

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: Charlie Chocolate 14 15 Federal Com 31H, Government AC 13 Federal 5H **API:** 30-015-43123, 30-015-40880
Pool: Russell;Bone Spring **Pool Code:** 52805

**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.

Sarah Ferreyros

Print or Type Name

2/22/23

Date

720-499-1454

Phone Number

Sarah Ferreyros

Digitally signed by Sarah Ferreyros
 DN: cn=Sarah Ferreyros, ou=Staff, email=Sarah.Ferreyros@permianres.com
 Date: 2023.02.22 10:58:51 -0700

Signature

sarah.ferreyros@permianres.com

e-mail Address

District I

1625 N. French Drive, Hobbs, NM 88240

District II

811 S. First St., Artesia, NM 88210

District III

1000 Rio Ranzos 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, LLCOPERATOR ADDRESS: 300 N Marienfeld Street, Suite 1000, Midland, TX 79701

APPLICATION TYPE:

☐ Pool Commingling ☒ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingling)
LEASE TYPE: ☒ Fee ☐ State ☒ FederalIs 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. Russell; Bone Spring [52805](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: Katie Biersmith TITLE: Regulatory Lead DATE: 2/22/23TYPE OR PRINT NAME Katie Biersmith TELEPHONE NO.: 720-499-1522E-MAIL ADDRESS: katie.biersmith@permianres.com

APPLICATION FOR SURFACE LEASE COMMINGLING

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

	API	WELL NAME	WELL #	LOCATION	POOL CODE/ NAME	STATUS
1	30-015-43123	CHARLIE CHOCOLATE 14 15 FEDERAL COM	31H	A-14-20S-28E	RUSSELL; BONE SPRING [52805]	PRODUCING
2	30-015-40880	GOVERNMENT AC 13 FEDERAL	5H	E-13-20S-28E	RUSSELL; BONE SPRING [52805]	PRODUCING

GENERAL INFORMATION:

SPACING UNIT: GOVERNMENT AC 13 FEDERAL COM 5H - POOL: RUSSELL; BONE SPRING [52805]
API: 30-015-40880; S/2 N/2 SECTION 13, T20S R28E, TOTAL OF 160 ACRES, ALL IN EDDY COUNTY, NM

	Lease Type	Lease Number	Type of Production	Royalty	Description	% of Comm	Acres in Comm
1	Federal	LC-0050797	Oil and Gas	12.5%	160.00	100.00 %	160.00
		Total				100.00%	160.00

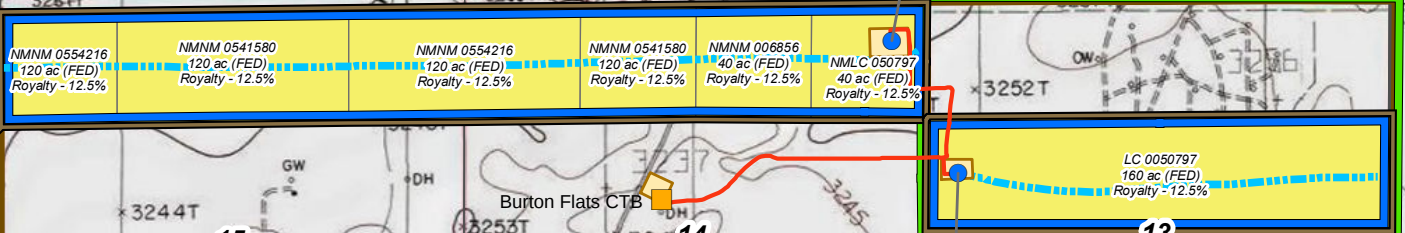
SPACING UNIT: CHARLIE CHOCOLATE 14-15 FED COM #31H - POOL: [52805] RUSSELL; BONE SPRING
[API: 30-015-43123; N/2N/2 SECTION 14 & 15, T20S-R28E, TOTAL OF 320.00 ACRES, ALL IN EDDY COUNTY, NM

	Lease Type	Lease Number	Type of Production	Royalty	Description	% of Comm	Acres in Comm
1	Federal	NMLC 050797	Oil and Gas	12.5%	NE/4NE/4 Section 14, 20S-28E	12.5%	40.00
2	Federal	NMNM 006856	Oil and Gas	12.5%	NW/4NE/4 Section 14, 20S-28E	12.5%	40.00
3	Federal	NMNM 0541580	Oil and Gas	12.5%	NE/4NW/4, Section 14; NW/4NE/4, NE/4NW/4 Section 15, 20S-28E	37.5%	120.00
4	Federal	NMNM 0554216	Oil and Gas	12.5%	NW/4NW/4 Section 14; NE/4NE/4, NW/4NW/4 Section 15, 20S-28E	37.5%	120.00
		Total				100.00%	320.00

***The Communitization Agreement for the CHARLIE CHOCOLATE 14-15 FED COM #31H has been approved by the BLM as to the pool described above vi NMNM 140815 (NMNM105723633)**

- This application will fall under 43 CFR 3173.14(a)(1) i: The proposed commingling includes production from more than one Federal unit PA or CA where lease, unit PA, or CA proposed for commingling has 100 percent Federal mineral interest, the same fixed royalty rate and, and the same revenue distribution.

- The approval of this commingling application will not negatively affect the royalty revenue of the federal government due to the allocation methodology described in the application. The approval of this application will also provide for reduced surface disturbance in this development area.
- All non-FMP gas meters will meet API Standard 14.3/AGA Report No 3 and all non-FMP oil meters will meet API/MPMS Chapter 5.6
- All leases, unit PAs, or CAs in the proposed CAA are capable of production in paying quantities.
- Gas analysis is not required for this application as Colgate is applying for a CAA under 3173.14(a)(1).
- The Tank Battery to service the subject wells is on lease in the SENW of Section 14 in Township 20 South Range 28 East, Eddy County, New Mexico. This Burton Flats Fed CTB was approved with the original APD for API 30-015-43123. There is no new surface disturbance included as part of the proposed CAA.

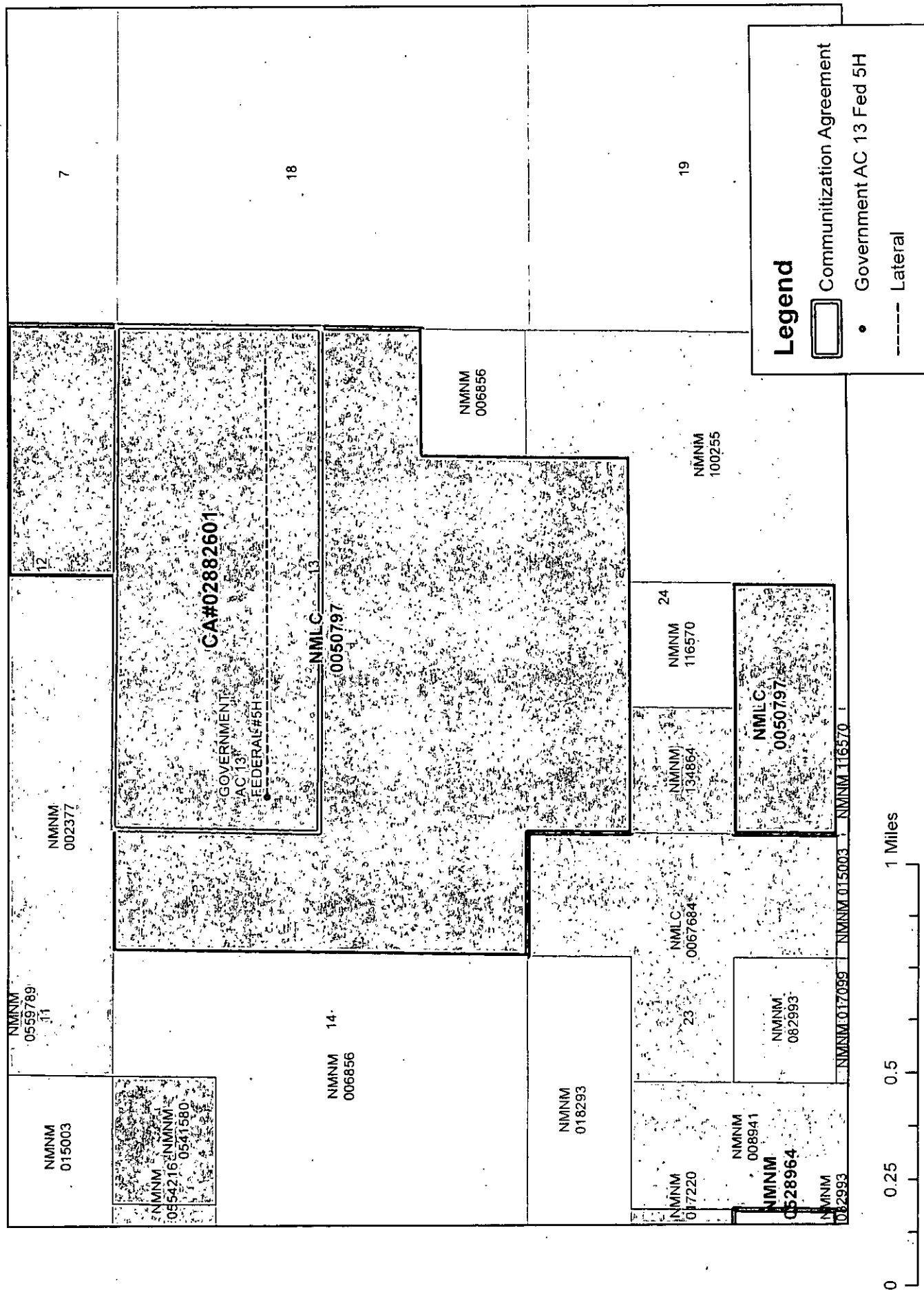


- PERMIAN**
-
- RESOURCES

A: Thomas.Douglass	D: 2/16/2023
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Government AC 13 Federal 5H NMLC 0050797





1/10/2023

COMMINGLED CENTRAL TANK BATTERY - PRORATED ALLOCATION**Burton Flats 10 CTB 1****DAILY GAS ALLOCATION**

Each well has a gas production meter (wellhead meter) on a dedicated test vessel that is used as an allocation meter.

There is a high-pressure flare gas meter at the facility that measures gas sent to the emergency flare.

There is a single CTB Facility Check Meter (FMP) before the gas enters the gas gathering pipeline leaving the pad.

1. The Well's Net Gas Production is the volume of gas produced by the well less any volume used for gas lift. It is calculated by:
 - a. $\text{Well's Net Gas Production} = \text{Well's Wellhead Meter Readings} - \text{Well's Gas Lift Meter Readings}$
2. HP Flare Volume is the volume of gas flared from the CTB, allocated to wells by:
 - a. $\text{Well's HP Flare Volume} = \text{HP Flare Meter} * \text{Well's Theoretical Net Gas Production \%}$
 - b. $\text{Well's Theoretical Net Gas Production \%} = \text{Well's Net Gas Production} / (\text{sum of all Well's Net Gas Production})$
3. Allocated Lease Use Gas Volume is the volume of gas used by the equipment on the CTB allocated to the wells by:
 - a. $\text{Well's Allocated Lease Use Gas Volume} = \text{Lease Use Equipment} * (\text{Well's Hours On} / (\text{sum of all Well's Hours On}))$
4. Well's Theoretical Net Gas Production % used for the allocation of production/sales is calculated by:
 - a. $\text{Well's Theoretical Net Gas Production \%} = \text{Well's Net Gas Production} / (\text{sum of all Well's Net Gas Production})$
5. CTBs FC Meter (FMP) measures the volume of gas for royalty purposes. This volume of gas is the total that is sold from the CTB. The CTBs FC Meter (FMP) volumes are allocated to each well by:
 - a. $\text{Well's CTB FC Meter (FMP) Allocation} = \text{CTBs FC Meter (FMP)} * \text{Well's Theoretical Net Gas Production \%}$
 - b. $\text{Well's Theoretical Net Gas Production \%} = \text{Well's Net Gas Production} / (\text{sum of all Well's Net Gas Production})$
6. Each Well's Allocated Gas Production at the CTB is calculated by:
 - a. $\text{Well's Allocated Gas Production} = \text{Well's CTBs FC Meter (FMP) Allocation} + \text{Well's HP Flare Volume} + \text{Well's Allocated Lease Use Gas Volume}$

DAILY 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 Well's Allocated Oil Production Volume and Well's Allocated Oil Sales Volume (FMP) back to each well.

1. Well's Allocated Oil Production Volume is the volume of oil produced by each well and is calculated by:
 - a. $\text{Well's Allocated Oil Production Volume} = \text{Well's Theoretical \% of Oil Production} * \text{CTB Allocated Oil Production}$
 - b. $\text{Well's Theoretical \% of Oil Production} = \text{Well's Oil Meter} / (\text{sum of all Well's Oil Meters at the CTB})$
 - c. $\text{CTB Allocated Oil Production} = \text{Total CTB Sales Volume (FMP)} + \text{Ending Tank Inventory} - \text{Beginning Tank Inventory}$
2. CTB Available Oil for Sale is calculated by:
 - a. $\text{CTB Available Oil for Sale} = \text{CTB Allocated Oil Production} + \text{CTB's Beginning Tank Inventory}$
3. Each Well's Available Oil for Sale is calculated by:
 - a. $\text{Each Well's Available Oil for Sale} = \text{Well's Allocated Oil Production Volume} + \text{Well's Beginning Tank Inventory}$
4. Well's Theoretical % of Oil Available for Sale is calculated by:
 - a. $\text{Well's Theoretical \% of Oil Available for Sale} = \text{Well's Available Oil for Sale} / (\text{CTB's Well's Available Oil for Sale})$
5. Well's Allocated Sales Volume (FMP) is the total oil volume allocated to each well and is calculated by:
 - a. $\text{Well's Allocated Sale Volume (FMP)} = \text{Total CTB Sales Volume (FMP)} * \text{Well's Theoretical \% of Oil Available for Sale}$
6. Total CTB Sales Volume (FMP) is the volume of oil sold through the LACT Unit (FMP meter)
7. Beginning Tank Inventory comes from previous accounting period's Ending Tank Inventory for each well
8. Ending Oil Tank Inventory for each well is calculated by:
 - a. $\text{Well's Ending Tank Inventory} = \text{Well's Beginning Oil Tank Inventory} + \text{Well's Allocated Oil Production Volume} - \text{Well's Allocated Sales Volume}$

DAILY 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 Well's Allocated Water Production and Well's Allocated Water Transfer Volume back to each well.

1. Well's Allocated Water Production is volume of water allocated to each well at the CTB and is calculated by:
 - a. $\text{Well's Allocated Water Production} = \text{CTB Allocated Water Production} * \text{Well's Theoretical \% of Water Production}$
 - b. $\text{CTB Allocated Water Production} = \text{Total of CTBs Water Transfer Meters} + \text{Ending Tank Inventory} - \text{Beginning Tank Inventory}$
 - c. $\text{Well's Theoretical \% of Water Production} = \text{Well's Water Meter} / (\text{sum of Well's Water Meters at CTB})$

2. CTBs Available Water to Transfer is calculated by:
 - a. CTBS available Water to Transfer = CTBs Allocated Well Production + Beginning Tank Inventory
3. Each Well's Available Water to Transfer is calculated by:
 - a. Well's Available Water to Transfer = Well's Allocated Well Production + Well's Beginning Tank Inventory
4. Each Well's Theoretical % of Water Available to Transfer is calculated by:
 - a. Well's Theoretical % of Water Available to Transfer = Well's Available Water to Transfer / (sum of Well's Available Water to Transfer)
5. Each Well's Allocated Water Transfer Volume is total water transfer volume allocated to each well and is calculated by:
 - a. Well's Allocated Water Transfer Volume = Well's Theoretical % of Water Available to Transfer * Total of CTBs Water Transfer Meters
6. Total of CTBs Water Transfer Meters is the volume of water transferred and metered by the individual Water Transfer Meters at the CTB.
7. Beginning Tank Inventory comes from previous accounting period's allocated Ending Inventory for each well.
8. Ending Water Tank Inventory for each well is calculated by:
 - a. Well's Ending Tank Inventory = Well's Beginning Water Tank Inventory + Well's Allocated Water Production – Well's Allocated Water Transfer Volume

Allocation Methodology Used to Determine Allocated Production and Sales to Each Well

Well Name	Wellhead Meter Readings (MSCF)	Well's Gas Lift Meter Readings (MSCF)	Well's Net Gas Production (MSCF)	Well's Hours On	Well's Theoretical Net Gas Production %	Well's CTB FC Meter (FMP) Allocation (MSCF)	Well's HP Flare Volume (MSCF)	Well's Allocated Lease Use Gas Volume (MSCF)	Well's Allocated Gas Production (MSCF)
Charlie Chocalte 13-14 31H	904.00	486.00	418.00	24.00	0.45	422.03	37.63	24.00	483.67
Government AC 13 Federal Com 5H	1,042.00	527.00	515.00	24.00	0.55	519.97	46.37	24.00	590.33
Facility Totals	1,946.00	1,013.00	933.00	48.00	1.00	942.00	84.00	48.00	1,074.00

CTB Meter Name	Meter Readings
CTB's FC Meter (FMP) (MSCF)	942.00
CTB's HP Flare Meter (MSCF)	84.00
CTB's Lease Use Equipment (MSCF)	24.00
CTB's Allocated Production (MSCF)	1,074.00

Meter Value

Allocation Methodology Used to Determine Allocated Production and Sales to Each Well								
Well Name	Well's Oil Meter (BBL)	Well's Theoretical % of Oil Production	Well's Allocated Oil Production Volume (BBL)	Well's Available Oil for Sale (BBL)	Well's Theoretical % of Oil Available for Sale	Well's Allocated Sales Volume (FMP) (BBL)	Well's Beginning Tank Inventory (BBL)	Well's Ending Tank Inventory (BBL)
Charlie Chocalte 13-14 31H	174.00	0.57	205.01	505.66	0.47	111.49	300.65	394.17
Government AC 13 Federal Com 5H	131.00	0.43	154.34	578.34	0.53	127.51	424.00	450.83
Facility Totals	305.00	1.00	359.35	1,084.00	1.00	239.00	724.65	845.00

CTB Allocated Oil Production (BBL)	359.35	<--Pipeline LACT
CTB Available Oil for Sale (BBL)	1,084.00	
Total CTB Sales Volume (FMP) (BBL)	239.00	
CTB's Beginning Oil Tank Inventory (BBL)	724.65	
CTB's Ending Tank Inventory (BBL)	845.00	

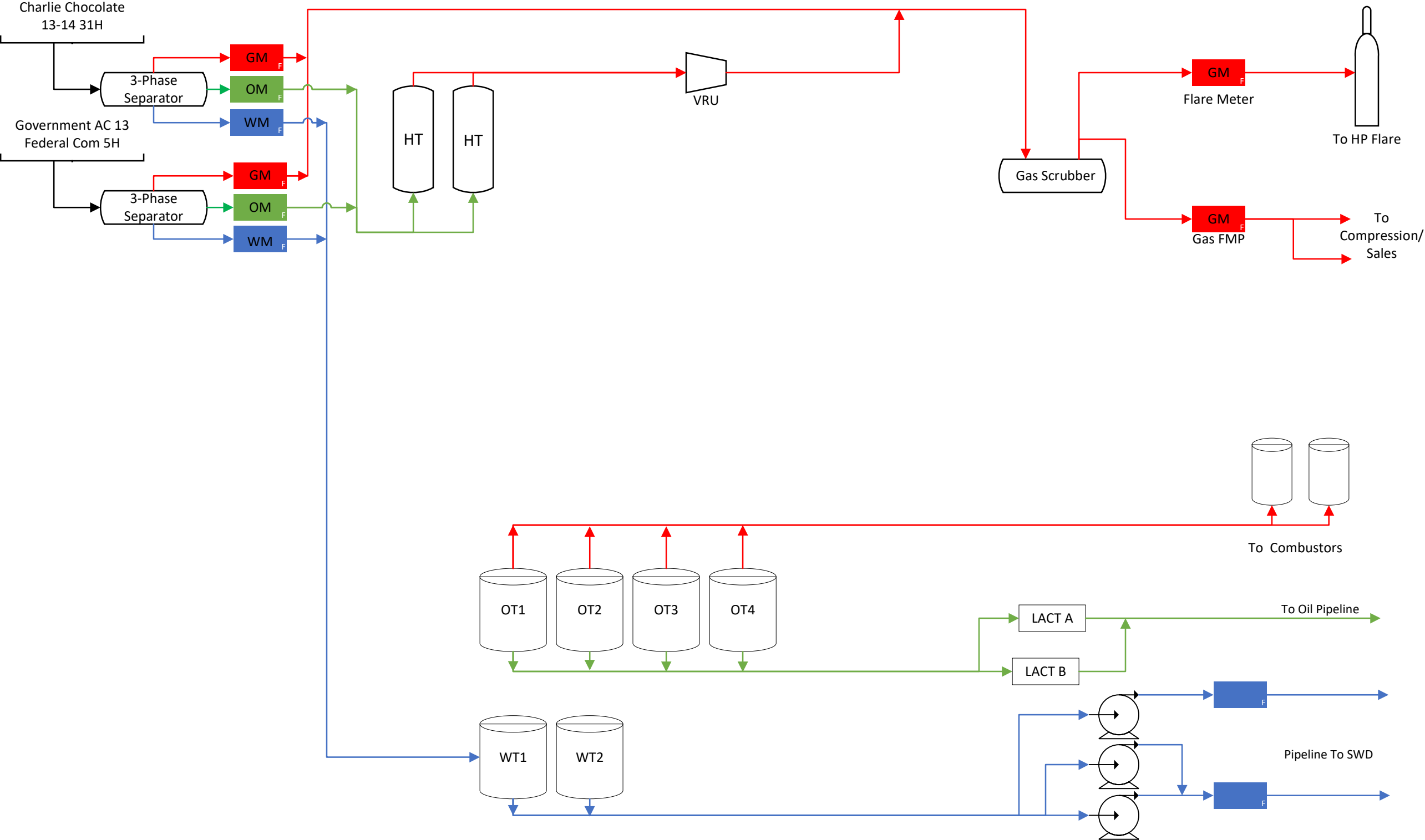
Meter Value

Allocation Methodology Used to Determine Allocated Production and Sales to Each Well

Well Name	Well's Water Meter (BBL)	Well's Theoretical % of Water Production	Well's Allocated Water Production (BBL)	Well's Available Water to Transfer (BBL)	Well's Theoretical % of Water Available to Transfer	Well's Allocated Water Transfer Volume (BBL)	Well's Beginning Tank Inventory (BBL)	Well's Ending Tank Inventory (BBL)
Charlie Chocalte 13-14 31H	212.00	0.5506	226.32	457.32	0.4789	178.62	231.00	278.70
Government AC 13 Federal Com 5H	173.00	0.4494	184.68	497.68	0.5211	194.38	313.00	303.30
Facility Totals:	385.00	1.0000	411.00	955.00	1.0000	373.00	544.00	582.00

CTBs Allocated Water Production (BBL)	411.00
CTBs Available Water to Transfer (BBL)	955.00
Total of CTBs Water Transfer Meters (BBL)	373.00
CTB's Beginning Water Tank Inventory (BBL)	544.00
CTB's Ending Water Tank Inventory (BBL)	582.00

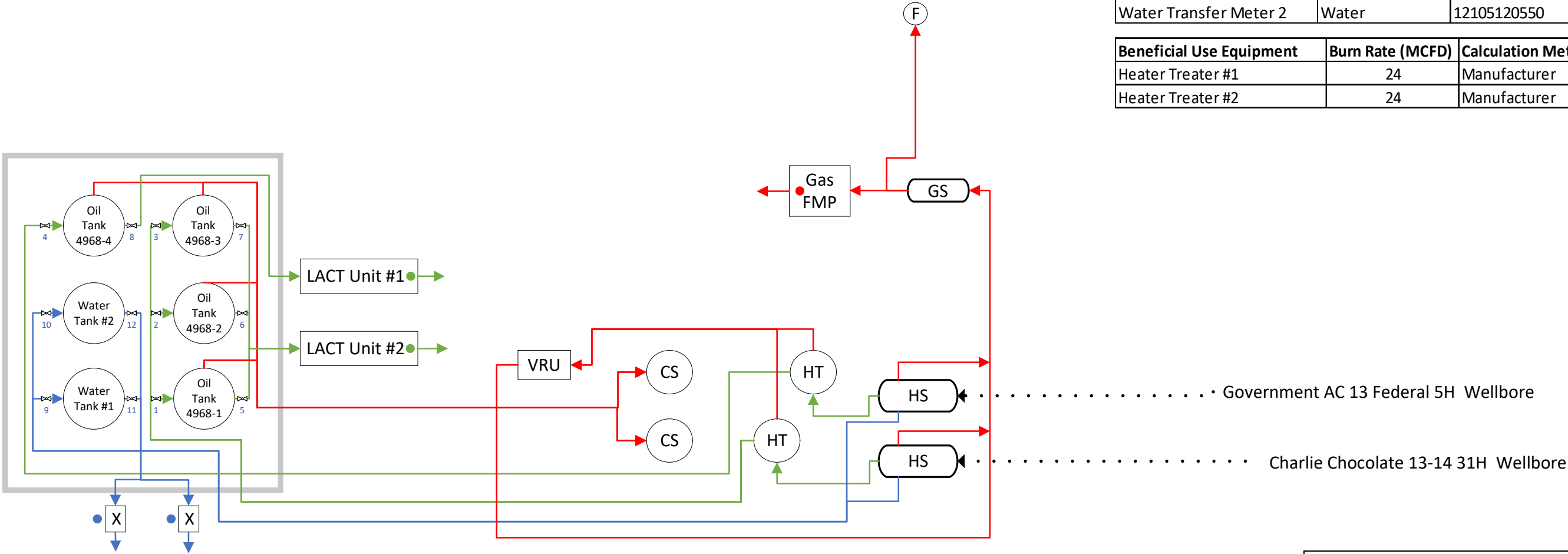
Meter Value



Well Name	API Number	BLM Lease #
Charlie Chocolate 13-14 31H	30-015-43123	NMNM140815
Government AC 13 Federal 5H	30-015-40880	NMLC050797

FMP Location	FMP Product	Serial Number
LACT #1	Oil	SYH7135005006
LACT #2	Oil	18110313090
Gas FMP	Gas	T224282611
Water Transfer Meter 1	Water	55436
Water Transfer Meter 2	Water	12105120550

Beneficial Use Equipment	Burn Rate (MCFD)	Calculation Method
Heater Treater #1	24	Manufacturer
Heater Treater #2	24	Manufacturer



LEGEND

- Containment
-

 Below-ground Piping
- Produced Water Piping
- Crude Oil Piping
- Gas Piping
- Produced Water FMP
- Crude Oil FMP
- Gas FMP
- GS

 Gas Scrubber
- F

 Flare
- VRU

 Vapor Recovery Unit
- HT

 Heater Treater
- HS

 Horizontal Separator
- CS

 Combustor
- X

 Pump
- ⋈

 Valve

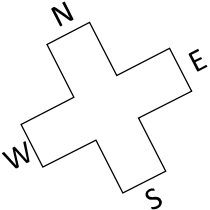
Valve Position During Production		
Valve	Line Use	Position
1-4	Oil Fill	Open
5-8	Oil Sales	Closed
9-10	Water Fill	Open
11-12	Water Transfer	Closed

Valve Position During Sales		
Valve	Line Use	Position
1-4	Oil Fill	Closed
5-8	Oil Sales	Open
9-10	Water Fill	Closed
11-12	Water Transfer	Open



SITE FACILITY DIAGRAM
PERMIAN RESOURCES CORPORATION
Burton Flats 10 CTB 1 (Charlie Chocolate 14-15 Federal Com 31H/Government AC 13 Federal 5H)

Section 14, T20S, R28E
Eddy County, NM



ARTESIA DISTRICT

DEC 17 2014

RECEIVED

Form C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

☒ AMENDED REPORT

AS-drilled

District I
1623 N. French Dr., Hobbs, NM 88240
Phone: (505) 393-6161 Fax: (505) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (505) 748-1283 Fax: (505) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87503
Phone: (505) 476-3460 Fax: (505) 476-3462

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-40880	Pool Code 52805	Pool Name Russell; Bone Spring
Property Code 39582	Property Name GOVERNMENT AC "13" FEDERAL	Well Number 5H
OGRID No. 1924163	Operator Name OXY USA WTP LP	Elevation 3267.5'

Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
E	13	20 SOUTH	28 EAST, N.M.P.M.		1980'	NORTH	350'	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
H	13	20 SOUTH	28 EAST, N.M.P.M.		2055'	NORTH	180'	EAST	EDDY

Dedicated Acres 160	Joint or Infill	Consolidation Code	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.

				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 undivided 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 in a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature: <u>Jennifer Durate</u> Date: <u>2/11/14</u> Printed Name: <u>Jennifer Durate</u> E-mail Address: <u>jennifer.durate@oxy.com</u>
SURFACE LOCATION NEW MEXICO EAST NAD 1927 Y=573111.30 US FT X=560218.52 US FT LAT.: N 32.5754375 LONG.: W 104.1378482	TOP PERF. NEW MEXICO EAST NAD 1927 Y=572956.65 US FT X=560978.22 US FT LAT.: N 32.5750085 LONG.: W 104.1353809	BOTTOM PERF. NEW MEXICO EAST NAD 1927 Y=573041.50 US FT X=564828.81 US FT LAT.: N 32.5752215 LONG.: W 104.1228803	BOTTOM HOLE LOCATION NEW MEXICO EAST NAD 1927 Y=573048.56 US FT X=565028.81 US FT LAT.: N 32.5752398 LONG.: W 104.1222285	
SURVEYOR 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 undivided 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 in a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature: <u>Jerry J. As...</u> Date: <u>2/19/2014</u> Printed Name: <u>Jerry J. As...</u> E-mail Address: <u>jerry.j.as...</u> PROFESSIONAL LAND SURVEYOR Certificate Number: <u>15079</u>				

WOF 110920WL-e (Rev. C) (NA)

NM OIL CONSERVATION
ARTESIA DISTRICT

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) 746-1283 Fax: (575) 746-9720

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

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

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

OCT 02 2019

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

RECEIVED

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-43123	Pool Code 52805	Pool Name RUSSELL; BONE SPRING
Property Code 325648	Property Name CHARLIE CHOCOLATE "14_15" FEDERAL COM	Well Number 31H
OGRID No. 192463	Operator Name OXY USA WTP LP	Elevation 3263.7'

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	14	20 SOUTH	28 EAST, N.M.P.M.		450'	NORTH	420'	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	15	20 SOUTH	28 EAST, N.M.P.M.		700	NORTH	24	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			

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.

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 selected mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date 9/19/19

LESLEE REEVES
Printed Name
LESLEE REEVES@OXY.COM
E-mail Address

SURVEYOR CERTIFICATION

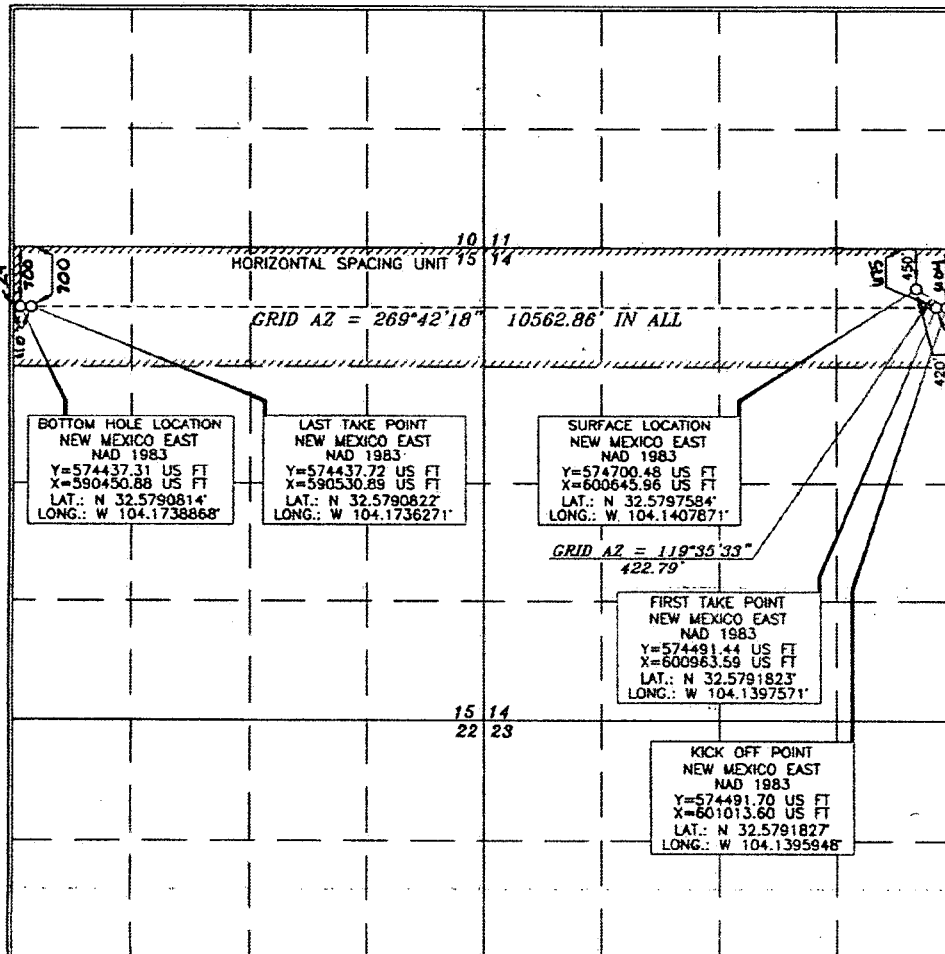
I hereby certify that the well location shown on this plat was plotted from the most recent of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey JULY 8, 2014

Signature and Seal of Professional Land Surveyor

Certificate Number 15079

WO# 130326WL-n (Rev. D) (KA)





United States Department of the Interior



BUREAU OF LAND MANAGEMENT
New Mexico State Office
301 Dinosaur Trail
Santa Fe, New Mexico 87508
<https://www.blm.gov/new-mexico>

In Reply Refer To:

NMNM140815
3105.2 (NM920)

APR 13 2021

Reference:
Communitization Agreement
Charlie Chocolate 14-15 Fed Com #31H
Section 14: N2N2
Section 15: N2N2
T. 20 S., R. 28 E., N.M.P.M.
Eddy County, NM

OXY USA WTP Limited Partnership
5 Greenway Plaza, Suite 110
Houston, TX 77046-0521

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NMNM140815 involving 40 acres of Federal land in lease NMLC 050797, 40 acres of Federal land in lease NMNM 6856, 120 acres of Federal land in lease NMNM 0541580, and 120 acres of Federal land in lease NMNM 0554216, Eddy County, New Mexico, which comprise a 320.00 acre well spacing unit.

The agreement communitizes all rights to all producible hydrocarbons from the Bone Spring formation beneath the N2N2 of Sec.14 and the N2N2 of Sec. 15, T. 20 S., R. 28 E., NMPM, Eddy County, NM, and is effective July 1, 2019. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

Approval of this agreement does not constitute an adjudication of any state, local government, or private interests, and does not constitute a warranty or certification that the information supplied by the party submitting this agreement regarding any private, state, or local government interests is accurate.

Copies of this approval letter are being distributed to the appropriate Federal agencies. You are requested to furnish all interested parties with the appropriate evidence of this approval. Any production royalties that are due must be reported and paid according to regulations set up by the Office of Natural Resources Revenue at 1-800-525-9167 or 303-231-3504.

If you have any questions regarding this approval, please contact Elizabeth Rivera at (505) 954-2162.

Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,

**SHEILA
MALLORY**

Digitally signed by
SHEILA MALLORY
Date: 2021.04.13
13:32:51 -06'00'

Sheila Mallory
Deputy State Director
Division of Minerals

1 Enclosure:

1 - Communitization Agreement

cc:

ONRR, Denver

NM Taxation & Revenue Dept. (Revenue Processing Div.)

NMOCD

NM (9200)

NM (P0220-CFO, File Room)

NMSO (NM925, File)

Determination - Approval - Certification

Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine that the Federal lease or leases as to the lands committed to the attached agreement cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located, and that consummation and approval of the agreement will be in the public interest. Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.
- B. Approve the attached Communitization Agreement covering the N2N2 of sec. 14 and the N2N2 of sec. 15, T. 20 S., R. 28 E., NMPM, as to all producible hydrocarbons from the Bone Spring formation. This approval will become invalid if the public interest requirements under section 3105.2-3 (c) are not met.
- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the agreement.

Approved: APR 13 2021

SHEILA
MALLORY

Digitally signed by SHEILA MALLORY
Date: 2021.04.13 13:33:36 -06'00'

Sheila Mallory
Deputy State Director
Division of Minerals

Effective: July 1, 2019

Contract No.: Com. Agr. NMNM140815

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page

Run Date/Time: 2/3/2023 8:39 AM

Page 1 Of 2

01 02-25-1920;041STAT0437;30USC181

Case Type 318310: O&G COMMUNITIZATION AGRMT

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED

Case File Juris:

Total Acres:
320.000Serial Number
NMNM 140815

Name & Address						Serial Number: NMNM-- - 140815
						Int Rel % Interest
BLM NMSO	301 DINOSAUR TRL	SANTA FE	NM	875081560	OFFICE OF RECORD	0.000000000
OXY USA WTP LP	5 GREENWAY PLAZA #110	HOUSTON	TX	77046	OPERATOR	100.000000000

										Serial Number: NMNM-- - 140815	
Mer	Twp	Rng	Sec	S	Type	Nr	Suff	Subdivision	District/ Field Office	County	Mgmt Agency
23	0200S	0280E	014		ALIQ			N2N2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0200S	0280E	015		ALIQ			N2N2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Relinquished/Withdrawn Lands

Serial Number: NMNM-- - 140815

Serial Number: NMNM-- - 140815			
Act Date	Act Code	Action Txt	Action Remarks
07/01/2019	387	CASE ESTABLISHED	
07/01/2019	516	FORMATION	BONE SPRING;
07/01/2019	868	EFFECTIVE DATE	/A/
09/27/2019	580	PROPOSAL RECEIVED	CA RECD;
10/11/2019	654	AGRMT PRODUCING	NMNM140815, 31H
04/13/2021	334	AGRMT APPROVED	
09/06/2021	690	AGRMT VALIDATED	

Serial Number: NMNM-- - 140815	
Line Number	Remark Text
0001	-
0002	/A/RECAPITULATION EFFECTIVE 07/01/2019
0003	TR# LEASE SERIAL NO AC COMMITTED % INTEREST
0004	1 NMLC 050797 40.00 12.5000
0005	2 NMNM 6856 40.00 12.5000
0006	3 NMNM 0541580 120.00 37.5000
0007	4 NMNM 0554216 120.00 37.5000
0008	TOTAL 320.00 100.0000

NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page

Run Date/Time: 2/3/2023 8:39 AM

Page 2 Of 2

NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM

Burton Flats CTB Notice List

Entity Name	Address_Line_One	Address_Line_Two	Address_Line_Three	City	State_Code	ZIP	Certified Mail Number
APOLLO PERMIAN, LLC	PO BOX 14779			OKLAHOMA CITY	OK	73113	70220410000179896132
CHARLES L HALL TRUST	FROST NATIONAL BANK - TRUSTEE	ACCOUNT FB743	PO BOX 1600 T-6	SAN ANTONIO	TX	78296-9987	70220410000179896125
COLGATE PRODUCTION, LLC	300 N. MARIENFELD ST	SUITE 1000		MIDLAND	TX	79701	Self
DAVOIL INC	PO BOX 122269			FORT WORTH	TX	76121-2269	70220410000179896118
DEVON ENERGY PRODUCTION CO LP	333 W SHERIDAN AVE			OKLAHOMA CITY	OK	73102-5105	70220410000179896101
EH MINERALS LP	P O BOX 10666			MIDLAND	TX	79702	70220410000179896095
ELYSE S PATTERSON TR INVSTMNT LLC	PO BOX 3480			OMAHA	NE	68103-0480	70220410000179896088
FIRST ROSWELL COMPANY	P.O. BOX 1797			ROSWELL	NM	88202	70220410000179896071
GRAHAM FAMILY INVESTMENTS LLC	PO BOX 1835			ROSWELL	NM	88202-1835	70220410000179896064
GW HOLDINGS, INC.	PO BOX 1659			MIDLAND	TX	79702-1659	70220410000179896057
JETSTREAM ROYALTY PARTNERS LP	101 NURSERY LANE	SUITE 312		FORT WORTH	TX	76114	70220410000179896040
KATHRYN RAE BRANDENBURG TRUST	KATHRYN RAE BRANDENBURG TRUSTEE	4243 TERRACE ST		OAKLAND	CA	94611	70210950000101954989
LESLIE RIGGS MILLS TRUST	LESLIE RIGGS MILLS TRUSTEE	PO BOX 727		CEDAREDGE	CO	81413-0727	70210950000101954972
ONRR	PO BOX 25627			DENVER	CO	80225-0627	70210950000101954965
RICHARD A HALL TRUST F0442200	FROST NATIONAL BANK TRUSTEE	P O BOX 1600		SAN ANTONIO	TX	78296-1600	70210950000101954958
RUBIE CROSBY BELL FAMILY LLC	FRANK ROBERT JANUSA MANAGING MEMBER	P O BOX 24591		NEW ORLEANS	LA	70184-4591	70210950000101954941
SABINAL ENERGY LLC	DBA SABINAL ENERGY OPERATING LLC	1780 HUGHES LANDING BLVD STE 1200		THE WOODLANDS	TX	77380	70220410000179896163
THE TOLES COMPANY	PO BOX 1300			ROSWELL	NM	88202-1300	70220410000179896156
WILLS ROYALTY INC	ATTN TRUST DEPT	PO BOX 1359		CARLSBAD	NM	88221	70220410000179895951
Bureau of Land Management	Carlsbad Field Office	620 E. Greene Street		CARLSBAD	NM	88220	Via AFMSS Sundry
New Mexico Oil Conservation Division	Attn: Mr. Dean McClure	1220 South St. Francis Drive		Santa Fe	NM	87505	Via OCD Online

Released to Imaging: 10/29/2025 1:31:32 PM

Affidavit of Publication

No. 26423

State of New Mexico
County of Eddy:
Denny Scott
being duly sworn says that he is the Publisher
of the Artesia Daily Press, a daily newspaper of General
circulation, published in English at Artesia, said county
and state, and that the hereto attached

Legal Ad

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

day as follows:

First Publication	January 19, 2023
Second Publication	
Third Publication	
Fourth Publication	
Fifth Publication	
Sixth Publication	
Seventh Publication	

Subscribed and sworn before me this
2nd day of February 2023

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

Latisha Romine

Latisha Romine
Notary Public, Eddy County, New Mexico

Copy of Publication:

Legal Notice

Colgate Operating, LLC, located at 300 N Marienfeld Street, Suite 1000, Midland TX 79701, is applying to commingle two wells to a central tank battery in Eddy County, New Mexico. The central tank battery will be located at the Burton Flats 10 CTB 1 in the N/2 of Section 14, T20S, R28E. The two wells, details and locations are the following:

Charlie Chocolate 14 15 Federal Com 31H located in the northeast quarter of section 14, T20S, R28E, Lot A, 450 FNL & 420 FEL. Government AC 13 Federal 5H located in the northwest quarter of section 13, T20S, R28E, Lot E, 1980 FNL & 350 FWL.

Interested parties must file objections or requests for hearing with the New Mexico Oil Conservation Division, 1220 South Saint Francis Dr., Santa Fe, NM 87505, within 20 days. Additional information can be obtained by contacting Katie Biersmith at 720-499-1522.

Published in the Artesia Daily Press, Artesia, N.M., Jan. 19, 2023 Legal No. 26423.

Received by OCD: 2/22/2023 12:01:20 PM

Well Name	Well Number	US Well Number	Lease Number	Case Number	Operator
GOVERNMENT	5H	3001540880	NMLC050797	NMLC050797	COLGATE
CHARLIE	31H	3001543123	NMLC050797	NMNM140815	COLGATE

Notice of Intent

Sundry ID: 2717206

Type of Submission: Notice of Intent

Date Sundry Submitted: 02/22/2023

Date proposed operation will begin: 01/01/2023

Type of Action: Commingling (Surface)

Time Sundry Submitted: 11:52

Procedure Description: Colgate Operating, LLC requests to commingle the Charlie Chocolate 14-15 Fed Com 31H and Government AC 13 Federal 5H wells into a central tank battery. Please see attached application for details.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

SUB_BLM_Burton_Flats_Commingling_Application_20230222115114.pdf

Operator

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

Operator Electronic Signature: KATIE BIERSMITH

Signed on: FEB 22, 2023 11:51 AM

Name: COLGATE OPERATING LLC

Title: Regulatory Specialist

Street Address: 1001 17th Street, Suite 1800

City: Denver**State:** CO

Phone: (720) 499-1522

Email address: Katie.Biersmith@cdevinc.com

Field

Representative Name:

Street Address:

City:**State:****Zip:**

Phone:

Email address:

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

APPLICATION FOR SURFACE COMMINGLING

**SUBMITTED BY PERMIAN RESOURCES OPERATING,
LLC**

ORDER NO. CTB-1165

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. Permian Resources Operating, LLC (“Applicant”) submitted a complete application to surface commingle the oil and gas production from the pools, leases, and wells as described 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. 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.
4. 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

5. 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.
6. 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.
7. 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.
8. 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.

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

ORDER

1. Applicant is authorized to surface commingle oil and gas production from the pools, leases, and wells as described in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease from the pools, leases, and wells as described in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

2. This Order supersedes Order OLM-170 and OLM-171.
3. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling it with production from another well.
4. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15. NMAC or 19.15.23.8. NMAC.
5. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9. NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8 B. NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8 E. NMAC.
6. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10 C.(2) NMAC.
7. If the commingling of oil and gas production from any pool, lease, or well reduces the value of the commingled oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil and gas production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.
8. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
9. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).

10. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



**ALBERT C. S. CHANG
DIRECTOR**

DATE: 10/24/2025

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: **CTB-1165**

Operator: **Permian Resources Operating, LLC (372165)**

Central Tank Battery: **Burton Flats 10 Central Tank Battery 1**

Central Tank Battery Location: **UL F, Section 14, Township 20 South, Range 28 East**

Gas Title Transfer Meter Location: **UL F, Section 14, Township 20 South, Range 28 East**

Pools

Pool Name	Pool Code
RUSSELL;BONE SPRING	52805

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
CA Bone Spring NMNM 105723633 (140815)	N2N2	14-20S-28E
	N2N2	15-20S-28E
BLM Lease NMNM 105511593 (NMLC 0050797)	S2N2	13-20S-28E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-015-43123	CHARLIE CHOCOLATE 14 15	N2N2	14-20S-28E	52805
	FEDERAL COM #031H	N2N2	15-20S-28E	
30-015-40880	GOVERNMENT AC 13 FEDERAL	S2N2	13-20S-28E	52805
	#005H			

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/oed/contact-us>

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

CONDITIONS

Action 189275

CONDITIONS

Operator: COLGATE OPERATING, LLC 300 North Marienfeld Street Midland, TX 79701	OGRID: 371449
	Action Number: 189275
	Action Type: [C-107] Surface Commingle or Off-Lease (C-107B)

CONDITIONS

Created By	Condition	Condition Date
sarah.clelland	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 email us at OCD.Engineer@emnrd.nm.gov .	10/29/2025