

COG OPERATING LLC

BASEBALL CAP FEDERAL COM 601H,607H,608H,701H,702H,707H,708H

Lea County, New Mexico



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

APPLICATION OF COG OPERATING LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 20070, 20071, 20072 & 20073

AFFIDAVIT OF MATTHEW SOLOMON

Matthew Solomon, of lawful age and being first duly sworn, declares as follows:

- 1. My name is Matthew Solomon. I work for COG Operating LLC ("COG") as a Landman.
- 2. I have previously testified before the New Mexico Oil Conservation 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 applications filed by COG in these matters and familiar with the status of the lands in the subject areas.
- 4. None of the parties proposed to be pooled in these cases has indicated opposition, therefore I do not expect any opposition at the hearing.
- 5. In Case Nos. 20070, COG seeks an order pooling all uncommitted interests in the Bone Spring Formation in a 320-acre, more or less, horizontal spacing unit in the 320-acre horizontal spacing unit comprised of the E/2 E/2 of Section 24 and the E/2 E/2 of Section 25, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico. This horizontal spacing until will be dedicated to the proposed Baseball Cap Federal Com No. 601H Well, which will be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 25 to bottom

1

Submitted by: **COG OPERATING, LLC** Hearing Date: January 10, 2019

Case Nos. 20070-20073

hole location in the NE/4 NE/4 (Unit A) of Section 24. The completed interval for this well will remain within the standard setback as required by the Statewide rules for oil wells.

- 6. In Case No. 20071, COG seeks an order pooling all uncommitted interests in Bone Spring Formation in the 320-acre horizontal spacing unit comprised of the W/2 W/2 of Section 24 and the W/2 W/2 of Section 25, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico. This horizontal spacing until will be dedicated to two initial wells: the proposed Baseball Cap Federal Com No. 607H Well and the proposed Baseball Cap Federal Com No. 608H Well. These wells will be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 25 to bottom hole location in the NW/4 NW/4 (Unit D) of Section 24. The completed interval for both wells will remain within the standard setback as required by the Statewide rules for oil wells.
- 7. COG Exhibit No. 1A contains draft Form C-102s for the proposed wells in Case Nos. 20070 and 20071 which target the Bone Spring formation.
- 8. In Case No. 20072, COG seeks an order pooling all uncommitted interests in Wolfcamp Formation in the 320-acre horizontal spacing unit comprised of the E/2 E/2 of Section 24 and the E/2 E/2 of Section 25, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico. This horizontal spacing until will be dedicated to the two initial wells: the proposed Baseball Cap Federal Com No. 701H Well, and the proposed Baseball Cap Federal Com No. 702H Well. These wells will be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 25 to bottom hole location in the NE/4 NE/4 (Unit A) of Section 24. The completed interval for each well will remain within the standard setback as required by the Statewide rules for oil wells.

- 9. In Case No. 20073, COG seeks an order pooling all uncommitted interests in Wolfcamp Formation in the 320-acre horizontal spacing unit comprised of the W/2 W/2 of Section 24 and the W/2 W/2 of Section 25, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico. This horizontal spacing until will be dedicated to the two initial wells: the proposed the proposed Baseball Cap Federal Com No. 707H Well and the proposed Baseball Cap Federal Com No. 707H Well and the proposed Baseball Cap Federal Com No. 708H Well. These wells will be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 25 to bottom hole location in the NW/4 NW/4 (Unit D) of Section 24. The completed interval for each well will remain within the standard setback as required by the Statewide rules for oil wells.
- COG Exhibit No. 1B contains draft Form C-102s for the proposed wells in Case
 Nos. 20072 and 20073 which target the Wolfcamp Formation.
- spacing and proration units in each case. This exhibit also identifies the interest ownership by tract and ultimately by spacing unit. COG is seeking to pool the interests identified under each Pooling Notification List in the exhibit. In each case, COG is seeking to pool working interest owners and one unleased mineral interest owner: Commerce First Royalties, LLC. In addition to proposing the wells to Commerce First Royalties, LLC as a working interest owner, COG has also offered to lease Commerce First Royalties, LLC's interests. There are no overriding royalty interest owners who need to be pooled.
- 12. All interest owners that COG seeks to pool are locatable. COG has conducted a diligent search of all public records in Lea County, including phone directories and computer databases.

- provided to the interest owners COG is seeking to pool in the Bone Spring Formation in Case

 Nos. 20070 and 20071. In addition to this letter, COG has made a diligent effort to reach agreement with the parties it is seeking to pool.
- 14. COG Exhibit No. 1E contains the well proposal letters along with an AFE provided to the interest owners COG is seeking to pool in the Wolfcamp Formation in Case Nos. 20072 and 20073. In addition to this letter, COG has made a diligent effort to reach agreement with the interest owners it is seeking to pool.
- 15. The costs reflected in the AFE are consistent with what other operators have incurred for drilling similar horizontal wells in the area in each of these formations.
- 16. In my opinion, COG has made good faith efforts to reach agreement with the parties it is seeking to pool. If COG reaches an agreement with any of the proposed pool parties before the Division enters an order, I will let the Division know that COG is no longer seeking to pool those parties.
- 17. No ownership depth severances exist within these proposed spacing and proration units, and there are no overriding royalty interests or unleased mineral interests in the subject acreage.
- 18. COG has estimated the overhead and administrative costs for drilling and producing the proposed wells at \$7,000 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.

- 19. 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.
- 20. COG Exhibit Nos. 1A through 1E were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT

Matthew Solomon

STATE OF TEXAS

COUNTY OF MIDLAND

SUBSCRIBED and SWORN to before me this 4 day of January 2019 by Matthew Solomon.

Melissa L Dimit
Notary Public, State of Texas
Notary ID 12542763-4
My Commission Exp. 09-09-2021

NOTARY PUBLIC

My Commission Expires:

5

State of New Mexico PROMOCH DR., HOBBS, NW 655240 Energy, Minerals & Natural Resources Department CONSERVATION DIVISION

DISTRICT II 811 S. FIRST ST., ARTESIA, NM 88210 Phone: (676) 748-1283 Fax: (676) 748-9720

1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505

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

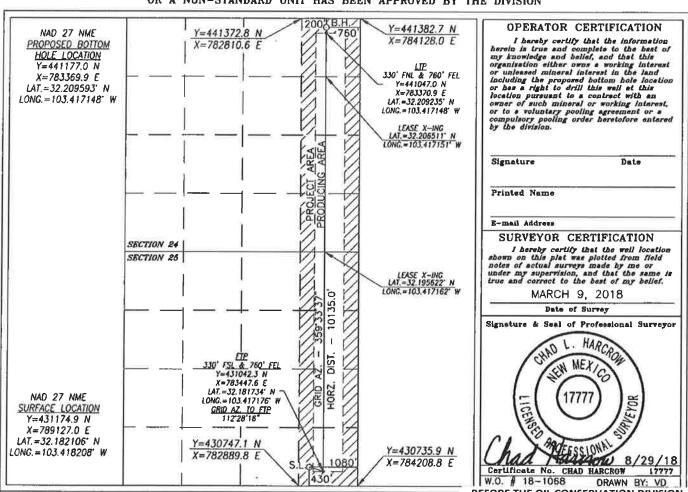
DISTRICT III 1000 RIO BRAZOS RD., AZTEC, NM 87410 Phone: (508) 334-8178 Fax: (505) 334-8170

☐ AMENDED REPORT

DISTRICT IV

API	Number			Pool Code		Pool Name			
Property	Code			BASEBA	Property Nam LL CAP FEI		37 4 00 3	Well Num	
OGRID N	o.		COG OPERATING, LLC						
					Surface Loca	ation			
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Р	25	24-5	34-E		430	SOUTH	1080	EAST	LEA
			Bottom	Hole Loc	ation If Diffe	rent From Sur	face	<u> </u>	
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Α	24	24-S	34-E		200	NORTH	760	EAST	LEA
Dedicated Acres	Joint o	r Infill Con	solidation (ode Or	der No.				

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. 1A

Submitted by: COG OPERATING, LLC Hearing Date: January 10, 2019 Case Nos. 20070-20073

DISTRICT I 1625 N. FRENCH DR., HOBBS, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720

State of New Mexico Energy, Minerals & Natural Resources Department DIVISION OIL CONSERVATION

DISTRICT II 811 S. FIRST ST., ARTESIA, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

1220 SOUTH ST. FRANCIS DR.

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

DISTRICT III 1000 RIO BRAZOS RD., AZTEC, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

Santa Fe, New Mexico 87505

□ AMENDED REPORT

DISTRICT IV 1220 S. ST. FRANCIS DR., SANTA FE, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

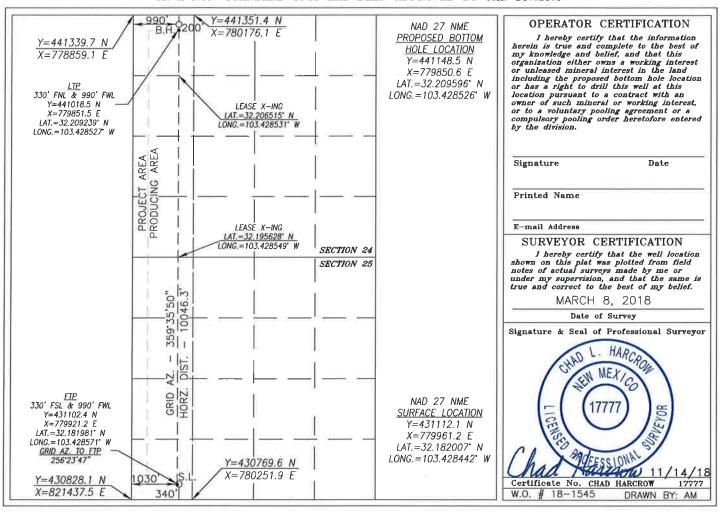
WELL LOCATION AND ACREAGE DEDICATION PLAT API Number Pool Code Pool Name Property Name Well Number Property Code BASEBALL CAP FEDERAL COM 607H Operator Name OGRID No. Elevation COG OPERATING, LLC 3422.6'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
М	25	24-S	34-E		340	SOUTH	1030	WEST	LEA

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
D	24	24-S	34-E		200	NORTH	990	WEST	LEA
Dedicated Acres	Joint o	r Infill Co	nsolidation (Code Or	ler No.		"	(*)	



DISTRICT I

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION

DISTRICT II 811 S. FIRST ST., ARTESIA, NM 85210 Phone: (676) 746-1263 Fax: (576) 746-9720

1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505

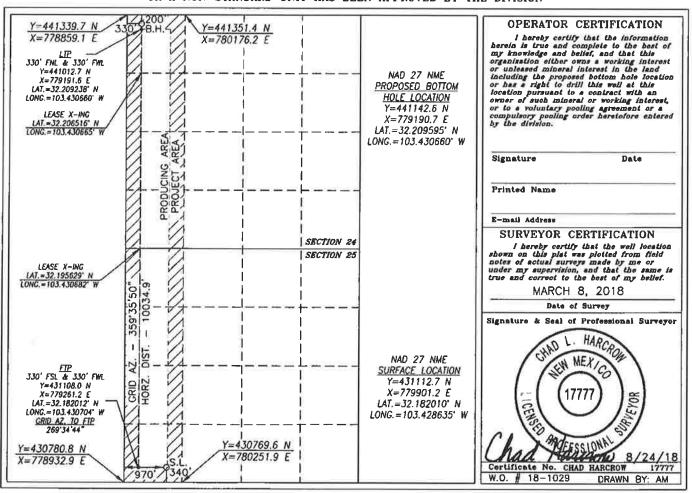
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

DISTRICT III 1000 RIO BRAZOS RD., AZTEC, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

□ AMENDED REPORT

DISTRICT IV

API	Number			Pool Code			Pool Name		
Property	Code]	BASEBAI	Property Nam LL CAP FED	Well Number 608H			
OGRID N	σ.		COG OPERATING, LLC Operator Name Elevation 3423						_
					Surface Loc	ation		* * * * * * * * * * * * * * * * * * * *	
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
М	25	24~S	34-E		340	SOUTH	970	WEST	LEA
			Bottom	Hole Loc	ation If Diffe	rent From Sur	face		
UL or lot No.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	Enst/West line	County
D	24	24-S	34-E		200	NORTH	330	WEST	LEA
Dedicated Acre	s Joint o	r Infill Co	nsolidation (Code Ore	der No.				



DISTRICT II 811 S. FIRST ST., ARTESIA, NM 88210 Phone: (576) 748-1283 Fax: (576) 748-9720

State of New Mexico DISTRICT I
1655 N. FRENCE DR., BOBBS, NM 655240 Energy, Minerals & Natural Resources Department
Phone: (676) 353-6161 Faz: (676) 353-6170 DIVISION CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505

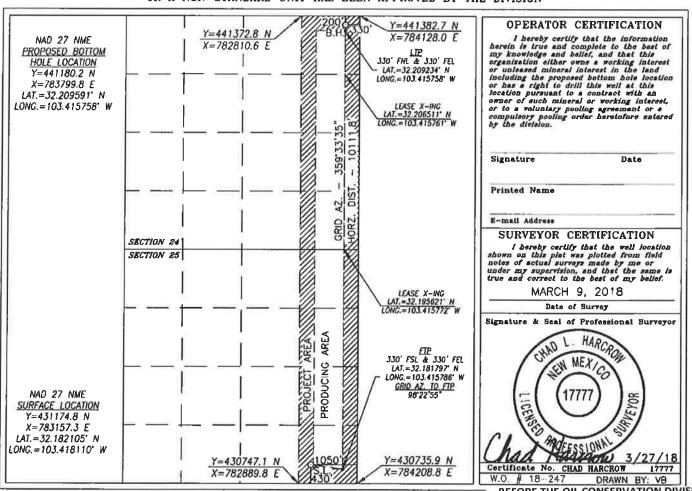
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

DISTRICT III 1000 RIO BRAZOS RD., AZTEC, NM 87410 Phone: (605) 334-8178 Fax: (505) 234-8170 DISTRICT IV

AMENDED DEDARE

API	Number			Pool Code			Pool Name		
Property Code BASE					Property Nam LL CAP FED	Well Number 701H			
OGRID N	o.		COG OPERATING, LLC						7.1'
					Surface Loc	ation			
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Р	25	24-S	34-E		430'	SOUTH	1050'	EAST	LEA
			Bottom	Hole Loc	ation If Diffe	rent From Sur	face		
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Α	24	24-S	34-E		200'	NORTH	330'	EAST	LEA
Dedicated Acre	Joint o	r Infill Con	nsolidation (Code Or	der No.				

OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. 1B

Submitted by: COG OPERATING, LLC Hearing Date: January 10, 2019 Case Nos. 20070-20073

State of New Mexico DISTRICT I State of New Mexico
1925 N. FERNCE DR. BOBBS, NW 66240 Energy, Minerals & Natural Resources Department
Phase (676) 393-4151 Fax: (676) 393-4720 Energy, Minerals & Natural Resources Department CONSERVATION DIVISION

DISTRICT II 811 S. FIRST ST., ARTESIA, NM 88210 Phone: (878) 748-1283 Fax: (878) 748-9720

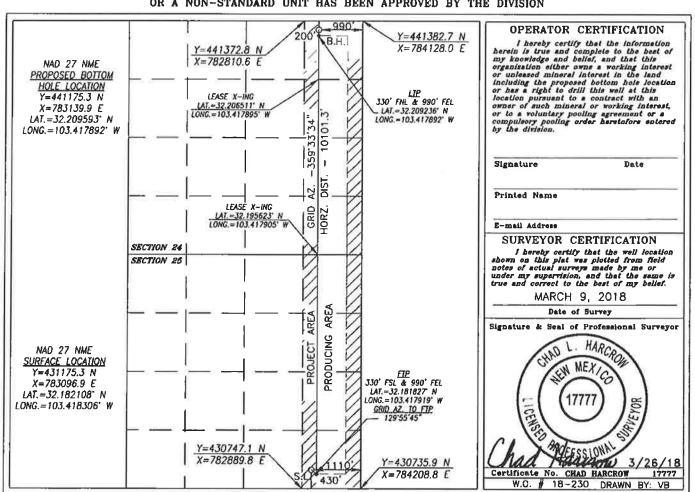
1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505

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

DISTRICT III 1000 RIO BRAZOS RD., AZTEC, NM 87410 Phone: (605) 834-6178 Pax: (605) 834-6178 DISTRICT IV

C AMENDED DEDORT

API	Number			Pool Code Pool Name					
Property (Code		\	BASEBA	Property Nam		1,	Well Number 702H	
ogrid n	o ,			CO		PERATING, LLC Revation 3377.1			
			_		Surface Loc	ation			
JL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Р	25	24-S	34-E		430'	SOUTH	1110'	EAST	LEA
		10.	Bottom	Hole Loc	ation If Diffe	rent From Sur	face		
L or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Α	24	24-S	34-E		200'	NORTH	990'	EAST	LEA



DISTRICT I

State of New Mexico 1625 N. FRENCH DR. HORRS, NM 88240 Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION

DISTRICT II 811 S. FIRST ST., ARTESIA, NM 88210 Phone: (678) 748-1283 Fax: (678) 746-9720

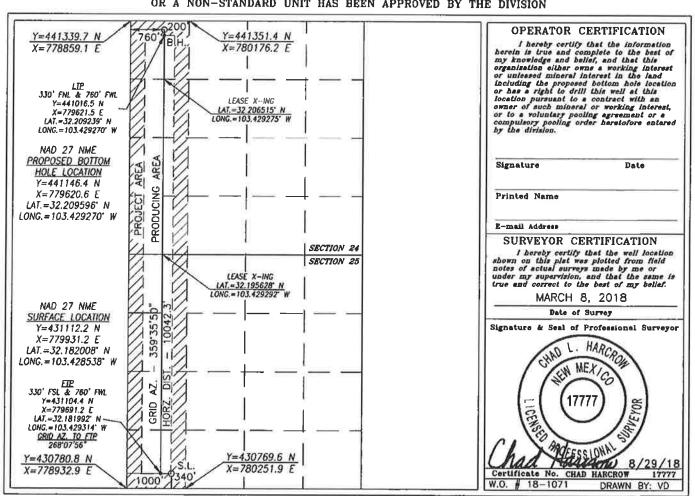
1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505

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

DISTRICT III 1000 RIO BRAZOS RD., AZTEC, NM 87410 Phona: (805) 334-8178 Fax: (505) 334-8170 DISTRICT IV 1220 8. ST. FRANCIS DR. SANTA FR. NM 67505 Phone: (505) 476-3460 Fax: (503) 476-3462

□ AMENDED REPORT

API	Number			Pool Code		AGE DEDICATI	Pool Name		
Property Code Property Name BASEBALL CAP FEDER								Well Num	
OGRID N	0.		Operator Name COG OPERATING, LLC						3.Q'
					Surface Loc	ation		1	
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
М	25	24-S	34-E		340	SOUTH	1000	WEST	LEA
			Bottom	Hole Loc	ation If Diff	rent From Sur	face		
UL or lot No.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
D	24	24-S	34-E		200	NORTH	760	WEST	LEA



DISTRICT I DISTRICT II 811 S. FIRST ST., ARTESIA, NM 88210 Phone: (878) 748-1283 Fax: (878) 748-9720

State of New Mexico 1923 N. PRENCE DR., HOBBS, MM 80240 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

DISTRICT III 1000 RIO BRAZOS RD., AZTEC, NM 67410 Phone: (808) 334-6178 Fax: (808) 334-6170

1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505

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

☐ AMENDED REPORT

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FR., NM 87808
Phone: (805) 476-3460 Par: (805) 476-3462

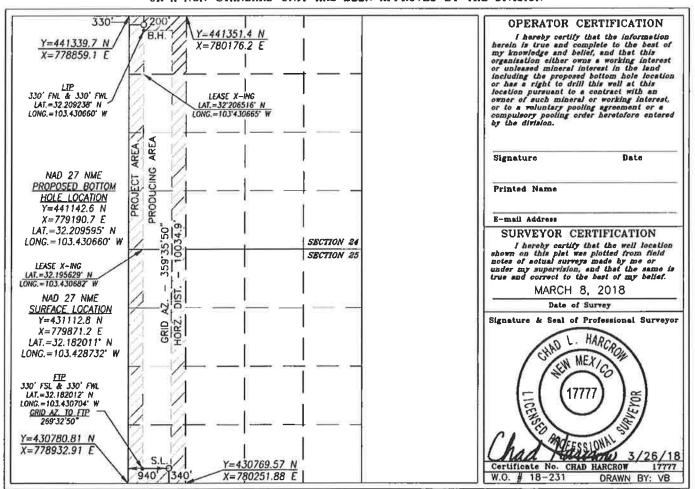
FROM: (000) 478-0400 FAST (000) 470-04	WELL LOCATION AND ACREAGE DEDICATION PLAT	
API Number	Pool Code Pool Name	
Property Code	Property Name BASEBALL CAP FEDERAL COM	Well Number 708H
OGRID No.	Operator Name COG OPERATING, LLC	Elevation 3424.3'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
М	25	24-S	34-E		340	SOUTH	940	WEST	LEA

Bottom Hole Location If Different From Surface

VL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	24	24 - S	34-E		200	NORTH	330	WEST	LEA
Dedicated Acres	Joint or	r Infill Cor	nsolidation (Code Ore	der No.		-	I—	



(Case No. 20070) Baseball Cap Federal Com 601H

E2E2 of Section 24 & E2E2 of Section 25, T24S-R34E, NMPM, Lea County, New Mexico

Tract: 1

Tract 2:



Tract 3:



(2	4	
	5	
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Santa Fe, New Mexico
Exhibit No. 1C

Submitted by: COG OPERATING, LLC

Hearing Date: January 10, 2019 Case Nos. 20070-20073

Unit Working Interest

COG Operating LLC	89.968125%
Energen Resources Corp./Diamondback Energy, Inc.	5.625000%
Concho Oil and Gas, LLC	3.635000%
Muleshoe Crude, LP	0.318750%
Commerce First Royalties, LLC	0.312500%
MECO IV, LLC	0.140625%
Total	100.000000%

Tract 1 – E2E2 of Section 25

COG Operating, LLC

100.000000%

<u>Tract 2 – E2SE and SENE of Section 24</u>

COG Operating, LLC

100.000000%

Tract 3 – NENE of Section 24

COG Operating LLC	19.745000%
Energen Resources Corp./Diamondback Energy, Inc.	45.000000%
Concho Oil and Gas, LLC	29.080000%
Muleshoe Crude, LP	2.550000%
Commerce First Royalties, LLC	2.550000%
MECO IV, LLC	1.125000%
	100.000000%

Pooling Notification List

Energen Resources Corporation 605 Richard Arrington, Jr. Blvd. North Birmingham, AL 35203

Diamondback Energy, Inc. 500 W. Texas Ave, Suite 1200 Midland, TX 79701

Muleshoe Crude, LP 101 Blackberry Court Midland, TX 79705

Commerce First Royalties, LLC 14241 Dallas Parkway, Suite 600 Dallas, TX 75254

MECO IV, LLC 1200 17th Street, Suite 975 Denver, CO 80202

(Case No. 20071)

Baseball Cap Federal Com 607H, 608H

W2W2 of Section 24 & W2W2 of Section 25, T24S-R34E, NMPM, Lea County, New Mexico

Tract: 1

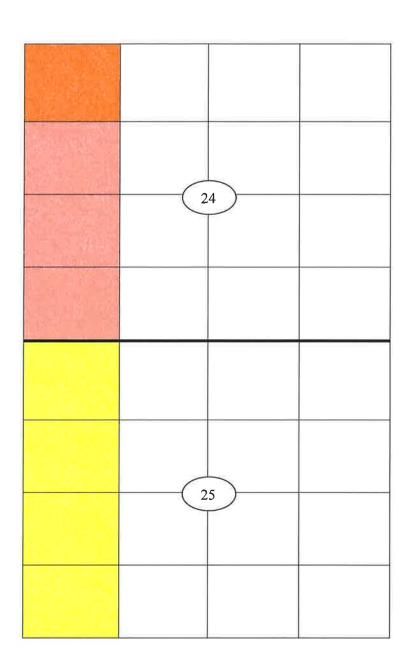


Tract 2:



Tract 3:





Unit Working Interest

COG Operating LLC	62.716875%
Energen Resources Corp./Diamondback Energy, Inc.	16.875000%
Concho Oil and Gas, LLC	5.592500%
EOG Y Resources, Inc	5.000000%
EOG-M Resources, Inc.	2.500000%
EOG-A Resources, Inc.	2.500000%
OXY Y-1	2.500000%
Muleshoe Crude, LP	0.956250%
Commerce First Royalties, LLC	0.937500%
MECO IV, LLC	0.421875%
Total WI	100.000000%

Tract 1 – W2W2 of Section 25

COG Operating, LLC 100.000000%

Tract 2 - W2SW and SWNW of Section 24

COG Operating LLC	19.745000%
Energen Resources Corp./Diamondback Energy, Inc.	45.000000%
Concho Oil and Gas, LLC	29.080000%
Muleshoe Crude, LP	2.550000%
Commerce First Royalties, LLC	2.550000%
MECO IV, LLC	1.125000%
Total WI	100.000000%

Tract 3 - NWNW of Section 24

EOG Y Resources, Inc	40.000000%
EOG-M Resources, Inc.	20.000000%
EOG-A Resources, Inc.	20.000000%
OXY Y-1	20.000000%
Total WI	100,000000%

Pooling Notification List

Energen Resources Corporation 605 Richard Arrington, Jr. Blvd. North Birmingham, AL 35203

Diamondback Energy, Inc. 500 W. Texas Ave, Suite 1200 Midland, TX 79701

Muleshoe Crude, LP 101 Blackberry Court Midland, TX 79705

Commerce First Royalties, LLC 14241 Dallas Parkway, Suite 600 Dallas, TX 75254 MECO IV, LLC 1200 17th Street, Suite 975 Denver, CO 80202 EOG Y Resources, Inc 5509 Champions Drive Midland, TX 79706

EOG-A Resources, Inc. 5509 Champions Drive Midland, TX 79706

EOG-M Resources, Inc. 5509 Champions Drive Midland, TX 79706

OXY Y-1 P.O. Box 27570 Houston, TX 77227

(Case No. 20072)

Baseball Cap Federal Com 701H, 702H

E2E2 of Section 24 & E2E2 of Section 25, T24S-R34E, NMPM, Lea County, New Mexico

Tract: 1

Tract 2:

Tract 3:



2	24	
	2.5	

Unit Working Interest

COG Operating LLC	89.968125%
Energen Resources Corp./Diamondback Energy, Inc.	5.625000%
Concho Oil and Gas, LLC	3.635000%
Muleshoe Crude, LP	0.318750%
Commerce First Royalties, LLC	0.312500%
MECO IV, LLC	0.140625%
Total	100.000000%

Tract 1 – E2E2 of Section 25

COG Operating, LLC

100.000000%

Tract 2 – E2SE and SENE of Section 24

COG Operating, LLC

100.000000%

Tract 3 – NENE of Section 24

COG Operating LLC	19.745000%
Energen Resources Corp./Diamondback Energy, Inc.	45.000000%
Concho Oil and Gas, LLC	29.080000%
Muleshoe Crude, LP	2.550000%
Commerce First Royalties, LLC	2.550000%
MECO IV, LLC	1.125000%
	100.000000%

Pooling Notification List

Energen Resources Corporation 605 Richard Arrington, Jr. Blvd. North Birmingham, AL 35203

Diamondback Energy, Inc. 500 W. Texas Ave, Suite 1200 Midland, TX 79701

Muleshoe Crude, LP 101 Blackberry Court Midland, TX 79705

Commerce First Royalties, LLC 14241 Dallas Parkway, Suite 600 Dallas, TX 75254

MECO IV, LLC 1200 17th Street, Suite 975 Denver, CO 80202

(Case No. 20073)

Baseball Cap Federal Com 707H, 708H W2W2 of Section 24 & W2W2 of Section 25, T24S-R35E, NMPM, Lea County, New Mexico

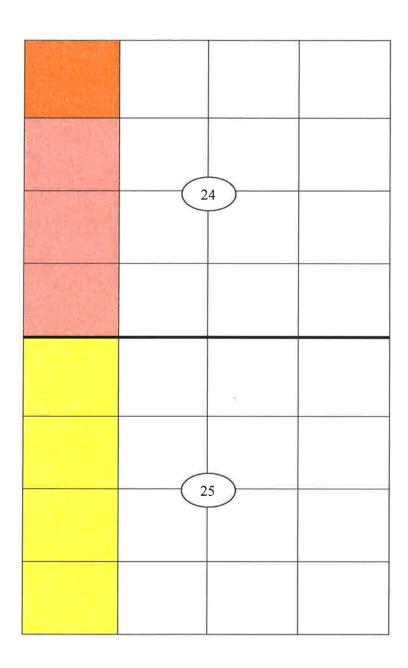
Tract: 1

Tract 2:



Tract 3:





Unit Working Interest

COG Operating LLC	62.716875%
Energen Resources Corp./Diamondback Energy, Inc.	16.875000%
Concho Oil and Gas, LLC	5.592500%
EOG Y Resources, Inc	5.000000%
EOG-M Resources, Inc.	2.500000%
EOG-A Resources, Inc.	2.500000%
OXY Y-1	2.500000%
Muleshoe Crude, LP	0.956250%
Commerce First Royalties, LLC	0.937500%
MECO IV, LLC	0.421875%
Total WI	100.000000%

<u>Tract 1 – W2W2 of Section 25</u>

COG Operating, LLC 100.000000%

<u>Tract 2 – W2SW and SWNW of Section 24</u>

COG Operating LLC	19.745000%
Energen Resources Corp./Diamondback Energy, Inc.	45.000000%
Concho Oil and Gas, LLC	29.080000%
Muleshoe Crude, LP	2.550000%
Commerce First Royalties, LLC	2.550000%
MECO IV. LLC	1.125000%
Total WI	100.000000%

<u>Tract 3 – NWNW of Section 24</u>

EOG Y Resources, Inc	40.000000%
EOG-M Resources, Inc.	20.000000%
EOG-A Resources, Inc.	20,000000%
OXY Y-1	20.000000%
Total WI	100.000000%

Pooling Notification List

Energen Resources Corporation 605 Richard Arrington, Jr. Blvd. North Birmingham, AL 35203

Diamondback Energy, Inc. 500 W. Texas Ave, Suite 1200 Midland, TX 79701

Muleshoe Crude, LP 101 Blackberry Court Midland, TX 79705

Commerce First Royalties, LLC 14241 Dallas Parkway, Suite 600 Dallas, TX 75254 MECO IV, LLC 1200 17th Street, Suite 975 Denver, CO 80202 EOG Y Resources, Inc 5509 Champions Drive Midland, TX 79706

EOG-A Resources, Inc. 5509 Champions Drive Midland, TX 79706

EOG-M Resources, Inc. 5509 Champions Drive Midland, TX 79706

OXY Y-1 P.O. Box 27570 Houston, TX 77227



October 9, 2018

MECO IV, LLC 1200 17th Street, Ste 975 Denver, CO 80202

Re: Baseball Cap Federal Com 601H, 701H & 702H

Sec 24: E/2 E/2 - T24S-R34E Sec 25: E/2 E/2 - T24S-R34E Lea County, New Mexico

Dear Sir/Madam:

COG Operating LLC ("COG"), as Operator, hereby proposes to drill the following wells located in the E/2E/2 of Section 24 and E/2E/2 of Section 25, 24S-34E, Lea County, New Mexico:

The Baseball Cap Federal Com 601H well has a surface hole location of 430' FSL and 1,080' FEL of Section 25 and a bottom hole location of 200' FNL and 760' FEL of Section 24, 24S-34E, or at a legal location as approved by the governing regulatory agency, to a TVD of approximately 12,642' and a MD of approximately 22,600' to test the Bone Spring Formation ("Operation"). The total cost of the Operation is estimated to be \$13,919,803.00, and a detailed description of the cost is set out in the enclosed Authority for Expenditure ("AFE").

The **Baseball Cap Federal Com 701H** well has a surface hole location of 430' FSL and 1,050' FEL of Section 25 and a bottom hole location of 200' FNL and 330' FEL of Section 24, 24S-34E, or at a legal location as approved by the governing regulatory agency, to a TVD of approximately 12,882' and a MD of approximately 22,500' to test the Wolfcamp Formation ("Operation"). The total cost of the Operation is estimated to be \$14,520,203.00, and a detailed description of the cost is set out in the enclosed Authority for Expenditure ("AFE").

The **Baseball Cap Federal Com 702H** well has a surface hole location of 430' FSL and 1,110' FEL of Section 25 and a bottom hole location of 200' FNL and 760' FEL of Section 24, 24S-34E, or at a legal location as approved by the governing regulatory agency, to a TVD of approximately 12,837' and a MD of approximately 22,500' to test the Wolfcamp Formation ("Operation"). The total cost of the Operation is estimated to be \$14,520,203.00, and a detailed description of the cost is set out in the enclosed Authority for Expenditure ("AFE").

COG is proposing to drill these wells under the terms of the modified 1989 AAPL form of Operating Agreement which is enclosed for your review and approval. The Operating Agreement covers Sec 24: E/2 E/2 - T24S-R34E and Sec 25: E/2 E/2 - T24S-R34E. It has the following general provisions:

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

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. 1D
Submitted by: COG OPERATING, LLC
Hearing Date: January 10, 2019

Case Nos. 20070-20073

Page 2

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

- 3 year primary term
- Delivering a 75% NRI, proportionately reduced
- \$5,000 per net acre bonus consideration

The Term Assignment offer terminates November 15, 2018 and is subject to the approval of COG's management and verification of title.

If an agreement cannot be reached within 30 days of the date of this letter, COG will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the proposed well if uncommitted at such time.

If you have any questions, please do not hesitate to contact the undersigned at (432) 685-4352 or msolomon@concho.com.

Respectfully,

Matt Solomon Staff Landman

	I/We hereby elect to participate in the Baseball Cap Federal Com 601H.
	I/We hereby elect <u>not</u> to participate in the Baseball Cap Federal Com 601H,
	I/We hereby elect to participate in the Baseball Cap Federal Com 701H.
	I/We hereby elect <u>not</u> to participate in the Baseball Cap Federal Com 701H.
	I/We hereby elect to participate in the Baseball Cap Federal Com 702H.
	I/We hereby elect <u>not</u> to participate in the Baseball Cap Federal Com 702H.
	we hereby elect <u>here</u> to participate in the Baseban Cup i ederal Com 70211.
Commons	MECO IV. LLC
Company:	MECO IV, LLC
By:	
Name:	
Title:	
Data	

COG OPERATING LLC AUTHORITY FOR EXPENDITURE DRILLING

WELL NAME:	Baseball Cap Federal Com #601H	PROSPECT NAME:	Bulldog 2434	
SHL:	Sec 25: 430 FSL & 1080 FEL	STATE & COUNTY:	New Mexico, Lea	
BHL:	Sec 24: 200 FNL & 760 FEL	OBJECTIVE:	DRILL AND COMPLETE	
FORMATION:	3rd Bone Spring	DEPTH:	22,600	
LEGAL:	Sec 25: 24S-34E	TVD:	12,642	

INTANGIBLE COSTS Trise/Constive/Permit	201	Orig - Rig Release(D) 20,000		Completion(C)		Tank Bitty Constrctn(TB)		Pmpg Equipment(PEQ)	TOTAL 20,000
Insurance	202	2,500							2,500
Damages Right of Way Survey/Stake Location	203	20,000	303		351 352				7,000
Location/Pits/Road Expense	205	135,000	305	10,000	353		366	5,000	195,000
Drilling / Completion Overhead	206	11,100		15,000					26,100
Turnkey Contract	207								0
Footage Contract	208	0							0
Daywork Contract	209	923,000							923,000
Directional Drilling Services Frac Equipment	210	442,000	307	1,393,000					1,393,000
Frac Chemicals			308	464,000					464,000
Frac Proppant			309	799,000					799,000
Frac Proppant Transportation			310	392,000					392,000
Fuel & Power	211	211,000	311	68,000	354		367		279,000
Water	212	60,000	312	950,000			368	5,000	1,015,000
Bits Mud & Chemicals	213 214	111,000 275,000	313	4,500			369 370		115,500
Drill Stem Test	215	275,000	315	25,000			310		300,000
Coring & Analysis	216	- 0							0
Cement Surface	217	28,000							28,000
Cement Intermediate	218	75,000							75,000
Cement 2nd Intermediate/Production	219	115,000							115,000
Cement Squeeze & Other (Kickoff Plug)	220	0					371		0
Float Equipment & Centralizers	221	65,000 70,000							70,000
Casing Crews & Equipment Fishing Tools & Service	223	70,000	323				372		70,000
Geologic/Engineering	224	11,400	324		355		373		11,400
Contract Labor	225	6,500	325	20,000	356		374	10,000	159,435
Company Supervision	226	66,600	326	15,000	357		375		81,600
Contract Supervision	227	157,000	327	255,000	358		376	6,000	418,000
Testing Casing/Tubing Mid Lossins Unit	228	30,000	328	5,000			377	8,000	43,000
Mud Logging Unit Logging	229	52,000	329				378		52,000
Perforating/Wireline Services	231	4,000	331	529,000			379		533,000
Stimulation/Treating			332	397,000			380		397,000
Completion Unit			333	138,000			381	20,000	158,000
Swabbing Unit			334				382		0
Rentals-Surface	235	190,000	335	403,000	359		383	6,000	599,000
Rentals-Subsurface Trucking/Forklift/Rig Mobilization	236	150,000 200,000	336 337	30,000 20,000	360		384 385	20,000	180,000
Welding Services	238	3,000	338	5,000	361		386	20,000	8,000
Water Disposal	239	0	339	60,000	362	135,000	387		195,000
Plug to Abendon	240	0	340						0
Seismic Analysis	241		341						0
Miscellaneous	242	0	342				389		0
Closed Loop & Environmental	243 244	69,000 330,000	343	250,000 5,000	363		390 388	$\overline{}$	319,000
Dyed Diesel	245	330,000	345	476,000	304		ano		333,000
Coil Tubing			346	750,000					750,000
Flowback Crews & Equip		2	347	48,000					48,000
Offset Directional/Frac	248		34B				391		
TOTAL INTANGIBLES		3,840,100		7,526,500		302,935		80,000	11,749,535
TANGIBLE COSTS									
Surface Casing Intermediate Casing	401 402	52,000 555,000							52,000
Production Casing/Liner	403	516,000							516,000
Tubing			504	52,030			530	10,000	62,030
Wellhead Equipment	405	75,000	505	22,000			531	10,000	107,000
Pumping Unit				0			506	98,000	98,000
Prime Mover				0			507	12,000	12,000
Rods Pumps-Sub Surface (BH)		$\overline{}$	509	0			508	60,000	60,000
Tanks			203		510	63,645	532	6,000	6,000 63,645
Flowlines					511	26,593			26,593
Heater Treater/Separator					512	140,007			140,007
Electrical System					513	130,000	533	10,000	140,000
Packers/Anchors/Hangers	414		514	66,000	أدرو		534	4,000	70,000
Couplings/Fittings/Valves	415				515 517				102,282
Dehydration Injection Plant/CO2 Equipment					518				0
Pumps-Surface					521				4,717
Instrumentation/SCADA/POC					522		529	7,000	17,482
Miscellaneous	419		519		523		535	5,000	10,241
Centingency	420		520		524		536	5,000	5,000
Meters/LACT Flares/Combustors/Emission					525 526				25,156
Gas Lift/Compression			527	15,000	516		528		73,531
TOTAL TANGIBLES		1,198,000	-	155,030		590,238		227,000	2,170,268
TOTAL WELL COSTS		5,038,100		7,682,000		893,173		307,000	13,919,803
% of Total Well Cost		36%		56%		6%		2%	
-		Date Prepared:		8/16/18					
We approve		COG Operating LLC							
% Working Interest		Ву		KL-AB-RL-CH				2)	
								5	
Company By:									
**									
Printed Name:		This AFE is only an entire	ate. s	By signing you agree to pay	v vois	r share			
Date:		of the actual costs incurre	d.	-, -gimig you agree in pa)	, you	S. S			



August 30, 2018

MECO IV, LLC 1200 17th Street, Suite 975 Denver, CO 80202

Re: Baseball Cap Federal Com 607H, 608H, 707H, & 708H Well Proposals

Sec 24: W/2 W/2 - T24S-R34E Sec 25: W/2 W/2 - T24S-R34E Lea County, New Mexico

Dear Sir/Madam:

COG Operating LLC ("COG"), as Operator, hereby proposes to drill the following wells located in the W/2W/2 of Section 24 and W/2W/2 of Section 25, 24S-34E, Lea County, New Mexico:

The Baseball Cap Federal Com 607H well has a surface hole location of 340' FSL and 1,030' FWL of Section 25 and a bottom hole location of 200' FNL and 1,220' FWL of Section 24, 24S-34E, or at a legal location as approved by the governing regulatory agency, to a TVD of approximately 12,614' and a MD of approximately 22,300' to test the Bone Spring formation ("Operation"). The total cost of the Operation is estimated to be \$13,919,803.00, and a detailed description of the cost is set out in the enclosed Authority for Expenditure ("AFE").

The Baseball Cap Federal Com 608H well has a surface hole location of 340' FSL and 970' FWL of Section 25 and a bottom hole location of 200' FNL and 330' FWL of Section 24, 24S-34E, or at a legal location as approved by the governing regulatory agency, to a TVD of approximately 12,718' and a MD of approximately 22,400' to test the Bone Spring formation ("Operation"). The total cost of the Operation is estimated to be \$13,919,803.00, and a detailed description of the cost is set out in the enclosed Authority for Expenditure ("AFE").

The Baseball Cap Federal Com 707H well has a surface hole location of 340' FSL and 1,000' FWL of Section 25 and a bottom hole location of 200' FNL and 760' FWL of Section 24, 24S-34E, or at a legal location as approved by the governing regulatory agency, to a TVD of approximately 12,908' and a MD of approximately 22,600' to test the Wolfcamp Formation ("Operation"). The total cost of the Operation is estimated to be \$14,520,203.00, and a detailed description of the cost is set out in the enclosed Authority for Expenditure ("AFE").

The Baseball Cap Federal Com 708H well has a surface hole location of 340' FSL and 940' FWL of Section 25 and a bottom hole location of 200' FNL and 330' FWL of Section 24, 24S-34E, or at a legal location as approved by the governing regulatory agency, to a TVD of approximately 12,784' and a MD of approximately 22,500' to test the Wolfcamp Formation ("Operation"). The total cost of the Operation is estimated to be \$14,520,203.00, and a detailed description of the cost is set out in the enclosed Authority for Expenditure ("AFE").

COG is proposing to drill these wells under the terms of the modified 1989 AAPL form of Operating Agreement which is enclosed for your review and approval. The Operating Agreement covers Sec 24: W/2 W/2 - T24S-R34E and Sec 25: W/2 W/2 - T24S-R34E. It has the following general provisions:

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

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

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

The Term Assignment offer terminates November 15, 2018 and is subject to the approval of COG's management and verification of title.

If an agreement cannot be reached within 30 days of the date of this letter, COG will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the proposed well if uncommitted at such time.

If you have any questions, please do not hesitate to contact the undersigned at (432) 685-4352 or msolomon@concho.com.

Respectfully,

Matt Solomon Staff Landman

Baseball Cap Federal Com 607H, 608H, 707H, & 708H

	I/We hereby elect to participate in the Baseball Cap Federal Com 607H.
	I/We hereby elect <u>not</u> to participate in the Baseball Cap Federal Com 607H.
	I/We hereby elect to participate in the Baseball Cap Federal Com 608H.
	I/We hereby elect <u>not</u> to participate in the Baseball Cap Federal Com 608H.
-	I/We hereby elect to participate in the Baseball Cap Federal Com 707H.
	I/We hereby elect <u>not</u> to participate in the Baseball Cap Federal Com 707H.
	I/We hereby elect to participate in the Baseball Cap Federal Com 708H.
	I/We hereby elect <u>not</u> to participate in the Baseball Cap Federal Com 708H.
Company:	_MECO IV, LLC
By:	
Name:	
Title:	
Date:	

COG OPERATING LLC AUTHORITY FOR EXPENDITURE DRILLING

WELL NAME:	Baseball Cap Federal Com #607H	PROSPECT NAME:	Bulldog 2434	
SHL:	Sec 25: 340 FSL & 1030 FWL	STATE & COUNTY:	New Mexico, Lea	
BHL:	Sec 24: 200 FNL & 1220 FWL	OBJECTIVE:	DRILL AND COMPLETE	
FORMATION:	3rd Bone Spring	DEPTH:	22,300	
LEGAL:	Sec 25: 24S-34E	TVD:	12,614	

INTANGIBLE COSTS Title/Cruziliya/Parmit	204	Drig - Rig Release(D)		Completion[C]		Tank Btty Constrctn(TB)		Pmpg Equipment(PEQ)	TOTAL
Title/Curative/Permit	201	20,000							20,000
Damages/Right of Way	202	20,000			254				
					351				20,00
Survey/Stake Location Location/Pits/Road Expense	204 205	7,000			352 353		200		7,00
		135,000		10,000		45,000	366	5,000	195,00
Drilling / Completion Overhead	205	11,100		15,000					26,10
Turnkey Contract	207	0							
Foolage Contract	208	0							
Daywork Contract	209	923,000							923,00
Directional Drilling Services	210	442,000							442,00
Frac Equipment			307	1,393,000					1,393,00
Frac Chemicals			308	464,000					464,00
Frac Proppant			309	799,000		7			799,00
Frac Proppant Transportation			310	392,000					392,00
Fuel & Power	211	211,000	311	68,000			367		279.00
Water	212	60,000		950,000			368	5,000	1,015,00
Bits	213	111,000		4,500			369	3,000	115,50
Mud & Chemicals	214	275,000		25,000				$\overline{}$	
Drill Stem Test				25,000	-		370		300,00
	215	0							
Coring & Analysis	216	0							
Cement Surface	217	28,000							28,00
Cement Intermediate	218	75,000							75,00
Cement 2nd Intermediate/Production	219	115,000							115,00
Cement Squeeze & Other (Kickoff Plug)	220	0					371		
Float Equipment & Centralizers	221	65,000	. 1						65,00
Casing Crews & Equipment	222	70,000							70,00
Fishing Tools & Service	223	- 0					372		10,00
Geologic/Engineering	224	11,400			355		373		11,40
Contract Labor	225	6,500		20,000	356	122,935	374	10,000	159,43
Company Supervision	226	66,600		15,000	357	122,830	375	10,000	
Contract Supervision	227	157,000		255,000				0.00	81,600
	228				358		376	6,000	418,000
Testing Casing/Tubing		30,000		5,000			377	8,000	43,000
Mud Logging Unit	229	52,000	329						52,000
Logging	230	0					378		
Perforating/Wireline Services	231	4,000		529,000			379		533,000
Stimulation/Treating			332	397,000			380	N	397,000
Completion Unit			333	138,000			381	20,000	158,000
Swabbing Unit			334				382		C
Rentals-Surface	235	190,000	335	403,000	359		383	6,000	599,000
Rentals-Subsurface	236	150,000	336	30,000			384		180,000
Trucking/Forklrft/Rig Mobilization	237	200,000		20,000	360		385	20,000	240,000
Welding Services	238	3,000	338	5,000	361		386	20,000	8,000
Waler Disposal	239	0	339	60,000	362	135,000			195,000
Plug to Abandon	240			80,000	302	133,000	387		
		0							0
Seismic Analysis	241	0							
Miscellaneous	242	0	342				389		
Contingency	243	69,000	343	250,000	363		390		319,000
Closed Loop & Environmental	244	330,000	344	5,000	364		388		335,000
Dyad Diesel	245		345	476,000					
Coil Tubing			346	750.000					750,000
Flowback Crews & Equip			347	48,000					49,000
Offset Directional/Frac	248	_	348				391		0
TOTAL INTANGIBLES		3,840,100		7,526,500		302,935		8D,000	11,749,535
TANGIBLE COSTS									
Surface Casing	401	52,000							52,000
Intermediate Casing	402								
		555,000 516,000							555,000
Production Casing/Liner	403	516,000	EC.				FC-		516,000
Tubing	105		504	52,030			530	10,000	62,030
Wellhead Equipment	405	75,000	505	22,000			531	10,000	107,000
Pumping Unit				0			506	98,000	98,000
Prime Mover				0			507	12,000	12,000
Rods				0			50B	60,000	60,000
Pumps-Sub Surface (BH)			509				532	6,000	6,000
Tanks					510	63,645			63,645
Flowlines					511	26,593			26,593
Healer Treater/Separator					512	140,007			140,007
Electrical System					513	130,000	533	10,000	140,000
Packers/Anchors/Hangers	414		514	66,000			534	4,000	70,000
Couplings/Fittings/Valves	415				515	102,282		1,000	102,282
Dehydralion	-		. 3		517	,02,202			102,262
njection Plant/CO2 Equipment					518				. 0
Pumps-Surface			8 3			70.0			
			9 3		521	4,717	e		4,717
rstrumentation/SCADA/POC	440		1		522	10,482	529	7,000	17,482
Miscellaneous	419		519		523	5,241	535	5,000	10,241
Contingency	420		520		524		536	5,000	5,000
Vielers/LACT			()		525	25,156			25,156
lares/Combustors/Emission			9		526	23,584			23,584
Gas Lift/Compression			527		516		528		73,531
TOTAL TANGIBLES		1,198,000	6	155.030		590,238		227,000	2,170,268
TOTAL WELL COSTS		5,038,100		7,682,000		893,173		307,000	13,919,803
% of Total Well Cost		36%		55%		6%		2%	
OG Operating LLC									
		Date Prepared:		8/16/18					
de Management		COG Operating LLC							
Ve approve		Dur		W					
% Working Interest		Ву	_	KL-AB-PS-CH			_		
ompany									
y.									
-									
rinted Name:									
le .		This ACC is end, on action	ore D	or administrate tonce measure for sever	a book to be	ethores.			

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

COG OPERATING LLC AUTHORITY FOR EXPENDITURE DRILLING

WELL NAME:	Baseball Cap Federal Com #508H	PROSPECT NAME:	Bulldog 2434	
SHL:	Sec 25: 340 FSL & 970 FWL	STATE & COUNTY:	New Mexico, Lea	
BHL:	Sec 24: 200 FNL & 330 FWL	OBJECTIVE:	DRILL AND COMPLETE	
FORMATION:	Bone Spring	DEPTH:	22,400	
LEGAL:	Sec 25: 24S-34E	TVD:	12,718	

NTANGIBLE COSTS [itle/Curative/Permit	201	Drig - Rig Release(D) 20,000		Completion(C)		Tank Btty Constrctn(TB)		Pmpg Equipment(PEQ)	<u>TOT/</u>
neurance	202	2,500							
amages/Right of Way	203	20,000	303		351				2
urvey/Stake Location	204	7,000			352				
ocalion/Pits/Road Expense	205	135,000		10,000	353	45,000	366	5,000	19
rilling / Completion Overhead	206	11,100	306	15,000					2
urnkey Contract	207	0							
ootage Contract	208	0							
aywork Contract	209	923,000							92
rectional Drilling Services	210	442,000							44
rac Equipment	i 45		307	1,393,000					1,39
rac Chemicals	ā (ā		308	464,000					46
ac Proppant			309	799,000					79
ac Proppani Transportation			310	392,000					39
rel & Power	211	211,000	311	68,000	354		367		27
/ater	212	60,000	312	950,000			368	5,000	1,01
ts	213	111,000	313	4,500			369		11
ud & Chemicals	214	275,000	314	25,000			370		30
ill Stem Test	215	0		20,000			070		
oring & Analysis	216	0							
ement Surface	217		1.0						
		28,000	16						2
ement Intermediate	218	75,000	1.0						7
ement 2nd Intermediate/Production	219	115,000							11
ement Squeeze & Other (Kickoff Plug)	220	0	7.				371		
pat Equipment & Centralizers	221	65,000							6
sing Crews & Equipment	222	70,000					200		7
shing Tools & Service	223	0					372		
eologic/Engineering	224	11,400	324		355		373		1
ontract Labor	225	6,500	325		356	122,935	374	10,000	15
ompany Supervision	226	66,600	326		357		375		8
ontract Supervision	227	157,000	327		358		376	6,000	41
sting Casing/Tubing	228	30,000	328	5,000			377	8,000	4
ud Logging Unit	229	52,000	329						5
gging	230	. 0	- 1			15	378		
rforating/Wreline Services	231	4,000	331	529,000			379		53
inviation/Treating			332	397,000			380		39
impletion Unit			333	138,000			381	20,000	15
vabbing Unit			334				382		
ntals-Surface	235	190,000	335	403,000	359		383	6,000	59
ntals-Subsurface	236	150,000	336	30,000	000		384	0,000	18
ucking/Forklift/Rig Mobilization	237	200,000	337		360		385	20,000	24
elding Services	238	3,000	338		361		386	20,000	24
ater Disposal	239	0,000			362	135,000			
ug to Abandon	240		339	60,000	302	135,000	387		19
		0							
ismic Analysis	241	0	341				200		_
scellaneous	242		342				389		
ntingency	243	69,000	343		363		390		31
osed Loop & Environmental	244	330,000	344		364		388		33
ed Diesel	245		345	476,000					
il Tubing			346	750,000					75
wback Crews & Equip			347	48,000					4
set Directional/Frac	248		348				391		
TOTAL INTANGIBLES) =	3,840,100	. (9	7,526,500		302,935		80,000	11,74
ANGIBLE COSTS									
rface Casing	401	52,000							5
ermediate Casing	402	555,000	- 1						555
oduction Casing/Liner	403	516,000							
									511
			504	52 030			530	10,000	511
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bing Ilinead Equipment	405	75,000	505	22,000 0 0 0	511	26,593	531 506 507 508	10,000 98,000 12,000 60,000	6: 10: 9: 12: 6: 6: 2:
bing linead Equipment pring Unit me Mover sps-Sub Surface (BH) riks wknes	405	75,000	505	22,000 0 0 0	511 512	26,593 140,007	531 506 507 508 532	10,000 98,000 12,000 60,000 6,000	66 100 91 12 68 66 20
bing lihead Equipment paping Unit me Mover ds mps-Sub Surface (BH) riks whines aler Treater/Separator ctrical System		75,000	505	22,000 0 0 0	511	26,593	531 506 507 508 532	10,000 98,000 12,000 60,000 6,000	66 10 90 11 60 66 20 140
bing Jilinead Equipment Jimping Unit me Mover ds. mps-Sub Surface (BH) mks whes aler Trealer/Separator etrical System kers/Anchors/Hangers	414	75,000	505	22,000 0 0 0 0	511 512 513	26,593 140,007 130,000	531 506 507 508 532	10,000 98,000 12,000 60,000 6,000	66 10 90 11 60 66 20 140 140
bing linead Equipment pring Unit me Mover 6s mps-Sub Surface (BH) riks wiknes aler Trealer/Separator ctrical System chrishons/Hangers uplings/Fittings/valves		75,000	505	22,000 0 0 0	511 512 513 515	26,593 140,007	531 506 507 508 532	10,000 98,000 12,000 60,000 6,000	66 100 91 12 68 66 20
bing linead Equipment pring Unit me Mover ds mps-Sub Surface (BH) riks whines aler Trealer/Separator ctrical System ckers/Anchors/Hangers uptings/Fittings/Valves hydration	414	75,000	505	22,000 0 0 0 0	511 512 513 515 517	26,593 140,007 130,000	531 506 507 508 532	10,000 98,000 12,000 60,000 6,000	66 10 90 11 60 66 20 140 140
ining linead Equipment pring Unit me Moree 5. mps-Sub Surface (BH) this where set realer/Separator ctrical System ctrical System ctrical System systems	414	75,000	505	22,000 0 0 0 0	511 512 513 515	26,593 140,007 130,000	531 506 507 508 532	10,000 98,000 12,000 60,000 6,000	66 10 90 11 60 66 20 140 140
ining lihead Equipment pring Unit me Morer \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	414	75,000	505	22,000 0 0 0 0	511 512 513 515 517	26,593 140,007 130,000	531 506 507 508 532	10,000 98,000 12,000 60,000 6,000	66 10 90 11 60 66 20 140 140
bing Jilinead Equipment Jimping Unit me Mover ds. mps-Sub Surface (BH) mks whes aler Trealer/Separator etrical System kers/Anchors/Hangers	414	75,000	505	22,000 0 0 0 0	511 512 513 515 517 518	26,593 140,007 130,000 102,282	531 506 507 508 532	10,000 98,000 12,000 60,000 6,000	6: 10: 9! 1: 6: 6: 2: 14: 14: 7: 10:
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ing lilnead Equipment pring Unit and Equipment pring Unit me Mover # # # # # # # # # # # # # # # # # # #	414 415	75,000	509	22,000 0 0 0 0	511 512 513 515 517 518 521 522	26,593 140,007 130,000 102,282 4,717 10,462	531 506 507 508 532 533 534	10,000 98,000 12,000 60,000 6,000 110,000 4,000 7,000 5,000	6 10 9 1. 6 6 2. 14 14 14 14 17 70 10 10 11 11 11 11 11
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ing lilhead Equipment pring Unit me Mover \$ \$ \$ mps-Sub Surface (BH) ixs when ster Treater/Separator ctrical System kers/Anchors/Hangers plings/Fittings/Valves yydration ction Plant/CO2 Equipment mps-Surface muneralation/SCADA/POC cellaneous fittingsnry ered ACT	414 415	75,000	509	22,000 0 0 0 0	511 512 513 515 517 518 521 522 523 524 525	26,593 140,007 130,000 102,282 4,717 10,482 5,241	531 506 507 508 532 533 534	10,000 98,000 12,000 60,000 6,000 110,000 4,000 7,000 5,000	6 10 9 1. 1 6 6 6 22 1 1 1 1 1 1 1 1 1 1 1 1 1 1
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ing ing illnead Equipment pring Unit as Mover is ings-Sub Surface (BH) ings-Sub Surface (BH) ings-Sub Surface (BH) ings-Sub Surface (BH) ings-Sub Surface inter Treated/Separator trical System inter/Anchors/Hangers plings/Fillings/Valves ydration ition Plant/Cos Equipment ings-Surface umentation/SCADA/POC cellelaneous firigency arrai/ACT as/Combustors/Emission LIII/Compression COTAL TANGIBLES TOTAL WELL COSTS % of Total Well Cost	414 415	75,000	505 509 514 519 520	22,000 0 0 0 0 66,000	511 512 513 515 517 518 521 522 523 524 525 526	26,593 140,007 130,000 102,282 4,717 10,482 5,241 25,156 23,584 580,238	531 506 507 508 532 533 534 529 535 536	10,000 98,000 12,000 60,000 6,000 10,000 4,000 7,000 5,000 5,000	6 100 11 11 11 11 11 11 11 11 11 11 11 11
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ing ing illnead Equipment pring Unit as Mover is ings-Sub Surface (BH) ings-Sub Surface (BH) ings-Sub Surface (BH) ings-Sub Surface (BH) ings-Sub Surface inter Treated/Separator trical System inter/Anchors/Hangers plings/Fillings/Valves ydration ition Plant/Cos Equipment ings-Surface umentation/SCADA/POC cellelaneous firigency arrai/ACT as/Combustors/Emission LIII/Compression COTAL TANGIBLES TOTAL WELL COSTS % of Total Well Cost	414 415 419 420	1,198,000 5,038,100 36%	505 509 514 519 520	22,000 0 0 0 0 15,000 155,030 7,682,000	511 512 513 515 517 518 521 522 523 524 525 526	26,593 140,007 130,000 102,282 4,717 10,462 5,241 25,186 23,864 58,531 590,238	531 506 507 508 532 533 534 529 535 536	10,000 99,000 112,000 60,000 6,000 110,000 4,000 7,000 5,000 5,000 227,000 307,000	6 100 9 1 1 6 2 2 14 14 7 7 10
ing linead Equipment pping Unit ne Mover is is inpa-Sub Surface (BH) is inpa-Surface inpaniforation inpani	414 415 419 420	75,000 1,198,000 5,038,100	505 509 514 519 520	22,000 0 0 0 0 56,000 15,000 155,030 7,682,000	511 512 513 515 517 518 521 522 523 524 525 526	26,593 140,007 130,000 102,282 4,717 10,462 5,241 25,186 23,864 58,531 590,238	531 506 507 508 532 533 534 529 535 536	10,000 99,000 112,000 60,000 6,000 110,000 4,000 7,000 5,000 5,000 227,000 307,000	6 100 9 1 1 6 2 2 14 14 7 7 10
ining linead Equipment purpor Unit to the Mores of the Mo	414 415 419 420	1,198,000 5,038,100 36%	505 509 514 519 520	22,000 0 0 0 0 15,000 155,030 7,682,000	511 512 513 515 517 518 521 522 523 524 525 526	26,593 140,007 130,000 102,282 4,717 10,462 5,241 25,186 23,864 58,531 590,238	531 506 507 508 532 533 534 529 535 536	10,000 99,000 112,000 60,000 6,000 110,000 4,000 7,000 5,000 5,000 227,000 307,000	6 10 10 9 11 1 1 1 1 1 1 1 1 1 1 1 1 1 1
ining linead Equipment purpose Vision of the Control of the Contro	414 415 419 420	1,198,000 5,038,100 36%	505 509 514 519 520	22,000 0 0 0 0 15,000 155,030 7,682,000	511 512 513 515 517 518 521 522 523 524 525 526	26,593 140,007 130,000 102,282 4,717 10,462 5,241 25,186 23,864 58,531 590,238	531 506 507 508 532 533 534 529 535 536	10,000 99,000 112,000 60,000 6,000 110,000 4,000 7,000 5,000 5,000 227,000 307,000	6 10 9 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
ining linead Equipment purpor Unit to the Mores of the Mo	414 415 419 420	1,198,000 5,038,100 36% tate Prepared:	505 509 514 519 520	22,000 0 0 0 0 15,000 155,030 7,882,000 \$5%	511 512 513 515 517 518 521 522 523 524 525 526	26,593 140,007 130,000 102,282 4,717 10,462 5,241 25,186 23,864 58,531 590,238	531 506 507 508 532 533 534 529 535 536	10,000 99,000 112,000 60,000 6,000 110,000 4,000 7,000 5,000 5,000 227,000 307,000	6 10 10 9 11 1 1 1 1 1 1 1 1 1 1 1 1 1 1
ing linead Equipment pings Unit and Equipment pings Surface Unit and Equipment pings Surface Pings Unit and Equipment pings Surface Pings Unit and Equipment pings Surface Pings Unit and Equipment	414 415 419 420	1,198,000 5,038,100 36% tate Prepared:	505 509 514 519 520	22,000 0 0 0 0 15,000 155,030 7,682,000	511 512 513 515 517 518 521 522 523 524 525 526	26,593 140,007 130,000 102,282 4,717 10,462 5,241 25,186 23,864 58,531 590,238	531 506 507 508 532 533 534 529 535 536	10,000 99,000 112,000 60,000 6,000 110,000 4,000 7,000 5,000 5,000 227,000 307,000	6 10 10 9 11 1 1 1 1 1 1 1 1 1 1 1 1 1 1
ing ing inead Equipment pring Unit se Moves s s spa-Sub Surface (BH) ks s inpa-Sub Surface (BH) ks s inpa-Sub Surface (BH) ks inhines ter Treater/Separator trical System ter/Anchors/Hangers plings/HItings/Valves ydration sition Plan/ICO2 Equipment pps-Surface unrentation/SCADA/POC cellaneous (regency reful.ACT as/Combustory/Emission LIII/Compression OTAL TANGBLES TOTAL WELL COSTS % of Total Well Cost.	414 415 419 420	1,198,000 5,038,100 36% tate Prepared:	505 509 514 519 520	22,000 0 0 0 0 15,000 155,030 7,882,000 \$5%	511 512 513 515 517 518 521 522 523 524 525 526	26,593 140,007 130,000 102,282 4,717 10,462 5,241 25,186 23,864 58,531 590,238	531 506 507 508 532 533 534 529 535 536	10,000 99,000 112,000 60,000 6,000 110,000 4,000 7,000 5,000 5,000 227,000 307,000	6 100 9 1 1 6 2 2 14 14 7 7 10

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



October 9, 2018

MECO IV, LLC 1200 17th Street, Ste 975 Denver, CO 80202

Re: Baseball Cap Federal Com 601H, 701H & 702H

Sec 24: E/2 E/2 - T24S-R34E Sec 25: E/2 E/2 - T24S-R34E Lea County, New Mexico

Dear Sir/Madam:

COG Operating LLC ("COG"), as Operator, hereby proposes to drill the following wells located in the E/2E/2 of Section 24 and E/2E/2 of Section 25, 24S-34E, Lea County, New Mexico:

The Baseball Cap Federal Com 601H well has a surface hole location of 430' FSL and 1,080' FEL of Section 25 and a bottom hole location of 200' FNL and 760' FEL of Section 24, 24S-34E, or at a legal location as approved by the governing regulatory agency, to a TVD of approximately 12,642' and a MD of approximately 22,600' to test the Bone Spring Formation ("Operation"). The total cost of the Operation is estimated to be \$13,919,803.00, and a detailed description of the cost is set out in the enclosed Authority for Expenditure ("AFE").

The Baseball Cap Federal Com 701H well has a surface hole location of 430' FSL and 1,050' FEL of Section 25 and a bottom hole location of 200' FNL and 330' FEL of Section 24, 24S-34E, or at a legal location as approved by the governing regulatory agency, to a TVD of approximately 12,882' and a MD of approximately 22,500' to test the Wolfcamp Formation ("Operation"). The total cost of the Operation is estimated to be \$14,520,203.00, and a detailed description of the cost is set out in the enclosed Authority for Expenditure ("AFE").

The **Baseball Cap Federal Com 702H** well has a surface hole location of 430' FSL and 1,110' FEL of Section 25 and a bottom hole location of 200' FNL and 760' FEL of Section 24, 24S-34E, or at a legal location as approved by the governing regulatory agency, to a TVD of approximately 12,837' and a MD of approximately 22,500' to test the Wolfcamp Formation ("Operation"). The total cost of the Operation is estimated to be \$14,520,203.00, and a detailed description of the cost is set out in the enclosed Authority for Expenditure ("AFE").

COG is proposing to drill these wells under the terms of the modified 1989 AAPL form of Operating Agreement which is enclosed for your review and approval. The Operating Agreement covers Sec 24: E/2 E/2 - T24S-R34E and Sec 25: E/2 E/2 - T24S-R34E. It has the following general provisions:

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

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico Exhibit No. 1E

Submitted by: **COG OPERATING, LLC**Hearing Date: January 10, 2019
Case Nos. 20070-20073

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

- 3 year primary term
- Delivering a 75% NRI, proportionately reduced
- \$5,000 per net acre bonus consideration

The Term Assignment offer terminates November 15, 2018 and is subject to the approval of COG's management and verification of title.

If an agreement cannot be reached within 30 days of the date of this letter, COG will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the proposed well if uncommitted at such time.

If you have any questions, please do not hesitate to contact the undersigned at (432) 685-4352 or msolomon@concho.com.

Respectfully,

Matt Solomon Staff Landman

-	I/We hereby elect to participate in the Baseball Cap Federal Com 601H.
	I/We hereby elect <u>not</u> to participate in the Baseball Cap Federal Com 601H.
	I/We hereby elect to participate in the Baseball Cap Federal Com 701H.
	I/We hereby elect <u>not</u> to participate in the Baseball Cap Federal Com 701H.
	The hereby elect <u>nor</u> to participate in the Baseban Cap i ederal Com 70111.
	I/We hereby elect to participate in the Baseball Cap Federal Com 702H.
	I/We hereby elect <u>not</u> to participate in the Baseball Cap Federal Com 702H.
	1/ We hereby elect <u>mor</u> to participate in the Baseban Cap rederal Com 702H.
Company:	MECO IV, LLC
By:	
Name:	<u> </u>
Title:	
Date:	

COG OPERATING LLC AUTHORITY FOR EXPENDITURE DRILLING

WELL NAME:	Baseball Cap Federal Com #701H	PROSPECT NAME:	Bulldog 2434	
SHL	Sec 25: 430 FSL & 1050 FEL	STATE & COUNTY:	New Mexico, Lea	
BHL:	Sec 24: 200 FNL & 330 FEL	OBJECTIVE:	DRILL AND COMPLETE	
FORMATION:	Wolfcamp	DEPTH:	22,500	
LEGAL:	Sec 25: 24S-34E	TVD:	12.882	

INTANGIBLE COSTS Title/Curative/Permit	201	Drig - Rig Release(D) 20,000		Completion(C)		Tank Btty Constrctn(TB)		Pmpg Equipment(PEQ)	<u>TOTA</u>
surance	202	2,500	302		3				2,
amages/Right of Way	203	20,000	303		351				20,
rvey/Stake Location	204	7,000	205	40.000	352		200	r 000	7,
cation/Pits/Road Expense rilling / Completion Overhead	205	14,100		10,000	353	45,000	366	5,000	195,
	206			15,000					29,
urnkey Contract	207	0							
nywork Contract	209	1,148,000							1,148,
rectional Drilling Services	210	548,000	-						548,
ac Equipment		0.10,000	307	1,393,000					1,393,
ac Chemicals			308	464,000					464,
ac Proppant			309	799,000					799,
ac Proppant Transportation			310	392,000					392
el 5 Power	211	268,000	311	68,000	354		367		336
iler	212	60,000	312	950,000			368	5,000	1,015
S	213	153,000	313	4,500			369		157
d & Chemicals	214	285,000	314	25,000			370		310
II Slem Test	215	. 0	315						
ring & Analysis	216	0							-
ment Surface	217	28,000							28
ment Intermediale	218	75,000							75
ment 2nd Intermediate/Production	219	115,000	8 .						115
ment Squeeze & Other (Kickoff Plug)	220	0	į į				371		
at Equipment & Centralizers	221	45,000							45
sing Crews & Equipment	222	70,000	8 8						70
hing Tools & Service	223	0					372		
ologic/Engineering	224	16,800			355		373		16
ntract Labor	225	6,500	325	20,000	356	122,935	374	10,000	159
npany Supervision	226	84,600	326	15,000	357		375		99
stract Supervision	227	195,000	327	255,000	358		376	6,000	456
ting Casing/Tubing	228	30,000	328	5,000			377	8,000	43
d Logging Unit	229	61,000	329						61
aging	230	0	6. a				378		
forating/Wireline Services	231	4,000		529,000			379		533
mutation/Treating			332	397,000			380		397
mpletion Unit			333	138,000			381	20,000	158
abbing Unit			334				382		-
ntals-Surface	235	230,000	335	403,000	359		383	6,000	639
ntals-Subsurface	236	185,000	336	30,000			384		215
cking/Forklift/Rig Mobilization	237	200,000	337	20,000	360		385	20,000	240
Iding Services	238	3,000	338	5,000	361		386		8
ter Disposal	239	0	339	60,000	362	135,000	387		195
g to Abandon	240	0	340						
smic Analysis	241	0	341				าตก		-
scellaneous	242	0	342				389		-
ntingency	243	81,000	343	250,000	363		390		331
osed Loop & Environmental	244	350,000	344	5,000	364		388		355
ed Diesel	245		345	476,000					
il Tubing whack Crews & Equip			346	750,000					750
Sel Directional/Frac	248		348	48,000			391		48
TOTAL INTANGIBLES	240	4,440,500	340	7,526,500		302,935	391	80,000	12,349.
TOTAL INTANCIDEEO		4,440,300	2	7,020,000		302,933		00,000	12,340,
NGIBLE COSTS									
face Casing	401	52,000							52,
irmediate Casing	402	555,000	Ī						555
duction Casing/Liner	403	516,000							516
ping			504	52,030			530	10,000	62
lihead Equipment	405	75,000	505	22,000			531	10,000	107
nping Unit				0			506	98,000	98
ne Mover			- 6	0			507	12,000	12
ds			- 3	0			508	60,000	
mps-Sub Surface (BH)			509				532	6,000	6
nks			1		510	63,645			63
wlines			- 1		511	26,593			26,
ster Treater/Separator					512	140,007			140
ctrical System			1		513	130,000	533	10,000	140
kers/Anchors/Hangers	414		514	66,000		27	534	4,000	70
plings/Fittings/Valves	415		- 3		515	102.282			102
nydration			- 1		517				
ction Plant/CO2 Equipment			Ī		518				
nps-Surface			- 5		521	4,717			4
umentation/SCADA/POC			- 1		522	10,482	529	7,000	17
cellaneous	419		519		523	5,241	535	5,000	10
lingency	420		520		524		536	5,000	5
ers/LACT		16	- 1		525	25,156			25
es/Combustors/Emission			- 1		526	23,584			23
Lift/Compression			527	15,000	516	58,531	528		73
OTAL TANGIBLES		1,198,000		155,030		590,238		227,000	2,170
TOTAL WELL COSTS		5,638,500	-	7,682,000		893,173		307,000	14,520
% of Total Well Cost		39%		53%		6%		2%	
		Date Prepared:		8/16/18					
50		COG Operating LLC							
approve% Working Interest		By		KL-AB-RL-CH					
pany:									
ed Name:									
		This AFE is only an estir of the actual costs incur		By signing you agree to	рау ү	our share			

COG OPERATING LLC AUTHORITY FOR EXPENDITURE DRILLING

WELL NAME:	Baseball Cap Federal Com #702H	PROSPECT NAME:	Bulldog 2434
SHL:	Sec 25: 430 FSL & 1110 FEL	STATE & COUNTY:	New Mexico, Lea
BHL:	Sec 24: 200 FNL & 760 FEL	OBJECTIVE:	DRILL AND COMPLETE
FORMATION:	Wolfcamp	DEPTH:	22,500
LEGAL:	Sec 25: 24S-34E	TVD:	12,837

NTANGIBLE COSTS	201	Drig - Rig Release(D)		Completion(C)		Tank Btty Constrctn(TB)		Pmpq Equipment(PEQ)	<u> 101</u>
itle/Curative/Permit	201	20,000	302						_
amages/Right of Way	203	20,000	303		351				
urvey/Stake Location	204	7,000			352			N .	
ocation/Pits/Road Expense rilling / Completion Overhead	205	135,000 14,100	305	10,000	353	45,000	366	5,000	_ 1
urnkey Contract	207	14,100	300	15,000					
ootage Contract	208	0	9						
Daywork Contract	209	1,148,000	8						1,1
Pirectional Drilling Services	210	548,000							5
rac Equipment			307	1,393,000					1,3
rac Chemicals	- 3		308	464,000					4
rac Proppant rac Proppant Transportation	- 3		309	799,000 392,000					7
uel & Power	211	268,000	311	68,000	354		367		3:
/aler	212	60,000	312	950,000	004		368	5,000	1,0
ils	213	153,000	313	4,500			369		1
ud & Chemicals	214	285,000	314	25,000			370		3
rill Slem Test	215	0	315						
oring & Analysis	216	0							1
ement Surface	217	28,000	8 3						
ement Intermediale	218	75,000	9 2						
ement 2nd Intermediate/Production ement Squeeze & Other (Kickoff Plug)	219	115,000					371		1
oat Equipment & Centralizers	221	45,000	3				VII		
asing Crews & Equipment	222	70,000	9						-
shing Tools & Service	223	0	323				372		
eologic/Engineering	224	16,800	324		355		373		
ontract Labor	225	6,500	325	20,000	356	122,935	374	10,000	15
ompany Supervision	226	84,600	326	15,000	357		375	A.W. 10.	5
ontract Supervision	227	195,000	327	255,000	358		376	6,000	45
esting Casing/Tubing	228 _	30,000	328	5,000			377	8,000	
lud Logging Unit	229	61,000	329				270		
ogging erforating/Wireline Services	230 _	4,000	331	529,000			378 379		50
timulation/Treating	231 _	4,000	332	397,000			380		36
ompletion Unit			333	138,000			381	20,000	15
wabbing Unit	- 5		334	100,000			382	20,000	7
entals-Surface	235	230,000	335	403,000	359		383	6,000	63
entals-Subsurface	236	185,000	336	30,000			384		21
ucking/Forklift/Rig Mobilization	237	200,000	337	20,000	360		385	20,000	24
elding Services	238	3,000	338	5,000	361		386		
ater Disposal	239	0	339	60,000	362	135,000	387		19
ug to Abandon	240	0	340		11				_
eismic Analysis iscellaneous	241	0	341		100		389		_
ontingency	242	81,000	342	250,000	363		390		33
lased Loop & Environmental	244	350,000	344	5,000	364		388		36
yed Diesel	245	, 1004, 915	345	476,000			000	7	
oil Tubing			346	750,000					75
lowback Crews & Equip			347	48,000					4
ffset Directional/Frac	248		348				391		
TOTAL INTANGIBLES	-	4,440,500	y 3	7,526,500	- 1	302,935		80,000	12,34
ANGIBLE COSTS		927930							
rface Casing	401	52,000			- 13				5
ermediate Casing eduction Casing/Liner	402	555,000	1		- 6			-	55
bing	403	516,000	504	52,030			530	10,000	51
ellhead Equipment	405	75,000	505	22,000	3		531	10,000	10
imping Unit				0			506	98,000	9
ime Mover	1		1	0	1		507	12,000	1
ods	- 3			0			508	60,000	- 6
mps-Sub Surface (BH)	3		509				532	6,000	
nks)		510	63,645			6
owlines	1				511	26,593			2
ater Treater/Separator			-		512	140,007		210930	14
ectrical System	44.			2227	513	130,000	533	10,000	14
ouplings/Fittings/Valves	414		514	66,000	515	400.000	534	4,000	7
hydration	410				515 517	102,282			10
ection Plant/CO2 Equipment	_				518			1	-
mps-Surface					521	4,717		*	
strumentation/SCADA/POC	-				522		529	7,000	1
scellaneous	419		519		523		535	5,000	1
ntingency	420		520		524		536	5,000	
ters/LACT					525	25,156			2
res/Combustors/Emission	3				526	23,584			2
s Lift/Compression		, and a second	527		516		528		7
TOTAL TANGIBLES	-	1,198,000	-	155,030	0.0	590,238		227,000	2.17
TOTAL WELL COSTS	===	5,638,500	- 2	7,682,000	-	893,173		307,000	14,52
% of Total Well Cost G Operating LLC		39%		53%		6%		2%	
	<u>.c</u>	late Prepared		8/16/18					
e approve % Working Interest		COG Operating LLC		KL-AR-PS-CH					
approve		OG Operating LLC		KL-AB-PS-CH					

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



August 30, 2018

MECO IV, LLC 1200 17th Street, Suite 975 Denver, CO 80202

Baseball Cap Federal Com 607H, 608H, 707H, & 708H Well Proposals

Sec 24: W/2 W/2 - T24S-R34E Sec 25: W/2 W/2 - T24S-R34E Lea County, New Mexico

Dear Sir/Madam:

Re:

COG Operating LLC ("COG"), as Operator, hereby proposes to drill the following wells located in the W/2W/2 of Section 24 and W/2W/2 of Section 25, 24S-34E, Lea County, New Mexico:

The **Baseball Cap Federal Com 607H** well has a surface hole location of 340' FSL and 1,030' FWL of Section 25 and a bottom hole location of 200' FNL and 1,220' FWL of Section 24, 24S-34E, or at a legal location as approved by the governing regulatory agency, to a TVD of approximately 12,614' and a MD of approximately 22,300' to test the Bone Spring formation ("Operation"). The total cost of the Operation is estimated to be \$13,919,803.00, and a detailed description of the cost is set out in the enclosed Authority for Expenditure ("AFE").

The **Baseball Cap Federal Com 608H** well has a surface hole location of 340' FSL and 970' FWL of Section 25 and a bottom hole location of 200' FNL and 330' FWL of Section 24, 24S-34E, or at a legal location as approved by the governing regulatory agency, to a TVD of approximately 12,718' and a MD of approximately 22,400' to test the Bone Spring formation ("Operation"). The total cost of the Operation is estimated to be \$13,919,803.00, and a detailed description of the cost is set out in the enclosed Authority for Expenditure ("AFE").

The **Baseball Cap Federal Com 707H** well has a surface hole location of 340' FSL and 1,000' FWL of Section 25 and a bottom hole location of 200' FNL and 760' FWL of Section 24, 24S-34E, or at a legal location as approved by the governing regulatory agency, to a TVD of approximately 12,908' and a MD of approximately 22,600' to test the Wolfcamp Formation ("Operation"). The total cost of the Operation is estimated to be \$14,520,203.00, and a detailed description of the cost is set out in the enclosed Authority for Expenditure ("AFE").

The **Baseball Cap Federal Com 708H** well has a surface hole location of 340' FSL and 940' FWL of Section 25 and a bottom hole location of 200' FNL and 330' FWL of Section 24, 24S-34E, or at a legal location as approved by the governing regulatory agency, to a TVD of approximately 12,784' and a MD of approximately 22,500' to test the Wolfcamp Formation ("Operation"). The total cost of the Operation is estimated to be \$14,520,203.00, and a detailed description of the cost is set out in the enclosed Authority for Expenditure ("AFE").

COG is proposing to drill these wells under the terms of the modified 1989 AAPL form of Operating Agreement which is enclosed for your review and approval. The Operating Agreement covers Sec 24: W/2 W/2 - T24S-R34E and Sec 25: W/2 W/2 - T24S-R34E. It has the following general provisions:

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

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

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

The Term Assignment offer terminates November 15, 2018 and is subject to the approval of COG's management and verification of title.

If an agreement cannot be reached within 30 days of the date of this letter, COG will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the proposed well if uncommitted at such time.

If you have any questions, please do not hesitate to contact the undersigned at (432) 685-4352 or msolomon@concho.com.

Respectfully,

Matt Solomon Staff Landman

Baseball Cap Federal Com 607H, 608H, 707H, & 708H

	I/We hereby elect to participate in the Baseball Cap Federal Com 607H.
	I/We hereby elect <u>not</u> to participate in the Baseball Cap Federal Com 607H.
	I/We hereby elect to participate in the Baseball Cap Federal Com 608H.
	I/We hereby elect <u>not</u> to participate in the Baseball Cap Federal Com 608H.
	I/We hereby elect to participate in the Baseball Cap Federal Com 707H.
	I/We hereby elect <u>not</u> to participate in the Baseball Cap Federal Com 707H.
,,	I/We hereby elect to participate in the Baseball Cap Federal Com 708H.
	I/We hereby elect <u>not</u> to participate in the Baseball Cap Federal Com 708H.
Company:	MECO IV, LLC
By:	
Date	

COG OPERATING LLC AUTHORITY FOR EXPENDITURE DRILLING

WELL NAME:	Baseball Cap Federal Com #707H	PROSPECT NAME:	Bulldog 2434	
SHL	Sec 25: 340 FSL & 1000 FWL	STATE & COUNTY:	New Mexico, Lea	
BHL:	Sec 24: 200 FNL & 760 FWL	OBJECTIVE:	DRILL AND COMPLETE	
ORMATION:	Wolfcamp	DEPTH:	22,600	
EGAL:	Sec 25: 24S-34E	TVD:	12,908	

INTANGIBLE COSTS Title/Curative/Permit	201	Drig - Rig Release(D) 20,000		Completion(C)		Tank Bity Constrctn(TB)		Pmpg Equipment(PEQ)	TOTAL 20,000
Insurance	202	2,500	302						2,500
Damages/Right of Way	203	20,000	303		351				20,000
Survey/Stake Location	204	7,000			352				7,000
Location/Pits/Road Expense	205	135,000			353	45,000	366	5,000	195,000
Drilling / Completion Overhead Turnkey Contract	206	14,100	306	15,000					29.100
Foolage Contract	208	0							0
Daywork Contract	209	1_148,000							1,148,000
Directional Drilling Services	210	548,000							548,000
Frac Equipment			307	1,393,000					1,393,000
Frac Chemicals			308	464,000					464,000
Frac Proppant Frac Proppant Transportation			309						799,000
Fuel & Power	211	268,000	311	68,000	354)	367		336,000
Water	212	60,000	312	950,000			368	5,000	1,015,000
Bits	213	153,000	313	4,500			369		157,500
Mud & Chemicals	214	285,000	314	25,000			370		310,000
Drill Stem Teut	215	0	315						0
Coring & Analysis Cement Surface	216 217	28,000							28,000
Cement Intermediale	218	75,000	8						75,000
Cement 2nd Intermediate/Production	219	115,000				"			115,000
Cement Squeeze & Other (Kickoff Plug)	220	0					371		0
Float Equipment & Centralizers	221	45,000							45,000
Casing Crews & Equipment	222	70,000	· Same				0		70,000
Fishing Tools & Service Geologic/Engineering	223	16,800	323		355		372 373		16,800
Contract Labor	224	6,500	324	20,000	355	122,935	374	10,000	16,800
Company Supervision	226	84,600	326	15,000	357	124,833	375	10,000	99,600
Contract Supervision	227	195,000	327	255,000	358		376	6,000	456,000
Testing Casing/Tubing	228	30,000	328	5,000			377	8,000	43,000
Mud Logging Unit	229	61,000	329						61,000
Logging Perforating Mireline Services	230	4,000	331	529,000			378 379		533.000
Perforating/Wireline Services Slimulation/Treating	231	4,000	332	397,000			380		533,000 397,000
Completion Unit			333	138,000			381	20,000	158.000
Swabbing Unit			334				382		0
Rentals-Surface	235	230,000	335	403,000	359		383	6,000	639,000
Rentals-Subsurface	236	185,000	336	30,000			384		215,000
Trucking/Forklift/Rig Mobilization	237	200,000	337	20,000	360		385	20,000	240,000
Welding Services Water Disposal	238 239	3,000	338	5,000	361 362	135,000	386		195,000
Plug to Abandon	240	0	340	60,000	302	130,000	387		195,000
Seismic Analysis	241	0	341						0
Miscellaneous	242	0	342				389	·	0
Contingency	243	81,000	343	250,000	363		390		331,000
Closed Loop & Environmental	244	350,000	344	5,000	364		388		355,000
Dyed Diesel	245		345	476,000					750 000
Coll Tubing Flowback Crews & Equip			346	750,000					750,000 48,000
Offset Directional/Frac	248		348	40,000			391		0
TOTAL INTANGIBLES		4,440,500		7,526,500		302,935		. 80,000	12,349,935
TANGIBLE COSTS									
Surface Casing	401	52,000							52,000
Intermediate Casing Production Casing/Liner	402 403	555,000 516,000							555,000
Tubing	403	310,000	504	52,030			530	10,000	516,000 62,030
Wellhead Equipment	405	75,000	505	22,000			531	10,000	107,000
Pumping Unil				0			506	98,000	98,000
Prime Mover				0			507	12,000	12,000
Rods				0			508	60,000	60,000
Pumps Sub Surface (BH)			509		E/10	20.5:	532	6,000	6,000
Tanks Flowlines					510 511	63,645 26,593			63,645 26,593
Heater Treater/Separator					512	140,007			140,007
Electrical System					513	130,000	533	10,000	140,000
Packers/Anchors/Hangers	414		514	66,000			534	4,000	70,000
Couplings/Fittings/Valves	415				515	102,282			102,282
Dehydration					517				0
Injection Plant/CO2 Equipment					518				0
Pumps-Surface Instrumentation/SCADA/POC					521	4,717	500	7,000	4,717
Miscrianeous	419		519		522 523	10.482 5,241	529 535	7,000 5,000	17,482
Contingency	420		520		524	5,241	536	5,000	5,000
Meters/LACT					525	25,156			25,156
Flares/Combustors/Emission					526	23,584			23,584
Gas Lift/Compression			527		516	58,531	528		73,531
TOTAL TANGIBLES TOTAL WELL COSTS		1,198,000 5,638,500		155,030 7,682,000		590,238 893,173		227,000 307,000	2,170,268
% of Total Well Cost		39%		53%		6%		2%	14,520,203
		Date Prepared:		8/16/18					
We applove% Working Interest		COG Operating LLC By:	_	KL-AB-PS-CH				e	
Company. By.									
Profed Name									
Title:		This AFE is only an estim	ate E	By signing you agree to pay	your	share			

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

COG OPERATING LLC AUTHORITY FOR EXPENDITURE DRILLING

Baseball Cap Federal Com #708H	PROSPECT NAME:	Bulldog 2434	
Sec 25: 340 FSL & 940 FWL	STATE & COUNTY:	New Mexico, Lea	
Sec 24: 200 FNL & 330 FWL	OBJECTIVE:	DRILL AND COMPLETE	
Wolfcamp	DEPTH:	22.500	
Sec 25: 24S-34E	TVD:	12,784	
	Sec 25: 340 FSL & 940 FWL Sec 24: 200 FNL & 330 FWL Wolfcamp	Sec 25: 340 FSL & 940 FWL STATE & COUNTY Sec 24: 200 FNL & 330 FWL OBJECTIVE: Wolfcamp DEPTH:	Sec 25: 340 FSL & 940 FWL STATE & COUNTY: New Mexico, Lea Sec 24: 200 FNL & 330 FWL OBJECTIVE: DRILL AND COMPLETE Wolfcamp DEPTH: 22,500

		Drig - Rig				Tank Btty		Pmpg	
INTANGIBLE COSTS		Release(D)		Completion(C)		Constrctn(TB)		Equipment(PEQ)	TOTAL
Titte/Curative/Permit	201	20,000		W-WIFEWANDE.					20,00
Insurance	202	2,500							2,50
Damages/Right of Way	203	20,000			351				20.00
Survey/Stake Location	204	7,000			352				7,00
Location/Psa/Road Expense Drilling / Completion Overhead	205	135,000				45,000	366	5,000	195,00
Turnkey Contract	207	14,100		15,000					29,10
Footage Contract	208	0							
Daywork Contract	209	1,148,000							
Directional Drilling Services	210	548,000							1,148,00
Frac Equipment			307	1,393,000					1,393,00
Frac Chemicals			308						464,00
Frac Proppant			309	799,000					799,00
Frac Proppani Transportation			310						392,00
Fuel & Power	211	268,000	311	68,000	354		367		336,00
Water	212	60,000		950,000			368	5,000	1,015,00
Bits	213	153,000		4,500			369		157,50
Mud & Chemicals	214	265,000		25,000			370		310,00
Drill Stem Test	215	0	315						
Coring & Analysis	216	0							
Cement Surface	217	28,000							28,00
Cement Intermediate	218	75,000							75,00
Cernent 2nd Intermediate/Production	219	115,000	6						115,000
Cement Squeeze & Other (Kickoff Plug)	220	45 000					371		-
Float Equipment & Centralizers Casing Crews & Equipment	221	45,000 70,000							45,00
Fishing Tools & Service	222	70,000	323				270		70,000
Geologic/Engineering	223	16,800	323		355		372 373		16.00
Contract Labor	229	6,500	324	20,000	356	122,935	373	10,000	16,800
Company Supervision	226	84,600	326	15,000	357	122,935	374	10,000	159,436
Contract Supervision	227	195,000	327	255,000	358		376	6,000	456,000
Testing Casing/Tobing	228	30,000	328	5,000	- 500		377	8,000	43,000
Mud Logging Unit	229	61,000	329	.,,000			-/-	0,000	61,000
Logging	230	0					378		07,000
Perforating/Wireline Services	231	4,000	331	529,000			379		533,000
Stimulation/Treating			332	397,000			380		397,000
Completion Unit			333	138,000			381	20,000	158,000
Swabbing Unit			334				382		
Rentals-Surface	235	230,000	335	403,000	359		383	6,000	639,000
Rentals-Subsurface	236	185,000	336	30,000			384		215,000
Trucking/Forkitt/Rig Mobilization	237	200,000	337	20,000	360		385	20,000	240,000
Welding Services	238	3,000	338	5,000	361		386		8,000
Water Disposal	239	0	339	60,000	362	135,000	387		195,000
Plug to Abandon Seismic Analysis	240 241	0	340						0
Miscellaneous	242	0	341				369		0
Contingency	243	81,000	343	250,000	363		390		0
Closed Loop & Environmental	244	350,000	344	5,000	364		388		331,000
Dyed Diesel	245		345	476,000	004		500		333,000
Coil Tubing			346	750,000					750,000
Flowback Crews & Equip			347	48,000					48,000
Offset Directional/Frac	248		348				391		
TOTAL INTANGIBLES		4,440,500		7,526,500		302,935		80,000	12,349,935
TANGIBLE COSTS									
Surface Casing	401	52,000							52,000
Intermediate Casing	402	555,000			1 3				555,000
Production Casing/Liner	403	516,000							516,000
Tubing			504	52,030			530	10,000	62,030
Nellhead Equipment	405	75,000	505	22,000			531	10,000	107,000
Prime Mover				0	-		506	98,000	98,000
Prime Mover Rods				. 0			507	12,000	12,000
Pumps-Sub Surface (BH)			500				508	60,000	60,000
Tanks			509		510	63,645	532	6,000	6,000
Flowlines					511			-	63,645
Feater Treater/Separator					512	26,593 140,007			26,593 140,007
Electrical System					513		533	10,000	140,007
Packers/Anchors/Hangers	414		514	66,000		100,000	534	4,000	70,000
Couplings/Fittings/Valves	415			55,530	515	102,282		4,000	102,282
Dehydration					517	702,202			102,282
ryection Plant/CO2 Equipment		7			518				0
Pumps-Surface		- A			521	4,717			4,717
nstrumentation/SCADA/POC					522	17.0741707001	529	7,000	17,482
/liscellaneous	419		519		523	5,241	535	5,000	10,241
Conlingency	420		520		524		536	5,000	5,000
Meters/LACT					525	25,156	- 7		25,156
lares/Combustors/Emission			-		526	23,584			23,584
Sas Lift/Compression			527		516 .		528		73,531
TOTAL TANGIBLES		1,198,000		155,030		590,238		227,000	2,170,268
TOTAL WELL COSTS		5,638,500	125	7,682,000	22	893,173		307,000	14,520,203
% of Total Well Cost		39%		53%		6%		2%	
OG Operating LLC									
		Date Prepared		8/16/18					
		COG Operating LLC							
Ve approve:% Working Interest		By:		KL-AB-PS-CH					
							_		
ompany:									
y:									
rinted Name:									

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

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

APPLICATION OF COG OPERATING LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 20070, 20071, 20072 & 20073

AFFIDAVIT OF BRIAN SITEK

Brian Sitek, of lawful age and being first duly sworn, declares as follows:

- 1. My name is Brian Sitek. I work for COG Operating LLC ("COG") as a geologist.
- 2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology. My credentials as a petroleum geology have been accepted by the Division and made a matter of record.
- 3. I am familiar with the applications filed by COG in these cases and I have conducted a geologic study of the Bone Spring and Wolfcamp formations underlying the subject acreage.
- 4. COG is targeting the Bone Spring formation (Third Bone Spring interval) with its proposed Baseball Cap Federal Com No. 601H Well in Case No. 20070, and its Baseball Cap Federal Com No. 607H Well and Baseball Cap Federal Com No. 608H Well in Case No. 20071.
- 5. COG is also targeting the Wolfcamp formation with its proposed Baseball Cap Federal Com No. 701H and 702H Wells in Case No. 20072, and its Baseball Cap Federal Com No. 707H and 708H Wells in Case No. 20073.
- 6. **COG Exhibit No. 2A** is a subsea structure map that I prepared for the top of the Wolfcamp Formation in Exhibit 2A. It is representative of the targeted interval in the Wolfcamp

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Case Nos. 20070-20073

Formation in Case Nos. 20072 and 20073. The proposed Baseball Cap Federal Com No. 701H, 702H, 707H and 708H Wells, which target the Wolfcamp, are depicted by a red dashed line. Existing producing wells in the Wolfcamp are represented by solid red lines. The structure map shows that the formation is gently dipping to the south in this area. I do not observe any faulting, pinchouts, or other geologic impediments to developing the targeted Wolfcamp interval with a horizontal well in this area.

- 7. COG Exhibit No. 2B is the same subsea structure map that I prepared depicting the top of the Wolfcamp Formation. It is also representative of the targeted Third Bone Spring interval in Case Nos. 20070 and 20071. The contour intervals are 25 feet and the proposed wellbore path for the Baseball Cap Federal Com No. 601H, 607H and 608H Wells, which target the Third Bone Spring interval, are depicted by purple dashed lines. Existing producing wells in the Third Bone Spring are represented by solid purple lines. The structure map shows that the formation is gently dipping to the south in this area. I do not observe any faulting, pinchouts, or other geologic impediments to developing the Third Bone Spring interval with a horizontal well in this area.
- 8. COG Exhibit No. 2C shows a cross-section line in green consisting of three wells penetrating the Bone Spring formation and the targeted Wolfcamp interval that I used to construct a stratigraphic cross-section from A to A'. I consider these wells to be representative of the geology in the area.
- 9. **COG Exhibit No. 2D** is a cross section using the representative wells depicted on Exhibit 2C. Each well in the cross-section contains gamma ray, resistivity, and porosity logs, with the exception of the Pitchfork 36 State 1 well, which has only gamma ray and resistivity logs. The proposed target interval in the Third Bone Spring is labeled and depicted by the top set

of green brackets on the left-hand side of the exhibit. The proposed Wolfcamp target interval is depicted by the lower set of green brackets on the left-hand side of the exhibit. The cross-section demonstrates that the targeted intervals extends across the proposed spacing and proration units in all cases.

- 10. In my opinion the south to north orientation of the proposed wells in the Bone Spring and Wolfcamp formations is the preferred orientation for horizontal well development in this area and is appropriate to efficiently and effectively develop the subject acreage.
- 11. Based on my geologic study, both the Bone Spring and Wolfcamp formations underlying the subject area are suitable for development by horizontal wells and the acreage comprising the proposed spacing and proration units will contribute more-or-less equally to the production from the wellbores.
- 12. In my opinion, the granting of COG's application will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

FURTHER AFFIANT SAYETH NOT.

Brian Sitek

COUNTY OF MIDLAND

SUBSCRIBED and SWORN to before me this _946 day of January 2019 by

Brian Sitek.

Melissa L Dimit
Notary Public, State of Texas
Notary ID 12542763-4
My Commission Exp. 09-09-2021

NOTARY PUBLIC

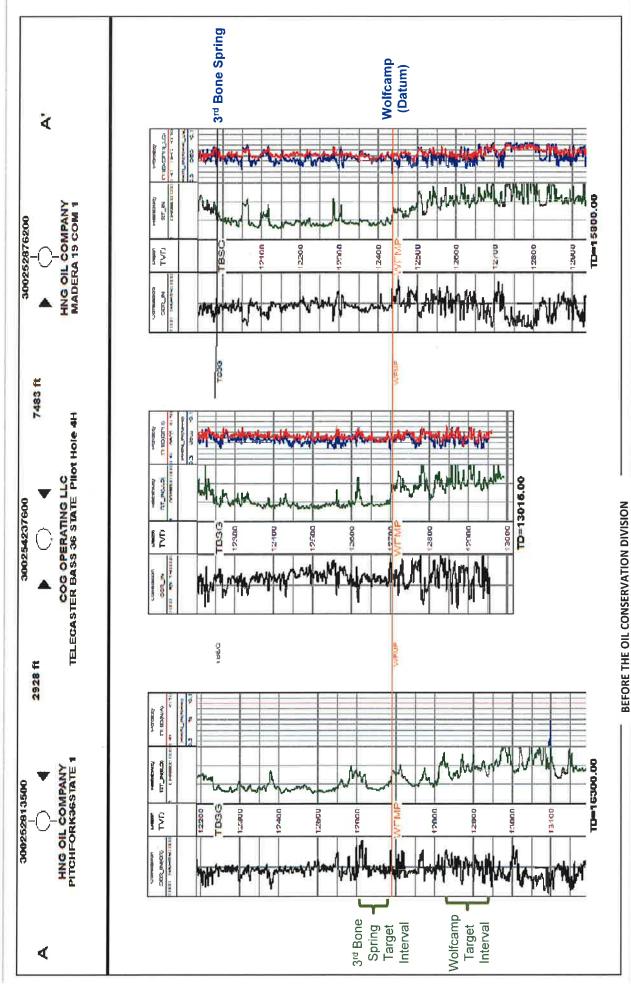
My Commission Expires:

9/9/2021

Hearing Date: January 10, 2019 Case Nos. 20070-20073

Case Nos. 20070-20073







Santa Fe, New Mexico
Exhibit No. 2D
Submitted by: COG OPERATING, LLC
Hearing Date: January 10, 2019

Submitted by: COG OPERATIN
Hearing Date: January 10, 20
Case Nos. 20070-20073

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

APPLICATION COG OPERATING, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 20070

AFFIDAVIT

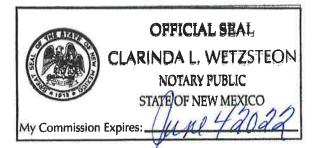
STATE OF NEW MEXICO)	
)	SS
COUNTY OF SANTA FE)	

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

Adam G. Rankin

SUBSCRIBED AND SWORN to before me this 9th day of January 2019 by Adam G. Rankin.

Notary Public The State of the



BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico
Exhibit No. 3A

Submitted by: **COG OPERATING, LLC**Hearing Date: January 10, 2019
Case Nos. 20070-20073



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

October 26, 2018

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of COG Operating LLC for compulsory pooling, Lea County,

New Mexico.

Baseball Cap Federal Com No. 601H Well

Ladies & Gentlemen:

This letter is to advise you that COG Operating LLC has filed the enclosed application with the New Mexico Oil Conservation Division. This application will be set for hearing before a Division Examiner at 8:15 a.m. on November 15, 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 Matt Solomon at (432) 685-4352 or MSolomon@concho.com.

Jordan L. Kessler

ATTORNEY FOR COG OPERATING LLC

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1 MailClass	TrackingNo	CustomField1	ToName	DeliveryAddress	City	State 7	Zip
2 Certified with Return Receipt (Signature)	9414810898765020659181	64683 - COG Baseball Cap - 1	Bradley S. Bates	101 Blackberry Court	Midland	¥	79705
3 Certified with Return Beceipt (Signature)	9414810898765020659198	64683 - COG Baseball Cap - 2	Energen Resources Corporation	605 Richard Arrington, Jr. Blvd North	Birmingham	AL	35203
(Signa	9414810898765020659204	64683 - COG Baseball Cap - 3	MECO IV LLC	1200 17th Street Suite 975	Denver	9	80202
5 Certified with Return Receipt (Signature)	9414810898765020659211	64683 - COG Baseball Cap - 4	64683 - COG Baseball Cap - 4 Commerce First Royalties, LLC	14241 Dallas Parkway Suite 600	Dallas	¥	75254

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н	MailDate	USPS_Status
7	10/26/2018	2 10/26/2018 The delivery status of your item has not been updated as of October 29, 2018, 10:45 pm. We apologize that it may arrive later than expected.
m	10/26/2018	3 10/26/2018 Your item was delivered to an individual at the address at 12:48 pm on October 30, 2018 in BIRMINGHAM, AL 35203.
4	10/26/2018	4 10/26/2018 Your item was delivered to the front desk, reception area, or mail room at 3:52 pm on October 30, 2018 in DENVER, CO 80202.
2	10/26/2018	10/26/2018 Your item was delivered to an individual at the address at 4:57 pm on October 29, 2018 in DALLAS, TX 75254.

Affidavit of Publication

STATE OF NEW MEXICO **COUNTY OF LEA**

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

> Beginning with the issue dated November 01, 2018 and ending with the issue dated November 01, 2018.

Publisher

Sworn and subscribed to before me this 1st day of November 2018.

Business Manager

My commission expires

January 29, 2019

OFFICIAL SEAL GUSSIE BLACK Notary Public State of New Mexico My Commission Expires

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

LEGAL

LEGAL

LEGAL NOTICE NOVEMBER 1, 2018

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

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on November 15, 2018, in the Oil Conservation Division Hearing Room at 1220 South St. Francis. Santa Fe. New Mexico, before an examiner duly appoint for the hearing. If you are an individual with a disability who is in need of a reader, amplifler, 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. 1-800-859-1779 by November 5, 2018. Public documents, including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed. of accessible form is needed.

TATE 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 overriding royalty interest owners and pooled parties, including: Energen Resources Corporation; Devon Energy Production; James R. Jackson, his heirs and devisees; White Living Trust c/o Cathy W. Brunlcardi; Chilmark Properties LLC c/o Robert Landreth; Crownrock Minerals LP.

Case No. 20074: Application of COG Operating LLC for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation underlying a 320-acre horizontal spacing unit comprised of the E/2E/2 of Section 10 and the E/2E/2 of Section 15, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. COG seeks to dedicate the above-referenced figrizontal spacing unit to the proposed Pork Ple State Com No. 601H Well, to be horizontally drilled from a striface location in the NE/4NE/4 (Unit A) of Section 15. The completed interval for the well will remain within the standard setbacks as required by the Statewide rules for oil wells. Also to be considered will be the cost of drilling and completing the well the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of COG Operating LLC as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 12.5 miles northwest of Jal, New Mexico.

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

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

APPLICATION COG OPERATING, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 20071

AFFIDAVIT

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

Adam G. Rnakin, 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.

Adam G. Rankin

SUBSCRIBED AND SWORN to before me this 9th day of January 2019 by Adam G. Rankin.

otary Public

(1911)

OFFICIAL SEAL

CLARINDA L. WETZSTEON

NOTARY PUBLIC

My Commission Expires:

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico
Exhibit No. 3B
Submitted by: COG OPERATING, LLC

Hearing Date: January 10, 2019 Case Nos. 20070-20073



Jordan L. Kessler Associate Phone (505) 988-4421

Fax (505) 983-6043 ilkessler@hollandhart.com

October 26, 2018

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of COG Operating LLC for compulsory pooling, Lea County,

New Mexico.

Baseball Cap Federal Com No. 701H Well Baseball Cap Federal Com No. 702H Well

Ladies & Gentlemen:

This letter is to advise you that COG Operating LLC has filed the enclosed application with the New Mexico Oil Conservation Division. This application will be set for hearing before a Division Examiner at 8:15 a.m. on November 15, 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 Matt Solomon at (432) 685-4352 or MSolomon@concho.com.

1, 1

Sincerely.

Jordan L. Kessler

ATTORNEY FOR COG OPERATING LLC

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-	1 MailClass	TrackingNo	CustomField1	ToName	DeliveryAddress	City	State Zip	Zip
1	2 Certified with Return Receipt (Signature) 9414810898765020659181	9414810898765020659181	64683 - COG Baseball Cap - 1 Bradley S. Bates	Bradley S. Bates	101 Blackberry Court	Midland	¥	79705
1	3 Certified with Return Receipt (Signature) 9414810898765020659198	9414810898765020659198	64683 - COG Baseball Cap - 2	Energen Resources Corporation	64683 - COG Baseball Cap - 2 Energen Resources Corporation 605 Richard Arrington, Jr. Blvd North Birmingham AL	Birmingham	ΑL	35203
14	4 Certified with Return Receipt (Signature) 9414810898765020659204	9414810898765020659204	64683 - COG Baseball Cap - 3 MECO IV LLC	MECO IV LLC	1200 17th Street Suite 975	Denver	8	80202
150	5 Certified with Return Receipt (Signature) 9414810898765020659211		64683 - COG Baseball Cap - 4	64683 - COG Baseball Cap - 4 Commerce First Royalties, LLC 14241 Dallas Parkway Suite 600	14241 Dallas Parkway Suite 600	Dallas	×	TX 75254

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dailD	ate	1 MailDate USPS_Status
0/26	5/2018	2 10/26/2018 The delivery status of your item has not been updated as of October 29, 2018, 10:45 pm. We apologize that it may arrive later than expected.
0/2	5/2018	10/26/2018 Your item was delivered to an individual at the address at 12:48 pm on October 30, 2018 in BIRMINGHAM, AL 35203.
0/2	5/2018	4 10/26/2018 Your item was delivered to the front desk, reception area, or mail room at 3:52 pm on October 30, 2018 in DENVER, CO 80202.
0/2	6/2018	5 10/26/2018 Your item was delivered to an individual at the address at 4:57 pm on October 29, 2018 in DALLAS, TX 75254.

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

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

> Beginning with the issue dated October 30, 2018 and ending with the issue dated October 30, 2018.

Publisher

Sworn and subscribed to before me this 30th day of October 2018.

Business Manager

My commission expires

January 29, 2019

(Seal)

OFFICIAL SEAL GUSSIE BLACK Notary Public

State of New Mexico
My Commission Expires 1-29-47

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

LEGAL

LEGAL

LEGAL NOTICE OCTOBER 30, 2018

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

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on November 15, 2018, in the Oil Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appoint for the hearing. If you are an individual with a disability who is in need of a reader, amplifler, 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 November 5, 2018. Public documents, including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed.

STATE OF NEW MEXICO TO: All named parties and persons having any right, title, interest or claim in the following 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 overriding royalty interest owners and pooled parties, including: Muleshoe Crude, LP; EOG-A Resources, Inc.; Energen Resources Corporation; MECO IV, LLC; Yates Petroleum Corporation; EOG-M Resources, Inc.; Commerce First Royalties, LLC; OXY Y-1.

Case No. 20071: Application of COG Operating LLC for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation underlying a 320-acre horizontal spacing unit comprised of the W/2W/2 of Section 24 and the W/2W/2 of Section 25, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico. COG seeks to dedicate the above-referenced horizontal spacing unit to two initial wells: the proposed Baseball Cap Federal Com No. 607H Well and the proposed Baseball Cap Federal Com No. 508H Well. These wells will be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) of Section 25 to bottom hole location in the NW/4NW/4 (Unit D) of Section 24. The completed intervals for the Baseball Cap Federal Com No. 608H Well will remain within the standard setbacks as required by the Statewide rules for oil wells. The Baseball Cap Federal Com No. 607H Well is at an unorthodox location. COG will apply administratively for approval of the Baseball Cap Federal Com No. 607H Well unorthodox location. Also to be considered will be the cost of drilling and completing the well the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of COG Operating LLC as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 15 miles northwest of Jal, New Mexico.

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

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

APPLICATION COG OPERATING, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 20072

AFFIDAVIT

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

Adam G. Rankin. Kessler, 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.

Adam G. Rankin

SUBSCRIBED AND SWORN to before me this 9th day of January 2019 by Adam G. Rankin.

Notary Public



BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico
Exhibit No. 3C

Submitted by: COG OPERATING, LLC
Hearing Date: January 10, 2019
Case Nos. 20070-20073



Jordan L. Kessler Associate Phone (505) 988-4421

Fax (505) 983-6043 jlkessler@hollandhart.com

October 26, 2018

<u>VIA CERTIFIED MAIL</u> CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of COG Operating LLC for compulsory pooling, Lea County,

New Mexico.

Baseball Cap Federal Com No. 607H Well Baseball Cap Federal Com No. 608H Well

Ladies & Gentlemen:

This letter is to advise you that COG Operating LLC has filed the enclosed application with the New Mexico Oil Conservation Division. This application will be set for hearing before a Division Examiner at 8:15 a.m. on November 15, 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 Matt Solomon at (432) 685-4352 or MSolomon@concho.com.

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Jordan L. Kessler

ATTORNEY FOR COG OPERATING LLC

Wizbang Report Baseball Cap 607H and 608H 20190110

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-	1 MailClass	TrackingNo T	TransactionDate ToName	ToName	DeliveryAddress	City	State Zip	Zip
7	2 Certified with Return Receipt (Signature)	9.41481E+21	10/29/2018	10/29/2018 Muleshoe Crude, LP	101 Blackberry Court	Midland	ዾ	79705
m	3 Certified with Return Receipt (Signature)	9.41481E+21	10/29/2018	10/29/2018 EOG - A Resources, Inc	5509 Champions Drive	Midland	ĭ	90262
4	4 Certified with Return Receipt (Signature)	9.41481E+21	10/29/2018	10/29/2018 Energen Resources Corporation	605 Richard Arrington, Jr. Blvd. North	Birmingham AL	n AL	35206
2	5 Certified with Return Receipt (Signature)	9.41481E+21	10/29/2018	10/29/2018 MECO IV, LLC Attn: Rhonda Deimer	1200 17th Street, Suite 975	Denver	8	80202
9	6 Certified with Return Receipt (Signature)	9.41481E+21	10/29/2018	10/29/2018 Yates Petroleum Corporation	105 South 4th Street	Artesia	Σ	88210
_	7 Certified with Return Receipt (Signature)	9.41481E+21	10/29/2018	10/29/2018 EOG - M Resources, Inc	5509 Champions Drive	Midland	¥	90262
∞	8 Certified with Return Receipt (Signature)	9.41481E+21	10/29/2018	10/29/2018 Commerce First Royalties, LLC	14241 Dallas Parkway, Suite 600	Dallas	ĭ	75254
0	9 Certified with Return Receipt (Signature) 9.41481E+21	9.41481E+21	10/29/2018 OXY Y-1	OXY Y-1	PO Box 27570	Houston	×	77227

·Wizbang Report Baseball Cap 607H and 608H 20190110

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	1 MailDate USPS_Status	USPS_Status
L	2 10/29/2018	2 10/29/2018 The delivery status of your item has not been updated as of November 2, 2018, 10:40 pm. We apologize that it may arrive later than expected.
_	3 10/29/2018	3 10/29/2018 Your item was picked up at a postal facility at 7:36 am on November 2, 2018 in MIDLAND, TX 79702.
	4 10/29/2018	4 10/29/2018 Your item departed our USPS facility in ALBUQUERQUE, NM 87101 on November 7, 2018 at 8:57 pm. The item is currently in transit to the destination.
	5 10/29/2018	5 10/29/2018 Your item was delivered to the front desk, reception area, or mail room at 1:51 pm on November 2, 2018 in DENVER, CO 80202.
_	5 10/29/2018	6 10/29/2018 Your item was delivered to an individual at the address at 8:04 am on November 2, 2018 in ARTESIA, NM 88210.
1	7 10/29/2018	7 10/29/2018 Your item was picked up at a postal facility at 7:35 am on November 5, 2018 in MIDLAND, TX 79702.
	8 10/29/2018	8 10/29/2018 Your item was delivered to the front desk, reception area, or mail room at 3:41 pm on November 5, 2018 in DALLAS, TX 75254.
_	3 10/29/2018	9 10/29/2018 Your item has been delivered and is available at a PO Box at 2:03 pm on November 1, 2018 in HOUSTON, TX 77227.
_		

Affidavit of Publication

STATE OF NEW MEXICO **COUNTY OF LEA**

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

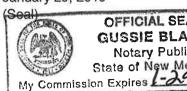
> Beginning with the issue dated October 30, 2018 and ending with the issue dated October 30, 2018.

Publisher

Sworn and subscribed to before me this 30th day of October 2018.

Business Manager

My commission expires January 29, 2019



OFFICIAL SEAL **GUSSIE BLACK** Notary Public State of New Mexico

This newspaper is duly qualified to publish

legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

LEGAL

LEGAL

LEGAL NOTICE OCTOBER 30, 2018

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

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on November 15, 2018, in the Oil Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appoint for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact: Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by November 5, 2018. Public documents, including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed. The State of New Mexico through its Oil Conservation 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 overriding royalty interest owners and pooled parties, including: Muleshoe Crude, LP; EOG-A Resources, Inc.; Energen Resources Corporation; MECO IV, LLC; Yates Petroleum Corporation; EOG-M Resources, Inc.; Commerce First Royalties, LLC; OXY

Case No. 20072: Application of COG Operating LLC for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Wolfcamp formation underlying a 320-acre horizontal spacing unit comprised of the E/2E/2 of Section 24 and the E/2E/2 of Section 25, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico. COG seeks to dedicate the above-referenced horizontal spacing unit to two initial wells: the proposed Baseball Cap Federal Com No. 701H Well, and the proposed Baseball Cap Federal Com No. 702H Well. These wells will be horizontally drilled from a surface location in the SE/4SE/4 (Unit P) of Section 25 to bottom hole location in the NE/4NE/4 (Unit A) of Section 24. The completed intervals for each well will remain within the standard setbacks as required by the Statewide rules for oil wells. Also to be considered will be the cost of drilling and completing the well the allocation of the cost thereof, as well completing the well the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of COG Operating LLC as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 15 miles northwest of Jal, New Mexico. #33393

67100754

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

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

APPLICATION COG OPERATING, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 20073

AFFIDAVIT

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

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

Adam G. Rankin

SUBSCRIBED AND SWORN to before me this 9th day of January 2019 by Adam G. Rankin.

ary Public

CLARINDA L. WETZSTEON
NOTARY PUBLIC
STATE OF NEW MEXICO

My Commission Expires:_

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. 3D

Submitted by: **COG OPERATING, LLC**Hearing Date: January 10, 2019
Case Nos. 20070-20073



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

October 26, 2018

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of COG Operating LLC for compulsory pooling, Lea County,

New Mexico.

Baseball Cap Federal Com No. 707H Well Baseball Cap Federal Com No. 708H Well

Ladies & Gentlemen:

This letter is to advise you that COG Operating LLC has filed the enclosed application with the New Mexico Oil Conservation Division. This application will be set for hearing before a Division Examiner at 8:15 a.m. on November 15, 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 Matt Solomon at (432) 685-4352 or MSolomon@concho.com.

Sincerely,

Jordan L. Kessler

ATTORNEY FOR COG OPERATING LLC

Wizbang Report Baseball Cap 607H and 608H 20190110

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Н	1 MailClass	TrackingNo	TrackingNo TransactionDate ToName	ToName	DeliveryAddress	City	State Zip	Zip
7	2 Certified with Return Receipt (Signature)	9.41481E+21	10/29/2018	10/29/2018 Muleshoe Crude, LP	101 Blackberry Court	Midland	Ķ	79705
m	3 Certified with Return Receipt (Signature)	9.41481E+21	10/29/2018	10/29/2018 EOG - A Resources, Inc	5509 Champions Drive	Midland	¥	90/6/
4	4 Certified with Return Receipt (Signature)	9.41481E+21	10/29/2018	10/29/2018 Energen Resources Corporation	605 Richard Arrington, Jr. Blvd. North	n Birmingham AL	m AL	35206
S	5 Certified with Return Receipt (Signature)	9.41481E+21	10/29/2018	10/29/2018 MECO IV, LLC Attn: Rhonda Deimer	1200 17th Street, Suite 975	Denver	8	80202
9	6 Certified with Return Receipt (Signature)	9.41481E+21	10/29/2018	10/29/2018 Yates Petroleum Corporation	105 South 4th Street	Artesia	Σ	88210
_	7 Certified with Return Receipt (Signature)	9.41481E+21	10/29/2018	10/29/2018 EOG - M Resources, Inc	5509 Champions Drive	Midland	ĭ	90262
∞	8 Certified with Return Receipt (Signature)	9.41481E+21	10/29/2018	10/29/2018 Commerce First Royalties, LLC	14241 Dallas Parkway, Suite 600	Dallas	ዾ	75254
6	9 Certified with Return Receipt (Signature)	9.41481E+21	10/29/2018 OXY Y-1	OXY Y-1	PO Box 27570	Houston	¥	77227

Wizbang Report Baseball Cap 607H and 608H 20190110

Н	1 MailDate USPS_Status
7	2 10/29/2018 The delivery status of your item has not been updated as of November 2, 2018, 10:40 pm. We apologize that it may arrive later than expected.
m	3 10/29/2018 Your item was picked up at a postal facility at 7:36 am on November 2, 2018 in MIDLAND, TX 79702.
4	4 10/29/2018 Your item departed our USPS facility in ALBUQUERQUE, NM 87101 on November 7, 2018 at 8:57 pm. The item is currently in transit to the destination.
2	5 10/29/2018 Your item was delivered to the front desk, reception area, or mail room at 1:51 pm on November 2, 2018 in DENVER, CO 80202.
<u>_</u>	6 10/29/2018 Your item was delivered to an individual at the address at 8:04 am on November 2, 2018 in ARTESIA, NM 88210.
	7 10/29/2018 Your item was picked up at a postal facility at 7:35 am on November 5, 2018 in MIDLAND, TX 79702.
_∞	8 10/29/2018 Your item was delivered to the front desk, reception area, or mail room at 3.41 pm on November 5, 2018 in DALLAS, TX 75254.
Īο	9 10/29/2018 Your item has been delivered and is available at a PO Box at 2:03 pm on November 1, 2018 in HOUSTON, TX 77227

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

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

> Beginning with the issue dated October 30, 2018 and ending with the issue dated October 30, 2018.

Publisher

Sworn and subscribed to before me this 30th day of October 2018.

Business Manager

My commission expires

January 29, 2019



OFFICIAL SEAL
GUSSIE BLACK
Notary Public
State of New Mexico

My Commission Expires

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

LEGAL

LEGAL

LEGAL NOTICE OCTOBER 30, 2018

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

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on November 15, 2018, in the Oil Conservation Division Hearing Room at 12:20 South St. Francis, Santa Fe, New Mexico, before an examiner duly appoint for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact: Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by November 5, 2018. Public documents, including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed.

STATE OF NEW MEXICO TO: All named parties and persons having any right, title, interest or claim in the following 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 overriding royalty interest owners and pooled parties, including: Muleshoe Crude, LP; EOG-A Resources, Inc.; Energen Resources Corporation; MECO IV, LLC; Yates Petroleum Corporation; EOG-M Resources, Inc.; Commerce First Royalties, LLC; OXY y-1.

Case No. 20073: Application of COG Operating LLC for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Wolfcamp formation underlying a 320-acre horizontal spacing unit comprised of the W/2W/2 of Section 24 and the W/2W/2 of Section 25, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico. COG seeks to dedicate the above-referenced horizontal spacing unit to two initial wells: the proposed Baseball Cap Federal Com No. 707H Well and the proposed Baseball Cap Federal Com No. 707H Well and the proposed Baseball Cap Federal Com No. 708H Well. These wells will be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) of Section 25 to bottom hole location in the NW/4NW/4 (Unit D) of Section 24. The completed intervals for each well will remain within the standard setbacks as required by the Statewide rules for oil wells. Also to be considered will be the cost of drilling and completing the well the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of COG Operating LLC as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 15 miles northwest of Jal, New Mexico.

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