State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary Heather Riley, Division Director Oil Conservation Division



November 15, 2018

OFF-LEASE MEASUREMENT

Administrative Order OLM-160

CENTENNIAL RESOURCE PRODUCTION, LLC

Attention: Ms. Kanicia Castillo

Centennial Resource Production, LLC ("Applicant"; OGRID 372165) is hereby authorized to transport and measure gas production off-lease, from the following well which produce from the Wolfcamp formation, the Antelope Ridge; Wolfcamp Pool (pool code 2220) in Lea County, New Mexico:

Sheba Federal Com Well No. 1H (API No. 30-0235-43358), Unit A, Section 22, Township 24 South, Range 34 East.

Applicant has a check meter to measure gas at the Sheba Federal Com Well No. 1H Central Tank Battery (CTB) located in Unit A, Section 22, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico.

Applicant is requesting to transport and measure the gas at either from one gatherer's meter located in Unit A, Section 20, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico, or another gatherer's meter located in Unit D, Section 22, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico.

All meters for the above-referenced well shall be physically separated from facilities for other wells, so that production from the above-referenced well will not be commingled prior to measurement with production from any other well.

This permit does not authorize the surface commingling of this oil and gas production with oil and gas production from other pools or leases.

It is also understood that you have given due notice of this application to all working interest owners who are "affected persons," as defined in Division Rule 19.15.23.9 (A) NMAC.

The operator shall notify the Hobbs District Office of the Division before commencement of Off-Lease Measurement.

The approval is subject to like approval by the Bureau of Land Management.

OLM-160 Centennial Resource Production, LLC November 15, 2018 Page 2 of 2

HEATHER RILEY

Director

HR/mam

cc: Oil Conservation Division – Hobbs district office

Bureau of Land Management - Carlsbad District Office