



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

June 21, 2024

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 – Oil Only

Dear Mr. McClure,

COG Operating LLC respectfully requests approval for off-lease measurement – Oil only for the following wells:

Piledriver Federal Com 712H
API# 30-025-52146
WC-025-G-08S263205N; Upper Wolfcamp
Ut. A, Sec.34-T25S-R32E
Lea County, NM

Piledriver Federal Com 713H
API# 30-025-51389
WC-025-G-08S263205N; Upper Wolfcamp
Ut. A, Sec.34-T25S-R32E
Lea County, NM

Piledriver Federal Com 714H
API# 30-025-51390
WC-025-G-08S263205N; Upper Wolfcamp
Ut. A, Sec.34-T25S-R32E
Lea County, NM

Piledriver Federal Com 715H
API# 30-025-51391
WC-025-G-08S263205N; Upper Wolfcamp
Ut. A, Sec.34-T25S-R32E
Lea County, NM

Piledriver Federal Com 716H
API# 30-025-52147
WC-025-G-08S263205N; Upper Wolfcamp
Ut. A, Sec.34-T25S-R32E
Lea 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.

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:
-----------	-----------	-------	---------

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

06.21.24

 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

Form C-107-B
Revised August 1, 2011

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

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

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: COG Operating LLC
OPERATOR ADDRESS: 2208 W Main Street, Artesia, 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: 06.21.24

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 30-025-52146	Pool Code 98065	Pool Name WC-025-G-08S263205N; Upper Wolfcamp
Property Code 333937	Property Name PILEDRIIVER FEDERAL COM	Well Number 712H
OGRID No. 229137	Operator Name COG OPERATING LLC	Elevation 3366.4'

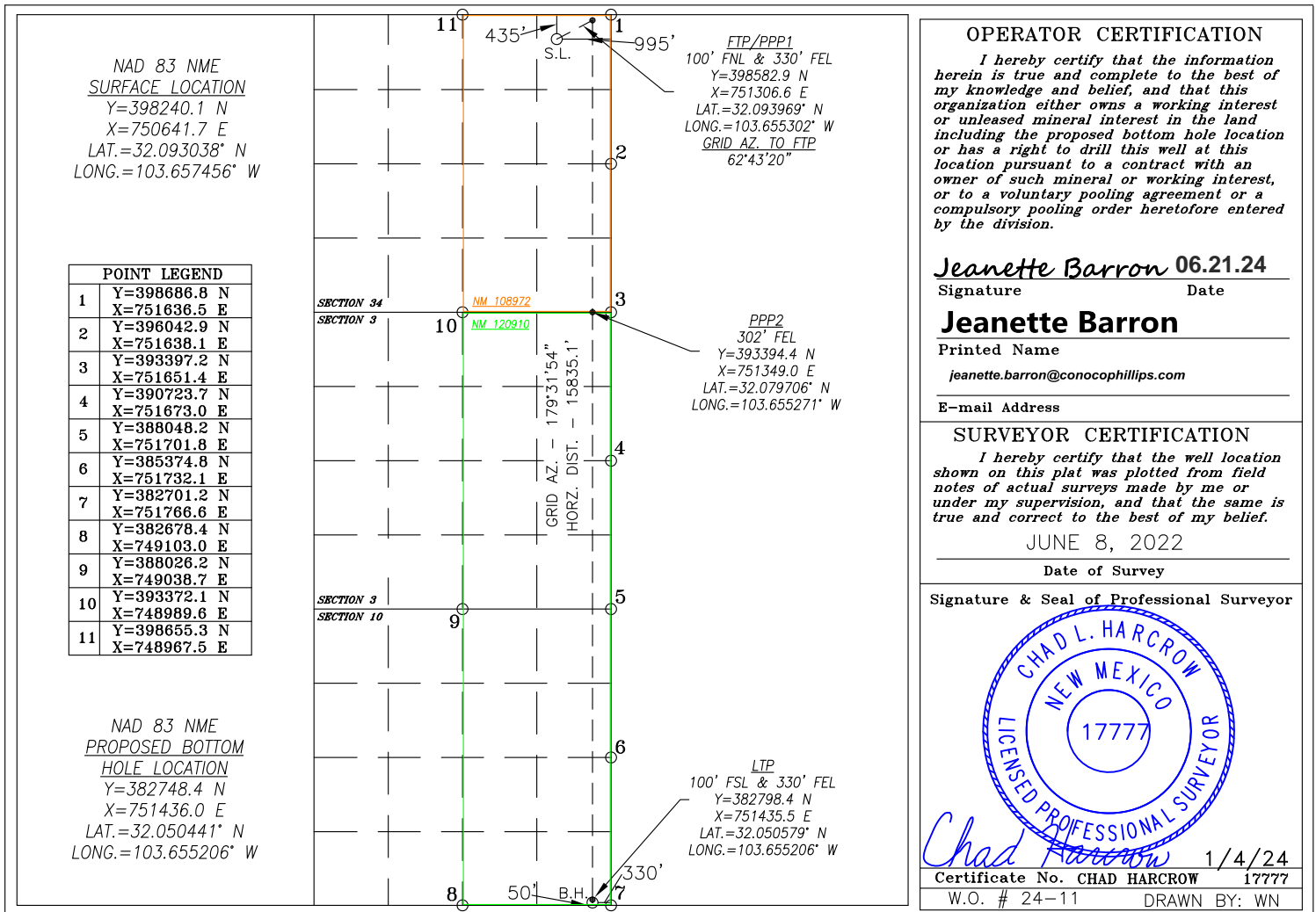
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	34	25-S	32-E		435	NORTH	995	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	10	26-S	32-E		50	SOUTH	330	EAST	LEA
Dedicated Acres 960	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



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 30-025-51389	Pool Code 98065	Pool Name WC-025-G-08S263205N; Upper Wolfcamp
Property Code 333937	Property Name PILEDRIIVER FEDERAL COM	Well Number 713H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3368.2'

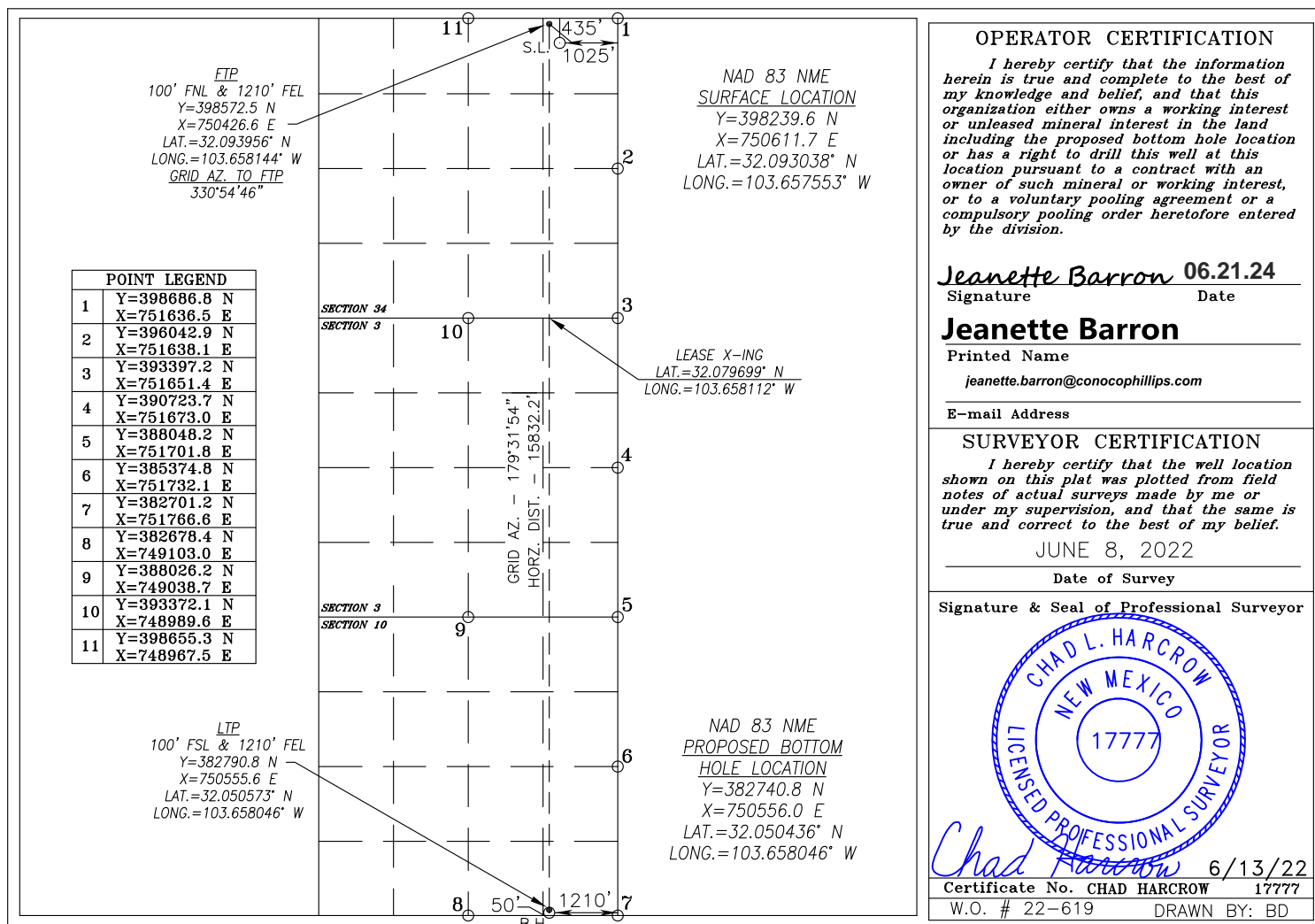
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	34	25-S	32-E		435	NORTH	1025	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	10	26-S	32-E		50	SOUTH	1210	EAST	LEA
Dedicated Acres 960	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



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 30-025-51390	Pool Code 98065	Pool Name WC-025-G-08S263205N; Upper Wolfcamp
Property Code 333937	Property Name PILEDRIIVER FEDERAL COM	Well Number 714H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3365.7'

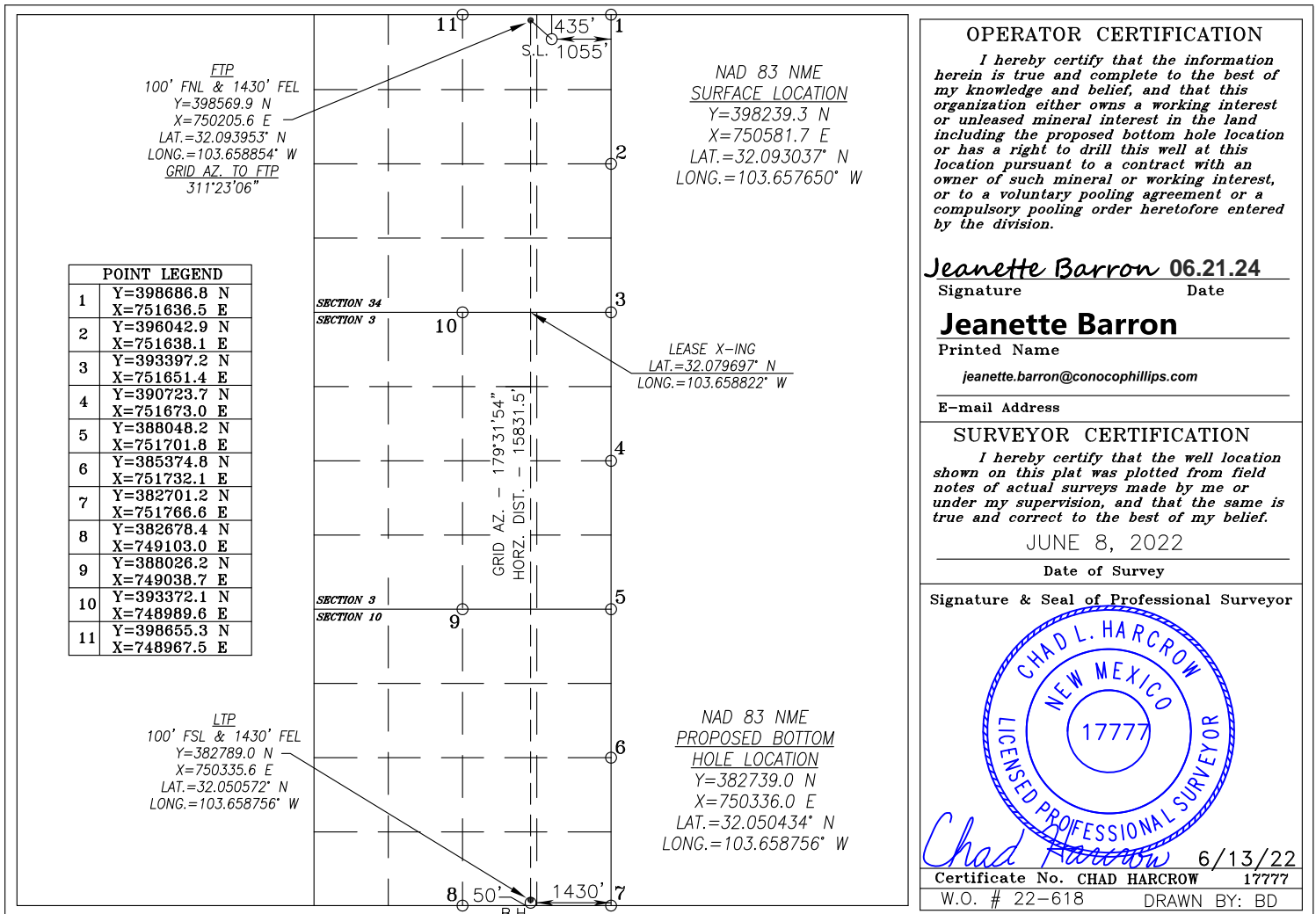
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	34	25-S	32-E		435	NORTH	1055	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	10	26-S	32-E		50	SOUTH	1430	EAST	LEA
Dedicated Acres 960	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



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 30-025-51391	Pool Code 98065	Pool Name WC-025-G-08S263205N; Upper Wolfcamp
Property Code 333937	Property Name PILEDRIIVER FEDERAL COM	
OGRID No. 229137	Operator Name COG OPERATING, LLC	Well Number 715H
		Elevation 3366.3'

Surface Location

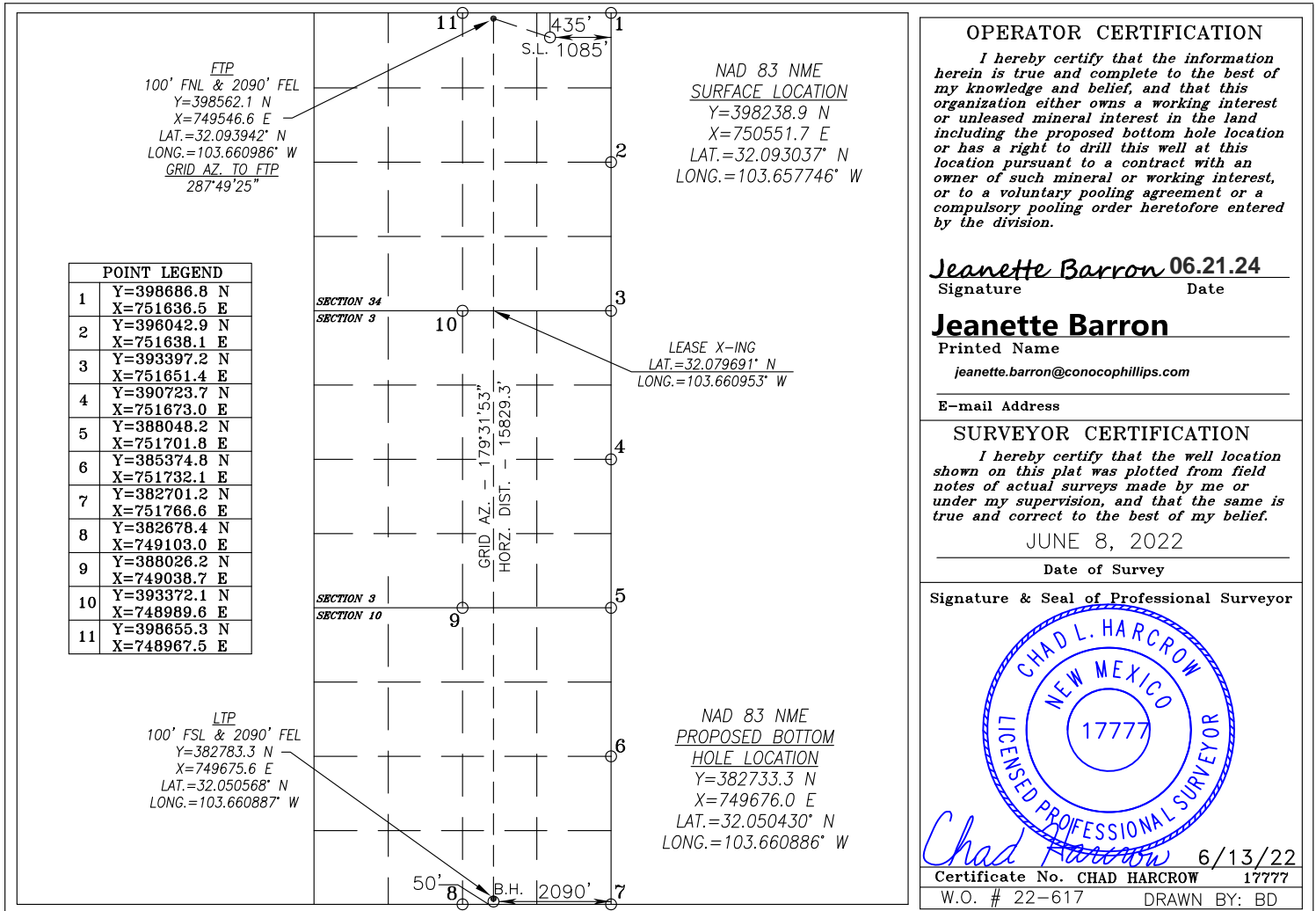
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	34	25-S	32-E		435	NORTH	1085	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	10	26-S	32-E		50	SOUTH	2090	EAST	LEA

Dedicated Acres 960	Joint or Infill	Consolidation Code	Order No.
--------------------------------------	------------------------	---------------------------	------------------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



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 30-025-52147	Pool Code 98065	Pool Name WC-025-G-08S263205N; Upper Wolfcamp
Property Code 333937	Property Name PILEDRIIVER FEDERAL COM	Well Number 716H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3367.3'

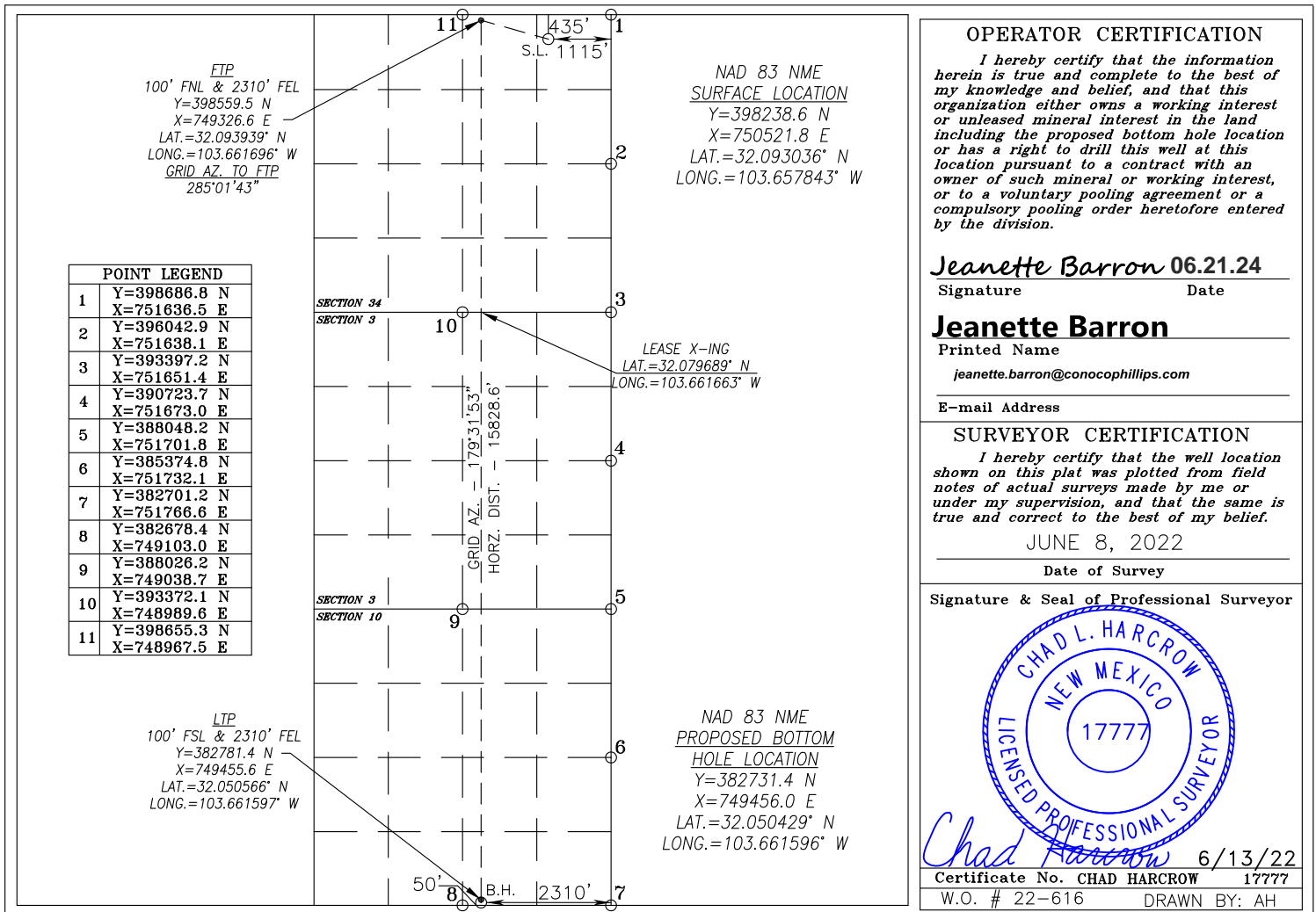
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	34	25-S	32-E		435	NORTH	1115	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	10	26-S	32-E		50	SOUTH	2310	EAST	LEA
Dedicated Acres 960	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



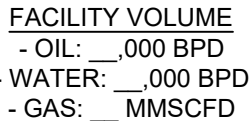


WELLS:
 PILEDRIVER FEDERAL COM #712H: 30-025-52146
 PILEDRIVER FEDERAL COM #713H: 30-025-51389
 PILEDRIVER FEDERAL COM #714H: 30-025-51390
 PILEDRIVER FEDERAL COM #715H: 30-025-51391
 PILEDRIVER FEDERAL COM #716H: 30-025-52147

***Fuel Usage is based off of the
COP L48 Fuel Calculated Fuel Use
Formulas***

(O1) Tester #1 Oil Meter # _____
 (G1) Tester #1 Gas Meter # _____
 (W1) Tester #1 Water Meter # _____
 (O2) Tester #2 Oil Meter # _____
 (G2) Tester #2 Gas Meter # _____
 (W2) Tester #2 Water Meter # _____
 (O3) Tester #3 Oil Meter # _____
 (G3) Tester #3 Gas Meter # _____
 (W3) Tester #3 Water Meter # _____
 (O4) Tester #4 Oil Meter # _____
 (G4) Tester #4 Gas Meter # _____
 (W4) Tester #4 Water Meter # _____
 (O5) Tester #5 Oil Meter # _____
 (G5) Tester #5 Gas Meter # _____
 (W5) Tester #5 Water Meter # _____

(F1) HP Flare Gas Meter # _____
(F2) HP Flare Gas Meter # _____
(F3) HP Flare Gas Meter # _____
(F4) HP Flare Gas Meter # _____
(F5) LP Flare Gas Meter # _____
(GV) VRU Gas Meter # _____
(GS) VRU Sales Gas Meter # _____
(WT) Water Transfer Meter # _____
(C1) Check Gas Meter # _____
(GA) FMP Gas Sales Meter #1 # _____
(B1) Gas By Back Meter # _____
(C2) Check Gas Meter # _____
(GB) FMP Gas Sales Meter #2 # _____
(B2) Gas By Back Meter # _____
(H1) Heater Flash Gas Meter # _____
(H2) Heater Flash Gas Meter # _____



Type of Facility: Federal
Lease #:
CA #: In Progress
NMOCD Property Code: 325390
NMOCD OGRID #: 229137

Produced Fluid:	_____
Produced Oil:	_____
Produced Gas:	_____
Produced Water:	_____
Flare/Vent:	_____

THIS DRAWING IS PROPERTY
OF COG OPERATING LLC AND
IS LENT TO THE BORROWER
FOR CONFIDENTIAL USE ONLY
AND IS SUBJECT TO RETURN
UPON REQUEST AND SHALL
NOT BE REPRODUCED,
COPIED, LENT OR OTHERWISE
DISPOSED OF DIRECTLY OR
INDIRECTLY, NOR USED FOR
ANY PURPOSE OTHER THAN
THAT WHICH IT IS
SPECIFICALLY FURNISHED.

NO.	TITLE
COG OPERATING LLC SITE SECURITY PLANS LOCATED AT:	ONE CONCHO CENTER 600 WEST ILLINOIS AVENUE MIDLAND, TEXAS 79701

[illegible]

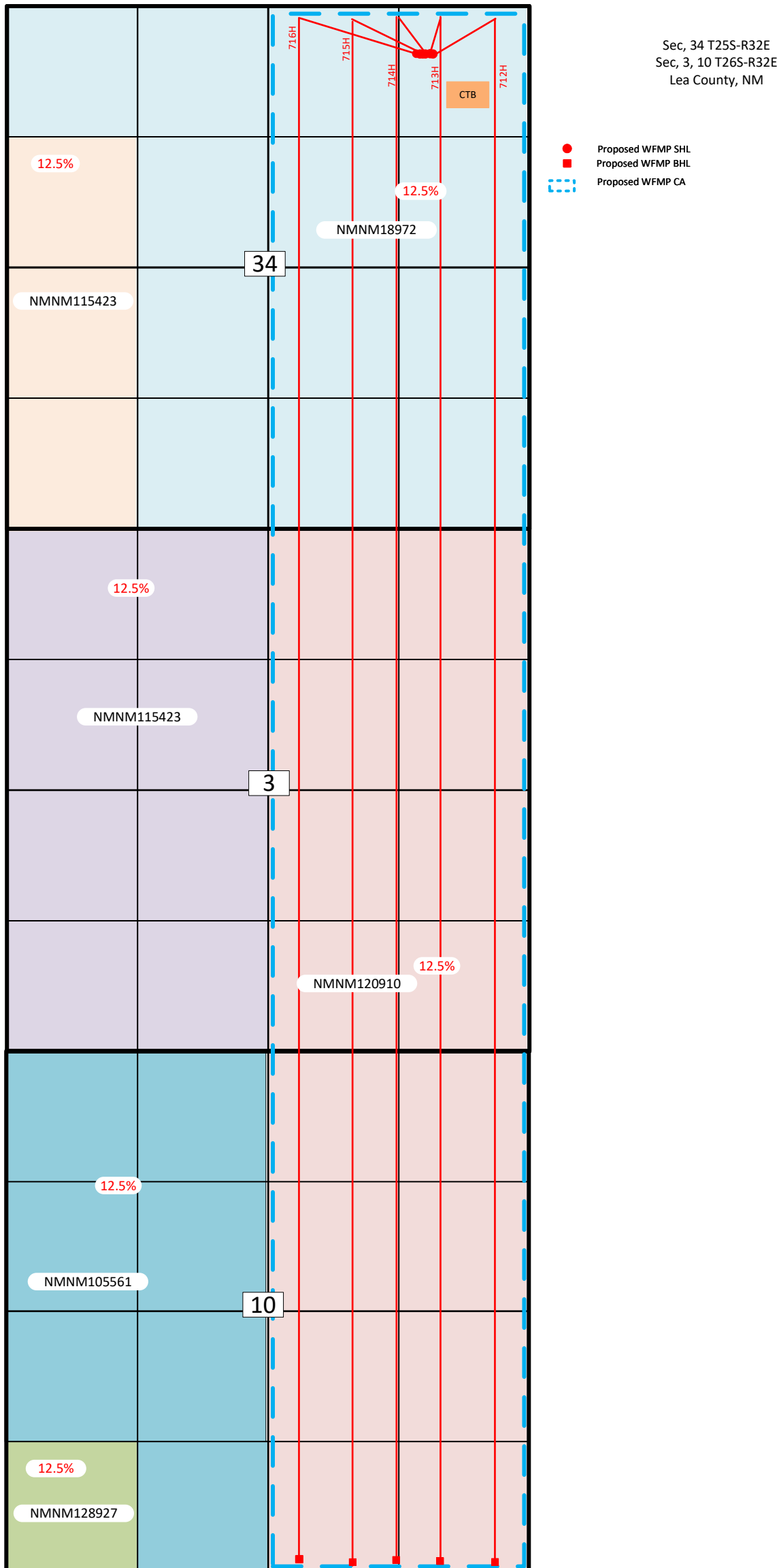
BY	DATE
DRN: JS	12/14/
DES:	
CHK:	
APP:	
AFE NO:	
FACIL ENGR:	R. Cantu
OPER ENGR:	
SCALE:	NONE

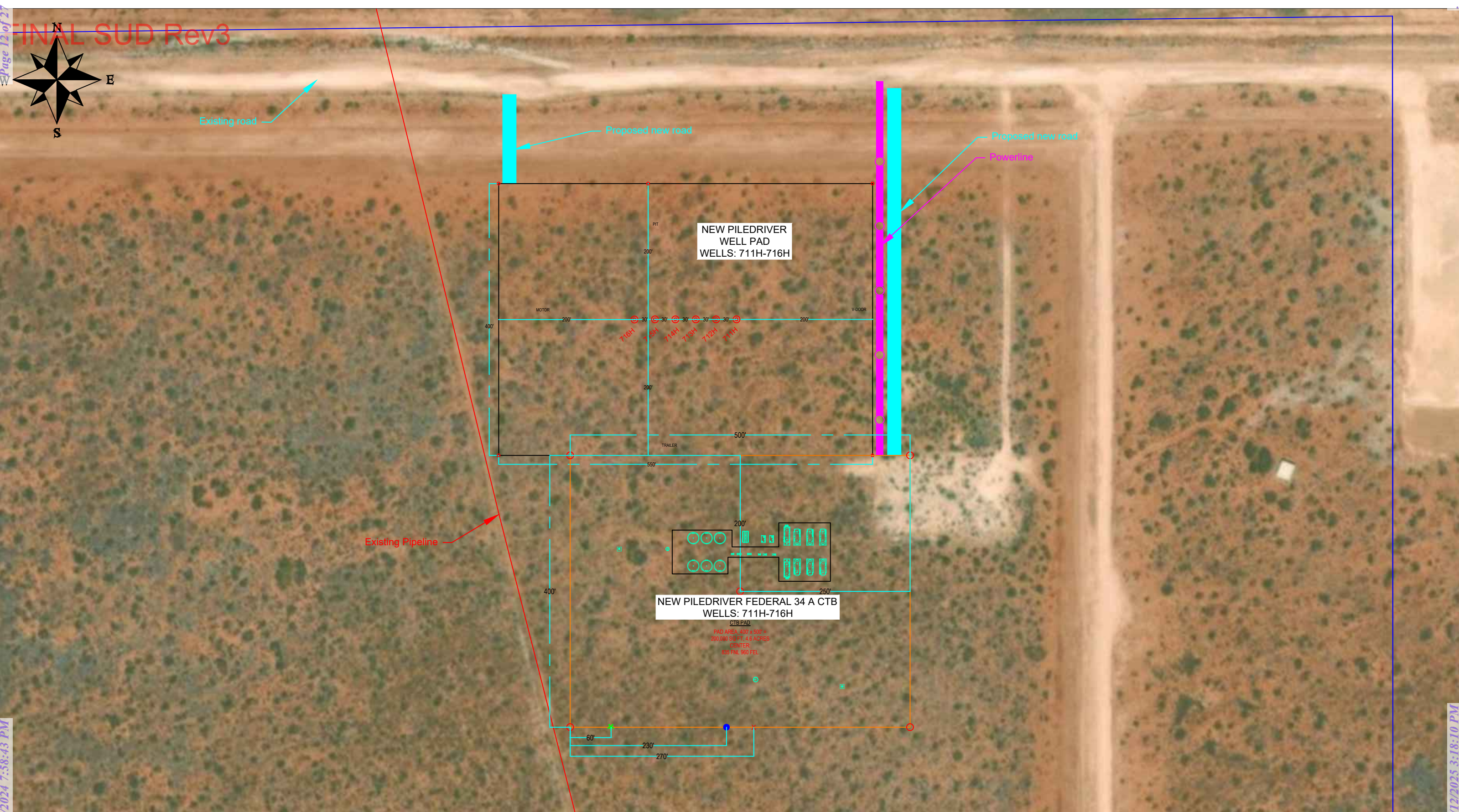
DELAWARE BASIN EAST ASSET
PRODUCTION FACILITIES
SITE FACILITY DIAGRAM
PILEDRIIVER FEDERAL 34 A CTB

LEA COUNTY		NEW MEXICO
TWNSHP/RANGE	DWG NO. PiledriverFederal34ACTB	REV A

JB 04.29.22

Piledriver Fed Com Wells





Facility Plan

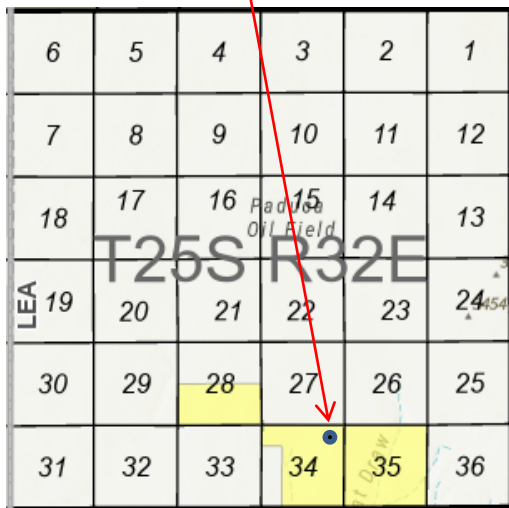
Piledriver Federal 34 A CTB

Sec 34, T25S, R32E

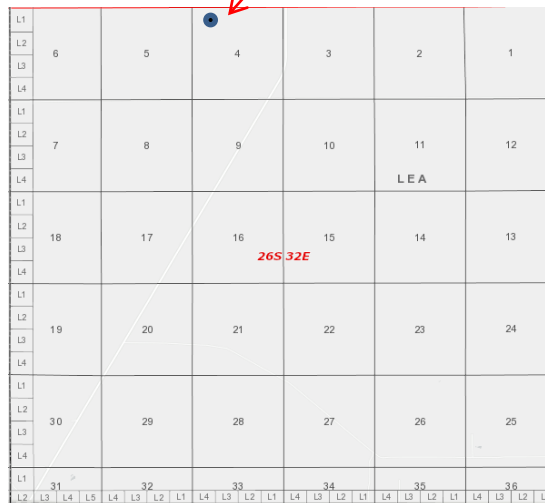
REV	DATE	BY
E	06/02/22	CS
B	10/11/20	CS
C	04/25/22	CS
D	05/03/22	CS

Piledriver Federal Com 712H-716H & Red Hills and Jal Offload Station Map

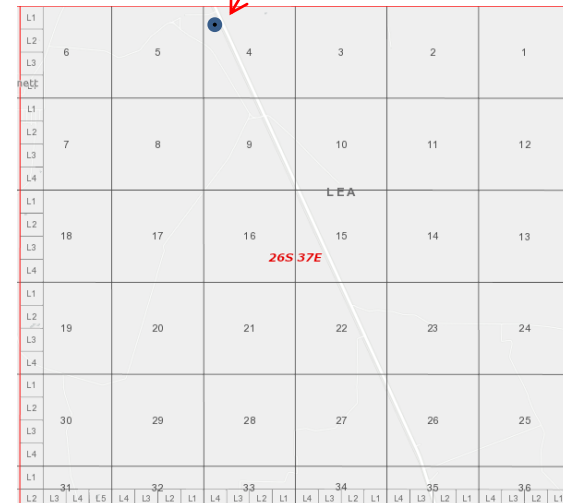
Piledriver Fed Com 712H-716H
Lea County, NM



Red Hills Offload Station
Lea County, NM



Jal Offload Station
Lea County, NM



Piledriver Fed Com 712H-716H OLM								
Date Sent	Initials	Name	Address	City	State	ZipCode	Certified Return Receipt No.	Delivered
06.21.24	JB	CROWNROCK MINERALS L.P.	PO BOX 51933	MIDLAND	TX	79710	7020 1810 0000 1415 4248	
06.21.24	JB	CORNERSTONE FAMILY TRUST-JOHN KYLE THOMA	PO BOX 558	PEYTON	CO	80831	7020 1810 0000 1415 4255	
06.21.24	JB	MALAGA ROYALTY	PO BOX 2064	MIDLAND	TX	79702	7020 1810 0000 1415 4224	
06.21.24	JB	MALAGA EF7, LLC	1717 West Loop South, Ste 1800	HOUSTON	TX	77027	7020 1810 0000 1415 4231	
06.21.24	JB	BLM	414 WEST TALYOR	HOBBS	NM	88240-1157	7020 1810 0000 1415 4262	

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the **1st day of February, 2024**, 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 advantage 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 25 South, Range 32 East, N.M.P.M.

Section 34: E/2

Township 26 South, Range 32 East, N.M.P.M.

Section 3: E/2

Section 10: E/2

Lea County, New Mexico

Containing **960.00** acres, and this agreement shall include only the **Wolfcamp** formation underlying said lands and 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, Texas 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 maybe designated 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.

If the communitized area approved in this Agreement contains unleased Federal lands, the value of 1/8th or 12 ½ percent for the Federal lands, of the production that would be allocated to such Federal lands, described above, if such lands were leased, committed and entitled to participation, shall be payable as compensatory royalties to the Federal government. The remaining 7/8th should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the communitized area and the Communitization Agreement is terminated, whichever occurs first.

Any party acquiring a Federal lease of the unleased Federal lands included in the communitized area established hereunder, will be subject to this Agreement as of the effective date of the Federal leases to said party (ies). Upon issuance of the Federal lease and payment of its proportionate cost of the well, including drilling, completing and equipping the well, the acquiring party (ies) shall own the working interest described in the Tract, as described on Exhibit "B", and shall have the rights and obligations of said working interest as to the effective date of the Federal Lease.

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 **February 1, 2024**, 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 (30 F.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.

OPERATOR:
COG OPERATING LLC

Date: 2-8-24

By: _____

Ryan D. Owen
Attorney-in-fact

MRP SW

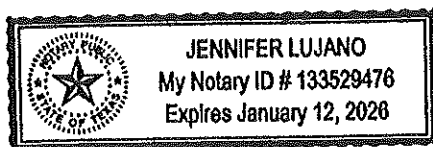
ACKNOWLEDGEMENT

STATE OF TEXAS §

§

COUNTY OF MIDLAND §

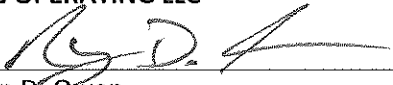
The instrument was acknowledged before me on February 8, 2024, by Ryan D. Owen, as attorney-in-fact of **COG OPERATING LLC**, a Delaware limited liability company, on behalf of said limited liability company.



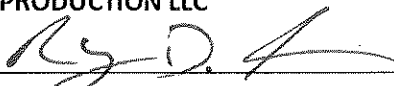
NOTARY PUBLIC in and for the State of Texas
PILED RIVER FED COM E2 WC-CA

WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD

Date: 2-8-24

COG OPERATING LLC
By: 
Ryan D. Owen
Attorney-in-fact
MRP SM

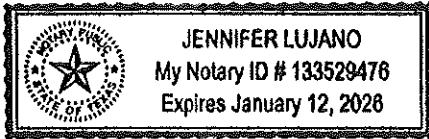
Date: 2-8-24

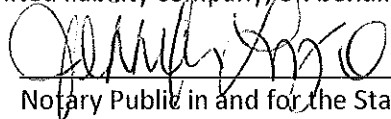
COG PRODUCTION LLC
By: 
Ryan D. Owen
Attorney-in-fact
MRP SM

ACKNOWLEDGEMENT

STATE OF TEXAS §
 §
COUNTY OF MIDLAND §

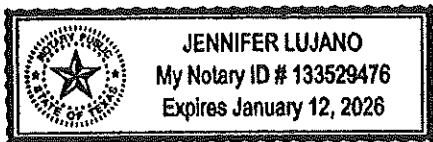
The instrument was acknowledged before me on February 8, 2024, by Ryan D. Owen, as attorney-in-fact of **COG OPERATING LLC**, a Delaware limited liability company, on behalf of same.




Notary Public in and for the State of Texas

STATE OF TEXAS §
 §
COUNTY OF MIDLAND §

The instrument was acknowledged before me on February 8, 2024, by Ryan D. Owen, as attorney-in-fact of **COG PRODUCTION LLC**, a Texas limited liability company, on behalf of same.



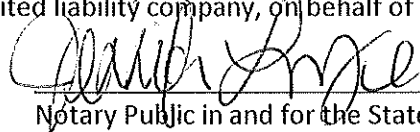
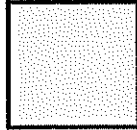

Notary Public in and for the State of Texas

EXHIBIT "A"

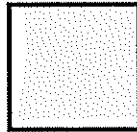
Plat of communitized area covering **960.00** acres in E/2 of Section 34, Township 25 South, Range 32 East and E/2 of Section 3 and E/2 of Section 10, Township 26 South, Range 32 East, N.M.P.M., Lea County, New Mexico

Piledriver Federal Com E2 WC

Tract 1:
Sec 34: E2
NMNM-108972



Tract 2:
Sec 3 & 10: E2
NMNM-120910



			Sec. 34
			Sec. 3
			Sec. 10

EXHIBIT "B"

Leases covering communitized area covering the E/2 of Section 34, Township 25 South, Range 32 East and E/2 of Sections 3 and 10, Township 26 South, Range 32 East, N.M.P.M., Lea County, New Mexico

Operator of Communitized Area: COG Operating LLC

TRACT 1:

Lease Serial No.: **NMNM 108972**
 Lease Date: September 1, 2002
 Lease Term: Ten (10) Years
 Recordation: Unrecorded
 Lessor: United States of America
 Original Lessee: The Allar Company
 Current Lessee of Record: COG Operating LLC
 Description: Insofar and only insofar as said lease covers:
Township 25 South, Range 32 East
 Section 34: E/2
 Lea County, New Mexico
 Number of Acres: 320.00
 Royalty Rate: 12.5%
 WI Owners Names and Interests: COG Operating LLC 100.00%
 ORRI Owners: Of Record.

TRACT 2:

Lease Serial No.: **NMNM 120910**
 Lease Date: November 1, 2008
 Lease Term: Ten (10) Years
 Recordation: Unrecorded
 Lessor: United States of America
 Original Lessee: OGX Resources LLC
 Current Lessee of Record: COG Production LLC
 Description: Insofar and only insofar as said lease covers:
Township 26 South, Range 32 East
 Section 3: E/2
 Section 10: E/2
 Lea County, New Mexico
 Number of Acres: 640.00
 Royalty Rate: 12.5%
 WI Owners Names and Interests: COG Production LLC 100.00%
 ORRI Owners: Of Record.

RECAPITULATION

TRACT NO.	NO. OF ACRES COMMITTED	PERCENT OF INTEREST IN COMMUNITIZED AREA
1	320.00	33.33%
2	640.00	66.67%
TOTAL	960.00	100.00%

Tracking Number:
70201810000014154262



Copy



Add to Informed Delivery

Latest Update

Your item has been delivered to the original sender at 8:25 am on July 17, 2024 in ARTESIA, NM 88210.

Get More Out of USPS Tracking:



USPS Tracking Plus[®]



Delivered

Delivered, To Original Sender

ARTESIA, NM 88210

July 17, 2024, 8:25 am

[See All Tracking History](#)

What Do USPS Tracking Statuses Mean?

**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-303

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 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 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 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 production from the wells identified in Exhibit A shall be physically separated from the oil 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 calibrate the meters used to measure or allocate oil production in accordance with 19.15.12.10(C)(2) NMAC.
5. 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**

A handwritten signature in blue ink, appearing to read "G. Razatos", is written over a horizontal line.

**GERASIMOS RAZATOS
DIRECTOR (ACTING)**

DATE: 6-12-2025

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: **OLM-303**

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

Central Tank Battery: **Piledriver Federal 34 A Central Tank Battery (Oil Only)**

Central Tank Battery Location: **UL A, Section 34, Township 25 South, Range 32 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:

Pools

Pool Name	Pool Code
WC-025 G-08 S263205N;UPPER WOLFCAMP	98065

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
PROPOSED CA Wolfcamp NMNM 106356855	E/2	34-25S-32E
	E/2	03-26S-32E
	E/2	10-26S-32E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-51389	PILEDRIIVER FEDERAL COM #713H	E/2	34-25S-32E	98065
		E/2	03-26S-32E	
		E/2	10-26S-32E	
30-025-51390	PILEDRIIVER FEDERAL COM #714H	E/2	34-25S-32E	98065
		E/2	03-26S-32E	
		E/2	10-26S-32E	
30-025-51391	PILEDRIIVER FEDERAL COM #715H	E/2	34-25S-32E	98065
		E/2	03-26S-32E	
		E/2	10-26S-32E	
30-025-52146	PILEDRIIVER FEDERAL COM #712H	E/2	34-25S-32E	98065
		E/2	03-26S-32E	
		E/2	10-26S-32E	
30-025-52147	PILEDRIIVER FEDERAL COM #716H	E/2	34-25S-32E	98065
		E/2	03-26S-32E	
		E/2	10-26S-32E	

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 356755

CONDITIONS

Operator: COG OPERATING LLC 600 W Illinois Ave Midland, TX 79701	OGRID: 229137
	Action Number: 356755
	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 .	6/12/2025