

COG Testimony & Exhibit Binder

Case No. 23687

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

APPLICATION OF CHEVRON USA INC.
TO APPROVE SALT WATER DISPOSAL
WELLS IN EDDY COUNTY, NEW MEXICO.

CASE NO. 23687

DIRECT TESTIMONY OF SHELLEY C. KLINGLER

I, Shelley C. Klingler, of lawful age and being first duly sworn, declare as follows:

1. My name is Shelley C. Klingler. I work for ConocoPhillips, a parent company of COG Operating LLC (“COG”), as staff land negotiator. COG is an offset operator to the Applicant in this case.

2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as an expert in petroleum land matters have been accepted by the Division and made a matter of record, but for convenience purposes, my curriculum vitae is attached here as **Exhibit A-1**.

3. I am familiar with the application filed by the Applicant and with COG’s proposed oil and gas operations in the same subject area.

4. COG objects to Applicant’s Application to drill and inject into the Severitas 2 State SWD #1 well (“Subject SWD Well”) at a surface location 185’ from the North line and 1,082’ from the East line, Unit A, Section 2, Township 26 South, Range 27 East, NMPM, Eddy County, New Mexico, which purpose is for salt water disposal into the Bell Canyon/Cherry Canyon/Brushy Canyon Formation from 2,343’ to 6,012’ in the Delaware Mountain Group (“DMG”).

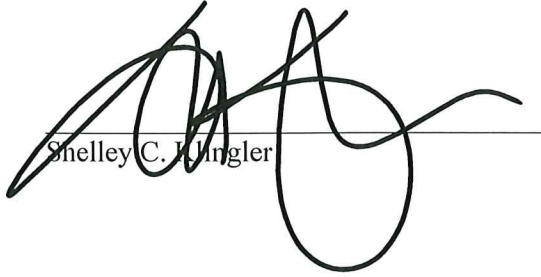
5. Applicant’s proposed operations interferes with COG’s upcoming Atticus and Raccoon projects which are located in the subject area, the subject wells being listed on **Exhibit A-2**.

6. **Exhibit A-2** also includes columns with a timeline which reflects the timing of the drilling, completion and production of COG’s Atticus and Raccoon wells.

7. **Exhibit A-3**, attached hereto, is a locator map which reflects the location of the proposed Subject SWD Well in DMG in relation to COG’s proposed Atticus and Raccoon projects.

8. Although COG is sympathetic to the need for industry to have alternate disposal zones in New Mexico, in my opinion, the Commission should not grant Chevron's application because the correlative rights of COG will be negatively impacted in the Subject Area and the potential for waste of resources is too great without any recourse to COG.

FURTHER AFFIANT SAYETH NOT.


Shelley C. Klingler

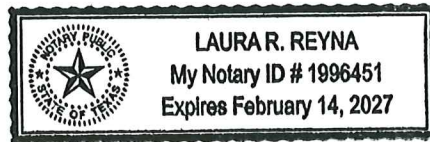
STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

SUBSCRIBED AND SWORN to before me this 2nd day of November, 2023 by Shelley C. Klingler.


NOTARY PUBLIC OF STATE OF TEXAS

My Commission Expires:

2-14-2027



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

APPLICATION OF CHEVRON USA INC.
TO APPROVE SALT WATER DISPOSAL
WELLS IN EDDY COUNTY, NEW MEXICO.

CASE NO. 23687

DIRECT TESTIMONY OF DEAN C. SNIDOW

I, Dean C. Snidow, of lawful age and being first duly sworn, declare as follows:

1. My name is Dean Snidow. I work for ConocoPhillips, a parent company COG Operating LLC ("COG"), as supervisor geoscience. COG is an offset operator to the Applicant in this case.
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in geoscience matters. My credentials as an expert in geoscience have been accepted by the Division and made a matter of record, but for convenience purposes, my curriculum vitae is attached here as **Exhibit A-5**.
3. I am familiar with the application filed by the Applicant and have conducted a geologic study of the subject lands and in relation to COG's proposed oil and gas operations in the same subject area.
4. Applicant proposes salt water disposal into the Bell Canyon/Cherry Canyon/Brushy Canyon Formation from 2,343' to 6,012' in the Delaware Mountain Group ("DMG") which is anticipated to interfere with production from our Atticus and Raccoon projects.
5. COG has concerns about disposal into the DMG because it may increase volume of produced water in COG's Atticus and Raccoon projects and has the potential to impact drilling and other operations that would increase total cost of wells and/or development projects.
6. **Exhibit A-6**, attached hereto, contains a Severitas SWD and Cross Section Locator Map.
7. **Exhibit A-7**, attached hereto, contains a cross section in the vicinity of the project highlighting the proposed injected interval in relation to prospective horizons.

8. In my opinion, Applicant's proposed SWD well could cause drilling and other operational challenges because it is in close stratigraphic proximity to productive formations and especially to COG's planned projects.

9. Although COG is sympathetic to the need for industry to have alternate disposal zones in New Mexico, in my opinion, the Commission should not grant Chevron's application because the correlative rights of COG will be negatively impacted in the Subject Area and the potential for waste of resources is too great without any recourse to COG.

10. The OCD's proposed conditions of approval will not adequately protect COG's loss because they do not include economic recourse.

FURTHER AFFIANT SAYETH NOT.


Dean C. Snidow

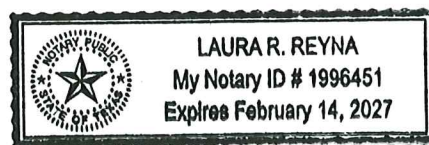
STATE OF TEXAS)
)
COUNTY OF MIDLAND) ss.

SUBSCRIBED AND SWORN to before me this 2nd day of November 2023 by Dean C. Snidow.


NOTARY PUBLIC OF STATE OF TEXAS

My Commission Expires:

2-14-2027



Staff Land Negotiator, ConocoPhillips, Midland, TX, February 2022 – Present

Delaware Basin New Mexico, Eddy County Asset Area, Mentor/Trainer

Land Advisor (Land & Planning), Oklahoma City, OK, & Midland, TX, January 2020 – February 2022

Working with mineral/surface owners; Oil & Gas legal firms and independent energy companies (Op and Non-op) in the Permian/Delaware Basins.

Land Advisor, Anadarko Petroleum (now Oxy), Midland, TX, April 2019 – January 2020

- Advised, mentored, and educated on all things Land (Texas and New Mexico), value creation through efficient and effective planning and total well lifecycle. Educated other petro-technical disciplines on Land, including management
- Facilitated and/or presented AAPL approved classes to Land/Land Admin/Regulatory group.
- Worked Asset area, negotiated and oversaw preparation of Land related documents including, but not limited to Pooling Agreements, JOAs, Production Sharing Agreements, Leases, Term Assignments and others.
- Worked closely with Legal Department as well as outside legal, brokers and field staff on title opinions, ownership reports, curative, surface agreements and other related documents
- Maintained lease area for Obligations, Rentals, Cessation of Production Reports and others to protect company assets

Planning Supervisor/Landman, Devon Energy, Oklahoma City, OK, September 2013 – March 2019

- Successfully managed the integrated planning and execution teams for the drilling/completion/facility/capital budget program for the Delaware Basin Business Unit, working knowledge of SAP, Actenum, Peloton, and Quorum software as well as other Land programs
- Coordinated and collaborated with functional, asset and project teams for the appraisal and development of the program and to ensure successful execution efforts with respect to cost, schedule, and quality.
- Developed stage gate process for program reviews with SVPs and COO as related to our capital activity schedule, collaboration with corporate strategic planning and Investor Relations to optimize corporate portfolio
- Directed performance and professional development for direct reports as well as indirect reports and brokers, mentored several young professionals (Land, Engineering, Geology, HR Analytics).
- Accomplished at and proactive in effective risk, issue and change management, processes
- Well-versed in capital budget planning and tracking/explanation of variance and quarterly refresh of dynamic capital reallocation process as well as developing multidisciplinary short-term & long-term business plans and asset-based growth strategies
- 100% SOX compliant for Delaware Basin business unit
- Landman asset/execution/Regulatory areas in New Mexico, Texas and Wyoming
- Initiated and facilitated acquisitions/trades of highly sought acreage and divested non-core assets

SHELLEY C. KLINGLER, CPL
Shelley.C.Klingler@ConocoPhillips.com

- Collaborated with all disciplines to properly prepare undeveloped asset area including educating team on rules, regulations and stipulations in Federal, State and Fee areas in Delaware and Powder River Basins.
- Solid working knowledge of contracts/leases/agreements, surface and subsurface, determining ownership, working with title attorneys, reviewing title opinions, negotiating and drafting/consummated agreements/farm-ins (outs)/trades, performing due diligence and creating reports, maps, and other documents necessary for transparency and successful communication.
- Built and maintained positive, productive relationships with outside Regulatory agencies, partners, competitors, vendors and other allied energy industry entities (still maintain to date).

Landman, Continental Land Resources, Edmond, OK, 2006 – 2013

- In-house contract landman with Devon Energy and Highmount
- Analyzed, proposed and implemented solutions to problem prospects for company interests and assignments
- Experience locating, communicating, and negotiating with mineral/surface owners, royalty interest and working interest owners
- Prepared assignments, conveyances, exhibits, proposals, elections letters
- Experience with Acquisitions, AFEs, Title Opinions, Title Curative, Due Diligence, JOAs, DPU's, PA, PSAs, ROWs, SDAs/SUAs, Farm-In/Outs, Comm Agreements, BLM, BIA, and state leases, and well audits
- Worked projects in Arkansas, Colorado, Kansas, Louisiana, Nebraska, New Mexico, North Dakota, Oklahoma, and Texas

Independent Land professional – Part-time from 1987-2006

United States Navy, Naval Security Group, Intelligence Department, 1989 – 1996

Education/Certification:

Certified Professional Landman, AAPL, since 2015
University of Phoenix, BS Business Management

API	Project Name	Well Number	Permit Date	Formation Interval	Sections	Township	Range	Leases	Drilling	Completions	POP date
30-015-49982	Atticus State Com	521H	9/13/2022	BS/CHKY	24, 25, 36	25S	27E	NMSLO Oil and Gas Lease VB-1006-1 NMSLO Oil and Gas Lease VB-1007-1 NMSLO Oil and Gas Lease VB-0995-2 NMSLO Oil and Gas Lease VB-0996-2 NMSLO Oil and Gas Lease VB-1008-2 Fee	11/30/2023	2/15/2024	4/15/2024
30-015-49983	Atticus State Com	522H	9/13/2022	BS/CHKY	24, 25, 36	25S	27E		11/30/2023	2/15/2024	4/15/2024
30-015-49628	Atticus State Com	701H	6/15/2022	WFMP A	24, 25, 36	25S	27E		11/30/2023	2/15/2024	4/15/2024
30-015-49629	tticus State Com	702H	6/15/2022	WFMP A	24, 25, 36	25S	27E		11/30/2023	2/15/2024	4/15/2024
30-015-49630	Atticus State Com	703H	6/15/2022	WFMP A	24, 25, 36	25S	27E		11/30/2023	2/15/2024	4/15/2024
30-015-49631	Atticus State Com	704H	6/15/2022	WFMP A	24, 25, 36	25S	27E		11/30/2023	2/15/2024	4/15/2024
30-015-49632	Atticus State Com	705H	6/15/2022	WFMP A	24, 25, 36	25S	27E		11/30/2023	2/15/2024	4/15/2024
30-015-49633	Atticus State Com	706H	6/15/2022	WFMP A	24, 25, 36	25S	27E		11/30/2023	2/15/2024	4/15/2024
TBD	Atticus State Com	901H	Q3 2025	WFMP C	24, 25, 36	25S	27E	NMSLO Oil and Gas Lease VB-1006-1 NMSLO Oil and Gas Lease VB-1007-1 NMSLO Oil and Gas Lease VB-0995-2 NMSLO Oil and Gas Lease VB-0996-2 NMSLO Oil and Gas Lease VB-1008-2 Fee	Q4 2025	Q2 2026	Q3 2026
TBD	Atticus State Com	902H	Q3 2025	WFMP C	24, 25, 36	25S	27E		Q4 2025	Q2 2026	Q3 2026
TBD	Atticus State Com	903H	Q3 2025	WFMP C	24, 25, 36	25S	27E		Q4 2025	Q2 2026	Q3 2026
TBD	Atticus State Com	904H	Q3 2025	WFMP C	24, 25, 36	25S	27E		Q4 2025	Q2 2026	Q3 2026
TBD	Atticus State Com	905H	Q3 2025	WFMP C	24, 25, 36	25S	27E		Q4 2025	Q2 2026	Q3 2026
TBD	Atticus State Com	906H	Q3 2025	WFMP C	24, 25, 36	25S	27E		Q4 2025	Q2 2026	Q3 2026
TBD	Atticus State Com	907H	Q3 2025	WFMP C	24, 25, 36	25S	27E		Q4 2025	Q2 2026	Q3 2026
TBD	Atticus State Com	908H	Q3 2025	WFMP C	24, 25, 36	25S	27E		Q4 2025	Q2 2026	Q3 2026
TBD	Atticus State Com	909H	Q3 2025	WFMP C	24, 25, 36	25S	27E		Q4 2025	Q2 2026	Q3 2026
TBD	Atticus State Com	910H	Q3 2025	WFMP C	24, 25, 36	25S	27E		Q4 2025	Q2 2026	Q3 2026

TBD	Raccoon Federal	501H	Q4 2024	BS/2BSS	27, 34	25S	27E	USA NMNM-112270	Q4 2025	Q3 2026	Q4 2026
TBD	Raccoon Federal	502H	Q4 2024	BS/2BSS	27, 34	25S	27E	USA NMNM-112270	Q4 2025	Q3 2026	Q4 2026
TBD	Raccoon Federal	503H	Q4 2024	BS/2BSS	27, 34	25S	27E	USA NMNM-112270	Q4 2025	Q3 2026	Q4 2026
TBD	Raccoon Federal	504H	Q4 2024	BS/2BSS	27, 34	25S	27E	USA NMNM-112270	Q4 2025	Q3 2026	Q4 2026
TBD	Raccoon Federal	520H	Q4 2024	BS/CHKY	27, 34	25S	27E	USA NMNM-112270	Q4 2025	Q3 2026	Q4 2026
TBD	Raccoon Federal	521H	Q4 2024	BS/CHKY	27, 34	25S	27E	USA NMNM-112270	Q4 2025	Q3 2026	Q4 2026
TBD	Raccoon Federal	522H	Q4 2024	BS/CHKY	27, 34	25S	27E	USA NMNM-112270	Q4 2025	Q3 2026	Q4 2026
TBD	Raccoon Federal	523H	Q4 2024	BS/CHKY	27, 34	25S	27E	USA NMNM-112270	Q4 2025	Q3 2026	Q4 2026
TBD	Raccoon Federal	701H	Q4 2024	WFMP A	27, 34	25S	27E	USA NMNM-112270	Q4 2025	Q3 2026	Q4 2026
TBD	Raccoon Federal	702H	Q4 2024	WFMP A	27, 34	25S	27E	USA NMNM-112270	Q4 2025	Q3 2026	Q4 2026
TBD	Raccoon Federal	703H	Q4 2024	WFMP A	27, 34	25S	27E	USA NMNM-112270	Q4 2025	Q3 2026	Q4 2026
TBD	Raccoon Federal	704H	Q4 2024	WFMP A	27, 34	25S	27E	USA NMNM-112270	Q4 2025	Q3 2026	Q4 2026
TBD	Raccoon Federal	705H	Q4 2024	WFMP A	27, 34	25S	27E	USA NMNM-112270	Q4 2025	Q3 2026	Q4 2026
TBD	Raccoon Federal	706H	Q4 2024	WFMP A	27, 34	25S	27E	USA NMNM-112270	Q4 2025	Q3 2026	Q4 2026
TBD	Raccoon Federal	707H	Q4 2024	WFMP A	27, 34	25S	27E	USA NMNM-112270	Q4 2025	Q3 2026	Q4 2026
TBD	Raccoon Federal	708H	Q4 2024	WFMP A	27, 34	25S	27E	USA NMNM-112270	Q4 2025	Q3 2026	Q4 2026
TBD	Raccoon Federal	901H	Q4 2024	WFMP C	27, 34	25S	27E	USA NMNM-112270	Q4 2025	Q3 2026	Q4 2026
TBD	Raccoon Federal	902H	Q4 2024	WFMP C	27, 34	25S	27E	USA NMNM-112270	Q4 2025	Q3 2026	Q4 2026
TBD	Raccoon Federal	903H	Q4 2024	WFMP C	27, 34	25S	27E	USA NMNM-112270	Q4 2025	Q3 2026	Q4 2026
TBD	Raccoon Federal	904H	Q4 2024	WFMP C	27, 34	25S	27E	USA NMNM-112270	Q4 2025	Q3 2026	Q4 2026

TBD	Raccoon Federal	905H	Q4 2024	WFMP C	27, 34	25S	27E	USA NMNM-112270	Q4 2025	Q3 2026	Q4 2026
TBD	Raccoon Federal	906H	Q4 2024	WFMP C	27, 34	25S	27E	USA NMNM-112270	Q4 2025	Q3 2026	Q4 2026
TBD	Raccoon Federal	907H	Q4 2024	WFMP C	27, 34	25S	27E	USA NMNM-112270	Q4 2025	Q3 2026	Q4 2026
TBD	Raccoon Federal	908H	Q4 2024	WFMP C	27, 34	25S	27E	USA NMNM-112270	Q4 2025	Q3 2026	Q4 2026
TBD	Raccoon Federal	909H	Q4 2024	WFMP C	27, 34	25S	27E	USA NMNM-112270	Q4 2025	Q3 2026	Q4 2026
TBD	Raccoon Federal	910H	Q4 2024	WFMP C	27, 34	25S	27E	USA NMNM-112270	Q4 2025	Q3 2026	Q4 2026

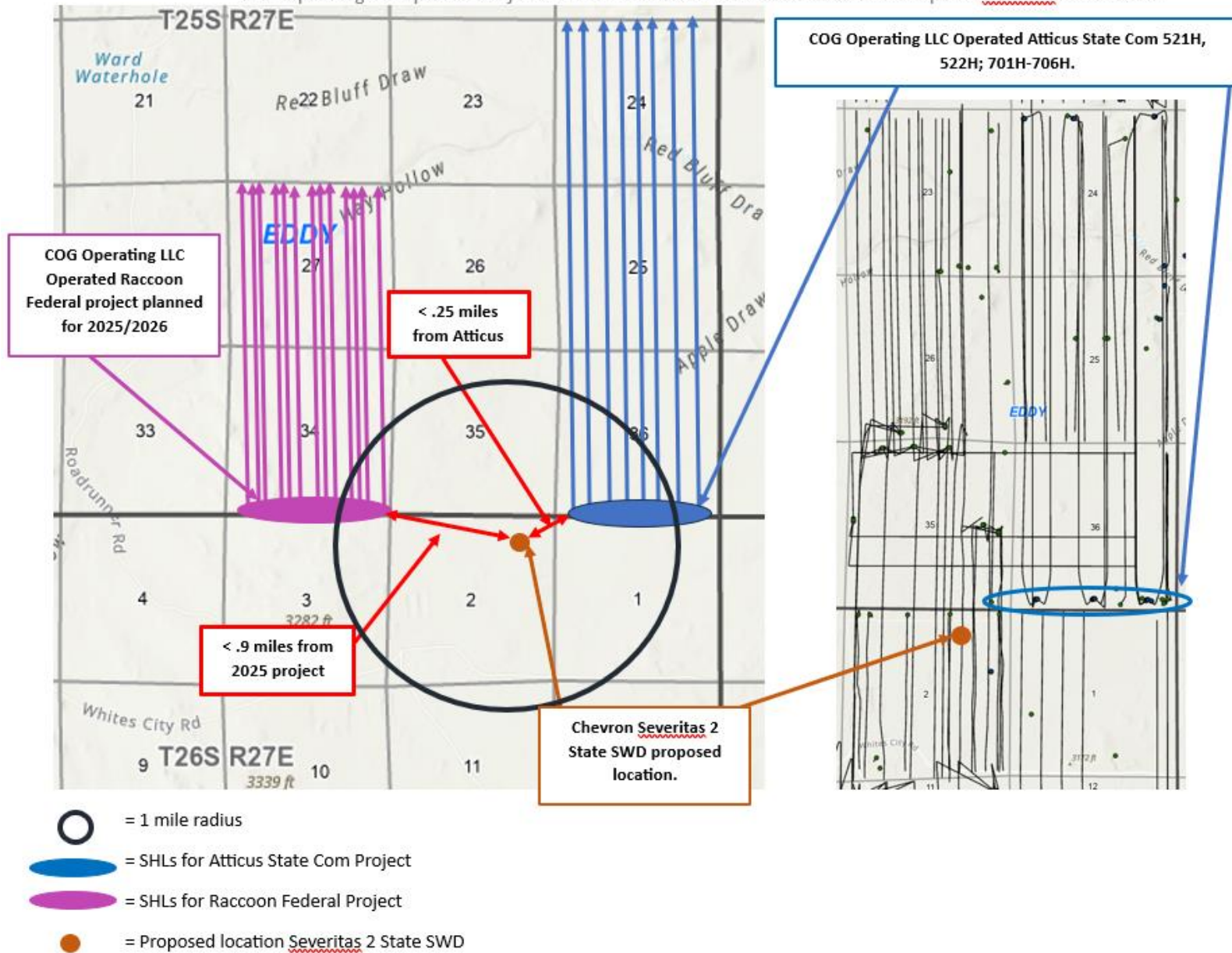
BS/CHKY = Bone Spring Formation/Charkey Interval

BS/2BSS = Bone Spring Formation/Second Bone Spring Sand Interval

WFMP A = Wolfcamp Formation/A Interval

WFMP C = Wolfcamp Formation/C Interval

COG Operating LLC Operated Projects within 1-mile radius of Chevron U.S.A. Inc.'s Proposed Severitas 2 State SWD



DEAN C. SNIDOW
DEAN.C.SNIDOW@CONOCOPHILLIPS.COM

PROFESSIONAL EXPERIENCE

CONOCOPHILLIPS, GEOSCIENCE SUPERVISOR 2021-PRESENT

CONCHO RESOURCES, GEOSCIENCE SUPERVISOR 2018 - 2021

- Guide subsurface investigation within Delaware Basin West asset team boundaries and execute capital drilling program
- Create and develop yearly D&C capital budget with other asset team disciplines and present to senior management:
- Lead an integrated team of geologists, geophysicists, and geological technicians
- Challenge team to create, deliver and incorporate enhanced subsurface maps and geocellular models to high-grade and optimize landing targets, delineate type curve areas, and explain production variability
- Guide technical support for trade opportunities, review and make recommendations for OBO and third party SWD proposals to senior management
- Supervise and mentor team members, aiding in team and individual goals
- Conduct yearly reviews and provide feedback to staff members

Lead multiple iterations of team boundaries, staff, and responsibilities through Delaware Basin A&D transactions

CONCHO RESOURCES, SENIOR GEOLOGIST 2014-2018

- Responsible for geological evaluation in the northern Delaware Basin, Lea, and Eddy Counties
- Create and implement development drilling plans, while evaluating additional targets and acreage acquisitions through geologic mapping including net pay, isopach, and structure maps
- Collaborate with Reservoir Engineering to identify well tests that meet ROR benchmark, including tests in the Second Bone Spring and Avalon Shale, delineating development boundaries
- Evaluate Federal and State Lease Sales and recommended bids as appropriate
- Mentor Northern Delaware Basing geology interns in 2015, 2016 and 2018

RELIANCE ENERGY INCORPORATED, GEOLOGIST 2012-2014

- Primary focus was assessing western Crockett County in southern Midland Basin for potential drilling locations through evaluation of structure, isopach and net pay maps
- Generated prospects and made recommendation to Vice President of Exploration
- Determined optimal target for horizontal wells on Mabee Ranch acreage

APACHE CORPORATION, GEOLOGIST II, 2011-2012

APACHE CORPORATION, GEOLOGICAL TECHNICIAN, 2010

EDUCATION

M.S. GEOLOGICAL SCIENCES, BALL STATE UNIVERSITY, 2009

B.S. GEOSCIENCES, VIRGINIA TECH, 2006

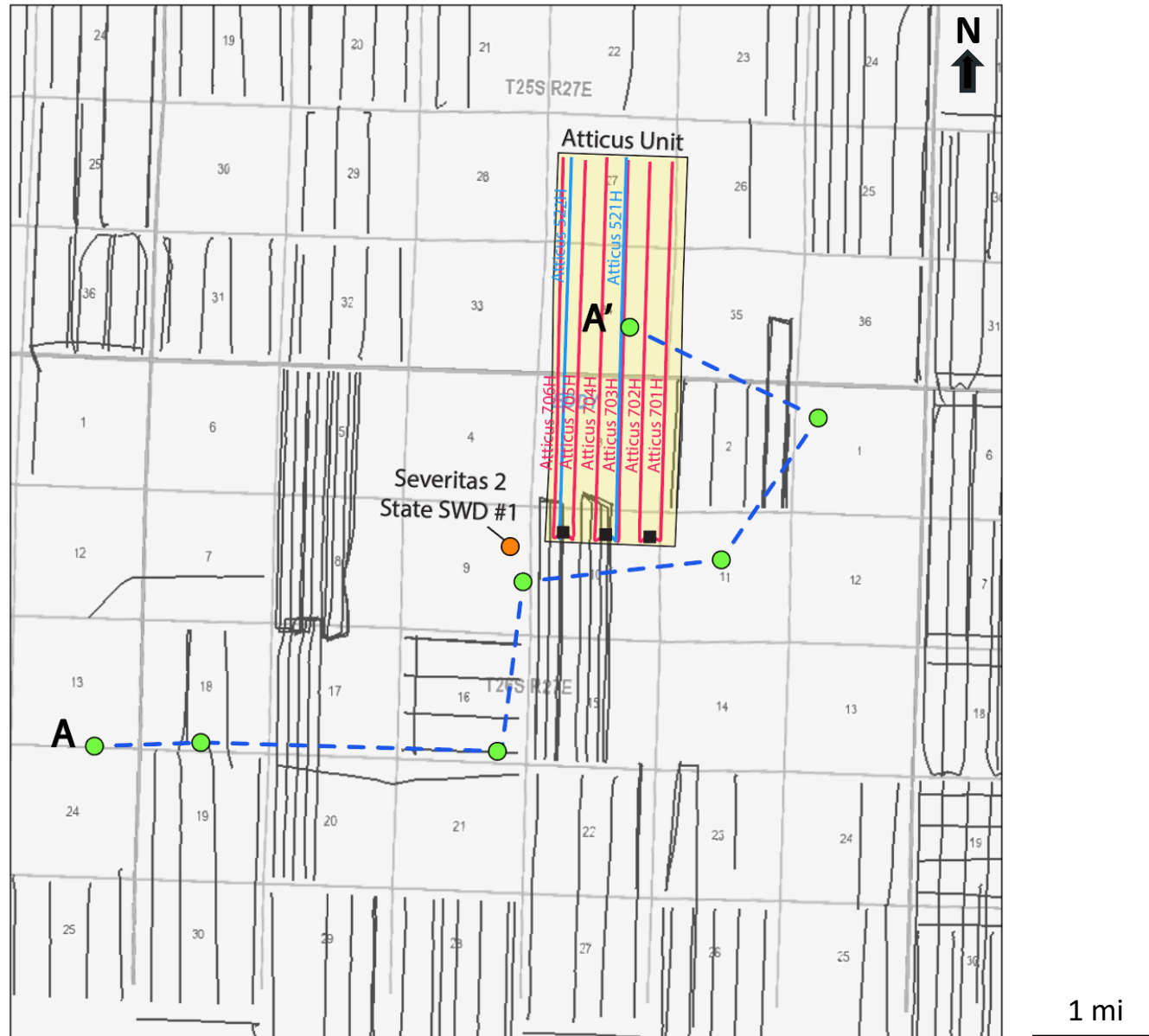
PROFESSIONAL ORGANIZATIONS

ASSOCIATION WEST TEXAS GEOLOGICAL SOCIETY, 2010-PRESENT

AMERICAN OF PETROLEUM GEOLOGISTS, 2004-PRESENT

Map of Severitas 2 State SWD #1

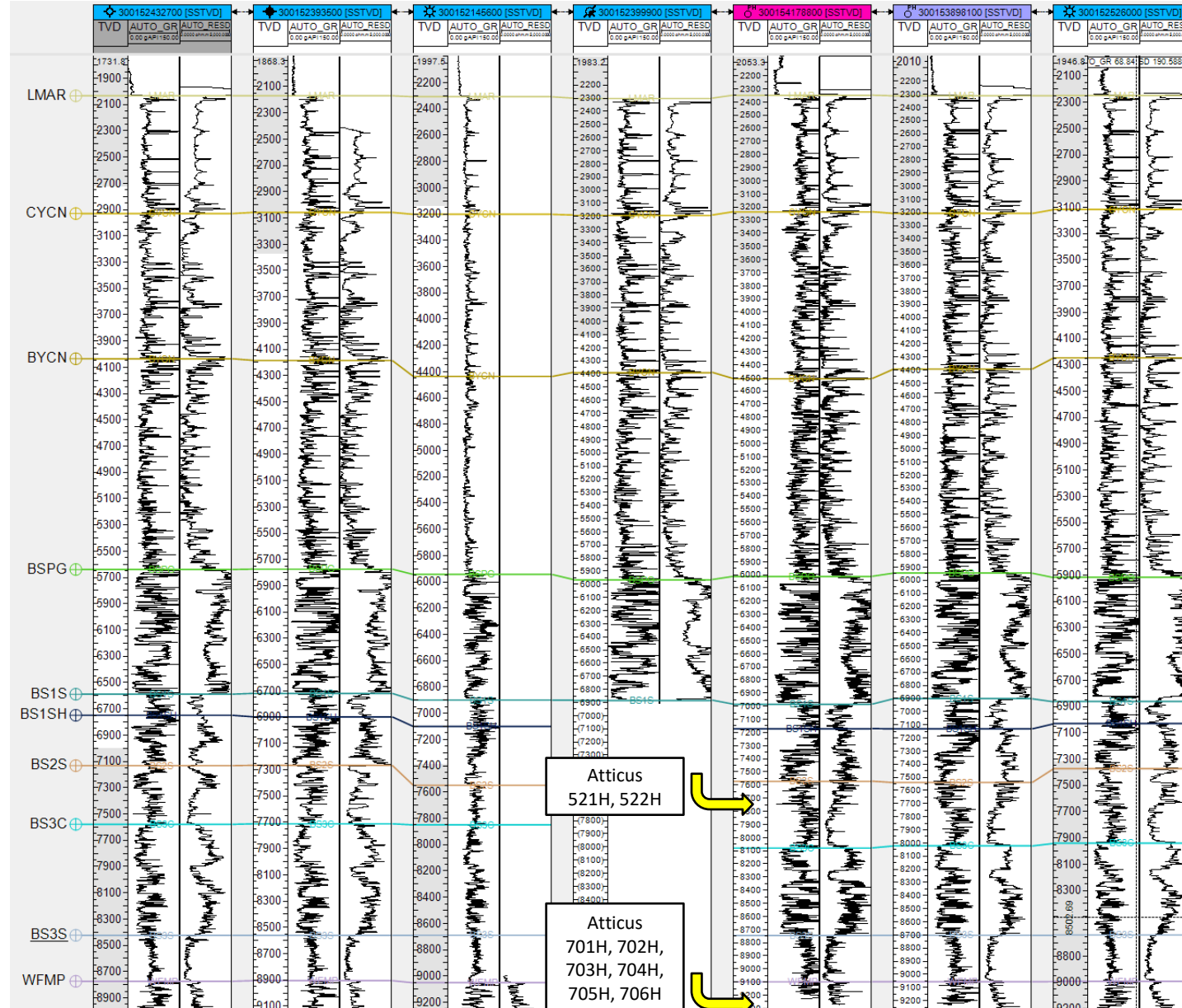
- Cross section through wells in vicinity of the Severitas 2 State SWD #1
- Atticus Unit is drilled from south to north on three separate pads (black squares)
 - The western-most pad is < 0.5 mi from Severitas 2 State SWD #1



Geologic Cross Section

A

- Geologic Cross section through vicinity of Severitas 2 State SWD #1
- Log data in TVD
 - Gamma ray
 - Deep resistivity
- Proposed SWD Injection interval shown on left
- Productive intervals shown on left in green
 - These designate zones for future drilling
- Landing depths for Charkey (BS3C) and Wolfcamp Sand wells in the Atticus unit shown in middle



A'

Severitas 2 State SWD #1
Proposed Injection Depths
(2,343' - 6,012')

Prospective Intervals (below)

Middle, Lower Avalon

Bone Spring 1st Sand

Bone Spring 2nd Sand

Bone Spring 3rd Carb - Charkey

Bone Spring 3rd Sand

Wolfcamp Sand