

ABOVE THIS LINE FOR DIVISION USE ONLY

368

Loft
Daley
2/20/13

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR
- [D] Other: Specify _____
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

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

Brian Maiorino		Regulatory Analyst	12/11/12
Print or Type Name	Signature	Title	Date
		bmaiorino@concho.com	
		e-mail Address	

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.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: COG Operating LLC
OPERATOR ADDRESS: One Concho Center, 600 W. Illinois Avenue, Midland, TX 79701
APPLICATION TYPE:

Pool Commingling Lease Commingling Pool and Lease Commingling Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: Fee State Federal

Is this an Amendment to existing Order? Yes No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
 Yes No

(A) POOL COMMINGLING
Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

(2) Are any wells producing at top allowables? Yes No
(3) Has all interest owners been notified by certified mail of the proposed commingling? Yes No.
(4) Measurement type: Metering Other (Specify)
(5) Will commingling decrease the value of production? Yes No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING
Please attach sheets with the following information

(1) Pool Name and Code: Dodd;Glorieta-Yeso (979170), East Empire;Glorieta-Yeso (96610)
(2) Is all production from same source of supply? Yes No
(3) Has all interest owners been notified by certified mail of the proposed commingling? Yes No
(4) Measurement type: Metering Other (Specify)

(C) POOL and LEASE COMMINGLING
Please attach sheets with the following information

(1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT
Please attached sheets with the following information

(1) Is all production from same source of supply? Yes No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)
Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Brian Maiorino TITLE: Regulatory Analyst DATE: 12/11/12
TYPE OR PRINT NAME Brian Maiorino TELEPHONE NO.: 432-221-0467
E-MAIL ADDRESS: bmaiorino@concho.com



December 12, 2012

COG Operating, LLC
Brian Maiorino
One Concho Center
600 W. Illinois Avenue
Midland, Texas 79701

New Mexico Oil Conservation Division
Richard Ezeanyim
1220 S St. Francis Drive
Santa Fe, New Mexico 87505

Dear Mr. Ezeanyim,

COG Operating LLC respectfully requests approval for Surface Commingle on the following wells:

RECEIVED OOD

2012 DEC 26 P 1:31

Submarine 10 Fed Com 1H Eddy County, NM API # pending Surface: 460 FNL & 285 FEL, Sec 10 T17S, R29E, Unit A	Submarine 10 Fed Com 2H Eddy County, NM API # 30-015-40358 Surface: 945 FNL & 15 FEL, Sec 10 T17S, R29E, Unit A
Submarine 10 Fed Com 3H Eddy County, NM API # 30-015-40543 Surface: 1605 FNL & 85 FEL, Sec 10 T17S, R29E, Unit H	Submarine 10 Fed Com 4H Eddy County, NM API # 30-015-40545 Surface: 2285 FNL 40 FEL, Sec 10 T17S, R29E, Unit H
Submarine 11 Fed Com 1H Eddy County, NM API # pending Surface: 330 FNL & 10 FWL, Section 11 T17S, R29E, Unit D	Submarine 11 Fed Com 2H Eddy County, NM API # 30-015-40359 Surface: 945 FNL & 155 FWL, Section 11 T17S, R29E, Unit D
Submarine 11 Fed Com 3H Eddy County, NM API # 30-015-40546 Surface: 1605 FNL & 85 FWL, Section 11 T17S, R29E, Unit E	Submarine 11 Fed Com 4H Eddy County, NM API # 30-015-40360 Surface: 2285 FNL & 130 FWL, Section 11 T17S, R29E, Unit E

Approved Producing

*Proposed
DHC-4564*

The Submarine 10 Fed Com 1H-4H will have a communitization agreement comprised of a 160.00-acre well spacing unit spanning the north half of section 10.

The Submarine 11 Fed Com 1H-4H will have a communitization agreement comprised of a 160.00-acre well spacing unit spanning the north half of section 11.

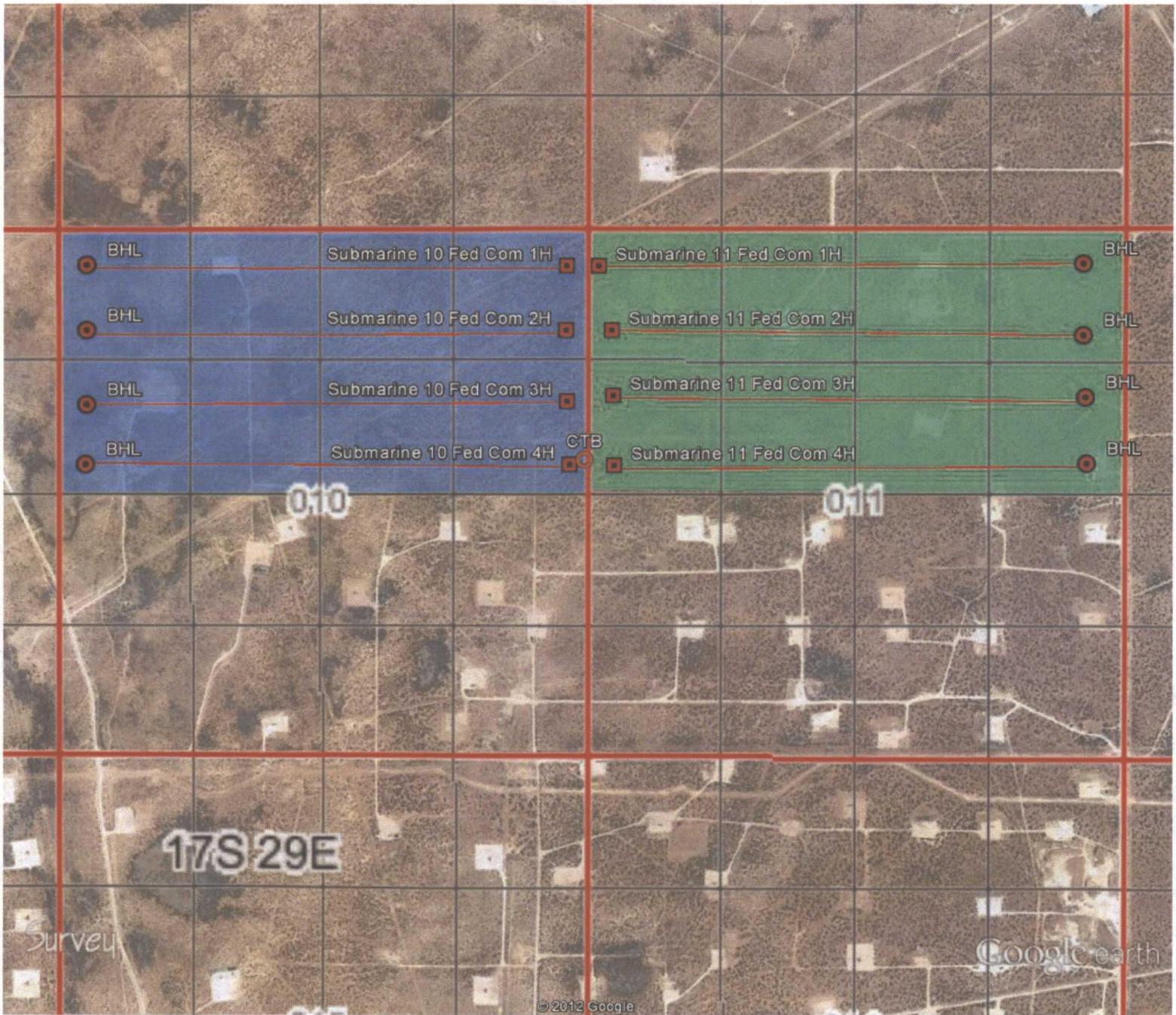
The eight wells listed above will produce to a central tank battery located on the Submarine 10 Federal Com 4H well site. Production will be allocated by monthly well test.

I have attached proof of notice to all of our working interest owners, a diagram of our battery facility, and a map with comunitized boundaries showing all well and facility locations.

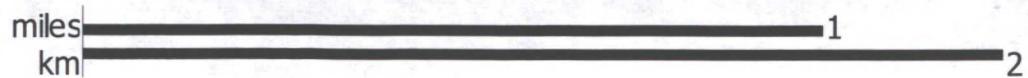
Please contact me at 432-221-0467 should you have any questions.

Sincerely,

B. Maiorino
Brian Maiorino
Regulatory Analyst
COG Operating LLC



Google earth



COG Operating, LLC is Requesting approval of surface commingle of production of the following wells

Comunitized north half of section 10 with comunitized north half of section 11, T17S, R29E

<u>Well Name</u>	<u>API No.</u>	<u>Loc: 1/4-1/4 Sec. Twp. Rng. UL</u>	<u>Formation</u>	<u>BOPD</u>	<u>Oil Gravity</u>	<u>MCFPD</u>	<u>BTU</u>
Submarine 10 Federal 1H	Pending	NENE, Sec 10, T17S, R29E, A	Dodd;Glorieta Upper-Yeso East Empire;Glorieta-Yeso		Not drilled		
Submarine 10 Federal 2H	30-015-40358	NENE, Sec 10, T17S, R29E, A	Dodd;Glorieta Upper-Yeso East Empire;Glorieta-Yeso	234	40.0/@60°	340	1400
Submarine 10 Federal 3H	30-015-40543	SENE, Sec 10, T17S, R29E, H	Dodd;Glorieta Upper-Yeso East Empire;Glorieta-Yeso		Not drilled		
Submarine 10 Federal 4H	30-015-40545	SENE, Sec 10, T17S, R29E, H	Dodd;Glorieta Upper-Yeso East Empire;Glorieta-Yeso		Not Drilled		
Submarine 11 Federal 1H	Pending	NWNW, Sec 11, T17S, R29E, D	Dodd;Glorieta Upper-Yeso		Not drilled		
Submarine 11 Federal 2H	30-015-40359	NWNW, Sec 11, T17S, R29E, D	Dodd;Glorieta Upper-Yeso	156	40.0/@60°	393	1400
Submarine 11 Federal 3H	30-015-40546	SWNW, Sec 11, T17S, R29E, E	Dodd;Glorieta Upper-Yeso		Not drilled		
Submarine 11 Federal 4H	30-015-40360	SWNW, Sec 11, T17S, R29E, E	Dodd;Glorieta Upper-Yeso		Not drilled		

The Storage and measuring facility is located on Submarine 10 Fed 4H swell site at SENE, Sec 10, T17S, R29E, Eddy County, NM
Frontier gas line is not yet connected to production, gas meter number will be provided once installed.

Production data for the 10 Fed 1H, 10 Fed 3H, 10 Fed 4H, 11 Fed 1H, 11 Fed 3H, and 11 Fed 4H will be provided as these wells are completed

BLM will be notified if there is any future change in the facility location

Allocation of production to be based on individual monthly well tests.

DISTRICT I
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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, New Mexico 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
	97917	Dodd;Glorieta-Upper Yeso
Property Code	Property Name	Well Number
	SUBMARINE 10 FEDERAL COM	1H
OGRID No.	Operator Name	Elevation
229137	COG OPERATING, LLC	3630'

Surface Location

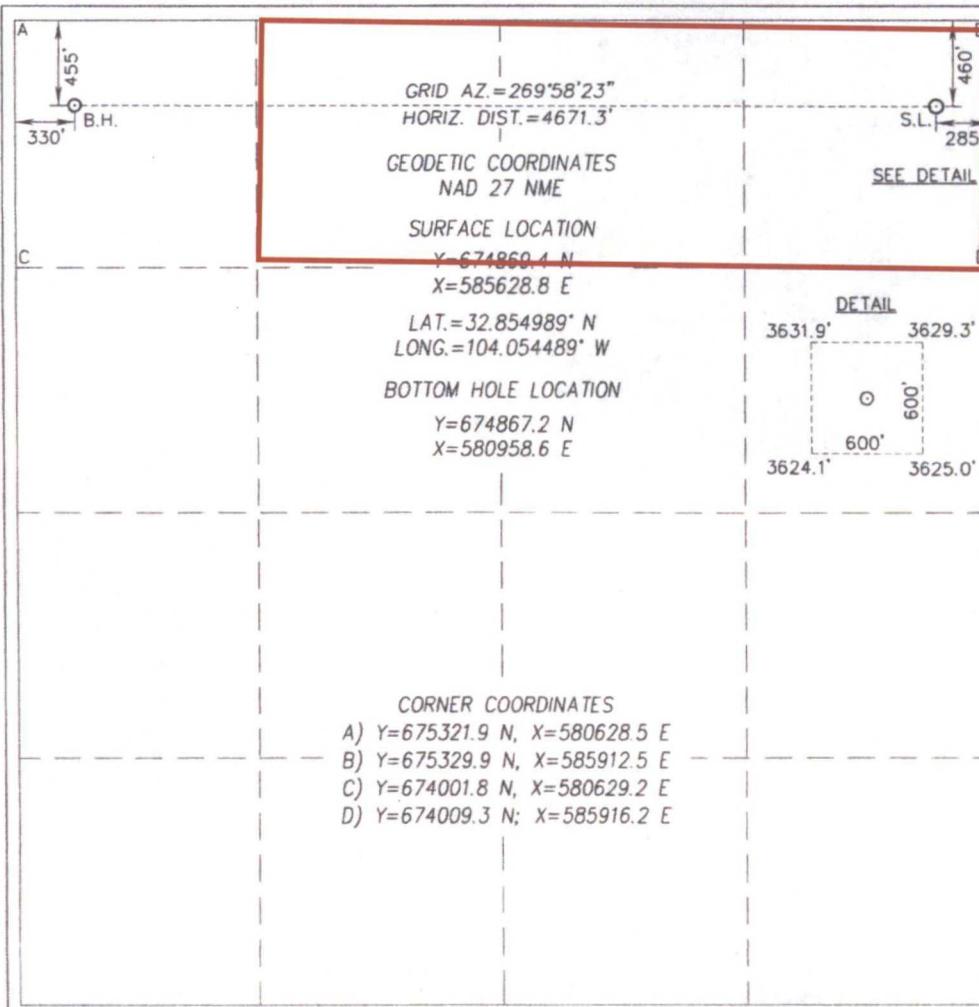
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	10	17-S	29-E		460	NORTH	285	EAST	EDDY

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
D	10	17-S	29-E		455	NORTH	330	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160.0			

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



OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

B. Maiorino 11/26/12
Signature Date
Brian Maiorino
Printed Name
bmaiorino@concho.com
E-mail Address

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

JULY 3, 2012

Date of Survey
Signature & Seal of Professional Surveyor:

Ronald S. Eidson
Professional Surveyor
3239
Certificate Number Gary G. Eidson 12641
Ronald S. Eidson 3239
AF/DSR Rel. W.O. 12.13.1405 JWSC W.O.: 12.13.1405

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
	96610	East Empire;Glorieta-Yeso
Property Code	Property Name	Well Number
	SUBMARINE 10 FEDERAL COM	1H
OGRID No.	Operator Name	Elevation
229137	COG OPERATING, LLC	3630'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	10	17-S	29-E		460	NORTH	285	EAST	EDDY

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
D	10	17-S	29-E		455	NORTH	330	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160.0			

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	<p>GRID AZ = 269°58'23"</p> <p>HORIZ. DIST. = 4671.3'</p>		<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Brian Maiorino</i> 2/7/13 Signature Date</p> <p>Brian Maiorino Printed Name</p> <p>bmaiorino@concho.com E-mail Address</p>
	<p>GEODETIC COORDINATES NAD 27 NME</p> <p>SURFACE LOCATION Y=674869.4 N X=585628.8 E</p> <p>LAT.=32.854989° N LONG.=104.054489° W</p> <p>BOTTOM HOLE LOCATION Y=674867.2 N X=580958.6 E</p>		
	<p>CORNER COORDINATES</p> <p>A) Y=675321.9 N, X=580628.5 E B) Y=675329.9 N, X=585912.5 E C) Y=674001.8 N, X=580629.2 E D) Y=674009.3 N, X=585916.2 E</p>		<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>JULY 3, 2012</p> <p>Date of Survey</p> <p>Signature & Seal of Professional Surveyor: Ronald S. Eidson 7/3/2012 Certificate Number: Gary S. Eidson 12641 Ronald S. Eidson 3239</p> <p>AF/DSR Rel. W.D. 12.13.1403 JWSC W.O.: 12.13.1403</p>

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-40358	Pool Code 97917	Pool Name Dodd-Glorieta-Upper Yeso
Property Code	Property Name SUBMARINE 10 FEDERAL COM	Well Number 2H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3626'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	10	17-S	29-E		945	NORTH	15	EAST	EDDY

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
D	10	17-S	29-E		990	NORTH	330	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160			

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

CORNER COORDINATES TABLE

- (A) - Y=675321.9 N, X=580628.5 E
- (B) - Y=675329.9 N, X=585912.5 E
- (C) - Y=674001.8 N, X=580629.2 E
- (D) - Y=674009.3 N, X=585916.2 E

GEODETIC COORDINATES
NAD 27 NME

SURFACE LOCATION
Y=674385.0 N
X=585900.1 E

LAT.=32.853656° N
LONG.=104.053609° W

BOTTOM HOLE LOCATION
Y=674332.3 N
X=580958.9 E

DETAIL
3630.4' 3629.0'
600'
3625.2' 3639.6'

OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

[Signature] 5/2/12
Date

Kanicia Castillo
Printed Name

kcastillo@concho.com
E-mail Address

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

DECEMBER 7, 2011

Date of Survey

Signature & Seal of Professional Surveyor:

Cert. State Number Gary S. Eidson 12641
Ronald J. Eidson 3239

AF WSC W.O.: 11.11.2273

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WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-40358	Pool Code 96610	Pool Name East Empire;Glorieta-Yeso
Property Code	Property Name SUBMARINE 10 FEDERAL COM	Well Number 2H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3626'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	10	17-S	29-E		945	NORTH	15	EAST	EDDY

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
D	10	17-S	29-E		990	NORTH	330	WEST	EDDY

Dedicated Acres 1.60	Joint or Infill	Consolidation Code	Order No.
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GR. AZ. 269°23'19"
HORIZ. DIST. = 4942.7'

S.L.
SEE DETAIL

CORNER COORDINATES TABLE

Ⓐ	Y=675321.9 N, X=580628.5 E
Ⓑ	Y=675329.9 N, X=585912.5 E
Ⓒ	Y=674001.8 N, X=580629.2 E
Ⓓ	Y=674009.3 N, X=585916.2 E

GEODETTIC COORDINATES
NAD 27 NME

SURFACE LOCATION
Y=674385.0 N
X=585900.1 E

LAT.= 32.853656° N
LONG.= 104.053609° W

BOTTOM HOLE LOCATION
Y=674332.3 N
X=580958.9 E

DETAIL

3630.4'	3629.0'
3625.2'	3639.6'

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5/2/12
Date

Signature: *Kanicia Castillo*

Printed Name: **Kanicia Castillo**

E-mail Address: **kcastillo@concho.com**

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

DECEMBER 7, 2011
Date of Survey

Signature & Seal of Professional Surveyor:

Professional Number: **3239**
 Gary S. Eidson 12641
 Ronald J. Eidson 3239

AF
NSC W.O.: 11.11.2273

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-40543	Pool Code 97917	Pool Name Dodd-Glorieta-Upper Yeso
Property Code	Property Name SUBMARINE 10 FEDERAL COM.	Well Number 3H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3627'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	10	17-S	29-E		1605	NORTH	85	EAST	EDDY

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
E	10	17-S	29-E		1650	NORTH	330	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160			

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

DETAIL
3618.9' 3639.0'
600'
3615.2' 3627.9'

GRID AZ. = 269°22'56"
HORZ. DIST. = 4874.2'

S.L. SEE DETAIL
85'

1650'

330' B.H.

1605'

OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

[Signature] 5/2/12
Date
Kanicia Castillo
Printed Name
kcastillo@concho.com
E-mail Address

CORNER COORDINATES TABLE

Ⓐ - Y=674001.8 N, X=580629.2 E

Ⓑ - Y=674009.3 N, X=585916.2 E

Ⓒ - Y=672681.7 N, X=580629.9 E

Ⓓ - Y=672688.7 N, X=585919.9 E

GEODETTIC COORDINATES
NAD 27 NME

SURFACE LOCATION
Y=673725.0 N
X=585832.0 E

LAT. = 32.851842° N
LONG. = 104.053837° W

BOTTOM HOLE LOCATION
Y=673672.5 N
X=580959.3 E

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

DECEMBER 3, 2011

Date of Survey
Signature & Seal of Professional Surveyor:
[Signature] 12/14/2011
Ronald J. Eidson 12641
Ronald J. Eidson 3239
AF PROFESSIONAL SURVEYOR JWSC W.O.: 11.11.2274

DISTRICT I
 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, New Mexico 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-40543	Pool Code 96610	Pool Name East Empire;Glorieta-Yeso
Property Code	Property Name SUBMARINE 10 FEDERAL COM.	Well Number 3H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3627'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	10	17-S	29-E		1605	NORTH	85	EAST	EDDY

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
E	10	17-S	29-E		1650	NORTH	330	WEST	EDDY

Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.
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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

<p style="text-align: center;">DETAIL</p> <p style="text-align: center;">3618.9' 3639.0' 500' 500' 3615.2' 3627.9'</p> <p style="text-align: center;">GRID AZ. = 269°22'56" HORZ. DIST. = 4874.2'</p> <p style="text-align: center;">S.L. SEE DETAIL 85'</p> <p style="text-align: center;">330' B.H.</p> <p style="text-align: center;">1650'</p> <p style="text-align: center;">1605'</p> <p style="text-align: center;">CORNER COORDINATES TABLE</p> <p>(A) - Y=674001.8 N, X=580629.2 E</p> <p>(B) - Y=674009.3 N, X=585916.2 E</p> <p>(C) - Y=672681.7 N, X=580629.9 E</p> <p>(D) - Y=672688.7 N, X=585919.9 E</p> <p style="text-align: center;">GEODETIC COORDINATES NAD 27 NME</p> <p style="text-align: center;">SURFACE LOCATION Y=673725.0 N X=585832.0 E</p> <p style="text-align: center;">LAT. = 32.851842' N LONG. = 104.053837' W</p> <p style="text-align: center;">BOTTOM HOLE LOCATION Y=673672.5 N X=580959.3 E</p>	<p style="text-align: center;">OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p style="text-align: right;"> 5/2/12 Signature Date Kanicia Castillo Printed Name kcastillo@concho.com E-mail Address </p> <p style="text-align: center;">SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p style="text-align: center;">DECEMBER 3, 2011</p> <p>Date of Survey Signature & Seal of Professional Surveyor: Ronald J. Eidson 12641 Ronald J. Eidson 3239 PROFESSIONAL SURVEYOR AF TWSC W.O.: 11.11.2274 </p>
---	---

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OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-40545	Pool Code 97917	Pool Name Dodd-Glorieta-Upper Yeso
Property Code	Property Name SUBMARINE 10 FEDERAL COM	Well Number 4H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3621'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	10	17-S	29-E		2285	NORTH	40	EAST	EDDY

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
E	10	17-S	29-E		2310	NORTH	330	WEST	EDDY

Dedicated Acres 160	Joint or Infill	Consolidation Code	Order 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

CORNER COORDINATES TABLE

Ⓐ - Y=674001.8 N, X=580629.2 E
 Ⓑ - Y=674009.3 N, X=585916.2 E
 Ⓒ - Y=672681.7 N, X=580629.9 E
 Ⓓ - Y=672688.7 N, X=585919.9 E

GRID. AZ. = 269°37'11"
HORIZ. DIST. = 4920.5'

SEE DETAIL 40'

GEODETTIC COORDINATES
NAD 27 NME

SURFACE LOCATION
Y=673045.3 N
X=585878.8 E

LAT. = 32.849974° N
LONG. = 104.053690° W

BOTTOM HOLE LOCATION
Y=673012.7 N
X=580959.6 E

DETAIL

3614.9' 3630.1'
600' 600'
3618.0' 3627.0'

OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

5/2/12
Date

Signature: *Kanicia Castillo*

Printed Name: Kanicia Castillo

E-mail Address: kcastillo@concho.com

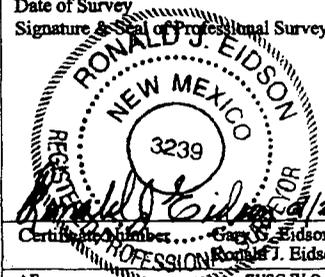
SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

JANUARY 4, 2012

Date of Survey

Signature & Seal of Professional Surveyor:



Certificate Number: 12641
Ronald J. Eidson 3239

AP JWSC W.O.: 11.11.2693

DISTRICT I
 1623 N. French Dr., Hobbs, NM 88240
 Phone: (575) 393-6161 Fax: (575) 393-0720

DISTRICT II
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-40545	Pool Code 96610	Pool Name East Empire;Glorieta-Yeso
Property Code	Property Name SUBMARINE 10 FEDERAL COM	
OGRID No. 229137	Operator Name COG OPERATING, LLC	
		Well Number 4H
		Elevation 3621'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	10	17-S	29-E		2285	NORTH	40	EAST	EDDY

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
E	10	17-S	29-E		2310	NORTH	330	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160			

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CORNER COORDINATES TABLE

Ⓐ - Y=674001.8 N, X=580629.2 E
 Ⓑ - Y=674009.3 N, X=585916.2 E
 Ⓒ - Y=672681.7 N, X=580629.9 E
 Ⓓ - Y=672688.7 N, X=585919.9 E

GRID. AZ. = 269°37'11"
 HORIZ. DIST. = 4920.5'

GEODETIC COORDINATES
 NAD 27 NME

SURFACE LOCATION
 Y=673045.3 N
 X=585878.8 E

LAT. = 32.849974° N
 LONG. = 104.053690° W

BOTTOM HOLE LOCATION
 Y=673012.7 N
 X=580959.6 E

DETAIL

3614.9' 3630.1'

500'

3618.0' 3627.0'

OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

5/2/12

Signature _____ Date _____
Kanicia Castillo

Printed Name _____
kcastillo@concho.com

E-mail Address _____

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

JANUARY 4, 2012

Date of Survey _____
 Signature & Seal of Professional Surveyor: _____

RONALD J. EIDSON
 NEW MEXICO
 3239
 REGISTERED PROFESSIONAL SURVEYOR
 1/26/2012

Certificate Number: Gary S. Eidson 12641
 Ronald J. Eidson 3239

AF JWSC W.O.: 11.11.2693

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-	Pool Code 97917	Pool Name Dodd;Glorieta-Upper Yeso
Property Code 39253	Property Name SUBMARINE 11 FEDERAL COM	Well Number 1H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3626'

Surface Location

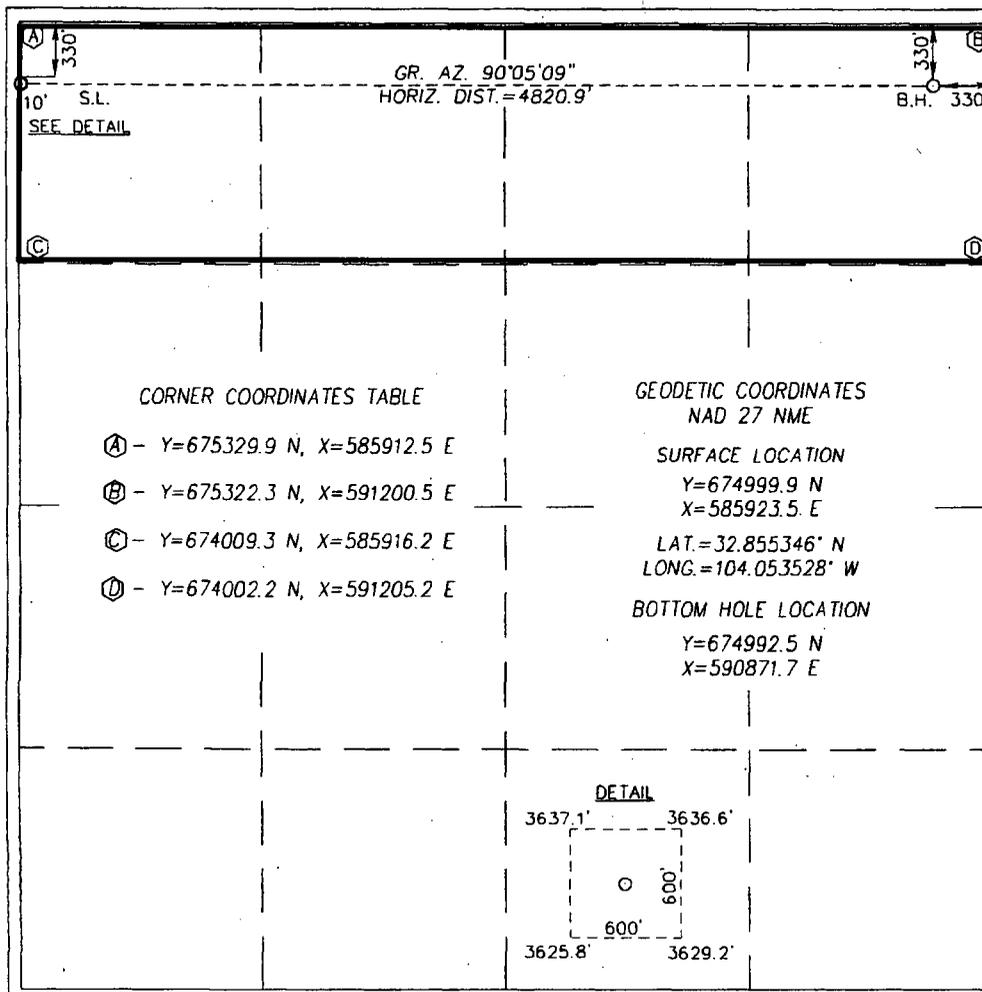
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	11	17-S	29-E		330	NORTH	10	WEST	EDDY

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
A	11	17-S	29-E		330	NORTH	330	EAST	EDDY

Dedicated Acres 160.0	Joint or Infill	Consolidation Code	Order No.
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OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Brian Maiorino 11/26/12
Signature Date

Brian Maiorino
Printed Name
bmaiorino@concho.com
E-mail Address

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

JANUARY 13, 2012

Date of Survey
Signature of Professional Surveyor:

Professional Surveyor Seal: RONALD J. EIDSON, NEW MEXICO, REGISTERED PROFESSIONAL SURVEYOR, 3239. Signature: Ronald J. Eidson, 1/30/2012. Certificate No. 12641, 3239.

DISTRICT I
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
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Phone: (505) 334-6178 Fax: (505) 334-6170
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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, New Mexico 87505

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-40359	Pool Code 97917	Pool Name Dodd;Glorieta-Upper Yeso
Property Code 39253	Property Name SUBMARINE 11 FEDERAL COM	Well Number 2H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3629'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	11	17-S	29-E		945	NORTH	155	WEST	EDDY

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
A	11	17-S	29-E		990	NORTH	330	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160.0			

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

<p>CORNER COORDINATES TABLE</p> <p>Ⓐ - Y=675329.9 N, X=585912.5 E Ⓑ - Y=675322.3 N, X=591200.5 E Ⓒ - Y=674009.3 N, X=585916.2 E Ⓓ - Y=674002.2 N, X=591205.2 E</p> <p>GEODETIC COORDINATES NAD 27 NME</p> <p>SURFACE LOCATION Y=674384.7 N X=586070.2 E LAT.=32.853654° N LONG.=104.053056° W</p> <p>BOTTOM HOLE LOCATION Y=674332.7 N X=590874.1 E</p> <p>DETAIL 3626.0' 3637.7' 600' 600' 3625.5' 3641.2'</p> <p>GRID AZ=90°37'13" HORIZ. DIST.=4805.4'</p> <p>S.L. SEE DETAIL 155' 945' 990' 330' B.H.</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <i>Brian Maiorino</i> Date: 11/26/12 Brian Maiorino Printed Name bmaiorino@concho.com E-mail Address</p> <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>DECEMBER 7, 2011</p> <p>Date of Survey Signature & Seal of Professional Surveyor: Ronald J. Eidson 12641 Ronald J. Eidson 3239 AF JWSC W.O.: 11.11.2277</p>
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DISTRICT I
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-40546	Pool Code 97917	Pool Name Dodd;Glorieta-Upper Yeso
Property Code 39253	Property Name SUBMARINE 11 FEDERAL COM	Well Number 3H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3629'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	11	17-S	29-E		1605	NORTH	85	WEST	EDDY

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
H	11	17-S	29-E		1650	NORTH	330	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160.0			

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

<p>DETAIL 3624.0' 3640.2' 600' 600' 3617.5' 3630.3'</p> <p>SL SEE DETAIL 85'</p> <p>GRID AZ. = 90°36'47" HORZ. DIST. = 4875.9'</p> <p>B.H. 330'</p> <p>1605'</p> <p>1650'</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Brian Maiorino</i> Signature Date 11/26/12</p> <p>Brian Maiorino Printed Name bmaiorino@concho.com E-mail Address</p>
	<p>CORNER COORDINATES TABLE</p> <p>Ⓐ - Y=674009.3 N, X=585916.2 E Ⓑ - Y=674002.2 N, X=591205.2 E Ⓒ - Y=672688.7 N, X=585919.9 E Ⓓ - Y=672682.1 N, X=591209.9 E Ⓔ - Y=675329.9 N, X=585912.5 E Ⓕ - Y=675322.9 N, X=591200.5 E</p> <p>GEODETIC COORDINATES NAD 27 NME</p> <p>SURFACE LOCATION Y=673725.0 N X=586002.0 E LAT.=32.851841° N LONG.=104.053283° W</p> <p>BOTTOM HOLE LOCATION Y=673672.8 N X=590876.4 E</p>

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□ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-40360	Pool Code 97917	Pool Name Dodd;Glorieta-Upper Yeso
Property Code 39253	Property Name SUBMARINE 11 FEDERAL COM	Well Number 4H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3624'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	11	17-S	29-E		2285	NORTH	130	WEST	EDDY

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
H	11	17-S	29-E		2310	NORTH	330	EAST	EDDY

Dedicated Acres 160.0	Joint or Infill	Consolidation Code	Order No.
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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

	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>B. Maiorino</i> 11/26/12 Signature Date</p> <p>Brian Maiorino Printed Name</p> <p>bmaiorino@concho.com E-mail Address</p>
<p>GEODETIC COORDINATES NAD 27 NME</p> <p>SURFACE LOCATION Y=673045.1 N X=586048.9 E</p> <p>LAT.=32.849972° N LONG.=104.053136° W</p> <p>BOTTOM HOLE LOCATION Y=673013.0 N X=590878.8 E</p> <p>CORNER COORDINATES TABLE</p> <p>Ⓐ - Y=674009.3 N, X=585916.2 E Ⓑ - Y=674002.2 N, X=591205.2 E Ⓒ - Y=672688.7 N, X=585919.9 E Ⓓ - Y=672682.1 N, X=591209.9 E</p>	<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>JANUARY 4, 2012 Date of Survey</p> <p>Signature & Seal of Professional Surveyor: <i>Ronald J. Eidson</i> RONALD J. EIDSON NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR 3239 Certificate No. 12641 W.O.: 11.11.2694</p>

December 10, 2012

Barbara Ann Quail Malone
4424 80th Street
Lubbock, TX 79424

Certified Mail Article Number: 91 7199 9991 7030 4044 9258

Re: Notice of Surface Commingle

Barbara Ann Quail Malone,

This letter will serve as notice under Rule 104.F (3) that COG Operating LLC has requested administrative approval from the Oil Conservation Division in Santa Fe, NM for surface commingling of the following wells:

Production from the north half of Section 10 and the north half of Section 11 to be gathered at Submarine 10 Federal Com 4H CTB, separate well test to be conducted for each well.

Submarine 10 Fed Com 1H Eddy County, NM API # pending Surface: 460 FNL & 285 FEL, Sec 10 T17S, R29E, Unit A	Submarine 10 Fed Com 2H Eddy County, NM API # 30-015-40358 Surface: 945 FNL & 15 FEL, Sec 10 T17S, R29E, Unit A
Submarine 10 Fed Com 3H Eddy County, NM API # 30-015-40543 Surface: 1605 FNL & 85 FEL, Sec 10 T17S, R29E, Unit H	Submarine 10 Fed Com 4H Eddy County, NM API # 30-015-40545 Surface: 2285 FNL 40 FEL, Sec 10 T17S, R29E, Unit H
Submarine 11 Fed Com 1H Eddy County, NM API # pending Surface: 330 FNL & 10 FWL, Section 11 T17S, R29E, Unit D	Submarine 11 Fed Com 2H Eddy County, NM API # 30-015-40359 Surface: 945 FNL & 155 FWL, Section 11 T17S, R29E, Unit D
Submarine 11 Fed Com 3H Eddy County, NM API # 30-015-40546 Surface: 1605 FNL & 85 FWL, Section 11 T17S, R29E, Unit E	Submarine 11 Fed Com 4H Eddy County, NM API # 30-015-40360 Surface: 2285 FNL & 130 FWL, Section 11

Should your company have any objection to this notice. The Division Director may have been made within the 20 days.

Please contact me at 432-221-046

Sincerely,

Brian Maiorino
Regulatory Analyst
COG Operating LLC

Attachments: Surface Map

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 		A. Signature <input checked="" type="checkbox"/> <i>Bill Malone</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to: Barbara Ann Quail Malone 4424 80 th Street Lubbock, TX 79424		B. Received by (Printed Name) <i>Bill Malone</i>	C. Date of Delivery 12-11-12
		D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
		3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	

December 10, 2012

Paul Slayton
PO Box 2035
Roswell, NM 88201

Certified Mail Article Number: 91 7199 9991 7030 4044 9265

Re: Notice of Surface Commingle

Paul Slayton,

This letter will serve as notice under Rule 104.F (3) that COG Operating LLC has requested administrative approval from the Oil Conservation Division in Santa Fe, NM for surface commingling of the following wells:

Production from north half of Section 10 and north half of Section 11 to be gathered at Submarine 10 Federal Com 4H CTB, separate well test to be conducted for each well.

Submarine 10 Fed Com 1H Eddy County, NM API # pending Surface: 460 FNL & 285 FEL, Sec 10 T17S, R29E, Unit A	Submarine 10 Fed Com 2H Eddy County, NM API # 30-015-40358 Surface: 945 FNL & 15 FEL, Sec 10 T17S, R29E, Unit A
Submarine 10 Fed Com 3H Eddy County, NM API # 30-015-40543 Surface: 1605 FNL & 85 FEL, Sec 10 T17S, R29E, Unit H	Submarine 10 Fed Com 4H Eddy County, NM API # 30-015-40545 Surface: 2285 FNL 40 FEL, Sec 10 T17S, R29E, Unit H
Submarine 11 Fed Com 1H Eddy County, NM API # pending Surface: 330 FNL & 10 FWL, Section 11 T17S, R29E, Unit D	Submarine 11 Fed Com 2H Eddy County, NM API # 30-015-40359 Surface: 945 FNL & 155 FWL, Section 11 T17S, R29E, Unit D
Submarine 11 Fed Com 3H Eddy County, NM API # 30-015-40546 Surface: 1605 FNL & 85 FWL, Section 11 T17S, R29E, Unit E	Submarine 11 Fed Com 4H Eddy County, NM API # 30-015-40360 Surface: 2285 FNL & 130 FWL, Section 11 T17S, R29E, Unit E

Should your company have any objection, it must be filed in writing within twenty (20) days from the date of this notice. The Division Director may approve the Surface Commingle and Off Lease Measurement if no objection has been made within the 20 days after the application has been received.

Please contact me at 432-221-0467 should you have any questions.

Sincerely,

Brian Maiorino
Regulatory Analyst
COG Operating LLC

Attachments: Surface Map

December 10, 2012

Carol Sanford Garrett
1712 S. Jackson
Amarillo, TX 79102

Certified Mail Article Number: 91 7199 9991 7030 4044 9241

Re: Notice of Surface Commingle

Carol Sanford Garrett,

This letter will serve as notice under Rule 104.F (3) that COG Operating LLC has requested administrative approval from the Oil Conservation Division in Santa Fe, NM for surface commingling of the following wells:

Production from the north half of Section 10 and the north half of Section 11 to be gathered at Submarine 10 Federal Com 4H CTB, separate well test to be conducted for each well.

Submarine 10 Fed Com 1H Eddy County, NM API # pending Surface: 460 FNL & 285 FEL, Sec 10 T17S, R29E, Unit A	Submarine 10 Fed Com 2H Eddy County, NM API # 30-015-40358 Surface: 945 FNL & 15 FEL, Sec 10 T17S, R29E, Unit A
Submarine 10 Fed Com 3H Eddy County, NM API # 30-015-40543 Surface: 1605 FNL & 85 FEL, Sec 10 T17S, R29E, Unit H	Submarine 10 Fed Com 4H Eddy County, NM API # 30-015-40545 Surface: 2285 FNL 40 FEL, Sec 10 T17S, R29E, Unit H
Submarine 11 Fed Com 1H Eddy County, NM API # pending Surface: 330 FNL & 10 FWL, Section 11 T17S, R29E, Unit D	Submarine 11 Fed Com 2H Eddy County, NM API # 30-015-40359 Surface: 945 FNL & 155 FWL, Section 11 T17S, R29E, Unit D
Submarine 11 Fed Com 3H Eddy County, NM API # 30-015-40546 Surface: 1605 FNL & 85 FWL, Section 11 T17S, R29E, Unit E	Submarine 11 Fed Com 4H Eddy County, NM API # 30-015-40360 Surface: 2285 FNL & 130 FWL, Section 11 T17S, R29E, Unit E

Should your company have any objection, it must be filed in writing within twenty (20) days from the date of this notice. The Division Director may approve the Surface Commingle and Off Lease Measurement if no objection has been made within the 20 days after the application has been received.

Please contact me at 432-221-0467 should you have any questions.

Sincerely,

Brian Maiorino
Regulatory Analyst
COG Operating LLC

Attachments: Surface Map

COMMUNITIZATION AGREEMENT

WELL NAME: Submarine 10 Fed Com #2H

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."

W I T N E S S E T H:

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 and depicted on "Exhibit A":

Township 17 South, Range 29 East, N.M.P.M.

Section 10: N/2N/2

Eddy County, New Mexico

Containing 160.00 acres, and this agreement shall include only the depths below 5,000 feet in the Yeso Formation(s) underlying said lands and the crude oil and associated natural gas, hereinafter, referred to as "communitized substances", producible from such formation(s).

COMMUNITIZATION AGREEMENT

WELL NAME: Submarine 11 Fed Com #2H

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."

W I T N E S S E T H:

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 and depicted on "Exhibit A":

Township 17 South, Range 29 East, N.M.P.M.

Section 11: N/2N/2

Eddy County, New Mexico

Containing 160.00 acres, and this agreement shall include only the depths below 5,000 feet in the Yeso Formation(s) underlying said lands and the crude oil and associated natural gas, hereinafter, referred to as "communitized substances", producible from such formation(s).

COMMUNITIZATION AGREEMENT

WELL NAME: Submarine 10 Fed Com #4H

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."

W I T N E S S E T H:

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 and depicted on "Exhibit A":

Township 17 South, Range 29 East, N.M.P.M.

Section 10: S/2N/2

Eddy County, New Mexico

Containing 160.00 acres, and this agreement shall include only the depths below 5,000 feet in the Yeso Formation(s) underlying said lands and the crude oil and associated natural gas, 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 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 four (4) 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 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 if such failure results from, compliance with any such laws, orders rules or regulations.
10. The effective date of this agreement is March 1, 2012, 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 representative, and shall remain

in force and effect for a period of 2 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 2-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 interests 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 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.

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:

COG Operating LLC

By: _____
Erick W. Nelson
Vice President, New Mexico

Working Interest Owners and Lessees of Record

Concho Oil & Gas LLC

Paul Slayton

By: _____
Erick W. Nelson
Vice President, New Mexico

By: _____

Patricia Slayton

By: _____

ACKNOWLEDGEMENTS

STATE OF TEXAS)
)
COUNTY OF MIDLAND)

This instrument was acknowledged before me on _____, by Erick W. Nelson, Vice President, New Mexico, COG Operating LLC, a Delaware limited liability company, on behalf of same.

Notary Public

STATE OF TEXAS)
)
COUNTY OF MIDLAND)

This instrument was acknowledged before me on _____, by Erick W. Nelson, Vice President, New Mexico, Concho Oil & Gas LLC, a Delaware limited liability company, on behalf of same.

Notary Public

STATE OF _____)
)
COUNTY OF _____)

This instrument was acknowledged before me on _____, 2012, by Paul Slayton.

Notary Public

STATE OF _____)
)
COUNTY OF _____)

This instrument was acknowledged before me on _____, 2012, by Patricia Slayton.

Notary Public

EXHIBIT A

To Communitization Agreement dated March 1, 2012, embracing
the S/2N/2 of Section 10, Township 17 South, Range 29 East, N.M.P.M.,
Eddy County, New Mexico

EXHIBIT B

To Communitization Agreement dated March 1, 2012, embracing
the S/2N/2 of Section 10, Township 17 South, Range 29 East, N.M.P.M.,
Eddy County, New Mexico

OPERATOR OF COMMUNITIZED AREA: COG Operating LLC

DESCRIPTION OF LEASES COMMITTED:

TRACT 1:

1 Lessor:	United States of America
Current Lessee of Record:	Paul Slayton
Serial Number of Lease	LC - 068722
Lease Date:	September 1, 1949
Primary Term of Lease:	5 years
Basic Royalty Rate:	12-1/2%
Description of Land Committed:	Insofar as said lease covers <u>Township 17 South, Range 29 East</u> Section 10: SWNW
Number of Acres:	Containing 40.00 acres, more or less
Name of Each Working Interest Owner:	COG Operating LLC 100%
Name of Each Overriding Royalty Interest Owner:	As Shown of Record

TRACT 2:

1 **Lessor:** United States of America
Current Lessee of COG Operating LLC 95%
Record: Concho Oil & Gas LLC 5%
Serial Number of
Lease LC - 028731-B
Lease Date: January 1, 1960
Primary Term of
Lease: 5 years
Basic Royalty Rate: 12-1/2%
Description of Land Insofar as said lease covers
Committed: Township 17 South, Range 29 East
Section 10: SENW, S2NE

Number of Acres: Containing 120.00 acres, more or
less

Name of Each Working
Interest Owner: COG Operating LLC 95%
Concho Oil & Gas LLC 5%

Name of Each
Overriding Royalty
Interest Owner: None

The Oil & Gas Leases above were outlined in Title Opinion dated August January 26, 2012, prepared by Cotton Bledsoe Tighe & Dawson, P.C. and in Title Opinion Dated October 19, 2011, prepared by Davis, Gerald & Cremer, P.C.

R E C A P I T U L A T I O N

Tract numbers	Number of Acres Committed	Percentage of Interest in Communitized Area
Tract No.1	40.00	25.00%
Tract No.2	<u>120.00</u>	<u>75.00%</u>
Total	160.00	100.00%

COMMUNITIZATION AGREEMENT

WELL NAME: Submarine 10 Fed Com #3H & 4H

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."

W I T N E S S E T H:

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 and depicted on "Exhibit A":

Township 17 South, Range 29 East, N.M.P.M.

Section 10: S/2N/2

Eddy County, New Mexico

Containing 160.00 acres, and this agreement shall include only the depths below 5,000 feet in the Yeso Formation(s) underlying said lands and the crude oil and associated natural gas, 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 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 four (4) 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.
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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 if such failure results from, compliance with any such laws, orders rules or regulations.
10. The effective date of this agreement is March 1, 2012, 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 representative, and shall remain

in force and effect for a period of 2 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 2-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 interests 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 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.

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:

COG Operating LLC

By: _____
Erick W. Nelson
Vice President, New Mexico

Working Interest Owners and Lessees of Record

Concho Oil & Gas LLC

Paul Slayton

By: _____
Erick W. Nelson
Vice President, New Mexico

By: _____

Patricia Slayton

By: _____

ACKNOWLEDGEMENTS

STATE OF TEXAS)
)
COUNTY OF MIDLAND)

This instrument was acknowledged before me on _____, by Erick W. Nelson, Vice President, New Mexico, COG Operating LLC, a Delaware limited liability company, on behalf of same.

Notary Public

STATE OF TEXAS)
)
COUNTY OF MIDLAND)

This instrument was acknowledged before me on _____, by Erick W. Nelson, Vice President, New Mexico, Concho Oil & Gas LLC, a Delaware limited liability company, on behalf of same.

Notary Public

STATE OF _____)
)
COUNTY OF _____)

This instrument was acknowledged before me on _____, 2012, by Paul Slayton.

Notary Public

STATE OF _____)
)
COUNTY OF _____)

This instrument was acknowledged before me on _____, 2012, by Patricia Slayton.

Notary Public

EXHIBIT A

To Communitization Agreement dated March 1, 2012, embracing
the S/2N/2 of Section 10, Township 17 South, Range 29 East, N.M.P.M.,
Eddy County, New Mexico

EXHIBIT B

To Communitization Agreement dated March 1, 2012, embracing
the S/2N/2 of Section 10, Township 17 South, Range 29 East, N.M.P.M.,
Eddy County, New Mexico

OPERATOR OF COMMUNITIZED AREA: COG Operating LLC

DESCRIPTION OF LEASES COMMITTED:

TRACT 1:

1 Lessor:	United States of America
Current Lessee of Record:	Paul Slayton
Serial Number of Lease	LC - 068722
Lease Date:	September 1, 1949
Primary Term of Lease:	5 years
Basic Royalty Rate:	12-1/2%
Description of Land Committed:	Insofar as said lease covers <u>Township 17 South, Range 29 East</u> Section 10: SWNW
Number of Acres:	Containing 40.00 acres, more or less
Name of Each Working Interest Owner:	COG Operating LLC 100%
Name of Each Overriding Royalty Interest Owner:	As Shown of Record

TRACT 2:

1 Lessor:	United States of America	
Current Lessee of	COG Operating LLC	95%
Record:	Concho Oil & Gas LLC	5%
Serial Number of		
Lease	LC - 028731-B	
Lease Date:	January 1, 1960	
Primary Term of		
Lease:	5 years	
Basic Royalty Rate:	12-1/2%	
Description of Land	Insofar as said lease covers	
Committed:	<u>Township 17 South, Range 29 East</u>	
	Section 10: SENW, S2NE	
Number of Acres:	Containing 120.00 acres, more or	
	less	
Name of Each Working		
Interest Owner:	COG Operating LLC	95%
	Concho Oil & Gas LLC	5%
Name of Each		
Overriding Royalty		
Interest Owner:	None	

The Oil & Gas Leases above were outlined in Title Opinion dated August January 26, 2012, prepared by Cotton Bledsoe Tighe & Dawson, P.C. and in Title Opinion Dated October 19, 2011, prepared by Davis, Gerald & Cremer, P.C.

RECAPITULATION

Tract numbers	Number of Acres Committed	Percentage of Interest in Communitized Area
Tract No.1	40.00	25.00%
Tract No.2	<u>120.00</u>	<u>75.00%</u>
Total	160.00	100.00%

Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Monday, January 28, 2013 8:54 PM
To: 'Brian Maiorino'
Cc: Shapard, Craig, EMNRD; Ezeanyim, Richard, EMNRD
Subject: Surface Commingle permit application from Concho: Submarine 10 Fed Com and Submarine 11 Fed Com Sections 10,11 of T17S R29E, Eddy County

Hello Brian,

Within Section 10, the 4 horizontal wells in question are set to extend West just outside the Dodd boundary.

So, within the Dodd Unit, the Dodd; Glorieta Upper Yeso Pool appears valid as a Pool for these wells.

And just west of the Dodd Unit at Yeso depths – the pool should be the East Empire; Glorieta Yeso Pool (96610).

At least that is the way it seems these well-completions are coded in our database and what was approved for Downhole.Commingling.

Would you look at those DHC permits and talk to Mr. Shapard about the correct nomenclature and let me know?

Also, let me know if the BLM has made progress on processing your federal surface commingle permit or if changes mandated recently by the BLM should be reflected in your application to the OCD.

Thank You,

Will

Jones, William V., EMNRD

From: Shapard, Craig, EMNRD
Sent: Monday, February 04, 2013 3:05 PM
To: Brian Maiorino; Jones, William V., EMNRD
Cc: Ezeanyim, Richard, EMNRD
Subject: RE: Surface Commingle permit application from Concho: Submarine 10 Fed Com and Submarine 11 Fed Com Sections 10,11 of T17S R29E, Eddy County

Yes

From: Brian Maiorino [<mailto:BMaiorino@concho.com>]
Sent: Monday, February 04, 2013 2:30 PM
To: Jones, William V., EMNRD
Cc: Shapard, Craig, EMNRD; Ezeanyim, Richard, EMNRD
Subject: RE: Surface Commingle permit application from Concho: Submarine 10 Fed Com and Submarine 11 Fed Com Sections 10,11 of T17S R29E, Eddy County

Hi yall, was it agreed that the pool to the west of the Dodd is the East Empire?

From: Jones, William V., EMNRD [<mailto:William.V.Jones@state.nm.us>]
Sent: Monday, January 28, 2013 9:54 PM
To: Brian Maiorino
Cc: Shapard, Craig, EMNRD; Ezeanyim, Richard, EMNRD
Subject: Surface Commingle permit application from Concho: Submarine 10 Fed Com and Submarine 11 Fed Com Sections 10,11 of T17S R29E, Eddy County

Hello Brian,

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Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Thursday, February 14, 2013 2:48 PM
To: 'Brian Maiorino'
Cc: Ezeanyim, Richard, EMNRD; Goetze, Phillip, EMNRD
Subject: COG surface commingle within the N/2 of two adjacent sections (Submarine 10 and 11 Federal Coms)

Hello Brian,

It appears this is new drilling of horizontal oil wells and the North ½ of Section 10 is common ownership and the North ½ of Section 11 is common ownership.

So there are 4 wells in Section 10 with identical ownership and 4 other wells in Section 11 with identical ownership, but diverse ownership between the two sets of wells?

The ideal way we would like the allocation done is to have continuous metering between the two "sections" or groups of wells but well tests could be used within each Section... unless you could send some reasoning why COG is requesting well tests to be used between all 8 of these wells – and how that method would protect correlative rights and prevent waste? In other words, what effect will it have (on correlative rights and waste) to set one other separator and/or tank with oil/gas meters to run at least one set of 4 wells through before commingling with the other 4 wells?

I have all I need except this explanation... I quickly looked at this, so if I have overlooked it in the application, I apologize.

Thanks for this,

Will Jones

Jones, William V., EMNRD

From: Brian Maiorino <BMAiorino@concho.com>
Sent: Wednesday, February 20, 2013 7:33 AM
To: Jones, William V., EMNRD
Cc: Ezeanyim, Richard, EMNRD; Goetze, Phillip, EMNRD; Chris Bledsoe
Subject: RE: COG surface commingle within the N/2 of two adjacent sections (Submarine 10 and 11 Federal Coms)

Richard, here is the production data you had requested

Submarine 10 2H – 188 BOPD, 206 BWPD, 450 MCFD
Submarine 10 4H – 97 BOPD, 583 BWPD, 152 MCFD
Submarine 11 2H – 163 BOPD, 283 BWPD, 443 MCFD
Submarine 11 4H – 166 BOPD, 373 BWPD, 254 MCFD

*IN EACH SECTION
2H + 2H = same 160
3H + 4H = " "*

I apologize that it took so long, been going back and forth in and out of town.

By using well test to allocate production between the two groups, we are wanting to avoid having to build another facility and would be leaving a smaller footprint.

Please let me know if more information is needed.

Thanks

From: Jones, William V., EMNRD [<mailto:William.V.Jones@state.nm.us>]
Sent: Thursday, February 14, 2013 3:48 PM
To: Brian Maiorino
Cc: Ezeanyim, Richard, EMNRD; Goetze, Phillip, EMNRD
Subject: COG surface commingle within the N/2 of two adjacent sections (Submarine 10 and 11 Federal Coms)

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