

**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 No. 20932**

**INDEX**

Application

**Hearing Exhibits**

1. Self-Affirmed Statement of Matthew Solomon
  - A. Chart of Tract of Ownership
  - B. Oil Conservation Division C-102 forms
  - C. Well proposal letter
  - D. Sample Notice Letter and associated green return receipt cards
  - E. Affidavit of Publication
  - F. Authorization for Expenditure
  
2. Self-Affirmed Statement of Cody Bacon
  - A. Map of Location of Sebastian Federal Com #703H well
  - B. Structure map of Wolfcamp formation
  - C. Cross Section map for Sebastian Federal Com #703H
  - D. North to South cross section

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 No. 20932

APPLICATION

Pursuant to NMSA § 70-2-17, COG Operating LLC ("COG") applies for an order pooling all uncommitted mineral interests in the Wolfcamp formation in a 160-acre, more or less, standard horizontal spacing unit comprised of the E/2 E/2 of Section 18, Township 24 South, Range 34 East in Lea County, New Mexico. In support of its Application, COG states the following.

1. COG (OGRID No. 229137) is a working interest owner in the E/2 E/2 of Section 18 and has the right to drill a well thereon.
2. The horizontal spacing unit will be dedicated to the Sebastian Federal Com #703H well, which will be horizontally drilled from a surface location in Unit B to a bottom hole location in Unit P in Section 18, Township 24 South, Range 34 East.
3. The completed interval for the well will be orthodox.
4. COG has undertaken diligent, good-faith efforts to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well but has been unable to obtain voluntary agreements from all of the mineral interest owners.
5. The pooling of all uncommitted mineral interests in the Wolfcamp formation underlying the E/2 E/2 of Section 18 will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

6. In order to allow COG to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted mineral interests in the horizontal spacing unit should be pooled.

WHEREFORE, COG requests that this application be set for hearing on December 12, 2019 and that, after notice and hearing, the Division enter an order:

A. Pooling all uncommitted mineral interests in the Wolfcamp formation underlying the E/2 E/2 of Section 18, Township 24 South, Range 34 East;

B. Designating COG as the operator of the Sebastian Federal Com #703H well;

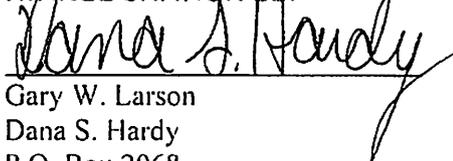
C. Authorizing COG to recover its costs of drilling, equipping, and completing the Sebastian Federal Com #703H well and allocating the costs among the well's working interest owners;

D. Approving the actual operating charges and costs of supervision during drilling and after completion, together with a provision for adjusting the rates pursuant to the COPAS accounting procedure; and

E. Imposing a 200% penalty for the risk assumed by COG in drilling and completing the Sebastian Federal Com #703H well against any mineral interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

HINKLE SHANOR LLP



Gary W. Larson

Dana S. Hardy

P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554

Facsimile: (505) 982-8623

glarson@hinklelawfirm.com

dhardy@hinklelawfirm.com

*Counsel for COG Operating LLC*

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

**APPLICATION OF COG OPERATING  
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LEA COUNTY, NEW MEXICO**

**Case No. 20932**

**SELF-AFFIRMED STATEMENT OF  
MATTHEW SOLOMON**

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

2. I am a landman for COG Operating, LLC ("COG"). I have previously testified before the New Mexico Oil Conservation Division, and my qualifications as an expert in petroleum land matters were accepted.

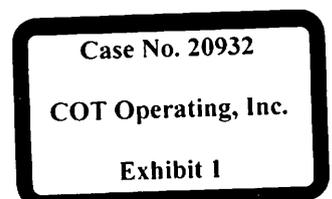
3. I have had direct involvement with COG's development of the 160-acre, more or less, standard horizontal spacing unit ("HSU") that is the subject of COG's application in this case.

4. The HSU is comprised of the E/2 E/2 of Section 18, Township 24 South, Range 34 East in Lea County, New Mexico.

5. COG seeks to pool all uncommitted interests in the Wolfcamp formation underlying the HSU. A chart of tract ownership and identification of the respective working interests is attached as Exhibit A. 99.56% of the working interests are committed to the proposed well.

6. The HSU will be dedicated to the Sebastian Federal Com #703H well, which will be horizontally drilled from a surface location in Unit B to a bottom hole location in Unit P in Section 18, Township 24 South, Range 34 East. The completed interval for the well will be orthodox. The C-102 for the well is attached as Exhibit B.

7. There are no depth exceptions in the Wolfcamp formation.



8. I sent a well proposal letter to all locatable interests. A copy of my letter is attached as Exhibit C. The only locatable interest has committed to the proposed well.

9. In my opinion, COG has made a good faith effort to obtain the voluntary joinder of uncommitted interests in the proposed well.

10. Notice of COG's application and the Division hearing was provided to several parties who were identified as having unmarketable title. A sample of the notice letter and associated green cards are attached as Exhibit D.

11. Notice of COG's application and the Division hearing was also published. The affidavit of publication is attached as Exhibit E.

12. COG has the right to pool the interests of any overriding royalty owners in the HSU.

13. The AFEs for the proposed wells are attached hereto as Exhibit F. The estimated cost of the wells is fair and reasonable and is comparable to the cost of other wells of similar depth and length drilled in Lea County.

14. COG requests overhead and administrative rates of \$7,000 per month while the wells are being drilled and \$700 per month while the wells are producing. These rates are fair and are comparable to the rates charged by COG and by other operators in the vicinity. They are also the rates set forth in the Joint Operating Agreement for the HSU. COG further requests that the rates be adjusted periodically in accordance with the COPAS Accounting Procedure.

15. COG requests that it be designated the operator of the wells.

16. COG also requests that a 200% risk charge be assessed against the uncommitted interests if they are non-consenting working interest owners.

17. The exhibits attached hereto were either prepared by me or under my supervision, or were compiled from company business records.

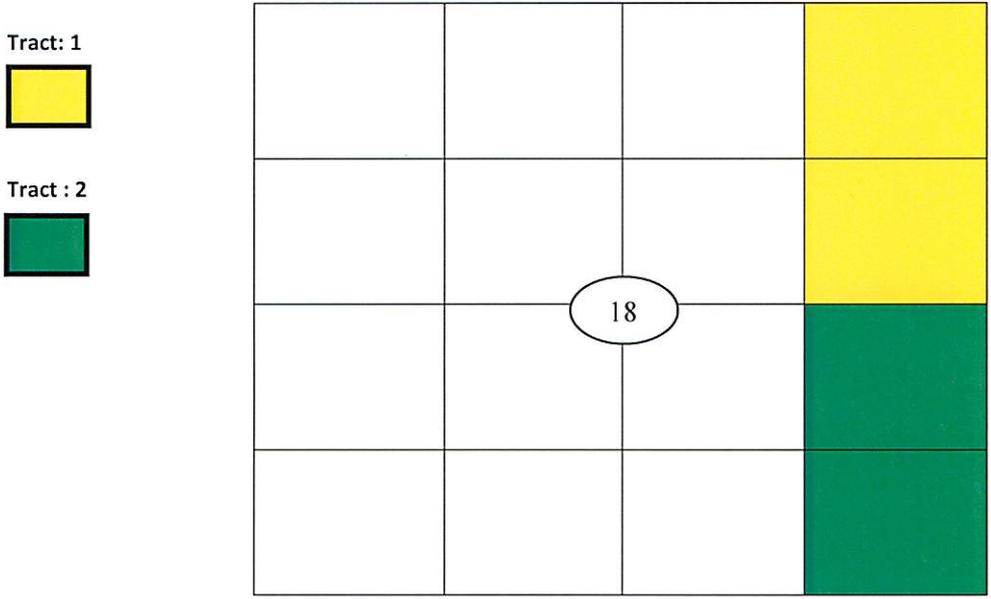
18. In my opinion, the granting of COG's application would serve the interests of conservation and the prevention of waste.

19. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 18 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

  
\_\_\_\_\_  
Matthew Solomon

12-10-19  
Date

**Case No. 20932**  
**Sebastian Federal Com 703H**  
 E2E2 of Section 18, T24S-R34E, NMPM,  
 Lea County, New Mexico



**Unit Working Interest**

|                    |                    |
|--------------------|--------------------|
| COG Operating LLC  | 96.688802%         |
| COG Production LLC | 2.427642%          |
| Cloma Perkins **   | 0.441778%          |
| Joel Talley **     | 0.441778%          |
| <hr/>              |                    |
|                    | <b>100.000000%</b> |

\*\*Unleased Minerals

**Pooling Notification List**

**Working Interest Owners**

- COG Operating, LLC  
 600 W. Illinois Ave.  
 Midland, Texas 79701
  
- COG Operating, LLC  
 600 W. Illinois Ave.  
 Midland, Texas 79701
  
- Joel Talley  
 600 Marienfeld St, Ste 807  
 Midland, TX 79701
  
- Cloma Perkins  
 Address unknown



## Unmarketable Title

Estate of Stanley J. Pirtle/C.O. Vaughn Pirtle  
323 Tanglewood Hollow  
Blanchard OK 73010

Estate of Stanley J. Pirtle/C.O. Linda Black  
5304 Holly  
Bellaire, TX 77401

Vaughn Pirtle  
323 Tanglewood Hollow  
Blanchard OK 73010

Linda Black  
5304 Holly  
Bellaire, TX 77401

Energen Resources Corp.  
600 Richard Arrington Jr Blvd N.  
Birmingham AL 35203

Estate of Fred McCright/C.O. Patricia Simmons  
2 Round Rock Circle  
Richardson TX 75080

Estate of Frankie McCright/C.O. Patricia Simmons  
2 Round Rock Circle  
Richardson TX 75080

Shirley Ann Roach  
818 S. San Jose  
Abilene TX 79605

William H. Roach  
818 S. San Jose  
Abilene TX 79605

Estate of Paul D. Henderson/C.O. Karen Ledbetter  
747 Bison  
Houston TX 77079

Estate of Paul D. Henderson/C.O. Greta Massing  
50 Turnin Lane  
Mobile AL 36608

DISTRICT I  
1625 N. FRENCH DR., HOBBS, NM 88240  
Phone: (575) 393-8181 Fax: (575) 393-0720

DISTRICT II  
811 S. FIRST ST., ARTESIA, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-0720

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

DISTRICT IV  
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505  
Phone: (505) 478-3460 Fax: (505) 478-3462

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

AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

|               |  |                      |
|---------------|--|----------------------|
| API Number    | Pool Code                              | Pool Name            |
| Property Code | Property Name<br>SEBASTIAN FEDERAL COM | Well Number<br>703H  |
| OGRID No.     | Operator Name<br>COG OPERATING, LLC    | Elevation<br>3585.1' |

**Surface Location**

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| B             | 18      | 24-S     | 34-E  |         | 250           | NORTH            | 2195          | EAST           | LEA    |

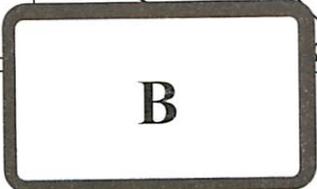
**Bottom Hole Location If Different From Surface**

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| P             | 18      | 24-S     | 34-E  |         | 50            | SOUTH            | 990           | EAST           | LEA    |

| Dedicated Acres | Joint or Infill | Consolidation Code | Order No. |
|-----------------|-----------------|--------------------|-----------|
|                 |                 |                    |           |

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

|                   |  |   |  |
|-------------------|--|---|--|
| LOT 1<br>39.32 Ac | <p>Y=446455.2 N<br/>X=756372.4 E</p> <p>FIP<br/>100' FNL &amp; 990' FEL<br/>Y=446358.1 N<br/>X=756706.8 E<br/>LAT.=32.224429° N<br/>LONG.=103.503217° W<br/>GRID AZ. TO FIP<br/>82°24'12"</p>            | <p>250'</p> <p>S.L.</p> <p>2195'</p> <p>Y=446466.8 N<br/>X=757695.9 E</p> | <p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p> <p><b>SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>SEPTEMBER 23, 2019</p> <p>Date of Survey _____</p> <p>Signature &amp; Seal of Professional Surveyor</p> <p></p> <p>Chad Harcrow 11/4/19</p> <p>Certificate No. CHAD HARCROW 17777</p> <p>W.O. # 19-2020 DRAWN BY: VD</p> |
| LOT 2<br>39.42 Ac | <p>NAD 27 NME<br/>SURFACE LOCATION<br/>Y=446197.7 N<br/>X=755503.6 E<br/>LAT.=32.224014° N<br/>LONG.=103.507112° W</p>   | <p>GRID AZ. - 179°30'19"<br/>HORZ. DIST. - 5128.5'</p>                    |  |
| LOT 3<br>39.51 Ac | <p>LEASE X-ING<br/>LAT.=32.217449° N<br/>LONG.=103.503209° W</p> <p>NAD 27 NME<br/>PROPOSED BOTTOM<br/>HOLE LOCATION<br/>Y=441229.8 N<br/>X=756751.1 E<br/>LAT.=32.210332° N<br/>LONG.=103.503202° W</p> |   |  |
| LOT 4<br>39.60 Ac | <p>Y=441177.1 N<br/>X=756421.6 E</p> <p>LTP<br/>100' FSL &amp; 990' FEL<br/>Y=441279.8 N<br/>X=756750.7 E<br/>LAT.=32.210470° N<br/>LONG.=103.503202° W</p>  | <p>Y=441188.0 N<br/>X=757741.5 E</p>                                      |  |
|                   |  | <p>B.H. 990'</p>  |  |



September 23, 2019

Joel Talley  
c/o Tacor Resources Inc.  
600 Marienfeld St., Ste 807  
Midland, Tx 79701**Re: Sebastian Federal Com Wells Proposal**

Sec 18: E/2 - T24S-R34E

Sec 19: 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/2 of Section 18 and 19, 24S-34E, Lea County, New Mexico:

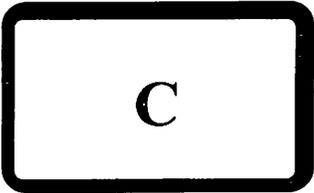
The **Sebastian Federal Com 703H** well has a surface hole location of 260' FNL and 2225' FEL of Section 18 and a bottom hole location of 50' FSL and 990' FEL of Section 19, 24S-34E, or at a legal location as approved by the governing regulatory agency, to a TVD of approximately 12,365' and a MD of approximately 22,500' to test the Wolfcamp Formation ("Operation"). The total cost of the Operation is estimated to be \$14,571,989.00, and a detailed description of the cost is set out in the enclosed Authority for Expenditure ("AFE").

The **Sebastian Federal Com 704H** well has a surface hole location of 260' FNL and 2225' FEL of Section 18 and a bottom hole location of 50' FSL and 2310' FEL of Section 19, 24S-34E, or at a legal location as approved by the governing regulatory agency, to a TVD of approximately 12,365' and a MD of approximately 22,500' to test the Wolfcamp Formation ("Operation"). The total cost of the Operation is estimated to be \$14,571,989.00, and a detailed description of the cost is set out in the enclosed Authority for Expenditure ("AFE").

COG is proposing to drill this well under the terms of the modified 1989 AAPL form of Operating Agreement dated October 1, 2019 by and between COG Operating LLC as Operator, and EOG Resources, Inc., et al, as Non-Operators.

If you have any questions, contact the undersigned at (432) 685-4352 or msolomon@concho.com.

Respectfully,

Matt Solomon  
Staff LandmanC

\_\_\_\_\_ I/We hereby elect to participate in the Sebastian Federal Com 703H.

\_\_\_\_\_ I/We hereby elect not to participate in the Sebastian Federal Com 703H.

\_\_\_\_\_ I/We hereby elect to participate in the Sebastian Federal Com 704H.

\_\_\_\_\_ I/We hereby elect not to participate in the Sebastian Federal Com 704H.

Company: EOG Resources, Inc.

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

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

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

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



hinklelawfirm.com

# HINKLE SHANOR LLP

ATTORNEYS AT LAW

PO BOX 2068

SANTA FE, NEW MEXICO 87504

505-982-4554 (FAX) 505-982-8623

WRITER

Dana Hardy  
Partner

dhardy@hinklelawfirm.com

November 20, 2019

VIA CERTIFIED MAIL

Energen Resources Corp.  
600 Richard Arrington Jr. Blvd. N  
Birmingham, AL 35203

Re: COG Operating LLC NMOCD Application

Dear Sir or Madam:

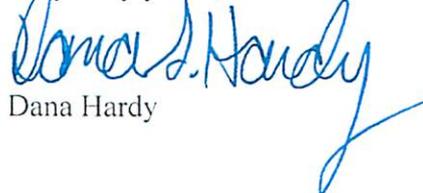
Enclosed is a copy of an application for compulsory pooling that COG Operating LLC ("COG") has filed with the New Mexico Oil Conservation Division ("the Division"). COG's application requests an order pooling all uncommitted mineral interests in the Wolfcamp formation in a 160-acre, more or less, standard horizontal spacing unit comprised of the E/2 E/2 of Section 18, Township 24 South, Range 34 East in Lea County, New Mexico.

This matter (Division Case No. 20932) is scheduled for hearing at 8:15 a.m. on Thursday, December 12, 2019 in Porter Hall at the Division's offices located at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. Energen Resources Corp. ("Energen") is not required to attend this hearing, but as an owner of an interest that may be affected by COG's application, it may appear at the hearing and present testimony. If Energen does not appear at that time and become a party of record, it will be precluded from contesting the matter at a later date.

A party appearing in a Division case is required by the Division's Rules to file a Pre-Hearing Statement, which in this matter must be filed no later than Thursday, December 5, 2019. The Pre-Hearing Statement must be filed with the Division's Santa Fe office at the address above, and should include: the name of the party and the party's attorney; a concise statement of the case; the name(s) of the witness(es) the party will call to testify at the hearing; the approximate amount of time the party will need to present the party's case; and an identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to me.

Thank you for your attention to this matter.

Very truly yours,

  
Dana Hardy

DH/lk  
Enclosure



PO BOX 10  
ROSWELL, NEW MEXICO 88202  
575-622-6510  
(FAX) 575-623-9332

PO BOX 1720  
ARTESIA, NEW MEXICO 88211  
575-622-6510  
(FAX) 575-746-6316

PO BOX 2068  
SANTA FE, NEW MEXICO 87504  
505-982-4554  
(FAX) 505-982-8623

7601 JEFFERSON ST NE • SUITE 180  
ALBUQUERQUE, NEW MEXICO 87109  
505-858-8320  
(FAX) 505-858-8321

Mailing List – COB Sebastian

Estate of Stanley J. Pirtle  
c/o Vaughn Pirtle  
323 Tanglewood Hollow  
Blanchard, OK 73010

Estate of Stanley J. Pirtle  
c/o Linda Black  
5304 Holly  
Bellaire, TX 77401

Vaughn Pirtle  
323 Tanglewood Hollow  
Blanchard, OK 73010

Linda Carol Black  
5304 Holly  
Bellaire, TX 77401

Energen Resources Corp.  
600 Richard Arrington Jr. Blvd. N  
Birmingham, AL 35203

Estate of Fred McCright  
c/o Patricia Simmons  
2 Round Rock Circle  
Richardson, TX 75080

Estate of Frankie McCright  
c/o Patricia Simmons  
2 Round Rock Circle  
Richardson, TX 75080

Shirley Ann Roach  
818 S. San Jose  
Abilene, TX 79605

William H. Roach  
818 S. San Jose  
Abilene, TX 79605

Estate of Paul D. Henderson  
c/o Karen Ledbetter  
747 Bison  
Houston, TX 77079

Estate of Paul D. Henderson  
c/o Greta Massing  
50 Turnin Lane  
Mobile, AL 36608

New Mexico Department of Transportation  
Attn: Property Asset Mgmt. Mgr.  
1120 Cerrillos Rd.  
Santa Fe, NM 87505

Cloma Perkins (publication)

| SENDER: COMPLETE THIS SECTION   | COMPLETE THIS SECTION ON DELIVERY  |  |
|---|--|--|
| <ul style="list-style-type: none"> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>  | A. Signature<br><input checked="" type="checkbox"/> <i>Linda Black</i>   | <input type="checkbox"/> Agent<br><input type="checkbox"/> Addressee |
| 1. Article Addressed to:<br>Estate of Stanley J. Pirtle<br>c/o Linda Black<br>5304 Holly<br>Bellaire TX 77401   | B. Received by (Printed Name)<br>_____   | C. Date of Delivery<br>_____   |
| 2. Article Number (Transfer from service label)<br>7018 2290 0000 3432 4854   | D. Is delivery address different from item 1? <input type="checkbox"/> Yes<br>If YES, enter delivery address below: <input type="checkbox"/> No  |  |
| 3. Service Type<br><input type="checkbox"/> Adult Signature<br><input type="checkbox"/> Adult Signature Restricted Delivery<br><input type="checkbox"/> Certified Mail®<br><input checked="" type="checkbox"/> Certified Mail Restricted Delivery<br><input type="checkbox"/> Collect on Delivery<br><input type="checkbox"/> Collect on Delivery Restricted Delivery | <input type="checkbox"/> Priority Mail Express®<br><input type="checkbox"/> Registered Mail™<br><input type="checkbox"/> Registered Mail Restricted Delivery<br><input type="checkbox"/> Return Receipt for Merchandise<br><input type="checkbox"/> Signature Confirmation™<br><input type="checkbox"/> Signature Confirmation Restricted Delivery |  |
| PS Form 3811, July 2015 PSN 7530-02-000-9053  | Domestic Return Receipt  |  |

**Certified Mail service provides the full receipt (this portion of the card is not a receipt)**

| SENDER: COMPLETE THIS SECTION   | COMPLETE THIS SECTION ON DELIVERY  |  |
|---|--|--|
| <ul style="list-style-type: none"> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>  | A. Signature<br><input checked="" type="checkbox"/> <i>Linda Carol Black</i>   | <input type="checkbox"/> Agent<br><input type="checkbox"/> Addressee |
| 1. Article Addressed to:<br>Linda Carol Black<br>5304 Holly<br>Bellaire, TX 77401   | B. Received by (Printed Name)<br>_____   | C. Date of Delivery<br>_____   |
| 2. Article Number (Transfer from service label)<br>7018 2290 0000 3432 4847   | D. Is delivery address different from item 1? <input type="checkbox"/> Yes<br>If YES, enter delivery address below: <input type="checkbox"/> No  |  |
| 3. Service Type<br><input type="checkbox"/> Adult Signature<br><input type="checkbox"/> Adult Signature Restricted Delivery<br><input type="checkbox"/> Certified Mail®<br><input checked="" type="checkbox"/> Certified Mail Restricted Delivery<br><input type="checkbox"/> Collect on Delivery<br><input type="checkbox"/> Collect on Delivery Restricted Delivery | <input type="checkbox"/> Priority Mail Express®<br><input type="checkbox"/> Registered Mail™<br><input type="checkbox"/> Registered Mail Restricted Delivery<br><input type="checkbox"/> Return Receipt for Merchandise<br><input type="checkbox"/> Signature Confirmation™<br><input type="checkbox"/> Signature Confirmation Restricted Delivery |  |
| PS Form 3811, July 2015 PSN 7530-02-000-9053  | Domestic Return Receipt  |  |

| SENDER: COMPLETE THIS SECTION  | COMPLETE THIS SECTION ON DELIVERY   |  |
|--|---|--|
| <ul style="list-style-type: none"> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul> | A. Signature<br><input checked="" type="checkbox"/> <i>Evelyn Butcher</i>   | <input type="checkbox"/> Agent<br><input type="checkbox"/> Addressee |
| 1. Article Addressed to:<br>Estate of Paul D. Henderson<br>c/o Greta Manning<br>50 Turnin Lane<br>Mobile, AL 36608   | B. Received by (Printed Name)<br>_____  | C. Date of Delivery<br>_____   |
| 2. Article Number (Transfer from service label)<br>_____   | D. Is delivery address different from item 1? <input type="checkbox"/> Yes<br>If YES, enter delivery address below: <input type="checkbox"/> No   |  |
| 3. Service Type<br><input type="checkbox"/> Adult Signature<br><input type="checkbox"/> Adult Signature Restricted Delivery<br><input type="checkbox"/> Certified Mail®<br><input checked="" type="checkbox"/> Certified Mail Restricted Delivery                  | <input type="checkbox"/> Priority Mail Express®<br><input type="checkbox"/> Registered Mail™<br><input type="checkbox"/> Registered Mail Restricted Delivery<br><input type="checkbox"/> Return Receipt for Merchandise |  |
| PS Form 3811, July 2015 PSN 7530-02-000-9053   | Domestic Return Receipt   |  |

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

2. Article Number (Transfer from service label) 7018 2290 0000 3432 4823

9590 9402 4582 8278 6049 25

1. Article Addressed to:  
 Shirley Ann Roach  
 818 S. San Jose  
 Abilene, TX 79605

3. Service Type  
 Priority Mail Express®  
 Registered Mail™  
 Registered Mail Restricted Delivery  
 Certified Mail®  
 Certified Mail® Restricted Delivery  
 Collect on Delivery  
 Collect on Delivery Restricted Delivery  
 Signature Confirmation™  
 Signature Confirmation™ Restricted Delivery  
 Return Receipt for Merchandise  
 Return Receipt for Delivery  
 Adult Signature Restricted Delivery  
 Adult Signature Restricted Delivery  
 Adult Signature Restricted Delivery (over \$500)

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

C. Date of Delivery

B. Received by (Printed Name) *Shirley Ann Roach*

A. Signature *Shirley Ann Roach*

COMPLETE THIS SECTION ON DELIVERY

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.

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

2. Article Number (Transfer from service label) 7018 2290 0000 3432 4892

9590 9402 4582 8278 6049 94

1. Article Addressed to:  
 Estate of Frankie McCreight  
 c/o Patricia Simmons  
 2 Round Rock Circle  
 Richardson, TX 75080

3. Service Type  
 Priority Mail Express®  
 Registered Mail™  
 Registered Mail Restricted Delivery  
 Certified Mail®  
 Certified Mail® Restricted Delivery  
 Collect on Delivery  
 Collect on Delivery Restricted Delivery  
 Signature Confirmation™  
 Signature Confirmation™ Restricted Delivery  
 Return Receipt for Merchandise  
 Return Receipt for Delivery  
 Adult Signature Restricted Delivery  
 Adult Signature Restricted Delivery  
 Adult Signature Restricted Delivery (over \$500)

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

C. Date of Delivery

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

A. Signature *Frankie McCreight*

COMPLETE THIS SECTION ON DELIVERY

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.

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

2. Article Number (Transfer from service label) 7018 2290 0000 3432 4908

9590 9402 4582 8278 6050 07

1. Article Addressed to:  
 Estate of Fred McCreight  
 c/o Patricia Simmons  
 2 Round Rock Circle  
 Richardson, TX 75080

3. Service Type  
 Priority Mail Express®  
 Registered Mail™  
 Registered Mail Restricted Delivery  
 Certified Mail®  
 Certified Mail® Restricted Delivery  
 Collect on Delivery  
 Collect on Delivery Restricted Delivery  
 Signature Confirmation™  
 Signature Confirmation™ Restricted Delivery  
 Return Receipt for Merchandise  
 Return Receipt for Delivery  
 Adult Signature Restricted Delivery  
 Adult Signature Restricted Delivery  
 Adult Signature Restricted Delivery (over \$500)

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

C. Date of Delivery

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

A. Signature *Frankie McCreight*

COMPLETE THIS SECTION ON DELIVERY

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.

| SENDER: COMPLETE THIS SECTION  | COMPLETE THIS SECTION ON DELIVERY   |   |
|--|---|---|
| <ul style="list-style-type: none"> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul> | <p>A. Signature<br/> <input checked="" type="checkbox"/> <i>[Signature]</i> <input type="checkbox"/> Agent<br/> <input type="checkbox"/> Addressee</p>  |   |
| 1. Article Addressed to:<br>William H. Roach<br>818 S. ... Jose<br>Abilene, TX 79605   | <p>B. Received by (Printed Name)<br/> <i>[Signature]</i><br/>           Shirley Roach</p>   | <p>C. Date of Delivery<br/>           NOV 21 2019</p> |
|  | <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes<br/>           If YES, enter delivery address below: <input type="checkbox"/> No</p>  |   |
| 2. Article Number (Transfer from service label)<br>7018 2290 0000 3432 4809  | 3. Service Type<br><input type="checkbox"/> Adult Signature<br><input type="checkbox"/> Adult Signature Restricted Delivery<br><input checked="" type="checkbox"/> Certified Mail®<br><input type="checkbox"/> Certified Mail Restricted Delivery<br><input type="checkbox"/> Collect on Delivery<br><input type="checkbox"/> Collect on Delivery Restricted Delivery<br><input type="checkbox"/> Priority Mail Express®<br><input type="checkbox"/> Registered Mail™<br><input type="checkbox"/> Registered Mail Restricted Delivery<br><input type="checkbox"/> Return Receipt for Merchandise<br><input type="checkbox"/> Signature Confirmation™<br><input type="checkbox"/> Signature Confirmation Restricted Delivery |   |
| PS Form 3811, July 2015 PSN 7530-02-000-9053 <i>Sub 30314</i> Domestic Return Receipt  |   |   |

| SENDER: COMPLETE THIS SECTION  | COMPLETE THIS SECTION ON DELIVERY   |  |
|--|---|--|
| <ul style="list-style-type: none"> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul> | <p>A. Signature<br/> <input checked="" type="checkbox"/> <i>[Signature]</i> <input type="checkbox"/> Agent<br/> <input type="checkbox"/> Addressee</p>  |  |
| 1. Article Addressed to:<br>Estate of Paul D. Henderson<br>c/o Karen Ledbetter<br>747 Bisc...<br>Houston, TX 77079   | <p>B. Received by (Printed Name)<br/> <i>[Signature]</i><br/>           Karen H Ledbetter</p>   | <p>C. Date of Delivery<br/>           11-29-19</p> |
|  | <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes<br/>           If YES, enter delivery address below: <input type="checkbox"/> No</p>  |  |
| 2. Article Number (Transfer from service label)<br>7018 2290 0000 3432 4878  | 3. Service Type<br><input type="checkbox"/> Adult Signature<br><input type="checkbox"/> Adult Signature Restricted Delivery<br><input checked="" type="checkbox"/> Certified Mail®<br><input type="checkbox"/> Certified Mail Restricted Delivery<br><input type="checkbox"/> Collect on Delivery<br><input type="checkbox"/> Collect on Delivery Restricted Delivery<br><input type="checkbox"/> Priority Mail Express®<br><input type="checkbox"/> Registered Mail™<br><input type="checkbox"/> Registered Mail Restricted Delivery<br><input type="checkbox"/> Return Receipt for Merchandise<br><input type="checkbox"/> Signature Confirmation™<br><input type="checkbox"/> Signature Confirmation Restricted Delivery |  |
| PS Form 3811, July 2015 PSN 7530-02-000-9053 <i>Sub 703H</i> Domestic Return Receipt   |   |  |

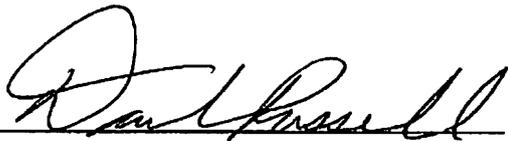
| SENDER: COMPLETE THIS SECTION  | COMPLETE THIS SECTION ON DELIVERY   |                            |
|--|---|----------------------------|
| <ul style="list-style-type: none"> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul> | <p>A. Signature<br/> <input checked="" type="checkbox"/> <i>[Signature]</i> <input type="checkbox"/> Agent<br/> <input type="checkbox"/> Addressee</p>  |                            |
| 1. Article Addressed to:<br>New Mexico Department of<br>Transportation<br>Attn: Property Asset Mgmt. Mgr.<br>112 Cerrillos Rd.<br>Santa Fe, NM 87505   | <p>B. Received by (Printed Name)<br/> <i>[Signature]</i></p>  | <p>C. Date of Delivery</p> |
|  | <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes<br/>           If YES, enter delivery address below: <input type="checkbox"/> No</p>  |                            |
| 2. Article Number (Transfer from service label)<br>7018 2290 0000 3432 4830  | 3. Service Type<br><input type="checkbox"/> Adult Signature<br><input type="checkbox"/> Adult Signature Restricted Delivery<br><input checked="" type="checkbox"/> Certified Mail®<br><input type="checkbox"/> Certified Mail Restricted Delivery<br><input type="checkbox"/> Collect on Delivery<br><input type="checkbox"/> Collect on Delivery Restricted Delivery<br><input type="checkbox"/> Priority Mail Express®<br><input type="checkbox"/> Registered Mail™<br><input type="checkbox"/> Registered Mail Restricted Delivery<br><input type="checkbox"/> Return Receipt for Merchandise<br><input type="checkbox"/> Signature Confirmation™<br><input type="checkbox"/> Signature Confirmation Restricted Delivery |                            |
| PS Form 3811, July 2015 PSN 7530-02-000-9053 <i>Sub 703H</i> Domestic Return Receipt   |   |                            |

# Affidavit of Publication

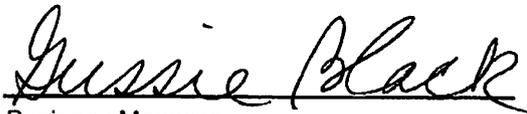
STATE OF NEW MEXICO  
COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, do 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).

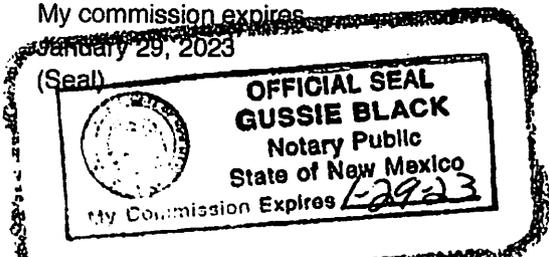
Beginning with the issue dated  
November 24, 2019  
and ending with the issue dated  
November 24, 2019.

  
\_\_\_\_\_  
Publisher

Sworn and subscribed to before me this  
24th day of November 2019.

  
\_\_\_\_\_  
Business Manager

My commission expires  
January 29, 2023



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

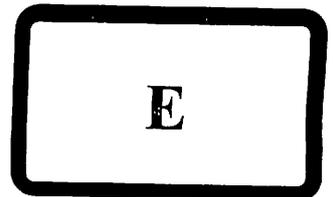
## LEGAL NOTICE NOVEMBER 24, 2019

This is to notify all interested parties, including Estate of Stanley J. Pirtle c/o Vaughn Pirtle, Estate of Stanley J. Pirtle c/o Linda Black, Vaughn Pirtle, Linda Carol Black, Energen Resources Corp, Estate of Fred McCright c/o Patricia Simmons, Estate of Frank McCright c/o Patricia Simmons, Shirley Ann Roach; William H. Roach, Estate of Paul D. Henderson c/o Karen Leebetter, Estate of Paul D. Henderson c/o Greta Massing, Cioma Perkins, New Mexico Department of Transportation, and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by COG Operating (Case No. 20932) at 8:15 a.m. on December 12, 2019 in Porter Hall at 1220 South St. Francis Drive, Santa Fe, New Mexico. Applicant COG Operating LLC seeks an order pooling all uncommitted mineral interests in the Wolfcamp formation in a 160-acre, more or less, standard horizontal spacing unit comprised of the E/2 E/2 of Section 18, Township 24 South, Range 34 East in Lea County, New Mexico. The horizontal spacing unit will be dedicated to the Sebastian Federal Com #703H well, which will be horizontally drilled from a surface location in Unit B to a bottom hole location in Unit P in Section 18, Township 24 South, Range 34 East. The completed interval for the well will be orthodox. Also to be considered will be the costs of drilling and completing the well and the allocation of the costs, the designation of COG Operating, LLC as the operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The well is located approximately 20 miles northwest of Jal, New Mexico.  
#34900

02107475

00236310

HINKLE, HENSLEY, SHANOR & MARTIN, LLP  
PO BOX 2068  
SANTA FE, NM 87504



**COG OPERATING LLC  
AUTHORITY FOR EXPENDITURE  
DRILLING**

|   |   |
|---|---|
| <b>WELL NAME:</b> SEBASTIAN FED COM #703H | <b>PROSPECT NAME:</b> Bulldog 2434 (717040) |
| <b>SHL:</b> Sec 18: 260 FNL & 2225 FEL    | <b>STATE &amp; COUNTY:</b> New Mexico, Lea  |
| <b>BHL:</b> Sec 19: 50 FSL & 990 FEL      | <b>OBJECTIVE:</b> Drill and Complete        |
| <b>FORMATION:</b> Wolfcamp                | <b>DEPTH:</b> 22,500                        |
| <b>LEGAL:</b> Sec 18: 24S 34E             | <b>TVD:</b> 12,369                          |

|                                       | <b>Drig - Rig<br/>Release(D)</b> | <b>Completion(C)</b> | <b>Tank Btty<br/>Constrctn(TB)</b> | <b>Pmpg<br/>Equipment(PEQ)</b> | <b>TOTAL</b>      |
|---------------------------------------|----------------------------------|----------------------|------------------------------------|--------------------------------|-------------------|
| <b>INTANGIBLE COSTS</b>               |                                  |                      |                                    |                                |                   |
| Title/Curative/Permit                 | 201 20,000                       |                      |                                    |                                | 20,000            |
| Insurance                             | 202 2,500                        | 302                  |                                    |                                | 2,500             |
| Damages/Right of Way                  | 203 20,000                       | 303                  |                                    |                                | 20,000            |
| Survey/Stake Location                 | 204 7,000                        |                      | 351 57,000                         |                                | 64,000            |
| Location/Pits/Road Expense            | 205 180,000                      | 305 10,000           | 352 54,000                         | 366                            | 244,000           |
| Drilling / Completion Overhead        | 206 15,000                       | 306 15,000           |                                    |                                | 30,000            |
| Turnkey Contract                      | 207 0                            | 307 1,168,000        |                                    |                                | 1,168,000         |
| Footage Contract                      | 208 0                            | 308 422,000          |                                    |                                | 422,000           |
| Daywork Contract                      | 209 1,277,000                    | 309 719,000          |                                    |                                | 1,996,000         |
| Directional Drilling Services         | 210 538,000                      | 310 338,000          |                                    |                                | 874,000           |
| Fuel & Power                          | 211 228,000                      | 311 68,000           | 354                                | 367                            | 296,000           |
| Water                                 | 212 100,000                      | 312 868,000          |                                    | 368                            | 968,000           |
| Bits                                  | 213 180,000                      | 313                  |                                    | 369                            | 180,000           |
| Mud & Chemicals                       | 214 420,000                      | 314                  |                                    | 370                            | 420,000           |
| Onil Stem Test                        | 215 0                            | 315 550,000          |                                    |                                | 550,000           |
| Corng & Analysis                      | 216 0                            |                      |                                    |                                | 0                 |
| Cement Surface                        | 217 27,900                       |                      |                                    |                                | 27,900            |
| Cement Intermediate                   | 218 83,700                       |                      |                                    |                                | 83,700            |
| Cement 2nd Intermediate/Production    | 219 116,300                      |                      |                                    |                                | 116,300           |
| Cement Squeeze & Other (Kickoff Plug) | 220 0                            |                      |                                    | 371                            | 0                 |
| Float Equipment & Centralizers        | 221 70,000                       |                      |                                    |                                | 70,000            |
| Casing Crews & Equipment              | 222 80,000                       |                      |                                    |                                | 80,000            |
| Fishing Tools & Service               | 223 0                            | 323                  |                                    | 372                            | 0                 |
| Geologic/Engineering                  | 224 16,800                       | 324                  | 355                                | 373                            | 16,800            |
| Contract Labor                        | 225 6,500                        | 325 20,000           | 356 316,585                        | 374 6,500                      | 349,585           |
| Company Supervision                   | 226 90,000                       | 326 15,000           | 357                                | 375 0                          | 105,000           |
| Contract Supervision                  | 227 212,000                      | 327 295,000          | 358                                | 376 5,000                      | 512,000           |
| Testing Casing/Tubing                 | 228 40,000                       | 328 5,000            |                                    | 377                            | 45,000            |
| Mud Logging Unit                      | 229 71,000                       | 329 68,000           |                                    |                                | 139,000           |
| Logging                               | 230 0                            |                      |                                    | 378                            | 0                 |
| Perforating/Wireline Services         | 231 10,000                       | 331 404,000          |                                    | 379                            | 414,000           |
| Stimulation/Treating                  |                                  | 332 0                |                                    | 380                            | 0                 |
| Completion Unit                       |                                  | 333 140,000          |                                    | 381 10,000                     | 150,000           |
| Swabbing Unit                         |                                  | 334                  |                                    | 382 0                          | 0                 |
| Rentals-Surface                       | 235 300,000                      | 335                  | 359                                | 383 7,000                      | 307,000           |
| Rentals-Subsurface                    | 236 175,000                      | 336 30,000           |                                    | 384 0                          | 205,000           |
| Trucking/Forklift/Rig Mobilization    | 237 265,000                      | 337 20,000           | 360                                | 385 3,000                      | 288,000           |
| Welding Services                      | 238 6,000                        | 338 5,000            | 361                                | 386                            | 11,000            |
| Water Disposal                        | 239                              | 339 60,000           | 362 200,000                        | 387                            | 260,000           |
| Plug to Abandon                       | 240                              | 340                  |                                    |                                | 0                 |
| Sismic Analysis                       | 241                              | 341                  |                                    |                                | 0                 |
| Miscellaneous                         | 242                              | 342                  |                                    | 389                            | 0                 |
| Contingency                           | 243 103,000                      | 343 200,000          | 363                                | 390                            | 303,000           |
| Closed Loop & Environmental           | 244 550,000                      | 344 0                | 364                                | 388                            | 550,000           |
| Cod Tubing                            |                                  | 346 466,000          |                                    |                                | 466,000           |
| Flowback Crews & Equip                |                                  | 347 750,000          |                                    |                                | 750,000           |
| Offset Directional/Frac               | 248                              | 348                  |                                    |                                | 0                 |
| <b>TOTAL INTANGIBLES</b>              | <b>5,210,700</b>                 | <b>6,691,000</b>     | <b>570,585</b>                     | <b>31,500</b>                  | <b>12,503,785</b> |

| <b>TANGIBLE COSTS</b>         |                  |                  |                  |                |                   |
|-------------------------------|------------------|------------------|------------------|----------------|-------------------|
| Surface Casing                | 401 47,000       |                  |                  |                | 47,000            |
| Intermediate Casing           | 402 459,000      |                  |                  |                | 459,000           |
| Production Casing/Liner       | 403 471,000      |                  |                  |                | 471,000           |
| Tubing                        |                  | 504 52,000       |                  | 530 10,000     | 62,000            |
| Wellhead Equipment            | 405 75,000       | 505 22,000       |                  | 531 3,000      | 100,000           |
| Pumping Unit                  |                  |                  |                  | 506 98,000     | 98,000            |
| Prime Mover                   |                  |                  |                  | 507 0          | 0                 |
| Rods                          |                  |                  |                  | 508 65,000     | 65,000            |
| Pumps-Sub Surface (BH)        |                  | 509              |                  | 532 5,500      | 5,500             |
| Tanks                         |                  |                  | 510 63,583       |                | 63,583            |
| Flowlines                     |                  |                  | 511 33,333       |                | 33,333            |
| Heater Treater/Separator      |                  |                  | 512 99,618       |                | 99,618            |
| Electrical System             |                  |                  | 513 20,833       | 533 20,000     | 40,833            |
| Packers/Anchors/Hangers       | 414              | 514 66,000       |                  | 534 2,000      | 68,000            |
| Couplings/Fittings/Valves     | 415              |                  | 515 175,731      |                | 175,731           |
| Dehydration                   |                  |                  | 517              |                | 0                 |
| Injection Plant/CO2 Equipment |                  |                  | 518              |                | 0                 |
| Pumps-Surface                 |                  |                  | 521 10,000       |                | 10,000            |
| Instrumentation/SCADA/POC     |                  |                  | 522 19,167       | 529 7,000      | 26,167            |
| Miscellaneous                 | 419              | 519              | 523 74,939       | 535 3,000      | 77,939            |
| Contingency                   | 420              | 520              | 524              | 536            | 0                 |
| Meters/LACT                   |                  |                  | 525 35,500       |                | 35,500            |
| Flares/Combusters/Emission    |                  |                  | 526 13,333       |                | 13,333            |
| Gas Lift/Compression          |                  | 527 50,000       | 516 66,667       | 528            | 116,667           |
| <b>TOTAL TANGIBLES</b>        | <b>1,052,000</b> | <b>190,000</b>   | <b>612,704</b>   | <b>213,500</b> | <b>2,068,204</b>  |
| <b>TOTAL WELL COSTS</b>       | <b>6,262,700</b> | <b>6,881,000</b> | <b>1,183,289</b> | <b>245,000</b> | <b>14,571,989</b> |

|                          |                             |            |            |           |           |
|--------------------------|-----------------------------|------------|------------|-----------|-----------|
| <b>COG Operating LLC</b> | <b>% of Total Well Cost</b> | <b>43%</b> | <b>47%</b> | <b>8%</b> | <b>2%</b> |
|--------------------------|-----------------------------|------------|------------|-----------|-----------|

Date Prepared 7/15/19

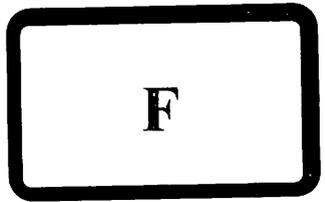
We approve \_\_\_\_\_  
% Working Interest

COG Operating LLC  
\_\_\_\_\_ BM

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

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

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



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

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

**Case No. 20932**

**SELF-AFFIRMED STATEMENT OF  
CODY BACON**

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

2. I am a geologist at COG Operating, LLC ("COG"). I have previously testified before the New Mexico Oil Conservation Division, and my qualifications as an expert in geology matters were accepted. I am familiar with the geological matters that pertain to COG's application.

3. Attached as Exhibit A is a map that shows the proposed location of the Sebastian Federal Com #703H well relation to other Wolfcamp wells drilled in the vicinity. The preference is for stand-up wells (north to south or south to north), and the completed wells in the area (recent completions) apparently are commercial.

4. Attached as Exhibit B is a structure map of the Wolfcamp formation, which is the target zone for the proposed wells.

5. Attached as Exhibit C is a cross section map for the Sebastian Federal Com #703H well.

6. Attached as Exhibit D is a north to south cross section. The well logs on the cross section provide a representative sample of the Wolfcamp formation in the area. The target zone for the proposed well is continuous across the HSU.

Case No. 20932

COT Operating, Inc

Exhibit 2

7. Based on the information contained in Exhibits A, B, C, and D, I am able to conclude that:

- a) The HSU is justified from a geologic standpoint;
- b) There is no faulting or other geologic impediment that could adversely affect the drilling of the proposed well; and
- c) Each quarter-quarter section in the HSU will contribute more or less equally to production.

8. In my opinion, the granting of COG's application will serve the interests of conservation and the prevention of waste.

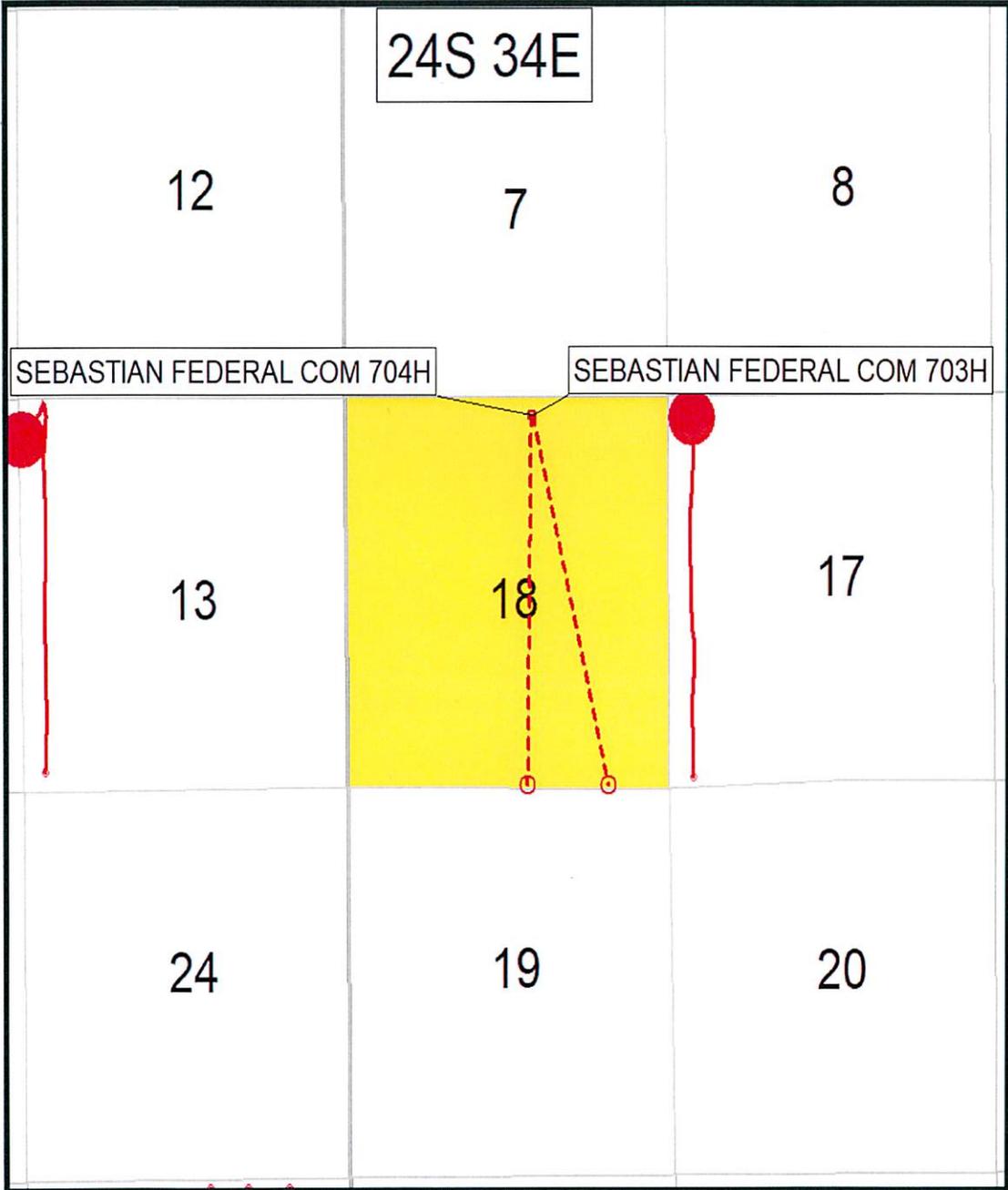
9. Exhibits A through D were either prepared by me or compiled from company records.

10. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 9 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

M. Cody Bacon  
Cody Bacon

12-10-19  
Date

Sebastian Federal Com 703H, 704H

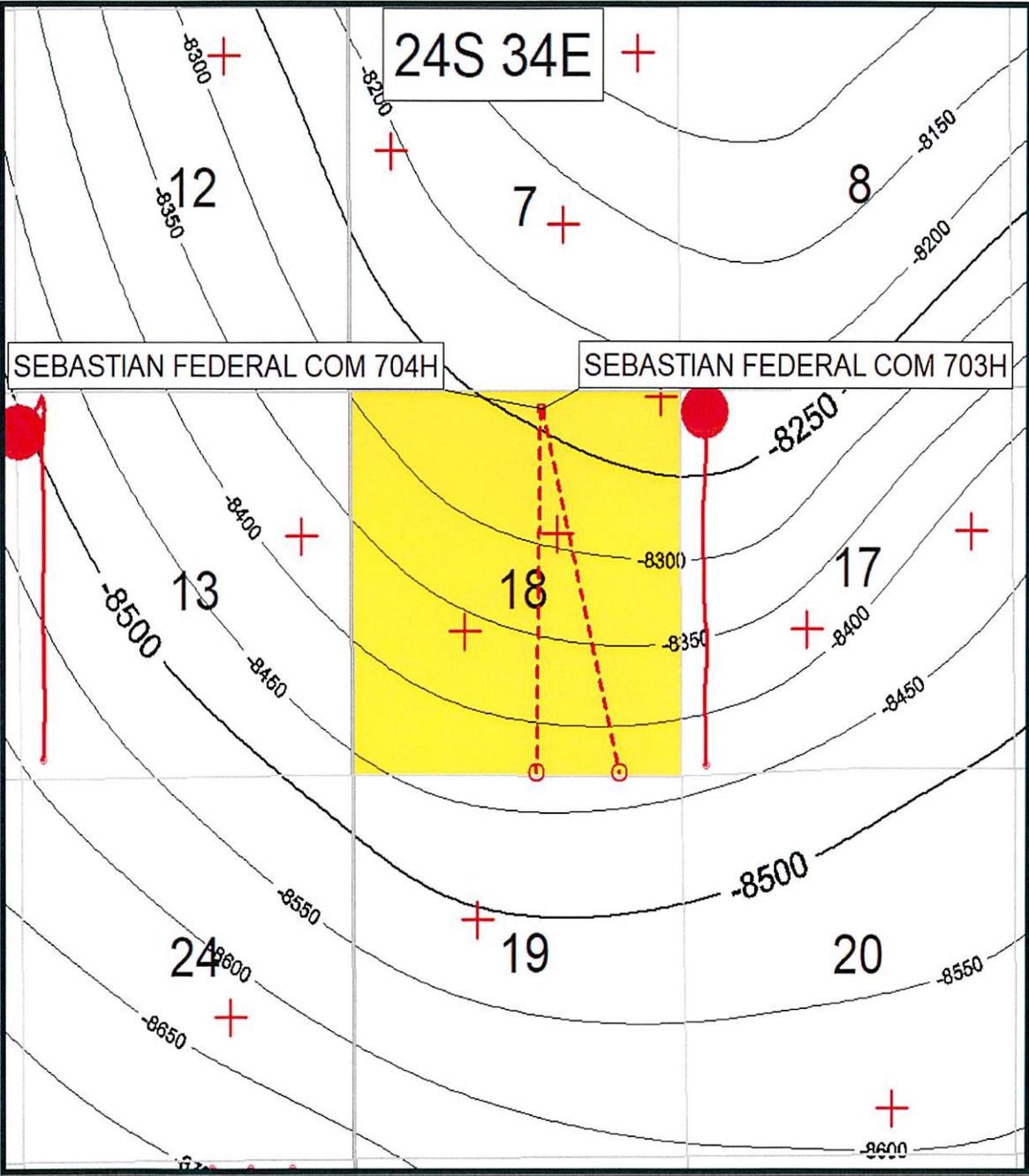


**Map Legend**

- SHL □ COG – Wolfcamp Horizontal Location
- BHL ○
- Producing Wolfcamp Wells
- COG Acreage



# Wolfcamp Structure Map



## Map Legend

SHL □

COG - Wolfcamp Horizontal Location

BHL ○

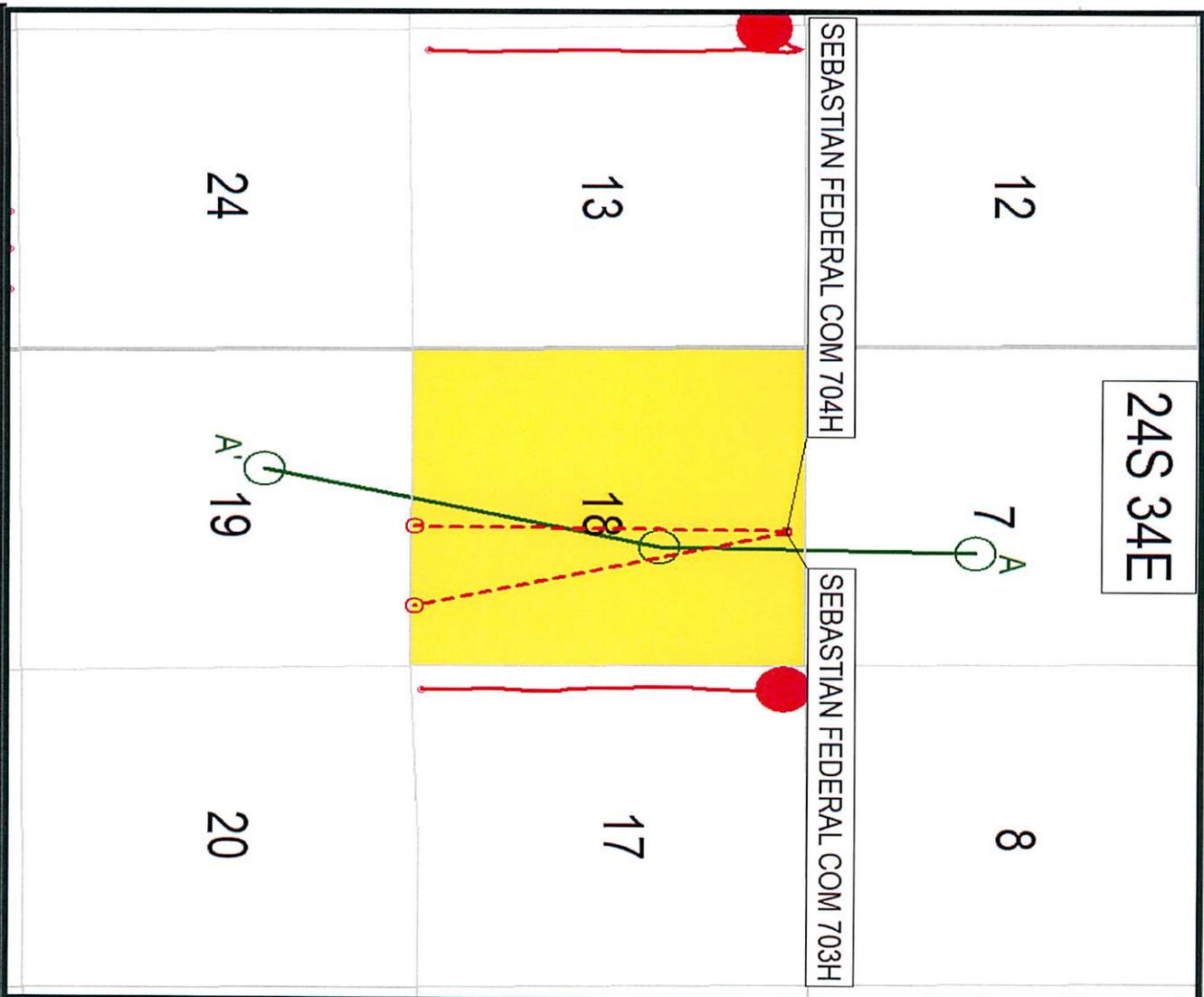
● Producing Wolfcamp Wells

~ Wolfcamp Structure  
CI: 50'

■ COG Acreage

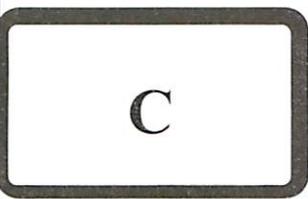
B

# Cross Section Map



### Map Legend

- SHL
- BHL
- COG - Wolfcamp Horizontal Location
- Producing Wolfcamp Wells
- Cross Section Line
- COG Acreage



# Stratigraphic Cross Section A – A'

