



ConocoPhillips
2208 West Main Street
Artesia, New Mexico 88210
www.conocophillips.com

November 13, 2023

Attn: Dean McClure
NM Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application for Administrative Approval
Off-lease Measurement and Storage

Dear Mr. McClure,

COG Operating LLC respectfully requests approval for off-lease measurement & storage for the following wells:

Riverwalk Federal Com 503H
API# 30-015-53824
Corral Canyon; Bone Spring, South
Ut. C, Sec.29-T26S-R29E
Eddy County, NM

Riverwalk Federal Com 903H
API# 30-015-53823
Corral Canyon; Bone Spring, South
Ut. C, Sec.29-T26S-R29E
Eddy County, NM

Oil Production:

The oil production from these wells may be transported by truck to either the Red Hills Offload Station, located in Unit O, Section 4-T26S-R32E, or the Jal Offload Station, located in Unit D, Section 4-T26S-R37E, Lea County in the event the CTB on lease is over capacity or in the case of battery or pipeline repairs. Oil will remain segregated and will be measured by lact meter when offloading at the Offload Stations.

Gas Production:

The gas production will be measured and stored off lease on Sec 29-T26S-R29E

Notifications have been sent to all working interest owners

Please see the enclosed Administrative Application Checklist, C-107-B Application for Off Lease Measurement, plats for referenced wells, site facility diagram, maps with lease boundaries showing wells and facility locations and communization agreement application.

Thank you for your attention to this matter. If you have questions or need further information, please email me at jeanette.barron@conocophillips.com or call 575.748.6974.

Sincerely,

Jeanette Barron

Jeanette Barron
Regulatory Coordinator

Revised March 23, 2017

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

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



ADMINISTRATIVE APPLICATION CHECKLIST

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

Applicant: _____ OGRID Number: _____
 Well Name: _____ API: _____
 Pool: _____ Pool Code: _____

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

1) **TYPE OF APPLICATION:** Check those which apply for [A]

A. Location – Spacing Unit – Simultaneous Dedication

☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD

B. Check one only for [I] or [II]

[I] Commingling – Storage – Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

2) **NOTIFICATION REQUIRED TO:** Check those which apply.

- A. ☐ Offset operators or lease holders
 B. ☐ Royalty, overriding royalty owners, revenue owners
 C. ☐ Application requires published notice
 D. ☐ Notification and/or concurrent approval by SLO
 E. ☐ Notification and/or concurrent approval by BLM
 F. ☐ Surface owner
 G. ☐ For all of the above, proof of notification or publication is attached, and/or,
 H. ☐ No notice required

FOR OCD ONLY

- ☐ Notice Complete
☐ Application Content Complete

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

 Print or Type Name

Jeanette Barron
 Signature

11.13.23

 Date

 Phone Number

 e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio 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
OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Form C-107-B
Revised August 1, 2011

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

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

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

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

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

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

(A) POOL COMMINGLING Please attach sheets with the following information

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

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

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

- (1) Pool Name and Code.
(2) Is all production from same source of supply? ☐ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No
(4) Measurement type: ☐ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT Please attached sheets with the following information

- (1) Is all production from same source of supply? ☒ Yes ☐ No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types) Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Jeanette Barron TITLE: Regulatory Coordinator DATE: 11.13.23

TYPE OR PRINT NAME Jeanette Barron TELEPHONE NO.: 575.748.6974

E-MAIL ADDRESS: jeanette.barron@conocophillips.com

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

DISTRICT II
811 S. FIRST ST., ARTESIA, NM 88210
Phone: (575) 746-1283 Fax: (575) 746-9720

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-53824	Pool Code 13354	Pool Name Corral Canyon; Bone Spring, South
Property Code 40009	Property Name RIVERWALK FEDERAL COM	Well Number 503H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 2922.2

Surface Location

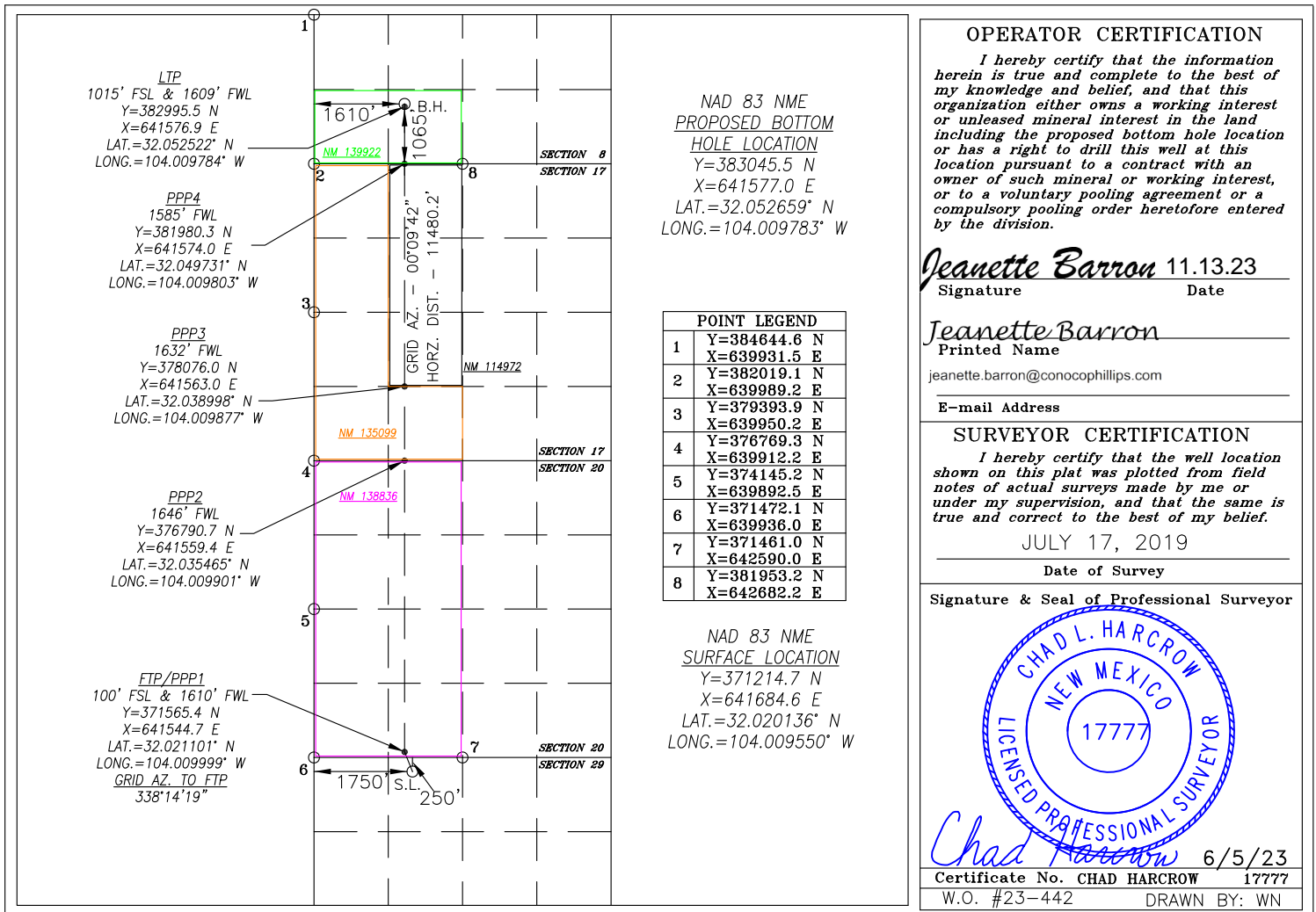
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	29	26-S	29-E		250	NORTH	1750	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	8	26-S	29-E		1065	SOUTH	1610	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
719.78			

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



DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

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1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-53823	Pool Code 13354	Pool Name Corral Canyon; Bone Spring, South
Property Code 40009	Property Name RIVERWALK FEDERAL COM	Well Number 903H
OGRID No. 229137	Operator Name COG OPERATING LLC	Elevation 2922.3'

Surface Location

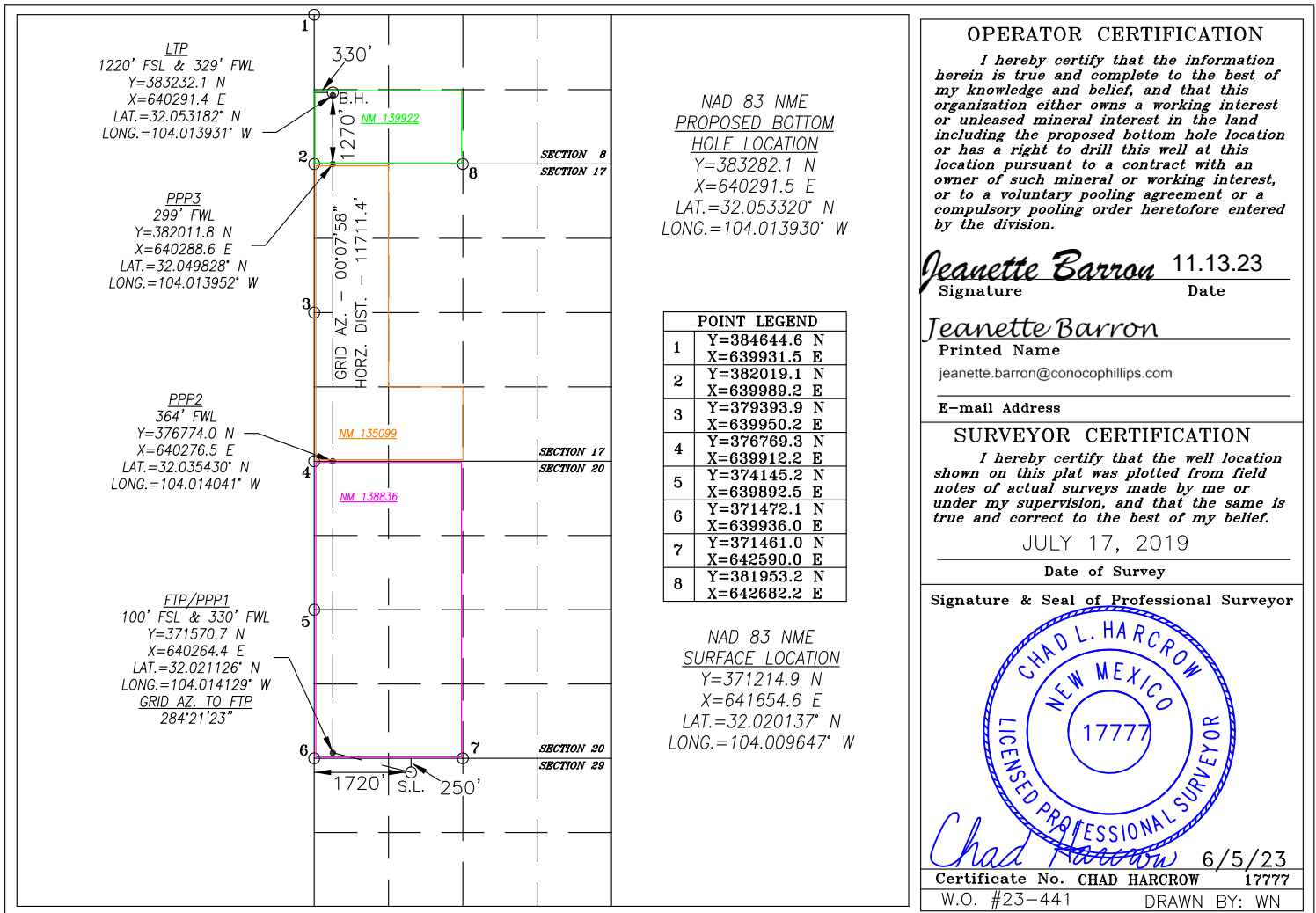
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	29	26-S	29-E		250	NORTH	1720	WEST	EDDY

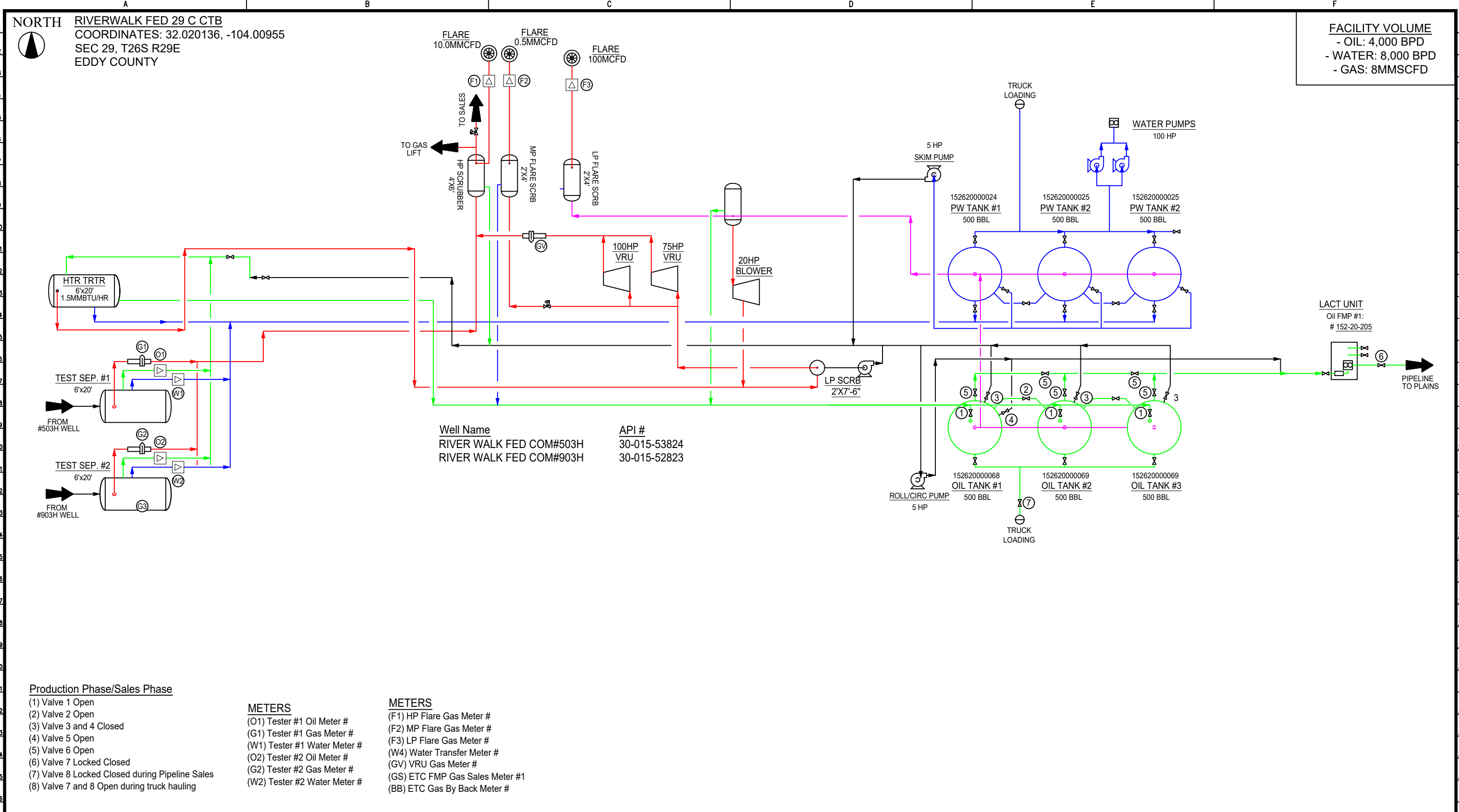
Bottom Hole Location If Different From Surface

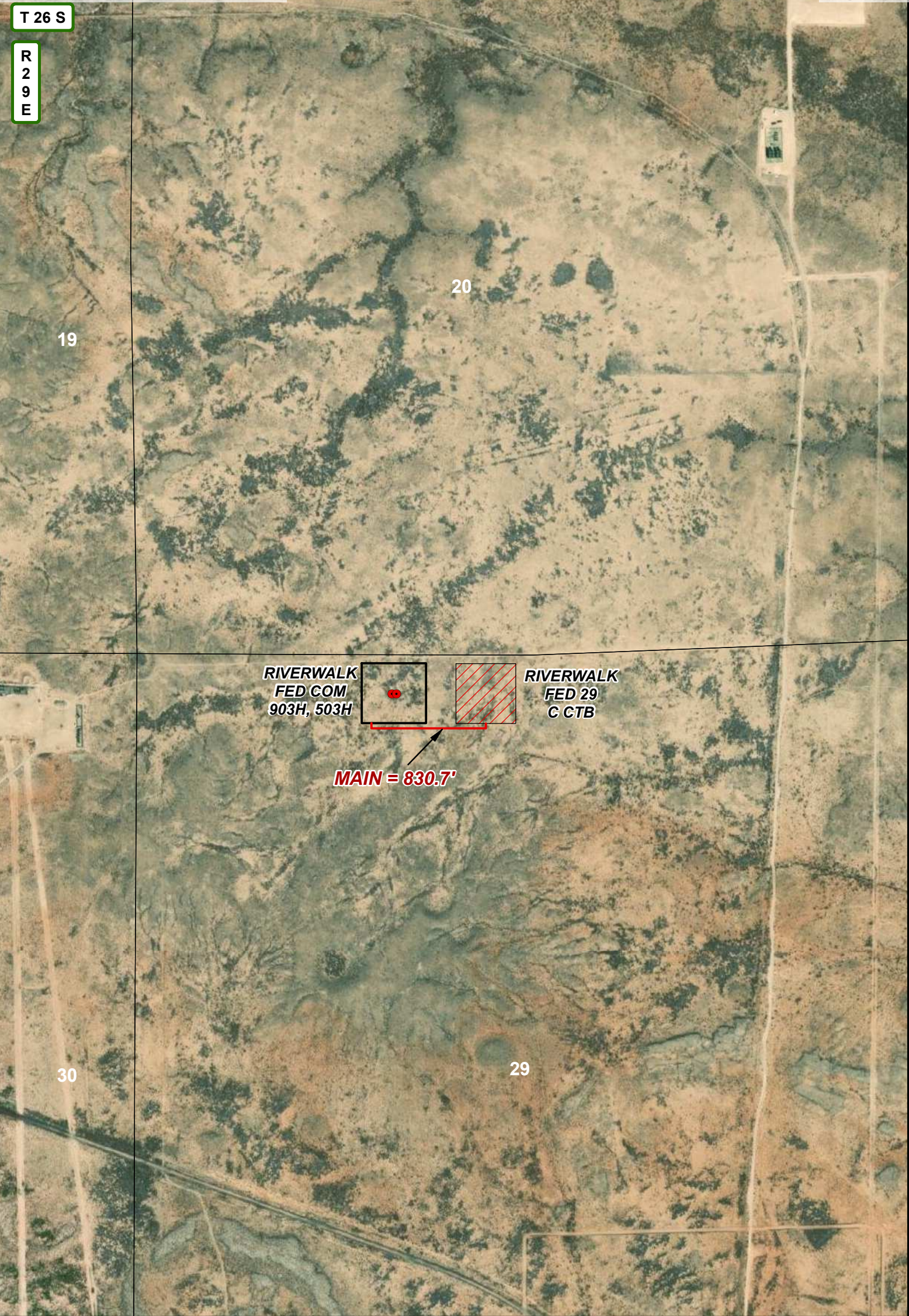
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	8	26-S	29-E		1270	SOUTH	330	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
719.78			

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







LEGEND

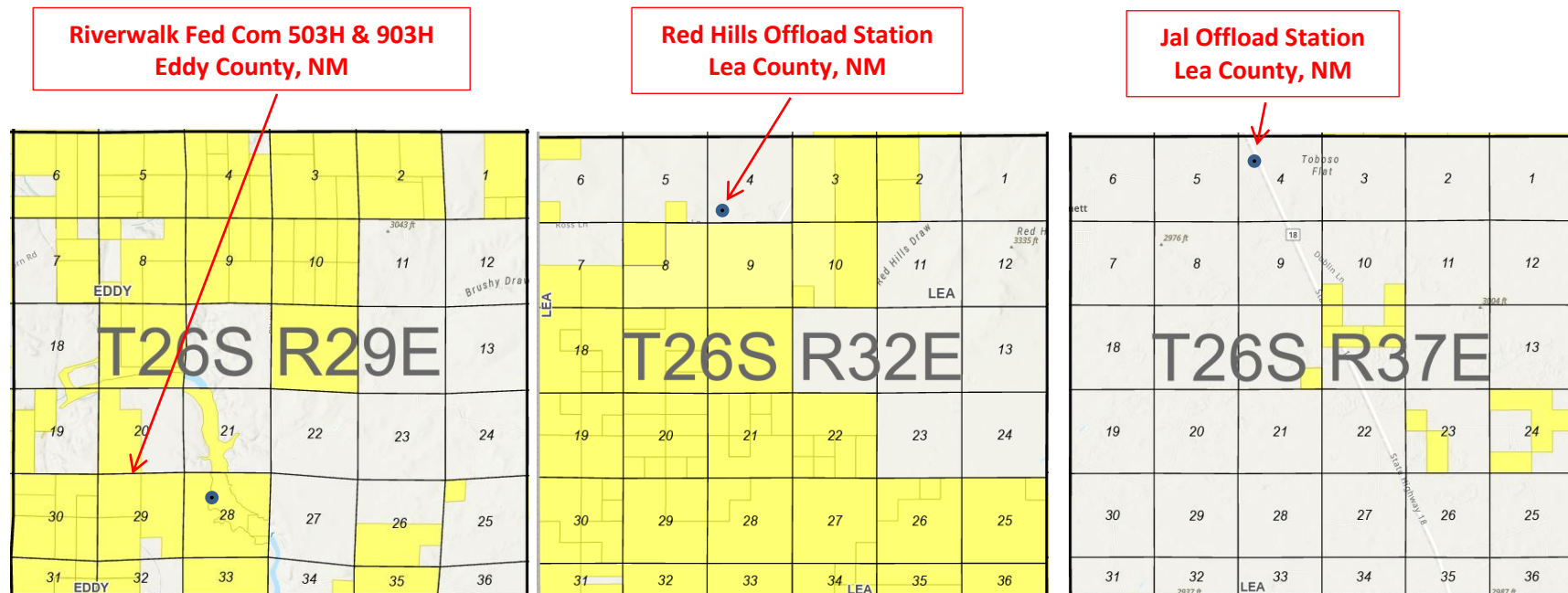
- WELL
- WELLPAD
- PIPELINE
- TANK BATTERY

RIVERWALK FED COM PIPELINES		
SECTION: 29	TOWNSHIP: 26 S.	RANGE: 29 E.
STATE: NEW MEXICO	COUNTY: EDDY	SURVEY: N.M.P.M
W.O. # 22-977		LEASE: RIVERWALK FED COM
<div>010002000 FEET</div> <div>00.050.10.2 Miles1 IN = 750 FT</div>		
PIPELINE OVERVIEW	IMAGERY	7/31/2019 A.H.

CONCHO
COG OPERATING, LLC

HARCROW SURVEYING, LLC.
2316 W. MAIN ST, ARTESIA, NM 88210
PH: (575) 746-2158
c.harcrow@harcrowsurveying.com

Riverwalk Federal Com 503H & 903H & Red Hills and Jal Offload Station Map



RIVERWALK FED COM 503H & 903H								
<i>Date Sent</i>	<i>Initials</i>	<i>Name</i>	<i>Address</i>	<i>City</i>	<i>State</i>	<i>ZipCode</i>	<i>Certified Return Receipt No.</i>	<i>Delivered</i>
11.13.23	JB	MRC Permian Company	5400 LBJ Freeway, Suite 1500	Dallas	TX	75240	7020 1810 0000 1415 3203	
11.13.23	JB	BLM	620 E. Green Street	Carlsbad	NM	88220	7020 1810 0000 1415 3197	

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the **1st of April, 2023**, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

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

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

Township 26 South, Range 29 East, N.M.P.M.

Section 8: S2SW

Section 17: W2

Section 20: W2

Eddy County, New Mexico

Containing **719.78** acres, and this agreement shall include only the **Bone Spring** Formation underlying said lands and the oil and gas hereafter referred to as "communitized substances," producible from such formation(s).

2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.
3. The Operator of the communitized area shall be **COG Operating LLC**, 600 W. Illinois Avenue, Midland, TX 79701. All matters of operations shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated

Federal CA – Riverwalk Fed Com Unit (Bone Spring)
S2SW Sec. 8, W2 Sec. 17, & W2 Sec. 20, T26S-R29E, Eddy County, NM

by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.

4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

All proceeds, 8/8ths, attributed to unleased Federal or Indian lands included within the CA area are to be paid into the appropriate Unleased Lands Account or Indian Trust Account by the designated operator until the land is leased or ownership is established.

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer

a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.

10. The date of this agreement is **April 1, 2023**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. 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.
14. 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 instrument, 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.
15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

Statement of Written Consent by All Named Owners:

I, the undersigned, hereby certify, on behalf of COG Operating LLC, the Operator of the proposed Communitization Agreement, that all working interest owners (i.e., the lessees of record and operating rights owners) shown on Exhibit "B" attached to the Communitization Agreement are, to the best of my knowledge, the working interest owners of the Federal or Indian leases subject to the Communitization Agreement, and that the written consents of all the named owners have been obtained and will be made available to the BLM immediately upon request.

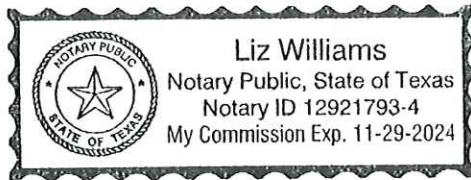
COG OPERATING LLC

By: _____

Ryan D. Owen
Attorney-in-fact

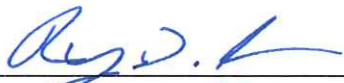
STATE OF TEXAS)
COUNTY OF MIDLAND)

This instrument was acknowledged before me on August 11, 2023, by Ryan D. Owen, Attorney-in-fact of **COG OPERATING LLC**, a Delaware limited liability company, on behalf of same.



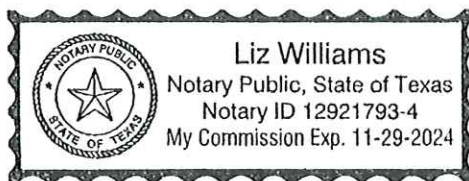
Liz Williams
Notary Public in and for the State of Texas


OPERATOR: COG OPERATING LLC

By: 
Ryan D. Owen *GR*
Attorney-in-fact


STATE OF TEXAS)
COUNTY OF MIDLAND)

This instrument was acknowledged before me on August 11, 2023, by Ryan D. Owen, Attorney-in-fact of **COG OPERATING LLC**, a Delaware limited liability company, on behalf of same.



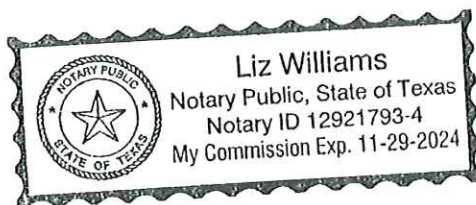

Notary Public in and for the State of Texas

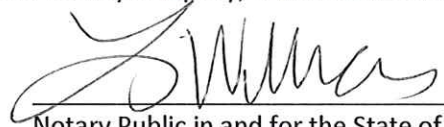
CONCHO OIL & GAS LLC

By: 
Ryan D. Owen *GR*
Attorney-in-fact

STATE OF TEXAS)
COUNTY OF MIDLAND)

This instrument was acknowledged before me on August 11, 2023, by Ryan D. Owen, Attorney-in-fact of **Concho Oil & Gas LLC**, a Texas limited liability company, on behalf of same.



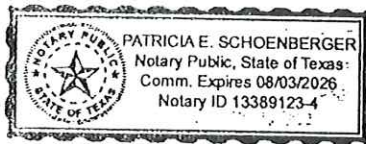

Notary Public in and for the State of Texas

MARATHON OIL PERMIAN LLC

By: Chase F. Rice
Name: Chase F. Rice PS.
Title: Attorney-in-Fact

STATE OF TEXAS)
COUNTY OF HARRIS)

This instrument was acknowledged before me on August 8th, 2023, by
Chase F. Rice as Attorney-in-Fact of
Marathon Oil Permian LLC, on behalf of same.



Patricia E. Schoenberger
Notary Public in and for the State of Texas

MRC PERMIAN COMPANY

By: _____

Name: _____

Title: _____

STATE OF _____)

COUNTY OF _____)

This instrument was acknowledged before me on _____, 2023, by
_____ as _____ of MRC
PERMIAN COMPANY, on behalf of same.

Notary Public in and for the State of _____

Federal CA – Riverwalk Fed Com Unit (Bone Spring)
S2SW Sec. 8, W2 Sec. 17, & W2 Sec. 20, T26S-R29E, Eddy County, NM

LIST OF PARTIES TO FEDERAL COMMUNITIZATION AGREEMENT:**Working Interest Owners:**

COG Operating LLC	Signature attached
Concho Oil & Gas LLC	Signature attached
MRC Permian Company	Pooled via Compulsory Pooling Order No. R-22744

TRACT 1 – USA NMNM 138835

Lessee of Record:	COG Operating LLC	Signature attached
Operating Rights Owner:	COG Operating LLC	Signature attached
ORRI Owner:	N/A	

TRACT 2 – USA NMNM 123925

Lessee of Record:	COG Operating LLC	Signature attached
	Concho Oil & Gas LLC	Signature attached
Operating Rights Owner:	COG Operating LLC	Signature attached
	Concho Oil & Gas LLC	Signature attached
ORRI Owner:	Nestegg Energy Corporation	

TRACT 3 – USA NMNM 114972

Lessee of Record:	COG Operating LLC	Signature attached
	Concho Oil & Gas LLC	Signature attached
Operating Rights Owner:	COG Operating LLC	Signature attached
	Concho Oil & Gas LLC	Signature attached
ORRI Owner:	Nestegg Energy Corporation	

TRACT 4 – USA NMNM 122616

Lessee of Record:	COG Operating LLC	Signature attached
	Concho Oil & Gas LLC	Signature attached
Operating Rights Owner:	COG Operating LLC	Signature attached
	Concho Oil & Gas LLC	Signature attached
ORRI Owner:	Nestegg Energy Corporation	

TRACT 5 – USA NMNM 135099

Lessee of Record:	COG Operating LLC	Signature attached
Operating Rights Owner:	COG Operating LLC	Signature attached
ORRI Owner:	Red Bluff Water Power Control District	

TRACT 6 – UNLEASED FEE

Mineral Interest Owner:	MRC Permian Company	Pooled via Compulsory Pooling Order No. R-22744
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TRACT 7 – USA NMNM 138836

Lessee of Record:

Marathon Oil Permian LLC

Signature attached

Operating Rights Owner:

COG Operating LLC

Signature attached

ORRI Owner:

N/A

Federal CA – Riverwalk Fed Com Unit (Bone Spring)
S2SW Sec. 8, W2 Sec. 17, & W2 Sec. 20, T26S-R29E, Eddy County, NM

EXHIBIT "A"

Plat of communitized area covering the S2SW of Section 8, W2 of Section 17,
& W2 of Section 20, T26S-R29E, Eddy County, New Mexico

RIVERWALK FED COM UNIT (BONE SPRING)

Township 26 South, Range 29 East, N.M.P.M.

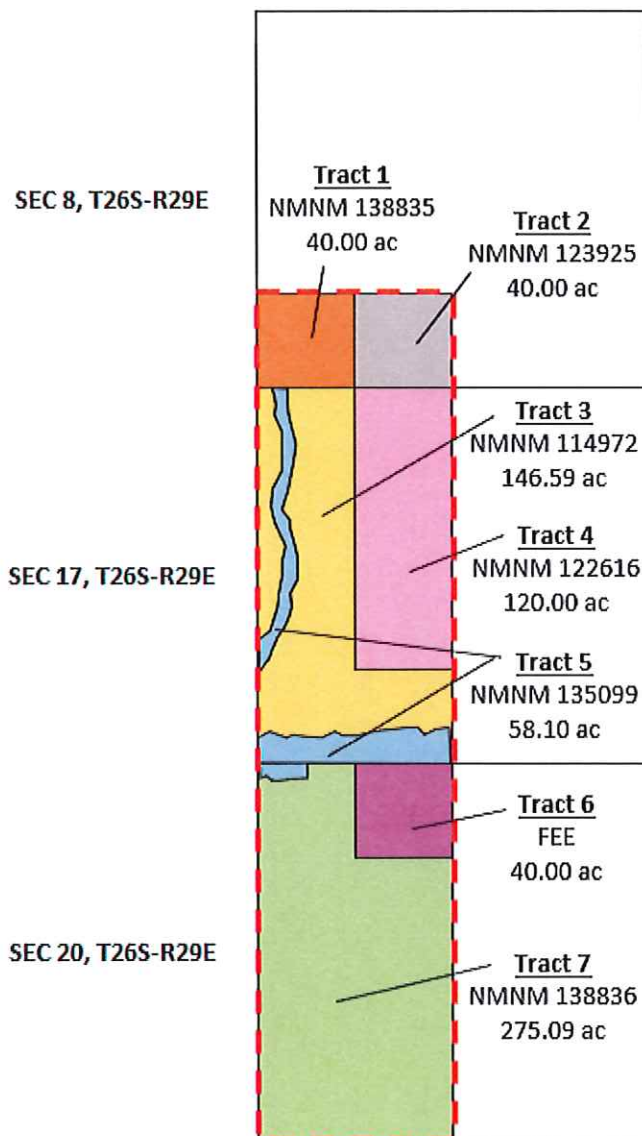
Section 8: S2SW

Section 17: W2

Section 20: W2

Eddy County, New Mexico

Containing 719.78 acres



Federal CA – Riverwalk Fed Com Unit (Bone Spring)
S2SW Sec. 8, W2 Sec. 17, & W2 Sec. 20, T26S-R29E, Eddy County, NM

EXHIBIT "B"

Leases covering communitized area covering the S2SW of Section 8, W2 of Section 17,
& W2 of Section 20, T26S-R29E, Eddy County, New Mexico

Operator of Communitized Area: COG Operating LLC
Working Interest Owners: COG Operating LLC, Concho Oil & Gas LLC, MRC Permian Company

TRACT 1 - 40.00 acres - Section 8: SWSW**FEDERAL LEASE**

Date: November 1, 2018
Lessor: USA NMNM 138835
Current Lessee: COG Operating LLC
Recording: N/A
Description: Insofar and only insofar as said lease covers:
Township 26 South, Range 29 East, N.M.P.M.
Section 8: SWSW
Royalty: 12.50%
ORRI Owner: N/A

TRACT 2 - 40.00 acres - Section 8: SESW**FEDERAL LEASE**

Date: December 1, 2009
Lessor: USA NMNM 123925
Current Lessee: COG Operating LLC, Concho Oil & Gas LLC
Recording: N/A
Description: Insofar and only insofar as said lease covers:
Township 26 South, Range 29 East, N.M.P.M.
Section 8: SESW
Royalty: 12.50%
ORRI Owner: Nestegg Energy Corporation

Federal CA – Riverwalk Fed Com Unit (Bone Spring)
S2SW Sec. 8, W2 Sec. 17, & W2 Sec. 20, T26S-R29E, Eddy County, NM

TRACT 3 - 146.59 acres - Section 17: W2NW, NWSW, S2SW; L&E 53.41 ACRES**FEDERAL LEASE**

Date: December 1, 2005
Lessor: USA NMNM 114972
Current Lessee: COG Operating LLC, Concho Oil & Gas LLC
Recording: N/A
Description: Insofar and only insofar as said lease covers:
Township 26 South, Range 29 East, N.M.P.M.
Section 17: W2NW, NWSW, S2SW; LESS & EXCEPT the following Red Bluff Reservoir Right-of-Way parcels as described in NMNM 135099: Parcel 8 (4.58 acres), Parcel 9 (6.15 acres), Parcel 10 (6.32 acres), & 36.36 acres out of Parcel 5, such 36.36 acres being the portion of Parcel 5 that falls within the S2SW of Section 17
Royalty: 12.50%
ORRI Owner: Nestegg Energy Corporation

TRACT 4 - 120.00 acres - Section 17: E2NW, NESW**FEDERAL LEASE**

Date: June 1, 2009
Lessor: USA NMNM 122616
Current Lessee: COG Operating LLC, Concho Oil & Gas LLC
Recording: N/A
Description: Insofar and only insofar as said lease covers:
Township 26 South, Range 29 East, N.M.P.M.
Section 17: E2NW, NESW
Royalty: 12.50%
ORRI Owner: Nestegg Energy Corporation

TRACT 5 - 58.10 acres - Section 17 & 20**FEDERAL LEASE**

Date: September 1, 2022
Lessor: USA NMNM 135099
Current Lessee: COG Operating LLC
Recording: N/A
Description: Insofar and only insofar as said lease covers:
Township 26 South, Range 29 East, N.M.P.M.
Section 17: Parcel 8 - 4.58 acres, Parcel 9 - 6.15 acres, Parcel 10 - 6.32 acres, and 36.36 acres out of 93.17 acres covering Parcel 5, such 36.36 acres being limited to the portion of Parcel 5 that falls within the W2SW of Section 17
Section 20: Parcel 5 (Par B) - 4.69 acres
Royalty: 12.50%
ORRI Owner: Red Bluff Water Power Control District

Federal CA – Riverwalk Fed Com Unit (Bone Spring)
S2SW Sec. 8, W2 Sec. 17, & W2 Sec. 20, T26S-R29E, Eddy County, NM

TRACT 6 - 40.00 acres - Section 20: NENW

UNLEASED – AUTHORITY TO POOL GRANTED VIA COMPULSORY POOLING ORDER NO. R-22744

Mineral Interest Owner: MRC Permian Company
Description: Insofar and only insofar as said unleased mineral interest covers:
Township 26 South, Range 29 East, N.M.P.M.
Section 20: NENW

TRACT 7 - 275.09 acres - Section 20

FEDERAL LEASE

Date: November 1, 2018
Lessor: USA NMNM 138836
Current Lessee: Marathon Oil Permian LLC
Recording: N/A
Description: Insofar and only insofar as said lease covers:
Township 26 South, Range 29 East, N.M.P.M.
Section 20: Lot 1 (35.09 acres) within the NWNW, S2NW, SW
Royalty: 12.50%
ORRI Owner: N/A

Federal CA – Riverwalk Fed Com Unit (Bone Spring)
S2SW Sec. 8, W2 Sec. 17, & W2 Sec. 20, T26S-R29E, Eddy County, NM

RECAPITULATION

TRACT NO.	NO. OF ACRES COMMITTED	PERCENT OF INTEREST IN COMMUNITIZED AREA
1	40.00	5.56%
2	40.00	5.56%
3	146.59	20.37%
4	120.00	16.67%
5	58.10	8.06%
6	40.00	5.56%
7	275.09	38.22%
TOTAL:	719.78	100.00%

Federal CA – Riverwalk Fed Com Unit (Bone Spring)
S2SW Sec. 8, W2 Sec. 17, & W2 Sec. 20, T26S-R29E, Eddy County, NM

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

**APPLICATION FOR OFF-LEASE MEASUREMENT
SUBMITTED BY COG OPERATING, LLC.**

ORDER NO. OLM-295

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having considered the application and the recommendation of the Engineering Bureau, issues the following Order.

FINDINGS OF FACT

1. COG Operating, LLC. ("Applicant") submitted a complete application to off-lease measure the oil and gas production ("Application") from the wells, pool, and lease identified in Exhibit A.
2. Applicant provided notice of the Application to all persons owning a working interest in the oil and gas production to be off-lease measured in accordance with 19.15.23.9(A)(5) NMAC, and those persons either submitted a written waiver or did not file an objection to the Application.
3. Applicant provided notice of the Application to the Bureau of Land Management or New Mexico State Land Office, as applicable.

CONCLUSIONS OF LAW

4. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, and 19.15.23 NMAC.
5. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9(A)(5) NMAC.
6. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

ORDER

1. Applicant is authorized to store and measure oil and gas production off-lease from the pools, leases, and wells identified in Exhibit A at a central tank battery described in Exhibit A.
2. The oil and gas production from the wells identified in Exhibit A shall be physically separated from the oil and gas production from other wells and no commingling of production from different leases or pools shall occur in accordance with 19.15.23.9(A)(3) NMAC and 19.15.23.9(A)(4) NMAC, except as otherwise provided in order(s) issued by OCD.

3. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15 NMAC or 19.15.23.8 NMAC.
4. Applicant shall measure and market the commingled gas at a central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9 NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8(B) NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8(E) NMAC.
5. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10(C)(2) NMAC.
6. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



**GERASIMOS RAZATOS
DIRECTOR (ACTING)**

DATE: 4/23/2025

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: **OLM-295**

Operator: **COG Operating, LLC. (229137)**

Central Tank Battery: **River Walk Federal 29 C**

Central Tank Battery Location: **UL C, Section 29, Township 26S, Range 29 East**

Central Tank Battery: **Red Hills Offload Station**

Central Tank Battery Location: **UL O, Section 4, Township 26 South, Range 32 East**

Central Tank Battery: **Jal Offload Station**

Central Tank Battery Location: **UL D, Section 4, Township 26 South, Range 37 East**

Gas Title Transfer Meter Location: **UL D, Section 4, Township 26 South, Range 37 East**

Pools

Pool Name	Pool Code
CORRAL CANYON;BONE SPRING, SOUTH	13354

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
Proposed CA Bone Spring NMNM 106319402	S/2 SW/4	8-26S-29E
	W/2	17-26S-29E
	W/2	20-26S-29E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-015-53823	RIVERWALK FEDERAL COM #903H	SW/4 SW/4	8-26S-29E	13354
		W/2 W/2	17-26S-29E	
		W/2 W/2	20-26S-29E	
30-015-53824	RIVERWALK FEDERAL COM #503H	SE4 SW/4	8-26S-29E	13354
		E/2 W/2	17-26S-29E	
		E/2 W/2	20-26S-29E	

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

General Information
Phone: (505) 629-6116

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

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

CONDITIONS

Action 285098

CONDITIONS

Operator: COG OPERATING LLC 600 W Illinois Ave Midland, TX 79701	OGRID: 229137
	Action Number: 285098
	Action Type: [C-107] Surface Commingle or Off-Lease (C-107B)

CONDITIONS

Created By	Condition	Condition Date
sarah.clelland	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please email us at OCD.Engineer@emnrd.nm.gov .	4/23/2025