



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Pecos District
Carlsbad Field Office
620 E. Greene
Carlsbad, New Mexico 88220-6292
www.blm.gov/nm



IN REPLY REFER TO:
NM133991
3105.2 (P0220)

Reference:
Bimini 8 Fed Com 2H
T. 24 S., R. 32 E.,
Section 8: W2E2
Lea County, NM

January 28, 2015

RECEIVED OGD
2015 FEB -4 P 3:09

COG Operating, LLC
One Concho Center
600 West Illinois Avenue
Mid Land, TX 79701

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NM133991 involving 80 acres of Federal land in lease NMNM55953 and 80 acres of Federal land in lease NMNM90812, Lea County, New Mexico, which comprises a 160 acre well spacing unit.

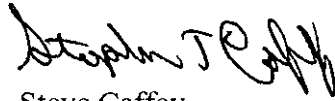
The agreement communitizes all rights to all producible hydrocarbons from the Delaware formation beneath the W2E2 of sec. 8, T. 24 S., R. 32 E., NMPM, and is effective 9/1/13. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal 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,

A handwritten signature in black ink, appearing to read "Steve Caffey".

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)

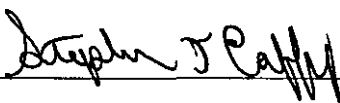
NM (P0220-CFO, File Room)

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.
- B. Approve the attached Communitization Agreement covering the W2E2 of sec. 8, T. 24 S., R. 32 E., NMPM, as to all producible hydrocarbons from the Delaware 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: September 1, 2013

Contract No.: Com. Agr. NM133991



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BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
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Carlsbad, New Mexico 88220-6292
www.nm.blm.gov



In Reply Refer to
NM133991
3107 (P0220)

Memorandum

To: State Director (9210)

From: Land Law Examiner (P0220)

Subject: First Production, Communitization Agreement NM133991

Date of Completion:	10/1/13
Date of First Production:	10/5/13
Field:	Mesa Verde
Operator, Well Name & No, API Number:	COG Operating; Bimini 8 Fed Com 2H; 3002541130
Surface Location:	W2E2 sec. 8, T. 24 S., R. 32 E.
Total Depth:	12,828 MD; 8,573 TVD
Surface Elevation:	3,573' GL
Producing Formation:	Delaware (8,740 – 12,770)
Well Capable of Production in Paying Quantities:	Yes
Initial Daily Production:	Oil 659 BBL; Gas 900 MCF; Water 1,584 BBL
Current Status:	Producing Oil Well
Remarks:	CA NM133991, effective 9/1/13, communitizes production of all gas and fluid hydrocarbons in the Delaware formation beneath the W2E2 of sec. 8, T. 24S, R. 32E., NMPM, and comprises 80 acres of Federal land in lease NMNM55953, and 80 acres of Federal land in lease NMNM90812 for a 160 well spacing unit, whose leases are held by actual production.

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

/S/ Arthur Morrison
January 28, 2015

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NO

NMNM90812

1a. Type of Well ☒ Oil Well ☐ Gas Well ☐ Dry ☐ Other
b. Type of Completion ☒ New Well ☐ Workover ☐ Deepen ☐ Plug Back ☐ Diff. Re.vr

Other Amended to Correct Item #25

6. INDIAN ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT

2. Name of Operator

COG Production LLC

8. FARM OR LEASE NAME

Bimini 8 Federal Com #2H

3. Address

2208 W. Main Street
Artesia, NM 88210

3a. Phone No (inlude area code)

575-748-6940

9. API WELL NO

30-025-41130

4. Location of Well (Report location clearly and in accordance with Federal requirements)

At surface 330' FNL & 1655' FEL, Unit B (NWNE) of Sec 8-24S-32E

At top prod. interval reported below

At total depth 301' FSL & 1694' FEL, Unit O (SWSE) of Sec 8-24S-32E

10. FIELD NAME

Mesa Verde, Delaware

11. SEC T, R, M, OR BLOCK AND SURVEY
OR AREA 8 T 24S R 32E

12. COUNTY OR PARISH 13. STATE

Lea NM

14. Date Spudded

7/26/13

15. Date T.D. Reached

8/15/13

16. Date Completed

10/1/13

☐ D & A

☒ Ready to Prod.

17. ELEVATIONS (DF, RKB, RT, GR, etc)*

3650' GR 3667' KB

18. Total Depth:

MD 12828'
TVD 8573'

19. Plug back T.D.:

MD 12797'
TVD 8573'

20. Depth Bridge Plug Set

MD
TVD

21. Type Electric & other Log's Run (Submit a copy of each)

CBL

22. Was well cored?

☒ No ☐ Yes (Submit analysis)

Was DST run?

☒ No ☐ Yes (Submit report)

Directional Survey?

☐ No ☒ Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No of Sks & Type of Cement	Slurry Vol (Bbl)	Cement Top*	Amount Pulled
17 1/2"	13 3/8" J55	54.5#	0	1081'		850 sx		0	None
12 1/4"	9 5/8" J55	36# & 40#	0	4683'		1475 sx		0	None
7 7/8"	5 1/2" P110	17#	0	12800'		2150 sx		1380' (CBL)	None

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2 7/8"	8055'							

25. Producing Intervals

Formation	Top	Bottom	26. Perforation Record	Size	No of Holes	Perf. Status
A) Delaware	8740'	12770'	8740-12724'	0.42	368	Open
B)			12760-12770'		60	Open
C)						
D)						

27. Acid, Fracture Treatment, Cement Squeeze, Etc

Depth Interval	Amount and Type of Material
See Attached	See Attached

28. Production- Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil Bbl	Gas MCF	Water Bbl	Oil Gravity Corr. API	Gas Gravity	Production Method
10/5/13	10/9/13	24	→	659	900	1584			Pumping
Choke Size	Tbg. Press Flwg. SI	Csg. Press	24 Hr. Rate	Oil Bbl	Gas MCF	Water Bbl	Gas: Oil Ratio	Well Status	
	370#	140#	→	659	900	1584			Producing

28a. Production- Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil Bbl	Gas MCF	Water Bbl	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press Flwg. SI	Csg. Press	24 Hr. Rate	Oil Bbl	Gas MCF	Water Bbl	Gas: Oil Ratio	Well Status	
			→						

* See instructions and spaces for additional data on page 2)

28b. Production- Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil Bbl	Gas MCF	Water Bbl	Oil Gravity Corr API	Gas Gravity	Production Method
Choke Size	Tbg. Press Flwg SI	Csg. Press.	24 Hr. Rate	Oil Bbl	Gas MCF	Water Bbl	Gas Oil Ratio	Well Status	

28c. Production- Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil Bbl	Gas MCF	Water Bbl	Oil Gravity Corr API	Gas Gravity	Production Method
Choke Size	Tbg. Press Flwg SI	Csg. Press.	24 Hr. Rate	Oil Bbl	Gas MCF	Water Bbl	Gas Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

Flaring

30. Summary of Porous Zones (include Aquifers)

Show all important zones of porosity and contents thereof. Cored intervals and all drill stem tests including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

Formation	Top	Bottom	Descriptions Contents, Etc	Name	Top Measured Depth
Lamar	4698'	8573'		Rustler Top of Salt Bottom of Salt Lamar	1016' 1343' 4465' 4698'
					TD. 8573' TVD

32. Additional remarks (include plugging procedure).

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☒ Electrical/Mechanical Logs (1 full set required)
 ☐ Geologic Report
 ☐ DST Report
 ☒ Directional Survey
- ☐ Sundry Notice for plugging and cement verification
 ☐ Core Analysis
 ☒ Other: Deviation Report

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) Stormi Davis

Title Regulatory Analyst

Signature

Date 1/28/15

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make in any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.