



February 4, 2021

Attn: Dean McClure
NM Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application for Administrative Approval of Lease Commingle (CTB)

Dear Mr. McClure,

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

Becknell State Com 1H
API# 30-025-41298
WC-025 G-08 S213304D; Bone Spring
Ut. I, Sec. 5-T21S-R33E
Lea County, NM

Becknell State Com 2H
API# 30-025-41323
WC-025 G-08 S213304D; Bone Spring
Ut. J, Sec. 5-T21S-R33E
Lea County, NM

Oil Production:

The oil production from all wells will be measured separately by allocation meter prior to being commingled at the Central Tank Battery located in Ut. I, Sec. 5-T21S-R33E. In the event the CTB is over capacity or in the case of battery or pipeline repairs the oil production from these wells may be transported by truck to either the Red Hills Offload Station, located in Unit O, Section 4-T26S-R32E, or the Jal Offload Station, located in Unit D, Section 4-T26S-R37E, Lea County. In this case, the oil will remain segregated and will be measured by lact meter when offloading at said stations.

Gas Production:

The gas production from all wells will be measured separately by allocation meter prior to being and entering a gas flow line to the gas custody transfer meter at the Central Tank Battery located in Ut. C, Sec. 5-T21S-R33E. The DCP gas sales meter # 15796-00.

No owner notification is necessary. A letter from a certified Landman stating all owners and interest are identical is enclosed.

Please see the enclosed Administrative Application Checklist, C-107B Application for Surface Commingling, plats for referenced wells, site facility diagram, maps with lease boundaries showing wells and facility locations and production history.

CORPORATE ADDRESS

One Concho Center | 600 West Illinois Avenue | Midland, Texas 79701
P 432.683.7443 | F 432.683.7441

ARTESIA WEST OFFICE

2208 Main Street | Artesia, New Mexico 88210
P 575.748.6940 | F 575.746.2096



Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink that reads "Jeanette Barron".

Jeanette Barron
Regulatory Technician II

CORPORATE ADDRESS

One Concho Center | 600 West Illinois Avenue | Midland, Texas 79701
P 432.683.7443 | F 432.683.7441

ARTESIA WEST OFFICE

2208 Main Street | Artesia, New Mexico 88210
P 575.748.6940 | F 575.746.2096

Revised March 23, 2017

RECEIVED:	REVIEWER:	TYPE:	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & 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

Applicant: COG OPERATING LLC **OGRID Number:** 229137
Well Name: BECKNELL STATE COM 1H & 2H **API:** 30-025-41298 /30-025-41323
Pool: WC-025 G-08 S213304D; BONE SPRING **Pool Code:** 97895

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION
 INDICATED BELOW**

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
 A. Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD
- B. Check one only for [I] or [II]
 [I] Commingling - Storage - Measurement
☐ DHC ☒ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
 [II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

2) **NOTIFICATION REQUIRED TO:** Check those which apply.

- A. ☐ Offset operators or lease holders
 B. ☐ Royalty, overriding royalty owners, revenue owners
 C. ☐ Application requires published notice
 D. ☒ Notification and/or concurrent approval by SLO
 E. ☐ Notification and/or concurrent approval by BLM
 F. ☐ Surface owner
 G. ☐ For all of the above, proof of notification or publication is attached, and/or,
 H. ☐ No notice required

FOR OCD ONLY

- ☐ Notice Complete
☐ Application
 Content
 Complete

- 3) **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.

Jeanette Barron

Print or Type Name

Jeanette Barron
 Signature

Date 2/4/21

575-748-6974

Phone Number

jbarron@concho.com

e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
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: 2208 W Main Street, Artesia, New Mexico 88210
APPLICATION TYPE:

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

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.
(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)

(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: Jeanette Barron TITLE: Regulatory Technician II DATE: 2/4/21

TYPE OR PRINT NAME Jeanette Barron TELEPHONE NO.: 575.748.6974

E-MAIL ADDRESS: jbarron@concho.com

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT
(As Drilled)

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-41298	² Pool Code 97895	³ Pool Name WC-025 G-08 S213304D; Bone Spring
⁴ Property Code 40030	⁵ Property Name Becknell State Com	
⁶ Well Number 1H		
⁷ OGRID No. 229137	⁸ Operator Name COG Operating LLC	
	⁹ Elevation 3767'	

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	5	21S	33E		2450	South	660	East	Lea

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	17	21S	33E		2302	North	668	East	Lea

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

16			SHL 660'
			2450'
SEC 5-T21S-R33E			
SEC 8-T21S-R33E			
		Producing Area 11635-21115'	
SEC 8-T21S-R33E			
SEC 17-T21S-R33E			2302'
			BHL 668'

17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Jeanette Barron 2/4/21

Signature _____ Date _____

Jeanette Barron

Printed Name _____

jbarron@concho.com

E-mail Address _____

18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey _____

Signature and Seal of Professional Surveyor: _____

REFER TO ORIGINAL PLAT

Certificate Number _____

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
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1220 S. St. Francis Dr., Santa Fe, NM 87505
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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office
☐ AMENDED REPORT
(As Drilled)

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-41323		² Pool Code 97895	³ Pool Name WC-025 G-08 S213304D; Bone Spring
⁴ Property Code 40030	⁵ Property Name Becknell State Com		⁶ Well Number 2H
⁷ OGRID No. 229137	⁸ Operator Name COG Operating LLC		⁹ Elevation 3787'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	5	21S	33E		2450	South	1980	East	Lea

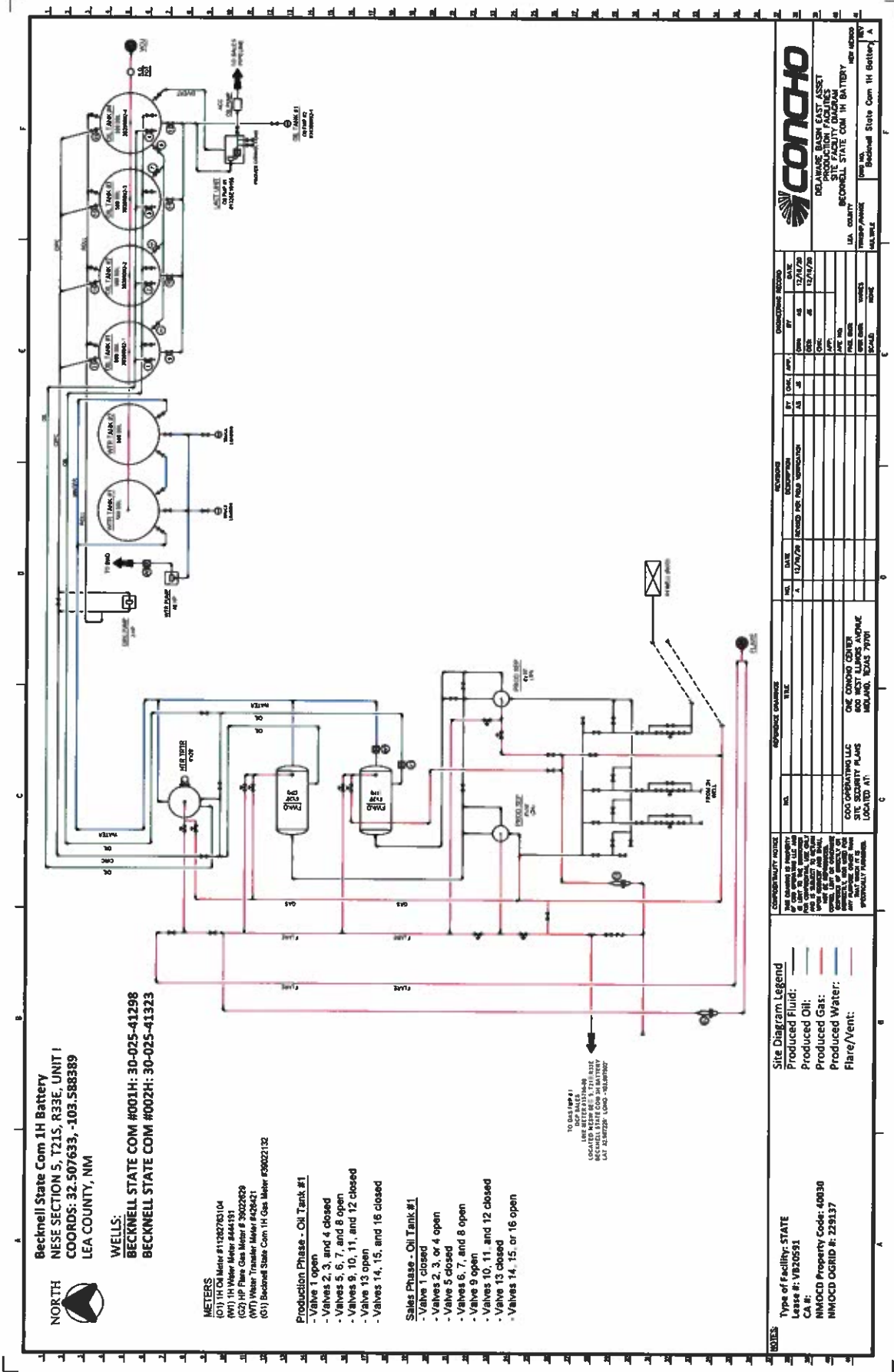
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	17	21S	33E		2301	North	1878	East	Lea

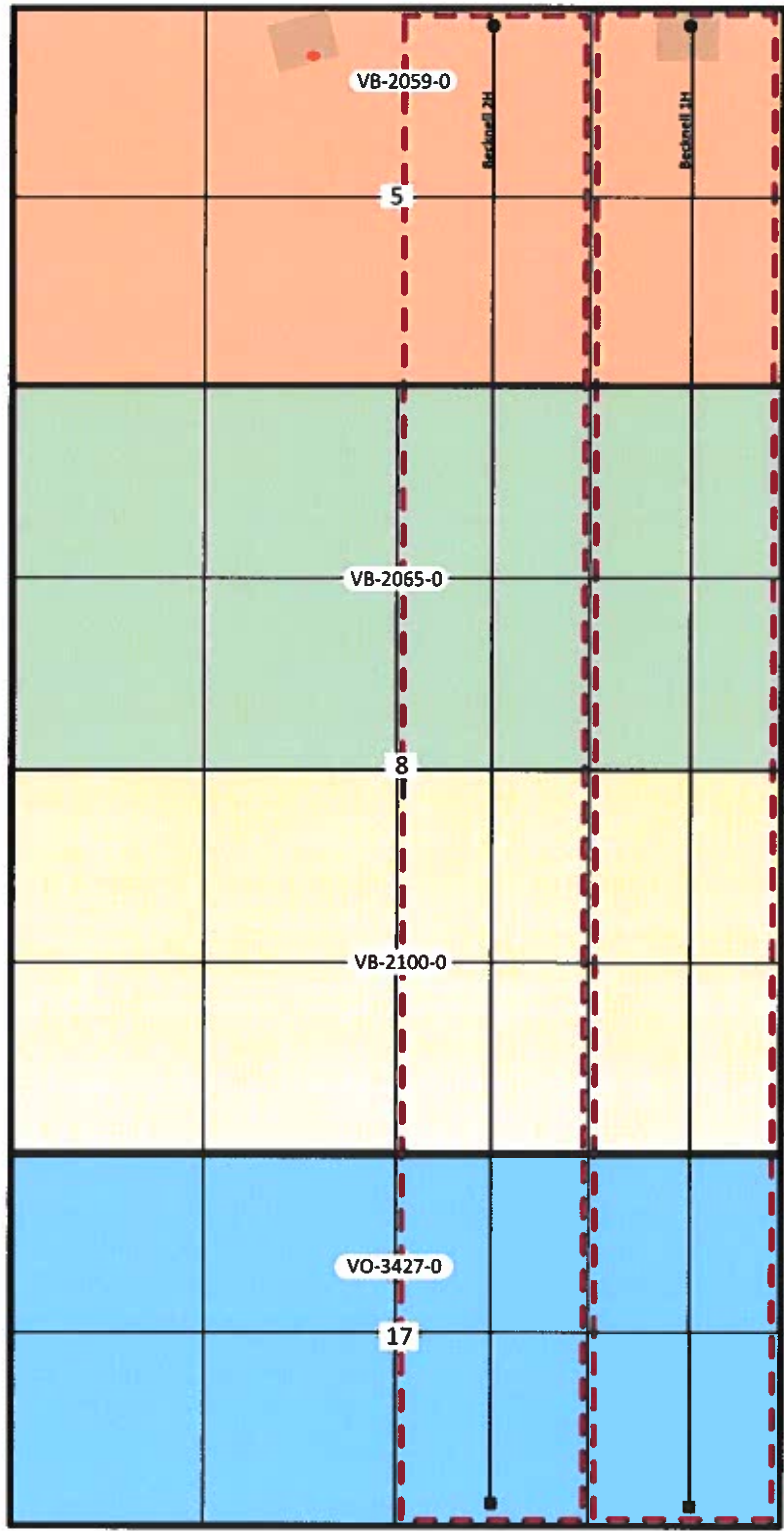
¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

16		SHL		1980'	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Jeanette Barron</i> 2/4/21 Signature Date</p> <p>Jeanette Barron Printed Name</p> <p>jbarron@concho.com E-mail Address</p> <p>¹⁸ SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>REFER TO ORIGINAL PLAT</p> <p>Certificate Number</p>
		2450'			
SEC 5-T21S-R33E					
SEC 8-T21S-R33E					
	Producing Area 11693-21060'				
SEC 8-T21S-R33E					
SEC 17-T21S-R33E		2301'			
		BHL		1878'	



Becknell & Delicious Lime State Com Wells



- Existing 3BSS SHL
- Existing 3BSS BHL
- BS CA
- Gas Sales Meter

Secs. 5, 8, 17-T21S-R33E
Lea County, NM

Becknell St Com 1H & 2H



Lat 32.507225 Long -103.597502

Becknell St Com 1H & 2H & Red Hills and Jal Offload Station Map

Becknell St Com 1H & 2H
Lea County, NM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Red Hills Offload Station
Lea County, NM

5	4	3	2	1
8	9	10	11	12
17	16	15	14	13
20	21	22	23	24
29	28	27	26	25

Jal Offload Station
Lea County, NM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Production Summary Report						
API: 30-025-41298						
BECKNELL STATE COM #001H						
Printed On: Thursday, February 04 2021						
		Production				
Year	Pool	Month	Oil(BBLS)	Gas(MCF)	Water(BBLS)	Days P/I
2020	[97895] WC-025 G-08 S213304D;BONE SPRING	Jun	4559	7532	27209	30
2020	[97895] WC-025 G-08 S213304D;BONE SPRING	Jul	4911	9522	25958	31
2020	[97895] WC-025 G-08 S213304D;BONE SPRING	Aug	4608	9400	16035	31
2020	[97895] WC-025 G-08 S213304D;BONE SPRING	Sep	2267	5075	7678	17
2020	[97895] WC-025 G-08 S213304D;BONE SPRING	Oct	0	0	0	0
2020	[97895] WC-025 G-08 S213304D;BONE SPRING	Nov	3795	5827	21218	27

Production Summary Report						
API: 30-025-41323						
BECKNELL STATE COM #002H						
Printed On: Thursday, February 04 2021						
		Production				
Year	Pool	Month	Oil(BBLS)	Gas(MCF)	Water(BBLS)	Days P/I
2020	[97895] WC-025 G-08 S213304D;BONE SPRING	Jun	3316	11236	13405	30
2020	[97895] WC-025 G-08 S213304D;BONE SPRING	Jul	3524	11524	10989	31
2020	[97895] WC-025 G-08 S213304D;BONE SPRING	Aug	3003	10789	15609	31
2020	[97895] WC-025 G-08 S213304D;BONE SPRING	Sep	2773	9201	9492	30
2020	[97895] WC-025 G-08 S213304D;BONE SPRING	Oct	3536	10672	7262	31
2020	[97895] WC-025 G-08 S213304D;BONE SPRING	Nov	963	2571	2378	9



Ryan Curry
Landman

January 7, 2021

One Concho Center
600 W. Illinois Avenue
Midland TX 79701

COMMINGLING BECKNELL STATE COM 1H & 2H

I certify that as of 1/7/2021 ownership in the Becknell State Com #1H (30-025-41298) & the Becknell State Com #2 (30-025-41323) are identical in nature. According to our records, as of 1/7/2021, the revenue owners are identical. As defined in NMAC 19.15.12.7.B, identical ownership means leases or pools have the same working, royalty and overriding royalty owners in exactly the same percentages."

Sincerely,

A handwritten signature in black ink that reads "Ryan B. Curry".

Ryan Curry
Landman – Northern Delaware Basin
COG Operating LLC
600 W. Illinois Avenue, Midland, Texas 79701
432.253.9744 (direct)
501.766.5344 (cell)
rcurry@concho.com



Becknell St Com 1H, 2H CTB								
Date Sent	Initials	Name	Address	City	State	ZipCode	Certified Return Receipt No.	Delivered
02.04.21	JB	COMMISSIONER OF PUBLIC LANDS	PO BOX 1148	SANTA FE	NM	87504	7017 3040 0000 1206 4746	

37891

NEW MEXICO STATE LAND OFFICE

CERTIFICATE OF APPROVAL

COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

COG Operating LLC
 Becknell State Com Well #1H
 Vertical Extent: Bone Spring
Township: 21 South, Range: 33 East, NMPM
 Section 5 : E2SE4
 Section 8 : E2E2
 Section 17: E2NE4
 Lea County, New Mexico

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Consolidation Agreement for the development and operation of acreage which is described within the referenced Agreement dated March 1, 2015, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area.
- (b) That under the proposed agreement, the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- (c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the State, with respect to state lands.

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 19-10-45, 19-10-46, 19-10-47, New Mexico Statutes Annotated, 1978 Compilation, I, the undersigned Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said Agreement, and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof, and shall remain in full force and effect according to the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 8th day of July, 2015.



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NM State Land Office
Oil, Gas, & Minerals Division

STATE/STATE OR
STATE/FEE
Revised Feb. 2013

COMMUNITIZATION AGREEMENT
ONLINE Version

STATE OF NEW MEXICO §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF LEA §

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of March 1, 2015, by and between the parties subscribing, ratifying or consenting hereto, such parties hereinafter being referred to as "Parties hereto";

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by the Legislature, as set forth in Sec. 19-10-53, New Mexico Statutes, Annotated, 1978, in the interest of conservation of oil & gas and the prevention of waste to consent to and approve the development or operation of State lands under agreements made by lessees of oil & gas leases thereon, jointly or severally with other oil & gas lessees of State Lands, or oil and gas lessees or mineral owners of privately owned or fee lands, for the purpose of pooling or communitizing such lands to form a proration unit or portion thereof, or well-spacing unit, pursuant to any order, rule or regulation of the New Mexico Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department where such agreement provides for the allocation of the production of oil or gas from such pools or communitized area on an acreage or other basis found by the Commissioner to be fair and equitable.

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 leases are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

WHEREAS, said leases, insofar as they cover the Bone Spring formation (hereinafter referred to as "said formation") in and under the land hereinafter described cannot be independently developed and operated in conformity with the well spacing program established for such formation in and under said lands; and

WHEREAS, the parties hereto desire to communitize and pool their respective interests in said leases subject to this agreement for the purpose of developing, operating and producing

2015 JUL 1 09 08 33

ONLINE version
February 2013

State/State
State/Fee

1

BOOK 1970 PAGE 949

hydrocarbons in the said formation in and under the land hereinafter described subject to the terms hereof.

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 undersigned as follows:

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

Township 21 South, Range 33 East, NMPM

Section 5: E2SE4 and Section 8: E2E2 and Section 17: E2NE4

Lea County, New Mexico,

containing 320.00 acres, more or less. It is the judgment of the parties hereto that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the parties hereto do hereby communitize for proration or spacing purposes only the leases described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "Communitized Substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this agreement for all purposes, is Exhibit A showing the acreage, and ownership (Lessees of Record) of all leases within the communitized area.

2. 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 leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.

3. Subject to Paragraph 4, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the

ONLINE version
February 2013

State/State
State/Fee

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terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals under the terms of said leases shall not be affected by this agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this agreement shall remain in full force and effect as originally issued and amended.

4. The State of New Mexico hereafter is entitled to the right to take in kind its share for the communitized substances allocated to such tract, and Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.

5. There shall be no obligation upon the parties hereto to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the parties hereto shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.

6. The commencement, completion, and continued operation or production of a well or wells for communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.

7. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws. This agreement shall be subject to all applicable Federal and State laws, executive orders, rules and regulations affecting the performance of the provisions hereof, 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 compliance is prevented by or if such failure results from compliance with any such laws, orders, rules and regulations.

8. COG Operating LLC shall be the Operator of said communitized area and all matters of operation shall be determined and performed by COG Operating LLC.

9. This agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities; provided, that this agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized

2015 JUL 1 1 09 06 33

ONLINE version
February 2013

State/State
State/Fee

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area, if such a well is shut-in due to the inability of the operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this Agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.

10. Operator will furnish the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and the Commissioner of Public Lands of the State of New Mexico, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

11. It is agreed between the parties hereto that the Commissioner of Public Lands, or his duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State of New Mexico.

12. If any order of the Oil Conservation Division of the New Mexico Energy Minerals and Natural Resources Department, upon which this agreement is predicated or based is in anyway changed or modified, then in such event said agreement is likewise modified to conform thereto.

13. 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 instruments, 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.

2015 JUL 1 3 08 33

ONLINE version
February 2013

State/State
State/Fee

4

BOOK 1970 PAGE 952

Becknell State Com #1H

14. 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.

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

OPERATOR AND LESSEE OF RECORD (V0-3427-0003)

COG OPERATING LLC

BY: Mona D. Ables
Mona D. Ables
Vice President of Land *MAH*

LESSEE OF RECORD (VB-2059, VB-2065, VB-2100)

Rubicon Oil and Gas II, LP

BY: [Signature]
Print: D. Brett Ingram
Title: President

2015 JUL 1 AM 8 33

ONLINE version
February 2013

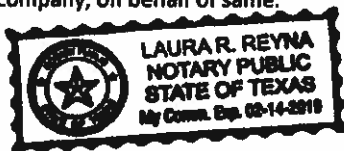
State/State
State/Fee

5

BOOK 1970 PAGE 953

STATE OF TEXAS §
 §
COUNTY OF MIDLAND §

This instrument was acknowledged before me on June 12, 2015,
by Mona D. Ables, Vice President of Land of COG Operating LLC, a Delaware limited liability
company, on behalf of same.



Laura R. Reyna
Notary Public in and for the State of Texas

STATE OF Texas §
 §
COUNTY OF Midland §

This instrument was acknowledged before me on June 15, 2015,
by W. Brent Smith, President of Rubicon Oil & Gas II, LP, a
Texas limited partner on behalf of said Company.



Cathy L. Pearce
Notary Public in and for the State of _____

2015 JUL 1 AM 8 33
ONLINE version
February 2013

State/State
State/Fee
BOOK 1970 PAGE 954

EXHIBIT "A"

Attached to and made a part of that Communitization Agreement dated March 1, 2015,
covering Township 21 South, Range 33 East, NMPM, Section 5: E2SE4 and Section 8: E2E2 and
Section 17: E2NE4 Lea County, New Mexico, containing 320.00 acres, more or less

OPERATOR of Communitized Area: COG Operating LLC

DESCRIPTION OF LEASES COMMITTED:**TRACT NO. 1**

Serial No. of Lease:	VB-2059
Date of Lease:	July 1, 2011
Lessor:	State of New Mexico
Lessee of Record:	Rubicon Oil and Gas II, LP
Description of Lands Committed:	Insofar and only insofar as lease covers <u>Township 21 South, Range 33 East, NMPM</u> Section 5: E2SE4 Lea County, New Mexico
No. of Acres:	80.00, more or less
Royalty Rate:	Three-Sixteenth (3/16 th)
Name and Percent of ORRI Owners:	As of Record

TRACT NO. 2

Serial No. of Lease:	VB-2065
Date of Lease:	July 1, 2011
Lessor:	State of New Mexico
Lessee of Record:	Rubicon Oil and Gas II, LP
Description of Lands Committed:	Insofar and only insofar as lease covers <u>Township 21 South, Range 34 East, NMPM</u> Section 8: E2NE4 Lea County, New Mexico
No. of Acres:	80.00, more or less
Royalty Rate:	Three-Sixteenth (3/16 th)
Name and Percent of ORRI Owners:	As of Record

33
8
33
2015 JUL

ONLINE version
February 2013

State/State
State/Fee

7

BOOK 1970 PAGE 955

Becknell State Com #1H

TRACT NO. 3

Serial No. of Lease:	VB-2100
Date of Lease:	October 1, 2011
Lessor:	State of New Mexico
Lessee of Record:	Rubicon Oil and Gas II, LP
Description of Lands Committed:	Insofar and only insofar as lease covers <u>Township 21 South, Range 33 East, NMPM</u> Section 8: E2SE4 Lea County, New Mexico
No. of Acres:	80.00, more or less
Royalty Rate:	Three-Sixteenth (3/16 th)
Name and Percent of ORRI Owners:	As of Record

TRACT NO. 4

Serial No. of Lease:	V0-3427-0003
Date of Lease:	September 1, 1990
Lessor:	State of New Mexico
Lessee of Record:	COG Operating LLC
Description of Lands Committed:	Insofar and only insofar as lease covers <u>Township 21 South, Range 33 East, NMPM</u> Section 17: E2NE4 Lea County, New Mexico
No. of Acres:	80.00, more or less
Royalty Rate:	One-sixth (1/6 th)
Name and Percent of ORRI Owners:	As of Record

2015 JUL 1 10 08 33

ONLINE version
February 2013

State/State
State/Fee

8

BOOK 1970 PAGE 956

Becknell State Com #1H

Plat of communized area covering Township 21 South, Range 33 East, NMPM,
Section 5: E2SE4 and Section 8: E2E2 and Section 17: E2NE4 Lea County, New Mexico,
containing 320.00 acres, more or less.

		Section 5	
		Section 8	
		Section 17	

2011 1 24 8 33

ONLINE version
February 2013

State/Fee

9

BOOK 1970 PAGE 957

Becknell State Com #1H

Tract Number	Number of Acres Committed	Percentage of Interest in Communitized Area
No. 1	80.00	25.00%
No. 2	80.00	25.00%
No. 3	80.00	25.00%
No. 4	80.00	25.00%
	320.00	100.00%

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

JUL 23 2015

at 1:00 o'clock P.M.
and recorded in Book 1970
Page 958
Pat Chappelle, Lea County Clerk
By [Signature] Deputy



37891

RECORDER'S MEMORANDUM

At the time of recording, this instrument was found to be partially illegible. All blackouts, creases, streaks and white-outs were present at recording.

ONLINE version
February 2013

State/State
State/Fee

10

BOOK 1970 PAGE 958

**NM STATE LAND OFFICE
OIL, GAS, AND MINERALS DIVISION**

**STATE/STATE OR
STATE/FEE**
Revised March 2007

COMMUNITIZATION AGREEMENT

ONLINE Version

STATE OF NEW MEXICO

§

§

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF LEA

§

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of January 5, 2015, by and between the parties subscribing, ratifying, or consenting hereto, such parties hereinafter being referred to as "Parties hereto;"

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by the Legislature, as set forth in Sec. 19-10-53, New Mexico Statutes, Annotated, 1978, in the interest of conservation of oil and gas and the prevention of waste to consent to and approve the development or operation of State lands under agreements made by lessees of oil and gas leases thereon, jointly or severally, with other oil and gas lessees of State Lands, or oil and gas lessees or mineral owners of privately owned or fee lands, for the purpose of pooling or communitizing such lands to form a proration unit or portion thereof, or well-spacing unit, pursuant to any order, rule, or regulation of the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department where such agreement provides for the allocation of the production of oil or gas from such pools or communitized area on an acreage or other basis found by the Commissioner to be fair and equitable.

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 leases are more particularly described in the schedule attached hereto, marked Exhibit A and made a part hereof, for all purposes; and

WHEREAS, said leases, insofar as they cover the Bone Spring formation (hereinafter referred to as "said formation") in and under the land hereinafter described cannot be independently developed and operated in conformity with the well spacing program established for such formation in and under said lands; and

WHEREAS, the parties hereto desire to communitize and pool their respective interests in said leases subject to this Agreement for the purpose of developing, operating, and producing hydrocarbons in the said formation in and under the land hereinafter described subject to the terms hereof.

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 undersigned as follows:

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

Township 21 South, Range 33 East, NMPM

Section 5: W2SE4 and Section 8: W2E2 and Section 17: W2NE4

Lea County, New Mexico,

containing 320.00 acres, more or less. It is the judgment of the parties hereto that the communitization, pooling, and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the parties hereto do hereby communitize for proration or spacing purposes only the leases described in Exhibit A hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "Communitized Substances") beneath the above-described land, into a single communitization, for the development, production, operation, and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this Agreement for all purposes is Exhibit A showing the acreage and ownership (Lessees of Record) of all leases within the communitized area.

2. 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 leases described in Exhibit A hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.

3. Subject to Paragraph 4, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit A hereto or as herein provided to the contrary, the payment of rentals under the terms of said leases shall not be affected by this Agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this Agreement shall remain in full force and effect as originally issued and amended.

4. The State of New Mexico hereafter is entitled to the right to take in kind its share for the communitized substances allocated to such tract, and Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.

5. There shall be no obligation upon the parties hereto to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the parties hereto shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.

6. The commencement, completion, and continued operation or production of a well or wells for communitized substances on the communitized area shall be considered as the commencement, completion, continued operation, or production as to each of the leases described in Exhibit A hereto.

7. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws. This Agreement shall be subject to all applicable Federal and State laws, executive orders, rules, and regulations affecting the performance of the provisions hereof, 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 compliance is prevented by or if such failure results from compliance with any such laws, orders, rules, and regulations.

8. COG Operating LLC shall be the Operator of said communitized area and all matters of operation shall be determined and performed by COG Operating LLC.

9. This Agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities; provided, that this Agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this Agreement in order to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this Agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this Agreement may be terminated at any time by mutual agreement of the parties hereto. This Agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such production, a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this Agreement.

10. Operator will furnish the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department and the Commissioner of Public Lands of the State of New Mexico, with any and all reports, statements, notices, and well logs and records which may be required under the laws and regulations of the State of New Mexico.

11. It is agreed between the parties hereto that the Commissioner of Public Lands, or his duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit A hereto and in the applicable oil and gas regulations of the State of New Mexico.

12. If any order of the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, upon which this Agreement is predicated or based is in anyway changed or modified, then in such event said Agreement is likewise modified to conform thereto.

13. 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 instruments, 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.

14. 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.

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

LESSEE OF RECORD (V0-2059, VB-2065, VB-2100)

Rubicon Oil and Gas II, LP

BY: _____
Print: _____
Title: _____

OPERATOR AND LESSEE OF RECORD (V0-3427)

COG OPERATING LLC

BY: _____
Mona D. Ables
Vice President of Land

STATE OF TEXAS §
 §
COUNTY OF MIDLAND §

This instrument was acknowledged before me on _____, 2015, by
_____, _____ of Rubicon Oil and Gas II, LP,
a _____, on behalf of same.

Notary Public in and for the State of Texas

STATE OF TEXAS §
 §
COUNTY OF MIDLAND §

This instrument was acknowledged before me on _____, 2015, by Mona D. Ables, Vice President of Land of COG Operating LLC, a Delaware limited liability company, on behalf of same.

Notary Public in and for the State of Texas

STATE/STATE OR
STATE/FEE

EXHIBIT A

**Attached to and made a part of that Communitization Agreement dated January 5, 2014,
covering Township 21 South, Range 33 East, NMPM, Section 5: W2SE4 and Section 8: W2E2 and Section
17: W2NE4**

Lea County, New Mexico, containing 320.00 acres, more or less.

OPERATOR of Communitized Area: COG Operating LLC

DESCRIPTION OF LEASES COMMITTED:

TRACT NO. 1

Serial No. of Lease: VO-2059
Date of Lease: July 1, 2011
Lessor: State of New Mexico
Lessee of Record: Rubicon Oil and Gas II, LP
Description of Lands Committed: Insofar and only insofar as lease covers
Township 21 South, Range 33 East, NMPM
Section 5: W2SW4
Lea County, New Mexico
No. of Acres: 80.00, more or less
Royalty Rate: Three-Sixteenth (3/16th)
Name and Percent of ORRI Owners: As of Record

Rubicon Oil and Gas II, LP 100%

TRACT NO. 2

Serial No. of Lease: VB-2065
Date of Lease: July 1, 2011
Lessor: State of New Mexico
Lessee of Record: Rubicon Oil and Gas II, LP
Description of Lands Committed: Insofar and only insofar as lease covers
Township 21 South, Range 34 East, NMPM
Section 8: W2NE4
Lea County, New Mexico
No. of Acres: 80.00, more or less
Royalty Rate: Three-Sixteenth (3/16th)
Name and Percent of ORRI Owners: As of Record

Rubicon Oil and Gas II, LP 100%

TRACT NO. 3

Serial No. of Lease: VB-2100
Date of Lease: September 30, 2011
Lessor: State of New Mexico
Lessee of Record: Rubicon Oil and Gas II, LP
Description of Lands Committed: Insofar and only insofar as lease covers
Township 21 South, Range 33 East, NMPM
Section 8: W2SE4
Lea County, New Mexico
No. of Acres: 80.00, more or less
Royalty Rate: Three-Sixteenth (3/16th)
Name and Percent of ORRI Owners: As of Record



Rubicon Oil and Gas II, LP 100%

TRACT NO. 4

Serial No. of Lease: V0-3427
Date of Lease: August 31, 1990
Lessor: State of New Mexico
Lessee of Record: COG Operating LLC
Description of Lands Committed: Insofar and only insofar as lease covers
Township 21 South, Range 33 East, NMPM
Section 17: W2NE4
Lea County, New Mexico
No. of Acres: 80.00, more or less
Royalty Rate: 1/6
Name and Percent of ORRI Owners: As of Record

COG Operating LLC 100%

Plat of communitized area covering Township 21 South, Range 33 East, NMPPM, Section 5: W2SE4 and
Section 8: W2E2 and Section 17: W2NE4
Lea County, New Mexico, containing 320.00 acres, more or less.

		 SHL: 2,450' FSL & 1,980' FEL Section 5	
		Tract 1 (VO-2059) 80 Acres	
		Section 8	
		Tract 2 (VB-2065) 80 Acres	
		Tract 3 (VB-2100) 80 Acres	
		Section 17	
		Tract 4 (VO-3427) 80 Acres  BHL: 2,310' FNL & 1,980' FEL	

RECAPITULATION

Tract Number	Number of Acres Committed	Percentage of Interest in Communitized Area
No. 1	80.00	25.00%
No. 2	80.00	25.00%
No. 3	80.00	25.00%
No. 4	80.00	25.00%
	320.00	100.00%



February 4, 2021

Commissioner of Public Lands
NM State Land Office
P. O. Box 1148
Santa Fe, NM 87504-1148

RE: Application for CTB and Lease Commingle

Becknell State Com 1H
API# 30-025-41298
WC-025 G-08 S213304D; Bone Spring
Ut. I, Sec. 5-T21S-R33E
Lea County, NM

Becknell State Com 2H
API# 30-025-41323
WC-025 G-08 S213304D; Bone Spring
Ut. J, Sec. 5-T21S-R33E
Lea County, NM

To Whom it May Concern:

Please find enclosed check in the amount of \$150.00, which constitutes payment of the required fee for the referenced Lease Commingling application.

If you have any questions, please do not hesitate to contact me at jbarron@concho.com or 575-748-6974.

Sincerely,

A handwritten signature in black ink that reads "Jeanette Barron". The signature is fluid and cursive.

Jeanette Barron
Regulatory Technician II

CORPORATE ADDRESS

One Concho Center | 600 West Illinois Avenue | Midland, Texas 79701
P 432.683.7443 | F 432.683.7441

ARTESIA WEST OFFICE

2208 Main Street | Artesia, New Mexico 88210
P 575.748.6940 | F 575.746.2096

**NEW MEXICO
STATE
LAND OFFICE**

**APPLICATION FOR
COMMINGLING AND OFF-LEASE STORAGE
ON STATE TRUST LANDS**



This application form is required for all commingling applications requiring approval by the Commissioner of Public Lands.

Applicant: COG OPERATING, LLC
Well Name: Becknell State Com 1H
Pool: WC-025 G-08 S213304D; Bone Spring

OGRID #: 229137
API #: 30-025-41298

OPERATOR NAME: COG OPERATING, LLC
OPERATOR ADDRESS: 2208 W. MAIN STREET, ARTESIA, NEW MEXICO

APPLICATION REQUIREMENTS – SUBMIT:

1. New Mexico Oil Conservation Division (NMOCD) application packet (or equivalent information if no application is required by NMOCD),
2. Commingling application fee of \$150.

CERTIFICATION: To the best of my knowledge,

- All business leases and rights-of-way necessary for conducting the proposed operation on State Trust lands have been applied for or obtained,
- The information submitted with this application is **accurate** and **complete**, and
- No loss will accrue to the state of New Mexico as a result of the proposed operation.

I also understand that **no action** will be taken on this application until the required information and fee are submitted to the State Land Office.

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

Jeanette Barron

Print or Type Name

Jeanette Barron

Signature

2/4/21

Date

575.748.6974

Phone Number

jbarron@concho.com

e-mail Address

Submit application to:
 Commissioner of Public Lands
 Attn: Commingling Manager
 PO Box 1148
 Santa Fe, NM 87504-1148

Questions?
Contact the Commingling Manager:
 505.827.5791

Upon approval, the requesting organization will receive an acknowledgment letter from the Commissioner of Public Lands.

**NEW MEXICO
STATE
LAND OFFICE**

**APPLICATION FOR
COMMINGLING AND OFF-LEASE STORAGE
ON STATE TRUST LANDS**



This application form is required for all commingling applications requiring approval by the Commissioner of Public Lands.

Applicant: COG OPERATING, LLC

OGRID #: 229137

Well Name: Becknell State Com 2H

API #: 30-025-41323

Pool: WC-025 G-08 S213304D; Bone Spring

OPERATOR NAME: COG OPERATING, LLC

OPERATOR ADDRESS: 2208 W. MAIN STREET, ARTESIA, NEW MEXICO

APPLICATION REQUIREMENTS – SUBMIT:

1. New Mexico Oil Conservation Division (NMOCD) application packet (or equivalent information if no application is required by NMOCD),
2. Commingling application fee of \$150.

CERTIFICATION: To the best of my knowledge,

- All business leases and rights-of-way necessary for conducting the proposed operation on State Trust lands have been applied for or obtained,
- The information submitted with this application is **accurate and complete**, and
- No loss will accrue to the state of New Mexico as a result of the proposed operation.

I also understand that **no action** will be taken on this application until the required information and fee are submitted to the State Land Office.

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

Jeanette Barron

Print or Type Name

Jeanette Barron

Signature

575.748.6974

Phone Number

jbarron@concho.com

e-mail Address

Date

2/4/21

Submit application to:
Commissioner of Public Lands
Attn: Commingling Manager
PO Box 1148
Santa Fe, NM 87504-1148

Questions?
Contact the Commingling Manager:
505.827.5791

Upon approval, the requesting organization will receive an acknowledgment letter from the Commissioner of Public Lands.

communitization agreement

[Download](#)
[Printer Friendly](#)
[Instructions](#)
[Post a comment!](#)

Communitization Name:

BECKNELL STATE COM WELL #1H

Current Operator:

Original Operator: COG OPERATING LLC [[Operator Details](#)]

PUN: 1346401

Communitization Status Code: Approved

Comm Beneficiary Institution:

OCD Order Number 0

Approval Date: 07-02-2015

Effective Date: 03-01-2015

Termination Date: 12-31-9999

Termination Reason: AMENDMENT

Remarks: ALSO IN SECT 8,17

Location:

County

Section Township Range STR Location

5 21S 33E E2SE4 [[Land Details](#)]

Acreage:

Fee: 0

Indian: 0

State: 320

Federal: 0

Total: 320

Leases in this agreement:

V0-3427-0003 [[Lease Information](#)]

VB-2059-0001 [[Lease Information](#)]

VB-2065-0001 [[Lease Information](#)]

VB-2100-0001 [[Lease Information](#)]

Wells in this agreement:

API Number	Well Number	Township	Range	Section	Unit	Lot	Pool Name	Property Name
3002541298	001H	21S	33E	17	H		WC-025 G-08 S213304D;BONE SPRING	BECKNELL STATE COM

communitization agreement

[Download](#)
[Printer Friendly](#)
[Instructions](#)
[Post a comment!](#)

Communitization Name:

BECKNELL STATE COM WELL #2H

Current Operator:

Original Operator: COG OPERATING LLC [\[Operator Details\]](#)

PUN: 1346747

Communitization Status Code: Approved

Comm Beneficiary Institution:

OCD Order Number 0

Approval Date: 04-24-2015

Effective Date: 01-05-2015

Termination Date: 12-31-9999

Termination Reason: AMENDMENT

Remarks: ALSO IN W2E2 SECT 17

Location:

County

Section Township Range STR Location

5 21S 33E W2SE4 [\[Land Details\]](#)

Acreage:

Fee: 0

Indian: 0

State: 320

Federal: 0

Total: 320

Leases in this agreement:

V0-3427-0003 [\[Lease Information\]](#)VB-2059-0001 [\[Lease Information\]](#)VB-2065-0001 [\[Lease Information\]](#)VB-2100-0001 [\[Lease Information\]](#)

Wells in this agreement:

API Number	Well Number	Township	Range	Section	Unit	Lot	Pool Name	Property Name
3002541323	002H	21S	33E	17	G		WC-025 G-08 S213304D;BONE SPRING	BECKNELL STATE COM

From: [Engineer, OCD, EMNRD](#)
To: [Jeanette Barron](#)
Cc: [McClure, Dean, EMNRD](#); [Bratcher, Mike, EMNRD](#); [Kautz, Paul, EMNRD](#); lisa@rwbyram.com; [Holm, Anchor E.; Dawson, Scott](#)
Subject: Approved Administrative Order CTB-981
Date: Friday, February 5, 2021 1:10:22 PM
Attachments: [CTB981 Order.pdf](#)

NMOCD has issued Administrative Order CTB-981 which authorizes COG Operating, LLC (229137) to surface commingle or off-lease measure, as applicable, the following wells:

Well API	Well Name	Location (NMPPM)	Pool Code
30-025-41298	Becknell State Com #1H	I-05-21S-33E	97895
30-025-41323	Becknell State Com #2H	J-05-21S-33E	97895

The administrative order is attached to this email and can also be found online at OCD Imaging.

Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

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

**APPLICATION FOR SURFACE COMMINGLING
SUBMITTED BY COG OPERATING, LLC**

ORDER NO. CTB-981

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having considered the application and the recommendation of the OCD Engineering Bureau, issues the following Order.

FINDINGS OF FACT

1. COG Operating, LLC ("Operator") submitted a complete application to surface commingle and off-lease measure the oil and gas production ("Application") from the pools, leases, and wells identified in Exhibit A.
2. To the extent that ownership is identical, Operator submitted a certification by a licensed attorney or qualified petroleum landman that the ownership in the pools, leases, and wells to be commingled is identical as defined in 19.15.12.7(B) NMAC.
3. Operator proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
4. To the extent that ownership is diverse, Operator provided notice of the Application to all persons owning an interest in the oil and gas production to be commingled, including the owners of royalty and overriding royalty interests, regardless of whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
5. Operator provided notice of the Application to the Bureau of Land Management ("BLM") or New Mexico State Land Office ("NMSLO"), as applicable.

CONCLUSIONS OF LAW

6. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, 70-2-16, and 70-2-17, and 19.15.12 NMAC.
7. Operator satisfied the notice requirements for the Application in accordance with 19.15.12.10(A)(2), (C)(4)(c), and (C)(4)(e) NMAC, as applicable.
8. Operator's proposed method of allocation, as modified herein, complies with 19.15.12.10(B)(1) or (C)(1) NMAC, as applicable.
9. Commingling of oil and gas production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10(B)(3) and (C)(4)(h) NMAC.

10. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

ORDER

1. Operator is authorized to surface commingle and off-lease measure oil and gas production from the pools, leases, and wells identified in Exhibit A.
2. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling.
3. Operator shall measure the commingled oil at a central tank battery described in Exhibit A in accordance with 19.15.18.15 NMAC or 19.15.23.8 NMAC.
4. Operator shall measure the commingled gas at a central delivery point or central tank battery described in Exhibit A in accordance with 19.15.19.9 NMAC, provided however that if the gas is flared, and regardless of whether OCD has granted an exception pursuant to 19.15.18.12(B) NMAC, Operator shall report the gas in accordance with 19.15.18.12(F) NMAC.
5. Operator shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10(C)(2) NMAC.
6. Operator shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
7. OCD retains jurisdiction and reserves the right to modify or revoke this Order as it deems necessary to prevent waste or protect correlative rights, public health, or the environment.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



**ADRIENNE SANDOVAL
DIRECTOR**

AS/dm

DATE: 2/05/2021

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: **CTB-981**

Operator: **COG Operating, LLC (229137)**

Central Tank Battery: **Becknell State Com 1H Battery**

Central Tank Battery Location (NMPM): **Unit I, Section 5, Township 21 South, Range 33 East**

Central Tank Battery: **Red Hills Offload Station**

Central Tank Battery Location (NMPM): **Unit O, Section 4, Township 26 South, Range 32 East**

Central Tank Battery: **Jal Offload Station**

Central Tank Battery Location (NMPM): **Unit D, Section 4, Township 26 South, Range 37 East**

Gas Custody Transfer Meter Location (NMPM): **Unit C, Section 5, Township 21 South, Range 33 East**

Pools

Pool Name	Pool Code
WC-025 G-08 S213304D; BONE SPRING	97895

Leases as defined in 19.15.12.7(C) NMAC

Lease	Location (NMPM)
CA BS NMSLO 1346401	E/2 SE/4 Sec 5-T21S-R33E
	E/2 E/2 Sec 8-T21S-R33E
	E/2 NE/4 Sec 17-T21S-R33E
CA BS NMSLO 1346747	W/2 SE/4 Sec 5-T21S-R33E
	W/2 E/2 Sec 8-T21S-R33E
	W/2 NE/4 Sec 17-T21S-R33E

Wells

Well API	Well Name	Location (NMPM)	Pool Code	Train
30-025-41298	Becknell State Com #1H	I-05-21S-33E	97895	
30-025-41323	Becknell State Com #2H	J-05-21S-33E	97895	

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 17092

CONDITIONS OF APPROVAL

Operator: COG OPERATING LLC 600 W Illinois Ave Midland, TX79701			OGRID: 229137	Action Number: 17092	Action Type: C-107B
OCD Reviewer	Condition				
dmcclure	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval.				