

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: Colgate Operating, LLC  
OPERATOR ADDRESS: 300 North Marienfeld Street, Suite 1000 Midland, Texas 79701  
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<br>Non-Commingled<br>Production | Calculated Gravities /<br>BTU of Commingled<br>Production |  | Calculated Value of<br>Commingled<br>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. [48035] OLD MILLMAN RANCH; BS (ASSOC) & [65010] WINCHESTER; BONE SPRING  
(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: Mikah Thomas TITLE: Sr. Regulatory Analyst DATE: 03.25.2022

TYPE OR PRINT NAME Mikah Thomas TELEPHONE NO.: 432-695-4272

E-MAIL ADDRESS: mthomas@colgateenergy.com

## Allocation Methodology

### PRORATED ALLOCATION

#### GAS ALLOCATION

Each well has a Wellhead (WH) meter and a Gas Lift (GL) meter. The CTB has a FC Meter that measures the volume of gas that leaves the CTB, this FC meter is considered an FMP. The INJ BB meter that measures off-lease gas coming on lease used for gas lift from the gathering line is considered an FMP.

1. Buyback FM is the volume of off-lease gas used for gas lift and to run the compressor, it is calculated by Buyback – Comp Fuel,
2. Net Well Production is base amount of production not used for gas lift and is calculated by subtracting Gas Lift (GL) volume from the wellhead (WH) meter reading.
3. Lease use is the volume of gas used by the equipment on the CTB allocated to the wells by Lease Use volume/total hours produced by all wells on CTB \* each wells Hours On.
4. Theoretical % used for the allocation of production/sales is calculated by dividing the Net Well Production volume for each well into the sum of the Net Well Production.
5. CTB FC-INJ BB (Net CTB Gas) is volume of gas for royalty purposes, off lease gas is netted out of FMP meter volume.  $FC\ Meter - (INJ\ BB\ Meter - GL\ Compressor)$ . This gives you the volume of gas for royalty purposes that was produced/sold from the CTB.
6. Theoretical % for each well is multiplied by the Net CTB Gas.
7. HP Flare is volume of gas flared from the CTB, allocated to wells by Theoretical % for each well \* HP FL volume.
8. VRU measures the gas from the oil tanks, is allocated based on allocated oil production for each well. VRU is an FMP.  $VRU\ measured\ volume * theoretical\ \% \ of\ oil\ produced$ . Each well's oil measured volume/by sum of all oil measured volumes on CTB = theoretical oil volume.
9. Total Net FMP Volumes is total sold from the CTB to the gathering line and is calculated by Net CTB Gas + VRU.
10. Allocated Production is all gas produced by CTB and is calculated by adding Total Net FMP Volumes+ HP Flare + Lease Use.
11. Total Net FMP Volumes is total sold from the CTB to the gathering line and is calculated by Net CTB

## OIL ALLOCATION

Each well has an oil meter measuring the volume of oil produced by the well. This volume is used as the allocation point to prorate Allocated Production and Total Sales Volume (FMP) back to each well.

1. Allocated production is volume of oil produced by the CTB and is calculated by Ending Tank Inventory + Pipeline LACT (FMP) – Beginning Tank Inventory.
2. Available oil for sale is calculated by Pipeline Lact (FMP) – Beginning Tank Inventory.
3. Theoretical % is calculated by dividing each oil meter volume into the sum of oil meters.
4. The Theoretical % for each well is multiplied by the Allocated Production and the Available Sales.
5. Total Sales Volume is the volume of oil sold through the FMP meter. It is calculated by adding available for sale to the beginning inventory for each well.
6. Beginning Inventory comes from previous accounting period's Ending Inventory for each well.
7. Ending Inventory for each well is calculated by adding Beginning Inventory + Allocated Production – Total Sales Volume.

## WATER ALLOCATION

Each well has a water meter measuring the volume of water produced by the well. This volume is used as the allocation point to prorate Allocated Production and Total Transferred Volume back to each well.

1. Allocated production is volume of water produced by the CTB and is calculated by Ending Tank Inventory + Water Transfer – Beginning Tank Inventory.
2. Available Water to Transfer is calculated by Water Transfer – Beginning Tank Inventory.
3. Theoretical % is calculated by dividing each water meter volume into the sum of the water meters.
4. The Theoretical % for each well is multiplied by the Allocated Production and the Available Sales.
5. Total Transfer Volume is the volume of water transferred off the CTB. It is calculated by adding Available to Transfer to the beginning inventory for each well.
6. Beginning Inventory comes from previous accounting period's allocated Ending Inventory for each well.
7. Ending Inventory for each well is calculated by adding beginning inventory + Allocated Production – Total Transfer Volume.

### Applied Allocation Spreadsheet Examples (Oil Stream)

| Definition of Factors, Formulas, and Assets |  |
|---|--|
| Oil Allocation Factor                       | Daily meter reading from a testing vessel (shared or designated by well) for an individual well used as the basis for prorating produced sellable volumes from the OMT.          |
| Well Test Hours                             | Total hours that well test was conducted for. Used to adjust Oil Allocation Factor to a 24 hour rate. Well test hours can be more than or less than 24 hours but greater than 0. |
| Hours Flowed                                | Total hours that well was flowing produced fluids. Used to adjust Oil Allocation Factor to compensate for Oil Allocation Factor being adjusted to a 24 hour rate.                |
| Oil Allocation Factor Basis                 | The Oil Allocation Factor adjusted to 24 hour basis and corrected for any downtime incurred for the well. Reporting volume to the OGOR.  |
| Theoretical % of Production                 | Calculated by dividing the Oil Allocation Factor Basis for the individual well into the sum of all Basis' at the OMT. Not visualized in the production accounting program.       |
| Allocated Oil Production                    | Volume of sold or stored volume produced in the time period ready to sell from the OMT allocated to each well. Reporting Volume to the OGOR.                                     |
| Oil Master Tank (OMT)                       | Relative terminology synonymous with Central Tank Battery.   |
| Beginning Oil                               | Inventory in bbls from the previous accounting periods calculated ending inventories. In the case of a new OMT, during any accounting period, Open inventory would be = 0.       |
| Ending Oil                                  | Inventory in bbls as measure for the date of accounting. Ending inventory can be positive, negative or neutral each day, but cannot sum to < 0.                                  |
| Dispositions                                | A measured volume removed from a tank or moved through a LACT. Recorded from a ticket or direct meter read.  |
| Oil Production                              | Total volume sold or available for sell for each asset at the OMT for accounting period. Calculated by subtracting Ending Oil from Beginning Oil and summing with Dispositions   |
| OMT Totals                                  | Formula to calculate the total volumes sold or available for sale at the OMT for the accounting period. Reporting Volume to the OGOR.  |
| LACT  | Measures in bbls the volume transferred at the LACT meter to custody of the midstream gatherer or direct to purchaser.   |
| Oil Tank #                                  | Physical tank count at the OMT. Tanks can vary in size by battery and volume requirements. BBL/Inch factors are calculated and applied at the asset level.                       |

| Individual Well Factors and Allocated Production |                       |                 |              |                             |                             |                          |
|--|-----------------------|-----------------|--------------|-----------------------------|-----------------------------|--------------------------|
| Well Name  | Oil Allocation Factor | Well Test Hours | Hours Flowed | Oil Allocation Factor Basis | Theoretical % of Production | Allocated Oil Production |
| xxxxx  | 817.59                | 24.00           | 24.00        | 817.59                      | 0.62374                     | 821.11                   |
| xxxxx  | 493.20                | 24.00           | 24.00        | 493.20                      | 0.37626                     | 495.33                   |
| Totals   | 1310.79               | -               | -            | 1310.79                     | 1.00000                     | 1316.44                  |

| Oil Master Tank (OMT) |               |            |              |                |
|-----------------------|---------------|------------|--------------|----------------|
| Asset                 | Beginning Oil | Ending Oil | Dispositions | Oil Production |
| Oil Tank 1 (OT1)      | 166.80        | 161.24     |              | -5.56          |
| Oil Tank 2 (OT2)      | 88.96         | 88.96      |              | 0.00           |
| Oil Tank 3 (OT3)      | 63.94         | 63.94      |              | 0.00           |
| LACT                  |               |            | 1322.00      | 1322.00        |
| OMT Totals            | 319.70        | 314.14     |              | 1316.44        |



### Applied Allocation Spreadsheet Examples (Gas Stream)

| Definition of Factors, Formulas, and Assets |   |
|---|---|
| Gas Out                                     | Daily meter reading from a testing vessel (shared or designated by well) for an individual well used as the basis for prorating total produced volumes.   |
| Gas In                                      | Daily meter reading from a designated meter for an individual well for measuring the amount of gas injected into a well for gas lift purposes.  |
| Formation Gas                               | The total gas produced from the formation. Calculated by subtracting Gas In from Gas Out.   |
| Theoretical % of Production                 | Calculated by dividing the Formation Gas for the individual well into the sum of all Formation Gas. Not visualized in the production accounting program.  |
| Allocated Gas Production                    | Total volume of gas sold, flared, utilized for lease operations, or utilized as fuel for compression equipment and less the gas metered through the Gas Buy Back. Reporting Volume to the OGOR. |
| Allocated Gas Sales                         | Total volume sold from the CTB less the gas metered through the Gas Buy Back Meter. Reporting Volume to the OGOR.   |
| Allocated Flared Volume                     | Total volume flared from the CTB. Reporting Volume to the OGOR.   |
| Gas Flare Meter                             | Metered volume of gas sent to combustion or flare for the CTB   |
| Gas Lease Use Meter                         | Metered volume of gas utilized for lease operations for pneumatics, power generation, or other necessary operations to operate the CTB.   |
| Gas Sales Meter                             | Metered volume of gas transferred at a custody exchange point to a midstream gatherer or direct purchaser.  |
| Gas Compressor Factor                       | Total gas burned as fuel for operation of gas lift compression for purposes of injection for gas lift purposes. An hourly rate factored by the total Hours On of the compressor daily.          |
| Hours On                                    | Total hours the compressor was ran for the allocation period.   |
| Gas Buy Back Meter                          | Metered volume of gas transferred from a custody exchange point to the operator for use as lease use, compression fuel, or injection volume.  |
| Total Gas Basis                             | Sum of all gas utilized in the operation of the lease.  |

#### Individual Well Factors and Allocated Production

| Well Name | Gas Out | Gas In  | Formation Gas | Theoretical % of Production | Allocated Gas Production | Allocated Gas Sales | Allocated Flared Volume |
|-----------|---------|---------|---------------|-----------------------------|--------------------------|---------------------|-------------------------|
| xxxxx     | 2370.00 | 765.80  | 1604.20       | 0.61553                     | 1817.67                  | 1556.07             | 221.59                  |
| xxxxx     | 1763.00 | 761.00  | 1002.00       | 0.38447                     | 1135.33                  | 971.93              | 138.41                  |
| Totals    | 4133.00 | 1526.80 | 2606.20       | 1.00000                     | 2953.00                  | 2528.00             | 360.00                  |

#### Total Gas Metered Out of CTB

| Asset                | Gas Production | Hours On |
|----------------------|----------------|----------|
| Gas Flare Meter      | 360.00         |          |
| Gas Lease Use Meter  | 0.00           |          |
| Gas Sales Meter      | 2528.00        |          |
| GL Compressor Factor | 65.00          | 24.00    |
| Gas Buy Back Meter   | 0.00           |          |
| Total Gas Basis      | 2953.00        |          |

### Applied Allocation Spreadsheet Examples (Water Stream)

| Definition of Factors, Formulas, and Assets |  |
|---|--|
| Water Allocation Factor                     | Daily meter reading from a testing vessel (shared or designated by well) for an individual well used as the basis for prorating produced volumes from the WMT.                     |
| Well Test Hours                             | Total hours that well test was conducted for. Used to adjust Water Allocation Factor to a 24 hour rate. Well test hours can be more than or less than 24 hours but greater than 0. |
| Hours Flowed                                | Total hours that well was flowing produced fluids. Used to adjust Water Allocation Factor to compensate for Water Allocation Factor being adjusted to a 24 hour rate.              |
| Water Allocation Factor Basis               | The Water Allocation Factor adjusted to 24 hour basis and corrected for any downtime incurred for the well. Reporting volume to the OGOR.  |
| Theoretical % of Production                 | Calculated by dividing the Water Allocation Factor Basis for the individual well into the sum of all Basis' at the WMT. Not visualized in the production accounting program.       |
| Allocated Water Production                  | Volume of sold or stored volume produced in the time period ready to sell from the WMT allocated to each well. Reporting Volume to the OGOR.                                       |
| Water Master Tank (WMT)                     | Relative terminology synonymous with Central Tank Battery.   |
| Beginning Water                             | Inventory in bbls from the previous accounting periods calculated ending inventories. In the case of a new WMT, during any accounting period, Open inventory would be = 0.         |
| Ending Water                                | Inventory in bbls as measure for the date of accounting. Ending inventory can be positive, negative or neutral each day, but cannot sum to < 0.                                    |
| Dispositions                                | A measured volume removed from a tank or moved through a Water Transfer Meter. Recorded from a ticket or direct meter read.  |
| Water Production                            | Total volume moved or available for me for each asset at the WMT for accounting period. Calculated by subtracting Ending Water from Beginning Water and summing with Dispositions  |
| WMT Totals                                  | Formula to calculate the total volumes sold or available for sale at the WMT for the accounting period . Reporting Volume to the OGOR.   |
| Water Transfer Meter                        | Measures in bbls the volume transferred at the Water Transfer meter to custody of the midstream gatherer or direct to disposal.  |
| Water Tank #                                | Physical tank count at the WMT. Tanks can vary in size by battery and volume requirements. BBL/Inch factors are calculated and applied at the asset level.                         |

#### Individual Well Factors and Allocated Production

| Well Name | Water Allocation Factor | Well Test Hours | Hours Flowed | Water Allocation Factor Basis | Theoretical % of Production | Allocated Water |
|-----------|-------------------------|-----------------|--------------|-------------------------------|-----------------------------|-----------------|
| xxxxx     | 1571.00                 | 24.00           | 24.00        | 1571.00                       | 0.55512                     | 1577.66         |
| xxxxx     | 1259.00                 | 24.00           | 24.00        | 1259.00                       | 0.44488                     | 1264.34         |
| Totals    | 2830.00                 | -               | -            | 2830.00                       | 1.00000                     | 2842.00         |

#### Water Master Tank (WMT)

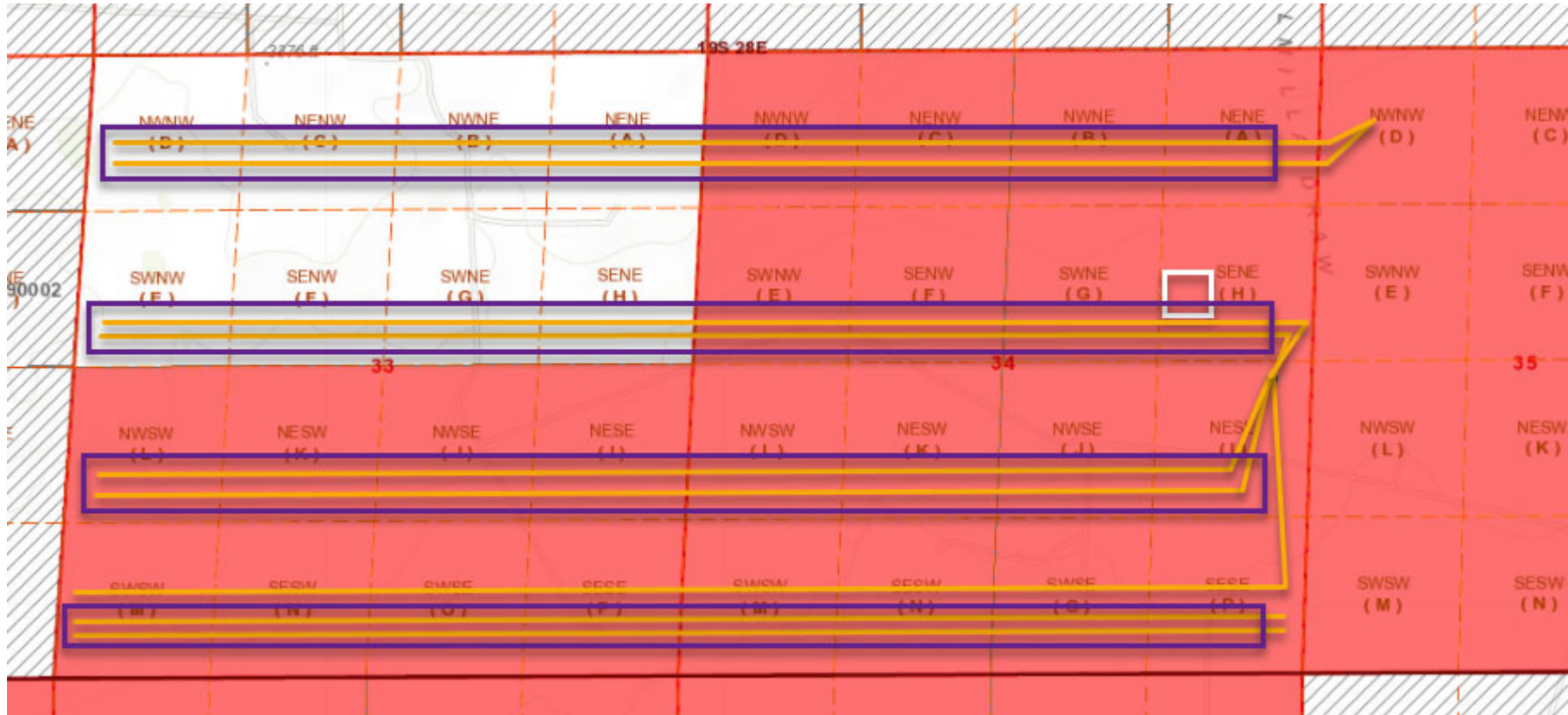
| Asset                | Beginning Water | Ending Water | Dispositions | Water Production |
|----------------------|-----------------|--------------|--------------|------------------|
| Water Tank 1 (WT1)   | 36.14           | 36.14        |              | 0.00             |
| Water Tank 2 (WT2)   | 30.58           | 30.58        |              | 0.00             |
| Water Tank 3 (WT3)   | 33.96           | 33.96        |              | 0.00             |
| Water Transfer Meter |                 |              | 2842.00      | 2842.00          |
| WMT Totals           | 100.68          | 100.68       |              | 2842.00          |

## APPLICATION FOR SURFACE POOL/LEASE COMMINGLING

Colgate Operating, LLC respectfully requests approval to surface pool/lease commingle oil and gas from the following wells:

|   | API          | WELL NAME                     | WELL # | LOCATION     | POOL CODE/ NAME   | STATUS    | Oil BPD | Gravities | MCFPD | BTU   |
|---|--------------|-------------------------------|--------|--------------|---|-----------|---------|-----------|-------|-------|
| 1 | 30-015-49005 | DAWSON 34 FEDERAL COM         | 114H   | I-34-19S-28E | [48035] OLD MILLMAN RANCH; BS (ASSOC) & [65010] WINCHESTER; BONE SPRING | Permitted | *2100   | *43       | *3400 | *1250 |
| 2 | 30-015-47704 | DAWSON 34 FEDERAL COM         | 123H   | I-34-19S-28E | [48035] OLD MILLMAN RANCH; BS (ASSOC) & [65010] WINCHESTER; BONE SPRING | Drilled   | *2100   | *43       | *3400 | *1250 |
| 3 | 30-015-47603 | DAWSON 34 FEDERAL COM         | 124H   | P-34-19S-28E | [48035] OLD MILLMAN RANCH; BS (ASSOC) & [65010] WINCHESTER; BONE SPRING | Producing | *2100   | *43       | *3400 | *1250 |
| 4 | 30-015-47705 | DAWSON 34 FEDERAL COM         | 133H   | I-34-19S-28E | [48035] OLD MILLMAN RANCH; BS (ASSOC) & [65010] WINCHESTER; BONE SPRING | Drilled   | *1800   | *43       | *3800 | *1250 |
| 5 | 30-015-47604 | DAWSON 34 FEDERAL COM         | 134H   | P-34-19S-28E | [48035] OLD MILLMAN RANCH; BS (ASSOC) & [65010] WINCHESTER; BONE SPRING | Producing | *1800   | *43       | *3800 | *1250 |
| 6 | 30-015-47706 | SHAMROCK 34 FEDERAL STATE COM | 121H   | D-35-19S-28E | [48035] OLD MILLMAN RANCH; BS (ASSOC) & [65010] WINCHESTER; BONE SPRING | Drilled   | *2100   | *43       | *3400 | *1250 |
| 7 | 30-015-47707 | SHAMROCK 34 FEDERAL STATE COM | 122H   | H-34-19S-28E | [48035] OLD MILLMAN RANCH; BS (ASSOC) & [65010] WINCHESTER; BONE SPRING | Drilled   | *2100   | *43       | *3400 | *1250 |
| 8 | 30-015-47708 | SHAMROCK 34 FEDERAL STATE COM | 131H   | D-35-19S-28E | [48035] OLD MILLMAN RANCH; BS (ASSOC) & [65010] WINCHESTER; BONE SPRING | Drilled   | *1800   | *43       | *3800 | *1250 |
| 9 | 30-015-47751 | SHAMROCK 34 FEDERAL STATE COM | 132H   | I-34-19S-28E | [48035] OLD MILLMAN RANCH; BS (ASSOC) & [65010] WINCHESTER; BONE SPRING | Drilled   | *1800   | *43       | *3800 | *1250 |

Colgate Operating, LLC  
Dawson/Shamrock Battery Overview Map  
Sec 34, T19S, R28E  
Eddy County, New Mexico

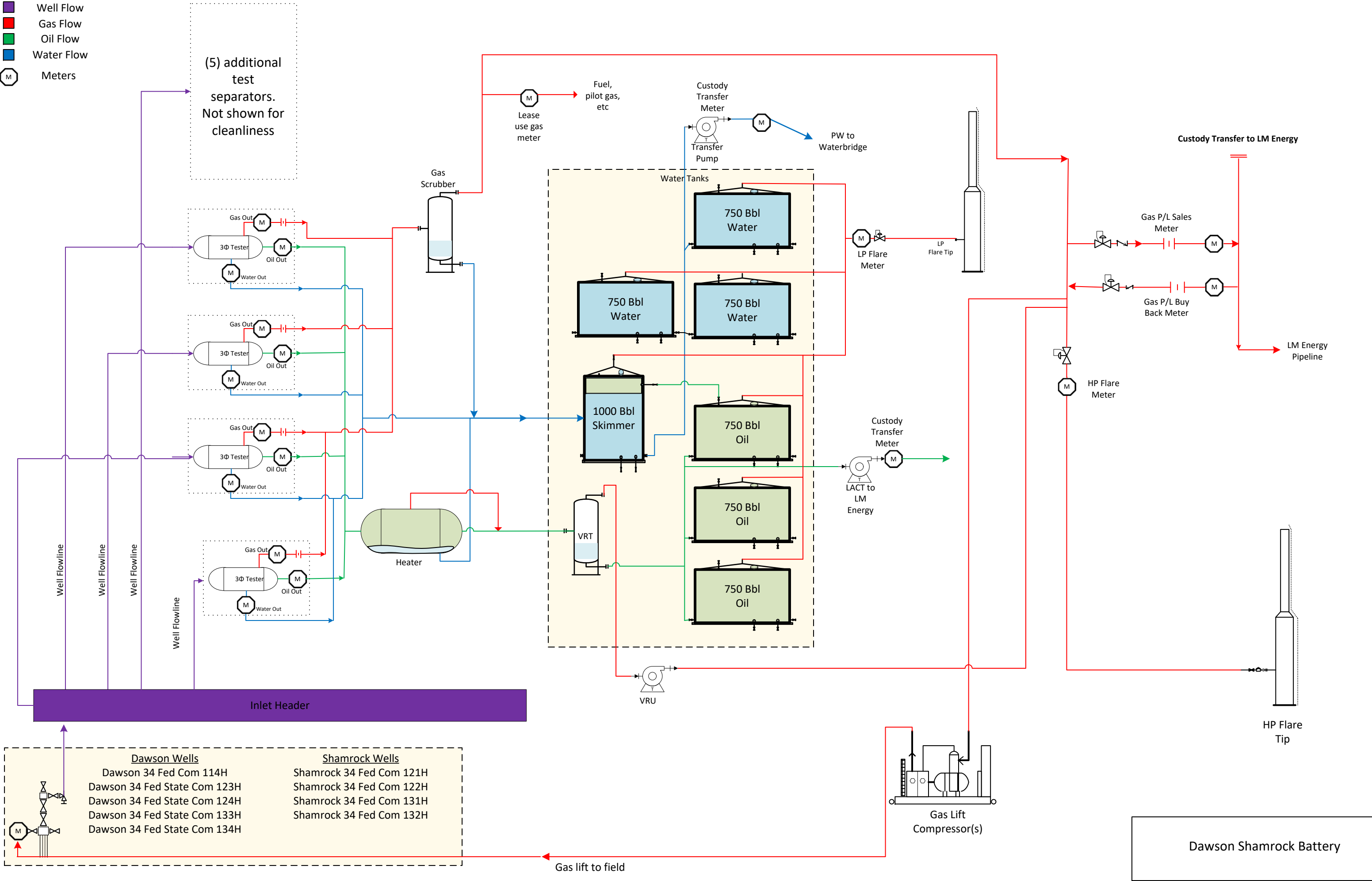


Section 33 and Section 34 Federal Lands

Wellbore

Battery

Communitization Agreement





# Affidavit of Publication

No. 26084

State of New Mexico Publisher

County of Eddy:

Denny Scott

being duly sworn says that he is the

of the Artesia Daily Press, a daily newspaper of General

circulation, published in English at Artesia, said county

and date, 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

March 31, 2022

Second Publication

Third Publication

Fourth Publication

Fifth Publication

Sixth Publication

Seventh Publication

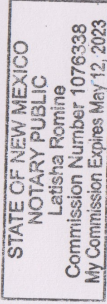
Subscribed and sworn before me this

31st

day of

March

2022



Latisha Romine

Latisha Romine

Notary Public, Eddy County, New Mexico

# Copy of Publication:

## Legal Notice

Notice of Application for Surface Commingling: Colgate Operating, LLC located at 300 N Marienfeld Street, Suite 1000, Midland TX 79701 is applying to the NMOCD to commingle oil and gas production from their Dawson 34 Fed wells and Shamrock 34 Fed State wells producing from leases located in Eddy County, Sections 33 & 34, T19S-R28E. Commingling will take place at the Dawson/Shamrock Battery located in SENE of Section 34, T19S-R28E. All wells involved in the proposed commingling will be producing from the Old Millman Ranch; BS (Assoc) and Winchester; Bone Spring. Pursuant to Statewide Rule 19.15.12.10, interested parties must file objections or requests for hearing in writing with the division's Santa Fe office within 20 days after publication, or the NMOCD may approve the application. For questions pertaining to the application, please contact Mikah Thomas (432-695-4272).

Published in the Artesia Daily Press, Artesia, N.M., March 31, 2022 Legal No. 26084.

|                      |   |
|----------------------|---|
| tracking             | ADDY  |
| 70210950000066621063 | New Mexico Oil Conservation Division811 S. FIRST STREETARTESIA, NM 88210  |
| 70210950000066621070 | New Mexico Oil Conservation Division1220 SOUTH ST. FRANCIS DRIVESANTA FE, NM 87505  |
| 70210950000066621087 | United States of America, Bureau of Land Management620 E. GREEN STREETCARLSBAD, NM 88220-6262   |
| 70210950000066621094 | United States of America, Bureau of Land Management301 Dinosaur TrailSanta Fe, NM 87508   |
| 70210950000066621117 | Abuelo, LLCPO Box 772Artesia, NM 88211  |
| 70210950000066621100 | Brian Eamer30745 Pacific Coast Hwy, Ste #21Malibu, CA 90265   |
| 70210950000066621124 | Brian Eamer30725 Manzano Dr.Malibu, CA, 90265   |
| 70210950000066621131 | Carol Sue Mhoon5191 Jamaica BeachGalveston, TX 77554  |
| 70210950000066621148 | Charles E. Moser and Vicky Moser, Trustees of the Moser Revocable Trust17249 E. Fort Verde Rd.Rio Verde, AZ 85263                           |
| 70210950000066621155 | Charles L. Johnson13322 Hampton Bend LaneHouston, TX 77070  |
| 70210950000066621162 | Ergodic Resources, LLCPO. Box 2021Roswell, NM 88202   |
| 70210950000066621179 | Erin Eamer4592 Via VistosaSanta Barbara, CA 93110   |
| 70210950000066621186 | FlatRock Royalties LLC3720 Crestview Dr.Artesia, NM 88210-9489  |
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| 70210950000066621209 | Greenville Partners6116 N Central EXPYDallas, TX 75206-5162   |
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| 70210950000066621223 | Heirs of George A.Lauck and Molly Lauck151 Vernal Dr.Alamo, CA 94507  |
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| 70210950000066621247 | James A. LawsonPO Box 806Port Isabel, TX 78578  |
| 70210950000066621254 | Kevin Hammitt3000 Callaway DrMidland, TX 79707  |
| 70210950000066621261 | Kevin HammittPO Box 50880Midland, TX 79710-0880   |
| 70210950000066621278 | Loco Hills Production Company, LLCPO. O. Box 779Artesia, NM 88211   |
| 70210950000066621285 | Lori Lynn Johnson Nelson27 Agricultural AvenueRehoboth, MA 02769  |
| 70210950000066621292 | Magnum Hunter Production, Inc.600 North Marienfeld, Suite 600Midland, TX 79701  |
| 70210950000066621308 | Marathon Oil Permian, LLCPO Box 732312Dallas, TX 75373-2312   |
| 70210950000066621315 | Mark and Paula McClellanPO Box 730Roswell, NM 88202   |
| 70210950000066621322 | Mark and Paula McClellan5076 Bright Sky RdRoswell, NM 88201   |
| 70210950000066621339 | Marshall & Winston, Inc.PO BOX 50880Midland, TX 79710-0880  |
| 70210950000066621346 | Michael O. Johnson10427 Lazy MeadowsHouston, TX 77064   |
| 70210950000066621353 | Mongoose Minerals, LLC Attn: Joint Interest Ventures600 W. Illinois AvenueMidland, TX 79701   |
| 70210950000066621360 | Mountain Lion Oil & Gas, LLC7941 Katy Freeway #117Houston, TX 77024   |
| 70210950000066621377 | Nestegg Energy Corp.2308 SIERRA VISTAArtesia, NM 88210-9409   |
| 70210950000066621384 | Ross and Kandace McClellan3982 S. Spring LoopRoswell, NM 88203  |
| 70210950000066621391 | Silverhair, LLC1301 LEWIS RD.Artesia, NM 88210  |
| 70210950000066621407 | Abbejane Masterson Bates7433 Marquette StreetDallas, TX 75225   |
| 70210950000066621414 | Adene L. Sealy2362 Terraridge DrHighlands Ranch, CO 80126   |
| 70210950000066621421 | B and H Royalty CompanyPO Box 1Tyler, TX 75710  |
| 70210950000066621438 | B and H Royalty Company3064 Concord PlaceTyler, TX 75701  |
| 70210950000066621445 | Becky Ruth Welch Panek7011 E. Brooks DriveTucson, AZ 85730  |
| 70210950000066621452 | Becky Ruth Welch Panek9 Pinto TrailSonoita, AZ 85637  |
| 70210950000066621469 | Bill Ferguson2700 Liberty TowerOklahoma City, Oklahoma 73102  |
| 70210950000066621476 | Bryan Winston Welch7231 E Speedway Blvd.Tuscon, AZ 85710  |
| 70210950000066621483 | Byrl W. Harris3326 Rosemont WayEugene, OR 97401   |
| 70210950000066621490 | C5 Capital Management, LLCPO Box 2218Albany, TX 76430   |
| 70210950000066621506 | Carl Joseph Garrett, Executor, Estate of Jasper Ben Garrett, Jr.237 Simmons DriveHurst, TX 76053  |
| 70210950000066621513 | Catherine E. HuffmanP.O. Box 100429Fort Worth, Texas 76185  |
| 70210950000066621520 | Charles Eugene Cooper & DeAnn Hutson, Co-Trustees of the Charles Eugene Cooper TrustP.O. Box 117Canyon, TX 79015                            |
| 70210950000066621537 | Cheron Oil & Gas Co., Inc.P.O. Box 1722Tulsa, OK 74101  |
| 70210950000066621544 | Claudia Baker4317 Cline Rd.Amarillo, TX 79110   |
| 70210950000066621551 | Clinton H. Dean Jr.6006 Balcones Ct. No. 32El Paso, TX 79912  |
| 70210950000066621636 | COG Operating LLC600 West IllinoisMidland, TX 79701   |
| 70210950000066621643 | Connie Gale Becker16715 E. 80th St., N.Owasso, OK 74055-5836  |
| 70210950000066621650 | Current Trustee under Declaration of Trust dated August 28, 1982, executed by Alice G. Davis299 West 31 St, Cottage 473Sea Island, GA 31561 |
| 70210950000066621667 | Donna Marie Studer, Administrator, Estate of Genevieve Studer953 Mesa Vista Dr.Crowley, TX 76036  |
| 70210950000066621674 | Douglas M. Studer, Administrator, Estate of Genevieve Studer953 Mesa Vista Dr.Crowley, TX 76036   |

| tracking             | Mail_p | Set File   | ADDY   |
|----------------------|--------|--|--|
| 70210950000066621063 | 1      | 7 SHAMROC New Mexico Oil Conservation Division   | 811 S. FIRST STREET ARTESIA, NM 88210          |
| 70210950000066621070 | 2      | 7 SHAMROC New Mexico Oil Conservation Division   | 1220 SOUTH ST. FRANCIS DRIVESANTA FE, NM 87505 |
| 70210950000066621087 | 3      | 7 SHAMROC United States of America, Bureau of Land Management                                  | 620 E. GREEN STREETCARLSBAD, NM 88220-6262     |
| 70210950000066621094 | 4      | 7 SHAMROC United States of America, Bureau of Land Management                                  | 301 Dinosaur TrailSanta Fe, NM 87508           |
| 70210950000066621117 | 5      | 7 SHAMROC Abuelo, LLCPO Box 772  | Artesia, NM 88211                              |
| 70210950000066621100 | 6      | 7 SHAMROC Brian Eamer30745 Pacific Coast Hwy, Ste #21  | Malibu, CA 90265                               |
| 70210950000066621124 | 7      | 7 SHAMROC Brian Eamer30725 Manzano Dr.   | Malibu, CA, 90265                              |
| 70210950000066621131 | 8      | 7 SHAMROC Carol Sue Mhoon5191 Jamaica Beach  | Galveston, TX 77554                            |
| 70210950000066621148 | 9      | 7 SHAMROC Charles E. Moser and Vicky Moser, Trustees of the Moser Revocable Trust              | 17249 E. Fort Verde Rd.Rio Verde, AZ 85263     |
| 70210950000066621155 | 10     | 7 SHAMROC Charles L. Johnson13322 Hampton Bend Lane  | Houston, TX 77070                              |
| 70210950000066621162 | 11     | 7 SHAMROC Ergodic Resources, LLCPO. Box 2021   | Roswell, NM 88202                              |
| 70210950000066621179 | 12     | 7 SHAMROC Erin Eamer4592 Via Vistosa   | Santa Barbara, CA 93110                        |
| 70210950000066621186 | 13     | 7 SHAMROC FlatRock Royalties LLC3720 Crestview Dr.   | Artesia, NM 88210-9489                         |
| 70210950000066621193 | 14     | 7 SHAMROC Frank J. Pisor6319 N 8th St  | Fresno, CA 93710                               |
| 70210950000066621209 | 15     | 7 SHAMROC Greenville Partners6116 N Central EXPY   | Dallas, TX 75206-5162                          |
| 70210950000066621216 | 16     | 7 SHAMROC Heirs of George A.Lauck and Molly Lauck  | 2036 N. Thorne Ave.Fresno, CA 93704            |
| 70210950000066621223 | 17     | 7 SHAMROC Heirs of George A.Lauck and Molly Lauck  | 151 Vernal Dr.Alamo, CA 94507                  |
| 70210950000066621230 | 18     | 7 SHAMROC James A. Lawson4816 Rosewood Dr  | Midland, TX 79707                              |
| 70210950000066621247 | 19     | 7 SHAMROC James A. LawsonPO Box 806  | Port Isabel, TX 78578                          |
| 70210950000066621254 | 20     | 7 SHAMROC Kevin Hammitt3000 Callaway Dr  | Midland, TX 79707                              |
| 70210950000066621261 | 21     | 7 SHAMROC Kevin HammittPO Box 50880  | Midland, TX 79710-0880                         |
| 70210950000066621278 | 22     | 7 SHAMROC Loco Hills Production Company, LLCPO. O. Box 779                                     | Artesia, NM 88211                              |
| 70210950000066621285 | 23     | 7 SHAMROC Lori Lynn Johnson Nelson27 Agricultural Avenue                                       | Rehoboth, MA 02769                             |
| 70210950000066621292 | 24     | 7 SHAMROC Magnum Hunter Production, Inc.600 North Marienfeld, Suite 600                        | Midland, TX 79701                              |
| 70210950000066621308 | 25     | 7 SHAMROC Marathon Oil Permian, LLCPO Box 732312   | Dallas, TX 75373-2312                          |
| 70210950000066621315 | 26     | 7 SHAMROC Mark and Paula McClellanPO Box 730   | Roswell, NM 88202                              |
| 70210950000066621322 | 27     | 7 SHAMROC Mark and Paula McClellan5076 Bright Sky Rd   | Roswell, NM 88201                              |
| 70210950000066621339 | 28     | 7 SHAMROC Marshall & Winston, Inc.PO BOX 50880   | Midland, TX 79710-0880                         |
| 70210950000066621346 | 29     | 7 SHAMROC Michael O. Johnson10427 Lazy Meadows   | Houston, TX 77064                              |
| 70210950000066621353 | 30     | 7 SHAMROC Mongoose Minerals, LLC Attn: Joint Interest Ventures                                 | 600 W. Illinois AvenueMidland, TX 79701        |
| 70210950000066621360 | 31     | 7 SHAMROC Mountain Lion Oil & Gas, LLC7941 Katy Freeway #117                                   | Houston, TX 77024                              |
| 70210950000066621377 | 32     | 7 SHAMROC Nestegg Energy Corp.2308 SIERRA VISTA  | Artesia, NM 88210-9409                         |
| 70210950000066621384 | 33     | 7 SHAMROC Ross and Kandace McClellan3982 S. Spring Loop  | Roswell, NM 88203                              |
| 70210950000066621391 | 34     | 7 SHAMROC Silverhair, LLC1301 LEWIS RD.  | Artesia, NM 88210                              |
| 70210950000066621407 | 35     | 7 SHAMROC Abbejane Masterson Bates7433 Marquette Street  | Dallas, TX 75225                               |
| 70210950000066621414 | 36     | 7 SHAMROC Adene L. Sealy2362 Terraridge Dr   | Highlands Ranch, CO 80126                      |
| 70210950000066621421 | 37     | 7 SHAMROC B and H Royalty CompanyPO Box 1  | Tyler, TX 75710                                |
| 70210950000066621438 | 38     | 7 SHAMROC B and H Royalty Company3064 Concord Place  | Tyler, TX 75701                                |
| 70210950000066621445 | 39     | 7 SHAMROC Becky Ruth Welch Panek7011 E. Brooks Drive   | Tucson, AZ 85730                               |
| 70210950000066621452 | 40     | 7 SHAMROC Becky Ruth Welch Panek9 Pinto Trail  | Sonoita, AZ 85637                              |
| 70210950000066621469 | 41     | 7 SHAMROC Bill Ferguson2700 Liberty Tower  | Oklahoma City, Oklahoma 73102                  |
| 70210950000066621476 | 42     | 7 SHAMROC Bryan Winston Welch7231 E Speedway Blvd.   | Tuscon, AZ 85710                               |
| 70210950000066621483 | 43     | 7 SHAMROC Byrl W. Harris3326 Rosemont Way  | Eugene, OR 97401                               |
| 70210950000066621490 | 44     | 7 SHAMROC C5 Capital Management, LLCPO Box 2218  | Albany, TX 76430                               |
| 70210950000066621506 | 45     | 7 SHAMROC Carl Joseph Garrett, Executor, Estate of Jasper Ben Garrett, Jr.                     | 237 Simmons DriveHurst, TX 76053               |
| 70210950000066621513 | 46     | 7 SHAMROC Catherine E. HuffmanP.O. Box 100429  | Fort Worth, Texas 76185                        |
| 70210950000066621520 | 47     | 7 SHAMROC Charles Eugene Cooper & DeAnn Hutson, Co-Trustees of the Charles Eugene Cooper Trust | P.O. Box 117Canyon, TX 79015                   |
| 70210950000066621537 | 48     | 7 SHAMROC Cheron Oil & Gas Co., Inc.P.O. Box 1722  | Tulsa, OK 74101                                |
| 70210950000066621544 | 49     | 7 SHAMROC Claudia Baker4317 Cline Rd.  | Amarillo, TX 79110                             |
| 70210950000066621551 | 50     | 7 SHAMROC Clinton H. Dean Jr.6006 Balcones Ct. No. 32  | El Paso, TX 79912                              |
| 70210950000066621636 | 51     | 7 SHAMROC COG Operating LLC600 West Illinois   | Midland, TX 79701                              |
| 70210950000066621643 | 52     | 7 SHAMROC Connie Gale Becker16715 E. 80th St., N.  | Owasso, OK 74055-5836                          |



|                                    |   |                                   |
|------------------------------------|---|-----------------------------------|
| Well Name: DAWSON 34 FED STATE COM | Well Location: T19S / R28E / SEC 34 / SESE / 32.6108239 / -104.158156 | County or Parish/State: EDDY / NM |
| Well Number: 124H                  | Type of Well: OIL WELL  | Allottee or Tribe Name:           |
| Lease Number: NMNM0473362          | Unit or CA Name:  | Unit or CA Number:                |
| US Well Number: 300154760300X1     | Well Status: Drilling Well  | Operator: COLGATE OPERATING LLC   |

Notice of Intent

Sundry ID: 2666498

|  |                                       |
|--|---------------------------------------|
| Type of Submission: Notice of Intent           | Type of Action: Commingling (Surface) |
| Date Sundry Submitted: 04/12/2022              | Time Sundry Submitted: 09:40          |
| Date proposed operation will begin: 05/01/2022 |                                       |

Procedure Description:

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

- Commingle\_Notification\_Tracking\_Numbers\_20220412094007.pdf
- Dawson\_Shamrock\_Serial\_Page\_20220412093609.pdf
- Dawson\_Shamrock\_Commingling\_Cover\_Ltr\_3.25.2022\_20220412093601.pdf
- Dawson\_Shamrock\_Battery\_Publication\_Affidavit\_20220412093555.pdf
- Dawson\_Shamrock\_Plot\_Plan\_20220412093548.pdf
- Dawson\_Shamrock\_C\_107B\_Signed\_20220412093543.pdf
- Dawson\_Shamrock\_Battery\_Diagram\_20220412093537.pdf
- Commingled\_Wells\_for\_the\_Dawson\_Shamrock\_20220412093532.pdf

|   |  |  |
|---|--|--|
| <b>Well Name:</b> DAWSON 34 FED STATE COM | <b>Well Location:</b> T19S / R28E / SEC 34 / SESE / 32.6108239 / -104.158156 | <b>County or Parish/State:</b> EDDY / NM |
| <b>Well Number:</b> 124H                  | <b>Type of Well:</b> OIL WELL  | <b>Allottee or Tribe Name:</b>           |
| <b>Lease Number:</b> NMNM0473362          | <b>Unit or CA Name:</b>  | <b>Unit or CA Number:</b>                |
| <b>US Well Number:</b> 300154760300X1     | <b>Well Status:</b> Drilling Well  | <b>Operator:</b> COLGATE OPERATING LLC   |

BLM\_Com\_Shamrock\_34\_Fed\_Com\_122H\_\_132H\_3.1.2022\_20220412093457.pdf

BLM\_Com\_Shamrock\_34\_Fed\_Com\_121H\_\_131H\_2.25.2022\_20220412093453.pdf

BLM\_Com\_Dawson\_34\_Fed\_Com\_124H\_\_134H\_1.19.2022\_20220412093449.pdf

BLM\_Com\_Dawson\_34\_Fed\_Com\_123H\_\_133H\_2.15.22\_20220412093443.pdf

Allocation\_Methodology\_and\_Supporting\_Docs\_20220412093435.pdf

Administrative\_App\_Checklist\_Dawson\_Shamrock\_Signed\_20220412093431.pdf

Operator Certification

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a submission of Form 3160-5 or a Sundry Notice.

|   |   |
|---|---|
| <b>Operator Electronic Signature:</b> MIKAH THOMAS          | <b>Signed on:</b> APR 12, 2022 09:40 AM |
| <b>Name:</b> COLGATE OPERATING LLC                          |   |
| <b>Title:</b> Operations Tech                               |   |
| <b>Street Address:</b> 300 N. Marienfeld Street, Suite 1000 |   |
| <b>City:</b> Midland  | <b>State:</b> TX                        |
| <b>Phone:</b> (432) 695-4272                                |   |
| <b>Email address:</b> mthomas@colgateenergy.com             |   |

Field Representative

|                             |               |             |
|-----------------------------|---------------|-------------|
| <b>Representative Name:</b> |               |             |
| <b>Street Address:</b>      |               |             |
| <b>City:</b>                | <b>State:</b> | <b>Zip:</b> |
| <b>Phone:</b>               |               |             |
| <b>Email address:</b>       |               |             |

**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**

|                                |  |   |
|--------------------------------|--|---|
| <b>1 API Number</b><br>30-015- | <b>2 Pool Code</b><br>65010                      | <b>3 Pool Name</b><br>WINCHESTER; BONE SPRING |
| <b>4 Property Code</b>         | <b>5 Property Name</b><br>DAWSON 34 FED COM      | <b>6 Well Number</b><br>114H                  |
| <b>7 OGRID No.</b><br>371449   | <b>8 Operator Name</b><br>COLGATE OPERATING, LLC | <b>9 Elevation</b><br>3308.8'                 |

**<sup>10</sup> Surface Location**

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| I             | 34      | 19-S     | 28-E  |         | 2489'         | SOUTH            | 340'          | EAST           | EDDY   |

**<sup>11</sup> 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             | 33      | 19-S     | 28-E  |         | 660'          | SOUTH            | 25'           | WEST           | EDDY   |

|                                  |                           |                                   |                     |
|----------------------------------|---------------------------|-----------------------------------|---------------------|
| <b>12 Dedicated Acres</b><br>320 | <b>13 Joint or Infill</b> | <b>14 Consolidation Code</b><br>C | <b>15 Order No.</b> |
|----------------------------------|---------------------------|-----------------------------------|---------------------|

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

**16**

**SURFACE HOLE LOCATION (SHL)**  
NEW MEXICO EAST - NAD 83  
X=595562.95 LAT.= 32.61685925° N  
Y=588189.11 LONG.= 104.15721662° W  
NEW MEXICO EAST - NAD 27  
X=554382.93 LAT.= 32.61674193° N  
Y=588127.35 LONG.= 104.15670921° W  
2489' FSL, 340' FEL - SECTION 34

**FIRST TAKE POINT (FTP)**  
NEW MEXICO EAST - NAD 83  
X=595748.32 LAT.= 32.61183277° N  
Y=586360.76 LONG.= 104.15662444° W  
NEW MEXICO EAST - NAD 27  
X=554568.27 LAT.= 32.61171540° N  
Y=586299.04 LONG.= 104.15611717° W  
660' FSL, 100' FEL - SECTION 34  
659' FNL, 100' FEL - LEASE LINE

**LAST TAKE POINT (LTP)**  
NEW MEXICO EAST - NAD 83  
X=585345.06 LAT.= 32.61171634° N  
Y=586302.76 LONG.= 104.19041103° W  
NEW MEXICO EAST - NAD 27  
X=544165.03 LAT.= 32.61159933° N  
Y=586241.12 LONG.= 104.18990292° W  
660' FSL, 100' FWL - SECTION 33  
657' FNL, 100' FWL - LEASE LINE

**BOTTOM HOLE LOCATION (BHL)**  
NEW MEXICO EAST - NAD 83  
X=585269.88 LAT.= 32.61171549° N  
Y=586302.35 LONG.= 104.19065519° W  
NEW MEXICO EAST - NAD 27  
X=544089.85 LAT.= 32.61159848° N  
Y=586240.71 LONG.= 104.19014708° W  
660' FSL, 25' FWL - SECTION 33  
657' FNL, 25' FWL - LEASE LINE

**CORNER DATA**  
NEW MEXICO EAST - NAD 83  
A - FOUND IRON PIPE W/ BRASS CAP  
N:590907.03' E:585541.35'  
B - FOUND 5/8" IRON ROD W/ ALUM CAP  
N:590925.86' E:588152.01'  
C - FOUND IRON PIPE W/ BRASS CAP  
N:590945.00' E:590760.88'  
D - FOUND IRON PIPE W/ BRASS CAP  
N:590962.75' E:593372.54'  
E - FOUND IRON PIPE W/ BRASS CAP  
N:590981.15' E:595983.74'  
F - FOUND IRON PIPE W/ BRASS CAP  
N:588340.39' E:595907.65'  
G - FOUND IRON PIPE W/ BRASS CAP  
N:585701.20' E:595828.61'  
H - FOUND 5/8" IRON ROD W/ ALUM CAP  
N:585686.35' E:593171.86'  
I - FOUND IRON PIPE W/ BRASS CAP  
N:585671.76' E:590514.87'  
J - FOUND IRON PIPE W/ BRASS CAP  
N:585656.50' E:587858.72'  
K - FOUND IRON PIPE W/ BRASS CAP  
N:585641.97' E:585202.31'  
L - FOUND IRON PIPE W/ BRASS CAP  
N:588276.86' E:585371.95'  
M - FOUND IRON PIPE W/ BRASS CAP  
N:588307.96' E:590637.53'

**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.

*[Signature]* 06/15/2021  
Signature Date  
Mikah Thomas  
Printed Name  
mthomas@colgateenergy.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: 5/27/2021  
Signature and Seal of Professional Surveyor: *[Signature]*  
Certificate Number: 12177

**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

|                                     |  |  |
|-------------------------------------|--|--|
| <b>1 API Number</b><br>30-015-47704 | <b>2 Pool Code</b><br>48035 & 65010              | <b>3 Pool Name</b><br>OLD MILLMAN RANCH; BS & WINCHESTER; BS |
| <b>4 Property Code</b><br>329759    | <b>5 Property Name</b><br>DAWSON 34 FED COM      |  |
| <b>7 OGRID No.</b><br>371449        | <b>8 Operator Name</b><br>COLGATE OPERATING, LLC | <b>9 Elevation</b><br>3309.0'                                |

<sup>10</sup> Surface Location

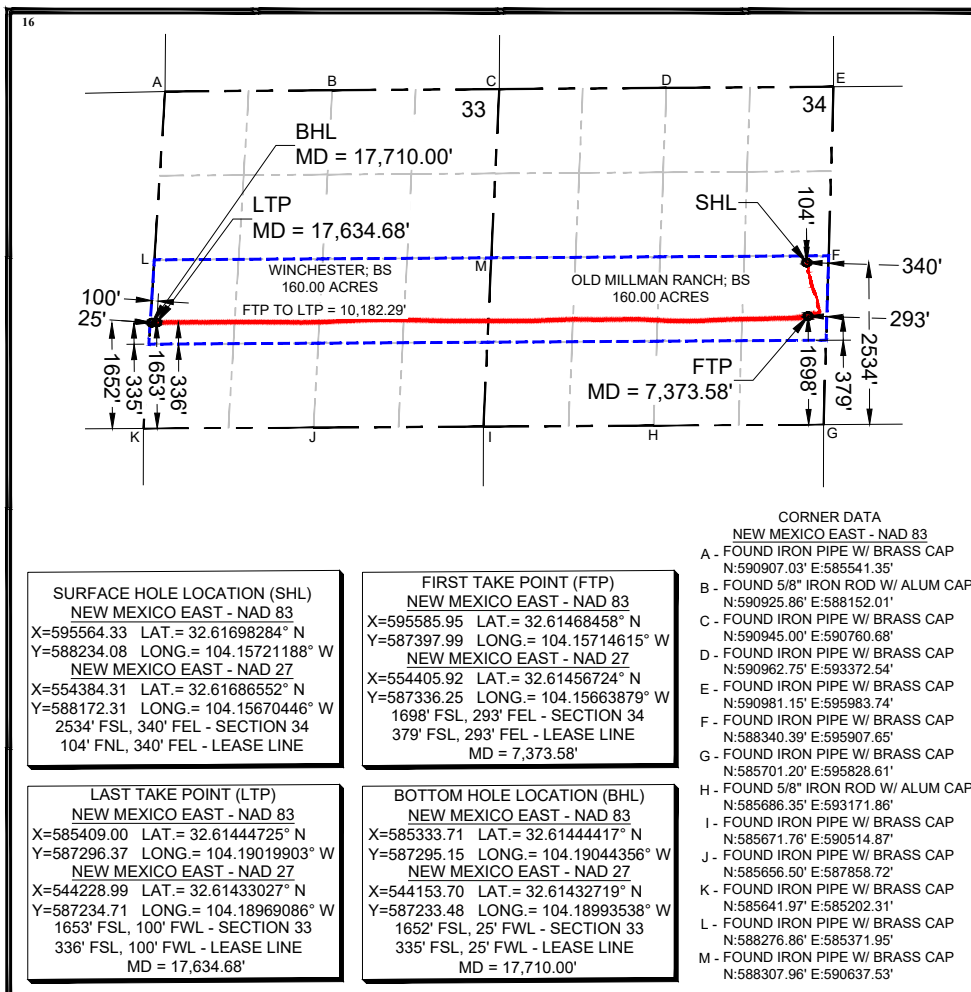
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| I             | 34      | 19-S     | 28-E  |         | 2534'         | SOUTH            | 340'          | EAST           | EDDY   |

<sup>11</sup> 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| L             | 33      | 19-S     | 28-E  |         | 1652'         | SOUTH            | 25'           | WEST           | EDDY   |

|                    |                    |                       |              |
|--------------------|--------------------|-----------------------|--------------|
| 12 Dedicated Acres | 13 Joint or Infill | 14 Consolidation Code | 15 Order No. |
| 320                |                    | C                     |              |

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.



## 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.

Signature  Date 03.14.2022

Mikah Thomas

Printed Name \_\_\_\_\_

mthomas@colgateenergy.com

E-mail Address

## <sup>18</sup> 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: \_\_\_\_\_

Signature and Seal of Professional Surveyor:

(12137)

12177

MECH



2/2

Certificate Number

11

2/23/2022

## District I

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

## District II

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

Form C-102

Revised August 1, 2011

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District Office

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## WELL LOCATION AND ACREAGE DEDICATION PLAT

|                                     |   |  |
|-------------------------------------|---|--|
| <b>1 API Number</b><br>30-015-47603 | <b>2 Pool Code</b><br>48035                 | <b>3 Pool Name</b><br>OLD MILLMAN RANCH;BS (ASSOC) |
| <b>4 Property Code</b><br>329759    | <b>5 Property Name</b><br>DAWSON 34 FED COM | <b>6 Well Number</b><br>124H                       |
| <b>7 OGRID No.</b><br>371449        | <b>8 Operator Name</b><br>COLGATE ENERGY    | <b>9 Elevation</b><br>3298.0'                      |

<sup>10</sup> Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| P             | 34      | 19-S     | 28-E  |         | 295'          | SOUTH            | 560'          | EAST           | EDDY   |

<sup>11</sup> 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             | 33      | 19-S     | 28-E  |         | 340'          | SOUTH            | 18'           | WEST           | EDDY   |

|                                  |                           |                                   |                     |
|----------------------------------|---------------------------|-----------------------------------|---------------------|
| <b>12 Dedicated Acres</b><br>320 | <b>13 Joint or Infill</b> | <b>14 Consolidation Code</b><br>C | <b>15 Order No.</b> |
|----------------------------------|---------------------------|-----------------------------------|---------------------|

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><b>16</b></p> <p><b>SURFACE HOLE LOCATION (SHL)</b><br/>NEW MEXICO EAST - NAD 83<br/>X=595277.35 LAT.= 32.61082388° N<br/>Y=585992.94 LONG.= 104.15815595° W<br/>NEW MEXICO EAST - NAD 27<br/>X=554097.29 LAT.= 32.61070652° N<br/>Y=585931.23 LONG.= 104.15764866° W<br/>295' FSL, 560' FEL - SECTION 34<br/>295' FSL, 560' FEL - LEASE LINE</p> <p><b>LAST TAKE POINT (LTP)</b><br/>NEW MEXICO EAST - NAD 83<br/>X=585469.17 LAT.= 32.61081561° N<br/>Y=585975.24 LONG.= 104.1900939° W<br/>NEW MEXICO EAST - NAD 27<br/>X=544289.14 LAT.= 32.61069859° N<br/>Y=585913.61 LONG.= 104.18950131° W<br/>332' FSL, 245' FWL - SECTION 33<br/>332' FSL, 245' FWL - LEASE LINE<br/>MD = 17,500'</p> <p><b>FIRST TAKE POINT (FTP)</b><br/>NEW MEXICO EAST - NAD 83<br/>X=595001.00 LAT.= 32.61101495° N<br/>Y=586062.00 LONG.= 104.15905306° W<br/>NEW MEXICO EAST - NAD 27<br/>X=553820.95 LAT.= 32.61089760° N<br/>Y=586000.29 LONG.= 104.15854575° W<br/>365' FSL, 838' FEL - SECTION 34<br/>365' FSL, 838' FEL - LEASE LINE<br/>MD = 7,960"</p> <p><b>BOTTOM HOLE LOCATION (BHL)</b><br/>NEW MEXICO EAST - NAD 83<br/>X=585242.28 LAT.= 32.61083495° N<br/>Y=585981.97 LONG.= 104.19074623° W<br/>NEW MEXICO EAST - NAD 27<br/>X=544062.24 LAT.= 32.61071793° N<br/>Y=585920.34 LONG.= 104.19023813° W<br/>340' FSL, 18' FWL - SECTION 33<br/>340' FSL, 18' FWL - LEASE LINE<br/>MD = 17,727</p> <p><b>CORNER DATA</b><br/>NEW MEXICO EAST - NAD 83<br/>A - FOUND IRON PIPE W/ BRASS CAP<br/>N:590907.03' E:585541.35'<br/>B - FOUND 5/8" IRON ROD W/ ALUM CAP<br/>N:590925.86' E:588152.01'<br/>C - FOUND IRON PIPE W/ BRASS CAP<br/>N:590945.00' E:590760.88'<br/>D - FOUND IRON PIPE W/ BRASS CAP<br/>N:590962.75' E:593372.54'<br/>E - FOUND IRON PIPE W/ BRASS CAP<br/>N:590981.15' E:595983.74'<br/>F - FOUND IRON PIPE W/ BRASS CAP<br/>N:588340.39' E:595907.65'<br/>G - FOUND IRON PIPE W/ BRASS CAP<br/>N:585701.20' E:595828.61'<br/>H - FOUND 5/8" IRON ROD W/ ALUM CAP<br/>N:585686.35' E:593171.86'<br/>I - FOUND IRON PIPE W/ BRASS CAP<br/>N:585671.76' E:590514.87'<br/>J - FOUND IRON PIPE W/ BRASS CAP<br/>N:585656.50' E:587858.72'<br/>K - FOUND IRON PIPE W/ BRASS CAP<br/>N:585641.97' E:585202.31'<br/>L - FOUND IRON PIPE W/ BRASS CAP<br/>N:588276.86' E:585371.95'<br/>M - FOUND IRON PIPE W/ BRASS CAP<br/>N:588307.96' E:590637.53'</p> | <p><b>17 OPERATOR CERTIFICATION</b><br/>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>[Signature]</i> 04.12.2021<br/>Signature Date</p> <p>Mikah Thomas<br/>Printed Name</p> <p>mthomas@colgateenergy.com<br/>E-mail Address</p> <p><b>18 SURVEYOR CERTIFICATION</b><br/>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><i>[Signature]</i><br/>Date of Survey Signature and Seal of Professional Surveyor</p> <p>4/12/2021<br/>Certificate Number</p> |
|--|---|



**DISTRICT I**  
1625 N. French Dr., Hobbs, N.M. 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102

Revised August 1, 2011

**DISTRICT II**  
811 S. First St., Artesia, N.M. 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720

## OIL CONSERVATION DIVISION

Submit one copy to appropriate  
District Office

**DISTRICT III**  
1000 Rio Brazos Rd., Aztec, N.M. 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170

1220 South St. Francis Dr.  
Santa Fe, N.M. 87505

**DISTRICT IV**  
1220 S. St. Francis Dr., Santa Fe, N.M. 87505  
Phone: (505) 476-3480 Fax: (505) 476-3482

AS-DRILLED

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

|  |   |  |   |
|--|---|--|---|
| <sup>1</sup> API Number<br><b>30-015-47705</b> |   | <sup>2</sup> Pool Code<br><b>48035 &amp; 65010</b> | <sup>3</sup> Pool Name<br><b>Old Millman Ranch; BS &amp; Winchester; BS</b> |
| <sup>4</sup> Property Code                     | <sup>5</sup> Property Name<br><b>Dawson 34 Fed Com</b>      |  | <sup>6</sup> Well Number<br><b>133H</b>                                     |
| <sup>7</sup> GRID No.<br><b>371449</b>         | <sup>8</sup> Operator Name<br><b>Colgate Operating, LLC</b> |  | <sup>9</sup> Elevation<br><b>3310</b>                                       |

<sup>10</sup> Surface Location

|               |           |             |             |         |               |                  |               |                |             |
|---------------|-----------|-------------|-------------|---------|---------------|------------------|---------------|----------------|-------------|
| UL or lot no. | Section   | Township    | Range       | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County      |
| <b>I</b>      | <b>34</b> | <b>19 S</b> | <b>28 E</b> |         | <b>2572</b>   | <b>South</b>     | <b>340</b>    | <b>East</b>    | <b>Eddy</b> |

<sup>11</sup> 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>L</b>      | <b>33</b> | <b>19 S</b> | <b>28 E</b> |         | <b>1702</b>   | <b>South</b>     | <b>13</b>     | <b>West</b>    | <b>Eddy</b> |

|   |                               |  |                         |
|---|-------------------------------|--|-------------------------|
| <sup>13</sup> Dedicated Acres<br><b>320</b> | <sup>13</sup> Joint or Infill | <sup>14</sup> Consolidation Code<br><b>C</b> | <sup>15</sup> 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

16

**Legend:**

- = Surface Location
- = Bottom Hole Location
- ◇ = Kick Off Point (KOP)
- △ = First Take Point (FTP)
- = Last Take Point (LTP)
- ⊕ = Found 1941 USGLO  
Brass Cap
- ⊙ = Found 1942 USGLO  
Brass Cap
- ⦿ = Found Monument

NOTE:  
DOWNHOLE INFORMATION TAKEN  
FROM A REPORT FURNISHED  
BY COLGATE ENERGY. DATED 1-05-22

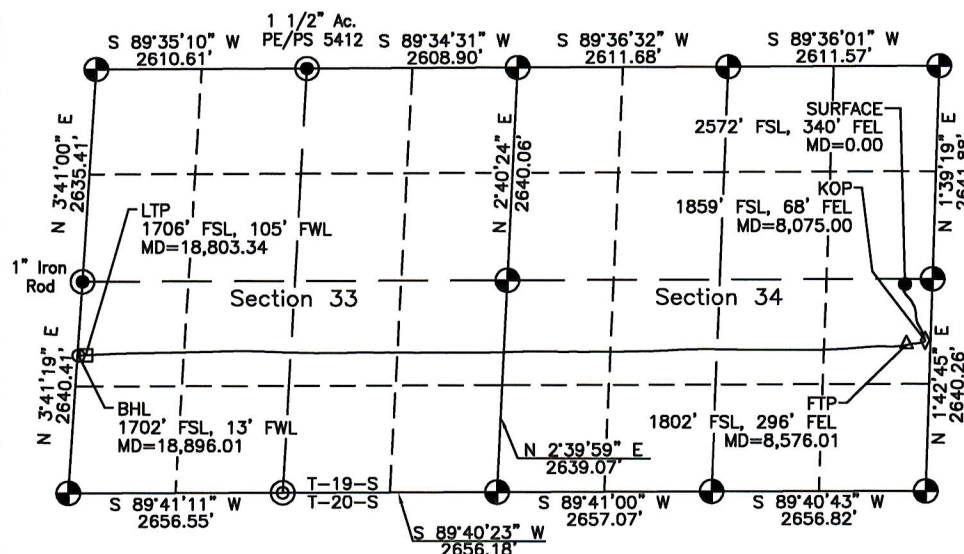
SURFACE LOCATION  
NAD 83 NMSPC ZONE 3001  
Y= 588271.56 N  
X= 595565.49 E  
LAT.= 32.6170859° N  
LONG.= 104.1572079° W

KICK OFF POINT  
NAD 83 NMSPC ZONE 3001  
Y= 587560.14 N  
X= 595816.41 E  
LAT.= 32.6151292° N  
LONG.= 104.1563968° W

FIRST TAKE POINT  
NAD 83 NMSPC ZONE 3001  
Y= 587501.65 N  
X= 595586.00 E  
LAT.= 32.6149695° N  
LONG.= 104.1571455° W

LAST TAKE POINT  
NAD 83 NMSPC ZONE 3001  
Y= 587349.28 N  
X= 585417.76 E  
LAT.= 32.6145927° N  
LONG.= 104.1901704° W

BOTTOM HOLE LOCATION  
NAD 83 NMSPC ZONE 3001  
Y= 587344.15 N  
X= 585325.30 E  
LAT.= 32.6145789° N  
LONG.= 104.1904707° W



## 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.

|                  |             |
|------------------|-------------|
| <b>Signature</b> | <b>Date</b> |
|------------------|-------------|

---

**Printed Name**

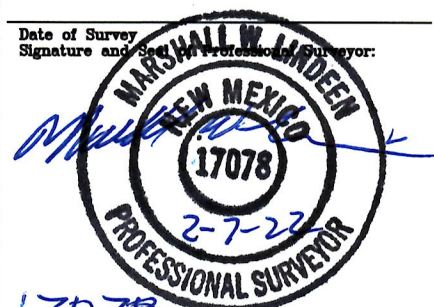
---

**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: \_\_\_\_\_



17078  
Certificate Number

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

**District II**  
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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**

|                                     |   |  |
|-------------------------------------|---|--|
| <b>1 API Number</b><br>30-015-47604 | <b>2 Pool Code</b><br>48035                 | <b>3 Pool Name</b><br>Old Millman Ranch; Bone Spring |
| <b>4 Property Code</b><br>329759    | <b>5 Property Name</b><br>DAWSON 34 FED COM | <b>6 Well Number</b><br>134H                         |
| <b>7 OGRID No.</b><br>371449        | <b>8 Operator Name</b><br>COLGATE ENERGY    | <b>9 Elevation</b><br>3299.9'                        |

**10 Surface Location**


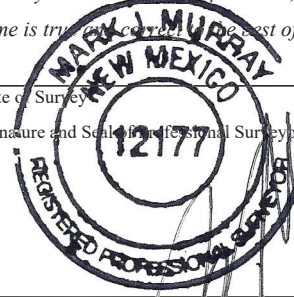
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| P             | 34      | 19-S     | 28-E  |         | 340'          | SOUTH            | 560'          | EAST           | EDDY   |

**11 Bottom Hole Location If Different From Surface**

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| M             | 33      | 19-S     | 28-E  |         | 434'          | SOUTH            | 39'           | WEST           | EDDY   |

|                                  |                           |                                   |                     |
|----------------------------------|---------------------------|-----------------------------------|---------------------|
| <b>12 Dedicated Acres</b><br>320 | <b>13 Joint or Infill</b> | <b>14 Consolidation Code</b><br>C | <b>15 Order No.</b> |
|----------------------------------|---------------------------|-----------------------------------|---------------------|

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><b>16</b></p> <p><b>SURFACE HOLE LOCATION (SHL)</b><br/>NEW MEXICO EAST - NAD 83<br/>X=595278.71 LAT.= 32.61094751° N<br/>Y=586037.92 LONG.= 104.15815129° W<br/>NEW MEXICO EAST - NAD 27<br/>X=554098.66 LAT.= 32.61083015° N<br/>Y=585976.21 LONG.= 104.15764400° W<br/>340' FSL, 560' FEL - SECTION 34<br/>340' FSL, 560' FEL - LEASE LINE</p> <p><b>LAST TAKE POINT (LTP)</b><br/>NEW MEXICO EAST - NAD 83<br/>X=585494.47 LAT.= 32.61109516° N<br/>Y=586076.98 LONG.= 104.18992679° W<br/>NEW MEXICO EAST - NAD 27<br/>X=544314.44 LAT.= 32.61097814° N<br/>Y=586015.34 LONG.= 104.18941870° W<br/>433' FSL, 264' FWL - SECTION 33<br/>433' FSL, 264' FWL - LEASE LINE<br/>MD = 18,665.00'</p> <p><b>FIRST TAKE POINT (FTP)</b><br/>NEW MEXICO EAST - NAD 83<br/>X=595114.85 LAT.= 32.61121742° N<br/>Y=586135.85 LONG.= 104.15868293° W<br/>NEW MEXICO EAST - NAD 27<br/>X=553934.80 LAT.= 32.61110007° N<br/>Y=586074.14 LONG.= 104.15817562° W<br/>439' FSL, 726' FEL - SECTION 34<br/>439' FSL, 726' FEL - LEASE LINE<br/>MD = 9,035.00'</p> <p><b>BOTTOM HOLE LOCATION (BHL)</b><br/>NEW MEXICO EAST - NAD 83<br/>X=585269.70 LAT.= 32.61109490° N<br/>Y=586076.58 LONG.= 104.19065676° W<br/>NEW MEXICO EAST - NAD 27<br/>X=544089.67 LAT.= 32.61097789° N<br/>Y=586014.95 LONG.= 104.19014866° W<br/>434' FSL, 39' FWL - SECTION 33<br/>434' FSL, 39' FWL - LEASE LINE<br/>MD = 18,890.00'</p> <p><b>CORNER DATA</b><br/>NEW MEXICO EAST - NAD 83<br/>A - FOUND IRON PIPE W/ BRASS CAP<br/>N:590907.03' E:585541.35'<br/>B - FOUND 5/8" IRON ROD W/ ALUM CAP<br/>N:590925.86' E:588152.01'<br/>C - FOUND IRON PIPE W/ BRASS CAP<br/>N:590945.00' E:590760.88'<br/>D - FOUND IRON PIPE W/ BRASS CAP<br/>N:590962.75' E:593372.54'<br/>E - FOUND IRON PIPE W/ BRASS CAP<br/>N:590981.15' E:595983.74'<br/>F - FOUND IRON PIPE W/ BRASS CAP<br/>N:588340.39' E:595907.65'<br/>G - FOUND IRON PIPE W/ BRASS CAP<br/>N:585701.20' E:595828.61'<br/>H - FOUND 5/8" IRON ROD W/ ALUM CAP<br/>N:585686.35' E:593171.86'<br/>I - FOUND IRON PIPE W/ BRASS CAP<br/>N:585671.76' E:590514.87'<br/>J - FOUND IRON PIPE W/ BRASS CAP<br/>N:585656.50' E:587858.72'<br/>K - FOUND IRON PIPE W/ BRASS CAP<br/>N:585641.97' E:585202.31'<br/>L - FOUND IRON PIPE W/ BRASS CAP<br/>N:588276.86' E:585371.95'<br/>M - FOUND IRON PIPE W/ BRASS CAP<br/>N:588307.96' E:590637.53'</p> | <p><b>17 OPERATOR CERTIFICATION</b><br/>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> <b>04.12.2021</b><br/>Signature Date</p> <p><b>Mikah Thomas</b><br/>Printed Name</p> <p><b>mthomas@colgateenergy.com</b><br/>E-mail Address</p> <p><b>18 SURVEYOR CERTIFICATION</b><br/>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 to the best of my belief.</p> <p><br/>Date of Survey Signature and Seal of Professional Surveyor</p> <p><b>4/12/2021</b><br/>Certificate Number</p> |
|---|---|



**District I**  
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State of New Mexico  
Energy, Minerals & Natural Resources Department  
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1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
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District Office

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

|                                     |  |  |
|-------------------------------------|--|--|
| <b>1 API Number</b><br>30-015-47707 | <b>2 Pool Code</b><br>48035 & 65010              | <b>3 Pool Name</b><br>OLD MILLMAN RANCH; BS & WINCHESTER; BS |
| <b>4 Property Code</b><br>32984     | <b>5 Property Name</b><br>SHAMROCK 34 FED COM    | <b>6 Well Number</b><br>122H                                 |
| <b>7 OGRID No.</b><br>371449        | <b>8 Operator Name</b><br>COLGATE OPERATING, LLC | <b>9 Elevation</b><br>3310.3'                                |

**10 Surface Location**

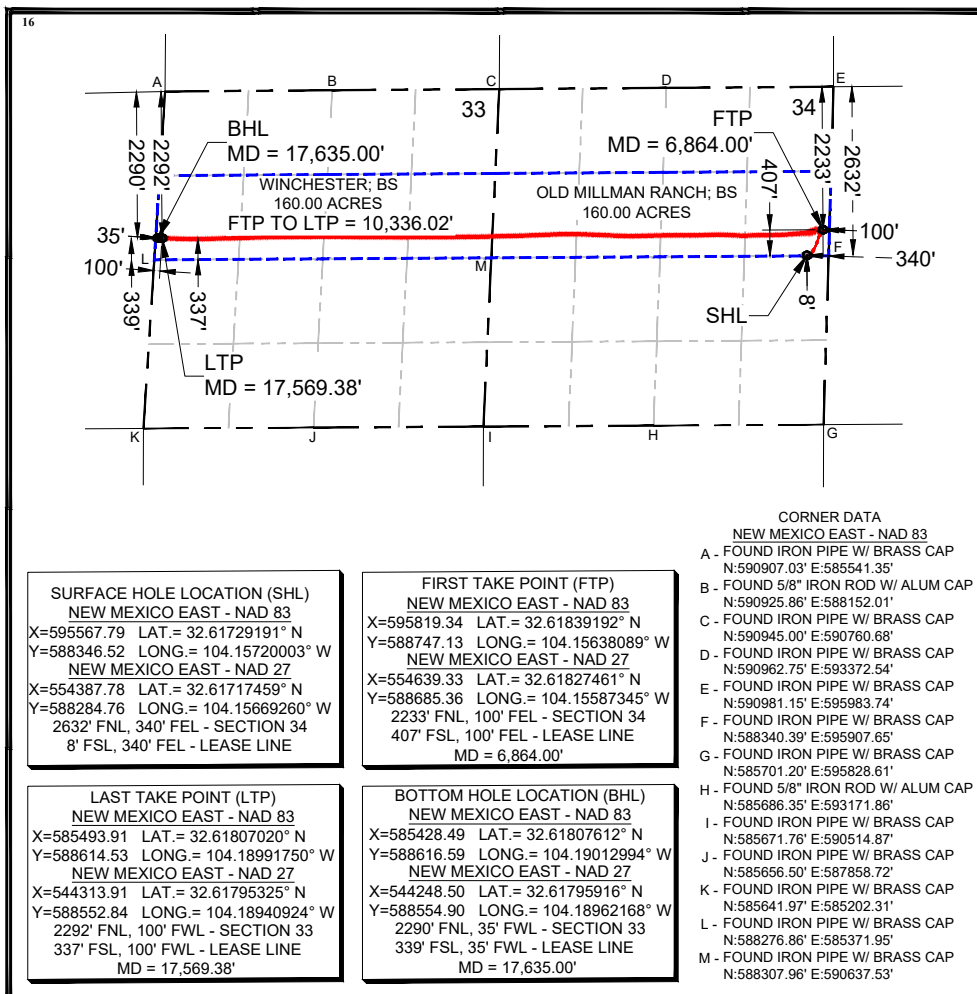
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| H             | 34      | 19-S     | 28-E  |         | 2632'         | NORTH            | 340'          | EAST           | EDDY   |

**11 Bottom Hole Location If Different From Surface**

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| E             | 33      | 19-S     | 28-E  |         | 2290'         | NORTH            | 35'           | WEST           | EDDY   |

|                                  |                           |                              |                     |
|----------------------------------|---------------------------|------------------------------|---------------------|
| <b>12 Dedicated Acres</b><br>320 | <b>13 Joint or Infill</b> | <b>14 Consolidation Code</b> | <b>15 Order No.</b> |
|----------------------------------|---------------------------|------------------------------|---------------------|

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.



**17 OPERATOR CERTIFICATION**

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*[Signature]* 03.14.2022  
Signature Date

Mikah Thomas

Printed Name

mthomas@colgateenergy.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:



Certificate Number

2/23/2022



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State of New Mexico  
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Revised August 1, 2011  
Submit one copy to appropriate  
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☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

|                                     |  |  |
|-------------------------------------|--|--|
| <b>1 API Number</b><br>30-015-47706 | <b>2 Pool Code</b><br>48035 & 65010              | <b>3 Pool Name</b><br>OLD MILLMAN RANCH; BS & WINCHESTER; BS |
| <b>4 Property Code</b><br>329804    | <b>5 Property Name</b><br>SHAMROCK 34 FED COM    | <b>6 Well Number</b><br>121H                                 |
| <b>7 OGRID No.</b><br>371449        | <b>8 Operator Name</b><br>COLGATE OPERATING, LLC | <b>9 Elevation</b><br>3317.7'                                |

**10 Surface Location**

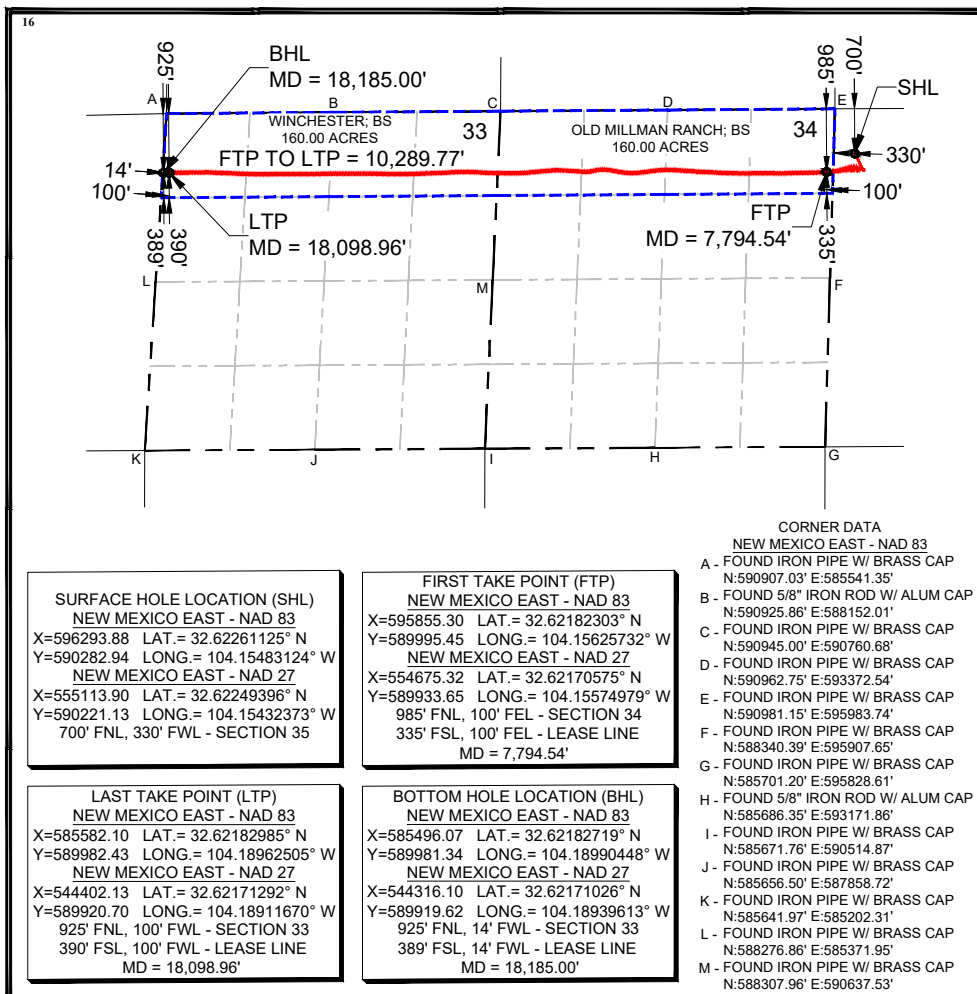
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| D             | 35      | 19-S     | 28-E  |         | 700'          | NORTH            | 330'          | EAST           | EDDY   |

**11 Bottom Hole Location If Different From Surface**

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| D             | 33      | 19-S     | 28-E  |         | 925'          | NORTH            | 14'           | WEST           | EDDY   |

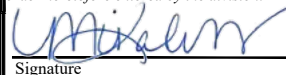
|                                  |                           |                                   |                     |
|----------------------------------|---------------------------|-----------------------------------|---------------------|
| <b>12 Dedicated Acres</b><br>320 | <b>13 Joint or Infill</b> | <b>14 Consolidation Code</b><br>C | <b>15 Order No.</b> |
|----------------------------------|---------------------------|-----------------------------------|---------------------|

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.



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 **02.24.2022**  
Signature Date

**Mikah Thomas**

Printed Name

**mthomas@colgateenergy.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 **02/23/2022**  
Signature and Seal of Professional Surveyor:

  
Certificate Number

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

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

**District III**  
1000 Rio Brazos Road, Aztec, NM 87410  
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**

|                                     |  |  |
|-------------------------------------|--|--|
| <b>1 API Number</b><br>30-015-47708 | <b>2 Pool Code</b><br>48035 & 65010              | <b>3 Pool Name</b><br>OLD MILLMAN RANCH; BS & WINCHESTER; BS |
| <b>4 Property Code</b><br>329804    | <b>5 Property Name</b><br>SHAMROCK 34 FED COM    | <b>6 Well Number</b><br>131H                                 |
| <b>7 OGRID No.</b><br>371449        | <b>8 Operator Name</b><br>COLGATE OPERATING, LLC | <b>9 Elevation</b><br>3317.7'                                |

**10 Surface Location**

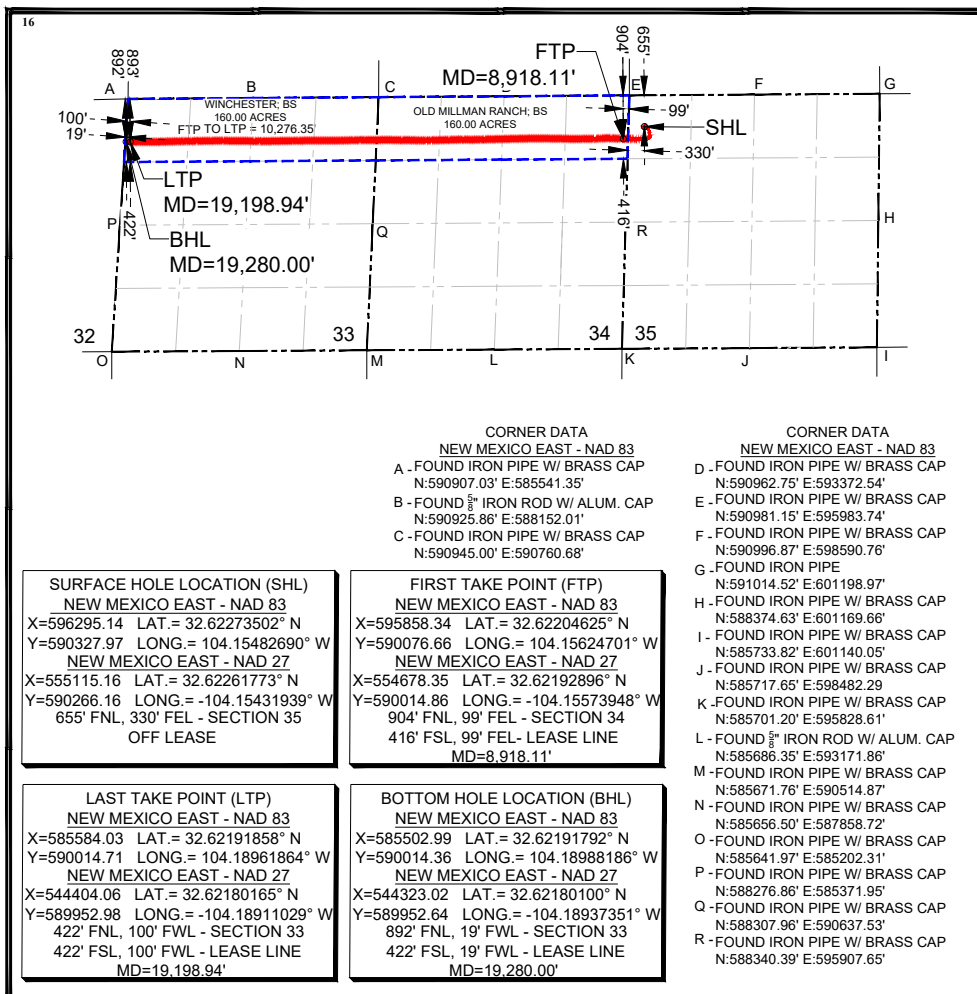
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| D             | 35      | 19-S     | 28-E  |         | 655'          | NORTH            | 330'          | WEST           | EDDY   |

**11 Bottom Hole Location If Different From Surface**

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| D             | 33      | 19-S     | 28-E  |         | 892'          | NORTH            | 19'           | WEST           | EDDY   |

|                                     |                           |                                   |                     |
|-------------------------------------|---------------------------|-----------------------------------|---------------------|
| <b>12 Dedicated Acres</b><br>320.00 | <b>13 Joint or Infill</b> | <b>14 Consolidation Code</b><br>C | <b>15 Order No.</b> |
|-------------------------------------|---------------------------|-----------------------------------|---------------------|

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.



**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.

*Mikah Thomas* 03.14.2022  
Signature Date

Mikah Thomas

Printed Name

mthomas@colgateenergy.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: 2/23/2022  
Signature and Seal of Professional Surveyor:  
*Mark J. Murray*  
12177  
Certificate Number



**DISTRICT I**  
1825 N. French Dr., Hobbs, N.M. 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720

**DISTRICT II**  
811 S. First St., Artesia, N.M. 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720

**DISTRICT III**  
1000 Rio Brazos Rd., Aztec, N.M. 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170

**DISTRICT IV**  
1220 S. St. Francis Dr., Santa Fe, N.M. 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, N.M. 87505

Form C-102

Revised August 1, 2011

Submit one copy to appropriate  
District Office

AS-DRILLED

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

|  |   |  |
|--|---|--|
| <sup>1</sup> API Number<br><b>30-015-47751</b> | <sup>2</sup> Pool Code<br><b>65010</b>                      | <sup>3</sup> Pool Name<br><b>Winchester; Bone Spring</b> |
| <sup>4</sup> Property Code<br><b>329804</b>    | <sup>5</sup> Property Name<br><b>Shamrock 34 Fed Com</b>    | <sup>6</sup> Well Number<br><b>132H</b>                  |
| <sup>7</sup> OGRID No.<br><b>371449</b>        | <sup>8</sup> Operator Name<br><b>Colgate Operating, LLC</b> | <sup>9</sup> Elevation<br><b>3310</b>                    |

<sup>10</sup> Surface Location

| UL or lot no. | Section   | Township    | Range       | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County      |
|---------------|-----------|-------------|-------------|---------|---------------|------------------|---------------|----------------|-------------|
| <b>I</b>      | <b>34</b> | <b>19 S</b> | <b>28 E</b> |         | <b>2609</b>   | <b>South</b>     | <b>340</b>    | <b>East</b>    | <b>Eddy</b> |

<sup>11</sup> 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>E</b>      | <b>33</b> | <b>19 S</b> | <b>28 E</b> |         | <b>2226</b>   | <b>North</b>     | <b>31</b>     | <b>West</b>    | <b>Eddy</b> |

|  |                               |  |                         |
|--|-------------------------------|--|-------------------------|
| <sup>12</sup> Dedicated Acres<br><b>320.00</b> | <sup>13</sup> Joint or Infill | <sup>14</sup> Consolidation Code<br><b>C</b> | <sup>15</sup> 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

16

## Legend:

- = Surface Location
- = Bottom Hole Location
- ◇ = Kick Off Point (KOP)
- △ = First Take Point (FTP)
- = Last Take Point (LTP)
- ⊙ = Found 1941 USGLO Brass Cap
- ⊙ = Found 1942 USGLO Brass Cap
- ⊙ = Found Monument

NOTE:  
DOWNHOLE INFORMATION TAKEN  
FROM A REPORT FURNISHED  
BY COLGATE ENERGY, DATED 12-16-21

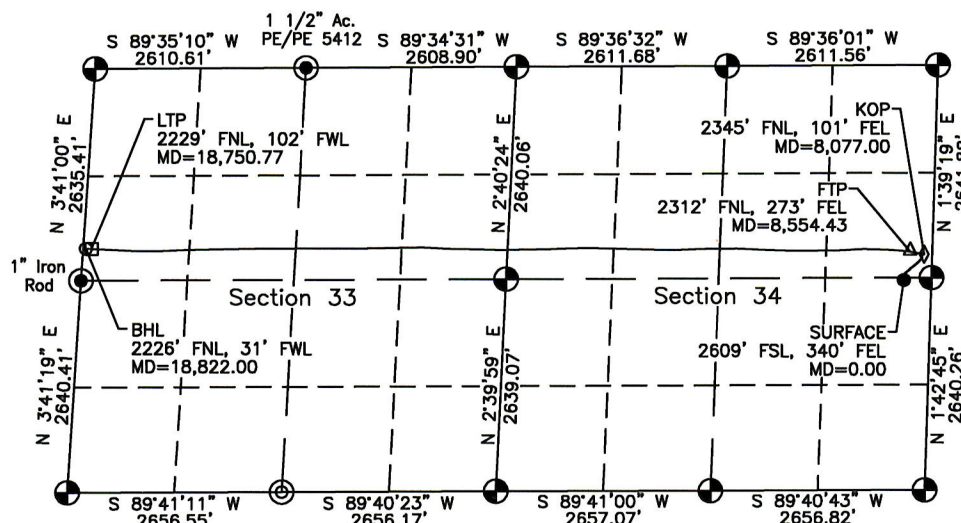
SURFACE LOCATION  
NAD 83 NMSPC ZONE 3001  
Y= 588309.04 N  
X= 595566.64 E  
LAT.= 32.6171889° N  
LONG.= 104.1572040° W

KICK OFF POINT  
NAD 83 NMSPC ZONE 3001  
Y= 588634.46 N  
X= 595814.76 E  
LAT.= 32.6180822° N  
LONG.= 104.1563964° W

FIRST TAKE POINT  
NAD 83 NMSPC ZONE 3001  
Y= 588666.67 N  
X= 595643.85 E  
LAT.= 32.6181716° N  
LONG.= 104.1569513° W

LAST TAKE POINT  
NAD 83 NMSPC ZONE 3001  
Y= 588677.08 N  
X= 585500.19 E  
LAT.= 32.6182421° N  
LONG.= 104.1898968° W

BOTTOM HOLE LOCATION  
NAD 83 NMSPC ZONE 3001  
Y= 588679.61 N  
X= 585429.17 E  
LAT.= 32.6182493° N  
LONG.= 104.1901275° W



## 17 OPERATOR CERTIFICATION

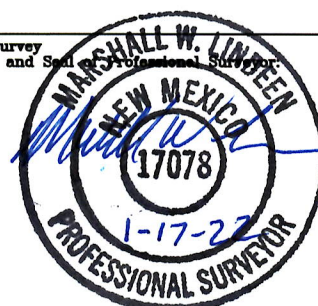
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this 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.

*Mikah Thomas* 01.17.2022  
Signature Date  
Mikah Thomas  
Printed Name  
mthomas@colgateenergy.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



17078  
Certificate Number

## Federal Communitization Agreement

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into as of the 1<sup>st</sup> day of October, 2020, 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 19 South, Range 28 East:

Section 33: N/2S/2

Section 34: N/2S/2

Eddy County, New Mexico

Containing **320.0** acres, and this agreement shall include only the Bone Spring formation underlying said lands and the associated gaseous hydrocarbons hereafter referred to as "communitized substances," producible from such formation.

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 Colgate Operating, LLC, whose address is 300 N. Marienfeld Street, Suite 1000, Midland, Texas 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 maybe 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.

If the communitized area approved in this Agreement contains unleased Federal lands, the value of  $1/8^{\text{th}}$  or  $12 \frac{1}{2}$  percent for the Federal lands, of the production that would be allocated to such Federal lands, described above, if such lands were leased, committed and entitled to participation, shall be payable as compensatory royalties to the Federal government. The remaining  $7/8^{\text{th}}$  should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue

from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the communitized area and the Communitization Agreement is terminated, whichever occurs first.

Any party acquiring a Federal lease of the unleased Federal lands included in the communitized area established hereunder, will be subject to this Agreement as of the effective date of the Federal leases to said party (ies). Upon issuance of the Federal lease and payment of its proportionate cost of the well, including drilling, completing and equipping the well, the acquiring party (ies) shall own the working interest described in the Tract, as described on Exhibit "B", and shall have the rights and obligations of said working interest as to the effective date of the Federal Lease.

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 formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized



area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.

9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is October 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.

- 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.

By: \_\_\_\_\_  
Brandon Gaynor, Sr. Vice President of Land

STATE OF TEXAS                                 )  
  ) ss.  
COUNTY OF MIDLAND                         )

---

My commission expires



Date: \_\_\_\_\_ By: \_\_\_\_\_

Name: Brandon Gaynor

Title: Senior Vice President

STATE OF TEXAS                                 )  
  ) ss.  
COUNTY OF MIDLAND                         )

Notary Public \_\_\_\_\_ My commission expires \_\_\_\_\_

Notary Public \_\_\_\_\_ My commission expires \_\_\_\_\_

Title: Senior Vice President

---

My commission expires

---

My commission expires

**ZPZ Delaware I, LLC**  
(Lessee of Record)

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**ACKNOWLEDGEMENT**

STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2022, before me, a Notary Public for the State of \_\_\_\_\_, personally appeared \_\_\_\_\_, known to me to be the \_\_\_\_\_ of \_\_\_\_\_, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
My commission expires

**ACKNOWLEDGEMENT**  
(Individual capacity)

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2022, before me, a Notary Public for the State of \_\_\_\_\_, personally appeared \_\_\_\_\_.

(SEAL)

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
My commission expires

**ZPZ Delaware I, LLC**  
(Lessee of Record)

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**ACKNOWLEDGEMENT**

STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2022, before me, a Notary Public for the State of \_\_\_\_\_, personally appeared \_\_\_\_\_, known to me to be the \_\_\_\_\_ of \_\_\_\_\_, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
My commission expires

**ACKNOWLEDGEMENT**  
(Individual capacity)

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2022, before me, a Notary Public for the State of \_\_\_\_\_, personally appeared \_\_\_\_\_.

(SEAL)

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
My commission expires

**Northern Oil and Gas, Inc.**  
(Lessee of Record & Working Interest Owner)

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**ACKNOWLEDGEMENT**

STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2022, before me, a Notary Public for the State of \_\_\_\_\_, personally appeared \_\_\_\_\_, known to me to be the \_\_\_\_\_ of \_\_\_\_\_, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
My commission expires

**ACKNOWLEDGEMENT**  
(Individual capacity)

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2022, before me, a Notary Public for the State of \_\_\_\_\_, personally appeared \_\_\_\_\_.

(SEAL)

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
My commission expires

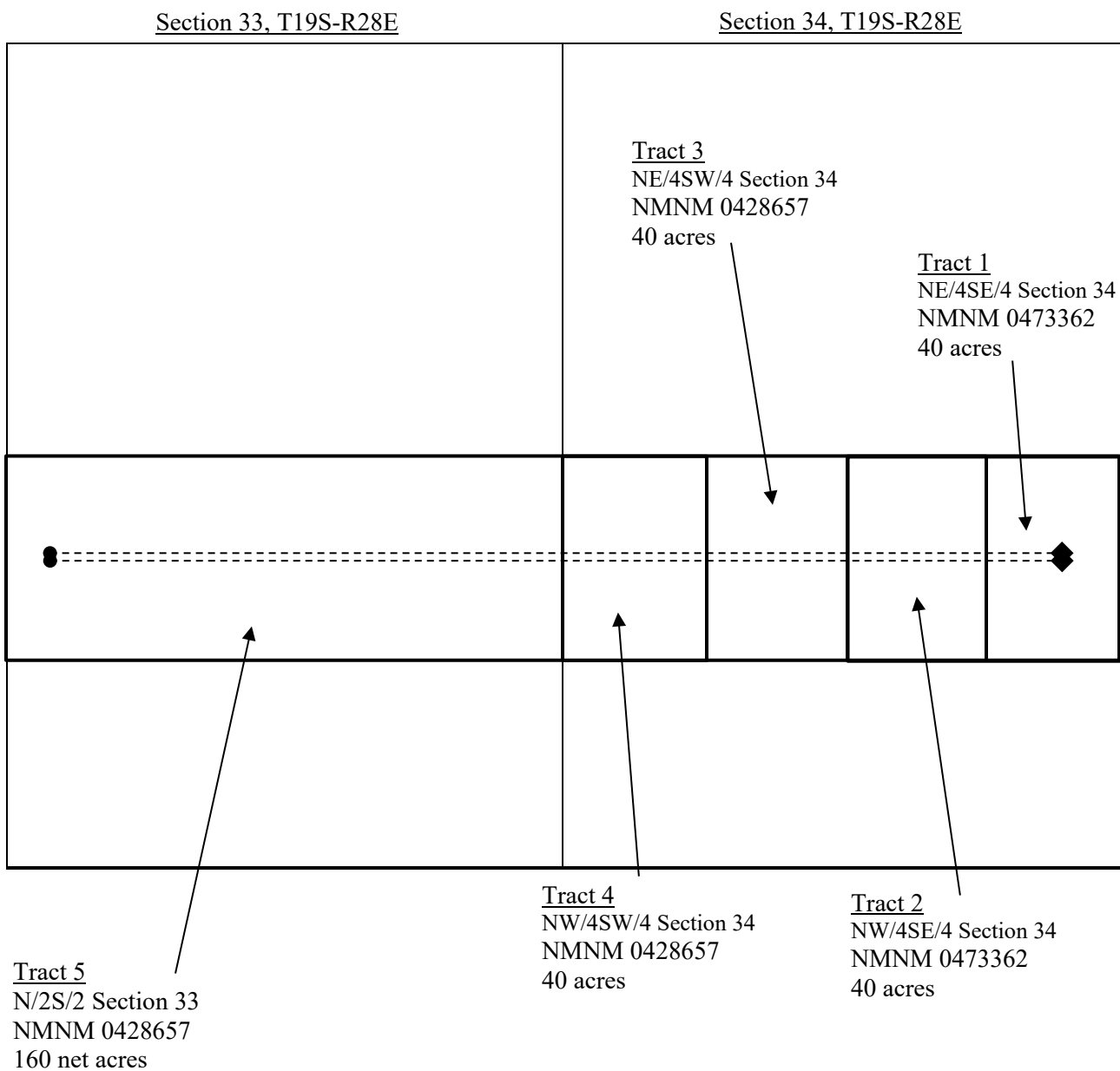
**EXHIBIT "A"**

Plat of communitized area covering **320.0** acres in Township 19 South, Range 28 East, N/2S/2 of Section 33 and the N/2S/2 of Section 34, Eddy County, New Mexico, as written in Section 1 above.

Well Name/No.

**DAWSON 34 FED COM #123H**

**DAWSON 34 FED COM #133H**



**EXHIBIT "B"**

To Communitization Agreement Dated October 1, 2020, embracing the following described land in Township 19 South, Range 28 East, N/2S/2 of Section 33 and N/2S/2 of Section 34, Eddy County, New Mexico, as written in Section 1 above.

Operator of Communitized Area:

**COLGATE OPERATING, LLC**

DESCRIPTION OF LEASES COMMITTED

**TRACT NO. 1**

|   |  |
|---|--|
| <b>Lease Serial Number:</b>             | NMNM 0473362   |
| <b>Lease Date:</b>                      | Effective January 1, 1964  |
| <b>Lease Term:</b>                      | 10 years, subsequently extended for 2 years  |
| <b>Lessor:</b>                          | United States of America   |
| <b>Original Lessee:</b>                 | George A. Lauck  |
| <b>Current Lessee of Record:</b>        | D.W. Underwood and J.C. Williamson   |
| <b>Description of Land Committed:</b>   | NE/4SE/4 of Section 34, T19S-R28E, Eddy County, New Mexico   |
| <b>Number of Acres:</b>                 | 40   |
| <b>Royalty Rate:</b>                    | 12.5%  |
| <b>Name and Percent ORRI Owners:</b>    | Colgate Royalties, LP – 0.06027778, Frank J. Pisor – 0.00125000, Heirs of George A Lauk & Molly Lauk – 0.00937500, Mark and Paula McClellan – 0.000625000, Ross and Kandace McClellan – 0.000625000, Etheredge Revocable Living Trust dtd 11/4/1997 – 0.00347222, Marshall & Winston, Inc. – 0.028125000, Greenville Partners – 0.00937500, Kevin Hammitt – 0.00468750, James A. Lawson – 0.00468750, Mountain Lion Oil & Gas – 0.06027778   |
| <b>Name of Working Interest Owners:</b> | Colgate Production, LLC - 0.85544306, Northern Oil & Gas, Inc. – 0.02570714, C5 Capital Management, LLC – 0.00520833, HCH Investment, LLC – 0.00520833, Catherine E. Huffman – 0.00520833, Elizabeth Tullis Dillard – 0.06250000, Myrlene Mannschreck Dillon – 0.03125000, Duer Wagner, III - .00377250, Geoffrey Lancelly – 0.00010778, Douglas Cranmer – 0.00053280, Russell Cranmer – 0.00053280, Douglas C. Cranmer and Russell B. Cranmer, Trustees of the Russell E. Cranmer Irrevocable Trust dtd December 28, 1992 – 0.00053280, Katherine Ferguson – 0.00213120, Robert G. Ettleson – 0.00053280, Mary Kline – 0.00053280, Sombrero Associates – 0.00079933 |

**TRACT NO. 2**

**Lease Serial Number:** NMNM 0473362  
**Lease Date:** Effective January 1, 1964  
**Lease Term:** 10 years, subsequently extended for 2 years  
**Lessor:** United States of America  
**Original Lessee:** George A. Lauck  
**Current Lessee of Record:** D.W. Underwood and J.C. Williamson  
**Description of Land Committed:** NW/4SE/4 of Section 34, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 40  
**Royalty Rate:** 12.5%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP – 0.06027778, Mountain Lion Oil & Gas – 0.00500000, Frank J. Pisor – 0.00125000, Heirs of George A. Lauck & Molly Lauck – 0.00937500, Mark & Paula McClellan – 0.00062500, Ross & Kandace McClellan – 0.00062500, Cheryl Diane Etheredge, Trustee of the Etheredge Rev. Living Trust dtd 11/4/1997 – 0.00347222, Marshall & Winston, Inc. – 0.02812500, Greenville Partners – 0.00937500, Kevin Hammit – 0.00468750, James A. Lawson – 0.00468750  
**Name of Working Interest Owners:** Colgate Production, LLC - 0.87500000, Raquel L. Womack – 0.00053285, Robert K. Hillin, Jr. – 0.12500000, Katherine Ferguson – 0.00213120

**TRACT NO. 3**

**Lease Serial Number:** NMNM 0428657  
**Lease Date:** July 17, 1963, effective September 1, 1963  
**Lease Term:** 10 years, subsequently extended for 2 years  
**Lessor:** United States of America  
**Original Lessee:** T. A. Fraser and J. Mack Barnes  
**Current Lessee of Record:** ZPZ Delaware I LLC, Northern Oil & Gas, Inc., CM Resources, LLC, Colgate Production, LLC  
**Description of Land Committed:** NE/4SW/4 of Section 34, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 40  
**Royalty Rate:** 12.5%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP – 0.07704584, CM Royalties, LLC – 0.00937500, Abuelo, LLC – 0.00096146, Carol Sue Mhoon – 0.01250000, Ergodic Resources LLC - .00096146, Loco Hill Production Company, LLC – 0.00096146, Magnum Hunter Production, Inc. – 0.00070159, Silverhair, LLC – 0.00096146, William G. Ross and Vee K. Ross, Trustees of the



**Name of Working Interest Owners:**

William G. Ross and Vee K. Ross Living Trust  
 UTA dated March 9, 1990 – 0.01250000  
 Colgate Production, LLC - 0.64775238, Northern  
 Oil & Gas, Inc. – 0.22214120, Myrlene  
 Mannschreck Dillon - 0.02343750, Geoffrey  
 Lanceley - 0.00008033, Wildcat Energy, LLC -  
 0.00279387, Hodge Natural Gas Gathering, Inc. -  
 0.00039960, Robert G. Ettleson – 0.00039960,  
 William L. Hilliard – 0.00079910, Mary L. Kline  
 – 0.00039970, Heirs or Devisees of John R. Kline  
 – 0.00139860, Gerald L. Michaud – 0.00079910,  
 Ted J. Werts – 0.00039960, Intrepid Energy, Inc.  
 – 0.01928035, Douglas C. Cranmer and Russell  
 B. Cranmer, Trustees of the Russell E. Cranmer  
 Irrevocable Trust dated December 28, 1992 –  
 0.00119880, Bill Ferguson – 0.00319680, Robert  
 H. Krieble – 0.00139850, Sombrero Associates –  
 0.00089930, Nelson & Co., for the benefit of John  
 D. Wile Marital Trust – 0.00059940, Magnum  
 Hunter Production, Inc. – 0.03173252, John G.  
 Rocovich – 0.00140625, Paul & Zofia Umbarger  
 – 0.00712969, J.W. Davis – 0.01343671, Current  
 Trustee under Declaration of Trust dated August  
 28, 1982, executed by Alice G. Davis –  
 0.01343672, Galkay, a Joint Venture –  
 0.00466172, James Kenneth Garrett –  
 0.00020567, Joyce Eline Garrett – 0.00020567,  
 Donna Marie Studer, Administrator, Estate of  
 Genevieve Studer - 0.00010283, Carl Joseph  
 Garrett, Executor, Estate of Jasper Ben Garrett, Jr.  
 – 0.00010283, Connie Gale Becker – 0.00010283,  
 Ginger Lee Meyers – 0.00010283

**TRACT NO. 4****Lease Serial Number:**

NMNM 0428657

**Lease Date:**

July 17, 1963, effective September 1, 1963

**Lease Term:**

10 years, subsequently extended for 2 years

**Lessor:**

United States of America

**Original Lessee:**

T.A. Fraser and J. Mack Barnes

**Current Lessee of Record:**

ZPZ Delaware I LLC, Northern Oil & Gas,  
 Inc., CM Resources, LLC, Colgate Production,  
 LLC

**Description of Land Committed:**

NW/4SW/4 of Section 34, T19S-R28E, Eddy  
 County, New Mexico

**Number of Acres:**

40

|   |  |
|---|--|
| <b>Royalty Rate:</b>                    | 12.5%  |
| <b>Name and Percent ORRI Owners:</b>    | Colgate Royalties, LP – 0.07751768, William G. Ross and Vee K. Ross, Trustees of the William G. Ross and Vee K. Ross Living Trust UTA dated March 9, 1990 – 0.01250000, Carol Sue Mhoon – 0.01250000, Marathon Oil Permian, LLC – 0.00937500, Ergodic Resources, LLC – 0.00096146, Abuelo, LLC – 0.00096146, Silverhair, LLC – 0.00096146, Loco Hills Production Company, LLC – 0.00096146, Magnum Hunter Production, Inc. – 0.00064054  |
| <b>Name of Working Interest Owners:</b> | Colgate Production, LLC – 0.77275238, Northern Oil & Gas, Inc. – 0.09714120, Myrlene Mannschreck Dillon – 0.02343750, Geoffrey Lanceley – 0.00008033, Wildcat Energy, LLC – 0.00279387, Hodge Natural Gas Gathering, Inc. – 0.00039960, Robert G. Ettleson – 0.00039960, William L. Hilliard – 0.00079910, Mary L. Kline – 0.00039970, Heirs or Devisees of John R. Kline – 0.00139860, Gerald L. Michaud – 0.00079910, Ted J. Werts – 0.00039960, Intrepid Energy, Inc. – 0.01928035, Douglas C. Cranmer and Russell B. Cranmer, Trustees of the Russell E. Cranmer Irrevocable Trust dated December 28, 1992 – 0.00119880, Bill Ferguson – 0.00319680, Robert H. Krieble – 0.00139850, Sombrero Associates – 0.00089930, Nelson & Co., for the benefit of John D. Wile Marital Trust – 0.00059940, Magnum Hunter Production, Inc. – 0.03173252, John C. Rocovich – 0.00140625, Paul and Zofia Umbarger – 0.00712969, J.W. Davis – 0.01343671, Current Trustee under Declaration of Trust dated August 28, executed by Alice G. Davis – 0.01343672, Galkay, a Joint Venture – 0.00466172, James Kenneth Garrett – 0.00020567, Joyce Eline Garrett - .00020567, Donna Marie Studer, Administrator of the Estate of Genevieve Studer – 0.00010283, Carl Joseph Garrett, Executor of the Estate of Jasper Ben Garrett, Jr. – 0.00010283, Connie Gale Becker – 0.00010283, Ginger Lee Meyers – 0.00010283 |

**TRACT NO. 5**

**Lease Serial Number:** NMNM 0428657  
**Lease Date:** July 17, 1963, effective September 1, 1963  
**Lease Term:** 10 years, subsequently extended for 2 years  
**Lessor:** United States of America  
**Original Lessee:** T.A. Fraser and J. Mack Barnes  
**Current Lessee of Record:** ZPZ Delaware I LLC, Northern Oil & Gas, Inc., CM Resources, LLC, Colgate Production, LLC  
  
**Description of Land Committed:** N/2S/2 of Section 33, T19S-R28E, Eddy County, New Mexico  
  
**Number of Acres:** 160  
**Royalty Rate:** 12.5%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP – 0.06337572, Brian Eamer – 0.00029297, Carol Sue Mhoon – 0.01250000, Moser Revocable Trust – 0.00117188, Charles L. Johnson – 0.00019531, Erin Eamer – 0.00029297, Flatrock Royalties LLC – 0.00014648, Lori Lynn Johnson Nelson – 0.00019531, Michael O. Johnson – 0.00019531, Mongoose Minerals, LLC – 0.01735163, Nestegg Energy Corp. – 0.00291000, William G. & Vee K. Ross Living Trust UTA dated 3/9/1990 – 0.012500000  
  
**Name of Working Interest Owners:** Colgate Production, LLC – 0.43120148, Heirs of Carroll T. Hutchens, Sr. – 0.00781250, Teryl D. Meyers – 0.00024568, COG Operating, LLC – 0.24687500, James W. Bowen – 0.00781250, Edward J. Brown – 0.00781250, JCJ Investments, LLC – 0.00454710, Vernon Burfiend – 0.00390625, Margaret Andrews Avery – 0.00036851, Margaret A. McCloud & Thomas D. McCloud, Trustees of the Robert N. Avery Family Trust – 0.00036851, Virginia B. Dean – 0.00012284, Virginia B. Dean, Clinton H. Dean Jr., Michael Charles Dean & Robert Russell Dean, Trustees of the Virginia B. Dean Marital Deduction Trust – 0.00012284, Clinton H. Dean, Jr. – 0.00016378, Michael C. Dean – 0.00016378, Robert R. Dean – 0.00016378, The Egbert Living Trust dated April 1, 2005 – 0.01599351, Shirley Ann Egbert – 0.00396767, Claudia Baker – 0.00238060, Wilfred E. Blessing & Victor F. Bogard, Co-Trustees of Trust A u/w/o Galen S. Egbert f/b/o Brian Galen Egbert – 0.00119030, Wilfred E. Blessing & Victor F. Bogard, Co-Trustees of Trust B u/w/o Galen S. Egbert f/b/o

the grandchildren of Galen S. Egbert –  
0.00039677, Dorsar Investment Company –  
0.00036851, Martin T. Hart – 0.00024568, Edna  
Louise Miller – 0.00024568, Virginia D. Kriz-  
Neessen – 0.00024568, John T. Olive –  
0.00024568, John A. Ponsford – 0.00024568,  
Sarador, a partnership – 0.00024568, Richard J.  
Vance & Lorraine Vance – 0.00024567, Homer L.  
Wedig – 0.00012284, James M. Welch –  
0.00012284, Becky Ruth Welch – 0.00032552,  
Bryan Winston Welch – 0.00032552, Stacy Ann  
Welch Green – 0.00032552, Gene Wood Joint  
Venture Account – 0.00094585, 5 J's Plus L, Inc.  
– 0.00781250, Charles Eugene Cooper & DeAnn  
Hutson, Co-Trustees of the Charles Eugene  
Cooper Trust – 0.00781250, James W. Doak, Jr. –  
0.00781250, Joyce Ann Hansen – 0.00488281,  
Hans Eric Hansen – 0.00097656, Gregory Martin  
Hansen – 0.00097656, Nicole Williams –  
0.00048828, Michelle Rank – 0.00048828, Byrl  
W. Harris – 0.00781250, International Petroleum  
Corp. – 0.00390625, Tularosa Oil Company –  
0.00195313, Togiak Resources, LLC –  
0.00195312, Peggy Runyan – 0.01562500,  
Cheron Oil & Gas Co., Inc. – 0.00634766, Pregler  
Oil Co, LLC – 0.00146484, Malcolm G. MacNeill  
– 0.01562500, B and H Royalty Company –  
0.00390625, Richard Pruett – 0.00781250, Adene  
L. Sealy – 0.00390625, Stanley F. Smith –  
0.00390625, Krista Alicen Stephenson, Trustee of  
the Krista Alicen Stephenson Trust – 0.00390625,  
Abbejane Masterson Bates – 0.00390625, John G.  
Willy – 0.00390625

**RECAPITULATION**

| <u>Tract No.</u> | <u>No. of Acres Committed</u> | <u>Percentage of Interest<br/>in Communitized Area</u> |
|------------------|-------------------------------|--|
| 1                | 40.00                         | 12.5%  |
| 2                | 40.00                         | 12.5%  |
| 3                | 40.00                         | 12.5%  |
| 4                | 40.00                         | 12.5%  |
| 5                | 160.00                        | 50.0%  |
| Total            | 320.00                        | 100.00%  |

## Federal Communitization Agreement

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into as of the 1<sup>st</sup> day of October, 2020, 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 19 South, Range 28 East:

Section 33: S/2S/2

Section 34: S/2S/2

Eddy County, New Mexico

Containing **320.0** acres, and this agreement shall include only the Bone Spring formation underlying said lands and the associated gaseous hydrocarbons hereafter referred to as "communitized substances," producible from such formation.

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 Colgate Operating, LLC, whose address is 300 N. Marienfeld Street, Suite 1000, Midland, Texas 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 maybe 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.

If the communitized area approved in this Agreement contains unleased Federal lands, the value of  $1/8^{\text{th}}$  or  $12 \frac{1}{2}$  percent for the Federal lands, of the production that would be allocated to such Federal lands, described above, if such lands were leased, committed and entitled to participation, shall be payable as compensatory royalties to the Federal government. The remaining  $7/8^{\text{th}}$  should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue

from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the communitized area and the Communitization Agreement is terminated, whichever occurs first.

Any party acquiring a Federal lease of the unleased Federal lands included in the communitized area established hereunder, will be subject to this Agreement as of the effective date of the Federal leases to said party (ies). Upon issuance of the Federal lease and payment of its proportionate cost of the well, including drilling, completing and equipping the well, the acquiring party (ies) shall own the working interest described in the Tract, as described on Exhibit "B", and shall have the rights and obligations of said working interest as to the effective date of the Federal Lease.

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 formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized

area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.

9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is October 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.

- 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.

By: \_\_\_\_\_  
Brandon Gaynor, Sr. Vice President of Land

STATE OF TEXAS                                 )  
  ) ss.  
COUNTY OF MIDLAND                         )

---

My commission expires

Date: \_\_\_\_\_ By: \_\_\_\_\_

Name: Brandon Gaynor

Title: Senior Vice President

[illegible]

(SEAL)

---

My commission expires

STATE OF \_\_\_\_\_)  
COUNTY OF \_\_\_\_\_)

(SEAL)

---

My commission expires



Title: Senior Vice President

---

My commission expires

---

My commission expires

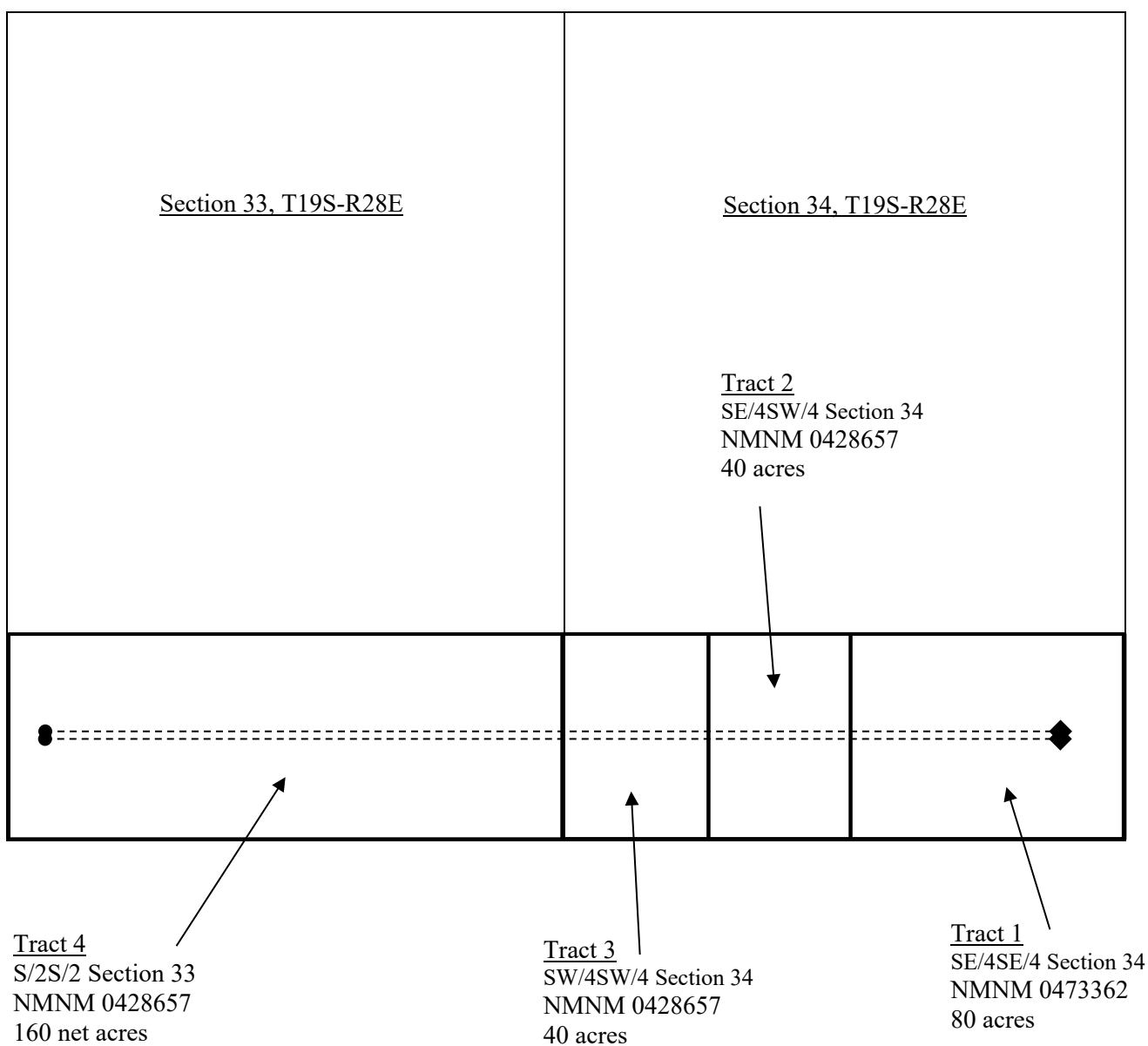
**EXHIBIT "A"**

Plat of communitized area covering **320.0** acres in Township 19 South, Range 28 East, S/2S/2 of Section 33 and the S/2S/2 of Section 34, Eddy County, New Mexico, as written in Section 1 above.

Well Name/No.

**DAWSON 34 FED COM #124H**

**DAWSON 34 FED COM #134H**



**EXHIBIT "B"**

To Communitization Agreement Dated October 1, 2020, embracing the following described land in Township 19 South, Range 28 East, S/2S/2 of Section 33 and S/2S/2 of Section 34, Eddy County, New Mexico, as written in Section 1 above.

Operator of Communitized Area:

**COLGATE OPERATING, LLC**

DESCRIPTION OF LEASES COMMITTED

**TRACT NO. 1**

|   |   |
|---|---|
| <b>Lease Serial Number:</b>             | NMNM 0473362  |
| <b>Lease Date:</b>                      | Effective January 1, 1964   |
| <b>Lease Term:</b>                      | 10 years, subsequently extended for 2 years   |
| <b>Lessor:</b>                          | United States of America  |
| <b>Original Lessee:</b>                 | George A. Lauck   |
| <b>Current Lessee of Record:</b>        | D.W. Underwood and J.C. Williamson  |
| <b>Description of Land Committed:</b>   | SE/4SE/4 of Section 34, T19S-R28E, Eddy County, New Mexico  |
| <b>Number of Acres:</b>                 | 80  |
| <b>Royalty Rate:</b>                    | 12.5%   |
| <b>Name and Percent ORRI Owners:</b>    | Colgate Royalties, LP – 0.06027778, Mountain Lion Oil & Gas – 0.00500000, Frank J. Pisor – 0.00125000, Heirs of George A Lauk & Molly Lauk – 0.00937500, Mark and Paula McClellan – 0.000625000, Ross and Kandace McClellan – 0.000625000, Etheredge Revocable Living Trust dtd 11/4/1997 – 0.00347222, Marshall & Winston, Inc. – 0.028125000, Greenville Partners – 0.00937500, Kevin Hammitt – 0.00468750, James A. Lawson – 0.00468750  |
| <b>Name of Working Interest Owners:</b> | Colgate Production, LLC - 0.85544306, Northern Oil & Gas, Inc. – 0.02570714, C5 Capital Management, LLC – 0.00520833, HCH Investment, LLC – 0.00520833, Catherine E. Huffman – 0.00520833, Elizabeth Tullis Dillard – 0.06250000, Myrlene Mannschreck Dillon – 0.03125000, KMT Energy Holdings LLC – 0.00377250, Geoffrey Lancely – 0.00010778, Douglas Cranmer – 0.00053280, Russell Cranmer – 0.00053280, Douglas C. Cranmer and Russell B. Cranmer, Trustees of the Russell E. Cranmer Irrevocable Trust dtd December 28, 1992 – 0.00053280, Katherine Ferguson – 0.00213120, Robert G. Ettleson – 0.00053280, Mary Kline – 0.00053280, Sombrero Associates – 0.00079933 |

**TRACT NO. 2**

**Lease Serial Number:** NMNM 0428657  
**Lease Date:** July 17, 1963, effective September 1, 1963  
**Lease Term:** 10 years, subsequently extended for 2 years  
**Lessor:** United States of America  
**Original Lessee:** T. A. Fraser and J. Mack Barnes  
**Current Lessee of Record:** ZPZ Delaware I LLC, Northern Oil & Gas, Inc., CM Resources, LLC, Colgate Production, LLC  
  
**Description of Land Committed:** SE/4SW/4 of Section 34, T19S-R28E, Eddy County, New Mexico  
  
**Number of Acres:** 40  
**Royalty Rate:** 12.5%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP – 0.077045841, CM Royalties, LLC – 0.00937500, Abuelo, LLC – 0.00096146, Carol Sue Mhoon – 0.01250000, Ergodic Resources LLC - .00096146, Loco Hill Production Company, LLC – 0.00096146, Magnum Hunter Production, Inc. – 0.00070159, Silverhair, LLC – 0.00096146, William G. Ross and Vee K. Ross, Trustees of the William G. Ross and Vee K. Ross Living Trust UTA dated March 9, 1990 – 0.01250000  
  
**Name of Working Interest Owners:** Colgate Production, LLC - 0.64775238, Northern Oil & Gas, Inc. – 0.22214120, Myrlene Mannschreck Dillon - 0.02343750, Geoffrey Lanceley - 0.00008033, Wildcat Energy, LLC - 0.00279387, Hodge Natural Gas Gathering, Inc. - 0.00039960, Robert G. Ettleson – 0.00039960, William L. Hilliard – 0.00079910, Mary L. Kline – 0.00039970, Heirs or Devisees of John R. Kline – 0.00139860, Gerald L. Michaud – 0.00079910, Ted J. Werts – 0.00039960, Intrepid Energy, Inc. – 0.01928035, Douglas C. Cranmer and Russell B. Cranmer, Trustees of the Russell E. Cranmer Irrevocable Trust dated December 28, 1992 – 0.00119880, Bill Ferguson – 0.00319680, Robert H. Krieble – 0.00139850, Sombrero Associates – 0.00089930, Nelson & Co., for the benefit of John D. Wile Marital Trust – 0.00059940, Magnum Hunter Production, Inc. – 0.03173252, John C. Rocovich – 0.00140625, Paul & Zofia Umbarger – 0.00712969, J.W. Davis – 0.01343671, Current Trustee under Declaration of Trust dated August 28, 1982, executed by Alice G. Davis – 0.01343672, Galkay, a Joint Venture – 0.00466172, James Kenneth Garrett – 0.00020567, Joyce Eline Garrett – 0.00020567, Donna Marie Studer, Administrator, Estate of

Genevieve Studer - 0.00010283, Carl Joseph Garrett, Executor, Estate of Jasper Ben Garrett, Jr. – 0.00010283, Connie Gale Becker – 0.00010283, Ginger Lee Meyers – 0.00010283

### **TRACT NO. 3**

|   |   |
|---|---|
| <b>Lease Serial Number:</b>             | NMNM 0428657  |
| <b>Lease Date:</b>                      | July 17, 1963, effective September 1, 1963  |
| <b>Lease Term:</b>                      | 10 years, subsequently extended for 2 years   |
| <b>Lessor:</b>                          | United States of America  |
| <b>Original Lessee:</b>                 | T.A. Fraser and J. Mack Barnes  |
| <b>Current Lessee of Record:</b>        | ZPZ Delaware I LLC, Northern Oil & Gas, Inc., CM Resources, LLC, Colgate Production, LLC  |
| <b>Description of Land Committed:</b>   | SW/4SW/4 of Section 34, T19S-R28E, Eddy County, New Mexico  |
| <b>Number of Acres:</b>                 | 40  |
| <b>Royalty Rate:</b>                    | 12.5%   |
| <b>Name and Percent ORRI Owners:</b>    | Colgate Royalties, LP – 0.07751770, William G. Ross and Vee K. Ross, Trustees of the William G. Ross and Vee K. Ross Living Trust UTA dated March 9, 1990 – 0.01250000, Carol Sue Mhoon – 0.01250000, Marathon Oil Permian, LLC – 0.00937500, Ergodic Resources, LLC – 0.00096146, Abuelo, LLC – 0.00096146, Silverhair, LLC – 0.00096146, Loco Hills Production Company, LLC – 0.00096146, Magnum Hunter Production, Inc. – 0.00064054   |
| <b>Name of Working Interest Owners:</b> | Colgate Production, LLC – 0.77275238, Northern Oil & Gas, Inc. – 0.09714120, Myrlene Mannschreck Dillon – 0.02343750, Geoffrey Lanceley – 0.00008033, Wildcat Energy, LLC – 0.00279387, Hodge Natural Gas Gathering, Inc. – 0.00039960, Robert G. Ettleson – 0.00039960, William L. Hilliard – 0.00079910, Mary L. Kline – 0.00039970, Heirs or Devisees of John R. Kline – 0.00139860, Gerald L. Michaud – 0.00079910, Ted J. Werts – 0.00039960, Intrepid Energy, Inc. – 0.01928035, Douglas C. Cranmer and Russell B. Cranmer, Trustees of the Russell E. Cranmer Irrevocable Trust dated December 28, 1992 – 0.00119880, Bill Ferguson – 0.00319680, Robert H. Krieble – 0.00139850, Sombrero Associates – 0.00089930, Nelson & Co., for the benefit of John D. Wile Marital Trust – 0.00059940, Magnum Hunter Production, Inc. – 0.03173252, John C. Rocovich – 0.00140625, Paul and Zofia |



Umbarger – 0.00712969, J.W. Davis –  
0.01343671, Current Trustee under Declaration of  
Trust dated August 28, executed by Alice G.  
Davis – 0.01343672, Galkay, a Joint Venture –  
0.00466172, James Kenneth Garrett – 0.00020567

#### **TRACT NO. 4**

|   |   |
|---|---|
| <b>Lease Serial Number:</b>             | NMNM 0428657  |
| <b>Lease Date:</b>                      | July 17, 1963, effective September 1, 1963  |
| <b>Lease Term:</b>                      | 10 years, subsequently extended for 2 years   |
| <b>Lessor:</b>                          | United States of America  |
| <b>Original Lessee:</b>                 | T.A. Fraser and J. Mack Barnes  |
| <b>Current Lessee of Record:</b>        | ZPZ Delaware I LLC, Northern Oil & Gas,<br>Inc., CM Resources, LLC, Colgate Production,<br>LLC  |
| <b>Description of Land Committed:</b>   | S/2S/2 of Section 33, T19S-R28E, Eddy<br>County, New Mexico   |
| <b>Number of Acres:</b>                 | 160   |
| <b>Royalty Rate:</b>                    | 12.5%   |
| <b>Name and Percent ORRI Owners:</b>    | Colgate Royalties, LLC – 0.06337573, Brian<br>Eamer – 0.00029297, Carol Sue Mhoon –<br>0.01250000, Moser Revocable Trust – 0.00117188,<br>Charles L. Johnson – 0.00019531, Erin Eamer –<br>0.00029297, Flatrock Royalties LLC –<br>0.00014648, Lori Lynn Johnson Nelson –<br>0.00019531, Michael O. Johnson – 0.00019531,<br>Mongoose Minerals, LLC – 0.01735163, Nestegg<br>Energy Corp. – 0.00291000, William G. & Vee K.<br>Ross Living Trust UTA dated 3/9/1990 –<br>0.012500000  |
| <b>Name of Working Interest Owners:</b> | Colgate Production, LLC – 0.43120148, Heirs of<br>Carroll T. Hutchens, Sr. – 0.00781250, Teryl D.<br>Meyers – 0.00024568, COG Operating, LLC –<br>0.24687500, James W. Bowen – 0.00781250,<br>Edward J. Brown – 0.00781250, JCJ Investments,<br>LLC – 0.00454710, Vernon Burfiend –<br>0.00390625, Margaret Andrews Avery –<br>0.00036851, Margaret A. McCloud & Thomas D.<br>McCloud, Trustees of the Robert N. Avery Family<br>Trust – 0.00036851, Virginia B. Dean –<br>0.00012284, Virginia B. Dean, Clinton H. Dean<br>Jr., Michael Charles Dean & Robert Russell<br>Dean, Trustees of the Virginia B. Dean Marital<br>Deduction Trust – 0.00012284, Clinton H. Dean,<br>Jr. – 0.00016378, Michael C. Dean – 0.00016378,<br>Robert R. Dean – 0.00016378, The Egbert Living<br>Trust dated April 1, 2005 – 0.01599351, Shirley<br>Ann Egbert – 0.00396767, Claudia Baker –<br>0.00238060, Wilfred E. Blessing & Victor F. |

Bogard, Co-Trustees of Trust A u/w/o Galen S. Egbert f/b/o Brian Galen Egbert – 0.00119030, Wilfred E. Blessing & Victor F. Bogard, Co-Trustees of Trust B u/w/o Galen S. Egbert f/b/o the grandchildren of Galen S. Egbert – 0.00039677, Dorsar Investment Company – 0.00036851, Martin T. Hart – 0.00024568, Edna Louise Miller – 0.00024568, Virginia D. Kriz-Neessen – 0.00024568, John T. Olive – 0.00024568, John A. Ponsford – 0.00024568, Sarador, a partnership – 0.00024568, Richard J. Vance & Lorraine Vance – 0.00024567, Homer L. Wedig – 0.00012284, James M. Welch – 0.00012284, Becky Ruth Welch – 0.00032552, Bryan Winston Welch – 0.00032552, Stacy Ann Welch Green – 0.00032552, Gene Wood Joint Venture Account – 0.00094585, 5 J's Plus L, Inc. – 0.00781250, Charles Eugene Cooper & DeAnn Hutson, Co-Trustees of the Charles Eugene Cooper Trust – 0.00781250, James W. Doak, Jr. – 0.00781250, Joyce Ann Hansen – 0.00488281, Hans Eric Hansen – 0.00097656, Gregory Martin Hansen – 0.00097656, Nicole Williams – 0.00048828, Michelle Rank – 0.00048828, Byrl W. Harris – 0.00781250, International Petroleum Corp. – 0.00390625, Tularosa Oil Company – 0.00195313, Togiak Resources, LLC – 0.00195312, Peggy Runyan – 0.01562500, Cheron Oil & Gas Co., Inc. – 0.00634766, Pregler Oil Co, LLC – 0.00146484, Malcolm G. MacNeill – 0.01562500, B and H Royalty Company – 0.00390625, Richard Pruett – 0.00781250, Adene L. Sealy – 0.00390625, Stanley F. Smith – 0.00390625, Krista Alicen Stephenson, Trustee of the Krista Alicen Stephenson Trust – 0.00390625, Abbejane Masterson Bates – 0.00390625, John G. Willy – 0.00390625

**RECAPITULATION**

| <u>Tract No.</u> | <u>No. of Acres Committed</u> | <u>Percentage of Interest<br/>in Communitized Area</u> |
|------------------|-------------------------------|--|
| 1                | 80.00                         | 25.00%   |
| 2                | 40.00                         | 12.50%   |
| 3                | 40.00                         | 12.50%   |
| 4                | 160.00                        | 50.00%   |
| Total            | 320.00                        | 100.00%  |

## Federal Communitization Agreement

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into as of the 1<sup>st</sup> day of June, 2020, 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 19 South, Range 28 East:

Section 33: N/2N/2

Section 34: N/2N/2

Eddy County, New Mexico

Containing **320.0** acres, and this agreement shall include only the Bone Spring formation underlying said lands and the associated gaseous hydrocarbons hereafter referred to as "communitized substances," producible from such formation.

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 Colgate Operating, LLC, whose address is 300 N. Marienfeld Street, Suite 1000, Midland, Texas 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 maybe 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.

If the communitized area approved in this Agreement contains unleased Federal lands, the value of  $1/8^{\text{th}}$  or  $12 \frac{1}{2}$  percent for the Federal lands, of the production that would be allocated to such Federal lands, described above, if such lands were leased, committed and entitled to participation, shall be payable as compensatory royalties to the Federal government. The remaining  $7/8^{\text{th}}$  should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue



from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the communitized area and the Communitization Agreement is terminated, whichever occurs first.

Any party acquiring a Federal lease of the unleased Federal lands included in the communitized area established hereunder, will be subject to this Agreement as of the effective date of the Federal leases to said party (ies). Upon issuance of the Federal lease and payment of its proportionate cost of the well, including drilling, completing and equipping the well, the acquiring party (ies) shall own the working interest described in the Tract, as described on Exhibit "B", and shall have the rights and obligations of said working interest as to the effective date of the Federal Lease.

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 formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized

area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.

9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is June 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.

- 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.

By: \_\_\_\_\_  
Brandon Gaynor, Sr. Vice President of Land

STATE OF TEXAS                               )  
  ) ss.  
COUNTY OF MIDLAND                     )

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My commission expires



Title: Senior Vice President

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My commission expires

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My commission expires

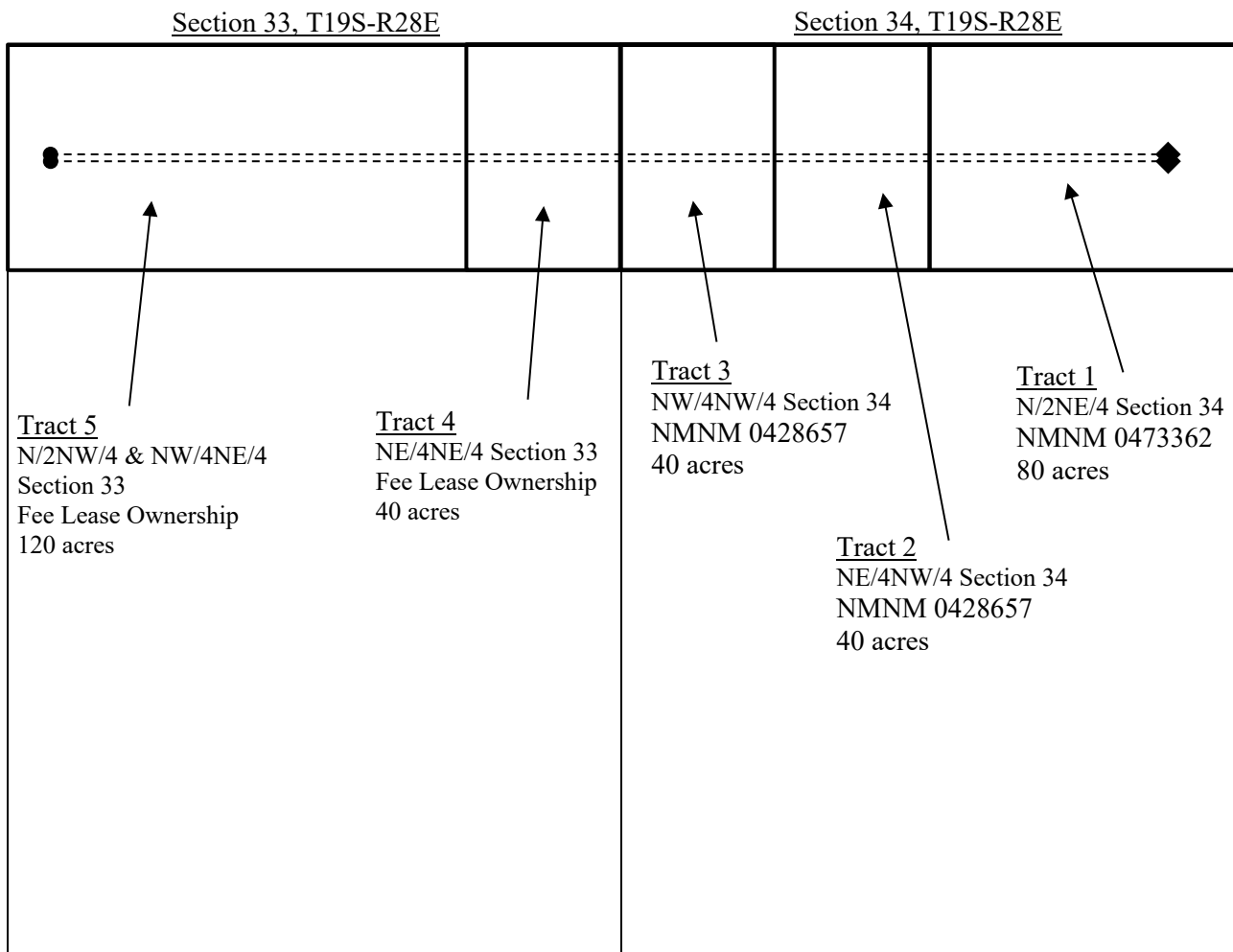
**EXHIBIT "A"**

Plat of communitized area covering **320.0** acres in Township 19 South, Range 28 East, N/2N/2 of Section 33 and the N/2N/2 of Section 34, Eddy County, New Mexico, as written in Section 1 above.

Well Name/No.

**SHAMROCK 34 FED COM #121H**

**SHAMROCK 34 FED COM #131H**





**EXHIBIT "B"**

To Communitization Agreement Dated June 1, 2020, embracing the following described land in Township 19 South, Range 28 East, N/2N/2 of Section 33 and N/2N/2 of Section 34, Eddy County, New Mexico, as written in Section 1 above.

Operator of Communitized Area:

**COLGATE OPERATING, LLC**

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

|   |  |
|---|--|
| <b>Lease Serial Number:</b>             | NMMN 0473362   |
| <b>Lease Date:</b>                      | Effective January 1, 1964  |
| <b>Lease Term:</b>                      | 10 years, subsequently extended for 2 years  |
| <b>Lessor:</b>                          | United States of America   |
| <b>Original Lessee:</b>                 | George A. Lauck  |
| <b>Current Lessee of Record:</b>        | D.W. Underwood and J.C. Williamson   |
| <b>Description of Land Committed:</b>   | N/2NE/4 of Section 34, T19S-R28E, Eddy County, New Mexico  |
| <b>Number of Acres:</b>                 | 80.0   |
| <b>Royalty Rate:</b>                    | 12.5%  |
| <b>Name and Percent ORRI Owners:</b>    | Colgate Royalties, LP – 0.06027778, Frank J. Pisor – 0.00125000, Heirs of George A Lauck & Molly Lauck – 0.00937500, Mark and Paula McClellan – 0.000625000, Ross and Kandace McClellan – 0.000625000, Etheredge Revocable Living Trust dtd 11/4/1997 – 0.00347222, Marshall & Winston, Inc. – 0.028125000, Greenville Partners – 0.00937500, Kevin Hammitt – 0.00468750, James A. Lawson – 0.00468750, Mountain Lion Oil & Gas – 0.00500000   |
| <b>Name of Working Interest Owners:</b> | Colgate Production, LLC - 0.85544306, Northern Oil & Gas, Inc. – 0.02570714, C5 Capital Management, LLC – 0.00520833, HCH Investment, LLC – 0.00520833, Catherine E. Huffman – 0.00520833, Elizabeth Tullis Dillard – 0.06250000, Myrlene Mannschreck Dillon – 0.03125000, Duer Wagner, III - .00377250, Geoffrey Lancelly – 0.00010778, Douglas Cranmer – 0.00053280, Russell Cranmer – 0.00053280, Douglas C. Cranmer and Russell B. Cranmer, Trustees of the Russell E. Cranmer Irrevocable Trust dtd December 28, 1992 – 0.00053280, Katherine Ferguson – 0.00213120, Robert G. Ettleson – 0.00053280, Mary Kline – 0.00053280, Sombrero Associates – 0.00079933 |

**TRACT NO. 2**

**Lease Serial Number:** NMNM 0428657  
**Lease Date:** July 17, 1963, effective September 1, 1963  
**Lease Term:** 10 years, subsequently extended for 2 years  
**Lessor:** United States of America  
**Original Lessee:** T. A. Fraser and J. Mack Barnes  
**Current Lessee of Record:** ZPZ Delaware I LLC, Northern Oil & Gas, Inc., CM Resources, LLC, Colgate Production, LLC  
  
**Description of Land Committed:** NE/4NW/4 of Section 34, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 40.0  
**Royalty Rate:** 12.5%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP – 0.07704584, CM Royalties, LLC – 0.00937500, Abuelo, LLC – 0.00096146, Carol Sue Mhoon – 0.01250000, Ergodic Resources LLC - .00096146, Loco Hill Production Company, LLC – 0.00096146, Magnum Hunter Production, Inc. – 0.00070159, Silverhair, LLC – 0.00096146, William G. Ross and Vee K. Ross, Trustees of the William G. Ross and Vee K. Ross Living Trust UTA dated March 9, 1990 – 0.01250000  
  
**Name of Working Interest Owners:** Colgate Production, LLC - 0.64775238, Northern Oil & Gas, Inc. – 0.22214120, Myrlene Mannschreck Dillon - 0.02343750, Geoffrey Lanceley - 0.00008033, Wildcat Energy, LLC - 0.00279387, Hodge Natural Gas Gathering, Inc. - 0.00039960, Robert G. Ettleson – 0.00039960, William L. Hilliard – 0.00079910, Mary L. Kline – 0.00039970, Heirs or devisees of John R. Kline – 0.00139860, Gerald L. Michaud – 0.00079910, Ted J. Werts – 0.00039960, Intrepid Energy, Inc. – 0.01928035, Douglas C. Cranmer and Russell B. Cranmer, Trustees of the Russell E. Cranmer Irrevocable Trust dated December 28, 1992 – 0.00119880, Bill Ferguson – 0.00319680, Robert H. Kriebel – 0.00139850, Sombrero Associates – 0.00089930, Nelson & Co., for the benefit of John D. Wile Marital Trust – 0.00059940, Magnum Hunter Production, Inc. – 0.03173252, John C. Rocovich – 0.00140625, Paul & Zofia Umbarger – 0.00712969, J.W. Davis – 0.01343671, Current Trustee under Declaration of Trust dated August 28, 1982, executed by Alice G. Davis – 0.01343672, Galkay, a Joint Venture – 0.00466172, James Kenneth Garrett – 0.00020567, Joyce Eline Garrett – 0.00020567,

Donna Marie Studer, Administrator, Estate of Genevieve Studer - 0.00010283, Carl Joseph Garrett, Executor, Estate of Jasper Ben Garrett, Jr. - 0.00010283, Connie Gale Becker - 0.00010283, Ginger Lee Meyers - 0.00010283

### **TRACT NO. 3**

|   |  |
|---|--|
| <b>Lease Serial Number:</b>             | NMNM 0428657   |
| <b>Lease Date:</b>                      | July 17, 1963, effective September 1, 1963   |
| <b>Lease Term:</b>                      | 10 years, subsequently extended for 2 years  |
| <b>Lessor:</b>                          | United States of America   |
| <b>Original Lessee:</b>                 | T.A. Fraser and J. Mack Barnes   |
| <b>Current Lessee of Record:</b>        | ZPZ Delaware I LLC, Northern Oil & Gas, Inc., CM Resources, LLC, Colgate Production, LLC   |
| <b>Description of Land Committed:</b>   | NW/4NW/4 of Section 34, T19S-R28E, Eddy County, New Mexico   |
| <b>Number of Acres:</b>                 | 40   |
| <b>Royalty Rate:</b>                    | 12.5%  |
| <b>Name and Percent ORRI Owners:</b>    | Colgate Royalties, LP - 0.07751770, William G. Ross and Vee K. Ross, Trustees of the William G. Ross and Vee K. Ross Living Trust UTA dated March 9, 1990 - 0.01250000, Carol Sue Mhoon - 0.01250000, Marathon Oil Permian, LLC - 0.00937500, Ergodic Resources, LLC - 0.00096146, Abuelo, LLC - 0.00096146, Silverhair, LLC - 0.00096146, Loco Hills Production Company, LLC - 0.00096146, Magnum Hunter Production, Inc. - 0.00064054  |
| <b>Name of Working Interest Owners:</b> | Colgate Production, LLC - 0.77275238, Northern Oil & Gas, Inc. - 0.09714120, Myrlene Mannschreck Dillon - 0.02343750, Geoffrey Lanceley - 0.00008033, Wildcat Energy, LLC - 0.00279387, Hodge Natural Gas Gathering, Inc. - 0.00039960, Robert G. Ettleson - 0.00039960, William L. Hilliard - 0.00079910, Mary L. Kline - 0.00039970, Heirs or Devisees of John R. Kline - 0.00139860, Gerald L. Michaud - 0.00079910, Ted J. Werts - 0.00039960, Intrepid Energy, Inc. - 0.01928035, Douglas C. Cranmer and Russell B. Cranmer, Trustees of the Russell E. Cranmer Irrevocable Trust dated December 28, 1992 - 0.00119880, Bill Ferguson - 0.00319680, Robert H. Krieble - 0.00139850, Sombrero Associates - 0.00089930, Nelson & Co., for the benefit of John D. Wile Marital Trust - 0.00059940, Magnum Hunter Production, Inc. - 0.03173252, John C. Rocovich - 0.00140625, Paul and Zofia Umbarger - 0.00712969, |

J.W. Davis – 0.01343671, Current Trustee under Declaration of Trust dated August 28, executed by Alice G. Davis – 0.01343672, Galkay, a Joint Venture – 0.00466172, James Kenneth Garrett – 0.00020567, Joyce Eline Garrett - .00020567, Donna Marie Studer, Administrator of the Estate of Genevieve Studer – 0.00010283, Carl Joseph Garrett, Executor of the Estate of Jasper Ben Garrett, Jr. – 0.00010283, Connie Gale Becker – 0.00010283, Ginger Lee Meyers – 0.00010283

### **TRACT NO. 4**

#### **Fee Lease No. 1**

|   |  |
|---|--|
| <b>Lease Serial Number:</b>             | N/A  |
| <b>Recordation Number:</b>              | Book 545, Page 1230  |
| <b>Lease Date:</b>                      | March 15, 2004   |
| <b>Lease Term:</b>                      | 3 years  |
| <b>Lessor:</b>                          | Lorraine R. Hudson   |
| <b>Original Lessee:</b>                 | EOG Resources, Inc.  |
| <b>Current Lessee of Record:</b>        | Colgate Production, LLC                                    |
| <b>Description of Land Committed:</b>   | NE/4NE/4 of Section 33, T19S-R28E, Eddy County, New Mexico |
| <b>Number of Acres:</b>                 | 10.0 acres   |
| <b>Royalty Rate:</b>                    | 20%  |
| <b>Name and Percent ORRI Owners:</b>    | Colgate Royalties, LP – 0.05000000                         |
| <b>Name of Working Interest Owners:</b> | Colgate Production, LLC – 1.00000000                       |

#### **Fee Lease No. 2**

|   |  |
|---|--|
| <b>Lease Serial Number:</b>             | N/A  |
| <b>Recordation Number:</b>              | Book 560, Page 1093  |
| <b>Lease Date:</b>                      | July 9, 2004   |
| <b>Lease Term:</b>                      | 3 years  |
| <b>Lessor:</b>                          | Sharon O. Blackard, dealing with her separate property     |
| <b>Original Lessee:</b>                 | EOG Resources, Inc.  |
| <b>Current Lessee of Record:</b>        | Colgate Production, LLC                                    |
| <b>Description of Land Committed:</b>   | NE/4NE/4 of Section 33, T19S-R28E, Eddy County, New Mexico |
| <b>Number of Acres:</b>                 | 5.0 acres  |
| <b>Royalty Rate:</b>                    | 20%  |
| <b>Name and Percent ORRI Owners:</b>    | Colgate Production, LLC – 0.05000000                       |
| <b>Name of Working Interest Owners:</b> | Colgate Production, LLC – 1.00000000                       |

**Fee Lease No. 3**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 560, Page 1095  
**Lease Date:** July 9, 2004  
**Lease Term:** 3 years  
**Lessor:** William Wade Shipley, dealing with his separate property  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** NE/4NE/4 of Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 5.0 acres  
**Royalty Rate:** 20%  
**Name and Percent ORRI Owners:** Colgate Production, LLC – 0.05000000  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.00000000

**Fee Lease No. 4**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 549, Page 340  
**Lease Date:** April 8, 2004  
**Lease Term:** 3 years  
**Lessor:** Earl Ray Forehand and wife, Mary Lynn Forehand  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** NE/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 5.0 acres  
**Royalty Rate:** 18.75%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP – 0.05000000, Nile Operating Company – 0.00156250  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.00000000

**Fee Lease No. 5**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 566, 1036  
**Lease Date:** September 2, 2004  
**Lease Term:** 2 years  
**Lessor:** Stagner, LLC  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** NE/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 5.0 acres  
**Royalty Rate:** 20.0%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP – 0.05000000  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.00000000

**Fee Lease No. 6**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 572, Page 230  
**Lease Date:** September 16, 2004  
**Lease Term:** 2 years  
**Lessor:** Donna Gloyner  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** NE/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 1.67 acres  
**Royalty Rate:** 20.0%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP – 0.05000000  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.00000000

**Fee Lease No. 7**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 572, Page 233  
**Lease Date:** September 16, 2004  
**Lease Term:** 2 years  
**Lessor:** Mona Rosfeld  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** NE/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 1.67 acres  
**Royalty Rate:** 20.0%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP – 0.05000000  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.00000000

**Fee Lease No. 8**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 572, Page 236  
**Lease Date:** September 16, 2004  
**Lease Term:** 2 years  
**Lessor:** Mary Lou Morris  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** NE/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 1.67 acres  
**Royalty Rate:** 20.0%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP – 0.05000000  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.00000000



**Fee Lease No. 9**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 572, Page 239  
**Lease Date:** September 16, 2004  
**Lease Term:** 2 years  
**Lessor:** Janice Coley  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** NE/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 1.67 acres  
**Royalty Rate:** 20.0%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP – 0.05000000  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.00000000

**Fee Lease No. 10**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 572, Page 242  
**Lease Date:** September 16, 2004  
**Lease Term:** 2 years  
**Lessor:** Matthew L. Bynum  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** NE/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 0.42 acres  
**Royalty Rate:** 20.0%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP – 0.05000000  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.00000000

**Fee Lease No. 11**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 573, Page 904  
**Lease Date:** September 16, 2004  
**Lease Term:** 2 years  
**Lessor:** Grant Bynum  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** NE/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 0.42 acres  
**Royalty Rate:** 20.0%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP – 0.05000000  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.00000000

**Fee Lease No. 12**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 576, Page 563  
**Lease Date:** September 16, 2004  
**Lease Term:** 2 years  
**Lessor:** Stanley A. Bynum  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** NE/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 0.42 acres  
**Royalty Rate:** 20.0%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP – 0.05000000  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.00000000

**Fee Lease No. 13**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 576, Page 566  
**Lease Date:** September 16, 2004  
**Lease Term:** 2 years  
**Lessor:** Rachel Nagel  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** NE/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 0.42 acres  
**Royalty Rate:** 20.0%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP – 0.05000000  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.00000000

**Fee Lease No. 14**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 572, Page 245  
**Lease Date:** September 16, 2004  
**Lease Term:** 2 years  
**Lessor:** Roberta Nuss  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** NE/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 0.83 acres  
**Royalty Rate:** 20.0%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP – 0.05000000  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.00000000

**Fee Lease No. 15**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 572, Page 248  
**Lease Date:** September 16, 2004  
**Lease Term:** 2 years  
**Lessor:** Grace Geist  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** NE/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 0.83 acres  
**Royalty Rate:** 20.0%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP – 0.05000000  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.00000000

**TRACT NO. 5****Fee Lease No. 1**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 569, Page 1229  
**Lease Date:** March 15, 2004  
**Lease Term:** 3 years  
**Lessor:** Lorraine R. Hudson  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** N/2NW/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 20.0 acres  
**Royalty Rate:** 20.0%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP – 0.02593750  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.00000000

**Fee Lease No. 2**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 569, Page 1230  
**Lease Date:** March 15, 2004  
**Lease Term:** 3 years  
**Lessor:** Lorraine R. Hudson  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** NW/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 10.0 acres  
**Royalty Rate:** 20.0%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP – 0.02593750  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.00000000

**Fee Lease No. 3**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 560, Page 1093  
**Lease Date:** July 9, 2004  
**Lease Term:** 3 years  
**Lessor:** Sharon O. Blackard  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** N/2NW/4 and NW/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 15.0 acres  
**Royalty Rate:** 20.0%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP – 0.02593750  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.000000

**Fee Lease No. 4**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 560, Page 1095  
**Lease Date:** July 9, 2004  
**Lease Term:** 3 years  
**Lessor:** William Wade Shipley  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** N/2NW/4 and NW/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 15.0 acres  
**Royalty Rate:** 20.0%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP – 0.02593750  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000

**Fee Lease No. 5**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 566, Page 1034  
**Lease Date:** August 13, 2004  
**Lease Term:** 2 years  
**Lessor:** Henry C. Wunsch & wife, Mary Ann Wunsch  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** N/2NW/4 and NW/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 0.75 acres  
**Royalty Rate:** 20.0%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP – 0.02593750  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.000000

**Fee Lease No. 6**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 566, Page 1042  
**Lease Date:** August 17, 2004  
**Lease Term:** 2 years  
**Lessor:** James R. Miller & wife, Mary Jane Miller  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** N/2NW/4 and NW/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 0.75 acres  
**Royalty Rate:** 20.0%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP – 0.02593750  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.00000000

**Fee Lease No. 7**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 573, Page 912  
**Lease Date:** September 2, 2004  
**Lease Term:** 2 years  
**Lessor:** Fay Bernard  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** N/2NW/4 and NW/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 0.75 acres  
**Royalty Rate:** 20.0%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP – 0.02593750  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.00000000

**Fee Lease No. 8**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 566, Page 1038  
**Lease Date:** September 3, 2004  
**Lease Term:** 2 years  
**Lessor:** Harmon D. Greene & wife, Carolina R. Greene  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** N/2NW/4 and NW/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 0.75 acres  
**Royalty Rate:** 25.0%  
**Name and Percent ORRI Owners:** N/A  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.00000000

**Fee Lease No. 9**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 566, Page 1040  
**Lease Date:** August 17, 2004  
**Lease Term:** 2 years  
**Lessor:** R.R. Hinkle Company, Inc.  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** N/2NW/4 and NW/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 0.75 acres  
**Royalty Rate:** 25.0%  
**Name and Percent ORRI Owners:** N/A  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000

**Fee Lease No. 10**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 573, Page 910  
**Lease Date:** October 22, 2004  
**Lease Term:** 2 years  
**Lessor:** Virginia Black, Independent Executrix u/w/o Dillard Lee Dorland  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** N/2NW/4 and NW/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 2.25 acres  
**Royalty Rate:** 25.0%  
**Name and Percent ORRI Owners:** N/A  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000

**Fee Lease No. 11**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 578, Page 1161  
**Lease Date:** October 22, 2004  
**Lease Term:** 2 years  
**Lessor:** Zonetta M. Dorland  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** N/2NW/4 and NW/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 2.25 acres  
**Royalty Rate:** 25.0%  
**Name and Percent ORRI Owners:** N/A  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000



**Fee Lease No. 12**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 566, Page 1044  
**Lease Date:** August 27, 2004  
**Lease Term:** 2 years  
**Lessor:** Robert P. Byron & Jeannine Hooper Byron,  
Trustees of the Robert & Jeannine Byron  
Revocable Trust under Trust Agreement dated  
June 18, 2003  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** N/2NW/4 and NW/4NE/4 Section 33, T19S-  
R28E, Eddy County, New Mexico  
**Number of Acres:** 6.5 acres  
**Royalty Rate:** 25.0%  
**Name and Percent ORRI Owners:** N/A  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000

**Fee Lease No. 13**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 566, Page 1047  
**Lease Date:** September 2, 2004  
**Lease Term:** 2 years  
**Lessor:** E.L. Latham Company  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** N/2NW/4 and NW/4NE/4 Section 33, T19S-  
R28E, Eddy County, New Mexico  
**Number of Acres:** 8.75 acres  
**Royalty Rate:** 25.0%  
**Name and Percent ORRI Owners:** N/A  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000

**Fee Lease No. 14**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 566, Page 1050  
**Lease Date:** September 2, 2004  
**Lease Term:** 2 years  
**Lessor:** Roy G. Barton, Jr.  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** N/2NW/4 and NW/4NE/4 Section 33, T19S-  
R28E, Eddy County, New Mexico  
**Number of Acres:** 9.375  
**Royalty Rate:** 25.0%  
**Name and Percent ORRI Owners:** N/A  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000

**Fee Lease No. 15**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 569, Page 665  
**Lease Date:** September 2, 2004  
**Lease Term:** 2 years  
**Lessor:** Brett C. Barton  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** N/2NW/4 and NW/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 2.333 acres  
**Royalty Rate:** 25.0%  
**Name and Percent ORRI Owners:** N/A  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000

**Fee Lease No. 16**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 569, Page 669  
**Lease Date:** September 2, 2004  
**Lease Term:** 2 years  
**Lessor:** Roy G. Barton, III  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** N/2NW/4 and NW/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 2.333 acres  
**Royalty Rate:** 25.0%  
**Name and Percent ORRI Owners:** N/A  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000

**Fee Lease No. 17**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 573, Page 907  
**Lease Date:** September 2, 2004  
**Lease Term:** 2 years  
**Lessor:** Heidi C. Burton  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** N/2NW/4 and NW/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 2.333 acres  
**Royalty Rate:** 25.0%  
**Name and Percent ORRI Owners:** N/A  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000

**Fee Lease No. 18**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 569, Page 671  
**Lease Date:** September 2, 2004  
**Lease Term:** 2 years  
**Lessor:** Norma Jane Chanley  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** N/2NW/4 and NW/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 9.375 acres  
**Royalty Rate:** 25.0%  
**Name and Percent ORRI Owners:** N/A  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000

**Fee Lease No. 19**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 572, Page 783  
**Lease Date:** September 30, 2004  
**Lease Term:** 2 years  
**Lessor:** Wells Fargo Bank, Texas, NA, Trustee for CBF A-1 and CBF A-2  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** N/2NW/4 and NW/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 10.0 acres  
**Royalty Rate:** 25.0%  
**Name and Percent ORRI Owners:** N/A  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000

**Fee Lease No. 20**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 1146, Page 255  
**Lease Date:** June 1, 2020  
**Lease Term:** 3 years  
**Lessor:** Colgate Minerals, LLC  
**Original Lessee:** Colgate Production, LLC  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** N/2NW/4 and NW/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 0.75 acres  
**Royalty Rate:** 25.0%  
**Name and Percent ORRI Owners:** N/A  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000

**RECAPITULATION**

| <u>Tract No.</u> | <u>No. of Acres Committed</u> | <u>Percentage of Interest<br/>in Communitized Area</u> |
|------------------|-------------------------------|--|
| 1                | 80.0                          | 25.0%  |
| 2                | 40.0                          | 12.5%  |
| 3                | 40.0                          | 12.5%  |
| 4                | 40.0                          | 12.5%  |
| 5                | 120.0                         | 37.5%  |
| Total            | 320.0                         | 100.0%   |

## Federal Communitization Agreement

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into as of the 1<sup>st</sup> day of June, 2020, 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 19 South, Range 28 East:

Section 33: S/2N/2

Section 34: S/2N/2

Eddy County, New Mexico

Containing **320.0** acres, and this agreement shall include only the Bone Spring formation underlying said lands and the associated gaseous hydrocarbons hereafter referred to as "communitized substances," producible from such formation.

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 Colgate Operating, LLC, whose address is 300 N. Marienfeld Street, Suite 1000, Midland, Texas 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 maybe 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.

If the communitized area approved in this Agreement contains unleased Federal lands, the value of  $1/8^{\text{th}}$  or  $12 \frac{1}{2}$  percent for the Federal lands, of the production that would be allocated to such Federal lands, described above, if such lands were leased, committed and entitled to participation, shall be payable as compensatory royalties to the Federal government. The remaining  $7/8^{\text{th}}$  should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue



from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the communitized area and the Communitization Agreement is terminated, whichever occurs first.

Any party acquiring a Federal lease of the unleased Federal lands included in the communitized area established hereunder, will be subject to this Agreement as of the effective date of the Federal leases to said party (ies). Upon issuance of the Federal lease and payment of its proportionate cost of the well, including drilling, completing and equipping the well, the acquiring party (ies) shall own the working interest described in the Tract, as described on Exhibit "B", and shall have the rights and obligations of said working interest as to the effective date of the Federal Lease.

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 formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized

area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.

9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is June 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.

- 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.

By: \_\_\_\_\_  
Brandon Gaynor, Sr. Vice President of Land

STATE OF TEXAS                                 )  
  ) ss.  
COUNTY OF MIDLAND                         )

---

My commission expires

Date: \_\_\_\_\_ By: \_\_\_\_\_

Name: Brandon Gaynor

Title: Senior Vice President

STATE OF TEXAS                                 )  
  ) ss.  
COUNTY OF MIDLAND                         )

(SEAL)

---

My commission expires

STATE OF \_\_\_\_\_)  
COUNTY OF \_\_\_\_\_)

(SEAL)

My commission expires \_\_\_\_\_

Title: Senior Vice President

---

My commission expires

---

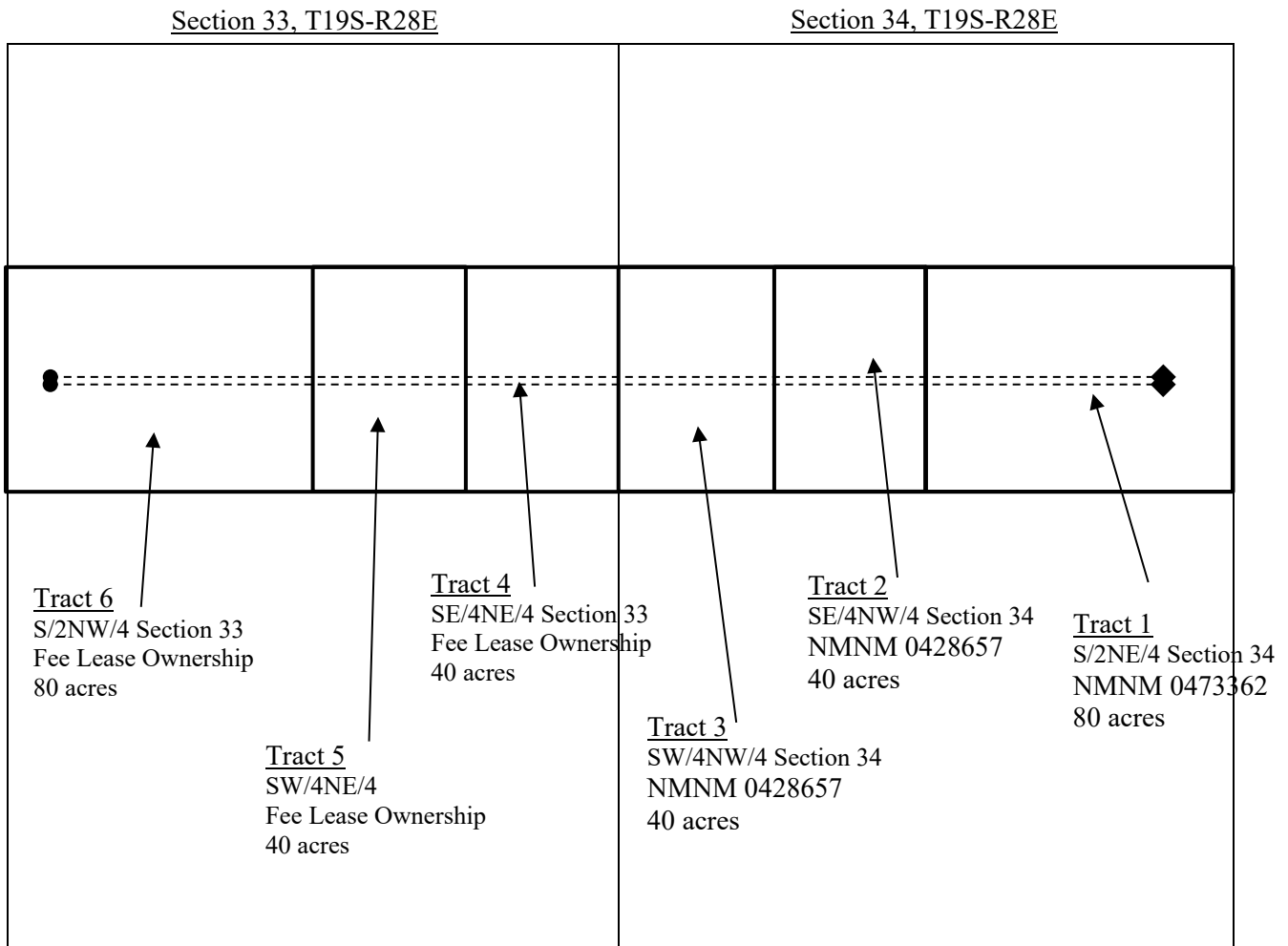
My commission expires

**EXHIBIT "A"**

Plat of communitized area covering **320.0** acres in Township 19 South, Range 28 East, S/2N/2 of Section 33 and the S/2N/2 of Section 34, Eddy County, New Mexico, as written in Section 1 above.

Well Name/No.

**SHAMROCK 34 FED COM #122H**  
**SHAMROCK 34 FED COM #132H**





**EXHIBIT "B"**

To Communitization Agreement Dated June 1, 2020, embracing the following described land in Township 19 South, Range 28 East, S/2N/2 of Section 33 and S/2N/2 of Section 34, Eddy County, New Mexico, as written in Section 1 above.

Operator of Communitized Area:

**COLGATE OPERATING, LLC**

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

|   |  |
|---|--|
| <b>Lease Serial Number:</b>             | NMMN 0473362   |
| <b>Lease Date:</b>                      | Effective January 1, 1964  |
| <b>Lease Term:</b>                      | 10 years, subsequently extended for 2 years  |
| <b>Lessor:</b>                          | United States of America   |
| <b>Original Lessee:</b>                 | George A. Lauck  |
| <b>Current Lessee of Record:</b>        | D.W. Underwood and J.C. Williamson   |
| <b>Description of Land Committed:</b>   | S/2NE/4 of Section 34, T19S-R28E, Eddy County, New Mexico  |
| <b>Number of Acres:</b>                 | 80.0   |
| <b>Royalty Rate:</b>                    | 12.5%  |
| <b>Name and Percent ORRI Owners:</b>    | Colgate Royalties, LP – 0.06027778, Frank J. Pisor – 0.00125000, Heirs of George A Lauck & Molly Lauck – 0.00937500, Mark and Paula McClellan – 0.000625000, Ross and Kandace McClellan – 0.000625000, Etheredge Revocable Living Trust dtd 11/4/1997 – 0.00347222, Marshall & Winston, Inc. – 0.028125000, Greenville Partners – 0.00937500, Kevin Hammitt – 0.00468750, James A. Lawson – 0.00468750, Mountain Lion Oil & Gas – 0.00500000   |
| <b>Name of Working Interest Owners:</b> | Colgate Production, LLC - 0.85544306, Northern Oil & Gas, Inc. – 0.02570714, C5 Capital Management, LLC – 0.00520833, HCH Investment, LLC – 0.00520833, Catherine E. Huffman – 0.00520833, Elizabeth Tullis Dillard – 0.06250000, Myrlene Mannschreck Dillon – 0.03125000, Duer Wagner, III - .00377250, Geoffrey Lancelly – 0.00010778, Douglas Cranmer – 0.00053280, Russell Cranmer – 0.00053280, Douglas C. Cranmer and Russell B. Cranmer, Trustees of the Russell E. Cranmer Irrevocable Trust dtd December 28, 1992 – 0.00053280, Katherine Ferguson – 0.00213120, Robert G. Ettleson – 0.00053280, Mary Kline – 0.00053280, Sombrero Associates – 0.00079933 |

**TRACT NO. 2**

**Lease Serial Number:** NMNM 0428657  
**Lease Date:** July 17, 1963, effective September 1, 1963  
**Lease Term:** 10 years, subsequently extended for 2 years  
**Lessor:** United States of America  
**Original Lessee:** T. A. Fraser and J. Mack Barnes  
**Current Lessee of Record:** ZPZ Delaware I LLC, Northern Oil & Gas, Inc., CM Resources, LLC, Colgate Production, LLC  
  
**Description of Land Committed:** SE/4NW/4 of Section 34, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 40.0  
**Royalty Rate:** 12.5%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP – 0.07704584, CM Royalties, LLC – 0.00937500, Abuelo, LLC – 0.00096146, Carol Sue Mhoon – 0.01250000, Ergodic Resources LLC - .00096146, Loco Hill Production Company, LLC – 0.00096146, Magnum Hunter Production, Inc. – 0.00070159, Silverhair, LLC – 0.00096146, William G. Ross and Vee K. Ross, Trustees of the William G. Ross and Vee K. Ross Living Trust UTA dated March 9, 1990 – 0.01250000  
  
**Name of Working Interest Owners:** Colgate Production, LLC - 0.64775238, Northern Oil & Gas, Inc. – 0.22214120, Myrlene Mannschreck Dillon - 0.02343750, Geoffrey Lanceley - 0.00008033, Wildcat Energy, LLC - 0.00279387, Hodge Natural Gas Gathering, Inc. - 0.00039960, Robert G. Ettleson – 0.00039960, William L. Hilliard – 0.00079910, Mary L. Kline – 0.00039970, Heirs or devisees of John R. Kline – 0.00139860, Gerald L. Michaud – 0.00079910, Ted J. Werts – 0.00039960, Intrepid Energy, Inc. – 0.01928035, Douglas C. Cranmer and Russell B. Cranmer, Trustees of the Russell E. Cranmer Irrevocable Trust dated December 28, 1992 – 0.00119880, Bill Ferguson – 0.00319680, Robert H. Kriebel – 0.00139850, Sombrero Associates – 0.00089930, Nelson & Co., for the benefit of John D. Wile Marital Trust – 0.00059940, Magnum Hunter Production, Inc. – 0.03173252, John C. Rocovich – 0.00140625, Paul & Zofia Umbarger – 0.00712969, J.W. Davis – 0.01343671, Current Trustee under Declaration of Trust dated August 28, 1982, executed by Alice G. Davis – 0.01343672, Galkay, a Joint Venture – 0.00466172, James Kenneth Garrett – 0.00020567, Joyce Eline Garrett – 0.00020567,

Donna Marie Studer, Administrator, Estate of Genevieve Studer - 0.00010283, Carl Joseph Garrett, Executor, Estate of Jasper Ben Garrett, Jr. - 0.00010283, Connie Gale Becker - 0.00010283, Ginger Lee Meyers - 0.00010283

### **TRACT NO. 3**

|   |  |
|---|--|
| <b>Lease Serial Number:</b>             | NMNM 0428657   |
| <b>Lease Date:</b>                      | July 17, 1963, effective September 1, 1963   |
| <b>Lease Term:</b>                      | 10 years, subsequently extended for 2 years  |
| <b>Lessor:</b>                          | United States of America   |
| <b>Original Lessee:</b>                 | T.A. Fraser and J. Mack Barnes   |
| <b>Current Lessee of Record:</b>        | ZPZ Delaware I LLC, Northern Oil & Gas, Inc., CM Resources, LLC, Colgate Production, LLC   |
| <b>Description of Land Committed:</b>   | SW/4NW/4 of Section 34, T19S-R28E, Eddy County, New Mexico   |
| <b>Number of Acres:</b>                 | 40   |
| <b>Royalty Rate:</b>                    | 12.5%  |
| <b>Name and Percent ORRI Owners:</b>    | Colgate Royalties, LP - 0.07751770, William G. Ross and Vee K. Ross, Trustees of the William G. Ross and Vee K. Ross Living Trust UTA dated March 9, 1990 - 0.01250000, Carol Sue Mhoon - 0.01250000, Marathon Oil Permian, LLC - 0.00937500, Ergodic Resources, LLC - 0.00096146, Abuelo, LLC - 0.00096146, Silverhair, LLC - 0.00096146, Loco Hills Production Company, LLC - 0.00096146, Magnum Hunter Production, Inc. - 0.00064054  |
| <b>Name of Working Interest Owners:</b> | Colgate Production, LLC - 0.77275238, Northern Oil & Gas, Inc. - 0.09714120, Myrlene Mannschreck Dillon - 0.02343750, Geoffrey Lanceley - 0.00008033, Wildcat Energy, LLC - 0.00279387, Hodge Natural Gas Gathering, Inc. - 0.00039960, Robert G. Ettleson - 0.00039960, William L. Hilliard - 0.00079910, Mary L. Kline - 0.00039970, Heirs or Devisees of John R. Kline - 0.00139860, Gerald L. Michaud - 0.00079910, Ted J. Werts - 0.00039960, Intrepid Energy, Inc. - 0.01928035, Douglas C. Cranmer and Russell B. Cranmer, Trustees of the Russell E. Cranmer Irrevocable Trust dated December 28, 1992 - 0.00119880, Bill Ferguson - 0.00319680, Robert H. Krieble - 0.00139850, Sombrero Associates - 0.00089930, Nelson & Co., for the benefit of John D. Wile Marital Trust - 0.00059940, Magnum Hunter Production, Inc. - 0.03173252, John C. Rocovich - 0.00140625, Paul and Zofia Umbarger - 0.00712969, |

J.W. Davis – 0.01343671, Current Trustee under Declaration of Trust dated August 28, executed by Alice G. Davis – 0.01343672, Galkay, a Joint Venture – 0.00466172, James Kenneth Garrett – 0.00020567, Joyce Eline Garrett - .00020567, Donna Marie Studer, Administrator of the Estate of Genevieve Studer – 0.00010283, Carl Joseph Garrett, Executor of the Estate of Jasper Ben Garrett, Jr. – 0.00010283, Connie Gale Becker – 0.00010283, Ginger Lee Meyers – 0.00010283

### **TRACT NO. 4**

#### **Fee Lease No. 1**

|   |   |
|---|---|
| <b>Lease Serial Number:</b>             | N/A   |
| <b>Recordation Number:</b>              | Book 569, Page 1229                                     |
| <b>Lease Date:</b>                      | March 15, 2004  |
| <b>Lease Term:</b>                      | 3 years   |
| <b>Lessor:</b>                          | Lorraine R. Hudson                                      |
| <b>Original Lessee:</b>                 | EOG Resources, Inc.                                     |
| <b>Current Lessee of Record:</b>        | Colgate Production, LLC                                 |
| <b>Description of Land Committed:</b>   | SE/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico |
| <b>Number of Acres:</b>                 | 10.0 acres  |
| <b>Royalty Rate:</b>                    | 20.0%   |
| <b>Name and Percent ORRI Owners:</b>    | Colgate Royalties, LP – 0.02593750                      |
| <b>Name of Working Interest Owners:</b> | Colgate Production, LLC – 1.00000000                    |

#### **Fee Lease No. 2**

|   |   |
|---|---|
| <b>Lease Serial Number:</b>             | N/A   |
| <b>Recordation Number:</b>              | Book 560, Page 1093                                     |
| <b>Lease Date:</b>                      | July 9, 2004  |
| <b>Lease Term:</b>                      | 3 years   |
| <b>Lessor:</b>                          | Sharon O. Blackard                                      |
| <b>Original Lessee:</b>                 | EOG Resources, Inc.                                     |
| <b>Current Lessee of Record:</b>        | Colgate Production, LLC                                 |
| <b>Description of Land Committed:</b>   | SE/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico |
| <b>Number of Acres:</b>                 | 5.0 acres   |
| <b>Royalty Rate:</b>                    | 20.0%   |
| <b>Name and Percent ORRI Owners:</b>    | Colgate Royalties, LP – 0.02593750                      |
| <b>Name of Working Interest Owners:</b> | Colgate Production, LLC – 1.00000000                    |

**Fee Lease No. 3**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 560, Page 1095  
**Lease Date:** July 9, 2004  
**Lease Term:** 3 years  
**Lessor:** William Wade Shipley  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** SE/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 5.0 acres  
**Royalty Rate:** 20.0%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP – 0.02593750  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.00000000

**Fee Lease No. 4**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 566, Page 1034  
**Lease Date:** August 13, 2004  
**Lease Term:** 2 years  
**Lessor:** Henry C. Wunsch & wife, Mary Ann Wunsch  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** SE/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 0.25 acres  
**Royalty Rate:** 20.0%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP – 0.02593750  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.00000000

**Fee Lease No. 5**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 566, Page 1042  
**Lease Date:** August 17, 2004  
**Lease Term:** 2 years  
**Lessor:** James R. Miller & wife, Mary Jane Miller  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** SE/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 0.25 acres  
**Royalty Rate:** 20.0%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP – 0.02593750  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.00000000

**Fee Lease No. 6**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 573, Page 912  
**Lease Date:** September 2, 2004  
**Lease Term:** 2 years  
**Lessor:** Fay Bernard  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** SE/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 0.25 acres  
**Royalty Rate:** 20.0%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP – 0.02593750  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000

**Fee Lease No. 7**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 566, Page 1038  
**Lease Date:** September 3, 2004  
**Lease Term:** 2 years  
**Lessor:** Harmon D. Greene & wife, Carolina R. Greene  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** SE/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 0.25 acres  
**Royalty Rate:** 25.0%  
**Name and Percent ORRI Owners:** N/A  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000

**Fee Lease No. 8**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 566, Page 1040  
**Lease Date:** August 17, 2004  
**Lease Term:** 2 years  
**Lessor:** R.R. Hinkle Company, Inc.  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** SE/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 0.25 acres  
**Royalty Rate:** 25.0%  
**Name and Percent ORRI Owners:** N/A  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000

**Fee Lease No. 9**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 573, Page 910  
**Lease Date:** October 22, 2004  
**Lease Term:** 2 years  
**Lessor:** Virginia Black, Independent Executrix u/w/o Dillard Lee Dorland  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** SE/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 0.75 acres  
**Royalty Rate:** 25.0%  
**Name and Percent ORRI Owners:** N/A  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000

**Fee Lease No. 10**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 578, Page 1161  
**Lease Date:** October 22, 2004  
**Lease Term:** 2 years  
**Lessor:** Zonetta M. Dorland  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** SE/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 0.75 acres  
**Royalty Rate:** 25.0%  
**Name and Percent ORRI Owners:** N/A  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000

**Fee Lease No. 11**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 566, Page 1044  
**Lease Date:** August 27, 2004  
**Lease Term:** 2 years  
**Lessor:** Robert P. Byron & Jeannine Hooper Byron, Trustees of the Robert & Jeannine Byron Revocable Trust under Trust Agreement dated June 18, 2003  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** SE/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 2.17 acres  
**Royalty Rate:** 25.0%  
**Name and Percent ORRI Owners:** N/A  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000



**Fee Lease No. 12**

|   |  |
|---|--|
| <b>Lease Serial Number:</b>             | N/A  |
| <b>Recordation Number:</b>              | Book 566, Page 1047  |
| <b>Lease Date:</b>                      | September 2, 2004  |
| <b>Lease Term:</b>                      | 2 years  |
| <b>Lessor:</b>                          | E.L. Latham Company  |
| <b>Original Lessee:</b>                 | EOG Resources, Inc.  |
| <b>Current Lessee of Record:</b>        | Colgate Production, LLC                                    |
| <b>Description of Land Committed:</b>   | SE/4NE/4 Section 33, T19S-R28E, Eddy<br>County, New Mexico |
| <b>Number of Acres:</b>                 | 2.92 acres   |
| <b>Royalty Rate:</b>                    | 25.0%  |
| <b>Name and Percent ORRI Owners:</b>    | N/A  |
| <b>Name of Working Interest Owners:</b> | Colgate Production, LLC – 1.0000000                        |

**Fee Lease No. 13**

|   |  |
|---|--|
| <b>Lease Serial Number:</b>             | N/A  |
| <b>Recordation Number:</b>              | Book 566, Page 1050  |
| <b>Lease Date:</b>                      | September 2, 2004  |
| <b>Lease Term:</b>                      | 2 years  |
| <b>Lessor:</b>                          | Roy G. Barton, Jr.   |
| <b>Original Lessee:</b>                 | EOG Resources, Inc.  |
| <b>Current Lessee of Record:</b>        | Colgate Production, LLC                                    |
| <b>Description of Land Committed:</b>   | SE/4NE/4 Section 33, T19S-R28E, Eddy<br>County, New Mexico |
| <b>Number of Acres:</b>                 | 3.13 acres   |
| <b>Royalty Rate:</b>                    | 25.0%  |
| <b>Name and Percent ORRI Owners:</b>    | N/A  |
| <b>Name of Working Interest Owners:</b> | Colgate Production, LLC – 1.0000000                        |

**Fee Lease No. 14**

|   |  |
|---|--|
| <b>Lease Serial Number:</b>             | N/A  |
| <b>Recordation Number:</b>              | Book 569, Page 665   |
| <b>Lease Date:</b>                      | September 2, 2004  |
| <b>Lease Term:</b>                      | 2 years  |
| <b>Lessor:</b>                          | Brett C. Barton  |
| <b>Original Lessee:</b>                 | EOG Resources, Inc.  |
| <b>Current Lessee of Record:</b>        | Colgate Production, LLC                                    |
| <b>Description of Land Committed:</b>   | SE/4NE/4 Section 33, T19S-R28E, Eddy<br>County, New Mexico |
| <b>Number of Acres:</b>                 | 0.78 acres   |
| <b>Royalty Rate:</b>                    | 25.0%  |
| <b>Name and Percent ORRI Owners:</b>    | N/A  |
| <b>Name of Working Interest Owners:</b> | Colgate Production, LLC – 1.0000000                        |

**Fee Lease No. 15**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 569, Page 669  
**Lease Date:** September 2, 2004  
**Lease Term:** 2 years  
**Lessor:** Roy G. Barton, III  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** SE/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 0.78 acres  
**Royalty Rate:** 25.0%  
**Name and Percent ORRI Owners:** N/A  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000

**Fee Lease No. 16**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 573, Page 907  
**Lease Date:** September 2, 2004  
**Lease Term:** 2 years  
**Lessor:** Heidi C. Burton  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** SE/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 0.78 acres  
**Royalty Rate:** 25.0%  
**Name and Percent ORRI Owners:** N/A  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000

**Fee Lease No. 17**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 569, Page 671  
**Lease Date:** September 2, 2004  
**Lease Term:** 2 years  
**Lessor:** Norma Jane Chanley  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** SE/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 3.13 acres  
**Royalty Rate:** 25.0%  
**Name and Percent ORRI Owners:** N/A  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000

**Fee Lease No. 18**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 572, Page 783  
**Lease Date:** September 30, 2004  
**Lease Term:** 2 years  
**Lessor:** Wells Fargo Bank, Texas, NA, Trustee for CBF A-1 and CBF A-2  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** SE/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 3.33 acres  
**Royalty Rate:** 25.0%  
**Name and Percent ORRI Owners:** N/A  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000

**Fee Lease No. 19**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 1146, Page 255  
**Lease Date:** June 1, 2020  
**Lease Term:** 3 years  
**Lessor:** Colgate Minerals, LLC  
**Original Lessee:** Colgate Production, LLC  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** SE/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 0.25 acres  
**Royalty Rate:** 25.0%  
**Name and Percent ORRI Owners:** N/A  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000

**TRACT NO. 5****Fee Lease No. 1**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 569, Page 663  
**Lease Date:** August 17, 2004  
**Lease Term:** 2 years  
**Lessor:** Wilma Evelyn Voigt  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** SW/4NE/4 Section 33, T19S-R28E, Eddy County, New Mexico, limited to depths from the surface to 11,348 feet  
**Number of Acres:** 40.0 acres  
**Royalty Rate:** 25.0%  
**Name and Percent ORRI Owners:** N/A  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000

**TRACT NO. 6****Fee Lease No. 1**

|   |   |
|---|---|
| <b>Lease Serial Number:</b>             | N/A   |
| <b>Recordation Number:</b>              | Book 569, Page 1229                                       |
| <b>Lease Date:</b>                      | March 15, 2004  |
| <b>Lease Term:</b>                      | 3 years   |
| <b>Lessor:</b>                          | Lorraine R. Hudson  |
| <b>Original Lessee:</b>                 | EOG Resources, Inc.                                       |
| <b>Current Lessee of Record:</b>        | Colgate Production, LLC                                   |
| <b>Description of Land Committed:</b>   | S/2NW/4 Section 33, T19S-R28E, Eddy<br>County, New Mexico |
| <b>Number of Acres:</b>                 | 20.0 acres  |
| <b>Royalty Rate:</b>                    | 20.0%   |
| <b>Name and Percent ORRI Owners:</b>    | Colgate Royalties, LP –                                   |
| <b>Name of Working Interest Owners:</b> | Colgate Production, LLC – 1.0000000                       |

**Fee Lease No. 2**

|   |   |
|---|---|
| <b>Lease Serial Number:</b>             | N/A   |
| <b>Recordation Number:</b>              | Book 560, Page 1093                                       |
| <b>Lease Date:</b>                      | July 9, 2004  |
| <b>Lease Term:</b>                      | 3 years   |
| <b>Lessor:</b>                          | Sharon O. Blackard  |
| <b>Original Lessee:</b>                 | EOG Resources, Inc.                                       |
| <b>Current Lessee of Record:</b>        | Colgate Production, LLC                                   |
| <b>Description of Land Committed:</b>   | S/2NW/4 Section 33, T19S-R28E, Eddy<br>County, New Mexico |
| <b>Number of Acres:</b>                 | 10.0 acres  |
| <b>Royalty Rate:</b>                    | 20.0%   |
| <b>Name and Percent ORRI Owners:</b>    | Colgate Royalties, LP –                                   |
| <b>Name of Working Interest Owners:</b> | Colgate Production, LLC – 1.0000000                       |

**Fee Lease No. 3**

|   |   |
|---|---|
| <b>Lease Serial Number:</b>             | N/A   |
| <b>Recordation Number:</b>              | Book 560, Page 1095                                       |
| <b>Lease Date:</b>                      | July 9, 2004  |
| <b>Lease Term:</b>                      | 3 years   |
| <b>Lessor:</b>                          | William Wade Shipley                                      |
| <b>Original Lessee:</b>                 | EOG Resources, Inc.                                       |
| <b>Current Lessee of Record:</b>        | Colgate Production, LLC                                   |
| <b>Description of Land Committed:</b>   | S/2NW/4 Section 33, T19S-R28E, Eddy<br>County, New Mexico |
| <b>Number of Acres:</b>                 | 10.0 acres  |
| <b>Royalty Rate:</b>                    | 20.0%   |
| <b>Name and Percent ORRI Owners:</b>    | Colgate Royalties, LP –                                   |
| <b>Name of Working Interest Owners:</b> | Colgate Production, LLC – 1.0000000                       |

**Fee Lease No. 4**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 566, Page 1034  
**Lease Date:** August 13, 2004  
**Lease Term:** 2 years  
**Lessor:** Henry C. Wunsch & wife, Mary Ann Wunsch  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** S/2NW/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 0.50 acres  
**Royalty Rate:** 20.0%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP –  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000

**Fee Lease No. 5**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 566, Page 1042  
**Lease Date:** August 17, 2004  
**Lease Term:** 2 years  
**Lessor:** James R. Miller & wife, Mary Jane Miller  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** S/2NW/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 0.50 acres  
**Royalty Rate:** 20.0%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP –  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000

**Fee Lease No. 6**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 573, Page 912  
**Lease Date:** September 2, 2004  
**Lease Term:** 2 years  
**Lessor:** Fay Bernard  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** S/2NW/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 0.50 acres  
**Royalty Rate:** 20.0%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP –  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000

**Fee Lease No. 7**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 566, Page 1038  
**Lease Date:** September 3, 2004  
**Lease Term:** 2 years  
**Lessor:** Harmon D. Greene & wife, Carolina R. Greene  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** S/2NW/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 0.50 acres  
**Royalty Rate:** 25.0%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP –  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000

**Fee Lease No. 8**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 566, Page 1040  
**Lease Date:** August 17, 2004  
**Lease Term:** 2 years  
**Lessor:** R.R. Hinkle Company, Inc.  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** S/2NW/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 0.50 acres  
**Royalty Rate:** 25.0%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP –  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000

**Fee Lease No. 9**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 573, Page 910  
**Lease Date:** October 22, 2004  
**Lease Term:** 2 years  
**Lessor:** Virginia Black, Independent Executrix u/w/o Dillard Lee Dorland  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** S/2NW/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 1.50 acres  
**Royalty Rate:** 25.0%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP –  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000

**Fee Lease No. 10**

|   |   |
|---|---|
| <b>Lease Serial Number:</b>             | N/A   |
| <b>Recordation Number:</b>              | Book 578, Page 1161                                       |
| <b>Lease Date:</b>                      | October 22, 2004  |
| <b>Lease Term:</b>                      | 2 years   |
| <b>Lessor:</b>                          | Zonetta M. Dorland  |
| <b>Original Lessee:</b>                 | EOG Resources, Inc.                                       |
| <b>Current Lessee of Record:</b>        | Colgate Production, LLC                                   |
| <b>Description of Land Committed:</b>   | S/2NW/4 Section 33, T19S-R28E, Eddy<br>County, New Mexico |
| <b>Number of Acres:</b>                 | 1.50 acres  |
| <b>Royalty Rate:</b>                    | 25.0%   |
| <b>Name and Percent ORRI Owners:</b>    | Colgate Royalties, LP –                                   |
| <b>Name of Working Interest Owners:</b> | Colgate Production, LLC – 1.0000000                       |

**Fee Lease No. 11**

|   |   |
|---|---|
| <b>Lease Serial Number:</b>             | N/A   |
| <b>Recordation Number:</b>              | Book 566, Page 1044   |
| <b>Lease Date:</b>                      | August 27, 2004   |
| <b>Lease Term:</b>                      | 2 years   |
| <b>Lessor:</b>                          | Robert P. Byron & Jeannine Hooper Byron,<br>Trustees of the Robert & Jeannine Byron<br>Revocable Trust under Trust Agreement dated<br>June 18, 2003 |
| <b>Original Lessee:</b>                 | EOG Resources, Inc.   |
| <b>Current Lessee of Record:</b>        | Colgate Production, LLC   |
| <b>Description of Land Committed:</b>   | S/2NW/4 Section 33, T19S-R28E, Eddy<br>County, New Mexico   |
| <b>Number of Acres:</b>                 | 4.33 acres  |
| <b>Royalty Rate:</b>                    | 25.0%   |
| <b>Name and Percent ORRI Owners:</b>    | Colgate Royalties, LP –   |
| <b>Name of Working Interest Owners:</b> | Colgate Production, LLC – 1.0000000   |

**Fee Lease No. 12**

|   |   |
|---|---|
| <b>Lease Serial Number:</b>             | N/A   |
| <b>Recordation Number:</b>              | Book 566, Page 1047                                       |
| <b>Lease Date:</b>                      | September 2, 2004   |
| <b>Lease Term:</b>                      | 2 years   |
| <b>Lessor:</b>                          | E.L. Latham Company                                       |
| <b>Original Lessee:</b>                 | EOG Resources, Inc.                                       |
| <b>Current Lessee of Record:</b>        | Colgate Production, LLC                                   |
| <b>Description of Land Committed:</b>   | S/2NW/4 Section 33, T19S-R28E, Eddy<br>County, New Mexico |
| <b>Number of Acres:</b>                 | 5.83 acres  |
| <b>Royalty Rate:</b>                    | 25.0%   |
| <b>Name and Percent ORRI Owners:</b>    | Colgate Royalties, LP –                                   |
| <b>Name of Working Interest Owners:</b> | Colgate Production, LLC – 1.0000000                       |



**Fee Lease No. 13**

|   |   |
|---|---|
| <b>Lease Serial Number:</b>             | N/A   |
| <b>Recordation Number:</b>              | Book 566, Page 1050                                       |
| <b>Lease Date:</b>                      | September 2, 2004   |
| <b>Lease Term:</b>                      | 2 years   |
| <b>Lessor:</b>                          | Roy G. Barton, Jr.  |
| <b>Original Lessee:</b>                 | EOG Resources, Inc.                                       |
| <b>Current Lessee of Record:</b>        | Colgate Production, LLC                                   |
| <b>Description of Land Committed:</b>   | S/2NW/4 Section 33, T19S-R28E, Eddy<br>County, New Mexico |
| <b>Number of Acres:</b>                 | 6.25 acres  |
| <b>Royalty Rate:</b>                    | 25.0%   |
| <b>Name and Percent ORRI Owners:</b>    | Colgate Royalties, LP –                                   |
| <b>Name of Working Interest Owners:</b> | Colgate Production, LLC – 1.0000000                       |

**Fee Lease No. 14**

|   |   |
|---|---|
| <b>Lease Serial Number:</b>             | N/A   |
| <b>Recordation Number:</b>              | Book 569, Page 665  |
| <b>Lease Date:</b>                      | September 2, 2004   |
| <b>Lease Term:</b>                      | 2 years   |
| <b>Lessor:</b>                          | Brett C. Barton   |
| <b>Original Lessee:</b>                 | EOG Resources, Inc.                                       |
| <b>Current Lessee of Record:</b>        | Colgate Production, LLC                                   |
| <b>Description of Land Committed:</b>   | S/2NW/4 Section 33, T19S-R28E, Eddy<br>County, New Mexico |
| <b>Number of Acres:</b>                 | 1.56 acres  |
| <b>Royalty Rate:</b>                    | 25.0%   |
| <b>Name and Percent ORRI Owners:</b>    | Colgate Royalties, LP –                                   |
| <b>Name of Working Interest Owners:</b> | Colgate Production, LLC – 1.0000000                       |

**Fee Lease No. 15**

|   |   |
|---|---|
| <b>Lease Serial Number:</b>             | N/A   |
| <b>Recordation Number:</b>              | Book 569, Page 669  |
| <b>Lease Date:</b>                      | September 2, 2004   |
| <b>Lease Term:</b>                      | 2 years   |
| <b>Lessor:</b>                          | Roy G. Barton, III  |
| <b>Original Lessee:</b>                 | EOG Resources, Inc.                                       |
| <b>Current Lessee of Record:</b>        | Colgate Production, LLC                                   |
| <b>Description of Land Committed:</b>   | S/2NW/4 Section 33, T19S-R28E, Eddy<br>County, New Mexico |
| <b>Number of Acres:</b>                 | 1.56 acres  |
| <b>Royalty Rate:</b>                    | 25.0%   |
| <b>Name and Percent ORRI Owners:</b>    | Colgate Royalties, LP –                                   |
| <b>Name of Working Interest Owners:</b> | Colgate Production, LLC – 1.0000000                       |

**Fee Lease No. 16**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 573, Page 907  
**Lease Date:** September 2, 2004  
**Lease Term:** 2 years  
**Lessor:** Heidi C. Burton  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** S/2NW/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 1.56 acres  
**Royalty Rate:** 25.0%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP –  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000

**Fee Lease No. 17**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 569, Page 671  
**Lease Date:** September 2, 2004  
**Lease Term:** 2 years  
**Lessor:** Norma Jane Chanley  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** S/2NW/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 6.25 acres  
**Royalty Rate:** 25.0%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP –  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000

**Fee Lease No. 18**

**Lease Serial Number:** N/A  
**Recordation Number:** Book 572, Page 783  
**Lease Date:** September 30, 2004  
**Lease Term:** 2 years  
**Lessor:** Wells Fargo Bank, Texas, NA, Trustee for CBF A-1 and CBF A-2  
**Original Lessee:** EOG Resources, Inc.  
**Current Lessee of Record:** Colgate Production, LLC  
**Description of Land Committed:** S/2NW/4 Section 33, T19S-R28E, Eddy County, New Mexico  
**Number of Acres:** 6.67 acres  
**Royalty Rate:** 25.0%  
**Name and Percent ORRI Owners:** Colgate Royalties, LP –  
**Name of Working Interest Owners:** Colgate Production, LLC – 1.0000000

**Fee Lease No. 19**

|   |   |
|---|---|
| <b>Lease Serial Number:</b>             | N/A   |
| <b>Recordation Number:</b>              | Book 1146, Page 255                                       |
| <b>Lease Date:</b>                      | June 1, 2020  |
| <b>Lease Term:</b>                      | 3 years   |
| <b>Lessor:</b>                          | Colgate Minerals, LLC                                     |
| <b>Original Lessee:</b>                 | Colgate Production, LLC                                   |
| <b>Current Lessee of Record:</b>        | Colgate Production, LLC                                   |
| <b>Description of Land Committed:</b>   | S/2NW/4 Section 33, T19S-R28E, Eddy<br>County, New Mexico |
| <b>Number of Acres:</b>                 | 0.50 acres  |
| <b>Royalty Rate:</b>                    | 25.0%   |
| <b>Name and Percent ORRI Owners:</b>    | Colgate Royalties, LP –                                   |
| <b>Name of Working Interest Owners:</b> | Colgate Production, LLC – 1.0000000                       |

**End of Exhibit “A”**

**RECAPITULATION**

| <u>Tract No.</u> | <u>No. of Acres Committed</u> | <u>Percentage of Interest<br/>in Communitized Area</u> |
|------------------|-------------------------------|--|
| 1                | 80.0                          | 25.0%  |
| 2                | 40.0                          | 12.5%  |
| 3                | 40.0                          | 12.5%  |
| 4                | 40.0                          | 12.5%  |
| 5                | 40.0                          | 12.5%  |
| 6                | 80.0                          | 25.0%  |
| Total            | 320.0                         | 100.0%   |

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:** Colgate Operating, LLC **OGRID Number:** 371449  
**Well Name:** Dawson 34 Fed Com 124H **API:** 30-015-47603  
**Pool:** Old Millman Ranch; BS (Assoc) & Winchester; BS **Pool Code:** 48035 & 65010

**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.**

Mikah Thomas

Print or Type Name

Mikah Thomas

Signature

03.21.2022

Date

432-695-4272

Phone Number

mthomas@colgateenergy.com

e-mail Address

**From:** [Engineer, OCD, EMNRD](#)  
**To:** [Mikah Thomas](#)  
**Cc:** [McClure, Dean, EMNRD](#); [Wrinkle, Justin, EMNRD](#); [Powell, Brandon, EMNRD](#); [lisa@rwbyram.com](#); [Glover, James](#); [Paradis, Kyle O](#); [Walls, Christopher](#)  
**Subject:** Approved Administrative Order PLC-814  
**Date:** Monday, May 9, 2022 4:04:19 PM  
**Attachments:** [PLC814 Order.pdf](#)

NMOCD has issued Administrative Order PLC-814 which authorizes Colgate Operating, LLC (371449) to surface commingle or off-lease measure, as applicable, the following wells:

| Well API     | Well Name                           | UL or Q/Q | S-T-R      | Pool  |
|--------------|-------------------------------------|-----------|------------|-------|
| 30-015-49005 | Dawson 34 Federal Com #114H         | S/2 S/2   | 33-19S-28E | 48035 |
|              |                                     | S/2 S/2   | 34-19S-28E |       |
| 30-015-47704 | Dawson 34 Federal Com #123H         | N/2 S/2   | 33-19S-28E | 65010 |
|              |                                     | N/2 S/2   | 34-19S-28E | 48035 |
| 30-015-47603 | Dawson 34 Federal Com #124H         | S/2 S/2   | 33-19S-28E | 48035 |
|              |                                     | S/2 S/2   | 34-19S-28E |       |
| 30-015-47705 | Dawson 34 Federal Com #133H         | N/2 S/2   | 33-19S-28E | 65010 |
|              |                                     | N/2 S/2   | 34-19S-28E | 48035 |
| 30-015-47604 | Dawson 34 Federal Com #134H         | S/2 S/2   | 33-19S-28E | 48035 |
|              |                                     | S/2 S/2   | 34-19S-28E |       |
| 30-015-47706 | Shamrock 34 Federal State Com #121H | N/2 N/2   | 33-19S-28E | 65010 |
|              |                                     | N/2 N/2   | 34-19S-28E | 48035 |
| 30-015-47707 | Shamrock 34 Federal State Com #122H | S/2 N/2   | 33-19S-28E | 65010 |
|              |                                     | S/2 N/2   | 34-19S-28E | 48035 |
| 30-015-47708 | Shamrock 34 Federal State Com #131H | N/2 N/2   | 33-19S-28E | 65010 |
|              |                                     | N/2 N/2   | 34-19S-28E | 48035 |
| 30-015-47751 | Shamrock 34 Federal State Com #132H | S/2 N/2   | 33-19S-28E | 65010 |
|              |                                     | S/2 N/2   | 34-19S-28E | 48035 |

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

**From:** [Engineer, OCD, EMNRD](#)  
**To:** [Mikah Thomas](#)  
**Cc:** [Scott Morgan](#); [Engineer, OCD, EMNRD](#)  
**Subject:** FW: [EXTERNAL] Objection to Administrative Approval of Surface Commingling  
**Date:** Friday, April 15, 2022 9:36:18 AM  
**Attachments:** [Surface Commingling Objection Letter 04.14.2022.pdf](#)

---

Ms. Thomas,

The Division has received a protest of surface commingling application PLC-814 which involves a commingling project that includes the Dawson Shamrock Battery and is operated by Colgate Operating, LLC (371449).

This application will now be placed on hold until the matter is resolved by either the protester withdrawing their protest or via public hearing.

The protest letter is attached to this email and may be referenced to obtain contact information for the protester's representative.

The referenced application has been designated with action ID: 97773 and can be found at [97773](#).

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

---

**From:** Scott Morgan <[smorgan@cilawnm.com](mailto:smorgan@cilawnm.com)>  
**Sent:** Thursday, April 14, 2022 5:24 PM  
**To:** McClure, Dean, EMNRD <[Dean.McClure@state.nm.us](mailto:Dean.McClure@state.nm.us)>; Engineer, OCD, EMNRD <[OCD.Engineer@state.nm.us](mailto:OCD.Engineer@state.nm.us)>  
**Cc:** Mikah Thomas <[MThomas@colgateenergy.com](mailto:MThomas@colgateenergy.com)>  
**Subject:** [EXTERNAL] Objection to Administrative Approval of Surface Commingling

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Good afternoon, Mr. Powell.

Please see the attached objection of Ms. Kaye Dillard to Colgate's Application for Administrative Approval to Surface Commingle.

Please let us know that you have received.

Thank you,  
Scott Morgan



Scott S. Morgan  
Cavin & Ingram, P.A.  
P. O. Box 1216  
Albuquerque, NM 87103  
Ph: 505-243-5400  
[smorgan@cilawnm.com](mailto:smorgan@cilawnm.com)  
[www.cilawnm.com](http://www.cilawnm.com)

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**From:** [Engineer, OCD, EMNRD](#)  
**To:** [Mikah Thomas](#)  
**Cc:** [eric@texaslandman.land](mailto:eric@texaslandman.land); [Engineer, OCD, EMNRD](#)  
**Subject:** Protest of surface commingling application PLC-814  
**Date:** Thursday, April 21, 2022 12:12:18 PM  
**Attachments:** [PLC814 Protest Letter \(Hutchens\).pdf](#)

---

Ms. Thomas,

The Division has received a protest of surface commingling application PLC-814 which involves a commingling project that includes the Dawson Shamrock Battery and is operated by Colgate Operating, LLC (371449).

This application was placed on hold due to a prior protest and will remain on hold until both the prior and this matter are resolved by either the protesters withdrawing their protests or via public hearing.

The protest letter is attached to this email and may be referenced to obtain contact information for the protester's representative.

The referenced application has been designated with action ID: 97773 and can be found at [97773](#).

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

**From:** [Mikah Thomas](#)  
**To:** [McClure, Dean, EMNRD](#)  
**Subject:** RE: [EXTERNAL] surface commingling application PLC-814  
**Date:** Monday, May 9, 2022 8:29:51 AM  
**Attachments:** [Commingled Wells for the Dawson-Shamrock\\_Corrected\\_Excel.xlsx](#)  
[Commingled Wells for the Dawson-Shamrock\\_Corrected.docx](#)  
[Commingling Notification\\_Tracking Numbers.pdf](#)  
[Commingling Notification\\_Tracking Numbers\\_Corrected.pdf](#)

---

Hi Dean,

- a list of the wells that are being requested to be a part of this commingling project including their API numbers;
  - Attached
- known or estimated values for the gravity of the oil and BTU of the gas from the pools involved in this commingling project;
  - Attached
- confirmation that commingling will not decrease the value of the production; and
  - Stated below
- a complete list of the noticed persons including the tracking numbers of the notices (the included list seems to be cut off).
  - You're right, attached.

This is confirmation that commingling wells in application PLC-814 will not decrease the value of production.

Please let me know if all of this works for you. I really appreciate you calling me.

**Mikah Thomas | Colgate Energy**  
[300 N Marienfeld Street | Suite 1000 | Midland, TX 79701](#)  
O: (432) 695-4272 | C: (432) 661-7106  
Email: [mthomas@colgateenergy.com](mailto:mthomas@colgateenergy.com)

---

**From:** McClure, Dean, EMNRD <Dean.McClure@state.nm.us>  
**Sent:** Friday, May 6, 2022 2:02 PM  
**To:** Mikah Thomas <MThomas@colgateenergy.com>  
**Subject:** [EXTERNAL] surface commingling application PLC-814

**\*\*\* Attention: This is an external email, use caution. \*\*\***

Ms. Thomas,

I am reviewing surface commingling application PLC-814 which involves a commingling project that includes the Dawson Shamrock Battery and is operated by Colgate Operating, LLC (371449).

Please provide the following:

- a list of the wells that are being requested to be a part of this commingling project including their API numbers;
- known or estimated values for the gravity of the oil and BTU of the gas from the pools involved in this commingling project;

- confirmation that commingling will not decrease the value of the production; and
- a complete list of the noticed persons including the tracking numbers of the notices (the included list seems to be cut off).

Once I have a list of the wells, I may have additional requests. In interest of time, you may wish to submit the well list before the rest.

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

**From:** [Mikah Thomas](#)  
**To:** [McClure, Dean, EMNRD](#)  
**Subject:** [EXTERNAL] Dawson/Shamrock Tracking Number  
**Date:** Monday, May 9, 2022 9:11:43 AM

---

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Hey Dean,

Looks like I can send emails but not receive. I can't even see if an email has been sent.

Magnum Hunter tracking number:

7021 0950 0000 6662 1292

**Mikah Thomas | Colgate Energy**  
**[300 N Marienfeld Street | Suite 1000 | Midland, TX 79701](#)**  
O: (432) 695-4272 | C: (432) 661-7106  
Email: [mthomas@colgateenergy.com](mailto:mthomas@colgateenergy.com)

SEALY H. CAVIN, JR. †\*  
STEPHEN D. INGRAM †  
SCOTT S. MORGAN  
BRANDON D. HAJNY\*

**CAVIN & INGRAM, P.A.**  
**ATTORNEYS & COUNSELORS AT LAW**  
**40 FIRST PLAZA NW**  
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**ALBUQUERQUE, NEW MEXICO 87102**

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MAILING ADDRESS  
P.O. BOX 1216  
ALBUQUERQUE, NM 87103-1216

NMOILGASLAW@CILAWNM.COM  
WWW.CILAWNM.COM

†Also Admitted in Texas  
\*Also Admitted in Colorado

April 14, 2022

New Mexico Oil Conservation Division  
Engineering Bureau  
Mr. Brandon Powell, Engineering Bureau Chief  
*OCD.Engineer@state.nm.us*  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

***Re: Objection to the Application for Surface Commingling (Diverse Ownership) for Colgate's Dawson 34 Federal Com #114H, #123H, #124H, #133H, and #134H Wells and Colgate's Shamrock Federal Com #121H, #122H, #131H, and #132H Wells.***

Mr. Powell,

Our firm represents Ms. Kaye Dillard, in connection with the above-captioned Application for Surface Commingling (Diverse Ownership) filed by Colgate Operating, LLC (the "Application"). Our client is an Affected Party as a non-operating working interest owner in some of the above-reference wells.

As allowed by NMAC 19.15.12.10.C., Ms. Dillard hereby files her written objection to the administrative approval of the Application and request that the director set the application for a hearing as allowed by 19.15.12.10 NMAC. There are some underlying title and related issues that will require investigation before Ms. Dillard can make a determination on whether to allow the Application to move forward by administrative approval. Additionally, Ms. Dillard needs additional time to review the Application and appurtenant information to determine how her rights may be affected.

Pursuant to the applicable NMAC provisions, Ms. Dillard request that this matter be set for a full hearing with sufficient time to analyze the Application submitted by Colgate Operating, LLC as well as any appurtenant technical and other data.

Please let me know if you have any questions or concerns.

Sincerely,

CAVIN & INGRAM, P.A.



NMOCD Engineering Bureau  
April 14, 2022  
Page 2

Scott S. Morgan  
Attorneys for Ms. Kaye Dillard

cc. Dean McClure  
*vai e-mail to Dean.McClure@state.nm.us*

Mikah Thomas  
*via email to mthomas@colgateenergy.com*



4/10/22

New Mexico Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87505

RE: Commingling Application - OBJECTION LETTER

Colgate Operating, LLC. (API 30-015-47603 and Pool Codes 48035 and 65010)  
Dawson 34 Federal 114h, 123h, 124h, 133h, and 134h  
Shamrock 34 Federal 121h, 122h, 131h and 123h  
19S-28E, Eddy County, New Mexico

To Whom it may Concern,

We the undersigned Royalty and Working Interest owners in the Dawson Federal Wells do Hereby OBJECT to Colgate Energy, LLC's Application for Surface Commingling of the referenced leases and wells and are formally requesting a hearing on the matter.

We were force pooled by Colgate in the Dawson wells and were forced to prepay for the completed well costs in all of the wells despite that fact that only (2) wells were ever drilled. Colgate will not return our calls, provide any well or production information and has sent out several erroneous Joint Interest Billings with the wrong %'s to all parties below despite pleadings and instruction for corrections. In addition, Colgate has kept the revenues of the completed and producing Dawson wells in "Suspense" for almost 1 year now even though we have all signed division orders and prepaid our share of the wells.

We are concerned that Colgate will further confuse the various owner's % interest in the existing wells; or even worse, will Dilute our interest with the other wells to avoid distributing our rightful revenue interest as well as sending us the correct billing interest for supervision, water hauling, etc. We want to see how both Colgate and the Conservation Division can ensure that the correct ownership interest as well as JIB "Billing" interest will be accounted for properly and will accurately be monitored given the fact that they cannot get it straight at the individual well level, much less on a Commingled multi well/lease level.

Please advise the parties below as to the date of the hearing so that we can make plans to attend on the hearing date.

If you have any questions, please feel free to contact me by phone at 972-567-6754 or by email at [Eric@TexasLandman.Land](mailto:Eric@TexasLandman.Land). We appreciate the sincere consideration of our petition and look forward to a fair hearing and resolution to the matter.

Sincerely,



Eric Schmitz, Landman and Agent for:

Nancy Hutchens Mowrey, Debra Hutchens Brown, Joanne Hutchens, Carroll Hutchens II Estate, Carroll Hutchens III. CC: Above Parties, Steve Turkett, Esq.

District I  
1625 N. French Drive, Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brabos Road, Aztec, NM 87810  
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: Colgate Operating, LLC  
OPERATOR ADDRESS: 300 North Marienfeld Street, Suite 1000 Midland, Texas 79701  
APPLICATION TYPE:  
☐ Pool Commingling ☒ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingling)

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

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

**(A) POOL COMMINGLING**

Please attach sheets with the following information

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

- (2) Are any wells producing at top allowable? ☐ 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: [48035] OLD MILLMAN RANCH, B5 (ASSOC) & [55810] WINCHESTER, BONE SPRING  
(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 B.

**(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: Mikah Thomas

TITLE: Sr. Regulatory Analyst

DATE: 03 25 2022

TYPE OR PRINT NAME: Mikah Thomas

TELEPHONE NO: 432-695-4272

E-MAIL ADDRESS: mthomas@colgateenergy.com

## APPLICATION FOR SURFACE POOL/LEASE COMBINING

Colgate Operating, LLC respectfully requests approval to surface pool/lease cummingle oil and gas from the following wells:

|   | API          | WELL NAME               | WELL # | LOCATION     | POOL CODE/ NAME   | STATUS    |
|---|--------------|-------------------------|--------|--------------|---|-----------|
| 1 | 30-015-49005 | DAWSON 34 FEDERAL COM   | 114H   | I-34-19S-28E | [48035] OLD MILLMAN RANCH; BS (ASSOC) & [65010] WINCHESTER; BONE SPRING | Permitted |
| 2 | 30-015-47704 | DAWSON 34 FEDERAL COM   | 123H   | I-34-19S-28E | [48035] OLD MILLMAN RANCH; BS (ASSOC) & [65010] WINCHESTER; BONE SPRING | Drilled   |
| 3 | 30-015-47603 | DAWSON 34 FEDERAL COM   | 124H   | P-34-19S-28E | [48035] OLD MILLMAN RANCH; BS (ASSOC) & [65010] WINCHESTER; BONE SPRING | Producing |
| 4 | 30-015-47705 | DAWSON 34 FEDERAL COM   | 133H   | I-34-19S-28E | [48035] OLD MILLMAN RANCH; BS (ASSOC) & [65010] WINCHESTER; BONE SPRING | Drilled   |
| 5 | 30-015-47604 | DAWSON 34 FEDERAL COM   | 134H   | P-34-19S-28E | [48035] OLD MILLMAN RANCH; BS (ASSOC) & [65010] WINCHESTER; BONE SPRING | Producing |
| 6 | 30-015-47706 | SHAMROCK 34 FEDERAL COM | 121H   | D-35-19S-28E | [48035] OLD MILLMAN RANCH; BS (ASSOC) & [65010] WINCHESTER; BONE SPRING | Drilled   |
| 7 | 30-015-47707 | SHAMROCK 34 FEDERAL COM | 122H   | H-34-19S-28E | [48035] OLD MILLMAN RANCH; BS (ASSOC) & [65010] WINCHESTER; BONE SPRING | Drilled   |
| 8 | 30-015-47708 | SHAMROCK 34 FEDERAL COM | 131H   | D-35-19S-28E | [48035] OLD MILLMAN RANCH; BS (ASSOC) & [65010] WINCHESTER; BONE SPRING | Drilled   |
| 9 | 30-015-47751 | SHAMROCK 34 FEDERAL COM | 132H   | I-34-19S-28E | [48035] OLD MILLMAN RANCH; BS (ASSOC) & [65010] WINCHESTER; BONE SPRING | Drilled   |

Revised March 23, 2017

|           |           |       |         |
|-----------|-----------|-------|---------|
| RECEIVED: | REVIEWER: | TYPE: | APP NO: |
|-----------|-----------|-------|---------|

ABOVE THIS TABLE FOR OGD 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:** Colgate Operating, LLC **OGRID Number:** 371449  
**Well Name:** Dawson 34 Fed Com 12411 **API:** 30-013-47603  
**Pool:** Old Millman Ranch, BS (Assoc) & Winchester, BS **Pool Code:** 48035 & 65010

**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 (PRODUCTION 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.**

Miaah Thomas

Print or Type Name

Signature

03/21/2022

Date

432-693-4272

Phone Number

mthomas@colgateenergy.com

e-mail Address

**From:** [Mikah Thomas](#)  
**To:** [Eric Schmitz](#)  
**Cc:** [ocdonline, emnrd, EMNRD; McClure, Dean, EMNRD](#)  
**Subject:** RE: [EXTERNAL] Re: Protest Withdrawal  
**Date:** Wednesday, May 4, 2022 5:23:34 PM

---

Hey Eric,

All wells will for sure be metered separately.

**Mikah Thomas | Colgate Energy**  
[300 N Marienfeld Street | Suite 1000 | Midland, TX 79701](#)  
O: (432) 695-4272 | C: (432) 661-7106  
Email: [mthomas@colgateenergy.com](mailto:mthomas@colgateenergy.com)

---

**From:** Eric Schmitz <[eric@texaslandman.land](mailto:eric@texaslandman.land)>  
**Sent:** Wednesday, May 4, 2022 5:11 PM  
**To:** Mikah Thomas <[MThomas@colgateenergy.com](mailto:MThomas@colgateenergy.com)>  
**Cc:** [OCDOnline@state.nm.us](mailto:OCDOnline@state.nm.us); [McClure, Dean, EMNRD](mailto:McClure, Dean, EMNRD) <[Dean.McClure@state.nm.us](mailto:Dean.McClure@state.nm.us)>  
**Subject:** [EXTERNAL] Re: Protest Withdrawal

**\*\*\* Attention: This is an external email, use caution. \*\*\***

Withdrawal Confirmed provided all wells are separately metered.

Thank you,  
Eric Schmitz, CPL

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\_\_\_\_\_

On Wed, May 4, 2022 at 4:58 PM Mikah Thomas <[MThomas@colgateenergy.com](mailto:MThomas@colgateenergy.com)> wrote:

Good afternoon Dean,

Eric Schmitz has withdrawn the attached protest as of today at 3:56 MT.

Eric is cc'd to this email if you have any questions or concerns regarding this withdrawal.

Thank you to both of you for your time in getting this taken care of, it's much appreciated.

**Mikah Thomas | Colgate Energy**

**300 N Marienfeld Street | Suite 1000 | Midland, TX 79701**

O: (432) 695-4272 | C: (432) 661-7106

Email: [mthomas@colgateenergy.com](mailto:mthomas@colgateenergy.com)

**From:** [McClure, Dean, EMNRD](#)  
**To:** [Scott Morgan](#)  
**Cc:** [mthomas@colgateenergy.com](mailto:mthomas@colgateenergy.com); [Dana Hardy](#); [Engineer, OCD, EMNRD](#)  
**Subject:** RE: [EXTERNAL] Withdrawal of Surface Commingling Objection  
**Date:** Friday, May 6, 2022 12:41:40 PM

---

All protests of surface commingling application PLC-814 which involves a commingling project that includes the Dawson Shamrock Battery and is operated by Colgate Operating, LLC (371449) have now been withdrawn. This application will now be taken back under review by the Division.

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

---

**From:** Scott Morgan <[smorgan@cilawnm.com](mailto:smorgan@cilawnm.com)>  
**Sent:** Wednesday, May 4, 2022 2:35 PM  
**To:** Engineer, OCD, EMNRD <[OCD.Engineer@state.nm.us](mailto:OCD.Engineer@state.nm.us)>; McClure, Dean, EMNRD <[Dean.McClure@state.nm.us](mailto:Dean.McClure@state.nm.us)>  
**Cc:** [mthomas@colgateenergy.com](mailto:mthomas@colgateenergy.com); Dana Hardy <[DHardy@hinklelawfirm.com](mailto:DHardy@hinklelawfirm.com)>  
**Subject:** [EXTERNAL] Withdrawal of Surface Commingling Objection

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Good afternoon.

Please see the attached letter withdrawing Ms. Dillard's objection to Colgate's surface commingling application.

Thank you,  
Scott

Scott S. Morgan  
Cavin & Ingram, P.A.  
P. O. Box 1216  
Albuquerque, NM 87103  
Ph: 505-243-5400  
[smorgan@cilawnm.com](mailto:smorgan@cilawnm.com)  
[www.cilawnm.com](http://www.cilawnm.com)

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**From:** [Engineer, OCD, EMNRD](#)  
**To:** [Mikah Thomas](#); [Eric Schmitz](#)  
**Cc:** [Engineer, OCD, EMNRD](#)  
**Subject:** RE: [EXTERNAL] Re: Protest Withdrawal  
**Date:** Friday, May 6, 2022 12:32:10 PM

---

All protests of surface commingling application PLC-814 which involves a commingling project that includes the Dawson Shamrock Battery and is operated by Colgate Operating, LLC (371449) have now been withdrawn. This application will now be taken back under review by the Division.

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

---

**From:** Mikah Thomas <MThomas@colgateenergy.com>  
**Sent:** Wednesday, May 4, 2022 5:21 PM  
**To:** Eric Schmitz <eric@texaslandman.land>  
**Cc:** ocdonline, emnrd, EMNRD <EMNRD.OCDOnline@state.nm.us>; McClure, Dean, EMNRD <Dean.McClure@state.nm.us>  
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**Mikah Thomas | Colgate Energy**  
**[300 N Marienfeld Street | Suite 1000 | Midland, TX 79701](#)**  
O: (432) 695-4272 | C: (432) 661-7106  
Email: [mthomas@colgateenergy.com](mailto:mthomas@colgateenergy.com)

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**To:** Mikah Thomas <[MThomas@colgateenergy.com](mailto:MThomas@colgateenergy.com)>  
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**Subject:** [EXTERNAL] Re: Protest Withdrawal

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Withdrawal Confirmed provided all wells are separately metered.

Thank you,  
Eric Schmitz, CPL

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have received this in error, please reply and notify the sender (only) and delete the message. Unauthorized interception of this e-mail is a violation of federal criminal law. This communication does not reflect an intention by the sender or the sender's client or principal to conduct a transaction or make any agreement by electronic means. Nothing contained in this message or in any attachment shall satisfy the requirements for a writing, and nothing contained herein shall constitute a contract or electronic signature under the Electronic Signatures in Global and National Commerce Act, any version of the Uniform Electronic Transactions Act or any other statute governing electronic transactions.

[REDACTED]

On Wed, May 4, 2022 at 4:58 PM Mikah Thomas <[MThomas@colgateenergy.com](mailto:MThomas@colgateenergy.com)> wrote:

Good afternoon Dean,

Eric Schmitz has withdrawn the attached protest as of today at 3:56 MT.

Eric is cc'd to this email if you have any questions or concerns regarding this withdrawal.

Thank you to both of you for your time in getting this taken care of, it's much appreciated.

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**[300 N Marienfeld Street | Suite 1000 | Midland, TX 79701](#)**  
O: (432) 695-4272 | C: (432) 661-7106  
Email: [mthomas@colgateenergy.com](mailto:mthomas@colgateenergy.com)

SEALY H. CAVIN, JR. †\*  
STEPHEN D. INGRAM †  
SCOTT S. MORGAN  
BRANDON D. HAJNY\*

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**ATTORNEYS & COUNSELORS AT LAW**  
**40 FIRST PLAZA NW**  
**SUITE 610**  
**ALBUQUERQUE, NEW MEXICO 87102**

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NMOILGASLAW@CILAWNM.COM  
WWW.CILAWNM.COM

†Also Admitted in Texas  
\*Also Admitted in Colorado

April 14, 2022

New Mexico Oil Conservation Division  
Engineering Bureau  
Mr. Brandon Powell, Engineering Bureau Chief  
*OCD.Engineer@state.nm.us*  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

**Re:    *Objection to the Application for Surface Commingling (Diverse Ownership) for Colgate's Dawson 34 Federal Com #114H, #123H, #124H, #133H, and #134H Wells and Colgate's Shamrock Federal Com #121H, #122H, #131H, and #132H Wells.***

Mr. Powell,

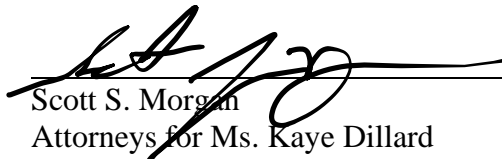
Our firm represents Ms. Kaye Dillard, in connection with the above-captioned Application for Surface Commingling (Diverse Ownership) filed by Colgate Operating, LLC (the "Application"). Our clients is an Affected Party as a non-operating working interest owners in some of the above-reference wells.

We previously object to the Application on April 14, 2022. We are now withdrawing our objection.

Please let me know if you have any questions or concerns.

Sincerely,

CAVIN & INGRAM, P.A.

  
Scott S. Morgan  
Attorneys for Ms. Kaye Dillard

cc.     Dean McClure  
         *vai e-mail to Dean.McClure@state.nm.us*

Mikah Thomas  
*via email to mthomas@colgateenergy.com*

NMOCD Engineering Bureau  
April 14, 2022  
Page 2

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

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

**ORDER NO. PLC-814**

**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. Colgate Operating, LLC (“Applicant”) submitted a complete application to surface commingle the oil and gas production from the pools, leases, and wells identified in Exhibit A (“Application”).
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 certified the commingling of oil and gas production from the pools, leases, and wells will not in reasonable probability reduce the value of the oil and gas production to less than if it had remained segregated.
7. 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 acreage of each lease to be consolidated into a single pooled area (“Pooled Area”), as described in Exhibit B.

**CONCLUSIONS OF LAW**

8. 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, 19.15.12. NMAC, and 19.15.23. NMAC.

9. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10.A.(2) NMAC, 19.15.12.10.C.(4)(c) NMAC, and 19.15.12.10.C.(4)(e) NMAC, as applicable.
10. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9.A.(5) NMAC and 19.15.23.9.A.(6) NMAC, as applicable.
11. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10.B.(1) NMAC or 19.15.12.10.C.(1) NMAC, as applicable.
12. 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) NMAC and 19.15.12.10.C.(4)(h) NMAC.
13. 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 oil and gas production from the pools, leases, and wells identified in Exhibit A.

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. 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.

No later than sixty (60) days after the BLM or NMSLO approves or denies a Proposed Agreement, Applicant shall submit a 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 commingling application to OCD to conform this Order with the approved Agreement(s). If Applicant fails to submit the new surface commingling application or OCD denies the new surface commingling application, this Order shall terminate on the date of such action.

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 until the Proposed Agreement which includes the Pooled Area is approved. After the Proposed Agreement is approved, the oil and gas production from the Pooled Area shall be allocated as required by the BLM's or NMSLO's, as applicable,



approval of the Agreement, including any production that had been allocated previously in accordance with this Order.

3. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling.
4. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15. NMAC or 19.15.23.8. NMAC.
5. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9. NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8.B. NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8.E. NMAC.
6. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10.C.(2) NMAC.
7. 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.
8. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
9. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).
10. 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 E. SANDOVAL  
DIRECTOR**

**DATE:** 5/09/2022

State of New Mexico  
Energy, Minerals and Natural Resources Department

## Exhibit A

Order: **PLC-814**

Operator: **Colgate Operating, LLC (371449)**

Central Tank Battery: **Dawson Shamrock Battery**

Central Tank Battery Location: **UL H, Section 34, Township 19 South, Range 28 East**

Gas Title Transfer Meter Location: **UL H, Section 34, Township 19 South, Range 28 East**

### Pools

| Pool Name                     | Pool Code |
|-------------------------------|-----------|
| OLD MILLMAN RANCH; BS (ASSOC) | 48035     |
| WINCHESTER; BONE SPRING       | 65010     |

### Leases as defined in 19.15.12.7(C) NMAC

| Lease        | UL or Q/Q | S-T-R      |
|--------------|-----------|------------|
| Fee          | B C D     | 33-19S-28E |
| Fee          | A         | 33-19S-28E |
| NMNM 0428657 | D         | 34-19S-28E |
| NMNM 0428657 | C         | 34-19S-28E |
| NMNM 0473362 | A B       | 34-19S-28E |
| Fee          | E F       | 33-19S-28E |
| Fee          | G         | 33-19S-28E |
| Fee          | H         | 33-19S-28E |
| NMNM 0428657 | E         | 34-19S-28E |
| NMNM 0428657 | F         | 34-19S-28E |
| NMNM 0473362 | G H       | 34-19S-28E |
| NMNM 0428657 | N/2 S/2   | 33-19S-28E |
| NMNM 0428657 | L         | 34-19S-28E |
| NMNM 0428657 | K         | 34-19S-28E |
| NMNM 0473362 | J         | 34-19S-28E |
| NMNM 0473362 | I         | 34-19S-28E |
| NMNM 0428657 | S/2 S/2   | 33-19S-28E |
| NMNM 0428657 | M         | 34-19S-28E |
| NMNM 0428657 | N         | 34-19S-28E |
| NMNM 0473362 | O P       | 34-19S-28E |

### Wells

| Well API     | Well Name                   | UL or Q/Q | S-T-R      | Pool  |
|--------------|-----------------------------|-----------|------------|-------|
| 30-015-49005 | Dawson 34 Federal Com #114H | S/2 S/2   | 33-19S-28E | 48035 |
|              |                             | S/2 S/2   | 34-19S-28E |       |
| 30-015-47704 | Dawson 34 Federal Com #123H | N/2 S/2   | 33-19S-28E | 65010 |
|              |                             | N/2 S/2   | 34-19S-28E | 48035 |
| 30-015-47603 | Dawson 34 Federal Com #124H | S/2 S/2   | 33-19S-28E | 48035 |
|              |                             | S/2 S/2   | 34-19S-28E |       |
| 30-015-47705 | Dawson 34 Federal Com #133H | N/2 S/2   | 33-19S-28E | 65010 |
|              |                             | N/2 S/2   | 34-19S-28E | 48035 |

|                     |  |                |                   |              |
|---------------------|--|----------------|-------------------|--------------|
| <b>30-015-47604</b> | <b>Dawson 34 Federal Com #134H</b>         | <b>S/2 S/2</b> | <b>33-19S-28E</b> | <b>48035</b> |
|                     |  | <b>S/2 S/2</b> | <b>34-19S-28E</b> |              |
| <b>30-015-47706</b> | <b>Shamrock 34 Federal State Com #121H</b> | <b>N/2 N/2</b> | <b>33-19S-28E</b> | <b>65010</b> |
|                     |  | <b>N/2 N/2</b> | <b>34-19S-28E</b> | <b>48035</b> |
| <b>30-015-47707</b> | <b>Shamrock 34 Federal State Com #122H</b> | <b>S/2 N/2</b> | <b>33-19S-28E</b> | <b>65010</b> |
|                     |  | <b>S/2 N/2</b> | <b>34-19S-28E</b> | <b>48035</b> |
| <b>30-015-47708</b> | <b>Shamrock 34 Federal State Com #131H</b> | <b>N/2 N/2</b> | <b>33-19S-28E</b> | <b>65010</b> |
|                     |  | <b>N/2 N/2</b> | <b>34-19S-28E</b> | <b>48035</b> |
| <b>30-015-47751</b> | <b>Shamrock 34 Federal State Com #132H</b> | <b>S/2 N/2</b> | <b>33-19S-28E</b> | <b>65010</b> |
|                     |  | <b>S/2 N/2</b> | <b>34-19S-28E</b> | <b>48035</b> |

State of New Mexico  
Energy, Minerals and Natural Resources Department

## Exhibit B

Order: **PLC-814**  
Operator: **Colgate Operating, LLC (371449)**

### Pooled Areas

| Pooled Area                | UL or Q/Q | S-T-R      | Acres | Pooled Area ID |
|----------------------------|-----------|------------|-------|----------------|
| CA Bone Spring BLM         | N/2 N/2   | 33-19S-28E | 320   | A              |
|                            | N/2 N/2   | 34-19S-28E |       |                |
| CA Bone Spring BLM         | S/2 N/2   | 33-19S-28E | 320   | B              |
|                            | S/2 N/2   | 34-19S-28E |       |                |
| CA Bone Spring BLM         | N/2 S/2   | 33-19S-28E | 320   | C              |
|                            | N/2 S/2   | 34-19S-28E |       |                |
| CA Bone Spring NMNM 144386 | S/2 S/2   | 33-19S-28E | 320   | D              |
|                            | S/2 S/2   | 34-19S-28E |       |                |

### Leases Comprising Pooled Areas

| Lease        | UL or Q/Q | S-T-R      | Acres | Pooled Area ID |
|--------------|-----------|------------|-------|----------------|
| Fee          | B C D     | 33-19S-28E | 120   | A              |
| Fee          | A         | 33-19S-28E | 40    | A              |
| NMNM 0428657 | D         | 34-19S-28E | 40    | A              |
| NMNM 0428657 | C         | 34-19S-28E | 40    | A              |
| NMNM 0473362 | A B       | 34-19S-28E | 80    | A              |
| Fee          | E F       | 33-19S-28E | 80    | B              |
| Fee          | G         | 33-19S-28E | 40    | B              |
| Fee          | H         | 33-19S-28E | 40    | B              |
| NMNM 0428657 | E         | 34-19S-28E | 40    | B              |
| NMNM 0428657 | F         | 34-19S-28E | 40    | B              |
| NMNM 0473362 | G H       | 34-19S-28E | 80    | B              |
| NMNM 0428657 | N/2 S/2   | 33-19S-28E | 160   | C              |
| NMNM 0428657 | L         | 34-19S-28E | 40    | C              |
| NMNM 0428657 | K         | 34-19S-28E | 40    | C              |
| NMNM 0473362 | J         | 34-19S-28E | 40    | C              |
| NMNM 0473362 | I         | 34-19S-28E | 40    | C              |
| NMNM 0428657 | S/2 S/2   | 33-19S-28E | 160   | D              |
| NMNM 0428657 | M         | 34-19S-28E | 40    | D              |
| NMNM 0428657 | N         | 34-19S-28E | 40    | D              |
| NMNM 0473362 | O P       | 34-19S-28E | 80    | D              |

**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 97773

**CONDITIONS**

|   |   |
|---|---|
| Operator:<br>COLGATE OPERATING, LLC<br>300 North Marienfeld Street<br>Midland, TX 79701 | OGRID:<br>371449  |
|   | Action Number:<br>97773   |
|   | Action Type:<br>[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. | 5/9/2022       |