



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



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IN REPLY REFER TO:

NMNM137690

3105.2 (P0220)

30-025-41688

February 26, 2018

Reference:

Communitization Agreement

Sebastian Fed Com #3H, 4H

Section 18: E2

T. 24 S., R. 34 E., N.M.P.M.

Lea County, NM

COG Operating LLC

Attn: David M Wallace

600 West Illinois Avenue

Midland, TX 79701

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NMNM137690 involving 160.00 acres of Federal land in lease NMNM 123528, and 160.00 acres of Fee land, Lea County, New Mexico, which comprise a 320.00 acre well spacing unit.

The agreement communitizes all rights to all producible hydrocarbons from the Bone Spring formation beneath the E2 of Section 18, T. 24 S., R. 34 E, NMPM, Lea County, NM, and is effective October 1, 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.

Approval of this agreement does not constitute an adjudication of any state, local government, or private interests, and does not constitute a warranty or certification that the information supplied by the party submitting this agreement regarding any private, state, or local government interests is accurate.

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.

