



February 11, 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:

Potato Baby St Com 701H
API# 30-015-47458
Purple Sage; Wolfcamp (Gas)
Ut. D, Sec. 34-T26S-R28E
Eddy County, NM

Potato Baby St Com 702H
API# 30-015-47461
Purple Sage; Wolfcamp (Gas)
Ut. D, Sec. 34-T26S-R28E
Eddy County, NM

Potato Baby St Com 703H
API# 30-015-47464
Purple Sage; Wolfcamp (Gas)
Ut. D, Sec. 34-T26S-R28E
Eddy County, NM

Potato Baby St Com 704H
API# 30-015-47463
Purple Sage; Wolfcamp (Gas)
Ut. B, Sec. 34-T26S-R28E
Eddy County, NM

Potato Baby St Com 705H
API# 30-015-47460
Purple Sage; Wolfcamp (Gas)
Ut. B, Sec. 34-T26S-R28E
Eddy County, NM

Potato Baby St Com 706H
API# 30-015-47459
Purple Sage; Wolfcamp (Gas)
Ut. B, Sec. 34-T26S-R28E
Eddy 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. N, Sec. 34-T26S-R28E. 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.

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

**Gas Production:**

The gas production from all wells will be measured separately by allocation meter prior to being commingled and entering a gas flow line to the gas custody transfer meter at the Central Tank Battery located in Ut. N, Sec. 34-T26S-R28E.

All owners of interest have been notified by certified mail that should they have an objection to this surface commingling, they must file a formal protest with the NMOCD within 20 days of the date of this application. Proof of owner notification and copy of Public Notice 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 communization agreement application.

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, LLCOGRID Number: 229137Well Name: Potato Baby St Com 701H (and five other wells)API: 30-015-47458Pool: Purple Sage; Wolfcamp (Gas)Pool Code: 98220

**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 holdersB. ☒ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☒ Notification and/or concurrent approval by SLOE. ☐ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☒ 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

2/11/21

Date

575-746-6974

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. 98220 Purple Sage; Wolfcamp (Gas)
(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 attached 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: 2/11/21

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-015-47458	2 Pool Code 98220	3 Pool Name PURPLE SAGE; WOLFCAMP (GAS)
4 Property Code 329348	5 Property Name POTATO BABY STATE COM	6 Well Number 701H
7 OGRID No. 229137	8 Operator Name COG OPERATING LLC	9 Elevation 3073'

10 Surface Location

UL or lot no. 4	Section 34	Township 26-S	Range 28-E	Lot Idn	Feet from the 300'	North/South line SOUTH	Feet from the 1180'	East/West line EAST	County EDDY
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11 Bottom Hole Location If Different From Surface

UL or lot no. A	Section 27	Township 26-S	Range 28-E	Lot Idn	Feet from the 200'	North/South line NORTH	Feet from the 330'	East/West line EAST	County EDDY
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12 Dedicated Acres 767.52	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.

	<p>CORNER DATA NEW MEXICO EAST - NAD 83</p> <p>A - FOUND IRON PIPE W/ BRASS CAP N:376622.59' E:618799.59'</p> <p>B - FOUND IRON PIPE W/ BRASS CAP N:376624.01' E:621366.59'</p> <p>C - FOUND IRON PIPE W/ BRASS CAP N:376825.57' E:623933.68'</p> <p>D - FOUND IRON PIPE W/ BRASS CAP N:374020.30' E:623931.34'</p> <p>E - FOUND IRON PIPE W/ BRASS CAP N:371372.64' E:623894.95'</p> <p>F - FOUND IRON PIPE W/ BRASS CAP N:371325.17' E:621481.50'</p> <p>G - FOUND IRON PIPE W/ BRASS CAP N:371328.78' E:618821.83'</p> <p>H - FOUND IRON PIPE W/ BRASS CAP N:373976.13' E:618810.67'</p> <p>I - FOUND IRON PIPE W/ BRASS CAP N:368720.47' E:623950.18'</p> <p>J - FOUND IRON PIPE W/ BRASS CAP N:366069.65' E:623952.49'</p> <p>K - CALCULATED CORNER N:368058.22' E:621388.44'</p> <p>L - FOUND IRON PIPE W/ BRASS CAP N:366046.79' E:618824.39'</p> <p>M - FOUND IRON PIPE W/ BRASS CAP N:368688.50' E:618819.64'</p> <p>N - FOUND IRON PIPE W/ BRASS CAP N:363845.40' E:623957.83'</p> <p>O - CALCULATED CORNER N:363833.89' E:621393.73'</p> <p>P - FOUND IRON PIPE W/ BRASS CAP N:363822.34' E:618829.54'</p>	<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> 2/11/21 Signature Date</p> <p>Jeanette Barron Printed Name</p> <p>jbarron@concho.com E-mail Address</p>	
	<p>LAST TAKE POINT (LTP) NEW MEXICO EAST - NAD 83 X=623571.89 Y=371036.22 LAT.= 32.01978106° N LONG.= 104.06799434° W 330' FNL, 330' FEL SECTION 27</p>	<p>BOTTOM HOLE LOCATION (BHL) NEW MEXICO EAST - NAD 83 X=623569.18 Y=371166.19 LAT.= 32.02013836° N LONG.= 104.06800205° W 200' FNL, 330' FEL SECTION 27</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 Signature and Seal of Professional Surveyor</p> <p></p> <p>Certificate Number</p>
	<p>SURFACE HOLE LOCATION (SHL) NEW MEXICO EAST - NAD 83 X=622777.12 Y=364140.12 LAT.= 32.00082922° N LONG.= 104.07061282° W 300' FSL, 1180' FEL SECTION 34</p>	<p>FIRST TAKE POINT (FTP) NEW MEXICO EAST - NAD 83 X=623627.04 Y=364173.93 LAT.= 32.00091844° N LONG.= 104.06787077° W 330' FSL, 330' FEL SECTION 34</p>	

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

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1 API Number 30-015-47461	2 Pool Code 98220	3 Pool Name PURPLE SAGE; WOLFCAMP (GAS)
4 Property Code 329348	5 Property Name POTATO BABY STATE COM	6 Well Number 702H
7 OGRID No. 229137	8 Operator Name COG OPERATING LLC	9 Elevation 3074'

" Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	34	26-S	28-E		300'	SOUTH	1210'	EAST	EDDY

" 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	22	26-S	28-E		1365'	NORTH	1210'	EAST	EDDY

12 Dedicated Acres 767.52	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.

	<p>CORNER DATA NEW MEXICO EAST - NAD 83</p> <p>A - FOUND IRON PIPE W/ BRASS CAP N:376622.59' E:618799.59'</p> <p>B - FOUND IRON PIPE W/ BRASS CAP N:376624.01' E:621366.59'</p> <p>C - FOUND IRON PIPE W/ BRASS CAP N:376625.57' E:623933.68'</p> <p>D - FOUND IRON PIPE W/ BRASS CAP N:374020.30' E:623931.34'</p> <p>E - FOUND IRON PIPE W/ BRASS CAP N:371372.64' E:623894.95'</p> <p>F - FOUND IRON PIPE W/ BRASS CAP N:371325.17' E:621481.50'</p> <p>G - FOUND IRON PIPE W/ BRASS CAP N:371328.78' E:618821.83'</p> <p>H - FOUND IRON PIPE W/ BRASS CAP N:373976.13' E:618810.67'</p> <p>I - FOUND IRON PIPE W/ BRASS CAP N:368720.47' E:623950.18'</p> <p>J - FOUND IRON PIPE W/ BRASS CAP N:366069.65' E:623952.49'</p> <p>K - CALCULATED CORNER N:366058.22' E:621386.44'</p> <p>L - FOUND IRON PIPE W/ BRASS CAP N:366046.79' E:618824.39'</p> <p>M - FOUND IRON PIPE W/ BRASS CAP N:368688.50' E:618819.64'</p> <p>N - FOUND IRON PIPE W/ BRASS CAP N:363845.40' E:623957.83'</p> <p>O - CALCULATED CORNER N:363833.89' E:621393.73'</p> <p>P - FOUND IRON PIPE W/ BRASS CAP N:363822.34' E:618829.54'</p>	<p>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.</p> <p><i>Jeanette Barron</i> 2/11/21 Signature Date</p> <p>Jeanette Barron Printed Name</p> <p>jbarron@concho.com E-mail Address</p>
	<p>LAST TAKE POINT (LTP) & BOTTOM HOLE LOCATION (BHL) NEW MEXICO EAST - NAD 83 X=622722.45 Y=375258.83 LAT.= 32.03139732° N LONG.= 104.07070199° W 1365' FSL, 1210' FEL SECTION 22</p>	<p>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.</p> <p>Date of Survey Signature and Seal of Professional Surveyor</p> <p><i>Garrett J. Smelker</i> Garrett J. Smelker 25036 09/01/2020 Professional Surveyor</p> <p>Certificate Number</p>

SURFACE HOLE LOCATION (SHL)
NEW MEXICO EAST - NAD 83
X=622747.12
Y=364139.99
LAT.= 32.00082905° N
LONG.= 104.07070960° W
300' FSL, 1210' FEL
SECTION 34

FIRST TAKE POINT (FTP)
NEW MEXICO EAST - NAD 83
X=622747.05
Y=364169.99
LAT.= 32.00081152° N
LONG.= 104.07070960° W
330' FSL, 1210' FEL
SECTION 34

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
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1000 Rio Brazos Road, Aztec, NM 87410
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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

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-015-47464	2 Pool Code 98220	3 Pool Name PURPLE SAGE; WOLFCAMP (GAS)
4 Property Code 329348	5 Property Name POTATO BABY STATE COM	
6 Well Number 703H	7 OGRID No. 229137	
8 Operator Name COG OPERATING LLC		9 Elevation 3075'

" Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	34	26-S	28-E		300'	SOUTH	1240'	EAST	EDDY

" 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
B	22	26-S	28-E		200'	NORTH	2090'	EAST	EDDY

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
767.52			

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.

	<p>CORNER DATA NEW MEXICO EAST - NAD 83</p> <p>A - FOUND IRON PIPE W/ BRASS CAP N:376622.59' E:618799.59'</p> <p>B - FOUND IRON PIPE W/ BRASS CAP N:376624.01' E:621366.59'</p> <p>C - FOUND IRON PIPE W/ BRASS CAP N:376625.57' E:623933.68'</p> <p>D - FOUND IRON PIPE W/ BRASS CAP N:374020.30' E:623931.34'</p> <p>E - FOUND IRON PIPE W/ BRASS CAP N:371372.64' E:623894.95'</p> <p>F - FOUND IRON PIPE W/ BRASS CAP N:371325.17' E:621481.50'</p> <p>G - FOUND IRON PIPE W/ BRASS CAP N:371328.78' E:618821.83'</p> <p>H - FOUND IRON PIPE W/ BRASS CAP N:373976.13' E:618810.67'</p> <p>I - FOUND IRON PIPE W/ BRASS CAP N:368720.47' E:623950.18'</p> <p>J - FOUND IRON PIPE W/ BRASS CAP N:368069.65' E:623952.49'</p> <p>K - CALCULATED CORNER N:369058.22' E:621388.44'</p> <p>L - FOUND IRON PIPE W/ BRASS CAP N:366046.79' E:618824.39'</p> <p>M - FOUND IRON PIPE W/ BRASS CAP N:368888.50' E:618819.64'</p> <p>N - FOUND IRON PIPE W/ BRASS CAP N:363845.40' E:623957.83'</p> <p>O - CALCULATED CORNER N:363833.89' E:621393.73'</p> <p>P - FOUND IRON PIPE W/ BRASS CAP N:363822.34' E:618829.54'</p> <p>Q - FOUND IRON PIPE N:363840.86' E:622841.43'</p>	<p>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.</p> <p><i>Jeanette Barron</i> 2/11/21 Signature Date</p> <p>Jeanette Barron Printed Name</p> <p>jbarron@concho.com E-mail Address</p>
	<p>LAST TAKE POINT (LTP) NEW MEXICO EAST - NAD 83 X=621843.38 Y=376294.30 LAT.= 32.03424687° N LONG.= 104.07353071° W 330° FNL, 2090° FEL SECTION 22</p>	<p>BOTTOM HOLE LOCATION (BHL) NEW MEXICO EAST - NAD 83 X=621843.50 Y=376424.30 LAT.= 32.03460423° N LONG.= 104.07352932° W 200° FNL, 2090° FEL SECTION 22</p>
	<p>SURFACE HOLE LOCATION (SHL) NEW MEXICO EAST - NAD 83 X=622717.12 Y=364139.85 LAT.= 32.00082888° N LONG.= 104.07080838° W 300° FSL, 1240° FEL SECTION 34</p>	<p>FIRST TAKE POINT (FTP) NEW MEXICO EAST - NAD 83 X=621867.05 Y=364166.02 LAT.= 32.00080647° N LONG.= 104.07354842° W 330° FSL, 2090° FEL SECTION 34</p>
	<p>" 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.</p> <p>Date of Survey Signature and Seal of Professional Surveyor</p> <p><i>Garrett J. Smelker</i> 25036 07/08/2020 Certificate Number</p>	

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WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-015-47463	2 Pool Code 98220	3 Pool Name PURPLE SAGE; WOLFCAMP (GAS)
4 Property Code 329348	5 Property Name POTATO BABY STATE COM	
6 Well Number 704H	7 OGRID No. 229137	
8 Operator Name COG OPERATING LLC		9 Elevation 3083'

*** Surface Location**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
2	34	26-S	28-E		380'	SOUTH	1385'	WEST	EDDY

**** 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
C	22	26-S	28-E		200'	NORTH	2310'	WEST	EDDY

12 Dedicated Acres 767.52	13 Joint or Infill	14 Consolidation Code	15 Order No.
-------------------------------------	---------------------------	------------------------------	---------------------

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.

	<p>CORNER DATA NEW MEXICO EAST - NAD 83</p> <p>A - FOUND IRON PIPE W/ BRASS CAP N:376622.59' E:618799.59'</p> <p>B - FOUND IRON PIPE W/ BRASS CAP N:376624.01' E:621366.59'</p> <p>C - FOUND IRON PIPE W/ BRASS CAP N:376625.57' E:623933.68'</p> <p>D - FOUND IRON PIPE W/ BRASS CAP N:374020.30' E:623931.34'</p> <p>E - FOUND IRON PIPE W/ BRASS CAP N:371372.64' E:623894.95'</p> <p>F - FOUND IRON PIPE W/ BRASS CAP N:371325.17' E:621481.50'</p> <p>G - FOUND IRON PIPE W/ BRASS CAP N:371328.78' E:618821.83'</p> <p>H - FOUND IRON PIPE W/ BRASS CAP N:373976.13' E:618810.67'</p> <p>I - FOUND IRON PIPE W/ BRASS CAP N:368720.47' E:623950.18'</p> <p>J - FOUND IRON PIPE W/ BRASS CAP N:368609.85' E:623952.49'</p> <p>K - CALCULATED CORNER N:366058.22' E:621388.44'</p> <p>L - FOUND IRON PIPE W/ BRASS CAP N:366046.79' E:618824.39'</p> <p>M - FOUND IRON PIPE W/ BRASS CAP N:368688.50' E:618819.64'</p> <p>N - FOUND IRON PIPE W/ BRASS CAP N:363845.40' E:623957.83'</p> <p>O - CALCULATED CORNER N:363833.89' E:621393.73'</p> <p>P - FOUND IRON PIPE W/ BRASS CAP N:363822.34' E:618829.54'</p> <p>Q - FOUND IRON PIPE N:363840.86' E:622941.43'</p>	<p>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</p> <p>Signature: <u>Jeanette Barron</u> Date: <u>2/11/21</u></p> <p>Printed Name: <u>Jeanette Barron</u></p> <p>E-mail Address: <u>jbarron@concho.com</u></p>
	<p>LAST TAKE POINT (LTP) NEW MEXICO EAST - NAD 83 X=621110.99 Y=376293.87 LAT.= 32.03425050° N LONG.= 104.07589423° W 330' FSL, 2310' FWL SECTION 22</p> <p>BOTTOM HOLE LOCATION (BHL) NEW MEXICO EAST - NAD 83 X=621110.44 Y=376423.87 LAT.= 32.03460787° N LONG.= 104.07589499° W 200' FSL, 2310' FWL SECTION 22</p> <p>SURFACE HOLE LOCATION (SHL) NEW MEXICO EAST - NAD 83 X=620213.41 Y=364208.64 LAT.= 32.00103443° N LONG.= 104.07888262° W 380' FSL, 1385' FWL SECTION 34</p> <p>FIRST TAKE POINT (FTP) NEW MEXICO EAST - NAD 83 X=621138.76 Y=364162.74 LAT.= 32.00090224° N LONG.= 104.07589787° W 330' FSL, 2310' FWL SECTION 34</p>	<p>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</p> <p>Date of Survey: <u>07/08/2020</u></p> <p>Signature and Seal of Professional Surveyor: <u>Garrett J. Smelker</u></p> <p>Certificate Number: <u>25036</u></p>

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-015-47460	2 Pool Code 98220	3 Pool Name PURPLE SAGE; WOLFCAMP (GAS)
4 Property Code 329348	5 Property Name POTATO BABY STATE COM	6 Well Number 705H
7 OGRID No. 229137	8 Operator Name COG OPERATING LLC	9 Elevation 3082'

" Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
2	34	26-S	28-E		380'	SOUTH	1355'	WEST	EDDY

" 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
C	22	26-S	28-E		200'	NORTH	1430'	WEST	EDDY

12 Dedicated Acres 767.52	13 Joint or Infill	14 Consolidation Code	15 Order No.
-------------------------------------	---------------------------	------------------------------	---------------------

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.

CORNER DATA
NEW MEXICO EAST - NAD 83

A - FOUND IRON PIPE W/ BRASS CAP
N:376822.59' E:618799.59'

B - FOUND IRON PIPE W/ BRASS CAP
N:376824.01' E:621366.59'

C - FOUND IRON PIPE W/ BRASS CAP
N:376825.57' E:623933.88'

D - FOUND IRON PIPE W/ BRASS CAP
N:374020.30' E:623931.34'

E - FOUND IRON PIPE W/ BRASS CAP
N:371372.64' E:623894.95'

F - FOUND IRON PIPE W/ BRASS CAP
N:371325.17' E:621481.50'

G - FOUND IRON PIPE W/ BRASS CAP
N:371328.78' E:618821.83'

H - FOUND IRON PIPE W/ BRASS CAP
N:373976.13' E:618810.87'

I - FOUND IRON PIPE W/ BRASS CAP
N:368720.47' E:623950.18'

J - FOUND IRON PIPE W/ BRASS CAP
N:366069.65' E:623952.49'

K - CALCULATED CORNER
N:366058.22' E:621388.44'

L - FOUND IRON PIPE W/ BRASS CAP
N:366046.79' E:618824.39'

M - FOUND IRON PIPE W/ BRASS CAP
N:368688.50' E:618819.64'

N - FOUND IRON PIPE W/ BRASS CAP
N:363845.40' E:623957.83'

O - CALCULATED CORNER
N:363833.89' E:621393.73'

P - FOUND IRON PIPE W/ BRASS CAP
N:363822.34' E:618829.54'

Q - FOUND IRON PIPE
N:363840.88' E:622941.43'

LAST TAKE POINT (LTP)
NEW MEXICO EAST - NAD 83
X=620230.98
Y=376293.38
LAT.= 32.03425490° N
LONG.= 104.07873410° W
330° FNL, 1430° FVL
SECTION 22

BOTTOM HOLE LOCATION (BHL)
NEW MEXICO EAST - NAD 83
X=620230.44
Y=376423.38
LAT.= 32.03461227° N
LONG.= 104.07873487° W
200° FNL, 1430° FVL
SECTION 22

SURFACE HOLE LOCATION (SHL)
NEW MEXICO EAST - NAD 83
X=620183.35
Y=364208.40
LAT.= 32.00103398° N
LONG.= 104.07897860° W
380° FSL, 1355° FVL
SECTION 34

FIRST TAKE POINT (FTP)
NEW MEXICO EAST - NAD 83
X=620258.76
Y=364158.78
LAT.= 32.00089708° N
LONG.= 104.07873670° W
330° FSL, 1430° FVL
SECTION 34

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 2/11/21
Signature Date
Jeanette Barron
Printed Name
jbarron@concho.com
E-mail Address

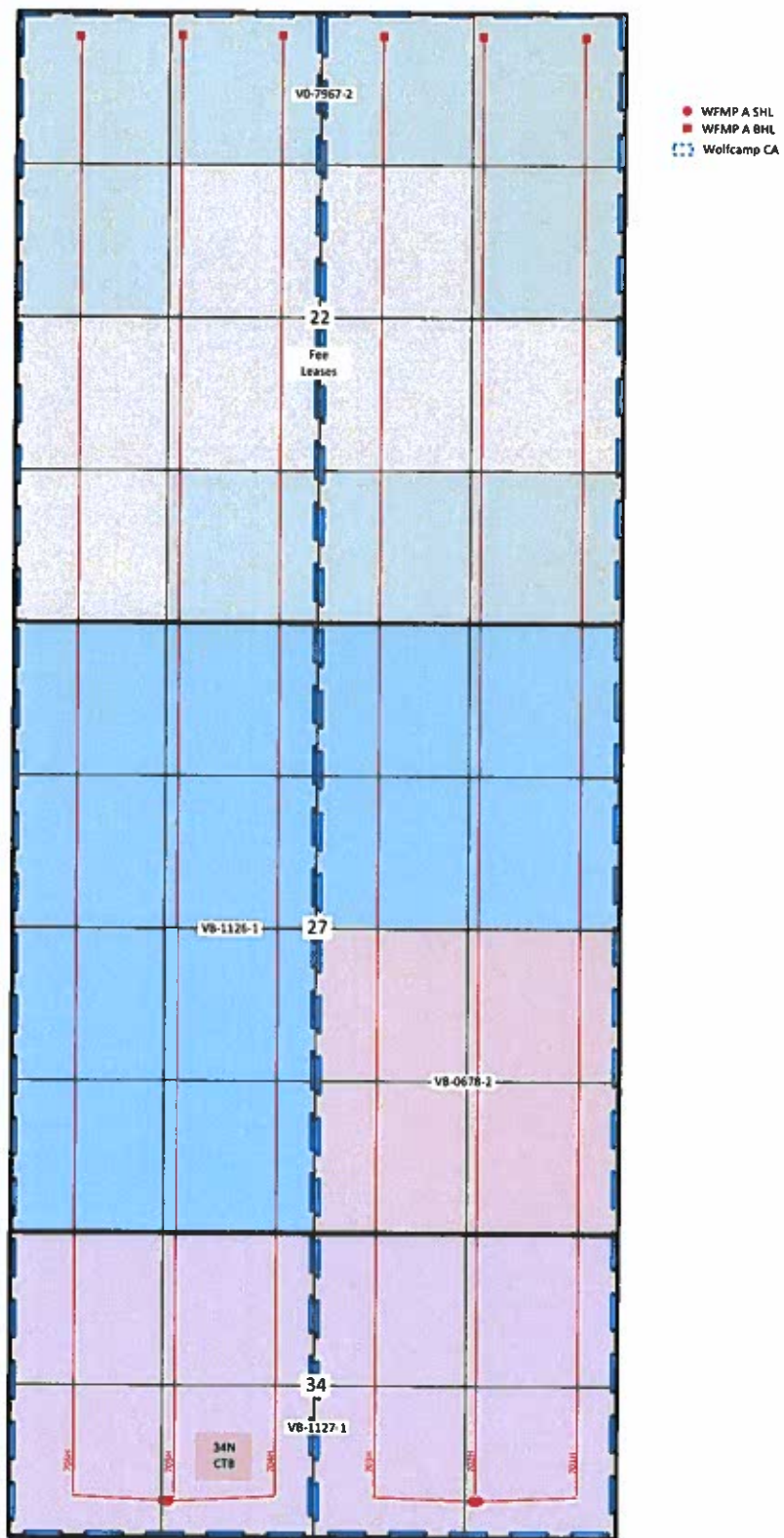
18 SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey
Signature and Seal of Professional Surveyor
Garrett J. Smelker
25036
07/08/2020
Certificate Number

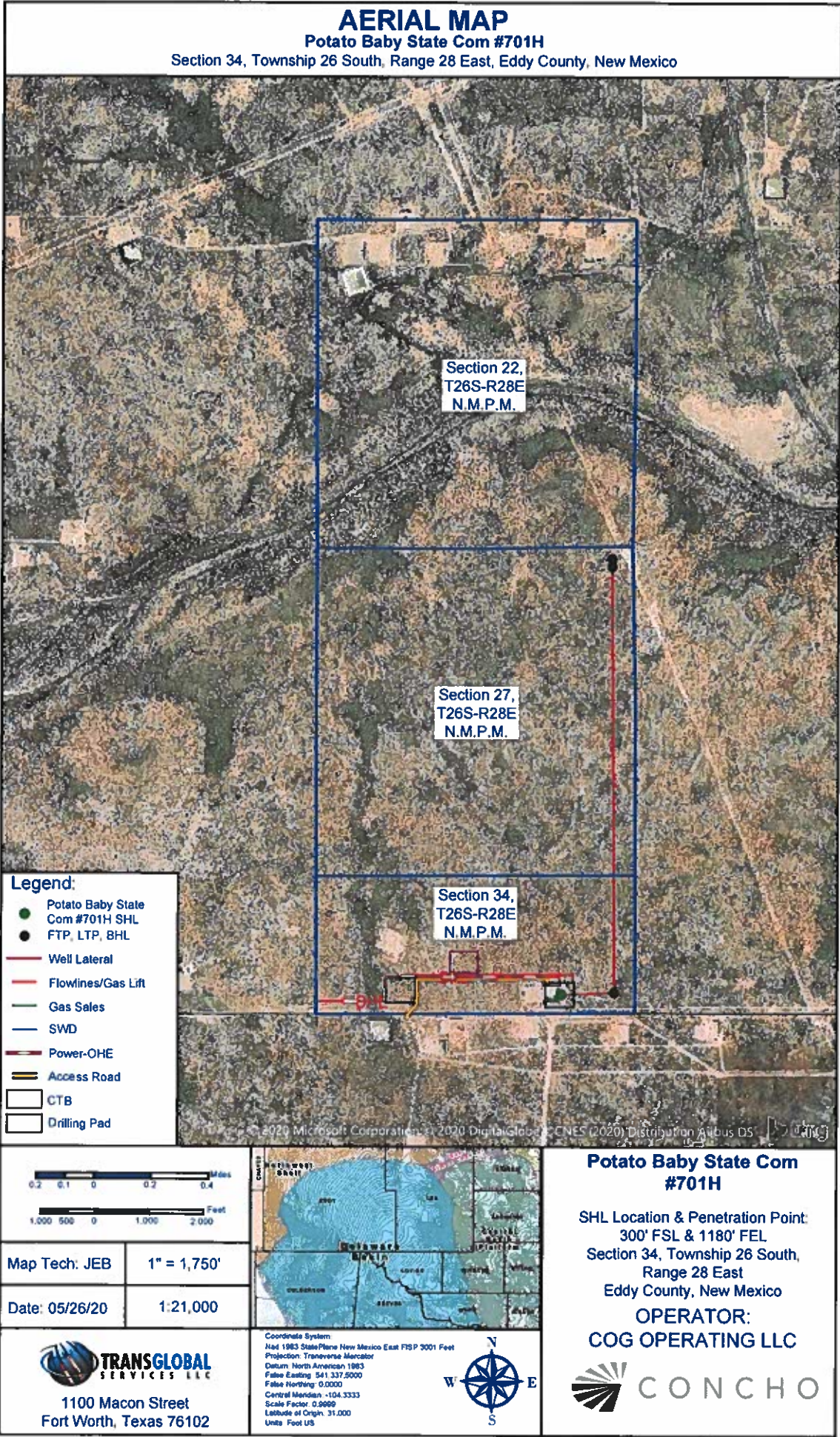
Certificate Number

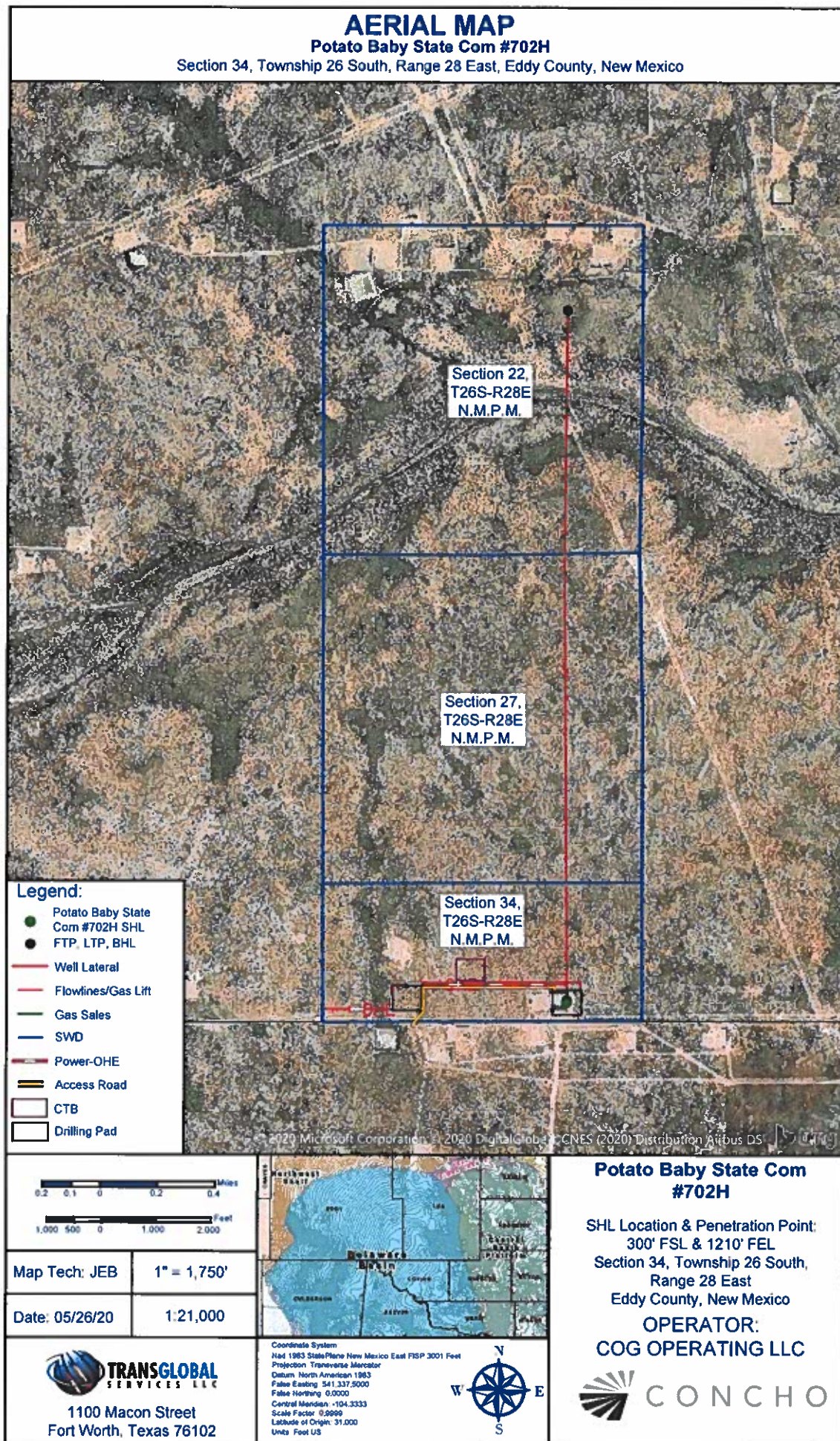


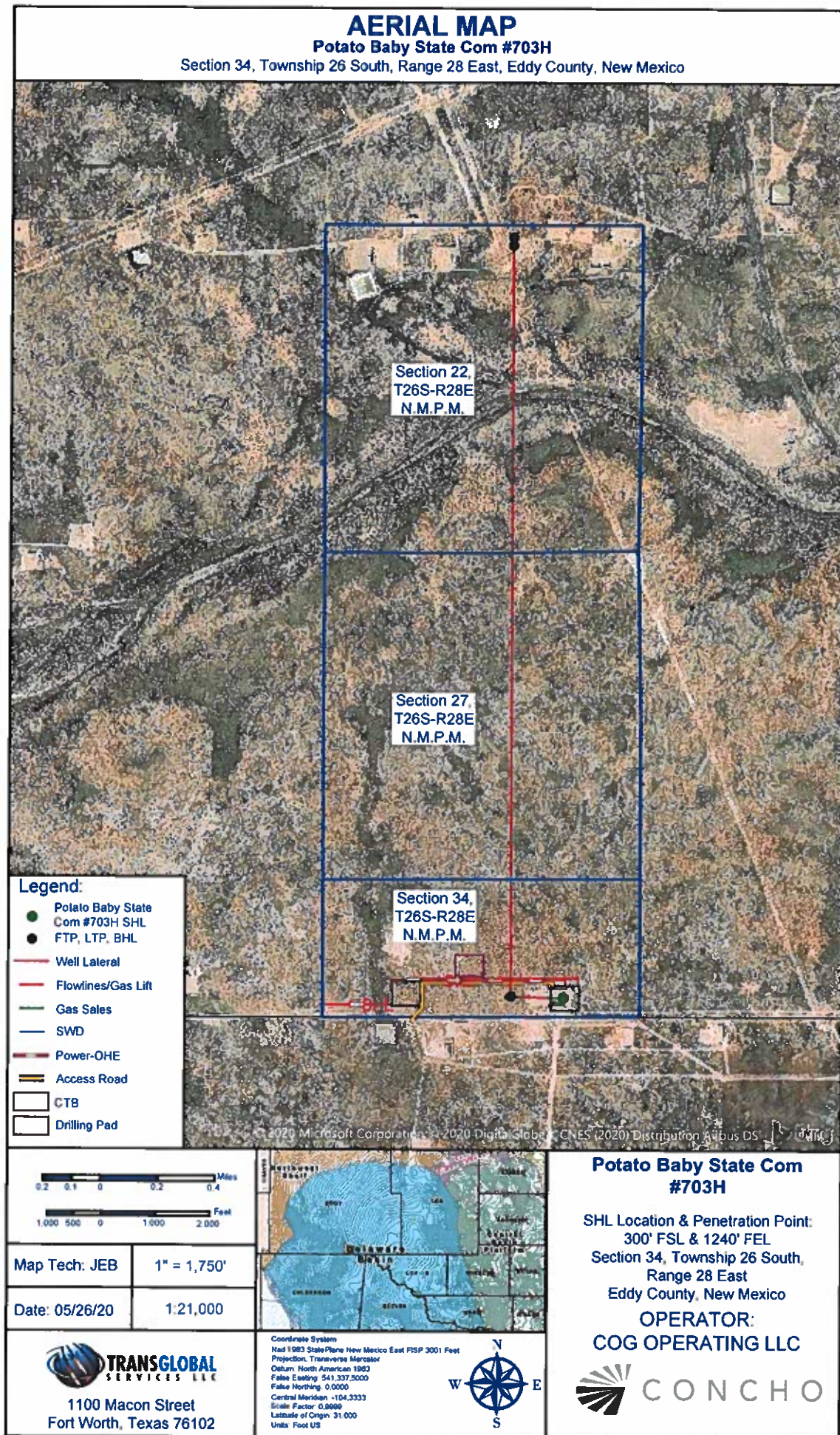
Potato Baby State Wells

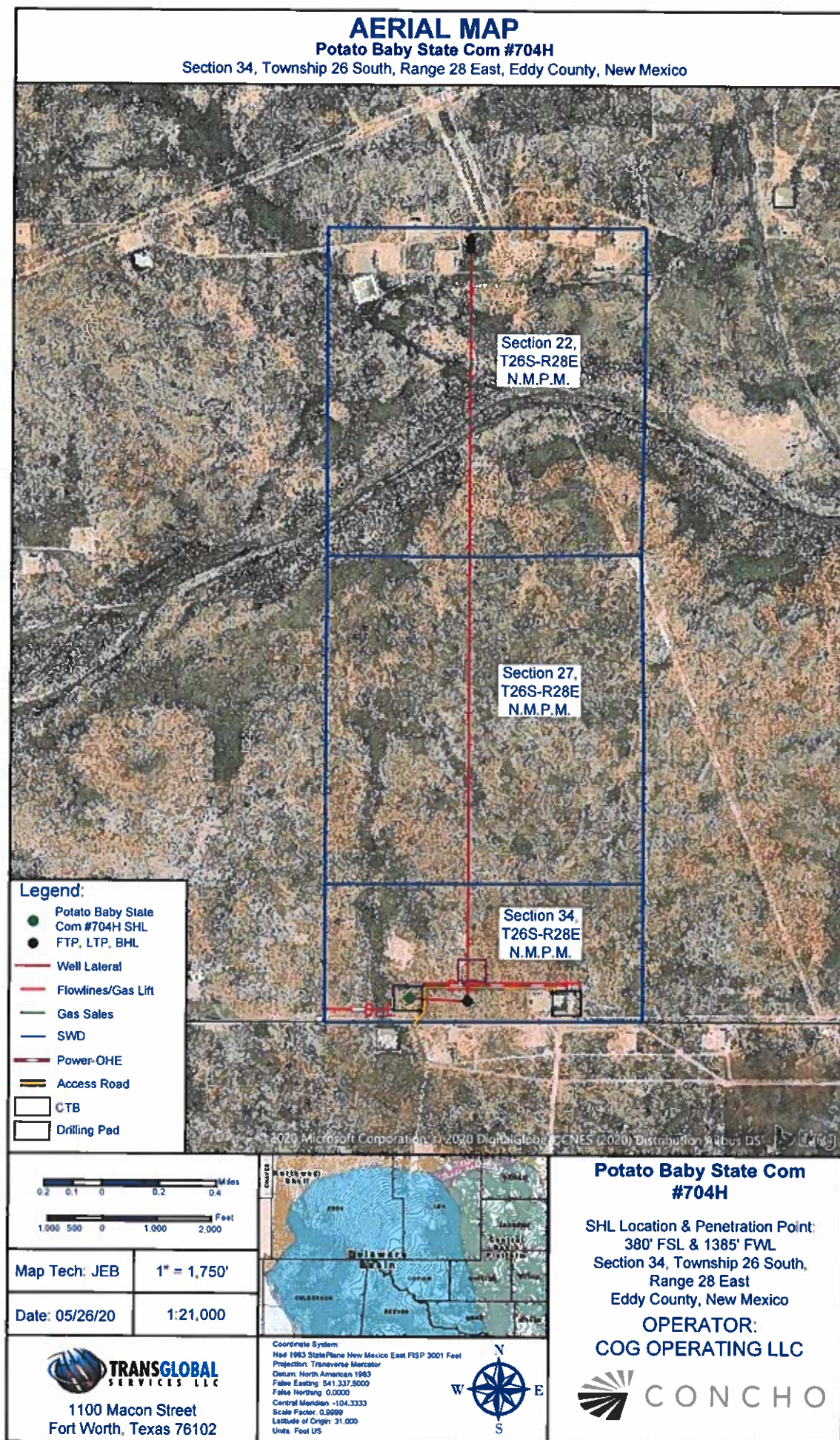


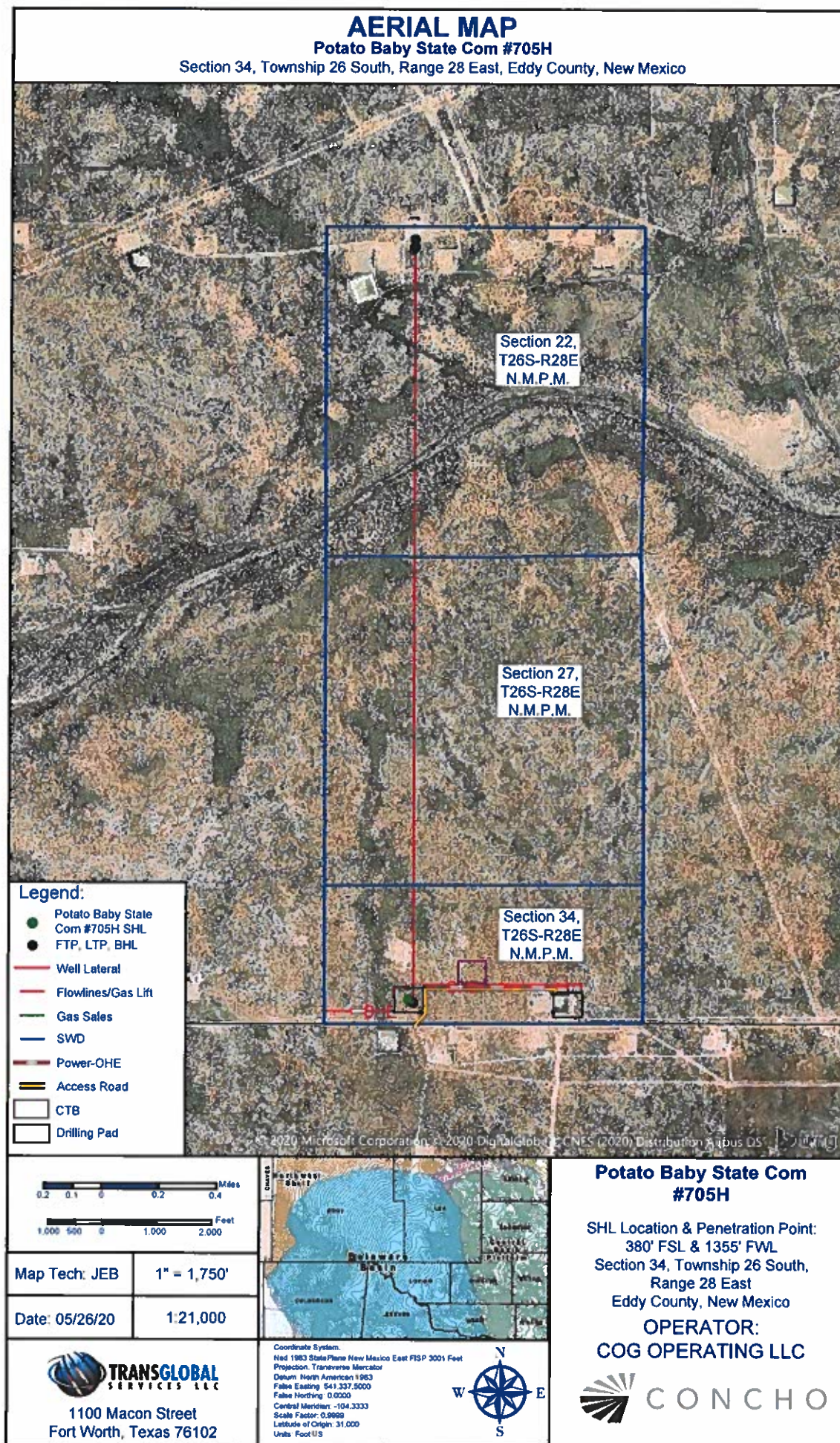
Sec. 22, 27, 34-T26S-R28E
Eddy County, NM

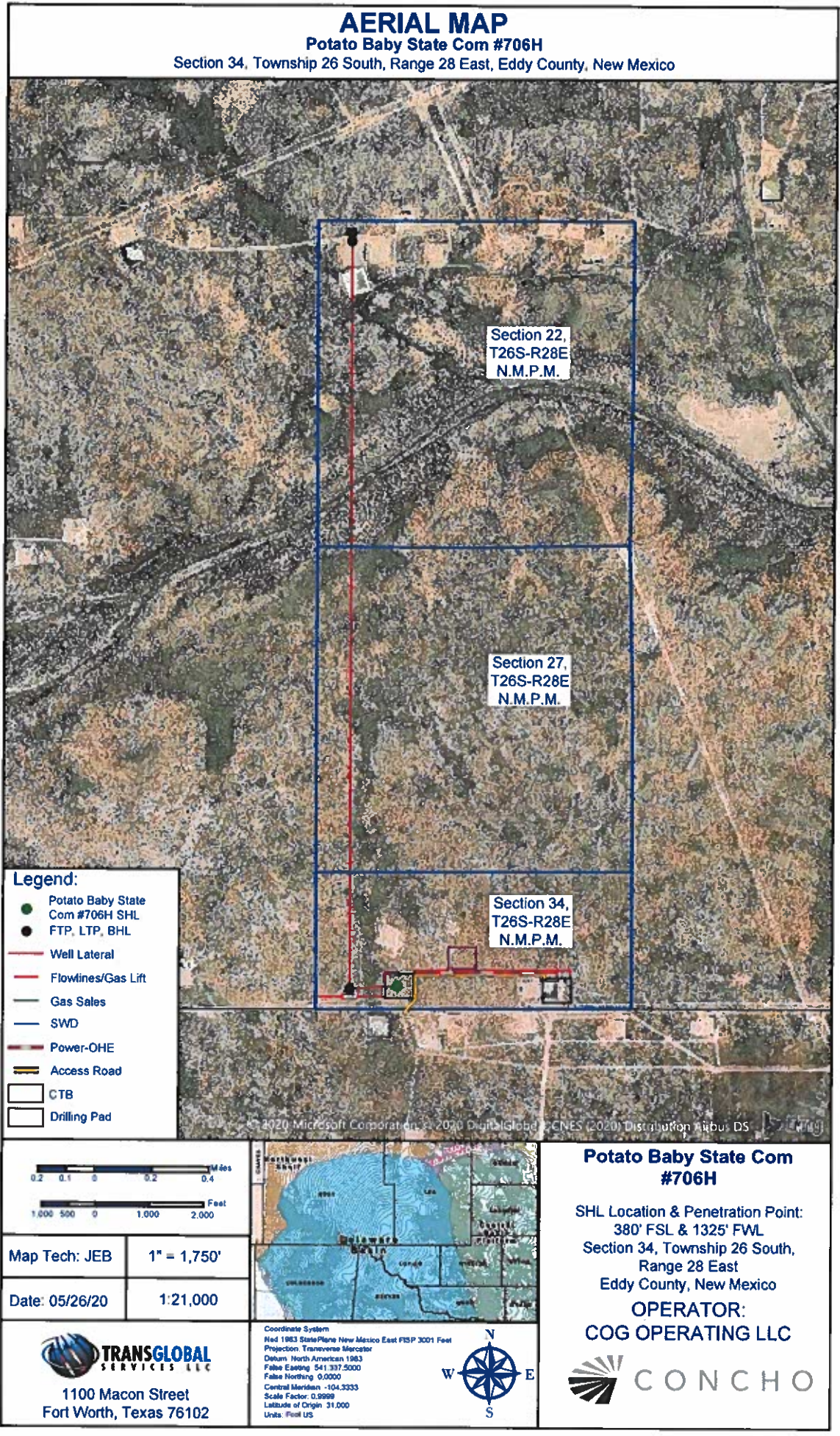










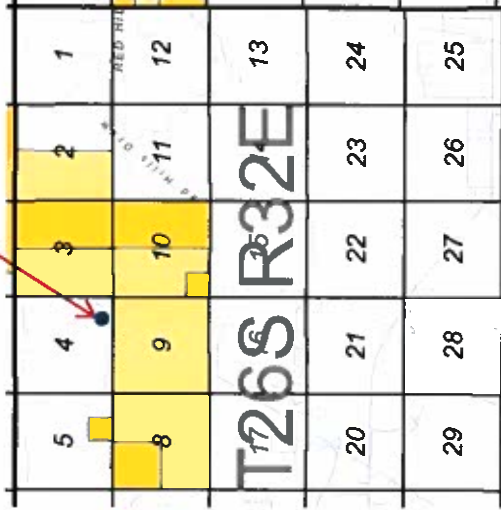


Potato Baby State Com 701H-706H & Red Hills and Jal Offload Station Map

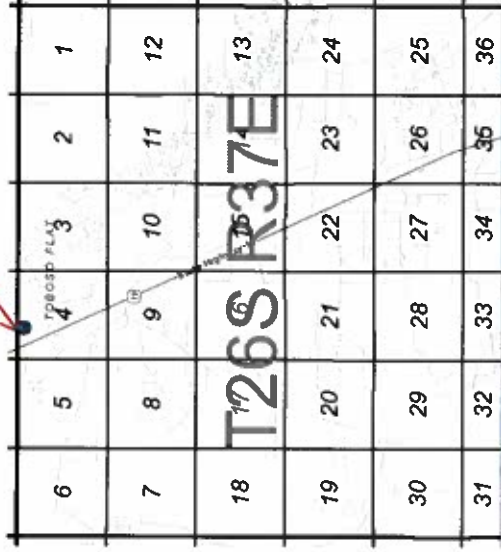
Potato Baby Com 701H-706H
Eddy County, NM



Red Hills Offload Station
Lea County, NM



Jal Offload Station
Lea County, NM



ARTESIA DAILY PRESS**LEGAL NOTICES**

COG Operating LLC (COG), 2208 West Main Street, Artesia, New Mexico, 88210, is seeking administrative approval from the New Mexico Oil Conservation Division to commingle the oil and gas production from the Potato Baby State Com 701H-706H wells. Said wells are located in Section 34, Township 26 South, Range 28 East, Eddy County, New Mexico. The Central Tank Battery (CTB) where production will be commingled is located in Ut N, Section 34-T26S-R28E, Eddy County, New Mexico. In the event oil production at the CTB is over capacity or in the case of battery or pipeline repairs, COG is also seeking administrative approval for off-lease measurement at either the Red Hills Off-load Station in Unit O, Section 4-T26S-R32E or the Jal Off-load Station in Unit D, Section 4-T26S-R37E, Lea County, NM. Any interested party who has an objection to this must give notice in writing to the Oil Conservation Division, 1220 South Saint Francis Street, Santa Fe, New Mexico, 87505, within ten (10) days of this notice. Any interested party with questions or comments may contact Lizzy Laufer (432) 221-0470 llaufer@concho.com at COG Operating LLC, 600 West Illinois, Midland, Texas 79701.

Published in the Artesia Daily Press, Artesia, NM February 11, 2021.

Potato Baby St Com 701H-706H CTB								
Date Sent	Initials	Name	Address	City	State	ZipCode	Certified Return Receipt No.	Delivered
02.11.21	JB	1836 Royalty Partners LLC	306 W Wall Street, Suite 620	Midland	TX	79701	7017 3040 0000 1206 4869	
02.11.21	JB	A. Michael Foley, dealing in his sole and separate property	111 No 127th Plaza	Omaha	NE	68154	7017 3040 0000 1206 4876	
02.11.21	JB	Alice A. Wesely, dealing in her sole and separate property	12912 Dewey St	Omaha	NE	68154	7017 3040 0000 1206 4883	
02.11.21	JB	Allar Development LLC	PO Box 1567	Graham	TX	76450	7017 3040 0000 1206 4890	
02.11.21	JB	Ann L. Uryasz, dealing in her sole and separate property	7 Janssen Pl	Kansas City	MO	64109	7017 3040 0000 1206 4906	
02.11.21	JB	Ann Marie Abboud, dealing in her sole and separate property	9771 Westchester Dr	Omaha	NE	68114	7017 3040 0000 1206 4913	
02.11.21	JB	Bingham Minerals, LLC	5914 W Courtyard Drive, Suite 100	Austin	TX	78730	7017 3040 0000 1206 4920	
02.11.21	JB	BSB Minerals LLC	3207 Hanover St	Dallas	TX	75225	7017 3040 0000 1206 4937	
02.11.21	JB	Camie Wade	PO Box 65150	Lubbock	TX	79464	7017 3040 0000 1205 1012	
02.11.21	JB	Chisos Minerals LLC	1111 Bagby Street, Suite 2150	Houston	TX	77002	7017 3040 0000 1206 4944	
02.11.21	JB	Christine Speidel Fowikes	416 S Manzanita Dr	Horizon City	TX	79928	7017 3040 0000 1206 4951	
02.11.21	JB	Commissioner of Public Lands	PO Box 1148	Santa Fe	NM	87504	7017 3040 0000 1205 1029	
02.11.21	JB	David Kerby	16704 County Road 1440	Wolfforth	TX	79382	7017 3040 0000 1206 4968	
02.11.21	JB	Debra Kay Primera	PO Box 28504	Austin	TX	78755	7017 3040 0000 1206 4975	
02.11.21	JB	Delaware Ranch Inc.	1304 W Riverside Drive	Carlsbad	NM	88220	7017 3040 0000 1206 4982	
02.11.21	JB	Douglas C. Koch	PO Box 540244	Houston	TX	77254	7017 3040 0000 1206 4999	
02.11.21	JB	Edward George Silvius, dealing in his sole separate property	PO Box 1002	Dallas	OR	97338	7017 3040 0000 1206 5002	
02.11.21	JB	Edwin Fowikes Heirs Family Limited Partnership	555 N 1400 E	Mapleton	UT	84664	7017 3040 0000 2540 4249	
02.11.21	JB	Edwin Hockaday Fowikes, III (aka Trey Fowikes)	PO Box 23416	Waco	TX	76702	7017 3040 0000 2540 4256	
02.11.21	JB	EG3 Inc.	PO Box 1567	Graham	TX	76450	7017 3040 0000 2540 4263	
02.11.21	JB	Ellen Ryan, dealing in her sole and separate property	5300 Mohawk Lane	Fairway	KS	66205	7017 3040 0000 2540 4270	
02.11.21	JB	Erin T. Moeschler, dealing in her sole and separate property	2406 NE Going St	Portland	OR	97211	7017 3040 0000 2540 4287	
02.11.21	JB	Fortis Minerals II, LLC	1111 Bagby Street, Suite 2150	Houston	TX	77002	7017 3040 0000 2540 4294	
02.11.21	JB	Franco-Nevada Texas LP	1745 Shea Center Dr., Suite 400	Highlands Ranch	CO	80129	7017 3040 0000 2540 4300	
02.11.21	JB	George Poage, III	PO Box 369	Marble Falls	TX	78654	7017 3040 0000 2540 4317	
02.11.21	JB	George Thompson	4619 94th St	Lubbock	TX	79424	7017 3040 0000 2540 4324	
02.11.21	JB	Herbert M. Sampson III, dealing in his sole and separate property	633 Park River Pl	Estes Park	CO	80517	7017 3040 0000 2540 4331	
02.11.21	JB	James Daniel Jeffrey, whose wife is Jennifer J. Jeffrey	3830 Corvallis Drive	Reno	NV	89511	7017 3040 0000 2540 4348	
02.11.21	JB	Jane Coad O'Brien	307 S 57th St	Omaha	NE	68132	7017 3040 0000 2540 4355	
02.11.21	JB	Janet E. Czerwinski, dealing in her sole and separate property	1042 S Kenilworth Ave	Oak Park	IL	60304	7017 3040 0000 2540 4362	
02.11.21	JB	Janet Renee Fowikes Murray	PO Box 417	Eddy	TX	76524	7017 3040 0000 2540 4379	
02.11.21	JB	JC Resources LP	1717 S Boulder Ave, Suite 400	Tulsa	OK	74119	7017 3040 0000 2540 4386	
02.11.21	JB	Jessica E. Miller, dealing in her sole and separate property	683 JE George Blvd	Omaha	NE	68132	7017 3040 0000 2540 4393	
02.11.21	JB	John F. Risko, dealing in his sole and separate property	1609 Grapenhall Dr	Apex	NC	27502	7017 3040 0000 2540 4409	
02.11.21	JB	John Kevin Stumm, dealing in his sole and separate property	5572 Linea Del Cielo	Rancho Santa	CA	92067	7017 3040 0000 2540 4416	
02.11.21	JB	John M. Fowikes	PO Box 1470	Marfa	TX	79843	7017 3040 0000 2540 4423	
02.11.21	JB	John Peter Jeffrey, whose wife is Margaret H. Jeffrey	PO Box 12019	Austin	TX	78711	7017 3040 0000 1205 0596	

Potato Baby St Com 701H-706H CTB

Date Sent	Initials	Name	Address	City	State	ZipCode	Certified Return Receipt No.	Delivered
02.11.21	JB	Joseph F. Jeffrey, whose wife is Debra Jeffrey	2963 Windsor Court	Roscoe	CA	95672	7017 3040 0000 1205 0602	
02.11.21	JB	Joseph S. Risko, dealing in his sole and separate property	12605 Leavenworth Rd	Omaha	NE	68154	7017 3040 0000 1205 0619	
02.11.21	JB	Jubilee Royalty Holdings LLC	615 Washington Rd, Suite 400	Pittsburgh	PA	15228	7017 3040 0000 1205 0626	
02.11.21	JB	Kathleen Fowlkes Garlic	Box 516	Springville	UT	84663	7017 3040 0000 1205 0633	
02.11.21	JB	Kemp Smith, LLP	221 N Kansas, Suite 1700	El Paso	TX	79901	7017 3040 0000 1205 0640	
02.11.21	JB	Laura L. Silk, whose husband is William James Silk	6801 N 67th Plaza #12	Omaha	NE	68152	7017 3040 0000 1205 0657	
02.11.21	JB	Lee M. Kugle, dealing in her sole and separate property	2429 Westlake Drive	Austin	TX	78746	7017 3040 0000 1205 0664	
02.11.21	JB	Leslie A. Hines, Trustee of the Leslie A. Hines Living Trust	PO Box 88	Mt. Hermon	CA	95041	7017 3040 0000 1205 0671	
02.11.21	JB	Leslie C. Daniel, Trustee of the Daniel Family Trust	3 Pursuit Cottage 16B	Aliso Viejo	CA	92656	7017 3040 0000 1205 0688	
02.11.21	JB	Madison M. Hinkle, whose wife is Susan M. Hinkle	105 W 3rd St, Suite 314	Roswell	NM	88201	7017 3040 0000 1205 0695	
02.11.21	JB	MAP2009-OK	101 N. Robinson, Suite 1000	Oklahoma City	OK	73102	7017 3040 0000 1205 0701	
02.11.21	JB	Marguerite Fort Bruns	12711 Colorado Blvd E #505	Thomton	CO	80241	7017 3040 0000 1205 0718	
02.11.21	JB	Mark I. Conrad, SSP	2420 Independence Blvd	Abilene	TX	79601	7017 3040 0000 1205 0725	
02.11.21	JB	Mary Pauline Begley, dealing in her sole and separate property	9417 Holmes Plaza #F2	Omaha	NE	68127	7017 3040 0000 1205 0732	
02.11.21	JB	OXY USA, Inc.	5 Greenway Plaza, Suite 110	Houston	TX	77046	7017 3040 0000 1205 0749	
02.11.21	JB	Patrick K. Fowlkes	PO Box 658	Marfa	TX	79843	7017 3040 0000 1205 0756	
02.11.21	JB	Paul C. Jeffrey, dealing in his sole and separate property	10779 Berry Plz	Omaha	NE	68127	7017 3040 0000 1205 0763	
02.11.21	JB	Philip J. Jeffrey, dealing in his sole and separate property	4527 Pierce St	Omaha	NE	68106	7017 3040 0000 1205 0770	
02.11.21	JB	Preston L. Fowlkes	1800 Golf Course Road	Marfa	TX	79843	7017 3040 0000 1205 0787	
02.11.21	JB	Ranchito AD4 LP	2100 Ross Ave., Suite 1870	Dallas	TX	75201	7017 3040 0000 1205 0794	
02.11.21	JB	Rtort Mineral Properties LLC	9716 Admiral Emerson Ave NE	Albuquerque	NM	87111	7017 3040 0000 1205 0800	
02.11.21	JB	Richard A. Jeffrey, dealing in his sole and separate property	604 S 124th Street	Omaha	NE	68154	7017 3040 0000 1205 0817	
02.11.21	JB	Richard Brendan Stumm, dealing in his sole and separate property	553 S Marengo Ave	Pasadena	CA	91101	7017 3040 0000 1205 0824	
02.11.21	JB	Ricky Don Raindl	PO Box 142454	Irving	TX	75014	7017 3040 0000 1205 0831	
02.11.21	JB	Robert H. Collins, Jr., dealing in his sole and separate property	2004 Brentwood Drive	Alburndale	FL	33823	7017 3040 0000 1205 0848	
02.11.21	JB	Robert Mitchell Raindl	4015 124th St	Lubbock	TX	79423	7017 3040 0000 1205 0855	
02.11.21	JB	Rolla R. Hinkle, III, a single	105 W 3rd St, Suite 314	Roswell	NM	88201	7017 3040 0000 1205 0862	
02.11.21	JB	Russell Family LLC	1803 Wichita St	Houston	TX	77004	7017 3040 0000 1205 0879	
02.11.21	JB	Suzanne B. Koch	PO Box 6962	Miramar	FL	32550	7017 3040 0000 1205 0886	
02.11.21	JB	Suzanne Foley-Jones, dealing in her sole and separate property	17229 Pierce St	Omaha	NE	68130	7017 3040 0000 1205 0893	
02.11.21	JB	Sydney Dehus, whose husband is Edward Dehus	2104 Wood St	Sarasota	FL	34237	7017 3040 0000 1205 0909	
02.11.21	JB	Tap Rock Resources LLC	523 Park Point Drive, Suite 200	Golden	CO	80401	7017 3040 0000 1205 0916	
02.11.21	JB	TD Minerals LLC	8111 Westchester Drive, Suite 900	Dallas	TX	75225	7017 3040 0000 1205 0923	
02.11.21	JB	The Allar Company	PO Box 1567	Graham	TX	76450	7017 3040 0000 1205 0930	
02.11.21	JB	Thomas F. Jeffrey, dealing in his sole and separate property	1400 N Dutton Ave., Suite 21	Santa Rosa	CA	95401	7017 3040 0000 1205 0947	
02.11.21	JB	Thomas T. Foley, dealing in his sole and separate property	1420 S. 185th Cir	Omaha	NE	68130	7017 3040 0000 1205 0954	
02.11.21	JB	Tommy L. Fort	PO Box 5356	Midland	TX	79704	7017 3040 0000 1205 0961	

Potato Baby St Com 701H-706H CTB

Date Sent	Initials	Name	Address	City	State	ZipCode	Certified Return Receipt No.	Delivered
02.11.21	JB	Tundra AD3, LP	2100 Ross Ave., Suite 1870	Dallas	TX	75201	7017 3040 0000 1205 0978	
02.11.21	JB	U5 LLC	7 Jessen Place	Kansas City	MO	64109	7017 3040 0000 1205 0985	
02.11.21	JB	Wayne A. Bissett and Laura Bissett	PO Box 2101	Midland	TX	79702	7017 3040 0000 1205 0992	
02.11.21	JB	Wing Resources IV, LLC	2100 McKinney Ave, Suite 1540	Dallas	TX	75201	7017 3040 0000 1205 1005	

NEW MEXICO STATE LAND OFFICE

RECORD TITLE ASSIGNMENT OF OIL AND GAS LEASE

From Lease Number

VB-1127-0001

To Lease Number

VB-1127-0002

☒ Full Acreage☐ Partial AcreageFOR VALUE RECEIVED, Chevron U.S.A. Inc.OGRID No. 4323

Assignor Name (include type of business entity)

("Assignor" whether one or more), assigns and conveys to COG Operating LLCOGRID No. 229137("Assignee" whether one or more), whose mailing address is 800 W. Illinois Avenue, Midland, TXZIP 79701the entire interest and title in and to Oil and Gas Lease No. VB-1127-0001 ("the Lease") initially made by the New Mexico State Land Office to:Chesapeake Exploration Limited Partnership, Dated 3/1/2007, insofar as the Lease covers the following

ORIGINAL LESSEE

land in Eddy County, New Mexico:

Township	Range	Section	Description:
<u>26S</u>	<u>20E</u>	<u>34</u>	<u>Lots 1(23.74), 2(23.78), 3(23.83), 4(23.89), N2N2 (All)</u>

together with the rights incident thereto, and improvements thereon, if any.

Assignee assumes and agrees to perform all duties and obligations to the Commissioner of Public Lands including payment of rentals and royalties, and to do such other acts as are required by the Lease, to the same extent and in the same manner as if the provisions of the Lease were fully set out herein.

Assignor warrants the leasehold estate herein assigned, except as to any valid overriding royalty, production payment, operating agreement or sub-lease, if any, now of legal record, and covenants to the Assignee and the Commissioner of Public Lands that the leasehold estate assigned is valid, and that all rentals and royalties due under the Lease have been paid in full, and that all other Lease obligations presently due have been fully performed.

EXECUTED this 20th day of November, 20 20By: Todd Meade

Todd Meade, Attorney-in-Fact

Assignor

Title, if signing in representative capacity

ACKNOWLEDGMENT

STATE OF TexasCOUNTY OF Midland

This Assignment was acknowledged before me this

20th

day of

November20 20by Todd Meade

Attorney-in-Fact for Chevron U.S.A. Inc., a Pennsylvania corporation

Title, if signing in representative capacity



Lindsay Renea Ainsworth
My commission expires 7-27-2021

ASSIGNEE'S ACCEPTANCE

The undersigned Assignee named above hereby agrees to be bound by all of the terms, covenants, and conditions of the Lease and this Assignment and shall succeed to the rights and benefits under the Lease.

EXECUTED this 2nd day of December, 20 20By: Sean Johnson

Sean Johnson, Attorney-in-Fact

Assignee

Title, if signing in representative capacity

STATE OF Texas

ACKNOWLEDGMENT

COUNTY OF Midland

}ss

This Assignee's Acceptance was acknowledged before me this 8th day of December, 20 20by Sean Johnson

Attorney-in-Fact of COG Operating ULC, a Delaware limited liability company

Title, if signing in representative capacity

Markie AllenMy commission expires 2/26/23 Notary Public

APPROVAL OF THE COMMISSIONER

Office of the Commissioner of Public Lands
Santa Fe, New Mexico

I hereby certify that this Assignment was filed in my office on _____, was approved by me

and shall be effective as to the State of New Mexico on _____

INSTRUCTIONS AND INFORMATION

COMMISSIONER OF PUBLIC LANDS

1. **ANNUAL RENTAL:** The annual rental for the land in this Assignment is \$1.00 per acre. The rental is due in advance and shall be paid to the Commissioner of Public Lands on the anniversary date of the original Lease agreement. The date of this Assignment does not change the annual rental due date. For any Assignment of any Lease initially issued prior to June 15, 1985, the annual rental shall not be less than six dollars (\$6.00). For any Assignment of any Lease initially issued after June 14, 1985, or of any Lease which has been stipulated to the new ten year Lease, the minimum rental is forty dollars (\$40.00).
2. **FIXED TEN-YEAR LEASE:** This Lease provides for a fixed ten-year term, and for so long as oil or gas is produced in paying quantities. The ten-year period is divided into a primary term of five years, followed by a secondary term of five years. If no production is had during the primary term, the rental for the secondary term is double the rental of the primary term, or equal to the highest prevailing rental rate in the district, whichever is higher. Rentals continue even though production is had.
3. **FIXED FIVE-YEAR LEASE:** This Lease provides for a fixed five-year term, and for so long as oil and gas is produced in paying quantities. The fixed five-year Lease has no secondary term. Rentals continue even though production is had.
4. **FILING:** All Assignments shall be filed in the State Land Office in triplicate, with original signatures on all three copies, within one hundred days from the date of signing, and must be accompanied by the recording fee. Additional filing requirements for Blanket Assignments are addressed under item ten, below.
5. **RECORDING FEE:** The recording fee for each Record Title Assignment is \$100.00. If, however, an assignment is filed more than one hundred days from the assignor's execution date an additional late filing fee of \$150.00 will be required for a total of \$250.00. This fee is required for each lease listed on a Blanket Assignment. Said fees are non-refundable.
6. **PERSONAL CHECKS:** When an Assignment is accompanied by a personal check, the Commissioner of Public Lands reserves the right to withhold approval of the Assignment until the check has cleared.
7. **ASSIGNMENT DISAPPROVAL:** Per 19.2.100.41 NMAC Assignments shall not be accepted nor approved by the commissioner:
 - A. in the names of more than two persons or two legal entities;
 - B. for less than a legal subdivision. "Legal subdivision" means forty acres or a tract described by lot number. A tract described by lot number may be more or less than forty acres;
 - C. for less than assignor's entire interest in any legal subdivision (except where transfer is by operation of law);
 - D. in the name of a trusteeship unless the trust is expressly set forth and not more than two persons are named as trustee;
 - E. after a lis pendens is filed;
 - F. for any assignment containing any language other than the approved form;
 - G. where surety requirements have not been met; or
 - H. where the lease is not in good standing. Approval of the assignment by the Commissioner does not guarantee the lease is in good standing.
8. **COMPLETE ADDRESS:** An Assignment shall show the complete mailing address of the Assignee.
9. **ACKNOWLEDGMENT:** An Assignment shall be executed before an officer authorized to take acknowledgments of deeds. Persons executing on behalf of a corporation or other business entity must indicate title or authority to execute.
10. **BLANKET ASSIGNMENTS:** Commissioner of Public Lands does permit Blanket Assignments of Record Title. Blanket assignments are limited to twenty-five leases per filing. The submittal must have an Exhibit A attached, documenting each of the state leases to be assigned and the following information for each: original leases of record, lease issue date, county, land description, total acres assigned and indicating full or partial acreage assignment. A copy of both the executed assignment and the Exhibit A must be submitted by the filer for each lease assignment listed thereon.
11. **COMMUNICATIONS:** All official business, letters and communications must be addressed directly to the Commissioner of Public Lands, Oil, Gas, and Minerals Division.
12. **PAYMENT:** Make all payments for recording fees to:

COMMISSIONER OF PUBLIC LANDS
P.O. Box 1148
Santa Fe, NM 87504-1148

Note: When you provide a check as payment, you authorize the State of New Mexico to either use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction. Please be advised that payments will be drafted from your account immediately upon receipt.

NEW MEXICO STATE LAND OFFICE **RECORD TITLE ASSIGNMENT OF OIL AND GAS LEASE**

☒ Full Acreage

☐ Partial Acreage

From Lease Number

VB-1127-0001

To Lease Number

VB-1127-0002

FOR VALUE RECEIVED, Chevron U.S.A. Inc.

Assignor Name (include type of business entity)

OGRID No. 4323("Assignor" whether one or more), assigns and conveys to COG Operating LLCOGRID No. 229137("Assignee" whether one or more), whose mailing address is 800 W. Illinois Avenue, Midland, TXZIP 79701the entire interest and title in and to Oil and Gas Lease No. VB-1127-0001 ("the Lease") initially made by the New Mexico State Land Office to:Chesapeake Exploration Limited PartnershipDated 3/1/2007

insofar as the Lease covers the following

ORIGINAL LESSEE

land in Eddy

County, New Mexico:

Township	Range	Section	Description:
<u>26S</u>	<u>28E</u>	<u>34</u>	<u>Lots 1(23.74), 2(23.78), 3(23.83), 4(23.89), N2N2 (All)</u>

together with the rights incident thereto, and improvements thereon, if any.

Assignee assumes and agrees to perform all duties and obligations to the Commissioner of Public Lands including payment of rentals and royalties, and to do such other acts as are required by the Lease, to the same extent and in the same manner as if the provisions of the Lease were fully set out herein.

Assignor warrants the leasehold estate herein assigned, except as to any valid overriding royalty, production payment, operating agreement or sub-lease, if any, now of legal record, and covenants to the Assignee and the Commissioner of Public Lands that the leasehold estate assigned is valid, and that all rentals and royalties due under the Lease have been paid in full, and that all other Lease obligations presently due have been fully performed.

EXECUTED this 20th day of November, 20 20By: Todd Meade

Todd Meade, Attorney-in-Fact

Assignor

Title, if signing in representative capacity

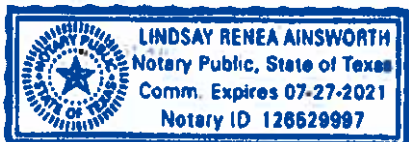
STATE OF Texas

ACKNOWLEDGMENT

COUNTY OF MidlandThis Assignment was acknowledged before me this 20th day of November, 20 20by Todd Meade

Attorney-in-Fact for Chevron U.S.A. Inc., a Pennsylvania corporation

Title, if signing in representative capacity



Lindsay Renea Ainsworth
 My commission expires 7-27-2021

ASSIGNEE'S ACCEPTANCE

The undersigned Assignee named above hereby agrees to be bound by all of the terms, covenants, and conditions of the Lease and this Assignment and shall succeed to the rights and benefits under the Lease.

EXECUTED this 2nd day of December, 20 20By: Sean Johnson

Sean Johnson, Attorney-in-Fact

Assignee

Title, if signing in representative capacity

STATE OF Texas
COUNTY OF Midland

ACKNOWLEDGMENT

This Assignee's Acceptance was acknowledged before me this 8th day of December, 2020
by Sean Johnson

Attorney-in-Fact of COG Operating LLC, a Delaware limited liability company

Title, if signing in representative capacity

Mark Allen
My commission expires 2/26/23 Notary Public

APPROVAL OF THE COMMISSIONER

Office of the Commissioner of Public Lands
Santa Fe, New Mexico

I hereby certify that this Assignment was filed in my office on _____, was approved by me

and shall be effective as to the State of New Mexico on _____

COMMISSIONER OF PUBLIC LANDS

INSTRUCTIONS AND INFORMATION

- 1 ANNUAL RENTAL: The annual rental for the land in this Assignment is \$1.00 per acre. The rental is due in advance and shall be paid to the Commissioner of Public Lands on the anniversary date of the original Lease agreement. The date of this Assignment does not change the annual rental due date. For any Assignment of any Lease initially issued prior to June 15, 1985, the annual rental shall not be less than six dollars (\$6.00). For any Assignment of any Lease initially issued after June 14, 1985, or of any Lease which has been stipulated to the new ten year Lease, the minimum rental is forty dollars (\$40.00).
- 2 FIXED TEN-YEAR LEASE: This Lease provides for a fixed ten-year term, and for so long as oil or gas is produced in paying quantities. The ten-year period is divided into a primary term of five years, followed by a secondary term of five years. If no production is had during the primary term, the rental for the secondary term is double the rental of the primary term, or equal to the highest prevailing rental rate in the district, whichever is higher. Rentals continue even though production is had.
- 3 FIXED FIVE-YEAR LEASE: This Lease provides for a fixed five-year term, and for so long as oil and gas is produced in paying quantities. The fixed five-year Lease has no secondary term. Rentals continue even though production is had.
- 4 FILING: All Assignments shall be filed in the State Land Office in triplicate, with original signatures on all three copies, within one hundred days from the date of signing, and must be accompanied by the recording fee. Additional filing requirements for Blanket Assignments are addressed under item ten, below.
- 5 RECORDING FEE: The recording fee for each Record Title Assignment is \$100.00. If, however, an assignment is filed more than one hundred days from the assignor's execution date an additional late filing fee of \$150.00 will be required for a total of \$250.00. This fee is required for each lease listed on a Blanket Assignment. Said fees are non-refundable.
- 6 PERSONAL CHECKS: When an Assignment is accompanied by a personal check, the Commissioner of Public Lands reserves the right to withhold approval of the Assignment until the check has cleared.
- 7 ASSIGNMENT DISAPPROVAL: Per 19.2.100.41 NMAC Assignments shall not be accepted nor approved by the commissioner:
 - A in the names of more than two persons or two legal entities,
 - B for less than a legal subdivision. "Legal subdivision" means forty acres or a tract described by lot number. A tract described by lot number may be more or less than forty acres,
 - C for less than assignor's entire interest in any legal subdivision (except where transfer is by operation of law),
 - D in the name of a trusteeship unless the trust is expressly set forth and not more than two persons are named as trustee,
 - E after a lis pendens is filed,
 - F for any assignment containing any language other than the approved form,
 - G where surety requirements have not been met, or
 - H where the lease is not in good standing. Approval of the assignment by the Commissioner does not guarantee the lease is in good standing.
- 8 COMPLETE ADDRESS: An Assignment shall show the complete mailing address of the Assignee.
- 9 ACKNOWLEDGMENT: An Assignment shall be executed before an officer authorized to take acknowledgments of deeds. Persons executing on behalf of a corporation or other business entity must indicate title or authority to execute.
- 10 BLANKET ASSIGNMENTS: Commissioner of Public Lands does permit Blanket Assignments of Record Title. Blanket assignments are limited to twenty-five leases per filing. The submittal must have an Exhibit A attached, documenting each of the state leases to be assigned and the following information for each: original lessee of record, lease issue date, county, land description, total acres assigned and indicating full or partial acreage assignment. A copy of both the executed assignment and the Exhibit A must be submitted by the filer for each lease assignment listed thereon.
- 11 COMMUNICATIONS: All official business, letters and communications must be addressed directly to the Commissioner of Public Lands, Oil, Gas, and Minerals Division.
- 12 PAYMENT: Make all payments for recording fees to:

COMMISSIONER OF PUBLIC LANDS
P.O. Box 1148
Santa Fe, NM 87504-1148

Note: When you provide a check as payment, you authorize the State of New Mexico to either use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction. Please be advised that payments will be drafted from your account immediately upon receipt.

NEW MEXICO STATE LAND OFFICE

RECORD TITLE ASSIGNMENT OF OIL AND GAS LEASE

From Lease Number

VB-1126-0001

To Lease Number

VB-1126-0002

☒ Full Acreage☐ Partial AcreageFOR VALUE RECEIVED, Chevron U.S.A. Inc.

Assignor Name (include type of business entity)

OGRID No. 4323("Assignor" whether one or more), assigns and conveys to COG Operating LLCOGRID No. 229137("Assignee" whether one or more), whose mailing address is 800 W. Illinois Avenue, Midland, TXZIP 79701the entire interest and title in and to Oil and Gas Lease No. VB-1126-0001 ("the Lease") initially made by the New Mexico State Land Office to:Chesapeake Exploration Limited Partnership, Dated 3/1/2007

, insofar as the Lease covers the following

ORIGINAL LESSEE

land in Eddy County, New Mexico:

Township	Range	Section	Description
<u>26S</u>	<u>28E</u>	<u>27</u>	<u>N2 & SW4</u>

together with the rights incident thereto, and improvements thereon, if any.

Assignee assumes and agrees to perform all duties and obligations to the Commissioner of Public Lands including payment of rentals and royalties, and to do such other acts as are required by the Lease, to the same extent and in the same manner as if the provisions of the Lease were fully set out herein.

Assignor warrants the leasehold estate herein assigned, except as to any valid overriding royalty, production payment, operating agreement or sub-lease, if any, now of legal record, and covenants to the Assignee and the Commissioner of Public Lands that the leasehold estate assigned is valid, and that all rentals and royalties due under the Lease have been paid in full, and that all other Lease obligations presently due have been fully performed.

EXECUTED this 20th day of November, 20 20By: Todd MeadeTodd Meade, Attorney-In-Fact

Assignor

Title, if signing in representative capacity

STATE OF Texas

ACKNOWLEDGMENT

COUNTY OF MidlandThis Assignment was acknowledged before me this 20th day of November, 20 20by Todd Meade

Attorney-In-Fact for Chevron U.S.A. Inc., a Pennsylvania corporation

Title, if signing in representative capacity



Lindsay Renea Ainsworth
My commission expires 07-27-2021

ASSIGNEE'S ACCEPTANCE

The undersigned Assignee named above hereby agrees to be bound by all of the terms, covenants, and conditions of the Lease and this Assignment and shall succeed to the rights and benefits under the Lease.

EXECUTED this 8th day of December, 20 20By: Sean JohnsonSean Johnson, Attorney-In-FactAssignee AR

Title, if signing in representative capacity

STATE OF Texas
COUNTY OF Midland

ACKNOWLEDGMENT

This Assignor's Acceptance was acknowledged before me this 8th day of December, 2020

by Sean Johnson

Attorney-in-Fact for COG Operating LLC, a Delaware limited liability company

Title, if signing in representative capacity



Mickie Allen
Notary Public
My commission expires 2-26-23

APPROVAL OF THE COMMISSIONER

Office of the Commissioner of Public Lands
Santa Fe, New Mexico

I hereby certify that this Assignment was filed in my office on _____, was approved by me

and shall be effective as to the State of New Mexico on _____.

COMMISSIONER OF PUBLIC LANDS

INSTRUCTIONS AND INFORMATION

1. **ANNUAL RENTAL.** The annual rental for the land in this Assignment is \$1.00 per acre. The rental is due in advance and shall be paid to the Commissioner of Public Lands on the anniversary date of the original Lease agreement. The date of this Assignment does not change the annual rental due date. For any Assignment of any Lease initially issued prior to June 15, 1985, the annual rental shall not be less than six dollars (\$6.00). For any Assignment of any Lease initially issued after June 14, 1985, or of any Lease which has been stipulated to the new ten year Lease, the minimum rental is forty dollars (\$40.00).
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 - C. for less than assignor's entire interest in any legal subdivision (except where transfer is by operation of law);
 - D. in the name of a trusteeship unless the trust is expressly set forth and not more than two persons are named as trustee;
 - E. after a lis pendens is filed;
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11. **COMMUNICATIONS:** All official business, letters and communications must be addressed directly to the Commissioner of Public Lands; Oil, Gas, and Minerals Division.
12. **PAYMENT:** Make all payments for recording fees to:

COMMISSIONER OF PUBLIC LANDS
P.O. Box 1148
Santa Fe, NM 87504-1148

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February 11, 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

Potato Baby St Com 701H
API# 30-015-47458
Purple Sage; Wolfcamp (Gas)
Ut. D, Sec. 34-T26S-R28E
Eddy County, NM

Potato Baby St Com 703H
API# 30-015-47464
Purple Sage; Wolfcamp (Gas)
Ut. D, Sec. 34-T26S-R28E
Eddy County, NM

Potato Baby St Com 705H
API# 30-015-47460
Purple Sage; Wolfcamp (Gas)
Ut. B, Sec. 34-T26S-R28E
Eddy County, NM

Potato Baby St Com 702H
API# 30-015-47461
Purple Sage; Wolfcamp (Gas)
Ut. D, Sec. 34-T26S-R28E
Eddy County, NM

Potato Baby St Com 704H
API# 30-015-47463
Purple Sage; Wolfcamp (Gas)
Ut. B, Sec. 34-T26S-R28E
Eddy County, NM

Potato Baby St Com 706H
API# 30-015-47459
Purple Sage; Wolfcamp (Gas)
Ut. B, Sec. 34-T26S-R28E
Eddy 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".

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: Potato Baby State Com 701H
Pool: Purple Sage; Wolfcamp (Gas)

OGRID #: 229137

API #: 30-015-47458

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

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.



**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: Potato Baby State Com 702H
Pool: Purple Sage; Wolfcamp (Gas)

OGRID #: 229137
API #: 30-015-47461

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

2/11/21

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
Well Name: Potato Baby State Com 703H
Pool: Purple Sage; Wolfcamp (Gas)

OGRID #: 229137

API #: 30-015-47464

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

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: Potato Baby State Com 704H

API #: 30-015-47463

Pool: Purple Sage; Wolfcamp (Gas)

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

2/11/21

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
Well Name: Potato Baby State Com 705H
Pool: Purple Sage; Wolfcamp (Gas)

OGRID #: 229137
API #: 30-015-47460

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

2/11/21
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
Well Name: Potato Baby State Com 706H
Pool: Purple Sage; Wolfcamp (Gas)

OGRID #: 229137
API #: 30-015-47459

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

2/11/21

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.

Affidavit of Publication

No. 25677

State of New Mexico

Publisher

County of Eddy:

Danny Scott

being duly sworn says that he is the

Publisher

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

Legal Ad

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

1 Consecutive weeks/day on the same

day as follows:

First Publication February 11, 2021

Second Publication

Third Publication

Fourth Publication

Fifth Publication

Sixth Publication

Seventh Publication

Subscribed and sworn before me this

30th day of April 2021



OFFICIAL SEAL
Latisha Romine
NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires: 5/12/2023

Latisha Romine

Latisha Romine

Notary Public, Eddy County, New Mexico

Copy of Publication:**Legal Notice**

COG Operating LLC (COG), 2208 West Main Street, Artesia, New Mexico, 88210, is seeking administrative approval from the New Mexico Oil Conservation Division to commingle the oil and gas production from the Potato Baby State Com 701H-706H wells. Said wells are located in Section 34, Township 26 South, Range 28 East, Eddy County, New Mexico. The Central Tank Battery (CTB) where production will be commingled is located in Ut N, Section 34-T26S-R28E, Eddy County, New Mexico. In the event oil production at the CTB is over capacity or in the case of battery or pipeline repairs, COG is also seeking administrative approval for off-lease measurement at either the Red Hills Off-load Station in Unit O, Section 4-T26S-R32E or the Jal Off-load Station in Unit D, Section 4-T26S-R37E, Lea County, NM. Any interested party who has an objection to this must give notice in writing to the Oil Conservation Division, 1220 South Saint Francis Street, Santa Fe, New Mexico, 87505, within ten (10) days of this notice. Any interested party with questions or comments may contact Lizzy Laufer (432) 221-0470 llauffer@concho.com at COG Operating LLC, 600 West Illinois, Midland, Texas 79701.

Published in the Artesia Daily Press, Artesia, N.M., Feb. 11, 2021 Legal No. 25677.

NM State Land Office
Oil, Gas, & Minerals Division

STATE/STATE OR
STATE/FEE
Revised March 2017

COMMUNITIZATION AGREEMENT

ONLINE Version

KNOW ALL MEN BY THESE PRESENTS: Well Name: **Potato Baby St Com**

STATE OF NEW MEXICO)
SS)

API #: 30 - ____ - ____

COUNTY OF **Eddy**)

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of **November 1**, 20 **20**, 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 Trust Lands under agreements made by lessees of oil & gas leases thereon, jointly or severally with other oil & gas lessees of State Trust 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 areas on an acreage or other basis found by the Commissioner of Public Lands 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 **Wolfcamp** formation or pool as defined by the NMOCD, as further described on Exhibit "A" (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:

Subdivisions W2 of Sec 22 & 27, N2NW & Lots 1,2 (W2) of Sec 34

Of Sect(s) **(22,27,34)** Twnshp **26S** Rng **28E** NMPM **Eddy** County, NM

containing 767.72 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 and/or depths 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, depths communitized 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. **COG Operating LLC** shall be the Operator of the said communitized area and all matters of operation shall be determined and performed by **COG Operating LLC**.

5. 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.

6. 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.

7. The commencement, completion, and continued operation or production of a well or wells of 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.

8. 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.

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 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 State Trust Lands, written notice of intention to commence such operations shall be filed with the Commissioner of Public Lands 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.

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.

PARTIES TO W/2 STATE COMMUNITIZATION AGREEMENT

<u>TRACT 1 – V0-7967-02</u>	<u>SECTION 22: N2NW, SWNW, SESW</u>	<u>160 ACRES</u>
Lessee of Record:	OXY USA Inc.	Subject to Compulsory Pooling Order No. R-21102-A, attached

<u>TRACT 2 – FEE</u>	<u>SECTION 22: SENW</u>	<u>40 ACRES</u>
Lessees of Record:	EG3 Development LLC	Subject to Compulsory Pooling Order No. R-21102-A, attached
	Allar Development LLC	Subject to Compulsory Pooling Order No. R-21102-A, attached
	Tap Rock Resources LLC	Subject to Compulsory Pooling Order No. R-21102-A, attached
	COG Operating LLC	Signature attached.
	COG Production LLC	Signature attached.
	COG Acreage LP	Signature attached.
	OXY USA Inc.	Subject to Compulsory Pooling Order No. R-21102-A, attached

<u>TRACT 3 – FEE</u>	<u>SECTION 22: W2SW, NESW</u>	<u>120 ACRES</u>
Lessees of Record:	COG Operating LLC	Signature attached.
	Concho Oil & Gas LLC	Signature attached.
	COG Production LLC	Signature attached.
	COG Acreage LP	Signature attached.
	Tap Rock Resources LLC	Subject to Compulsory Pooling Order No. R-21102-A, attached
	OXY USA Inc.	Subject to Compulsory Pooling Order No. R-21102-A, attached

<u>TRACT 4 – VB-1126-01</u>	<u>SECTION 27: W2</u>	<u>320 ACRES</u>
Lessee of Record:	Chevron U.S.A. Inc. / (COG Operating LLC)	Self-certification, copy of pending Transfer of Record Title & COG signature attached

<u>TRACT 5 – VB-1127-00</u>	<u>SECTION 34: N2NW, LOTS 1 & 2 (W2)</u>	<u>127.52 ACRES</u>
Lessee of Record:	Chevron U.S.A. Inc. / (COG Operating LLC)	Self-certification, copy of pending Transfer of Record Title & COG signature attached

COG OPERATING LLC

By: _____

Sean Johnson
Attorney-in-Fact

EM AL

COG PRODUCTION LLC

By: _____

Sean Johnson
Attorney-in-Fact

EM AL

CONCHO OIL & GAS LLC

By: _____

Sean Johnson
Attorney-in-Fact

EM AL

COG ACREAGE LP

By: _____

Sean Johnson
Attorney-in-Fact

EM AL

SELF-CERTIFICATION OF NON-STATE INTERESTS FOR COMMUNITIZATION AGREEMENTS:

Approval of this Communitization Agreement does not constitute an adjudication of any federal, Tribal or private interests, and neither the Commission of Public Lands nor the State Land Office warrant or certify that the information supplied by the party submitting this agreement is accurate with regard to all private, Tribal or federal interests. The responsibility of the Commissioner and State Land Office is to protect and adjudicate on the State Land Office interests during the processing of Communitization Agreements. The State Land Office will only verify the accuracy of state lease in the proposed Communitization Agreement. All non-state interests must be certified by the Operator.

As Operator of this Communitization Agreement, COG Operating LLC, hereby certifies that all lessees and/or working interest owners that are parties to this Communitization Agreement, as shown on Exhibit A, have the legal rights and interests they claim to the private or federal or Tribal leases subject to this Communitization Agreement and COG Operating LLC obtained written consent and authority to enter into this Agreement on their behalf. Written consent/signatures of lessees and/or other interest owners will be made available to the State Land Office immediately upon request. Any misrepresentation or material omission by the Operator in this respect will be grounds to void the Communitization Agreement.

COG OPERATING LLC

By: _____

Sean Johnson
Attorney-in-Fact

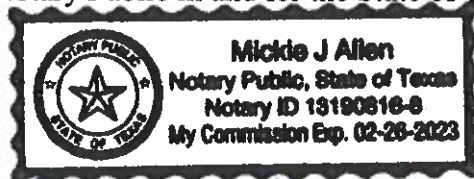
EM AL

STATE OF TEXAS)
COUNTY OF MIDLAND)

This instrument was acknowledged before me on December 8th, 2020, by Sean Johnson, Attorney-in-Fact of COG Operating LLC, a Delaware limited liability company, on behalf of same.

Mickie J Allen
Notary Public in and for the State of Texas

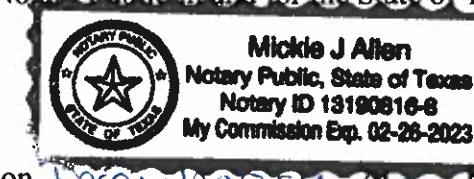
STATE OF TEXAS)
COUNTY OF MIDLAND)



This instrument was acknowledged before me on December 8th, 2020, by Sean Johnson, Attorney-in-Fact of COG Production LLC, a Texas limited liability company, on behalf of same.

Mickie J Allen
Notary Public in and for the State of Texas

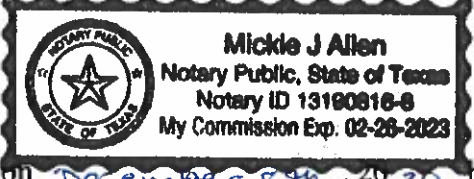
STATE OF TEXAS)
COUNTY OF MIDLAND)



This instrument was acknowledged before me on December 8th, 2020, by Sean Johnson, Attorney-in-Fact of Concho Oil & Gas LLC, a Texas limited liability company, on behalf of same.

Mickie J Allen
Notary Public in and for the State of Texas

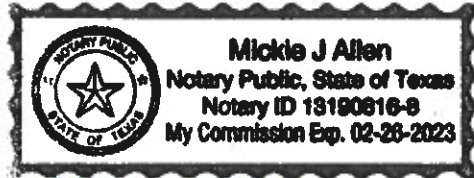
STATE OF TEXAS)
COUNTY OF MIDLAND)



This instrument was acknowledged before me on December 8th, 2020, by Sean Johnson, Attorney-in-Fact of COG Acreage LP, a Texas limited partnership, on behalf of same.

Mickie J Allen
Notary Public in and for the State of Texas

STATE OF TEXAS)
COUNTY OF MIDLAND)



This instrument was acknowledged before me on December 8th, 2020, by Sean Johnson, Attorney-in-Fact of COG Operating LLC, a Delaware limited liability company, on behalf of same.

Mickie J Allen
Notary Public in and for the State of Texas

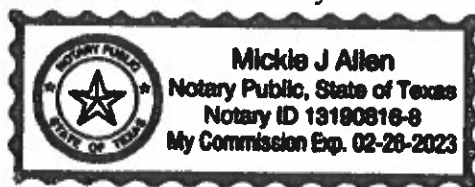


EXHIBIT A

Attached to and made a part of that Communitization Agreement dated November 1, 2020, by and between COG Operating LLC, and OXY USA Inc., covering the W/2 of Sections 22 and 27, and the N/2 NW/4 and Lots 1, 2 (W/2) of Section 34, T26S-R28E, Eddy County, New Mexico

Limited to the Wolfcamp formation

Operator of Communitized Area: COG Operating LLC

DESCRIPTION OF LEASES COMMITTED:

TRACT 1 – V0-7967-02 SECTION 22: N2NW, SWNW, SESW 160 ACRES

Date: March 1, 2007
Lessor: State of New Mexico V0-7967-0002
Current Lessee: OXY USA Inc.
Recording: N/A
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 22: N/2 NW/4, SW/4 NW/4, SE/4 SW/4, Eddy County, New Mexico
Royalty: 1/6th

TRACT 2 – FEE SECTION 22: SENW 40 ACRES

Date: August 2, 2019
Lessor: EG3, Inc.
Current Lessee: EG3 Development LLC
Recording: 1126/0375
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 22: SE/4 NW/4, limited to the Wolfcamp formation with the top being the stratigraphic equivalent of 9488' and the base being the stratigraphic equivalent of 11,687' as referenced in the Flower Draw 2 State #1 well (API 3001523615), located in Section 2, T26S-R28E Eddy County, New Mexico
Royalty: 1/4th

Date: August 2, 2019
Lessor: The Allar Company
Current Lessee: Allar Development LLC
Recording: 1126/0391
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 22: SE/4 NW/4, limited to the Wolfcamp formation with the top being the stratigraphic equivalent of 9488' and the base being the stratigraphic equivalent of 11,687' as referenced in the Flower Draw 2 State #1 well (API 3001523615), located in Section 2, T26S-R28E Eddy County, New Mexico
Royalty: 1/4th

Date: September 29, 2012
Lessor: A. Michael Foley
Current Lessee: COG Production, LLC
Recording: 909/0740
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 22: SE/4 NW/4
Eddy County, New Mexico
Royalty: 1/5th

Date: September 28, 2012
Lessor: John C. Foley
Current Lessee: COG Production, LLC
Recording: 915/1173
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 22: SE/4 NW/4
Eddy County, New Mexico

Royalty: 1/5th
Date: January 1, 2012
Lessor: Suzanne Jones
Current Lessee: COG Production LLC
Recording: 913/0658
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 22: SE/4 NW/4
Eddy County, New Mexico
Royalty: 1/5th

Date: January 1, 2012
Lessor: Ann Marie Abboud
Current Lessee: COG Production LLC
Recording: 911/1100
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 22: SE/4 NW/4
Eddy County, New Mexico
Royalty: 1/5th

Date: January 1, 2012
Lessor: Thomas T. Foley
Current Lessee: COG Production LLC
Recording: 911/0855
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4
 Eddy County, New Mexico
 1/5th

Royalty:

Date: May 1, 2011
 Lessor: Russell Family LLC
 Current Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.
 Recording: 853/1217
 Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
 Section 22: SE/4 NW/4, Surface-11,300'
 Eddy County, New Mexico

Royalty: 1/4th

Date: February 12, 2010
 Lessor: Marion Jean O'Neill, Individually and as Co-Guardian of the Estate of Janet P. Widgert, an Incapacitated Person, and Julianne O'Neill, as Co-Guardian of the Estate of Janet P. Widgert, an Incapacitated Person
 Current Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.
 Recording: 805/0880
 Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
 Section 22: SE/4 NW/4
 Eddy County, New Mexico

Royalty: 1/4th

Date: February 3, 2010
 Lessor: Elizabeth Coad Risko
 Current Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.
 Recording: 805/0027
 Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
 Section 22: SE/4 NW/4
 Eddy County, New Mexico

Royalty: 1/4th

Date: February 3, 2010
 Lessor: Joseph M. Jeffrey
 Current Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.
 Recording: 804/1008
 Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
 Section 22: SE/4 NW/4
 Eddy County, New Mexico

Royalty: 1/4th

Date: February 3, 2010
Lessor: James Daniel Jeffrey
Current Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.
Recording: 805/1138
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 22: SE/4 NW/4
Eddy County, New Mexico
Royalty: 1/4th

Date: February 3, 2010
Lessor: Thomas F. Jeffrey
Current Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.
Recording: 807/0464
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 22: SE/4 NW/4
Eddy County, New Mexico
Royalty: 1/4th

Date: February 3, 2010
Lessor: John Peter Jeffrey
Current Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.
Recording: 805/0033
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 22: SE/4 NW/4
Eddy County, New Mexico
Royalty: 1/4th

Date: February 3, 2010
Lessor: Justine Jeffrey
Current Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.
Recording: 805/0030
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 22: SE/4 NW/4
Eddy County, New Mexico
Royalty: 1/4th

Date: January 1, 2020
Lessor: Lee M. Kugle
Current Lessee: COG Operating LLC
Recording: 1134 / 390
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SE/4 NW/4, as to depths below 8,171'

Royalty: Eddy County, New Mexico
1/4th

Date: September 18, 2020
Lessor: France Nevada Texas LP
Current Lessee: COG Operating LLC
Recording: 1142/0325
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SE/4 NW/4, as to all depths as to all depths below 8,171', or those certain depths 100' below the deepest depth drilled of the Diamondback 22 State Com #4H well (API No. 30-015-40816)
Royalty: 1/4th

Date: November 11, 2020
Lessor: Map2009-OK
Current Lessee: COG Operating LLC
Recording: 1142/968
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SE/4 NW/4, as to all depths as to all depths 100' below the deepest formation drilled by the Diamondback 22 State Com #4H well (API No. 30-015-40816)
Royalty: 1/4th

Date: November 1, 2020
Lessor: Ellen Y. Ryan, a/k/a Ellen M. Ryan
Current Lessee: COG Operating LLC
Recording: TBD
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SE/4 NW/4, as to all depths as to all depths below 8,171', or those certain depths 100' below the deepest depth drilled of the Diamondback 22 State Com #4H well (API No. 30-015-40816)
Royalty: 1/4th

Date: September 24, 2020
Lessor: Chisos Minerals LLC
Current Lessee: COG Operating LLC
Recording: 1141/984
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SE/4 NW/4, as to all depths as to all depths below 8,171', or those certain depths 100' below the deepest depth drilled of the Diamondback 22 State Com #4H well (API No. 30-015-40816)
Royalty: 1/4th

Date: May 29, 2010
Lessor: Sally Ann Conrad, dealing in her sole and separate property

Current Lessee: COG Operating LLC
Recording: 813/11
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SE/4 NW/4, Eddy County, New Mexico
Royalty: 1/4th

Date: May 29, 2010
Lessor: E G Silvius, also sometimes known as Edward George Silvius, dealing in his sole and separate property
Current Lessee: COG Operating LLC
Recording: 813/7
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SE/4 NW/4, Eddy County, New Mexico
Royalty: 1/5th

Date: May 29, 2010
Lessor: Mary Ann Nyberg et vir
Current Lessee: COG Operating LLC
Recording: 812/1231
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SE/4 NW/4, Eddy County, New Mexico
Royalty: 1/5th

Date: May 29, 2010
Lessor: Jay J Hunter
Current Lessee: COG Operating LLC
Recording: 813/5
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SE/4 NW/4, Eddy County, New Mexico
Royalty: 1/5th

Date: October 30, 2006
Lessor: Richard B Stumm a/k/a/ Brett Stumm, dealing in his sole and separate property
Current Lessee: COG Operating LLC
Recording: 672/790
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SE/4 NW/4, Eddy County, New Mexico
Royalty: 1/4th

Date: November 8, 2006
Lessor: Robert H Collins
Current Lessee: COG Operating LLC
Recording: 685/538
Description: Township 26 South, Range 28 East, N.M.P.M.

Royalty: Section 22: SE/4 NW/4, Eddy County, New Mexico
1/4th

Date: November 22, 2006
Lessor: Leslie Collins Daniel, dealing in her sole and separate property
Current Lessee: COG Operating LLC
Recording: 680/119
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SE/4 NW/4, Eddy County, New Mexico
Royalty: 1/4th

Date: May 29, 2010
Lessor: Steven John Sampson
Current Lessee: COG Operating LLC
Recording: 701/533
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SE/4 NW/4, Eddy County, New Mexico
Royalty: 1/4th

Date: May 29, 2010
Lessor: Mark Coad Sampson
Current Lessee: COG Operating LLC
Recording: 701/535
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SE/4 NW/4, Eddy County, New Mexico
Royalty: 1/4th

Date: 5/29/2007
Lessor: Richard Michael Sampson
Current Lessee: COG Operating LLC
Recording: 701/541
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SE/4 NW/4, Eddy County, New Mexico
Royalty: 1/4th

Date: May 29, 2010
Lessor: Herbert Michael Sampson III
Current Lessee: COG Operating LLC
Recording: 702/923
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SE/4 NW/4, Eddy County, New Mexico
Royalty: 1/4th

Date: May 29, 2010
Lessor: Sydney Dehus et vir
Current Lessee: COG Operating LLC
Recording: 812/1229
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SE/4 NW/4, Eddy County, New Mexico
Royalty: 1/4th

Date: May 29, 2010
Lessor: Leslie Miller Hines
Current Lessee: COG Operating LLC
Recording: 813/1
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SE/4 NW/4, Eddy County, New Mexico
Royalty: 1/4th

Date: May 29, 2010
Lessor: First National Bank of Omaha
Current Lessee: COG Operating LLC
Recording: 808/205
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SE/4 NW/4, Eddy County, New Mexico
Royalty: 1/4th

Date: May 29, 2010
Lessor: Frank Woods Petersen and his wife Linda Peterson
Current Lessee: COG Operating LLC
Recording: 813/711
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SE/4 NW/4, Eddy County, New Mexico
Royalty: 1/4th

Date: May 29, 2010
Lessor: Stuart Miller III
Current Lessee: COG Operating LLC
Recording: 813/3
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SE/4 NW/4, Eddy County, New Mexico
Royalty: 1/4th

Date: May 29, 2010
Lessor: Laura L Silk and husband William James Silk
Current Lessee: COG Operating LLC
Recording: 811/508
Description: Township 26 South, Range 28 East, N.M.P.M.

Royalty: Section 22: SE/4 NW/4, Eddy County, New Mexico
1/4th

Date: May 29, 2010
Lessor: Jane Coad O'Brien
Current Lessee: COG Operating LLC
Recording: 813/9
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SE/4 NW/4, Eddy County, New Mexico
Royalty: 1/5th

Date: October 30, 2006
Lessor: Kevin J Stumm
Current Lessee: COG Operating LLC
Recording: 672/800
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SE/4 NW/4, Eddy County, New Mexico
Royalty: 1/4th

TRACT 3 – FEE SECTION 22: W2SW, NESW 120 ACRES

Date: January 25, 2017
Lessor: Patrick K. Fowlkes
Current Lessee: Tap Rock Resources LLC
Recording: 1091/0723
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 22: W/2 SW/4, all depths below 8,155' and
NE/4 SW/4, all depths below 8,181'
Eddy County, New Mexico
Royalty: 1/4th

Date: January 1, 2017
Lessor: J.M. Fowlkes, Jr., Maco Stewart Fowlkes, John M. Fowlkes, Preston L.
Fowlkes, Lauren Fowlkes, Nancy Fowlkes Donley, Kathleen K. Moller
Current Lessee: Tap Rock Resources LLC
Recording: 1091/0506
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 22: W/2 SW/4, all depths below 8,155' and
NE/4 SW/4, all depths below 8,181'
Eddy County, New Mexico
Royalty: 1/4th

Date: January 1, 2017
 Lessor: Edwin H. Fowlkes III (aka Trey Fowlkes) and Janet Renee Fowlkes Murrey
 Current Lessee: Tap Rock Resources LLC
 Recording: 1091/0507
 Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
 Section 22: W/2 SW/4, all depths below 8,155' and
 NE/4 SW/4, all depths below 8,181'
 Eddy County, New Mexico
 Royalty: 1/4th

Date: August 1, 2016
 Lessor: Frank Blow Fowlkes
 Current Lessee: COG Operating LLC
 Recording: 1088/0135
 Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
 Section 22: W/2 SW/4, below 8155'
 NE/4 SW/4, below 8181'
 Eddy County, New Mexico
 Royalty: 1/4th

Date: August 1, 2011
 Lessor: Christine Speidel Fowlkes and Christopher Clegg Fowlkes
 Current Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.
 Recording: 866/1007
 Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
 Section 22: W/2 SW/4, NE/4 SW/4
 Eddy County, New Mexico
 Royalty: 1/4th

Date: January 12, 2009
 Lessor: Delaware Ranch, Inc.
 Current Lessee: COG Operating LLC / Concho Oil & Gas LLC
 Recording: 764/1217
 Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
 Section 22: W/2 SW/4, NE/4 SW/4
 Eddy County, New Mexico
 Royalty: 1/5th

TRACT 4 – VB-1126-01 SECTION 27: W2 320 ACRES

Date: March 1, 2007
 Lessor: State of New Mexico VB-1126-0001
 Current Lessee: Chevron U.S.A. Inc.
 Recording: N/A
 Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
 Section 27: W/2, Eddy County, New Mexico
 Royalty: 3/16th

TRACT 5 – VB-1127-00 SECTION 34: N2NW, LOTS 1 & 2 (W2) 127.52 ACRES

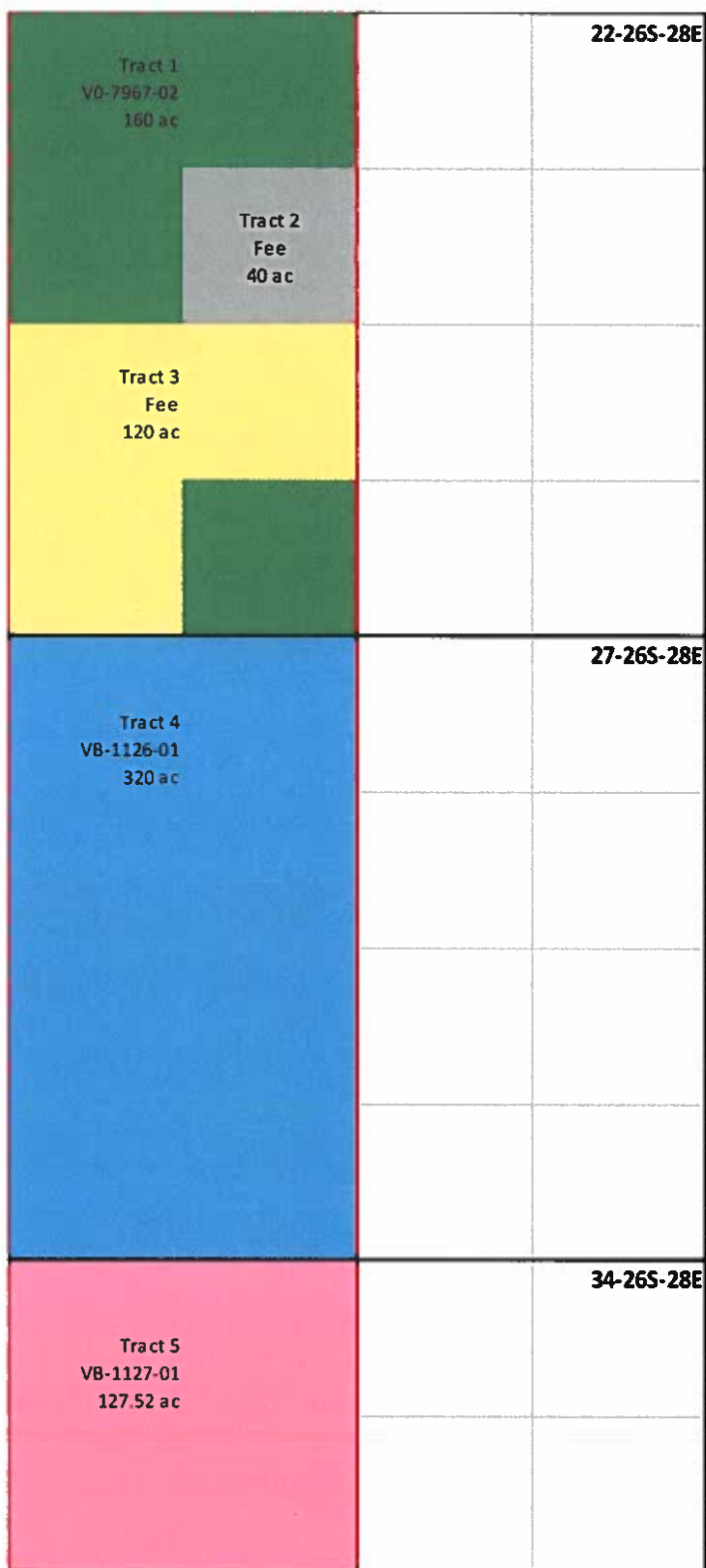
Date: March 1, 2007
 Lessor: State of New Mexico VB-1127-0000
 Current Lessee: Chevron U.S.A. Inc.
 Recording: N/A
 Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
 Section 34: N/2 NW/4 and Lots 1, 2 (W/2)
 Royalty: 3/16th

RECAPITULATION

TRACT NUMBER	NUMBER OF ACRES COMMITTED	PERCENTAGE OF INTEREST IN COMMUNITIZED AREA
1	160.00	20.85%
2	40.00	5.21%
3	120.00	15.64%
4	320.00	41.69%
5	127.52	16.61%
TOTAL	767.52	100.00%

EXHIBIT B

Attached to and made a part of that Communitization Agreement dated November 1, 2020, by and between COG Operating LLC, and OXY USA Inc., covering the W/2 of Sections 22 and 27, and the N/2 NW/4 and Lots 1, 2 (W/2) of Section 34, T26S-R28E, Eddy County, New Mexico



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

**IN THE MATTER OF APPLICATION FOR
COMPULSORY POOLING SUBMITTED BY
COG OPERATING, LLC**

**CASE NO. 21312
ORDER NO. R-21102-A**

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on June 11, 2020, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order:

FINDINGS OF FACT

1. COG Operating, LLC. ("Operator") applied to conform Order R-21102 ("Existing Order") issued in Case No. 20935 with the Division's recently amended order template ("Amended Template").
2. Operator is in good standing under state-wide rules and regulations with respect to the Existing Order.
3. Operator has reviewed and agrees to the terms and conditions in the ordering paragraphs of the Amended Template.
4. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

5. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
6. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
7. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
8. This Order affirms the Findings of Fact and Conclusions of Law in the Existing Order and replaces the ordering paragraphs 15-35 in the Existing Order as stated below.

ORDER

9. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
10. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
11. Operator is designated as operator of the Unit and the Well(s).
12. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
13. The Operator shall commence drilling the Well(s) within one year after the date of this Order and complete each Well no later than one (1) year after the commencement of drilling the Well.
14. This Order shall terminate automatically if Operator fails to comply with Paragraph 13 unless Operator obtains an extension by an amendment of this Order for good cause shown.
15. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
16. Operator shall submit to each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
17. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
18. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written

objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.

19. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
20. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
21. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
22. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
23. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
24. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 23 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
25. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.

26. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
27. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
28. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
29. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



ADRIENNE SANDOVAL
DIRECTOR
AES/jag

Date: 6/12/2020

CASE NO. 21312
ORDER NO. R-21102-A

Page 4 of 4

**NM State Land Office
Oil, Gas, & Minerals Division**

**STATE/STATE OR
STATE/FEE**
Revised March 2017

COMMUNITIZATION AGREEMENT

ONLINE Version

KNOW ALL MEN BY THESE PRESENTS: Well Name: **Potato Baby State Com**

STATE OF NEW MEXICO)
SS)

API #: 30 - -

COUNTY OF **Eddy**)

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of **November 1**, 20 **20**, 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 Trust Lands under agreements made by lessees of oil & gas leases thereon, jointly or severally with other oil & gas lessees of State Trust 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 areas on an acreage or other basis found by the Commissioner of Public Lands 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 **Wolfcamp** formation or pool as defined by the NMOCD, as further described on Exhibit "A" (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:

Subdivisions E2 of Sec 22 & 27, N2NE & Lots 3, 4 (E2) of Sec 34

Of Sect(s) **(22, 27, 34)** Twnshp **26S** Rng **28E** NMPM **Eddy** County, NM

containing ^{767.52} 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 and/or depths 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, depths communitized 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. **COG Operating LLC** shall be the Operator of the said communitized area and all matters of operation shall be determined and performed by **COG Operating LLC**.

5. 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.

6. 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.

7. The commencement, completion, and continued operation or production of a well or wells of 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.

8. 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.

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 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 State Trust Lands, written notice of intention to commence such operations shall be filed with the Commissioner of Public Lands 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.

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.

PARTIES TO E/2 COMMUNITIZATION AGREEMENT
(702H, 703H)

TRACT 1	V0-7967-02	SEC. 22: N2NE, SENE, S2SE	200 ACRES
Lessee of Record:	OXY USA Inc.	Subject to Compulsory Pooling Order No.	

TRACT 2	FEE	SEC. 22: SWNE	40 ACRES
Lessee of Record:	COG Operating LLC	Signature provided.	
Lessee of Record:	COG Production LLC	Signature provided.	
Lessee of Record:	COG Acreage LP	Signature provided.	
Lessee of Record:	OXY USA Inc.	Subject to Compulsory Pooling Order No.	
Lessee of Record:	EG3 Development LLC	Subject to Compulsory Pooling Order No.	
Lessee of Record:	Allar Development LLC	Subject to Compulsory Pooling Order No.	

TRACT 3	FEE	SEC. 22: N2SE	80 ACRES
Lessee of Record:	COG Operating LLC	Signature provided.	
Lessee of Record:	COG Production LLC	Signature provided.	
Lessee of Record:	COG Acreage LP	Signature provided.	
Lessee of Record:	Concho Oil & Gas LLC	Signature provided.	
Lessee of Record:	OXY USA Inc.	Subject to Compulsory Pooling Order No.	

TRACT 4	VB-1126-01	SEC. 27: NE4	160 ACRES
Lessee of Record:	Chevron U.S.A. Inc. / (COG Operating LLC)	Self-certification, copy of pending Transfer of Record Title & COG signature attached	

TRACT 5	VB-1127-01	SEC. 34: N2NE, LOTS 3, 4	127.72 ACS
Lessee of Record:	Chevron U.S.A. Inc. / (COG Operating LLC)	Self-certification, copy of pending Transfer of Record Title & COG signature attached	

TRACT 6	VB-0678-02	SEC. 27: SE4	160 ACRES
Lessee of Record:	Chevron U.S.A. Inc. / (COG Operating LLC)	Self-certification, copy of pending Transfer of Record Title & COG signature attached	

COG OPERATING LLC

By: 
 Sean Johnson
 Attorney-in-Fact *gm AR*

COG PRODUCTION LLC

By: 
 Sean Johnson
 Attorney-in-Fact *gm AR*

CONCHO OIL & GAS LLC

By: 
 Sean Johnson
 Attorney-in-Fact *gm AR*

COG ACREAGE LP


By: 
 Sean Johnson
 Attorney-in-Fact *gm AR*

SELF-CERTIFICATION OF NON-STATE INTERESTS FOR COMMUNITIZATION AGREEMENTS:

Approval of this Communitization Agreement does not constitute an adjudication of any federal, Tribal or private interests, and neither the Commission of Public Lands nor the State Land Office warrant or certify that the information supplied by the party submitting this agreement is accurate with regard to all private, Tribal or federal interests. The responsibility of the Commissioner and State Land Office is to protect and adjudicate on the State Land Office interests during the processing of Communitization Agreements. The State Land Office will only verify the accuracy of state lease in the proposed Communitization Agreement. All non-state interests must be certified by the Operator.

As Operator of this Communitization Agreement, COG Operating LLC, hereby certifies that all lessees and/or working interest owners that are parties to this Communitization Agreement, as shown on Exhibit A, have the legal rights and interests they claim to the private or federal or Tribal leases subject to this Communitization Agreement and COG Operating LLC obtained written consent and authority to enter into this Agreement on their behalf. Written consent/signatures of lessees and/or other interest owners will be made available to the State Land Office immediately upon request. Any misrepresentation or material omission by the Operator in this respect will be grounds to void the Communitization Agreement.

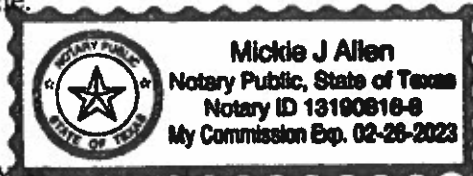
COG OPERATING LLC

By: 
 Sean Johnson
 Attorney-in-Fact *gm AR*

State/State or State/Fee
 E/2 Potato Baby, Wolfcamp
 22, 27, 34, T26S-R28E

STATE OF TEXAS)
COUNTY OF MIDLAND)

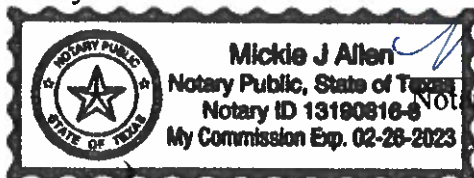
This instrument was acknowledged before me on December 8th, 2020,
by Sean Johnson, Attorney-in-Fact of COG Operating LLC, a Delaware limited liability company,
on behalf of same.



Mickie Allen
Notary Public in and for the State of Texas

STATE OF TEXAS)
COUNTY OF MIDLAND)

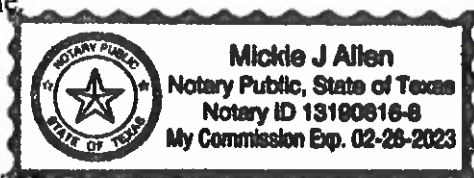
This instrument was acknowledged before me on December 8th, 2020,
by Sean Johnson, Attorney-in-Fact of COG Production LLC, a Texas limited liability company,
on behalf of same.



Mickie Allen
Notary Public in and for the State of Texas

STATE OF TEXAS)
COUNTY OF MIDLAND)

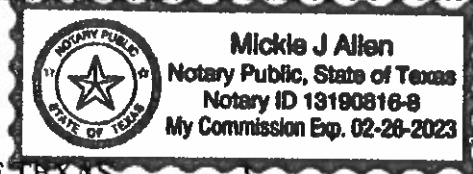
This instrument was acknowledged before me on December 8th, 2020,
by Sean Johnson, Attorney-in-Fact of Concho Oil & Gas LLC, a Texas limited liability company,
on behalf of same.



Mickie Allen
Notary Public in and for the State of Texas

STATE OF TEXAS)
COUNTY OF MIDLAND)

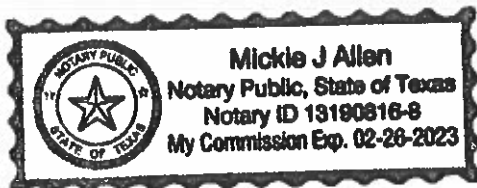
This instrument was acknowledged before me on December 8th, 2020,
by Sean Johnson, Attorney-in-Fact of COG Acreage LP, a Texas limited partnership, on behalf of
same.



Mickie Allen
Notary Public in and for the State of Texas

STATE OF TEXAS)
COUNTY OF MIDLAND)

This instrument was acknowledged before me on December 8th, 2020,
by Sean Johnson, Attorney-in-Fact of COG Operating LLC, a Delaware limited liability company,
on behalf of same.



Mickie Allen
Notary Public in and for the State of Texas

State/State or State/Fee
E/2 Potato Baby, Wolfcamp
22, 27, 34, T26S-R28E

EXHIBIT A

Attached to and made a part of that Communitization Agreement dated November 1, 2020, by and between COG Operating LLC, and OXY USA Inc., covering the E/2 of Sections 22 and 27, and the N/2 NE/4 and Lots 3, 4 (E/2) of Section 34, T26S-R28E, Eddy County, New Mexico

Limited to the Wolfcamp formation

Operator of Communitized Area: COG Operating LLC

DESCRIPTION OF LEASES COMMITTED:

TRACT 1 V0-7967-02 SEC. 22: N2NE, SENE, S2SE 200 ACRES

Date: March 1, 2007
Lessor: State of New Mexico V0-7967-0001
Current Lessee: OXY USA Inc.
Recording: N/A
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 22: N/2 NE/4, SE/4 NE/4. S/2SE/4
Eddy County, New Mexico
Royalty: 1/6th

TRACT 2 FEE SEC. 22: SWNE 40 ACRES

Date: August 2, 2019
Lessor: EG3, Inc.
Lessee: EG3 Development LLC
Recording: 1126/0375
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 22: SW/4 NE/4, limited to the Wolfcamp formation with the top being the stratigraphic equivalent of 9488' and the base being the stratigraphic equivalent of 11,687' as referenced in the Flower Draw 2 State #1 well (API 3001523615), located in Section 2, T26S-R28E, Eddy County, New Mexico
Royalty: 1/4th

Date: August 2, 2019
Lessor: The Allar Company
Lessee: Allar Development LLC
Recording: 1126/0391
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 22: SW/4 NE/4, limited to the Wolfcamp formation with the top being the stratigraphic equivalent of 9488' and the base being the stratigraphic equivalent of 11,687' as referenced in the Flower Draw 2

State/State or State/Fee
E/2 Potato Baby, Wolfcamp
22, 27, 34, T26S-R28E

Royalty: State #1 well (API 3001523615), located in Section 2, T26S-R28E, Eddy County, New Mexico
1/4th

Date: July 27, 2011
Lessor: Anthem Holdings Inc. and AOG Mineral Partners, LTD.
Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.
Recording: 862/1074
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 22: SW/4 NE/4
Eddy County, New Mexico

Royalty: 1/4th

Date: September 29, 2012
Lessor: A. Michael Foley
Lessee: COG Production, LLC
Recording: 909/0740
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 22: SW/4 NE/4
Eddy County, New Mexico

Royalty: 1/5th

Date: September 28, 2012
Lessor: John C. Foley
Lessee: COG Production, LLC
Recording: 915/1173
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 22: SW/4 NE/4
Eddy County, New Mexico

Royalty: 1/5th

Date: September 1, 2011
Lessor: John C. Foley, dealing in his sole and separate property
Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.
Recording: 866/903
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 22: SW/4 NE/4
Eddy County, New Mexico

Royalty: 1/4th

Date: January 1, 2012
Lessor: Suzanne Jones
Lessee: COG Production LLC
Recording: 913/0658
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 22: SW/4 NE/4
Eddy County, New Mexico
Royalty: 1/5th

Date: January 1, 2012
Lessor: Ann Marie Abboud
Lessee: COG Production LLC
Recording: 911/1100
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 22: SW/4 NE/4
Eddy County, New Mexico
Royalty: 1/5th

Date: January 1, 2012
Lessor: Thomas T. Foley
Lessee: COG Production LLC
Recording: 911/0855
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 22: SW/4 NE/4
Eddy County, New Mexico
Royalty: 1/5th

Date: May 1, 2011
Lessor: Russell Family LLC
Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.
Recording: 853/1217
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 22: SW/4 NE/4, Surface-11,300'
Eddy County, New Mexico
Royalty: 1/4th

Date: November 1, 2020
Lessor: Ellen Y. Ryan, a/k/a Ellen M. Ryan, dealing in her sole and separate
property
Lessee: COG Operating LLC
Recording: TBD

State/State or State/Fee
E/2 Potato Baby, Wolfcamp
22, 27, 34, T26S-R28E

Description: Township 26 South, Range 28 East, N.M.P.M.
 Section 22: SW/4 NE/4, as to all depths as to all depths below 8,188', or
 those certain depths 100' below the deepest depth drilled of the
 Diamondback 22 State Com #1H well (API No. 30-015-38528)
 Royalty: 1/4th

Date: February 12, 2010
 Lessor: Marion Jean O'Neill, Individually and as Co-Guardian of the Estate of
 Janet P. Widgert, an Incapacitated Person, and Julianne O'Neill, as Co-
 Guardian of the Estate of Janet P. Widgert, an Incapacitated Person
 Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.
 Recording: 805/0880
 Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
 Section 22: SW/4 NE/4
 Eddy County, New Mexico
 Royalty: 1/4th

Date: February 3, 2010
 Lessor: Elizabeth Coad Risko
 Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.
 Recording: 805/0027
 Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
 Section 22: SW/4 NE/4
 Eddy County, New Mexico
 Royalty: 1/4th

Date: February 3, 2010
 Lessor: Joseph M. Jeffrey
 Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.
 Recording: 804/1008
 Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
 Section 22: SW/4 NE/4
 Eddy County, New Mexico
 Royalty: 1/4th

Date: February 3, 2010
 Lessor: James Daniel Jeffrey
 Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.
 Recording: 805/1138
 Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
 Section 22: SW/4 NE/4

State/State or State/Fee
 E/2 Potato Baby, Wolfcamp
 22, 27, 34, T26S-R28E

Royalty: Eddy County, New Mexico
1/4th

Date: February 3, 2010
Lessor: Thomas F. Jeffrey
Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.
Recording: 807/0464
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 22: SW/4 NE/4
Eddy County, New Mexico

Royalty: 1/4th

Date: February 3, 2010
Lessor: John Peter Jeffrey
Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.
Recording: 805/0033
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 22: SW/4 NE/4
Eddy County, New Mexico

Royalty: 1/4th

Date: February 3, 2010
Lessor: Justine Jeffrey
Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.
Recording: 805/0030
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 22: SW/4 NE/4
Eddy County, New Mexico

Royalty: 1/4th

Date: October 30, 2006
Lessor: Richard B Stumm a/k/a/ Brett Stumm, dealing in his sole and separate
property
Current Lessee: COG Operating LLC
Recording: 672/790
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/4th

Date: October 30, 2006
Lessor: Kevin J Stumm

State/State or State/Fee
E/2 Potato Baby, Wolfcamp
22, 27, 34, T26S-R28E

Current Lessee: COG Operating LLC
Recording: 672/800
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SW/4 NE/4, Eddy County, New Mexico
Royalty: 1/4th

Date: November 8, 2006
Lessor: Robert H Collins
Current Lessee: COG Operating LLC
Recording: 685/538
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SW/4 NE/4, Eddy County, New Mexico
Royalty: 1/4th

Date: November 22, 2006
Lessor: Leslie Collins Daniel, dealing in her sole and separate property
Current Lessee: COG Operating LLC
Recording: 680/119
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SW/4 NE/4, Eddy County, New Mexico
Royalty: 1/4th

Date: May 29, 2010
Lessor: Steven John Sampson
Current Lessee: COG Operating LLC
Recording: 701/533
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SW/4 NE/4, Eddy County, New Mexico
Royalty: 1/4th

Date: May 29, 2010
Lessor: Mark Coad Sampson
Current Lessee: COG Operating LLC
Recording: 701/535
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SW/4 NE/4, Eddy County, New Mexico
Royalty: 1/4th

Date: May 29, 2007
Lessor: Richard Michael Sampson
Current Lessee: COG Operating LLC
Recording: 701/541
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SW/4 NE/4, Eddy County, New Mexico
Royalty: 1/4th

State/State or State/Fee
E/2 Potato Baby, Wolfcamp
22, 27, 34, T26S-R28E

Date: May 29, 2010
Lessor: Herbert Michael Sampson III
Current Lessee: COG Operating LLC
Recording: 702/923
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SW/4 NE/4, Eddy County, New Mexico
Royalty: 1/4th

Date: May 29, 2010
Lessor: Jay J Hunter
Current Lessee: COG Operating LLC
Recording: 813/5
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SW/4 NE/4, Eddy County, New Mexico
Royalty: 1/5th

Date: May 29, 2010
Lessor: Leslie Miller Hines
Current Lessee: COG Operating LLC
Recording: 813/1
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SW/4 NE/4, Eddy County, New Mexico
Royalty: 1/4th

Date: May 29, 2010
Lessor: Sally Ann Conrad, dealing in her sole and separate property
Current Lessee: COG Operating LLC
Recording: 813/11
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SW/4 NE/4, Eddy County, New Mexico
Royalty: 1/4th

Date: May 29, 2010
Lessor: Stuart Miller III
Current Lessee: COG Operating LLC
Recording: 813/3
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SW/4 NE/4, Eddy County, New Mexico
Royalty: 1/4th

Date: May 29, 2010
Lessor: Mary Ann Nyberg et vir

State/State or State/Fee
E/2 Potato Baby, Wolfcamp
22, 27, 34, T26S-R28E

Current Lessee: COG Operating LLC
Recording: 812/1231
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SW/4 NE/4, Eddy County, New Mexico
Royalty: 1/5th

Date: May 29, 2010
Lessor: Jane Coad O'Brien
Current Lessee: COG Operating LLC
Recording: 813/9
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SW/4 NE/4, Eddy County, New Mexico
Royalty: 1/5th

Date: May 29, 2010
Lessor: Laura L Silk and husband William James Silk
Current Lessee: COG Operating LLC
Recording: 811/508
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SW/4 NE/4, Eddy County, New Mexico
Royalty: 1/4th

Date: May 29, 2010
Lessor: Frank Woods Petersen and his wife Linda Peterson
Current Lessee: COG Operating LLC
Recording: 813/711
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SW/4 NE/4, Eddy County, New Mexico
Royalty: 1/4th

Date: May 29, 2010
Lessor: First National Bank of Omaha
Current Lessee: COG Operating LLC
Recording: 808/205
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SW/4 NE/4, Eddy County, New Mexico
Royalty: 1/4th

Date: May 29, 2010
Lessor: E G Silvius, also sometimes known as Edward George Silvius, dealing in his sole and separate property
Current Lessee: COG Operating LLC
Recording: 813/7
Description: Township 26 South, Range 28 East, N.M.P.M.

State/State or State/Fee
E/2 Potato Baby, Wolfcamp
22, 27, 34, T26S-R28E

Royalty: Section 22: SW/4 NE/4, Eddy County, New Mexico
1/5th

Date: May 29, 2010
Lessor: Sydney Dehus et vir
Current Lessee: COG Operating LLC
Recording: 812/1229
Description: Township 26 South, Range 28 East, N.M.P.M.
Section 22: SW/4 NE/4, Eddy County, New Mexico
Royalty: 1/4th

TRACT 3	FEE	SEC. 22: N2SE	80 ACRES
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Date:	July 2, 2012
Lessor:	Edwin H. Fowlkes III (aka Trey Fowlkes) and Janet Renee Fowlkes Murrey
Lessee:	COG Operating LLC
Recording:	901 / 0702
Description:	Insofar and only insofar as to <u>Township 26 South, Range 28 East, N.M.P.M.</u> Section 22: N/2 SE/4 Eddy County, New Mexico
Royalty:	1/4 th

Date: August 1, 2011
Lessor: Christine Speidel Fowlkes and Christopher Clegg Fowlkes
Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.
Recording: 866/1007
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 22: N/2 SE/4
Eddy County, New Mexico
Royalty: 1/4th

Date: May 17, 2011
Lessor: Frank Blow Fowlkes
Lessee: COG Operating LLC
Recording: 858/0792 / 869/0743 (Amendment and Extension of Oil & Gas Lease)
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 22: NE/4 SE/4
Eddy County, New Mexico
Royalty: 1/4th

Date: May 1, 2011
Lessor: Frank Blow Fowlkes

State/State or State/Fee
E/2 Potato Baby, Wolfcamp
22, 27, 34, T26S-R28E

Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.
Recording: 853/0807
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 22: NW/4 SE/4
Eddy County, New Mexico
Royalty: 22.00%

Date: January 12, 2009
Lessor: Delaware Ranch, Inc.
Lessee: COG Operating LLC / Concho Oil & Gas LLC
Recording: 764/1217
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 22: N/2 SE/4
Eddy County, New Mexico
Royalty: 1/5th

Date: July 10, 2008
Lessor: Clegg Preston Fowlkes, Lauren Fowlkes, Maco Stewart Fowlkes, J.M.
Fowlkes, Jr., Nancy Fowlkes Donley, Kathleen K. Fowlkes
Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.
Recording: 747/0005
Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 22: N/2 SE/4
Eddy County, New Mexico
Royalty: 1/4th

TRACT 4	VB-1126-01	SEC. 27: NE4	160 ACRES
Date:	March 1, 2007		
Lessor:	State of New Mexico VB-1126-0001		
Lessee:	Chevron U.S.A. Inc.		
Recording:	N/A		
Description:	Insofar and only insofar as to <u>Township 26 South, Range 28 East, N.M.P.M.</u> Section 27: NE/4 Eddy County, New Mexico		
Royalty:	3/16 th		

TRACT 5 VB-1127-01 SEC. 34: N2NE, LOTS 3, 4 127.72 ACS

Date: March 1, 2007
 Lessor: State of New Mexico VB-1127-0000
 Lessee: Chevron U.S.A. Inc.
 Recording: N/A
 Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 34: N/2 NE/4 and Lots 3, 4 (E/2)
 Royalty: 3/16th

TRACT 6 VB-0678-02 SEC. 27: SE4 160 ACRES

Date: July 1, 2005
 Lessor: State of New Mexico VB-0678-0002
 Lessee: Chevron U.S.A. Inc.
 Recording: N/A
 Description: Insofar and only insofar as to
Township 26 South, Range 28 East, N.M.P.M.
Section 27: SE/4
 Royalty: 3/16th

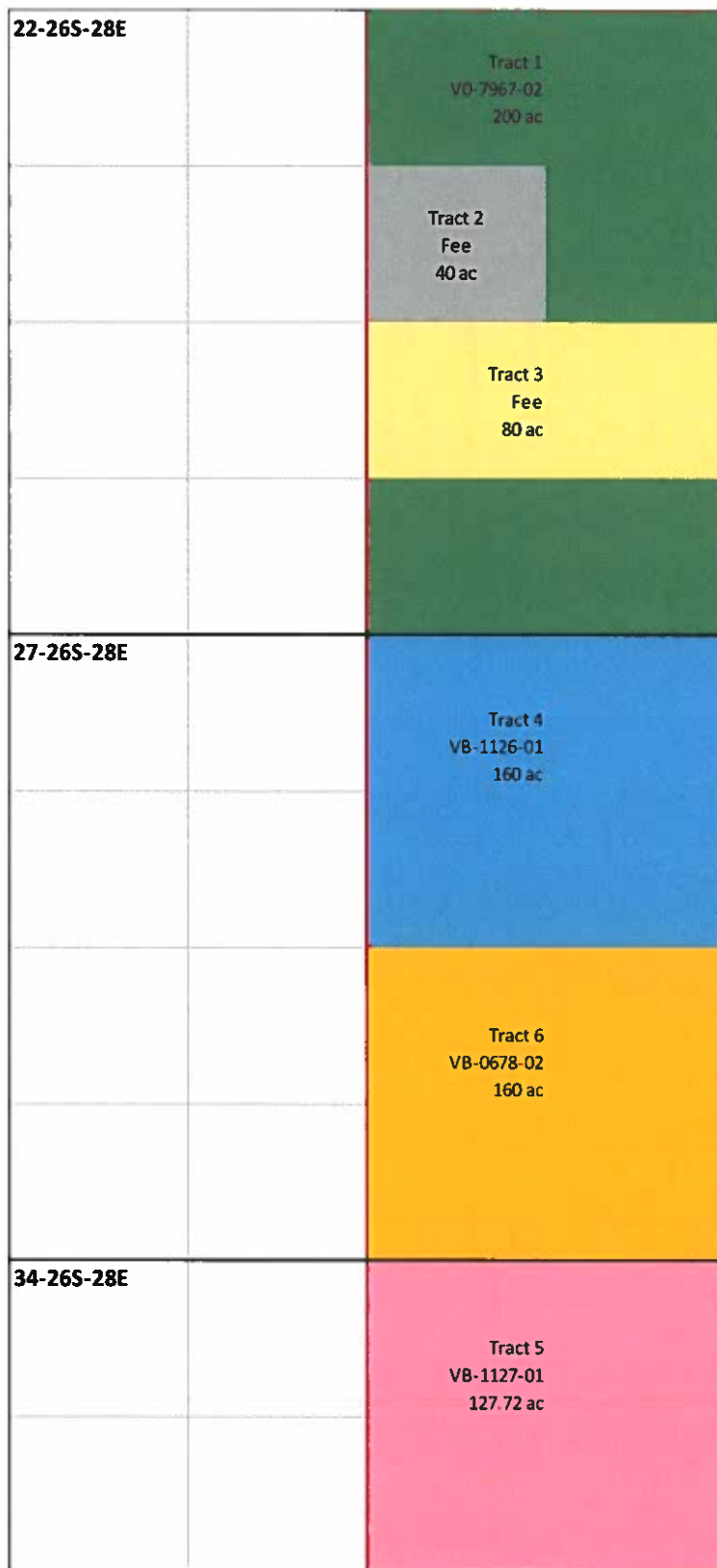
RECAPITULATION:

TRACT NUMBER	NUMBER OF ACRES COMMITTED	PERCENTAGE OF INTEREST IN COMMUNITIZED AREA
1	200.00	26.05%
2	40.00	5.21%
3	80.00	10.42%
4	160.00	20.84%
5	127.72	16.64%
6	160.00	20.84%
TOTAL	767.72	100.00%

State/State or State/Fee
 E/2 Potato Baby, Wolfcamp
 22, 27, 34, T26S-R28E

EXHIBIT B

Attached to and made a part of that Communitization Agreement dated November 1, 2020, by and between COG Operating LLC, and OXY USA Inc., covering the E/2 of Sections 22 and 27, and the N/2 NE/4 and Lots 3, 4 (E/2) of Section 34, T26S-R28E, Eddy County, New Mexico



State/State or State/Fee
E/2 Potato Baby, Wolfcamp
22, 27, 34, T26S-R28E

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

**IN THE MATTER OF APPLICATION FOR
COMPULSORY POOLING SUBMITTED BY
COG OPERATING, LLC**

**CASE NO. 21311
ORDER NO. R-21101-A**

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on June 11, 2020, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order:

FINDINGS OF FACT

1. COG Operating, LLC. ("Operator") applied to conform Order R-21101 ("Existing Order") issued in Case No. 20934 with the Division's recently amended order template ("Amended Template").
2. Operator is in good standing under state-wide rules and regulations with respect to the Existing Order.
3. Operator has reviewed and agrees to the terms and conditions in the ordering paragraphs of the Amended Template.
4. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

5. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
6. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
7. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
8. This Order affirms the Findings of Fact and Conclusions of Law in the Existing Order and replaces the ordering paragraphs 15-35 in the Existing Order as stated below.

ORDER

9. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
10. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
11. Operator is designated as operator of the Unit and the Well(s).
12. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
13. The Operator shall commence drilling the Well(s) within one year after the date of this Order and complete each Well no later than one (1) year after the commencement of drilling the Well.
14. This Order shall terminate automatically if Operator fails to comply with Paragraph 13 unless Operator obtains an extension by an amendment of this Order for good cause shown.
15. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
16. Operator shall submit to each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
17. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
18. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written

objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.

19. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
20. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
21. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
22. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
23. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
24. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 23 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
25. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.

26. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
27. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
28. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
29. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



ADRIENNE SANDOVAL
DIRECTOR
AES/jag

Date: 6/12/2020

CASE NO. 21311
ORDER NO. R-21101-A

Page 4 of 4

**NM State Land Office
Oil, Gas, & Minerals Division**

**STATE/STATE OR
STATE/FEE**
Revised March 2017

COMMUNITIZATION AGREEMENT

ONLINE Version

KNOW ALL MEN BY THESE PRESENTS:

Well Name: **Potato Baby St Com #7014**

STATE OF NEW MEXICO)
SS)

API #: 30 - **15** - **47458**

COUNTY OF **Eddy**)

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of **November 1**, 20 **20**, 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 Trust Lands under agreements made by lessees of oil & gas leases thereon, jointly or severally with other oil & gas lessees of State Trust 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 areas on an acreage or other basis found by the Commissioner of Public Lands 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 **Wolfcamp** formation or pool as defined by the NMOCD, as further described on Exhibit "A" (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:

Subdivisions E2 of Sec 27, N2NE & Lots 3, 4 (E2) of Sec 34

Of Sect(s) **(27, 34)** Twnshp **26S** Rng **28E** NMPM **Eddy** County, NM containing ^{447.72} 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 and/or depths 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, depths communitized 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. **COG Operating LLC** shall be the Operator of the said communitized area and all matters of operation shall be determined and performed by **COG Operating LLC**.

5. 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.

6. 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.

7. The commencement, completion, and continued operation or production of a well or wells of 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.

8. 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.

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 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 State Trust Lands, written notice of intention to commence such operations shall be filed with the Commissioner of Public Lands 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.

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.

**PARTIES TO E/2 COMMUNITIZATION AGREEMENT
(POTATO BABY 701H)**

TRACT 1	VB-1126-01	SEC. 27: NE4	160 ACRES
Lessee of Record:	Chevron U.S.A. Inc. / (COG Operating LLC)	Self-certification, copy of pending Transfer of Record Title & COG signature attached	
TRACT 2	VB-0678-02	SEC. 27: SE4	160 ACRES
Lessee of Record:	Chevron U.S.A. Inc. / (COG Operating LLC)	Self-certification, copy of pending Transfer of Record Title & COG signature attached	
TRACT 3	VB-1127-01	SEC. 34: N2NE, LOTS 3, 4	127.72 ACS
Lessee of Record:	Chevron U.S.A. Inc. / (COG Operating LLC)	Self-certification, copy of pending Transfer of Record Title & COG signature attached	

COG OPERATING LLC

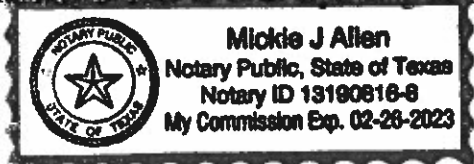
By: _____

Sean Johnson
Attorney-in-Fact

EM AR

STATE OF TEXAS)
COUNTY OF MIDLAND)

This instrument was acknowledged before me on December 8th, 2020, by Sean Johnson, Attorney-in-Fact of COG Operating LLC, a Delaware limited liability company, on behalf of same.



Mickie Allen
Notary Public in and for the State of Texas

SELF-CERTIFICATION OF NON-STATE INTERESTS FOR COMMUNITIZATION AGREEMENTS:

Approval of this Communitization Agreement does not constitute an adjudication of any federal, Tribal or private interests, and neither the Commission of Public Lands nor the State Land Office warrant or certify that the information supplied by the party submitting this agreement is accurate with regard to all private, Tribal or federal interests. The responsibility of the Commissioner and State Land Office is to protect and adjudicate on the State Land Office interests during the processing of Communitization Agreements. The State Land Office will only verify the accuracy of state lease in the proposed Communitization Agreement. All non-state interests must be certified by the Operator.

As Operator of this Communitization Agreement, COG Operating LLC, hereby certifies that all lessees and/or working interest owners that are parties to this Communitization Agreement, as shown on Exhibit A, have the legal rights and interests they claim to the private or federal or Tribal leases subject to this Communitization Agreement and COG Operating LLC obtained written consent and authority to enter into this Agreement on their behalf. Written consent/signatures of lessees and/or other interest owners will be made available to the State Land Office immediately upon request. Any misrepresentation or material omission by the Operator in this respect will be grounds to void the Communitization Agreement.

COG OPERATING LLC

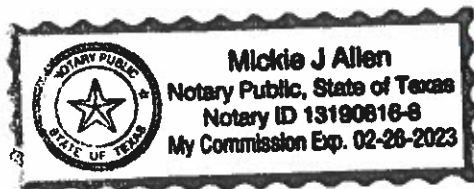
By: _____

Sean Johnson
Attorney-in-Fact

EM AR

STATE OF TEXAS)
COUNTY OF MIDLAND)

This instrument was acknowledged before me on December 8th, 2020, by Sean Johnson, Attorney-in-Fact of COG Operating LLC, a Delaware limited liability company, on behalf of same.



Mickie Allen
Notary Public in and for the State of Texas

State/State or State/Fee
E/2 Potato Baby, Wolfcamp
27 & 34, T26S-R28E

EXHIBIT A

Attached to and made a part of that Communitization Agreement dated November 1, 2020, by and between COG Operating LLC, covering the E/2 of Section 27, and the N/2 NE/4 and Lots 3, 4 (E/2) of Section 34, T26S-R28E, Eddy County, New Mexico

Limited to the Wolfcamp formation

Operator of Communitized Area: COG Operating LLC

DESCRIPTION OF LEASES COMMITTED:

TRACT 1	VB-1126-01	SEC. 27: NE4	160 ACRES
Date:	March 1, 2007		
Lessor:	State of New Mexico VB-1126-0001		
Lessee:	Chevron U.S.A. Inc.		
Recording:	N/A		
Description:	Insofar and only insofar as to <u>Township 26 South, Range 28 East, N.M.P.M.</u> Section 27: NE/4 Eddy County, New Mexico		
Royalty:	3/16 th		
TRACT 2	VB-0678-02	SEC. 27: SE4	160 ACRES
Date:	July 1, 2005		
Lessor:	State of New Mexico VB-0678-0002		
Lessee:	Chevron U.S.A. Inc.		
Recording:	N/A		
Description:	Insofar and only insofar as to <u>Township 26 South, Range 28 East, N.M.P.M.</u> Section 27: SE/4		
Royalty:	3/16 th		
TRACT 3	VB-1127-01	SEC. 34: N2NE, LOTS 3, 4	127.72 ACS
Date:	March 1, 2007		
Lessor:	State of New Mexico VB-1127-0000		
Lessee:	Chevron U.S.A. Inc.		
Recording:	N/A		
Description:	Insofar and only insofar as to <u>Township 26 South, Range 28 East, N.M.P.M.</u> Section 34: N/2 NE/4 and Lots 3, 4 (E/2)		
Royalty:	3/16 th		

State/State or State/Fee
E/2 Potato Baby, Wolfcamp
27 & 34, T26S-R28E

RECAPITULATION:

TRACT NUMBER	NUMBER OF ACRES COMMITTED	PERCENTAGE OF INTEREST IN COMMUNITIZED AREA
1	160.00	35.74%
2	160.00	35.74%
3	127.72	28.52%
TOTAL	447.72	100.00%

EXHIBIT B

Attached to and made a part of that Communitization Agreement dated November 1, 2020, by and between COG Operating LLC, covering the E/2 of Section 27, and the N/2 NE/4 and Lots 3, 4 (E/2) of Section 34, T26S-R28E, Eddy County, New Mexico

27-26S-28E		<div>Tract 1 VB-1126-01 160 ac</div>
34-26S-28E		<div>Tract 2 VB-0678-02 160 ac</div>
34-26S-28E		<div>Tract 3 VB-1127-01 127.72 ac</div>

State/State or State/Fee
E/2 Potato Baby, Wolfcamp
27 & 34, T26S-R28E

From: [Engineer, OCD, EMNRD](#)
To: [Jeanette Barron](#)
Cc: [McClure, Dean, EMNRD](#); [Simmons, Kurt, EMNRD](#); [Hawkins, James, EMNRD](#); [Bratcher, Mike, EMNRD](#); [Powell, Brandon, EMNRD](#); [lisa@rwbyram.com](#); [Holm, Anchor E.](#); [Dawson, Scott](#)
Subject: Approved Administrative Order CTB-983
Date: Monday, May 17, 2021 6:15:03 PM
Attachments: [CTB983 Order.pdf](#)

NMOCD has issued Administrative Order CTB-983 which authorizes COG Operating, LLC (229137) to surface commingle or off-lease measure, as applicable, the following wells:

Well API	Well Name	Location (NMPM)	Pool Code
30-015-47458	Potato Baby State Com #701H	H-34-26S-28E	98220
30-015-47461	Potato Baby State Com #702H	H-34-26S-28E	98220
30-015-47464	Potato Baby State Com #703H	H-34-26S-28E	98220
30-015-47463	Potato Baby State Com #704H	F-34-26S-28E	98220
30-015-47460	Potato Baby State Com #705H	F-34-26S-28E	98220
30-015-47459	Potato Baby State Com #706H	F-34-26S-28E	98220

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

Notice

Order: CTB-983

Operator: COG Operating, LLC (229137)

Publication Date: 2/11/2021

Date Sent: 2/11/2021

Noticed Persons

Date	Person	Certified Tracking Number	Status
2/22/2021	1836 Royalty Partners LLC	7017 3040 0000 1206 4869	Delivered
2/16/2021	A. Michael Foley, dealing in his sole and separate	7017 3040 0000 1206 4876	Delivered
2/17/2021	Alice A. Wesely, dealing in her sole and separate p	7017 3040 0000 1206 4883	Delivered
2/22/2021	Allar Development LLC	7017 3040 0000 1206 4890	Delivered
2/19/2021	Ann L. Uryasz, dealing in her sole and separate pri	7017 3040 0000 1206 4906	Delivered
2/16/2021	Ann Marie Abboud, dealing in her sole and separa	7017 3040 0000 1206 4913	Delivered
2/22/2021	Brigham Minerals, LLC	7017 3040 0000 1206 4920	Delivered
2/18/2021	BSB Minerals LLC	7017 3040 0000 1206 4937	Delivered
2/12/2021	Camie Wade	7017 3040 0000 1205 1012	Delivered
2/22/2021	Chisos Minerals LLC	7017 3040 0000 1206 4944	Delivered
2/13/2021	Christine Speidel Fowlkes	7017 3040 0000 1206 4951	Delivered
2/16/2021	Commisioner of Public Lands	7017 3040 0000 1205 1029	Delivered
2/12/2021	David Kerby	7017 3040 0000 1206 4968	Delivered
2/23/2021	Debra Kay Primera	7017 3040 0000 1206 4975	Delivered
2/12/2021	Delaware Ranch Inc.	7017 3040 0000 1206 4982	Delivered
2/20/2021	Doulgas C. Koch	7017 3040 0000 1206 4999	Delivered
2/24/2021	Edward George Silvius, dealing in his sole separati	7017 3040 0000 1206 5002	Delivered
2/16/2021	Edwin Fowlkes Heirs Family Limited Partnership	7017 3040 0000 2540 4249	Delivered
2/16/2021	Edwin Hockaday Fowlkes, III (aka Trey Fowlkes)	7017 3040 0000 2540 4256	Delivered
2/22/2021	EG3 Inc.	7017 3040 0000 2540 4263	Delivered
2/19/2021	Ellen Ryan, dealing in her sole and separate prope	7017 3040 0000 2540 4270	Delivered
2/24/2021	Erin T. Moeschler, dealing in her sole and separati	7017 3040 0000 2540 4287	Delivered
2/18/2021	Fortis Minerals II, LLC	7017 3040 0000 2540 4294	Delivered
2/16/2021	Franco-Nevada Texas LP	7017 3040 0000 2540 4300	Delivered
2/25/2021	George Poage, III	7017 3040 0000 2540 4317	Delivered
2/12/2021	George Thompson	7017 3040 0000 2540 4324	Delivered
2/16/2021	Herbert M. Sampson III, dealing in his sole and se	7017 3040 0000 2540 4331	Delivered
2/25/2021	James Daniel Jeffrey, whose wife is Jennifer J. Jeff	7017 3040 0000 2540 4348	Delivered
2/17/2021	Jane Coad O'Brien	7017 3040 0000 2540 4355	Delivered
2/18/2021	Janet E. Czerwinski, dealing in her sole and separa	7017 3040 0000 2540 4362	Delivered
2/24/2021	Janet Renee Fowlkes Murrey	7017 3040 0000 2540 4379	Delivered
2/17/2021	JC Resources LP	7017 3040 0000 2540 4386	Delivered
2/16/2021	Jessica E. Miller, dealing in her sole and separate	7017 3040 0000 2540 4393	Delivered
2/22/2021	John F. Risko, dealing in his sole and separate pro	7017 3040 0000 2540 4409	Delivered
2/25/2021	John Kevin Stumm, dealing in his sole and separat	7017 3040 0000 2540 4416	Delivered
2/19/2021	John M. Fowlkes	7017 3040 0000 2540 4423	Delivered
2/23/2021	John Peter Jeffrey, whose wife is Margaret H. Jeff	7017 3040 0000 1205 0596	Delivered

3/1/2021	Joseph F. Jeffrey, whose wife is Debra Jeffrey	7017 3040 0000 1205 0602	Delivered
2/16/2021	Joseph S. Risko, dealing in his sole and separate p	7017 3040 0000 1205 0619	Delivered
2/17/2021	Jubilee Royalty Holdings LLC	7017 3040 0000 1205 0626	Delivered
2/16/2021	Kathleen Fowlkes Garlic	7017 3040 0000 1205 0633	Delivered
2/16/2021	Kemp Smith, LLP	7017 3040 0000 1205 0640	Delivered
3/4/2021	Laura L. Silk, whose husband is William James Silk	7017 3040 0000 1205 0657	Returned
2/25/2021	Lee M. Kugle, dealing in her sole and separate prc	7017 3040 0000 1205 0664	In-Transit
3/3/2021	Leslie A. Hines, Trustee of the Leslie A. Hines Livin	7017 3040 0000 1205 0671	Delivered
2/16/2021	Leslie C. Daniel, Trustee of the Daniel Family Trust	7017 3040 0000 1205 0688	Delivered
2/12/2021	Madison M. Hinkle, whose wife is Susan M. Hinkl	7017 3040 0000 1205 0695	Delivered
2/16/2021	MAP2009-OK	7017 3040 0000 1205 0701	Delivered
3/2/2021	Marguerite Fort Bruns	7017 3040 0000 1205 0718	Delivered
2/13/2021	Mark I. Conrad, SSP	7017 3040 0000 1205 0725	Delivered
2/26/2021	Mary Pauline Begley, dealing in her sole and sepa	7017 3040 0000 1205 0732	Delivered
2/19/2021	OXY USA, Inc.	7017 3040 0000 1205 0749	Delivered
2/17/2021	Patrick K. Fowlkes	7017 3040 0000 1205 0756	Delivered
2/16/2021	Paul C. Jeffrey, dealing in his sole and separate pr	7017 3040 0000 1205 0763	Delivered
3/12/2021	Philip J. Jeffrey, dealing in his sole and separate p	7017 3040 0000 1205 0770	Delivered
2/19/2021	Preston L. Fowlkes	7017 3040 0000 1205 0787	Delivered
2/13/2021	Ranchito AD4 LP	7017 3040 0000 1205 0794	Delivered
2/13/2021	Rfort Mineral Properties LLC	7017 3040 0000 1205 0800	Delivered
2/16/2021	Richard A. Jeffrey, dealing in his sole and separate	7017 3040 0000 1205 0817	Delivered
2/16/2021	Richard Brendan Stumm, dealing in his sole and s	7017 3040 0000 1205 0824	Delivered
2/23/2021	Ricky Don Raindl	7017 3040 0000 1205 0831	Delivered
3/8/2021	Robert H. Collins, Jr., dealing in his sole and separ	7017 3040 0000 1205 0848	Returned
2/15/2021	Robert Mitchell Raindl	7017 3040 0000 1205 0855	In-Transit
2/12/2021	Rolla R. Hinkle, III, a single	7017 3040 0000 1205 0862	Delivered
2/17/2021	Russell Family LLC	7017 3040 0000 1205 0879	In-Transit
3/17/2021	Suzanne B. Koch	7017 3040 0000 1205 0886	Delivered
2/16/2021	Suzanne Foley-Jones, dealing in her sole and sepa	7017 3040 0000 1205 0893	Delivered
2/19/2021	Sydney Dehus, whose husband is Edward Dehus	7017 3040 0000 1205 0909	Delivered
2/16/2021	Tap Rock Resources LLC	7017 3040 0000 1205 0916	Delivered
2/19/2021	TD Minerals LLC	7017 3040 0000 1205 0923	Delivered
2/22/2021	The Allar Company	7017 3040 0000 1205 0930	Delivered
2/19/2021	Thomas F. Jeffrey, dealing in his sole and separate	7017 3040 0000 1205 0947	In-Transit
2/16/2021	Thomas T. Foley, dealing in his sole and separate	7017 3040 0000 1205 0954	Delivered
2/17/2021	Tommy L. Fort	7017 3040 0000 1205 0961	Delivered
2/25/2021	Tundra AD3, LP	7017 3040 0000 1205 0978	Delivered
2/16/2021	U5 LLC	7017 3040 0000 1205 0985	Delivered
2/18/2021	Wayne A. Bissett and Laura Bissett	7017 3040 0000 1205 0992	Delivered
2/25/2021	Wing Resources IV, LLC	7017 3040 0000 1205 1005	Delivered

**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-983

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 ("Applicant") 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. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
3. To the extent that ownership is identical, Applicant 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.
4. To the extent that ownership is diverse, Applicant 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. Applicant provided notice of the Application to the Bureau of Land Management ("BLM") or New Mexico State Land Office ("NMSLO"), as applicable.
6. Applicant submitted or intends to submit one or more proposed communitization agreement(s) ("Proposed Agreement(s)") to the BLM or NMSLO, as applicable, identifying the leases to be consolidated into a single pooled area ("Pooled Area"), as described in Exhibit B.

CONCLUSIONS OF LAW

7. 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.
8. Applicant 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.

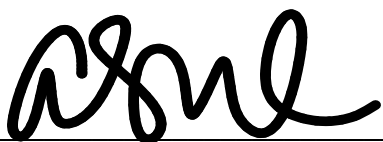
9. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10(B)(1) or (C)(1) NMAC, as applicable.
10. Commingling of oil and gas production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10(B)(3) and (C)(4)(h) NMAC.
11. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

ORDER

1. Applicant is authorized to surface commingle and off-lease measure oil and gas production from the pools, leases, and wells identified in Exhibit A.
2. For each Pooled Area described in Exhibit B, Applicant shall submit a Proposed Agreement to the BLM or NMSLO, as applicable, prior to commencing oil and gas production. If Applicant fails to submit the Proposed Agreement, this Order shall terminate on the following day.
3. No later than sixty (60) days after the BLM or NMSLO approves or denies a Proposed Agreement, Applicant shall submit Form C-103 to OCD with a copy of the decision and a description of the approved lands, as applicable. If Applicant withdraws or the BLM or NMSLO denies a Proposed Agreement, this Order shall terminate on the date of such action, and Applicant shall cease commingling the production from the Pooled Area. If the BLM or NMSLO approves but modifies the Proposed Agreement(s), Applicant shall comply with the approved Agreement(s), and no later than sixty (60) days after such decision, Applicant shall submit a new surface commingle application to OCD to conform this Order with the approved Agreement(s). If OCD denies the new surface commingle application, this Order shall terminate on the date of such action.
4. Applicant shall allocate the oil and gas production to each lease within a Pooled Area in proportion to the acreage that each lease bears to the entire acreage of the Pooled Area described in Exhibit B.
5. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling.
6. Applicant 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.
7. Applicant 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, Applicant shall report the gas in accordance with 19.15.18.12(F) NMAC.

8. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10(C)(2) NMAC.
9. If the commingling of oil and gas production from any pool, lease, or well reduces the value of the commingled oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil and gas production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.
10. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
11. 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: 5/17/2021

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: CTB-983

Operator: COG Operating, LLC (229137)

Central Tank Battery: Potato Baby ST 34 N Central Tank Battery

Central Tank Battery Location (NMPM): Unit N, Section 34, Township 26 South, Range 28 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 N, Section 34, Township 26 South, Range 28 East

Pools

Pool Name	Pool Code
PURPLE SAGE; WOLFCAMP (GAS)	98220

Leases as defined in 19.15.12.7(C) NMAC

Lease	Location (NMPM)	
VO 79672	N/2 NW/4, SW/4 NW/4, SE/4 SW/4	Sec 22-T26S-R28E
Fee	SE/4 NW/4	Sec 22-T26S-R28E
Fee	W/2 SW/4, NE/4 SW/4	Sec 22-T26S-R28E
VB 11261	W/2	Sec 27-T26S-R28E
VB 11270	NW/4	Sec 34-T26S-R28E
VO 79672	N/2 NE/4, SE/4 NE/4, S/2 SE/4	Sec 22-T26S-R28E
Fee	SW/4 NE/4	Sec 22-T26S-R28E
Fee	N/2 SE/4	Sec 22-T26S-R28E
VB 11261	NE/4	Sec 27-T26S-R28E
VB 06782	SE/4	Sec 27-T26S-R28E
VB 11271	NE/4	Sec 34-T26S-R28E

Wells

Well API	Well Name	Location (NMPM)	Pool Code	Train
30-015-47458	Potato Baby State Com #701H	H-34-26S-28E	98220	
30-015-47461	Potato Baby State Com #702H	H-34-26S-28E	98220	
30-015-47464	Potato Baby State Com #703H	H-34-26S-28E	98220	
30-015-47463	Potato Baby State Com #704H	F-34-26S-28E	98220	
30-015-47460	Potato Baby State Com #705H	F-34-26S-28E	98220	
30-015-47459	Potato Baby State Com #706H	F-34-26S-28E	98220	

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit B

Order: CTB-983

Operator: COG Operating, LLC (229137)

Pooled Areas

Pooled Area	Location (NMPM)		Acres	Pooled Area ID
CA WC NMSLO	W/2	Sec 22-T26S-R28E	767.52	A
	W/2	Sec 27-T26S-R28E		
	NW/4	Sec 34-T26S-R28E		
CA WC NMSLO	E/2	Sec 22-T26S-R28E	767.72	B
	E/2	Sec 27-T26S-R28E		
	NE/4	Sec 34-T26S-R28E		
CA WC NMSLO	E/2	Sec 27-T26S-R28E	447.72	C
	NE/4	Sec 34-T26S-R28E		

Leases Comprising Pooled Areas

Lease	Location (NMPM)		Acres	Pooled Area ID
VO 79672	N/2 NW/4, SW/4 NW/4, SE/4 SW/4	Sec 22-T26S-R28E	160	A
Fee	SE/4 NW/4	Sec 22-T26S-R28E	40	A
Fee	W/2 SW/4, NE/4 SW/4	Sec 22-T26S-R28E	120	A
VB 11261	W/2	Sec 27-T26S-R28E	320	A
VB 11270	NW/4	Sec 34-T26S-R28E	127.52	A
VO 79672	N/2 NE/4, SE/4 NE/4, S/2 SE/4	Sec 22-T26S-R28E	200	B
Fee	SW/4 NE/4	Sec 22-T26S-R28E	40	B
Fee	N/2 SE/4	Sec 22-T26S-R28E	80	B
VB 11261	NE/4	Sec 27-T26S-R28E	160	B
VB 06782	SE/4	Sec 27-T26S-R28E	160	B
VB 11271	NE/4	Sec 34-T26S-R28E	127.72	B
VB 11261	NE/4	Sec 27-T26S-R28E	160	C
VB 06782	SE/4	Sec 27-T26S-R28E	160	C
VB 11271	NE/4	Sec 34-T26S-R28E	127.72	C

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 17832

CONDITIONS OF APPROVAL

Operator: COG OPERATING LLC 600 W Illinois Ave Midland, TX79701			OGRID: 229137	Action Number: 17832	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.				