

DATE 6/30/2016	SUSPENSE	NAME MAM	LOANED BY 6/30/2016	TYPE CTB	APP NO MAM1618256481
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ABOVE THIS LINE FOR DIVISION USE ONLY

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



RECEIVED OGD
2016 JUN 30 P 3:47

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

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☒ CTB ☐ PLC ☐ PC ☒ OLS ☒ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply

[A] ☒ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **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.

Amanda Avery
Print or Type Name

Amanda Avery
Signature

Regulatory Tech
Title

6/30/16
Date

aavery@concho.com
e-mail Address



June 30, 2016

New Mexico Oil Conservation Division
1220 S St Francis Dr.
Santa Fe, NM 87404

Dear Mr. McMillian

COG Operating LLC respectfully requests administrative approval for Surface Commingling and Off-Lease Storage and Measurement for production from the following wells:

Boone 16 State Com #1H – 30-025-41200
SHL: Sec 16 - T21S - R33E; 190' FSL & 330' FEL
BHL: Sec 16 – T21S – R33E; 341' FNL & 394' FEL
Producing Area: E2E2 Sec 16

Boone 16 State Com #2H – 30-025-41049
SHL: Sec 16 – T21S- R33E; 190' FSL & 1980' FEL
BHL: Sec 16 – T21S-R33E; 335' FNL & 2045' FEL
Producing Area: E2E2 Sec 16

Warbler State Com #4H - 30-025-4331
SHL: Sec 16 – T21S -R33E; 120' FSL & 530' FEL
BHL: Sec 16 – T21S-R33E: 50' FSL & 330' FEL
Producing Area: E2E2 Sec 21 & 28

Production from the Boone 16 State Com #1H and the Warbler State Com #4H will be piped by surface flowline to the facility located on the Boone 16 State Com #2H well pad. Production will be allocated to individual wells utilizing the well test method. All three wells produce from the same pool (WC-025 G08 S213304D; Bone Spring (97895). The Boone 16 State Com #1H and #2H have identical ownership. The Warbler State Com #4H ownership is not the same as the Boone 16 State Com #1H and #2H. Notice of this application has been sent to all owners.

I have attached proof of notice to our working interest owners, a diagram of our battery facility and a map with lease boundaries showing all well and facility locations. The map also has well spacing units identified.

If you have any questions please contact me at 575-748-6962 or email me at aaavery@concho.com, or Melanie Wilson at 575-748-6952 email mwilson@concho.com.

Sincerely,

Amanda Avery
Regulatory Technician

CORPORATE ADDRESS

ONE CONCHO CENTER | 600 WEST ILLINOIS AVENUE | MIDLAND, TEXAS 79701
P 432.683.7443 | F 432.683.7441

ARTESIA WEST OFFICE

2208 MAIN STREET | ARTESIA, NEW MEXICO 88210
P 575.748.6840 | F 575.746.2096

HOBBS OCD

JUN 13 2016

DISTRICT I

1808 N. French Dr., Hobbs, NM 88240
Phone (505) 523-0111 Fax (505) 523-0750

DISTRICT II

911 E. First St., Artesia, NM 88210
Phone (505) 746-1100 Fax (505) 746-0720

DISTRICT III

1000 Rio Grande Rd., Aztec, NM 87410
Phone (505) 534-0170 Fax (505) 534-0170

DISTRICT IV

1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3400 Fax (505) 476-3400State of New Mexico
Energy, Minerals and Natural Resources Department

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Form C-102

Revised August 1, 2011

Submit one copy to appropriate
District OfficeOIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

O AMENDED REPORT

API Number 30-025- <u>47710</u>	Pool Code <u>97229 97085</u>	Pool Name <u>WC-025 G-08 9213326D BONE SPRING</u>
Property Code <u>316318</u>	Property Name WARBLER STATE COM	Well Number 4H
CGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3758'

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	16	21 S	33 E		120	SOUTH	530	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	28	21 S	33 E		50	SOUTH	330	EAST	LEA

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

		<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information furnished herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the Division.</p> <p>Signature <u>Melanie J Wilson</u> Date <u>5/12/2016</u></p> <p>Printed Name <u>Melanie J Wilson</u></p> <p>Email Address <u>mwilson@concho.com</u></p>
<p>N: 533422.8 E: 730631.7 (NAD-27)</p> <p>N: 530775.1 E: 730704.1 (NAD-27)</p> <p>N: 528135.3 E: 730682.2 (NAD-27)</p>		<p>SURFACE LOCATION</p> <p>Lot - N 32.471808" Long - W 103.570203" N: 536081.4 E: 735860.7 (NAD-27) MNSPCE- N 534188.5 E 735349.8 (NAD-27)</p> <p>PROPOSED BOTTOM HOLE LOCATION</p> <p>Lot - N 32.443364" Long - W 103.589497" N: 528182.1 E: 735948.3 (NAD-27) MNSPCE- N 525852.1 E 735841.7 (NAD-27)</p>
<p>N: 533422.8 E: 730631.7 (NAD-27)</p> <p>N: 530775.1 E: 730704.1 (NAD-27)</p> <p>N: 528135.3 E: 730682.2 (NAD-27)</p>		<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date Surveyed <u>May 6, 2016</u></p> <p>Signature <u>[Signature]</u> of Professional Surveyor <u>7977</u></p> <p>Certification Number <u>7977</u></p> <p>Scale: 1" = 4000'</p> <p>WD Num.: 32278</p>

MAK 04 2015

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

AUG 28 2013

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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-41049		² Pool Code 97895		³ Pool Name WC-025 G-08 S213304D; Bone Spring					
⁴ Property Code 39741		⁵ Property Name Boone 16 State Com						⁶ Well Number 2H	
⁷ OGRID No. 229137		⁸ Operator Name COG Operating LLC						⁹ Elevation 3755' GR	
¹⁰ Surface Location									
UL or lot no. O	Section 16	Township 21S	Range 33E	Lot Idn	Feet from the 190	North/South line South	Feet from the 1980	East/West line East	County Lea
¹¹ Bottom Hole Location If Different From Surface									
UL or lot no. B	Section 16	Township 21S	Range 33E	Lot Idn	Feet from the 232	North/South line North S	Feet from the 2045	East/West line East	County Lea
¹² Dedicated Acres 160		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No. 4945			

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	Producing Area 11907-16090'	BHL	332'	2045'	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 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 to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature: <i>Stormi Davis</i> Date: 8/26/13 Printed Name: Stormi Davis E-mail Address: sdavis@concho.com	
		4755'				
			SHL			1980'

NOV 05 2013

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: COG Operating LLC
OPERATOR ADDRESS: 2208 W. Main Street, Artesia, NM 88210
APPLICATION TYPE:

☐ Pool Commingling ☒ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☒ State ☐ Federal

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

(A) POOL COMMINGLING

Please attach sheets with the following information

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

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

(B) LEASE COMMINGLING

Please attach sheets with the following information

- (1) Pool Name and Code. WC025 G08 S213304D; Bone Spring (97895)
(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) Allocation by well test method.

(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: Amanda Avery TITLE: Regulatory Technician DATE: 06/30/2016
TYPE OR PRINT NAME Amanda Avery TELEPHONE NO. 575-748-6946
E-MAIL ADDRESS aavery@concho.com

<i>Date Sent</i>	<i>Initials</i>	<i>Document Type</i>	<i>Well Name</i>	<i>Tract #</i>	<i>Sent Certified Return Receipt to:</i>	<i>Receipt No.</i>
6/30/2016	aa	Commingle/OLM	Warbler State Com #4H	1,2	Rubicon Oil and Gas 508 W Wall Ste 500 Midland, TX 79701	70160910000026545378
6/30/2016	aa	Commingle/OLM	Warbler State Com #4H	1,2	Michael D & Kathryn A Hayes 3608 Meadowridge Lane Midland, TX 79707	70160910000026545385
6/30/2016	aa	Commingle/OLM	Warbler State Com #4H	1,2,3	State of NM Commissioner of Public Lands PO Box 2308 Santa Fe, NM 87501	70160910000026545392
6/30/2016	aa	Commingle/OLM	Warbler State Com #4H	3	The Allar Company PO Box 1567 Graham, TX 76450	70160910000026545408
6/30/2016	aa	Commingle/OLM	Warbler State Com #4H	3	Nestegg Energy Corporation 2308 Sierra Vista Rd Artesia, NM 88210	70160910000026545415
6/30/2016	aa	Commingle/OLM	Warbler State Com #4H	3	EG3 PO Box 1567 Graham, TX 76450	70160910000026545422



June 30, 2016

«AddressBlock»

RE: Surface Lease Commingle, Off Lease Measurement, Sales and Storage
Warbler State Com #4H - Sec 16-T21S-R33E 120' FSL & 530' FEL
Boone 16 State Com #1H - Sec 16-T21S-R33E 190' FSL & 1980' FEL
Boone 16 State Com #2H - Sec 16-T21S-R33E 190' FSL & 330' FEL

Dear Interest Owner:

This is to advise you that COG Operating LLC, is filing an application with the New Mexico Oil Conservation Division ("NMOCD") and State Land Office (SLO) seeking approval for a Surface Lease Commingle and Off Lease Measurement, Sales and Storage for the above mentioned wells.

A copy of our application submitted to the Division is attached.

Any objections or requests that a hearing should be held regarding this application must be submitted in writing to the New Mexico Oil Conservation Division Santa Fe office within 20 days from the date of this letter. The Division Director may approve this application if no objection has been made within 20 days after the application has been received.

If you have any questions regarding this Application, please contact me at 575-748-6962 or email me at aavery@concho.com, or Melanie Wilson at 575-748-6952 email mwilson@concho.com.

Sincerely,

Amanda Avery
Regulatory Technician
COG Production LLC
2208 W. Main Street
Artesia, NM 88210
575.748.6940

Enclosure

CORPORATE ADDRESS

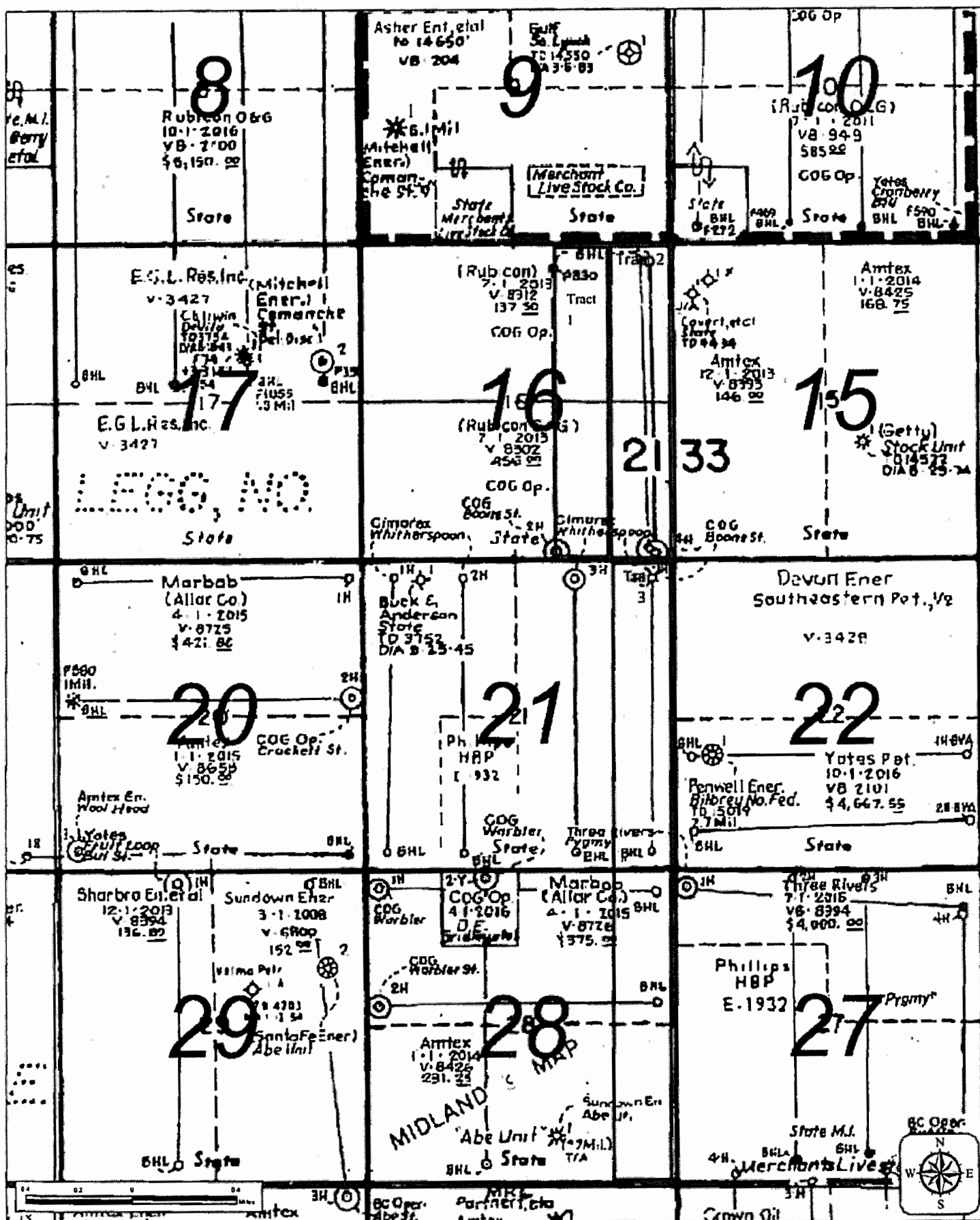
ONE CONCHO CENTER | 600 WEST ILLINOIS AVENUE | MIDLAND, TEXAS 79701
P 432.683.7443 | F 432.683.7441

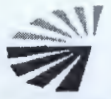
ARTESIA WEST OFFICE

2208 MAIN STREET | ARTESIA, NEW MEXICO 88210
P 575.748.6940 | F 575.746.2096



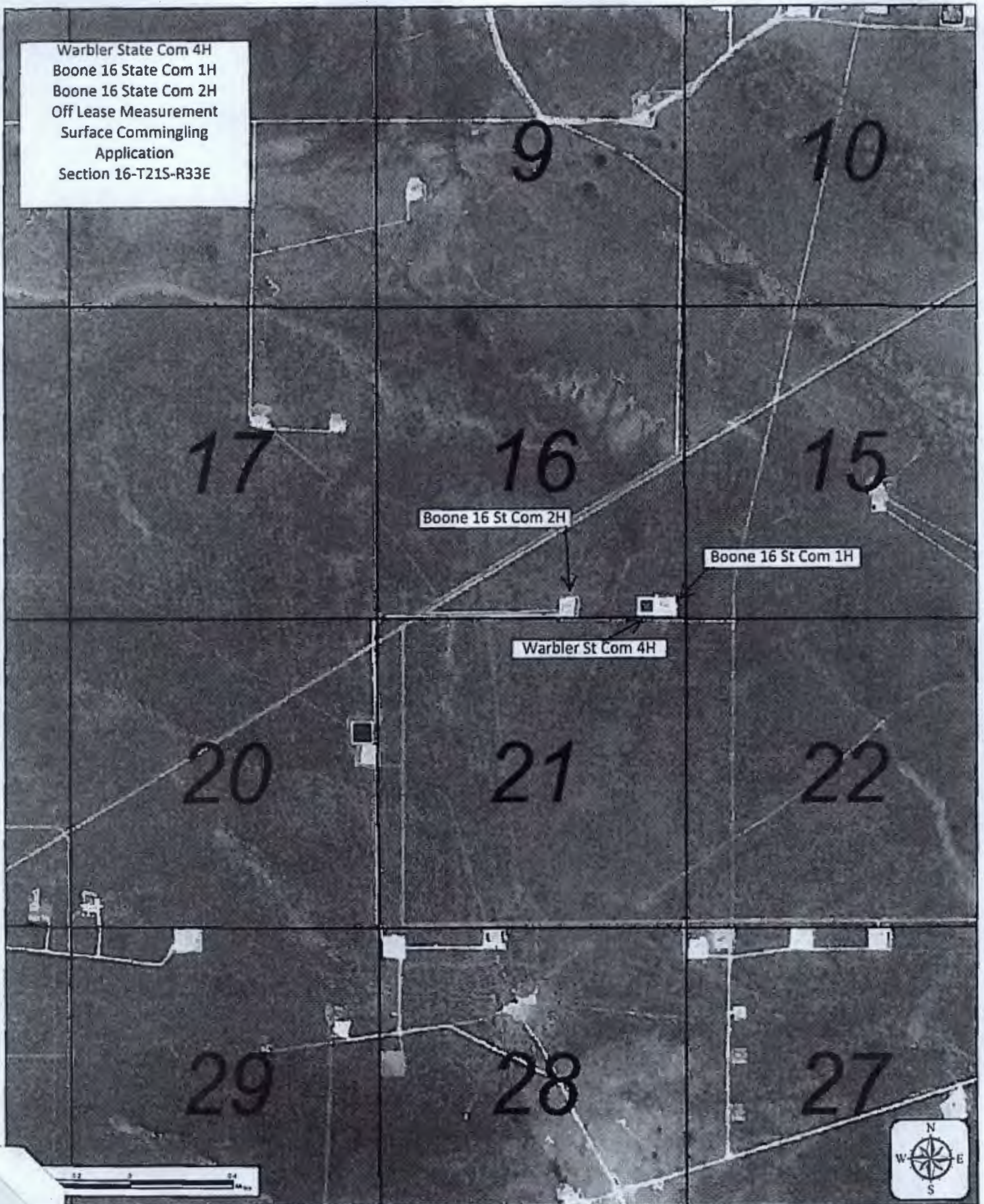
N/2 Sec 28-21S-33E BO 8726 S/2 VO 8426





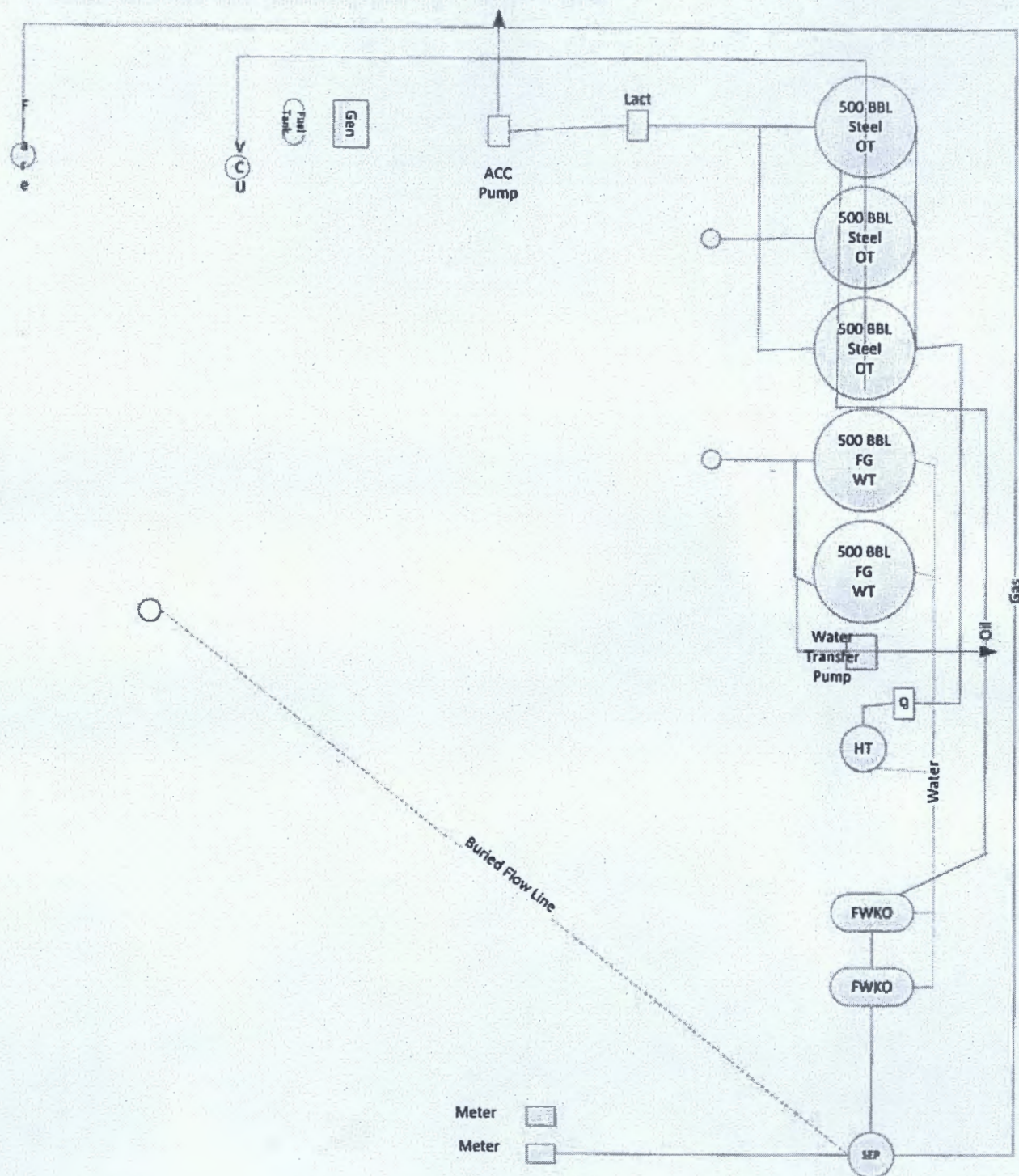
CONCHO

Warbler State Com 4H
Boone 16 State Com 1H
Boone 16 State Com 2H
Off Lease Measurement
Surface Commingling
Application
Section 16-T21S-R33E





Boone 16 State Com
#2H Battery
30-025-41049
Sec 16-T21S-R33E
Lea County



Production Summary Report
API: 30-025-41200
BOONE 16 STATE COM #001H
Printed On: Tuesday, July 05 2016

		Production				
Year	Pool	Month	Oil(BBLS)	Gas(MCF)	Water(BBLS)	Days P/I
2015	[97895] WC-025 G-08 S213304D;BONE SPRING	Feb	13070	17288	70173	28
2015	[97895] WC-025 G-08 S213304D;BONE SPRING	Mar	9700	14748	37578	31
2015	[97895] WC-025 G-08 S213304D;BONE SPRING	Apr	11298	18060	36534	30
2015	[97895] WC-025 G-08 S213304D;BONE SPRING	May	11003	18163	34952	31
2015	[97895] WC-025 G-08 S213304D;BONE SPRING	Jun	8703	13375	27142	30
2015	[97895] WC-025 G-08 S213304D;BONE SPRING	Jul	7334	15554	23481	31
2015	[97895] WC-025 G-08 S213304D;BONE SPRING	Aug	6676	13374	18001	31
2015	[97895] WC-025 G-08 S213304D;BONE SPRING	Sep	5451	10732	14044	30
2015	[97895] WC-025 G-08 S213304D;BONE SPRING	Oct	5758	12159	15069	31
2015	[97895] WC-025 G-08 S213304D;BONE SPRING	Nov	4284	8458	10008	30
2015	[97895] WC-025 G-08 S213304D;BONE SPRING	Dec	3921	7115	9981	27
2016	[97895] WC-025 G-08 S213304D;BONE SPRING	Jan	3752	5146	6588	25
2016	[97895] WC-025 G-08 S213304D;BONE SPRING	Feb	3947	5642	9540	29
2016	[97895] WC-025 G-08 S213304D;BONE SPRING	Mar	4133	5992	8832	31
2016	[97895] WC-025 G-08 S213304D;BONE SPRING	Apr	3525	5665	8229	30

Production Summary Report

API: 30-025-41049

BOONE 16 STATE COM #002H

Printed On: Tuesday, July 05 2016

		Production				
Year	Pool	Month	Oil(BBLS)	Gas(MCF)	Water(BBLS)	Days P/I
2015	[97895] WC-025 G-08 S213304D;BONE SPRING	Jan	310	701	855	31
2015	[97895] WC-025 G-08 S213304D;BONE SPRING	Feb	852	785	2351	28
2015	[97895] WC-025 G-08 S213304D;BONE SPRING	Mar	522	1572	2246	31
2015	[97895] WC-025 G-08 S213304D;BONE SPRING	Apr	639	1409	2769	30
2015	[97895] WC-025 G-08 S213304D;BONE SPRING	May	819	1804	4068	31
2015	[97895] WC-025 G-08 S213304D;BONE SPRING	Jun	724	1961	2035	30
2015	[97895] WC-025 G-08 S213304D;BONE SPRING	Jul	880	1859	2403	31
2015	[97895] WC-025 G-08 S213304D;BONE SPRING	Aug	0	1793	2041	31
2015	[97895] WC-025 G-08 S213304D;BONE SPRING	Sep	0	1960	1996	30
2015	[97895] WC-025 G-08 S213304D;BONE SPRING	Oct	0	2025	2381	31
2015	[97895] WC-025 G-08 S213304D;BONE SPRING	Nov	0	1539	1685	30
2015	[97895] WC-025 G-08 S213304D;BONE SPRING	Dec	0	763	2006	27
2016	[97895] WC-025 G-08 S213304D;BONE SPRING	Jan	2	261	1025	16
2016	[97895] WC-025 G-08 S213304D;BONE SPRING	Feb	0	0	0	0
2016	[97895] WC-025 G-08 S213304D;BONE SPRING	Mar	0	0	0	0
2016	[97895] WC-025 G-08 S213304D;BONE SPRING	Apr	0	0	0	0

BOONE 16 STATE COM 1H	
<u>WI OWNERS</u>	<u>PERCENTAGE</u>
COG OPERATING LLC ONE CONCHO CENTER 600 W ILLINOIS AVE MIDLAND, TX 79701	0.75000000
RUBICON OIL & GAS II LP 508 W WALL STE 500 MIDLAND, TX 79701	0.25000000
<u>RI OWNERS</u>	
COG OPERATING LLC ONE CONCHO CENTER 600 W ILLINOIS AVE MIDLAND, TX 79701	0.61000000
RUBICON OIL & GAS II LP 508 W WALL STE 500 MIDLAND, TX 79701	0.20333333
STATE OF NM-COMMISSIONER OF PUBLIC LANDS P.O. BOX 2308 SANTA FE, NM 87501	0.16666667
<u>ORRI OWNERS</u>	
HAYES REVOCABLE TRUST ATTN: MICHAEL D. HAYES & KATHRYN A HAYES CO TRUSTEES 3608 MEADOWRIDGE LANE MIDLAND, TX 79707	0.02000000

BOONE 16 STATE COM 2H	
<u>WI OWNERS</u>	<u>PERCENTAGE</u>
COG OPERATING LLC ONE CONCHO CENTER 600 W ILLINOIS AVE MIDLAND, TX 79701	0.75000000
RUBICON OIL & GAS II LP 508 W WALL STE 500 MIDLAND, TX 79701	0.25000000
<u>RI OWNERS</u>	
COG OPERATING LLC ONE CONCHO CENTER 600 W ILLINOIS AVE MIDLAND, TX 79701	0.61000000
RUBICON OIL & GAS II LP 508 W WALL STE 500 MIDLAND, TX 79701	0.20333333
STATE OF NM-COMMISSIONER OF PUBLIC LANDS P.O. BOX 2308 SANTA FE, NM 87501	0.16666667
<u>ORRI OWNERS</u>	
HAYES REVOCABLE TRUST ATTN: MICHAEL D. HAYES & KATHRYN A HAYES CO TRUSTEES 3608 MEADOWRIDGE LANE MIDLAND, TX 79707	0.02000000

WARBLER STATE COM 4H	
<u>WI OWNERS</u>	<u>PERCENTAGE</u>
COG OPERATING LLC ONE CONCHO CENTER 600 W ILLINOIS AVE MIDLAND, TX 79701	0.85625000
CONCHO OIL & GAS LLC ONE CONCHO CENTER 600 W ILLINOIS AVE MIDLAND, TX 79701	0.01875000
THE ALLAR COMPANY P.O. BOX 1567 GRAHAM, TX 76450	0.12500000
<u>RI OWNERS</u>	
COG OPERATING LLC ONE CONCHO CENTER 600 W ILLINOIS AVE MIDLAND, TX 79701	0.70134375
CONCHO OIL & GAS LLC ONE CONCHO CENTER 600 W ILLINOIS AVE MIDLAND, TX 79701	0.01553125
THE ALLAR COMPANY P.O. BOX 1567 GRAHAM, TX 76450	0.1015625
STATE OF NM-COMMISSIONER OF PUBLIC LANDS P.O. BOX 2308 SANTA FE, NM 87501	0.17708333
<u>ORRI OWNERS</u>	
NESTEGG ENERGY CORPORATION 2308 SIERRA VISTA RD ARTESIA, NM 88210	0.00187500
EG3, INC P.O. BOX 1567 GRAHAM, TX 76450	0.00260417

NEW MEXICO STATE LAND OFFICE

CERTIFICATE OF APPROVAL

COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

COG Operating LLC
Boone 16 State Com Well #1H
Vertical Extent: Bone Spring
Township: 21 South, Range: 33 East, NMPM
Section 16 : E2E2
Lea County, New Mexico

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Consolidation Agreement for the development and operation of acreage which is described within the referenced Agreement dated February 2, 2015, 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 4th day of May, 2015.



COMMISSIONER OF PUBLIC LANDS
of the State of New Mexico

NEW MEXICO STATE LAND OFFICE

CERTIFICATE OF APPROVAL

COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

COG Operating LLC
Boone 16 State Com Well No. 2H
W2E2, Section 16, Township 21 South, Range 33 East, Lea County, New Mexico
Bone Spring

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 February 15, 2013, 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 9th day of April, 2013.



David M. [Signature]
COMMISSIONER OF PUBLIC LANDS
of the State of New Mexico

McMillan, Michael, EMNRD

From: Melanie Wilson <MWilson@concho.com>
Sent: Thursday, July 21, 2016 9:55 AM
To: McMillan, Michael, EMNRD; Amanda Avery
Subject: RE: Boone/Warbler Commingle

Yes, we are. The Warbler will be metered coming out of the free water knockout
If you would like to speak with our facility engineer about it, his contact information is:
Ivan Villa
Senior Facilities Engineer
575-748-1558
IVilla@concho.com

From: McMillan, Michael, EMNRD [mailto:Michael.McMillan@state.nm.us]
Sent: Thursday, July 21, 2016 9:47 AM
To: Amanda Avery
Cc: Melanie Wilson
Subject: [External] RE: Boone/Warbler Commingle

**** External email. Use caution. ****
Are you metering the wells separately?
Mike

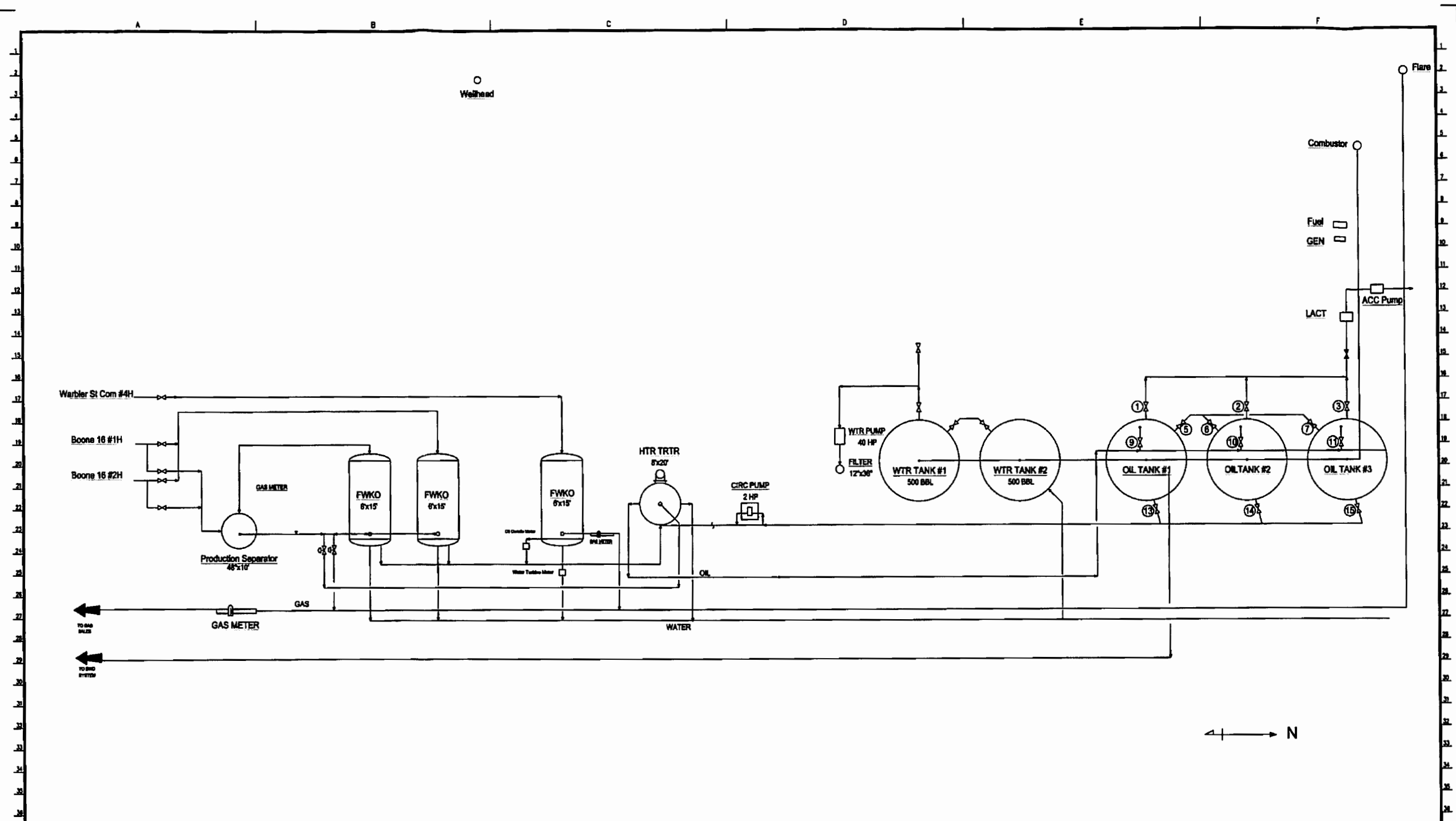
From: Amanda Avery [mailto:AAvery@concho.com]
Sent: Thursday, July 21, 2016 7:34 AM
To: McMillan, Michael, EMNRD
Cc: Melanie Wilson
Subject: Boone/Warbler Commingle


Good Morning,

Attached is an updated site facility diagram for the Boone #2H battery. It's much easier to read if you print it on legal size paper. Let me know if you need anything else.

Thanks!

Amanda L Avery (Amy)
Regulatory Technician
COG Operating LLC
2208 W Main Street
Artesia, NM 88210
575-748-6962



NOTES:	<div>CONFIDENTIALITY NOTICE</div> <div>THIS DRAWING IS PROPERTY OF COG OPERATING LLC AND IS LOANED TO THE BORROWER FOR CONSTRUCTION USE ONLY AND IS SUBJECT TO RETURN UPON REQUEST AND SHALL NOT BE REPRODUCED, COPIED, LOANED OR OTHERWISE DISPOSED OF DIRECTLY OR INDIRECTLY, NOR USED FOR ANY PURPOSE OTHER THAN THAT WHICH IT IS SPECIFICALLY FURNISHED.</div>	REFERENCE DRAWINGS		REVISIONS				ENGINEERING RECORD		<div><div>BOONE 16 ST COM BATTERY UPGRADES FOR WARBLER ST COM #4H SITE FACILITY DIAGRAM STANDARD TANK BATTERY</div><div>EDDY COUNTY TOWNSHIP/RANGE MULTIPLE</div><div>DWG NO. BOONE 2H-002</div><div>REV 0</div></div>			
		NO.	TITLE	NO.	DATE	DESCRIPTION	BY	CHK.	APP.		BY	DATE	
				A	7/20/2018	ISSUE FOR REVIEW	IV				DWG:	IV	7/20/2018
											DES:		
											CHK:		
											APP:		
											A/E NO.:		
		COG OPERATING LLC 600 WEST ILLINOIS AVENUE MIDLAND, TEXAS 79701							FACI ENR:	L Vito			
									OPER ENR:	VARIES			
									SCALE:	NONE			