

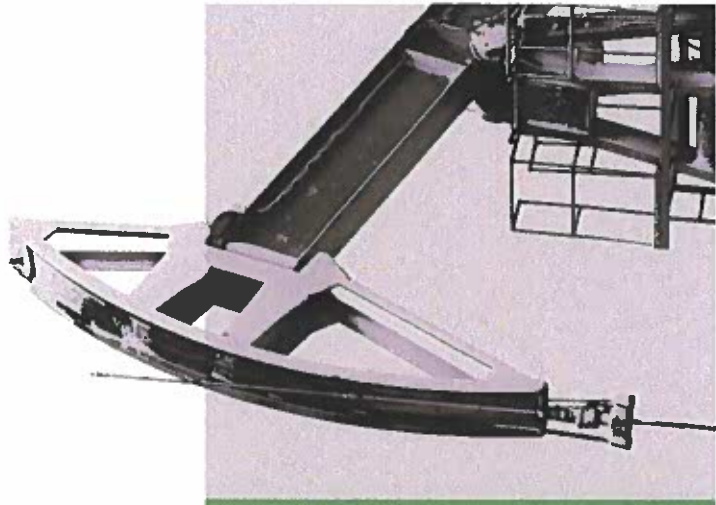


# COG OPERATING LLC

*Honey Graham State Com 701H*

Section 20, 29 & 32-T26S-28E

Eddy County, New Mexico



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

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

**CASE NO. 20928**

**AFFIDAVIT OF TRAVIS MACHA**

Travis Macha, of lawful age and being first duly sworn, declares as follows:

1. My name is Travis Macha. I am employed by 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 application filed by COG in this matter and I am familiar with the status of the lands in the subject area.
4. No party proposed to be pooled in this case has expressed opposition to this proceeding, therefore I do not expect any opposition at hearing.
5. COG seeks an order pooling all uncommitted interests in the Wolfcamp formation (Purple Sage-Wolfcamp Gas Pool) (Pool Code 98220) underlying the standard 767.57-acre, more or less, horizontal well spacing unit comprised of the E/2 of Sections 20 and 29 and the N/2NE/4 and Lots 3 and 4 of irregular Section 32, Township 26 South, Range 28 East, NMPM, Eddy County, New Mexico. This standard horizontal well spacing unit will be dedicated to the proposed **Honey Graham State Com 701H Well** which will be

horizontally drilled to a depth sufficient to test the Wolfcamp formation with the first take point for this well in Unit A (NE/4NE/4) of Section 20 and the last take point in Lot 4 of Section 32.

6. Each take point in this well will comply with the setback requirements imposed by the Special Pool Rules for the Purple Sage-Wolfcamp Gas Pool (Division Order No. R-14262).
7. **COG Exhibit No. A-1** is a draft of Form C-102 (Well Location and Acreage Dedication Plat) for the proposed Honey Graham State Com 701H Well.
8. **COG Exhibit No. A-2** identifies the tracts of land in the proposed spacing unit, which is comprised of State of New Mexico and fee lands. This exhibit also identifies the interest ownership in each tract and in the total unit. COG is seeking to pool only the owners highlighted in yellow on this exhibit.
9. COG has conducted a diligent search of the public records in Eddy County, including phone directories and computer data bases. All interest owners that COG seeks to pool are locatable.
10. **COG Exhibit No. A-3** is a copy of COG's well proposal letter to the parties it is seeking to pool and the AFE for this well. The costs reflected in this AFE are consistent with what COG and other operators have incurred for drilling and completing similar horizontal wells in this formation.
11. **COG Exhibit No. A-4** is COG's letter to uncommitted interest owners providing each with notice of the hearing in this case.
12. In addition to these letters, COG has attempted to contact each of these owners to reach agreement with them for the voluntary commitment of their interests to this well.

13. 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 these parties before the Division enters an order in this case, I will advise the Division that COG no longer seeks to pool those interests.
14. COG requests that the order entered in this case authorize it to withhold from each non-participating working interest owner's share of production from the well, a charge for risk in an amount equal to 200% of such owners reasonable share of the costs of drilling and completing the well.
15. COG estimates the overhead and administrative costs for drilling and completing the proposed well at \$7000 per month while drilling and \$700 per month while producing. COG requests that these charges be incorporated into any order resulting from this hearing and that these costs be adjusted annually pursuant to the COPAS accounting procedures.
16. These costs are consistent with what other operators are charging in this area for similar wells.
17. No ownership depth severances exist in the proposed spacing unit and there are no unleased minerals in the subject acreage.
18. I provided our legal counsel a list of names and addresses for the owners that COG seeks to pool and instructed that they be notified of this hearing.
19. **COG Exhibits A-1 through A-4** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT



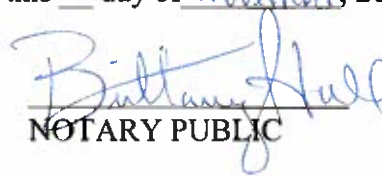
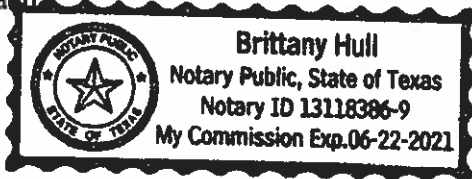
Travis Macha

STATE OF TEXAS )

)

COUNTY OF MIDLAND )

SUBSCRIBED and SWORN to before me this 21<sup>th</sup> day of November, 2019 by Travis Macha

  
NOTARY PUBLIC

My Commission Expires: 6-22-21

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

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

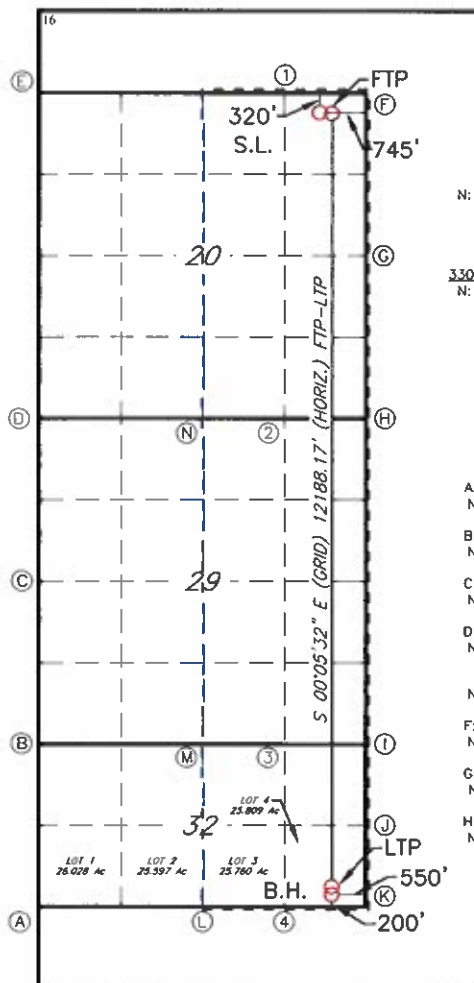
Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number <b>30-015-</b>		<sup>2</sup> Pool Code <b>98220</b>		<sup>3</sup> Pool Name <b>Purple Sage; Wolfcamp</b>					
<sup>4</sup> Property Code <b>38476</b>		<sup>5</sup> Property Name <b>HONEY GRAHAM STATE COM</b>						<sup>6</sup> Well Number <b>701H</b>	
<sup>7</sup> OGRID NO. <b>229137</b>		<sup>8</sup> Operator Name <b>COG OPERATING, LLC</b>						<sup>9</sup> Elevation <b>3064'</b>	
<sup>10</sup> Surface Location									
UL or lot no. <b>A</b>	Section <b>20</b>	Township <b>26S</b>	Range <b>28E</b>	Lot Idn	Feet from the <b>320</b>	North/South line <b>NORTH</b>	Feet From the <b>745</b>	East/West line <b>EAST</b>	County <b>EDDY</b>
<sup>11</sup> Bottom Hole Location If Different From Surface									
UL or lot no. <b>4</b>	Section <b>32</b>	Township <b>26S</b>	Range <b>28E</b>	Lot Idn	Feet from the <b>200</b>	North/South line <b>SOUTH</b>	Feet from the <b>550</b>	East/West line <b>EAST</b>	County <b>EDDY</b>
<sup>12</sup> Dedicated Acres <b>767.57</b>		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.			

No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.



GEODETIC DATA  
NAD 83 GRID - NM EAST

**SURFACE LOCATION (SL)**  
N: 376326.2 - E: 612583.2  
LAT: 32.0343923° N  
LONG: 104.1034140° W

**LAST TAKE POINT (LTP)**  
330' FSL & 550' FEL (Sec. 32)  
N: 364129.4 - E: 612797.8  
LAT: 32.0008622° N  
LONG: 104.1028055° W

**FIRST TAKE POINT (FTP)**  
330' FNL & 550' FEL (Sec. 20)  
N: 376314.8 - E: 612778.2  
LAT: 32.0343599° N  
LONG: 104.1027848° W

**BOTTOM HOLE (BH)**  
N: 363999.4 - E: 612798.1  
LAT: 32.0005050° N  
LONG: 104.1028055° W

GEODETIC DATA  
NAD 83 GRID - NM EAST

A: FOUND BRASS CAP "1995"  
N: 363793.5 - E: 608039.5

B: FOUND BRASS CAP "1995"  
N: 366121.4 - E: 608035.0

C: FOUND BRASS CAP "1995"  
N: 368761.0 - E: 608041.8

D: FOUND BRASS CAP "1995"  
N: 371399.9 - E: 608048.9

E: CALCULATED CORNER  
N: 376678.5 - E: 608036.7

F: FOUND BRASS CAP "1995"  
N: 376640.9 - E: 613327.9

G: FOUND BRASS CAP "1995"  
N: 373994.4 - E: 613329.1

H: FOUND BRASS CAP "1995"  
N: 371341.8 - E: 613334.8

I: FOUND BRASS CAP "1995"  
N: 366056.4 - E: 613343.5

J: FOUND BRASS CAP "1995"  
N: 364641.9 - E: 613346.6

K: FOUND BRASS CAP "1995"  
N: 363800.2 - E: 613348.4

L: FOUND BRASS CAP "1995"  
N: 363796.6 - E: 610675.9

M: FOUND BRASS CAP "1995"  
N: 366045.1 - E: 610671.1

N: FOUND BRASS CAP "1995"  
N: 371370.8 - E: 610691.8

**CALCULATED POINTS**

1: N: 376650.3 - E: 612005.1  
2: N: 371356.3 - E: 612013.3  
3: N: 366050.8 - E: 612007.3  
4: N: 363798.4 - E: 612012.2

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

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: Date: **10/09/19**

Printed Name: **Robyn M. Russell**

E-mail Address: **Russell@concho.com**

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

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

**09-06-2019**

Date of Survey

Signature and Seal of Professional Surveyor



**19680**

Certificate Number

**BEFORE THE OIL CONSERVATION DIVISION**

Santa Fe, New Mexico

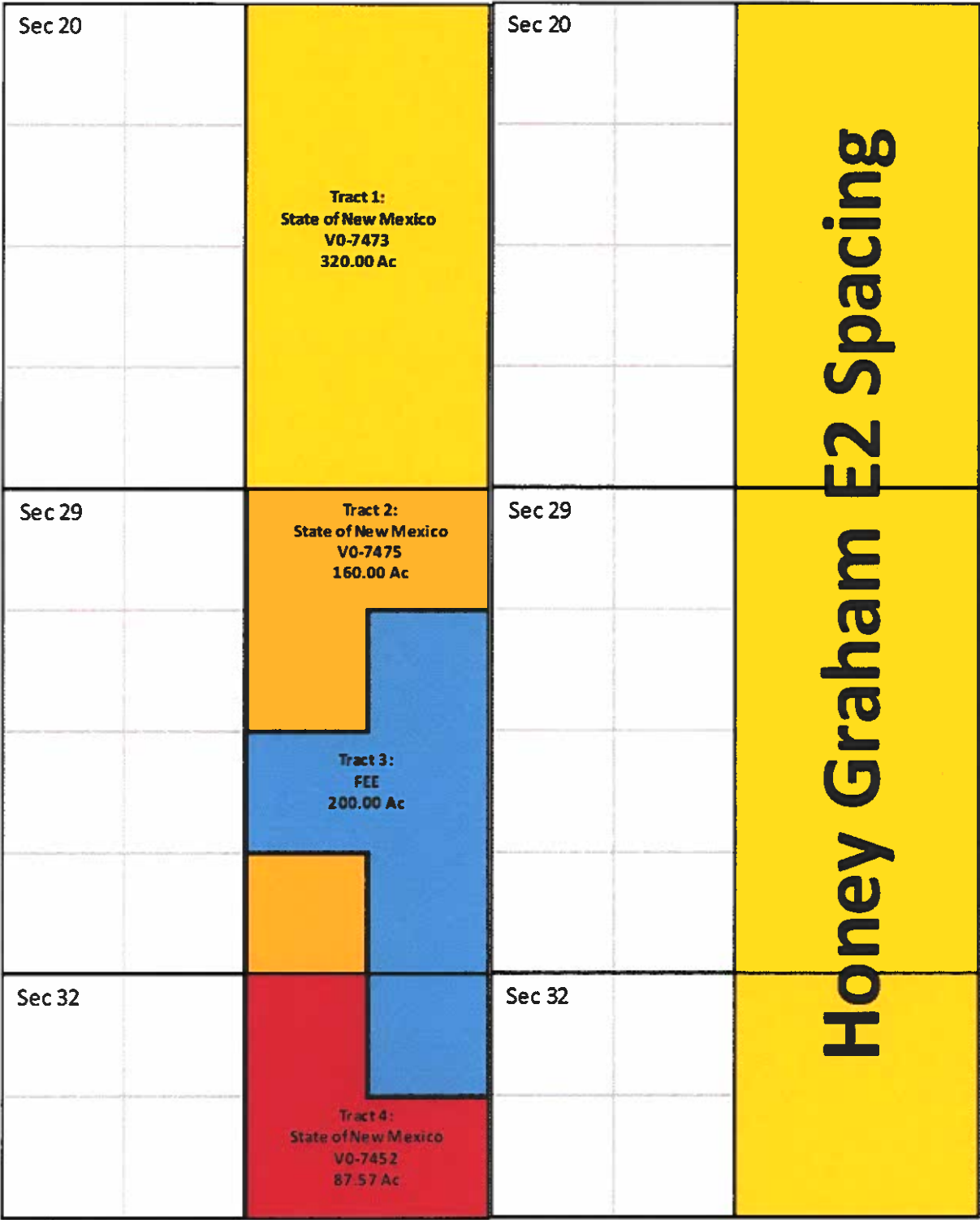
Case No. 20928 Exhibit No. A-1

Submitted by:

**COG OPERATING LLC**

Hearing Date: **December 12, 2019**

Job No.: **LS19090863**



Honey Graham State Com 701H - Compulsory Pooling Info  
Section 20: E2, Section 29: E2, Section 32: N2NE, Lots 3, 4, T26S-R28E - Wolfcamp

Proposal Sent	YES
COM Sent	YES
DPU Sent	YES
JOA Sent	YES

**ORRI Parties to Pool:**

Debra Kay Primera

**NPRI Parties to Pool:**

Edwin H. Fowlkes, III

Christine S. Fowlkes

Christopher Fowlkes

Douglas C. Koch

Camie Wade and husband, Matthew Wade

**Working Interest Parties:**

COG Operating  
LLC  
COG Production  
LLC  
Concho Oil & Gas LLC  
COG Acreage LP  
The Allar  
Company  
EOG Resources,  
Inc.  
Tap Rock Resources, LLC  
Oxy USA, Inc.  
Oxy Y-1 Company  
Sharbro Energy  
LLC

Wayne A. Bissett and wife, Laura Bissett  
Janet Renee Fowlkes Murrey

RI Owner Requiring Pooling:  
Delaware Ranch

Pooling

Leasehold Ownership						
	COG & Concho WI	Allar WI	EOG WI	TRR WI	Oxy WI	Sharbro WI
Tract 1	39.01099%	30.76923%	22.66484%	0.00000%	7.55495%	0.00000%
Tract 2	53.01624%	30.76923%	9.57299%	0.00000%	6.13770%	0.50384%
Tract 3	50.34648%	0.00000%	2.26922%	38.67188%	8.70048%	0.01194%
Tract 4	80.28598%	0.00000%	4.03417%	0.00000%	15.46753%	0.21233%

Note:

Delaware Ranch was sent a Communitization Agreement to sign, no signatures have been received back. Their lease requires consent to pool.

Unit Recapitulation	
Owner	Working Interest
COG Operating LLC	43.630177%
Concho Oil & Gas LLC	2.198558%
COG Production LLC	3.260840%
COG Acreage LP	0.214768%
Tap Rock Operating	10.076443%
The Allar Company	19.241542%
Oxy USA Inc	3.475608%
Oxy Y-1 Company	4.481118%
EOG Resources, Inc.	13.243634%
Sharbro Energy LLC	0.177313%
Total	100.000000%

Parties to Pool Addresses:

Oxy USA, Inc.	WI	5 Greenway Plaza, Suite 110	Houston, TX 77046
Oyx Y-1 Company	WI	5 Greenway Plaza, Suite 110	Houston, TX 77046
The Allar Company	WI	P.O. Box 1567	Graham, TX 76450
Sharbro Energy LLC	WI	P.O. Box 840	Artesia, NM 88211
EOG Resources, Inc.	WI	5509 Champions Drive	Midland, TX 79706
Delaware Ranch, Inc.	WI	1304 Riverside Drive	Carlsbad, NM 88220
Tap Rock Operating, LLC	WI	602 Park Point Drive, Suite 200	Golden, Colorado 80401
Christine S. Fowlkes	NPRI	404 Glenosa Dr.	El Paso, TX 79928
Christopher Fowlkes	NPRI	416 S. Manzanita Drive	El Paso, TX 79928
Douglas C. Koch	NPRI	PO Box 540244	Houston, TX 77254
Wayne A. Bissett and wife, Laura Bissett	NPRI	PO Box 2101	Midland, TX 79702
Camie Wade and husband, Matthew Wade	NPRI	10706 Orlando Ave	Lubbock, TX 79423
Janet Renee Fowlkes Murrey, as her separate property - TO	NPRI	PO Box 417	Eddy, TX 76524
Edwin H. Fowlkes, III	NPRI	PO Box 23416	Waco, TX 76702





September 25, 2019

*Via Certified Mail, Return Receipt Requested*

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

Re: **Honey Graham St Com 701H**  
E/2 of Sections 20, 29, 32, T26S-R28E  
Eddy County, New Mexico

Dear Sir or Madam:

COG Operating, LLC ("COG") has previously proposed multiple wells in this area. Please disregard any and all Honey Graham St Com wells proposals located in the E/2 spacing unit (E/2 of Sections 20 & 29, and Lots 3, 4, N/2 NE/4 of Section 32, T26S-R28E), and consider them rescinded. At this time, COG is proposing the following Honey Graham State well to be located in the E/2 spacing unit:

- **Honey Graham State Com 701H**  
E/2 SPACING UNIT; Wolfcamp A Shale; TVD: 9,240'  
SHL: 320' FNL, 745' FEL (or Unit A), 20-26S-28E  
BHL: 200' FSL, 550' FEL (or Lot 4), 32-26S-28E  
FTP: 330' FNL, 550' FEL (or Unit A), 20-26S-28E  
LTP: 330' FSL, 550' FEL (or Lot 4), 32-26S-28E  
Total Estimated AFE cost: \$13,517,330.30

The previously mailed Operating Agreement, Designation of Pooled Unit, and Communitization Agreement will still apply to this new proposal, so please continue to review them for approval and signature.

As I mentioned in my previous correspondence, I apologize for all of the rescissions and revisions involved with these wells, and hope this letter serves to clarify the intent of COG in this matter. I've also attached preliminary SUD maps for your review.

Please indicate your participation elections in the space provided below, sign and return this letter, along with a signed copy of the enclosed AFEs and a copy of your geologic requirements, to my attention at the letterhead address or by email to [tmacha@concho.com](mailto:tmacha@concho.com). Should you have any questions, please do not hesitate to contact me at 432.221.0452.

**BEFORE THE OIL CONSERVATION DIVISION**

Santa Fe, New Mexico

Case No. 20928 Exhibit No. A-3

Submitted by:

**COG OPERATING LLC**

Hearing Date: December 12, 2019

September 25, 2019 – Page 2  
Honey Graham St Com 701H  
Revised Well Proposal E/2 SPACING UNIT

Sincerely,

**COG Operating LLC**

Travis Macha  
Landman

TM:bh  
Enc

WELL NAME	Elect to PARTICIPATE in drilling and completion	Elect NOT TO PARTICIPATE in drilling and completion
Honey Graham St Com 701H		

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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

September 25, 2019 – Page 3  
Honey Graham St Com 701H  
Revised Well Proposals E/2 SPACING UNIT

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

*Via Electronic Mail, Return Receipt Requested*

*No. 91 7199 9991 7039 7053 7513*

**OXY Y-1 Company**

5 Greenway Plaza, Suite 110

Houston, TX 77046

Attn: Courtney Carr

*Via Electronic Mail, Return Receipt Requested*

*No. 91 7199 9991 7039 7053 7520*

**The Allar Company**

P.O. Box 1567

Graham, TX 76450

Attn: Jack Graham

*Via Electronic Mail, Return Receipt Requested*

*No. 91 7199 9991 7039 7053 7537*

**Sharbro Energy LLC**

P.O. Box 840

Artesia, NM 88211

Attn: Land Manager

*Via Electronic Mail, Return Receipt Requested*

*No. 91 7199 9991 7039 7053 7544*

**EOG Resources, Inc.**

5509 Champions Drive

Midland, TX 79706

Attn: Land Manager

*Via Electronic Mail, Return Receipt Requested*

*No. 91 7199 9991 7039 7053 7896*

**OXY USA Inc.**

5 Greenway Plaza, Suite 110

Houston, TX 77046

Attn: Courtney Carr

*Via Electronic Mail, Return Receipt Requested*

*No. 91 7199 9991 7039 7053 7889*

**Tap Rock Operating LLC**

602 Park Point Drive, Suite 200

Golden, CO 80401

Attn: Land Manager

COG OPERATING LLC  
AUTHORITY FOR EXPENDITURE  
Drill & Complete

Well Name	Honey Graham State Com 701H	Prospect	#717052 ATLAS 2628
SHL SEC 20 UNIT A		State & County	NEW MEXICO, EDDY
BHL SEC 32 Lot 4		Objective	Drill & Complete
Formation	WOLFCAMP	Depth	21,740
Legal	32-26S-28E	TVD	9,240
AFE Numbers			

Cost Description	Code	Cost	Revision	Total
<b>Tangible Costs</b>				
D-Surface Casing	401	\$23,943	\$0.00	\$23,943
D-Intermed Csg	402	\$64,989	\$0.00	\$64,989
D-Production Casing/Liner	403	\$279,338	\$0.00	\$279,338
D-Wellhead Equip	405	\$28,504	\$0.00	\$28,504
C-Tubing	504	\$43,896	\$0.00	\$43,896
C-Wellhead Equip	505	\$15,050	\$0.00	\$15,050
PEQ-Pumping Unit	506	\$109,341	\$0.00	\$109,341
PEQ-Rods	508	\$43,896	\$0.00	\$43,896
TB-Tanks	510	\$85,512	\$0.00	\$85,512
TB-Flowlines/Pipelines	511	\$11,402	\$0.00	\$11,402
TB-Htr Trtr/Seprtr	512	\$119,716	\$0.00	\$119,716
TB-Electrl System/Equipment	513	\$85,512	\$0.00	\$85,512
C-Pckrs/Anchors/Hgrs	514	\$5,701	\$0.00	\$5,701
TB-Couplings/Fittings/Valves	515	\$262,236	\$0.00	\$262,236
TB-Gas Lift/Compression	516	\$28,504	\$0.00	\$28,504
TB-Pumps-Surface	521	\$28,504	\$0.00	\$28,504
TB-Meters/Lacts	525	\$34,205	\$0.00	\$34,205
TB-Flares/Combusters/Emission	526	\$51,307	\$0.00	\$51,307
C-Gas Lift/Compression	527	\$11,402	\$0.00	\$11,402
PEQ-Instrumentation/SCADA/POC	529	\$5,017	\$0.00	\$5,017
PEQ-Wellhead Equipment	531	\$3,763	\$0.00	\$3,763
PEQ-Pumps	532	\$10,033	\$0.00	\$10,033
Total Tangible Costs		\$1,351,788	\$0.00	\$1,351,788

<b>Intangible Costs</b>				
PS-Title/Permits	201	\$15,854	\$0.00	\$15,854
D-Insurance	202	\$5,765	\$0.00	\$5,765
PS-Damages/ROW	203	\$7,206	\$0.00	\$7,206
PS-Survey/Stake Lctn	204	\$8,647	\$0.00	\$8,647
D-Lctn/Pits/Roads	205	\$172,950	\$0.00	\$172,950
D-Drilling Overhead	206	\$8,647	\$0.00	\$8,647
D-Daywork Contract	209	\$588,029	\$0.00	\$588,029
D-Directional Drig Services	210	\$236,364	\$0.00	\$236,364
D-Fuel & Power	211	\$103,770	\$0.00	\$103,770
D-Water	212	\$76,386	\$0.00	\$76,386
D-Bits	213	\$93,681	\$0.00	\$93,681
D-Mud & Chemicals	214	\$129,712	\$0.00	\$129,712
D-Cement Surface	217	\$23,060	\$0.00	\$23,060
D-Cement Intermed	218	\$37,472	\$0.00	\$37,472
D-Prod-2nd Int Cmt	219	\$191,686	\$0.00	\$191,686
D-Float Equipment & Centralizers	221	\$57,650	\$0.00	\$57,650
D-Csg Crews & Equip	222	\$46,120	\$0.00	\$46,120
D-Contract Labor	225	\$10,089	\$0.00	\$10,089
D-Company Sprvsn	226	\$51,885	\$0.00	\$51,885
D-Contract Sprvsn	227	\$92,240	\$0.00	\$92,240
D-Tstg Csg/Tbg	228	\$28,825	\$0.00	\$28,825
D-Mud Logging Unit	229	\$30,266	\$0.00	\$30,266
D-Perf/Wireline Svc	231	\$5,765	\$0.00	\$5,765
D-Rentals-Surface	235	\$165,743	\$0.00	\$165,743
D-Rentals-Subsrfc	236	\$129,712	\$0.00	\$129,712
D-Trucking/Forklift/Rig Mob	237	\$187,362	\$0.00	\$187,362
D-Welding Services	238	\$4,324	\$0.00	\$4,324
D-Contingency	243	\$50,444	\$0.00	\$50,444
D-Envmntl/Clsd Loop	244	\$259,424	\$0.00	\$259,424
C-Lctn/Pits/Roads	305	\$17,583	\$0.00	\$17,583
C-Fuel Delivery & Services	311	\$7,206	\$0.00	\$7,206
C-Water	312	\$1,458,542	\$0.00	\$1,458,542
C-Bits	313	\$6,486	\$0.00	\$6,486
C-Mud & Chemicals	314	\$36,031	\$0.00	\$36,031
C-Contract Labor	325	\$57,650	\$0.00	\$57,650
C-Company Sprvsn	326	\$43,237	\$0.00	\$43,237
C-Contract Sprvsn	327	\$136,918	\$0.00	\$136,918
C-Tstg Csg/Tbg	328	\$14,412	\$0.00	\$14,412
C-Perf/Wireline Svc	331	\$626,942	\$0.00	\$626,942
C-Stimulation/Treating	332	\$5,432,058	\$0.00	\$5,432,058
C-Completion Unit	333	\$61,974	\$0.00	\$61,974
C-Rentals-Surface	335	\$341,575	\$0.00	\$341,575
C-Trucking/Forklift/Rig Mob	337	\$57,650	\$0.00	\$57,650
C-Welding Services	338	\$7,206	\$0.00	\$7,206
C-Water Disposal	339	\$86,475	\$0.00	\$86,475
C-Contingency	343	\$360,312	\$0.00	\$360,312
C-Envmntl/Clsd Loop	344	\$7,206	\$0.00	\$7,206
C-Flowback Crews & Equip	347	\$183,038	\$0.00	\$183,038
TB-Location/Pits/Roads	353	\$122,506	\$0.00	\$122,506
TB-Contract Labor	356	\$115,300	\$0.00	\$115,300
TB-Water Disposal	362	\$129,712	\$0.00	\$129,712
PEQ-Contract Supervision	376	\$7,927	\$0.00	\$7,927
PEQ-Completion Unit	381	\$11,098	\$0.00	\$11,098
PEQ-Rentals-Surface	383	\$9,512	\$0.00	\$9,512
PEQ-Trkg/Forklift/Rig Mobilization	385	\$7,927	\$0.00	\$7,927
Total Intangible Costs		\$12,165,563	\$0.00	\$12,165,563

Total Gross Cost	\$13,517,330.30	\$0.00	\$13,517,330.30
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Note: The above costs are estimates only. Actual costs will be billed as incurred.

COG Operating LLC

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

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

We approve:  
% Working Interest

COG Operating LLC

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

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

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

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



William F. Carr  
Senior Counsel

November 22, 2019

**VIA CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

**TO ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS**

**Re: Case No. 20928: Application of COG Operating LLC for compulsory pooling,  
Eddy County, New Mexico.  
Honey Graham State Com 701H Well**

To Whom It May Concern:

This letter is to advise you that COG Operating LLC has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on December 12, 2019, and the status of the hearing can be monitored through the Division's website at <http://www.emnrd.state.nm.us/ocd/>. Division hearings will commence at 8:15 a.m. in Porter Hall at the Oil Conservation Division's Santa Fe offices located at 1200 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.

Pursuant to Division Rule 19.15.4.13.B, parties appearing in a case are required to file a Pre-hearing Statement at least four business days in advance of a scheduled hearing, but in no event later than 5:00 p.m. mountain time, on the Thursday preceding the scheduled hearing date. The statement must be filed at the Division's Santa Fe office 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 Travis Macha at (432) 221-0452 or [TMacha@concho.com](mailto:TMacha@concho.com).

Sincerely,

William F. Carr  
Senior Counsel for COG Operating LLC

**BEFORE THE OIL CONSERVATION DIVISION**

Santa Fe, New Mexico  
Case No. 20928 Exhibit No. A-4  
Submitted by:

**COG OPERATING LLC**

Hearing Date: December 12, 2019

CORPORATE ADDRESS

ONE CONCHO CENTER | 600 WEST ILLINOIS AVENUE | MIDLAND, TEXAS 79701  
P 432 683 7443 | F 432 683 7441

SANTA FE OFFICE

1048 PASEO DE PERALTA | SANTA FE, NEW MEXICO 87501  
P 505 780 8000 | F 505 428 0485

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

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

**CASE NO. 20928**

**AFFIDAVIT OF BENJAMIN DAVIS**

Benjamin Davis, of lawful age and being first duly sworn, declares as follows:

1. My name is Benjamin Davis. I am employed by COG Operating LLC ("COG") as a Geologist.
2. I have previously testified before the New Mexico Oil Conservation Division and my credentials as a petroleum geologist have been accepted by the Division and made a matter of record.
3. I am familiar with the application filed by COG in this case and have conducted a geologic study of the lands in the subject area.
4. In this case COG is targeting the Wolfcamp formation.
5. **COG Exhibit No. B-1** is a locator map. It shows COG's acreage in yellow. The subject spacing unit is outlined in black. The surface and bottom hole locations for the proposed Honey Graham State Com Well 701H are indicated. The path of the proposed wellbore for this well is marked by a dashed pink line. Nearby wells producing from the Wolfcamp formation are denoted by purple circles.
6. **COG Exhibit No. B-2** is a subsea structure map that I prepared off the top of the Wolfcamp. As with the locator map, the wellbore path of the proposed Honey Graham State Com Well 701H is depicted by a pink line. The contour interval is 50 feet. The

**BEFORE THE OIL CONSERVATION DIVISION**  
Santa Fe, New Mexico  
Case No. 20928 Exhibit No. B  
Submitted by:  
**COG OPERATING LLC**  
Hearing Date: December 12, 2019

subsea structure map shows that the Wolfcamp in this area is sloping gently to the east.

The structure appears consistent in this section.

7. **COG Exhibit No. B-3** shows the wells I used to construct a cross-section of the subject lands. I consider these wells to be representative of the geology of the area.
8. **COG Exhibit No. B-4** is cross-section A-A' which I prepared from the three representative wells identified in Exhibit B-3. The exhibit shows logs for gamma ray for all three wells, and logs for resistivity and porosity for two of the three wells. The proposed target interval for this proposed Wolfcamp well is marked and labeled in green. The logs in the cross-section demonstrate that the target interval within the Wolfcamp is consistent in thickness across the entire spacing unit.
9. Based on my geologic study of the area, I have not identified any faulting, pinch outs or any other geologic impediments to drilling horizontal wells in this area.
10. In my opinion, each tract comprising the proposed spacing unit will be productive and contribute more-or-less equally to production from the wellbore.
11. In my opinion, the granting of COG's application in this case is in the best interest of conservation, the prevention of waste and the protection of correlative rights.
12. **COG Exhibits No. B-1 through No. B-4** were either prepared by me or compiled under my direction and supervision.

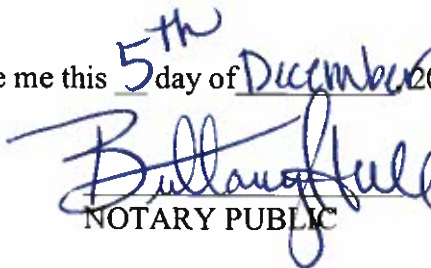
  
BENJAMIN DAVIS

STATE OF TEXAS            )

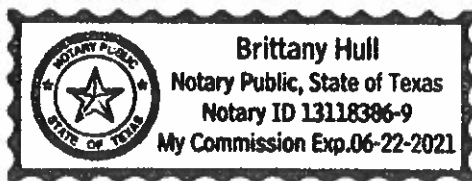
)

COUNTY OF MIDLAND    )

SUBSCRIBED and SWORN to before me this 5<sup>th</sup> day of December 2019 by Benjamin Davis.

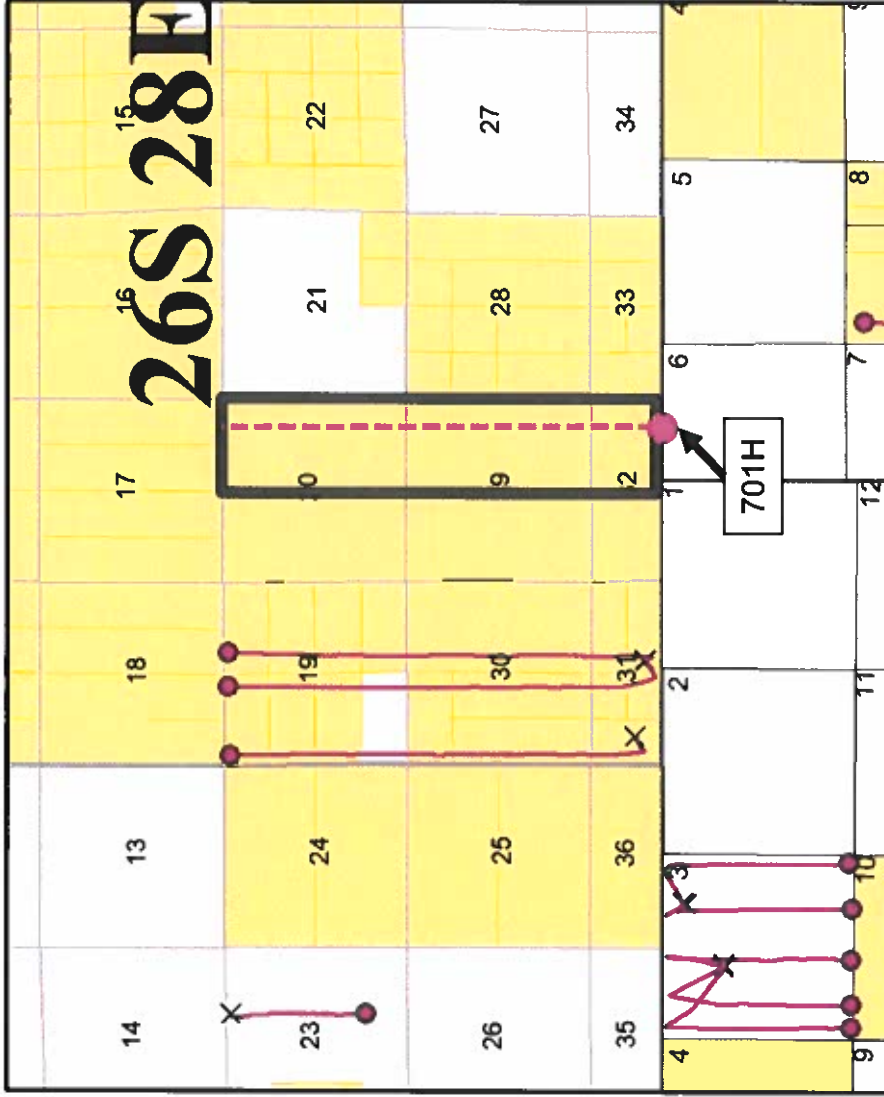
  
NOTARY PUBLIC

My Commission Expires: 6-22-21





# Wolfcamp Pool Honey Graham State Com Locations



## Map Legend

**BHL**

COG – Proposed Honey Graham  
State Com #1H Horizontal Location

**SHL**

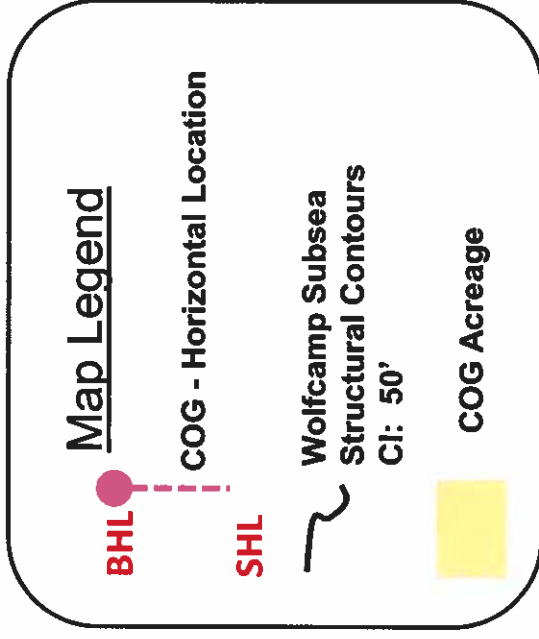
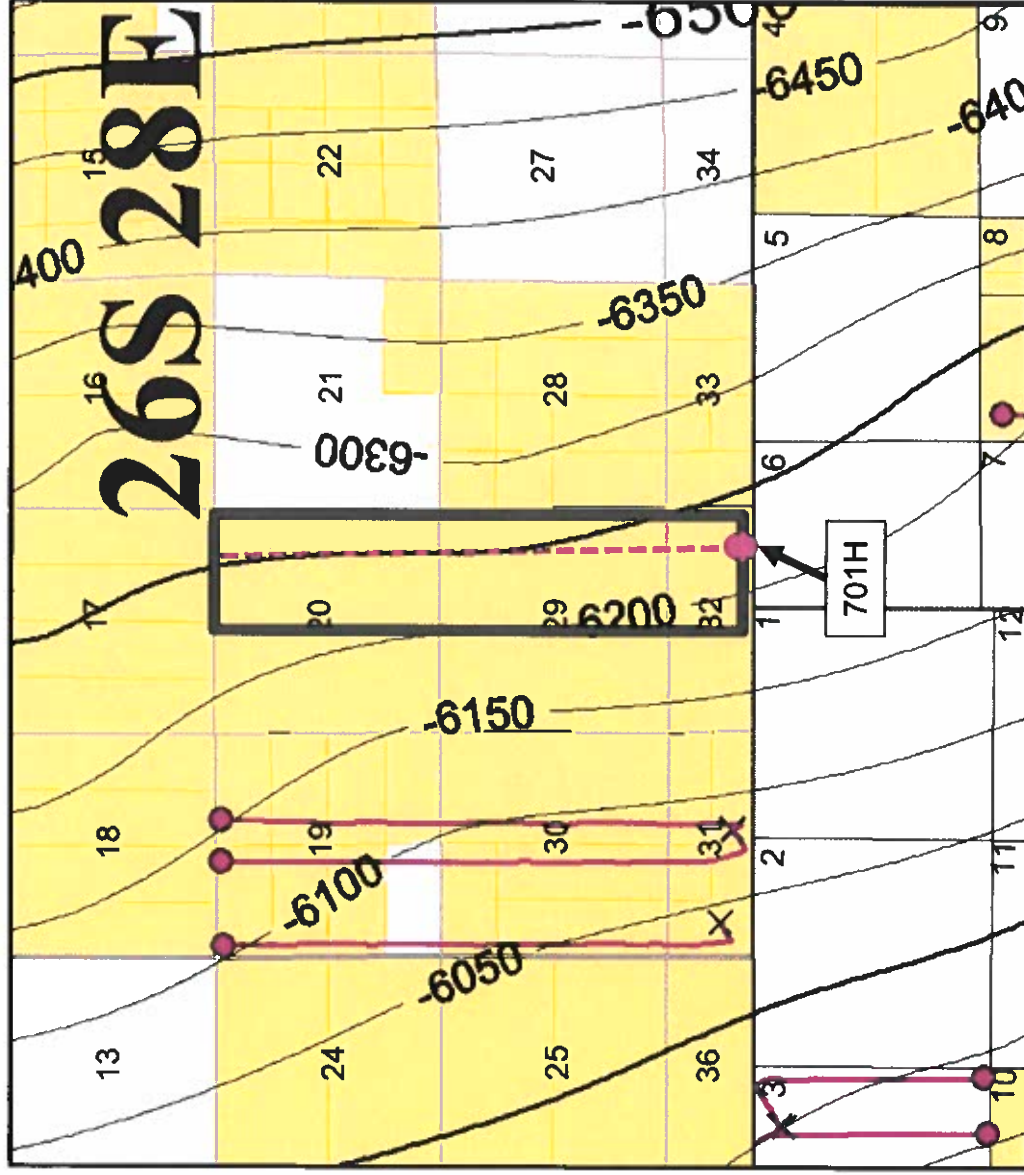
**Producing Wolfcamp A  
Horizontals**

**COG Acreage**

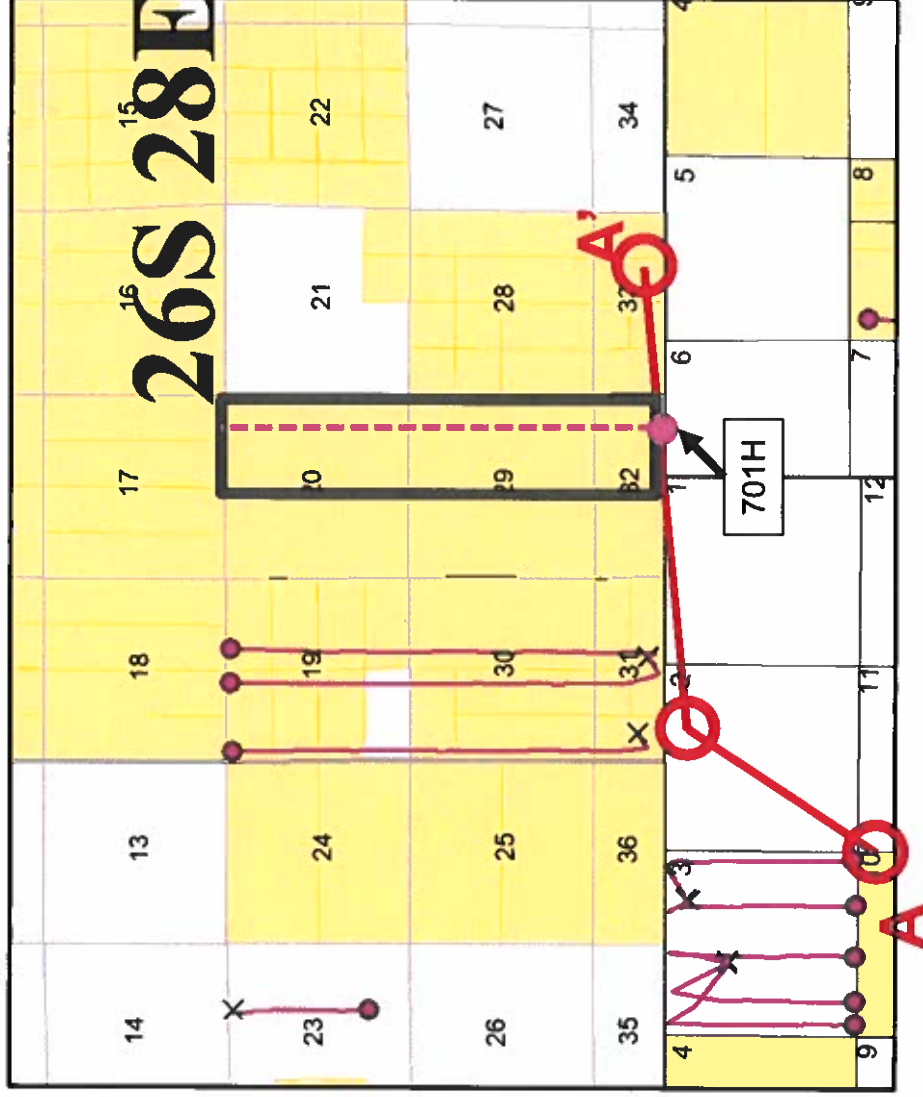


# Wolfcamp Pool

## Wolfcamp Subsea Structure Map



# Wolfcamp Pool Cross Section Location Map



**Map Legend**

**BHL**

**SHL**

**Producing Wolfcamp A Horizontals**

**COG Acreage**

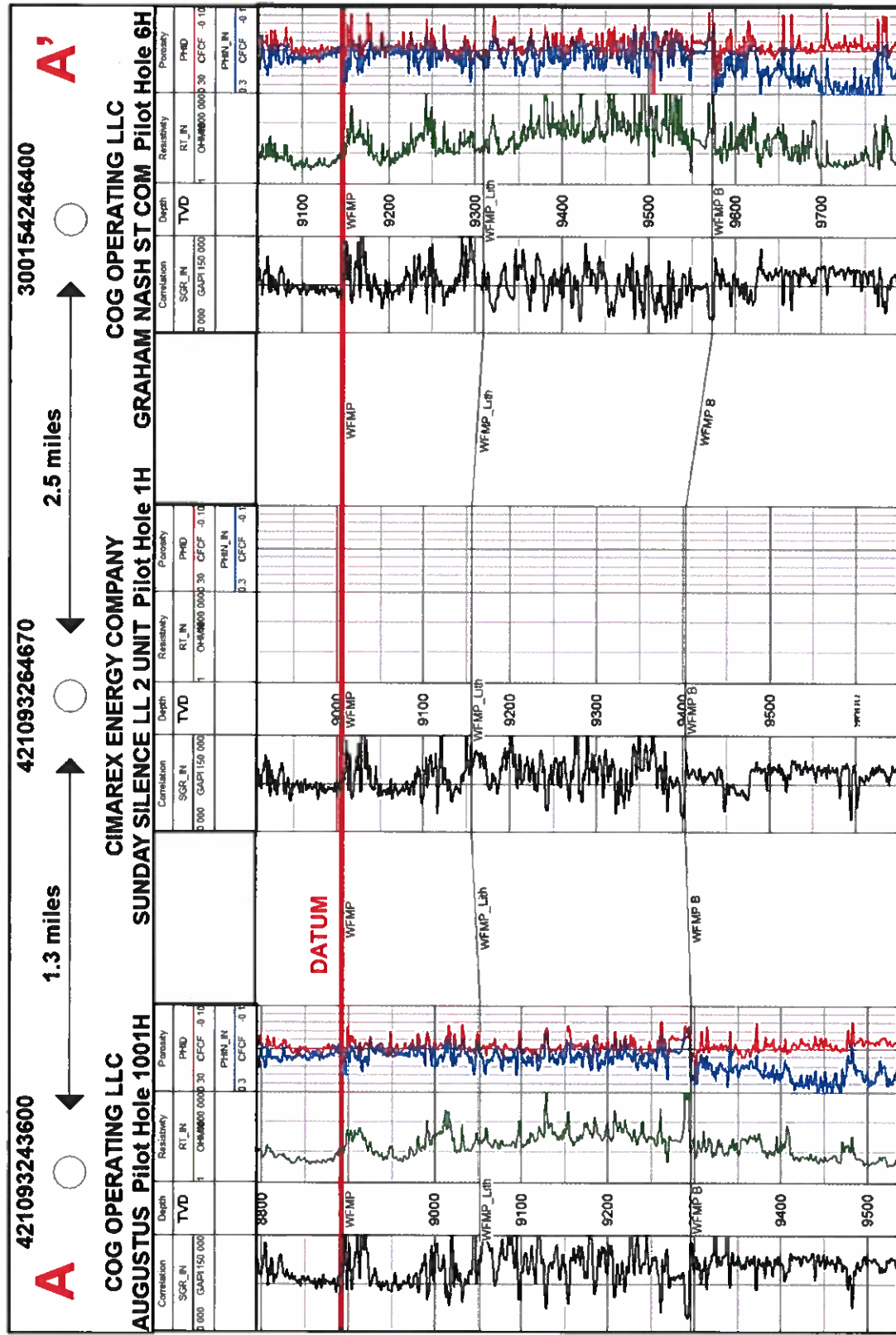
COG – Proposed Honey Graham State Com #1H Horizontal Location

Producing Wolfcamp A Horizontals

COG Acreage



# Stratigraphic Cross Section A – A'



Top of Wolfcamp

Lateral Interval  
701H



# Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

## Affidavit of Publication

Ad # 0003919426

This is not an invoice

CONCHO

1048 PASEO DE PERALTA


SANTA FE, NM 87501

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

November 26, 2019

  
Legal Clerk

Subscribed and sworn before me this November 26, 2019:

  
State of WI, County of Brown  
NOTARY PUBLIC

8-25-23

My commission expires

**SHELLY HORA**  
Notary Public  
State of Wisconsin

Ad # 0003919426

PO #: Honey Graham

# of Affidavits : 1

This is not an invoice

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Case No. 20928 Exhibit No. C

Submitted by:

**COG OPERATING LLC**

Hearing Date: December 12, 2019

## 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 **December 12, 2019**, in Porter Hall, the Oil Conservation Division Hearing Room, 1st Floor, Wendell Chino Building, 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 **December 2, 2019**. Public documents, including the agenda and minutes, can be provided in various accessible formats. Members of the public may obtain copies of the docket by contacting Ms. Davidson at the phone number indicated above. Also, the docket will be posted on the Oil Conservation Division website at [www.emnrd.state.nm.us/OC/D/](http://www.emnrd.state.nm.us/OC/D/). Please contact Ms. Davidson if a summary or other type of accessible form is needed.

### STATE OF NEW MEXICO TO:

All named parties and persons  
having any right, title, interest  
or claim in the following case  
and notice to the public.

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

To: All Working Interest Owners, Royalty Interest Owners, Overriding Royalty Interest Owners, Non-Participating Royalty Interest Owners, and Pooled Parties, including: Tap Rock Operating, LLC; The Allar Company; OXY USA, Inc.; OXY Y-1 Company; EOG Resources, Inc.; Sharbro Energy, LLC; Debra Kay Primera; Delaware Ranch, Inc.; Edwin H. Fowlkes, III; Christine S. Fowlkes; Christopher Fowlkes; Douglas C. Koch; Camie Wade and husband, Matthew Wade; Wayne A. Bissett and wife, Laura Bissett; Janet Renee Fowlkes Murrey, as her separate property.

Case No. 20928: Application of COG Operating LLC for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the division pooling all uncommitted interest owners in the Wolfcamp formation, Purple Sage-Wolfcamp Gas Pool (Pool Code 98220), underlying a 767.57-acre, more or less, horizontal well spacing unit comprised of the E/2 of Sections 20 and 29 and the N/2NE/4 and Lots 3 and 4 of irregular Section 32, Township 26 South, Range 28 East, NMPM, Eddy County, New Mexico. COG Operating LLC seeks to dedicate the above-referenced horizontal spacing unit to its proposed Honey Graham State Com 701H Well to be horizontally drilled to a depth sufficient to test the Wolfcamp formation with the first take point for this well in Unit A (NE/4NE/4) of Section 20 and the last take point in Lot 4 of Section 32. All take points in this initial well shall be at a legal location pursuant to the rules of the Purple Sage-Wolfcamp Gas Pool. Also to be considered will be approval of an extension of the time for drilling and completion of the initial well on this horizontal spacing unit, the cost of drilling and completing this well and the allocation of the costs thereof, as well as actual operating costs and charges for supervision, designation of COG Operating LLC as operator of the well and horizontal spacing unit, and a 200% charge for risk involved in drilling and completing this well. Said area is located approximately 4 miles west-northwest of the intersection of U. S. Highway 285 with the New Mexico-Texas border.

#3919426, Current Argus, Nov. 26, 2019



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

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

**CASE NO. 20928**

**AFFIDAVIT**

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

William F. Carr, attorney and authorized representative of COG Operating LLC, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Application was provided under the notice letter and proof of receipt attached hereto.

  
\_\_\_\_\_  
William F. Carr

SUBSCRIBED AND SWORN to before me this 10th day of December 2019 by William F. Carr.



**OFFICIAL SEAL  
LISAMARIE ORTIZ  
NOTARY PUBLIC-STATE OF NEW MEXICO**

My commission expires

**01/14/2023**

  
\_\_\_\_\_  
Notary Public

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Case No. 20928   Exhibit No. D  
Submitted by:  
COG OPERATING LLC  
Hearing Date: December 12, 2019**



William F. Carr  
Senior Counsel

November 22, 2019

**VIA CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

**TO ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS**

**Re: Case No. 20928: Application of COG Operating LLC for compulsory pooling,  
Eddy County, New Mexico.  
Honey Graham State Com 701H Well**

To Whom It May Concern:

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If you have any questions about this matter, please contact Travis Macha at (432) 221-0452 or [TMacha@concho.com](mailto:TMacha@concho.com).

Sincerely,

A handwritten signature in black ink, appearing to read "William F. Carr".

William F. Carr  
Senior Counsel for COG Operating LLC

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The Allar Company  
 P. O. Box 1567  
 Graham, Texas 76450

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7018 2290 0000 3423 0728

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 Graham, Texas 76450

9590 9402 4582 8278 5894 68

**2. Article Number (Transfer from mailpiece label)**

7018 2290 0000 3423 0735

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**COMPLETE THIS SECTION ON DELIVERY**

**A. Signature**  
 X *Shelia Burt* ☐ Agent  
**B. Received by (Printed Name)** ☐ Addressee  
 Shelia Burt **C. Date of Delivery**

**D. Is delivery address different from item 1?** ☐ Yes  
 If YES, enter delivery address below: ☐ No

**3. Service Type**  
☐ Adult Signature ☐ Priority Mail Express®  
☐ Adult Signature Restricted Delivery ☐ Registered Mail™  
☐ Certified Mail® ☐ Registered Mail Restricted Delivery  
☐ Collect on Delivery ☐ Return Receipt for Merchandise  
☐ Collect on Delivery Restricted Delivery ☐ Signature Confirmation™  
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 5509 Champions Drive  
 Midland, Texas 79706

9590 9402 4582 8278 5894 51

7018 2290 0000 3423 0728

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 X *Shelia Burt* ☐ Agent  
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 Shelia Burt **C. Date of Delivery**  
 11-27-19

**D. Is delivery address different from item 1?** ☐ Yes  
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Tap Rock Operating, LLC  
 602 Park Point Drive, Suite 200  
 Golden, Colorado 80401

PS Form 3800, April 2015 PSN 7530-02-000-9037 See Reverse for Instructions

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OXY USA, Inc  
 5 Greenway Plaza  
 Suite 110  
 Houston, Texas 77046

PS Form 3800, April 2015 PSN 7530-02-000-9037 See Reverse for Instructions

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Tap Rock Operating, LLC  
 602 Park Point Drive, Suite 200  
 Golden, Colorado 80401

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 7018 3090 0001 4742 3825

3. Service Type  
☐ Adult Signature  
☐ Adult Signature Restricted Delivery  
☐ Certified Mail<sup>®</sup>  
☐ Certified Mail Restricted Delivery  
☐ Insured Mail Restricted Delivery (over \$500)

4. Signature Type  
☐ Priority Mail Express<sup>®</sup>  
☐ Registered Mail<sup>™</sup>  
☐ Registered Mail Restricted Delivery  
☐ Return Receipt for Merchandise<sup>™</sup>  
☐ Signature Confirmation<sup>™</sup>  
☐ Signature Confirmation Restricted Delivery

5. Received by (Printed Name)  
 James E Beard

6. Date of Delivery  
 11/25/14

7. Is delivery address different from item 1? ☒ No  
 If YES, enter delivery address below:

8. Signature Confirmation<sup>™</sup>  
 Signature Confirmation Restricted Delivery

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 5 Greenway Plaza  
 Suite 110  
 Houston, Texas 77046

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 7018 3090 0001 4742 3818

3. Service Type  
☐ Adult Signature  
☐ Adult Signature Restricted Delivery  
☐ Certified Mail<sup>®</sup>  
☐ Certified Mail Restricted Delivery  
☐ Collect on Delivery  
☐ Insured Mail Restricted Delivery

4. Signature Type  
☐ Priority Mail Express<sup>®</sup>  
☐ Registered Mail<sup>™</sup>  
☐ Registered Mail Restricted Delivery  
☐ Return Receipt for Merchandise<sup>™</sup>  
☐ Signature Confirmation<sup>™</sup>  
☐ Signature Confirmation Restricted Delivery

5. Received by (Printed Name)  
 James E Beard

6. Date of Delivery  
 11-27-14

7. Is delivery address different from item 1? ☐ Yes  
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<b>Postage</b>	\$ _____

**Sharbro Energy, LLC**

**P. O. Box 840**

**Artesia, New Mexico 88211**

NOV 2 2008  
POST OFFICE  
ARTEZIA NM MAIN P.O.  
10928

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Debra Kay Primera  
 P.O. Box 28504  
 Austin, Texas 78755

PS Form 3800, April 2015 PSN 7530-02-000-9047

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 Carlsbad, New Mexico 88220

9590 9402 4582 8278 5894 06

2. Article Number (Transfer from services label)

7018 3090 0001 4742 3788

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

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1. Addressee Addressed to:

Debra Kay Primera  
 P.O. Box 28504  
 Austin, Texas 78755

9590 9402 4582 8278 5893 90

7018 3090 0001 4742 3771

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

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1. Addressee Addressed to:

Delaware Ranch, Inc.  
 1304 Riverside Drive  
 Carlsbad, New Mexico 88220

9590 9402 4582 8278 5894 06

2. Article Number (Transfer from services label)

7018 3090 0001 4742 3788

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

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■ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Addressee Addressed to:

Debra Kay Primera  
 P.O. Box 28504  
 Austin, Texas 78755

9590 9402 4582 8278 5893 90

7018 3090 0001 4742 3771

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

Domestic Return Receipt

# U.S. Postal Service<sup>TM</sup> CERTIFIED MAIL<sup>®</sup> RECEIPT

Domestic Mail Only

For delivery information, visit our website at [www.usps.com](http://www.usps.com).

**OFFICIAL USE**

## Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)  
☐ Return Receipt (hardcopy) \$  
☐ Return Receipt (electronic) \$  
☐ Certified Mail Restricted Delivery \$  
☐ Adult Signature Required \$  
☐ Adult Signature Restricted Delivery \$

Postage \$  
 Here

Edwin H. Fowlkes, III  
 P. O. Box 23416  
 Waco, Texas 76702

or instructions

7018 3090 0001 4742 3764

# U.S. Postal Service<sup>TM</sup> CERTIFIED MAIL<sup>®</sup> RECEIPT

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**OFFICIAL USE**

## Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)  
☐ Return Receipt (hardcopy) \$  
☐ Return Receipt (electronic) \$  
☐ Certified Mail Restricted Delivery \$  
☐ Adult Signature Required \$  
☐ Adult Signature Restricted Delivery \$

Postage \$  
 Here

Christine S. Fowlkes  
 404 Glenosa Dr.  
 El Paso, Texas 79928

or instructions

7018 3090 0001 4742 3757

SENDER: COMPLETE THIS SECTION  
 PLACE THE RETURNED MAIL AT THE TOP OF THE MAIL PIECE

ON-ON DELIVERY

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

## 1. Article Addressed to:

Edwin H. Fowlkes, III  
 P. O. Box 23416  
 Waco, Texas 76702



9590 9402 4582 8278 5893 83

## 2. Article Number (Transfer from mailpiece)

7018 3090 0001 4742 3764

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

## A. Signature

☒ Agent ☐ Addressee

B. Received by (Printed Name)

D. Is delivery address different from item 1? ☐ Yes ☒ No  
 If YES, enter delivery address below

TK-1 from [unclear]  
 JUL 22 2015  
 WACO, TEXAS 76702-1535

## 3. Service Type

☐ Adult Signature ☐ Priority Mail Express<sup>®</sup>  
☐ Adult Signature Restricted Delivery ☐ Registered Mail<sup>TM</sup>  
☐ Certified Mail ☐ Registered Mail Restricted Delivery  
☐ Certified Mail Restricted Delivery ☐ Return Receipt for Merchandise  
☐ Collect on Delivery ☐ Signature Confirmation<sup>TM</sup>  
☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

**U.S. Postal Service<sup>TM</sup>**  
**CERTIFIED MAIL<sup>®</sup> RECEIPT**  
*Domestic Mail Only*

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**OFFICIAL USE**

**Certified Mail Fee**

Extra Services & Fees (check box, and fee as appropriate)  
☐ Return Receipt (hardcopy) \$  
☐ Return Receipt (electronic) \$  
☐ Certified Mail Restricted Delivery \$  
☐ Adult Signature Required \$  
☐ Adult Signature Restricted Delivery \$

**Postage**

Douglas C. Koch  
 P. O. Box 540244  
 Houston, Texas 77254

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

7018 3090 0001 4742 3726

**U.S. Postal Service<sup>TM</sup>**  
**CERTIFIED MAIL<sup>®</sup> RECEIPT**  
*Domestic Mail Only*

For delivery information, visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

**Certified Mail Fee**

Extra Services & Fees (check box, and fee as appropriate)  
☐ Return Receipt (hardcopy) \$  
☐ Return Receipt (electronic) \$  
☐ Certified Mail Restricted Delivery \$  
☐ Adult Signature Required \$  
☐ Adult Signature Restricted Delivery \$

**Postage**

Camie Wade and husband,  
 Matthew Wade  
 10706 Orlando Ave  
 Lubbock, Texas 79432

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

**SENDER COMPLETE**

PLACE STICKER TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS. FOLD AT DOTTED LINE.

VERY

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

Douglas C. Koch  
 P. O. Box 540244  
 Houston, Texas 77254



9590 9402 4582 8278 5893 69

2. Article Number (Transfer from service label)

7018 3090 0001 4742 3740

PS Form 3811, July 2015 PSN 7530-02-000-9063

Domestic Return Receipt

**A. Signature**

X *[Signature]*

☐ Agent  
☐ Addressee

**B. Received by (Printed Name)**

*[Signature]* Koch

**C. Date of Delivery**

12/2/19

D. Is delivery address different from item 1? ☐ Yes  
 If YES, enter delivery address below: ☐ No

**3. Service Type**

☐ Adult Signature  
☐ Adult Signature Restricted Delivery  
☐ Certified Mail<sup>®</sup>  
☐ Certified Mail Restricted Delivery  
☐ Collect on Delivery  
☐ Collect on Delivery Restricted Delivery  
☐ Insured Mail  
☐ Priority Mail Express<sup>®</sup>  
☐ Registered Mail<sup>®</sup>  
☐ Registered Mail Restricted Delivery  
☐ Return Receipt for Merchandise  
☐ Signature Confirmation<sup>™</sup>  
☐ Signature Confirmation Restricted Delivery

# U.S. Postal Service<sup>TM</sup>

## CERTIFIED MAIL<sup>®</sup> RECEIPT

### Domestic Mail Only

For delivery information, visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)  
☐ Return Receipt (hardcopy) \$  
☐ Return Receipt (electronic) \$  
☐ Certified Mail Restricted Delivery \$  
☐ Adult Signature Required \$  
☐ Adult Signature Restricted Delivery \$

Postmark  
Here

Wayne A. Bissett and wife, Laura  
 Bissett  
 P. O. Box 2101  
 Midland, Texas 79702

PS Form 3800, April 2015 PSN 7530-02-000-9017

See Reverse for Instructions

# U.S. Postal Service<sup>TM</sup>

## CERTIFIED MAIL<sup>®</sup> RECEIPT

### Domestic Mail Only

For delivery information, visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)  
☐ Return Receipt (hardcopy) \$  
☐ Return Receipt (electronic) \$  
☐ Certified Mail Restricted Delivery \$  
☐ Adult Signature Required \$  
☐ Adult Signature Restricted Delivery \$

Postmark  
Here

Janet Renee Fowlkes Murrey, as her  
 separate property  
 P. O. Box 417  
 Eddy, Texas 76524

PS Form 3800, April 2015 PSN 7530-02-000-9017

See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

■ Complete items 1, 2, and 3.

■ Print your name and address on the reverse so that we can return the card to you.

■ Attach this card to the back of the mailpiece, or on the front if space permits.

Wayne A. Bissett and wife, Laura  
 Bissett  
 P. O. Box 2101  
 Midland, Texas 79702

9590 9402 4582 8278 5898 71

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

MAIL DELIVERY INFORMATION  
 ENVELOPE TO THE RIGHT  
 PLACE STICKER AT TOP OF ENVELOPE  
 COMPLETE THIS SECTION

A. Signature

☒ Agent ☐ Addressee

B. Received by (Printed Name) \_\_\_\_\_ Date of Delivery \_\_\_\_\_

D. Is delivery address different from item 1? ☐ Yes ☐ No  
 If YES, enter delivery address below: \_\_\_\_\_

3. Service Type  
☐ Adult Signature  
☐ Adult Signature Restricted Delivery  
☐ Certified Mail<sup>®</sup>  
☐ Certified Mail Restricted Delivery  
☐ Collect on Delivery  
☐ Delivery Restricted Delivery  
☐ Signature Confirmation<sup>™</sup>  
☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

■ Complete items 1, 2, and 3.

■ Print your name and address on the reverse so that we can return the card to you.

■ Attach this card to the back of the mailpiece, or on the front if space permits.

Janet Renee Fowlkes Murrey, as her  
 separate property  
 P. O. Box 417  
 Eddy, Texas 76524

9590 9402 4582 8278 5898 64

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

MAIL DELIVERY INFORMATION  
 ENVELOPE TO THE RIGHT  
 PLACE STICKER AT TOP OF ENVELOPE  
 COMPLETE THIS SECTION

A. Signature

☒ Agent ☐ Addressee

B. Received by (Printed Name) \_\_\_\_\_ Date of Delivery \_\_\_\_\_

D. Is delivery address different from item 1? ☐ Yes ☐ No  
 If YES, enter delivery address below: \_\_\_\_\_

3. Service Type  
☐ Adult Signature  
☐ Adult Signature Restricted Delivery  
☐ Certified Mail<sup>®</sup>  
☐ Certified Mail Restricted Delivery  
☐ Collect on Delivery  
☐ Delivery Restricted Delivery  
☐ Signature Confirmation<sup>™</sup>  
☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

MAIL DELIVERY INFORMATION  
 ENVELOPE TO THE RIGHT  
 PLACE STICKER AT TOP OF ENVELOPE  
 COMPLETE THIS SECTION

A. Signature

☒ Agent ☐ Addressee

B. Received by (Printed Name) \_\_\_\_\_ Date of Delivery \_\_\_\_\_

D. Is delivery address different from item 1? ☐ Yes ☐ No  
 If YES, enter delivery address below: \_\_\_\_\_

3. Service Type  
☐ Adult Signature  
☐ Adult Signature Restricted Delivery  
☐ Certified Mail<sup>®</sup>  
☐ Certified Mail Restricted Delivery  
☐ Collect on Delivery  
☐ Delivery Restricted Delivery  
☐ Signature Confirmation<sup>™</sup>  
☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt



**Exhibit "A"**

Applicant: COG Operating LLC  
Operator: COG Operating LLC (OGRID 229137)

Spacing Unit: Horizontal Gas  
Building Blocks: Half section equivalents  
Unit Size: 767.57-acres (more or less)  
Orientation of Unit: North to South

**Unit Description:**

E/2 of Sections 20 and 29 and the N/2NE/4 and Lots 3 and 4 of irregular Section 32, Township 26 South, Range 28 East, NMPM, Eddy County, New Mexico.

Pooling this Vertical Extent: Wolfcamp formation  
Depth Severance? (Yes/No): No

Pool: Purple Sage-Wolfcamp Gas Pool) (Pool Code 98220)  
Pool Spacing Unit Size: Half Sections  
Governing Well Setbacks: Special Rules for the Purple Sage-Wolfcamp Gas Pool  
(Division Order No. R-14262)

Proximity Tracts: None Included  
Proximity Defining Well: None

Monthly charges for supervision: While drilling: \$7000 While producing: \$700  
As the charge for risk: 200 percent of reasonable well costs

**There is one proposed well:**

**Honey Graham State Com 701H Well, (API No. 30-015-\_\_\_\_) None yet assigned**  
SHL: 320 feet from the North Line and 745' feet from the East Line (Unit A) of Section 20, Township 26 South, Range 28 East, NMPM.  
BHL: 200 feet from the South Line and 550 feet from the East Line (Lot 4) of Section 32, Township 26 South, Range 28 East, NMPM.

**All Wells:**

Completion Target: Wolfcamp A Sand or Shale at approx. 9240 feet TVD  
Well Orientation: North to South  
Completion Location expected to be standard