



April 13, 2021

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

Re: Application for Administrative Approval
Off-lease Measurement – Oil Only

Dear Mr. McClure,

COG Operating LLC, respectfully requests approval for off-lease measurement – Oil only for the following wells:

Gunner 8 Federal Com 604H
API# 30-025-46758
Bobcat Draw; Upper Wolfcamp
Ut. D, Sec. 25-T26S-R34E
Lea County, NM

Gunner 8 Federal Com 703H
API# 30-025-47171
Bobcat Draw; Upper Wolfcamp
Ut. C, Sec. 25-T26S-R34E
Lea County, NM

Gunner 8 Federal Com 704H
API# 30-025-47172
Bobcat Draw; Upper Wolfcamp
Ut. C, Sec. 25-T26S-R34E
Lea County, NM

Gunner 8 Federal Com 705H
API# 30-025-46760
Bobcat Draw; Upper Wolfcamp
Ut. D, Sec. 25-T26S-R34E
Lea County, NM

Oil Production:

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 the event the CTB on lease is over capacity or in the case of battery or pipeline repairs. Oil will remain segregated and will be measured by lact meter when offloading at the Offload Stations.

Notifications have been sent to all working interest owners.

Please see the enclosed Administrative Application Checklist, C-107-B Application for Off Lease Measurement, plats for referenced wells, site facility diagram, maps with lease boundaries showing wells and facility locations and a copy of the communization agreement application.

Thank you for your attention to this matter. If you have questions or need further information, please email me at jbarron@concho.com or call 575.748.6974.

Sincerely,

A handwritten signature in cursive script 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: |
|-----------|-----------|-------|---------|

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

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

| | |
|--|-----------------------------|
| Applicant: COG Operating, LLC | OGRID Number: 229137 |
| Well Name: Gunner 8 Federal Com 604H, & three other wells | API: 30-025-46758 |
| Pool: Bobcat Draw; Upper Wolfcamp | Pool Code: 98094 |

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

1) TYPE OF APPLICATION: Check those which apply for [A]

A. Location - Spacing Unit - Simultaneous Dedication

☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD

B. Check one only for [I] or [II]

[I] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☒ OLM

[II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

2) NOTIFICATION REQUIRED TO: Check those which apply.

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

FOR OCD ONLY

- ☐ Notice Complete
☐ Application
 Content
 Complete

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

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

Jeanette Barron

Print or Type Name

Jeanette Barron
 Signature

Date

4/13/21

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.

(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: 4/13/21

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: (505) 593-6151 Fax: (505) 398-0720

DISTRICT II
811 S. FIRST ST., ARTESIA, NM 88210
Phone: (505) 746-1283 Fax: (505) 746-9720

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) 476-3480 Fax: (505) 476-3483

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|----------------------------|---------------------------------------|--|
| API Number 30-025-46758 | Pool Code 98094 | Pool Name BOBCAT DRAW; UPPER WOLFCAMP |
| Property Code 39912 | Property Name GUNNER 8 FEDERAL COM | Well Number 604H |
| OGRID No. 229137 | Operator Name COG OPERATING, LLC | Elevation 3333.4' |

Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| D | 5 | 26-S | 34-E | | 250 | NORTH | 560 | WEST | LEA |

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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| N | 8 | 26-S | 34-E | | 50 | SOUTH | 1650 | WEST | LEA |

| | | | |
|------------------------|-----------------|--------------------|-----------|
| Dedicated Acres 640 | Joint or Infill | Consolidation Code | 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>NAD 83 NME <u>SURFACE LOCATION</u> Y=393493.4 N X=799857.6 E LAT.=32.079044° N LONG.=103.498662° W</p> <table border="1"> <thead> <tr> <th colspan="2">POINT LEGEND</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Y=393761.6 N X=801937.5 E</td> </tr> <tr> <td>2</td> <td>Y=388481.8 N X=801990.0 E</td> </tr> <tr> <td>3</td> <td>Y=383197.3 N X=802030.8 E</td> </tr> <tr> <td>4</td> <td>Y=383177.8 N X=799384.9 E</td> </tr> <tr> <td>5</td> <td>Y=385620.8 N X=799363.3 E</td> </tr> <tr> <td>6</td> <td>Y=388463.5 N X=799339.8 E</td> </tr> <tr> <td>7</td> <td>Y=391104.4 N X=799318.3 E</td> </tr> <tr> <td>8</td> <td>Y=393738.6 N X=799295.4 E</td> </tr> </tbody> </table> <p>NAD 83 NME <u>PROPOSED BOTTOM HOLE LOCATION</u> Y=383239.9 N X=801034.4 E LAT.=32.050835° N LONG.=103.495119° W</p> | POINT LEGEND | | 1 | Y=393761.6 N X=801937.5 E | 2 | Y=388481.8 N X=801990.0 E | 3 | Y=383197.3 N X=802030.8 E | 4 | Y=383177.8 N X=799384.9 E | 5 | Y=385620.8 N X=799363.3 E | 6 | Y=388463.5 N X=799339.8 E | 7 | Y=391104.4 N X=799318.3 E | 8 | Y=393738.6 N X=799295.4 E | <p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information 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 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> 4/13/21 Signature Date</p> <p>Jeanette Barron Printed Name</p> <p>jbarron@concho.com E-mail Address</p> <p>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>NOVEMBER 15, 2019 Date of Survey</p> <p>Signature & Seal of Professional Surveyor</p> <p><i>Chad L. Harcrow</i> 3/30/20 Certificate No. CHAD HARCROW 17777 W.O. # 20-495 DRAWN BY: DS</p> |
|--------------|---|--------------|--|---|------------------------------|---|------------------------------|---|------------------------------|---|------------------------------|---|------------------------------|---|------------------------------|---|------------------------------|---|------------------------------|--|
| POINT LEGEND | | | | | | | | | | | | | | | | | | | | |
| 1 | Y=393761.6 N X=801937.5 E | | | | | | | | | | | | | | | | | | | |
| 2 | Y=388481.8 N X=801990.0 E | | | | | | | | | | | | | | | | | | | |
| 3 | Y=383197.3 N X=802030.8 E | | | | | | | | | | | | | | | | | | | |
| 4 | Y=383177.8 N X=799384.9 E | | | | | | | | | | | | | | | | | | | |
| 5 | Y=385620.8 N X=799363.3 E | | | | | | | | | | | | | | | | | | | |
| 6 | Y=388463.5 N X=799339.8 E | | | | | | | | | | | | | | | | | | | |
| 7 | Y=391104.4 N X=799318.3 E | | | | | | | | | | | | | | | | | | | |
| 8 | Y=393738.6 N X=799295.4 E | | | | | | | | | | | | | | | | | | | |

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240
Phone: (505) 393-6161 Fax: (505) 393-0730

DISTRICT II
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Phone: (505) 748-1283 Fax: (505) 748-9720

DISTRICT III
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Phone: (505) 334-6178 Fax: (505) 334-6178

DISTRICT IV
1280 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 478-3480 Fax: (505) 478-3482

State of New Mexico
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OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|----------------------------|---------------------------------------|--|
| API Number 30-025-47171 | Pool Code 98094 | Pool Name BOBCAT DRAW; UPPER WOLFCAMP |
| Property Code 39912 | Property Name GUNNER 8 FEDERAL COM | Well Number 703H |
| OGRID No. 229137 | Operator Name COG OPERATING, LLC | Elevation 3339.7' |

Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| C | 5 | 26-S | 34-E | | 220 | NORTH | 2010 | WEST | LEA |

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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| N | 8 | 26-S | 34-E | | 50 | SOUTH | 2310 | WEST | LEA |

| Dedicated Acres | Joint or Infill | Consolidation Code | Order No. |
|-----------------|-----------------|--------------------|-----------|
| 640 | | | |

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>NAD 83 NME SURFACE LOCATION Y=393536.0 N X=801307.3 E LAT.=32.079130' N LONG.=103.493980' W</p> <table border="1"> <thead> <tr> <th colspan="2">POINT LEGEND</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Y=393761.6 N X=801937.5 E</td> </tr> <tr> <td>2</td> <td>Y=388481.8 N X=801990.0 E</td> </tr> <tr> <td>3</td> <td>Y=383197.3 N X=802030.8 E</td> </tr> <tr> <td>4</td> <td>Y=383177.8 N X=799364.9 E</td> </tr> <tr> <td>5</td> <td>Y=385820.8 N X=799363.3 E</td> </tr> <tr> <td>6</td> <td>Y=388483.5 N X=799339.8 E</td> </tr> <tr> <td>7</td> <td>Y=391104.4 N X=799318.3 E</td> </tr> <tr> <td>8</td> <td>Y=393738.8 N X=799295.4 E</td> </tr> </tbody> </table> <p>NAD 83 NME PROPOSED BOTTOM HOLE LOCATION Y=383294.8 N X=801694.0 E LAT.=32.050972' N LONG.=103.492989' W</p> | POINT LEGEND | | 1 | Y=393761.6 N X=801937.5 E | 2 | Y=388481.8 N X=801990.0 E | 3 | Y=383197.3 N X=802030.8 E | 4 | Y=383177.8 N X=799364.9 E | 5 | Y=385820.8 N X=799363.3 E | 6 | Y=388483.5 N X=799339.8 E | 7 | Y=391104.4 N X=799318.3 E | 8 | Y=393738.8 N X=799295.4 E | <p>OPERATOR CERTIFICATION I hereby certify that the information 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 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> 4/13/21 Signature Date</p> <p>Jeanette Barron Printed Name</p> <p>jbarron@concho.com E-mail Address</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>NOVEMBER 15, 2019 Date of Survey</p> <p>Signature & Seal of Professional Surveyor</p> <p><i>Chad L. Harcrow</i> 11/22/19 Certificate No. CHAD HARCROW 17777 W.O. # 19-2053 DRAWN BY: AH</p> |
|--------------|---|--------------|--|---|------------------------------|---|------------------------------|---|------------------------------|---|------------------------------|---|------------------------------|---|------------------------------|---|------------------------------|---|------------------------------|--|
| POINT LEGEND | | | | | | | | | | | | | | | | | | | | |
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1825 N. FRENCH DR., HOBBS, NM 88240
Phone: (505) 593-8181 Fax: (505) 593-0720

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WELL LOCATION AND ACREAGE DEDICATION PLAT

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| API Number 30-025-47172 | Pool Code 98094 | Pool Name BOBCAT DRAW; UPPER WOLFCAMP |
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| OGRID No. 229137 | Operator Name COG OPERATING, LLC | Elevation 3339.3' |

Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| C | 5 | 26-S | 34-E | | 220 | NORTH | 1950 | WEST | LEA |

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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| M | 8 | 26-S | 34-E | | 50 | SOUTH | 1000 | WEST | LEA |

| Dedicated Acres | Joint or Infill | Consolidation Code | Order No. |
|-----------------|-----------------|--------------------|-----------|
| 640 | | | |

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>FTF 100' FNL & 1000' FWL Y=393647.3 N X=800296.3 E LAT.=32.079457° N LONG.=103.497242° W GRID AZ. TO FTF 276°42'02"</p> <p>LTP 100' FSL & 1000' FWL Y=383285.2 N X=800384.0 E LAT.=32.050973° N LONG.=103.497217° W</p> <p>LEASE X-ING LAT.=32.076108° N LONG.=103.497239° W</p> <p>GRID AZ. - 179°30'53" HORIZ. DIST. - 104'12.5"</p> <p>SECTION 5 SECTION 8</p> <p>1000' B.H.</p> | <p>NAD 83 NME SURFACE LOCATION Y=393535.6 N X=801247.2 E LAT.=32.079130° N LONG.=103.494174° W</p> <table border="1"> <thead> <tr> <th colspan="2">POINT LEGEND</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Y=393761.6 N X=801937.5 E</td> </tr> <tr> <td>2</td> <td>Y=388481.8 N X=801990.0 E</td> </tr> <tr> <td>3</td> <td>Y=383197.3 N X=802030.8 E</td> </tr> <tr> <td>4</td> <td>Y=383177.8 N X=799384.9 E</td> </tr> <tr> <td>5</td> <td>Y=385820.8 N X=799363.3 E</td> </tr> <tr> <td>6</td> <td>Y=388463.5 N X=799339.8 E</td> </tr> <tr> <td>7</td> <td>Y=391104.4 N X=799318.3 E</td> </tr> <tr> <td>8</td> <td>Y=393738.6 N X=799295.4 E</td> </tr> </tbody> </table> <p>NAD 83 NME PROPOSED BOTTOM HOLE LOCATION Y=383235.2 N X=800384.4 E LAT.=32.050836° N LONG.=103.497217° W</p> | POINT LEGEND | | 1 | Y=393761.6 N X=801937.5 E | 2 | Y=388481.8 N X=801990.0 E | 3 | Y=383197.3 N X=802030.8 E | 4 | Y=383177.8 N X=799384.9 E | 5 | Y=385820.8 N X=799363.3 E | 6 | Y=388463.5 N X=799339.8 E | 7 | Y=391104.4 N X=799318.3 E | 8 | Y=393738.6 N X=799295.4 E | <p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information 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 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> 4/13/21 Signature Date</p> <p>Jeanette Barron Printed Name jbarron@concho.com E-mail Address</p> <p>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>NOVEMBER 15, 2019 Date of Survey</p> <p>Signature & Seal of Professional Surveyor</p> <p>CHAD L. HARCROW NEW MEXICO LICENSED PROFESSIONAL SURVEYOR 17777</p> <p><i>Chad Harcrow</i> 3/30/20 Certificate No. CHAD HARCROW 17777 W.O. # 20-492 DRAWN BY: WN</p> |
|--|--|--------------|--|---|------------------------------|---|------------------------------|---|------------------------------|---|------------------------------|---|------------------------------|---|------------------------------|---|------------------------------|---|------------------------------|---|
| POINT LEGEND | | | | | | | | | | | | | | | | | | | | |
| 1 | Y=393761.6 N X=801937.5 E | | | | | | | | | | | | | | | | | | | |
| 2 | Y=388481.8 N X=801990.0 E | | | | | | | | | | | | | | | | | | | |
| 3 | Y=383197.3 N X=802030.8 E | | | | | | | | | | | | | | | | | | | |
| 4 | Y=383177.8 N X=799384.9 E | | | | | | | | | | | | | | | | | | | |
| 5 | Y=385820.8 N X=799363.3 E | | | | | | | | | | | | | | | | | | | |
| 6 | Y=388463.5 N X=799339.8 E | | | | | | | | | | | | | | | | | | | |
| 7 | Y=391104.4 N X=799318.3 E | | | | | | | | | | | | | | | | | | | |
| 8 | Y=393738.6 N X=799295.4 E | | | | | | | | | | | | | | | | | | | |

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240
Phone: (505) 393-8181 Fax: (505) 393-0720

DISTRICT II
811 S. FIRST ST., ARTESIA, NM 88210
Phone: (505) 748-1583 Fax: (505) 748-0720

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 334-8178 Fax: (505) 334-8170

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, New Mexico 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|-----------------------------------|--|---|
| API Number 30-025-46760 | Pool Code 98094 | Pool Name BOBCAT DRAW; UPPER WOLFCAMP |
| Property Code 39912 | Property Name GUNNER 8 FEDERAL COM | Well Number 705H |
| OGRID No. 229137 | Operator Name COG OPERATING, LLC | Elevation 3333.0' |

Surface Location

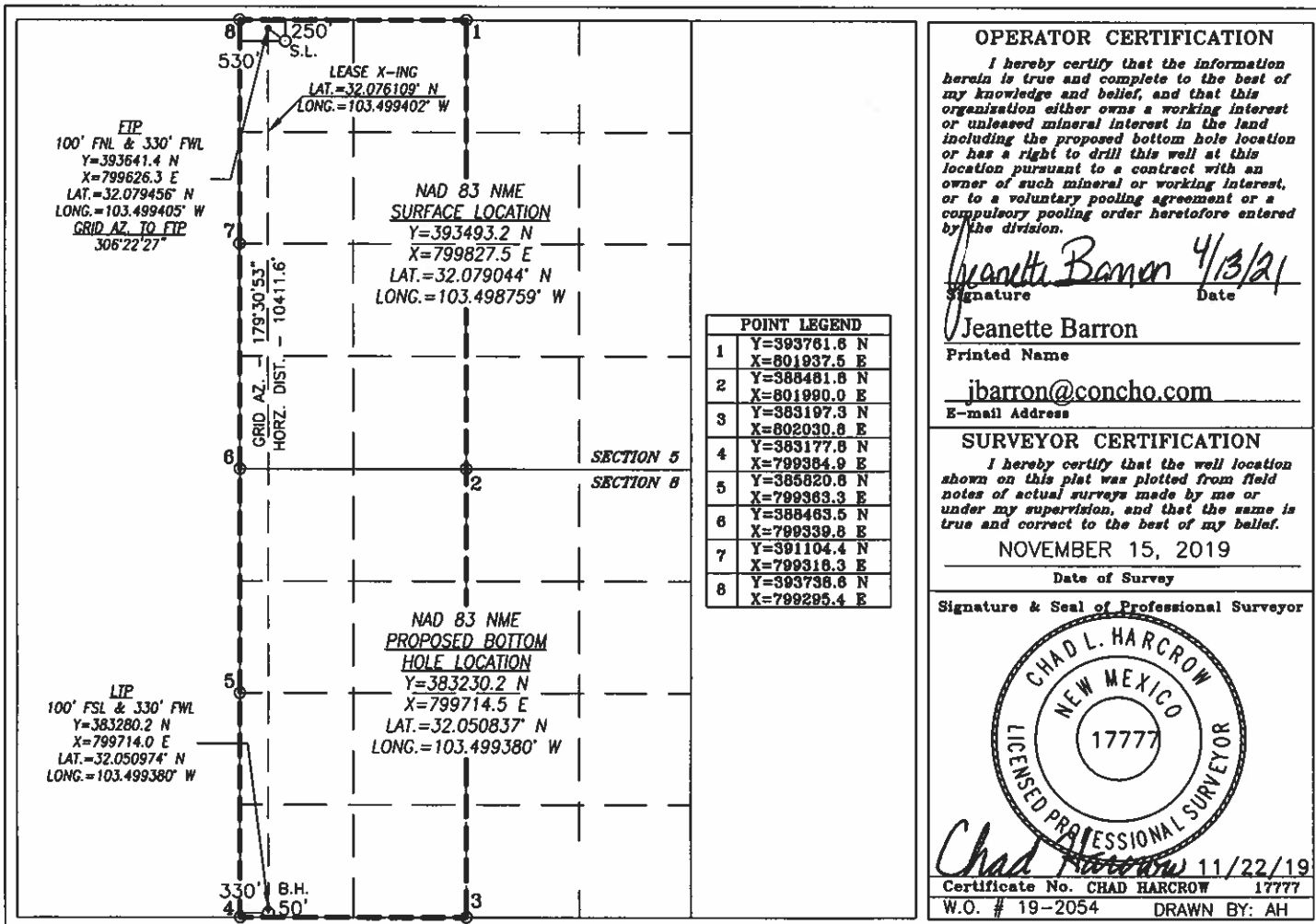
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| D | 5 | 26-S | 34-E | | 250 | NORTH | 530 | WEST | LEA |

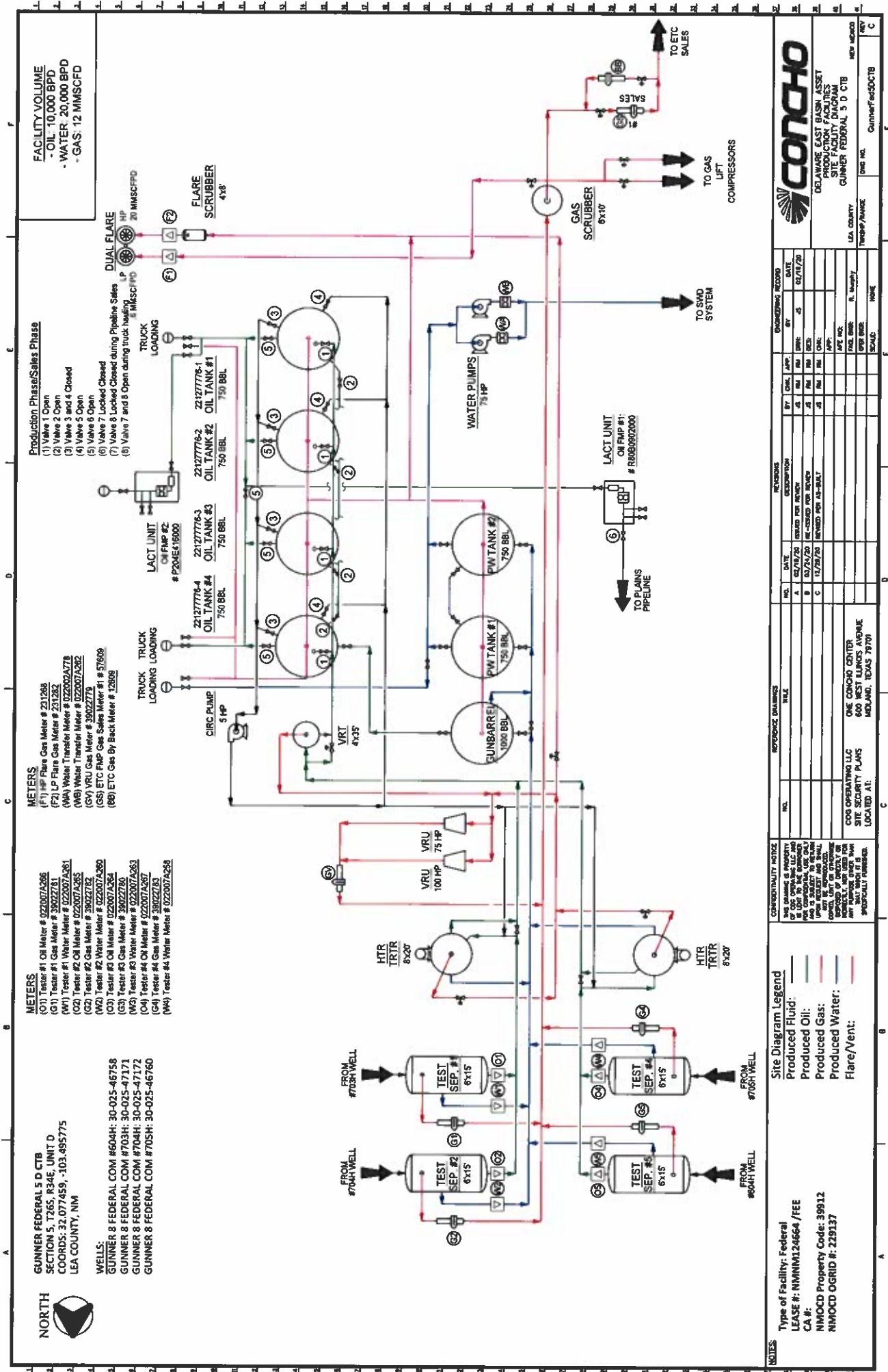
Bottom Hole Location If Different From Surface

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| M | 8 | 26-S | 34-E | | 50 | SOUTH | 330 | WEST | LEA |

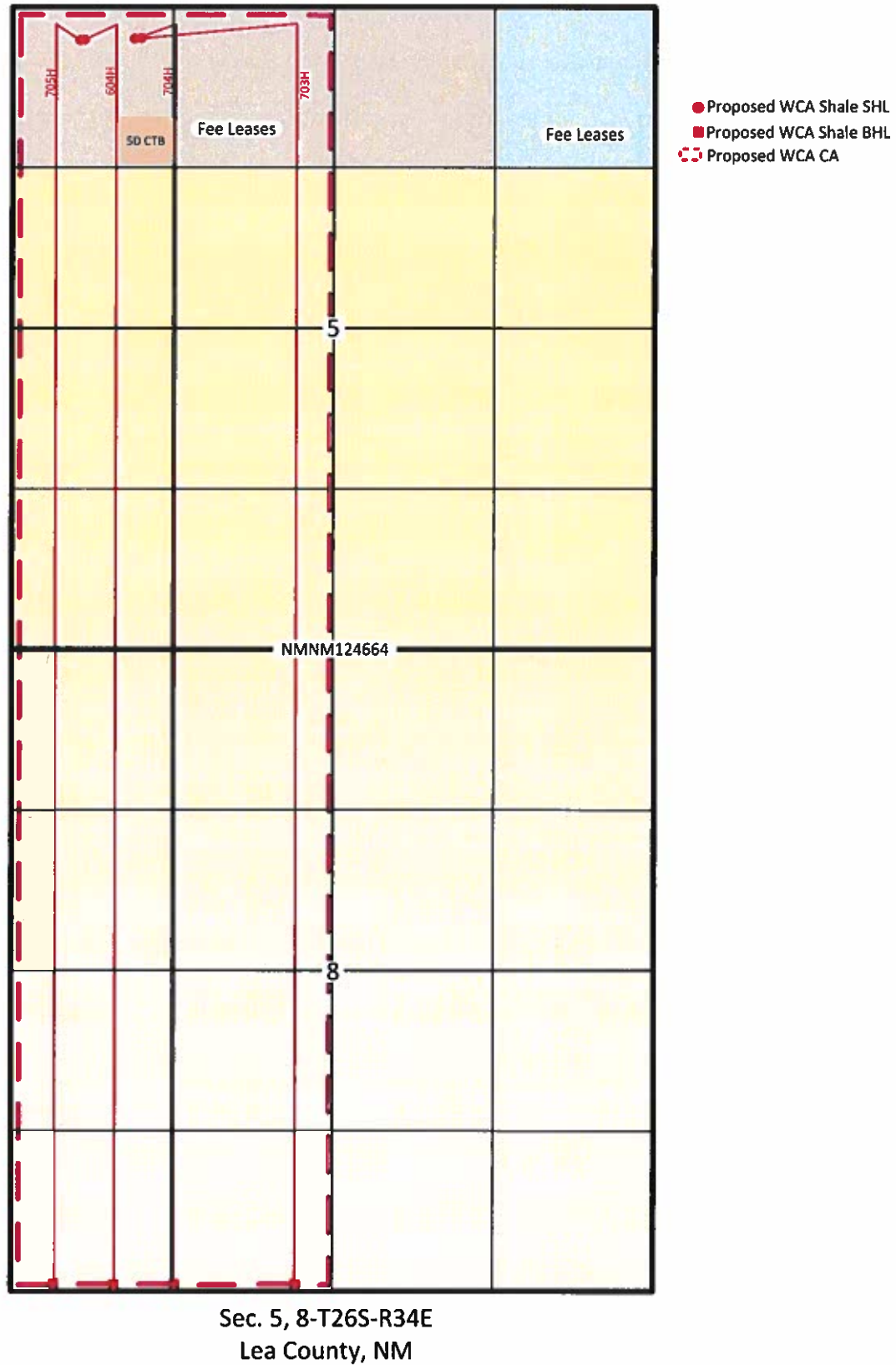
| | | | |
|-------------------------------|-----------------|--------------------|-----------|
| Dedicated Acres 640 | Joint or Infill | Consolidation Code | Order No. |
|-------------------------------|-----------------|--------------------|-----------|

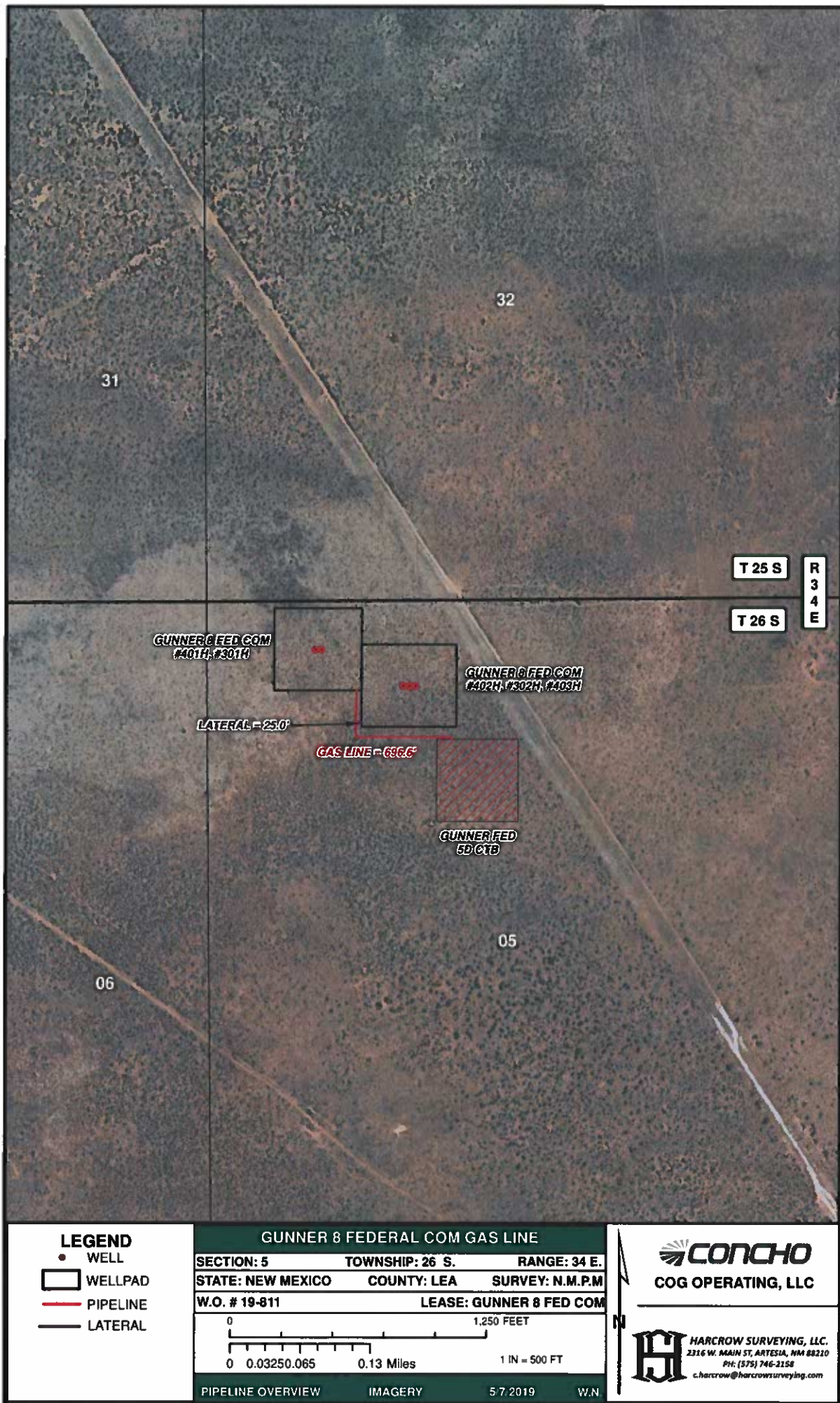
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



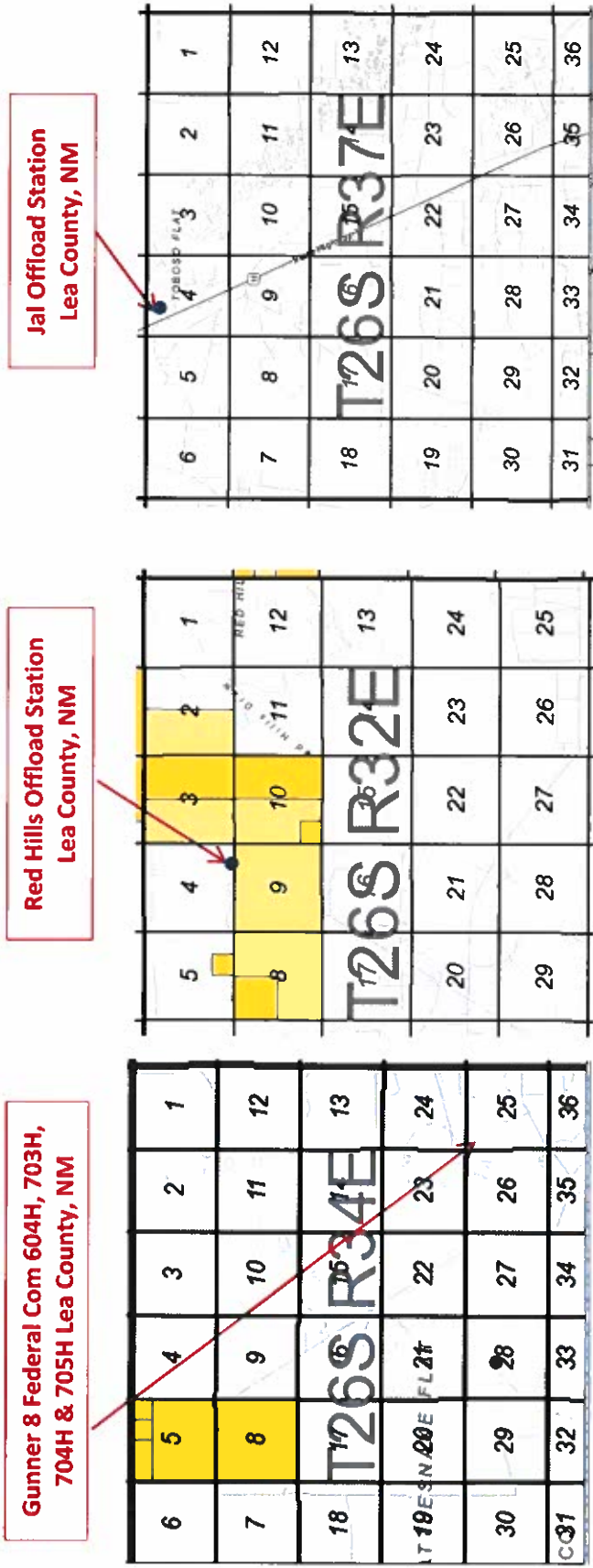


Gunner 8 Federal Com Wells





Gunner 8 Federal Com 604H, 701H, 704H & 705H & Red Hills and Jal Offload Station Map



Gunner 8 Fed Com 604H, 703H-705H OLM

| Date Sent | Initials | Name | Address | City | State | ZipCode | Certified Return Receipt No. | Delivered |
|-----------|----------|----------------------------|--|---------------|-------|------------|------------------------------|-----------|
| 04.13.21 | JB | CHEVRON USA INC | 6301 Deaville Blvd | Midland | TX | 79706 | 7017 3040 0000 1205 1357 | |
| 04.13.21 | JB | MRC PERMIAN COMPANY | ONE LINCOLN CENTRE STE 15005400 LYNDON B JOHNSON F | DALLAS | TX | 75240-1017 | 7017 3040 0000 1205 1388 | |
| 04.13.21 | JB | BEXP I LP | 5914 W COURTYARD DR STE 340 | AUSTIN | TX | 78730-0 | 7017 3040 0000 1205 1340 | |
| 04.13.21 | JB | CHIEF CAPITAL (O&G) II LLC | 8111 WESTCHESTER STE 900 | DALLAS | TX | 75225 | 7017 3040 0000 1205 1371 | |
| 04.13.21 | JB | CRP XII HOLDINGS LLC DBA | 1101 N BROADWAY STE 300 | OKLAHOMA CITY | OK | 73103 | 7017 3040 0000 1205 1364 | |
| 04.13.21 | JB | BLM | 414 West Taylor | Hobbs | NM | 88240 | 7017 3040 0000 1205 1333 | |

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 1st day of November, 2019, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

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

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

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

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

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

Township 26 South, Range 34 East, N.M.P.M.

Section 5: W/2

Section 8: W/2

Lea County, New Mexico

Containing 640.00 acres, and this agreement shall include only the Wolfcamp formation underlying said lands and the crude oil and associated natural gas (or) oil and gas hereafter referred to as "communitized substances," producible from such pool.

2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the

communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.

3. The Operator of the communitized area shall be **COG Operating LLC, 600 W. Illinois Ave., Midland, TX, 79701**. All matters of operations shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

All proceeds, 8/8ths, attributed to unleased Federal or Indian lands included within the CA area are to be paid into the appropriate Unleased Lands Account or Indian Trust Account by the designated operator until the land is leased or ownership is established.

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same pool as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.

8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is May 1, 2020, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.

14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

OPERATOR:

COG OPERATING LLC

Date: 1/13/2021

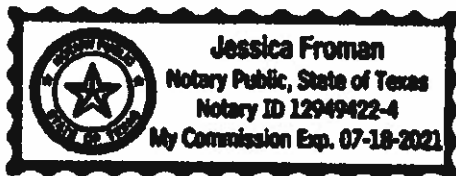
By:

[Signature]
Sean Johnson
Attorney-In-Fact

ACKNOWLEDGEMENT

STATE OF TEXAS §
 §
COUNTY OF MIDLAND §

This instrument was acknowledged before me on the 13 day of January, 2021, by Sean Johnson, Attorney-In-Fact of COG Operating LLC, a Delaware Limited Liability Company, on behalf of same.



Jessica Froman
Notary Public in and for the State of Texas
My Commission expires: 07/18/2021

LIST OF PARTIES TO FEDERAL COMMUNITIZATION AGREEMENT:**Working Interest Owners:**

| | |
|---|---|
| COG Operating LLC | Signature attached |
| Chevron U.S.A. Inc. | Signature attached |
| MRC Permian Company | Signature attached |
| Devon Energy Production Company, LP | Pooled via Compulsory Pooling Order No. R-21225 |
| Brigham Exploration | Signature attached |
| Chief Capital (O&G) II, LLC | Signature attached |
| Marathon Oil Permian LLC, on Behalf of CRP XII, LLC | Signature attached |

TRACT 1 – Multiple Fee Leases

| | | |
|-------------------|-------------------------------------|---|
| Lessee of Record: | COG Operating LLC | Signature attached |
| | MRC Permian Company | Signature attached |
| | Marathon Oil Permian, LLC | Signature attached |
| | Devon Energy Production Company, LP | Pooled via Compulsory Pooling Order No. R-21225 |
| | | |


ORRI Owner:

Sugarberry Oil & Gas Corporation, Advent Trust Company, Trustee of the Frederica H. Crain Trust, Frank T. Fleet, Inc., P.A.W.N. Enterprises, Daniel Fleet Freeman, Successor Trustee of Trust "A" under the will of Margaret Helen Kalmar, Tundra AD3, LP, 1836 Royalty Partners, LLC, Marc T. Wray, Trustee of the Marc T. Wray Trust 2008, Andrew Wray, Fortis Minerals II, LLCC, The Estate of Warren J. Bates, Bates Family Investment Company, LLC, L.J. Barnes, Trustee of the Lucille Chism Bates Testamentary Trust, Pony Oil Operating, LLC, TD Minerals LLC, John V. McCarthy, II, Joseph M. Victory, Yates Brothers, McMullen Minerals, LLC, Pegasus Resources, LLC, Panhandle Properties LLC, Monticello Minerals LLC

TRACT 2 – NMNM 124664

| | | |
|---------------------------------|-------------------|--------------------|
| Lessees of Record per SRP: | COG Operating LLC | Signature attached |
| Operating Rights Owner per SRP: | COG Operating LLC | Signature attached |

WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD

Date: 1/13/2021 By: 
Sean Johnson
Attorney-In-Fact

Chevron USA, Inc.

Date: _____ By: _____
Name: _____
Title: Attorney-In-Fact

MRC Permian Company

Date: _____ By: _____
Name: _____
Title: _____

Devon Energy Production Company, LP
***Pooled Via Compulsory Pooling Order No.**
R-21225

Date: _____ By: _____
Name: _____
Title: _____

Brigham Exploration

Date: _____ By: _____
Name: _____
Title: _____

WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD

COG OPERATING LLC

Date: _____

By: _____

Sean Johnson
Attorney-In-Fact

Chevron U.S.A. Inc.

Date: _____

By: Kelly Coppins

Name: Kelly Coppins

Title: Attorney-In-Fact

MRC Permian Company

Date: _____

By: _____

Name: _____

Title: _____

Devon Energy Production Company, LP
***Pooled Via Compulsory Pooling Order No.**
R-21225

Date: _____

By: _____

Name: _____

Title: _____

Brigham Exploration

Date: _____

By: _____

Name: _____

Title: _____

WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD

COG OPERATING LLC

Date: _____ By: _____
Sean Johnson
Attorney-In-Fact

Chevron USA, Inc.

Date: _____ By: _____
Name: _____
Title: Attorney-In-Fact

MRC Permian Company

Date: _____ By: Craig N. Adams
Name: Craig N. Adams
Title: Executive Vice President & COO

*see
D.W.J.*

Devon Energy Production Company, LP
***Pooled Via Compulsory Pooling Order No.**
R-21225

Date: _____ By: _____
Name: _____
Title: _____

Brigham Exploration

Date: _____ By: _____
Name: _____
Title: _____

WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD

COG OPERATING LLC

Date: _____

By: _____

Sean Johnson
Attorney-In-Fact

Chevron USA, Inc.

Date: _____

By: _____

Name: _____

Title: Attorney-In-Fact

MRC Permian Company

Date: _____

By: _____

Name: _____

Title: _____

Devon Energy Production Company, LP
***Pooled Via Compulsory Pooling Order No.**
R-21225

Date: _____

By: _____

Name: _____

Title: _____

~~DEXP 1, LP~~
~~Brigham Exploration~~

Date: 1/22/2021

By: 

Name: Keith P. Little

Title: President & CEO

Date: 1/21/2021

Chief Capital (D&G) II, LLC
By: [Signature]
Name: Walter Dixon
Title: Vice President

Marathon Oil Permian LLC, on behalf of CRP XII, LLC
Date: _____
By: _____
Name: _____
Title: _____

ACKNOWLEDGEMENTS

STATE OF TEXAS §
 §
COUNTY OF MIDLAND §

This instrument was acknowledged before me on the _____ day of _____, 202_, by Sean Johnson, Attorney-In-Fact, of COG Operating LLC, a Delaware Limited Liability Company, on behalf of said limited liability company.

Notary Public in and for the State of Texas
My Commission Expires: _____

STATE OF _____ §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 202_, by _____, as _____ of Chevron USA Inc., a _____, on behalf of same.

Notary Public in and for the State of _____
My Commission Expires: _____

Chief Capital (O&G) II, LLC

Date: _____

By: _____

Name: _____

Title: _____

Marathon Oil Permian LLC, on behalf of CRP XII, LLC

Date: 2/4/2021

By: [Signature]

Name: Ryan Gyllenband

Title: Attorney-In-Fact

ACKNOWLEDGEMENTS

STATE OF TEXAS §
 §
COUNTY OF MIDLAND §

This instrument was acknowledged before me on the _____ day of _____, 202_, by Sean Johnson, Attorney-In-Fact, of COG Operating LLC, a Delaware Limited Liability Company, on behalf of said limited liability company.

Notary Public in and for the State of Texas
My Commission Expires: _____

STATE OF _____ §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 202_, by _____, as _____ of Chevron USA Inc., a _____, on behalf of same.

Notary Public in and for the State of _____
My Commission Expires: _____

Chief Capital (O&G) II, LLC

Date: _____

By: _____

Name: _____

Title: _____

Marathon Oil Permian LLC, on behalf of CRP XII, LLC

Date: _____

By: _____

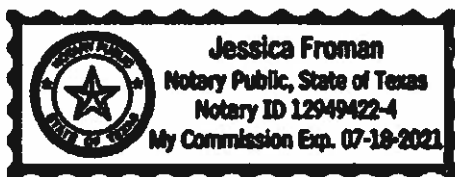
Name: _____

Title: _____

ACKNOWLEDGEMENTS

STATE OF TEXAS §
 §
COUNTY OF MIDLAND §

This instrument was acknowledged before me on the 13 day of January, 2021, by Sean Johnson, Attorney-In-Fact, of COG Operating LLC, a Delaware Limited Liability Company, on behalf of said limited liability company.



Jessie Johnson
Notary Public in and for the State of Texas
My Commission Expires: 07/18/2021

STATE OF _____ §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 202____, by _____, as _____ of Chevron USA Inc., a _____, on behalf of same.

Notary Public in and for the State of _____
My Commission Expires: _____

Chief Capital (O&G) II, LLC

Date: _____ By: _____
 Name: _____
 Title: _____

Marathon Oil Permian LLC, on behalf of CRP XII, LLC

Date: _____ By: _____
 Name: _____
 Title: _____

ACKNOWLEDGEMENTS

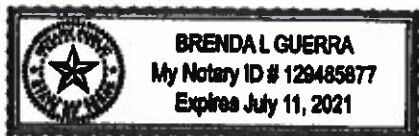
STATE OF TEXAS §
 COUNTY OF MIDLAND §

This instrument was acknowledged before me on the _____ day of _____, 202_, by Sean Johnson, Attorney-In-Fact, of COG Operating LLC, a Delaware Limited Liability Company, on behalf of said limited liability company.

Notary Public in and for the State of Texas
 My Commission Expires: _____

STATE OF TEXAS §
 COUNTY OF HARRIS §

This instrument was acknowledged before me on the 8th day of April, 202_, by Kelly Coppins, as Attorney-in-Fact of Chevron U.S.A Inc., a Pennsylvania corporation, on behalf of same.

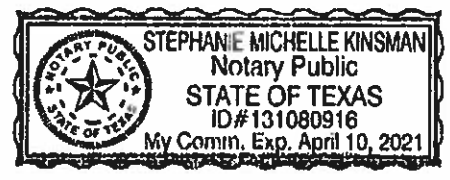


Brenda L Guerra
 Notary Public in and for the State of TEXAS
 My Commission Expires: 07/11/2021

Acknowledgments cont.

STATE OF TEXAS §
COUNTY OF DALLAS §

This instrument was acknowledged before me on the 25th day of February, 2021, by Craig N. Adams, as Executive Vice President + COO of MRC Permian Company, a Texas Corporation, on behalf of same.



Stephanie Michelle Kinsman
Notary Public in and for the State of Texas
My Commission Expires: 4/10/2021

STATE OF _____ §
COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 2021, by _____, as _____ of Devon Energy Production Company, LP, a _____, on behalf of same.

Notary Public in and for the State of _____
My Commission Expires: _____

STATE OF _____ §
COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 2021, by _____, as _____ of Brigham Exploration, a _____, on behalf of same.

Notary Public in and for the State of _____
My Commission Expires: _____

Acknowledgments cont.

STATE OF _____ §
COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 202_, by _____, as _____ of MRC Permian Company, a _____, on behalf of same.

Notary Public in and for the State of _____
My Commission Expires: _____

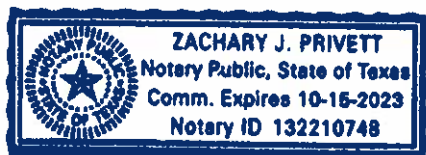
STATE OF _____ §
COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 202_, by _____, as _____ of Devon Energy Production Company, LP, a _____, on behalf of same.

Notary Public in and for the State of _____
My Commission Expires: _____

STATE OF TEXAS §
COUNTY OF TRAVIS §

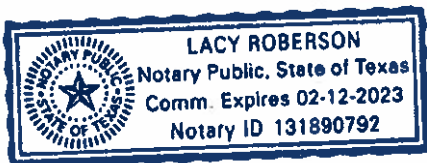
This instrument was acknowledged before me on the 22nd day of January, 2021 by Keith P. Lillie, as President & CEO of Brigham Exploration, a Delaware Limited Partnership, on behalf of same. BEXP, LP



[Signature]
Notary Public in and for the State of TEXAS
My Commission Expires: 10-15-2023

STATE OF Texas §
COUNTY OF Dallas §

This instrument was acknowledged before me on the 21st day of January, 2021, by Walt Nixon, as Vice President of Chief Capital (O&G) II, LLC, a Texas limited liability company, on behalf of same.



Lacy Roberson
Notary Public in and for the State of Texas
My Commission Expires: 2/12/23

STATE OF _____ §
COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 2021, by _____, as _____ of Marathon Oil Permian LLC, on behalf of CRP XII, LLC, a, on behalf of same.

Notary Public in and for the State of _____
My Commission Expires: _____

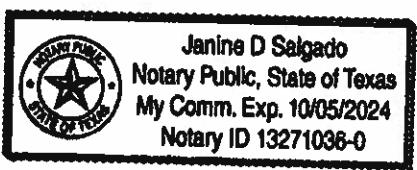
STATE OF _____ §
COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 202_, by _____, as _____ of Chief Capital (O&G) II, LLC, a _____, on behalf of same.

Notary Public in and for the State of _____
My Commission Expires: _____

STATE OF Texas §
COUNTY OF Harris §

This instrument was acknowledged before me on the 4th day of February, 2021, by Ryan Gyllenband, as Attorney-in-Fact of Marathon Oil Permian LLC, on behalf of CRP XII, LLC, a limited liability company on behalf of same.



Janine D. Salgado
Notary Public in and for the State of Texas
My Commission Expires: 10/5/2024

Acknowledgments cont.

STATE OF _____ §
COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 202_, by _____, as _____ of
MRC Permian Company, a _____, on behalf of same.

Notary Public in and for the State of _____
My Commission Expires: _____

STATE OF _____ §
COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 202_, by _____, as _____ of
Devon Energy Production Company, LP, a _____, on behalf of same.

Notary Public in and for the State of _____
My Commission Expires: _____

STATE OF _____ §
COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 202_, by _____, as _____ of
Brigham Exploration, a _____, on behalf of same.

Notary Public in and for the State of _____
My Commission Expires: _____

EXHIBIT "A"

Plat of communitized area covering 640.00 acres in the W/2 of Section 5 & the W/2 of Section 8, T26S – R34E,
N.M.P.M., Lea County, New Mexico
Communitized depths are hereby limited to the Wolfcamp formation

Tract 1:
Fee Leases



Tract 2:
NMNM 124664



| | | | |
|--|--|--|--------|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | SEC. 5 |
| | | | SEC. 8 |
| | | | |
| | | | |
| | | | |
| | | | |

EXHIBIT "B"

To Communitization Agreement dated November 1, 2019 embracing the following described
land in the W/2 of Section 5 & the W/2 of Section 8, T26S – R34E, N.M.P.M.,

Lea County, New Mexico

Communitized depths are hereby limited to the Wolfcamp formation

Operator of Communitized Area: COG Operating LLC

DESCRIPTION OF LEASES COMMITTED**TRACT #1****Lease 1**

Lease Date: October 1, 2013
 Lease Term: Three (3) Years
 Recordation: Book 1863, Page 184
 Lessor: Duard D. Thomas, Personal Representative of the Estate of Warren J. Bates
 Original Lessee: Energex LLC
 Current Lessee: COG Operating LLC
 Description of Land Committed: Insofar and only insofar as said lease covers:
Township 26 South, Range 34 East
 Section 5: N/2 NW/4
 Lea County, New Mexico
 Number of Acres: 80.00
 Royalty Rate: 20%

Lease 2

Lease Date: September 28, 2012
 Lease Term: Three (3) Years
 Recordation: Book 1800, Page 779
 Lessor: Nommensen Investment Co
 Original Lessee: Southwest Petroleum Land Services LLC
 Current Lessee: COG Operating LLC
 Description of Land Committed: Insofar and only insofar as said lease covers:
Township 26 South, Range 34 East
 Section 5: N/2 NW/4
 Lea County, New Mexico
 Number of Acres: 80.00
 Royalty Rate: 20%

Lease 3

Lease Date: November 1, 2019
 Lease Term: Three (3) Years
 Recordation: Book _____, Page _____
 Lessor: 1836 Royalty Partners, LLC
 Original Lessee: COG Operating LLC
 Current Lessee: COG Operating LLC
 Description of Land Committed: Insofar and only insofar as said lease covers:
Township 26 South, Range 34 East
 Section 5: N/2 NW/4
 Lea County, New Mexico
 Number of Acres: 80.00
 Royalty Rate: 25%

Lease 4

Lease Date: November 1, 2019
 Lease Term: Three (3) Years
 Recordation: Book 2161, Page 180
 Lessor: Tundra AD3 LP
 Original Lessee: COG Operating LLC
 Current Lessee: COG Operating LLC
 Description of Land Committed: Insofar and only insofar as said lease covers:
Township 26 South, Range 34 East
 Section 5: N/2 NW/4
 Lea County, New Mexico
 Number of Acres: 80.00
 Royalty Rate: 25%

Lease 5

Lease Date: November 1, 2019
 Lease Term: Three (3) Years
 Recordation: Book 2161, Page 178
 Lessor: Jubilee Royalty Holdings LLC
 Original Lessee: COG Operating LLC
 Current Lessee: COG Operating LLC
 Description of Land Committed: Insofar and only insofar as said lease covers:
Township 26 South, Range 34 East
 Section 5: N/2 NW/4
 Lea County, New Mexico
 Number of Acres: 80.00
 Royalty Rate: 25%

Lease 6

Lease Date: November 22, 2011
 Lease Term: Three (3) Years
 Recordation: Book 1765, Page 857
 Lessor: Janss Oil Company, LLC
 Original Lessee: Chesapeake Exploration, LLC
 Current Lessee: Chevron USA Inc.
 Description of Land Committed: Insofar and only insofar as said lease covers:
Township 26 South, Range 34 East
 Section 5: N/2 NW/4
 Lea County, New Mexico
 Number of Acres: 80.00
 Royalty Rate: 25%

Lease 7

Lease Date: Effective September 27, 2012
 Lease Term: Three (3) Years
 Recordation: Book 1792, Page 223
 Lessor: Lucille Chism Bates Testamentary Trust, LJ Barnes as Trustee
 Original Lessee: Ross Duncan Properties, LLC
 Current Lessee: Oxy USA WTP Limited Partnership
 Description of Land Committed: Insofar and only insofar as said lease covers:
Township 26 South, Range 34 East
 Section 5: N/2 NW/4
 Lea County, New Mexico

Number of Acres: 80.00
 Royalty Rate: 20%

Lease 8

Lease Date: January 30, 2018
 Lease Term: Three (3) Years
 Recordation: Book 2132, Page 572
 Lessor: P.A.W.N. Enterprises, Ltd.
 Original Lessee: Jetstream New Mexico, LLC
 Current Lessee: MRC Permian Company
 Description of Land Committed: Insofar and only insofar as said lease covers:
Township 26 South, Range 34 East
 Section 5: N/2 NW/4
 Lea County, New Mexico

Number of Acres: 80.00
 Royalty Rate: 25%
 WI Owners Names and Interests: MRC Permian Company 100%
 ORRI Owners: Of Record

Lease 9

Lease Date: Effective March 8, 2018
 Lease Term: Three (3) Years
 Recordation: Book 2133, Page 802
 Lessor: John V. McCarthy, II SSP
 Original Lessee: Jetstream New Mexico, LLC
 Current Lessee: MRC Permian Company
 Description of Land Committed: Insofar and only insofar as said lease covers:
Township 26 South, Range 34 East
 Section 5: N/2 NW/4
 Lea County, New Mexico

Number of Acres: 80.00
 Royalty Rate: 25%

Lease 10

Lease Date: Effective March 8, 2018
 Lease Term: Three (3) Years
 Recordation: Book 2133, Page 801
 Lessor: Susan Duff, SSP
 Original Lessee: Jetstream New Mexico, LLC
 Current Lessee: MRC Permian Company
 Description of Land Committed: Insofar and only insofar as said lease covers:
Township 26 South, Range 34 East
 Section 5: N/2 NW/4
 Lea County, New Mexico

Number of Acres: 80.00
 Royalty Rate: 25%

Lease 11

Lease Date: April 18, 2016
Lease Term: Three (3) Years
Recordation: Memorandum Recorded in Book 2027, Page 188
Lessor: Bates Family Investment Company LLC, The Trust Company of Oklahoma, as agent
Original Lessee: Black Mountain Operating LLC
Current Lessee: Marathon Oil Permian LLC
Description of Land Committed: Insofar and only insofar as said lease covers:
Township 26 South, Range 34 East
Section 5: N/2 NW/4
Lea County, New Mexico
Number of Acres: 80.00
Royalty Rate: 25%

Lease 12

Lease Date: April 25, 2016
Lease Term: Three (3) Years
Recordation: Memorandum Recorded in Book 2027, Page 206
Lessor: James R. Bates
Original Lessee: Black Mountain Operating LLC
Current Lessee: Marathon Oil Permian LLC
Description of Land Committed: Insofar and only insofar as said lease covers:
Township 26 South, Range 34 East
Section 5: N/2 NW/4
Lea County, New Mexico
Number of Acres: 80.00
Royalty Rate: 25%

Lease 13

Lease Date: February 21, 2018
Lease Term: Three (3) Years
Recordation: Book 2130, Page 839
Lessor: Marc T. Wray Trust 2008
Original Lessee: Novo Oil & Gas Northern Delaware, LLC
Current Lessee: Novo Oil & Gas Northern Delaware, LLC
Description of Land Committed: Insofar and only insofar as said lease covers:
Township 26 South, Range 34 East
Section 5: N/2 NW/4
Lea County, New Mexico
Number of Acres: 80.00
Royalty Rate: 22.5%

Lease 14

Lease Date: February 21, 2018
Lease Term: Three (3) Years
Recordation: Book 2130, Page 840
Lessor: Andrew Wray
Original Lessee: Novo Oil & Gas Northern Delaware, LLC
Current Lessee: Novo Oil & Gas Northern Delaware, LLC

Description of Land Committed: Insofar and only insofar as said lease covers:
Township 26 South, Range 34 East
 Section 5: N/2 NW/4
 Lea County, New Mexico

Number of Acres: 80.00
 Royalty Rate: 22.5%

Lease 15

Lease Date: January 30, 2018
 Lease Term: Three (3) Years
 Recordation: Book 2132, Page 568
 Lessor: Frank T. Fleet Inc.
 Original Lessee: Jetstream New Mexico, LLC
 Current Lessee: MRC Permian Company
 Description of Land Committed: Insofar and only insofar as said lease covers:
Township 26 South, Range 34 East
 Section 5: N/2 NW/4
 Lea County, New Mexico

Number of Acres: 80.00
 Royalty Rate: 25%

TRACT #2***Lease 16***

Lease Date: June 1, 2010
 Lease Term: Ten (10) Years
 Recordation: Unrecorded
 Lessor: United States of America NMNM 124664
 Original Lessee: Ronald Miles
 Current Lessee: COG Operating LLC
 Description of Land Committed: Insofar and only insofar as said lease covers:
Township 26 South, Range 34 East
 Section 5: S/2N/2, S/2
 Section 8: ALL
 Lea County, New Mexico

Number of Acres: 80.00
 Royalty Rate: 12.5%

RECAPITULATION

| Tract No. | No. of Acres Committed | Percentage of Interest In Communitized Area |
|--------------|------------------------|---|
| 1 | 80.00 | 12.5000% |
| 2 | 560.00 | 87.5000% |
| Total | 640.00 | 100.0000% |

From: [Engineer, OCD, EMNRD](#)
To: [Barron, Jeanette](#)
Cc: [McClure, Dean, EMNRD](#); [Simmons, Kurt, EMNRD](#); [Bratcher, Mike, EMNRD](#); [Kautz, Paul, EMNRD](#); [Hawkins, James, EMNRD](#); [Powell, Brandon, EMNRD](#); [lisa@rwbyram.com](#); [Glover, James](#); [Paradis, Kyle Q](#); [Walls, Christopher](#)
Subject: Approved Administrative Order OLM-239
Date: Saturday, July 17, 2021 12:23:12 PM
Attachments: [OLM239 Order.pdf](#)

NMOCD has issued Administrative Order OLM-239 which authorizes COG Operating, LLC (229137) to surface commingle or off-lease measure, as applicable, the following wells:

| Well API | Well Name | UL or Q/Q | S-T-R | Pool Code |
|--------------|----------------------------|-----------|-----------|-----------|
| 30-025-46758 | Gunner 8 Federal Com #604H | W/2 | 5-26S-34E | 98094 |
| | | W/2 | 8-26S-34E | |
| 30-025-47171 | Gunner 8 Federal Com #703H | W/2 | 5-26S-34E | 98094 |
| | | W/2 | 8-26S-34E | |
| 30-025-47172 | Gunner 8 Federal Com #704H | W/2 | 5-26S-34E | 98094 |
| | | W/2 | 8-26S-34E | |
| 30-025-46760 | Gunner 8 Federal Com #705H | W/2 | 5-26S-34E | 98094 |
| | | W/2 | 8-26S-34E | |

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. If you have any questions regarding this matter, please contact me.

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: OLM-239
Operator: COG Operating, LLC (229137)
Publication Date:
Submittal Date: 4/13/2021

Noticed Persons

| Date | Person | Certified Tracking Number | Status |
|-----------|----------------------------|---------------------------|-----------|
| 4/19/2021 | CHEVRON USA INC | 7017 3040 0000 1205 1357 | Delivered |
| 4/16/2021 | MRC PERMIAN COMPANY | 7017 3040 0000 1205 1388 | Delivered |
| 4/19/2021 | BEXP I LP | 7017 3040 0000 1205 1340 | Delivered |
| 4/19/2021 | CHIEF CAPITAL (O&G) II LLC | 7017 3040 0000 1205 1371 | Delivered |
| 4/24/2021 | CRP XII HOLDINGS LLC DBA | 7017 3040 0000 1205 1364 | Delivered |
| 4/16/2021 | BLM | 7017 3040 0000 1205 1333 | Delivered |

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

**APPLICATION FOR OFF-LEASE MEASUREMENT
SUBMITTED BY COG OPERATING, LLC**

ORDER NO. OLM-239

ORDER

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

FINDINGS OF FACT

1. COG Operating, LLC ("Applicant") submitted a complete application to off-lease measure the oil production ("Application") from the wells, pool, and lease identified in Exhibit A.
2. Applicant provided notice of the Application to all persons owning a working interest in the oil production to be off-lease measured in accordance with 19.15.23.9(A)(5) NMAC, and those persons either submitted a written waiver or did not file an objection to the Application.
3. Applicant provided notice of the Application to the Bureau of Land Management or New Mexico State Land Office, as applicable.

CONCLUSIONS OF LAW

4. 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, and 19.15.23 NMAC.
5. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9(A)(5) NMAC.
6. 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 store and measure oil and gas production off-lease from the pools, leases, and wells identified in Exhibit A at a central tank battery described in Exhibit A.
2. The oil production from the wells identified in Exhibit A shall be physically separated from the oil production from other wells and no commingling of production from different leases shall occur in accordance with 19.15.23.9(A)(3) NMAC and 19.15.23.9(A)(4) NMAC, except as otherwise provided in order(s) issued by OCD.
3. 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.

4. Applicant shall calibrate the meters used to measure or allocate oil production in accordance with 19.15.12.10(C)(2) NMAC.
5. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



**ADRIENNE SANDOVAL
DIRECTOR**

DATE: 7/16/2021

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: **OLM-239**

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

Central Tank Battery: **Gunner Federal 5 D Central Tank Battery**

Central Tank Battery Location: **Unit D, Section 5, Township 26 South, Range 34 East**

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

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

Central Tank Battery: **Jal Offload Station**

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

Gas Title Transfer Meter Location:

Pools

| Pool Name | Pool Code |
|------------------------------------|--------------|
| BOBCAT DRAW; UPPER WOLFCAMP | 98094 |

Leases as defined in 19.15.12.7(C) NMAC

| Lease | UL or Q/Q | S-T-R |
|------------------------|------------|------------------|
| CA Wolfcamp BLM | W/2 | 5-26S-34E |
| | W/2 | 8-26S-34E |

Wells

| Well API | Well Name | UL or Q/Q | S-T-R | Pool Code |
|---------------------|-----------------------------------|------------|------------------|--------------|
| 30-025-46758 | Gunner 8 Federal Com #604H | W/2 | 5-26S-34E | 98094 |
| | | W/2 | 8-26S-34E | |
| 30-025-47171 | Gunner 8 Federal Com #703H | W/2 | 5-26S-34E | 98094 |
| | | W/2 | 8-26S-34E | |
| 30-025-47172 | Gunner 8 Federal Com #704H | W/2 | 5-26S-34E | 98094 |
| | | W/2 | 8-26S-34E | |
| 30-025-46760 | Gunner 8 Federal Com #705H | W/2 | 5-26S-34E | 98094 |
| | | W/2 | 8-26S-34E | |

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 23858

CONDITIONS

| | |
|---|---|
| Operator: COG OPERATING LLC 600 W Illinois Ave Midland, TX 79701 | OGRID: 229137 |
| | Action Number: 23858 |
| | Action Type: [C-107] Surface Commingle or Off-Lease (C-107B) |

CONDITIONS

| | | |
|------------|--|----------------|
| Created By | Condition | Condition Date |
| dmcclure | Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me. | 7/17/2021 |