

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

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

CASE NOS. 21337 & 21338

SECOND AFFIDAVIT OF ADAM REKER, LANDMAN

Adam Reker, being of lawful age and duly sworn, states the following:

1. My name is Adam Reker. I am employed by COG Operating LLC ("COG") as a Landman and this is the second affidavit I have submitted in this matter.
2. I have reviewed the company records on the correspondence and discussions with CM Resources following submission of the subject well proposals in February of 2020.
3. I understand that CM Resources is affiliated with Colgate Operating and is the mineral owner of record that COG seeks to pool under these consolidated cases.
4. Company records reflect that Colgate, through CM Resources, received the well proposals submitted in February of 2020 at the same address used to provide CM Resources with notice of these pooling proceedings.
5. **COG Exhibit E** reflects that before COG filed its pooling applications, COG's land department reached out to Colgate on April 17, 2020, to follow-up on "CM Resource's status of the Tenderloin Federal Com 501H, 502H & 503H well proposals under cover letter dated February 20, 2020." COG further informed Colgate that it intended to proceed with pooling proceedings:

"I am looking at the next step of filing for compulsory pooling on these wells but before I do so, I wanted to check with you on CM's position regarding these well proposals."

See COG Exhibit E (bottom of page).

6. On April 17th, Colgate responded to COG's notice that it intended to proceed with pooling stating:

Thanks for the update on the Tenderloin go forward, I have actually shifted over to some of our Texas assets and Mark Hajdik is responsible for this CM acreage. I have copied Mark here, he should be able to answer your questions regarding our position.

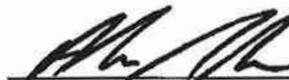
See COG Exhibit E.

7. Thereafter, COG's records reflect that Colgate (through Mark Hajdik) engaged in various trade discussions with COG throughout the month of April. At no point did Colgate inform COG that it was changing offices or that it intended to object to the pooling proceedings.

8. I understand that on July 9th, Colgate obtained a late-filed continuance of these pooling cases on the grounds that Colgate did not receive the pooling applications until July 7th. As noted above, COG used the same address as that used to provide CM Resources with the well proposal letters. At no time after being informed that COG intended to proceed with pooling did CM Resources or Colgate inform COG of any address change.

9. **COG Exhibit F** further reflects that even with the unannounced change of address, Colgate received the pooling applications no later than July 7, 2020. Colgate's counsel further informed the Division on July 8th that a continuance to July 23rd "would give them sufficient time to evaluate and prepare to the extent necessary." *See* COG Exhibit F, second page.

FURTHER AFFIANT SAYETH NAUGHT


ADAM REKER

STATE OF TEXAS)
)
COUNTY OF MIDLAND)

SUBSCRIBED and SWORN to before me this 21 day of July 2020 by
Adam Reker.



Becky Zindel
NOTARY PUBLIC

My Commission Expires:

7/10/21

15020326 v1

Carla S. Garcia

From: Taylor Craighead <TCraighead@colgateenergy.com>
Sent: Friday, April 17, 2020 11:31 AM
To: Luke Bedrick; Mark Hajdik
Subject: [External] RE: Tenderloin Federal Com 501H, 502H & 503H Proposals

**** External email. Use caution. ****

Luke,

Good to hear from you, I hope the same goes for you and your family, unique times indeed.

Thanks for the update on the Tenderloin go forward, I have actually shifted over to some of our Texas assets and Mark Hajdik is responsible for this CM acreage. I have copied Mark here, he should be able to answer your questions regarding our position.

Thanks,
Taylor

From: Luke Bedrick <LBedrick@concho.com>
Sent: Friday, April 17, 2020 11:46 AM
To: Taylor Craighead <TCraighead@colgateenergy.com>
Subject: [EXTERNAL] Tenderloin Federal Com 501H, 502H & 503H Proposals

***** Attention: This is an external email, use caution. *****

Taylor,

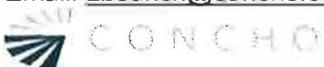
I hope all is well with you and your family during these unique times.

I am following up with you on CM Resource's status of the Tenderloin Federal Com 501H, 502H & 503H well proposals under cover letter dated February 20, 2020. Given the current environment, this project has been pushed back into 2021 but my directive is to continue moving forward and have this project drill ready once things turn around. I am looking at the next step of filing for compulsory pooling on these wells but before I do so, I wanted to check with you on CM's position regarding these well proposals.

I appreciate any feedback you have regarding this matter.

Thanks.

Luke Bedrick, CPL
Senior Landman
COG Operating LLC
600 W. Illinois Avenue
Midland, Texas 79701
Phone (432) 686-3000
Email: Lbedrick@concho.com



BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. E

Submitted by: COG OPERATING, LLC Hearing

Date: July 23, 2020

Case Nos. 21337-21338

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dissemination or copying of this email and its attachments, if any, or the information contained herein, is prohibited. If you have received this email in error, please immediately notify the sender by return email and delete this email from your system. Further, any contract terms proposed or purportedly accepted in this email are not binding and are subject to management's final approval as memorialized in a separate written instrument, excluding electronic correspondence, executed by an authorized representative of COG Operating LLC or its affiliates.

Carla S. Garcia

From: Lance D. Hough <ldh@modrall.com>
Sent: Tuesday, July 7, 2020 2:06 PM
To: Michael Feldewert; Adam Rankin
Cc: Earl E. DeBrine
Subject: Cases 21337, 21338 (COG's Tenderloin); Continuance/Insufficient Notice

External Email

EXTERNAL EMAIL: Please do not click any links or open any attachments unless you trust the sender and are expecting this message and know the content is safe.

Mike and Adam,

We are going to file an entry of appearance on behalf of Colgate Operating LLC. They just received the hearing notice today, apparently because it was mailed to a prior address of Colgate. Given the notice issue, is COG willing to continue the case to August 20th? If not, Colgate is opposed to presentation by affidavit on 7/9.

Please let us know COG's position asap so that we can plan accordingly.

Sincerely,



Lance D. Hough

Associate

Modrall Sperling | www.modrall.com

P.O. Box 2168 | Albuquerque, NM 87103-2168

500 4th St. NW, Ste. 1000 | Albuquerque, NM 87102

D: 505.848.1826 | O: 505.848.1800

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. F

Submitted by: **COG OPERATING, LLC**

Hearing Date: July 23, 2020

Case Nos. 21337-21338

Carla S. Garcia

From: Michael Feldewert
Sent: Monday, July 20, 2020 6:00 PM
To: Michael Feldewert
Subject: FW: Nos. 21337, 21338 - Colgate Operating, LLC - Entry of Appearance

From: Lance D. Hough <ldh@modrall.com>
Sent: Wednesday, July 8, 2020 10:17 AM
To: Hearings, OCD, EMNRD <OCD.Hearings@state.nm.us>; Adam Rankin <AGRankin@hollandhart.com>; Zina Crum <zinac@modrall.com>
Cc: Earl E. DeBrine <edebrine@modrall.com>; Deana M. Bennett <dmb@modrall.com>; Kathleen Allen <KATA@modrall.com>; Karlene S. Schuman <karlenes@modrall.com>; Michael Feldewert <MFeldewert@hollandhart.com>; Julia Broggi <JBroggi@hollandhart.com>; Kaitlyn A. Luck <KALuck@hollandhart.com>; felicia.l.orth@gmail.com; Ames, Eric, EMNRD <Eric.Ames@state.nm.us>; Rose-Coss, Dylan H, EMNRD <DylanH.Rose-Coss@state.nm.us>
Subject: RE: Nos. 21337, 21338 - Colgate Operating, LLC - Entry of Appearance

External Email

Good morning all,

Following up on Marlene's email, I'd like to provide some context on the timing.

The continuances were not requested by 8:15 am on Tuesday because the basis arose after that time. Colgate Operating, LLC ("Colgate") received the hearing notice just yesterday and immediately contacted our office. I conferred with counsel for COG in an attempt to determine what caused the delay of delivery. Given the timing, Colgate is opposed to presentation of the case by affidavit tomorrow. Colgate agreed with COG that a continuance to the next docket on 7/23 would give them sufficient time to evaluate and prepare to the extent necessary. Accordingly, the continuances were only requested yesterday afternoon because Colgate was uninformed these cases had been filed by COG until yesterday.

Please let me know if you have any questions or concerns. Thank you.

Sincerely,

 MODRALL SPERRING

Lance D. Hough
Associate Attorney
D: 505.848.1826

From: Hearings, OCD, EMNRD <OCD.Hearings@state.nm.us>
Sent: Wednesday, July 8, 2020 8:34 AM
To: Adam Rankin <AGRankin@hollandhart.com>; Zina Crum <zinac@modrall.com>
Cc: Earl E. DeBrine <edebrine@modrall.com>; Deana M. Bennett <dmb@modrall.com>; Lance D. Hough

<ldh@modrall.com>; Kathleen Allen <KATA@modrall.com>; Karlene S. Schuman <karlenes@modrall.com>; Michael Feldewert <MFeldewert@hollandhart.com>; Julia Broggi <JBroggi@hollandhart.com>; Kaitlyn A. Luck <KALuck@hollandhart.com>; felicia.l.orth@gmail.com; Ames, Eric, EMNRD <Eric.Ames@state.nm.us>; Rose-Coss, Dylan H, EMNRD <DylanH.Rose-Coss@state.nm.us>

Subject: Re: Nos. 21337, 21338 - Colgate Operating, LLC - Entry of Appearance

Good morning,

Continuances should be requested by 8:15 am on the Tuesday before a hearing. I will Cc Eric Ames, Felicia Orth and Dylan Rose-Coss this email and they can decide on how to proceed with this late request.

Thank you,

Marlene Salvidrez

From: Adam Rankin <AGRankin@hollandhart.com>

Sent: Tuesday, July 7, 2020 6:13 PM

To: Zina Crum

Cc: Hearings, OCD, EMNRD; Earl E. DeBrine; Deana M. Bennett; Lance D. Hough; Kathleen Allen; Karlene S. Schuman; Michael Feldewert; Julia Broggi; Kaitlyn A. Luck

Subject: [EXT] Re: Nos. 21337, 21338 - Colgate Operating, LLC - Entry of Appearance

Marlene,

Colgate has informed COG that it objects to these cases proceeding to hearing by affidavit on July 9. The parties agree they should be continued to the July 23 docket.

Adam G. Rankin
Holland & Hart LLP

On Jul 7, 2020, at 5:08 PM, Zina Crum <zinac@modrall.com> wrote:

External Email

EXTERNAL EMAIL: Please do not click any links or open any attachments unless you trust the sender and are expecting this message and know the content is safe.

Dear OCD Hearing Officer, please find the attached for filing on behalf of Colgate Operating, LLC.

Colgate Operating, LLC

Entry of Appearance

Case Nos. 21337, 21338 (Application of COG Operating, LLC)

If you have any questions, please let us know.

Thank you.

Zina

<image001.jpg>

Zina Crum

Legal Assistant to Lynn H. Slade

and Lance D. Hough

Modrall Sperling | www.modrall.com

P.O. Box 2168 | Albuquerque, NM 87103-2168

500 4th St. NW, Ste. 1000 | Albuquerque, NM 87102

D: 505.848.1800 X 1664 | O: 505.848.1800 | F: 505.848.1889

<21337, 21338 - Colgate - Entry of Appearance re Concho Tenderloin (W3786184x7A92D).pdf>