

(97102). A 160-acre special project area comprised of the S/2 N/2 (Units E, F, G and H) of Section 22 is dedicated to the well.

4. The 40-acre tracts within the special project area are subject to two federal oil and gas leases. Lease NM-95630 covers 160 acres located in S/2 NE/4, SE/4 NW/4 and Lease NM-100844 covers 40 acres in the SW/4 NW/4 of Section 22. The two leases are consolidated pursuant to Communitization Agreement No. NMNM 123395 for the Wolfcamp formation approved by the Bureau of Land Management on August 17, 2009, effective June 17, 2009. A true and exact copy of the communitization agreement is attached as Exhibit A.

5. By approval letter dated August 17, 2009, the Bureau of Land Management noted that only the W/2 of Section 22 is within a pool designated by the NMOCD and, as a condition of approval, requested COG to obtain a pool designation for all of the acreage communitized and dedicated to the subject well. A true and exact copy of the BLM's August 17, 2009 letter is attached as Exhibit B.

6. Presently, the horizontal boundaries of the Crow Flats Wolfcamp pool are limited to the NW/4 of Section 22. Therefore, units E and F of Section 22 are within the pool boundaries and units G and H are located within the undesignated portions of the pool. COG is the only operator in the pool. However, there are operators of other Abo/Wolfcamp formation wells in those units or sections adjacent to the NW/4 of Section 22, all of whom have been notified of this application. They are Nearburg Exploration Company, Cimarex Energy Company, Mewbourne Oil Company and Mack Energy Corporation. To my knowledge, none of these operators has objected to COG's application.

7. COG Operating LLC owns 100% of the leasehold working interest dedicated to the Comet "22" Federal Well No. 3. The well is subject to an operating

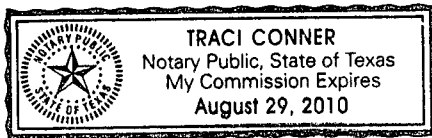
agreement with Nearburg covering all of Section 22. Expanding the pool boundaries of the Crowflats Wolfcamp pool does not in any way affect the participation of any interest owner in the well.

8. I have reviewed the Application and the materials submitted in connection therewith. The information set forth therein is correct and complete to the best of my knowledge and belief.

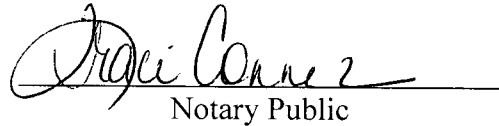
FURTHER AFFIANT SAYETH NOT.


JAN PRESTON SPRADLIN

Subscribed, sworn to and acknowledged before me on this 1st day of February, 2010, by Jan Preston Spradlin.



My commission expires:


Notary Public

Comet 22 Federal Com #3 Well

Contract No. Nmm 123395

THIS AGREEMENT, entered into as of the date shown in Section 10 hereof by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto".

WITNESSETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

Township 16 South, Range 28 East, N.M.P.M.
Section 22: S/2 N/2
Eddy County, New Mexico

Attn Laura Reyna
COG Operating LLC
550 W Texas Ave Ste 100
Midland TX 79701

H:\New Mexico\Crow Flats\Wells\16S_28E\Comet 22\Com Agmt - Comet22FC3.doc

Bureau of Land Management
RECEIVED

JUN 26 2009

Carlsbad Field Office
Carlsbad, N.M.

EXHIBIT A

containing 160 acres, and this agreement shall include only the Wolfcamp Formation underlying said lands and the oil and associated gaseous hydrocarbons, hereinafter referred to as "communitized substances", producible from such formation.

2. Attached hereto, and made a part of this agreement for all purposes, is Exhibit B, designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.
3. All matters of operation shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area, and three executed copies of a designation of successor operator shall be filed with the Authorized Officer.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas regulations.
5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

All proceeds, 8/8ths, attributed to unleased Federal, State or fee land included within the CA area are to be placed in an interest earning escrow or trust account by the designated operator until the land is leased or ownership is established.

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be effected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for

any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.

7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is June 17, 2009, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with

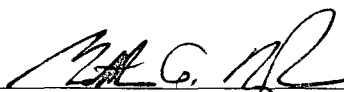

respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2 year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.

11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occurs in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
15. Nondiscrimination: In connection with the performance of work under this agreement, the operator agrees to comply with all of the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30 F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.



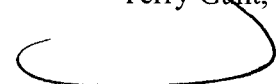
OPERATOR:

COG OPERATING LLC

By: 
Matthew G. Hyde, Vice President, Exploration & Land 




LESSEES OF RECORD:

NEARBURG EXPLORATION COMPANY, L.L.C.

By: 
Terry Gant, Midland Manager 


ORRI OWNER:

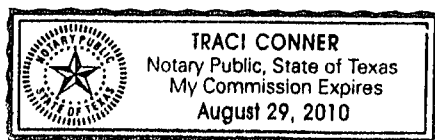
**NEARBURG PRODUCING COMPANY, for the
benefit of NEARBURG PRODUCING COMPANY
EMPLOYEE FUND**

By: 
Terry Gant, Midland Manager 


ACKNOWLEDGEMENTS

STATE OF TEXAS §
 §
 COUNTY OF MIDLAND §

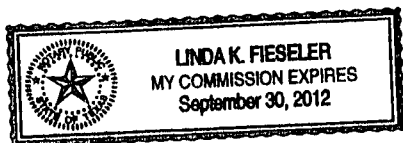
This instrument was acknowledged before me on June 18, 2009, by Matthew G. Hyde, Vice President, Exploration & Land of COG Operating, LLC, a Delaware limited liability company, on behalf of said company.



Traci Conner
 Notary Public in and for the State of Texas

STATE OF TEXAS §
 §
 COUNTY OF MIDLAND §

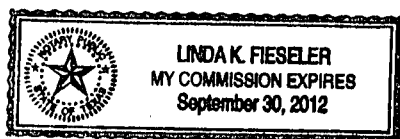
This instrument was acknowledged before me on this 22nd day of June, 2008, by Terry Gant, as Midland Manager of Nearburg Exploration Company, L.L.C., a Texas limited liability company, on behalf of said company.



Linda K Fieseler
 Notary Public in and for the State of Texas

STATE OF TEXAS §
 §
 COUNTY OF MIDLAND §

This instrument was acknowledged before me on this 22nd day of June, 2009, by Terry Gant, as Midland Manager of Nearburg Producing Company, a Texas corporation, on behalf of said corporation.



Linda K Fieseler
 Notary Public in and for the State of Texas

EXHIBIT "A "

Attached to and made a part of that Communitization Agreement
dated June 17, 2009, COG Operating LLC, Operator,
covering the S/2 N/2 of Section 22, T-16-S, R-28-E, N.M.P.M.,
Eddy County, New Mexico

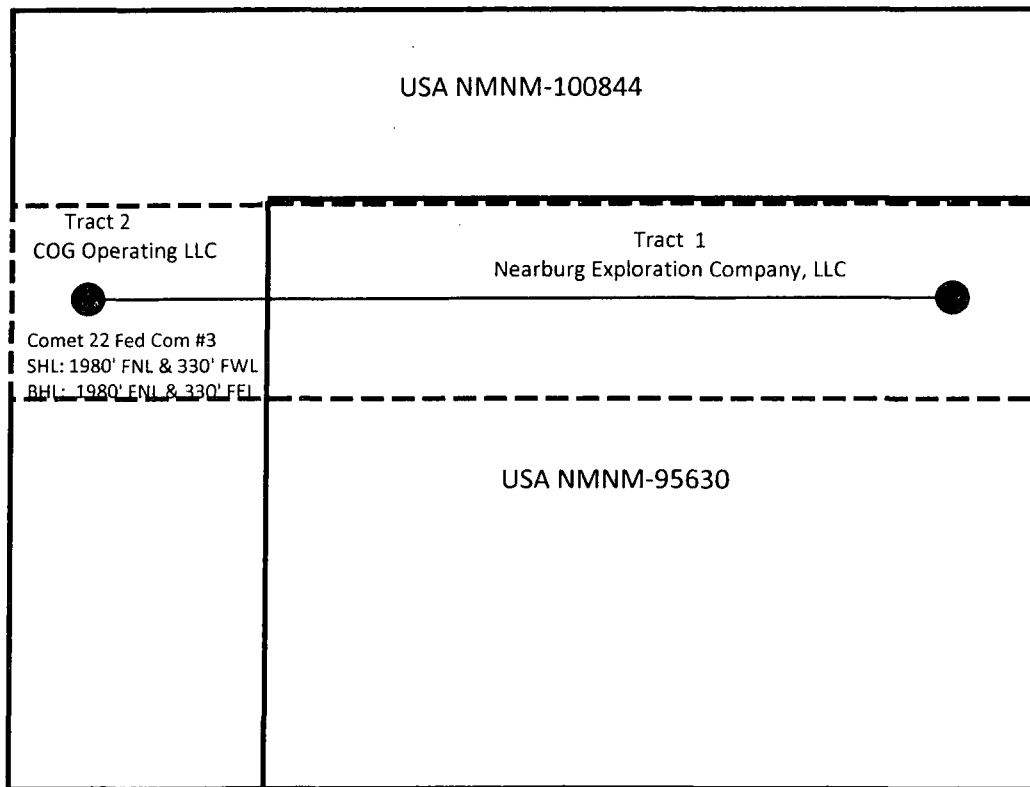


EXHIBIT "B"

Attached to and made a part of that Communitization Agreement
dated June 17, 2009, COG Operating LLC, Operator,
covering the S/2 N/2 of Section 22, T-16-S, R-28-E, N.M.P.M.,
Eddy County, New Mexico

Operator of Communitized Area: COG Operating LLC

Description of Leases Committed:Tract No. 1

Lease Serial Number:	NMNM 95630
Lease Date:	September 1, 1995
Expiration Date:	HBP
Lessor:	United States of America
Original Lessee:	Doug J. Schutz
Present Lessee:	Nearburg Exploration Company, L.L.C.
Description of Land Committed:	Insofar and only insofar as said lease covers SE/4 NW/4, S/2 NE/4 of Section 22, T-16-S, R-28-E, N.M.P.M., Eddy County, New Mexico
No. of Acres:	120.00
Royalty Rate:	12.50% on oil and gas
Name and Percent ORRI Owners:	Nearburg Producing Company, for the benefit of the Nearburg Producing Company Employee Fund – 1%
Name and Percent WI Owner:	✓ Nearburg Exploration Company, L.L.C. – 100%

Tract No. 2

Lease Serial Number:	NMNM 100844
Lease Date:	June 1, 1998
Expiration Date:	HBP
Lessor:	United States of America
Original Lessee:	Chase Oil Corporation
Present Lessee:	COG Oil & Gas, LP
Description of Land Committed:	Insofar and only insofar as said lease covers SW/4 NW/4 of Section 22, T-16-S, R-28-E, N.M.P.M., Eddy County, New Mexico
No. of Acres:	40.00
Royalty Rate:	12.50% on oil and gas
Name and Percent ORRI Owners:	None
Name and Percent WI Owner:	✓ COG Operating LLC - 100%

RECAPITULATION

<u>TRACT NO.</u>	<u>NO. OF ACRES COMMITTED</u>	<u>PERCENTAGE OF COMMUNITIZED AREA</u>
Tract No. 1	120.00	75.00%
Tract No. 2	<u>40.00</u>	<u>25.00%</u>
	160.00	100.00%

Determination - Approval - Certification

Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine that the Federal lease or leases as to the lands committed to the attached agreement cannot be independently developed and operated in conformity with the well-spacing program **proposed** for the field or area in which said lands are located, and that consummation and approval of the agreement will be in the public interest. Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.
- B. Approve the attached communitization agreement covering the S/2 N2 section 22 T. 16 S., R. 28 E., NMPM, Eddy County, New Mexico, as to the gas and associated liquid hydrocarbons producible from the Wolfcamp formation. This approval will become invalid if the public interest requirements under section 3105.2-3(e) are not met.
- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the agreement.

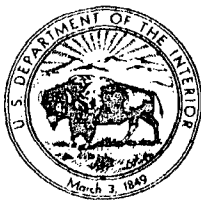
Approved: AUG 17 2009



Authorized Officer

Effective: June 17, 2009

Contract No.: Com. Agr. NMNM123395



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE
620 E. Greene Street
Carlsbad, New Mexico 88220-6292

IN REPLY REFER TO:
NMNM123395
3105.2 NM (P0220)

AUG 17 2009

Certification information

COG Operating
Fasken Center, Tower 11
550 West Texas Avenue, STE 1300
Midland, TX 79701

Gentlemen:

Enclosed is one approved copy of Communitization Agreement NMNM123395, involving 120.00 acres of Federal land in lease NM-95630, 40.00 acres of Federal land in lease NM-100844 Eddy County, New Mexico, comprising a 160.00-acre well spacing unit.

The agreement communitizes all rights as to the gas and associated liquid hydrocarbons producible from the Wolfcamp formation in S/2 N/2 section 22, T. 16 S., R. 28 E., NMPM, and is effective June 17, 2009. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

The approval is for the Wolfcamp formation and is contingent on NMOCD designating a pool for this entire acreage. The current NMOCD pool maps only show that the west half of Section 22 has a designated Wolfcamp pool. Submit hearing order documentation of such pool designation within 6 months of receipt of this letter. The communitization agreement will terminate within 6 months of the receipt of this letter if the documentation has not been submitted.

Any production royalties that are due must be reported and paid within 90 days of the Bureau of Land Management's approval date or the payors will be assessed interest for late payment under the Federal Oil and Gas Royalty Management Act of 1982 (See 30 CFR 218.54). If you need assistance or clarification, please contact the Minerals Management Service at 1-800-525-9167 or 303-231-3504. If you have any questions regarding this approval, please call the Division of Lands and Minerals at (575) 234-5972.

Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,

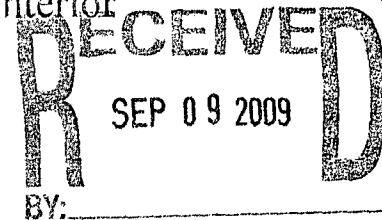
Don Peterson
Assistant Field Manager,
Lands and Minerals

1 Enclosure:
1 - Communitization Agreement



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE
620 E. Greene Street
Carlsbad, New Mexico 88220-6292



IN REPLY REFER TO:
NMNM123395
3105.2 NM (P0220)

SEP 1 2009

Certification information

Re: Amendment to Communitization Agreement NMNM123395
Comet 22 Fed Com #3
Section 22, T. 16 S., R. 28 E.
Eddy County, New Mexico

COG Operating
Fasken Center, Tower 11
550 West Texas Avenue, STE 1300
Midland, TX 79701

Gentlemen:

Your letter of August 24, 2009 requests that Communitization Agreement NMNM123395 covering the S/2 N/2 Section 22, T. 16 S., R. 28 E., Eddy County, New Mexico, be amended to include the Abo formation.

The agreement presently covers the Wolfcamp formation. The Communitization Agreement is being amended to include the Abo formation and is contingent on NMOCD designating a pool for this acreage. The current NMOCD pool maps do not show a designated Abo pool for Section 22. Submit hearing order documentation of such pool designation within 6 months of receipt of this letter. The communitization agreement will terminate within 6 months of the receipt of this letter if the documentation has not been submitted.

Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,

Don Peterson
Assistant Field Manager,
Lands and Minerals

1 Enclosure:

1 - Communitization Agreement

cc:

MMS, Denver (357B-1, Antoinette Contreras, Stacey Kaiser)
NM Taxation & Revenue Dept.(Revenue Processing Div.)
Attention: Manuelita Martinez
P. O. Box 2308
Santa Fe, NM 87504
NM (P0220-CFO, File Room)

RECEPTION NO: 0911864 STATE OF
NEW MEXICO, COUNTY OF EDDY
RECORDED 12/11/2009 8:52 AM
BOOK 0798 PAGE 0979 C. Cook





United States Department of the Interior

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE
620 E. Greene Street
Carlsbad, New Mexico 88220-6292

IN REPLY REFER TO:
NMNM123395
3105.2 NM (P0220)

AUG 17 2009

Certification information

COG Operating
Fasken Center, Tower 11
550 West Texas Avenue, STE 1300
Midland, TX 79701

Gentlemen:

Enclosed is one approved copy of Communitization Agreement NMNM123395, involving 120.00 acres of Federal land in lease NM-95630, 40.00 acres of Federal land in lease NM-100844 Eddy County, New Mexico, comprising a 160.00-acre well spacing unit.

The agreement communitizes all rights as to the gas and associated liquid hydrocarbons producible from the Wolfcamp formation in S/2 N/2 section 22, T. 16 S., R. 28 E., NMPM, and is effective June 17, 2009. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

The approval is for the Wolfcamp formation and is contingent on NMOCD designating a pool for this entire acreage. The current NMOCD pool maps only show that the west half of Section 22 has a designated Wolfcamp pool. Submit hearing order documentation of such pool designation within 6 months of receipt of this letter. The communitization agreement will terminate within 6 months of the receipt of this letter if the documentation has not been submitted.

Any production royalties that are due must be reported and paid within 90 days of the Bureau of Land Management's approval date or the payors will be assessed interest for late payment under the Federal Oil and Gas Royalty Management Act of 1982 (See 30 CFR 218.54). If you need assistance or clarification, please contact the Minerals Management Service at 1-800-525-9167 or 303-231-3504. If you have any questions regarding this approval, please call the Division of Lands and Minerals at (575) 234-5972.

Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,

Don Peterson
Assistant Field Manager,
Lands and Minerals

1 Enclosure:
1 - Communitization Agreement

EXHIBIT B

Nearburg Exploration Company, L.L.C.

Oil and Gas Exploration
3300 North "A" Street
Building 2, Suite 120
Midland, TX 79705-5421
432-686-8235
FAX 432-686-7806

March 3, 2010

Mark E. Fesmire, P.E.
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Pavo Mesa Prospect
Eddy County, New Mexico
Comet 22 Federal No 3 Well
Case No. 14423/Application - COG Operating LLC Expansion of Pool Boundaries

Dear Mr. Fesmire:

Nearburg Exploration Company, L.L.C. ("Nearburg") is a majority working interest owner in the Comet 22 Federal Well No. 3, which is affected by the caption Application. Nearburg submits this letter to indicate that it fully supports COG's application.

Very truly yours,

Nearburg Exploration Company, L.L.C.


Terry Gant
Midland Manager

TG:lf

cc: COG Operating LLC
Attn: Jan Spradlin
Fasken Center, Tower II
550 West Texas Avenue, Suite 1300
Midland, Texas 79701

Montgomery & Andrews Law Firm
Attn: J. Scott Hall
325 Paseo de Peralta
Santa Fe, New Mexico 87501

James Bruce
P. O. Box 1056
Santa Fe, New Mexico 87504


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

**IN THE MATTER OF THE APPLICATION OF
COG OPERATING LLC FOR EXPANSION OF
POOL BOUNDARIES, CROWFLATS ABO
OIL POOL, EDDY COUNTY, NEW MEXICO**

CASE NO. 14423

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

J. SCOTT HALL, attorney and authorized representative of COG Operating LLC, the Applicant herein, being first duly sworn, upon oath, states that the notice provisions of Rule 19.15.4.9 of the New Mexico Oil Conservation Division have been complied with, that Applicant has caused to be conducted a good faith diligent effort to find the correct addresses of all interested persons entitled to receive notice, as shown by Exhibit "A" attached hereto, and that pursuant to Rule 19.15.4.9, notice has been given at the correct addresses or last known addresses provided by such rule.



J. SCOTT HALL

SUBSCRIBED AND SWORN to before me this 3rd day of March, 2010.

My Commission Expires:
11/26/2011

00169222

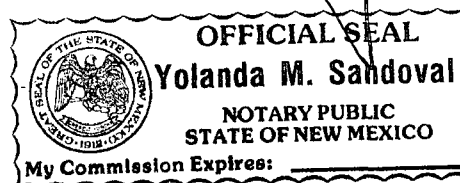


EXHIBIT A

Chesapeake Operating, Inc.
P.O. Box 18496
Oklahoma City, OK 73154-0496

Cimarex Energy Co.
600 N. Marienfeld, Suite 600
Midland, TX 79701

Mack Energy Corporation
P.O. Box 960
Artesia, NM 88211-0960

Nearburg Exploration Co., LLC
3300 North "A" Street
Building 2, Suite 120
Midland, TX 79705

Mewbourne Oil Co.
P.O. Box 5270
Hobbs, NM 88241



**MONTGOMERY
& ANDREWS**
LAW FIRM

J. SCOTT HALL

Cell: (505) 670-7362

Email: shall@montand.com

Reply To: Santa Fe Office

www.montand.com

February 5, 2010

Chesapeake Operating, Inc.
P.O. Box 18496
Oklahoma City, OK 73154-0496

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

Re: NMOCD Case No. 14423; Amended Application of COG Operating LLC for Expansion of Pool Boundaries, Eddy County, New Mexico.

Dear Sir or Madam:

This will advise that COG Operating LLC ("COG") has filed an Amended Application with the New Mexico Oil Conservation Division for an order providing for the expansion of the Crow Flats Wolfcamp oil pool (97102), Abo/Wolfcamp formation, to include the S/2 NE/4 of Section 22 T16S R28E NMPM, Eddy County, New Mexico. Applicant is the operator of the horizontally drilled Comet 22 Federal Well No. 3 (API No. 30-015-35821) within a special project area comprised of the S/2 N/2 of Section 22. A copy of the Application is enclosed.

This application will be set for hearing before a Division Examiner on March 4, 2010, at 8:15 a.m. at the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time. If you intend to attend the hearing and present testimony or evidence, you must enter your appearance and serve the Division, counsel for the Applicant, and other parties with a pre-hearing statement at least four business days before the scheduled hearing date in accordance with Division Rule 19.15.4.13.

REPLY TO:

325 Paseo de Peralta
Santa Fe, New Mexico 87501
Telephone (505) 982-3873 • Fax (505) 982-4289

Post Office Box 2307
Santa Fe, New Mexico 87504-2307

6301 Indian School Road NE, Suite 400
Albuquerque, New Mexico 87110
Telephone (505) 884-4200 • Fax (505) 888-8929

Post Office Box 36210
Albuquerque, New Mexico 87176-6210

Chesapeake Operating
February 5, 2010
Page 2

Very truly yours,

MONTGOMERY & ANDREWS, P.A.

J. Scott Hall

J. Scott Hall

JSH:kw
Enclosure

cc: Jan Spradlin

7006 2150 0002 3591 6894

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Street, Apt. No.;
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City, State, ZIP+4 Oklahoma City OK 73154-0496

PS Form 3800, August 2006 See Reverse for Instructions

SECTION ON DELIVERY

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☐ Address

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Chesapeake Operating
P.O. Box 18496
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73154-0496

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☐ Insured Mail ☐ C.O.D.

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

RECEIVED OGD
2015 FEB -4 A 9:14

**IN THE MATTER OF THE APPLICATION OF
COG OPERATING LLC FOR EXPANSION OF
POOL BOUNDARIES, CROWFLATS WOLFCAMP
OIL POOL, EDDY COUNTY, NEW MEXICO**

CASE NO. 14423

AMENDED APPLICATION

COG OPERATING LLC, by its undersigned attorneys, Montgomery and Andrews, P.A., (J. Scott Hall), hereby makes application pursuant to, inter alia, Rule 19.15.12.8 of the Division's Rules and Regulations for an order providing for the expansion of the Crow Flats Wolfcamp oil pool (97102), Abo/Wolfcamp formation, to include the S/2 NE/4 of Section 22 T16S R28E in Eddy County, New Mexico. In support, Applicant states:

1. Applicant is the operator of the following well:

Comet 22 Federal Well No. 3

API No. 30-015-35821

Section 22, T16S R28E, NMPM, Eddy County

Surface Location: 1980' from the north line and 330' from the westline (Unit E)

Bottom Hole Location: 1980' from the north line and 330' from the east line (Unit H)

2. The Comet 22 Federal No. 3 well was drilled horizontally and completed as a producing oil well in the Abo/Wolfcamp formation, Crow Flats Wolfcamp Oil Pool (97102). A 160-acre special project area comprised of the S/2 N/2 (Units E, F, G and H) of Section 22 is dedicated to the well.

3. The 40-acre tracts within the special project area are subject to two federal oil and gas leases and are consolidated pursuant to Communitization Agreement No. NMNM 123395 approved by the Bureau of Land Management on August 17, 2009, effective June 17, 2009.

4. The Bureau of Land Management has noted that only the NW/4 of Section 22 is within a pool designated by the NMOCD and has requested Applicant to obtain pool designation for all of the acreage communitized and dedicated to the subject well.

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Respectfully submitted,

MONTGOMERY & ANDREWS, P. A.

By: 

J. Scott Hall
P.O. Box 2307
Santa Fe, NM 87504-2307
(505) 982-3873 - Telephone
(505) 982-4289 - Fax
Attorneys for COG Operating LLC

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was e-mailed to counsel of record on the 4th day of February, 2010, as follows:

James Bruce, Esq.
P. O. Box 1056
Santa Fe, NM 87504
jamesbruc@aol.com

J. Scott Hall

J. Scott Hall

00159981



**MONTGOMERY
& ANDREWS**
LAW FIRM

J. SCOTT HALL

Cell: (505) 670-7362

Email: shall@montand.com

Reply To: Santa Fe Office

www.montand.com

February 5, 2010

Cimarex Energy Co.
600 N. Marienfeld, Suite 600
Midland, TX 79701

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

Re: NMOCD Case No. 14423; Amended Application of COG Operating LLC for Expansion of Pool Boundaries, Eddy County, New Mexico.

Dear Sir or Madam:

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REPLY TO:

325 Paseo de Peralta
Santa Fe, New Mexico 87501
Telephone (505) 982-3873 • Fax (505) 982-4289

Post Office Box 2307
Santa Fe, New Mexico 87504-2307

6301 Indian School Road NE, Suite 400
Albuquerque, New Mexico 87110
Telephone (505) 884-4200 • Fax (505) 888-8929

Post Office Box 36210
Albuquerque, New Mexico 87176-6210

Cimarex Energy Co.
February 5, 2010
Page 2

Very truly yours,

MONTGOMERY & ANDREWS, P.A.

J. Scott Hall

J. Scott Hall

JSH:kw
Enclosure

cc: Jan Spradlin

U.S. Postal Service[®]
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Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.54

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Cimarex Energy Co.
Street, Apt. No.,
or PO Box No. 600 N. Marienfeld, Ste 600
City, State, ZIP+4[®] Midland, TX 79701

PS Form 3811, August 2004 See Reverse for Instructions

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Cimarex Energy Co.
600 N. Marienfeld
Suite 600
Midland, TX
79701

2. Article Number

(Transfer from service label)

7006 2150 0002 3591 6924

SECTION ON DELIVERY

B. Received by (Printed Name)

Sadil Garcia 2/8/10

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes

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3. Service Type

☒ Certified Mail ☐ Express Mail
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4. Restricted Delivery? (Extra Fee)

☐ Yes

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

RECEIVED OOD
2015 FEB -4 A 9:14

**IN THE MATTER OF THE APPLICATION OF
COG OPERATING LLC FOR EXPANSION OF
POOL BOUNDARIES, CROWFLATS WOLFCAMP
OIL POOL, EDDY COUNTY, NEW MEXICO**

CASE NO. 14423

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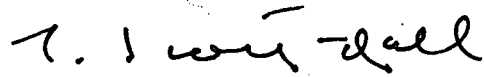
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Respectfully submitted,

MONTGOMERY & ANDREWS, P. A.

By: _____



J. Scott Hall

P.O. Box 2307

Santa Fe, NM 87504-2307

(505) 982-3873 - Telephone

(505) 982-4289 - Fax

Attorneys for COG Operating LLC

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was e-mailed to counsel of record on the 4th day of February, 2010, as follows:

James Bruce, Esq.
P. O. Box 1056
Santa Fe, NM 87504
jamesbruc@aol.com

J. Scott Hall

J. Scott Hall

00159981



**MONTGOMERY
& ANDREWS**
LAW FIRM

J. SCOTT HALL

Cell: (505) 670-7362

Email: shall@montand.com

Reply To: Santa Fe Office

www.montand.com

February 5, 2010

Mack Energy Corporation
P.O. Box 960
Artesia, NM 88211-0960

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

Re: NMOCD Case No. 14423; Amended Application of COG Operating LLC for Expansion of Pool Boundaries, Eddy County, New Mexico.

Dear Sir or Madam:

This will advise that COG Operating LLC ("COG") has filed an Amended Application with the New Mexico Oil Conservation Division for an order providing for the expansion of the Crow Flats Wolfcamp oil pool (97102), Abo/Wolfcamp formation, to include the S/2 NE/4 of Section 22 T16S R28E NMPM, Eddy County, New Mexico. Applicant is the operator of the horizontally drilled Comet 22 Federal Well No. 3 (API No. 30-015-35821) within a special project area comprised of the S/2 N/2 of Section 22. A copy of the Application is enclosed.

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REPLY TO:

325 Paseo de Peralta
Santa Fe, New Mexico 87501
Telephone (505) 982-3873 • Fax (505) 982-4289

Post Office Box 2307
Santa Fe, New Mexico 87504-2307

6301 Indian School Road NE, Suite 400
Albuquerque, New Mexico 87110
Telephone (505) 884-4200 • Fax (505) 888-8929

Post Office Box 36210
Albuquerque, New Mexico 87176-6210

Mack Energy Corp.
February 5, 2010
Page 2

Very truly yours,

MONTGOMERY & ANDREWS, P.A.

J. Scott Hall

J. Scott Hall

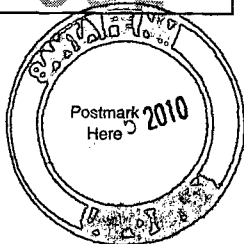
JSH:kw
Enclosure

cc: Jan Spradlin

U.S. Postal Service
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1. Article Addressed to:

Mack Energy Corp.
P.O. Box 960
Artesia, NM
88211-0960

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B. Received by (Printed Name) ☐ Agent
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STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

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IN THE MATTER OF THE APPLICATION OF
COG OPERATING LLC FOR EXPANSION OF
POOL BOUNDARIES, CROWFLATS WOLFCAMP
OIL POOL, EDDY COUNTY, NEW MEXICO

CASE NO. 14423

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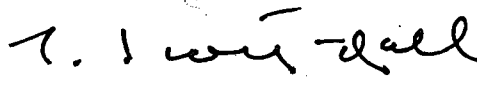
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Respectfully submitted,

MONTGOMERY & ANDREWS, P. A.

By: 

J. Scott Hall
P.O. Box 2307
Santa Fe, NM 87504-2307
(505) 982-3873 - Telephone
(505) 982-4289 - Fax
Attorneys for COG Operating LLC

CERTIFICATE OF SERVICE

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James Bruce, Esq.
P. O. Box 1056
Santa Fe, NM 87504
jamesbruc@aol.com

J. Scott Hall

J. Scott Hall

00159981



**MONTGOMERY
& ANDREWS**
LAW FIRM

J. SCOTT HALL

Cell: (505) 670-7362

Email: shall@montand.com

Reply To: Santa Fe Office

www.montand.com

February 5, 2010

Nearburg Exploration Company, L.L.C.
3300 North "A" Street
Building 2, Suite 120
Midland, TX 79705

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

**Re: NMOCD Case No. 14423; Amended Application of COG Operating
LLC for Expansion of Pool Boundaries, Eddy County, New Mexico.**

Dear Sir or Madam:

This will advise that COG Operating LLC ("COG") has filed an Amended Application with the New Mexico Oil Conservation Division for an order providing for the expansion of the Crow Flats Wolfcamp oil pool (97102), Abo/Wolfcamp formation, to include the S/2 NE/4 of Section 22 T16S R28E NMPM, Eddy County, New Mexico. Applicant is the operator of the horizontally drilled Comet 22 Federal Well No. 3 (API No. 30-015-35821) within a special project area comprised of the S/2 N/2 of Section 22. A copy of the Application is enclosed.

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{00160474-1}

REPLY TO:

325 Paseo de Peralta
Santa Fe, New Mexico 87501
Telephone (505) 982-3873 • Fax (505) 982-4289

Post Office Box 2307
Santa Fe, New Mexico 87504-2307

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Albuquerque, New Mexico 87110
Telephone (505) 884-4200 • Fax (505) 888-8929

Post Office Box 36210
Albuquerque, New Mexico 87176-6210

Nearburg Exploration Company, L.L.C.
February 5, 2010
Page 2

Very truly yours,

MONTGOMERY & ANDREWS, P.A.

J. Scott Hall

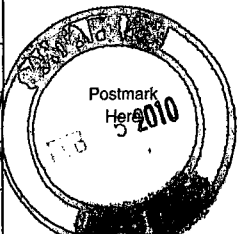
J. Scott Hall

JSH:kw
Enclosure

cc: Jan Spradlin

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Street, Apt. No., or PO Box No. *3300 N. "A" St., Bldg 2, Ste 120*
City, State, ZIP+4[®] *Midland, TX 79705*

PS Form 3800, August 2005 See Reverse for Instructions

S. SECTION ON DELIVERY

Dalter ☐ Agent
☐ Addressee
(Printed Name)
Hon *2-9-10*
C. Date of Delivery

Press different from item 1? ☐ Yes
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3. Service Type
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4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number
(Transfer from service label) 7006 2150 0002 3591 7006

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

RECEIVED OGD
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**IN THE MATTER OF THE APPLICATION OF
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OIL POOL, EDDY COUNTY, NEW MEXICO**

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MONTGOMERY & ANDREWS, P. A.

By: 

J. Scott Hall

P.O. Box 2307

Santa Fe, NM 87504-2307

(505) 982-3873 - Telephone

(505) 982-4289 - Fax

Attorneys for COG Operating LLC

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jamesbruc@aol.com

J. Scott Hall

J. Scott Hall

00159981



**MONTGOMERY
& ANDREWS**
LAW FIRM

J. SCOTT HALL

Cell: (505) 670-7362

Email: shall@montand.com

Reply To: Santa Fe Office

www.montand.com

February 5, 2010

Mewbourne Oil Co.
P.O. Box 5270
Hobbs, NM 88241

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

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This will advise that COG Operating LLC ("COG") has filed an Amended Application with the New Mexico Oil Conservation Division for an order providing for the expansion of the Crow Flats Wolfcamp oil pool (97102), Abo/Wolfcamp formation, to include the S/2 NE/4 of Section 22 T16S R28E NMPM, Eddy County, New Mexico. Applicant is the operator of the horizontally drilled Comet 22 Federal Well No. 3 (API No. 30-015-35821) within a special project area comprised of the S/2 N/2 of Section 22. A copy of the Application is enclosed.

This application will be set for hearing before a Division Examiner on March 4, 2010, at 8:15 a.m. at the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time. If you intend to attend the hearing and present testimony or evidence, you must enter your appearance and serve the Division, counsel for the Applicant, and other parties with a pre-hearing statement at least four business days before the scheduled hearing date in accordance with Division Rule 19.15.4.13.

REPLY TO:

325 Paseo de Peralta
Santa Fe, New Mexico 87501
Telephone (505) 982-3873 • Fax (505) 982-4289

Post Office Box 2307
Santa Fe, New Mexico 87504-2307

6301 Indian School Road NE, Suite 400
Albuquerque, New Mexico 87110
Telephone (505) 884-4200 • Fax (505) 888-8929

Post Office Box 36210
Albuquerque, New Mexico 87176-6210

Mewbourne Oil Co.
February 5, 2010
Page 2

Very truly yours,

MONTGOMERY & ANDREWS, P.A.

J. Scott Hall

J. Scott Hall

JSH:kw
Enclosure

cc: Jan Spradlin

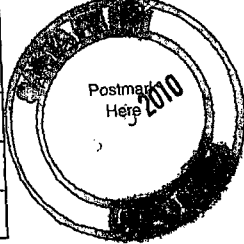
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STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

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**IN THE MATTER OF THE APPLICATION OF
COG OPERATING LLC FOR EXPANSION OF
POOL BOUNDARIES, CROWFLATS WOLFCAMP
OIL POOL, EDDY COUNTY, NEW MEXICO**

CASE NO. 14423

AMENDED APPLICATION

COG OPERATING LLC, by its undersigned attorneys, Montgomery and Andrews, P.A., (J. Scott Hall), hereby makes application pursuant to, inter alia, Rule 19.15.12.8 of the Division's Rules and Regulations for an order providing for the expansion of the Crow Flats Wolfcamp oil pool (97102), Abo/Wolfcamp formation, to include the S/2 NE/4 of Section 22 T16S R28E in Eddy County, New Mexico. In support, Applicant states:

1. Applicant is the operator of the following well:

Comet 22 Federal Well No. 3

API No. 30-015-35821

Section 22, T16S R28E, NMPM, Eddy County

Surface Location: 1980' from the north line and 330' from the westline
(Unit E)

Bottom Hole Location: 1980' from the north line and 330' from the
east line (Unit H)

2. The Comet 22 Federal No. 3 well was drilled horizontally and completed as a producing oil well in the Abo/Wolfcamp formation, Crow Flats Wolfcamp Oil Pool (97102). A 160-acre special project area comprised of the S/2 N/2 (Units E, F, G and H) of Section 22 is dedicated to the well.

3. The 40-acre tracts within the special project area are subject to two federal oil and gas leases and are consolidated pursuant to Communitization Agreement No. NMNM 123395 approved by the Bureau of Land Management on August 17, 2009, effective June 17, 2009.

4. The Bureau of Land Management has noted that only the NW/4 of Section 22 is within a pool designated by the NMOCD and has requested Applicant to obtain pool designation for all of the acreage communitized and dedicated to the subject well.

WHEREFORE, PURSUANT TO Rule 19.15.12.8, Applicant requests that this Application be set for hearing before a duly appointed examiner of the Oil Conservation Division on March 4, 2010, that after notice and hearing as required by law, the Division enter its Order approving of the expansion of the referenced pool to include the S/2 NW/4 of Section 22 T16S R28E within the pool boundaries.

Respectfully submitted,

MONTGOMERY & ANDREWS, P. A.

By: _____



J. Scott Hall

P.O. Box 2307

Santa Fe, NM 87504-2307

(505) 982-3873 - Telephone

(505) 982-4289 - Fax

Attorneys for COG Operating LLC

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was e-mailed to counsel of record on the 4th day of February, 2010, as follows:

James Bruce, Esq.
P. O. Box 1056
Santa Fe, NM 87504
jamesbruc@aol.com

J. Scott Hall

J. Scott Hall

00159981