Received by OCD: 11/9/2020 7:59-23 AM

ceived by OCD: 11/9/2020 7:59:23 AM	Page 1 of
6QLQS-201109-C-107B PL	C-715 Revised March 23, 2017
RECEIVED: 11/9/20 REVIEWER: DM	TYPE: PLC APP NO: pDM2031450992
NEW MEXICO OI - Geological &	L CONSERVATION DIVISION Engineering Bureau – Drive, Santa Fe, NM 87505
	NISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND ROCESSING AT THE DIVISION LEVEL IN SANTA FE
Applicant: EOG Resources, Inc.	OGRID Number: 7377
Well Name: Quijote 2 State Com 501H & others	API: 30-025-46198
Pool: WC-025 G-08 S253235G; Lower Bone Spring	Pool Code: 97903
	ATION REQUIRED TO PROCESS THE TYPE OF APPLICATION DICATED BELOW
<ul> <li>1) TYPE OF APPLICATION: Check those which A. Location – Spacing Unit – Simultaneo NSL NSP (PROJECT ARI </li> <li>B. Check one only for [1] or [1] </li> <li>[1] Commingling – Storage – Measur </li> <li>DHC CTB XPLC </li> <li>[1] Injection – Disposal – Pressure Inc. </li> </ul>	DICATED BELOW         apply for [A]         bus Dedication $e_{A}$ $\square NSP_{(PRORATION UNIT)}$ $\square SD$ rement $\square PC$ $\square OLS$
<ul> <li>1) TYPE OF APPLICATION: Check those which A. Location – Spacing Unit – Simultaneo NSL NSP (PROJECT ARI </li> <li>B. Check one only for [1] or [1] </li> <li>[1] Commingling – Storage – Measur </li> <li>DHC CTB XPLC </li> <li>[1] Injection – Disposal – Pressure Inc. </li> </ul>	DICATED BELOW   apply for [A]   bus Dedication   bus Ded

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.

Lisa Trascher

Print or Type Name

Lisa Trascher

10/7/2020

Date

432-247-6331

Phone Number

lisa\_trascher@eogresources.com

e-mail Address

Signature

Page 2 of 52

.

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

1220 S. St Francis Drive

Santa Fe, New Mexico 87505

oil CONSERVATION DIVISION

Submit the original application to the Santa Fe

Form C-107-B Revised August 1, 2011

office with one copy to the appropriate District Office.

#### APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: EOG Resou	rces, Inc.											
OPERATOR ADDRESS: P.O. Box 2267 Midland, Texas 79702												
APPLICATION TYPE:												
Pool Commingling     Lease Commingling	g XPool and Lease Co	mmingling Off-Lease	Storage and Measur	rement (Only if not Surface	e Commingled)							
LEASE TYPE: Fee X 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 $\overline{X}$ Yes $\Box$ 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							
		_										
		_										
		_										
		4										
<ul> <li>(2) Are any wells producing at top allowables? ☐Yes ☐No</li> <li>(3) Has all interest owners been notified by certified mail of the proposed commingling? ☑Yes ☐No.</li> <li>(4) Measurement type: ☑Metering ☐ Other (Specify)</li> <li>(5) Will commingling decrease the value of production? ☐Yes ☑No If "yes", describe why commingling should be approved</li> </ul>												
	(B) LEASE COMMINGLING											
(1) Pool Name and Code.	Please attach sheet	ts with the following in	nformation									
<ol> <li>Pool Name and Code.</li> <li>Is all production from same source of</li> <li>Has all interest owners been notified by</li> <li>Measurement type: XMetering [</li> </ol>	certified mail of the pro		XYes 🗆 N	0								
	(C) POOL and	LEASE COMMIN	GLING									
		ts with the following in										
(1) Complete Sections A and E.												
			GUDEMENT									
(1		ORAGE and MEA ets with the following										
(1) Is all production from same source of		_	mormation									
(2) Include proof of notice to all interest of	wners.											
(E) AI		DRMATION (for all ts with the following in		vpes)								
<ol> <li>A schematic diagram of facility, include</li> <li>A plat with lease boundaries showing</li> <li>Lease Names, Lease and Well Number</li> </ol>	all well and facility locat	ions. Include lease numbe	ers if Federal or St	ate lands are involved.								
I hereby certify that the information above is	-											
SIGNATURE: Lisa Trasche	<i>л</i> Т	ITLE: Regulatory	v Specialist	DATE:1(	)/7/2020							
TYPE OR PRINT NAME Lisa Trase	cher		TEL	EPHONE NO.: <u>432</u>	-247-6331							
E-MAIL ADDRESS: <u>lisa_trascher(</u>	a)eogresources.c	om										

#### APPLICATION FOR SURFACE POOL/LEASE COMMINGLING

EOG Resources, Inc. ("EOG") respectfully requests approval to surface pool/lease commingle oil & gas from all existing and future wells in E/2 of Section 2 in Township 26 South, Range 32 East within the Bone Spring and Wolfcamp pools listed below, for Leases ST NM VB-0844-1 and ST NM VB-0845-1. These spacing units are initially dedicated to the following wells:

Well Name	Location	API #	Pool	Oil BPD	Gravities	MSCFPD	BTU
QUIJOTE 2 STATE COM #501H	A-2-26S-32E	30-025-46198	97903 WC-025 G-08 S253235G;LWR BONE SPRING	*1500	*45	*2600	*1300
QUIJOTE 2 STATE COM #502H	A-2-26S-32E	30-025-46199	97903 WC-025 G-08 S253235G;LWR BONE SPRING	*1200	*45	*1900	*1300
QUIJOTE 2 STATE COM #503H	A-2-26S-32E	30-025-46200	97903 WC-025 G-08 S253235G;LWR BONE SPRING	*1500	*45	*2600	*1300
QUIJOTE 2 STATE COM #504H	B-2-26S-32E	30-025-46201	97903 WC-025 G-08 S253235G;LWR BONE SPRING	*1200	*45	*1900	*1300
QUIJOTE 2 STATE COM #505H	B-2-26S-32E	30-025-46202	97903 WC-025 G-08 S253235G;LWR BONE SPRING	*1500	*45	*2600	*1300
QUIJOTE 2 STATE COM #506H	B-2-26S-32E	30-025-46203	97903 WC-025 G-08 S253235G;LWR *15 BONE SPRING		*45	*2600	*1300
QUIJOTE 2 STATE COM #702H	A-2-26S-32E	30-025-46024	98158 WC-025 G-09 S253236A;UPR WOLFCAMP	245	48.3	653	1286
QUIJOTE 2 STATE COM #704H	B-2-26S-32E	30-025-46025	98158 WC-025 G-09 S253236A;UPR WOLFCAMP	219	48.3	597	1323
QUIJOTE 2 STATE COM #706H	B-2-26S-32E	30-025-46026	98158 WC-025 G-09 S253236A;UPR WOLFCAMP	224	48.3	686	1305
QUIJOTE 2 STATE COM #711H	A-2-26S-32E	30-025-46027	98158 WC-025 G-09 S253236A;UPR WOLFCAMP	317	48.3	961	1311
QUIJOTE 2 STATE COM #713H	A-2-26S-32E	30-025-46028	98158 WC-025 G-09 S253236A;UPR WOLFCAMP	210	48.3	648	1273
QUIJOTE 2 STATE COM #715H	B-2-26S-32E	30-025-46029	98158 WC-025 G-09 S253236A;UPR WOLFCAMP	228	48.3	922	1284
QUIJOTE BQJ STATE COM #1H	QUIJOTE BQJ STATE COM #1H O-2-26S-32E 30-025-39947 96403 WILDCAT;BONE SPRING ; 978 JENNINGS;UPPER BONE SPRING SHALE ; 97879 WILDCAT G-06 S2632020;BONE SPRING		SHALE ; 97879 WILDCAT G-06	52	46.1	526	1297

\*projected, pending completion

#### **GENERAL INFORMATION :**

- State lease ST NM VB-0844-1 covers 160 acres including the NE/4 of Section 2 in Township 26 South, Range 32 East, Lea County, New Mexico.
- State lease NM NM VB-0845-1 covers 160 acres including the SE/4 of Section 2 in Township 26 South, Range 32 East, Lea County, New Mexico.
- The central tank battery to service the subject wells is located in the NE/4 of Section 2 in Township 26 South 32 East on State lease NM VB-0845-1.
- An application to commingle production from the subject wells is being submitted to the NMOCD and the New Mexico State Land Office.

• Enclosed herewith is (1) a map that displays the leases, the location of the subject wells, and the proposed CTB, (2) a process flow diagram, (3) and the C-102 plat for each of the wells.

# FUTURE ADDITIONS

Pursuant to Statewide rule  $\underline{19.15.12.10}$  (C)(4)(g) EOG Resources, Inc. respectfully requests the option to include additional pools or leases within the following parameters:

 EOG may add additional production from the Bone Spring and Wolfcamp Pools (WC-025 G-09 S253236A; Upper Wolfcamp [98158], WC-025 G-08 S253235G; Lwr Bone Spring [97903] and Wildcat; Bone Spring [97879]) from Lease's ST NM VB-0844-1, ST NM VB-0845-1.

EOG respectfully requests authority to add additional wells contained within the spacing units identified and approved in this application by filing a Sundry Notice C-103 and C-102 Plats to the Engineering Bureau in Santa Fe for Federal and filing an Amendment with the NMOCD. Notice to owners shall not be required when amending the application to add wells contained within spacing units previously approved for commingling authority.

# PROCESS AND FLOW DESCRIPTIONS:

The production from each well will flow into a dedicated 3-phase separator. The production stream will be separated into 3 independent streams (gas, oil, and water) by the separator and each stream will be measured individually after it exits the separator. The gas will be measured using a senior orifice meter and used to allocate total volume measured at the facility check meter, high pressure flare meter, and low pressure flare meter.

```
QUIJOTE 2 STATE COM #501H gas allocation meter is (S/N *1111111)
QUIJOTE 2 STATE COM #502H gas allocation meter is (S/N *1111111)
QUIJOTE 2 STATE COM #503H gas allocation meter is (S/N *1111111)
QUIJOTE 2 STATE COM #504H gas allocation meter is (S/N *1111111)
QUIJOTE 2 STATE COM #505H gas allocation meter is (S/N *1111111)
QUIJOTE 2 STATE COM #505H gas allocation meter is (S/N *1111111)
QUIJOTE 2 STATE COM #506H gas allocation meter is (S/N *1111111)
QUIJOTE 2 STATE COM #702H gas allocation meter is (S/N 14004601)
QUIJOTE 2 STATE COM #704H gas allocation meter is (S/N 14007602)
QUIJOTE 2 STATE COM #704H gas allocation meter is (S/N 14007603)
QUIJOTE 2 STATE COM #711H gas allocation meter is (S/N 14007604)
QUIJOTE 2 STATE COM #713H gas allocation meter is (S/N 14007605)
QUIJOTE 2 STATE COM #715H gas allocation meter is (S/N 14007606)
QUIJOTE BQJ STATE COM #1H gas allocation meter is (S/N *1111111)
```

The oil from the separators will be measured using a Coriolis meter.

QUIJOTE 2 STATE COM #501H oil allocation meter is (S/N \*11-1111) QUIJOTE 2 STATE COM #502H oil allocation meter is (S/N \*11-11111) QUIJOTE 2 STATE COM #503H oil allocation meter is (S/N \*11-11111) QUIJOTE 2 STATE COM #504H oil allocation meter is (S/N \*11-11111) QUIJOTE 2 STATE COM #505H oil allocation meter is (S/N \*11-11111) QUIJOTE 2 STATE COM #506H oil allocation meter is (S/N \*11-11111) QUIJOTE 2 STATE COM #702H oil allocation meter is (S/N 10-76829) QUIJOTE 2 STATE COM #704H oil allocation meter is (S/N 10-76830) QUIJOTE 2 STATE COM #706H oil allocation meter is (S/N 10-76831) QUIJOTE 2 STATE COM #711H oil allocation meter is (S/N 10-76832) QUIJOTE 2 STATE COM #713H oil allocation meter is (S/N 10-76833) QUIJOTE 2 STATE COM #713H oil allocation meter is (S/N 10-76833) QUIJOTE 2 STATE COM #715H oil allocation meter is (S/N 10-76834) QUIJOTE 2 STATE COM #11 oil allocation meter is (S/N 10-76834)

The water will be measured using a turbine meter. The water from each separator is combined in a common header and flows into (2) 750 barrel coated steel tanks. Guided wave radar is used to measure water volumes in these tanks. The oil from each separator will be combined into a common header and flow into a heated horizontal separator (HHS) to aid separation of water entrained in the oil. Water from the heated separator flows into the common water header connected to the (2) 750 barrel water tanks. The water is then pumped and/or trucked to a salt water disposal well. The oil from the heated separator flows through a vapor recovery tower (VRT) where gas is allowed to breakout at a lower pressure, and then the oil flows into (4) 750 barrel coated steel tanks. Guided wave radar is used to measure water and oil volumes in these tanks. Oil is pumped out of the tanks through a Coriolis meter into a truck or a pipeline. Every tank utilizes a guided wave radar to determine the volume of product in each. After the gas from each separator is measured it is combined into a common header. The gas from the heated separator also flows into this header. The gas from the heated separator also flows into this header. The gas flows through the header to a custody transfer orifice meter (#14007651) that serves as our lease production meter. If the pipeline is experiencing problems and cannot take any gas, the gas will flow through the high pressure flare meter (#14007656) to the flare. If an individual well needed to be flared for any operation reason it will be manually routed through the individual well flare meter (#14007657) to the flare. The overhead gas from the vapor recovery tower is compressed by a vapor recovery compressor and then measured by a custody transfer orifice meter (#14007686). The gas from the vapor recovery system combines with the gas from the lease production meter and flows into our gas gathering pipeline system downstream of the lease production meter.

\*Meter numbers will be provided upon installation of meters and completion of the facility.



P.O. Box 2267, Midland, Texas 79702 Phone: (432) 686-3684 Fax: (432) 686-3773

Date: October 7, 2020

To:New Mexico State Land OfficeState of New Mexico Oil Conservation Division

Re: Surface Pool/Lease Commingling Application Quijote 2 State Com 501H, 502H, 503H, 504H, 505H, 506H, 702H, 704H, 706H, 711H, 713H, 715H, Quijote BQJ State Com 1H

To whom it may concern

This letter serves to notice you that the ownership in the production of the following wells is Diverse as defined in 19.15.12.7 A. NMAC:

API	Well Name	Well#	Location	Pool Code/name	Status
30-025-46198	QUIJOTE 2 STATE COM	501H	A-02-26S-32E	[97903] WC-025 G-08 S253235G; LWR BS	PERMITTED
30-025-46199	QUIJOTE 2 STATE COM	502H	A-02-26S-32E	[97903] WC-025 G-08 S253235G; LWR BS	PERMITTED
30-025-46200	QUIJOTE 2 STATE COM	503H	A-02-26S-32E	[97903] WC-025 G-08 S253235G; LWR BS	PERMITTED
30-025-46201	QUIJOTE 2 STATE COM	504H	B-02-26S-32E	[97903] WC-025 G-08 S253235G; LWR BS	PERMITTED
30-025-46202	QUIJOTE 2 STATE COM	505H	B-02-26S-32E	[97903] WC-025 G-08 S253235G; LWR BS	PERMITTED
30-025-46203	QUIJOTE 2 STATE COM	506H	B-02-26S-32E	[97903] WC-025 G-08 S253235G; LWR BS	PERMITTED
30-025-46024	QUIJOTE 2 STATE COM	702H	A-02-26S-32E	[98158] WC-025 G-09 S253236A; UPR WC	PRODUCING
30-025-46025	QUIJOTE 2 STATE COM	704H	B-02-26S-32E	[98158] WC-025 G-09 S253236A; UPR WC	PRODUCING
30-025-46026	QUIJOTE 2 STATE COM	706H	B-02-26S-32E	[98158] WC-025 G-09 S253236A; UPR WC	PRODUCING
30-025-46027	QUIJOTE 2 STATE COM	711H	A-02-26S-32E	[98158] WC-025 G-09 S253236A; UPR WC	PRODUCING
30-025-46028	QUIJOTE 2 STATE COM	713H	A-02-26S-32E	[98158] WC-025 G-09 S253236A; UPR WC	PRODUCING
30-025-46029	QUIJOTE 2 STATE COM	715H	B-02-26S-32E	[98158] WC-025 G-09 S253236A; UPR WC	PRODUCING
30-025-39947	QUIJOTE BQJ STATE COM	001H	O-02-26S-32E	[97879] WILDCAT; BONE SPRING	PRODUCING

The royalty, overrides and working interest are diverse on a well by well basis. All owners are listed on Exhibit A, attached hereto .I certify that this information is true and correct to the best of my knowledge.

Sincerely,

By:\_

**EOG Resources, Inc.** 

Matthew Gray

Matt Gray Senior Landman Commingling Application for Quijote 2 State Com CTB EOG Resources, Inc. EXHIBIT A- Notice List

New Mexico Oil Conservation Division Attn: Mr. Dean McClure 1220 South St. Francis Drive Santa Fe, NM 87505 Via OCD Online

Sharbro Energy, LLC Attn: Elizabeth Baker P.O. Box 840 Artesia, NM 88211 7018 1130 0001 3044 2836

Chevron North America Exploration & Production Co PO Box 730436 Dallas, TX 75373-0436 7018 1130 0001 3044 2850 New Mexico Oil Conservation Division Attn: Mr. Paul Kautz 1625 N. French Drive Hobbs, New Mexico 88240 CMRRR

EOG Resources Inc. PO Box 4362 Houston, TX 77210-4362

Tumbler Energy Partners LLC PO Box 50938 Midland TX, 79710 7017 1130 0001 3044 2867 New Mexico State Land Office Attn: Scott Dawson 310 Old Santa Fe Trail Santa Fe, NM 87501 7018 1130 0001 3044 2829

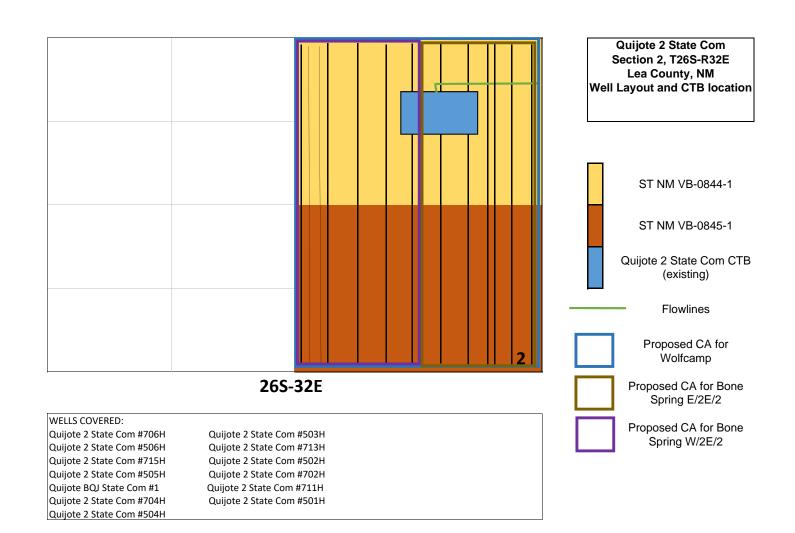
Accelerate Resources Operating, LLC 5949 Sherry Lane Suite 1060 Dallas, TX 75225 7018 1130 0001 3044 2843

OXY Y 1 Company PO Box 27570 Houston, TX 77227-7570 7018 1130 0001 3044 2874

Copies of this application were mailed to the following individuals, companies, and organizations on or before <u>October 30th</u>, 2020.

Lisa Trascher

Lisa Trascher EOG Resources, Inc.





P.O. Box 2267, Midland, Texas 79702 Phone: (432) 848-9133

#### Certified Mail-Return Receipt

Date: October 30, 2020

Re: Surface/Pool Lease Commingling Application; Quijote 2 State Com 501H, 502H, 503H, 504H, 505H, 506H, 702H, 704H, 706H, 711H, 713H, 715H, 001H

Dear Sir/Madam:

Enclosed please find EOG Resources, Inc.'s application to commingle production at its Quijote 2 State Com Central Tank Battery located in Lea County, New Mexico, filed this date with the New Mexico Oil Conservation Division (NMOCD) and the New Mexico State Land Office.

Any objections or requests for a hearing regarding this application must be submitted to the New Mexico Oil Conservation Division Santa Fe Office within 20 Days from the date the Division received this application.

Pursuant to Statewide rule  $\underline{19.15.12.10}$  (C)(4)(g) EOG Resources, Inc. respectfully requests the option to include additional pools or leases within the following parameters:

• EOG may add additional production from the Bone Spring and Wolfcamp Pools (WC-025 G-09 S253236A; Upper Wolfcamp [98158], WC-025 G-08 S253235G; Lwr Bone Spring [97903] and Wildcat; Bone Spring [97879]) from Lease's ST NM VB-0844-1, ST NM VB-0845-1.

EOG respectfully requests authority to add additional wells contained within the spacing units identified and approved in this application by filing a Sundry Notice C-103 and C-102 Plats to the Engineering Bureau in Santa Fe for Federal and filing an Amendment with the NMOCD. Notice to owners shall not be required when amending the application to add wells contained within spacing units previously approved for commingling authority.

For questions regarding this application, please contact me at 432-247-6331 or lisa\_trascher@eogresources.com

Kind regards,

**EOG Resources, Inc.** 

Lisa Trascher By:

Lisa Trascher Regulatory Specialist



QUIJOTE 2 STATE COM #501H

QUIJOTE 2 STATE COM #502H 30-025-46199 GAS: 11111111 GAS LIFT: 11111111 OIL: 11-11111

QUIJOTE 2 STATE COM #503H 30-025-46200

GAS: 11111111 GAS LIFT: 11111111 OIL: 11-11111

WATER: 11-11111

GAS: 11111111 GAS LIFT: 11111111

OIL: 11-11111 WATER: 11-11111

GAS: 11111111

GAS LIFT: 11111111 OIL: 11-11111

GAS: 11111111 GAS LIFT: 11111111

GAS: 14007601 GAS LIFT: 14007621 OIL: 10-76829

WATER: 40-76829

GAS: 14007602

OIL: 10- 76830 WATER: 40-76830

GAS LIFT: 14007622

GAS: 14007603 GAS LIFT: 14007623 OIL: 10- 76831

WATER: 40- 76831

OIL: 11-11111 WATER: 11-11111

WATER: 11-11111

WATER 11-11111

QUIJOTE 2 STATE COM #504H 30-025-46201

30-025-46202

QUIJOTE 2 STATE COM #505H

QUIJOTE 2 STATE COM #506H 30-025-46203

QUIJOTE 2 STATE COM #702H

30-025-46024

QUIJOTE 2 STATE COM #704H

30-025-46025

QUIJOTE 2 STATE COM #706H 30-025-46026

QUIJOTE 2 STATE COM #711H 30-025-46027

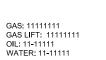
30-025-46028

GAS: 14007604 GAS LIFT: 14007624 OIL: 10-76832 WATER: 40-76832

QUIJOTE 2 STATE COM #713H GAS: 14007605 GAS LIFT: 14007625 OIL: 10-76833 WATER: 40-76833

QUIJOTE 2 STATE COM #715H 30-025-46029

QUIJOTE BQJ STATE COM #1H 30-025-39947

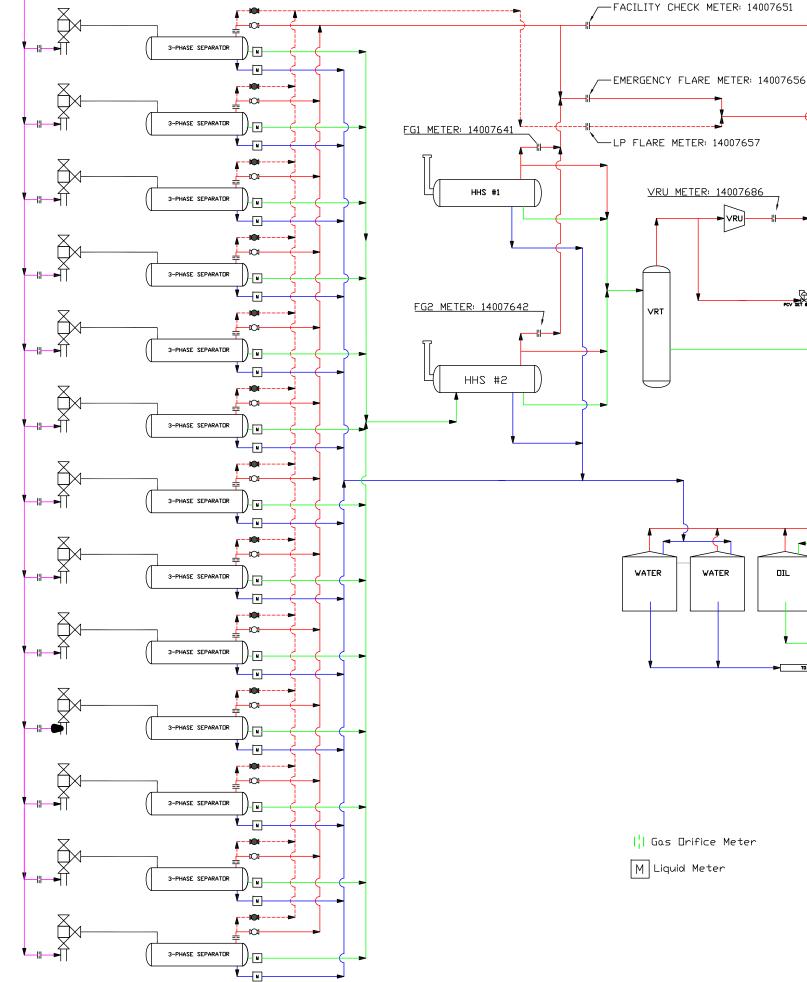


GAS: 14007606

OIL: 10-76834

GAS LIFT: 14007626

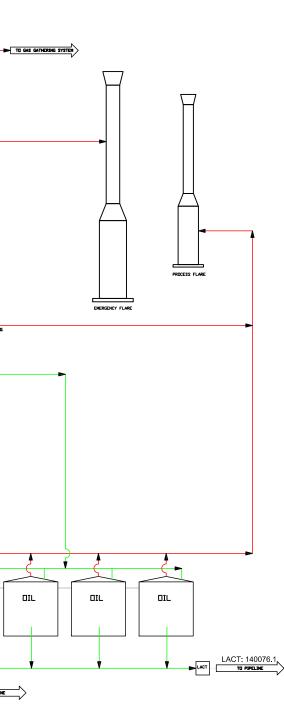
WATER: 40-76834



-LGL INJ BB METER: 14007683

FROM GAS LIFT STATION

Received by OCD: 11/9/2020 7:59:23 AM



PCV SET & 5 PSI

DIL

DIL

Gas lift will come from the Bodacious Localized Gas Lift Station offsite. \*11111111 Meter Numbers will be provided after the facility has been built.

QUIJDTE 2 STATE FACILITY PROCESS		
EDG RESDURCES MIDLAND DIVISION	BY: SDG	rev. 01 10/22/2020

#### APPLICATION FOR, COMMINGLING AT A COMMON CENTRAL TANK BATTERY

#### Proposal for QUIJOTE 2 STATE COM CTB:

EOG Resources, Inc. is requesting approval to commingle the following wells in a common central tank battery:

Well Name	Location	API #	Pool	Oil BPD	Gravities	MSCFPD	BTU
QUIJOTE 2 STATE COM #501H	A-2-26S-32E	30-025-46198	97903 WC-025 G-08 S253235G;LWR BONE SPRING	*1500	*45	*2600	*1300
QUIJOTE 2 STATE COM #502H	A-2-26S-32E	30-025-46199	97903 WC-025 G-08 S253235G;LWR BONE SPRING	*1200	*45	*1900	*1300
QUIJOTE 2 STATE COM #503H	A-2-26S-32E	30-025-46200	97903 WC-025 G-08 S253235G;LWR BONE SPRING	*1500	*45	*2600	*1300
QUIJOTE 2 STATE COM #504H	B-2-26S-32E	30-025-46201	97903 WC-025 G-08 S253235G;LWR BONE SPRING	*1200	*45	*1900	*1300
QUIJOTE 2 STATE COM #505H	B-2-26S-32E	30-025-46202	97903 WC-025 G-08 S253235G;LWR BONE SPRING	*1500	*45	*2600	*1300
QUIJOTE 2 STATE COM #506H	B-2-26S-32E	30-025-46203	97903 WC-025 G-08 S253235G;LWR BONE SPRING	*1500	*45	*2600	*1300
QUIJOTE 2 STATE COM #702H	A-2-26S-32E	30-025-46024	98158 WC-025 G-09 S253236A;UPR WOLFCAMP	245	48.3	653	1286
QUIJOTE 2 STATE COM #704H	B-2-26S-32E	30-025-46025	98158 WC-025 G-09 S253236A;UPR WOLFCAMP	219	48.3	597	1323
QUIJOTE 2 STATE COM #706H	B-2-26S-32E	30-025-46026	98158 WC-025 G-09 S253236A;UPR WOLFCAMP	224	48.3	686	1305
QUIJOTE 2 STATE COM #711H	A-2-26S-32E	30-025-46027	98158 WC-025 G-09 S253236A;UPR WOLFCAMP	317	48.3	961	1311
QUIJOTE 2 STATE COM #713H	A-2-26S-32E	30-025-46028	98158 WC-025 G-09 S253236A;UPR WOLFCAMP	210	48.3	648	1273
QUIJOTE 2 STATE COM #715H	B-2-26S-32E	30-025-46029	98158 WC-025 G-09 S253236A;UPR WOLFCAMP	228	48.3	922	1284
			96403 WILDCAT;BONE SPRING ; 97838				
QUIJOTE BQJ STATE COM #1H	O-2-26S-32E	30-025-39947	JENNINGS; UPPER BONE SPRING SHALE; 97879	52	46.1	526	1297
			WILDCAT G-06 S263202O;BONE SPRING				

\*Estimated numbers for these wells; will provide actual numbers once these wells are producing.

			Dre	aduction Su	nmary Report						
			PIC	API: 30-02							
			011		23-40024 TE COM #702H						
			- • -								
Printed On: Wednesday, October 07 2020 Production Injection											
Year	Pool	Month	Oil(BBLS)		-	Dave P/I	Water(BBLS)		Gas(MCF)	Other	Pressure
i cai	[98158] WC-025 G-09 S253236A;UPR	WORLD		Gas(IVICF)	water(DDL3)	Days F/1	water(bbc3)	COZ(IVICI')	Gas(IVICI')	other	Flessule
2020	WOLFCAMP	Feb	27113	67402	154986	28	0	0	0	0	0
2020	[98158] WC-025 G-09 S253236A;UPR	100	2/113	07402	134500	20	0	Ŭ		Ű	Ű
2020	WOLFCAMP	Mar	21717	54817	94513	31	0	0	0	0	0
2020	[98158] WC-025 G-09 S253236A;UPR	IVIGI	21/1/	54017	54515	51		0	0	Ŭ	Ű
2020	WOLFCAMP	Apr	12522	29616	54352	29	0	0	0	0	0
	[98158] WC-025 G-09 S253236A;UPR	1									
2020	WOLFCAMP	May	11714	27884	48578	31	0	0	0	0	0
	[98158] WC-025 G-09 S253236A;UPR										
2020	WOLFCAMP	Jun	10042	25029	39396	30	0	0	0	0	0
	[98158] WC-025 G-09 S253236A;UPR										
2020	WOLFCAMP	Jul	9272	23005	30531	31	0	0	0	0	0
			Pro	oduction Su	mmary Report						
				API: 30-02	25-46025						
			QU	IJOTE 2 STA	TE COM #704H						
			Printed C	n: Wednesd	lay, October 07	7 2020					
				Producti					ection		
Year		Month	Oil(BBLS)	Gas(MCF)	Water(BBLS)	Days P/I	Water(BBLS)	Co2(MCF)	Gas(MCF)	Other	Pressure
	[98158] WC-025 G-09 S253236A;UPR										
2020	WOLFCAMP	Feb	24385	63765	129559	27	0	0	0	0	0
	[98158] WC-025 G-09 S253236A;UPR		10055	50077	77004						
2020		Mar	18655	50277	77991	31	0	0	0	0	0
2020	[98158] WC-025 G-09 S253236A;UPR	A	12070	22610	40072	20	0	0	0	0	0
2020	WOLFCAMP [98158] WC-025 G-09 S253236A;UPR	Apr	12078	33618	49973	29	0	0	0	0	0
2020	WOLFCAMP	May	10925	29170	37125	31	0	0	0	0	0
2020	[98158] WC-025 G-09 S253236A;UPR	Ividy	10925	23170	57125	51	0	0	0	0	0
2020	WOLFCAMP	Jun	8972	25060	28500	30	o	0	0	0	0
2020	[98158] WC-025 G-09 S253236A;UPR	5411	0572	25000	20500	50		Ŭ	0	Ŭ	Ű
2020	WOLFCAMP	Jul	8098	22795	27410	31	0	0	0	0	0
2020			0050	22700	27.120	01		Ŭ	0	Ŭ	
			Pro	oduction Su	mmary Report						
				API: 30-02							
			QU	IJOTE 2 STA	ТЕ СОМ #706Н						
			Printed C	n: Wednesc	lay, October 07	7 2020					
				Producti	on			Inj	ection		
Year	Pool	Month	Oil(BBLS)	Gas(MCF)	Water(BBLS)	Days P/I	Water(BBLS)	Co2(MCF)	Gas(MCF)	Other	Pressure
	[98158] WC-025 G-09 S253236A;UPR										
2020	WOLFCAMP	Feb	26205	69754	136733	27	0	0	0	0	0
	[98158] WC-025 G-09 S253236A;UPR										
2020	WOLFCAMP	Mar	20777	58089	84014	31	0	0	0	0	0
	[98158] WC-025 G-09 S253236A;UPR										
2020	WOLFCAMP	Apr	11774	34316	30851	29	0	0	0	0	0
	[98158] WC-025 G-09 S253236A;UPR										
2020	WOLFCAMP	May	10737	30306	28002	31	0	0	0	0	0
	[98158] WC-025 G-09 S253236A;UPR										
2020	WOLFCAMP	Jun	9162	27314	24884	30	0	0	0	0	0
	[98158] WC-025 G-09 S253236A;UPR					_					
2020	WOLFCAMP	Jul	8336	24766	25376	31	0	0	0	0	0

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			Pro		mmary Report						
				API: 30-0							
					TE COM #711H						
			Printed C	Producti	lay, October 07	2020		Ini	ection		
Year	Pool	Month	Oil(BBLS)		Water(BBLS)	Davs P/I	Water(BBLS)		Gas(MCF)	Other	Pressure
i cai	[98158] WC-025 G-09 S253236A;UPR	wionen	OII(DDL3)	Gas(INCI )	Water(BBES)	Day31/1	water(bbcs)	C02(INCI )	Gas(inci )	other	Tressure
2020	WOLFCAMP	Feb	37840	105044	104479	28	0	0	0	0 0	0
	[98158] WC-025 G-09 S253236A;UPR							-	-	-	
2020	WOLFCAMP	Mar	22383	63098	51982	30	0	0	0	o o	0
	[98158] WC-025 G-09 S253236A;UPR										
2020	WOLFCAMP	Apr	16862	45367	39962	30	0	0	0	0 0	0
	[98158] WC-025 G-09 S253236A;UPR										
2020	WOLFCAMP	May	14325	39466	34818	31	0	0	0	0 0	0
	[98158] WC-025 G-09 S253236A;UPR										
2020	WOLFCAMP	Jun	12616	36122	30441	30	0	0	0	0 0	0
	[98158] WC-025 G-09 S253236A;UPR										
2020	WOLFCAMP	Jul	11639	34040	26768	31	0	0	0	0 0	0
			Der	- d							
			PIC	API: 30-0	mmary Report						
			011		23-40028 TE COM #713H						
			- • -		lay, October 07						
			Tintea e	Producti	1	2020		Ini	ection		
Year	Pool	Month	Oil(BBLS)	Gas(MCF)	Water(BBLS)	Days P/I	Water(BBLS)		Gas(MCF)	Other	Pressure
	[98158] WC-025 G-09 S253236A;UPR		- 、 -,								
2020	WOLFCAMP	Feb	29241	84075	102477	29	0	0	0	o 0	0
	[98158] WC-025 G-09 S253236A;UPR										
2020	WOLFCAMP	Mar	15299	47076	44803	30	0	0	0	0 0	0
	[98158] WC-025 G-09 S253236A;UPR										
2020	WOLFCAMP	Apr	11982	37130	33350	30	0	0	0	0 0	0
	[98158] WC-025 G-09 S253236A;UPR										
2020	WOLFCAMP	May	10014	32167	32137	31	0	0	0	0 0	0
	[98158] WC-025 G-09 S253236A;UPR										
2020	WOLFCAMP	Jun	8206	26645	30230	30	0	0	0	0 0	0
2020	[98158] WC-025 G-09 S253236A;UPR	1.1	7524	24277	20242	24		0			
2020	WOLFCAMP	Jul	7534	24377	29312	31	0	0	0	0 0	0
			Dre	aduction Su	nmary Report						
				API: 30-0							
			QU		TE COM #715H						
			Printed C	n: Wedneso	lay, October 07	7 2020					
				Producti	on			Inj	ection		
Year	Pool	Month	Oil(BBLS)	Gas(MCF)	Water(BBLS)	Days P/I	Water(BBLS)	Co2(MCF)	Gas(MCF)	Other	Pressure
	[98158] WC-025 G-09 S253236A;UPR										
2020	WOLFCAMP	Feb	33371	100056	85818	27	0	0	0	0 0	0
	[98158] WC-025 G-09 S253236A;UPR					_					
2020	WOLFCAMP	Mar	19035	64747	46421	30	0	0	0	0 0	0
2020	[98158] WC-025 G-09 S253236A;UPR		42000				-	_	_		_
2020		Apr	12900	44223	37714	30	0	0	0	0 0	0
2020	[98158] WC-025 G-09 S253236A;UPR	Mari	11027	20614	40204	21	_	_	_		
2020	WOLFCAMP [98158] WC-025 G-09 S253236A;UPR	May	11027	38614	40264	31	0	0	0	0 0	0
2020	[98158] WC-025 G-09 S253236A;0PR WOLFCAMP	lun	9043	34374	34049	30	0	0	C	0	0
2020	[98158] WC-025 G-09 S253236A;UPR	Jun	9043	34374	34049	30	0	0		, 0	0
2020	WOLFCAMP	Jul	8413	32455	30938	31	0	0	0	0 0	0
2020		Jui	0415	32433	30330	31	0	0	U	, 0	0

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			Pro	oduction Su	nmary Report							
				API: 30-02	25-39947							
			QUIJ	OTE BQJ ST	ATE COM #001	н						
	Printed On: Wednesday, October 07 2020											
	Production Injection											
Year	Pool	Month	Oil(BBLS)	Gas(MCF)	Water(BBLS)	Days P/I	Water(BBLS)	Co2(MCF)	Gas(MCF)	Other	Pressure	
	[97879] WILDCAT G-06 S2632020;BONE											
2020	SPRING	Feb	469	6011	255	10	0	0	0	0 0	0	
	[97879] WILDCAT G-06 S2632020;BONE											
2020	SPRING	Mar	3	6	0	2	0	0	0	0 0	0	
	[97879] WILDCAT G-06 S2632020;BONE											
2020	SPRING	Apr	0	0	0	0	0	0	0	0 0	0	
	[97879] WILDCAT G-06 S2632020;BONE											
2020	SPRING	May	0	0	0	0	0	0	0	0 0	0	
	[97879] WILDCAT G-06 S2632020;BONE											
2020	SPRING	Jun	0	0	0	0	0	0	0	0 0	0	
	[97879] WILDCAT G-06 S263202O;BONE											
2020	SPRING	Jul	0	0	0	0	0	0	0	0 0	0	

District I						ъс			FORM C-102				
1625 N. French Dr., H					State of Ne	w Mexico							
Phone: (575) 393-616 District II	1 Fax: (575) 39	93-0720		Energy,	Minerals &	Natural Reso	urces	1	Revised August 1, 2011				
811 S. First St., Artesi		40.0700			Depart	tment		Submit of	ne copy to appropriate				
Phone: (575) 748-128: District III	. ,			OIL C		TIANIBUUAT	ON		<b>District Office</b>				
	1000  kto Brazos Road, Aztec, NM 8/410 1000  store (503) 334.6178												
District IV				14	2019	AMENDED REPORT							
1220 S. St. Francis Dr Phone: (505) 476-346					Santa Fe, N		AMENDED KEI OKI						
Phone: (505) 476-3460 Fax: (505) 476-3462 Salita FC, INIVI 87505 RECEIVED													
		W	ELL LO	<b>DCATIO</b>	N AND ACR	<b>EAGE DEDIC</b>							
	<sup>1</sup> API Number	r		<sup>2</sup> Pool Code		ame							
30	)-025- 4	6198		97903		WC-025 G-08 S253235G; Lwr Bone Spring							
<sup>4</sup> Property C					<sup>5</sup> Property N	Property Name <sup>6</sup> Well Number							
32572	27	QUIJOTE 2 STATE COM 501H						501H					
<sup>7</sup> OGRID N	No.				<sup>8</sup> Operator I	Name			<sup>9</sup> Elevation				
7377	,			EC	G RESOUR	CES, INC.			3340'				
L	!				<sup>10</sup> Surface L	ocation							
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West lir	ne County				
Α	2	26-S	32-E	-	360'	NORTH	758'	EAST	LEA				
			. 11	Bottom Ho	le Location If I	Different From Su	rface		• <b>•</b> ••••••••••••••••••••••••••••••••••				
UL or lot no.	Section		Range	Lot Idn	Feet from the	North/South line		East/West lin					
I D	9	26_0	22-6		100'	COUTU	330'	TACT	1 1174				

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	2	26-S	32-E	-	100'	SOUTH	330'	EAST	LEA
<sup>12</sup> Dedicated Acres 160.00	<sup>13</sup> Joint or I	nfill <sup>14</sup> Co	nsolidation Co	de <sup>15</sup> Ord	er No.				

*2       SURFACE LOCATION NEW MEXICO EAST NAD 1927 X=744867 Y=393010 LAT: N 32.0785983 LONG:: W103.8369257 NAD 1983 X=756153 Y=393067       AZ = 68.02* 4395.3*       360* 350*       1*0* 10* 10* 10* 10* 10* 10* 10* 10* 10*			X=755588.94 Y=393423.44	X=756901.39 Y=393432.15	
Y=393067       UPPER MOST PERF. NEW MEXICO EAST NAD 1927       UPPER MOST PERF. NEW MEXICO EAST NAD 1927       Star L Harrell         Y=393072       LAT:: N 32.0793132       Dote       Star L Harrell         LONG:: W 103.6397672       VI 33.639711       Star L Harrell         Y=393272       LAT:: N 32.0793132       Dote         LONG:: W 103.6397611       NAD 1983       Star L Harrell         Y=39330       LONG:: W 103.637611       NAD 1983         X=756574       Y=393330       Dote         LONG:: W 103.6384027       NMD 1927       NMD 1927         BOTTOM HOLE LOCATION NEW MEXICO EAST NAD 1927       NMD 1928       NMD 1927         X=715550       Y=388115       NMD 1923         LAT:: N 32.0651330       LONG:: W 103.637511       NMD 1983         NAD 1983       X=7656737       Y=3881172         V=3881172       X=7656737       X300	<sup>16</sup> 2	NEW MEXICO EAST NAD 1927 X=714967 Y=393010 LAT.: N 32.0785983 LONG.: W 103.6392957 NAD 1983	AZ = 58.03° 360	330'	<sup>17</sup> 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 herelofore entered by the division.
X=756574 Y=393330 LAT.: N 32.0794380 LONG.: W 103.6384027 BOTTOM HOLE LOCATION NEW MEXICO EAST NAD 1927 X=715550 Y=388115 LAT.: N 32.0651330 LONG.: W 103.6375131 NAD 1983 X=756737 Y=388172		Y=393067 LAT.: N 32.0787231	NEW MEXICO EAST NAD 1927 X=715388 Y=393272 LAT.: N 32.0793132 LONG.: W 103.6379311		<u>Star I Harrell</u> Printed Name star harrell@eogresources.com
NAD 1983 X=756737 Y=388172		В	Y=393330 LAT.: N 32.0794380 LONG.: W 103.6384027		03/26/2019
X=755722.42 Y=388070.15 X=75722.42			LAT.: N 32.0651330 LONG.: W 103.6375131 NAD 1983 X=756737 Y=388172 LAT.: N 32.0652579 LONG.: W 103.6379838		HE 24508 FORAL STR

District I 1625 N. French Dr., H Phone: (575) 393-616 District II 811 S. First St., Artesi Phone: (575) 748-128. District III 1000 Rio Brazos Road Phone: (505) 334-617. District IV 1220 S. St. Francis Dr Phone: (505) 476-3460	1 Fax: (575) 3 ia, NM 88210 3 Fax: (575) 7 i, Aztec, NM 8 8 Fax: (505) 3 ., Santa Fe, NM	93-0720 48-9720 7410 34-6170 4 87505	WFI	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505 07/09/2019 WELL LOCATION AND ACREAGE DEDICATION PLAT					Submit on	FORM C-102 Revised August 1, 2011 Re copy to appropriate District Office AMENDED REPORT		
	<sup>1</sup> API Numbe		** 151		<sup>2</sup> Pool (		AUN	LAGE DEDIC				
30-025- <b>46199</b> 97903						<sup>3</sup> Pool Name WC-025 G-08 S253235G; Lwr Bone Spring						
		5133	/						.55G, LW		Well Number	
<sup>4</sup> Property C 32572			<sup>5</sup> Property Name									
								TATE COM				502H
<sup>7</sup> OGRID N							perator Na					<sup>9</sup> Elevation
7377						EOG RES	OUR	CES, INC.				3340'
	_					<sup>10</sup> Surf	face Lo	cation				
UL or lot no.	Section	Township		Range	Lo		rom the	North/South line	Feet from t	he	East/West line	e County
A	2	26-	s   3	2-E	-	360	,	NORTH	791'	E	AST	LEA
				<sup>11</sup> ]	Bottom	Hole Locatio	on If Di	ifferent From Su	rface			
UL or lot no.	Section	Township		Range			from the	North/South line		he	East/West lin	e County
P	2	26-	S   3	2-E	-	100	,	SOUTH	725'	E/	AST	LEA
<sup>12</sup> Dedicated Acres 160.00	<sup>13</sup> Joint or	Infill	<sup>14</sup> Consoli	idation Co	de	<sup>15</sup> Order No.						

the division.		X=755588.94 Y=393423.44	588' X=7569 100' Y=39 <u>34</u>	001.39
<sup>16</sup> 36	UPPER MOST PERF. NEW MEXICO EAST NAD 1927 X=714992 Y=393270 LAT.: N 32.0793130 LONG.: W 103.6392066 NAD 1983	AZ = 12.75° 860' 5 267.0'	725 725 722'	<sup>17</sup> OPERATOR CERTIFICATION <sup>17</sup> 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.
	X=756179 Y=393327 LAT.: N 32.0794378 LONG.: W 103.6396782	SURFACE LOCATION NEW MEXICO EAST NAD 1927 X=714934 Y=393009 LAT.: N 32.0785983 LONG.: W 103.6394022 NAD 1983 X=756120 Y=393067 LAT.: N 32.0787231	Z-26897531 HZ SPACING UNIT	Star L Harrell 7/8/19 Signature Date Star L Harrell Printed Name star_harrell@eogresources.com E-mail Address
		BOTTOM HOLE LOCATION NEW MEXICO EAST NAD 1927 X=715155 Y=388114	AZ = 178.19° 5158.5'	<sup>18</sup> SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.
		LAT.: N 32.0651377 LONG.: W 103.6387888 NAD 1983 X=756342 Y=388171 LAT.: N 32.0652626 LONG.: W 103.6392596	725' 08'0L008E++ 08'0L028E+	Date of Survey Signature and Sad of Professional Surveyor PH 24508 ONAL Certificate Number 1

S:\SURVEY\EOG\_MIDLAND\QUIJOTE\_2\_STATE\_COM\FINAL\_PRODUCTS\LO\_QUIJOTE2STATECOM\_502H\_REV1.DWG 5/3/2019 3:56:40 PM csmith5

District I 1625 N. French Dr., H	obbs NM 882	40	State of New Mexico								<b>FORM C-102</b>	
Phone: (575) 393-616				Ene	rgv.	Minerals &	Natural Resort	urces		F	Revised August 1, 2011	
District II 811 S. First St., Artesia		40.0520			0,	Depar			5	Submit or	e copy to appropriate	
Phone: (575) 748-1283 District III	. ,			0	IL C		TION DIVICI	ON			<b>District Office</b>	
1000 Rio Brazos Road Phone: (505) 334-6178				1220 South St. Francis Dr. OCD – HOBBS								
District IV 1220 S. St. Francis Dr.	, Santa Fe, NN	1 87505		Santa Fe, NM 87505 07/09/2019				19		AMENDED REPORT		
Phone: (505) 476-3460	) Fax: (505) 4	76-3462		Salua $\Gamma C$ , $[N V  \circ (200)$					TED			
			WELL		тіл		DEACE DEDIC	RECEIV	T			
<b></b>			WELL			IN AND ACK	<b>KEAGE DEDIC</b>	LATION PLA				
	Phone: (505) 476-3460         Fax: (505) 476-3462         EXAMPLE OF COLOR         RECEIVED           WELL LOCATION AND ACREAGE DEDICATION PLAT <sup>1</sup> API Number <sup>2</sup> Pool Code <sup>3</sup> Pool Name           30-025- 46200         97903         WC-025 G-08 S253235G; LWI							ame 2 · 1 wr 1	Rone Si	oring		
		200									9	
<sup>4</sup> Property C						<sup>5</sup> Property I					<sup>6</sup> Well Number	
32572	7				QU	JIJOTE 2 S	STATE COM				503H	
<sup>7</sup> OGRID N	No.					<sup>8</sup> Operator 1	Name				<sup>9</sup> Elevation	
7377					EC	DG RESOUR	RCES, INC.			3340'		
•						<sup>10</sup> Surface L	ocation					
UL or lot no.	Section	Township	Ra	ige l	Lot Idn	Feet from the		Feet from the	I	East/West lin	e County	
Α	2	26-	S 32-	E –	-	360'	NORTH	824'	EA	ST	LEA	
			-	<sup>11</sup> Botto	m Ho	ole Location If I	Different From Su	rface				
UL or lot no.	Section	Township							1	East/West lin	e County	
Р	2	26-	S   32–	E   -	-	100'	SOUTH	1120'	EA	ST	LEA	
<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or	Infill	<sup>14</sup> Consolidatio	Code	15Ord	ler No.	-					
160.00												

the division.		X=755588.94 Y=393423.44	100'		X=756901.39 Y=393432.15
<sup>16</sup> 36	UPPER MOST PERF. NEW MEXICO EAST NAD 1927 X=714597 Y=393267 LAT.: N 32.0793128 LONG.: W 103.6404821 NAD 1983 X=755784	<u>AZ = 310.40°</u> 398.1'	360' 1120 489'	824'	<sup>17</sup> 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.
	Y=393325 LAT.: N 32.0794376 LONG.: W 103.6409538		2196.7		Star L. Harroll 7/8/19 Signature Date
	SURFACE LOCATION NEW MEXICO EAST NAD 1927		= 178.19°		Star L Harrell Printed Nome
	X=714901 Y=393009 LAT.: N 32.0785982 LONG.: W 103.6395087		74	X=756975.31 Y=390757.79	star_harrell@eogresources.com E-mail Address
	NAD 1983 X=756087 Y=393067 LAT.: N 32.0787231 LONG.: W 103.6399803	X=756655.62 X=756655.62		SPACING UNIT	<sup>18</sup> SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.
	BOTTOM HOLE LOCATION NEW MEXICO EAST NAD 1927 X=714760			HZS	03/26/2019
	V=388113 LAT.: N 32.0651423 LONG.: W 103.6400646 NAD 1983 X=755947 Y=388171 LAT.: N 32.0652672	227		X=757070.80 Y=388073.03	Date of Survey Signature and and and a server of the survey of the server of the survey of the surve
	LONG.: W 103,6405354	X=755722.42 Y=388070.15			Certificate Number 1

2Dedicated Acres

160.00

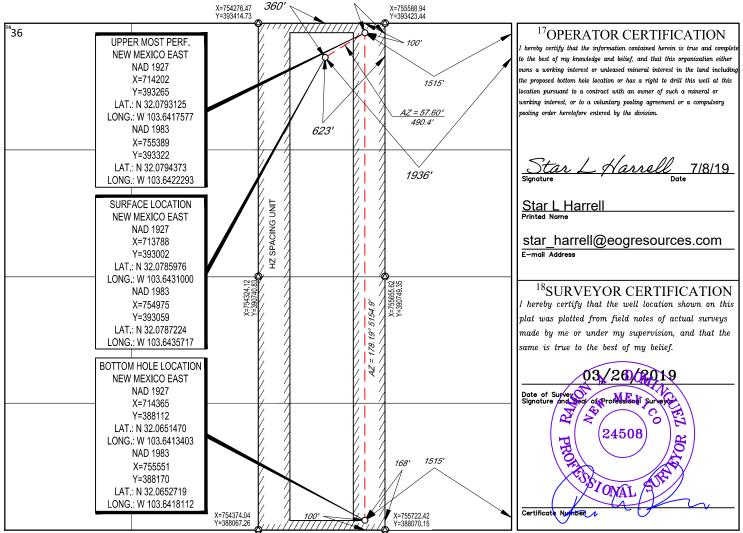
<sup>3</sup>Joint or Infill

<sup>4</sup>Consolidation Code

District I 1625 N. French Dr., F Phone: (575) 393-616 District II 811 S. First St., Artes Phone: (575) 748-128 District III 1000 Rio Brazos Road Phone: (505) 334-617 District IV 1220 S. St. Francis Dr Phone: (505) 476-346	<ol> <li>Fax: (575) 39</li> <li>ia, NM 88210</li> <li>Fax: (575) 74</li> <li>d, Aztec, NM 87</li> <li>8 Fax: (505) 32</li> <li>, Santa Fe, NM</li> </ol>	93-0720 48-9720 7410 34-6170 1 87505 76-3462	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. OCD - HOB Santa Fe, NM 87505 07/09/2019 RECEIVE WELL LOCATION AND ACREAGE DEDICATION PLAT						ıbmit on	FORM C-102 evised August 1, 2011 e copy to appropriate District Office MENDED REPORT	
	<sup>1</sup> API Number	r		<sup>2</sup> Pool Code		CEACE DEDIC	<sup>3</sup> Pool Na				
30-	-025- 46	201		97903		WC-025	G-08 S25323	5G; Lwr	Bone S	Spring	
<sup>4</sup> Property	Code				<sup>5</sup> Property	Name			6	Well Number	
32572	7			QU	JIJOTE 2 S	STATE COM			504H		
<sup>7</sup> OGRID	No.				<sup>8</sup> Operator	Name				<sup>9</sup> Elevation	
7377				EC	OG RESOUF	RCES, INC.				3333'	
					<sup>10</sup> Surface L	ocation					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the		Feet from the	Ea	st/West line	County	
В	2	26-S	32-E – 360' NORTH 1936' EAST L						LEA		
· · · · · · · · · · · · · · · · · · ·	•		11	Bottom Ho	le Location If l	Different From Sur	rface				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	Ea	st/West line	County	
0	2	26-S	32-E								

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. 203'

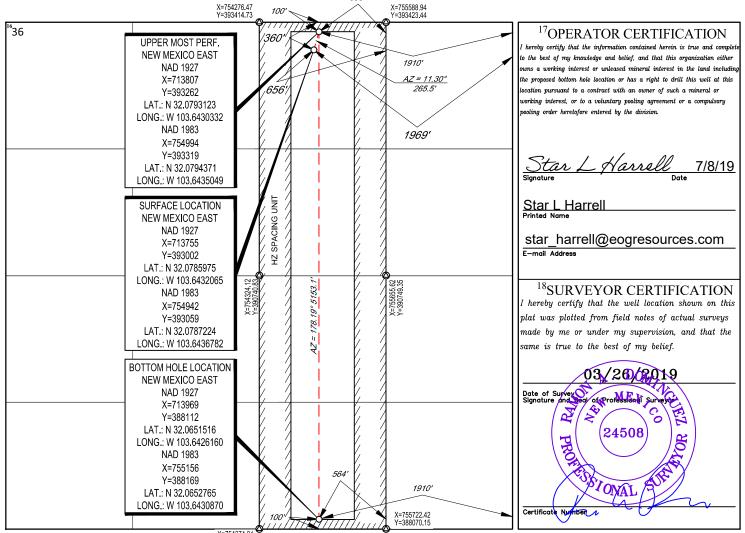
<sup>5</sup>Order No.



S.\SURVEY\EOG\_MIDLAND\QUIJOTE\_2\_STATE\_COM\FINAL\_PRODUCTS\LO\_QUIJOTE2STATECOM\_504H\_REV1.DWG 5/3/2019 3:58:57 PM csmith5

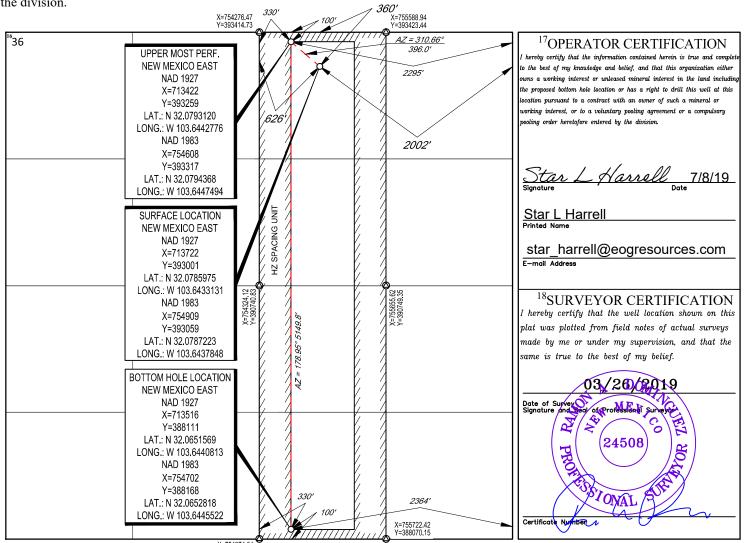
District I           1625 N. French Dr., Hobbs, NM 88240           Phone: (575) 393-6161 Fax: (575) 393-0720           District II           811 S. First St., Artesia, NM 88210           Phone: (575) 748-1283 Fax: (575) 748-9720           District III           1000 Rio Brazos Road, Aztec, NM 87410           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	Energy, Minera D OIL CONSEI 1220 Sou	of New Mexico als & Natural Resour epartment RVATION DIVISIO ath St. Francis Dr. Fe, NM 87505	_	
<sup>1</sup> API Number	WELL LOCATION AND			

<sup>12</sup> Dedicated Acres 160.00	<sup>13</sup> Joint or 1	nfill <sup>14</sup> Co	nsolidation Cod	le <sup>15</sup> Orde	er No.					
0	2	26-S	32-E	-	100'	SOUTH	1910'	EAS	т	LEA
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East	t/West line	County
			<sup>11</sup> I	Bottom Ho	le Location If D	) ifferent From Sur	face			
В	2							LEA		
UL or lot no.	Section	Township	ownship Range Lot Idn Feet from the North/South line Feet from the East/West line							County
					<sup>10</sup> Surface Lo	ocation				
7377			-							3332'
<sup>7</sup> OGRID N	No.				<sup>8</sup> Operator N					<sup>9</sup> Elevation
32572	7			QU	IJOTE 2 S	TATE COM				505H
<sup>4</sup> Property C					<sup>5</sup> Property N					Vell Number
30-0	)25- <b>46</b>	202		97903		WC-025 G-08 S253235G; Lwr Bone Spring				



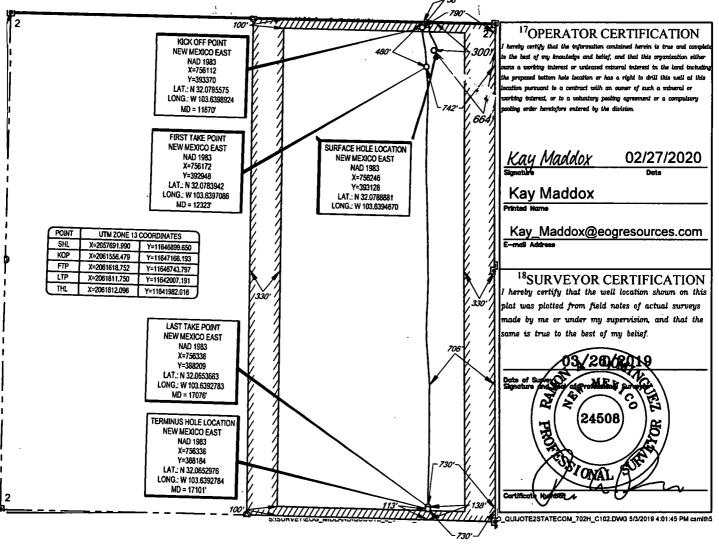
160.00

District I 1625 N. French Dr., I Phone: (575) 393-616 District II 811 S. First St., Artes Phone: (575) 748-128 District III 1000 Rio Brazos Roa Phone: (505) 334-617 District IV 1220 S. St. Francis D Phone: (505) 476-346	<ul> <li>51 Fax: (575) 3</li> <li>sia, NM 88210</li> <li>83 Fax: (575) 7</li> <li>d, Aztec, NM 8</li> <li>78 Fax: (505) 3</li> <li>r., Santa Fe, NM</li> </ul>	93-0720 48-9720 7410 34-6170 4 87505 76-3462	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. OCD - HOBBS Santa Fe, NM 87505 07/09/2019 RECEIVED RECEIVED							FORM C-102 evised August 1, 2011 e copy to appropriate District Office MENDED REPORT
	<sup>1</sup> API Numbe									
30-	-025- 46		<sup>2</sup> Pool Code <sup>3</sup> Pool Name           03         97903         WC-025 G-08 S253235G; LV							prina
<sup>4</sup> Property					<sup>5</sup> Property			- /		Well Number
3257	27			QU	JIJOTE 2	STATE COM				506H
<sup>7</sup> OGRID	No.			•	<sup>8</sup> Operato	r Name		<sup>9</sup> Elevation		
7377	7			EC	G RESOU	RCES, INC.				3330'
					<sup>10</sup> Surface	Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from th		Feet from the	E	ast/West line	County
В	2	26-S							ST	LEA
L	•	•	11	Bottom Ho	le Location If	Different From Sur	face			
UL or lot no.	Section	Township	Range		Feet from the		Feet from the	E	ast/West line	County
0	2	26-S	$\begin{vmatrix} 32-E \\ - \end{vmatrix} - \begin{vmatrix} 100' \\ SOUTH \\ 2364' \\ EAST \\ LEA \end{vmatrix}$						LEA	
<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or	Infill <sup>14</sup> Co	Isolidation Code 15 Order No.							

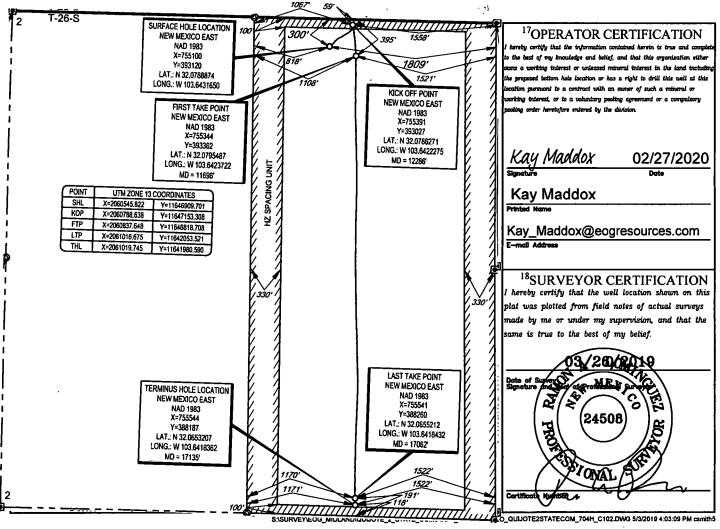


320.00

District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District IIState of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462									FORM C-16 ised August 1, 20 opy to appropria District Offi IENDED REPOR
			ELL LO		NAND ACR	EAGE DEDIC		Г	
<sup>1</sup> API Number <sup>2</sup> Pool Code <sup>3</sup> Pool Name 30-025-46024 98158 WC025 G09 S253236A; UPP									
<sup>4</sup> Property 0 32572			<sup>5</sup> Property Name QUIJOTE 2 STATE COM 7						
<sup>7</sup> ogrid 7377				EO	<sup>8</sup> Operator N G RESOUR	ame CES, INC.			Elevation
					<sup>10</sup> Surface Lo	cation		• • • • • • •	
UL or lot no. A	Section 2	Township 26–S	Range 32–E	Lot Idn —	Feet from the <b>300'</b>	North/South line NORTH	Feet from the 664'	East/West line EAST	County LEA
	-	-	<sup>11</sup> B	ottom Hol	e Location If D	ifferent From Su	rface		- ·
UL or lot no. P	Section 2	Township 26–S	Range 32-E	Lot Idn —	Feet from the	North/South line	Feet from the 730 <sup>4</sup>	East/West line EAST	County LEA
Dedicated Acres	Juijoint or 1	L Infill <sup>14</sup> Co	nsolidation Code	<sup>15</sup> Orde	•			I	



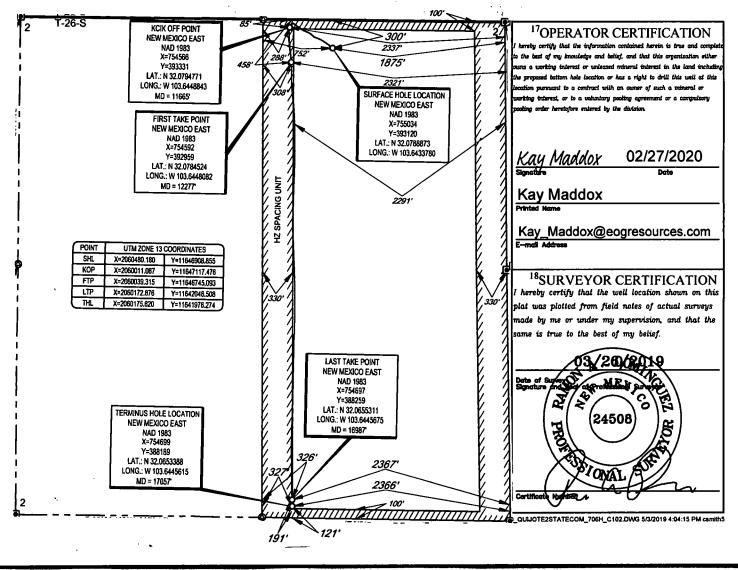
Phone: (575) 748-1283 Fax: (575) 748-9720 <u>District III</u> 1000 Rio Brazos Road, Aztee, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 <b>Phone:</b> (505) 476-3460 Fax: (505) 476-3462 <b>Phone:</b> (505) 476-3460 Fax: (505) 476-3462									ubmit one o	FORM C-102 vised August 1, 2011 copy to appropriate District Office MENDED REPORT	
			ELL LO	<b>J</b> CAILO	N AND ACR	EAGE DEDIC	ATION I LA.				
30-	<sup>1</sup> API Numbe										
<sup>4</sup> Property (		020	<sup>5</sup> Property Name <sup>8</sup> Well Number								
3257				QL		TATE COM				704H	
<sup>7</sup> OGRID	No.				<sup>8</sup> Operator N	ame			9	Elevation	
7377	7			EC	G RESOUR	CES, INC.				3338'	
					<sup>10</sup> Surface Lo	ocation					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	Ea	st/West line	County	
B	2	26-S	32-E	-	300'	NORTH	1809'	EA	ST	LEA	
	•	•	11	Bottom Ho	le Location If D	ifferent From Sui	face			<u> </u>	
UL or lot no.	Section	Township	Range Lot Idn Feet from the North/South line Feet from the East/West line						County		
0	2	26-S	32-E	-	118,	SOUTH	1522'	EA	ST	LEA	
<sup>12</sup> Dedicated Acres 320.00	<sup>13</sup> Joint or 1	Infill <sup>14</sup> Co	nsolidation Co	de <sup>15</sup> Ord	er No.				I		



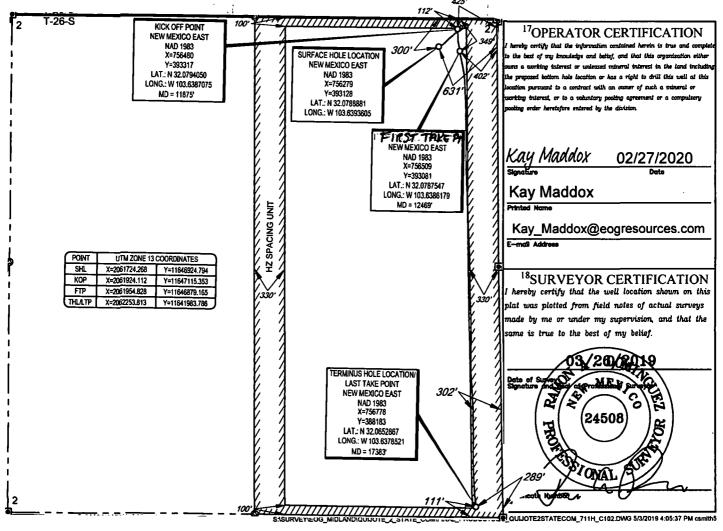
**FORM C-102** District 1 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 State of New Mexico Energy, Minerals & Natural Resource BBS OCD Revised August 1, 2011 Energy, Minerals & Natural Resource BBS OCD Revised August 1, 2011 State of New Mexico District II 811 S. First, St., Artesia, NM 88210 OIL CONSERVATION DIVISION<sup>MAR</sup> 0 3 2020 Phone: (575) 748-1283 Fax: (575) 748-9720 **District Office** District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 1220 South St. Francis Dr. RECEIVED District IV AMENDED REPORT 1220 S. St. Francis Dr., Santa Fe, NM 87505 Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

WELL LOCATION AND ACREAGE DEDICATION PLAT										
<sup>1</sup> API Number	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name								
30-025-46026	98158	WC025 G09 S253236A; UPPE	R WOLFCAMP							
an autor Cada	5p	an auto Nama	Gillall Namban							

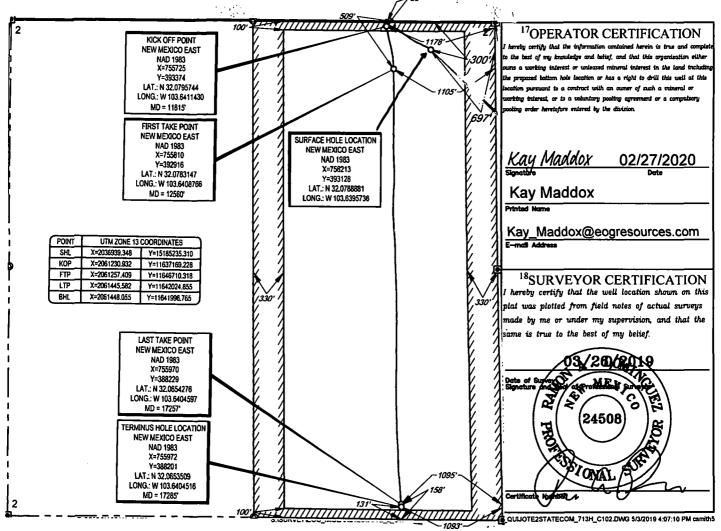
<sup>4</sup> Property C 3257 <sup>7</sup> OGRID M 7377	'27 No.	QUIJOTE 2 STATE COM						Vell Number 706H <sup>9</sup> Elevation 3336'	
<sup>10</sup> Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
В	2	26-S	32-E	-	300'	NORTH	1875'	EAST	LEA
			11 <sub>B</sub>	ottom Ho	le Location If D	ifferent From Sur	face		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	2	26-S	32-E	-	121'	SOUTH	2366	EAST	LEA
<sup>12</sup> Dedicated Acres 320.00	<sup>13</sup> Joint or 1	Infill <sup>14</sup> Co	nsolidation Cod	e <sup>15</sup> Orde	er No.	•			



District I	, Hobbs. NM 88240 State of New Mexico FORM				FORM C-102				
Phone: (575) 393-61	e: (575) 393-6161 Fax: (575) 393-0720			Energy, Minerals & Natural Resources					Revised August 1, 2011
	S. First St., Artesia, NM 88210 Department							Subn	it one copy to appropriate
Phone: (575) 748-124 <u>District III</u> ' 1000 Rio Brazos Roa Phone: (505) 234 (1)	d, Aztec, NM 8	7410					ON HOBB	s oce	District Office
Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462				Santa Fe, NM 87505			MAR O	3 2020 <sup>L</sup>	J AMENDED REPORT
		١	VELL LO	OCATI	ON AND A	ACREAGE DEDIC	CATION PLA	<b>EN/E</b>	
	<sup>1</sup> API Numbe	r		<sup>2</sup> Pool Co	de		REG		N
30	30-025-46027 98158					WC025 G09	S253236A;	UPPER \	NOLFCAMP
<sup>4</sup> Property						perty Name			<sup>6</sup> Well Number
3257	27			Ģ	QUIJOTE	2 STATE COM			711H
<sup>7</sup> ogrid 737									<sup>9</sup> Elevation 3342'
					<sup>10</sup> Surfa	ce Location		•	
UL or lot no. A	Section 2	Township 26-S	Range 32–E	Lot I	dn Feet fre 300'		Feet from the 631'	East/W EAST	
		•	11	Bottom I	Hole Location	n If Different From Su	irface		
UL or lot no.	Section	Township	Range				Feet from the	East/W	est line County
P	2	26-S	32-E	-	1 111	SOUTH	289'	EAST	LEA
<sup>13</sup> Dedicated Acres 320.00	<sup>13</sup> Joint or	Infill <sup>14</sup> C	Consolidation Co	ode <sup>13</sup> (	Order No.		• • •		



District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (375) 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 W				State of New Mexico Energy, Minerals & Natural Resources HOBBS Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505					FORM C-102 Revised August 1, 2011 it one copy to appropriate District Office	
						IM 87505	-5/10.	2020 □	AMENDED REPORT	
·	API Number			<sup>2</sup> Pool Cod		LITOL DEDIC	<sup>3</sup> Pool Nam	<u> </u>		
	)25-460	-		98158	- -	WC025 G09 S253236A; UPPER WOLFCAMP				
<sup>4</sup> Property C					<sup>5</sup> Property N	Name			<sup>6</sup> Well Number	
32572	27			Q	UIJOTE 2 S	TATE COM			713H	
OGRID N	Na.				<sup>8</sup> Operator I	Name			<sup>9</sup> Elevation	
7377	7			Ε	OG RESOUR	CES, INC.			3341'	
				-	<sup>10</sup> Surface L	ocation				
UL or lot no.	Section	Township	Range	Lot Id	n Feet from the	North/South line	Feet from the	East/We	est line County	
A	2	26-5	32-E	-	300'	NORTH	697'	EAST	LEA	
			11	Bottom H	lole Location If I	Different From Sur	face			
UL or lot no.	Section	Township	Range	Lot Id	n Feet from the	North/South line	Feet from the	East/W	est line County	
Р	2	26-5	5 32-E	-	131'	SOUTH	1093'	EAST	LEA	
<sup>12</sup> Dedicated Acres 320.00	<sup>13</sup> Joint or 1	infil) <sup>(4</sup>	Consolidation Co	de <sup>15</sup> O	rder No.					



Received by OCD: 11/9/2020 7:59:23 AM	
District 1         1625 N. French Dr., Hobbs, NM 88240         Phone: (375) 393-6161         Phone: (375) 393-6161         Fax: (575) 748-9720         District II         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	State of New Mexico Energy, Minerals & Natural Restors SS OCD Department OIL CONSERVATION DIVISION 3 1220 South St. Francis Dr. Santa Fe, NM 87503 ECEIVED

Revised August 1, 2011 Submit one copy to appropriate District Office

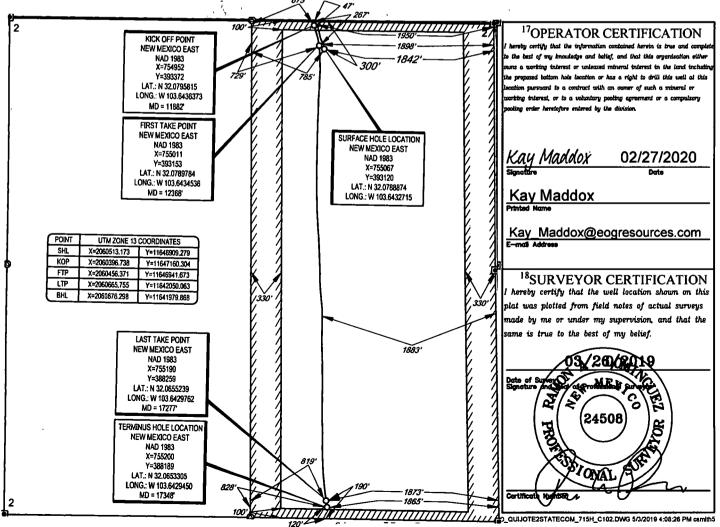
AMENDED REPORT

Page 26 of 52

**FORM C-102** 

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number				<sup>2</sup> Pool Code		<sup>3</sup> Pool Name				
30-025-46029 98158						WC025 G09 S253236A; UPPER WOLFCAMP				
<sup>4</sup> Property C			•		<sup>5</sup> Property Na	ame		۴W	ell Number	
32572	7			QU	IJOTE 2 ST	ГАТЕ СОМ			715H	
<sup>7</sup> OGRID No. <sup>8</sup> Operator Nam						ator Name <sup>9</sup> Elevation				
7377				EO	G RESOUR	CES, INC.			3337'	
					<sup>10</sup> Surface Lo	cation		•		
UL or lot no.	Section	Township	Range	Lot Idu	Feet from the	North/South line	Feet from the	East/West line	County	
В	2	26-S	32-E	-	300'	NORTH	1842'	EAST	LEA	
		•	11	Bottom Hol	e Location If D	ifferent From Surf	face	•		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
0	2	26-S	32-E	-	120'	SOUTH	1845'	EAST	LEA	
<sup>2</sup> Dedicated Acres	<sup>13</sup> Joint or 1	Infilt <sup>14</sup> Co	nsolidation Co	de <sup>15</sup> Orde	· No.		<b>-</b>	<b>-</b>		
320.00										



Received by OCD: 11/9/2020 7:59:23 AM

District I

District II

<u>District III</u>

District IV

#### State of New Mexico 1625 N. French Dr., Hobbs, NM 88240 Energy, Minerals & Natural Resources Depathons OCD OIL CONSERVATION DIVISION 1301 W. Grand Avenue, Artesia, NM 88210 1220 South St. Francis Dr. SEP 0 2 2011 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 1220 S. St. Francis Dr., Santa Fe, NM 87505

## Form C-102 Revised July 16, 2010 Submit one copy to appropriate District Office

#### AMENDED REPORT

# WELL LOCATION AND ACREAGE DEDICATION PLAT

	API Number			<sup>2</sup> Pool Code	0	<sup>3</sup> Pool Name				
	80-025-39947			9187		Wildcat; Bone Spring Property Name <sup>6</sup> Well Number				
<sup>4</sup> Property 38375		<sup>5</sup> Property Name Quijote BQJ State Com							1H	
<sup>7</sup> OGRID	No.	<sup>8</sup> Operator Name						<sup>9</sup> Elevation		
025575	;	Yates Petroleum Corporation 3262					3262'GR			
	•				<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	
0	2	268	32E		480	South	1650	East	Lea	
	•		<sup>11</sup> Bo	ottom Hole	e Location I	f Different From	m Surface		1	
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
В	2	26S	32E		437	North	1684	East	Lea	
<sup>12</sup> Dedicated Acre 160	s <sup>13</sup> Joint o	r Infill <sup>14</sup> C	onsolidation	Code <sup>15</sup> Ord	ler No.	2	- <del>1832</del>			

16	43rul		<sup>17</sup> OPERATOR CERTIFICATION
	4	1684'E	I hereby certify that the information contained herein is true and complete
	BHL		to the best of my knowledge and belief, and that this organization either
	011-		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 proling agreement or a compulsory pooling
			order heretofore entered by the division.
			Signature Date
			Tina Huerta
			Printed Name
			tinah@yatespetroleum com
			E-mail Address
			<sup>18</sup> SURVEYOR CERTIFICATION
			I hereby certify that the well location shown on this
			plat was plotted from field notes of actual surveys
			made by me or under my supervision, and that the
			same is true and correct to the best of my belief
			Date of Survey
			Signature and Seal of Professional Surveyor
	Surface Sof	1650'E	
	S S		
	000		Certificate Number
	4		

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

# **COMMUNITIZATION AGREEMENT**

**ONLINE** Version

KNOW ALL MEN BY THESE PRESENTS:

Well Name: Quijote 2 State Com #702H

STATE OF NEW MEXICO) SS) COUNTY OF LEA )

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of October 1, 2019, 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, 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 **Wolfcamp** 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 March, 2017

State/State State/Fee

API #: 30-025-46024

STATE/STATE OR

STATE/FEE Revised March 2017

1

Quijote 2 State Com:

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:

### Township 26 South, Range 32 East, N.M.P.M Section: 2: E/2 Lea County, New Mexico

containing **320.00** 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/or 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 4, 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.

4. **EOG Resources, Inc.** shall be the Operator of the said communitized area and all matters of operation shall be determined and performed by **EOG Resources, Inc.** 

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; 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 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 and Lessee of Record (ST NM VB-0844-1 & ST NM VB-0845-1) EOG Resources, Inc.

BY: \_\_\_\_\_\_\_\_ NAME: Wendy Dalton TITLE: Agent & Attorney-In-Fact

#### **ACKNOWLEDGEMENTS**

STATE OF <u>TEXAS</u>) ) ss. COUNTY OF <u>MIDLAND</u>)

On this \_\_\_\_\_ day of \_\_\_\_\_\_, 2020, before me, a Notary Public for the State of Texas, personally appeared Wendy Dalton, known to me to be the Agent & Attorney-In-Fact of EOG Resources, Inc., a Delaware corporation, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

State/State State/Fee

#### WORKING INTEREST OWNER

Sharbro Energy, LLC

BY:		
NAME:		
TITLE:		

Date:
-------

# ACKNOWLEDGEMENT

STATE OF \_\_\_\_\_\_§ \$ COUNTY OF \_\_\_\_\_§

On this \_\_\_\_\_ day of \_\_\_\_\_\_, 2020, before me, a Notary Public for the State of Texas, personally appeared \_\_\_\_\_\_\_, known to me to be the \_\_\_\_\_\_\_ of Sharbro Energy, LLC, a \_\_\_\_\_\_, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

#### WORKING INTEREST OWNER

Chevron U.S.A. Inc.

BY:			
NAME:			
TITLE:			

Date:
-------

# ACKNOWLEDGEMENT

STATE OF \_\_\_\_\_\_§ COUNTY OF \_\_\_\_\_\_§

On this \_\_\_\_\_ day of \_\_\_\_\_\_, 2020, before me, a Notary Public for the State of Texas, personally appeared \_\_\_\_\_\_\_, known to me to be the \_\_\_\_\_\_\_ of Chevron U.S.A. Inc., a \_\_\_\_\_\_, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

## Exhibit A

To Communitization Agreement dated October 1, 2019 embracing the E/2 of Section 2, T26S, R32E, N.M.P.M., Lea County, New Mexico

### **Operator of Communitized Area: EOG Resources, Inc.**

## TRACT NO. 1

Lease Serial No.:	ST NM VB-0844-1
Lease Date:	February 1, 2006
Lease Term:	5 Years
Lessor:	State of New Mexico, Commissioner of Public Lands
Original Lessee:	Yates Petroleum Corporation
Present Lessee:	EOG Resources, Inc.
Description of Lands Committed:	Insofar and only insofar as said lease covers NE/4 of Section 2,
	T26S, R32E, N.M.P.M. Lea County, NM
Number of Acres:	160.00
Royalty Rate:	3/16

#### TRACT NO. 2

Lease Serial No.:	ST NM VB-0845-1
Lease Date:	February 1, 2006
Lease Term:	5 Years
Lessor:	State of New Mexico, Commissioner of Public Lands
Original Lessee:	Yates Petroleum Corporation
Present Lessee:	EOG Resources, Inc.
Description of Lands Committed:	Insofar and only insofar as said lease covers SE/4 of Section 2,
	T26S, R32E, N.M.P.M. Lea County, NM
Number of Acres:	160.0
Royalty Rate:	3/16

#### **RECAPITULATION**

	Number of		
	Acres	Percentage of Interest	
Tract Number	Committed	in the Communitized Area	
1	160.00	50.00	
2	160.00	50.00	
Total	320.00	100.00%	

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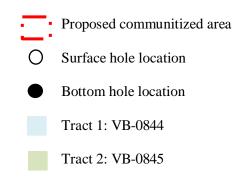
#### Exhibit **B**

Plat of communitized area covering 320.00 acres in The E/2 of Section 2-T26S-R32E, N.M.P.M., Lea County, New Mexico

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#### Quijote 2 State Com #702H





State/State State/Fee

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

# COMMUNITIZATION AGREEMENT

**ONLINE** Version

#### KNOW ALL MEN BY THESE PRESENTS:

Well Name: <u>Quijote 2 State Com #502H</u> API #: 30-025-#####

STATE OF NEW MEXICO ) SS) COUNTY OF LEA

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of **April 1, 2021**, 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, 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 March, 2017

State/State State/Fee

### STATE/STATE OR STATE/FEE Revised March 2017

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:

### Township 26 South, Range 32 East, N.M.P.M Section: 2: E/2E/2 Lea County, New Mexico

containing **160.00** 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/or 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 4, 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.

4. **EOG Resources, Inc.** shall be the Operator of the said communitized area and all matters of operation shall be determined and performed by **EOG Resources, Inc.** 

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; 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 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 and Lessee of Record (ST NM VB-0844-1 & ST NM VB-0845-1) EOG Resources, Inc.

BY: \_\_\_\_\_\_\_\_ NAME: Wendy Dalton TITLE: Agent & Attorney-In-Fact

### **ACKNOWLEDGEMENTS**

STATE OF <u>TEXAS</u>) ) ss. COUNTY OF <u>MIDLAND</u>)

On this \_\_\_\_\_ day of \_\_\_\_\_\_, 2020, before me, a Notary Public for the State of Texas, personally appeared Wendy Dalton, known to me to be the Agent & Attorney-In-Fact of EOG Resources, Inc., a Delaware corporation, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

**Notary Public** 

### WORKING INTEREST OWNER

Sharbro Energy, LLC

BY:		
NAME:		
TITLE:		

Date:
-------

# ACKNOWLEDGEMENT

STATE OF \_\_\_\_\_\_§ \$ COUNTY OF \_\_\_\_\_§

On this \_\_\_\_\_ day of \_\_\_\_\_\_, 2020, before me, a Notary Public for the State of Texas, personally appeared \_\_\_\_\_\_\_, known to me to be the \_\_\_\_\_\_\_ of Sharbro Energy, LLC, a \_\_\_\_\_\_, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

### Exhibit A

To Communitization Agreement dated April 1, 2021 embracing the E/2E/2 of Section 2, T26S, R32E, N.M.P.M., Lea County, New Mexico

### **Operator of Communitized Area: EOG Resources, Inc.**

# TRACT NO. 1

Lease Serial No.:	ST NM VB-0844-1
Lease Date:	February 1, 2006
Lease Term:	5 Years
Lessor:	State of New Mexico, Commissioner of Public Lands
Original Lessee:	Yates Petroleum Corporation
Present Lessee:	EOG Resources, Inc.
Description of Lands Committed:	Insofar and only insofar as said lease covers NE/4 of Section 2,
	T26S, R32E, N.M.P.M. Lea County, NM
Number of Acres:	80.00
Royalty Rate:	3/16

#### TRACT NO. 2

Lease Serial No.:	ST NM VB-0845-1	
Lease Date:	February 1, 2006	
Lease Term:	5 Years	
Lessor:	State of New Mexico, Commissioner of Public Lands	
Original Lessee:	Yates Petroleum Corporation	
Present Lessee:	EOG Resources, Inc.	
Description of Lands Committed:	Insofar and only insofar as said lease covers SE/4 of Section 2,	
	T26S, R32E, N.M.P.M. Lea County, NM	
Number of Acres:	80.0	
Royalty Rate:	3/16	

#### **RECAPITULATION**

	Number of	
	Acres	Percentage of Interest
Tract Number	Committed	in the Communitized Area
1	80.00	50.00
2	80.00	50.00
Total	160.00	100.00%

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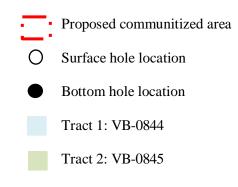
#### Exhibit **B**

Plat of communitized area covering 160.00 acres in The E/2E/2 of Section 2-T26S-R32E, N.M.P.M., Lea County, New Mexico

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### Quijote 2 State Com #502H





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

# COMMUNITIZATION AGREEMENT

**ONLINE** Version

#### KNOW ALL MEN BY THESE PRESENTS:

Well Name: Quijote 2 State Com #505H

API #: 30-025-#####

STATE OF NEW MEXICO ) SS) COUNTY OF LEA

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of **April 1, 2021**, 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, 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 March, 2017

State/State State/Fee

#### STATE/STATE OR STATE/FEE Revised March 2017

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:

### Township 26 South, Range 32 East, N.M.P.M Section: 2: W/2E/2 Lea County, New Mexico

containing **160.00** 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/or 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 4, 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.

4. **EOG Resources, Inc.** shall be the Operator of the said communitized area and all matters of operation shall be determined and performed by **EOG Resources, Inc.** 

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; 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 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 and Lessee of Record (ST NM VB-0844-1 & ST NM VB-0845-1) EOG Resources, Inc.

BY: \_\_\_\_\_\_\_ NAME: Wendy Dalton TITLE: Agent & Attorney-In-Fact

### **ACKNOWLEDGEMENTS**

STATE OF <u>TEXAS</u>) ) ss. COUNTY OF <u>MIDLAND</u>)

On this \_\_\_\_\_ day of \_\_\_\_\_\_, 2020, before me, a Notary Public for the State of Texas, personally appeared Wendy Dalton, known to me to be the Agent & Attorney-In-Fact of EOG Resources, Inc., a Delaware corporation, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

### WORKING INTEREST OWNER

Sharbro Energy, LLC

BY:		
NAME:		
TITLE:		

Date:
-------

# ACKNOWLEDGEMENT

STATE OF \_\_\_\_\_\_§ \$ COUNTY OF \_\_\_\_\_§

On this \_\_\_\_\_ day of \_\_\_\_\_\_, 2020, before me, a Notary Public for the State of Texas, personally appeared \_\_\_\_\_\_\_, known to me to be the \_\_\_\_\_\_\_ of Sharbro Energy, LLC, a \_\_\_\_\_\_, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

### Exhibit A

To Communitization Agreement dated April 1, 2021 embracing the W/2E/2 of Section 2, T26S, R32E, N.M.P.M., Lea County, New Mexico

### **Operator of Communitized Area: EOG Resources, Inc.**

# TRACT NO. 1

Lease Serial No.:	ST NM VB-0844-1
Lease Date:	February 1, 2006
Lease Term:	5 Years
Lessor:	State of New Mexico, Commissioner of Public Lands
Original Lessee:	Yates Petroleum Corporation
Present Lessee:	EOG Resources, Inc.
Description of Lands Committed:	Insofar and only insofar as said lease covers NE/4 of Section 2,
	T26S, R32E, N.M.P.M. Lea County, NM
Number of Acres:	80.00
Royalty Rate:	3/16

#### **TRACT NO. 2**

Lease Serial No.:	ST NM VB-0845-1	
Lease Date:	February 1, 2006	
Lease Term:	5 Years	
Lessor:	State of New Mexico, Commissioner of Public Lands	
Original Lessee:	Yates Petroleum Corporation	
Present Lessee:	EOG Resources, Inc.	
Description of Lands Committed:	Insofar and only insofar as said lease covers SE/4 of Section 2,	
	T26S, R32E, N.M.P.M. Lea County, NM	
Number of Acres:	80.0	
Royalty Rate:	3/16	

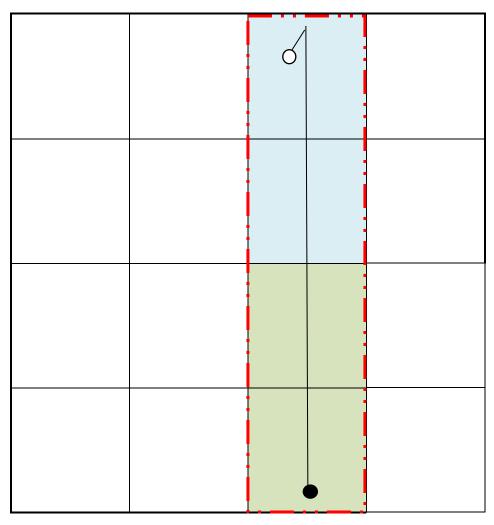
#### **RECAPITULATION**

	Number of	
	Acres	Percentage of Interest
Tract Number	Committed	in the Communitized Area
1	80.00	50.00
2	80.00	50.00
Total	160.00	100.00%

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#### Exhibit **B**

Plat of communitized area covering 160.00 acres in The W/2E/2 of Section 2-T26S-R32E, N.M.P.M., Lea County, New Mexico



# Quijote 2 State Com #505H



