

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
OCD Artesia

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMNM7752 / NM 7754 / NM 16786

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

7. If Unit or CA/Agreement, Name and/or No.
NMNM135030 / NM 136313

8. Well Name and No.
PASSION 1 FEDERAL COM PDK 5H

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
COG OPERATING LLC

Contact: KANICIA CASTILLO
E-Mail: kcastillo@concho.com

9. API Well No.
30-015-42410-00-S1

3a. Address
600 W ILLINOIS AVENUE
MIDLAND, TX 79701

3b. Phone No. (include area code)
Ph: 432-685-4332

10. Field and Pool, or Exploratory
EMPIRE

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 1 T17S R29E NESE 1910FSL 180FEL
32.861410 N Lat, 104.019730 W Lon

11. County or Parish, and State

EDDY COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | Surface Commingling |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

COG Operating LLC respectfully requests approval for surface commingling on the following wells:

Passion 1 Federal Com 5H
NMNM7752
CA Pending NM 135030
API 30-015-42410
Sec 1 T17S R29E NESE 1910FSL 180FEL

Churchmouse 1 Federal Com 18H
NMNM7754
NMNM7752
CA Pending NM 136313

BLM OIL CONSERVATION
ARTESIA DISTRICT

MAY 19 2017

RECEIVED

BLM OIL CONSERVATION
ARTESIA DISTRICT

MAY 19 2017

RECEIVED

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #332748 verified by the BLM Well Information System
For COG OPERATING LLC, sent to the Carlsbad
Committed to AFMSS for processing by PRISCILLA PEREZ on 04/12/2016 (16PP0892SE)

Name (Printed/Typed) KANICIA CASTILLO

Title PREPARER

Signature (Electronic Submission)

Date 03/03/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

J. D. W. Hittlock

Title

TLDET

Date

5/15/2017

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

CFU

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

RNP 6-27-1

Additional data for EC transaction #332748 that would not fit on the form

7. If Unit or CA/Agreement, Name and No., continued

NMNM135030
NMNM136313

Wells/Facilities, continued

| Agreement | Lease | Well/Fac Name, Number | API Number | Location |
|------------------|--------------|-------------------------------|--------------------|--|
| NMNM135030 | NMNM7752 | PASSION 1 FEDERAL COM PDK 534 | 30-015-42410-00-S1 | Sec 1 T17S R29E NESE 1910FSL 180FEL 32.861410 N Lat, 104.019730 W Lon |
| NMNM136313 | NMNM7752 | CHURCHMOUSE 1 FED COM 18H | 30-015-42917-00-S1 | Sec 1 T17S R29E SESE 350FSL 180FEL 32.857120 N Lat, 104.019749 W Lon |

10. Field and Pool, continued

UNKNOWN

32. Additional remarks, continued

API 30-015-42917
Sec 1 T17S R29E SESE 350FSL 180FEL

Consolidating production to one battery will extend the economic life for these wells and lessen surface disturbance.
Commingle will not reduce value of production.
All interest owners have been notified.

APPLICATION FOR COMMINGLE AND OFF LEASE MEASUREMENT AT A COMMON CENTRAL TANK BATTERY

Proposal for the Passion 1 Federal Com & Churchmouse 1 Federal Com Wells:

COG Operating, LLC is requesting approval for the Central Tank Battery, Lease Commingle, Off Lease Measurement, Sales, & Storage for the following wells:

Federal Lease NMNM16786 Royalty Rate August 8th Determination Pending (Sch B 12.5% – 25%)

NMNM7752 Royalty August 8th Determination (12.5 %)

CA Pending Submittal *NM 135030*

| Well Name | Location | API # | Pool 96610 | Oil BOPD | Gravities | MCFPD | BTU |
|--------------------------|-------------------------|--------------|-------------------------------|----------|-----------|-------|------|
| Passion 1 Federal Com 5H | NENE Sec. 1-T17S-R29E-I | 30-015-42410 | Empire;Glorieta Yeso, East | 137 | 37.2 | 122 | 1394 |

Federal Lease: NMNM7754 Royalty Rate August 8th Determination Pending (12.5%)

NMNM7752 Royalty Rate August 8th Determination (12.5 %)

CA Pending Submittal *NM 136313*

| Well Name | Location | API # | Pool 96610 | Oil BOPD | Gravities | MCFPD | BTU |
|-------------------------------|-------------------------|--------------|-------------------------------|----------|-----------|-------|------|
| Churchmouse 1 Federal Com 18H | NWNW Sec. 1-T17S-R29E-P | 30-015-42917 | Empire;Glorieta Yeso, East | 91 | 37.6 | 141 | 1233 |

*These are proposed totals for these wells; once these wells are drilled the production information will be amended. I will submit BOPD & MCFPD for the Churchmouse 1 Federal Com #18H upon receipt.

Attached map displays the federal leases and well locations in Section 1, T17S-R29E.

The BLM's interest in the Churchmouse 1 Fed Com 18H is at 12.5%. The BLM interest in one Passion 1 Federal Com 5H lease is set at 12.5% and the other lease is a sliding scale schedule B 12.5% to 25%. Waste is not induced and no correlative rights are impaired.

Oil & Gas metering:

The central tank battery is located on the pad for the Passion 1 Federal Com PDK #5H well located in NESE, Sec. 1-T17S-R29E on federal lease NMNM 16786 in Eddy County, New Mexico. Flowlines from producing wells terminate into the test/production header which serves as the inlet to the tank battery. From the header, each well can be put in test or produced directly into the 2-phase production separator.

The three 3-phase horizontal test separators and associated metering devices have been sized for the expected range of fluid rates from the production wells. The sizing and calibration of this equipment ensures accurate measurement of produced fluids from a well in test. Separate meters are used for measuring oil, water and gas. After fluids are separated, oil and water flow rates are measured using turbine meters (Tester #1: (PO) #430413, Tester #2: (PO) #429468, Tester #3: TBP*) and the gas flow rate is measured using an orifice meter (Tester #1: (PG) #D-240219, Tester #2: (PG) #D-200205, Tester #3: TBP*). The Passion 1 Federal Com 5H has different ownership than the other well at the battery and will be continuously metered separately through a test separator and the oil will be sent to a dedicated sales tank for tank gauging per BLM commingle guidelines.

Monthly gas and oil production will be determined through continuous metering and tank gauging. . The oil test meters and tank gauging procedures will be proven as per API, NMOCD, and BLM specifications, when installed, once per month for the first 3 months (to establish a consistent repeatability factor), and then quarterly thereafter. The factor obtained will be used to allocate the production volumes. The gas test meters will be calibrated on a regular basis per API, NMOCD and BLM specifications.

Gas separated at this point is sent to the DCP Midstream CDP meter #742600-00 which is located on the east side of the battery pad in NESE, Sec. 1-T17S-R29E. Liquids from this separator are routed to additional vessels for processing before being sent to the oil and water storage tanks. Any gas that flashes off during the additional processing stages is tied directly into the gas sales system upstream of the DCP Midstream CDP meter. This meter will be calibrated on a regular basis per API, NMOCD and BLM specifications.

The Passion 1 Federal Com PDK #5H battery will have three 500 BBL oil tanks total, but one tank will be designated as the test tank for the Passion 1 Federal Com 5H. These oil tanks have a common delivery point on the northwest side of the location where oil is hauled via trucking by Holly Transportation. Oil sales volume is determined by gauging of sealed tanks before and after the truck is loaded in accordance with applicable API, NMOCD, and BLM specifications.

Water from all producing wells will be separated through the use of a FWKO and heater-treater prior to being routed to the two 500 BBL water tanks. Water will then be transferred out of the tanks and tied into a Company owned SWD system. Bulk water leaving the facility is measured using a turbine meter.

Passion 1 Federal Com PDK #5H production will flow into the test/production header and is routed through the process as described above. No other unique metering devices are included on this individual well.

Churchmouse 1 Federal Com #18H production flows into the test/production header and is routed through the process as described above. No other unique metering devices are included on this individual well.


The BLM and OCD will be notified of any future changes in the facilities.

*Will provide once test separator is installed.

Process and Flow Descriptions:

The flow of produced fluids is shown in detail on the enclosed facility diagram, along with a map which shows the lease boundaries, communization agreement boundaries, and location of wells, facility, and gas sales meter. The proposed commingling is appropriate based on the BLM's guidance in IM 2013-152. The proposed commingling will maximize the ultimate recovery of oil and/or gas from the federal leases and will reduce environmental impacts by minimizing surface disturbance, reduce the surface facility footprint and overall emissions. The proposed commingling is the most effective economical means of producing the reserves and will reduce operating expenses, as well as, not adversely affect federal royalty income, production accountability, or the distribution of royalty.

COG Operating, LLC understands the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.

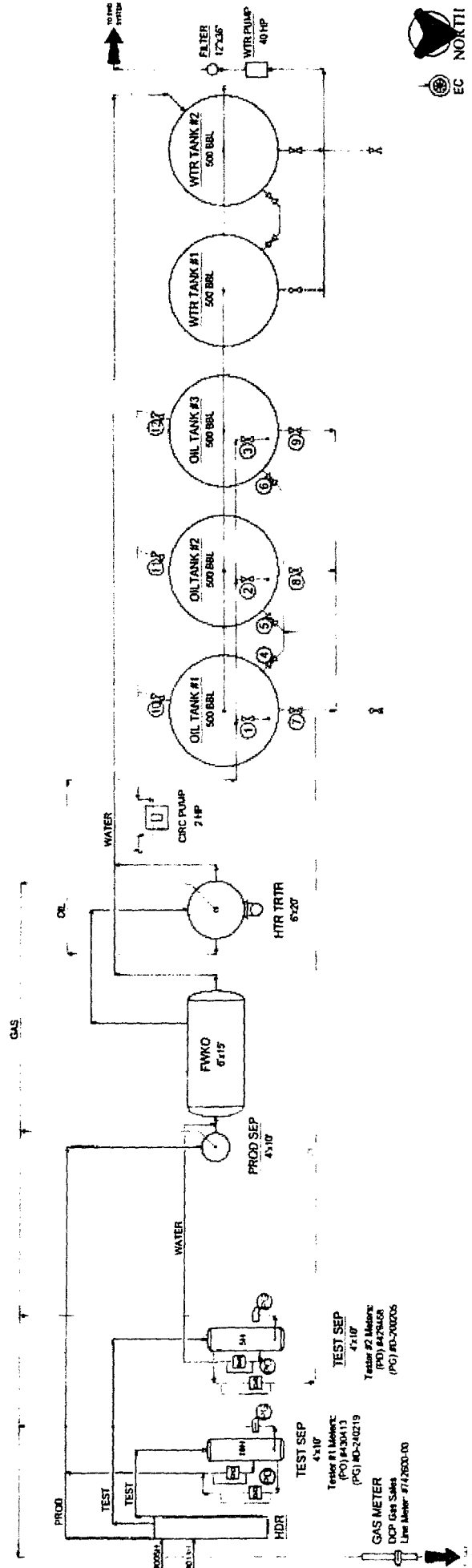
Signed: 
Printed Name: Kanicia Castillo
Title: Lead Regulatory Analyst
Date: 3/2/2016

PASSION 1 FEDERAL COM PDK 5H BATTERY
NESE SECTION 1, T17S, R29E, UNIT 1
EDDY COUNTY, NM

WELLS:
PASSION 1 FEDERAL COM PDK #005H: 30-015-42410
CHURCHMOUSE 1 FEDERAL COM #018H: 30-015-42917

Production Phase - Oil Tank #1
- Valve 1 open
- Valves 2 and 3 closed
- Valves 4, 5, and 6 open
- Valves 7, 8, and 9 closed
- Valves 10, 11, and 12 closed

Sales Phase - Oil Tank #1
- Valve 1 closed
- Valves 2 or 3 open
- Valve 4 closed
- Valves 5 and 6 open
- Valve 7 open
- Valves 8 and 9 closed
- Valves 10, 11, and 12 closed



COG Operating LLC
Site Security Plans Located At:
One Concho Center
600 W. Illinois Ave.
Midland, TX 79701

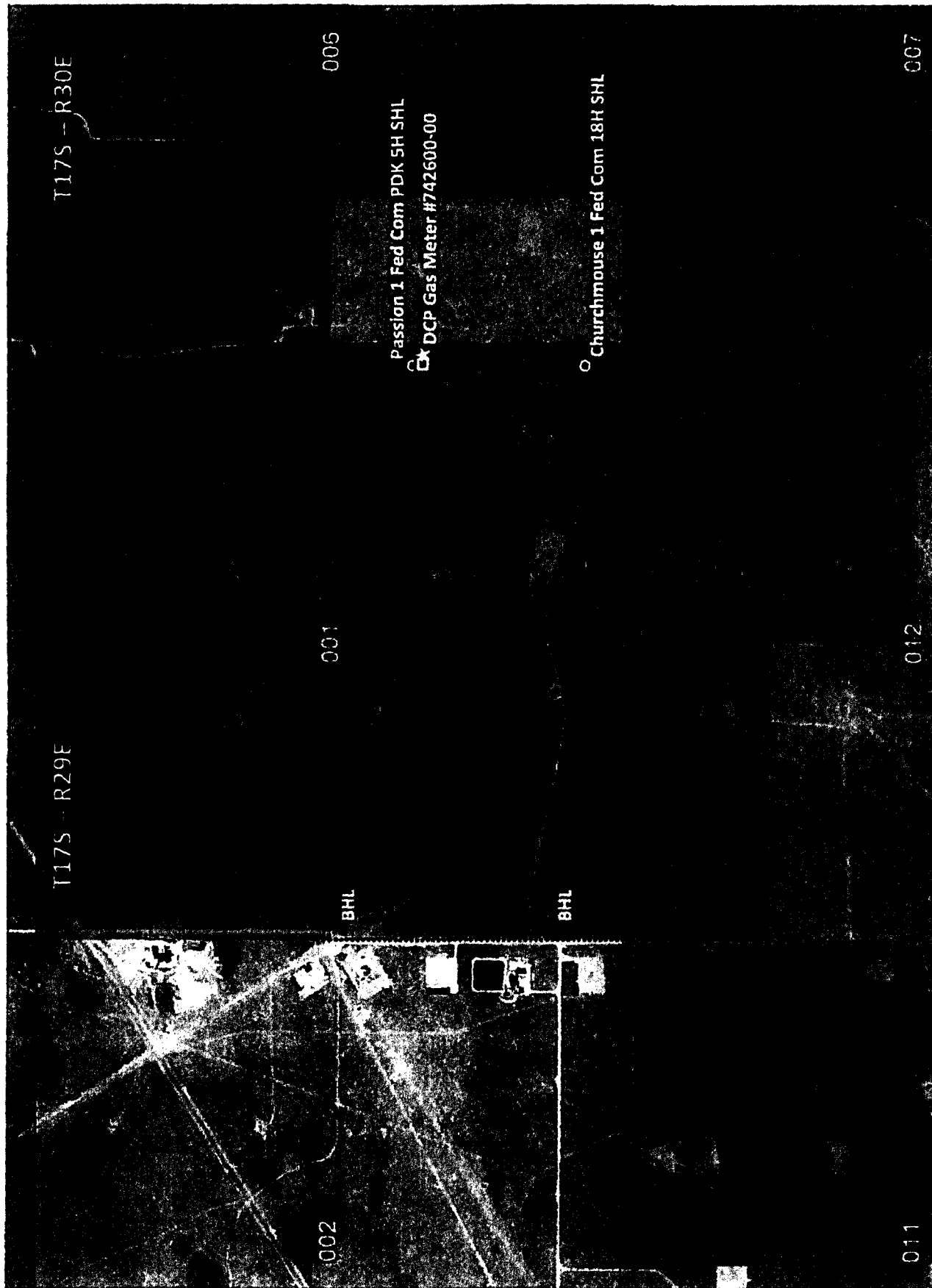
Ledger for Site Diagram
Produced Fluid: _____
Produced Oil: _____
Produced Gas: _____
Produced Water: _____
Future: _____

| PROPERTY INFORMATION | | SURVEY INFORMATION | | ACQUISITION RECORD | |
|----------------------|----------|--------------------|----------|--------------------|----------|
| NO. | DATE | NO. | DATE | NO. | DATE |
| 1 | 10/10/12 | 1 | 10/10/12 | 1 | 10/10/12 |
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Type of Lease: Federal
Federal Lease #: SHL: NMNM - 0016786
Property Code: 313307
OGRID #: 229137

CONCHO
NEW MODO SELF ASSET
SITE FACILITY DIAGRAM
PASSION 1 FEDERAL COM PDK 5H BATTERY
EDDY COUNTY, NM
WELL NO. 0-1700-81-005
WELL NAME MULTIPLE

Passion 1 Federal Com PDK 5H Battery Map



**BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(LIVE) SERIAL REGISTER PAGE**

Run Date/Time: 05/15/17 08:01 AM

Page 1 of 1

01 02-25-1920;041STAT0437;30USC181

Total Acres
160.000

Serial Number
NMNM-- - 136313

Case Type 318310: O&G COMMUNITIZATION AGRMT

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED Case File Juris: CARLSBAD FIELD OFFICE

Serial Number: NMNM-- - 136313

| Name & Address | Int Rel | %Interest |
|-------------------|--------------------|----------------------|
| BLM CARLSBAD FO | 620 E GREENE ST | CARLSBAD NM 88220 |
| COG OPERATING LLC | 600 W ILLINOIS AVE | MIDLAND TX 797014882 |
| | OFFICE OF RECORD | 0.000000000 |
| | OPERATOR | 100.000000000 |

Serial Number: NMNM-- - 136313

| MerTwp | Rng | Sec | SType | Nr Suff | Subdivision | District/Resource Area | County | Mgmt Agency |
|--------|-------|-------|-------|---------|-------------|------------------------|--------|---------------------|
| 23 | 0170S | 0290E | 001 | ALIQ | S2S2; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |

Serial Number: NMNM-- - 136313

| Act Date | Code | Action | Action Remarks | Pending Office |
|------------|------|--------------------------|-----------------|----------------|
| 04/14/2015 | 387 | CASE ESTABLISHED | | |
| 04/14/2015 | 516 | FORMATION | YESO | |
| 04/14/2015 | 526 | ACRES-FED INT 100% | 160;100% | |
| 04/14/2015 | 654 | AGRMT PRODUCING | /1/ | |
| 04/14/2015 | 658 | MEMO OF 1ST PROD-ACTUAL | /1/30-015-42917 | |
| 04/14/2015 | 868 | EFFECTIVE DATE | /A/ | |
| 09/26/2016 | 334 | AGRMT APPROVED | | |
| 09/26/2016 | 643 | PRODUCTION DETERMINATION | /1/ | |

Line Nr Remarks Serial Number: NMNM-- - 136313

| | | | |
|------|--|-----------------|-------------------------|
| 0001 | /A/ RECAPITULATION EFFECTIVE 04/14/2015 | | |
| 0002 | TR# | LEASE SERIAL NO | AC COMMITTED % INTEREST |
| 0003 | 1 | NMNM 7752 | 40.00 25.00 |
| 0004 | 2 | NMNM 7752 | 40.00 25.00 |
| 0005 | 3 | NMNM 7752 | 40.00 25.00 |
| 0006 | 4 | NMNM 7754 | 40.00 25.00 |
| 0007 | TOTAL | | 160.00 100.00 |
| 0008 | COMMUNITIZED DEPTHS ARE HEREBY LIMITED FROM THE BASE | | |
| 0009 | OF THE SAN ANDRES FORMATION, BEING THE STRATAGRAPHIC | | |
| 0010 | EQUIVALENT OF 4,160 FT. TO A SUBSURFACE DEPTH OF | | |
| 0011 | 5,000 FT. | | |

Handwritten notes: } AVG 8TH, - AVG 8TH

**BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(LIVE) SERIAL REGISTER PAGE**

Run Date/Time: 05/15/17 08:08 AM

Page 1 of 8

01 02-25-1920;041STAT0437;30USC226

Case Type 310771: O&G EXCHANGE LEASE - PD

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED Case File Juris:

**Total Acres
1,154.530**

**Serial Number
NMNM-- - 007752**

Serial Number: NMNM-- - 007752

| Name & Address | | | Int Rel | %Interest |
|--------------------------------|---------------------------------------|----------------------------|------------------|---------------|
| BETHEL VIRGINIA LEE | 524 PITTMAN | RICHARDSON TX 75081 | OPERATING RIGHTS | 0.000000000 |
| BISSETT WAYNE A | PO BOX 2101 | MIDLAND TX 79702 | OPERATING RIGHTS | 0.000000000 |
| BLACK STONE ENERGY CO LLC | 1001 FANNIN ST STE 2020 | HOUSTON TX 770026715 | OPERATING RIGHTS | 0.000000000 |
| BREWER MARK T | 2002 BRISCOE AVE | ARTESIA NM 88210 | OPERATING RIGHTS | 0.000000000 |
| BREWER THOMAS J | 2101 W RUNYAN AVE | ARTESIA NM 882102573 | OPERATING RIGHTS | 0.000000000 |
| BUCKHORN ENTERPRISES | 2101 W RUNYAN AVE | ARTESIA NM 88210 | OPERATING RIGHTS | 0.000000000 |
| CARSON DAVID RHEA | 524 PITTMAN | RICHARDSON TX 75081 | OPERATING RIGHTS | 0.000000000 |
| CARSON EDWARD LEWIS | 524 PITTMAN | RICHARDSON TX 75081 | OPERATING RIGHTS | 0.000000000 |
| CHASE BILLY W | PO BOX 515 | ARTESIA NM 882110515 | OPERATING RIGHTS | 0.000000000 |
| CHASE OIL CORP | PO BOX 1767 | ARTESIA NM 882111767 | OPERATING RIGHTS | 0.000000000 |
| CHASE RICHARD L | 505 S BOLTON RD | ARTESIA NM 88210 | OPERATING RIGHTS | 0.000000000 |
| CHASE ROBERT C | 2306 SIERRA VISTA DR | ARTESIA NM 88210 | OPERATING RIGHTS | 0.000000000 |
| CHI ENERGY INC | PO BOX 1799 | MIDLAND TX 79702 | OPERATING RIGHTS | 0.000000000 |
| COG OPERATING LLC | 600 W ILLINOIS AVE | MIDLAND TX 797014882 | OPERATING RIGHTS | 0.000000000 |
| COG OPERATING LLC | 600 W ILLINOIS AVE | MIDLAND TX 797014882 | LESSEE | 100.000000000 |
| CONCHO OIL & GAS LLC | 600 W ILLINOIS AVE, ONE CONCHO CENTER | MIDLAND TX 797014882 | OPERATING RIGHTS | 0.000000000 |
| CROUCH GERENE D C | PO BOX 693 | ARTESIA NM 88211 | OPERATING RIGHTS | 0.000000000 |
| DAMSON OIL CORP | PO BOX 4391 | HOUSTON TX 772104391 | OPERATING RIGHTS | 0.000000000 |
| DOMINION OK TX EXPL & PROD INC | 14000 QUAIL SPGS PKY #600 | OKLAHOMA CITY OK 73134 | OPERATING RIGHTS | 0.000000000 |
| EOG RESOURCES INC | PO BOX 4362 | HOUSTON TX 772104362 | OPERATING RIGHTS | 0.000000000 |
| HENDERSON DAVID L | 815 W 10TH ST | FORT WORTH TX 76102 | OPERATING RIGHTS | 0.000000000 |
| HUNT OIL CO | 1900 N AKARD ST | DALLAS TX 752012300 | OPERATING RIGHTS | 0.000000000 |
| KOCH DOUGLAS C | BOX 10651 | MIDLAND TX 79702 | OPERATING RIGHTS | 0.000000000 |
| LOTHIAN OIL INC | 303 W WALL #500 | MIDLAND TX 79701 | OPERATING RIGHTS | 0.000000000 |
| LOUIS DREYFUS NATURAL GAS CORP | 14000 QUAIL SPRINGS PKY #600 | OKLAHOMA CITY OK 731342600 | OPERATING RIGHTS | 0.000000000 |
| LOWERY J J | PO BOX 13685 | ODESSA TX 79768 | OPERATING RIGHTS | 0.000000000 |
| MACK C CHASE TRUSTEE | PO BOX 693 | ARTESIA NM 88210 | OPERATING RIGHTS | 0.000000000 |
| MACK ENERGY CORP | PO BOX 960 | ARTESIA NM 88211 | OPERATING RIGHTS | 0.000000000 |
| MARBOB ENERGY CORP | PO BOX 227 | ARTESIA NM 882110227 | OPERATING RIGHTS | 0.000000000 |
| MEYERS MELVA JEAN | NO 1 ST ANDREW CIR | BROKEN ARROW OK 74011 | OPERATING RIGHTS | 0.000000000 |
| MEYERS REX THOMAS | 524 PITTMAN | RICHARDSON TX 75081 | OPERATING RIGHTS | 0.000000000 |
| MEYERS REX THOMAS | NO 1 ST ANDREW CIR | BROKEN ARROW OK 74011 | OPERATING RIGHTS | 0.000000000 |
| NM BAPTIST FOUNDATION | PO BOX 485 | ALBUQUERQUE NM 87103 | OPERATING RIGHTS | 0.000000000 |
| PACIFIC ENTERPRISES ABC CORP | 8235 DOUGLAS AVE #525 | DALLAS TX 75225 | OPERATING RIGHTS | 0.000000000 |
| PIONEER NATURAL RES USA INC | 1401 17TH ST #1200 | DENVER CO 80202 | OPERATING RIGHTS | 0.000000000 |
| SAMSON RESOURCES CO | 2 W SECOND ST | TULSA OK 74103 | OPERATING RIGHTS | 0.000000000 |
| SOUTHWEST ROYALTIES INC | 6 DESTA DR STE 3700 | MIDLAND TX 797055516 | OPERATING RIGHTS | 0.000000000 |

Serial Number: NMNM-- - 007752

| Mer Twp | Rng | Sec | SType | Nr | Suff | Subdivision | District/Resource Area | County | Mgmt Agency |
|---------|-------|-------|-------|----|------|---------------------------|------------------------|--------|---------------------|
| 23 | 0170S | 0290E | 001 | FF | 01 | SWNE,S2NW,N2SW,ALL FORMS; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |
| 23 | 0170S | 0290E | 001 | FF | 02 | SESW,NWSE,ALL FORMATIONS; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |
| 23 | 0170S | 0290E | 001 | FF | 03 | SWSW,SWSE,ALL FORMATIONS; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |
| 23 | 0170S | 0290E | 001 | FF | 04 | EXCEPT GRAYBURG FORM AS; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |
| 23 | 0170S | 0290E | 001 | FF | 05 | DEFINED BY SEC 2F OF THE; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |
| 23 | 0170S | 0290E | 001 | FF | 06 | UNIT AGREEMENT; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |
| 23 | 0170S | 0290E | 012 | FF | 01 | NE,N2NW,ALL FORMS EXCEPT; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |
| 23 | 0170S | 0290E | 012 | FF | 02 | GRAYBURG FORM AS DEFINED; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |
| 23 | 0170S | 0290E | 012 | FF | 03 | BY SEC 2F OF THE UNIT; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |
| 23 | 0170S | 0290E | 012 | FF | 04 | AGREEMENT; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |
| 23 | 0170S | 0300E | 006 | FF | 01 | L 3,SENW,E2SW,ALL FORMS; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |
| 23 | 0170S | 0300E | 006 | FF | 02 | NWSE,ALL FORMS EXCEPT; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |

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**BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(LIVE) SERIAL REGISTER PAGE**

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| | | | | | | | | | |
|----|-------|-------|-----|----|----|---------------------------|-----------------------|------|---------------------|
| 23 | 0170S | 0300E | 006 | FF | 03 | GRAYBURG FORM AS DEFINED; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |
| 23 | 0170S | 0300E | 006 | FF | 04 | BY SEC 2F OF THE UNIT; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |
| 23 | 0170S | 0300E | 006 | FF | 05 | AGREEMENT; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |
| 23 | 0170S | 0300E | 007 | FF | 01 | E2SW,SE,ALL FORMATIONS; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |
| 23 | 0170S | 0300E | 007 | FF | 02 | L 1,2,ALL FORMS EXCEPT; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |
| 23 | 0170S | 0300E | 007 | FF | 03 | GRAYBURG FORM AS DEFINED; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |
| 23 | 0170S | 0300E | 007 | FF | 04 | BY SEC 2F OF THE UNIT; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |
| 23 | 0170S | 0300E | 007 | FF | 05 | AGREEMENT; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |
| 23 | 0170S | 0300E | 008 | FF | | NWNW,ALL FORMATIONS; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |

Serial Number: NMNM-- - 007752

| Act Date | Code | Action | Action Remarks | Pending Office |
|------------|------|--------------------------|--------------------|----------------|
| 12/31/1938 | 387 | CASE ESTABLISHED | | |
| 12/31/1938 | 496 | FUND CODE | 05;145003 | |
| 12/31/1938 | 533 | RLTY STEP 12.5-32% | | |
| 12/31/1938 | 868 | EFFECTIVE DATE | | |
| 08/01/1968 | 209 | CASE CREATED BY SEGR | OUT OF NMNM025733; | |
| 08/01/1968 | 650 | HELD BY PROD - ACTUAL | | |
| 08/01/1968 | 658 | MEMO OF 1ST PROD-ACTUAL | | |
| 01/18/1974 | 932 | TRF OPER RGTS FILED | | |
| 04/16/1974 | 932 | TRF OPER RGTS FILED | | |
| 09/19/1975 | 940 | NAME CHANGE RECOGNIZED | KEWANEE OIL CO/IND | |
| 08/07/1977 | 932 | TRF OPER RGTS FILED | | |
| 11/23/1977 | 932 | TRF OPER RGTS FILED | | |
| 07/03/1978 | 932 | TRF OPER RGTS FILED | (1) | |
| 07/03/1978 | 932 | TRF OPER RGTS FILED | (2) | |
| 07/01/1982 | 963 | CASE MICROFILMED/SCANNED | CNUM 103,138 GLC | |
| 01/30/1985 | 932 | TRF OPER RGTS FILED | | |
| 03/28/1985 | 932 | TRF OPER RGTS FILED | | |
| 05/28/1986 | 933 | TRF OPER RGTS APPROVED | EFF 02/01/85; | |
| 05/28/1986 | 933 | TRF OPER RGTS APPROVED | EFF 04/01/85; | |
| 05/05/1987 | 933 | TRF OPER RGTS APPROVED | (1)EFF 08/01/78; | |
| 05/05/1987 | 933 | TRF OPER RGTS APPROVED | (2)EFF 08/01/78; | |
| 05/05/1987 | 933 | TRF OPER RGTS APPROVED | EFF 02/01/74; | |
| 05/05/1987 | 933 | TRF OPER RGTS APPROVED | EFF 05/01/74; | |
| 05/05/1987 | 933 | TRF OPER RGTS APPROVED | EFF 09/01/77; | |
| 05/08/1987 | 963 | CASE MICROFILMED/SCANNED | CNUM 103,138 RW | |
| 05/27/1988 | 933 | TRF OPER RGTS APPROVED | EFF 12/01/77; | |
| 05/27/1988 | 974 | AUTOMATED RECORD VERIF | HKG/HKG | |
| 07/25/1988 | 932 | TRF OPER RGTS FILED | | |
| 08/22/1988 | 933 | TRF OPER RGTS APPROVED | EFF 08/01/88; | |
| 08/22/1988 | 974 | AUTOMATED RECORD VERIF | BTM/MT | |
| 09/28/1988 | 932 | TRF OPER RGTS FILED | | |
| 10/31/1988 | 933 | TRF OPER RGTS APPROVED | EFF 10/01/88; | |
| 10/31/1988 | 974 | AUTOMATED RECORD VERIF | RAO/JR | |
| 11/15/1988 | 932 | TRF OPER RGTS FILED | | |
| 12/09/1988 | 933 | TRF OPER RGTS APPROVED | EFF 12/01/88; | |
| 12/09/1988 | 974 | AUTOMATED RECORD VERIF | GLC/MT | |

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**BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(LIVE) SERIAL REGISTER PAGE**

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| | | | |
|------------|-----|--------------------------|---------------------|
| 08/05/2014 | 643 | PRODUCTION DETERMINATION | /1/ |
| 10/01/2014 | 246 | LEASE COMMITTED TO CA | NMNM135030; |
| 10/01/2014 | 246 | LEASE COMMITTED TO CA | NMNM135473; |
| 11/26/2014 | 658 | MEMO OF 1ST PROD-ACTUAL | /2/NMNM135472; |
| 12/03/2014 | 658 | MEMO OF 1ST PROD-ACTUAL | /4/NMNM135030; |
| 12/25/2014 | 658 | MEMO OF 1ST PROD-ACTUAL | /3/NMNM135473; |
| 02/01/2015 | 246 | LEASE COMMITTED TO CA | NMNM135560; |
| 02/18/2015 | 658 | MEMO OF 1ST PROD-ACTUAL | /5/NMNM135560; |
| 04/14/2015 | 246 | LEASE COMMITTED TO CA | NMNM136313; |
| 04/14/2015 | 658 | MEMO OF 1ST PROD-ACTUAL | /7/NMNM136313; |
| 09/16/2015 | 066 | BANKRUPTCY FILED | SAMSON RESOURCES CO |
| 01/01/2016 | 246 | LEASE COMMITTED TO CA | NMNM136292; |
| 01/14/2016 | 643 | PRODUCTION DETERMINATION | /2/ |
| 01/14/2016 | 643 | PRODUCTION DETERMINATION | /3/ |
| 02/01/2016 | 643 | PRODUCTION DETERMINATION | /4/ |
| 02/04/2016 | 643 | PRODUCTION DETERMINATION | /5/ |
| 03/21/2016 | 658 | MEMO OF 1ST PROD-ACTUAL | /6/NMNM136292; |
| 09/19/2016 | 643 | PRODUCTION DETERMINATION | /6/ |
| 09/26/2016 | 643 | PRODUCTION DETERMINATION | /7/ |
| 09/26/2016 | 643 | PRODUCTION DETERMINATION | /8/ |

| Line Nr | Remarks | Serial Number: NMNM-- - 007752 |
|---------|---------|--------------------------------|
|---------|---------|--------------------------------|

| | |
|------|---|
| 0002 | SECTION 2 (F) GRAYBURG FORMATION SHALL MEAN THE |
| 0003 | ESTABLISHED UNDERGROUND RESERVOIR, THE TOP OF WHICH |
| 0004 | IS FOUND AT 2416 FEET, AND THE BASE OF WHICH IS |
| 0005 | FOUND AT 2710 FEET, ON THE GAMMA RAY-NEUTRON LOG OF |
| 0006 | THE KEWANEE OIL COMPANY NUMBER 10 BEDINGFIELD WELL, |
| 0007 | LOCATED IN THE SWSE OF SEC 1, T 17 S, R 29 E, NMFM, |
| 0008 | INSOFAR AS THE SAME LIES WITHIN THE UNIT AREA |
| 0009 | LOC REQUESTED FROM DSC 3/4/91. |
| 0010 | 3/18/91 - LOC RECEIVED FROM DSC |
| 0011 | 3/21/91 - LOC RETURNED TO FINANCIAL INSTITUTION |
| 0013 | 06/24/2011 - COG OPERATING |
| 0015 | 12/16/2011 - TANDEM ENERGY CORP - NMB000563 - S/W; |
| 0016 | 08/14/2012 BLACK STONE ENERGY CO ESB000200 NW |
| 0017 | COG OPERATING LLC NMB000740 S/W CFO ONLY; |
| 0018 | /A/ACT OF AUG 8, 1946 ROYALTY DETERMINATION |
| 0019 | ENTIRE LEASE QUALIFIED FOR 12.5% ROYALTY LIMITATION |
| 0020 | PORTIONS THAT WOULD RECEIVE ROYALTY LIMITATION |
| 0021 | FOR ALL HORIZONS: |
| 0022 | T. 17S., R. 29E., |
| 0023 | SEC. 01: SWNE, S2NW, N2SW, SESW, NWSE; |
| 0024 | T. 17S., R. 30 E., |
| 0025 | SEC. 06: LOT 3, SENW, E2SW; |
| 0026 | SEC. 07: E2SW, SE; |
| 0027 | SEC. 08: NWNW; |
| 0028 | PORTIONS THAT WOULD RECEIVE THE ROYALTY LIMITATION |
| 0029 | ONLY FOR THE YESO FORMATION: |
| 0030 | T. 17S., R. 29 E., |
| 0031 | SEC. 01: SWSW, SWSE; |
| 0032 | SEC. 12: NE, N2SW; |
| 0033 | T. 17 S., R. 30 E., |
| 0034 | SEC. 06: NWSE; |
| 0035 | SEC. 07: LOTS 1, 2; |

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CASE RECORDATION
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01 02-25-1920;041STAT0437;30USC226

Case Type 310771: O&G EXCHANGE LEASE - PD

**Total Acres
40.000**

**Serial Number
NMNM-- - 007754**

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED Case File Juris:

Serial Number: NMNM-- - 007754

| Name & Address | | | Int Rel | %Interest |
|---------------------------|---------------------------------------|----------------------|------------------|--------------|
| BLACK STONE ENERGY CO LLC | 1001 FANNIN ST STE 2020 | HOUSTON TX 770026715 | OPERATING RIGHTS | 0.000000000 |
| BREWER THOMAS J | 2101 W RUNYAN AVE | ARTESIA NM 882102573 | OPERATING RIGHTS | 0.000000000 |
| BUCKHORN ENTERPRISES | 2101 W RUNYAN AVE | ARTESIA NM 88210 | OPERATING RIGHTS | 0.000000000 |
| CHASE BILLY W | PO BOX 515 | ARTESIA NM 882110515 | OPERATING RIGHTS | 0.000000000 |
| CHASE OIL CORP | PO BOX 1767 | ARTESIA NM 882111767 | OPERATING RIGHTS | 0.000000000 |
| CHASE RICHARD L | 505 S BOLTON RD | ARTESIA NM 88210 | OPERATING RIGHTS | 0.000000000 |
| CHASE ROBERT C | 2306 SIERRA VISTA DR | ARTESIA NM 88210 | OPERATING RIGHTS | 0.000000000 |
| COG OPERATING LLC | 600 W ILLINOIS AVE | MIDLAND TX 797014882 | LESSEE | 31.673000000 |
| CONCHO OIL & GAS LLC | 600 W ILLINOIS AVE, ONE CONCHO CENTER | MIDLAND TX 797014882 | LESSEE | 1.667000000 |
| CROUCH GERENE D C | PO BOX 693 | ARTESIA NM 88211 | OPERATING RIGHTS | 0.000000000 |
| EOG RESOURCES INC | PO BOX 4362 | HOUSTON TX 772104362 | OPERATING RIGHTS | 0.000000000 |
| MACK C CHASE TRUSTEE | PO BOX 693 | ARTESIA NM 88210 | OPERATING RIGHTS | 0.000000000 |
| MEWBOURNE OIL CO | PO BOX 7698 | TYLER TX 757117698 | LESSEE | 66.660000000 |

Serial Number: NMNM-- - 007754

| Mer Twp | Rng | Sec | SType | Nr | Suff | Subdivision | District/Resource Area | County | Mgmt Agency |
|---------|-------|-------|-------|------|------|---------------------------|------------------------|--------|---------------------|
| 23 | 0170S | 0290E | 001 | ALIQ | | SESE; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |
| 23 | 0170S | 0290E | 001 | FF | 01 | ALL FORMATIONS EXCEPT; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |
| 23 | 0170S | 0290E | 001 | FF | 02 | GRAYBURG FORM AS DEFINED; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |
| 23 | 0170S | 0290E | 001 | FF | 03 | BY SEC 2F OF THE UNIT; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |
| 23 | 0170S | 0290E | 001 | FF | 04 | AGREEMENT; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |

Serial Number: NMNM-- - 007754

| Act Date | Code | Action | Action Remarks | Pending Office |
|------------|------|--------------------------|-----------------------|---|
| 12/31/1938 | 387 | CASE ESTABLISHED | | |
| 12/31/1938 | 496 | FUND CODE | 05;145003 | |
| 12/31/1938 | 533 | RLTY STEP 12.5-32% | | <i>SEE Remarks Section Aug 8 For YESO</i> |
| 12/31/1938 | 868 | EFFECTIVE DATE | | |
| 08/01/1968 | 209 | CASE CREATED BY SEGR | OUT OF NMLC025734; | |
| 08/01/1968 | 648 | EXT BY PROD ON ASSOC LSE | NM LC 025734 | |
| 12/31/1968 | 315 | RENTAL RATE DET/ADJ | \$1.00; | |
| 02/01/1971 | 140 | ASGN FILED | KEWANEE/NEARBURG ETAL | |
| 02/25/1971 | 139 | ASGN APPROVED | EFF 03/01/71; | |
| 11/08/1984 | 111 | RENTAL RECEIVED | \$0;84-85 | |
| 11/12/1985 | 111 | RENTAL RECEIVED | \$0;85-86 | |
| 07/14/1986 | 140 | ASGN FILED | PETRO CORP/P C LTD | |
| 11/06/1986 | 111 | RENTAL RECEIVED | \$0;86-87 | |
| 11/17/1986 | 140 | ASGN FILED | PETRO CORP/P C LTD | |
| 11/19/1986 | 139 | ASGN APPROVED | EFF 08/01/86; | |
| 11/26/1986 | 963 | CASE MICROFILMED/SCANNED | CNUM 559,598 GLC | |
| 01/14/1987 | 269 | ASGN DENIED | PETRO CORP/P C LTD | |
| 11/06/1987 | 111 | RENTAL RECEIVED | \$40.00;1YR/87-88 | |
| 11/20/1987 | 974 | AUTOMATED RECORD VERIF | BTM/LR | |

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**BUREAU OF LAND MANAGEMENT
CASE RECORDATION
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| | | | |
|------------|-----|--------------------------|-----------------------|
| 11/01/2010 | 660 | MEMO OF 1ST PROD-ALLOC | /1/NMNM125611; |
| 09/02/2011 | 932 | TRF OPER RGTS FILED | J M HUBER/BLACK STO;1 |
| 12/16/2011 | 933 | TRF OPER RGTS APPROVED | EFF 10/01/11; |
| 12/16/2011 | 974 | AUTOMATED RECORD VERIF | ANN |
| 01/01/2012 | 817 | MERGER RECOGNIZED | BLK STN IV/BLK STN MI |
| 07/12/2012 | 932 | TRF OPER RGTS FILED | BLACK STO/BLACK STO;1 |
| 08/14/2012 | 933 | TRF OPER RGTS APPROVED | EFF 08/01/12; |
| 08/14/2012 | 974 | AUTOMATED RECORD VERIF | DME |
| 04/11/2014 | 140 | ASGN FILED | MARBOB EN/COG OPERA;1 |
| 05/14/2014 | 139 | ASGN APPROVED | EFF 05/01/14; |
| 05/14/2014 | 974 | AUTOMATED RECORD VERIF | EMR |
| 04/14/2015 | 246 | LEASE COMMITTED TO CA | NMNM136313; |
| 04/14/2015 | 650 | HELD BY PROD - ACTUAL | /2/CHURCHMOUSE 18H; |
| 04/14/2015 | 658 | MEMO OF 1ST PROD-ACTUAL | /2/NMNM136313; |
| 10/27/2015 | 624 | RLTY REDUCTION FILED | |
| 12/15/2015 | 536 | RLTY RATE - OTHER | 12.5%;/A/ |
| 12/15/2015 | 625 | RLTY REDUCTION APPV | EFF 04/02/15;/A/ |
| 09/26/2016 | 643 | PRODUCTION DETERMINATION | /2/ |

Line Nr Remarks Serial Number: NMNM-- - 007754

| | |
|------|--|
| 0002 | SECTION 2(F) GRAYBURG FORMATION SHALL MEAN THE |
| 0003 | ESTABLISHED UNDERGROUND RESERVOIR, THE TOP OF WHICH |
| 0004 | IS FOUND AT 2416 FEET, AND THE BASE OF WHICH IS |
| 0005 | FOUND AT 2710 FEET, ON THE GAMMA RAY-NEUTRON LOG OF |
| 0006 | THE KEWANEE OIL COMPANY NUMBER 10 BEDINGFIELD WELL, |
| 0007 | LOCATED IN THE SWSE OF SEC 1, T 17 S, R 29 E, NMMP. |
| 0008 | RENTAL PAID 12/13/2009 PER MMS |
| 0009 | RENTAL PAID 12//16/2011 PER ONNR |
| 0010 | 08/14/2012 BLACK STONE ENERGY CO BONDED ESB000200 NW |
| 0011 | /A/THE LEASE QUALIFIES FOR THE 12.5% ROYALTY |
| 0012 | LIMITATION AS AUTHORIZED BY THE ACT OF |
| 0013 | AUGUST 8, 1946 ONLY FOR THE YESO FORMATION. |

NO WARRANTY IS MADE BY BLM
FOR USE OF THE DATA FOR
PURPOSES NOT INTENDED BY BLM

**BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(LIVE) SERIAL REGISTER PAGE**

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01 02-25-1920;041STAT0437;30USC181

Total Acres

Serial Number

Case Type 318310: O&G COMMUNITIZATION AGRMT

160.000

NMNM-- - 135030

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED

Case File Juris: CARLSBAD FIELD OFFICE

Serial Number: NMNM-- - 135030

| Name & Address | | Int Rel | %Interest |
|-------------------|--------------------|----------------------|------------------|
| BLM CARLSBAD FO | 620 E GREENE ST | CARLSBAD NM 88220 | OFFICE OF RECORD |
| COG OPERATING LLC | 600 W ILLINOIS AVE | MIDLAND TX 797014882 | OPERATOR |
| | | | 0.000000000 |
| | | | 100.000000000 |

Serial Number: NMNM-- - 135030

| Mer Twp | Rng | Sec | SType | Nr Suff | Subdivision | District/Resource Area | County | Mgmt Agency |
|---------|-------|-------|-------|---------|-------------|------------------------|--------|---------------------|
| 23 | 0170S | 0290E | 001 | ALIQ | N2S2; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |

Serial Number: NMNM-- - 135030

| Act Date | Code | Action | Action Remarks | Pending Office |
|------------|------|--------------------------|-----------------|----------------|
| 10/01/2014 | 387 | CASE ESTABLISHED | | |
| 10/01/2014 | 516 | FORMATION | YESO | |
| 10/01/2014 | 526 | ACRES-FED INT 100% | 160;100% | |
| 10/01/2014 | 868 | EFFECTIVE DATE | /1/30-015-42410 | |
| 12/03/2014 | 654 | AGRMT PRODUCING | /1/ | |
| 12/03/2014 | 658 | MEMO OF 1ST PROD-ACTUAL | /1/30-015-42410 | |
| 02/01/2016 | 334 | AGRMT APPROVED | | |
| 02/01/2016 | 643 | PRODUCTION DETERMINATION | /1/ | |

Line Nr Remarks Serial Number: NMNM-- - 135030

| | | | | |
|------|-------------------------------------|--------------|--------------|---------|
| 0001 | RECAPITULATION EFFECTIVE 10/01/2014 | | | |
| 0002 | TRACT # | LSE SERIAL # | AC COMMITTED | PCT INT |
| 0003 | 1 | NMNM7752 | 80.00 | 50.00 |
| 0004 | 2 | NMNM7752 | 40.00 | 25.00 |
| 0005 | 3 | NMNM016786 | 40.00 | 25.00 |
| 0006 | | TOTAL | 160.00 | 100.00 |

} AUG. 8TH

**BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(LIVE) SERIAL REGISTER PAGE**

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01 02-25-1920;041STAT0437;30USC181ETSEQ
Case Type 312011: O&G LSE COMP PUBLIC
Commodity 459: OIL & GAS
Case Disposition: AUTHORIZED Case File Juris:

Total Acres
40.000

Serial Number
NMNM-- 0 016786

Serial Number: NMNM-- 0 016786

| Name & Address | | | Int Rel | %Interest |
|----------------------|---------------------------------------|----------------------|------------------|--------------|
| BETTIS BROTHERS INC | 500 W TEXAS #830 | MIDLAND TX 79701 | OPERATING RIGHTS | 0.000000000 |
| CHASE OIL CORP | PO BOX 1767 | ARTESIA NM 882111767 | OPERATING RIGHTS | 0.000000000 |
| COG OPERATING LLC | 600 W ILLINOIS AVE | MIDLAND TX 797014882 | OPERATING RIGHTS | 0.000000000 |
| COG OPERATING LLC | 600 W ILLINOIS AVE | MIDLAND TX 797014882 | LESSEE | 95.000000000 |
| CONCHO OIL & GAS LLC | 600 W ILLINOIS AVE, ONE CONCHO CENTER | MIDLAND TX 797014882 | OPERATING RIGHTS | 0.000000000 |
| CONCHO OIL & GAS LLC | 600 W ILLINOIS AVE, ONE CONCHO CENTER | MIDLAND TX 797014882 | LESSEE | 5.000000000 |
| MARBOB ENERGY CORP | PO BOX 227 | ARTESIA NM 882110227 | OPERATING RIGHTS | 0.000000000 |
| MILLER RAYE | 2308 SIERRA VISTA RD | ARTESIA NM 88210 | OPERATING RIGHTS | 0.000000000 |
| PITCH ENE CORP | PO BOX 227 | ARTESIA NM 88211 | OPERATING RIGHTS | 0.000000000 |
| PXP PRODUCING CO LLC | 717 TEXAS ST STE 2100 | HOUSTON TX 770022753 | OPERATING RIGHTS | 0.000000000 |

Serial Number: NMNM-- 0 016786

| Mer Twp | Rng | Sec | SType | Nr Suff | Subdivision | District/Resource Area | County | Mgmt Agency |
|---------|-------|-------|-------|---------|-------------|------------------------|--------|---------------------|
| 23 | 0170S | 0290E | 001 | ALIQ | NESE; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |

Serial Number: NMNM 0016786

Relinquished/Withdrawn Lands

| | | | | | | | | |
|----|-------|-------|-----|----|---------|-----------------------|------|---------------------|
| 23 | 0170S | 0290E | 711 | FF | NE;SEGR | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |
|----|-------|-------|-----|----|---------|-----------------------|------|---------------------|

Serial Number: NMNM-- 0 016786

| Act Date | Code | Action | Action Remarks | Pending Office |
|------------|------|--------------------------|----------------------|----------------|
| 10/15/1954 | 387 | CASE ESTABLISHED | | |
| 10/15/1954 | 500 | GEOGRAPHIC NAME | ANDERSON FLD; | |
| 11/18/1954 | 196 | BID ACCEPTED | | |
| 01/11/1955 | 237 | LEASE ISSUED | | |
| 02/01/1955 | 496 | FUND CODE | 05;145003 | |
| 02/01/1955 | 532 | RLTY RATE 12.5-25% SCH B | | |
| 02/01/1955 | 868 | EFFECTIVE DATE | | KG |
| 04/01/1957 | 940 | NAME CHANGE RECOGNIZED | STANOLIND/PAN AMER | |
| 08/14/1958 | 650 | HELD BY PROD - ACTUAL | | |
| 11/17/1958 | 102 | NOTICE SENT-PROD STATUS | | |
| 03/19/1971 | 940 | NAME CHANGE RECOGNIZED | PAN AMER PETRO/AMOCO | |
| 11/13/1986 | 932 | TRF OPER RGTS FILED | | |
| 02/04/1987 | 933 | TRF OPER RGTS APPROVED | EFF 12/01/86; | |
| 03/12/1987 | 963 | CASE MICROFILMED/SCANNED | CNUM 103,725 | RW |
| 03/30/1987 | 932 | TRF OPER RGTS FILED | AMOCO/MARBOB | |
| 04/01/1987 | 933 | TRF OPER RGTS APPROVED | EFF 04/01/87; | |
| 08/24/1987 | 104 | ADDTL INFO RQSTD | COPY OF LOST ASGN | |
| 09/08/1987 | 103 | ADDTL INFO RECD | AMOCO/MARBOB | |
| 10/07/1987 | 974 | AUTOMATED RECORD VERIF | | MLM |
| 12/14/1987 | 932 | TRF OPER RGTS FILED | AMOCO/MARBOB | |
| 01/01/1988 | 933 | TRF OPER RGTS APPROVED | EFF 01/01/88; | |
| 04/28/1988 | 974 | AUTOMATED RECORD VERIF | | MCS/JR |
| 03/15/1991 | 974 | AUTOMATED RECORD VERIF | | MRR/MT |

**NO WARRANTY IS MADE BY BLM
FOR USE OF THE DATA FOR
PURPOSES NOT INTENDED BY BLM**

**BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(LIVE) SERIAL REGISTER PAGE**

Run Date/Time: 05/15/17 08:18 AM

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| | | | |
|------------|-----|------------------------|-----------------------|
| 05/23/1991 | 932 | TRF OPER RGTS FILED | H KERSEY/MARBOB ENE |
| 08/01/1991 | 933 | TRF OPER RGTS APPROVED | EFF 06/01/91; |
| 08/01/1991 | 974 | AUTOMATED RECORD VERIF | MRR/AMR |
| 08/11/1992 | 909 | BOND ACCEPTED | EFF 08/10/92;NM2056 |
| 10/01/1992 | 621 | RLTY RED-STRIPPER WELL | 2.1%; /1/ |
| 10/01/1992 | 621 | RLTY RED-STRIPPER WELL | 2.1%;/2/ |
| 10/01/1992 | 621 | RLTY RED-STRIPPER WELL | 6.1%;/1/ |
| 12/07/1992 | 932 | TRF OPER RGTS FILED | MARBOB/CHASE OIL CORP |
| 12/11/1992 | 625 | RLTY REDUCTION APPV | /1/ |
| 02/10/1993 | 933 | TRF OPER RGTS APPROVED | EFF 01/01/93; |
| 02/10/1993 | 974 | AUTOMATED RECORD VERIF | SSP/KRP |
| 04/07/1993 | 909 | BOND ACCEPTED | EFF 04/05/93;NM2151 |
| 07/01/1993 | 625 | RLTY REDUCTION APPV | /2/ |
| 07/13/1993 | 625 | RLTY REDUCTION APPV | /1/ |
| 08/19/1993 | 974 | AUTOMATED RECORD VERIF | BMR |
| 09/28/1993 | 140 | ASGN FILED | AMOCO/MARBOB ENE |
| 10/01/1993 | 626 | RLTY REDUCTION DENIED | /A/ |
| 10/14/1993 | 974 | AUTOMATED RECORD VERIF | JS |
| 11/03/1993 | 974 | AUTOMATED RECORD VERIF | ANN |
| 11/29/1993 | 139 | ASGN APPROVED | EFF 10/01/93; |
| 11/29/1993 | 974 | AUTOMATED RECORD VERIF | BTM/KRP |
| 02/10/1994 | 974 | AUTOMATED RECORD VERIF | JLV |
| 02/14/1994 | 575 | APD FILED | POGO PROD CO |
| 03/07/1994 | 576 | APD APPROVED | 1 SABER FED |
| 04/22/1994 | 932 | TRF OPER RGTS FILED | MARBOB/BETTIS |
| 05/03/1994 | 932 | TRF OPER RGTS FILED | BETTIS/POGO PRODUCING |
| 05/23/1994 | 933 | TRF OPER RGTS APPROVED | EFF 05/01/94; |
| 05/23/1994 | 974 | AUTOMATED RECORD VERIF | KRP |
| 08/11/1994 | 933 | TRF OPER RGTS APPROVED | EFF 06/01/94; |
| 08/11/1994 | 974 | AUTOMATED RECORD VERIF | LBO |
| 03/01/2000 | 621 | RLTY RED-STRIPPER WELL | 2.1%;/3/ |
| 10/27/2000 | 625 | RLTY REDUCTION APPV | /3/ |
| 02/01/2001 | 621 | RLTY RED-STRIPPER WELL | 0.5%; |
| 05/01/2001 | 621 | RLTY RED-STRIPPER WELL | 2.1%;/4/ |
| 06/14/2001 | 625 | RLTY REDUCTION APPV | /4/ |
| 07/03/2001 | 625 | RLTY REDUCTION APPV | |
| 04/01/2002 | 621 | RLTY RED-STRIPPER WELL | 0.5%;/5/ |
| 06/01/2003 | 621 | RLTY RED-STRIPPER WELL | 0.5%;/6/ |
| 06/01/2004 | 621 | RLTY RED-STRIPPER WELL | 1/3%;/8/ |
| 08/01/2004 | 621 | RLTY RED-STRIPPER WELL | 0.5%;/7/ |
| 09/07/2004 | 899 | TRF OF ORR FILED | 1 |
| 09/07/2004 | 932 | TRF OPER RGTS FILED | MARBOB ENE/PITCH ENE |
| 10/15/2004 | 933 | TRF OPER RGTS APPROVED | EFF 10/01/04; |
| 10/15/2004 | 974 | AUTOMATED RECORD VERIF | JLV |
| 10/21/2004 | 625 | RLTY REDUCTION APPV | /5/ |
| 12/23/2004 | 974 | AUTOMATED RECORD VERIF | BCO |
| 12/28/2004 | 625 | RLTY REDUCTION APPV | /6/ |
| 01/01/2005 | 621 | RLTY RED-STRIPPER WELL | 1.3%;/10/ |
| 01/01/2005 | 700 | LEASE SEGREGATED | INTO NMNM125007; |
| 01/04/2005 | 974 | AUTOMATED RECORD VERIF | BCO |

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**BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(LIVE) SERIAL REGISTER PAGE**

Run Date/Time: 05/15/17 08:18 AM

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| | | | |
|------------|-----|--------------------------|-----------------------|
| 01/27/2005 | 625 | RLTY REDUCTION APPV | /7/ |
| 02/01/2005 | 974 | AUTOMATED RECORD VERIF | BCO |
| 03/28/2005 | 626 | RLTY REDUCTION DENIED | |
| 06/01/2005 | 621 | RLTY RED-STRIPPER WELL | 2.1%:/11/ |
| 09/12/2006 | 974 | AUTOMATED RECORD VERIF | ANN |
| 02/12/2008 | 817 | MERGER RECOGNIZED | POGO PROD/PXP ACQ; |
| 02/12/2008 | 940 | NAME CHANGE RECOGNIZED | PXP ACQ/POGO LLC; |
| 03/08/2008 | 974 | AUTOMATED RECORD VERIF | BTM |
| 03/25/2008 | 625 | RLTY REDUCTION APPV | /8/ |
| 03/25/2008 | 626 | RLTY REDUCTION DENIED | 02/01/2006;/9/ |
| 04/18/2008 | 974 | AUTOMATED RECORD VERIF | LR |
| 06/01/2009 | 246 | LEASE COMMITTED TO CA | NMNM123608; |
| 11/10/2009 | 625 | RLTY REDUCTION APPV | /10/ |
| 11/10/2009 | 625 | RLTY REDUCTION APPV | /11/ |
| 02/15/2010 | 246 | LEASE COMMITTED TO CA | NMNM125611; |
| 06/28/2010 | 974 | AUTOMATED RECORD VERIF | SSP |
| 04/18/2011 | 140 | ASGN FILED | MARBOB EN/COG OPERA;1 |
| 04/18/2011 | 932 | TRF OPER RGTS FILED | MARBOB EN/COG OPERA;1 |
| 04/18/2011 | 932 | TRF OPER RGTS FILED | MARBOB EN/COG OPERA;2 |
| 04/18/2011 | 932 | TRF OPER RGTS FILED | MILLER RA/MARBOB EN;1 |
| 06/12/2011 | 933 | TRF OPER RGTS APPROVED | EFF 05/01/11; |
| 07/12/2011 | 139 | ASGN APPROVED | EFF 05/01/11; |
| 07/12/2011 | 933 | TRF OPER RGTS APPROVED | EFF 05/01/11; |
| 07/12/2011 | 974 | AUTOMATED RECORD VERIF | MV |
| 07/29/2011 | 933 | TRF OPER RGTS APPROVED | EFF 05/01/11; |
| 07/29/2011 | 974 | AUTOMATED RECORD VERIF | RAYO |
| 06/19/2012 | 940 | NAME CHANGE RECOGNIZED | POGO/PXP |
| 10/01/2014 | 246 | LEASE COMMITTED TO CA | NMNM135030; |
| 12/03/2014 | 658 | MEMO OF 1ST PROD-ACTUAL | /12/NMNM135030; |
| 02/01/2016 | 643 | PRODUCTION DETERMINATION | /12/ |

Line Nr Remarks

Serial Number: NMNM-- 0 016786

| | |
|------|--|
| 0002 | /A/ THE OPERATOR MUST USE THE PRODUCTION HISTORY |
| 0003 | FROM THE 1ST CLAIM YEAR IN ORDER TO CALCULATE A |
| 0004 | SUBSEQUENT REDUCTION IN THE ESTABLISHED STRIPPER |
| 0005 | REDUCED ROYALTY RATE TO BE USED DURING THE 2ND CLAIM |
| 0006 | YEAR. |
| 0007 | BONDED OPERATORS/LESSEES/TRANSFEREES: |
| 0008 | 08/11/1994 - POGO PROD CO WY0405 NW; |
| 0009 | MACK ENERGY CORP NM2151 SW; |
| 0010 | MARBOB ENERGY CORP NM1133 SW; |
| 0011 | 07/12/2011 - COG NMB000740/SW |



IN REPLY REFER TO

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

New Mexico State Office

P.O. Box 27115

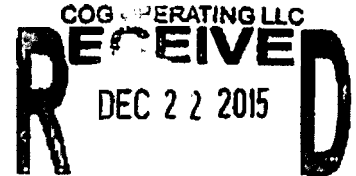
Santa Fe, New Mexico 87502-0115

www.blm.gov nm



3100 (9210)
NMLC007754

December 15, 2015



Concho
Attention: Dylan C. Park
One Concho Center
600 West Illinois Avenue
Midland, TX 79701

Dear Mr. Park:

By letter dated October 27, 2015, you filed a request for a determination that Concho had made a discovery, in the Yeso Formation, of an oil and gas deposit that was outside of the productive limits of any deposits known to exist on August 8, 1946, on Federal Oil and Gas Lease NMNM 007754.

Federal Oil and Gas Lease NMLC 007754 had an effective date of December 31, 1938. It is a public domain exchange lease created out of segregation out of NMLC 025734, and has been extended by production from the parent lease. NMNM 007754 includes the following lands:


T. 17 S., R. 29 E., Lea County, New Mexico
sec. 01: SE¼SE¼.

The lease was committed to communitization agreement (CA) NMNM 125611 on February 15, 2010, and held by allocated production from the CA on March 13, 2010. This CA comprises the E½ of sec. 1, and was established for Morrow Formation production.

You state that, because COG had made a new discovery in the Yeso Formation in COG's Churchmouse 1 Federal Com #18H well (API# 3001542917), Yeso production should be subject to a fixed, 12.5% royalty rate.

We have determined that Federal lease NMNM 007754 is located within the productive limits of an oil and gas deposit as of August 8, 1946, due to production from the Grayburg and San Andres Formations. However, the Churchmouse 1 Federal Com #18H well discovered an oil

and gas deposit in a deeper horizon that was not known to exist on August 8, 1946. **The lease qualifies for the 12.5% royalty limitation as authorized by the Act of August 8, 1946, only for Yeso production.** The effective date is the well completion date: April 2, 2015.


Sheila Mallory
Deputy State Director
Division of Minerals

cc:
Office of Natural Resources Revenue
Minerals Revenue Management
PO Box 25165
Denver, CO 80225-0165

New Mexico Taxation and Revenue Department
Revenue Processing Division,
Attention: Manuelita Martinez
P. O. Box 2308
Santa Fe, NM 87504

NMP02000, Steve Caffey
NM921000, Jeannette Arquero



Sent via Certified Mail
Return Receipt: 91 7199 9991 7033 2438 1793

April 9, 2015

Black Stone Minerals Company, LP
1001 Fannin, Suite 2020
Houston, Texas 77002

RE: Request for Surface Commingle & Off Lease Measurement of Gas

To Whom It May Concern:

This letter will serve as notice under Rule 104.F (3) that COG Operating LLC has requested administrative approval from the Oil Conservation Division in Santa Fe, NM for Surface Commingle of production from the following wells to the Passion 1 Federal Com #5H Central Tank Battery:

Passion 1 Federal Com #5H
Eddy County, NM
1910' FSL & 180' FEL
Sec. 1, T17S, R29E, Unit I
Empire;Glorieta-Yeso, East 96610
API# 30-015-42410

Passion 1 Federal Com #26H
Eddy County, NM
1650' FSL & 150' FEL
Sec. 1, T17S, R29E, Unit I
Empire;Glorieta-Yeso, East 96610
API# Pending

Churchmouse 1 Federal Com #18H
Eddy County, NM
350' FSL & 180' FEL
Sec. 1, T17S, R29E, Unit P
Empire;Glorieta-Yeso, East 96610
API# 30-015-42917

Churchmouse 1 Federal Com #27H
Eddy County, NM
860' FSL & 30' FEL
Sec. 1, T17S, R29E, Unit P
Empire;Glorieta-Yeso, East 96610
API# Pending

We are waiting on a gas line to be laid to our Passion 1 Fed Com #5H facility. A temporary gas sales meter will be located at our Twelve Pack Fed Com #4H facility, SWNW section 6, T17S, R30E, Unit E, Eddy County, New Mexico.

Should you, or your company, have any objection, it must be filed in writing within twenty (20) days from the date of this notice to the New Mexico Oil Conservation Division at the following address: 1220 S St. Francis Drive, Santa Fe, New Mexico 87505. The Division Director may approve the Surface Commingle if no objection has been made within the 20 days after the application has been received. Please do not hesitate to reach us with any questions at the phone number given below

Sincerely,

Kanicia Castillo
432.685.4332
Lead Regulatory Analyst
COG Operating LLC

| | | |
|---------------------------|-----------------------------|--|
| Commingle Notice w/ C107B | Parliament 1 Fed Com 4H CTB | Sent Certified Mail to Paul Slayton and wife, Patricia 3507 63rd Drive, Lubbock, TX 79413 GC# 91 7199 9991 7033 2438 1571 |
| Commingle Notice w/ C107B | Parliament 1 Fed Com 4H CTB | Sent Certified Mail to Wright Minerals, LLC PO Box 2312, Santa Fe, NM 87504 GC# 91 7199 9991 7033 2438 1588 |
| Commingle Notice w/ C107B | Parliament 1 Fed Com 4H CTB | Sent Certified Mail to Joanne Sue Hirsch 5071 Isabella Cannon Dr., Raleigh, NC 27612 GC# 91 7199 9991 7033 2438 1595 |
| Commingle Notice w/ C107B | Parliament 1 Fed Com 4H CTB | Sent Certified Mail to Judith Helena Kriesberg 15233 Magnolia Blvd., Apt. #305, Sherman Oaks, CA 91403 GC# 91 7199 9991 7033 2438 1601 |
| Commingle Notice w/ C107B | Parliament 1 Fed Com 4H CTB | Sent Certified Mail to Karen Paula Hecker 9504 Laurin Ct., Vienna, VA 22182 GC# 91 7199 9991 7033 2438 1618 |
| Commingle Notice w/ C107B | Parliament 1 Fed Com 4H CTB | Sent Certified Mail to Elliot Hall Company LP PO Box 1231, Ogden, UT 84402 GC# 91 7199 9991 7033 2438 1625 |
| Commingle Notice w/ C107B | Parliament 1 Fed Com 4H CTB | Sent Certified Mail to Elliot Industries LP PO Box 1328, Santa Fe, NM 87504 GC# 91 7199 9991 7033 2438 1632 |
| Commingle Notice w/ C107B | Parliament 1 Fed Com 4H CTB | Sent Certified Mail to Curtis W. Mewbourne, TTE PO Box 7698, Tyler, TX 75711-7698 GC# 91 7199 9991 7033 2438 1649 |
| Commingle Notice w/ C107B | Parliament 1 Fed Com 4H CTB | Sent Certified Mail to Herbert F. Lowery and Alice S. Lowery, Co-Trustees of the Lowery Revocable Trust created w/a dated 12/18/1992 7501 E. Thompson Peak Parkway, Unit 309, Scottsdale, Arizona 85255-4535 GC# 91 7199 9991 7033 2438 1656 |
| Commingle Notice w/ C107B | Parliament 1 Fed Com 4H CTB | Sent Certified Mail to RRA Minerals LLC 2214 Toll Gate Road SE, Huntsville, AL 35801-1833 GC# 91 7199 9991 7033 2438 1663 |
| Commingle Notice w/ C107B | Parliament 1 Fed Com 4H CTB | Sent Certified Mail to Mary Carlyn Johnson 320 OAKBROOK LN., Greenwood, IN 46142-3065 GC# 91 7199 9991 7033 2438 1670 |
| Commingle Notice w/ C107B | Parliament 1 Fed Com 4H CTB | Sent Certified Mail to Root Family Holdings, LLC 13655 Duluth Drive, Apple Valley, Minnesota 55124 GC# 91 7199 9991 7033 2438 1687 |
| Commingle Notice w/ C107B | Parliament 1 Fed Com 4H CTB | Sent Certified Mail to Peggy Runyan PO Box 869, Kapaa, Hawaii 96746-8705 GC# 91 7199 9991 7033 2438 1694 |
| Commingle Notice w/ C107B | Parliament 1 Fed Com 4H CTB | Sent Certified Mail to Moser Rev. Trust, UTA 12/21/1989, as Amended, Attn: TTE Charles E. Moser & Vicky J. Moser GC# 3555 Comal Springs Canyon Lake, TX 78133 91 7199 9991 7033 2438 1700 |

| | | | | | |
|---------|----------|----------|-----------|------|---------|
| DATE IN | SUSPENSE | ENGINEER | LOGGED IN | TYPE | APP NO. |
|---------|----------|----------|-----------|------|---------|

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] **[NSP-Non-Standard Proration Unit]** **[SD-Simultaneous Dedication]**
[DHC-Downhole Commingling] **[CTB-Lease Commingling]** **[PLC-Pool/Lease Commingling]**
[PC-Pool Commingling] **[OLS - Off-Lease Storage]** **[OLM-Off-Lease Measurement]**
[WFX-Waterflood Expansion] **[PMX-Pressure Maintenance Expansion]**
[SWD-Salt Water Disposal] **[IPI-Injection Pressure Increase]**
[EOR-Qualified Enhanced Oil Recovery Certification] **[PPR-Positive Production Response]**

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement
☐ DHC ☒ CTB ☐ PLC ☐ PC ☐ OLS ☒ OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
- [D] Other: Specify _____
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
- [A] ☒ Working, Royalty or Overriding Royalty Interest Owners
- [B] ☐ Offset Operators, Leaseholders or Surface Owner
- [C] ☐ Application is One Which Requires Published Legal Notice
- [D] ☒ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands State Land Office
- [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] ☐ Waivers are Attached
- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Kanicia Castillo

Lead Regulatory Analyst

04/09/15

Print or Type Name

Signature

Title

Date

kcastillo@concho.com
 e-mail Address

District I
1625 N French Drive, Hobbs, NM 88240
District II
811 S First St., Artesia, NM 88213
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: COG Operating LLC

OPERATOR ADDRESS: One Concho Center, 600 West Illinois Ave, Midland, Texas 79701

APPLICATION TYPE:

☐ Pool Commingling ☒ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingling)

LEASE TYPE: ☐ Fee ☒ State ☐ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☒ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

| (1) Pool Names and Codes | Gravities BTU of Non-Commingled Production | Calculated Gravities BTU of Commingled Production | | Calculated Value of Commingled Production | Volumes |
|--------------------------|--|---|--|---|---------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

- (2) Are any wells producing at top allowables? ☐ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No.
(4) Measurement type ☐ Metering ☐ Other (Specify)
(5) Will commingling decrease the value of production? ☐ Yes ☐ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

- (1) Pool Name and Code Empire, Gloneta-Yeso, East, 96610
(2) Is all production from same source of supply? ☒ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No
(4) Measurement type ☒ Metering ☒ Other (Specify) Subtraction Method

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attach sheets with the following information

- (1) Is all production from same source of supply? ☐ Yes ☐ No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations Include lease numbers if Federal or State lands are involved
(3) Lease Names, Lease and Well Numbers, and API Numbers

I hereby certify that the information above is true and complete to the best of my knowledge and belief

SIGNATURE KC TITLE Lead Regulatory Analyst DATE 02/16/15

TYPE OR PRINT NAME Kanicia Castillo TELEPHONE NO 505-885-4355

E-MAIL ADDRESS kcastillo@concho.com

**Bureau of Land Management
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

**Passion 1 Federal Com 5H, Leases NMNM16786 & NMNM7752 - CA- NMNM135030
Churchmouse 1 Federal Com 18H, Leases: NMNM7752 & NMNM7754 – CA – NMNM136313
COG Operating LLC**

May 15, 2017

Condition of Approval

Surface commingling and off Lease/CA storage measurement and sales

1. This approval is subject to like approval by the New Mexico Oil Conservation Division.
2. This agency shall be notified of any spill or discharge as required by NTL-3A.
3. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments or product accountability.
4. This approval does not constitute right-of-way approval for any off-lease activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.
5. Approval for combining production from various sources is a privilege which is granted to lessees for the purpose of aiding conservation and extending the economic life of leases. Applicants should be cognizant that failure to operate in accordance with the provisions outlined in the Authorized Officer's conditions of approval and/or subsequent stipulations or modifications will subject such approval to revocation.
6. Gas measurement for allocation must be measured as per Federal Regulations, AGA and API requirements for sales meters.
7. All gas and oil subject to royalty shall be measured as per federal regulations and shall be reported to ONRR as required. All gas which is vented, flared or used on lease shall be reported as per NTL-4A to ONRR. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer.
8. This agency shall be notified of any change in sales method or location of sales point.
9. Additional wells and/or leases require additional commingling approvals.
10. Notify this office 24 Hrs. prior to any meter calibration/proving to allow time for an inspector to witness.