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

APPLICATION OF COG OPERATING LLC FOR THE CREATION OF A NEW POOLS SPECIAL POOL RULES AND THE CONTRACTION OF CERTAIN GRAYBURG JACKSON POOLS WITHIN THE DODD FEDERAL UNIT, EDDY COUNTY, NEW MEXICO.

(CONSOLIDATED) CASE NO. 14669

APPLICATION OF COG OPERATING LLC FOR THE CREATION OF A NEW POOL, SPECIAL POOL RULES AND THE CONTRACTION OF THE GRAYBURG JACKSON POOL WITHIN THE BURCH KEELY UNIT, EDDY COUNTY, NEW MEXICO.

(CONSOLIDATED) CASE NO. 14670

AFFIDAVIT

STATE OF NEW MEXICO)
)s:
COUNTY OF SANTA FE)

Ocean Munds-Dry, attorney in fact and authorized representative of COG Operating, LLC, the Applicant herein, states that notice of the above-referenced Application was mailed to the interested parties shown on Exhibit "A" attached hereto in accordance with Oil Conservation Division Rules, and that true and correct copies of the notice letter and proof of notice are attached hereto.

Ocean Munds-Dry

Notary Public

SUBCRIBED AND SWORN to before me this 22nd day of June 2011 by Ocean Munds-Dry.

My Commission Expires:

3-10-12

OFFICIAL SEAL

Olivia Ita

My Commission Expires:

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
(Consolidated) Case No.'s 14669 & 14670 Exhibit No. 14
Submitted by:
COG OPERATING, LLC
Hearing Date: June 23, 2011

EXHIBIT A

COG OPERATING LLC

APPLICATION FOR CREATION OF NEW POOL, SPECIAL POOL RULES AND THE CONTRACTION OF CERTAIN GRAYBURG JACKSON POOLS

ALAMO PERMIAN RESOURCES, LLC

Attn: Land Manager

415 W. Wall Street, Suite 500

Midland, TX 79701

ASHER ENTERPRISES LTD. CO.

Attn: Kellye L. Jones 12808 LORIEN WAY

OKLAHOMA CITY, OK 73170

BC OPERATING, INC.

Attn: Michael E. Black, President

P O Box 50820

Midland, TX 79710

BURNETT OIL CO INC

Attn: David Rhodes, Land Manager

801 CHERRY ST STE 1500, Unit #9

FT WORTH, TX 76102

CAMERON OIL & GAS INC

Attn: Land Manager

PO BOX 1456

ROSWELL ,NM 882021456

CBS OPERATING CORP

Attn: Land Manager

PO BOX 2236

MIDLAND, TX 79702

CFM OIL, LLC

Attn: Land Manager

PO BOX 1176

ARTESIA, NM 88210

CIMAREX ENERGY CO. OF COLORADO

Attn: Jeff Gotcher

600 N. Marienfeld St Suite 600

Midland, TX 79701

CLAYTON WILLIAMS ENERGY INC

Attn: Gregory Welborn, VP of Land

6 DESTA DR STE 3000

MIDLAND, TX 79705

ENDURANCE RESOURCES LLC

Attn: Land Manager

15455 Dallas Parkway Suite 600

Addison, TX 75234

FINNEY OIL COMPANY

Attn: Land Manager

PO BOX 1569

ARTESIA ,NM 882111569

FOREST OIL CORPORATION

Attn: Bruce Rush

707 17TH ST SUITE 3600

DENVER, CO 80202

FREEDOM ENERGY LLC

Attn: Land Manager

R649 N. 13th St.

Lake Arthur, NM 88253

GERONIMO SWD LLC

Attn: Land Manager

P.O. Box 568

Artesia, NM 88210

KERSEY & COMPANY

Attn: Land Manager

PO BOX 1248

FREDERICKSBURG, TX 78624

LINN OPERATING, INC.

Attn: Land Manager

600 Travis Street Suite 5100

Houston, TX 77002

TANDEM ENERGY CORPORATION

Attn: Land Manager

11490 Westheimer Rd, Ste 1000

Houston, TX 77077

MACK ENERGY CORP Attn: Travis Lanning

Attil. Havis Laining

PO Box 960 11352 Lovington Hwy

Artesia ,NM 88211

THREE RIVERS OPERATING COMPANY LLC

MARKS AND GARNER PRODUCTION LTD CO Attn: Tim Kane, Land Manager

Attn: Land Manager

P.O. Box 1089

Hobbs ,NM 88241

1122 S. Capital of Texas Hwy Suite 325

Austin ,TX 78746

NADEL AND GUSSMAN PERMIAN, LLC

Attn: Melissa Randle

601 N MARIENFELD SUITE 508

MIDLAND, TX 79701

TOM R CONE

Attn: Land Manager

1304 W BROADWAY PL

HOBBS, NM 88240

PREMIER OIL & GAS INC

Attn: Land Manager

PO BOX 1246

ARTESIA ,NM 88210

WESTBROOK OIL CORP

Attn: Land Manager

PO BOX 2264 HOBBS NM 88241

YATES PETROLEUM CORPORATION

QUANTUM RESOURCES MANAGEMENT, LLCAttn: Chuck Moran

Attn: Land Manager

1401 McKinney St Suite 2400

Houston, TX 77010

105 S 4TH ST

ARTESIA ,NM 88210

YESO ENERGY, INC.

SANDRIDGE EXPLORATION AND PRODUCTION LECENTE Lee

Attn: Parker Neal

123 Robert S. Kerr Ave

Oklahoma City ,OK 73102

P.O. Box 8280 3103 Yeso Roswell ,NM 88202

SOUTHERN BAY OPERATING, L.L.C.

Attn: Land Manager

110 Cypress Station Dr., #220

Houston, TX 77090

SOUTHWEST ROYALTIES INC

Attn: Randy Howard

6 DESTA DRIVE SUITE 2100

MIDLAND ,**TX 79705**

SYNERGY RESOURCES

Attn: Land Manager

2106 W CENTRE AVE

ARTESIA ,NM 88210

Affidavit of Publication

NO.

21703

STATE OF NEW MEXICO

County of Eddy:

Walt Green

being duly sworn, says that he is the

Publisher

of the Artesia Daily Press, a daily newspaper of general circulation, published in English at Artesia, said county and state, and that the hereto attached

Legal Notice

was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for

Consecutive weeks/days on the same day as follows:

First Publication

June 1, 2011

Second Publication

Third Publication

Fourth Publication

Fifth Publication

Subscribed and sworn to before me this

1st

day of

June

2011



OFFICIAL SEAL Latisha Romine NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires

10th

Latisha Romine

Notary Public, Eddy County, New Mexico

Copy of Publication:

LEGAL NOTICE

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 June 23, 2011, in the Oil Conservation Division Hearing Room at 1220 South St. Francis. Santa Fe: New Mexico: before an examiner duly appoint for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid on service to attend or participate in the hearing please contact. Floren Davidson aid of service to attend of paracipate mule realing peass contact. Foreire Davissian at 505-4746-3458 or through the New Mexico Relay Network. 1.800-659-1779 by: June 13, 2011. Public documents including the agenda and minutes, can be provided in various accessible forms. Please contact Floreire 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 of the problem or claim in the following cases, the problem of the public.

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

CASE NO. 14669:

Application of COG Operating LLC for the creation of a new Application of COG Operating LLC for the creation of a new pools special pool rules and the contraction of certain Grayburg Jackson pools within the Dodd Federal Unit, Eddy County, New Mexico. Applicant seeks an order establishing a new pool within the Dodd Federal Unit, that extends from the top of the Cloneta to the top of the Cubb formation. Within the new Yeso pools Coricho seeks special rules allowing for a depth bracket allowable of 300 barrels of oil per day, and no limiting gas oil ratio. Concho, also seeks the contraction of the Grayburg Jackson Seven Rivers-Queen-Grayburg-San Andres and the Grayburg-Jackson Yeso within the Dodd Federal unit to extend from the top of the Seven Rivers formation to the top of the Gloneta formation. The pools are located approximately 12 miles east of Artesia. New Mexico and 17 miles west of Lovington. New Mexico.

Given under the Seal of the State of New Mexico Oil Conservation Division at Santa Fe, New Mexico on this 27th day of May 2011.

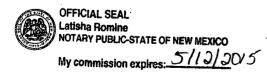
STATE OF NEW MEXICO OIL CONSERVATION DIVISION

OIL CONSERVATION DIVISION

Jami Balley, Division Directors

Ted in the Artesia Daily Press, Artesia N.M.: June 1, 2011 Legal No.

No. 21704	
STATE OF NEW MEXICO	•
County of Eddy:	
Walt Green Walt Theen	
being duly sworn, says that he is the Publisher	
of the Artesia Daily Press, a daily newspaper of general	
circulation, published in English at Artesia, said county	
and state, and that the hereto attached	
Legal Notice	
was published in a regular and entire issue of the said	
Artesia Daily Press, a daily newspaper duly qualified	
for that purpose within the meaning of Chapter 167 of	
the 1937 Session Laws of the state of New Mexico for	
1 Consecutive weeks/days on the same	
day as follows:	
First Publication June 1, 2011	
Second Publication	
Third Publication	
Fourth Publication	
Fifth Publication	
Subscribed and sworn to before me this	
1st day of June 2011	



10th

Notary Public, Eddy County, New Mexico

Copy of Publication:

LEGAL NOTICE

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT **#OIL CONSERVATION DIVISION**■ 1 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/k/M on June 23:2011 in the Oil Conservation Division Hearing Room at 1220 South St. Errands Santa Fe. New Mexico, before an examiner duly appoint for the hearing 1, you are an individual with a disability who is the hearing any other form of auxiliary aid or service to attend on participate in the hearing please, contact. Forene Davidson at o alend to participate the reason at please; contact. Florene Davidson at 505-476; 3458 or through the New Mexico Relay Network 1,800-659-1779 by June 13,2011# Public documents included ing the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a grunnary on other type of accessible

stimmary on other type of accessible form is needed.

STATE OF NEW MEXICO TO:

All named parties and persons the having any right: title, interest or claim in the following cases and notice to the public (NOTE: Alliand descriptions herein refers to the New Mexico Principal, Meridian, whether or not so stated.)

CASEINO 14670:

Application of COG Operating LLC for the creation of a new pool special pool rules and the contraction of the ne creation of a new pool special pool rules and the contraction of the Grayburg Jackson pool within, the Burch Keely Unit, Eddy County, New Mexico Applicant seeks an order establishing a new pool within the Burch Keely Units that extends from the top of the Gloriera formation of a depit of 5000 feets from the surface. Glorieta formation to a depth of 5,000 leet from the surface. Within the new Yeso pool Concho seeks special rules allowing for a depth bracket allowable of 300 barrels of oil per day and no limiting gas oil ratio Concho also seeks the contraction of the Grayburg Jackson Seven Rivers Queen Grayburg San 1 Andres Seeks the Seeks the Seeks the Seeks the Seeks the Concho also Pool within the Burch Keely unit to verting cally extend from the top of the Seven Rivers formation to the top of the Gloreta formation to the top of the Gloreta formation in the pools are located approximately 12 miles east of Artesia New 1 Mexico and 17 miles west of Lovington New Mexico 11 2 1 11 11 11 11 12 13

Given under the Seal of the State of New Mexico Oil Conservation
Division at Santa Fe. New Mexico on
this 27th day of May 2011
STATE OF NEW MEXICO
OIL CONSERVATION DIVISION Jami Bailey, Division Directorial her Published in the Artesia Daily Press Artesia N.M. June 1, 2011 Legal No. 217041.



Ocean Munds-Dry omundsdry@hollandhart.com

May 24, 2011

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: AFFECTED PARTIES

Re: Application for the creation of new pool, special pool rules and the contraction of Grayburg Jackson Pools, Eddy County, New Mexico.

Ladies and Gentlemen:

This letter is to advise you that COG Operating, LLC has filed the enclosed application with the New Mexico Oil Conservation Division seeking the creation of a new pool, special pool rules and the contraction of the Grayburg Jackson Seven Rivers-Queen-Grayburg-San Andres and Grayburg Jackson Yeso within the Dodd Federal Unit, Eddy County, New Mexico.

This application has been set for hearing before a Division Examiner at 9 a.m. on June 23, 2011. The hearing will be held in Porter Hall in the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 1208.B to file a Pre-hearing Statement four days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

Sincerely,

Ocean Munds-Dry

Attorney for COG Operating, LLC



Ocean Munds-Dry

omundsdry@hollandhart.com

May 24, 2011

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: AFFECTED PARTIES

Re: Application for the creation of new pool, special pool rules and the contraction of Grayburg Jackson Pool, Eddy County, New Mexico.

Ladies and Gentlemen:

This letter is to advise you that COG Operating, LLC has filed the enclosed application with the New Mexico Oil Conservation Division seeking the creation of a new pool, special pool rules and the contraction of the Grayburg Jackson Seven Rivers-Queen-Grayburg-San Andres Pool within the Burch Keely Unit, Eddy County, New Mexico.

This application has been set for hearing before a Division Examiner at 9 a.m. on June 23, 2011. The hearing will be held in Porter Hall in the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

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Sincerely,

Ocean Munds-Dry

Attorney for COG Operating, LLC

PS Form 3811, February 2004

Domestic Return Receipt

		<i>2</i> 4
U.S. Postal Service _{1M} CERTIFIED MAIL REC (Domestic Mail Only; No Insurance C	Complete items 1, 2, and 3. Also complete	A. Signature
For delivery information visit our website OFFICIAL Postage \$ 1.08	 item 4 if Restricted Delivery is desired. 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. 	B. Received by (Printed Name) G. Date of Delivery D. Is delivery address different from item 1? Yes If YES, enter delivery address below:
Certified Fee Return Receipt Fee (Endorsement Required) Restricted Delivery Fee (Endorsement Required)	1. Article Addressed to: ENDURANCE RESOURCES LLC Attn: Land Manager 15455 Dallas Parkway Suite 600	If YES, enter delivery address seem
Total Postage & Fees \$6,25 PENDURANCE RESOURCES LLC Attn: Land Manager 15455 Dallas Parkway Suite 600	Addison ,TX 75234	3. Service Type Certified Mail Registered Insured Mail C.O.D. Express Mail Return Receipt for Merchandise C.O.D. 4. Restricted Delivery? (Extra Fee)
Addison ,TX 75234	·	4. Restricted Delivery/ Extra 7-05 2760 0001 6380 2963 -02-M-15-
U.S. Postal Service To CERTIFIED MAIL TO RE (Domestic Mail Only; No Insurance) For delivery information visit our website	SENDER: COMPLETE THIS SECTION	SSENDON NUMBER SHIPS OF THE SECTION ON DELIVERY A. Signature
OFFICIAI Postage \$ 1.04	item 4 if Restricted Delivery is desired. 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.	X ☐ Agent ☐ Addressee B. Received by (Printed Name) ☐ C. Date of Delivery
Certifled Fee 2.85 Return Receipt Fee (Endorsement Required) Restricted Delivery Fee (Endorsement Required)	Article Addressed to: BC OPERATING, INC.	D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No
Total Postage & Fees \$6-23 BC OPERATING, INC. Attn: Michael E. Black, Preside	Attn: Michael E. Black, President P O Box 50820 Midland ,TX 79710	Service Type Certified Mail □ Express Mail
P O Box 50820 Midland ,TX 79710		□ Registered
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For delivery information visit our websit OFFICIA	Print your name and address on the reverse	B. Received by Printed Name Collegate of Deliver
Postage \$ 1.08 Certified Fee 2.85	Article Addressed to: FINNEY OIL COMPANY	D. Is delivery address different from item 17 Yes If YES, enter delivery address below No
(Endorsement Required) Restricted Delivery Fee (Endorsement Required) Total Postage & Fees \$ 23	Attn: Land Manager PO BOX 1569 ARTESIA ,NM 882111569	3. Service Type Certified Mail Express Mail
Attn: Land Manager PO BOX 1569	2. Article Number : : : : : : : : : : : : : : : : : : :	☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D. 4. Restricted Delivery? (Extra Fee) ☐ Yes
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(Domestic Mail Only; No Insurar	SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY A Signature
OFFICIA Postage \$ 1.08	Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse	X July Julio Addresse
Certified Fee	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.	B. Received by Printed Name) C. Date of Deliver D. Is delivery address different from item 17 Yes
Return Receipt Fee (Endorsement Required) Restricted Delivery Fee (Endorsement Required)	Article Addressed to:	If YES, enter delivery address below:
Total Postage & Fees \$1.23	CFM OIL, LLC Attn: Land Manager	JIIN - 2
Attn: Land Manager	PO BOX 1176 ARTESIA ,NM 88210	3. Service Type Certified Mail Registered Return Receipt for Merchandis
ARTESIA ,NM 88210		☐ Insured Mail ☐ C.O.D. 4. Restricted Delivery? (Extra Fee) ☐ Yes
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Fordelivery information visitour web	Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse	A. Signature A. Addressee
Certified Fee 2.85	 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. 	B. Received by (Printed Name) C. Date of Delivery
Return Receipt Fee (Endorsement Required) Restricted Delivery Fee (Endorsement Required)	1. Article Addressed to:	D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No
Total Postage & Fees \$ 6.25	KERSEY & COMPANY Attn: Land Manager	
Ser. KERSEY & COMPANY	PO BOX 1248 FREDERICKSBURG ,TX 78624	3. Service Type
FREDERICKSBURG, TX 786		Certified Mail
U.S. Postal Service	2. Article Number	4. Restricted Delivery? (Extra Fee) ☐ Yes
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For delivery information visit our web	4 :	102595-02-W-1040
Postage \$ 1.08	SENDER: I SENDER: LOTO VI DOLLED FINE SENDER: I SPENDER: I SENDER:	B BILL 30 STON ON DELIVERY
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Sine 600 N. Marienfeld St Suits	TO OF COLORAIN	
Midland ,TX 79701	600 N. Marienfeld St Suite 600 Midland ,TX 79701	3. Service Type
:	2 Article Number	4. Restricted Delivery? (Extra Fee) Yes
	2. Article Number (Transfer from service label) 7006 276	o oo'r 1980 303P

PS Form 3811, February 2004

Domestic Return Receipt

PS Form 3811, February 2004

Domestic Return Receipt

Domestic Return Receipt

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(Endorsement Required)

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Total Postage & Fees

SYNERGY RESOURCES

Attn: Land Manager

2106 W CENTRE AVE
ARTESIA ,NM 88210

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. 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. Article Addressed to: SYNERGY RESOURCES Attn: Land Manager	A. Signature Agent Addresse B. Received by (Printed Name) C., Date of Delivery D. Is delivery address different from item 1? Yes If YES, enter delivery address below:
2106 W CENTRE AVE	
ARTESIA ,NM 88210	3. Service Type Certified Mail Registered Insured Mail C.O.D.
	4. Restricted Delivery? (Extra Fee)
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