

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING MARCH 22, 2018**

CASE No. 16028

BONAIID FED COM No. 15H WELL

LEA COUNTY, NEW MEXICO

***EXHIBIT #9
NOTICES OF PUBLICATION***



Affidavit of Publication

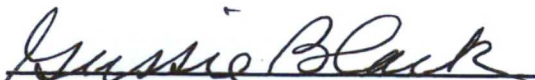
STATE OF NEW MEXICO
COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, 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
March 22, 2018
and ending with the issue dated
March 22, 2018.


Publisher

Sworn and subscribed to before me this
22nd day of March 2018.


Business Manager

My commission expires
January 29, 2019



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LEGAL NOTICE
March 22, 2018

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 **April 5, 2018**, 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 or service to attend or participate in the hearing, please contact: Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by **March 26, 2018**. Public documents, including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed.

STATE OF NEW MEXICO TO:
All named parties and persons
having any right, title, interest
or claim in the following cases
and notice to the public.

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

To: All offset owners and pooled parties, including: Michael Wayne Roye, his heirs and devisees; Barbara A. Barnes, a.k.a. Barbara A. Doran, her heirs and devisees.

Case No. 16028: Application of COG Operating LLC for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating a non-standard 320-acre, more or less, spacing and proration unit comprised of the W/2 W/2 of Section 17 and the W/2 W/2 of Section 20, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico; and (2) pooling all uncommitted interests in the Bone Spring formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's **Bonaid Fed Com No. 15H Well**, which will be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 17 to a standard bottom hole location in the SW/4 SW/4 (Unit M) of Section 20. The completed interval for this well is within the 330-foot offset as required by the Statewide rules for oil wells. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of COG Operating LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 12 miles northwest of Jal, New Mexico.
#32645

67100754

00208988

HOLLAND & HART LLC
PO BOX 2208
SANTA FE, NM 87504-2208

EXHIBIT

9

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING MARCH 22, 2018**

CASE No. 16028

BONAIID FED COM No. 15H WELL

LEA COUNTY, NEW MEXICO

***EXHIBIT #10
LETTER TO MS SHARBUTT
W/TRACKING INFORMATION***



HOLLAND & HART



Michael H. Feldewert
Recognized Specialist in the Area of
Natural Resources - Oil and Gas Law - New
Mexico Board of Legal Specialization
mfeldewert@hollandhart.com

March 23, 2018

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

Katherine Madera Shrbutt
P.O. Box 443
Manhattan, MT 59741

**Re: Application of COG Operating LLC for a non-standard spacing and proration
unit and compulsory pooling, Lea County, New Mexico.
Bonaide Fed Com No. 15H Well**

Dear Ms. Sharbutt:

This letter is to advise you that COG Operating LLC has filed the enclosed application with the New Mexico Oil Conservation Division. This application will be set for hearing before a Division Examiner at 8:15 a.m. on May 3, 2018. 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 19.15.4.13.B to file a Pre-hearing Statement four business 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.

If you have any questions about this matter please contact Matt Solomon, at (432) 685-4352 or MSolomon@concho.com.

Sincerely,

Michael H. Feldewert
ATTORNEY FOR COG OPERATING LLC

Holland & Hart LLP

Phone [505] 988-4421 Fax [505] 983-6043 www.hollandhart.com

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FEB 20 2018 PM04:08

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

APPLICATION OF COG OPERATING LLC
FOR A NON-STANDARD SPACING AND
PRORATION UNIT AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

CASE NO. 16028

APPLICATION

COG Operating LLC, ("COG") through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of N.M. Stat. Ann. § 70-2-17, for an order (1) creating a 320-acre, more or less, spacing and proration unit comprised of the W/2 W/2 of Section 17 and the W/2 W/2 of Section 20, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico; and (2) pooling all uncommitted interests in the Bone Spring formation. In support of its application, COG states:

1. COG Operating LLC (OGRID No. 229137) is a working interest owner in the proposed non-standard spacing unit and has the right to drill thereon.
2. COG proposes to dedicate the above-referenced spacing and proration unit as the project area for its proposed **Bonaid Fed Com No. 15H Well**, which will be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 17 to a standard bottom hole location in the SW/4 SW/4 (Unit M) of Section 20.
3. The completed interval for this well is within the 330-foot offset as required by the Statewide rules for oil wells.
4. COG has sought and been unable to obtain voluntary agreement for the development of these lands from all of the working interest owners in the subject spacing unit.

5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.


6. In order to permit COG to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this non-standard spacing unit should be pooled and COG Operating LLC should be designated the operator of this proposed horizontal well and spacing unit.

WHEREFORE, COG requests that this application be set for hearing before an Examiner of the Oil Conservation Division on March 22, 2018, and, after notice and hearing as required by law, the Division enter an order:

- A. Creating a 320-acre, more or less, spacing and proration unit comprised of the W/2 W/2 of Section 17 and the W/2 W/2 of Section 20, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico;
- B. Pooling all uncommitted interests in the non-standard spacing and proration unit;
- C. Designating COG Operating LLC operator of this non-standard spacing unit and the horizontal well to be drilled thereon;
- D. Authorizing COG to recover its costs of drilling, equipping and completing the well;
- E. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% penalty for the risk assumed by COG in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

HOLLAND & HART LLP

By: 
Michael H. Feldewert
Adam G. Rankin
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421
(505) 983-6043 Facsimile
mfeldewert@hollandhart.com
agrarkin@hollandhart.com

ATTORNEYS FOR COG OPERATING LLC



Shipment Confirmation Acceptance Notice

A. Mailer Action

Note to Mailer: The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

2018-03-23 Updated Address Sharbutt - PP -
Case No. 16028 COG 44506.0005

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