

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 Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

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

**(B) LEASE COMMINGLING**  
Please attach sheets with the following information

- (1) Pool Name and Code. [97569] WINCHESTER; BONE SPRING, WEST  
(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: 04.18.2022

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

E-MAIL ADDRESS: mthomas@colgateenergy.com



Wells commingling production at the Big Burro-Weaver Battery:

- Big Burro 27 State Com 123H [30-015-46806]      Sec 27, T-19-S, R-28-E
- Big Burro 27 State Com 124H [30-015-46805]      Sec 27, T-19-S, R-28-E
- Big Burro 27 State Com 133H [30-015-46766]      Sec 27, T-19-S, R-28-E
- Big Burro 27 State Com 134H [30-015-46765]      Sec 27, T-19-S, R-28-E
- Weaver 27 State Com 121H [30-015-46803]      Sec 27, T-19-S, R-28-E
- Weaver 27 State Com 122H [30-015-46804]      Sec 27, T-19-S, R-28-E
- Weaver 27 State Com 131H [30-015-46768]      Sec 27, T-19-S, R-28-E
- Weaver 27 State Com 132H [30-015-46769]      Sec 27, T-19-S, R-28-E

All wells will be producing from the same pool and formation ([97569] WINCHESTER; BONE SPRING, WEST)

1. See the attached description of allocation methodology.
2. See attached map that shows lease and proposed CA boundaries, planned CTB location and the well locations. The exact location of FMPs is still undetermined but will be on the proposed CTB.
3. Well test proving paying quantities will be submitted with the well completion report.
4. No new surface disturbance is included as part of this CAA application.

300 N. Marienfeld Street, Suite 1000, Midland, Texas 79701  
P: (432) 695-4222 | F: (432) 695-4063  
[www.ColgateEnergy.com](http://www.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)**

<b>Definition of Factors, Formulas, and Assets</b>	
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

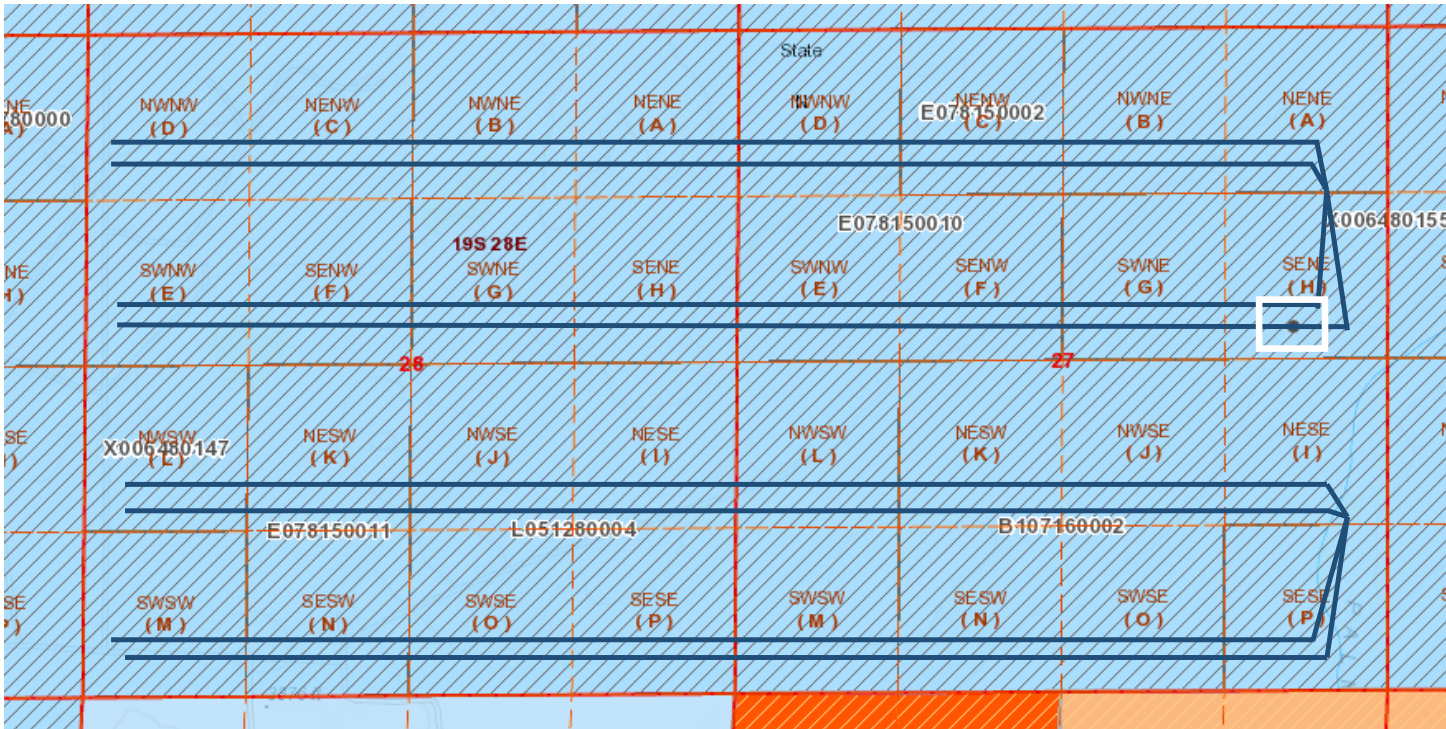
#### Water Master Tank (WMT)

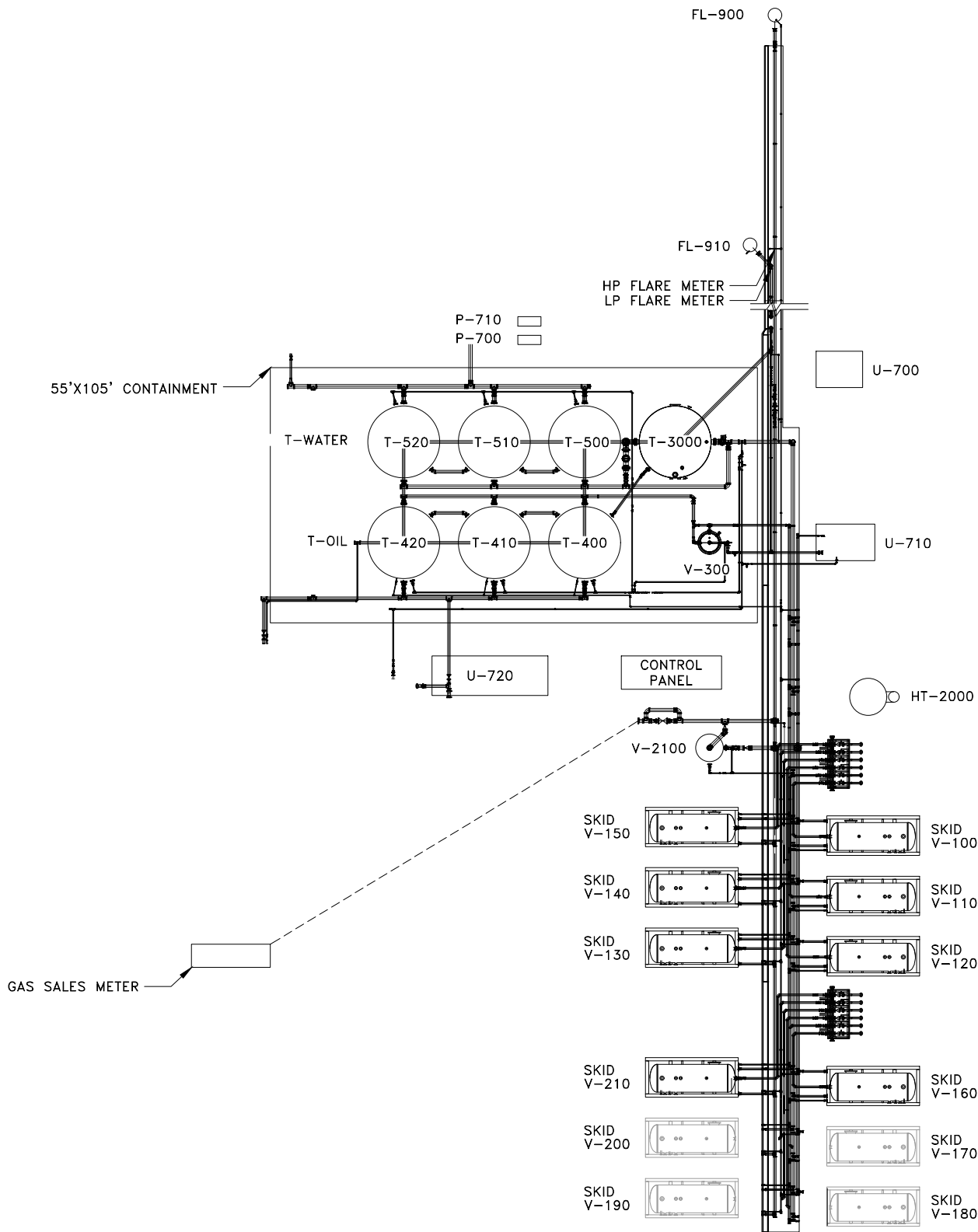
Asset	Beginning Water	Ending Water	Dispositions	Water Production
Water Tank 1 (WT1)	36.14	36.14		0.00
Water Tank 2 (WT2)	30.58	30.58		0.00
Water Tank 3 (WT3)	33.96	33.96		0.00
Water Transfer Meter			2842.00	2842.00
WMT Totals	100.68	100.68		2842.00

Colgate Operating, LLC



Big Burro 27 State Com &  
Weaver 27 State Com  
Commingle Overview Map  
  
Section 27, T19S, 28E  
Eddy County, New Mexico

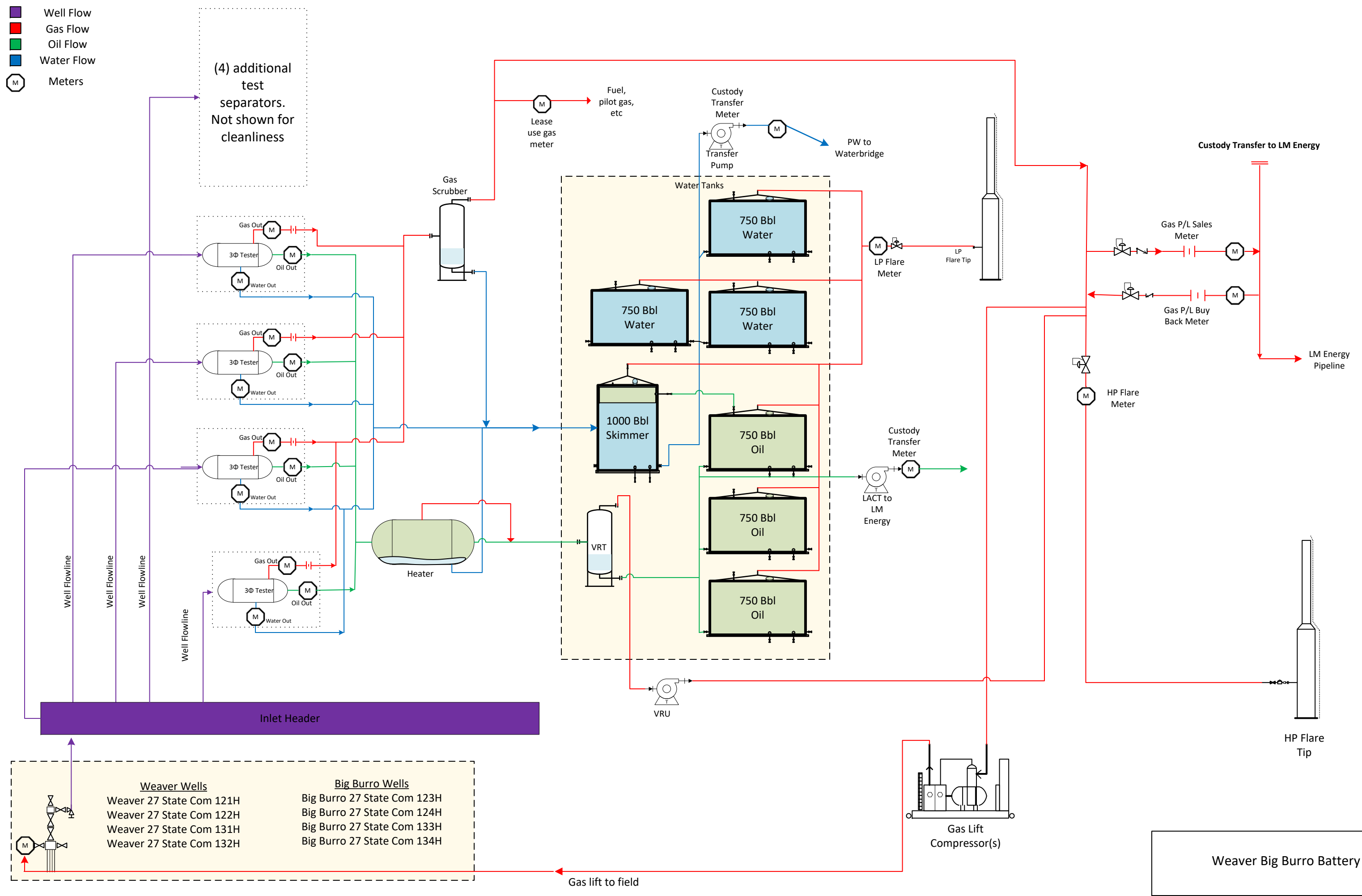
-  Section 27 and 28  
State Land
-  White boundary  
Tank Battery
-  Wellbore





- V-100 THRU 210  
3-PHASE SEPARATOR  
HZ. 3PH SEPARATOR  
72" OD X 15'-0" S/S
- HT-2000  
HEATER TREATER  
HZ, VESSEL  
96" OD X 20'-0" S/S
- V-2100  
GAS SCRUBBER  
VERT. VESSEL  
72" OD X 15'-0" S/S
- U-700  
VAPOR RECOVERY UNIT  
VAPOR RECOVERY UNIT  
20 H.P.
- U-710  
GAS RECOVERY UNIT  
GAS RECOVERY UNIT  
118 H.P.
- U-720  
LACT  
100 H.P.  
SKID: 8'-6" x 25'-0"
- V-300  
VAPOR RECOVERY TOWER  
3PH VRT  
48" OD X 45'-0" HT
- T-3000  
SKIM TANK  
SKIM TANK  
15'-6" OD X 30'-0" HT  
1000 BBL  
COLOR: BLM SHALE GREEN
- T-500 THRU 520  
WATER TANKS  
WATER STORAGE TANK  
15'-6" OD X 24'-0" HT  
750 BBL  
COLOR: BLM SHALE GREEN
- T-400 THRU 420  
OIL TANKS  
OIL STORAGE TANKS  
15'-6" OD X 24'-0" HT  
750 BBL  
COLOR: BLM SHALE GREEN
- V-320  
FLARE K.O.  
2'-0" X 5'-0"
- P-700/710  
WATER TRANSFER PUMPS  
XXX H.P. ELECTRIC PUMPS
- FS-900  
FLARE  
XX,000 MSCFD
- FS-910  
FLARE  
XX,000 MSCFD

NOTE:  <div>ISSUED FOR REVIEW</div>	REFERENCE DRAWINGS		REVISIONS						<div> <b>3S Services, LLC</b> ENGINEERING &amp; DESIGN Ph: 432-687-5611 Midland, Texas 79705 WWW.3SENGINEERINGDESIGN.COM TBPE FIRM REG. #13809 NM FIRM REG. #4545320 OKLA FIRM REG. #3712353615</div>	NOTICE		ENGINEERING RECORD		<div> <b>Weaver Big Burro Battery</b></div>			
	NO.	TITLE	NO.	DATE	DESCRIPTION	BY	CHK.	APP.		BY	DATE	DRN: MAC	07/08/21				
			A	07/09/21	ISSUED FOR REVIEW	MAC	RG					DES:					
			B	02/24/22	ISSUED FOR REVIEW	MAC						CHK:		PLOT SCALE NONE DWG. NO. D-21307-20-001			
												APP:				CAD NO.	
												AFE No.					
												FACILITY ENGR.					
												PROJ. ENGR:	PLOT SCALE NONE		DWG. NO. D-21307-20-001	REV B	
												SCALE: NONE	CAD NO.				





Affidavit of Publication

No. 26113

State of New Mexico Publisher

County of Eddy:

I, **my Scott**

being duly sworn says that he is the Publisher

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

Legal Ad

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

the 1937 Session Laws of the state of New Mexico for

1 Consecutive weeks/day on the same

day as follows:

First Publication April 21, 2022

Second Publication

Third Publication

Fourth Publication

Fifth Publication

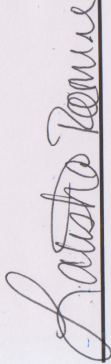
Sixth Publication

Seventh Publication

Subscribed and sworn before me this

16th day of June 2022

STATE OF NEW MEXICO  
NOTARY PUBLIC  
Latisha Romine  
Commission Number 1076338  
My Commission Expires May 12, 2023



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 Marientfield Street, Suite 1000, Midland TX 79701 is applying to the NMOCD and SLO to commingle oil and gas production from their Big Burro and Weaver wells producing from leases located in Eddy County, Sections 27 & 28, T19S-R28E. Commingling will take place at the Big Burro-Weaver Battery located in SENE of Section 27, T19S-R28E. All wells involved in the proposed commingling will be producing from the [97569] Winchester; Bone Spring, West. 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., April 21, 2022 Legal No. 26113.

addy_1	full_addy	zip_	CM_TrackingNumber
New Mexico Oil Conservation Division	New Mexico Oil Conservation Division811 S. First StreetArtesia, NM 88210		92071902956265901601299792
New Mexico Oil Conservation Division	New Mexico Oil Conservation Division1220 South St. Francis DriveSanta Fe, NM 87505		92071902956265901601299808
New Mexico State Land Office	New Mexico State Land Office310 Old Santa Fe TrailSanta Fe, NM 87504-1148		92071902956265901601299815
Nestegg Energy Corporation	Nestegg Energy Corporation2308 Sierra VistaArtesia, NM 88210-9409		92071902956265901601299822
COG Operating LLC	COG Operating LLC600 W. Illinois Ave.Midland, TX 79701	79701	92071902956265901601299839
Concho Oil & Gas LLC	Concho Oil & Gas LLC600 W. Illinois Ave.Midland, TX 79701	79701	92071902956265901601299846
Mongoose Minerals LLC	Mongoose Minerals LLC211 E 7TH ST STE 620Austin, TX 78701-3218	78701	92071902956265901601299853
Nilo Operating Company	Nilo Operating CompanyPO Box 4362Houston, TX 77210	77210	92071902956265901601299860
Redcliff Resources LC	Redcliff Resources LCPO Box 4848Wichita Falls, TX 76308	76308	92071902956265901601299877
Durango Production Corp	Durango Production CorpPO Box 4848Wichita Falls, TX 76308	76308	92071902956265901601299884
Rjventures, LLC	Rjventures, LLCPO Box 4848Wichita Falls, TX 76308	76308	92071902956265901601299891
Michael J. Bennett	Michael J. Bennett3518 Plum LaneAmarillo, TX 79109	79109	92071902956265901601299907
Greg Golladay	Greg Golladay3505 EdgewoodAmarillo, TX 79109	79109	92071902956265901601299914
Currie Smith I, Ltd.	Currie Smith I, Ltd.3602 S. WashingtonAmarillo, TX 79110	79110	92071902956265901601299921
ODS-ACS Properties, Ltd.	ODS-ACS Properties, Ltd.3602 S. WashingtonAmarillo, TX 79110	79110	92071902956265901601299938
Texilvania, Ltd.	Texilvania, Ltd.3602 S. WashingtonAmarillo, TX 79110	79110	92071902956265901601299945
Slayton Investments, LLC	Slayton Investments, LLCPO Box 2035Roswell, NM 88202		92071902956265901601299952
Santo Royalty Company, LLC	Santo Royalty Company, LLCPO Box 1020Artesia, NM 88211-1020		92071902956265901601299969
ZPZ Delaware I, LLC	ZPZ Delaware I, LLC17802 IH 10 WEST STE 300San Antonio, TX 78257	78257	92071902956265901601299976
Ted F. Gawloski	Ted F. Gawloski4120 Timberglenn CourtMidland, TX 79707	79707	92071902956265901601299983
OXY Y-1 Company	OXY Y-1 Company5 Greenway Plaza, Suite 110Houston, TX 77046	77046	92071902956265901601299990
OXY USA WTP LIMITED PARTNERSHIP	OXY USA WTP LIMITED PARTNERSHIP5 Greenway Plaza, Suite 110Houston, TX 77046	77046	92071902956265901601300009
Judith A. West	Judith A. West500 Main Ave SW #1948Cullman, AL 35055		92071902956265901601300016
Sydhon, LP	Sydhon, LPPO Box 92349Austin, TX 78709	78709	92071902956265901601300023
Winchester Energy, LLC	Winchester Energy, LLCPO Box 13540Oklahoma City, OK 73113		92071902956265901601300030
Lonsdale Resources, LLC	Lonsdale Resources, LLC2626 Cole Ave., Ste. 300Dallas, TX 75204-000	75204	92071902956265901601300160
KMK Energy, LLC	KMK Energy, LLC4506 N Walbaum RdGeary, OK 73040		92071902956265901601300047
1 Timothy 6, LLC	1 Timothy 6, LLCPO Box 30598Edmond, OK 73003-0010		92071902956265901601300054
Northern Oil & Gas, Inc.	Northern Oil & Gas, Inc.4350 Baker Road, Suite 400Minnetonka, MN 55343		92071902956265901601300061
Glenrock Capital, LLC	Glenrock Capital, LLCPO Box 2670567Dallas, TX 75367	75367	92071902956265901601300078
RSC Resources, LP	RSC Resources, LPP.O. Box 8329Horseshoe Bay, TX 78657	78657	92071902956265901601300085
Dale A. Smith	Dale A. Smith418 South PolkAmarillo, TX 79101	79101	92071902956265901601300092
Ellen Smith Bivens	Ellen Smith Bivens3602 S WashingtonAmarillo, TX 79110	79110	92071902956265901601300108
Fasken Acquisitions 02, Ltd.	Fasken Acquisitions 02, Ltd.6101 Holiday Hill RdMidland, TX 79707	79707	92071902956265901601300115
Consul Properties, LLC	Consul Properties, LLC6608 N. Western Ave. PMB-401Oklahoma City, OK 73116		92071902956265901601300122
WPX Energy Permian, LLC	WPX Energy Permian, LLC333 W. Sheridan Ave.Oklahoma City, OK 73102		92071902956265901601300139
Warwick-Artemis, LLC	Warwick-Artemis, LLC6608 N. Western Avenue, Box 417Oklahoma City, OK 73116		92071902956265901601300146
Vladin, LLC	Vladin, LLCPO Box 100Artesia, NM 88211		92071902956265901601300153



Owner Name	Street	City/State
New Mexico Oil Conservation Division	811 S. First Street	Artesia, NM 88210
New Mexico Oil Conservation Division	1220 South St. Francis Drive	Santa Fe, NM 87505
New Mexico State Land Office	310 Old Santa Fe Trail	Santa Fe, NM 87504-1148
Nestegg Energy Corporation	2308 Sierra Vista	Artesia, NM 88210-9409
COG Operating LLC	600 W. Illinois Ave.	Midland, TX 79701
Concho Oil & Gas LLC	600 W. Illinois Ave.	Midland, TX 79701
Mongoose Minerals LLC	211 E 7TH ST STE 620	Austin, TX 78701-3218
Nilo Operating Company	PO Box 4362	Houston, TX 77210
Redcliff Resources LC	PO Box 4848	Wichita Falls, TX 76308
Durango Production Corp	PO Box 4848	Wichita Falls, TX 76308
Rjventures, LLC	PO Box 4848	Wichita Falls, TX 76308
Michael J. Bennett	3518 Plum Lane	Amarillo, TX 79109
Greg Golladay	3505 Edgewood	Amarillo, TX 79109
Currie Smith I, Ltd.	3602 S. Washington	Amarillo, TX 79110
ODS-ACS Properties, Ltd.	3602 S. Washington	Amarillo, TX 79110
Texilvania, Ltd.	3602 S. Washington	Amarillo, TX 79110
Slayton Investments, LLC	PO Box 2035	Roswell, NM 88202
Santo Royalty Company, LLC	PO Box 1020	Artesia, NM 88211-1020
ZPZ Delaware I, LLC	17802 IH 10 WEST STE 300	San Antonio, TX 78257
Ted F. Gawloski	4120 Timberglen Court	Midland, TX 79707
OXY Y-1 Company	5 Greenway Plaza, Suite 110	Houston, TX 77046
OXY USA WTP LIMITED PARTNERSHIP	5 Greenway Plaza, Suite 110	Houston, TX 77046
Judith A. West	500 Main Ave SW #1948	Cullman, AL 35055
Sydhan, LP	PO Box 92349	Austin, TX 78709
Winchester Energy, LLC	PO Box 13540	Oklahoma City, OK 73113
Lonsdale Resources, LLC	2626 Cole Ave., Ste. 300	Dallas, TX 75204-000
KMK Energy, LLC	4506 N Walbaum Rd	Geary, OK 73040
1 Timothy 6, LLC	PO Box 30598	Edmond, OK 73003-0010
Northern Oil & Gas, Inc.	4350 Baker Road, Suite 400	Minnetonka, MN 55343
Glenrock Capital, LLC	PO Box 2670567	Dallas, TX 75367
RSC Resources, LP	P.O. Box 8329	Horseshoe Bay, TX 78657
Dale A. Smith	418 South Polk	Amarillo, Texas 79101
Ellen Smith Bivens	3602 S Washington	Amarillo, TX 79110
Fasken Acquisitions 02, Ltd.	6101 Holiday Hill Rd	Midland, TX 79707
Consul Properties, LLC	6608 N. Western Ave. PMB-401	Oklahoma City, OK 73116
WPX Energy Permian, LLC	333 W. Sheridan Ave.	Oklahoma City, OK 73102
Warwick-Artemis, LLC	6608 N. Western Avenue, Box 417	Oklahoma City, OK 73116
F/Z Association	Address Unknown	
Vladin, LLC	PO Box 100	Artesia, NM 88211



## Shipment Receipt

## Address Information

## Ship to:

Attn: Commingling Manager  
Commissioner of Public Lands  
310 Old Santa Fe Trail

SANTA FE, NM  
87501  
US  
4326954222

## Ship from:

Colgate Energy Partners, LLC  
Colgate Energy Partners, LLC  
300 N Marienfeld St  
Suite 1000  
Midland, TX  
79701  
US  
4326954222

## Shipment Information:

Tracking no.: 272303923453  
Ship date: 04/22/2022  
Estimated shipping charges: 18.74 USD

## Package Information

Pricing option: FedEx Standard Rate  
Service type: FedEx 2Day  
Package type: FedEx Envelope  
Number of packages: 1  
Total weight: 0.20 LBS  
Declared Value: 0.00 USD  
Special Services:  
Pickup/Drop-off: Drop off package at FedEx location

## Billing Information:

Bill transportation to: My Account - 466-466

Your reference:

P.O. no.:

Invoice no.:

Department no.:

*Big Burn - Weaver Battery*  
*Toro - Rincon Battery*

Thank you for shipping online with FedEx ShipManager at [fedex.com](https://fedex.com).

## Please Note

FedEx will not be responsible for any claim in excess of \$100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim. Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of \$100 or the authorized declared value. Recovery cannot exceed actual documented loss. Maximum for items of extraordinary value is \$1000, e.g., jewelry, precious metals, negotiable instruments and other items listed in our Service Guide. Written claims must be filed within strict time limits; Consult the applicable FedEx Service Guide for details.

The estimated shipping charge may be different than the actual charges for your shipment. Differences may occur based on actual weight, dimensions, and other factors. Consult the applicable [FedEx Service Guide](#) or the FedEx Rate Sheets for details on how shipping charges are calculated.

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

Form C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number	2 Pool Code	3 Pool Name
4 Property Code	5 Property Name BIG BURRO 27 STATE COM	6 Well Number 133H
7 OGRID No. 371449	8 Operator Name COLGATE ENERGY LLC	9 Elevation 3340.3'

<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	27	19-S	28-E		1139'	SOUTH	104'	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	28	19-S	28-E		1778'	SOUTH	33'	WEST	EDDY

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

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

<p>16</p> <p><b>CORNER DATA</b> NEW MEXICO EAST - NAD 83</p> <p>A. FOUND IRON PIPE W/ BRASS CAP N:596170.19' E:585579.70'</p> <p>B. FOUND IRON PIPE W/ BRASS CAP N:596193.40' E:588185.13'</p> <p>C. FOUND IRON PIPE W/ BRASS CAP N:596216.35' E:590789.98'</p> <p>D. FOUND IRON PIPE W/ BRASS CAP N:596236.89' E:593385.18'</p> <p>E. FOUND IRON PIPE W/ BRASS CAP N:596258.72' E:595984.31'</p> <p>F. FOUND IRON PIPE W/ BRASS CAP N:593620.12' E:595984.04'</p> <p>G. FOUND IRON PIPE W/ BRASS CAP N:590981.15' E:595983.74'</p> <p>H. FOUND IRON PIPE W/ BRASS CAP N:590962.75' E:593372.54'</p> <p>I. FOUND IRON PIPE W/ BRASS CAP N:590945.00' E:590760.68'</p> <p>J. FOUND 5/8" IRON ROD W/ ALUMINUM CAP N:590925.86' E:588152.01'</p> <p>K. FOUND IRON PIPE W/ BRASS CAP N:590907.03' E:585541.35'</p> <p>L. FOUND IRON PIPE W/ BRASS CAP N:593538.25' E:585560.00'</p> <p>M. FOUND IRON PIPE W/ BRASS CAP N:593580.23' E:590775.84'</p> <p><b>SURFACE HOLE LOCATION (SHL)</b> NEW MEXICO EAST - NAD 83 X=595879.91 LAT.= 32.62766243° N Y=592119.90 LONG.= 104.15616588° W NEW MEXICO EAST - NAD 27 X=554699.96 LAT.= 32.62754520° N Y=592058.05 LONG.= 0.00000000° W MD = 18,725'</p> <p><b>FIRST TAKE POINT (FTP)</b> NEW MEXICO EAST - NAD 83 X=595767.08 LAT.= 32.62946998° N Y=592777.31 LONG.= 104.15652883° W NEW MEXICO EAST - NAD 27 X=554587.14 LAT.= 32.62935277° N Y=592715.44 LONG.= 0.00000000° W MD = 8,571'</p> <p><b>LAST TAKE POINT (LTP)</b> NEW MEXICO EAST - NAD 83 X=585652.22 LAT.= 32.62925967° N Y=592685.53 LONG.= 104.18938540° W NEW MEXICO EAST - NAD 27 X=544472.30 LAT.= 32.62914280° N Y=592623.74 LONG.= 0.00000000° W MD = 18,725'</p> <p><b>BOTTOM HOLE LOCATION (BHL)</b> NEW MEXICO EAST - NAD 83 X=585587.15 LAT.= 32.62925889° N Y=592685.16 LONG.= 104.18959676° W NEW MEXICO EAST - NAD 27 X=544407.23 LAT.= 32.62914203° N Y=592623.37 LONG.= 0.00000000° W MD = 18,790'</p>	<p><b>17 OPERATOR CERTIFICATION</b> 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> 03.23.2022 Signature Date</p> <p>Mikah Thomas Printed Name</p> <p>mthomas@colgateenergy.com E-mail Address</p> <p><b>18 SURVEYOR CERTIFICATION</b> I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey: <i>[Signature]</i> Signature and Seal of Professional Surveyor:</p> <p><b>MARK J. MURRAY</b> NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR 12177</p> <p>3/16/2022 Certificate Number</p>
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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> 30-015-46765	<b>2 Pool Code</b> 97569	<b>3 Pool Name</b> WINCHESTER; BONE SPRING, WEST
<b>4 Property Code</b> 327171	<b>5 Property Name</b> BIG BURRO 27 STATE COM	<b>6 Well Number</b> 134H
<b>7 OGRID No.</b> 371449	<b>8 Operator Name</b> COLGATE ENERGY LLC	<b>9 Elevation</b> 3339.4'

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

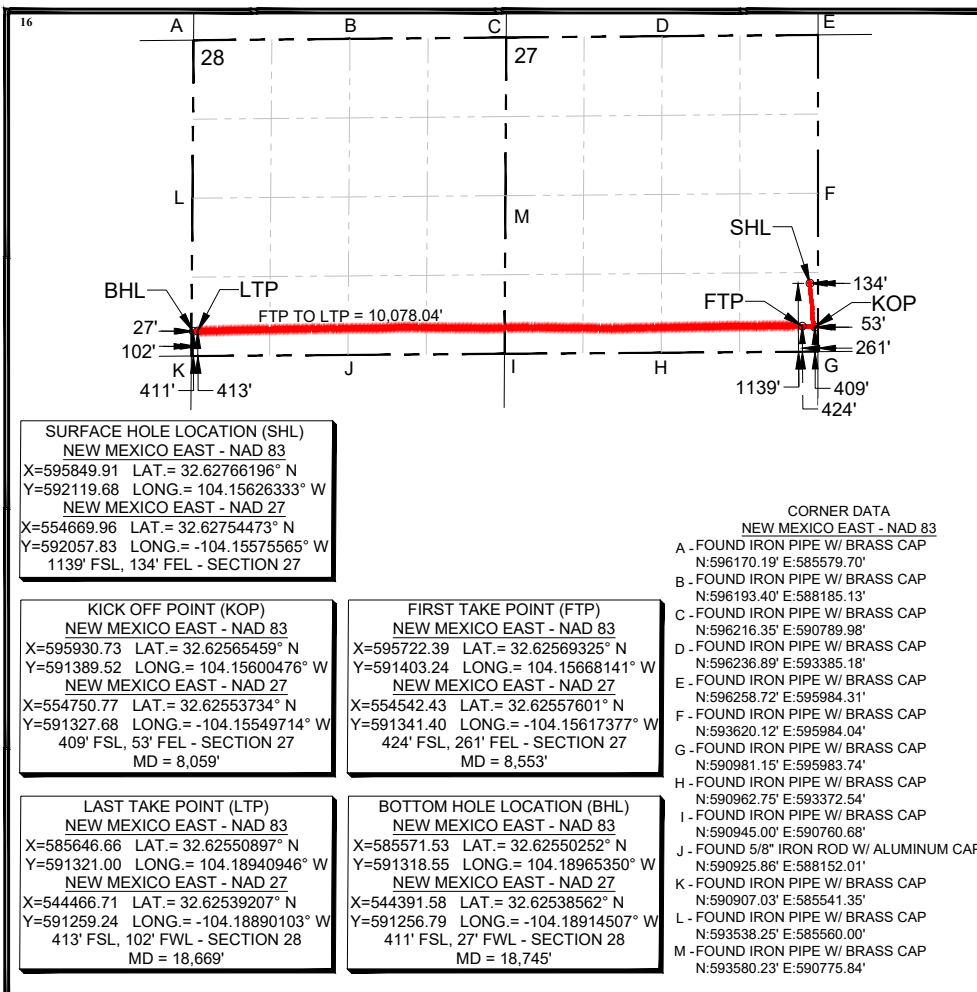
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	27	19-S	28-E		1139'	SOUTH	134'	EAST	EDDY

**<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	28	19-S	28-E		411'	SOUTH	27'	WEST	EDDY

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

**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: *Mikah Thomas* Date: 03.30.2022

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: *3/30/2022*  
Signature and Seal of Professional Surveyor:

*MARK J. MURRAY*  
NEW MEXICO  
REGISTERED PROFESSIONAL SURVEYOR  
12177  
3/30/2022

Certificate Number



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Phone: (505) 476-3460 Fax: (505) 476-3462

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OIL CONSERVATION DIVISION  
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X AMENDED REPORT  
new SHL below

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number <b>30-015-46806</b>	2 Pool Code <b>97569</b>	3 Pool Name <b>WINCHESTER; BONE SPRING, WEST</b>
4 Property Code <b>327171</b>	5 Property Name <b>BIG BURRO 27 STATE COM</b>	6 Well Number <b>123H</b>
7 OGRID No. <b>371449</b>	8 Operator Name <b>COLGATE OPERATING, LLC</b>	9 Elevation <b>3336.9'</b>

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	27	19-S	28-E		1390'	SOUTH	160'	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
L	28	19-S	28-E		1650'	SOUTH	10'	WEST	EDDY

12 Dedicated Acres <b>320.00</b>	13 Joint or Infill	14 Consolidation Code <b>C</b>	15 Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p>16</p> <p><b>SURFACE HOLE LOCATION (SHL)</b> NEW MEXICO EAST - NAD 83 X=595823.93 LAT. = 32.62835131° N Y=592370.42 LONG. = 104.15634638° W NEW MEXICO EAST - NAD 27 X=554643.98 LAT. = 32.62823409° N Y=592308.57 LONG. = -104.15583869° W 1390' FSL, 160' FEL - SECTION 27</p> <p><b>FIRST TAKE POINT (FTP)</b> NEW MEXICO EAST - NAD 83 X=595883.93 LAT. = 32.62906589° N Y=592630.49 LONG. = 104.15615007° W NEW MEXICO EAST - NAD 27 X=554703.99 LAT. = 32.62894867° N Y=592568.63 LONG. = -104.15564235° W 1650' FSL, 100' FEL - SECTION 27</p> <p><b>LAST TAKE POINT (LTP)</b> NEW MEXICO EAST - NAD 83 X=585653.05 LAT. = 32.62890880° N Y=592557.88 LONG. = 104.18938327° W NEW MEXICO EAST - NAD 27 X=544473.12 LAT. = 32.62879193° N Y=592496.10 LONG. = -104.18887476° W 1650' FSL, 100' FWL - SECTION 28</p> <p><b>BOTTOM HOLE LOCATION (BHL)</b> NEW MEXICO EAST - NAD 83 X=544383.11 LAT. = 32.62879048° N Y=592495.45 LONG. = -104.18916712° W 1650' FSL, 10' FWL - SECTION 28</p> <p><b>CORNER DATA</b> NEW MEXICO EAST - NAD 83 A - FOUND IRON PIPE W/ BRASS CAP N:596170.19' E:585579.70' B - FOUND IRON PIPE W/ BRASS CAP N:596193.40' E:588185.13' C - FOUND IRON PIPE W/ BRASS CAP N:596216.35' E:590789.98' D - FOUND IRON PIPE W/ BRASS CAP N:596236.89' E:593385.18' E - FOUND IRON PIPE W/ BRASS CAP N:596258.72' E:595984.31' F - FOUND IRON PIPE W/ BRASS CAP N:593620.12' E:595984.04' G - FOUND IRON PIPE W/ BRASS CAP N:590981.15' E:595983.74' H - FOUND IRON PIPE W/ BRASS CAP N:590962.75' E:593372.54' I - FOUND IRON PIPE W/ BRASS CAP N:590945.00' E:590760.88' J - FOUND 5/8" IRON ROD W/ ALUMINUM CAP N:590925.86' E:588152.01' K - FOUND IRON PIPE W/ BRASS CAP N:590907.03' E:585541.35' L - FOUND IRON PIPE W/ BRASS CAP N:593538.25' E:585560.00' M - FOUND IRON PIPE W/ BRASS CAP N:593580.23' E:590775.84'</p>	<p><b>17 OPERATOR CERTIFICATION</b> 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> <b>7-25-21</b> Signature Date <b>BRIAN WOOD</b> Printed Name <b>brian@permitswest.com</b> E-mail Address <b>505 466-8120</b></p> <p><b>18 SURVEYOR CERTIFICATION</b> I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey Signature and Seal of Professional Surveyor: <i>[Signature]</i> <b>MARK J. MURRAY</b> <b>NEW MEXICO</b> <b>12177</b> <b>REGISTERED PROFESSIONAL SURVEYOR</b> 6/1/2021 Certificate Number</p>
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new SHL below

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number <b>30-015-46805</b>	2 Pool Code <b>97569</b>	3 Pool Name <b>WINCHESTER; BONE SPRING, WEST</b>
4 Property Code <b>327171</b>	5 Property Name <b>BIG BURRO 27 STATE COM</b>	
6 Well Number <b>124H</b>	7 OGRID No. <b>371449</b>	
8 Operator Name <b>COLGATE OPERATING, LLC</b>		9 Elevation <b>3340.0'</b>

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	27	19-S	28-E		1300'	SOUTH	160'	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	28	19-S	28-E		330'	SOUTH	10'	WEST	EDDY

12 Dedicated Acres <b>320.00</b>	13 Joint or Infill	14 Consolidation Code <b>C</b>	15 Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p>16</p>		<p><b>17 OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Brian Wood</i> <b>7-25-21</b></p> <p>Signature _____ Date _____</p> <p><b>BRIAN WOOD</b></p> <p>Printed Name _____</p> <p><b>brian@permitswest.com</b></p> <p>E-mail Address _____</p> <p><b>505 466-8120</b></p>
<p><b>CORNER DATA</b> NEW MEXICO EAST - NAD 83</p> <p>A - FOUND IRON PIPE W/ BRASS CAP N:596170.19' E:585579.70'</p> <p>B - FOUND IRON PIPE W/ BRASS CAP N:596193.40' E:588185.13'</p> <p>C - FOUND IRON PIPE W/ BRASS CAP N:596216.35' E:590789.98'</p> <p>D - FOUND IRON PIPE W/ BRASS CAP N:596236.89' E:593385.18'</p> <p>E - FOUND IRON PIPE W/ BRASS CAP N:596258.72' E:595984.31'</p> <p>F - FOUND IRON PIPE W/ BRASS CAP N:593620.12' E:595984.04'</p> <p>G - FOUND IRON PIPE W/ BRASS CAP N:590981.15' E:595983.74'</p> <p>H - FOUND IRON PIPE W/ BRASS CAP N:590962.75' E:593372.54'</p> <p>I - FOUND IRON PIPE W/ BRASS CAP N:590945.00' E:590760.88'</p> <p>J - FOUND 5/8" IRON ROD W/ ALUMINUM CAP N:590925.86' E:588152.01'</p> <p>K - FOUND IRON PIPE W/ BRASS CAP N:590907.03' E:585541.35'</p> <p>L - FOUND IRON PIPE W/ BRASS CAP N:593538.25' E:585560.00'</p> <p>M - FOUND IRON PIPE W/ BRASS CAP N:593580.23' E:590775.84'</p>		<p><b>18 SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor: <i>Mark J. Murray</i></p> <p><b>MARK J. MURRAY</b> NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR 12177</p> <p>Certificate Number _____</p> <p>6/1/2021</p>

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

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

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<b>1 API Number</b> 30-015-46768	<b>2 Pool Code</b> 97569	<b>3 Pool Name</b> WINCHESTER; BONE SPRING, WEST
<b>4 Property Code</b> 327176	<b>5 Property Name</b> WEAVER 27 STATE COM	<b>6 Well Number</b> 131H
<b>7 OGRID No.</b> 371449	<b>8 Operator Name</b> COLGATE ENERGY LLC	<b>9 Elevation</b> 3353.80'

**10 Surface Location**

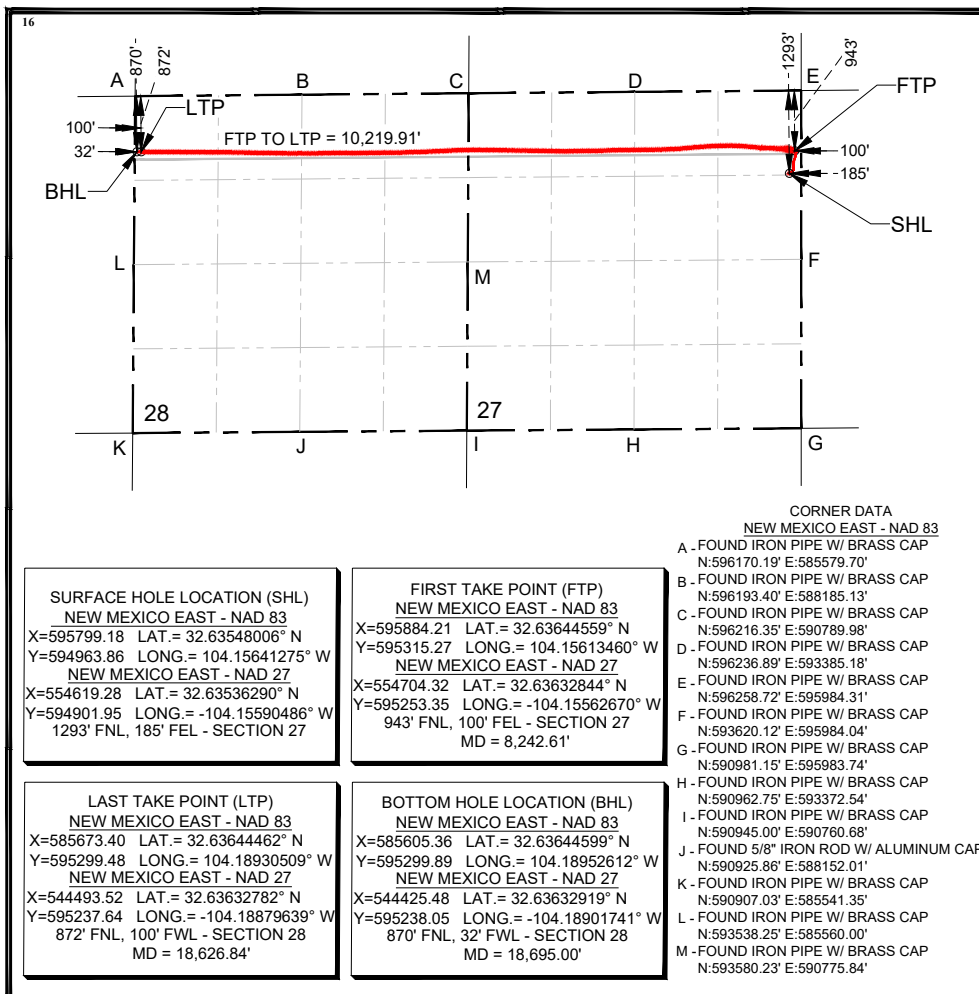
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	27	19-S	28-E		1293'	NORTH	185'	EAST	EDDY

**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	28	19-S	28-E		870'	NORTH	32'	WEST	EDDY

<b>12 Dedicated Acres</b>	<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**

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* 03.16.2022  
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: 3/15/2022  
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

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Phone: (575) 748-1283 Fax: (575) 748-9720

**District III**  
1000 Rio Brazos Road, Aztec, NM 87410  
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-015-46769	2 Pool Code 97569	3 Pool Name WINCHESTER; BONE SPRING, WEST
4 Property Code 327176	5 Property Name WEAVER 27 STATE COM	6 Well Number 132H
7 OGRID No. 371449	8 Operator Name COLGATE OPERATING, LLC	9 Elevation 3353.5'

<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
H	27	19-S	28-E		1338'	NORTH	185'	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
E	28	19-S	28-E		2225'	NORTH	33'	WEST	EDDY

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

**16**

**CORNER DATA**  
NEW MEXICO EAST - NAD 83

A - FOUND IRON PIPE W/ BRASS CAP  
N:596170.19' E:585579.70'

B - FOUND IRON PIPE W/ BRASS CAP  
N:596193.40' E:588185.13'

C - FOUND IRON PIPE W/ BRASS CAP  
N:596216.35' E:590789.98'

D - FOUND IRON PIPE W/ BRASS CAP  
N:596236.89' E:593385.18'

E - FOUND IRON PIPE W/ BRASS CAP  
N:596258.72' E:595984.31'

F - FOUND IRON PIPE W/ BRASS CAP  
N:593620.12' E:595984.04'

G - FOUND IRON PIPE W/ BRASS CAP  
N:590981.15' E:595983.74'

H - FOUND IRON PIPE W/ BRASS CAP  
N:590962.75' E:593372.54'

I - FOUND IRON PIPE W/ BRASS CAP  
N:590945.00' E:590760.68'

J - FOUND 5/8" IRON ROD W/ ALUMINUM CAP  
N:590925.86' E:588152.01'

K - FOUND IRON PIPE W/ BRASS CAP  
N:590907.03' E:585541.35'

L - FOUND IRON PIPE W/ BRASS CAP  
N:593538.25' E:585560.00'

M - FOUND IRON PIPE W/ BRASS CAP  
N:593580.23' E:590775.84'

**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]* 03.30.2022  
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: 3/30/2022  
Signature and Seal of Professional Surveyor: *[Signature]*

Certificate Number: 12177

**SURFACE HOLE LOCATION (SHL)**  
NEW MEXICO EAST - NAD 83  
X=595799.19 LAT.= 32.63535649° N  
Y=594918.91 LONG.= 104.15641295° W  
NEW MEXICO EAST - NAD 27  
X=554619.29 LAT.= 32.63523933° N  
Y=594857.00 LONG.= -104.15590506° W  
1338' FNL, 185' FEL - SECTION 27

**FIRST TAKE POINT (FTP)**  
NEW MEXICO EAST - NAD 83  
X=595713.06 LAT.= 32.63300001° N  
Y=594061.46 LONG.= 104.15669739° W  
NEW MEXICO EAST - NAD 27  
X=554533.14 LAT.= 32.63288283° N  
Y=593999.57 LONG.= -104.15618956° W  
2195' FNL, 271' FEL - SECTION 27  
MD = 8,536.01'

**LAST TAKE POINT (LTP)**  
NEW MEXICO EAST - NAD 83  
X=585663.86 LAT.= 32.63272527° N  
Y=593946.35 LONG.= 104.18934205° W  
NEW MEXICO EAST - NAD 27  
X=544483.95 LAT.= 32.63260844° N  
Y=593884.54 LONG.= -104.18883344° W  
2224' FNL, 101' FWL - SECTION 28  
MD = 18,642.54'

**BOTTOM HOLE LOCATION (BHL)**  
NEW MEXICO EAST - NAD 83  
X=585596.44 LAT.= 32.63272187° N  
Y=593945.02 LONG.= 104.18956106° W  
NEW MEXICO EAST - NAD 27  
X=544416.53 LAT.= 32.63260503° N  
Y=593883.21 LONG.= -104.18905244° W  
2225' FNL, 33' FWL - SECTION 28  
MD = 18,710.00'



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**X** AMENDED REPORT  
new SHL below

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number <b>30-015-46803</b>		2 Pool Code <b>97569</b>		3 Pool Name <b>WINCHESTER; BONE SPRING, WEST</b>	
4 Property Code <b>327176</b>		5 Property Name <b>WEAVER 27 STATE COM</b>			6 Well Number <b>121H</b>
7 OGRID No. <b>371449</b>		8 Operator Name <b>COLGATE OPERATING, LLC</b>			9 Elevation <b>3353.2'</b>

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
A	27	19-S	28-E		1248'	NORTH	185'	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	28	19-S	28-E		990'	NORTH	10'	WEST	EDDY

12 Dedicated Acres <b>320.00</b>	13 Joint or Infill	14 Consolidation Code <b>C</b>	15 Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p>16</p>		<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Brian Wood</i> 7-25-21</p> <p>Signature _____ Date</p> <p><b>BRIAN WOOD</b></p> <p>Printed Name _____</p> <p><b>brian@permitswest.com</b></p> <p>E-mail Address _____</p> <p><b>505 466-8120</b></p>
<p>18 SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>MARK J. MURRAY NEW MEXICO 12177 REGISTERED PROFESSIONAL SURVEYOR</p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor: _____</p> <p>6/1/2021</p> <p>Certificate Number _____</p>		



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**X** AMENDED REPORT  
new SHL below

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1 API Number <b>30-015-46804</b>	2 Pool Code <b>97569</b>	3 Pool Name <b>WINCHESTER; BONE SPRING, WEST</b>
4 Property Code <b>327176</b>	5 Property Name <b>WEAVER 27 STATE COM</b>	6 Well Number <b>122H</b>
7 OGRID No. <b>371449</b>	8 Operator Name <b>COLGATE OPERATING, LLC</b>	9 Elevation <b>3351.7'</b>

**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	27	19-S	28-E		1383'	NORTH	185'	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	28	19-S	28-E		2310'	NORTH	10'	WEST	EDDY

12 Dedicated Acres <b>320.00</b>	13 Joint or Infill	14 Consolidation Code <b>C</b>	15 Order No.
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	<p><b>17 OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Brian Wood</i> <b>7-25-21</b></p> <p>Signature <b>BRIAN WOOD</b> Date</p> <p>Printed Name <b>brian@permitswest.com</b></p> <p>E-mail Address <b>505 466-8120</b></p>
<p><b>CORNER DATA</b> NEW MEXICO EAST - NAD 83</p> <p>A - FOUND IRON PIPE W/ BRASS CAP N:596170.19' E:585579.70'</p> <p>B - FOUND IRON PIPE W/ BRASS CAP N:596193.40' E:588185.13'</p> <p>C - FOUND IRON PIPE W/ BRASS CAP N:596216.35' E:590789.98'</p> <p>D - FOUND IRON PIPE W/ BRASS CAP N:596236.89' E:593385.18'</p> <p>E - FOUND IRON PIPE W/ BRASS CAP N:596258.72' E:595984.31'</p> <p>F - FOUND IRON PIPE W/ BRASS CAP N:593620.12' E:595984.04'</p> <p>G - FOUND IRON PIPE W/ BRASS CAP N:590981.15' E:595983.74'</p> <p>H - FOUND IRON PIPE W/ BRASS CAP N:590962.75' E:593372.54'</p> <p>I - FOUND IRON PIPE W/ BRASS CAP N:590945.00' E:590760.88'</p> <p>J - FOUND 5/8" IRON ROD W/ ALUMINUM CAP N:590925.86' E:588152.01'</p> <p>K - FOUND IRON PIPE W/ BRASS CAP N:590907.03' E:585541.35'</p> <p>L - FOUND IRON PIPE W/ BRASS CAP N:593538.25' E:585560.00'</p> <p>M - FOUND IRON PIPE W/ BRASS CAP N:593580.23' E:590775.84'</p>	<p><b>18 SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>MARK J. MURRAY NEW MEXICO 12177 REGISTERED PROFESSIONAL SURVEYOR</p> <p>Date of Survey <b>6/1/2021</b></p> <p>Signature and Seal of Professional Surveyor</p> <p>Certificate Number</p>



**NEW MEXICO STATE LAND OFFICE**

## CERTIFICATE OF APPROVAL

**COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO**

**Colgate Operating LLC**  
**Big Burro 27 State Com #133H**  
**Bone Spring**  
**Township: 19 South, Range: 28 East, NMPM**  
**Section 27: N2S2**  
**Section 28: N2S2**


**Eddy County, New Mexico**

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated **August 01, 2020**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

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

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

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 4<sup>th</sup> day of May, 2022.

  
**COMMISSIONER OF PUBLIC LANDS**  
of the State of New Mexico

**STATE/STATE OR  
STATE/FEE**  
Revised December 2021

### ONLINE Version

API #: 30-0 15 - 46766

COUNTY OF EDDY )

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

WHEREAS, the parties hereto, own working, royalty, or other leasehold interests or operating rights under the oil and gas leases and lands subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, which leases are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

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

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

State/State

2022年12月24日

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

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

Subdivisions: N/2S/2

Of Sect(s): 27 & 28 Twp: 19S Rng: 28E NMPM Eddy County, NM

Containing 320.0 acres, more or less. It is the judgment of the parties hereto that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

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

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

2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.
3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals under the terms of said leases shall not be affected by this agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this agreement shall remain in full force and effect as originally issued and amended.

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December 9, 2021

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4. Colgate Operating, LLC shall be the Operator of the said communitized area and all matters of operation shall be determined and performed by Colgate Operating, LLC.

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

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

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

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

9. This agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules, and regulations; provided, that this agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized

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version  
December 9, 2021

State/State

3

6/22/2022 1:11:40 PM

area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence. As to State Trust Lands, written notice of intention to commence such operations shall be filed with the Commissioner of Public Lands within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.

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

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

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

13. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instruments, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

14. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.

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

OPERATOR: Colgate Operating, LLC

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December 9, 2021

State/State

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4

2022 APR 26 AM 9:43

OPERATOR: Colgate Operating, LLCBY: Brandon Gaynor - Senior Vice President (Name and Title of Authorized Agent)

(Signature of Authorized Agent)

pc mch

**Acknowledgment in an Individual Capacity**State of \_\_\_\_\_ )  
SS)  
County of \_\_\_\_\_ )

This instrument was acknowledged before me on \_\_\_\_\_

Date

By \_\_\_\_\_

Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

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

**Acknowledgment in an Representative Capacity**State of Texas )  
SS)  
County of Midland )

This instrument was acknowledged before me on \_\_\_\_\_

Date : 4-22-22By: Brandon Gaynor

Name(s) of Person(s)

as Senior Vice President

Type of authority, e.g., officer, trustee, etc

of Colgate Operating, LLC

Name of Party on behalf of whom instrument was executed



Signature of Notarial Officer

My commission expires: 5-29-2026



Lease # and Lessee of Record: B-10716 & OXY Y-1 Company

JIG

BY: James Laning, Attorney-in-Fact (Name and Title of Authorized Agent)

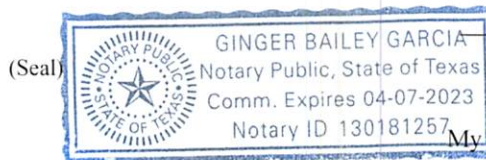
[Signature] (Signature of Authorized Agent)

## Acknowledgment in an Individual Capacity

State of Texas )  
 )  
 County of Harris )

This instrument was acknowledged before me on April 5, 2022 Date

By James Laning, Attorney-in-Fact of Oxy Y-1 company, a New Mexico corporation, on behalf of said corporation.  
 Name(s) of Person(s)



[Signature]

Signature of Notarial Officer

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

## Acknowledgment in an Representative Capacity

State of \_\_\_\_\_ )  
 )  
 County of \_\_\_\_\_ )

This instrument was acknowledged before me on \_\_\_\_\_

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

By: \_\_\_\_\_  
 Name(s) of Person(s)

as \_\_\_\_\_ of \_\_\_\_\_  
 Type of authority, e.g., officer, trustee, etc. Name of Party on behalf of whom instrument was executed

(Seal)

Signature of Notarial Officer

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

2022 APR 26 AM 9:43

Lease # and Lessee of Record: X-648 and WPX Energy Permian, LLCBY: Lindsey Miles, Land Manager (Name and Title of Authorized Agent)

[Signature] (Signature of Authorized Agent)

**Acknowledgment in an Individual Capacity**

State of \_\_\_\_\_ )  
 County of \_\_\_\_\_ )

This instrument was acknowledged before me on

Date

By

Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

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

**Acknowledgment in an Representative Capacity**

State of Oklahoma )  
 County of Oklahoma )

This instrument was acknowledged before me on

Date : 3/16/2022By: Lindsey Miles

Name(s) of Person(s)

as Land Manager

Type of authority, e.g., officer, trustee, etc

(Seal)

of WPX Energy Permian, LLC

Name of Party on behalf of whom instrument was executed



Clint Dake

Signature of Notarial Officer

My commission expires: 5/7/23

Lease # and Lessee of Record: X-648 and OXY USA WTP LIMITED PARTNERSHIP *JIG*BY: James Lanning, Attorney-in-Fact (Name and Title of Authorized Agent)

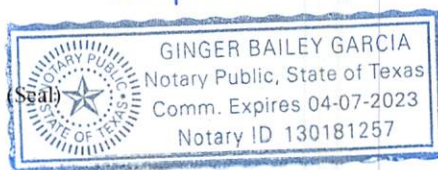
*[Signature]* (Signature of Authorized Agent)

## Acknowledgment in an Individual Capacity

State of Texas )  
 )  
 County of Harris )

This instrument was acknowledged before me on April 5, 2022, Date

By James Lanning, Attorney-in-Fact of Oxy USA WTP Limited Partnership,  
a Delaware Limited Partnership. Name(s) of Person(s)



*[Signature]*  
 Signature of Notarial Officer

My commission expires: 4/7/2023

## Acknowledgment in an Representative Capacity

State of \_\_\_\_\_ )  
 )  
 County of \_\_\_\_\_ )

This instrument was acknowledged before me on \_\_\_\_\_

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

By: \_\_\_\_\_  
 Name(s) of Person(s)

as \_\_\_\_\_ of \_\_\_\_\_  
 Type of authority, e.g., officer, trustee, etc. Name of Party on behalf of whom instrument was executed

(Seal)

Signature of Notarial Officer

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

Lease # and Lessee of Record: L-5128 and OXY USA WTP LIMITED PARTNERSHIP

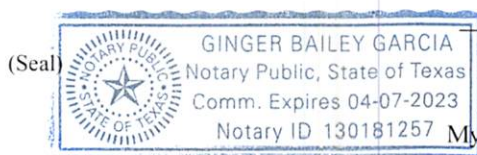
BY: James Lanning, Attorney-in-Fact (Name and Title of Authorized Agent)

[Signature] (Signature of Authorized Agent)

### Acknowledgment in an Individual Capacity

State of Texas )  
 )  
County of Harris )

This instrument was acknowledged before me on April 5, 2022 Date  
By James Lanning, Attorney-in-Fact of OXY USA WTP Limited Partnership  
a Delaware limited partnership Name(s) of Person(s)



[Signature]

Signature of Notarial Officer

My commission expires: 4/7/2023

### Acknowledgment in an Representative Capacity

State of \_\_\_\_\_ )  
 )  
County of \_\_\_\_\_ )

This instrument was acknowledged before me on \_\_\_\_\_ Date : \_\_\_\_\_

By: \_\_\_\_\_  
Name(s) of Person(s)

as \_\_\_\_\_ of \_\_\_\_\_  
Type of authority, e.g., officer, trustee, etc Name of Party on behalf of whom instrument was executed

(Seal)

\_\_\_\_\_  
Signature of Notarial Officer

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



2022 APR 26 AM 9:44

Lease # and Lessee of Record: E-7815 and Colgate Operating, LLCBY: Brandon Gaynor - Senior Vice President (Name and Title of Authorized Agent)

(Signature of Authorized Agent)

for memo

**Acknowledgment in an Individual Capacity**State of \_\_\_\_\_ )  
SS)  
County of \_\_\_\_\_ )

This instrument was acknowledged before me on \_\_\_\_\_

Date

By \_\_\_\_\_

Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

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

**Acknowledgment in an Representative Capacity**State of Texas )  
SS)  
County of Midland )

This instrument was acknowledged before me on \_\_\_\_\_

Date : 4-22-22By: Brandon Gaynor

Name(s) of Person(s)

as Senior Vice President

Type of authority, e.g., officer, trustee, etc

of Colgate Operating, LLC

Name of Party on behalf of whom instrument was executed



Signature of Notarial Officer

My commission expires: 5-29-2026ONLINE  
version  
December 9, 2021

State/State

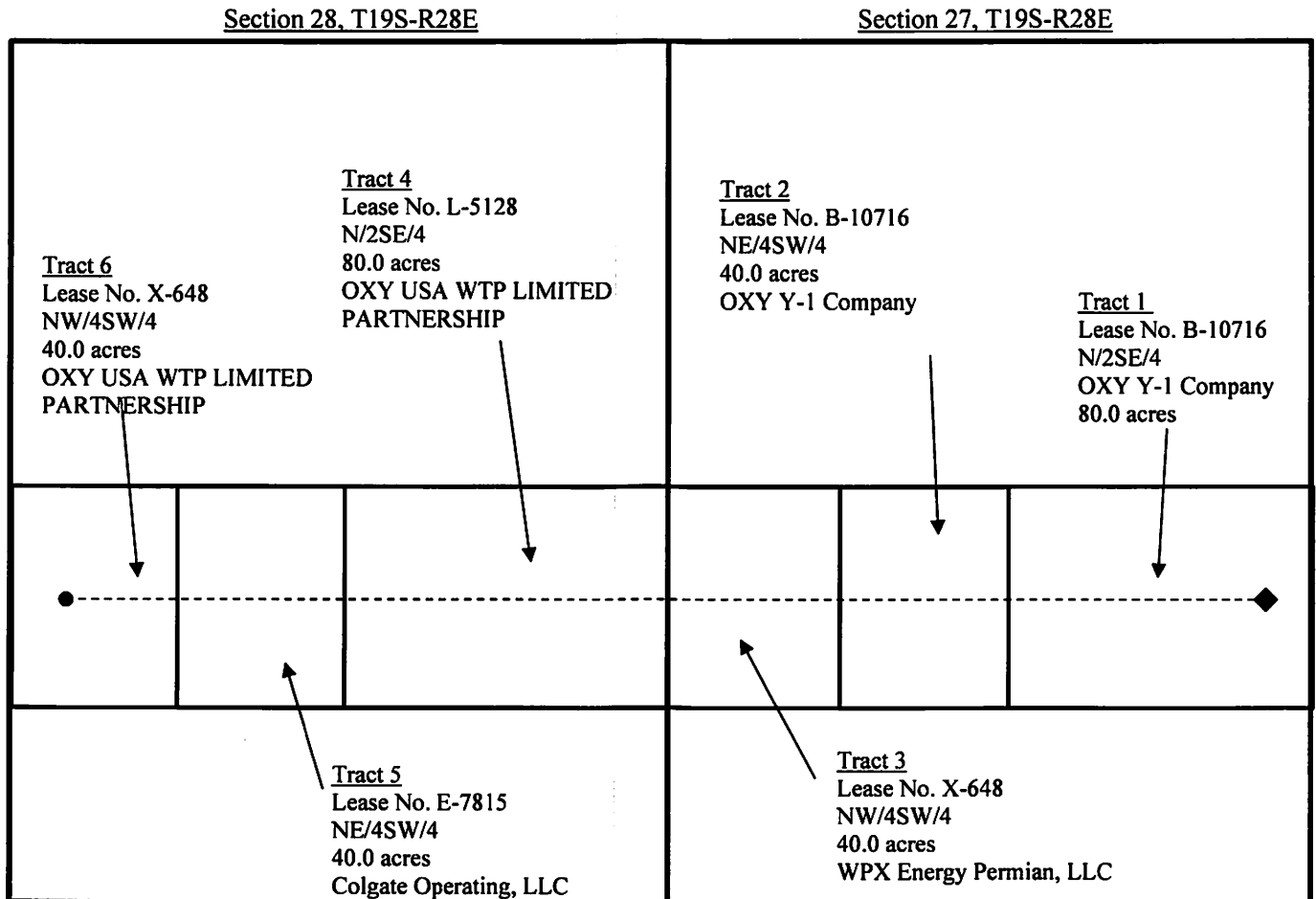
9

**EXHIBIT A**

Attached to and made a part of that Communitization Agreement dated August 1, 2020  
 by and between Colgate Operating, LLC, (Operator) and OXY Y-1 Company,  
WPX Energy Permian, LLC, and OXY USA WTP LIMITED PARTNERSHIP, (Record Title  
 Holders/Lessees of Record) covering the Subdivisions : N/2S/2 Sect(s): 27 & 28, Twnshp 19S,  
 Rnge: 28E, NMPM Eddy County, NM Limited in depth from 3,958 ft to 8,726 ft.

(enter here what is granted in pooling order if applicable)

OPERATOR of Communitized Area: Colgate Operating, LLC



**DESCRIPTION OF LEASES COMMITTED:****TRACT NO. 1**Lessor: State of New MexicoLessee of Record: OXY Y-1 CompanySerial No. of Lease: B-10716 Date of Lease: 10/11/1943

Description of Lands Committed:

Subdivisions: N/2SE/4Sect(s): 27 Twnshp: 19S Rng: 28E NMPM Eddy County, NMNo. of Acres: 80.0**TRACT NO. 2**Lessor: State of New MexicoLessee of Record: OXY Y-1 CompanySerial No. of Lease: B-10716 Date of Lease: 10/11/1943

Description of Lands Committed:

Subdivisions: NE/4SW/4Sect(s): 27 Twnshp: 19S Rng: 28E NMPM Eddy County, NMNo. of Acres: 40.0

**TRACT NO. 3**Lessor: State of New MexicoLessee of Record: WPX Energy Permian, LLCSerial No. of Lease: X-648 Date of Lease: 11/14/1922

Description of Lands Committed:

Subdivisions: NW/4SW/4Sect(s): 27 Twnshp: 19S Rng: 28E NMPM Eddy County, NMNo. of Acres: 40.0**TRACT NO. 4**Lessor: State of New MexicoLessee of Record: OXY USA WTP LIMITED PARTNERSHIPSerial No. of Lease: L-5128 Date of Lease: 2/1/1971

Description of Lands Committed:

Subdivisions: N/2SE/4Sect(s): 28 Twnshp: 19S Rng: 28E NMPM Eddy County, NMNo. of Acres: 80.0**TRACT NO. 5**Lessor: State of New MexicoLessee of Record: Colgate Operating, LLCSerial No. of Lease: E-7815 Date of Lease: 2/16/1954

Description of Lands Committed:

Subdivisions: NE/4SW/4Sect(s): 28 Twnshp: 19S Rng: 28E NMPM Eddy County, NMNo. of Acres: 40.0



**TRACT NO. 6**Lessor: State of New MexicoLessee of Record: OXY USA WTP LIMITED PARTNERSHIPSerial No. of Lease: X-648 Date of Lease: 11/14/1922

Description of Lands Committed:

Subdivisions: NW/4SW/4Sect(s): 28 Twnshp: 19S Rng: 28E NMPM Eddy County, NMNo. of Acres: 40.0**RECAPITULATION**

Tract number	Number of Acres Committed	Percentage of Interest In Communitized Area (Must equal 100%)
No. 1	<u>80.0</u>	<u>25.00%</u>
No. 2	<u>40.0</u>	<u>12.50%</u>
No. 3	<u>40.0</u>	<u>12.50%</u>
No. 4	<u>80.0</u>	<u>25.00%</u>
No. 5	<u>40.0</u>	<u>12.50%</u>
No. 6	<u>40.0</u>	<u>12.50%</u>
TOTALS	<u>320.0</u>	<u>100.00%</u>

**NEW MEXICO STATE LAND OFFICE**

## CERTIFICATE OF APPROVAL

## COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

Colgate Operating LLC  
Big Burro 27 State Com #134H  
Bone Spring  
Township: 19 South, Range: 28 East, NMPM  
Section 27: S2S2  
Section 28: S2S2

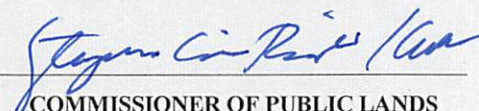
Eddy County, New Mexico

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated **August 01, 2020**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

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

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

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 4<sup>th</sup> day of May, 2022.

  
\_\_\_\_\_  
COMMISSIONER OF PUBLIC LANDS  
of the State of New Mexico

**STATE/STATE OR  
STATE/FEE**  
Revised December 2021

### ONLINE Version

API #: 30-0 15 - 46765

COUNTY OF EDDY )

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

WHEREAS, the parties hereto, own working, royalty, or other leasehold interests or operating rights under the oil and gas leases and lands subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, which leases are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

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

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

State/State

1

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

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

Subdivisions: S/2S/2

Of Sect(s): 27 & 28 Twp: 19S Rng: 28E NMPM Eddy County, NM

Containing 320.0 acres, more or less. It is the judgment of the parties hereto that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

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

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

2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.

3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals under the terms of said leases shall not be affected by this agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this agreement shall remain in full force and effect as originally issued and amended.

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version  
December 9, 2021

State/State

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4. Colgate Operating, LLC shall be the Operator of the said communitized area and all matters of operation shall be determined and performed by Colgate Operating, LLC.

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

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

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

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

9. This agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules, and regulations; provided, that this agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized

ONLINE  
version  
December 9, 2021

State/State

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3

area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence. As to State Trust Lands, written notice of intention to commence such operations shall be filed with the Commissioner of Public Lands within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.

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

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

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

13. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instruments, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

14. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.

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

OPERATOR: Colgate Operating, LLC

ONLINE  
version  
December 9, 2021

State/State

2022/04/26 11:09:45  
4

**OPERATOR:** Colgate Operating, LLC

**BY:** Brandon Gaynor, Senior Vice President (Name and Title of Authorized Agent)

*[Signature]*

(Signature of Authorized Agent)

*Re mon*

### Acknowledgment in an Individual Capacity

State of \_\_\_\_\_ )  
 County of \_\_\_\_\_ )  
 SS)

This instrument was acknowledged before me on

Date

By

Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

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

2022 APR 26 AM 9:45

### Acknowledgment in an Representative Capacity

State of Texas )  
 County of Midland )  
 SS)

This instrument was acknowledged before me on

Date: 4-22-22

By: Brandon Gaynor

Name(s) of Person(s)

as Senior Vice President

Type of authority, e.g., officer, trustee, etc

of Colgate Operating, LLC

Name of Party on behalf of whom instrument was executed

*[Signature]*

Signature of Notarial Officer

My commission expires: 5-29-2026



ONLINE  
 version  
 December 9, 2021

State/State

**Lease # and Lessee of Record:** E-7815 & Colgate Operating, LLC

**BY:** Brandon Gaynor - Senior Vice President (Name and Title of Authorized Agent)

*[Signature]*

(Signature of Authorized Agent)

*Re Mch*

### Acknowledgment in an Individual Capacity

State of \_\_\_\_\_ )  
 County of \_\_\_\_\_ )

This instrument was acknowledged before me on

Date

By

Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

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

2022 APR 26 AM 9:46

### Acknowledgment in an Representative Capacity

State of Texas )  
 County of Midland )

This instrument was acknowledged before me on

Date : 4-22-2022

By: Brandon Gaynor

Name(s) of Person(s)

as Senior Vice President

Type of authority, e.g., officer, trustee, etc

of Colgate Operating, LLC

Name of Party on behalf of whom instrument was executed



*[Signature]*

Signature of Notarial Officer

My commission expires: 5-29-2026



Lease # and Lessee of Record: B-10716 & OXY Y-1 Company

JIG

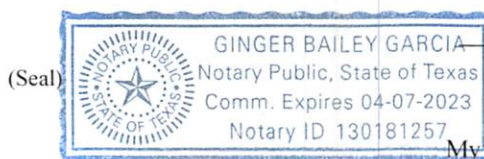
BY: James Laning, Attorney-in-Fact (Name and Title of Authorized Agent)

[Signature] (Signature of Authorized Agent)

## Acknowledgment in an Individual Capacity

State of Texas )  
 )  
 County of Harris )

This instrument was acknowledged before me on April 5, 2022 Date  
 By James Laning, Attorney-in-Fact of oxy y-1 company, a New Mexico corporation, on behalf of said corporation.  
 Name(s) of Person(s)



[Signature]

Signature of Notarial Officer

My commission expires: 4/7/2023

## Acknowledgment in an Representative Capacity

State of \_\_\_\_\_ )  
 )  
 County of \_\_\_\_\_ )

This instrument was acknowledged before me on

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

By: \_\_\_\_\_  
 Name(s) of Person(s)

as \_\_\_\_\_ of \_\_\_\_\_  
 Type of authority, e.g., officer, trustee, etc

Name of Party on behalf of whom instrument was executed

(Seal)

Signature of Notarial Officer

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

2022 APR 26 AM 9:46

Lease # and Lessee of Record: X-648 & WPX Energy Permian, LLCBY: Lindsey Miles, Land Manager (Name and Title of Authorized Agent)

[Signature] (Signature of Authorized Agent)

**Acknowledgment in an Individual Capacity**

State of \_\_\_\_\_ )  
 County of \_\_\_\_\_ )

This instrument was acknowledged before me on

Date

By

Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

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

2022 APR 26 AM 9:46

**Acknowledgment in an Representative Capacity**

State of Oklahoma )  
 County of Oklahoma )

This instrument was acknowledged before me on

Date : 3/16/2022By: Lindsey Miles

Name(s) of Person(s)

as Land Manager

Type of authority, e.g., officer, trustee, etc

of WPX Energy Permian, LLC

Name of Party on behalf of whom instrument was executed

(Seal)

Clint Dake

Signature of Notarial Officer

My commission expires: 5/7/23

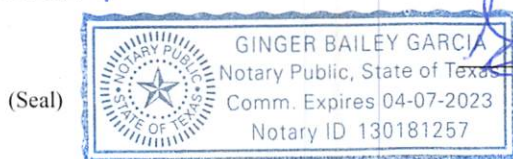
Lease # and Lessee of Record: L-5128 & OXY USA WTP LIMITED PARTNERSHIP JIGBY: James Laning, Attorney-in-Fact (Name and Title of Authorized Agent)

[Signature] (Signature of Authorized Agent)

**Acknowledgment in an Individual Capacity**

State of Texas )  
 )  
 County of Harris )

This instrument was acknowledged before me on April 5, 2022 Date  
 By James Laning, Attorney-in-Fact of Oxy USA WTP Limited Partnership, a Delaware  
limited Partnership. Name(s) of Person(s)



[Signature]  
 Signature of Notarial Officer

My commission expires: 4/7/2023

**Acknowledgment in an Representative Capacity**

State of \_\_\_\_\_ )  
 ) SS)  
 County of \_\_\_\_\_ )

This instrument was acknowledged before me on

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

By: \_\_\_\_\_  
 Name(s) of Person(s)

as \_\_\_\_\_  
 Type of authority, e.g., officer, trustee, etc

of \_\_\_\_\_  
 Name of Party on behalf of whom instrument was executed

(Seal)

\_\_\_\_\_  
 Signature of Notarial Officer

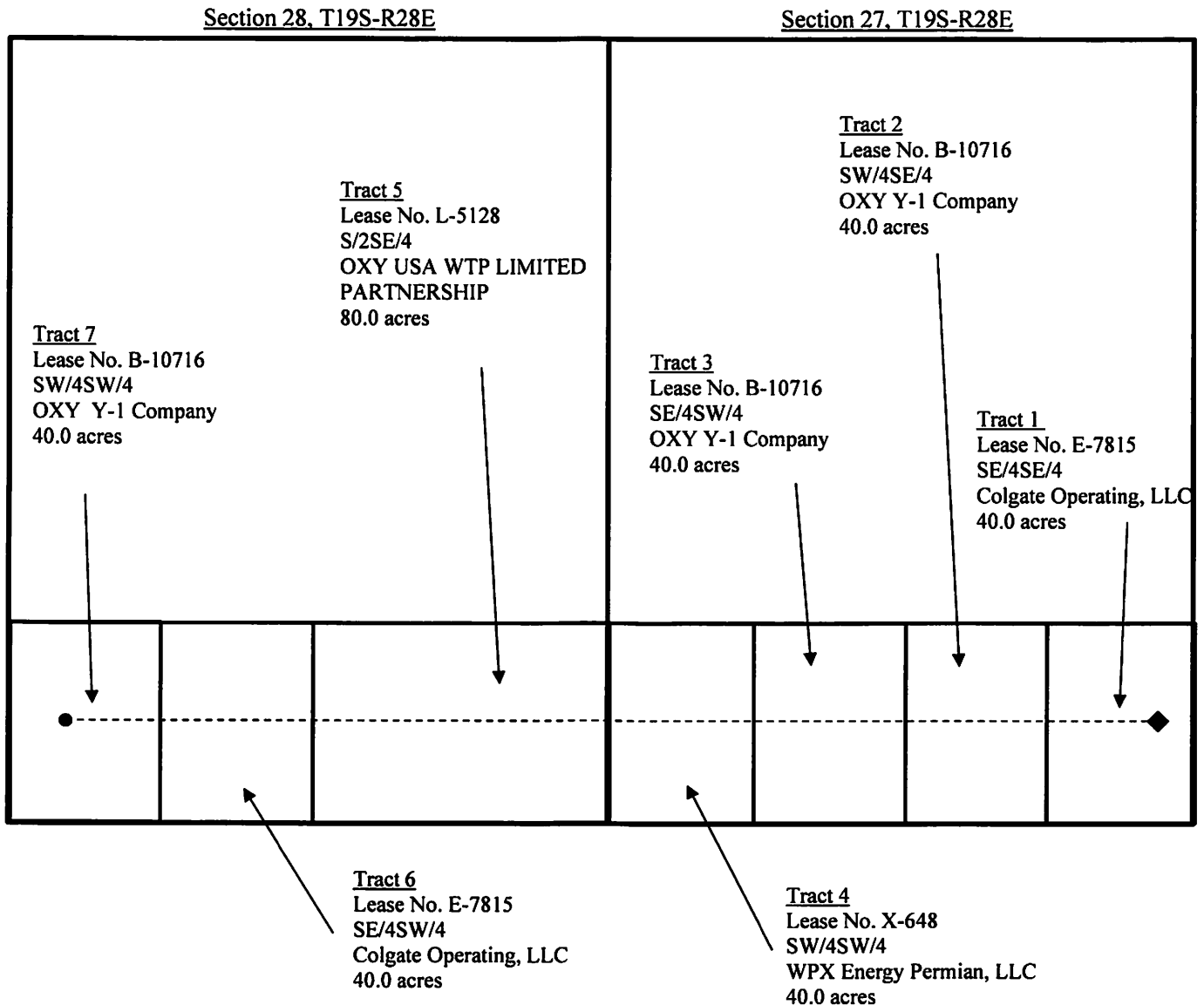
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 Rnge: 28E, NMPM Eddy County, NM Limited in depth from 3,958 ft to 8,726 ft.

(enter here what is granted in pooling order if applicable)

OPERATOR of Communitized Area: Colgate Operating, LLC





**DESCRIPTION OF LEASES COMMITTED:****TRACT NO. 1**Lessor: State of New MexicoLessee of Record: Colgate Operating, LLCSerial No. of Lease: E-7815 Date of Lease: 2/16/1954

Description of Lands Committed:

Subdivisions: SE/4SE/4Sect(s): 27 Twnshp: 19S Rng: 28E NMPM Eddy County, NMNo. of Acres: 40.0**TRACT NO. 2**Lessor: State of New MexicoLessee of Record: OXY Y-1 CompanySerial No. of Lease: B-10716 Date of Lease: 10/11/1943

Description of Lands Committed:

Subdivisions: SW/4SE/4Sect(s): 27 Twnshp: 19S Rng: 28E NMPM Eddy County, NMNo. of Acres: 40.0

**TRACT NO. 3**Lessor: State of New MexicoLessee of Record: OXY Y-1 CompanySerial No. of Lease: B-10716 Date of Lease: 10/11/1943

Description of Lands Committed:

Subdivisions: SE/4SW/4Sect(s): 27 Twnshp: 19S Rng: 28E NMPM Eddy County, NMNo. of Acres: 40.0**TRACT NO. 4**Lessor: State of New MexicoLessee of Record: WPX Energy Permian, LLCSerial No. of Lease: X-648 Date of Lease: 11/14/1922

Description of Lands Committed:

Subdivisions: SW/4SW/4Sect(s): 27 Twnshp: 19S Rng: 28E NMPM Eddy County, NMNo. of Acres: 40.0**TRACT NO. 5**Lessor: State of New MexicoLessee of Record: OXY USA WTP LIMITED PARTNERSHIPSerial No. of Lease: L-5128 Date of Lease: 2/1/1971

Description of Lands Committed:

Subdivisions: S/2SE/4Sect(s): 28 Twnshp: 19S Rng: 28E NMPM Eddy County, NMNo. of Acres: 80.0

**TRACT NO. 6**Lessor: State of New MexicoLessee of Record: Colgate Operating, LLCSerial No. of Lease: E-7815 Date of Lease: 2/16/1954

Description of Lands Committed:

Subdivisions: SE/4SW/4Sect(s): 28 Twnshp: 19S Rng: 28E NMPM Eddy County, NMNo. of Acres: 40.0**TRACT NO. 7**Lessor: State of New MexicoLessee of Record: OXY Y-1 CompanySerial No. of Lease: B-10716 Date of Lease: 10/11/1943

Description of Lands Committed:

Subdivisions: SW/4SW/4Sect(s): 28 Twnshp: 19S Rng: 28E NMPM Eddy County, NMNo. of Acres: 40.0

**RECAPITULATION**

<b>Tract number</b>	<b>Number of Acres Committed</b>	<b>Percentage of Interest In Communitized Area (Must equal 100%)</b>
No. 1	<u>40.0</u>	<u>12.50%</u>
No. 2	<u>40.0</u>	<u>12.50%</u>
No. 3	<u>40.0</u>	<u>12.50%</u>
No. 4	<u>40.0</u>	<u>12.50%</u>
No. 5	<u>80.0</u>	<u>25.00%</u>
No. 6	<u>40.0</u>	<u>12.50%</u>
No. 7	<u>40.0</u>	<u>12.50%</u>
TOTALS	<u>320.0</u>	<u>100.00%</u>



**NEW MEXICO STATE LAND OFFICE****CERTIFICATE OF APPROVAL****COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO**

**Colgate Operating LLC**  
**Weaver 27 State Com #131H**  
**Bone Spring**  
**Township: 19 South, Range: 28 East, NMPM**  
**Section 27: N2N2**  
**Section 28: N2N2**


**Eddy County, New Mexico**

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated **August 01, 2020**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

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

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

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 4<sup>th</sup> day of May, 2022.

  
**COMMISSIONER OF PUBLIC LANDS**  
of the State of New Mexico

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

**STATE/STATE OR  
STATE/FEE**  
Revised December 2021

**COMMUNITIZATION AGREEMENT**

ONLINE Version

KNOW ALL PERSONS BY THESE PRESENTS:

API #: 30-0 15 - 46768

STATE OF NEW MEXICO ) Well Name: Weaver 27 State Com #131H  
SS)

COUNTY OF EDDY )

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of (date before 1<sup>st</sup> production) August 1, 2020, by and between the parties subscribing, ratifying or consenting hereto, such parties hereinafter being referred to as "Parties hereto";

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

WHEREAS, the parties hereto, own working, royalty, or other leasehold interests or operating rights under the oil and gas leases and lands subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, which leases are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

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

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

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December 9, 2021

State/State

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

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

Subdivisions: N/2N/2

Of Sect(s): 27 & 28 Twp: 19S Rng: 28E NMPM Eddy County, NM

Containing 320.0 acres, more or less. It is the judgment of the parties hereto that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

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

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

2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.

3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals under the terms of said leases shall not be affected by this agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this agreement shall remain in full force and effect as originally issued and amended.

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December 9, 2021

State/State

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4. Colgate Operating, LLC shall be the Operator of the said communitized area and all matters of operation shall be determined and performed by Colgate Operating, LLC.

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

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

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

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

9. This agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules, and regulations; provided, that this agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized

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State/State

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area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence. As to State Trust Lands, written notice of intention to commence such operations shall be filed with the Commissioner of Public Lands within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.

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

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

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

13. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instruments, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

14. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.

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

OPERATOR: Colgate Operating, LLC

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December 9, 2021

State/State

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2022 APR 26 AM 9:45

OPERATOR: Colgate Operating, LLCBY: Brandon Gaynor, Senior Vice President (Name and Title of Authorized Agent)

(Signature of Authorized Agent)

*for MAM***Acknowledgment in an Individual Capacity**State of \_\_\_\_\_ )  
SS)  
County of \_\_\_\_\_ )

This instrument was acknowledged before me on \_\_\_\_\_

Date

By \_\_\_\_\_

Name(s) of Person(s)

(Seal)

\_\_\_\_\_  
Signature of Notarial Officer

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

**Acknowledgment in an Representative Capacity**State of Texas )  
SS)  
County of Midland )

This instrument was acknowledged before me on \_\_\_\_\_

Date : 4-22-22By: Brandon Gaynor

Name(s) of Person(s)

as Senior Vice President

Type of authority, e.g., officer, trustee, etc

of Colgate Operating, LLC

Name of Party on behalf of whom instrument was executed



Signature of Notarial Officer

My commission expires: 5-29-2026ONLINE  
version  
December 9, 2021

State/State

5

2022 APR 26 AM 9:45

Lease # and Lessee of Record: E-7815 & Colgate Operating, LLCBY: Brandon Gaynor, Senior Vice President (Name and Title of Authorized Agent)

(Signature of Authorized Agent)

per M&amp;H

**Acknowledgment in an Individual Capacity**State of \_\_\_\_\_ )  
SS)  
County of \_\_\_\_\_ )

This instrument was acknowledged before me on

Date

By

Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

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

**Acknowledgment in an Representative Capacity**State of Texas )  
SS)  
County of Midland )

This instrument was acknowledged before me on

Date : 4-22-22By: Brandon Gaynor

Name(s) of Person(s)

as Senior Vice President

Type of authority, e.g., officer, trustee, etc

of Colgate Operating, LLC

Name of Party on behalf of whom instrument was executed

(Seal)



Signature of Notarial Officer

My commission expires: 5-29-2026

2022 APR 26 AM 9:45

Lease # and Lessee of Record: E-7815 & Devon Energy Production Co., LPBY: Lindsey Miles, Land Manager (Name and Title of Authorized Agent)

[Signature] (Signature of Authorized Agent)

**Acknowledgment in an Individual Capacity**

State of \_\_\_\_\_ )  
 County of \_\_\_\_\_ )

This instrument was acknowledged before me on

Date

By

Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

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

**Acknowledgment in an Representative Capacity**

State of Oklahoma )  
 County of Oklahoma )

This instrument was acknowledged before me on

Date : 3/16/2022By: Lindsey Miles

Name(s) of Person(s)

as Land Manager

Type of authority, e.g., officer, trustee, etc

of Devon Energy Production Company, L.P.

Name of Party on behalf of whom instrument was executed

(Seal)



Clint Dake  
 Signature of Notarial Officer

My commission expires: 5/7/23



2022 APR 26 AM 9:45

Lease # and Lessee of Record: X-648 & WPX Energy Permian, LLCBY: Lindsey Miles, Land Manager (Name and Title of Authorized Agent)  
\_\_\_\_\_  
(Signature of Authorized Agent)**Acknowledgment in an Individual Capacity**State of \_\_\_\_\_ )  
County of \_\_\_\_\_ )  
SS)

This instrument was acknowledged before me on \_\_\_\_\_

Date

By \_\_\_\_\_

Name(s) of Person(s)

(Seal)

\_\_\_\_\_  
Signature of Notarial Officer

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

**Acknowledgment in an Representative Capacity**State of Oklahoma )  
County of Oklahoma )  
SS)

This instrument was acknowledged before me on \_\_\_\_\_

Date : 3/16/2022By: Lindsey Miles

Name(s) of Person(s)

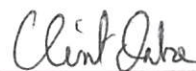
as Land Manager

Type of authority, e.g., officer, trustee, etc

(Seal)

of WPX Energy Permian, LLC

Name of Party on behalf of whom instrument was executed

\_\_\_\_\_  
Signature of Notarial OfficerMy commission expires: 5/7/23

2022 APR 26 AM 9:45

Lease # and Lessee of Record: B-10716 & OXY Y-1 CompanyBY: James Laning, Attorney-in-Fact (Name and Title of Authorized Agent)

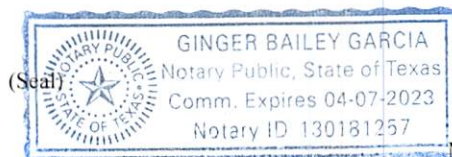
[Signature] (Signature of Authorized Agent)

**Acknowledgment in an Individual Capacity**

State of Texas )  
 ) SS)  
 County of Harris )

This instrument was acknowledged before me on April 5, 2022 Date

By James Laning, Attorney-in-Fact of Oxy Y-1 company, a New Mexico Corporation on behalf of said corporation.  
 (Name(s) of Person(s))



[Signature]

Signature of Notarial Officer

My commission expires: 4/7/2023**Acknowledgment in an Representative Capacity**

State of \_\_\_\_\_ )  
 ) SS)  
 County of \_\_\_\_\_ )

This instrument was acknowledged before me on \_\_\_\_\_

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

By: \_\_\_\_\_  
 (Name(s) of Person(s))

as \_\_\_\_\_ of \_\_\_\_\_  
 Type of authority, e.g., officer, trustee, etc. Name of Party on behalf of whom instrument was executed

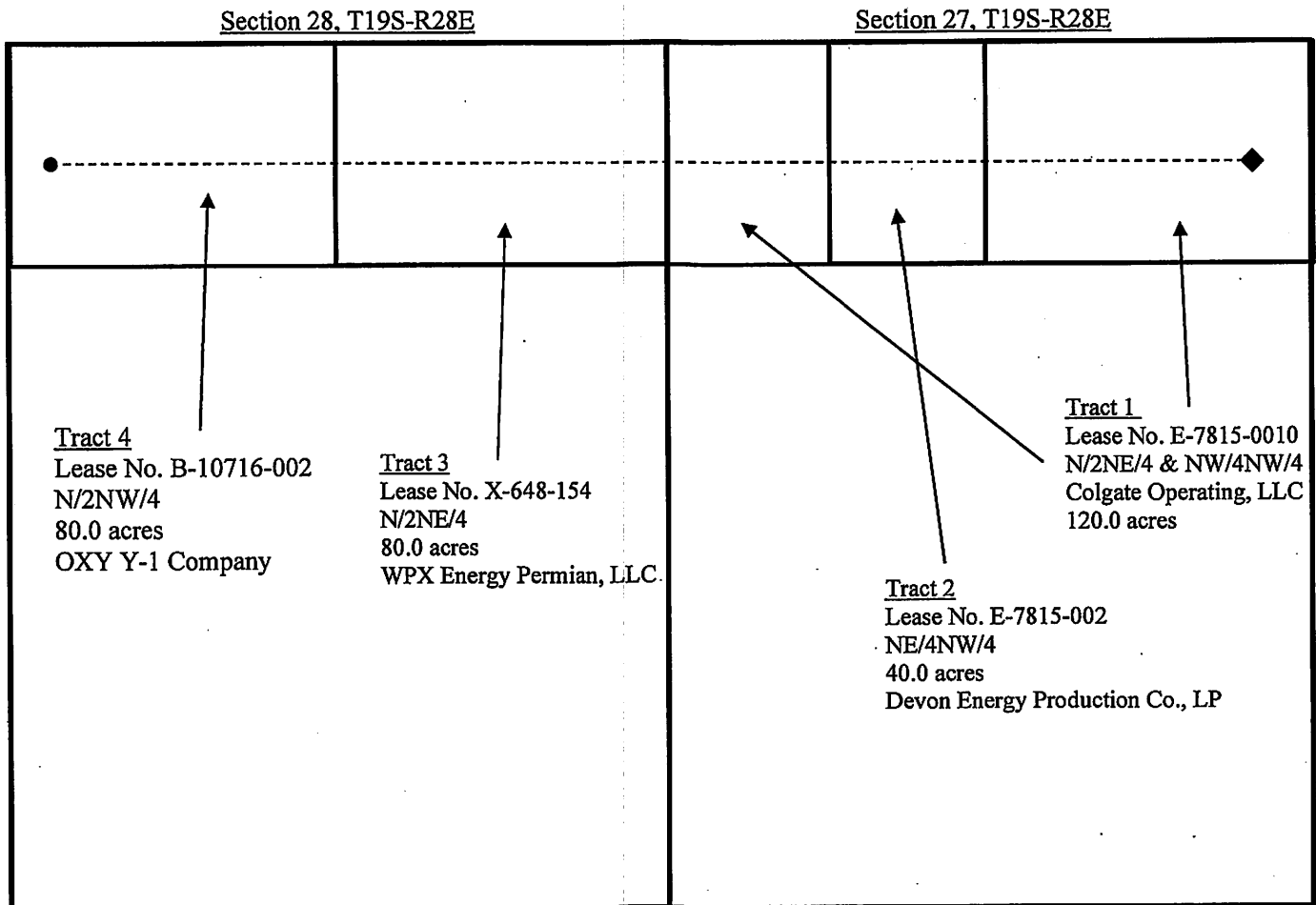
(Seal)

Signature of Notarial Officer

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

**EXHIBIT A**

Attached to and made a part of that Communitization Agreement dated August 1, 2020  
 by and between Colgate Operating, LLC, (Operator) and Devon Energy Production Co., LP,  
WPX Energy Permian, LLC, and OXY Y-1 Company, (Record Title Holders/Lessees of  
 Record) covering the Subdivisions : N/2N/2 Sect(s): 27 & 28, Twnshp 19S, Rnge: 28E,  
 NMPM Eddy County, NM Limited in depth from 3,958 ft to 8,726 ft.  
 (enter here what is granted in pooling order if applicable)  
 OPERATOR of Communitized Area: Colgate Operating, LLC



**DESCRIPTION OF LEASES COMMITTED:****TRACT NO. 1**Lessor: State of New MexicoLessee of Record: Colgate Operating, LLCSerial No. of Lease: E-7815-0010 Date of Lease: 2/16/1954

Description of Lands Committed:

Subdivisions: N/2NE/4 and NW/4NW/4Sect(s): 27 Twnshp: 19S Rng: 28E NMPM Eddy County, NMNo. of Acres: 120.0**TRACT NO. 2**Lessor: State of New MexicoLessee of Record: Devon Energy Production Co., LPSerial No. of Lease: E-7815-002 Date of Lease: 2/16/1954

Description of Lands Committed:

Subdivisions: NE/4NW/4Sect(s): 27 Twnshp: 19S Rng: 28E NMPM Eddy County, NMNo. of Acres: 40.0



**TRACT NO. 3**Lessor: State of New MexicoLessee of Record: WPX Energy Permian, LLCSerial No. of Lease: X-648-154 Date of Lease: 11/14/1922

Description of Lands Committed:

Subdivisions: N/2NE/4Sect(s): 28 Twnshp: 19S Rng: 28E NMPM Eddy County, NMNo. of Acres: 80**TRACT NO. 4**Lessor: State of New MexicoLessee of Record: OXY Y-1 CompanySerial No. of Lease: B-10716-002 Date of Lease: 10/11/1943

Description of Lands Committed:

Subdivisions: N/2NW/4Sect(s): 28 Twnshp: 19S Rng: 28E NMPM Eddy County, NMNo. of Acres: 80.0**RECAPITULATION**

Tract number	Number of Acres Committed	Percentage of Interest In Communitized Area (Must equal 100%)
No. 1	<u>120.0</u>	<u>37.50%</u>
No. 2	<u>40.0</u>	<u>12.50%</u>
No. 3	<u>80.0</u>	<u>25.00%</u>
No. 4	<u>80.0</u>	<u>25.00%</u>
TOTALS	<u>320.0</u>	<u>100.00%</u>

## NEW MEXICO STATE LAND OFFICE

## CERTIFICATE OF APPROVAL

## COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

Colgate Operating LLC  
Weaver 27 State Com #132H  
Bone Spring  
Township: 19 South, Range: 28 East, NMPM  
Section 27: S2N2  
Section 28: S2N2

Eddy County, New Mexico


There having been presented to the undersigned Commissioner of Public Lands of the State on New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated **August 01, 2020**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

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

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

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 4<sup>th</sup> day of May, 2022.



  
COMMISSIONER OF PUBLIC LANDS  
of the State of New Mexico



2022 APR 26 AM 9:46

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

**STATE/STATE OR  
STATE/FEE**  
Revised December 2021

**COMMUNITIZATION AGREEMENT**

ONLINE Version

KNOW ALL PERSONS BY THESE PRESENTS:

API #: 30-0 15 - 46769

STATE OF NEW MEXICO )  
SS)

Well Name: Weaver 27 State Com #132H

COUNTY OF EDDY )

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of (date before 1<sup>st</sup> production) August 1, 2020, by and between the parties subscribing, ratifying or consenting hereto, such parties hereinafter being referred to as "Parties hereto";

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

WHEREAS, the parties hereto, own working, royalty, or other leasehold interests or operating rights under the oil and gas leases and lands subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, which leases are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

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

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

ONLINE  
version  
December 9, 2021

State/State

1

2022 APR 26 AM 9:46

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

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

Subdivisions: S/2N/2

Of Sect(s): 27 & 28 Twp: 19S Rng: 28E NMPM Eddy County, NM

Containing 320.0 acres, more or less. It is the judgment of the parties hereto that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

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

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

2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.

3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals under the terms of said leases shall not be affected by this agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this agreement shall remain in full force and effect as originally issued and amended.



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4. Colgate Operating, LLC shall be the Operator of the said communitized area and all matters of operation shall be determined and performed by Colgate Operating, LLC.

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

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

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

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

9. This agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules, and regulations; provided, that this agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized

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area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence. As to State Trust Lands, written notice of intention to commence such operations shall be filed with the Commissioner of Public Lands within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.

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

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

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

13. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instruments, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

14. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.

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

OPERATOR: Colgate Operating, LLC

2022 APR 26 AM 9:46

OPERATOR: Colgate Operating, LLCBY: Brandon Gaynor - Senior Vice President (Name and Title of Authorized Agent)

 (Signature of Authorized Agent)  
*pa mva*

**Acknowledgment in an Individual Capacity**

State of \_\_\_\_\_ )  
 )  
 County of \_\_\_\_\_ )

This instrument was acknowledged before me on

Date

By

Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

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

**Acknowledgment in an Representative Capacity**

State of Texas )  
 )  
 County of Midland )

This instrument was acknowledged before me on

Date : 4-22-22By: Brandon Gaynor

Name(s) of Person(s)

as Senior Vice President

Type of authority, e.g., officer, trustee, etc

of Colgate Operating, LLC

Name of Party on behalf of whom instrument was executed



  
 Signature of Notarial Officer

My commission expires: 5-29-2026



2022 APR 26 AM 9:46

Lease # and Lessee of Record: X-648 and Apache CorporationBY: Justin R Matthews, Attorney-in-Fact (Name and Title of Authorized Agent)[Signature] (Signature of Authorized Agent)

## Acknowledgment in an Individual Capacity

State of \_\_\_\_\_ )  
SS)  
County of \_\_\_\_\_ )

This instrument was acknowledged before me on \_\_\_\_\_

Date

By \_\_\_\_\_

Name(s) of Person(s)

(Seal)

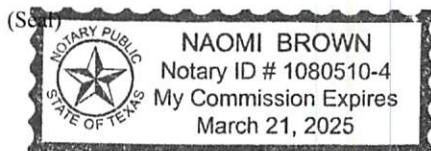
\_\_\_\_\_  
Signature of Notarial Officer

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

## Acknowledgment in an Representative Capacity

State of TEXAS )  
SS)  
County of Harris )This instrument was acknowledged before me on MARCH 23, 2022 (Date) \_\_\_\_\_By: Justin R. Matthews

Name(s) of Person(s)

as Attorney-in-Fact  
Type of authority, e.g., officer, trustee, etcof Apache Corporation  
Name of Party on behalf of whom instrument was executed[Signature]  
Signature of Notarial OfficerMy commission expires: 3-21-2025ONLINE  
version  
December 9, 2021

State/State

6



2022 APR 26 AM 9:46

Lease # and Lessee of Record: X-648 and WPX Energy Permian, LLCBY: Lindsey Miles, Land Manager (Name and Title of Authorized Agent)

(Signature of Authorized Agent)

**Acknowledgment in an Individual Capacity**State of \_\_\_\_\_ )  
County of \_\_\_\_\_ )  
SS)

This instrument was acknowledged before me on

Date

By

Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

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

**Acknowledgment in an Representative Capacity**State of Oklahoma )  
County of Oklahoma )  
SS)

This instrument was acknowledged before me on

Date : 3/16/2022By: Lindsey Miles

Name(s) of Person(s)

as Land Manager

Type of authority, e.g., officer, trustee, etc

of WPX Energy Permian, LLC  
Name of Party on behalf of whom instrument was executed

(Seal)



Clint Dake

Signature of Notarial Officer

My commission expires: 5/7/23

Lease # and Lessee of Record: B-10716 and OXY Y-1 Company JFOBY: James Laning, Attorney-in-Fact (Name and Title of Authorized Agent)

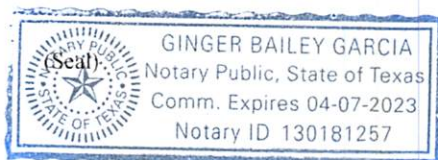
[Signature] (Signature of Authorized Agent)

## Acknowledgment in an Individual Capacity

State of Texas )  
 )  
 County of Harris )

This instrument was acknowledged before me on April 5, 2022 Date

By James Laning, Attorney-in-Fact of Oxy Y-1 company, a New Mexico corporation on behalf of said corporation.  
 Name(s) of Person(s)



[Signature]  
 Signature of Notarial Officer

My commission expires: 4/7/2023

## Acknowledgment in an Representative Capacity

State of \_\_\_\_\_ )  
 )  
 County of \_\_\_\_\_ )

This instrument was acknowledged before me on \_\_\_\_\_ Date : \_\_\_\_\_

By: \_\_\_\_\_  
 Name(s) of Person(s)

as \_\_\_\_\_ of \_\_\_\_\_  
 Type of authority, e.g., officer, trustee, etc. Name of Party on behalf of whom instrument was executed

(Seal)

\_\_\_\_\_  
 Signature of Notarial Officer

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

2022 APR 26 AM 9:46

2022 APR 26 AM 9:46

Lease # and Lessee of Record: E-7815 and Colgate Operating, LLCBY: Brandon Gaynor - Senior Vice President (Name and Title of Authorized Agent)

 (Signature of Authorized Agent)

## Acknowledgment in an Individual Capacity

State of \_\_\_\_\_ )  
 County of \_\_\_\_\_ )

This instrument was acknowledged before me on

Date

By

Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

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

## Acknowledgment in an Representative Capacity

State of Texas )  
 County of Midland )

This instrument was acknowledged before me on

Date: 4-22-22

By: Brandon Gaynor  
 Name(s) of Person(s)

as Senior Vice President  
 Type of authority, e.g., officer, trustee, etc

of Colgate Operating, LLC  
 Name of Party on behalf of whom instrument was executed

(Seal)



  
 Signature of Notarial Officer

My commission expires: 5-29-2026

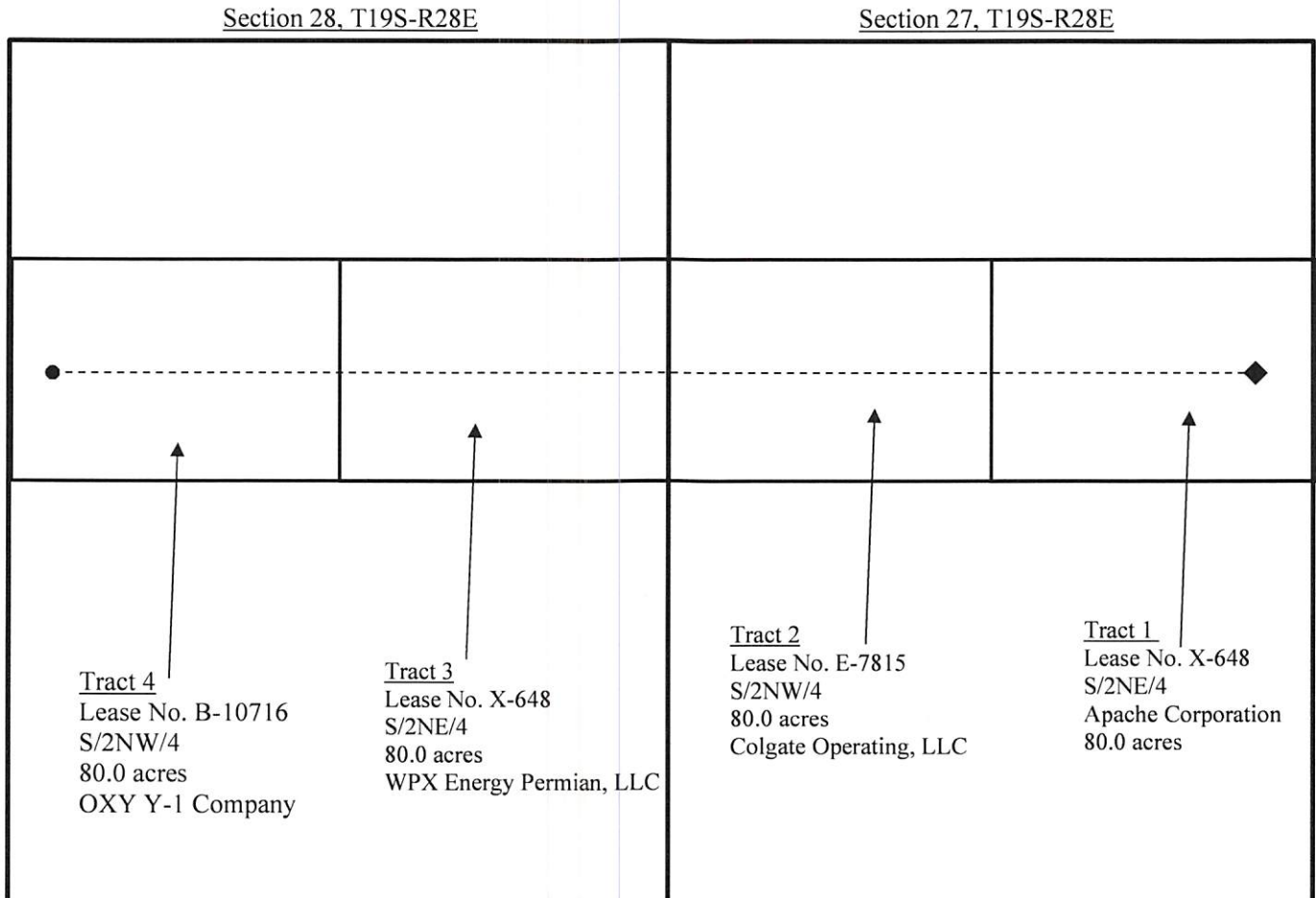
2022 APR 26 AM 9:46

**EXHIBIT A**

Attached to and made a part of that Communitization Agreement dated August 1, 2020  
 by and between Colgate Operating, LLC, (Operator) and Apache Corporation,  
WPX Energy Permian, LLC, and OXY Y-1 Company, (Record Title Holders/Lessees of  
 Record) covering the Subdivisions : S/2N/2 Sect(s): 27 & 28, Twnshp 19S, Rnge: 28E,  
 NMPM Eddy County, NM Limited in depth from 3,958' ft to 8,726' ft.

(enter here what is granted in pooling order if applicable)

OPERATOR of Communitized Area: Colgate Operating, LLC





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**DESCRIPTION OF LEASES COMMITTED:****TRACT NO. 1**Lessor: State of New MexicoLessee of Record: Apache CorporationSerial No. of Lease: X-648 Date of Lease: 11/14/1922

Description of Lands Committed:

Subdivisions: S/2NE/4Sect(s): 27 Twnshp: 19S Rng: 28E NMPM Eddy County, NMNo. of Acres: 80.0**TRACT NO. 2**Lessor: State of New MexicoLessee of Record: Colgate Operating, LLCSerial No. of Lease: E-7815 Date of Lease: 2/16/1954

Description of Lands Committed:

Subdivisions: S/2NW/4Sect(s): 27 Twnshp: 19S Rng: 28E NMPM Eddy County, NMNo. of Acres: 80.0

2022 APR 26 AM 9:46

**TRACT NO. 3**Lessor: State of New MexicoLessee of Record: WPX Energy Permian, LLCSerial No. of Lease: X-648 Date of Lease: 11/14/1922

Description of Lands Committed:

Subdivisions: S/2NE/4Sect(s): 28 Twnshp: 19S Rng: 28E NMPM Eddy County, NMNo. of Acres: 80**TRACT NO. 3**Lessor: State of New MexicoLessee of Record: OXY Y-1 CompanySerial No. of Lease: B-10716 Date of Lease: 10/11/1943

Description of Lands Committed:

Subdivisions: S/2NW/4Sect(s): 28 Twnshp: 19S Rng: 28E NMPM Eddy County, NMNo. of Acres: 80.0**RECAPITULATION**

Tract number	Number of Acres Committed	Percentage of Interest In Communitized Area (Must equal 100%)
No. 1	<u>80.0</u>	<u>25.00%</u>
No. 2	<u>80.0</u>	<u>25.00%</u>
No. 3	<u>80.0</u>	<u>25.00%</u>
No. 4	<u>80.0</u>	<u>25.00%</u>
TOTALS	<u>320.0</u>	<u>100.00%</u>

Revised March 23, 2017

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

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



**ADMINISTRATIVE APPLICATION CHECKLIST**

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

**Applicant:** Colgate Operating, LLC **OGRID Number:** 371449  
**Well Name:** Big Burro 27 State Com 133H **API:** 30-015-46766  
**Pool:** [97569] WINCHESTER; BONE SPRING, WEST **Pool Code:** 55510

**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

04/18/2022

Date

432-695-4272

Phone Number

Signature

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](#); [Dawson, Scott](#)  
**Subject:** Approved Administrative Order CTB-1040  
**Date:** Wednesday, June 22, 2022 1:09:45 PM  
**Attachments:** [CTB1040 Order.pdf](#)

NMOCD has issued Administrative Order CTB-1040 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
30-015-46806	Big Burro 27 State Com #123H	N/2 S/2	27-19S-28E	97569
		N/2 S/2	28-19S-28E	
30-015-46805	Big Burro 27 State Com #124H	S/2 S/2	27-19S-28E	97569
		S/2 S/2	28-19S-28E	
30-015-46766	Big Burro 27 State Com #133H	N/2 S/2	27-19S-28E	97569
		N/2 S/2	28-19S-28E	
30-015-46765	Big Burro 27 State Com #134H	S/2 S/2	27-19S-28E	97569
		S/2 S/2	28-19S-28E	
30-015-46803	Weaver 27 State Com #121H	N/2 N/2	27-19S-28E	97569
		N/2 N/2	28-19S-28E	
30-015-46804	Weaver 27 State Com #122H	S/2 N/2	27-19S-28E	97569
		S/2 N/2	28-19S-28E	
30-015-46768	Weaver 27 State Com #131H	N/2 N/2	27-19S-28E	97569
		N/2 N/2	28-19S-28E	
30-015-46769	Weaver 27 State Com #132H	S/2 N/2	27-19S-28E	97569
		S/2 N/2	28-19S-28E	

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

Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.

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



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

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

**ORDER NO. CTB-1040**

**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.

**CONCLUSIONS OF LAW**

6. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, 70-2-16, and 70-2-17, 19.15.12. NMAC, and 19.15.23. NMAC.
7. 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.
8. 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.
9. 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.

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

### **ORDER**

1. Applicant is authorized to surface commingle 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. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling.
3. 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.
4. 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.
5. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10.C.(2) NMAC.
6. 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.
7. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
8. 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).
9. 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**

6/22/2022

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

## Exhibit A

Order: **CTB-1040**

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

Central Tank Battery: **Big Burro Weaver Battery**

Central Tank Battery Location: **UL H, Section 27, Township 19 South, Range 28 East**

Gas Title Transfer Meter Location: **UL H, Section 27, Township 19 South, Range 28 East**

### Pools

Pool Name	Pool Code
<b>WINCHESTER; BONE SPRING, WEST</b>	<b>97569</b>

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

Lease	UL or Q/Q	S-T-R
CA Bone Spring NMSLO	N/2 N/2	27-19S-28E
	N/2 N/2	28-19S-28E
CA Bone Spring NMSLO	S/2 N/2	27-19S-28E
	S/2 N/2	28-19S-28E
CA Bone Spring NMSLO	N/2 S/2	27-19S-28E
	N/2 S/2	28-19S-28E
CA Bone Spring NMSLO	S/2 S/2	27-19S-28E
	S/2 S/2	28-19S-28E

### Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-015-46806	Big Burro 27 State Com #123H	N/2 S/2	27-19S-28E	97569
		N/2 S/2	28-19S-28E	
30-015-46805	Big Burro 27 State Com #124H	S/2 S/2	27-19S-28E	97569
		S/2 S/2	28-19S-28E	
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		N/2 S/2	28-19S-28E	
30-015-46765	Big Burro 27 State Com #134H	S/2 S/2	27-19S-28E	97569
		S/2 S/2	28-19S-28E	
30-015-46803	Weaver 27 State Com #121H	N/2 N/2	27-19S-28E	97569
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30-015-46804	Weaver 27 State Com #122H	S/2 N/2	27-19S-28E	97569
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30-015-46768	Weaver 27 State Com #131H	N/2 N/2	27-19S-28E	97569
		N/2 N/2	28-19S-28E	
30-015-46769	Weaver 27 State Com #132H	S/2 N/2	27-19S-28E	97569
		S/2 N/2	28-19S-28E	



**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 101736

**CONDITIONS**

Operator: COLGATE OPERATING, LLC 300 North Marienfeld Street Midland, TX 79701	OGRID: 371449
	Action Number: 101736
	Action Type: [C-107] Surface Commingle or Off-Lease (C-107B)

**CONDITIONS**

Created By	Condition	Condition Date
dmcclure	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.	6/22/2022