 Tanforan Ct	Midland	TX	79707

	N	R	U
22	05/11/2018	05/19/2018	Your item has been delivered to an agent at 4:52 pm on May 18, 2018 in AUSTIN, TX 78731.
23	05/11/2018	05/15/2018	Your item was delivered at 3:01 pm on May 14, 2018 in TAHOKA, TX 79373.
24	05/11/2018	05/16/2018	Your item has been delivered to an agent at 3:02 pm on May 15, 2018 in IRVING, TX 75014.
25	05/11/2018		As of May 14, 2018 at 11:57 pm, your package is still on its way. We apologize that it will arrive later than expected.
26	05/11/2018	05/15/2018	Your item was delivered to an individual at the address at 11:52 am on May 14, 2018 in MIDLAND, TX 79707.

**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, EDDY COUNTY,  
NEW MEXICO.**

**CASE NOS. 16188**

**AFFIDAVIT**

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

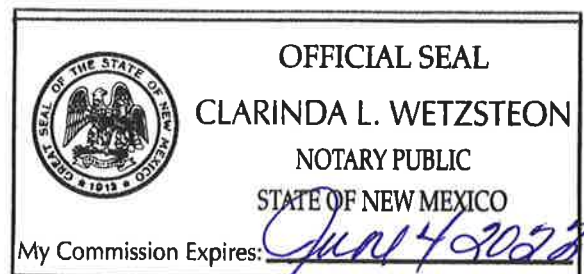
Michael H. Feldewert, attorney in fact and authorized representative of **COG OPERATING, LLC** the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Applications have been provided under the notice letters and proof of receipts attached hereto.



Michael H. Feldewert

SUBSCRIBED AND SWORN to before me this 8th day of October 29, 2018 by Michael H. Feldewert.

  
Notary Public



**BEFORE THE OIL CONSERVATION DIVISION**  
Santa Fe, New Mexico  
**Exhibit No. 4**  
Submitted by: **COG OPERATING LLC**  
Hearing Date: October 30, 2018  
Case Nos. 16117 & 16188



**Adam G. Rankin**  
**Associate**  
**Phone** (505) 988-4421  
**Fax** (505) 983-6043  
agrarkin@hollandhart.com

May 11, 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.  
Hambone Federal Com 26H 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 May 31, 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,

Adam G. Rankin  
**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, NM 87501 **Mailing Address** P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Billings Boise Boulder Cheyenne Colorado Springs Denver Denver Tech Center Jackson Hole Salt Lake City Santa Fe Washington, D.C. ♻️

## **Hambone Fed Com 29H & 30H Pooled Parties List**

### **WORKING INTEREST OWNERS**

#### **OXY USA, Inc.**

5 Greenway Plaza, Suite 110

Houston, TX 77046

Attn: Jeremy Murphry

#### **OXY Y-1 Resources**

5 Greenway Plaza, Suite 110

Houston, TX 77046

Attn: Jeremy Murphry

#### **EOG Y Resources Inc.**

5509 Champions Drive

Midland, TX 79706

#### **MRC Permian Company**

One Lincoln Center Ste. 1500

5400 Lyndon B Johnson Fwy

Dallas, TX 75240-1017

#### **Tap Rock Resources**

602 Park Point Drive, Suite 200

Golden, CO 80401

#### **Marathon Oil Permian LLC**

Hambone Fed Com 26H Pooleu Parties List (002)

5555 San Felipe Street

Houston, TX 77056

Attn: Land Department

**EOG A Resources Inc.**

5509 Champions Drive

Midland, TX 79706

**EOG M Resources Inc.**

5509 Champions Drive

Midland, TX 79706

**RECORD TITLE OWNERS**

**Regeneration Energy Corporation**

P.O. Box 210

Artesia, NM 88211

**The Allar Company**

P.O. Box 1567

Graham, TX 76450

**ORRI OWNERS**

**Lynn S. Charuk**

3921 Tanforan Ct

Midland, TX 79707

**Mitchel E. Cheney**

236 Merrie Way Ln

Hambone Fed Com 26H Poole Parties List (002)

Houston, TX 77024

**Nestegg Energy Corporation**

2308 Sierra Vista Road

Artesia, NM 88210

**EG3, Inc.**

P.O. Box 156

Graham, TX 76450

**Mary Lee Harang Picou, Trustee of the Mary**

**Lee Harang Picou Revocable Living Trust**

605 Sarah Court

Virginia Beach, Virginia 26464

**Fortis Minerals II, LLC**

1111 Bagby Street, Suite 2150

Houston, TX 77002

**James E. Guy**

10309 S. 96 E Place

Tulsa, OK 74133

	A	B	E	F	G	I	J	K
	MailClass	TrackingNo	ToCompanyName	ToName	DeliveryAddress	City	State	Zip
1								
2	Certified with Return Receipt (Signature)	9414810898765011213699	OXY USA Inc	Jeremy Murphy	5 Greenway Plaza Suite 110	Houston	TX	77046
3	Certified with Return Receipt (Signature)	9414810898765011213705	OXY Y-1 Resources	Jeremy Murphy	5 Greenway Plaza Suite 110	Houston	TX	77046
4	Certified with Return Receipt (Signature)	9414810898765011213712	EOG Y Resources Inc		5509 Champions Drive	Midland	TX	79706
5	Certified with Return Receipt (Signature)	9414810898765011213736	MRC Permian Company		One Lincoln Center Ste 1500 5400 LBJ Freeway	Dallas	TX	75240-1017
6	Certified with Return Receipt (Signature)	9414810898765011213743	Tap Rock Resources		602 Park Point Drive Suite 200	Golden	CO	80401
7	Certified with Return Receipt (Signature)	9414810898765011213750	Marathon Oil Permian LLC	Land Department	5555 San Felipe Street	Houston	TX	77056
8	Certified with Return Receipt (Signature)	9414810898765011213767	EOG A Resources		5509 Champions Drive	Midland	TX	79706
9	Certified with Return Receipt (Signature)	9414810898765011213774	EOG M Resources Inc		5509 Champions Drive	Midland	TX	79706
10	Certified with Return Receipt (Signature)	9414810898765011213781	Regeneration Energy Corporation		PO Box 210	Artesia	NM	88211
11	Certified with Return Receipt (Signature)	9414810898765011213798	The Allar Company		PO Box 1567	Graham	TX	76450
12	Certified with Return Receipt (Signature)	9414810898765011213804	Lynn S Charuk		3921 Tanforan Ct	Midland	TX	79707
13	Certified with Return Receipt (Signature)	9414810898765011213811	Mitchel E Cheney		236 Merrie Way Lane	Houston	TX	77024
14	Certified with Return Receipt (Signature)	9414810898765011213828	Nestegg Energy Corporation		2308 Sierra Vista Road	Artesia	NM	88210
15	Certified with Return Receipt (Signature)	9414810898765011213835	EG3 Inc		PO Box 1569	Graham	TX	76450
16	Certified with Return Receipt (Signature)	9414810898765011213842	Mary Lee Harang Picou	Trustee to the Mary Picou Rev	605 Sarah Court	Virginia Beach	VA	26464
17	Certified with Return Receipt (Signature)	9414810898765011213859	Fortis Minerals II LLC		1111 Bagby Street Suite 2150	Houston	TX	77002
18	Certified with Return Receipt (Signature)	9414810898765011213866	James E Guy		10309 S 96 E Place	Tulsa	OK	74133



	N	R	U
1	MailDate	ERR_SigDate	USPS_Status
2	05/11/2018	05/17/2018	Your item has been delivered to an agent at 5:59 am on May 15, 2018 in HOUSTON, TX 77227.
3	05/11/2018	05/17/2018	Your item has been delivered to an agent at 5:59 am on May 15, 2018 in HOUSTON, TX 77227.
4	05/11/2018	05/16/2018	Your item was picked up at a postal facility at 7:33 am on May 15, 2018 in MIDLAND, TX 79702.
5	05/11/2018	05/15/2018	Your item was delivered to the front desk or reception area at 11:31 am on May 14, 2018 in DALLAS, TX 75240.
6	05/11/2018	05/15/2018	Your item was delivered to an individual at the address at 1:19 pm on May 14, 2018 in GOLDEN, CO 80401.
7	05/11/2018	05/15/2018	Your item was delivered to an individual at the address at 1:04 pm on May 14, 2018 in HOUSTON, TX 77056.
8	05/11/2018	05/16/2018	Your item was picked up at a postal facility at 7:33 am on May 15, 2018 in MIDLAND, TX 79702.
9	05/11/2018	05/16/2018	Your item was picked up at a postal facility at 7:33 am on May 15, 2018 in MIDLAND, TX 79702.
10	05/11/2018	05/16/2018	Your item was delivered at 10:55 am on May 15, 2018 in ARTESIA, NM 88210.
11	05/11/2018	05/16/2018	Your item was delivered at 10:13 am on May 15, 2018 in GRAHAM, TX 76450.
12	05/11/2018	05/15/2018	Your item was delivered to an individual at the address at 11:52 am on May 14, 2018 in MIDLAND, TX 79707.
13	05/11/2018		As of May 14, 2018 at 11:57 pm, your package is still on its way. We apologize that it will arrive later than expected.
14	05/11/2018	05/15/2018	Your item has been delivered to an agent at 9:08 am on May 14, 2018 in ARTESIA, NM 88210.
15	05/11/2018	05/16/2018	Your item was delivered at 10:13 am on May 15, 2018 in GRAHAM, TX 76450.
16	05/11/2018	05/19/2018	Your item was delivered at 8:18 am on May 18, 2018 in VIRGINIA BEACH, VA 23464.
17	05/11/2018		The item is currently in transit to the next facility as of May 17, 2018.
18	05/11/2018	05/15/2018	Your item was delivered to an individual at the address at 10:41 am on May 14, 2018 in TULSA, OK 74133.