



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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Pecos District
Carlsbad Field Office
620 E. Greene

2015 JAN 27 Carlsbad, New Mexico 88220-6292
www.blm.gov/nm



IN REPLY REFER TO:
NM133899
3105.2 (P0220)

1/12/2015

Reference:
Haas Fed Com 1H
N2N2 of sec. 6, T. 19 S., R. 32 E.
Lea County, NM

COG Operating, LLC
600 West Illinois Avenue
Midland, TX 79701

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NM133899 involving 120 acres of Federal land in lease NMNM114980, and 41.41 acres of Federal land in lease NMNM0309376, Lea County, New Mexico, which comprise a 161.41 acre well spacing unit.

The agreement communitizes all rights to all producible hydrocarbons from the Bone Spring formation beneath the N2N2 of sec. 6, T. 19 S., R. 32 E., NMPM, and is effective 2/01/2014. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

Copies of this approval letter are being distributed to the appropriate Federal agencies. You are requested to furnish all interested parties with the appropriate evidence of this approval. Any production royalties that are due must be reported and paid according to regulations set up by the Office of Natural Resources Revenue at 1-800-525-9167 or 303-231-3504.

If you have any questions regarding this approval, please contact Edward G. Fernandez, Petroleum Engineer at (575) 234-2220.

Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,

Steve Caffey
Assistant Field Manager,
Lands and Minerals

1 Enclosure:
1 - Communitization Agreement

cc:

ONRR, Denver (357B-1, Antoinette Contreras, Stacey Kaiser)
NM Taxation & Revenue Dept. (Revenue Processing Div.)
NMOCD
NM (9200)
NM (P0220-CFO, File Room)

Determination - Approval - Certification

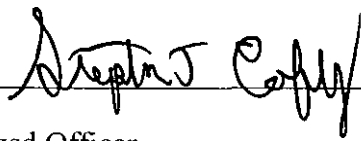
Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine that the Federal lease or leases as to the lands committed to the attached agreement 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 that consummation and approval of the agreement will be in the public interest. Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.

Approve the attached Communitization Agreement covering the N2N2 of sec. 6, T. 19 S., R. 32 E., NMPM, as to all producible hydrocarbons from the Bone Spring formation. This approval will become invalid if the public interest requirements under section 3105.2-3 (e) are not met.

- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the agreement.

Approved:



Authorized Officer

Effective: 02/01/2014

Contract No.: Com. Agr. NM133899



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Carlsbad, New Mexico 88220-6292
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In Reply Refer to
NM133899
3107 (P0220)

Memorandum

To: State Director (9210)

From: Land Law Examiner (P0220)

Subject: First Production, Communitization Agreement NM133899

Date of Completion:	September 21, 2013
Date of First Production:	September 24, 2013
Field:	Lusk
Operator, Well Name & No, API Number:	COG Production; Haas 6 Fed Com 1H; 30-025-41097
Surface Location:	N2N2 sec. 6, T. 19 S., R. 32 E.
Total Depth:	13,558' MD; 9,205' TVD
Surface Elevation:	3,675' GL
Producing Formation:	Bone Spring (9,501' – 13,460')
Well Capable of Production in Paying Quantities:	Yes
Initial Daily Production:	Oil 878 BBL; Gas 521 MCF; Water 926 BBL
Current Status:	Producing Oil Well
Remarks:	CA NM133899, effective 2/1/14, communitizes production of all gas and fluid hydrocarbons in the Bone Spring formation beneath the N2N2 of sec. 6, T. 19 S., R. 32 E., NMPM, and is comprized of 120 acres of Federal land in lease NMNM114980, and 41.41 acres of Federal land in lease NMNM0309376 for a 161.41 acre spacing unit.

If you have any questions regarding this memorandum, please email Arthur Morrison at ajmorrison@blm.gov.

/S/ Arthur Morrison
1/12/2015

cc:
ONRR-MS 63230B
First Production File
LLNM (P0220, File Room)