ConocoPhillips

ConocoPhillips 2208 West Main Street Artesia, New Mexico 88210 www.conocophillips.com

September 20, 2021

Attn: Dean McClure NM Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

Re: Application for Administrative Approval of Lease Commingle (CTB)

Dear Mr. McClure,

COG Operating LLC respectfully requests approval for lease commingling for the following wells:

Myox 30 State Com 701H API# 30-015-47090 Purple Sage; Wolfcamp (Gas) Ut. P, Sec. 18-T25S-R28E Eddy County, NM

Myox 30 State Com 703H API# 30-015-47091 Purple Sage; Wolfcamp (Gas) Ut. O, Sec. 18-T25S-R28E Eddy County, NM

Myox 30 State Com 705H API# 30-015-47094 Purple Sage; Wolfcamp (Gas) Ut. M, Sec. 18-T25S-R28E Eddy County, NM Myox 30 State Com 702H API# 30-015-47092 Purple Sage; Wolfcamp (Gas) Ut. P, Sec. 18-T25S-R28E Eddy County, NM

Myox 30 State Com 704H API# 30-015-47093 Purple Sage; Wolfcamp (Gas) Ut. N, Sec. 18-T25S-R28E Eddy County, NM

Myox 30 State Com 706H API# 30-015-47092 Purple Sage; Wolfcamp (Gas) Ut. M, Sec. 18-T25S-R28E Eddy County, NM

Oil Production:

The oil production from all wells will be measured separately by allocation meter prior to being commingled at the Central Tank Battery located in Ut. C, Sec. 19-T25S-R28E. In the event the CTB is over capacity or in the case of battery or pipeline repairs the oil production from these wells may be transported by truck to either the Red Hills Offload Station, located in Unit O, Section 4-T26S-R32E, or the Jal Offload Station, located in Unit D, Section 4-T26S-R37E, Lea County. In this case, the oil will remain segregated and will be measured by lact meter when offloading at said stations.

Gas Production:

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The gas production from all wells will be measured separately by allocation meter prior to being commingled and entering a gas flow line to the gas custody transfer meter at the Central Tank Battery located in Ut. C, Sec. 18-T25S-R28E.

All owners of interest have been notified by certified mail that should they have an objection to this surface commingling, they must file a formal protest with the NMOCD within 20 days of the date of this application. Proof of owner notification and copy of Public Notice is enclosed.

Please see the enclosed Administrative Application Checklist, C-107B Application for Surface Commingling, plats for referenced wells, site facility diagram, maps with lease boundaries showing wells and facility locations, and communization agreement application.

Thank you for your attention to this matter.

Sincerely,

beanthe Barron

Jeanette Barron Regulatory Coordinator

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RECEIVED:	REVIEWER;	TYPE:	APP NO:	
		ABOVE THIS TABLE FOR OCD DIVISIO		
	- Geologi	CO OIL CONSERVATI cal & Engineering B rancis Drive, Santa F	ON DIVISION ureau –	
		RATIVE APPLICATION		
THIS	CHECKLIST IS MANDATORY FOR AI REGULATIONS WHICH RE	LL ADMINISTRATIVE APPLICATION EQUIRE PROCESSING AT THE DIVI		DIVISIÓN RULES AND
Applicant: COG OF		·		Number: 229137
	x 30 State Com 701H-706H (please see attached)	API: <u>30-0</u>	
Pool: Purple Sage; V	Volfcamp, (Gas)	······	Pool Co	ode: <u>98220</u>
	n – Spacing Unit – Simult NSL 🗌 NSP (PR)
[1] Com [one only for [1] or [1] mingling – Storage – M DHC ECTB P ction – Disposal – Pressu WFX PMX S	LC	OLM ed Oil Recovery	·
A. Offse B. Roya C. Appli D. Notifi	N REQUIRED TO: Check t operators or lease hold lty, overriding royalty ov cation requires published cation and/or concurre cation and/or concurre	ders wners, revenue owne ed notice ent approval by SLO	rs	FOR OCD ONLY Notice Complete Application Content Complete

3) 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.

Jeanette Barron

Print or Type Name

<u>Juantte Barron</u> signature

Date

575-746-6974 Phone Number

jeanette.barron@conocophillips.com e-mail Address

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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

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: C	OG Operating LLC											
OPERATOR ADDRESS: 22	08 W Main Street, Artes	ia, New Mexico 88210										
APPLICATION TYPE:												
Pool Commingling Lease Cor	nmingling Pool and Leas	e Commingling Doff-Lease	Storage and Measu	rement (Only if not Surface	e Commingled)							
LEASE TYPE: 🔲 Fee	🛛 State 🔲 I	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												
			·									
(A) POOL COMMINGLING Please attach sheets with the following information												
(1) Pool Names and Codes	(1) Pool Names and Codes Gravities / BTU of Non-Commingled Production Calculated Gravities / BTU of Commingled Production Calculated Value of Commingled Production Volumes											
			ļ									
			<u> </u>									
			<u> </u>									
(2) Are any wells producing at for	allowables?	lo.			<u> </u>							
 (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.	i lease attach s	neets with the following t	niormation									
 Pool Name and Code. Is all production from same source of supply? ⊠Yes □No 												
(3) Has all interest owners been not(4) Measurement type: Meteri	ified by certified mail of the ng Other (Specify)	proposed commingling?	Yes N	0								
· · · · · · · · · · · · · · · · · · ·				· · ·								
		and LEASE COMMIN heets with the following in										
(1) Complete Sections A and E.	- I least attach 3		anor macion									
(D) OFF-LEASE STORAGE and MEASUREMENT												
Please attached sheets with the following information (1) Is all production from same source of supply? Yes No												
(1) Is an production non-same sol(2) Include proof of notice to all ir		LIN0										
				· · · · · ·								
(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 sh(3) Lease Names, Lease and Well			ers if Federal or Sta	te lands are involved.								
(3) Lease Names, Lease and Well	numbers, and API Numbers	•										
I hereby certify that the information :	bove is true and complete to	the best of my knowledge an	d belief.									
SIGNATURE: (Jeanth F	Landon	TITLE: Regulatory Technic	zian II		121							
TYPE OR PRINT NAME Jeanette B	arron TELEPHONE NO.:	<u>575.748.6974</u>										

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E-MAIL ADDRESS: _jeanette.barron@conocophillips.com

District 1 1625 N. French Dr., Hobbs, NM 88240 Phone: (375) 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, NM 87505

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

AMENDED REPORT

		W	/ELL LO	DCATIO	N AND ACI	REAGE DEDI	CATION PL	AT		
	API Number 15-4709			2 Pool Cod 98220	e	Purple Sage	^{3 Pool Na} e; Wolfcamp (
4 Property 40178				I	^{5 Property} MYOX 30 ST/				6	Well Number 701H
7 OGRID 22913					8 Operator COG OPERA					9 Elevation 3030'
					"Surface	Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	st line	County
Р	18	25-S	28-E		400'	SOUTH	1296'	EAS	ST	EDDY
			" Bo	ttom Ho	le Location I	f Different Fro	m Surface			- , , · ·
UL ar lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	st line	County
P	30	25-S	28-E		200'	SOUTH	450'	EAS	ST	EDDY
12 Dedicated Acre 640	s 13 Joint o	or Infill 14)	Consolidation	Code 15 O	rder No.	- 				······································



District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax. (575) 393-0720 District II

811 S. First SL, Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 <u>District III</u> 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, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

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

AMENDED REPORT

	API Number 5-47092			2 Pool Cod 98220	¢	Purple S	3 Pool Na age; Wolfcam		
4 Property 0 40178					^{5 Property} MYOX 30 ST				6 Well Number 702H
7 OGRID 22913				(8 Operator COG OPERA				9 Elevation 3029'
					" Surface	Location			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West	line County
Р	18	25-S 28-E 400' SOUTH 1326' EAST							EDDY
			" Bo	ottom Ho	le Location I	f Different Fro	m Surface		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West	line County
Р	30	25-S	28-E		200'	SOUTH	1326'	EASI	r EDDY
12 Dedicated Acre 640	s 13 Joint o	or Infill 14 C	Consolidation	Code 15 O	rder 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.



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1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u> 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, NM 87505

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

AMENDED REPORT

		W	ELL LO	<u>OCATIO</u>	N AND AC	REAGE DEDI	CATION PL	AT			
	API Number 5-4709		ç	2 Pool Cod 98220	e	Pu	3 Pool Na rple Sage; Wo		(Gas)		
	4 Property Code 5 Property Name 6 Well Number 40178 MYOX 30 STATE COM 703H										
	7 OGRID No. 8 Operator Name 9 Elevation 229137 COG OPERATING LLC 3029'										
	"Surface Location										
UL or lot no.	or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County										
0	18	25-S	28-E		400'	SOUTH	1356'	EAS	T	EDDY	
			" Bo	ttom Ho	le Location I	f Different Fro	m Surface				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	st line	County	
0	30	30 25-S 28-E 200' SOUTH 2202' EAST EDDY									
12 Dedicated Acre 640	s 13 Joint o	or Infill 14 C	onsolidation	Code 15 O	rder No.					A .	

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.



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State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

WELL LOCATION AND ACDEACE DEDICATION D

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AMENDED REPORT

		V		JUATIO	IN AND AC	KEAGE DEDI	CATION PL	AI		
	PI Number			2 Pool Cod	e		3 Pool Na	ime		
30-015	-47093			98220		Purpl	e Sage; Wolfo	amp (Gas)		
4 Property C 40178	lode			1	⁵ Property MYOX 30 ST.				6 Well Number 704H	
⁷ ogrid 1 22913				(8 Operator COG OPERA				9 Elevation 3045'	
					" Surface	Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
N	18	25-S	25-S 28-E 380' SOUTH 1356' WEST						EDDY	
			<u>"</u> Bc	ttom Ho	le Location I	f Different Fro	m Surface	-	······································	
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
N	31	25-S	25-S 28-E 50' SOUTH 2202' WEST EDDY							
12 Dedicated Acres 960	13 Joint o	or Infill 14 Co	nsolidation	Code 15 O	rder No.	Ŷ				



District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (375) 393-6161 Fax: (375) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (375) 748-1283 Fax: (375) 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, NM 87505

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

AMENDED REPORT

		V	VELL LO	OCATIO	N AND AC	REAGE DEDI	CATION PL	AT		
1.	API Number	r		2 Pool Cod	e		3 Pool Na	me		
30-01	15-4709	4		98220		Purp	le Sage; Wolfo	camp (Ga	as)	
4 Property 4 40178	Code			1	5 Property MYOX 30 ST.				6	Well Number 705H
7 ogrid 22913				(8 Operator COG OPERA					9 Elevation 3045'
			"Surface Location							
UL or lat no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/Wes	t line	County
М	18	25-S	28-E		380'	SOUTH	1326'	WES	T	EDDY
			" Bo	ttom Ho	le Location I	f Different Fro	m Surface			•
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/Wes	t line	County
M	31	25-S 28-E 50' SOUTH 1326' WEST EDDY								
12 Dedicated Acre 960									•	



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, NM 87505

WELL LOCATION AND ACREACE DEDICATION DLAT

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

AMENDED REPORT

		**		JUANO	IN AND ACI	KEAGE DEDI	CATION FL	AI			
	API Number 5-4709			2 Pool Cod 98220	•	Pu	3 Pool Na rple Sage; Wo		(Gas)		
4 Property 0 40178				1	5 Property MYOX 30 ST				б	Well Number 706H	
7 OGRID 2291				(8 Operator COG OPERA					9 Elevation 3045'	
			-		"Surface	Location					
UL or lot no.	Section	Township	Township Range Lot Ido Feet from the North/South line Feet from the East/West line County								
М	18	25-S	25-S 28-E 380' SOUTH 1296' WEST E								
			" Bo	ottom Ho	le Location I	f Different Fro	m Surface				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	st line	County	
M	31	25-S	25-S 28-E 50' SOUTH 450' WEST EDDY								
12 Dedicated Acre 960	s 13 Joint o	or Infill 14 (Consolidation	Code 15 O	rder No.						







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Myox 30 St Com Wells

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	vasi	61		
V8063				

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Myox 30 State Com 701H-706H &

Red Hills and Jal Offload Station Map



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			Myox 30 St Com 701H-706H CTB	0				
Date Sent	Initials	Name	Address	city	State	State ZipCode	Certified Return Receipt No.	Delivered
09.20.21	JB	OXY Y-1 Company	5 Greenway Plaza, Suite 110	Houston, TX 77046	4		7017 3040 0000 1205 2088	
09.20.21	JB	Nestegg Energy	2308 Sierra Vista Road	Artesia,	NM 88210		7017 3040 0000 1205 2095	
09.20.21	8	State of New Mexico	PO Box 1148	Santa Fe	MN	87504-1148	NM 87504-1148 7017 3040 0000 1205 2071	
09.20.21	8(Devon Energy	333 West Sheridan Ave.	Oklahoma City OK 73102	ă		7017 3040 0000 1205 2064	

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ARTESIA DAILY PRESS

LEGAL NOTICES

COG Operating LLC (COG), 2208 West Main Street, Artesia, New Mexico, 88210, is seeking administrative approval from the New Mexico Oil Conservation Division to commingle the oil and gas production from the Myox 30 State Com 701H-706H wells. Said wells are located in Section 18, Township 25 South, Range 28 East, Eddy County, New Mexico. The Central Tank Battery (CTB) where production will be commingled is located in Ut C, Section 19-T25S-R28E, Eddy County, New Mexico. In the event oil production at the CTB is over capacity or in the case of battery or pipeline repairs, COG is also seeking administrative approval for off-lease measurement at either the Red Hills Off-load Station in Unit O, Section 4-T26S-R32E or the Jal Off-load Station in Unit D, Section 4-T26S-R37E, Lea County, NM. Any interested party who has an objection to this must give notice in writing to the Oil Conservation Division, 1220 South Saint Francis Street, Santa Fe, New Mexico, 87505, within ten (10) days of this notice. Any interested party with may auestions or comments contact Lizzy Laufer (432) 221-0470 lizz.laufer@conocophillips.com at ConocoPhillips, 600 West Illinois, Midland, Texas 79701.

Published in the Artesia Daily Press, Artesia, NM September 23, 2021.

NM State Land Office Oil, Gas, & Minerals Division

KNOW ALL MEN BY THESE PRESENTS:

STATE/STATE OR
STATE/FEE
Revised March 2017

COMMUNITIZATION AGREEMENT

ONLINE Version

rsion Well Name: Myox 30 St Com 701H-703H

STATE OF NEW MEXICO)

API #: 30 - 015- 47090 30-015-47092 30-015-47091

COUNTY OF Eddy)

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of **July 1**, 20 **21**, by and between the parties subscribing, ratifying or consenting hereto, such parties hereinafter being referred to as "Parties hereto";

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by the Legislature, as set forth in Sec. 19-10-53, New Mexico Statutes, Annotated, 1978, in the interest of conservation of oil & gas and the prevention of waste to consent to and approve the development or operation of State Trust Lands under agreements made by lessees of oil & gas leases thereon, jointly or severally with other oil & gas lessees of State Trust Lands, or oil and gas lessees or mineral owners of privately owned or fee lands, for the purpose of pooling or communitizing such lands to form a proration unit or portion thereof, or well-spacing unit, pursuant to any order, rule or regulation of the New Mexico Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department where such agreement provides for the allocation of the production of oil or gas from such pools or communitized areas on an acreage or other basis found by the Commissioner of Public Lands to be fair and equitable.

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 leases are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

WHEREAS, said leases, insofar as they cover the

Wolfcamp

formation or pool as defined by the NMOCD, as further described on Exhibit "A" (hereinafter referred to as "said formation") in and under the land hereinafter described cannot be independently developed and operated in conformity with the well spacing program established for such formation in and under said lands; and

WHEREAS, the parties hereto desire to communitize and pool their respective interests in said leases subject to this agreement for the purpose of developing, operating and producing hydrocarbons in the said formation in and under the land hereinafter described subject to the terms hereof.

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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 undersigned as follows:

1. The lands covered by this agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions E/2

Of Sect(s)	19, 3	30	Twnshp	25S	Rng	28E	NMPM	Eddy	County, NM
------------	-------	----	--------	------------	-----	------------	------	------	------------

containing640.00 acres, more or less. It is the judgment of the parties hereto that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the parties hereto do hereby communitize for proration or spacing purposes only the leases and/or depths described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "communitized substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this agreement for all purposes, is Exhibit A showing the acreage, depths communitized and ownership (Lessees of Record) of all leases within the communitized area.

2. 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 leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.

3. Subject to Paragraph 4, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals under the terms of said leases shall not be affected by this agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this agreement shall remain in full force and effect as originally issued and amended.

ONLINE version March, 2017

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State/State State/Fee

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4. **COG Operating LLC** shall be the Operator of the said communitized area and all matters of operation shall be determined and performed by **COG Operating LLC**.

5. The State of New Mexico hereafter is entitled to the right to take in kind its share for the communitized substances allocated to such tract, and Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.

6. There shall be no obligation upon the parties hereto to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the parties hereto shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.

7. The commencement, completion, and continued operation or production of a well or wells of communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.

8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws. This agreement shall be subject to all applicable Federal and State laws, executive orders, rules and regulations affecting the performance of the provisions hereof, 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 compliance is prevented by or if such failure results from compliance with any such laws, orders, rules and regulations.

9. This agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities; provided, that this agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this agreement may be

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State/State State/Fee terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence. As to State Trust Lands, written notice of intention to commence such operations shall be filed with the Commissioner of Public Lands within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.

10. Operator will furnish the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and the Commissioner of Public Lands of the State of New Mexico, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

11. It is agreed between the parties hereto that the Commissioner of Public Lands, or his duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State of New Mexico.

12. If any order of the Oil Conservation Division of the New Mexico Energy Minerals and Natural Resources Department, upon which this agreement is predicated or based is in anyway changed or modified, then in such event said agreement is likewise modified to conform thereto.

13. 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 instruments, 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.

14. 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.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

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State/State State/Fee

OPERATOR: COG Operating LLC

BY:

Name and Title of Authorized Agent

Signature of Authorized Agent

Acknowledgment in an Individual Capacity

State of County of

This instrument was acknowledged before me on

) SS)

)

By

By

March, 2017

Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

Date

My commission expires: _

Acknowledgment in an Representative Capacity State of) ŚŚ) County of) This instrument was acknowledged before me on Date Name(s) of Person(s) (Seal) Signature of Notarial Officer My commission expires: ONLINE version State/State

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BY:

Name & Title of Authorized Agent

Signature of Authorized Agent

Acknowledgment in an Individual Capacity

State of County of

This instrument was acknowledged before me on

By

Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

My commission expires:

Date

Acknowledgment in an Representative Capacity

State of) SS) County of)

This instrument was acknowledged before me on

By

Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

Date

My commission expires: _____

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Description	of Lands Comm	itted:			
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TRACT NO. 3

Lessor:

Lessee of	Record:					
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Descriptio	on of Lands Commi	tted:				
Subdivisio	ons:					
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No. of Ac	res:					
TRACT 1 Lessor: Lessee of						
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Descriptio	on of Lands Commi	tted:				
Subdivisio	ons:					
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No. of Ac	res:					

RECAPITULATION

Tract number	Number of Acres Committed	Percentage of Interest in Communitized Area
No. 1		
No. 2		
No. 3		
No. 4		
TOTAL		
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March, 2017

NM State Land Office Oil, Gas, & Minerals Division

STATE/STATE OR		
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Revised March 2017		

COMMUNITIZATION AGREEMENT

ONLINE Version KNOW ALL MEN BY THESE PRESENTS: Wel

Well Name: Myox 30 St Com 704H-706H

STATE OF NEW MEXICO)

API #: 30 - 015- 47093 30-015-47094 30-015-47095

COUNTY OF Eddy)

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of **November 1**, 20 **21**, by and between the parties subscribing, ratifying or consenting hereto, such parties hereinafter being referred to as "Parties hereto";

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by the Legislature, as set forth in Sec. 19-10-53, New Mexico Statutes, Annotated, 1978, in the interest of conservation of oil & gas and the prevention of waste to consent to and approve the development or operation of State Trust Lands under agreements made by lessees of oil & gas leases thereon, jointly or severally with other oil & gas lessees of State Trust Lands, or oil and gas lessees or mineral owners of privately owned or fee lands, for the purpose of pooling or communitizing such lands to form a proration unit or portion thereof, or well-spacing unit, pursuant to any order, rule or regulation of the New Mexico Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department where such agreement provides for the allocation of the production of oil or gas from such pools or communitized areas on an acreage or other basis found by the Commissioner of Public Lands to be fair and equitable.

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 leases are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

WHEREAS, said leases, insofar as they cover the

Wolfcamp

formation or pool as defined by the NMOCD, as further described on Exhibit "A" (hereinafter referred to as "said formation") in and under the land hereinafter described cannot be independently developed and operated in conformity with the well spacing program established for such formation in and under said lands; and

WHEREAS, the parties hereto desire to communitize and pool their respective interests in said leases subject to this agreement for the purpose of developing, operating and producing hydrocarbons in the said formation in and under the land hereinafter described subject to the terms hereof.

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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 undersigned as follows:

1. The lands covered by this agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions Lots 1-4 and E2W2

Of Sect(s) 19, 30, 31Twnshp 25S Rng 28E NMPM Eddy County, NM

containing963.36 acres, more or less. It is the judgment of the parties hereto that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the parties hereto do hereby communitize for proration or spacing purposes only the leases and/or depths described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "communitized substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this agreement for all purposes, is Exhibit A showing the acreage, depths communitized and ownership (Lessees of Record) of all leases within the communitized area.

2. 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 leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.

3. Subject to Paragraph 4, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals under the terms of said leases shall not be affected by this agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this agreement shall remain in full force and effect as originally issued and amended.

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4. **COG Operating LLC** shall be the Operator of the said communitized area and all matters of operation shall be determined and performed by **COG Operating LLC**.

5. The State of New Mexico hereafter is entitled to the right to take in kind its share for the communitized substances allocated to such tract, and Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.

6. There shall be no obligation upon the parties hereto to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the parties hereto shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.

7. The commencement, completion, and continued operation or production of a well or wells of communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.

8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws. This agreement shall be subject to all applicable Federal and State laws, executive orders, rules and regulations affecting the performance of the provisions hereof, 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 compliance is prevented by or if such failure results from compliance with any such laws, orders, rules and regulations.

9. This agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities; provided, that this agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this agreement may be

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terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence. As to State Trust Lands, written notice of intention to commence such operations shall be filed with the Commissioner of Public Lands within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.

10. Operator will furnish the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and the Commissioner of Public Lands of the State of New Mexico, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

11. It is agreed between the parties hereto that the Commissioner of Public Lands, or his duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State of New Mexico.

12. If any order of the Oil Conservation Division of the New Mexico Energy Minerals and Natural Resources Department, upon which this agreement is predicated or based is in anyway changed or modified, then in such event said agreement is likewise modified to conform thereto.

13. 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 instruments, 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.

14. 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.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

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OPERATOR: COG Operating LLC

BY:

Name and Title of Authorized Agent

Signature of Authorized Agent

Acknowledgment in an Individual Capacity

State of County of

This instrument was acknowledged before me on

) SS)

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By

Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

My commission expires: ____

Date

Acknowledgment in an Representative Capacity			
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My commission expires: _____

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BY:

Name & Title of Authorized Agent

Signature of Authorized Agent

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State of County of

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By

Name(s) of Person(s)

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Signature of Notarial Officer

Date

My commission expires: _____

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Description	of Lands Comn	nitted:		
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TRACT NO. 3

Lessor:

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Serial No	o. of Lease:		Date of Lease:	
Descripti	on of Lands Committee	1:		
Subdivisi	ons:			
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Lessee of	Record:			
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Descripti	on of Lands Committee	1:		
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Sect	Twnshp	Rng	NMPM	County NM
No. of Ad	cres:			

RECAPITULATION

Tract number	Number of Acres Committed	Percentage of Interest in Communitized Area
No. 1		
No. 2		
No. 3		
No. 4		
TOTAL		
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March, 2017

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	No.	25885	
State of New Mexico		Publisher	
County of Eddy: 🔿			
Danny Scott	un Lão	5	
being duly sworn sayes t	hat he is the	Publisher	
of the Artesia Daily Pres	s, a daily newspape	r of General	
circulation, published in	English at Artesia,	said county	
and state, and that the he	preto attached		
Lega	ıl Ad		
was published in a regu	lar and entire issue	of the said	
Artesia Daily Press, a da	uly newspaper duly	qualified	
for that purpose within t	he meaning of Chap	oter 167 of	
the 1937 Session Laws	of the state of New	Mexico for	
1 Consecutive	e weeks/day on the s	same	
day as follows:			
First Publication	September	23, 2021	
Second Publication			
Third Publication			
Fourth Publication			
Fifth Publication			
Sixth Publication		an a	
Seventh Publication			
Subscribed and sworn b	efore me this		
23rd day of	September	2021	
OFFICIAL SEAL Latistia Romine NOTARY PUBLIC-STATE OF NEW MEXICO My commission expires: 57/12/9023			
Ratisha Romine	o Romi	~{	

Copy of Publication:

Legal Notice

Page 33 of 41

COG Operating LLC (COG), 2208 West Main Street, Artesia, New Mexico, 88210, is seeking administrative approval from the New Mexico Oil Conservation Division to commingle the oil and gas production from the Myox 30 State Com 701H-706H wells. Said wells are located in Section 18, Township 25 South, Range 28 East, Eddy County, New Mexico. The Central Tank Battery (CTB) where production will be commingled is located in Ut C, Section 19-T25S-R28E, Eddy County, New Mexico. In the event oil production at the CTB is over capacity or in the case of battery or pipeline repairs, " COG is also seeking administrative approval for off-lease measurement at either the Red Hills Off-load Station in Unit O, Section 4-T26S-R32E or the Jal Off-load Station in Unit D, Section 4-T26S-R37E, Lea County, NM. Any interested party who has an objection to this must give notice in writing to the Oil Conservation Division, 1220 South Saint Francis Street, Santa Fe, New Mexico, 87505, within ten (10) days of this notice. Any interested party with questions or comments may contact Lizzy Laufer (432) 221-0470 lizz.laufer@conocophillips.com at ConocoPhillips, 600 West Illinois, Midland, Texas 79701.

Published in the Artesia Daily Press, Artesia, N.M., Sept. 23, 2021 Legal No. 25885.

Notary Public, Eddy County, New Mexico

From:	Engineer, OCD, EMNRD
To:	Barron, Jeanette
Cc:	McClure, Dean, EMNRD; Hawkins, James , EMNRD; Powell, Brandon, EMNRD; lisa@rwbyram.com; Dawson, Scott
Subject:	Approved Administrative Order CTB-1015
Date:	Monday, December 20, 2021 4:17:21 PM
Attachments:	CTB1015 Order.pdf

NMOCD has issued Administrative Order CTB-1015 which authorizes COG Operating, LLC (229137) to surface commingle or off-lease measure, as applicable, the following wells:

Well API	Well Name	UL or Q/Q	S-T-R	Pool Code
20 015 47000	Maron 20 State Come #70111	E/2	E/2 19-25S-28E	09220
30-015-47090	Myox 30 State Com #701H	E/2	30-25S-28E	98220
20.015.47002	Marcar 20 State Come #70211	E/2	E/2 19-25S-28E 98220 E/2 30-25S-28E 98220	09220
30-015-47092	Myox 30 State Com #702H	E/2		98220
20.015.47001	Marcar 20 State Come #70211	E/2	19-25S-28E	09220
30-015-47091	Myox 30 State Com #703H	E/2	30-25S-28E	98220
		W/2	19-25S-28E	
30-015-47093	Myox 30 State Com #704H	W/2 30-25S-28E	98220	
	-	W /2	31-25S-28E	
		W/2	W/2 19-25S-28E	
30-015-47094	Myox 30 State Com #705H	W /2	30-25S-28E	98220
		W /2	31-25S-28E	
30-015-47095		W/2	19-25S-28E	
	Myox 30 State Com #706H	W /2	30-25S-28E	98220
		W/2		

The administrative order is attached to this email and can also be found online at OCD Imaging.

Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.

Dean McClure Petroleum Engineer, Oil Conservation Division New Mexico Energy, Minerals and Natural Resources Department (505) 469-8211

State of New Mexico Energy, Minerals and Natural Resources Department

Notice

Order: CTB-1015 Operator: COG Operating, LLC (229137) Publication Date: 9/23/2021 Submittal Date: 9/20/2021

Noticed Persons

Date	Person	Certified Tracking Number	Status
9/24/2021	OXY Y-1 Company	7017 3040 0000 1205 2088	Delivered
9/22/2021	Nestegg Energy	7017 3040 0000 1205 2095	Delivered
9/23/2021	State of New Mexico	7017 3040 0000 1205 2071	Delivered
9/23/2021	Devon Energy	7017 3040 0000 1205 2064	Delivered

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

APPLICATION FOR SURFACE COMMINGLING SUBMITTED BY COG OPERATING, LLC

ORDER NO. CTB-1015

<u>ORDER</u>

The Director of the New Mexico Oil Conservation Division ("OCD"), having considered the application and the recommendation of the OCD Engineering Bureau, issues the following Order.

FINDINGS OF FACT

- 1. COG Operating, LLC ("Applicant") submitted a complete application to surface commingle the oil and gas production from the pools, leases, and wells identified in Exhibit A ("Application").
- 2. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
- 3. To the extent that ownership is identical, Applicant submitted a certification by a licensed attorney or qualified petroleum landman that the ownership in the pools, leases, and wells to be commingled is identical as defined in 19.15.12.7.B. NMAC.
- 4. To the extent that ownership is diverse, Applicant provided notice of the Application to all persons owning an interest in the oil and gas production to be commingled, including the owners of royalty and overriding royalty interests, regardless of whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
- 5. Applicant provided notice of the Application to the Bureau of Land Management ("BLM") or New Mexico State Land Office ("NMSLO"), as applicable.
- 6. Applicant submitted or intends to submit one or more proposed communitization agreement(s) ("Proposed Agreement(s)") to the BLM or NMSLO, as applicable, identifying the acreage of each lease to be consolidated into a single pooled area ("Pooled Area"), as described in Exhibit B.

CONCLUSIONS OF LAW

- 7. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, 70-2-16, and 70-2-17, 19.15.12. NMAC, and 19.15.23. NMAC.
- 8. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10.A.(2) NMAC, 19.15.12.10.C.(4)(c) NMAC, and 19.15.12.10.C.(4)(e) NMAC, as applicable.

Order No. CTB-1015

- 9. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9.A.(5) NMAC and 19.15.23.9.A.(6) NMAC, as applicable.
- 10. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10.B.(1) NMAC or 19.15.12.10.C.(1) NMAC, as applicable.
- 11. Commingling of oil and gas production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10.B.(3) NMAC and 19.15.12.10.C.(4)(h) NMAC.
- 12. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

<u>ORDER</u>

1. Applicant is authorized to surface commingle oil and gas production from the pools, leases, and wells identified in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease from the pools, leases, and wells identified in Exhibit A at a central tank battery described in Exhibit A.

2. For each Pooled Area described in Exhibit B, Applicant shall submit a Proposed Agreement to the BLM or NMSLO, as applicable, prior to commencing oil and gas production. If Applicant fails to submit the Proposed Agreement, this Order shall terminate on the following day.

No later than sixty (60) days after the BLM or NMSLO approves or denies a Proposed Agreement, Applicant shall submit Form C-103 to OCD with a copy of the decision and a description of the approved lands, as applicable. If Applicant withdraws or the BLM or NMSLO denies a Proposed Agreement, this Order shall terminate on the date of such action, and Applicant shall cease commingling the production from the Pooled Area. If the BLM or NMSLO approves but modifies the Proposed Agreement(s), Applicant shall comply with the approved Agreement(s), and no later than sixty (60) days after such decision, Applicant shall submit a new surface commingle application to OCD to conform this Order with the approved Agreement(s). If OCD denies the new surface commingle application, this Order shall terminate on the date of such action.

Applicant shall allocate the oil and gas production to each lease within a Pooled Area in proportion to the acreage that each lease bears to the entire acreage of the Pooled Area described in Exhibit B until the Proposed Agreement which includes the Pooled Area is approved. After the Proposed Agreement is approved, the oil and gas production from the Pooled Area shall be allocated as required by the BLM's or NMSLO's, as applicable, approval of the Agreement, including any production that had been allocated previously in accordance with this Order.

3. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling.

- 4. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15. NMAC or 19.15.23.8. NMAC.
- 5. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9. NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8.B. NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8.E. NMAC.
- 6. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10.C.(2) NMAC.
- 7. If the commingling of oil and gas production from any pool, lease, or well reduces the value of the commingled oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil and gas production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.
- 8. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
- 9. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).
- 10. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

DATE:_____

ADRIENNE SANDOVAL DIRECTOR State of New Mexico Energy, Minerals and Natural Resources Department

Exhibit A

Order: CTB-1015 Operator: COG Operating, LLC (229137) Central Tank Battery: Myox State 19 C Central Tank Battery Central Tank Battery Location: Unit C, Section 19, Township 25 South, Range 28 East Central Tank Battery: Red Hills Offload Station Central Tank Battery Location: Unit O, Section 4, Township 26 South, Range 32 East Central Tank Battery: Jal Offload Station Central Tank Battery Location: Unit D, Section 4, Township 26 South, Range 37 East Gas Title Transfer Meter Location: Unit C, Section 19, Township 25 South, Range 28 East

Pools

Pool Name	Pool Code
PURPLE SAGE; WOLFCAMP (GAS)	98220

Leases as defined in 19.15.12.7(C) NMAC		
Lease	UL or Q/Q	S-T-R
VB 08120001	E/2, NW/4	19-25S-28E
VB 08360001	S/2	30-25S-28E
VB 08060002	W/2	31-25S-28E
Fee	NE/4	30-25S-28E
Fee	SW/4	19-25S-28E
Fee	NW/4	30-25S-28E

Wells

vv elis			
Well Name	UL or Q/Q	S-T-R	Pool
5-47090 Myox 30 State Com #701H	E/2	19-25S-28E	98220
Myox 50 State Com #701H	E/2	30-25S-28E	98220
Myox 30 State Com #702H	E/2	19-25S-28E	98220
	E/2	30-25S-28E	98220
Myox 30 State Com #703H	E/2	19-25S-28E	98220
	E/2	30-25S-28E	98220
Myox 30 State Com #704H	W /2	19-25S-28E	98220
	W /2	30-25S-28E	
	W /2	31-25S-28E	
Myox 30 State Com #705H	W /2	19-25S-28E	
	W /2	30-25S-28E	98220
	W /2	31-25S-28E	
95 Myox 30 State Com #706H	W/2	19-25S-28E	
	W /2	30-25S-28E	98220
	W /2	31-25S-28E	
	Well NameMyox 30 State Com #701HMyox 30 State Com #702HMyox 30 State Com #703HMyox 30 State Com #704HMyox 30 State Com #705H	Well Name UL or Q/Q Myox 30 State Com #701H E/2 Myox 30 State Com #702H E/2 Myox 30 State Com #703H E/2 Myox 30 State Com #703H E/2 Myox 30 State Com #703H E/2 Myox 30 State Com #704H W/2 Myox 30 State Com #704H W/2 Myox 30 State Com #705H W/2 Myox 30 State Com #705H W/2 Myox 30 State Com #706H W/2	Well Name UL or Q/Q S-T-R Myox 30 State Com #701H E/2 19-25S-28E Myox 30 State Com #702H E/2 30-25S-28E Myox 30 State Com #702H E/2 30-25S-28E Myox 30 State Com #703H E/2 19-25S-28E Myox 30 State Com #703H E/2 30-25S-28E Myox 30 State Com #704H W/2 30-25S-28E Myox 30 State Com #704H W/2 30-25S-28E Myox 30 State Com #705H W/2 31-25S-28E Myox 30 State Com #705H W/2 30-25S-28E W/2 31-25S-28E W/2 31-25S-28E Myox 30 State Com #705H W/2 30-25S-28E W/2 31-25S-28E W/2 31-25S-28E Myox 30 State Com #706H W/2 30-25S-28E

State of New Mexico Energy, Minerals and Natural Resources Department

Exhibit B

Order: CTB-1015 Operator: COG Operating, LLC (229137)

Pooled Areas

Pooled Area	UL or Q/Q	S-T-R	Acres	Pooled Area ID
CA Wolfcamp NMSLO	E/2	19-25S-28E	640	Α
CA woncamp NMSLO	E/2	30-25S-28E		
	W /2	19-25S-28E		
CA Wolfcamp NMSLO	W /2	30-25S-28E	963.36	B
	W /2	31-25S-28E		

Leases Comprising Pooled Areas

Lease	UL or Q/Q	S-T-R	Acres	Pooled Area ID
VB 08120001	E/2	19-25S-28E	320	Α
VB 08360001	SE/4	30-25S-28E	160	Α
Fee	NE/4	30-25S-28E	160	Α
VB 08120001	NW/4	19-25S-28E	160.56	В
Fee	SW/4	19-25S-28E	160.72	B
Fee	NW/4	30-25S-28E	160.76	B
VB 08360001	SW/4	30-25S-28E	160.68	B
VB 08060002	W/2	31-25S-28E	320.64	B

District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3470 Fax: (505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

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Action 50435

CONDITIONS

Operator: 0	OGRID:	
COG OPERATING LLC	229137	
600 W Illinois Ave	Action Number:	
Midland, TX 79701	50435	
	Action Type:	
	[C-107] Surface Commingle or Off-Lease (C-107B)	

CONDITIONS					
Created By	Condition	Condition Date			
dmcclure	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.	12/20/2021			