| RECEIVED: | REVIEWER: | TYPE: | APP NO: | | |
|---|---|---|---|-----------------------------|---|
| | | ABOVE THIS TABLE FOR OCD D O OIL CONSERVA cal & Engineering ancis Drive, Santa | ATION DIVISION g Bureau – | ST. OF NEW ORDER | |
| THIS | CHECKLIST IS MANDATORY FOR AL | ATIVE APPLICATI ADMINISTRATIVE APPLICATION ADMINISTRATIVE APPLICATION AT THE | ATIONS FOR EXCEPTIONS T | | ID |
| | n Resources Operating, LLC | | | D Number: <u>3</u> | |
| Vell Name: Mozzare | lla Fed Com 602H, 603H, 604H, 504H, 505H, 302 | 2H, 402H and Gouda Federal Com 60 | | | |
| OOI: Bilbrey Basin; | Bone Spring | | Pool | Code: <u>5695</u> | 30-025-50228 |
| 1) TYPE OF APPL | ATE AND COMPLETE INF ICATION: Check those v i - Spacing Unit - Simult | INDICATED BELC which apply for [A | DW] | The type of Af | 30-025-4674° PPLIGATION: 30-025-50329 30-025-50498 |
| [1] Com [| one only for [1] or [11] one only for [1] or [11] one only for [1] or [11] one only for only | .C □PC ■C re Increase - Enha | - | | OCD ONLY |
| A. Offse B. Roya C. Appli D. Notifi E. Notifi F. Surfa G. For a | N REQUIRED TO: Check to a perators or lease hold to perators or lease hold ty, overriding royalty over ation requires published ation and/or concurrected at the above, proof of otice required | ders vners, revenue ow ed notice ent approval by SL ent approval by BL | ners O M | Notice Applica Conter Compl | Complete ation |
| administrative understand the | N: I hereby certify that to approval is accurate a nat no action will be takenessubmitted to the Div | and complete to t en on this applica | he best of my kno | owledge. I also |) |
| N | ote: Statement must be complet | ed by an individual with | managerial and/or sup | ervisory capacity. | |
| Katie Biersmith Print or Type Name | | | 6/14/23 Date 720-499-1522 Phone Number | | |
| <u> </u> | Katie Biersmith 2023.06.26 09:16:20 -06'00 | y | | @permianres.con | 1 |

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.

| | | COMMINGLING | (DIVERSE | OWNERSHIP) | |
|---|------------------------------|---|---------------------|-----------------------------|---------------|
| | an Resources C | | | | |
| OPERATOR ADDRESS: 300 N. APPLICATION TYPE: | <u>. Marienfeld Str</u> | eet, Suite 1000 I | Midland, T | X 79701 | |
| ☐ Pool Commingling | ng Pool and Lease Co | ommingling Off-Lease | Storage and Measu | rement (Only if not Surface | e Commingled) |
| LEASE TYPE: | State X Fede | eral | | | |
| Is this an Amendment to existing Orde | | | | | |
| Have the Bureau of Land Management | (BLM) and State Lan | d office (SLO) been not | ified in writing | of the proposed comm | ingling |
| Yes No | (A) BO (| OL COMMUNICIPI | | | |
| | | OL COMMINGLING ts with the following in | | | |
| | Gravities / BTU of | Calculated Gravities / | | Calculated Value of | |
| (1) Pool Names and Codes | Non-Commingled Production | BTU of Commingled Production | | Commingled Production | Volumes |
| | Troduction | Troduction | | Troduction | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| (2) Are any wells producing at top allow | | 1 | — | | |
| (3) Has all interest owners been notified | | roposed commingling? | □Yes □No | • | |
| (4) Measurement type: Metering(5) Will commingling decrease the value | | □No If "ves" descri | he why comming | ling should be approved | |
| (5) Will comminging decrease the value | or production. | | oc will comming | ing should be approved | |
| | | | | | |
| | | SE COMMINGLIN | | | |
| | | ets with the following in | nformation | | |
| (1) Pool Name and Code. Bilbrey Basin | | AT- | | | |
| (2) Is all production from same source of(3) Has all interest owners been notified b | | | ¥Yes □1 | No | |
| | Other (Specify) | oposed comminging: | A res | 10 | |
| (·) | <u> </u> | | | | |
| | | | | | |
| | (C) POOL and | d LEASE COMMIN | GLING | | |
| | Please attach shee | ets with the following in | nformation | | |
| (1) Complete Sections A and E. | | | | | |
| | | | | | |
| | • • | TORAGE and MEA | | | |
| | | eets with the following | information | | |
| (1) Is all production from same source of | | No | | | |
| (2) Include proof of notice to all interest | owners. | | | | |
| (E) A | DDITIONAL INE | ORMATION (for al | l application : | tynes) | |
| (E) A | | ets with the following i | | JPC3) | |
| (1) A schematic diagram of facility, incl | | ionoming i | Ja | | |
| (2) A plat with lease boundaries showing | | ations. Include lease numb | ers if Federal or S | tate lands are involved. | |
| (3) Lease Names, Lease and Well Numb | ers, and API Numbers. | | | | |
| I hereby certify that the information above | is true and complete to the | ne best of my knowledge ar | nd belief. | | |
| SIGNATURE: | | TIPLE: Regulatory | | DATE: 6 | 114/23 |
| TYPE OR PRINT NAME Katie Big | | - i togulatory | | LEPHONE NO.: 720- | |
| | | | 15 | LEFHONE NO.: 120- | 733-1322 |
| E-MAIL ADDRESS: katie.biersm | <u>ιιτη@permianre</u> | s.com | | | |

NEW MEXICO STATE LAND OFFICE

APPLICATION FOR COMMINGLING AND OFF-LEASE STORAGE ON STATE TRUST LANDS



This application form is required for all commingling applications requiring approval by the Commissioner of Public Lands.

| Applicant: Permian Resources Operating, LLC Mozzarella Fed Com 602H, 603H, 604H, 504H, 505H, 302H, 402H Well Name: and Gouda Federal Com 605H, 304H, 404H, 506H | OGRID #: 372165 API #: 30-025-46742, 30-025-46757, 30-025-4861 |
|--|--|
| Pool: Bilbrey Basin; Bone Spring (5695) | 30-025-48617, 30-025-50215, 30-025-5157 30-025-50228, 30-025-46741, 30-025-5157 |
| OPERATOR NAME: Permian Resources Operating, LLC | 30-025-50329, 30-025-50498 |
| OPERATOR ADDRESS: 300 N Marienfeld, Ste 1000, Midland, TX 79701 | |

APPLICATION REQUIREMENTS - SUBMIT:

- 1. New Mexico Oil Conservation Division (NMOCD) application packet (or equivalent information if no application is required by NMOCD),
- 2. Commingling application fee of \$150.

CERTIFICATION: To the best of my knowledge,

- All business leases and rights-of-way necessary for conducting the proposed operation on State Trust lands have been applied for or obtained,
- The information submitted with this application is accurate and complete, and
- No loss will accrue to the state of New Mexico as a result of the proposed operation.

I also understand that **no action** will be taken on this application until the required information and fee are submitted to the State Land Office.

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

| Katie Biersmith | |
|---------------------|---|
| Print or Type Name | |
| Signature Signature | 720-499-1522 Phone Number |
| 6/14/23 Date | katie.biersmith@permianres.com e-mail Address |

Submit application to:

Commissioner of Public Lands Attn: Commingling Manager PO Box 1148 Santa Fe, NM 87504-1148 Questions?
Contact the Commingling Manager: 505.827.5791

Upon approval, the requesting organization will receive an acknowledgment letter from the Commissioner of Public Lands.

APPLICATION FOR SURFACE COMMINGLING AND OFF LEASE MEASUREMENT

Permian Resources Operating, LLC respectfully requests approval to lease commingle oil & gas from the following wells:

| | API | WELL NAME | WELL# | LOCATION | POOL CODE/NAME | STATUS |
|----|--------------|---------------------------------|--------------------|-----------------|--|-----------|
| 1 | 30-025-46742 | MOZZARELLA FED COM (CTB1057) | 602H | C-8-22S- 32E | [5695] BILBREY BASIN:BONE SPRING ; [98313] WC-025 G-09 S213232A;UPR WOLFCAMP | PRODUCING |
| 2 | 30-025-46757 | MOZZARELLA FED COM (CTB1057) | 603H | C-8-22S- 32E | [5695] BILBREY BASIN;BONE SPRING ; [98313] WC-025 G-09 S213232A;UPR WOLFCAMP | PRODUCING |
| 3 | 30-025-48616 | MOZZARELLA FED COM (CTB1057) | 604H | P-5-22S- 32E | [5695] BILBREY BASIN; BONE SPRING | PRODUCING |
| 4 | 30-025-48617 | GOUDA FED COM (CTB1057) | 605H | P-5-22S- 32E | [5695] BILBREY BASIN; BONE SPRING | PRODUCING |
| 5 | 30-025-50215 | MOZZARELLA FED COM (ADD) | 504H | C-8-22S- 32E | [5695] BILBREY BASIN; BONE SPRING | PERMITTED |
| 6 | 30-025-51576 | MOZZARELLA FED COM (ADD) | 505H (FKA 653H) | C-8-22S- 32E | [5695] BILBREY BASIN; BONE SPRING | PERMITTED |
| 7 | 30-025-50228 | MOZZARELLA FED COM (ADD) | 302H (FKA 503H) | C-8-22S- 32E | [5695] BILBREY BASIN; BONE SPRING | PERMITTED |
| 8 | 30-025-46741 | MOZZARELLA FED COM (ADD) | 402H (FKA 652H) | C-8-22S- 32E | [5695] BILBREY BASIN; BONE SPRING | PERMITTED |
| 9 | 30-025-51575 | GOUDA 5 FED COM (ADD) | 304H (FKA 654H) | C-8-22S- 32E | [5695] BILBREY BASIN; BONE SPRING | PERMITTED |
| 10 | 30-025-50329 | GOUDA 5 FED COM (ADD) | 404H (FKA 505H) | P-5-22S- 32E | [5695] BILBREY BASIN; BONE SPRING | PERMITTED |
| 11 | 30-025-50498 | GOUDA 5 FED COM (ADD) | 506H | P-5-22S- 32E | [5695] BILBREY BASIN; BONE SPRING | PERMITTED |

GENERAL INFORMATION:

Spacing Unit for Mozzarella Fed Com #602H, Mozzarella Fed Com #603H, Mozzarella Fed Com #604H, Mozzarella Fed Com 302H, Mozzarella Fed Com 402H, Mozzarella Fed Com 504H, and Mozzarella Fed Com 505H:

E/2 W/2, W/2 E/2 Section 32, T21S R32E E/2 W/2, W/2 E/2 Section 5, T22S R32E Total of 639.34 acres, all in Lea County, NM

| | Lease | Lease | | | | | Acres in |
|---|-------|-----------|--------------------|---------|--|-----------|----------|
| | Type | Number | Type of Production | Royalty | Description | % of Comm | Comm |
| | | | | | 280 acres being N/2 NW/4, SWNW, SW Section 32, T21S | | |
| 1 | State | VB-2227-1 | Oil and Gas | 18.75% | R32E, Lea County, NM | 18.76936% | 120.00 |
| | | | | | 1,680 acres, including SE/NW | | |
| 2 | State | E0-1932-1 | Oil and Gas | 12.5% | Section 32 T21S R32E, Lea County, NM | 6.25645% | 40.00 |
| 3 | State | VB-2424-1 | Oil and Gas | 18.75% | 160 acres, being NE Section 32, T21S R32E, Lea County, NM | 12.51290% | 80.00 |
| | | | | | 120 acres, being E/2 SE, NWSE Section 32, T21S R32E, Lea | | |
| 4 | State | VB-2430-1 | Oil and Gas | 18.75% | County, NM | 6.25645% | 40.00 |

| 5 | State | B0-0399-69 | Oil and Gas | 12.50% | 40 acres, being SWSE Section 32, T21S R32E, Lea County, NM | 6.25645% | 40.00 |
|---|---------|-----------------|-------------|--------|---|------------|--------|
| 6 | Federal | NMNM- 131588 | Oil and Gas | 12.50% | 886.41 acres including N/2, W2SW Section 5, T22S R32E, Lea County, NM | 24.92258% | 159.34 |
| 7 | State | VB-1365-0 | Oil and Gas | 18.75% | 240 acres, including E2SW, SE Section 5, T22S R32E, Lea County, NM | 25.02581% | 160.00 |
| | | Total | | | | 100.00000% | 639.34 |

^{*}The Communitization Agreement for the Mozzarella Fed Com #602H, Mozzarella Fed Com #603H and Mozzarella Fed Com #604H has been submitted to the BLM and SLO for approval. The Mozzarella Fed Com 302H, Mozzarella Fed Com 402H, Mozzarella Fed Com 504H, and Mozzarella Fed Com 505H wells will all be subject to the Communitization Agreement submitted for the Mozzarella Fed Com 602H-604H.

Spacing Unit for the Gouda Fed Com #605H, Gouda 5 Fed Com 304H, Gouda 5 Fed Com, 404H, and Gouda 5 Fed Com 506H:

E/2 E/2 Section 32, T21S R32E E/2 E/2 Section 5, T22S R32E Total of 319.66 acres, all in Lea County, NM

| | Lease Type | Lease Number | Type of Production | Royalty | Description | % of Comm | Acres in Comm |
|---|---------------|-----------------|-----------------------|---------|---|-----------|---------------|
| 1 | State | VB-2424-1 | Oil and Gas | 18.75% | 160 acres, being NE Section 32, T21S R32E, Lea County, NM | 25.0266% | 80.00 |
| 2 | State | VB-2430-1 | Oil and Gas | 18.75% | 120 acres, being E/2 SE, NWSE Section 32, T21S R32E, Lea County, NM | 25.0266% | 80.00 |
| 5 | Federal | NMNM- 131588 | Oil and Gas | 12.50% | 886.41 acres including N/2, W2SW Section 5, T22S R32E, Lea County, NM | 24.9202% | 79.66 |
| 6 | State | VB-1365-0 | Oil and Gas | 18.75% | 240 acres, including E2SW, SE Section 5, T22S R32E, Lea County, NM | 25.0266% | 80.00 |
| | | Total | | | | 100.0000% | 319.66 |

^{*}The Communitization Agreement for the Gouda Fed Com #605H has been submitted to the BLM and SLO for approval. The Gouda 5 Fed Com 304H, Gouda 5 Fed Com 404H, and Gouda Fed Com 506H will all be subject to the Communitization Agreement submitted for the Gouda Fed Com #605H.

- This application will fall under 43 CFR 3173.14(a)(1) iii (Federal unit PA or CA where each unit PA or CA proposed for commingling has the same proportion of Federal interest, and which interest is subject to the same fixed royalty rate and revenue distribution.)
- The central tank battery to service the subject wells is located off-lease, on C-8-22S-32E (NMNM 069373), just West of the approved drill island No. DA-2018-001. The facility was reviewed and approved in the APDs for the Mozzarella wells (APD ID 10400041204 and 10400041229). Storing and measuring from this off-lease facility reduces the amount of trucking or pipelines since it is

next to the drill pad. So, although it is off lease, it reduces our environmental impact by producing closer to the drill pad. Please see the attached map for reference.

- There is no new surface disturbance included as part of the proposed CAA.
- Ownership in the two spacing units is not identical and notices to all owners have been mailed out. Some owners are unlocatable, so notification has also been published.
- Gas analysis is not required as Permian is applying for a CAA under 3173.14(a)(1)
- Federal Ownership differs between the two spacing units due to lots in Section 5, T22S R32E:
 Mozzarella: 0.2493 Gouda: 0.2492 Δ: 0.00005871
- Enclosed herewith is 1) a map that displays the leases and the location of the subject wells, 2) a map that displays the location of the proposed CTB, (3) a process flow diagram, (4) allocation methodology and example, and (5) the C-102 plat for each of the wells.
- All leases, unit PAs, or CAs in the proposed CAA are capable of production in paying quantities.
- The approval of this commingling application will not negatively affect the royalty revenue of the federal government due to the allocation methodology described in the application. The approval of this application will also provide for reduced surface disturbance in this development area.
- All non-FMP gas meters will meet API Standard 14.3/AGA Report No 3 and all non-FMP oil meters will meet API/MPMS Chapter 5.6



6/14/2023

COMMINGLED CENTRAL TANK BATTERY - PRORATED ALLOCATION

DAILY GAS ALLOCATION

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

There is a single VRU meter installed at the facility that measures tank vapors evolved from oil in the atmospheric tanks and heater treater. Gas metered by the VRU meter is allocated to each well based off the Oil Allocation meters mentioned in the Oil Allocation section below.

There is a high-pressure flare gas meter at the facility that measures gas sent to the emergency flare. Metered high-pressure flare gas is allocated to each well based off the gas production meters detailed below.

There is a medium-pressure flare gas meter at the facility that measures gas sent to flare. Metered medium-pressure gas is allocated to each well based off the oil production meters detailed below.

There is a low-pressure flare gas meter at the facility that measures gas sent to flare from tanks if the VRU shuts down. Metered low-pressure flare gas is allocated to each well based off the oil production meters detailed below.

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

- 1. The Well's Net Gas Production is the volume of gas produced by the well less any volume used for gas lift. The Well's Net Gas Production also includes the Well's VRU Allocation Volume. It is calculated by:
 - a. Well's Net Gas Production = Well's Wellhead Meter Readings Well's Gas Lift Meter Readings + Well's VRU Allocation Volume
 - b. Well's VRU Allocation Volume = VRU Meter * Well's Theoretical % of Oil Production
 - c. Well's Theoretical % of Oil Production = Well's Oil Meter/ (sum of all Well's Oil Meters at the CTB)
- 2. HP Flare Volume is the volume of gas flared from the CTB, allocated to wells by:
 - a. Well's HP Flare Volume = HP Flare Meter * Well's Theoretical Net Gas Production %
 - b. Well's Theoretical Net Gas Production % = Well's Net Gas Production / (sum of all Well's Net Gas Production)
- 3. MP Flare Volume is the volume of gas flared from Heater Treaters at the CTB, allocated to wells by:
 - a. Well's MP Flare Volume = MP Flare Meter * Well's Theoretical % of Oil Production
 - b. Well's Theoretical % of Oil Production = Well's Oil Meter / (sum of all Well's Oil Meters at CTB)
- 4. LP Flare Volume is the volume of gas flared from Tank Vapors, allocated to wells by:
 - a. Well's LP Flare Volume = LP Flare Meter * Well's Theoretical % of Oil Production
 - b. Well's Theoretical % of Oil Production = Well's Oil Meter / (sum of all Well's Oil Meters at CTB)

- 5. The VRU Meter measures the gas that evolves from the oil in the oil tanks and the heater treater. The VRU gas volumes are allocated based on allocated oil production for each well. The VRU Meter is an allocation meter.
 - a. Well's VRU Allocation Volume = VRU Meter * Well's Theoretical % of Oil Production
 - b. Well's Theoretical % of Oil Production = Well's Oil Meter / (Sum of all Well's Oil Meters at CTB)
- 6. Allocated Lease Use Gas Volume is the volume of gas used by the equipment on the CTB allocated to the wells by:
 - a. Well's Allocated Lease Use Gas Volume = Lease Use Equipment* (Well's Hours On / (sum of all Well's Hours On)
- 7. Well's Theoretical Net Gas Production % used for the allocation of production/sales is calculated by:
 - a. Well's Theoretical Net Gas Production % = Well's Net Gas Production / (sum of all Well's Net Gas Production)
- 8. CTBs FC Meter (FMP) measures the volume of gas for royalty purposes. This volume of gas is the total that is sold from the CTB. The CTBs FC Meter (FMP) volumes are allocated to each well by:
 - a. Well's CTB FC Meter (FMP) Allocation = CTBs FC Meter (FMP) * Well's Theoretical Net Gas Production %
 - b. Well's Theoretical Net Gas Production % = Well's Net Gas Production / (sum of all Well's Net Gas Production)
- 9. Each Well's Allocated Gas Production at the CTB is calculated by:
 - a. Well's Allocated Gas Production = Well's CTBs FC Meter (FMP) Allocation + Well's HP Flare Volume + Well's MP Flare Volume + Well's LP Flare Volume + Well's Allocated Lease Use Gas Volume

DAILY OIL ALLOCATION

Each well has an oil meter measuring the volume of oil produced by the well. This volume is used as the allocation point to prorate Well's Allocated Oil Production Volume and Well's Allocated Oil Sales Volume (FMP) back to each well.

- 1. Well's Allocated Oil Production Volume is the volume of oil produced by each well and is calculated by:
 - a. Well's Allocated Oil Production Volume = Well's Theoretical % of Oil Production * CTB Allocated Oil Production
 - b. Well's Theoretical % of Oil Production = Well's Oil Meter/ (sum of all Well's Oil Meters at the CTB)
 - c. CTB Allocated Oil Production = Total CTB Sales Volume (FPM) + Ending Tank Inventory Beginning Tank Inventory
- 2. CTB Available Oil for Sale is calculated by:
 - a. CTB Available Oil for Sale = CTB Allocated Oil Production + Beginning Tank Inventory
- 3. Each Well's Available Oil for Sale is calculated by:
 - a. Each Well's Available Oil for Sale = Well's Allocated Oil Production Volume + Well's Beginning Tank Inventory

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

DAILY WATER ALLOCATION

Each well has a water meter measuring the volume of water produced by the well. This volume is used as the allocation point to prorate Well's Allocated Water Production and Well's Allocated Water Transfer Volume back to each well.

- 1. Well's Allocated Water Production is volume of water allocated to each well at the CTB and is calculated by:
 - a. Well's Allocated Water Production = CTB Allocated Water Production * Well's Theoretical % of Water Production
 - b. CTB Allocated Water Production = Total of CTBs Water Transfer Meters + Ending Tank Inventory Beginning Tank Inventory
 - c. Well's Theoretical % of Water Production = Well's Water Meter / (sum of Well's Water Meters at CTB)
- 2. CTBs Available Water to Transfer is calculated by:
 - a. CTBS available Water to Transfer = CTBs Allocated Well Production + Beginning Tank Inventory
- 3. Each Well's Available Water to Transfer is calculated by:
 - a. Well's Available Water to Transfer = Well's Allocated Well Production + Well's Beginning Tank Inventory
- 4. Each Well's Theoretical % of Water Available to Transfer is calculated by:
 - a. Well's Theoretical % of Water Available to Transfer = Well's Available Water to Transfer / (sum of Well's Available Water to Transfer)
- 5. Each Well's Allocated Water Transfer Volume is total water transfer volume allocated to each well and is calculated by:
 - a. Well's Allocated Water Transfer Volume = Well's Theoretical % of Water Available to Transfer * Total of CTBs Water Transfer Meters

- 6. Total of CTBs Water Transfer Meters is the volume of water transferred and metered by the individual Water Transfer Meters at the CTB.
- 7. Beginning Tank Inventory comes from previous accounting period's allocated Ending Inventory for each well.
- 8. Ending Water Tank Inventory for each well is calculated by:
 - a. Well's Ending Tank Inventory = Well's Beginning Water Tank Inventory +Well's Allocated Water Production Well's Allocated Water Transfer Volume

| | Allocation Methodology Used to Determine Allocated Production and Sales to Each Well | | | | | | | | | | | |
|-----------------------------|--|---|-------------------------------------|-----------------|---|--|----------------------------------|----------------------------------|----------------------------------|---|---|--|
| Well Name | Wellhead Meter Readings (MSCF) | Well's Gas Lift Meter Readings (MSCF) | Well's Net Gas Production (MSCF) | Well's Hours On | Well's Theoretical Net Gas Production % | Well's CTB FC Meter (FMP) Allocation (MSCF) | Well's HP Flare Volume (MSCF) | Well's MP Flare Volume (MSCF) | Well's LP Flare Volume (MSCF) | Well's Allocated Lease Use Gas Volume (MSCF) | Well's VRU Allocation Volume (MSCF) | Well's Allocated Gas Production (MSCF) |
| Gouda Federal Com 605H | 1,250.00 | 800.00 | 452.855 | 22 | 0.060 | 443.30 | 8.17 | 0.48 | 1.07 | 4.22 | 2.86 | 457.24 |
| Mozzerella Federal Com 602H | 1,314.00 | 825.00 | 494.230 | 24 | 0.065 | 483.80 | 8.91 | 0.87 | 1.96 | 4.61 | 5.23 | 500.16 |
| Mozzerella Federal Com 603H | 1,421.00 | 800.00 | 623.978 | 24 | 0.082 | 610.81 | 11.25 | 0.50 | 1.12 | 4.61 | 2.98 | 628.29 |
| Mozzerella Federal Com 604H | 1,231.00 | 900.00 | 336.218 | 20 | 0.044 | 329.12 | 6.06 | 0.87 | 1.96 | 3.84 | 5.22 | 341.85 |
| Mozzarella Fed Com 504H | 945.00 | 0.00 | 960.900 | 24 | 0.127 | 940.63 | 17.33 | 2.65 | 5.96 | 4.61 | 15.90 | 971.18 |
| Mozzarella Fed Com 505H | 912.00 | 0.00 | 927.149 | 24 | 0.122 | 907.59 | 16.72 | 2.52 | 5.68 | 4.61 | 15.15 | 937.12 |
| Mozzarrella Fed Com 302H | 843.00 | 0.00 | 855.577 | 24 | 0.113 | 837.53 | 15.43 | 2.10 | 4.72 | 4.61 | 12.58 | 864.38 |
| Mozzarrella Fed Com 402H | 1,502.00 | 850.00 | 665.709 | 24 | 0.088 | 651.66 | 12.00 | 2.28 | 5.14 | 4.61 | 13.71 | 675.70 |
| Gouda 5 Fed Com 304H | 1,652.00 | 900.00 | 769.537 | 18 | 0.101 | 753.30 | 13.88 | 2.92 | 6.58 | 3.46 | 17.54 | 780.13 |
| Gouda 5 Fed Com 404H | 1,740.00 | 920.00 | 835.149 | 24 | 0.110 | 817.53 | 15.06 | 2.52 | 5.68 | 4.61 | 15.15 | 845.40 |
| Gouda 5 Fed Com 506H | 1,549.00 | 900.00 | 662.697 | 22 | 0.087 | 648.72 | 11.95 | 2.28 | 5.14 | 4.22 | 13.70 | 672.31 |
| Facility Totals | 14,359.00 | 6895.00 | 7584.000 | 250 | 1.000 | 7424.00 | 136.76 | 20.00 | 45.00 | 48.00 | 120.00 | 7673.76 |

| CTB Meter Name | Meter Readings |
|-----------------------------|----------------|
| CTBs FC Meter (FMP) (MSCF) | 7424.00 |
| HP Flare Meter (MSCF) | 136.76 |
| MP Flare Meter (MSCF) | 20.00 |
| LP Flare Meter (MSCF) | 45.00 |
| VRU Meter (MSCF) | 120.00 |
| Lease Use Equipment (MSCF) | 48.0 |
| GL Compressor (MSCF) | 6895.00 |
| Allocated Production (MSCF) | 7673.76 |

| | Allocation Methodology Used to Determine Allocated Production and Sales to Each Well | | | | | | | |
|-----------------------------|--|---|---|--|---|--|--|---------------------------------------|
| Well Name | Well's Oil Meter (BBL) | Well's Theoretical % of Oil Production | Well's Allocated Oil Production Volume (BBL) | Well's Available Oil for Sale (BBL) | Well's Theoretical % of Oil Available for Sale | Well's Allocated Sales Volume (FMP) (BBL) | Well's Beginning Tank Inventory (BBL) | Well's Ending Tank Inventory (BBL) |
| Gouda Federal Com 605H | 232 | 0 | 224 | 364 | 0 | 307 | 140 | 58 |
| Mozzerella Federal Com 602H | 425 | 0 | 411 | 624 | | 525 | 213 | 99 |
| Mozzerella Federal Com 603H | 242 | 0 | 234 | 434 | 0 | 365 | 200 | 69 |
| Mozzerella Federal Com 604H | 424 | 0 | 410 | 609 | 0 | 513 | 199 | 96 |
| Mozzarella Fed Com 504H | 1,292 | 0 | 1,249 | 1,397 | 0 | 1,176 | 148 | 221 |
| Mozzarella Fed Com 505H | 1,231 | 0 | 1,190 | 1,395 | 0 | 1,175 | 205 | 221 |
| Mozzarrella Fed Com 302H | 1,022 | 0 | 988 | 1,198 | 0 | 1,009 | 210 | 190 |
| Mozzarrella Fed Com 402H | 1,114 | 0 | 1,077 | 1,319 | 0 | 1,110 | 242 | 209 |
| Gouda 5 Fed Com 304H | 1,425 | 0 | 1,378 | 1,582 | 0 | 1,332 | 204 | 250 |
| Gouda 5 Fed Com 404H | 1,231 | 0 | 1,190 | 1,364 | 0 | 1,148 | 174 | 216 |
| Gouda 5 Fed Com 506H | 1,113 | 0 | 1,076 | 1,264 | 0 | 1,064 | 188 | 200 |
| Facility Totals | 9,751 | 1 | 9,430 | 11,553 | 1 | 9,724 | 2,123 | 1,829 |

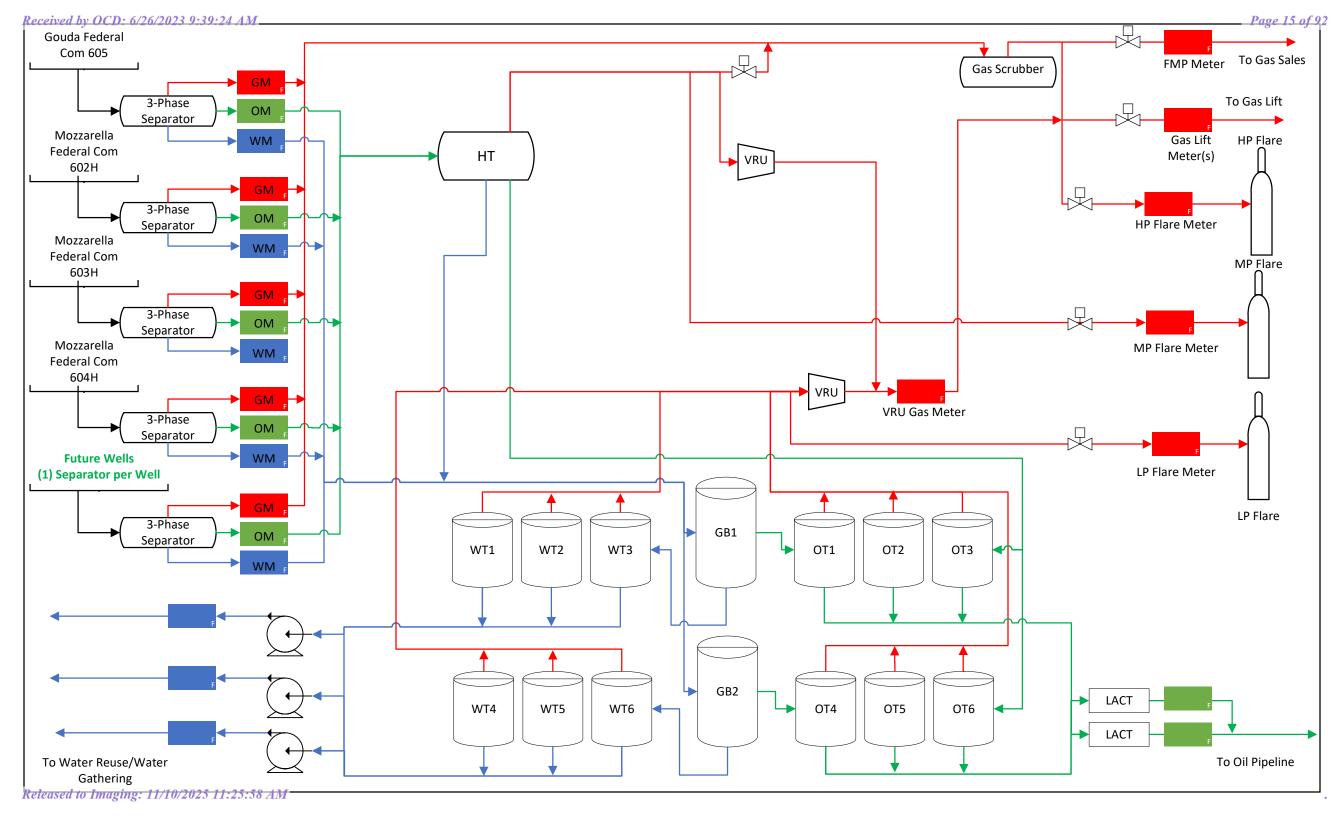
| CTB Allocated Oil Production (BBL) | 9,430 | |
|--|--------|----|
| CTB Available Oil for Sale (BBL) | 11,553 | |
| Total CTB Sales Volume (FMP) (BBL) | 9,724 | <- |
| CTB's Beginning Oil Tank Inventory (BBL) | 2,123 | |
| CTB's Ending Tank Inventory (BBL) | 1,829 | |

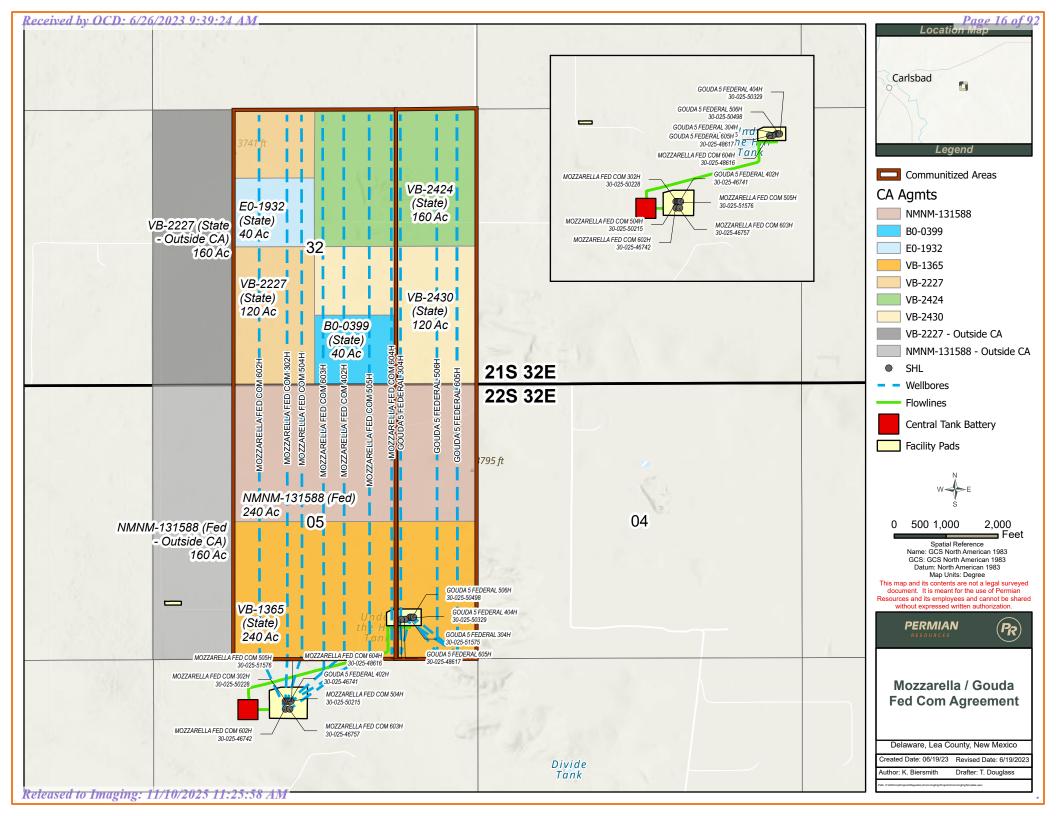
<--Pipeline LACT

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

| Well Name | Well's Water Meter (BBL) | Well's Theoretical % of Water Production | Well's Allocated Water Production (BBL) | Well's Available Water to Transfer (BBL) | Well's Theoretical % of Water Available to Transfer | Well's Allocated Water Transfer Volume (BBL) | Well's Beginning Tank Inventory (BBL) | Well's Ending Tank Inventory (BBL) |
|-----------------------------|--------------------------|---|--|---|--|---|--|---------------------------------------|
| Gouda Federal Com 605H | 424.00 | 0.0281 | 402.84 | 1,028.84 | 0.0557 | 793.13 | 626.00 | 235.71 |
| Mozzerella Federal Com 602H | 535.00 | 0.0355 | 508.30 | 932.30 | 0.0505 | 718.71 | 424.00 | 213.59 |
| Mozzerella Federal Com 603H | 624.00 | 0.0414 | 592.86 | 1,066.86 | 0.0578 | 822.44 | 474.00 | 244.42 |
| Mozzerella Federal Com 604H | 422.00 | 0.0280 | 400.94 | 783.94 | 0.0424 | 604.33 | 383.00 | 179.60 |
| Mozzarella Fed Com 504H | 2,302.00 | 0.1528 | 2,187.11 | 2,429.11 | 0.1315 | 1,872.59 | 242.00 | 556.52 |
| Mozzarella Fed Com 505H | 1,234.00 | 0.0819 | 1,172.41 | 1,514.41 | 0.0820 | 1,167.45 | 342.00 | 346.96 |
| Mozzarrella Fed Com 302H | 1,834.00 | 0.1217 | 1,742.46 | 2,276.46 | 0.1232 | 1,754.92 | 534.00 | 521.55 |
| Mozzarrella Fed Com 402H | 1,923.00 | 0.1276 | 1,827.02 | 2,069.02 | 0.1120 | 1,595.00 | 242.00 | 474.02 |
| Gouda 5 Fed Com 304H | 2,012.00 | 0.1335 | 1,911.58 | 2,145.58 | 0.1162 | 1,654.02 | 234.00 | 491.56 |
| Gouda 5 Fed Com 404H | 1,923.00 | 0.1276 | 1,827.02 | 2,251.02 | 0.1219 | 1,735.31 | 424.00 | 515.72 |
| Gouda 5 Fed Com 506H | 1,834.00 | 0.1217 | 1,742.46 | 1,974.46 | 0.1069 | 1,522.11 | 232.00 | 452.36 |
| Facility Totals: | 15,067.00 | 1.0000 | 14,315.00 | 18,472.00 | 1.0000 | 14,240.00 | 4,157.00 | 4,232.00 |

| CTBs Allocated Water Production (BBL) | 14,315 |
|--|--------|
| CTBs Available Water to Transfer (BBL) | 18,472 |
| Total of CTBs Water Transfer Meters (BBL) | 14,240 |
| CTB's Beginning Water Tank Inventory (BBL) | 4,157 |
| CTB's Ending Water Tank Inventory (BBL) | 4,232 |





0.000000000

NMNM 131588

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

Run Date/Time: 12/20/2021 14:33 PM (MASS) Serial Register Page Page 1 Of 3

Serial Number Total Acres:

OPERATING RIGHTS

886.410

770460521

01 12-22-1987;101STAT1330;30USC181 ET SEQ Case Type 312021: O&G LSE COMP PD -1987

Commodity 459: OIL & GAS Case Disposition: AUTHORIZED

OXY USA INC

Case File Juris:

5 GREENWAY PLZ STE 110

Serial Number: NMNM-- 131588 Name & Address Int Rel % Interest MARATHON OIL PERMIAN LLC 5555 SAN FELIPE ST HOUSTON TX 770562701 LESSEE 30.000000000 MARATHON OIL PERMIAN LLC 5555 SAN FELIPE ST HOUSTON 770562701 **OPERATING RIGHTS** TX 0.000000000 CENTENNIAL RESOURCES PRODUCTION LLC 1001 17TH ST STE 1800 **DENVER** 802022058 **OPERATING RIGHTS** 0.000000000 CENTENNIAL RESOURCES PRODUCTION LLC 1001 17TH ST STE 1800 DENVER 802022058 LESSEE 70.000000000 OXY Y-1 CO 5 GREENWAY PLZ STE 110 HOUSTON **OPERATING RIGHTS** 0.000000000 770460521

HOUSTON

Serial Number: NMNM-- 131588 Sec SType Nr **Suff Subdivision District/ Field Office** County Mgmt Agency Mer Twp Rng BUREAU OF LAND MGMT 0220S 0320E 005 ALIQ 02 S2N2,W2SW; CARLSBAD FIELD OFFICE LEA 23 BUREAU OF LAND MGMT 0220S 0320E 005 LOTS 01 CARLSBAD FIELD OFFICE LEA 23 1-4: CARLSBAD FIELD OFFICE **BUREAU OF LAND MGMT** 23 0220S 0320E 006 ALIQ 04 S2NE,E2SW,SE; LEA 0220S 0320E CARLSBAD FIELD OFFICE BUREAU OF LAND MGMT 006 LOTS 03 1,2,6,7; LEA 23

Relinquished/Withdrawn Lands Serial Number: NMNM-- 131588

Serial Number: NMNM-- 131588

| Act Date | Act Co | de Action Txt | Action Remarks | Pending Off | |
|------------|--------|------------------------|-----------------------|-------------|--|
| 11/20/2013 | 387 | CASE ESTABLISHED | 201310012; | | |
| 11/21/2013 | 143 | BONUS BID PAYMENT RECD | \$1774.00; | | |
| 11/21/2013 | 191 | SALE HELD | | | |
| 11/21/2013 | 267 | BID RECEIVED | \$8337800.00; | | |
| 12/05/2013 | 143 | BONUS BID PAYMENT RECD | \$8336026.00; | | |
| 01/22/2014 | 237 | LEASE ISSUED | | | |
| 01/22/2014 | 974 | AUTOMATED RECORD VERIF | DME | | |
| 02/01/2014 | 496 | FUND CODE | 05;145003 | | |
| 02/01/2014 | 530 | RLTY RATE - 12 1/2% | | | |
| 02/01/2014 | 868 | EFFECTIVE DATE | | | |
| 04/07/2014 | 140 | ASGN FILED | FEDERAL A/DEVON ENE;1 | | |
| 05/08/2014 | 139 | ASGN APPROVED | EFF 05/01/14; | | |

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

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Serial Number: NMNM-- 131588

| | | | | Serial Number: NMNM 131588 |
|------------|----------|--------------------------|-----------------------|----------------------------|
| Act Date | Act Code | e Action Txt | Action Remarks | Pending Off |
| 05/08/2014 | 974 | AUTOMATED RECORD VERIF | LBO | |
| 04/06/2017 | 140 | ASGN FILED | DEVON ENE/CROWN OIL;1 | |
| 05/11/2017 | 139 | ASGN APPROVED | EFF 05/01/17; | |
| 05/11/2017 | 974 | AUTOMATED RECORD VERIF | RCC | |
| 05/01/2018 | 246 | LEASE COMMITTED TO CA | NMNM138602 | |
| 08/07/2018 | 650 | HELD BY PROD - ACTUAL | /1/ | |
| 08/07/2018 | 658 | MEMO OF 1ST PROD-ACTUAL | /1/NMNM138602;#1H | |
| 10/05/2018 | 932 | TRF OPER RGTS FILED | DEVON ENE/CENTENNIA;1 | |
| 03/07/2019 | 140 | ASGN FILED | CROWN OIL/MARATHON;1 | |
| 03/07/2019 | 932 | TRF OPER RGTS FILED | CROWN OIL/MARATHON;1 | |
| 03/12/2019 | 933 | TRF OPER RGTS APPROVED | EFF 11/01/18; | |
| 03/12/2019 | 974 | AUTOMATED RECORD VERIF | JY | |
| 03/25/2019 | 140 | ASGN FILED | CROWN OIL/CENTENNIA;1 | |
| 05/09/2019 | 643 | PRODUCTION DETERMINATION | /1/ | |
| 05/24/2019 | 932 | TRF OPER RGTS FILED | DEVON ENERG/OXY USA;1 | |
| 06/05/2019 | 140 | ASGN FILED | DEVON ENE/CENTENNIA;1 | |
| 07/02/2019 | 139 | ASGN APPROVED | EFF 04/01/19;1 | |
| 07/02/2019 | 269 | ASGN DENIED | CROWN/CENT NO RT; | |
| 07/02/2019 | 933 | TRF OPER RGTS APPROVED | EFF 04/01/19; | |
| 07/02/2019 | 974 | AUTOMATED RECORD VERIF | AMV | |
| 08/16/2019 | 933 | TRF OPER RGTS APPROVED | EFF 06/01/19; | |
| 08/16/2019 | 974 | AUTOMATED RECORD VERIF | PM | |
| 09/09/2019 | 139 | ASGN APPROVED | EFF 07/01/19; | |
| 09/09/2019 | 974 | AUTOMATED RECORD VERIF | KB | |
| 09/20/2021 | 899 | TRF OF ORR FILED | 1 | |

| Line Number | Remark Text | Serial Number: NMNM 131588 |
|-------------|---|----------------------------|
| 0002 | STIPULATIONS ATTACHED TO LEASE: | |
| 0003 | NM-11-LN SPECIAL CULTURAL RESOURCE | |
| 0004 | SENM-S-1 POTASH STIPULATION | |
| 0005 | SENM-S-15 WILDLIFE HABITAT PROJECTS | |
| 0006 | SENM-S-17 SLOPES OR FRAGILE SOILS | |
| 0007 | SENM-S-22 PRAIRIE CHICKENS | |
| 8000 | SENM-S-34 ZONE 3 - POD | |
| 0009 | 03/12/2019 RENTAL PAID 02/01/2019 | |
| 0010 | 08/16/2019 - OR WORKSHEET DONE | |
| 0011 | 08/16/2019 - OXY USA SW/NM CFO BOND NMB001508 | |

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

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NM State Land Office Oil, Gas, & Minerals Division

STATE/FEDERAL OR STATE/FEDERAL/FEE

Revised August, 2021

ONLINE Version COMMUNITIZATION AGREEMENT

API Initial Well: 30-02 - 546742

30-02-546741 30-02-548616

THIS AGREEMENT, entered into as of the date shown in Section 10 hereof 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 portions 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 Commissioner of Public Lands of the State of New Mexico, herein called "the Commissioner", is authorized to consent to and approve agreements pooling state oil and gas leases or any portion thereof, when separate tracts under such state leases cannot be independently developed and operated economically in conformity with well-spacing and gas proration rules and regulations established for the field or area and such 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 land subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, 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 the 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:

| Sect(s), T, R, NMPM Lea | County, NM |
|---|------------|
| containing 639.34 acres, more or less, and this agreement | |
| Bonespring | Formation |
| or pool, underlying said lands and the Oil, gas and other mineral | |

ONLINE version August 2021

State/Fed/Fee

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- 2. Attached hereto, and made a part of this agreement for all purposes, is 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. All matters of operation shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and three (3) executed copies of a designation of successor operator shall be filed with the Authorized Officer and three (3) additional executed copies thereof shall be filed with the Commissioner.
- 4. Operator shall furnish the Secretary of the Interior, or his authorized representative, and the Commissioner, 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 and the State of New Mexico, 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 therefrom shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of leasehold bears to the entire acreage interest committed to this agreement.
- 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 is such failure results from, compliance with any such laws, orders, rules or regulations.
- The date of this agreement is June and it shall! The date of this agreement is June

 Month O1 Day, 2021

 Year, and it shall become effective as of this date or from the onset of production of 10. communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his duly authorized representative, and by the Commissioner or his duly authorized representative, and shall remain in force and effect for a period of two (2) years and so long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules & regulations; provided, that the two-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; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, 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 the capability of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such capability of 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, 113
- 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 interest 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 lands shall be subject to approval by the

Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.

- 12. It is agreed by the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in the oil and gas leases under which the United States of America is lessor, and in the applicable oil and gas operating regulations of the Department of the Interior. It is further agreed between the parties hereto that the Commissioner shall have the right of supervision over all operations to the same extent and degree as provided in the oil and gas leases under which the State of New Mexico is lessor and in the applicable oil and gas statutes and regulations of the State of New Mexico.
- 13. The 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. <u>Nondiscrimination</u>: In connection with the performance of work under this agreement, the Operator agrees to comply with all of 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 written and have set opposite their respective names the date of execution.

| Operator Centennial Resour | ce Production, LLC Lessees of Record | |
|----------------------------|---------------------------------------|------------------------|
| Name Skylar Fast | | |
| Print name of person | | |
| By 78 lik 7+ | 1214 | 16/ |
| Land Manager | | |
| Type of authority | | 15년 인계 단의 |
| | Attach additional page(s) if needed. | E 19 1 - { 1 - 5 |
| | | (*) (*) |
| | [Acknowledgments are on following pag | · |
| | | |

ONLINE version August 2021

| Acknowle | eagment in an individua | at Capacity |
|--|--|--|
| State of $\frac{0.000000}{0.00000}$ | | |
| County of Denver) ss |) | |
| This instrument was acknowledged before me o | n 12/16/21 | |
| | DATE | - |
| By Skylar Fast | | |
| Name(s) of Person(s) | | 1 -1 - |
| (Seal) NOTARY | ces M. Ivers RRY PUBLIC DF COLORADO ID 20214039707 (PIRES October 07, 2025 | Signature of Notarial Officer My commission expires: $10/07/2025$ |
| Acknowled | gment in a Representat | ive Capacity |
| State of | | |
| County of | () | |
| This instrument was acknowledged before me o | n | |
| | DATE | |
| Name(s) of Person(s) as Land Manager | cf Centennial Resc | ource Production, LLC |
| Type of authority, e.g., officer, trustee, etc | | behalf of whom instrument was executed |
| | | |
| (Seal) | | Signature of Notarial Officer |
| | | My commission expires: |
| | | |
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| | | 7) (3) |
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| Name David M. Korell Print name of person By Land Manager Type of authority State of | Partner Devon Energy Production Company, LP | |
|--|---|--|
| Land Manager Type of authority | Name David M. Korell | |
| Land Manager Type of authority | Print name of person | |
| Land Manager Type of authority | | |
| Land Manager Type of authority | Bu Cherny 5 | |
| Acknowledgment in an Individual Capacity State of | | — A ^A |
| Acknowledgment in an Individual Capacity State of | | |
| State of | Type or districtly | |
| State of | | |
| State of | Asknowledgmant in an Individ | lual Canacity |
| County of | | nual Capacity |
| This instrument was acknowledged before me on | | |
| By | Particle 30,000 4000 4000 4000 4000 4000 4000 40 | |
| (Seal) Signature of Notarial Officer My commission expires: Acknowledgment in a Representative Capacity State of OKLAHOMA County of OKLAHOMA (Seal) State of OKLAHOMA DATE DATE By David M. Korell Name(s) of Person(s) as Land Manager Type of authority, e.g., officer, trustee, etc Name of party on behalf of whom instrument was executed | | |
| Signature of Notarial Officer My commission expires: Acknowledgment in a Representative Capacity State of OKLAHOMA | Ву | |
| Acknowledgment in a Representative Capacity State of OKLAHOMA County of OKLAHOMA (County of OKLAHOMA (County of OKLAHOMA (County of OKLAHOMA (County of OKLAHOMA | Name(s) of Person(s) | |
| Acknowledgment in a Representative Capacity State of OKLAHOMA County of OKLAHOMA OKLAHOMA SS DATE By David M. Korell Name(s) of Person(s) as Land Manager Type of authority, e.g., officer, trustee, etc Name of party on behalf of whom instrument was executed | | |
| Acknowledgment in a Representative Capacity State of OKLAHOMA County of OKLAHOMA SSS This instrument was acknowledged before me on OATE By David M. Korell Name(s) of Person(s) as Land Manager Type of authority, e.g., officer, trustee, etc Name of party on behalf of whom instrument was executed | (Seal) | Signature of Notarial Officer |
| State of OKLAHOMA County of OKLAHOMA State of OKLAHOMA DATE By David M. Korell Name(s) of Person(s) as Land Manager Of of said partnership. Type of authority, e.g., officer, trustee, etc Name of party on behalf of whom instrument was executed | | My commission expires: |
| State of OKLAHOMA County of OKLAHOMA State of OKLAHOMA DATE By David M. Korell Name(s) of Person(s) as Land Manager Of of said partnership. Type of authority, e.g., officer, trustee, etc Name of party on behalf of whom instrument was executed | A showed above at the a Democrat | Antica Campaitre |
| County of OKLAHOMA)S S) This instrument was acknowledged before me on 28Feb 2023 DATE By David M. Korell Name(s) of Person(s) Land Manager Devon Energy Production Company, L.P. an Oklahoma limited partnership on behalf of said partnership. Type of authority, e.g., officer, trustee, etc Name of party on behalf of whom instrument was executed | | tative Capacity |
| This instrument was acknowledged before me on 28Feb 2023 DATE By David M. Korell Name(s) of Person(s) Bevon Energy Production Company, L.P. an Oklahoma limited partnership on behalf of of said partnership. Type of authority, e.g., officer, trustee, etc Name of party on behalf of whom instrument was executed | 200-2002-2000-2002-2000-2002-2000-200 | |
| By David M. Korell Name(s) of Person(s) Bevon Energy Production Company, L.P. an Oklahoma limited partnership on behalf of said partnership. Type of authority, e.g., officer, trustee, etc Name of party on behalf of whom instrument was executed | This instrument was acknowledged before me on 28 Feb 2023 | |
| By David M. Korell Name(s) of Person(s) Devon Energy Production Company, L.P. an Oklahoma limited partnership on behalf as Land Manager Type of authority, e.g., officer, trustee, etc Name of party on behalf of whom instrument was executed | | |
| Name(s) of Person(s) Bevon Energy Production Company, L.P. an Oklahoma limited partnership on behalf of said partnership. Type of authority, e.g., officer, trustee, etc Name of party on behalf of whom instrument was executed | | |
| as Land Manager of of said partnership. Type of authority, e.g., officer, trustee, etc Name of party on behalf of whom instrument was executed | By David M. Korell | |
| as Land Manager of of said partnership. Type of authority, e.g., officer, trustee, etc Name of party on behalf of whom instrument was executed | Name(s) of Person(s) Devon Energy Production | on Company, L.P. an Oklahoma limited partnership on behalf |
| | | |
| | Type of authority, e.g., officer, trustee, etc Name of party on behalf of whom | |
| 100 | | (mothing St. ald 4 |
| (Seal) July 1 AR 3 Of the State of the Seal of the Sea | (Seal) SHE TABITA SHE | MINIMA SULLAR |
| (Seal) Signature of Notarial Officer My commission expires: 11.25.2025 | # 13010807 | Signature of Notarial Officer Notarial Officer 11.25.202 |
| My commission expires: 11 25/20 S | EXP. 11/25/29 \$ | My commission expires: 11 2000 |
| (Scal) White She of Notarial Officer My commission expires: 11.25.2025 | THE OF OK THE | |

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| State of | | al Capacity |
| | d before me on | |
| | DATE | |
| By Name(s) of Person(s) | | |
| (Seal) | | Signature of Notarial Officer My commission expires: |
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| State of |))SS) | |
| By Clayton Rule | | |
| Name(s) of Person(s) as Afformey - in - Fact Type of authority, e.g., officer, tru | of Marathon Oil Peri | |
| (Seal) | FARLEY DUVALL Notary Public, State of Texas Commission Expires 07-25-2023 Notary ID 13210347-2 | Signature of Notarial Officer My commission expires: |

ONLINE version August 2021

State/Fed/Fee

| KEN ACQUISITION | · · · | X . |
|-------------------------------|---|--|
| s limited partnership | | |
| Fasken Management | - | Pa |
| Tommy E. Taylor, Se | uninamental f | NIP . |
| Janny 6. |) anfw" | - nomw |
| Tommy E. Taylor, Se | enior Vice Presid | ent |
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| (Seal) | | Signature of Notarial Office |
| (Boar) | | My commission expires: |
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| STATE OF TEXAS | § | |
| | \$ § | |
| COUNTY OF MIDLA | ND § | i |
| m c | | nowledged before me this 21 day of 04., 200 |
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| | | nt of Fasken Management, LLC., the General Partner imited partnership, on behalf of said limited liabili |
| | | annea parmership, on behan or said minea habin |
| company and said limit | ed parfnershin. | |
| company and said limit | ed partnership. | 11 - 1 1 |
| | | Maria I Maria da |
| MARIA MARIA | A. HERNANDEZ Dlic, State of Texas spires 03-16-2025 | Notary Public-State of Texas |

ONLINE version August 2021 State/Fed/Fee

EXHIBIT A

To Communitization Agreement dated June 1, 2021 embracing W/2 E/2, E/2 W/2 Section 32,

Township 21 South, Range 32 East, N.M.P.M, and W/2 E/2, E/2 W/2 Section 5, Township 22 South, Range 32 East, N.M.P.M, Lea County, New Mexico

Operator of Communitized Area: Centennial Resource Production, LLC

DESCRIPTION OF LEASES COMMITTED TRACT NO. 1 VB-2424 Lease Serial No.: 9/1/2014 Lease Date: 81 Months Lease Term: State of New Mexico Lessor: GMT Exploration Company, LLC Original Lessee: Centennial Resource Production, LLC Present Lessee: Description of Land Committed: Subdivisions W/2 NE/4 Sect(s) 32 $_{\rm Two}$ 21S $_{\rm Rng}$ 32E _{NMPM}, Lea County, NM Number of Acres: 80 18.75% Royalty Rate: GMT New Mexico Royalty, LLC 3.25% Name and Percent ORRI Owners: Centennial Resource Production, LLC 100% Name and Percent WI Owners: TRACT NO. 2 Lease Serial No.: VB-2430 9/1/2014 Lease Date: 81 Months Lease Term: State of New Mexico Lessor: Crown Oil Partners V, LP Original Lessee: Centennial Resource Production, LLC Present Lessee: Description of Land Committed: Subdivisions NW/4 SE/4 Sect(s) 32 Two 21s, Rng 32ENMPM. Lea County, NM Number of Acres: 40 18.75% Royalty Rate: Post Oak Crown IV, LLC et al 3.25% Name and Percent ORRI Owners: Centennial Resource Production, LLC 100% Name and Percent WI Owners:

|--|

Lease Serial No.: B0-0399

Lease Date: 11/24/1931

Lease Term: 60 Months

Lessor: State of New Mexico

Original Lessee: Mazel Oil & Gas Company

Present Lessee: Centennial Resource Production, LLC

Description of Land Committed: Subdivisions SW/4 $\overline{SE/4}$

Sect(s) 32 , Twp 21S , Rng 32E , NMPM, Lea, County, NM

Number of Acres: 40

Royalty Rate: 18.75%

Name and Percent ORRI Owners: Elaine Novy Shapiro, et al 0.653327%

Name and Percent WI Owners: Centennial Resource Production, LLC 1.250844

ConocoPhillips Company 70.642805%

RKC, Inc 3.291270%

Chevron USA, Inc. 17.501147%

Fasken Acquisitions 02, Ltd. 4.7235805%
Paladin Energy Corporation 1.295177%
Raven Resources, LLC 0.431726%

Sunrise Oil and Gas Properties, LLC 0.863451%

TRACT NO. 4

Lease Serial No.: NMNM-131588

Lease Date: 2/1/2014

Lease Term: 120

Lessor: United States of America

Original Lessee: Federal Abstract Co

Present Lessee: Centennial Resource Production, LLC

Description of Land Committed: Subdivisions Lot 2, Lot 3, SW/4 NE/4, SE/4NW/4

Sect(s) 5 , Twp 22S , Rng 32E , NMPM, Lea County, NM

Number of Acres: 159.34

Royalty Rate: 12.5%

Name and Percent ORRI Owners: Post Oak Crown IV, LLC, et al 4.275%

Name and Percent WI Owners: Centennial Resource Production, LLC 100%

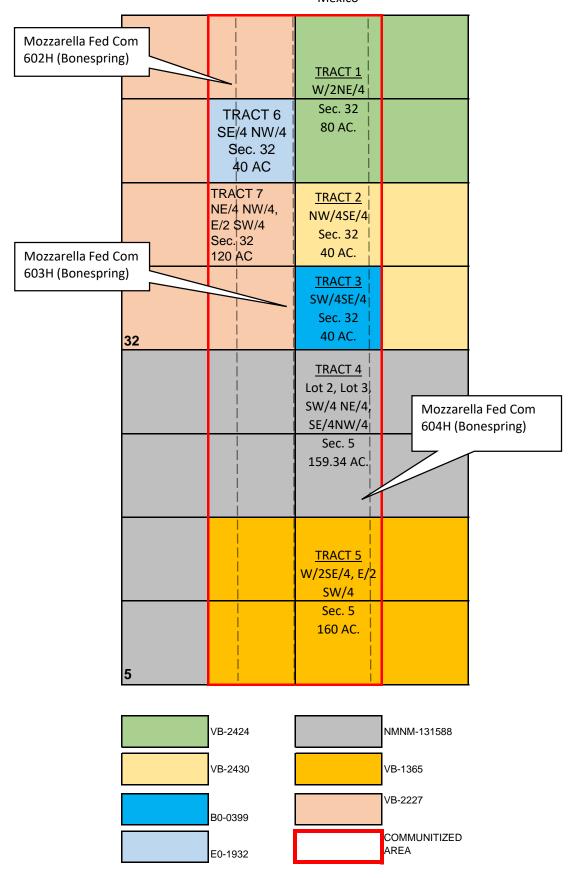
| Lease Serial No.: VB-1365 | | |
|---|--|---|
| Lease Date: 03/01/2008 | | |
| Lease Term: 60 Months | _ | |
| Lessor: State of New Mexivo | | |
| Original Lessee: Devon Energy Product | ion Company LP | |
| Present Lessee: Centennial Resource Present Lessee: | | |
| Description of Land Committed: Subdivisions | | , |
| Sect(s) 5, Twp 22S, Rng 32E, | NMPM,Lea | a County, NM |
| Number of Acres: 160 | | |
| Royalty Rate: 18.75% | | |
| Name and Percent ORRI Owners: None | | |
| Name and Percent WI Owners: Centennial | Resource Production, LLC 100% | |
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| TRACT NO. 6 Lease Serial No.: E0-1932 | | 7. T |
| Lease Schai 140 | | 4 - 404 4 - 6 |
| Lease Date: 06/10/1948 | | Ö |
| Lease Term: 60 Months | - | |
| Lessor: State of New Mexico Original Lessee: Erle Payen | | |
| CANTANNIAL MACALIFOA L | Production, LLC | |
| Tresent Lessee. | SE/4NW/4 | |
| Sect(s) 32, Twp 21S, Rng 32E, 1 | | Country NIM |
| Number of Acres: 40 | NIVITIVI, | County, NM |
| Royalty Rate: 12.5% | | |
| Name and Percent ORRI Owners: Elaine No | vy Shapiro, et al 2.287992 | |
| | Resource Production, LLC 23.192646 % | |
| Traine and Feronic Wiles. Contestinat | | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, |
| | ConocoPhillips Company 51.992273 % | |
| | Chevron USA, Inc 17.501147% | |
| | Fasken Acquisitions 02, Ltd 4.72358% Paladin Energy Corporation 1.295177 | |
| | Raven Resources, LLC 0.431726% | |
| | Sunrise Oil and Gas Properties, LLC 0.86 | 33451 |
| | Carried On and Odd i Topornos, LEO 0.00 | JUTUI |

| TRACT NO. 7 | | |
|--|-----|------------|
| Lease Serial No.: VB-2227 | | |
| Lease Date: 01/01/2013 | | |
| Lease Term: 60 Months | | |
| Lessor: State of New Mexico | | |
| Original Lessee: GMT Exploration Company, LLC | | |
| Present Lessee: Centennial Resource Production, LLC | | |
| Description of Land Committed: Subdivisions NE/4NW/4, E/2SW/4 | | , |
| Sect(s) 32 , Twp 21S , Rng 32E , NMPM, | Lea | County, NM |
| Number of Acres: 120 | | |
| Royalty Rate: 18.75% | | |
| Name and Percent ORRI Owners: GMT New Mexico Royalty, LLC 3.25% | | |
| Name and Percent WI Owners: Centennial Resource Production, LLC 100% | | |

RECAPITULATION

| Tract numbers | Number of Acres Committed | Percentage of Interest in Communitized Area | |
|---------------|------------------------------|---|--|
| Tract No.1 | 80.00 | 12.5129% | |
| Tract No.2 | 40.00 | 6.2565% | |
| Tract No.3 | 40.00 | 6.2565% | |
| Tract No.4 | 159.34 | 24.9226% | |
| Tract No.5 | 160.00 | 25.0258% | |
| Tract No.6 | 40.00 | 6.2565% | |
| Tract No.7 | 120.00 | 18.7694% | |
| Total | 639.34 | 100.000000% | |

To Communitization Agreement dated June 1, 2021 embracing W/2 E/2, E/2 W/2 Section 32, Township 21 South, Range 32 East, N.M.P.M, and W/2 E/2, E/2 W/2 Section 5, Township 22 South, Range 32 East, N.M.P.M, Lea County, New Mexico



NM State Land Office Oil, Gas, & Minerals Division

STATE/FEDERAL/FEE

Revised August, 2021

ONLINE Version COMMUNITIZATION AGREEMENT

API Initial Well: 30-025-48617

THIS AGREEMENT, entered into as of the date shown in Section 10 hereof 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 portions 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 Commissioner of Public Lands of the State of New Mexico, herein called "the Commissioner", is authorized to consent to and approve agreements pooling state oil and gas leases or any portion thereof, when separate tracts under such state leases cannot be independently developed and operated economically in conformity with well-spacing and gas proration rules and regulations established for the field or area and such 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 land subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, 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 the 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:

| | | | ent (hereinatter reterred to as | | |
|----------------|-------------|---|---------------------------------|---------------------------|------------------|
| Subdivisions | | 01350 | 32, T21S R32E & E/2 E | =/2 01 SEC 5, 1225 R3 |)ZE |
| Sect(s) | , T | , R | , NMPM | Lea | County, NM |
| containing | 319.66 | 3 acı | res, more or less, and this | agreement shall include o | nly the |
| | | *************************************** | | Bone S | Spring Formation |
| or pool, unde | erlying sai | d lands aı | nd the <u>Oil, gas and othe</u> | er minerals | |
| (hereinafter i | eferred to | as "com | nunitized substances") pro | oducible from such forma | tion. |

ONLINE version August 2021 State/Fed/Fee

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- 2. Attached hereto, and made a part of this agreement for all purposes, is 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. All matters of operation shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and three (3) executed copies of a designation of successor operator shall be filed with the Authorized Officer and three (3) additional executed copies thereof shall be filed with the Commissioner.
- 4. Operator shall furnish the Secretary of the Interior, or his authorized representative, and the Commissioner, 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 and the State of New Mexico, 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 therefrom shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of leasehold bears to the entire acreage interest committed to this agreement.
- 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 is such failure results from, compliance with any such laws, orders, rules or regulations.
- June 10. The date of this agreement is Month 01 Day, 2021 Year, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his duly authorized representative, and by the Commissioner or his duly authorized representative, and shall remain in force and effect for a period of two (2) years and so long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules & regulations; provided, that the two-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; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, 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 the capability of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such capability of 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.
- 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 interest 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 lands shall be subject to approval by the

Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.

- 12. It is agreed by the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in the oil and gas leases under which the United States of America is lessor, and in the applicable oil and gas operating regulations of the Department of the Interior. It is further agreed between the parties hereto that the Commissioner shall have the right of supervision over all operations to the same extent and degree as provided in the oil and gas leases under which the State of New Mexico is lessor and in the applicable oil and gas statutes and regulations of the State of New Mexico.
- 13. The 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. <u>Nondiscrimination</u>: In connection with the performance of work under this agreement, the Operator agrees to comply with all of 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 written and have set opposite their respective names the date of execution.

| Operator Centennial Resource Production, LLC Lessees of Record | |
|--|----------------------------|
| By Skylar Fast — Share of person | |
| Land Manager Type of authority | |
| | |
| Attach additional page(s) if needed. | 8-a 6-3 1-3 1-7 |
| | 1 cf 15 5 C 3 |
| [Acknowledgments are on following page.] | |
| | () 4** |

ONLINE version August 2021

Acknowledgment in an Individual Capacity

| State of) | |
|---|--|
| County of | |
| This instrument was acknowledged before me on | |
| | DATE |
| Ву | |
| Name(s) of Person(s) | |
| | |
| (Seal) | Signature of Notarial Officer |
| | My commission expires: |
| Acknowledgment State of | 2 Du 2021 |
| | Centennial Resource Production, LLC Name of party on behalf of whom instrument was executed |
| Frances M. ive NOTARY PUBI (Seal) STATE OF COLOI NOTARY ID 202140 MY COMMISSION EXPIRES O | Signature of Notarial Officer Notarial Officer My commission expires: 10 107 12025 |

| Partner Marathon Oil Permian, LLC | ees of Record |
|---|---|
| By Clayto Pal (Print name of person Abbaracy - In - Feetb Type of authority | |
| Type of authority | |
| | |
| Acknowledgment in an I | ndividual Capacity |
| State of) | |
| County of | |
| This instrument was acknowledged before me on | |
| DATE | |
| Ву | |
| Name(s) of Person(s) | |
| (Seal) | Signature of Notarial Officer |
| | My commission expires: |
| State of Texas County of Harris This instrument was acknowledged before me on 16/27 | 12021 |
| Name(s) of Person(s) as Attornay_in~ Fact of Mara | ithon OIL Perminn, LLC |
| | f party on behalf of whom instrument was executed |
| | TZ TZ # |
| (Scal) (Scal) FARLEY DUVALL | Signature of Notarial Officer |
| Notary Public, State of Commission Expires 07-2 Notary ID 13210347-2 | 5-2023 (V - 1417) Commission expires |
| 644 242444444 | |
| | E) |

| Partner Devon En | nergy Production Company, LP | |
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| Name D | avid M. Korell | - |
| Pr | rint name of person | |
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| By d | | |
| | Manager | A4 |
| - | of authority | |
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| | Acknowledgment in an Inc | dividual Canacity |
| State of | | |
| County of | | |
| Property of the Control of the Contr | knowledged before me on | |
| | DATE | |
| Ву | | |
| Name(s) of Person(s) | | |
| | | |
| (Seal) | | Signature of Notarial Officer |
| | | My commission expires: |
| | A discoulation antin a Page | ocantative Connector |
| State of OKLAHOMA | Acknowledgment in a Repr | esentative Capacity |
| County of OKLAHON | | |
| This instrument was ac | knowledged before me on 28 FCb 202 | 23 |
| This instrument was ac | DATE | |
| | | |
| By David M. Korell | | |
| Name(s) of P | Person(s) Devon Energy Proc | duction Company, L.P. an Oklahoma limited partnership on behalf |
| as Land Manager | of of said partnership. | |
| Type of authority, e.g., | officer, trustee, etc Name of party on behalf of v | whom instrument was executed |
| | and William | An train & and |
| (Seal) | TAB ONLY | - Cynine Shelan |
| (55) | # 13010807 | Signature of Notarial Officer My commission expires: 11,25,2025 |
| | O EXP. 11/25/25 | My commission expires: 11,3,3023 |
| | # 13010807 # 1125/25 | |
| | Annum. | |

ONLINE version August 2021 State/Fed/Fee

EXHIBIT A

| To Communiti | zation Agreeme | ent dated_ | | June 01 | _, ₂₀ 21 | |
|--------------------|-------------------------|-------------|------------------|-----------------|---------------------|---------------------------------------|
| Plat of commu | nitized area cov | vering the: | | | | |
| Subdivisions _ | E/2 E/2 of SE | EC 32, T2 | 21S R32E & E/2 | E/2 of SEC 5, 1 | 722S R32E | · · · · · · · · · · · · · · · · · · · |
| of Sect(s) | , T | , R | , NMPM, | | Lea | _County, NM |
| TRACT NO. 1 | | DESCRI | PTION OF LEASES | COMMITTED | | |
| Lease Serial No.: | VB-2424 | | | | | |
| Lease Date: | 9/1/2014 | | | | | |
| Lease Term: | 81 Months | | | | | |
| Lessor: | State of New | / Mexico | | | | |
| Original Lessee: | GMT Explor | ation Co | mpany, LLC | | | |
| Present Lessee: | | | Production, LLC | | | |
| Description of Lar | d Committed: Sub | divisions_ | E/2 NE/4 | · | | , |
| Sect(s) 32, | Twp_21S, Rng | 32E N | IMPM, | Lea | | County, NM |
| Number of Acres: | | | | | | |
| Royalty Rate: | 18.75% | | | | | |
| Name and Percent | ORRI Owners: | GMT N | ew Mexico Roya | alty, LLC 3.25% | | |
| Name and Percent | WI Owners: | Centen | nial Resource P | roduction, LLC | 100% | |
| | | | | | | |
| TRACT NO. 2 | <u>}</u> | | | | | <u>2</u> 3 |
| Lease Serial No.: | VB-2430 | | | | | C7 |
| Lease Date: | 9/1/2014 | | | | | ro |
| Lease Term: | 81 Months | | | | | 1,13 |
| Lessor: | State of Nev | v Mexico | | | | |
| Original Lessee: | Crown Oil Pa | artners V | , LP | | | p. 17 mh |
| Present Lessee: | | | Production, LLC | | | 1-w ('V) |
| | and Committed: Su | bdivisions | E/2 SE/4 | | | |
| - | _, Twp_ 21S , Ri | | | | Lea | County, NM |
| Number of Acres | | | , | | | |
| Royalty Rate: | 18.75% | | | | | |
| Name and Percer | nt ORRI Owners: | Post Oa | ak Crown IV, LLO | C 3.25% | | |
| Name and Percer | nt WI Owners: | | nial Resource P | | 100% | |
| | | | | | | |

| T | RA | CT | NO. | 3 |
|---|----|----|-----|---|
| | | | | |

Lease Serial No.: NMNM-131588

Lease Date:

2/1/2014

Lease Term:

120

Lessor:

United States of America

Original Lessee:

Federal Abstract Co

Present Lessee:

Centennial Resource Production, LLC

Description of Land Committed: Subdivisions Lot 1, SE/4 NE/4

Two 22S , Rng 32E , NMPM, Sect(s) 5

Lea County, NM

County, NM

Number of Acres: 79.66

Royalty Rate:

12.5%

Name and Percent ORRI Owners:

Post Oak Crown IV, LLC, et al 4.275%

Name and Percent WI Owners:

Centennial Resource Production, LLC 100%

TRACT NO. 4

VB-1365 Lease Serial No.:

Lease Date:

03/01/2008

Lease Term:

60 Months

Lessor:

State of New Mexico

Original Lessee: Devon Energy Production Company, LP

Present Lessee:

Centennial Resource Production, LP

Description of Land Committed: Subdivisions E/2 SE/4

Sect(s) 5

Twp 22S Rng 32E , NMPM,

Number of Acres: 80

Royalty Rate:

18.75%

Name and Percent ORRI Owners:

None

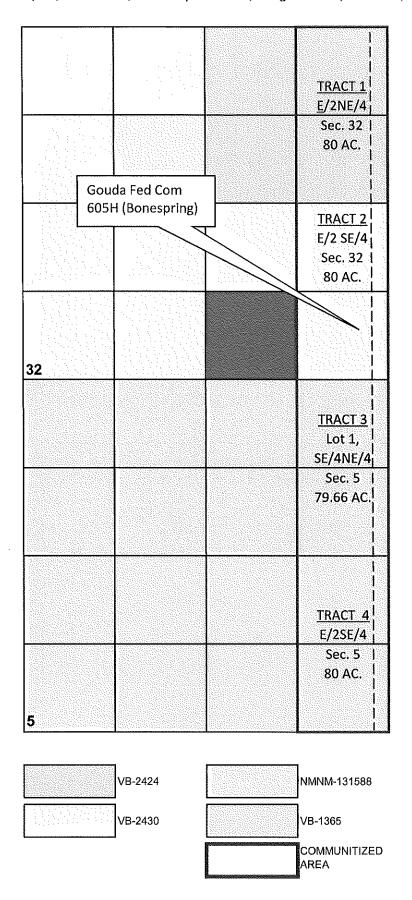
Name and Percent WI Owners:

Centennial Resource Production, LLC

Lea

State/Fed/Fee

To Communitization Agreement dated June 1, 2021 embracing E/2 E/2 Section 32, Township 21 South, Range 32 East, N.M.P.M, and E/2 E/2 Section 5, Township 22 South, Range 32 East, N.M.P.M, Lea County, New Mexico



RECAPITULATION

| Tract numbers | Number of Acres Committed | Percentage of Interest in Communitized Area |
|---------------|------------------------------|---|
| Tract No.1 | 80.00 | 25.03% |
| Tract No.2 | 80.00 | 25.03% |
| Tract No.3 | 79.66 | 24.92% |
| Tract No.4 | 80.00 | 25.03% |
| Total | 319.66 | 100% |

3160-9 - COMMUNITIZATION

| Model Form of a Federal C | ommunitization Agreement |
|---------------------------|--------------------------|
| Contract No. | - |

THIS AGREEMENT, entered into as of the date shown in Section 10 hereof 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 21 South, Range 32 East, Lea County, New Mexico

Section 32: E/2 E/2

And

Township 22 South, Range 32 East, Lea County, New Mexico

Section 5: E/2 E/2

Containing 319.66 acres, being further described on Exhibit A attached hereto, and this agreement shall include only the **Bone Spring** Formation(s) underlying said lands and the oil, natural gas, and associated liquid hydrocarbons, hereinafter 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 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 areas.

- 3. All matters of operation shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area, and four 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 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 therefrom 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, State or fee land included within the CA area are to be placed in an interest earning escrow or 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 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 non-communitized 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 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 June 1, 2021 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 representatives, and shall remain in force and effect for a period of two 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 two-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 interest 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 to assure that no avoidable loss of hydrocarbons occurs 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.

Operator & Working Interest Owner:

15. Nondiscrimination: In connection with the performance of work under this agreement, the operator agrees to comply with all of 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.

| Centennial Resource Production, L | LC |
|-----------------------------------|---|
| Ву: | |
| Name: <u>Skylar Fast</u> | |
| Title: _ Land Manager | |
| Date: | |
| | |
| THE STATE OF COLORADO | § |
| COUNTY OF DENVER | § § § |
| | before me on this day of, 2021, esident of Land of Centennial Resource Production, LLC, a |
| | |
| | Notary Public in and for the State of Texas |

| Record Title Owner: Marathon Oil Permian | , LLC | | | | |
|---|---------------|--------------|--------------|------------------|--|
| Ву: | | | | | |
| Name: | | | | | |
| Title: | | | | | |
| Date: | | | | | |
| | | | | | |
| | | | | | |
| THE STATE OF | <i>\theta</i> | | | | |
| COUNTY OF | § | | | | |
| This instrument was a by | | | | | |
| | | _, a | | corporation. | |
| | | | | | |
| | | Notary Publi | c in and for | the State of Tex | |

| Record Title Owner: Devon Energy Produ | uction Co LP | | | |
|---|--|-----------------------|----------------|--|
| Ву: | | | | |
| Name: | | | | |
| Title: | | | | |
| Date: | | | | |
| THE STATE OF | § | | | |
| COUNTY OF | <i>\text{\ti}\text{\texi{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\ti}}\tint{\text{\text{\text{\text{\text{\text{\text{\text{\text{\tin}\\\ \ti}\\\ \text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\texi}\text{\text{\texi}\tint{\text{\text{\text{\text{\text{\text{\texi}\tint{\text{\ti}\tint{\text{\text{\texi}\tinz{\text{\texi}\tint{\text{\texi}\til\text{\text{\text{\texi}\text{\texi}\text{\texi}\tint{\text{\ti}\tint{\tiin}\tint{\tiin}\tint{\text{\texi}\tint{\texi}\til\titi</i> | | | |
| This instrument was a by | _ | | | |
| | , a | cor | poration. | |
| | | | | |
| | Notary | Public in and for the | State of Texas | |

RECAPITULATION

| Tract No. | No. of Acres Committed | Percentage of Interest in the Communitized Area |
|-----------|---------------------------|---|
| Hact No. | Committed | |
| 1 | 80.00 | 25.03% |
| 2 | 80.00 | 25.03% |
| 3 | 79.66 | 24.92% |
| 4 | 80.00 | 25.03% |
| Total | 319.66 | 100.00000% |

To Communitization Agreement dated June 1, 2021 embracing E/2 E/2 Section 32, Township 21 South, Range 32 East, N.M.P.M, and E/2 E/2 Section 5, Township 22 South, Range 32 East, N.M.P.M, Lea County, New Mexico

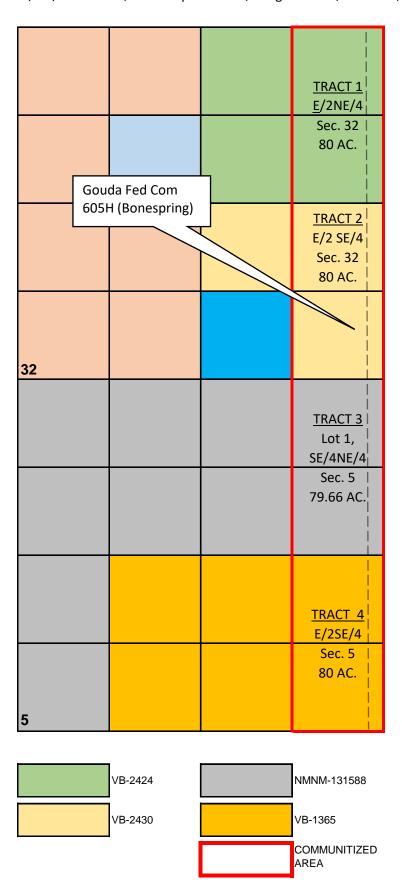


Exhibit B

To Communitization Agreement dated June 1, 2021 embracing E/2 E/2 Section 32, Township 21 South, Range 32 East, N.M.P.M, and E/2 E/2 Section 5, Township 22 South, Range 32 East, N.M.P.M, Lea County, New Mexico

Operator of Communitized Area: Centennial Resource Production, LLC

Tract No. 1

Lease Serial No.: VB-2424

Description of Lands Committed: Insofar as lease covers E/2 NE/4 Section 32, T21S, R32E,

Lea County, NM

Number of Acres: 80.00

Lessor of Record: State of New Mexico

Name and Percent WI Owners: Centennial Resource Production, LLC _ _ _ 100.00000%

Tract No. 2

Lease Serial No.: VB-2430

Description of Lands Committed: Insofar as lease covers E/2 SE/4 Section 32, T21S, R32E,

Lea County, NM

Number of Acres: 80.00

Lessor of Record: State of New Mexico

Name and Percent WI Owners: Centennial Resource Production, LLC _ _ _ 100.00000%

Tract No. 3

Lease Serial No.: NMNM-131588

Description of Lands Committed: Insofar as lease covers Lot 1, SE/4 NE/4 Section 5, T22S,

R32E, Lea County, NM

Number of Acres: 79.66

Lessor of Record: USA - Bureau of Land Management

Name and Percent WI Owners: Centennial Resource Production, LLC _ _ _ 100.00000%

Tract No. 4

Lease Serial No.: VB-1365

Description of Lands Committed: Insofar as lease covers E/2 SE/4 Section 5, T22S, R32E,

Lea County, NM

Number of Acres: 80.00

Lessor of Record: State of New Mexico

Name and Percent WI Owners: Centennial Resource Production, LLC _ _ _ 100.00000









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

Run Date/Time: 11/18/2021 10.02..... 01 02-25-1920;041STAT0437;30USC181

Page 1 Of 1 Serial Number

Released to Imaging: 11/10/2025 11:25:58 AM

Case Type 318310: O&G COMMUNITZATION AGRMT

Total Acres: 639.340

NMNM-- - 143956

Commodity 459: OIL & GAS

Case Disposition: PENDING

Case File Juris: CARLSBAD FIELD OFFICE

Serial Number: NMNM--- 143956

| Name & Address | <u>_</u> | | | | Int Rel | % Interest |
|-------------------------------------|-----------------------|----------|----|------------|--------------------|---------------|
| BLM NMSO | 301 DINOSAUR TRL | SANTA FE | NM | 87508-1560 | OFFICE OF | 0.000000000 |
| CENTENNIAL RESOURCES PRODUCTION LLC | 1001 17TH ST STE 1800 | DENVER | CO | 80202-2058 | RECORD OPERATOR | 100 000000000 |

Serial Number: NMNM-- - 143956

| Mer | Twp | Rng | Sec | SType | Nr Suff | Subdivision | District/ Field Office | County | Mgmt Agency |
|-----|--------|-------|-----|-------|---------|---------------------|------------------------|--------|---------------------|
| 23 | 0210S | 0320E | 005 | ALIQ | | SWNE,SENW_E2SW,W2SE | CARLSBAD FIELD OFFICE | LEA | BUREAU OF LAND MGMT |
| 23 | 0210S | 0320€ | 005 | LOTS | | 2,3; | CARLSBAD FIELD OFFICE | LEA | BUREAU OF LAND MGMT |
| 23 | 0210\$ | 0320E | 032 | ALIQ | | W2E2,E2W2; | CARLSBAD FIELD OFFICE | LEA | BUREAU OF LAND MGMT |

Serial Number: NMNM-- - 143956

Relinquished / Withdrawn Lands

| | | | Serial Number: NMNM 143956 | | | |
|------------|--------|-------------------|----------------------------|----------------|--|--|
| Act Date | Act Co | de Action Txt | Action Remarks | Pending Office | | |
| 06/01/2021 | 387 | CASE ESTABLISHED | | | | |
| 06/01/2021 | 516 | FORMATION | BONE SPRING; | | | |
| 10/22/2021 | 580 | PROPOSAL RECEIVED | CA RECD; | | | |

Serial Number: NMNM-- - 143956

Line

Number **Remark Text**

OCT 2 2 2021

RECEIVED

BLM, NMSO SANTA FE

1001 17th Street, Suite 1800 Denver, CO 80202

Date: October 20, 2021

NMNM 143956

To:

USDI- Bureau of Land Management

Re: Communitization Agreement - W/2 E/2, E/2 W/2 Section 32

Township 21 South, Range 32 East, & W/2 E/2, E/2 W/2 Section 5 Township 22 South, Range 32 East, N.M.P.M., Lea County, New

Mexico

Mozzarella Federal Com 602H; 30-025-46742 Mozzarella Federal Com 603H; 30-025-46757 Gouda Federal Com 604H; 30-025-48616

To whom it may concern:

Please find enclosed three original copies of the referenced communitization agreement. This agreement has been drafted to cover the **Bone Spring** formation. The Bone Spring pool for this area is [5695] Bilbrey Basin; Bone Spring; and is based on a 639.34 acre spacing. Should you have any questions please contact me at Frances.lvers@cdevinc.com or at 720-499-1505.

Centennial Resource Production, LLC

Frances Ivers

Contract Land Coordinator

RECEIVED

OCT 2 2 2021

BLM, NMSO SANTA FE

3160-9 - COMMUNITIZATION

Model Form of a Federal Communitization Agreement Contract No. Naum 143956

THIS AGREEMENT, entered into as of the date shown in Section 10 hereof 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 21 South, Range 32 East, Lea County, New Mexico

Section 32: W/2 E/2, E/2 W/2

And

Township 22 South, Range 32 East, Lea County, New Mexico

Section 5: W/2 E/2, E/2 W/2 Lots 2, 3, SWNE, WQSE, SENW, EQSW.

Containing 639.34 acres, being further described on Exhibit A attached hereto, and this agreement shall include only the **Bone Spring** Formation(s) underlying said lands and the oil, natural gas, and associated liquid hydrocarbons, hereinafter referred to as "communitized substances," producible from such formation(s).

 Attached hereto, and made a part of this agreement for all purposes, is 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 areas.

- 3. All matters of operation shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area, and four 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 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 therefrom 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, State or fee land included within the CA area are to be placed in an interest earning escrow or 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 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 non-communitized 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 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 **June 1, 2021** 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 representatives, and shall remain in force and effect for a period of two 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 two-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 interest 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 to assure that no avoidable loss of hydrocarbons occurs 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 of 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 & Working Interest Owner: Centennial Resource Production, LLC By: |
|--|
| Name: Skylar Fast |
| Title: Land Manager |
| Date: 10/20/2021 |
| • |
| |

THE STATE OF COLORADO §

COUNTY OF DENVER §

This instrument was acknowledged before me on this 20th day of October , 2021, by Sean W. Marshall, as Vice President of Land of Centennial Resource Production, LLC, a Delaware corporation.

Notary Public in and for the State of Texas

Released to Imaging: 11/10/2025 11:25:58 AM

CARL J MESSINA III

Notary Public

State of Colorado

Notary ID # 20174047486

My Commission Expires 11-18-2021

| Record Title Owner: |
|--|
| Devon Energy Production Company LP |
| By: Un Con Con Any |
| Name: David M. Korell |
| Title: Land Manager |
| Date: 7-28-2023 |
| |
| STATE OF OKLAHOMA § |
| COUNTY OF OKLAHOMA § |
| This instrument was acknowledged before me on this day of Hornay, 2023, |
| by <u>David M. Korell</u> , as <u>Land Manager</u> of <u>Devon Energy Production Company</u> , L.P., an Oklahoma limited partnership on behalf of said |
| partnership. Osouthia Sheldh |
| Notary Public in and for the State of Oklahoma |
| W N 1/125/25 W W EXP. 11/25/25 W W EXP. |

Exhibit A

To Communitization Agreement dated June 1, 2021 embracing W/2 E/2, E/2 W/2 Section 32, Township 21 South, Range 32 East, N.M.P.M., and W/2 E/2, E/2 W/2 Section 5, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico

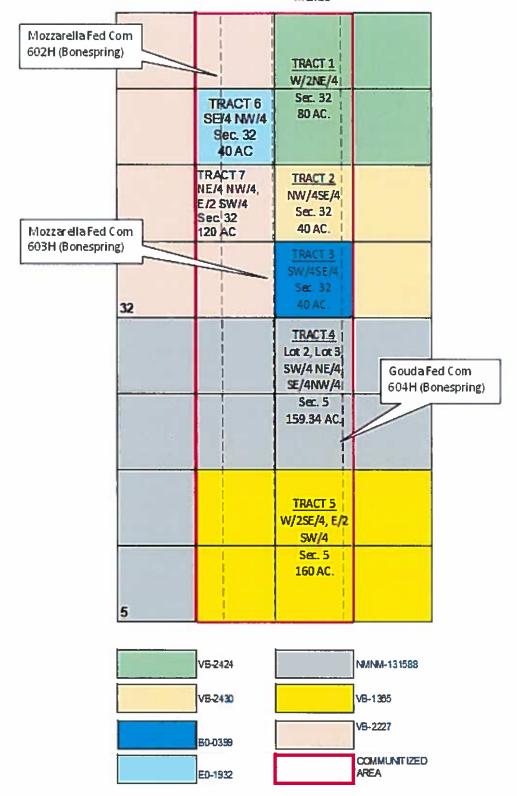


Exhibit B

To Communitization Agreement dated June 1, 2021 embracing W/2 E/2, E/2 W/2 Section 32, Township 21 South, Range 32 East, N.M.P.M, and W/2 E/2, E/2 W/2 Section 5, Township 22 South, Range 32 East, N.M.P.M, Lea County, New Mexico

Operator of Communitized Area: Centennial Resource Production, LLC

Tract No. 1

Lease Serial No.: VB-2424

Description of Lands Committed: Insofar as lease covers W/2 NE/4 Section 32, T21S, R32E,

Lea County, NM

Number of Acres: 80.00

Lessor of Record: State of New Mexico

Name and Percent WI Owners: Centennial Resource Production, LLC _ _ _ 100.00000%

Tract No. 2

Lease Serial No.: VB-2430

Description of Lands Committed: Insofar as lease covers NW/4 SE/4 Section 32, T21S,

R32E, Lea County, NM

Number of Acres: 40.00

Lessor of Record: State of New Mexico

Name and Percent WI Owners: Centennial Resource Production, LLC _ _ _ 100.00000%

Tract No. 3

Lease Serial No.: B0-0399

Description of Lands Committed: Insofar as lease covers SW/4 SE/4 Section 32, T22S,

R32E, Lea County, NM

Number of Acres: 40.00

Lessor of Record: State of New Mexico

Name and Percent WI Owners: Centennial Resource Production, LLC _ _ _ 100.00000%

Released to Imaging: 11/10/2025 11:25:58 AM

Tract No. 4

Lease Serial No.: NMNM-131588

Description of Lands Committed: Insofar as lease covers Lot 2, Lot 3, SW/4 NE/4, SE/4

NW/4 Section 5, T22S, R32E, Lea County, NM

Number of Acres: 159.34

Lessor of Record: USA - Bureau of Land Management

Name and Percent WI Owners: Centennial Resource Production, LLC _ _ _ 100.00000%

Tract No. 5

Lease Serial No.: VB-1365

Description of Lands Committed: Insofar as lease covers W/2 SE/4, E/2 SW/4 Section 5,

T22S, R32E, Lea County, NM

Number of Acres: 160.00

Lessor of Record: State of New Mexico

Name and Percent WI Owners: Centennial Resource Production, LLC _ _ _ 100.00000

Tract No. 6

Lease Serial No.: E0-1932

Description of Lands Committed: Insofar as lease covers SE/4 NW/4 Section 32, T21S,

R32E, Lea County, NM

Number of Acres: 40.00

Lessor of Record: State of New Mexico

Name and Percent WI Owners: ConocoPhillips Company ____ 100.00000

Tract No. 7

Lease Serial No.: VB-2227

Description of Lands Committed: Insofar as lease covers NE/4 NW/4, E/2 SW/4 Section 32,

T21S, R32E, Lea County, NM

Number of Acres: 120.00

Lessor of Record: State of New Mexico

Name and Percent WI Owners: Centennial Resource Production, LLC _ _ _ 100.00000

RECAPITULATION

| Tract No. | No. of Acres Committed | Percentage of Interest in the Communitized Area |
|-----------|---------------------------|---|
| 1 | 80.00 | 12.5129% |
| 2 | 40.00 | 6.2565% |
| 3 | 40.00 | 6.2565% |
| 4 | 159.34 | 24.9226% |
| 5 | 160.00 | 25.0258% |
| 6 | 40.00 | 6.2565% |
| 7 | 120.00 | 18.7694% |
| Total | 639.34 | 100.000000% |

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

RECEIVED

OCT 22 2021

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY CENTENNIAL RESOURCES PRODUCTION, LLC

CASE NO. 21541 ORDER NO. R-21564

BLM, NMSO SANTA FE

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on December 3, 2020, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

- 1. Centennial Resources Production, LLC ("Operator") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.

- 10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.
- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

<u>ORDER</u>

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
- 21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the

CASE NO. 21541 ORDER NO. R-21564

election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

- 24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share

CASE NO. 21541 ORDER NO. R-21564

- of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 et seq., and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 et seq.
- 34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL DIRECTOR

AES/jag

Received by OCD: 6/26/2023 9:39:24 AM

Date: 12/09/2020

Exhibit A

| Designated Operator & OGRID (affiliation if applicable) Applicant's Counsel: Case Title: Applicant's Counsel: Applicant's Counsel: Applicant's Counsel: Applicant's Counsel: Applicant's Counsel: Applicant's Counsel: Applicant's Applicant Applicable in the counselook of the | APPLICANT'S RESPONSE tennial Resource Production LLC (OGRID 372165) and & Hart LLP LICATION OF CENTENNIAL RESOURCE DUCTION, LLC FOR COMPULSORY POOLING, LEA JINTY, NEW MEXICO Exarella & Gouda Fed Com Wells e Spring |
|--|--|
| Applicant Cer Designated Operator & OGRID (affiliation if applicable) Applicant's Counsel: Case Title: APP PRO COI Entries of Appearance/Intervenors: Well Family Mo Formation/Pool Formation Name(s) or Vertical Extent: Bor Primary Product (Oil or Gas): Pooling this vertical extent: Borl Pool Name and Pool Code: Bilb Well Location Setback Rules: Spacing Unit Size: Spacing Unit Type (Horizontal/Vertical) Size (Acres) Building Blocks: Orientation: Description: TRS/County Standard Horizontal Well Spacing Unit (Y/N), If No, describe Yes Other Situations | tennial Resource Production LLC (OGRID 372165) and & Hart LLP UCATION OF CENTENNIAL RESOURCE DUCTION, LLC FOR COMPULSORY POOLING, LEA JINTY, NEW MEXICO Exarella & Gouda Fed Com Wells e Spring |
| Designated Operator & OGRID (affiliation if applicable) Applicant's Counsel: Case Title: Applicant's Counsel: Applicant's Applicant (Counsel): Molicant's Applicant (Counsel): Formation/Pool Formation/Pool Formation/Pool Formation Name(s) or Vertical Extent: Boor Pooling this vertical extent: Boor Pool Name and Pool Code: Bilt Well Location Setback Rules: Spacing Unit Size: Spacing Unit Type (Horizontal/Vertical) Size (Acres) Building Blocks: Orientation: Description: TRS/County Standard Horizontal Well Spacing Unit (Y/N), If No, describe Other Situations | tennial Resource Production LLC (OGRID 372165) and & Hart LLP UCATION OF CENTENNIAL RESOURCE DUCTION, LLC FOR COMPULSORY POOLING, LEA JINTY, NEW MEXICO Exarella & Gouda Fed Com Wells e Spring |
| Applicant's Counsel: Case Title: Applicant State: Applicant Standard Horizontal Well Spacing Unit (Y/N), If No, describe Applicant States Applicant States Applicant States Applicant Standard Horizontal Well Spacing Unit (Y/N), If No, describe Applicant States Bor States Bor States Bor States States Spacing Unit Size: Spa | UCATION OF CENTENNIAL RESOURCE DUCTION, LLC FOR COMPULSORY POOLING, LEADINTY, NEW MEXICO Exarella & Gouda Fed Com Wells e Spring |
| Case Title: APP PRO COI Entries of Appearance/Intervenors: Well Family Mo Formation/Pool Formation Name(s) or Vertical Extent: Bor Primary Product (Oil or Gas): Pooling this vertical extent: Pool Name and Pool Code: Bilb Well Location Setback Rules: Spacing Unit Size: Spacing Unit Type (Horizontal/Vertical) Size (Acres) Building Blocks: Orientation: Description: TRS/County Standard Horizontal Well Spacing Unit (Y/N), If No, describe Yes Other Situations | LICATION OF CENTENNIAL RESOURCE DUCTION, LLC FOR COMPULSORY POOLING, LEA JINTY, NEW MEXICO zarella & Gouda Fed Com Wells e Spring |
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| Entries of Appearance/Intervenors: Well Family Mo Formation/Pool Formation Name(s) or Vertical Extent: Bor Primary Product (Oil or Gas): Pool Name and Pool Code: Bilb Well Location Setback Rules: Spacing Unit Size: | DUCTION, LLC FOR COMPULSORY POOLING, LEA UNTY, NEW MEXICO czarella & Gouda Fed Com Wells e Spring |
| Well Family Formation/Pool Formation Name(s) or Vertical Extent: Primary Product (Oil or Gas): Pool Ing this vertical extent: Pool Name and Pool Code: Well Location Setback Rules: Spacing Unit Size: Spacing Unit Size: Spacing Unit Type (Horizontal/Vertical) Size (Acres) Building Blocks: Orientation: Description: TRS/County Standard Horizontal Well Spacing Unit (Y/N), If No, describe Yes Other Situations | zzarella & Gouda Fed Com Wells e Spring |
| Formation/Pool Formation Name(s) or Vertical Extent: Primary Product (Oil or Gas): Pooling this vertical extent: Pool Name and Pool Code: Well Location Setback Rules: Spacing Unit Size: Spacing Unit Type (Horizontal/Vertical) Size (Acres) Building Blocks: Orientation: Description: TRS/County Standard Horizontal Well Spacing Unit (Y/N), If No, describe Other Situations | e Spring |
| Formation Name(s) or Vertical Extent: Primary Product (Oil or Gas): Pooling this vertical extent: Pool Name and Pool Code: Well Location Setback Rules: Spacing Unit Size: Spacing Unit Type (Horizontal/Vertical) Size (Acres) Building Blocks: Orientation: Description: TRS/County Standard Horizontal Well Spacing Unit (Y/N), If No, describe Yes Other Situations | |
| Primary Product (Oil or Gas): Pooling this vertical extent: Pool Name and Pool Code: Well Location Setback Rules: Spacing Unit Size: Spacing Unit Type (Horizontal/Vertical) Size (Acres) Building Blocks: Orientation: Description: TRS/County Standard Horizontal Well Spacing Unit (Y/N), If No, describe Yes Other Situations | |
| Pooling this vertical extent: Pool Name and Pool Code: Well Location Setback Rules: Spacing Unit Size: | e Spring |
| Pool Name and Pool Code: Well Location Setback Rules: Spacing Unit Size: Spacing Unit Type (Horizontal/Vertical) Size (Acres) Building Blocks: Orientation: Description: TRS/County Standard Horizontal Well Spacing Unit (Y/N), If No, describe Yes Other Situations | e Spring |
| Well Location Setback Rules: Spacing Unit Size: Spacing Unit Type (Horizontal/Vertical) Size (Acres) Building Blocks: Orientation: Description: TRS/County Standard Horizontal Well Spacing Unit (Y/N), If No, describe Yes Other Situations | c abimp |
| Spacing Unit Size: Spacing Unit Type (Horizontal/Vertical) Size (Acres) Building Blocks: Orientation: Description: TRS/County E/2 Sou E/2 NN Standard Horizontal Well Spacing Unit (Y/N), If No, describe Yes Other Situations | rey Basin; Bone Spring Pool (Pool Code S695) |
| Spacing Unit Type (Horizontal/Vertical) Size (Acres) Building Blocks: Orientation: Description: TRS/County E/2 Sou E/2 NN Standard Horizontal Well Spacing Unit (Y/N), If No, describe Yes Other Situations | ewide oil |
| Type (Horizontal/Vertical) Size (Acres) Building Blocks: Orientation: Description: TRS/County E/2 Sou E/2 NN Standard Horizontal Well Spacing Unit (Y/N), If No, describe Other Situations | 34-acres |
| Size (Acres) 639 Building Blocks: 40- Orientation: 5ta Description: TRS/County E/2 Sou E/2 NN Standard Horizontal Well Spacing Unit (Y/N), If No, describe Yes Other Situations | |
| Building Blocks: 40- Orientation: Sta Description: TRS/County E/2 Soc E/2 NN Standard Horizontal Well Spacing Unit (Y/N), If No, describe Yes Other Situations | izontal |
| Orientation: Sta Description: TRS/County E/2 Sou E/2 NN Standard Horizontal Well Spacing Unit (Y/N), If No, describe Yes Other Situations | .34-acres |
| Description: TRS/County E/2 Sou E/2 NN Standard Horizontal Well Spacing Unit (Y/N), If No, describe Yes Other Situations | ocre |
| Sol. E/2 NN Standard Horizontal Well Spacing Unit (Y/N), If No, describe Other Situations | ndup |
| Other Situations | W/2 and the W/2 E/2 of Section 5, Township 22 th, Range 32 East, and the E/2 W/2 and the W/2 of Section 32, Township 21 South, Range 32 East, PM, Lea County, New Mexico |
| | |
| Depth Severance: Y/N. If yes, description No | |
| | |
| Proximity Tracts: If yes, description Yes | |
| 330 W/ pro | zzarella Fed Com#603H well will remain within feet of the quarter-quarter line separating the E/2 from the W/2 E/2 to allow inclusion of these |
| Applicant's Ownership in Each Tract Yes | rion the W/2 E/2 to allow inclusion of these kimity tracts into a standard 640-acre horizontal cing unit |

| Name & API (if assigned), surface and bottom hole location, | |
|---|--|
| footages, completion target, orientation, completion status (standard or non-standard) | |
| Well #1 | Mozzarella Fed Com #602H Well, API No. 30-025-46742 SHL:954 feet from the North line and 2159 feet from the West line, (Unit C) of Section 8, Township 22 South, Range 32 East, NMPM. BHL:100 feet from the North line and 1730 feet from the West line, (Unit C) of Section 32, Township 21 South, Range 32 East, NMPM. Completion Target: Bone Spring Well Orientation: Standup Completion Location expected to be: standard |
| Well #2 | Mozzarella Fed Com #603H Well, API No. 30-025-46757 SHL:954 feet from the North line and 2219 feet from the West line. (Unit C) of Section 8, Township 22 South, Range 32 East, NMPM, BHL:100 feet from the North line and 2470 feet from the West line, (Unit B) of Section 32, Township 21 South, Range 32 East, NMPM, Completion Target; Bone Spring Well Orientation: Standup Completion Location expected to be: Proximity tract well |
| Well #3 | Gouda Fed Com#604H Well, API No. 30-025-pending SHL:757 feet from the North line and 1245 feet from the West |
| | line, (Unit P) of Section 5, Township 22 South, Range 32 East, NMPM, BHL:300 feet from the North line and 1400 feet from the West line, (Unit B) of Section 32, Township 21 South, Range 32 East, NMPM Completion Target: Bone Spring Well Crientation: Standup Completion Location expected to be: Non-standard, application for approval of NSL pending with Division. |
| Horizontal Well First and Last Take Points | Exhibit C-1 |
| Completion Target (Formation, TVD and MD) | Exhibit C-4, Exhibit D-4 |
| AFE Capex and Operating Costs | |
| Drilling Supervision/Month \$ | \$8,500 (drilling) & \$850 (producing)/month |
| Production Supervision/Month \$ | Exhibit C, C-4 |
| Justification for Supervision Costs | Exhibit C, C-4 |
| Requested Risk Charge | Exhibit C, C-4 |
| | EXHIBIT C, C-4 |
| Notice of Hearing | |
| Proposed Notice of Hearing | Exhibit 8 |
| Proof of Mailed Notice of Hearing (20 days before hearing) | Exhibit E |

| Dennet of Ducklich and Marking of Countries (200 along before become) | Fubilità F |
|---|---|
| Proof of Published Notice of Hearing (10 days before hearing) | Exhibit F |
| Ownership Determination | |
| Land Ownership Schernatic of the Spacing Unit | Exhibit C-2 |
| Tract List (including lease numbers and owners) | Exhibit C-3 |
| Pooled Parties (including ownership type) | Exhibit C-3, Exhibit E |
| Unlocatable Parties to be Pooled | N/A |
| Ownership Depth Severance (including percentage above & bei | N/A |
| Joinder | |
| Sample Copy of Proposal Letter | Exhibit C-4 |
| List of Interest Owners (ie Exhibit A of JOA) | Exhibit C-3, Exhibit E |
| Chronology of Contact with Non-Joined Working Interests | Exhibit C-5 |
| Overhead Rates In Proposal Letter | Exhibit C-4 |
| Cost Estimate to Drill and Complete | Exhibit C-5 |
| Cost Estimate to Equip Well | Exhibit C-5 |
| Cost Estimate for Production Facilities | Exhibit C-5 |
| Geology | |
| Summary (including special considerations) | Exhibit D |
| Spacing Unit Schematic | Exhibit D-1 |
| Gunbarrel/Lateral Trajectory Schematic | N/A |
| Well Orientation (with rationale) | Exhibit D-1 |
| Target Formation | Exhibit D-2, D-3, D-4 |
| HSU CrossSection | Exhibit D-4 |
| Depth Severance Discussion | N/A |
| Forms, Figures and Tables | · · · · |
| C-102 | Exhibit C-1 |
| Tracts | Exhibit C-2 |
| Summary of Interests, Unit Recapitulation (Tracts) | Exhibit C-3 |
| General Location Map (including basin) | Exhibit D-1 |
| Well Bore Location Map | Exhibit D-1 |
| Structure Contour Map - Subsea Depth | Exhibit D-2 |
| Cross Section Location (Map (including wells) | Exhibit D-3, D-4 |
| CrossSection (including Landing Zone) | Exhibit D-3, D-4 |
| Additional Information | |
| Special Provisions/Stipulations | N/A |
| | |
| | |
| CERTIFICATION: I hereby certify that the information pro | vided in this checklist is complete and accurate. |
| | |
| Printed Name (Attorney or Party Representative): | Kaitlyn A. Luck |
| Signed Name (Attorney or Party Representative): | - 4900 Aul 1 |
| Date: | 1-Dec-20 |

UL or lot no.

639.34

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

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

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

East/West line WEST

☐ AMENDED REPORT

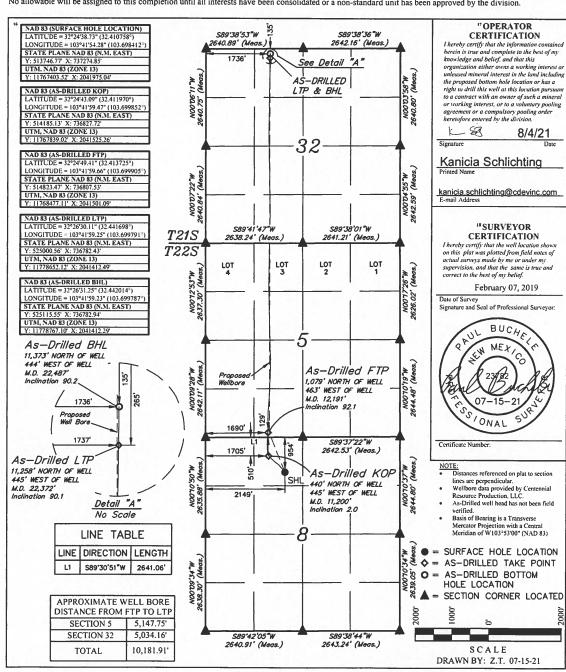
County LEA

WELL LOCATION AND ACREAGE DEDICATION PLAT

| 30-025-46742 | ² Pool Code 5695 | Bilbry Basin; Bone Spring | g |
|-------------------------|--------------------------------|---------------------------------------|----------------------|
| Property Code 326979 | ⁵ Pi Mozzar | 6 Well Number 602H | |
| 372165 | | perator Name DURCE PRODUCTION, LLC | Flevation 3704.0' |

Surface Location North/South li NORTH Range 32E Lot Ide et from the 954 228 2149

| "Bottom Hole Location If Different From Surface | | | | | | | | | |
|---|---------------|-----------------|--------------|---------------|----------------------|---------------------------|-----------------------|------------------------|---------------|
| UL er lot no. C | Section 32 | Township 21S | Range 32E | Lot Idn | Feet from the 135 | North/South line NORTH | Feet from the 1736 | East/West line WEST | County LEA |
| 12 Dedicated Acre | es 13 J | oint or Infill | 14 Conso | lidation Code | 15 Order No. | | | | |



<u>District I</u> 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: (\$75) 748-1283 Fax: (\$75) 748-9720 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

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

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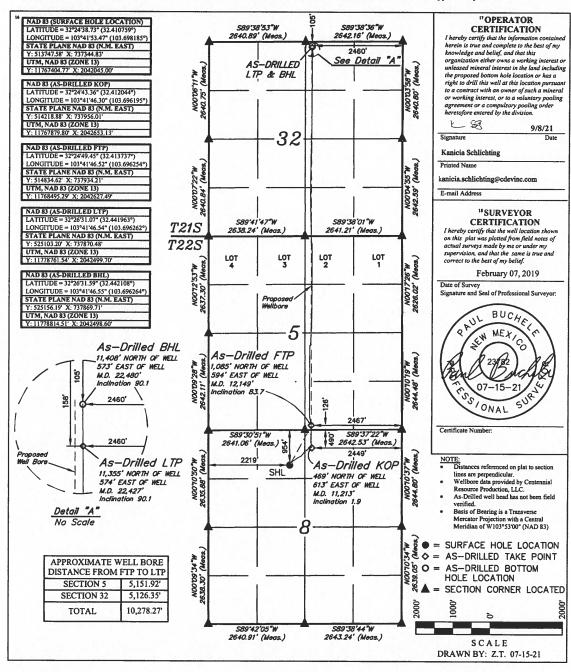
WELL LOCATION AND ACREAGE DEDICATION PLAT

| 30-025-46757 | ² Pool Code 5695 | ³ Pool Name Bilbry Basin; Bone Spring |
|---------------------------|---------------------------------------|---|
| 4 Property Code 326979 | ⁹ Property N MOZZARELLA | |
| 7 OGRID No. 372165 | Operator N CENTENNIAL RESOURCE | |

| | Surface Location | | | | | | | | | |
|---------------|------------------|-----------------|--------------|---------|----------------------|---------------------------|--------------------|------------------------|---------------|--|
| UL or lot no. | Section 8 | Township 22S | Range 32E | Lot Idn | Feet from the 954 | North/South line NORTH | Feet from the 2219 | East/West line WEST | County LEA | |

"Bottom Hole Location If Different From Surface

| UL or lot no. B | Section 32 | Township 21S | Range 32E | Lot Idn | Feet from the 105 | North/South line NORTH | Feet from the 2460 | East/West line EAST | County LEA |
|--|---------------|-----------------|--------------|----------------|----------------------|---------------------------|--------------------|------------------------|---------------|
| ¹² Dedicated Acre 639.34 | 13 J | oint or Infill | 14 Conse | olidation Code | 15 Order No. | | | | |



| District | 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 | Chief Chi

District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

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

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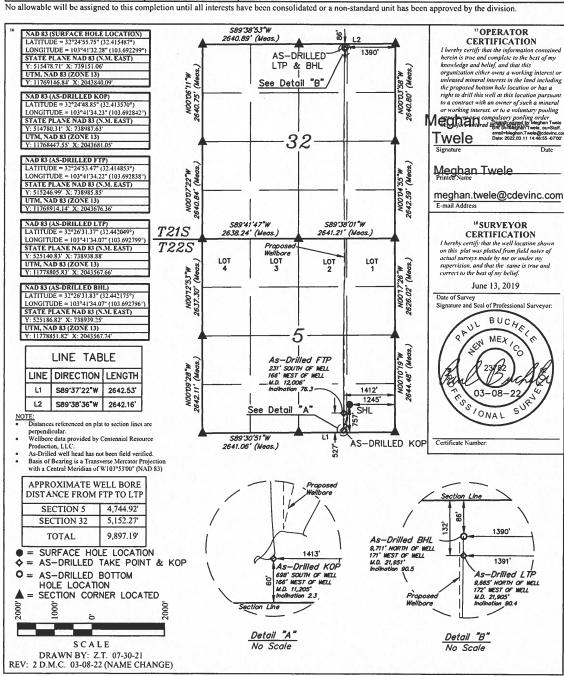
WELL LOCATION AND ACREAGE DEDICATION PLAT

| 30-025-48616 | ² Pool Code 5695 | | | |
|----------------------|--------------------------------|-----------------------|------------------------|--|
| Property Code 330440 | 5 Property MOZZARELLA | • Well Number 604H | | |
| 70GRID №. 372165 | Operator CENTENNIAL RESOURC | | , Elevation 3694.8, | |

Surface Location East/West line 225 32F 757 SOUTH **EAST**

"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 |
|-------------------|----------|----------------|----------|----------------|---------------|------------------|---------------|----------------|--------|
| B | 32 | 21S | 32E | | 86 | NORTH | 1390 | EAST | LEA |
| 12 Dedicated Acre | es 13 Je | oint or Infill | 14 Conse | olidation Code | 15 Order No. | | | | |



<u>District 1</u> 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 LV 1220 S. St. Francis Dr., Santa Fc, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

■ AMENDED REPORT

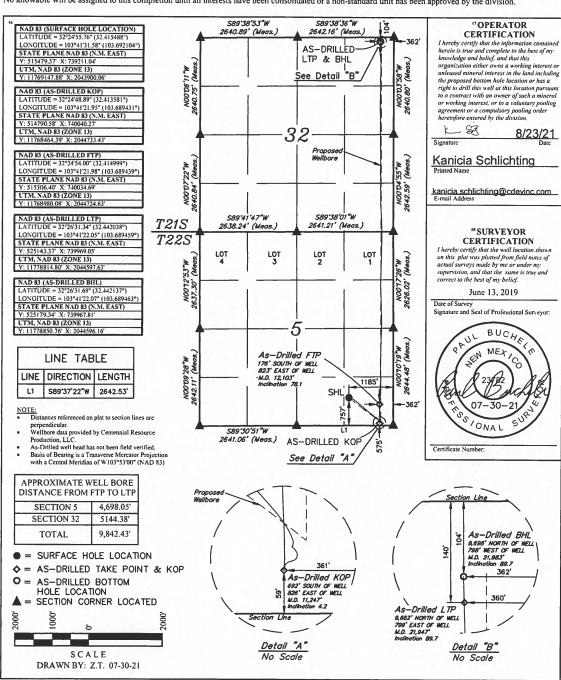
WELL LOCATION AND ACREAGE DEDICATION PLAT

| 30-025-48617 | ¹ Pool Code 5695 | Bilbrey Basin; Bone Spring | |
|---------------------------|--------------------------------|------------------------------------|------------------------|
| 1870 Property Code 330440 | | PEDERAL COM | 6 Well Number 605H |
| 372165 | | rator Name URCE PRODUCTION, LLC | 9 Elevation 3695.91 |

Surface Location Lot Idn ect from the North/South line Feet from the Fast/West line County 225 32Ĕ SOUTH **EAST**

"Bottom Hole Location If Different From Surface

| UL or lot no. | Section 32 | Township 21S | Range 32E | Lot Idn | Feet from the 104 | North/South line NORTH | Feet from the 362 | East/West line EAST | County LEA |
|----------------------------|---------------|-----------------|--------------|----------------|----------------------|---------------------------|-------------------|------------------------|---------------|
| 12 Dedicated Acr 319.66 | es 13 J | oint or Infill | 14 Conse | olidation Code | 15 Order No. | | | | |



District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 <u>Bill S. First St., Artesia, NM 88210</u> Phone: (575) 748-1283 Fax: (575) 748-9720

District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

■ AMENDED REPORT

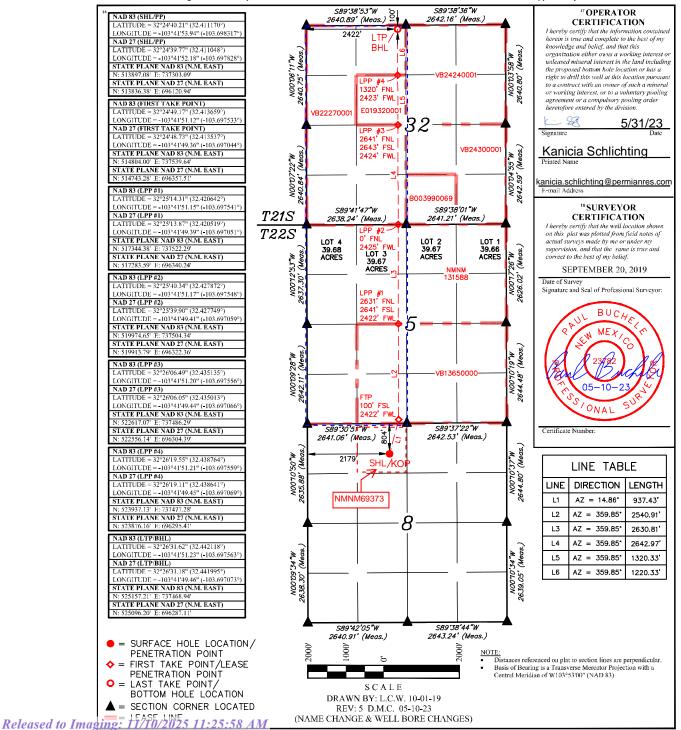
WELL LOCATION AND ACREAGE DEDICATION PLAT

| ¹ API Number 30-025-50215 | ² Pool Code 5695 | Bilbrey Basin; Bone Sprin | ng |
|--------------------------------------|--------------------------------|--------------------------------------|-----------------------------------|
| ⁴ Property Code | ⁵ Pr MOZZAR | ⁶ Well Number 504H | |
| ⁷ OGRID No. 372165 | | perator Name URCES OPERATING, LLC | ⁹ Elevation 3699.4' |

Surface Location

| C C | Section 8 | 22S | 32E | Lot Ian | 804 | NORTH NORTH | 2179 | WEST | LEA | | |
|-----|---|-----|-----|---------|-----|----------------|------|------|-----|--|--|
| | "Bottom Hole Location If Different From Surface | | | | | | | | | | |

North/South line UL or lot no. Lot Idn East/West line Feet from the Feet from the 21S 100 NORTH WEST 2422 edicated Aere 639.34



District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 <u>Bill S. First St., Artesia, NM 88210</u> 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

UL or lot no. Section Township Range Lot Idn

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

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

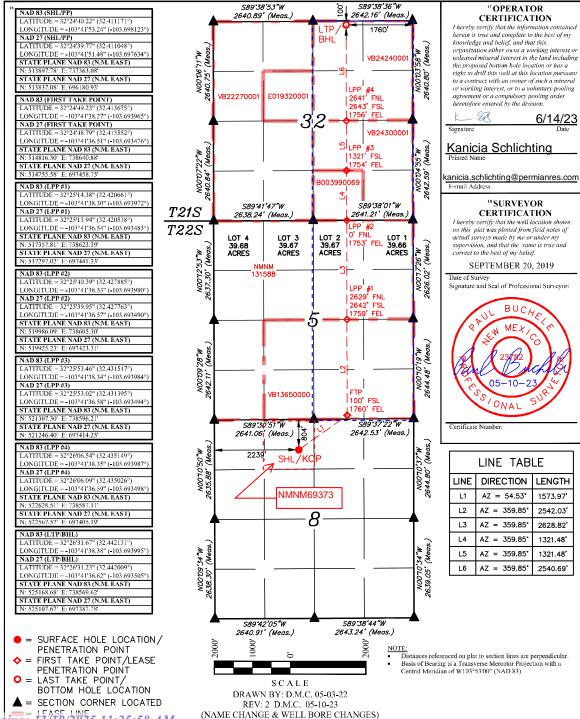
X AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| ¹ API Number 30-025-51576 | ² Pool Code 5695 | Bilbrey Basin; Bone Spring | | | | | |
|---|----------------------------------|----------------------------|--|--|--|--|--|
| 4 Property Code | 5 Pr | 6 Well Number | | | | | |
| | MOZZAR | 505H | | | | | |
| 7 OGRID No. | 8 OI | 9 Elevation 3698.7' | | | | | |
| 372165 | PERMIAN RESOURCES OPERATING, LLC | | | | | | |

Surface Location North/South line Feet from the

| | С | 8 | 22S | 32E | | 804 | NORTH | 2239 | WEST | 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 B 32 21S 32E 100 NORTH 1760 EAST LEA | | | | | | | | | | | | |



District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 <u>District II</u> 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

<u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u>

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

UL or lot no. Section Township Range Lot Idn

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

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

X AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

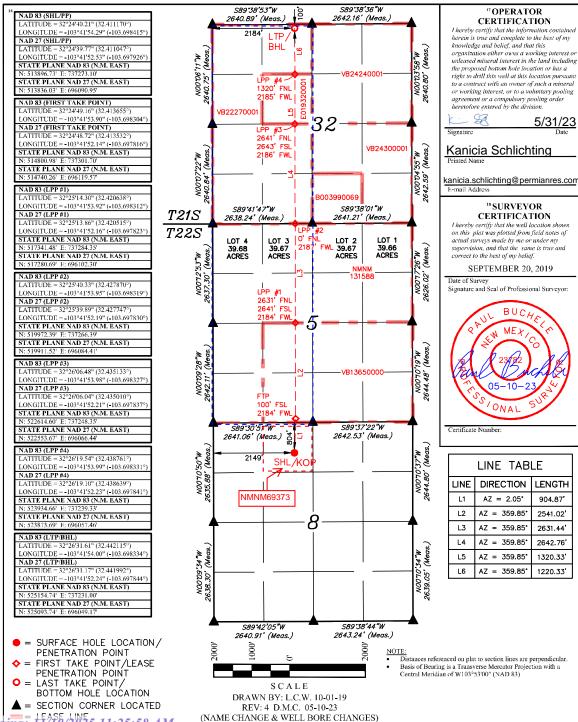
| ¹ API Number 30-025-50228 | ² Pool Code 5695 | Spring | |
|--------------------------------------|--------------------------------|--------------------------------------|-----------------------------------|
| 4 Property Code | | roperty Name ELLA FED COM | ⁶ Well Number 302H |
| 372165 | | perator Name URCES OPERATING, LLC | ⁹ Elevation 3699.7' |

10 Surface Location
eet from the North/South line Feet from the

| C | 8 | 22S | 32Ĕ | | 804 | NORTH | 2149 | WEST | 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 C 32 21S 32E 100 NORTH 2184 WEST LEA | | | | | | | | | | | |

Leading Dedicated Acres 639.34 Joint or Infill Consolidation Code Source 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.



639.34

District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 <u>Bill S. First St., Artesia, NM 88210</u> Phone: (575) 748-1283 Fax: (575) 748-9720

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

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

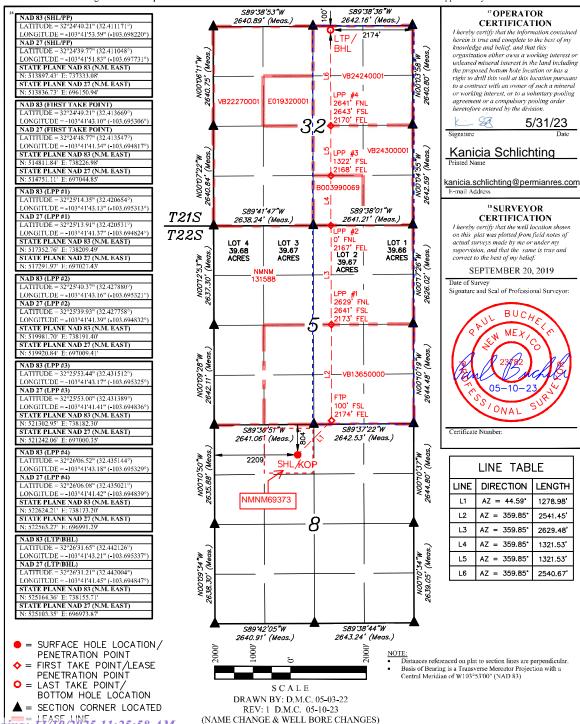
■ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| ¹ API Number 30-025-46741 | ² Pool Code 5695 | Bilbrey Basin; Bone Spring | | | | |
|---|--|--------------------------------------|-----------------------------------|--|--|--|
| ⁴ Property Code | ⁵ Property Name MOZZARELLA FED COM | | | | | |
| ⁷ OGRID No. 372165 | | perator Name URCES OPERATING, LLC | ⁹ Elevation 3699.0' | | | |

Surface Location North/South li NORTH

| UL or lot no. C | Section 8 | Township 22S | Range 32E | Lot Idn | Feet from the 804 | North/South line NORTH | Feet from the 2209 | East/West line WEST | County 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 | |
| В | 32 | 21S | 32Ē | | 100 | NORTH | 2174 | EAST | LEA | |



<u>District I</u> 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

319.66

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

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

AMENDED REPORT

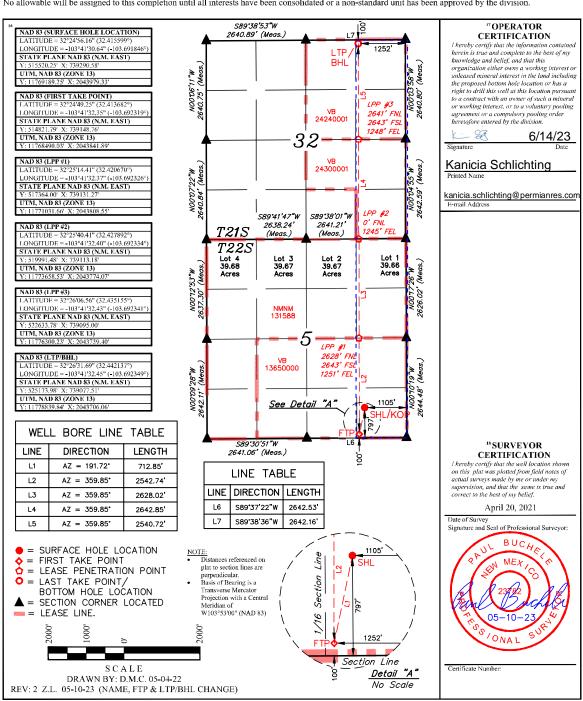
WELL LOCATION AND ACREAGE DEDICATION PLAT

| 30-025-5 | ² Pool Code 5695 | Bilbrey Basin; Bone Spr | ing |
|----------------------------------|--------------------------------|--------------------------------------|-----------------------------------|
| ⁴ Property Code | | operty Name DA FED COM | ⁶ Well Number 304H |
| ⁷ OGRID No. 372165 | | perator Name URCES OPERATING, LLC | ⁹ Elevation 3697.0' |

¹⁰ Surface Location

| ſ | UL or lot no. P | Section 5 | Township 22S | Range 32E | Lot Idn | Feet from the 797 | North/South line SOUTH | Feet from the 1105 | East/West line EAST | County LEA |
|---|--------------------|--------------|-----------------|--------------|---------|----------------------|---------------------------|-----------------------|------------------------|---------------|
| L | _ | | | | | | | | | |

"Bottom Hole Location If Different From Surface Let Idn Feet from the North/South line East/West line NORTH 1252 LEA 21S EAST



<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 <u>District II</u>

Phone: (2/3) 3/3/4/4/18 [Phone: (2/3) 3/3/4/4/18 [Phone: (5/5) 748-1283 Fex: (5/5) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fex: (505) 334-6170

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

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

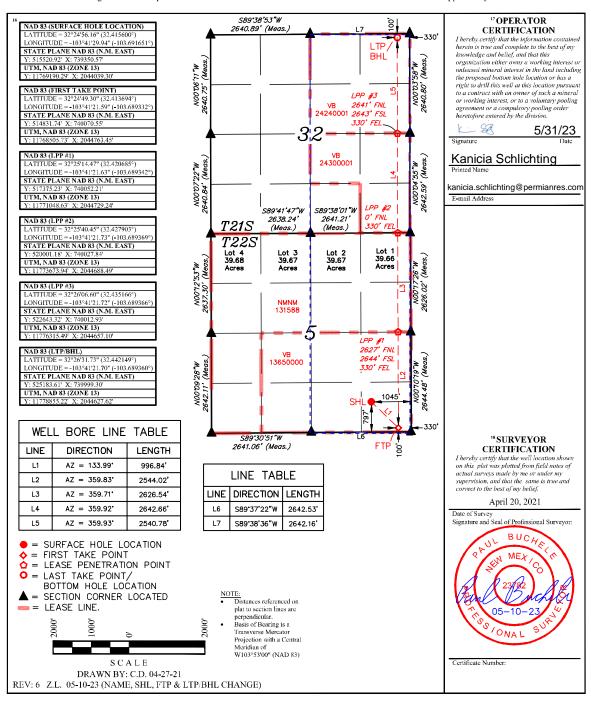
| ¹ API Number 30-025-5032 | ² Pool Code 5695 | Bilbrey Basin; Bone | Spring |
|--|--------------------------------|--------------------------------------|-----------------------------------|
| ⁴ Property Code | | operty Name DA FED COM | ⁶ Well Number 404H |
| ⁷ OGRID No. 372165 | | perator Name URCES OPERATING, LLC | ⁹ Elevation 3698.5' |

"Surface Location

| P 5 22S 32E 797 SOUTH 1045 EAST LEA | UL or lot no. P | Section 5 | | | Lot Idn | Feet from the 797 | I SOUTH | Feet from the 1045 | FAST | County LEA |
|-------------------------------------|--------------------|--------------|--|--|---------|----------------------|---------|-----------------------|------|---------------|
|-------------------------------------|--------------------|--------------|--|--|---------|----------------------|---------|-----------------------|------|---------------|

"Bottom Hole Location If Different From Surface

| UL or lot no. A | Sectio: | n Townshi 21S | Range 32E | Lot Idn | Feet from the 100 | North/South line NORTII | Feet from the 330 | East/West line EAST | County LEA |
|-----------------------------|---------|--------------------|--------------|----------------|----------------------|----------------------------|----------------------|------------------------|---------------|
| 12 Dedicated Acre 639 34 | | 13 Joint or Infill | 14 Cons | olidation Code | 15 Order No. | • | • | | |



Received by OCD: 6/26/2023 9:39:24 AM

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720

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

UL or lot no. Section Township

Range

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

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

☐ AMENDED REPORT

County

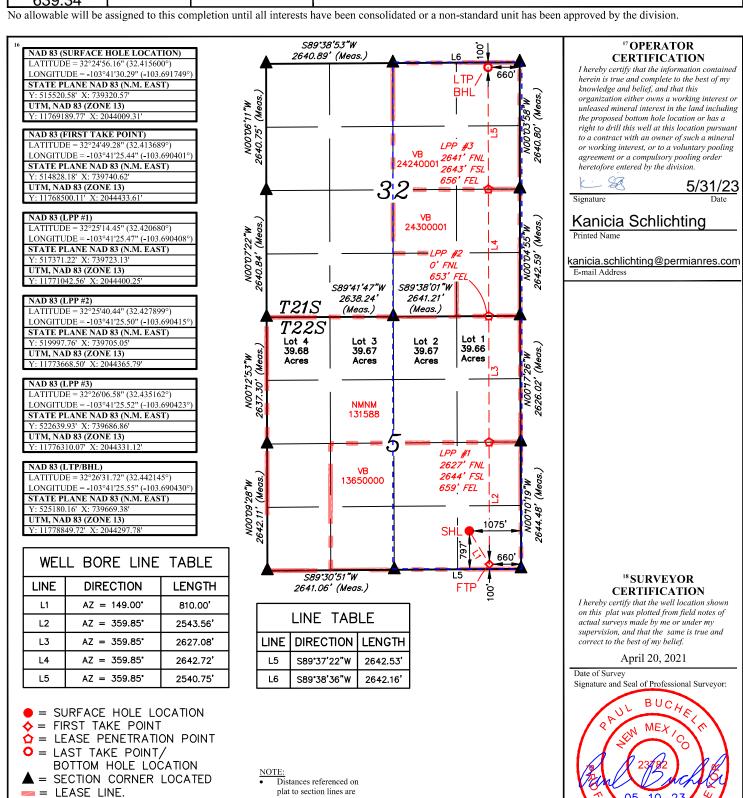
WELL LOCATION AND ACREAGE DEDICATION PLAT

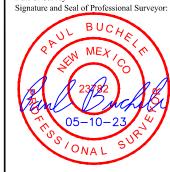
| 30-025-50498 | 8 | ² Pool Code 5695 | Bilbrey Basin; Bone Spring | |
|----------------------------------|---|--------------------------------|--------------------------------------|-----------------------------------|
| ⁴ Property Code | | | operty Name DA FED COM | ⁶ Well Number 506H |
| ⁷ OGRID No. 372165 | | | perator Name JRCES OPERATING, LLC | ⁹ Elevation 3697.7' |

¹⁰ Surface Location

| | P | 5 | 22S | 32E | | 797 | SOUTH | 1075 | EAST | LEA | |
|---|---|---|-----|-----|--|-----|-------|------|------|-----|--|
| | | | | | | | | | | | |
| "Bottom Hole Location If Different From Surface | | | | | | | | | | | |
| | | | | | | | | | | | |

North/South line Feet from the East/West line Feet from the 21<u>S</u> 100 NORTH 660 LEA 32E **EAST** <u>639.34</u>





Released to Imaging: 11/10/2025 11:25:58 AM

Certificate Number:

- perpendicular. Basis of Bearing is a Transverse Mercator Projection with a Central Meridian of W103°53'00" (NAD 83)

DRAWN BY: C.D. 04-27-21

SCALE

REV: 2 Z.L. 05-10-23 (FTP & LTP & BHL CHANGE)

Production Summary Report API: 30-025-46742

MOZZARELLA FEDERAL COM #602H Printed On: Wednesday, June 14 2023

| | | Production | | | | |
|------|-----------------------------------|------------|-----------|----------|-------------|----------|
| Year | Pool | Month | Oil(BBLS) | Gas(MCF) | Water(BBLS) | Days P/I |
| 2021 | [5695] BILBREY BASIN;BONE SPRING | Jul | 10371 | 21310 | 113877 | 8 |
| 2021 | [5695] BILBREY BASIN;BONE SPRING | Aug | 16939 | 33584 | 100497 | 14 |
| | [5695] BILBREY BASIN; BONE SPRING | Sep | 31661 | 60586 | 125384 | 30 |
| | | Oct | 21093 | 42980 | 79241 | |
| | [5695] BILBREY BASIN;BONE SPRING | Nov | 16852 | 33773 | 56418 | |
| | [5695] BILBREY BASIN; BONE SPRING | Dec | 12515 | 24412 | 54885 | |
| | [5695] BILBREY BASIN; BONE SPRING | Jan | 13005 | 28868 | 64886 | |
| | [5695] BILBREY BASIN; BONE SPRING | Feb | 10826 | 25988 | 50014 | |
| | [5695] BILBREY BASIN;BONE SPRING | Mar | 11761 | 25281 | 41681 | |
| | [5695] BILBREY BASIN;BONE SPRING | Apr | 10620 | 22261 | 37377 | |
| | [5695] BILBREY BASIN;BONE SPRING | May | 10340 | 21776 | | |
| | [5695] BILBREY BASIN;BONE SPRING | Jun | 9459 | 20301 | 30296 | |
| | [5695] BILBREY BASIN;BONE SPRING | Jul | 6605 | 14951 | 25265 | |
| 2022 | [5695] BILBREY BASIN;BONE SPRING | Aug | 2437 | 9006 | | |
| | [5695] BILBREY BASIN;BONE SPRING | Sep | 7481 | 15377 | 38303 | |
| | [5695] BILBREY BASIN; BONE SPRING | Oct | 8086 | 13921 | 35528 | |
| 2022 | [5695] BILBREY BASIN;BONE SPRING | Nov | 7443 | 17390 | 34364 | 30 |
| | [5695] BILBREY BASIN; BONE SPRING | Dec | 7520 | 13055 | | |
| | [5695] BILBREY BASIN; BONE SPRING | Jan | 7498 | 16013 | 26728 | |
| 2023 | [5695] BILBREY BASIN; BONE SPRING | Feb | 5477 | 10098 | 24662 | 28 |
| 2023 | [5695] BILBREY BASIN; BONE SPRING | Mar | 6427 | 13985 | 29422 | 30 |

Production Summary Report API: 30-025-48617 GOUDA FEDERAL COM #605H Printed On: Wednesday, June 14 2023

| | | Production | | | | |
|------|-----------------------------------|------------|-----------|----------|-------------|----------|
| Year | Pool | Month | Oil(BBLS) | Gas(MCF) | Water(BBLS) | Days P/I |
| 2021 | [5695] BILBREY BASIN; BONE SPRING | Jul | 196 | 755 | 28666 | 3 |
| 2021 | [5695] BILBREY BASIN;BONE SPRING | Aug | 56829 | 121036 | 253250 | 31 |
| 2021 | [5695] BILBREY BASIN; BONE SPRING | Sep | 40055 | 81932 | 115076 | 30 |
| 2021 | [5695] BILBREY BASIN; BONE SPRING | Oct | 31573 | 69797 | 78350 | 31 |
| 2021 | [5695] BILBREY BASIN; BONE SPRING | Nov | 15452 | 40387 | 47000 | 24 |
| 2021 | [5695] BILBREY BASIN; BONE SPRING | Dec | 19096 | 40103 | 61681 | 30 |
| 2022 | [5695] BILBREY BASIN; BONE SPRING | Jan | 17833 | 38919 | 65848 | 31 |
| 2022 | [5695] BILBREY BASIN; BONE SPRING | Feb | 14590 | 34567 | 55477 | 28 |
| 2022 | [5695] BILBREY BASIN; BONE SPRING | Mar | 16472 | 36810 | 44078 | 31 |
| 2022 | [5695] BILBREY BASIN; BONE SPRING | Apr | 15190 | 35090 | 39916 | 30 |
| 2022 | [5695] BILBREY BASIN; BONE SPRING | May | 14913 | 36237 | 39517 | 31 |
| 2022 | [5695] BILBREY BASIN; BONE SPRING | Jun | 13475 | 32647 | 46177 | 30 |
| 2022 | [5695] BILBREY BASIN; BONE SPRING | Jul | 12851 | 31503 | 36205 | 31 |
| 2022 | [5695] BILBREY BASIN; BONE SPRING | Aug | 12688 | 29052 | 45711 | 31 |
| 2022 | [5695] BILBREY BASIN; BONE SPRING | Sep | 10635 | 26873 | 31476 | 30 |
| 2022 | [5695] BILBREY BASIN; BONE SPRING | Oct | 11119 | 25786 | 29985 | 31 |
| 2022 | [5695] BILBREY BASIN;BONE SPRING | Nov | 11148 | 22466 | 28864 | 30 |
| 2022 | [5695] BILBREY BASIN;BONE SPRING | Dec | 8577 | 20293 | 24597 | 30 |
| 2023 | [5695] BILBREY BASIN;BONE SPRING | Jan | 8980 | 23196 | 26764 | 31 |
| 2023 | [5695] BILBREY BASIN;BONE SPRING | Feb | 7675 | 17627 | 21342 | 28 |
| 2023 | [5695] BILBREY BASIN;BONE SPRING | Mar | 8234 | 19306 | 23601 | 30 |

Mozzarella 8 CTB 1 Notice List

| To Company Name | To Name | To Address Line 1 | To Address Line2 | To City | To State | To ZIP PIC |
|--|--|--|------------------|--------------------|----------|---|
| то сопрану маше | | 104 Decker Court | Suite 300 | , | TX | 75062 _9414811898765412317832 |
| Allono Moras Donto ou Franco I Seating a Toront | 6684 Energy Holdings, LLC | | Suite 300 | Irving | | |
| the Allene Novy-Portnoy Exempt Lifetime Trust | Allene B. Novy-Portnoy Trustee of | 3606 Highland View Drive | "4 40 | Austin | TX | 78731 _9414811898765412317870 |
| the Allene Novy-Portnoy Exempt Lifetime Trust | Allene B. Novy-PortnoyTrustee | 3500 Greystone Dr. | #143 | Austin | TX | 78731 _9414811898765412317719 |
| | Amarco Energy, LLC | 3051 Wolfcreek Ranch Road | | Burnet | TX | 78611 _9414811898765412317764 |
| | Berkshire Trust Dated 2015 c/o Leo Abbe | 129 Brite Ave | | Scarsdale | NY | 10583 _9414811898765412317726 |
| c/o Ahron Gold | Beth Hamedresh Rachmay Hauab Corp | 100 Hewes St | | Brooklyn | NY | 11249 _9414811898765412317702 |
| the Brian M. Novy Exempt Lifetime Trust | Brian M. Novy Trustee of | 3913 Edgerock Drive | | Austin | TX | 78731 _9414811898765412317795 |
| | CEP Minerals, LLC | PO Box 50820 | | Midland | TX | 79710 _9414811898765412317740 |
| | Chevron U.S.A., Inc. | 1400 Smith St. | Ste. 45147 | Houston | TX | 77002 _9414811898765412317788 |
| | Collins & Jones Investments, LLC | 508 W. Wall St. | Ste. 1200 | Midland | TX | 79701 _9414811898765412317733 |
| | Collins & Jones Investments, LLC | 508 W. Wall St. | Ste. 1250 | Midland | TX | 79701 _9414811898765412317917 |
| | ConocoPhillips Company | 600 W. Illinois Ave. | | Midland | TX | 79701_9414811898765412317955 |
| | ConocoPhillips Company | 16930 Park Row Dr. | | Houston | TX | 77084 _9414811898765412317962 |
| | Crown Oil Partners, LP | PO Box 50820 | | Midland | TX | 79710 _9414811898765412317924 |
| | Darren Printz | 190 East Stacy Road | #306 | Allen | TX | 75002 _9414811898765412317900 |
| | Darren Printz | 19627 Davis Ford Rd. | # 300 | Springdale | AR | 72764 _9414811898765412317993 |
| | David W. Cromwell | PO Box 50820 | | Midland | TX | 79710 _9414811898765412317986 |
| | | PO Box 50820 | - | Midland | TX | 79710 _9414811898765412317931 |
| | Deane Durham | | | | | |
| | Devon Energy Production Company, L.P. | 333 West Sheridan Avenue | | Oklahoma City | OK | 73102 _9414811898765412317979 |
| | Fasken Acquisitions 02, Ltd. | 6101 Holiday Hill Rd. | | Midland | TX | 79707 _9414811898765412317610 |
| | Finwing Corporation Retirement Trust | P.O. Box 10886 | | Midland | TX | 79702 _9414811898765412317658 |
| | Gerald G. Vavrek | PO Box 50820 | | Midland | TX | 79710 _9414811898765412317665 |
| | GMT New Mexico Royalty, LLC | 1560 Broadway | Suite 2000 | Denver | CO | 80202 _9414811898765412317627 |
| | GMT New Mexico Royalty, LLC | 4949 S. Niagara St | Ste. 250 | Denver | CO | 80237 _9414811898765412317603 |
| | Good News Minerals, LLC | PO Box 50820 | | Midland | TX | 79710 _9414811898765412317696 |
| | H. Jason Wacker | 5601 Hillcrest | 1 | Midland | TX | 79707 _9414811898765412317641 |
| | H. Jason Wacker | 5518 San Saba Ave | 1 | Midland | TX | 79707 _9414811898765412317689 |
| Jeffrey L. Novy Exempt Lifetime Trust | Jeffrey L. Novy Trustee of the | 4226 St. Ives | + | Sugar Land | TX | 77479 _9414811898765412317672 |
| Series E. Novy Exempt Electime Hust | | PO Box 52603 | + | Midland | TX | 79710 9414811898765412317115 |
| | Jesse A. Faught, Jr. | | + | | TX | _ |
| | Jesse A. Faught, Jr. | 4307 Crestgate Ave. | | Midland | | |
| | Kaleb Smith | PO Box 50820 | | Midland | TX | 79710 _9414811898765412317160 |
| Sitio Royalties Operating Partnership, LP | KMF Land, LLC | 1401 Lawrence St. | Ste. 1750 | Denver | CO | 80202 _9414811898765412317108 |
| | Laurey Simons Karotkin | 605 Cumberland Drive | | Hurst | TX | 76054 _9414811898765412317146 |
| | LMC Energy, LLC | 550 W. Texas Ave. | Ste. 945 | Midland | TX | 79710 _9414811898765412317184 |
| | LMC Energy, LLC | 262 Carroll St. | | Fort Worth | TX | 76107 _9414811898765412317177 |
| | Loro Corporation Retirement Trust 401K | 101 Brookline Drive | | Ashville | NC | 28803 _9414811898765412317313 |
| | Marathon Oil Permian LLC | 990 Town & Country Blvd | | Houston | TX | 77024 _9414811898765412317351 |
| | Marcia Simmons | 3228 Maroneal Street | | Houston | TX | 77025 _9414811898765412317368 |
| | Marcia Simmons Hovious | 2021 Traemoor Village Dr. | | Nashville | TN | 37209 _9414811898765412317320 |
| | Mavros Minerals II, LLC | | Suite 310 | Midland | TX | 79705 _9414811898765412317306 |
| | | 4000 N. Big Spring | Suite 310 | | | |
| | Mavros Minerals II, LLC | PO Box 50820 | Ch. 045 | Midland | TX | 79710 _9414811898765412317344 |
| | MCT Energy, Ltd. | 550 W. Texas Ave. | Ste. 945 | Midland | TX | 79710 _9414811898765412317382 |
| | MCT Energy, Ltd. | 262 Carroll St. | | Fort Worth | TX | 76107 _9414811898765412317375 |
| Co-Trustees of the Hayes Revocable Trust | Michael D. Hayes and Kathryn A. Hayes | 3608 Meadowridge Lane | | Midland | TX | 79707 _9414811898765412317054 |
| | Michael J. Petraitis | P.O. Box 10886 | | Midland | TX | 79702 _9414811898765412317023 |
| | Michael J. Petraitis | 1603 Holloway Ave | | Midland | TX | 79701 _9414811898765412317009 |
| | Mike Moylett | PO Box 50820 | | Midland | TX | 79710 _9414811898765412317092 |
| | Oak Valley Mineral and Land, LP | PO Box 50820 | | Midland | TX | 79710 _9414811898765412317047 |
| | Paladin Energy Corp | 10290 Monroe Dr. | Suite 301 | Dallas | TX | 75229 _9414811898765412317085 |
| | Paladin Energy Corp | 4722 S. Lindhurst Ave | | Dallas | TX | 75229 _9414811898765412317030 |
| | Paladin Energy Corp | 17409 Woods Edge Dr. | 1 | Dallas | TX | 75287 _9414811898765412317078 |
| | Paul S. Simmons | 10 Bon Aire Drive | + | Olivette | MO | 63132 _9414811898765412317412 |
| | | 8300 Delmar Blvd | Apt 401 | St. Louis | | 63124 9414811898765412317412 |
| | Paul S. Simmons | | Apt. 401 | | MO | |
| | PBEX | 223 West Wall Street | Ste. 900 | Midland | TX | 79701 _9414811898765412317429 |
| | Post Oak Crown IV, LLC | 5200 San Felipe | - | Houston | TX | 77056 _9414811898765412317405 |
| | Post Oak Crown IV-B, LLC | 5200 San Felipe | | Houston | TX | 77056 _9414811898765412317498 |
| | Post Oak Mavros II, LLC | 34 S. Wynden Dr. | Ste. 210 | Houston | TX | 77056 _9414811898765412317443 |
| | Post Oak Mavros II, LLC | 34 S. Wynden Dr. | Ste. 300 | Houston | TX | 77056 _9414811898765412317481 |
| | Printz II, LLC | 190 E. Stacy Road 306-373 | | Allen | TX | 75002 _9414811898765412317436 |
| | Pro Deo Energy, Inc. | P.O. Box 10886 | | Midland | TX | 79702 _9414811898765412317474 |
| | Pro Deo Energy, Inc. | 9900 Spectrum Dr | | Austin | TX | 78717 9414811898765412317511 |
| | Quientesa Royalty LP | 508 W. Wall Ave. | Suite 500 | Midland | TX | 79701 _9414811898765412317566 |
| | Raven Resources, LLC | 13220 N. MacArthur | | Oklahoma City | OK | 73142 _9414811898765412317528 |
| | Raven Resources, LLC | 4321 Oak Knoll Dr | 1 | Plano | TX | 75093 _9414811898765412317597 |
| | | | 1 | | | |
| | RKC, Inc. | 1527 Hillside Rd. | - | Fairfield | CT | 6430 _9414811898765412317542 |
| | RKC, Inc. | 7029 E. Briarwood Circle | 0. 000 | Englewood | CO | 80112 _9414811898765412317580 |
| | RKC, Inc. | 7500 E. Arapahoe Rd | Ste. 380 | Englewood | CO | 80112 _9414811898765412317573 |
| | Robert D. Snyder | 3051 Wolf Creek Ranch Road | | Burnet | TX | 78611 _9414811898765412316217 |
| he Elaine Novy Shapiro Management Trust | Robert Shapiro, Trustee of | 42 Sundown Parkway | | Austin | TX | 78746 _9414811898765412316262 |
| | Rockwell Energy Resources, LLC | PO Box 54584 | | Oklahoma City | OK | 73154 _9414811898765412316200 |
| | Scott Cohen | 4649 Hazelton Ln. | | Lake Worth | FL | 33449 _9414811898765412316293 |
| | Sortida Resources, LLC | PO Box 50820 | İ | Midland | TX | 79710 9414811898765412316248 |
| | NM SLO | 310 Old Santa Fe Trail | 1 | Santa Fe | NM | 87504 _9414811898765412316231 |
| | 1 | 5 15 Old Sulltu I C Hall | 1 | | | |
| 2/o EDL Silver Forge Operating LLC | Sunrise Oil & Gas Proportios 110 | 5221 N OConnor Rouleward | Suite 1100 | Irving | TX | 75030 0414811808745412314011 |
| c/o FDL Silver Forge Operating, LLC | Sunrise Oil & Gas Properties, LLC | 5221 N OConnor Boulevard | Suite 1100 | Irving | XX | 75039 _9414811898765412316811 |
| c/o FDL Silver Forge Operating, LLC Carlsbad Field Office Attn: Mr. Dean McClure | Sunrise Oil & Gas Properties, LLC BLM New Mexico Oil Conservation Division | 5221 N OConnor Boulevard 620 E. Greene Street 1220 South St. Francis Drive | Suite 1100 | Irving Carlsbad | TX NM | 75039 _9414811898765412316811 88220 Via AFMSS Sundry Via OCD Online |

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

> Beginning with the issue dated June 21, 2023 and ending with the issue dated June 21, 2023.

Sworn and subscribed to before me this 21st day of June 2023.

Business Manager

My commission expires

January 29, 2027 (Seal) STATE OF NEW MEXICO

NOTARY PUBLIC GUSSIE RUTH BLACK **COMMISSION # 1087526** COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

LEGAL NOTICE June 21, 2023

Permian Resources Operating, LLC is applying to surface commingle 11 wells to a central tank battery in Lea County, New Mexico. The central tank battery is located West of the Mozzarella Drill Island. The 11 surrace commingle 11 wells to a central tank battery in Lea County, New Mexico. The central tank battery is located West of the Mozzarella Drill Island. The 11 wells, details and locations are the following: Mozzarella Fed Com 602H located in the northwest quarter of section 8, T22S, R32E, Unit C, 954 FNL & 2149 FWL. Bilbrey Basin; Bone Spring Mozzarella Fed Com 603H located in the northwest quarter of section 8, T22S, R32E, Unit C, 954 FNL & 2219 FWL. Bilbrey Basin; Bone Spring Mozzarella Fed Com 604H located in the southeast quarter of section 5, T22S, R32E, Unit P, 757 FSL & 1245 FEL, Bilbrey Basin; Bone Spring Mozzarella Fed Com 504H located in the northwest quarter of section 8, T22S, R32E, Unit C, 804 FNL & 2199 FWL. Bilbrey Basin; Bone Spring Mozzarella Fed Com 505H located in the northwest quarter of section 8, T22S, R32E, Unit C, 804 FNL & 2239 FWL. Bilbrey Basin; Bone Spring Mozzarella Fed Com 302H located in the northwest quarter of section 8, T22S, R32E, Unit C, 804 FNL & 249 FWL. Bilbrey Basin; Bone Spring Mozzarella Fed Com 302H located in the northwest quarter of section 8, T22S, R32E, Unit C, 804 FNL & 2149 FWL. Bilbrey Basin; Bone Spring Gouda Fed Com 605H located in the southeast quarter of section 5, T22S, R32E, Unit P, 757 FSL & 185 FEL. Bilbrey Basin; Bone Spring Gouda Fed Com 304H located in the southeast quarter of section 5, T22S, R32E, Unit P, 797 FSL & 105 FEL. Bilbrey Basin; Bone Spring Gouda Fed Com 506H located in the southeast quarter of section 5, T22S, R32E, Unit P, 797 FSL & 105 FEL. Bilbrey Basin; Bone Spring Gouda Fed Com 506H located in the southeast quarter of section 5, T22S, R32E, Unit P, 797 FSL & 1045 FEL. Bilbrey Basin; Bone Spring Gouda Fed Com 506H located in the southeast quarter of section 5, T22S, R32E, Unit P, 797 FSL & 1045 FEL. Bilbrey Basin; Bone Spring Gouda Fed Com 506H located in the southeast quarter of section 5, T22S, R32E, Unit P, 797 FSL & 1075 FEL. Bilbrey Basin; Bone Spring Gouda Fed Com 506H located in the southeast quarter of section 5, T22S, R32E,

Interested parties must file objections or requests for hearing with the New Mexico Oil Conservation Division, 1220 South Saint Francis Dr., Santa Fe, NM 87505, within 20 days. Additional information can be obtained by contacting Katie Biersmith, Permian Resources Operating, LLC, 1001 17th Street, Suite 1800, Denver, CO 80202. Phone number is 720-499-1522.

67117609

00279813

KATIE BIERSMITH PERMIAN RESOURCES 1001 17TH ST **SUITE 1800** DENVER, CO 80202

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

APPLICATION FOR SURFACE COMMINGLING
SUBMITTED BY PERMIAN RESOURCES OPERATING, ORDER NO. CTB-1057-A
LLC

ORDER

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

FINDINGS OF FACT

- 1. Permian Resources Operating, LLC ("Applicant") submitted a complete application to surface commingle the oil and gas production from the pools, leases, and wells as described in Exhibit A ("Application").
- 2. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
- 3. Applicant provided notice of the Application to all persons owning an interest in the oil and gas production to be commingled, including the owners of royalty and overriding royalty interests, regardless of whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
- 4. Applicant provided notice of the Application to the Bureau of Land Management ("BLM") or New Mexico State Land Office ("NMSLO"), as applicable.
- 5. Applicant certified the commingling of oil and gas production from the pools, leases, and wells will not in reasonable probability reduce the value of the oil and gas production to less than if it had remained segregated.

CONCLUSIONS OF LAW

- 6. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, 70-2-16, and 70-2-17, 19.15.12. NMAC, and 19.15.23. NMAC.
- 7. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10 A.(2) NMAC, 19.15.12.10 C.(4)(c) NMAC, and 19.15.12.10 C.(4)(e) NMAC, as applicable.
- 8. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9 A.(5) NMAC and 19.15.23.9 A.(6) NMAC, as applicable.
- 9. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10 B.(1) NMAC or 19.15.12.10 C.(1) NMAC, as applicable.

Order No. CTB-1057-A Page 1 of 3

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

ORDER

- 1. Applicant is authorized to surface commingle oil and gas production from the pools, leases, and wells as described in Exhibit A.
 - Applicant is authorized to store and measure oil and gas production off-lease from the pools, leases, and wells as described in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.
- 2. This Order supersedes Order CTB-1057.
 - For matters of surface commingling and off-lease storing and measuring oil and gas production and for the wells identified in Exhibit A, this Order supersedes Order PLC-653.
- 3. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling it with production from another well.
- 4. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15. NMAC or 19.15.23.8. NMAC.
- 5. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9. NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8 B. NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8 E. NMAC.
- 6. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10 C.(2) NMAC.
- 7. If the commingling of oil and gas production from any pool, lease, or well reduces the value of the commingled oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil and gas production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.
- 8. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.

Order No. CTB-1057-A Page 2 of 3

- 9. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).
- 10. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

DATE: 10/31/2025

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

ALBERT C. S. CHANG

Albert Chang

DIRECTOR

Order No. CTB-1057-A

State of New Mexico Energy, Minerals and Natural Resources Department

Exhibit A

Order: CTB-1057-A

Operator: Permian Resources Operating, LLC (372165)

Central Tank Battery: Mozzarella 8 Central Tank Battery

Central Tank Battery Location: UL C, Section 8, Township 22 South, Range 32 East Gas Title Transfer Meter Location: UL C, Section 8, Township 22 South, Range 32 East

Pools

Pool Name Pool Code
BILBREY BASIN; BONE SPRING 5695

| Leases as defined in 19.15.12.7(C) NMAC | | | | | |
|--|-------------------|------------|--|--|--|
| Lease | UL or Q/Q | S-T-R | | | |
| CA Bone Spring NMNM 105727763 (144138) | E2E2 | 32-21S-32E | | | |
| CA bone Spring NWINWI 105/2//05 (144156) | E2E2 | 05-22S-32E | | | |
| CA Bone Spring NMNM 105725412 (143956) | E2W2, W2E2 | 32-21S-32E | | | |
| CA bone Spring (143930) | E2W2, W2E2 | 05-22S-32E | | | |
| CA Bone Spring SLO 204648 PUN 1392723 | E2E2 | 32-21S-32E | | | |
| CA Bone Spring SLO 204046 PUN 1392725 | E2E2 | 05-22S-32E | | | |
| CA Bone Spring SLO 204649 PUN 1392168 | E2W2, W2E2 | 32-21S-32E | | | |
| CA Dune Spring SLO 204049 PUN 1392106 | E2W2, W2E2 | 05-22S-32E | | | |

| Wells | | | | | |
|--------------|-------------------------------|-------------------|------------|------|--|
| Well API | Well Name | UL or Q/Q | S-T-R | Pool | |
| 30-025-46742 | Mozzarella Federal Com #602H | E2W2, W2E2 | 32-21S-32E | 5695 | |
| 30-023-40742 | Wiozzarena Federal Com #002H | E2W2, W2E2 | 05-22S-32E | 3093 | |
| 30-025-46757 | Mozzarella Federal Com #603H | E2W2, W2E2 | 32-21S-32E | 5695 | |
| 30-023-40737 | Wiozzarena Federal Com #003H | E2W2, W2E2 | 05-22S-32E | 3093 | |
| 20 025 49616 | Mozzarella Federal Com #604H | E2W2, W2E2 | 32-21S-32E | 5605 | |
| 30-025-48616 | Mozzarena Federal Com #004H | E2W2, W2E2 | 5-22S-32E | 5695 | |
| 30-025-48617 | Gouda Federal Com #605H | E2E2 | 32-21S-32E | 5605 | |
| 30-025-4801/ | | E2E2 | 05-22S-32E | 5695 | |
| 20.025.51556 | Mozzarella Federal Com #505H | E2W2, W2E2 | 32-21S-32E | 5695 | |
| 30-025-51576 | Mozzarena Federal Com #505H | E2W2, W2E2 | 05-22S-32E | | |
| 30-025-50228 | Mozzarella Federal Com #302H | E2W2, W2E2 | 32-21S-32E | 5605 | |
| 30-025-50228 | Mozzarena Federal Com #302H | E2W2, W2E2 | 05-22S-32E | 5695 | |
| 20 025 46741 | Marravella Fadaval Care #402H | E2W2, W2E2 | 32-21S-32E | 5(05 | |
| 30-025-46741 | Mozzarella Federal Com #402H | E2W2, W2E2 | 05-22S-32E | 5695 | |
| 20 025 51575 | Gouda Federal Com #304H | E2E2 | 32-21S-32E | 5.05 | |
| 30-025-51575 | | E2E2 | 05-22S-32E | 5695 | |
| 20.025.50220 | Gouda Federal Com #404H | E2E2 | 32-21S-32E | 5605 | |
| 30-025-50329 | | E2E2 | 05-22S-32E | 5695 | |
| 20.025.50400 | Gouda Federal Com #506H | E2E2 | 32-21S-32E | 5.05 | |
| 30-025-50498 | | E2E2 | 05-22S-32E | 5695 | |

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

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/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 231313

CONDITIONS

| Operator: | OGRID: |
|----------------------------------|---|
| Permian Resources Operating, LLC | 372165 |
| 300 N. Marienfeld St Ste 1000 | Action Number: |
| Midland, TX 79701 | 231313 |
| | 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. | 11/10/2025 |