



CIMAREX ENERGY COMPANY
600 N. Marienfeld St., Suite 600
Midland, TX 79701

08/30/2022

Attn: Mr. Dean McClure
1220 S. St. Francis Dr.
Santa Fe, New Mexico 87505

Subject: Application for Pool & Surface Commingling at a Common Central Tank Battery
Dos Equis 11-14 Federal Com
All in Sec. 11 & 14, T-24S, R-32E, Lea County, NM
WC-025 G-08 S243213C; Wolfcamp, Oil (98309)
Triste Draw; Bone Spring, Oil (96603)

Mr. McClure,

Pursuant to Division Rule 19.15.12.10, Cimarex Energy Co. respectfully requests administrative approval to Pool and Surface Commingle at a Common Central Tank Battery.

Each well is metered individually. This action will prevent waste, promote conservation and protect correlative rights. The Dos Equis 11-14 Federal Com battery is located in Unit Letter D, Sec 11, T-24S, R-32E.

These wells are operated by Cimarex Energy Co. with the diverse ownership. There are three federal leases and three proposed communitization agreements involved. Pursuant Division Rule 19.15.12.10, the interest owners that are to be notified are listed on Exhibit A and are being sent a copy of this application by certified mail, return receipt.

Also Attached:

- NMOCD Form C-107B
- NMOCD Administrative Application Checklist
- Summary Detail
- Lease plat shows boundaries, Federal Lease #'s, facility, wellhead and path of production
- Facility Diagram
- NMOCD form C-102 well plats for each well
- A copy of notice letter to interest owners and a copy of certified mail, return receipt request
- Copy of BLM sundry Submittal

For future addition of wells, leases, and pools to this commingling operation, notice shall be given to the interest owners in the wells, leases or pools to be added, in accordance with the Division Rule 19.15.12.10 C (4)(g) NMAC.

Thank you,

A handwritten signature in blue ink, appearing to read "K. Schlichting".

Kanicia Schlichting
Regulatory Analyst
432-571-7894
Kanicia.schlichting@coterra.com

Revised March 23, 2017

RECEIVED:	REVIEWER:	TYPE:	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & 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

Applicant: _____ OGRID Number: _____
 Well Name: _____ API: _____
 Pool: _____ Pool Code: _____

23H-30-025-47081, 24H-30-025-47645, 25H-30-025-47646

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

1) **TYPE OF APPLICATION:** Check those which apply for [A]

A. Location – Spacing Unit – Simultaneous Dedication

☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD

B. Check one only for [I] or [II]

[I] Commingling – Storage – Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

2) **NOTIFICATION REQUIRED TO:** Check those which apply.

- A. ☐ Offset operators or lease holders
 B. ☐ Royalty, overriding royalty owners, revenue owners
 C. ☐ Application requires published notice
 D. ☐ Notification and/or concurrent approval by SLO
 E. ☐ Notification and/or concurrent approval by BLM
 F. ☐ Surface owner
 G. ☐ For all of the above, proof of notification or publication is attached, and/or,
 H. ☐ No notice required

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.

Print or Type Name

Date

Phone Number

Signature

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: Cimarex Energy Company

OPERATOR ADDRESS: 600 N. Marienfeld St., Midland, TX 79707

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
WC-025 G-08 S243213C; Wolfcamp, 98309	47.1 / 1304	43.4			
Triste Draw; Bone Spring, 96603	42.9 / 1050	1050			

- (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) Test Method
(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. WC-025 G-08 S243213C; Wolfcamp, 98309 Triste Draw; Bone Spring, 96603
(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: Kanicia Schlichting TITLE: Regulatory Analyst DATE: 8/30/22

TYPE OR PRINT NAME Kanicia Schlichting TELEPHONE NO.: 432-571-7894

E-MAIL ADDRESS: kanicia.schlichting@coterra.com



Dos Equis 11-14 Comingle Permit
(02.2022)

Memo
Juan Comella

SITUATION

The Dos Equis 11-14 CTB will be a 5-well facility. This will have the following wells going to it:

- Dos Equis 11-14 Federal 4H (Wolfcamp)
- Dos Equis 11-14 Federal 5H (2nd Bone Spring)
- Dos Equis 11-14 Federal 23H (2nd Bone Spring)
- Dos Equis 11-14 Federal 24H (2nd Bone Spring)
- Dos Equis 11-14 Federal 25H (2nd Bone Spring)

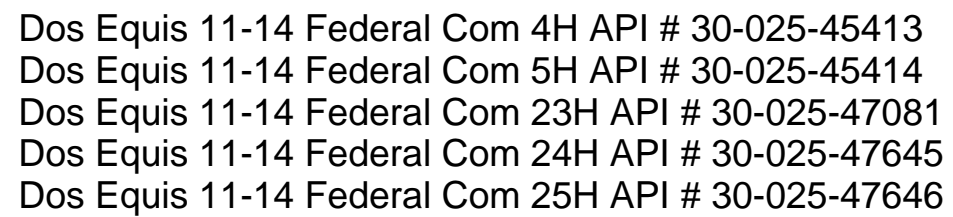
PRODUCTION ALLOCATION

All wells run flowlines to the battery and will then have their individual separator with oil, gas and water meters. Downstream of each separator, production will continue as follows:

- Oil production will merge downstream of the separator and go into 2 heaters.
 - Oil will continue into 2 VRT's. 2 Surge Vessels, a LACT and off to sales.
 - Gas will continue into VRT and then VRU's will pull from there to go to sales.
 - Water will continue into 2 Surge Vessels and the into pipeline.
- Water production will go straight to 2 Surge Vessels and into pipeline.
- Gas will merge and go into a 2-Phase Scrubber.
 - Oil goes to 2 VRT's
 - Gas continues into sales.

The CTB totals for each production stream (oil, water & gas) will be reported daily. Production for each well is going to be allocated by the individual meters off the separators.

Exhibit 5



Existing 4H CTB and Future Commingled CTB

NMNM 0033503

NMNM0002889

NMNM0001917

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
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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, NM 87505

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

☐ AMENDED REPORT

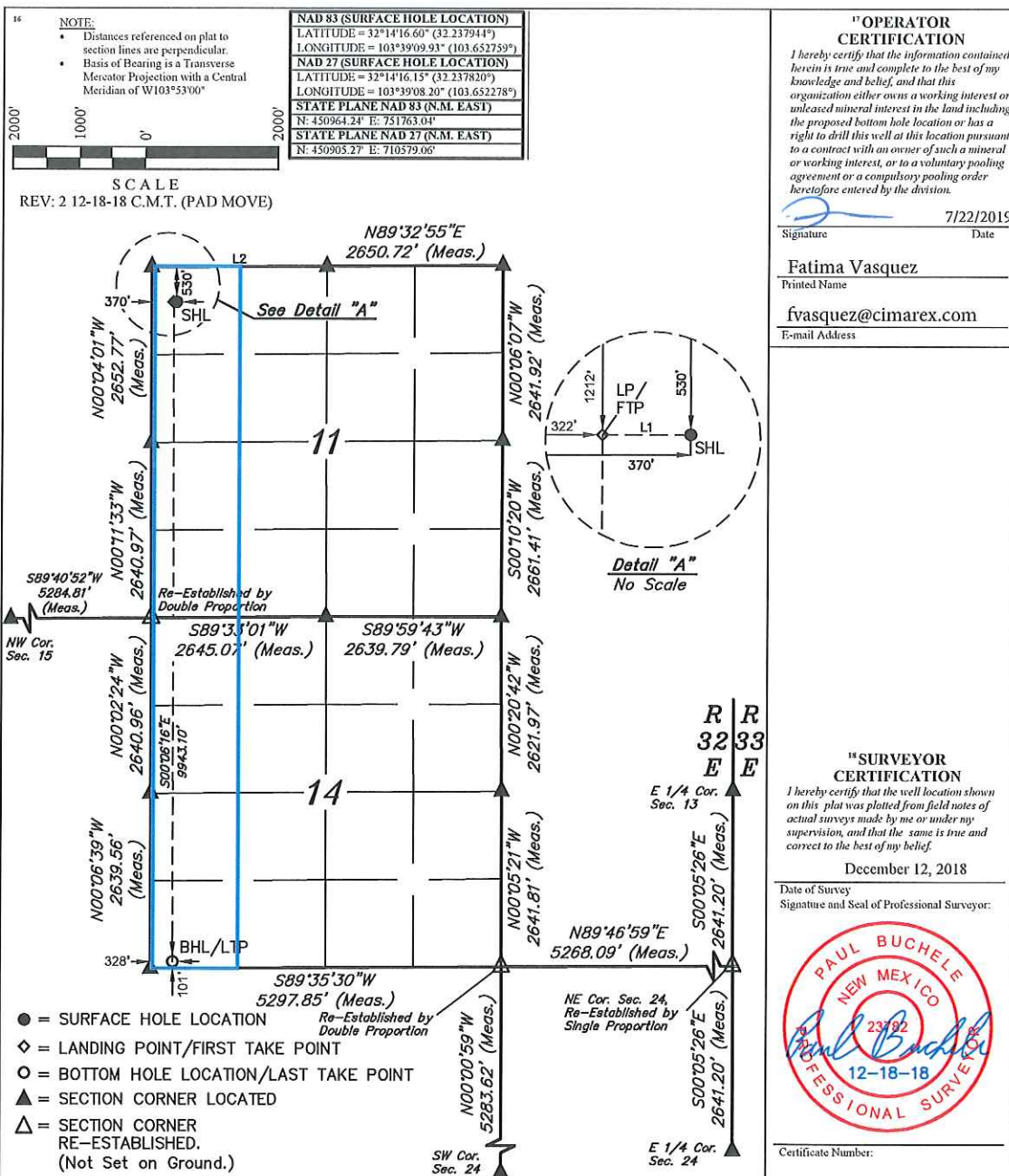
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-45413	² Pool Code 98309	³ Pool Name WC-025 G-08 S243213C; Wolfcamp
⁴ Property Code 322999	⁵ Property Name DOS EQUIS 11-14 FEDERAL COM	⁶ Well Number 4H
⁷ GRID No. 215099	⁸ Operator Name CIMAREX ENERGY CO.	⁹ Elevation 3631.6'

UL or lot no. D	Section 11	Township 24S	Range 32E	Lot Idn	Feet from the 530	North/South line NORTH	Feet from the 370	East/West line WEST	County LEA
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UL or lot no. M	Section 14	Township 24S	Range 32E	Lot Idn	Feet from the 101	North/South line SOUTH	Feet from the 328	East/West line WEST	County LEA
¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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.



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1220 South St. Francis Dr.
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Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025		² Pool Code 96603		³ Pool Name Triste Draw; Bone Spring	
⁴ Property Code		⁵ Property Name DOS EQUIS 11-14 FEDERAL COM		⁶ Well Number 5H	
⁷ OGRID No. 215099		⁸ Operator Name CIMAREX ENERGY CO.		⁹ Elevation 3617.7'	

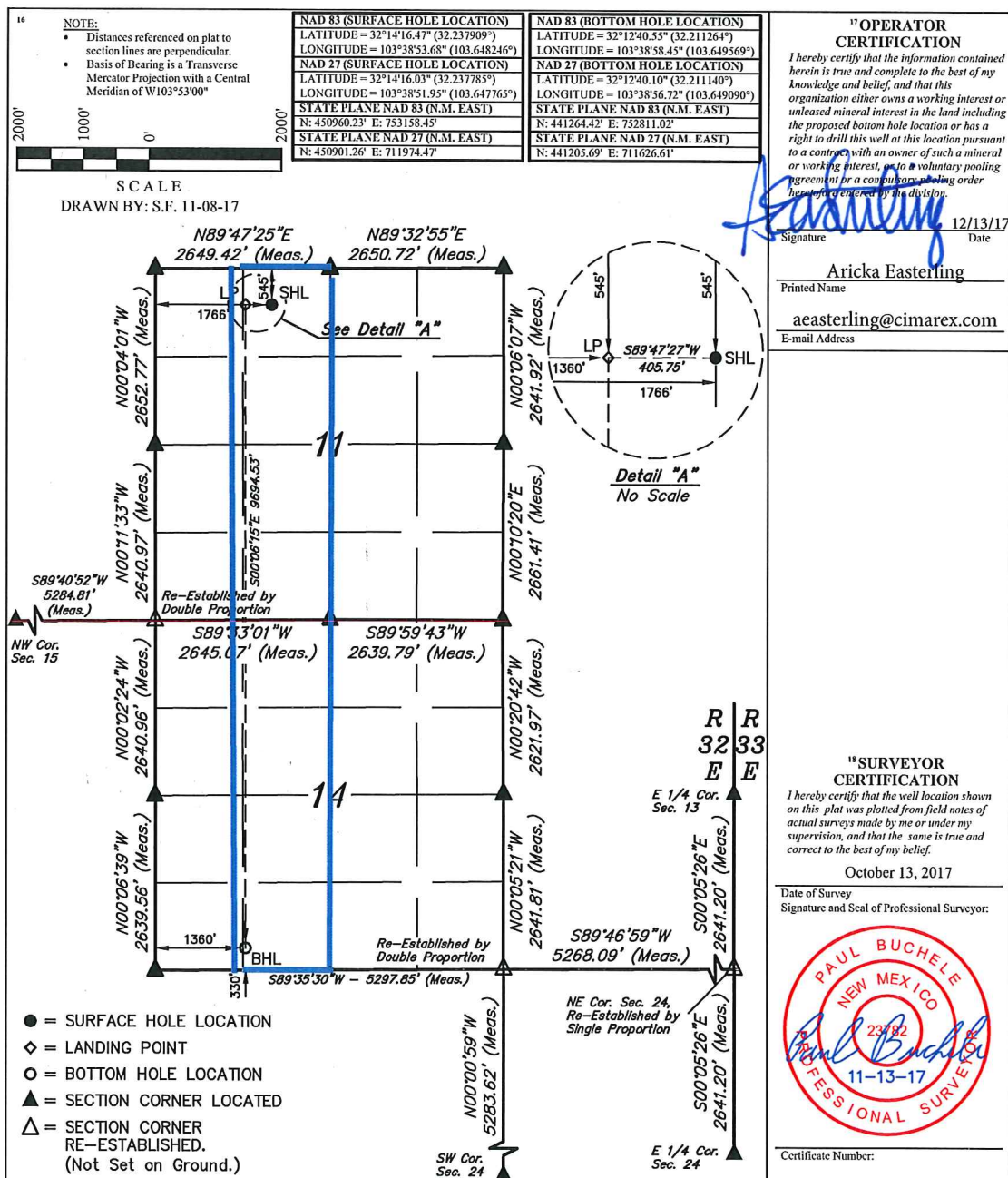
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	11	24S	32E		545	NORTH	1766	WEST	LEA

¹¹ 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
N	14	24S	32E		330	SOUTH	1360	WEST	LEA
¹² Dedicated Acres 320		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

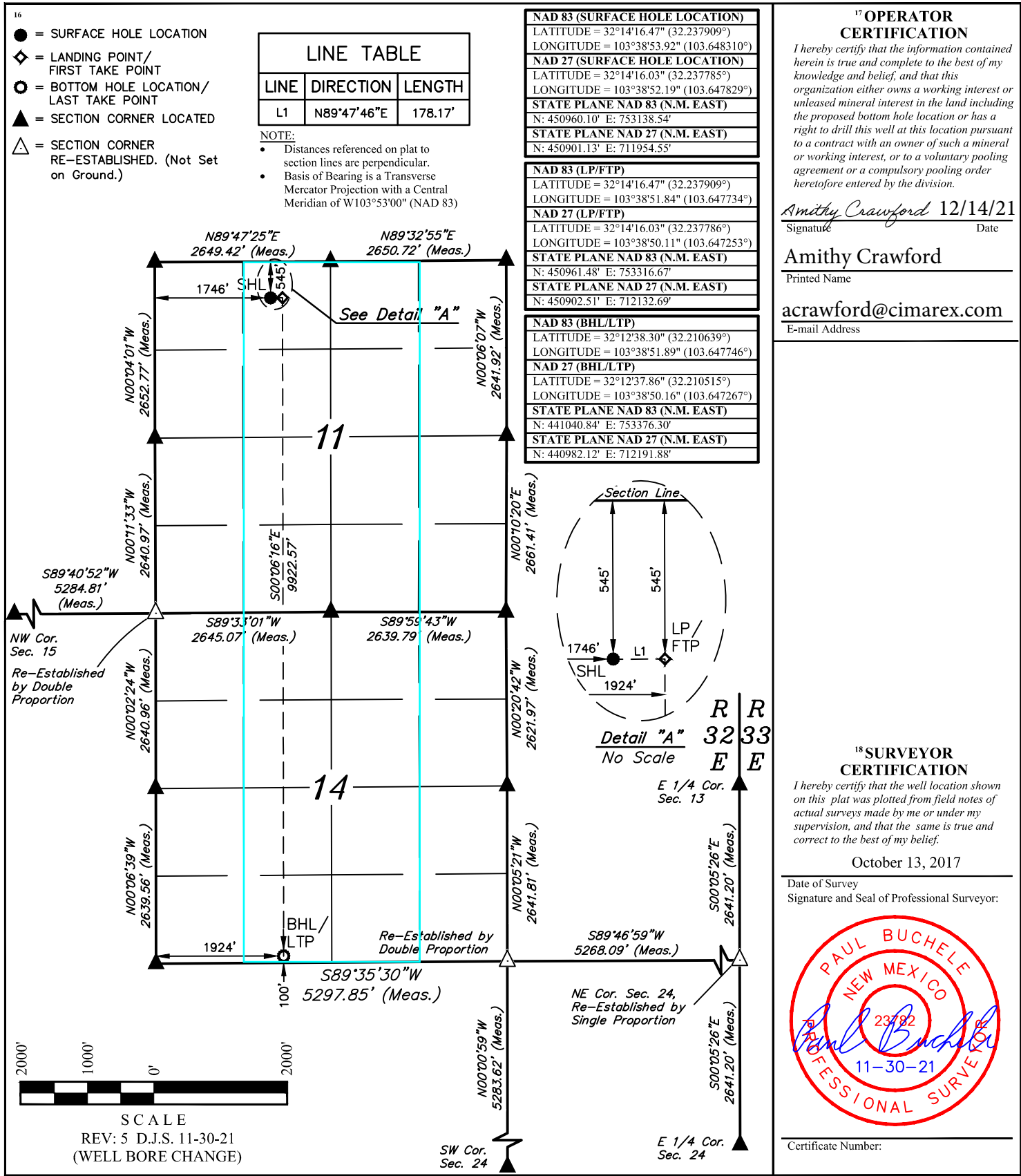
No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



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Submit one copy to appropriate
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☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-47645	² Pool Code 96603	³ Pool Name Triste Draw; Bone Spring
⁴ Property Code 322999	⁵ Property Name DOS EQUIS 11-14 FEDERAL COM	⁶ Well Number 24H
⁷ OGRID No. 215099	⁸ Operator Name CIMAREX ENERGY CO.	⁹ Elevation 3618.2'

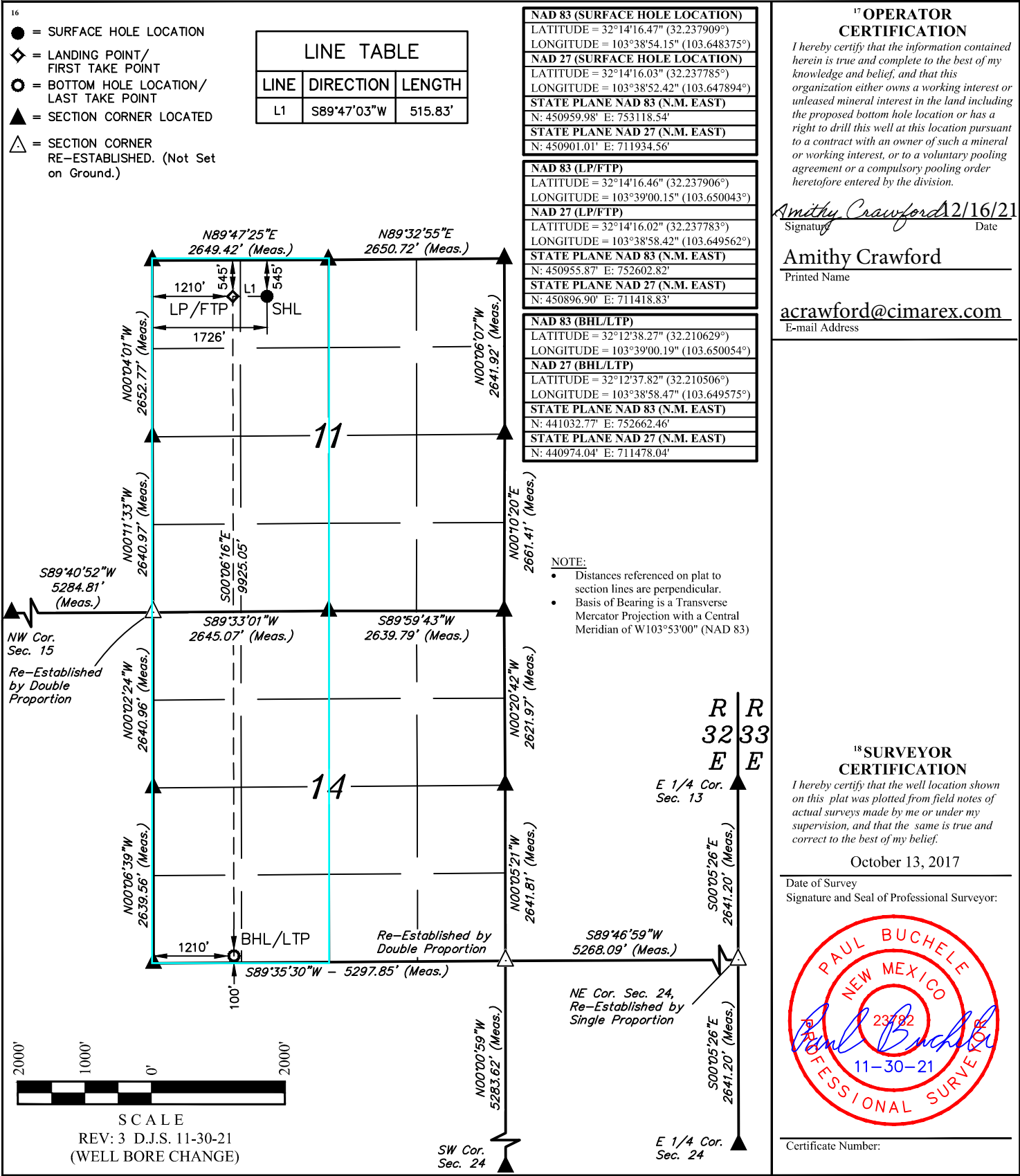
¹⁰ Surface Location

UL or lot no. C	Section 11	Township 24S	Range 32E	Lot Idn	Feet from the 545	North/South line NORTH	Feet from the 1726	East/West line WEST	County LEA
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no. M	Section 14	Township 24S	Range 32E	Lot Idn	Feet from the 100	North/South line SOUTH	Feet from the 1210	East/West line WEST	County LEA
¹² Dedicated Acres 640	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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.



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

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-47646		² Pool Code 96603	³ Pool Name Triste Draw: Bone Spring	
⁴ Property Code 322999	⁵ Property Name DOS EQUIS 11-14 FEDERAL COM			⁶ Well Number 25H
⁷ OGRIID No. 215099	⁸ Operator Name CIMAREX ENERGY CO.			⁹ Elevation 3618.3'

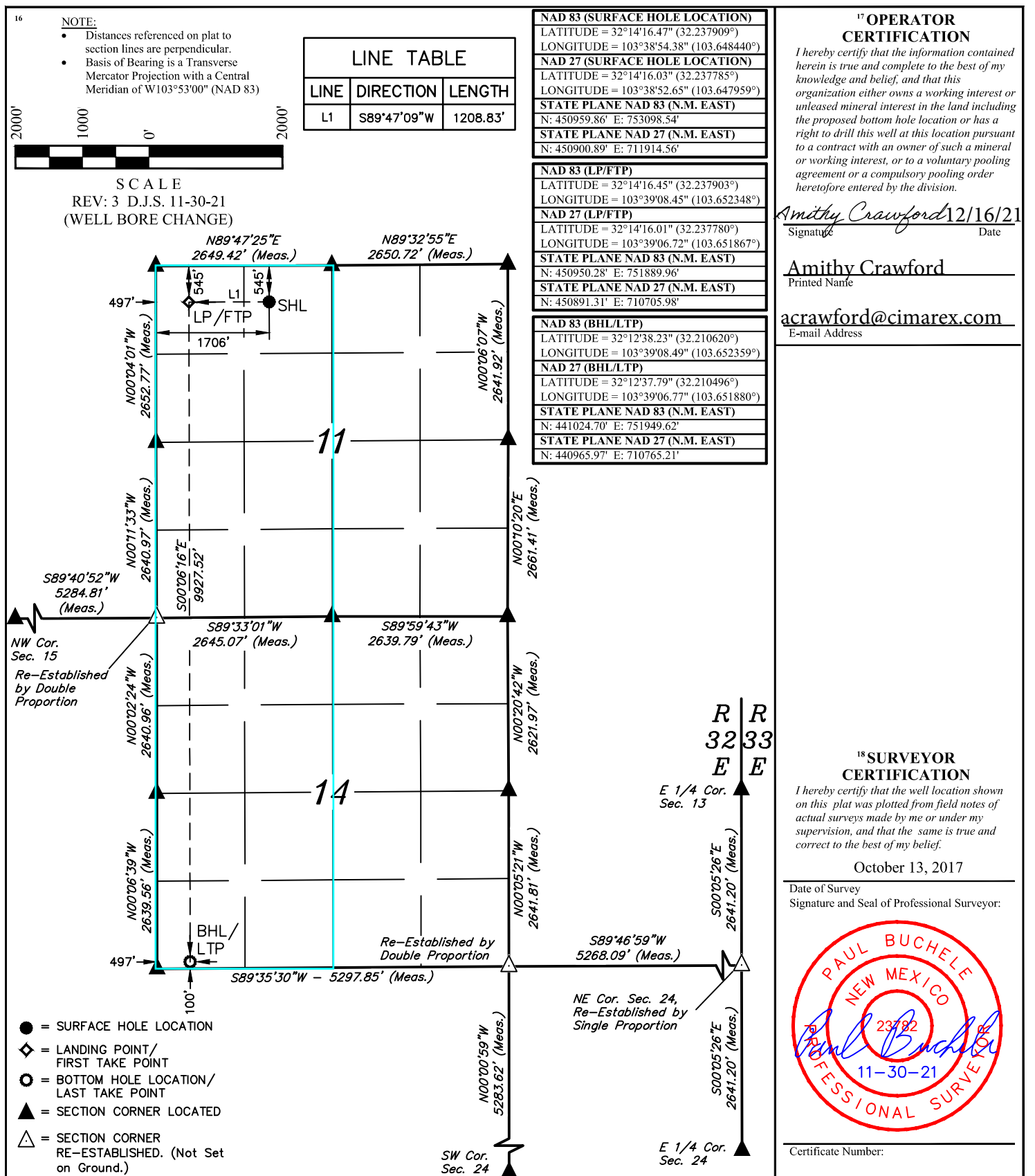
¹⁰Surface Location

UL or lot no. C	Section 11	Township 24S	Range 32E	Lot Idn	Feet from the 545	North/South line NORTH	Feet from the 1706	East/West line WEST	County LEA
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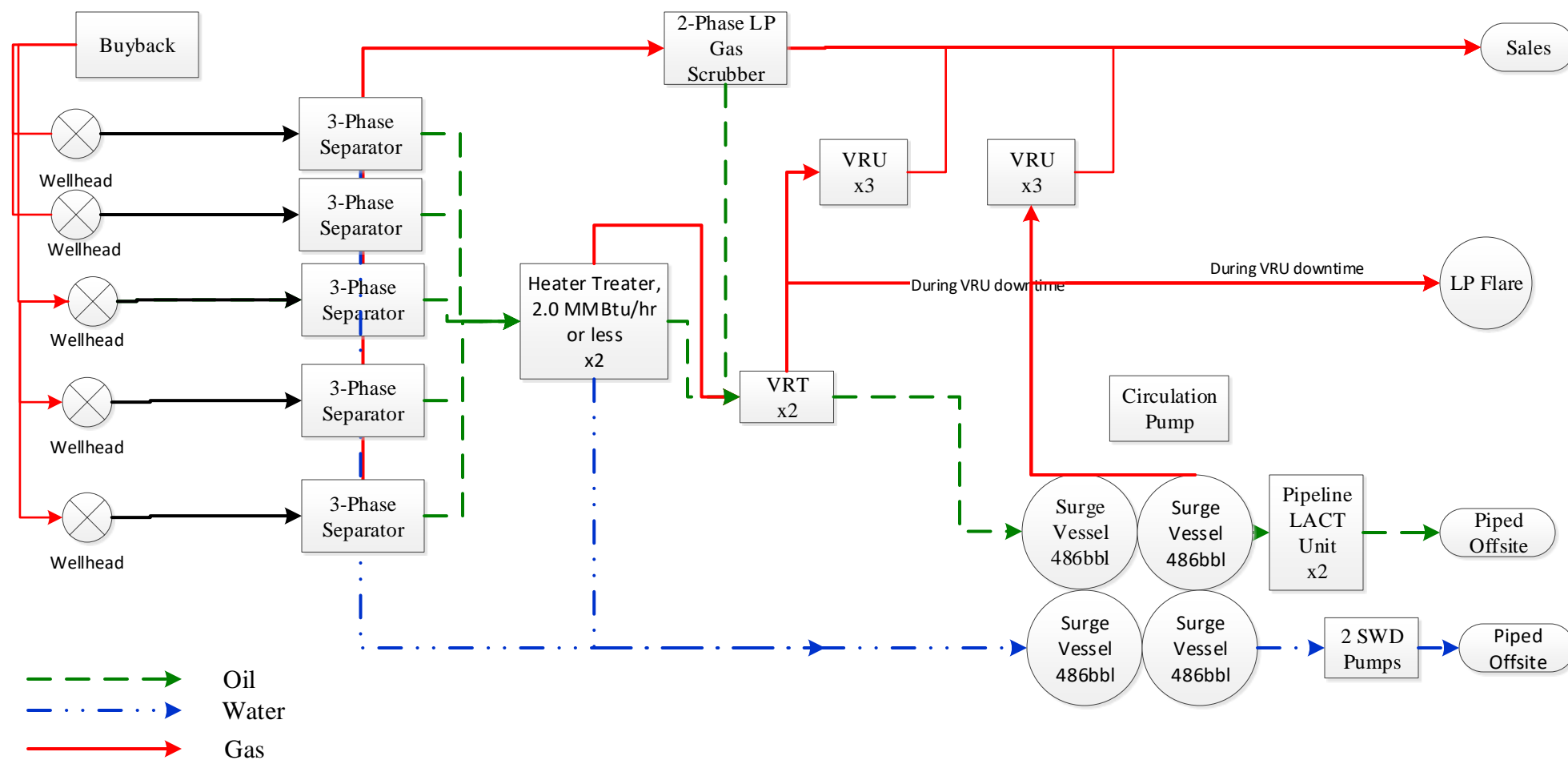
¹¹ Bottom Hole Location If Different From Surface

UL or lot no. M	Section 14	Township 24S	Range 32E	Lot Idn	Feet from the 100	North/South line SOUTH	Feet from the 497	East/West line WEST	County LEA
¹² Dedicated Acres 640		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ 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.



PROCESS FLOW DIAGRAM



Dos Equis 11-14 Federal Com 4H-5H & 23H,
24H, 25H
Lea County, NM





CIMAREX ENERGY COMPANY
600 N. Marienfeld St., Suite 600
Midland, TX 79701

Certified Mail - Return Receipt

August 30, 2022

Re: Surface & Pool Commingling Application – Pool and Lease Commingling at Central Tank Battery
Dos Equis 11-14 Federal Com 4H, 5H, 23H, 24H, 25H

Dear Sir/Madam:

Enclosed please find Cimarex Energy Co.'s application to commingle production at its Dos Equis 11-14 Fed Com battery in Lea County, NM filed on this date with the New Mexico Oil Conservation Division (NMOCD) and filed on 08/30/2022 with the Bureau of Land Management.

Any objection or requests for a hearing regarding this application must be submitted to the NMOCD Santa Fe office within 20 days of the date the application is submitted. No action is needed if you do not have any objections.

Pursuant to Statewide Rule 19.15.12.10 (C)(4)(g), Cimarex requests the option to include additional pools and/or leases with the defined parameters set forth in the order for future additions.

Please contact me should you have questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "K. Schlichting".

Kanicia Schlichting
Regulatory Analyst
432-571-7894
Kanicia.schlichting@coterra.com

To Name	To Address	To City	To State	To Zip	Certified Number
Leigh E. Payne and Kristina S. Cook, Co-Trustees for the 2016 Robert E. Payne Trust dated September 8, 2016	2215 Fountain Oaks Drive	Morgan Hill	CA		95037 _9407111898765812500392
Leigh E. Payne and Kristina S. Cook, Co-Trustees for the 2016 Robert E. Payne Trust dated September 8, 2016	665 Hidden Oaks Drive	Flinestone	GA		30725 _9407111898765812500347
Carol Wright Bailey	310 S. I Street	Midland	TX		79701 _9407111898765812586556
Shelley Wright Hickman	411 South "M" Street	Midland	TX		79701 _9407111898765812586525
ConocoPhillips Company	600 N. Dairy Ashford Rd.	Houston	TX		77079 _9407111898765812586501
United States of America	301 Dinosaur Trail	Santa Fe	NM		87508 _9407111898765812500385
c/o Bureau of Land Management	6301 Deauville Blvd	Midland	TX		79701 _9407111898765812586549
Chevron U.S.A. Inc.	#4 Conchita Court	Novato	CA		94947 _9407111898765812586587
James H. Briscoe, marital status unknown	47 Windy Ridges Road	Artesia	NM		88210 _9407111898765812500330
Patsy M. Scrimshire, sole and separate property	2104 Mann Ave.	Artesia	NM		88210 _9407111898765812500378
Ora Carol Pennington, sole and separate property	J. Reuben Clark Building	Provo	UT		84602 _9407111898765812500019
Brigham Young University's J. Reuben Clark Law School	Brigham Young University	Salt Lake City	UT		84113 _9407111898765812581254
Primary Children's Medical Center Foundation	36 S. State St., 23rd Floor	Salt Lake City	UT		84113 _9407111898765812581254
	P.O. Box 2063	Midland	TX		79702 _9407111898765812581209
Santa Elena Minerals IV, L.P.	710 Dragon	Lakeway	TX		78734 _9407111898765812500057
Mark Nearburg, as Trustee of the Mark Nearburg AAR Trust created under the Last Will and Testament of Anna Anderson					
Reischman dated January 16, 2014					
First American Bank, as Trustee of the Gena Nearburg AAR Trust created under the Last Will and Testament of Anna Anderson	P.O. Box 1857	Roswell	NM		88202 _9407111898765812500064
Reischman dated January 16, 2014	P.O. Box 304	Artesia	NM		88211 _9407111898765812581292
Pitch Energy Corporation	310 Old Santa Fe Trail	Santa Fe	NM		87501 _9407111898765812581285
State of New Mexico	6120 S. Yale Ave., Ste. 805	Tulsa	OK		74136 _9407111898765812581278
NGL Water Solutions Permian, LLC	310 Old Santa Fe Trail	Santa Fe	NM		87501
State of New Mexico	16930 Park Row Drive	Houston	TX		77084 _9407111898765812581858
New Mexico Department of Transportation	2215 Foutain Oaks Drive	Morgan Hill	CA		95037 _9407111898765812500002
ConocoPhillips Company	810 Houston Street	Fort Worth	TX		76102 _9407111898765812581827
2016 Robert E. Payne Trust dated September 8, 2016, Leigh E. Payne and Kristina S. Cook, Co-Trustees	600 W. Illinois Ave.	Midland	TX		79701 _9407111898765812581803
XTO Holdings, LLC	600 W. Illinois Ave.	Midland	TX		79701 _9407111898765812581896
COG Operating LLC	3623 Overbrook Drive	Dallas	TX		75205 _9407111898765812500095
Concho Oil & Gas LLC	6713 Deep Valley Lane	Fort Worth	TX		76132 _9407111898765812581834
The Allen Family Revocable Trust, dated May 19, 2000, f/b/o Nancy Edge Jennings Allen, Separate Property, Roger John Allen and Nancy Edge Jennings Allen, Trustees					
Susan J. Croft, sole and separate property					
Jennings-Lee Trust, dated September 18, 2017, f/b/o Jamie E. Jennings, Separate Property, Jamie E. Jennings and George J. Lee, Trustees	P.O. Box 670326	Dallas	TX	75367-0326	_9407111898765812500040
Katherine K. McIntyre, a/k/a Katherine Kolliker McIntyre, sole and separate property	512 Thunder Crest Lane	El Paso	TX		79912 _9407111898765812500088
	P.O. Box 470698	Fort Worth	TX		76147 _9407111898765812581766
Pegasus Resources II, LLC	4245 N. Central Expy.	Dallas	TX		75205 _9407111898765812500033
MerPel, LLC	Suite 320 Box 109	Dallas	TX		75225 _9407111898765812581728
TD Minerals LLC	8111 Westchester Drive, Suite 900	Keller	TX		76244 _9407111898765812581797
CCJR Properties, LLC	P.O. Box 1451				

LEGAL NOTICE
August 28, 2022

Notice of Application for Surface & Pool Commingle

STATE OF NEW MEXICO
ENERGY, MINERAL AND NATURAL RESOURCES
DEPARTMENT
OIL CONSERVATION DIVISION
SANTA FE, NEW MEXICO

STATE OF NEW MEXICO TO:

All named parties and persons having any right, title, interest or claim in the following and notice to the public.

(Note: All land descriptions herein refer to the New Mexico, Principal Meridian whether or not so stated.)

LEASE: Dos Equis 11-14 Federal Com 4H, 5H, 23H, 24H & 25H.

Application of Cimarex Energy Co. for Approval of Surface & Pool Commingle, Lea County, New Mexico.

Application seeks authority to surface & pool commingle production.

Pursuant to Statewide Rule 19.15.12.10 (C)(4)(g), Cimarex requests the option to include additional pools and/or leases with the defined parameters set forth in the order for future additions.

Location: Sections 11 & 14, Township 24 South, Range 32 Lea, Eddy County, New Mexico.

Pool Name: Triste Draw; Bone Spring (Oil) (96603)
WC-025 G-08 S243213C; Wolfcamp (Oil) (98309).

Applicant: Cimarex Energy Co., Attn: Kanicia Schlichting, 600 N. Marienfeld Street, Suite 600, Midland, Texas 79701.

Interested parties must file objections or requests for hearing in writing with the division's Santa Fe Office within 20 days of this publication, or the division may approve this application.

#37985

Form 3160-5
(June 2019)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2021**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well

☐ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

3a. Address

3b. Phone No. (include area code)

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.

9. API Well No.

10. Field and Pool or Exploratory Area

11. Country or Parish, State

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION				
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off	
	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity	
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon		
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal		

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has detennined that the site is ready for final inspection.)

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Title

Signature

Date

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

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

(Instructions on page 2)

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment. If the proposal will involve **hydraulic fracturing operations**, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

NOTICES

The privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

Additional Information

Additional Remarks

Exhibit 1 - Lease Table

Exhibit 2 - MASS Serial Register Page

Exhibit 3 Allocation Methodology Example

Exhibit 4 Allocation Methodology Example Details

Exhibit 5 - Lease map

NMOCD Will request like approval.

Batch Well Data

DOS EQUIS 11-14 FEDERAL COM 5H, US Well Number: 3002545414, Case Number: NMNM01917, Lease Number: NMNM01917,
Operator:CIMAREX ENERGY COMPANY

DOS EQUIS 11-14 FEDERAL COM 4H, US Well Number: 3002545413, Case Number: NMNM01917, Lease Number: NMNM01917,
Operator:CIMAREX ENERGY COMPANY

DOS EQUIS 11-14 FEDERAL COM 23H, US Well Number: 3002547081, Case Number: NMNM01917, Lease Number: NMNM01917,
Operator:CIMAREX ENERGY COMPANY

DOS EQUIS 11-14 FEDERAL COM 24H, US Well Number: 3002547645, Case Number: NMNM01917, Lease Number: NMNM01917,
Operator:CIMAREX ENERGY COMPANY

DOS EQUIS 11-14 FEDERAL COM 25H, US Well Number: 3002550259, Case Number: NMNM01917, Lease Number: NMNM01917,
Operator:CIMAREX ENERGY COMPANY

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 1st day of March, 2022, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

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:

Township 24 South, Range 32 East, N.M.P.M.

Section 11: E/2W/2 and W/2E/2

Section 14: E/2W/2 and W/2E/2

Lea County, New Mexico

Containing **640.00 acres**, and this agreement shall include only the **Bonespring Formation** underlying said lands and the natural gas and associated liquid hydrocarbons hereafter 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 "A", a plat designating the communitized area and, 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. The Operator of the communitized area shall be Cimarex Energy Co., 600 N. Marienfeld, Ste. 600, Midland, TX 79701. All matters of operations 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 operating 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 there from 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.

The communitized area approved in this Agreement contains unleased Federal lands. The value of 12 ½ percent for the Federal lands, of the production that would be allocated to such Federal lands, described above, is such lands were leased, committed and entitle to participation, shall be payable as compensatory royalties to the Federal government. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue from the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the communitized area and the Communitization Agreement is terminated, whichever occurs first.

Any party acquiring a Federal lease of the unleased Federal lands included in the communitized area established hereunder, will be subject to this Agreement as of the effective date of the Federal leases to said party (ies). Upon issuance of the Federal lease and payment of its proportionate cost of the well, including drilling, completing and equipping the well, the acquiring party (ies) shall own the working interest described in the Tract, as described on Exhibit "B", and shall have the rights and obligations of said working interest as to the effective date of the Federal Lease.

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

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 and W/2E/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.

10. The date of this agreement is October 1, 2020, 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 occur 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

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 and W/2E/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

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.

15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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.

Cimarex Energy Co., OPERATOR

Date

By: _____
Bradley Cantrell, Attorney-in-Fact

ACKNOWLEDGEMENT

STATE OF _____)
) ss.
COUNTY OF _____)

On this ____ day of _____, 2022, before me, a Notary Public for the State of Texas, personally appeared Bradley Cantrell, known to me to be the Attorney-In-Fact of Cimarex Energy Co., a Delaware corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 and W/2E/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

ConocoPhillips Company

By: _____
Print Name: _____

ACKNOWLEDGEMENT

STATE OF TEXAS)
) ss.
COUNTY OF)

On this ____ day of _____, 2022, before me, a Notary Public for the State of _____ personally appeared _____, known to me to be the _____ of _____, a _____ corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 and W/2E/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

Chevron U.S.A. Inc.

By: _____
Print Name:

STATE OF TEXAS)
) ss.
COUNTY OF _____)

(SEAL)

Notary Public

Released to Imaging: 9/27/2022 10:04:22 AM

XTO Holdings, LLC

By: _____
Print Name: _____

ACKNOWLEDGEMENT

[illegible]

On this ____ day of _____, 2022, before me, a Notary Public for the State of _____ personally appeared _____, known to me to be the _____ of _____, a _____ corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
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Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

COG Operating LLC

By: _____
Print Name:

STATE OF TEXAS)
) ss.
COUNTY OF _____)

(SEAL)

Notary Public

Released to Imaging: 9/27/2022 10:04:22 AM

Concho Oil & Gas LLC

By: _____
Print Name: _____

ACKNOWLEDGEMENT

[illegible]

On this ____ day of _____, 2022, before me, a Notary Public for the State of _____ personally appeared _____, known to me to be the _____ of _____, a _____ corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
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Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

**SELF CERTIFICATION STATEMENT FOR COMMUNITIZATION AGREEMENT WORKING
INTEREST**

COMMUNITIZATION AGREEMENT: _____

I, the undersigned, hereby certify, on behalf of Cimarex Energy Co., the Operator under the captioned Communitization Agreement, that all working interest owners shown on Exhibit "B" attached to the Communitization Agreement are, to the best of my knowledge, the true and correct owners of the leases committed to the Communitization Agreement, and the consents of the requisite working interest owners have been obtained.

I, further certify that the Communitization Agreement follows the standard form except for Sections 1 and 10.

NAME: _____ (signature of officer)

Printed: Bradley Cantrell

TITLE: Attorney-In-Fact

Phone number: (432) 571-7807, **Email:** Brad.Cantrell@coterra.com

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 and W/2E/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

EXHIBIT “A”

Plat of communitized area covering 640.00 acres in the E/2W/2 and W/2E/2 of Sections 11 and 14, Township 23 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

Dos Equis 11-14 Fed Com Wells

	Tract 1 NM 01917	Tract 2 NM 02889	11
	Tract 1 NM 01917	Tract 2 NM 02889	
	Tract 2 NM 02889	Tract 1 NM 01917	
	Tract 2 NM 02889	Tract 1 NM 01917	
	Tract 3 NM 033503	Tract 3 NM 033503	14
	Tract 3 NM 033503	Tract 3 NM 033503	
	Tract 3 NM 033503	Tract 3 NM 033503	
	Tract 3 NM 033503	Tract 3 NM 033503	

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 Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

EXHIBIT "B"

To Communitization Agreement Dated March 1, 2022 embracing the following described land in Sections 11 & 14, Township 23 South, Range 32 East, N.M.P.M, Eddy County, NM.

Operator of Communitized Area: Cimarex Energy Co.

DESCRIPTION OF LEASES COMMITTED**Tract No. 1**

Lease Serial Number: NM 01917

Lessor: United States of America
Lessee: Chevron U.S.A. Inc.

Date: Effective June 1, 1950

Description of Land Committed: Township 23 South, Range 32 East,
Section 11: E/2NW/4 and W/2SE/4

Number of Acres: 160.00

Name of Working Interest Owners:
Magnum Hunter Production, Inc.....50.000000000%
Chevron U.S.A. Inc.....50.000000000%

Tract No. 2

Lease Serial Number: NM 02889

Lessor: United States of America
Lessee: ConocoPhillips Company

Date: January 1, 1979

Description of Land Committed: Township 23 South, Range 32 East,
Section 11: E/2SW/4 and W/2NE/4

Number of Acres: 160.00

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
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Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

Name of Working Interest Owners:

Cimarex Energy Co.....50.00000000%
 Magnum Hunter Production, Inc.....50.00000000%

Tract No. 3

Lease Serial Number: NM 033503

Lessor: United States of America

Lessee: Guy A. Baber

Date: April 1, 1957, effective November 1, 1958

Description of Land Committed: Township 23 South, Range 32 East,
 Section 14: E/2W/2 and W/2E/2

Number of Acres: 320.00

Name of Working Interest Owners:

Cimarex Energy Co.....33.33333334%
 XTO Holdings, LLC.....33.33333333%
 COG Operating LLC.....31.66666666%
 Concho Oil & Gas LLC.....1.666666667%

RECAPITULATION

Tract No.	No. Acres Committed	Percentage of Interest in Communitized Area
1	160.00	25.00%
2	160.00	25.00%
3	320.00	50.00%
	640.00	100.00%

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
 E/2W/2 and W/2E/2 of Sections 11 and 14,
 Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 1st day of March, 2022, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

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:

Township 24 South, Range 32 East, N.M.P.M.

Section 11: E/2W/2

Section 14: E/2W/2

Lea County, New Mexico

Containing **320.00 acres**, and this agreement shall include only the **Bonespring Formation** underlying said lands and the natural gas and associated liquid hydrocarbons hereafter 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 "A", a plat designating the communitized area and, 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. The Operator of the communitized area shall be Cimarex Energy Co., 600 N. Marienfeld, Ste. 600, Midland, TX 79701. All matters of operations 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 operating 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 there from 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.

The communitized area approved in this Agreement contains unleased Federal lands. The value of 12 ½ percent for the Federal lands, of the production that would be allocated to such Federal lands, described above, is such lands were leased, committed and entitle to participation, shall be payable as compensatory royalties to the Federal government. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue from the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the communitized area and the Communitization Agreement is terminated, whichever occurs first.

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

Any party acquiring a Federal lease of the unleased Federal lands included in the communitized area established hereunder, will be subject to this Agreement as of the effective date of the Federal leases to said party (ies). Upon issuance of the Federal lease and payment of its proportionate cost of the well, including drilling, completing and equipping the well, the acquiring party (ies) shall own the working interest described in the Tract, as described on Exhibit "B", and shall have the rights and obligations of said working interest as to the effective date of the Federal Lease.

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

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.

10. The date of this agreement is October 1, 2020, 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 occur 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

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
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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.

15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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.

Cimarex Energy Co., OPERATOR

Date

By: _____
Bradley Cantrell, Attorney-in-Fact

ACKNOWLEDGEMENT

STATE OF _____)
) ss.
COUNTY OF _____)

On this ____ day of _____, 2022, before me, a Notary Public for the State of Texas, personally appeared Bradley Cantrell, known to me to be the Attorney-In-Fact of Cimarex Energy Co., a Delaware corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

Cimarex Energy Co.

By: _____
Bradley Cantrell, Attorney-In-Fact

[illegible]

On this ____ day of _____, 2022, before me, a Notary Public for the State of Texas personally appeared Bradley Cantrell, known to me to be the Attorney-in-Fact of Cimarex Energy Co., a Delaware corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

ConocoPhillips Company

By: _____
Print Name:

STATE OF TEXAS)
) ss.
COUNTY OF _____)

(SEAL)

Notary Public

Released to Imaging: 9/27/2022 10:04:22 AM

Chevron U.S.A. Inc.

By: _____
Print Name: _____

ACKNOWLEDGEMENT

[illegible]

On this ____ day of _____, 2022, before me, a Notary Public for the State of _____ personally appeared _____, known to me to be the _____ of _____, a _____ corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

XTO Holdings, LLC

By: _____
Print Name: _____

ACKNOWLEDGEMENT

[illegible]

On this ____ day of _____, 2022, before me, a Notary Public for the State of _____ personally appeared _____, known to me to be the _____ of _____, a _____ corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

COG Operating LLC

By: _____
Print Name:

STATE OF TEXAS)
) ss.
COUNTY OF _____)

(SEAL)

Notary Public

Released to Imaging: 9/27/2022 10:04:22 AM

Concho Oil & Gas LLC

By: _____
Print Name: _____

ACKNOWLEDGEMENT

STATE OF TEXAS)
) ss.
COUNTY OF)

On this ____ day of _____, 2022, before me, a Notary Public for the State of _____ personally appeared _____, known to me to be the _____ of _____, a _____ corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

**SELF CERTIFICATION STATEMENT FOR COMMUNITIZATION AGREEMENT WORKING
INTEREST**

COMMUNITIZATION AGREEMENT: _____

I, the undersigned, hereby certify, on behalf of Cimarex Energy Co., the Operator under the captioned Communitization Agreement, that all working interest owners shown on Exhibit "B" attached to the Communitization Agreement are, to the best of my knowledge, the true and correct owners of the leases committed to the Communitization Agreement, and the consents of the requisite working interest owners have been obtained.

I, further certify that the Communitization Agreement follows the standard form except for Sections 1 and 10.

NAME: _____ (signature of officer)

Printed: Bradley Cantrell

TITLE: Attorney-In-Fact

Phone number: (432) 571-7807, **Email:** Brad.Cantrell@coterra.com

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

EXHIBIT “A”

Plat of communitized area covering **320.00** acres in the E/2W/2 of Sections 11 and 14, Township 23 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

Dos Equis 11-14 Fed Com Wells

	Tract 1 NM 01917	11
	Tract 1 NM 01917	
	Tract 2 NM 02889	
	Tract 2 NM 02889	
	Tract 3 NM 033503	14
	Tract 3 NM 033503	
	Tract 3 NM 033503	
	Tract 3 NM 033503	

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

EXHIBIT "B"

To Communitization Agreement Dated March 1, 2022 embracing the following described land in Sections 11 & 14, Township 23 South, Range 32 East, N.M.P.M, Eddy County, NM.

Operator of Communitized Area: Cimarex Energy Co.

DESCRIPTION OF LEASES COMMITTED**Tract No. 1**

Lease Serial Number:	NM 01917
Lessor:	United States of America
Lessee:	Chevron U.S.A. Inc.
Date:	Effective June 1, 1950
Description of Land Committed:	Township 23 South, Range 32 East, Section 11: E/2NW/4
Number of Acres:	80.00
Name of Working Interest Owners:	
Magnum Hunter Production, Inc.....	50.000000000%
Chevron U.S.A. Inc.....	50.000000000%

Tract No. 2

Lease Serial Number:	NM 02889
Lessor:	United States of America
Lessee:	ConocoPhillips Company
Date:	January 1, 1979
Description of Land Committed:	Township 23 South, Range 32 East, Section 11: E/2SW/4
Number of Acres:	80.00

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

Name of Working Interest Owners:

Cimarex Energy Co.....50.00000000%

Magnum Hunter Production, Inc.....50.00000000%

Tract No. 3

Lease Serial Number: NM 033503

Lessor: United States of America

Lessee: Guy A. Baber

Date: April 1, 1957, effective November 1, 1958

Description of Land Committed: Township 23 South, Range 32 East,
Section 14: E/2W/2

Number of Acres: 160.00

Name of Working Interest Owners:

Cimarex Energy Co.....33.33333334%

XTO Holdings, LLC.....33.33333333%

COG Operating LLC.....31.66666666%

Concho Oil & Gas LLC.....1.666666667%

RECAPITULATION

Tract No.	No. Acres Committed	Percentage of Interest in Communitized Area
1	80.00	25.00%
2	80.00	25.00%
3	160.00	50.00%
	320.00	100.00%

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 1st day of March, 2022, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

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:

Township 24 South, Range 32 East, N.M.P.M.

Section 11: W/2W/2

Section 14: W/2W/2

Lea County, New Mexico

Containing **320.00 acres**, and this agreement shall include only the **Bonespring Formation** underlying said lands and the natural gas and associated liquid hydrocarbons hereafter 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 "A", a plat designating the communitized area and, 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. The Operator of the communitized area shall be Cimarex Energy Co., 600 N. Marienfeld, Ste. 600, Midland, TX 79701. All matters of operations 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 operating 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 there from 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.

The communitized area approved in this Agreement contains unleased Federal lands. The value of 12 ½ percent for the Federal lands, of the production that would be allocated to such Federal lands, described above, if such lands were leased, committed and entitle to participation, shall be payable as compensatory royalties to the Federal government. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue from the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the communitized area and the Communitization Agreement is terminated, whichever occurs first.

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
W/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

Any party acquiring a Federal lease of the unleased Federal lands included in the communitized area established hereunder, will be subject to this Agreement as of the effective date of the Federal leases to said party (ies). Upon issuance of the Federal lease and payment of its proportionate cost of the well, including drilling, completing and equipping the well, the acquiring party (ies) shall own the working interest described in the Tract, as described on Exhibit "B", and shall have the rights and obligations of said working interest as to the effective date of the Federal Lease.

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

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
W/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.

10. The date of this agreement is October 1, 2020, 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 occur 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

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Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

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.

15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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.

Cimarex Energy Co., OPERATOR

Date

By: _____
Bradley Cantrell, Attorney-in-Fact

ACKNOWLEDGEMENT

STATE OF _____)
) ss.
COUNTY OF _____)

On this ____ day of _____, 2022, before me, a Notary Public for the State of Texas, personally appeared Bradley Cantrell, known to me to be the Attorney-In-Fact of Cimarex Energy Co., a Delaware corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
W/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

Cimarex Energy Co.

By: _____
Bradley Cantrell, Attorney-In-Fact

ACKNOWLEDGEMENT

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

On this ____ day of _____, 2022, before me, a Notary Public for the State of Texas personally appeared Bradley Cantrell, known to me to be the Attorney-in-Fact of Cimarex Energy Co., a Delaware corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

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W/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

Magnum Hunter Production, Inc.

By: _____
Bradley Cantrell, Attorney-In-Fact

ACKNOWLEDGEMENT

[illegible]

On this ____ day of _____, 2022, before me, a Notary Public for the State of Texas personally appeared Bradley Cantrell, known to me to be the Attorney-in-Fact of Magnum Hunter Production, Inc., a Texas corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

Notary Public

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
W/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

ConocoPhillips Company

By: _____
Print Name: _____

ACKNOWLEDGEMENT

[illegible]

On this ____ day of _____, 2022, before me, a Notary Public for the State of _____ personally appeared _____, known to me to be the _____ of _____, a _____ corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
W/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

Chevron U.S.A. Inc.

By: _____
Print Name: _____

ACKNOWLEDGEMENT

[illegible]

On this ____ day of _____, 2022, before me, a Notary Public for the State of _____ personally appeared _____, known to me to be the _____ of _____, a _____ corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
W/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

XTO Holdings, LLC

By: _____
Print Name: _____

ACKNOWLEDGEMENT

STATE OF TEXAS)
) ss.
COUNTY OF)

On this ____ day of _____, 2022, before me, a Notary Public for the State of _____ personally appeared _____, known to me to be the _____ of _____, a _____ corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
W/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

**SELF CERTIFICATION STATEMENT FOR COMMUNITIZATION AGREEMENT WORKING
INTEREST**

COMMUNITIZATION AGREEMENT: _____

I, the undersigned, hereby certify, on behalf of Cimarex Energy Co., the Operator under the captioned Communitization Agreement, that all working interest owners shown on Exhibit "B" attached to the Communitization Agreement are, to the best of my knowledge, the true and correct owners of the leases committed to the Communitization Agreement, and the consents of the requisite working interest owners have been obtained.

I, further certify that the Communitization Agreement follows the standard form except for Sections 1 and 10.

NAME: _____ (signature of officer)

Printed: Bradley Cantrell

TITLE: Attorney-In-Fact

Phone number: (432) 571-7807, **Email:** Brad.Cantrell@coterra.com

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
W/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

EXHIBIT “A”

Plat of communitized area covering **320.00** acres in the W/2W/2 of Sections 11 and 14, Township 23 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

Dos Equis 11-14 Fed Com Wells

Tract 1 NM 01917			11
Tract 1 NM 01917			
Tract 2 NM 02889			
Tract 2 NM 02889			
Tract 3 NM 033503			14
Tract 3 NM 033503			
Tract 3 NM 033503			
Tract 3 NM 033503			

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Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

EXHIBIT "B"

To Communitization Agreement Dated March 1, 2022 embracing the following described land in Sections 11 & 14, Township 23 South, Range 32 East, N.M.P.M, Eddy County, NM.

Operator of Communitized Area: Cimarex Energy Co.

DESCRIPTION OF LEASES COMMITTED**Tract No. 1**

Lease Serial Number: NM 01917

Lessor: United States of America
Lessee: Chevron U.S.A. Inc.

Date: Effective June 1, 1950

Description of Land Committed: Township 23 South, Range 32 East,
Section 11: W/2NW/4

Number of Acres: 80.00

Name of Working Interest Owners:
Magnum Hunter Production, Inc.....50.000000000%
Chevron U.S.A. Inc.....50.000000000%

Tract No. 2

Lease Serial Number: NM 02889

Lessor: United States of America
Lessee: ConocoPhillips Company

Date: January 1, 1979

Description of Land Committed: Township 23 South, Range 32 East,
Section 11: W/2SW/4

Number of Acres: 80.00

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Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

Name of Working Interest Owners:

Cimarex Energy Co.....50.00000000%

Magnum Hunter Production, Inc.....50.00000000%

Tract No. 3

Lease Serial Number: NM 033503

Lessor: United States of America

Lessee: Guy A. Baber

Date: April 1, 1957, effective November 1, 1958

Description of Land Committed: Township 23 South, Range 32 East,
Section 14: W/2W/2

Number of Acres: 160.00

Name of Working Interest Owners:

Cimarex Energy Co.....33.33333334%

XTO Holdings, LLC.....33.33333333%

COG Operating LLC.....31.66666666%

Concho Oil & Gas LLC.....1.666666667%

RECAPITULATION

Tract No.	No. Acres Committed	Percentage of Interest in Communitized Area
1	80.00	25.00%
2	80.00	25.00%
3	160.00	50.00%
	320.00	100.00%

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
W/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

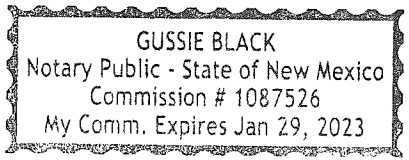
Beginning with the issue dated
August 28, 2022
and ending with the issue dated
August 28, 2022.


Publisher

Sworn and subscribed to before me this
28th day of August 2022.


Business Manager

My commission expires
January 29, 2023
(Seal)



This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

LEGAL NOTICE August 28, 2022

Notice of Application for Surface & Pool Commingle

STATE OF NEW MEXICO
ENERGY, MINERAL AND NATURAL RESOURCES
DEPARTMENT
OIL CONSERVATION DIVISION
SANTA FE, NEW MEXICO

STATE OF NEW MEXICO TO:
All named parties and persons having any right, title, interest or claim in the following and notice to the public.

(Note: All land descriptions herein refer to the New Mexico, Principal Meridian whether or not so stated.)

LEASE: Dos Equis 11-14 Federal Com 4H, 5H, 23H, 24H & 25H.

Application of Cimarex Energy Co. for Approval of Surface & Pool Commingle, Lea County, New Mexico.
Application seeks authority to surface & pool commingle production.
Pursuant to Statewide Rule 19.15.12.10 (C)(4)(g), Cimarex requests the option to include additional pools and/or leases with the defined parameters set forth in the order for future additions.

Location: Sections 11 & 14, Township 24 South, Range 32 Lea, Eddy County, New Mexico.

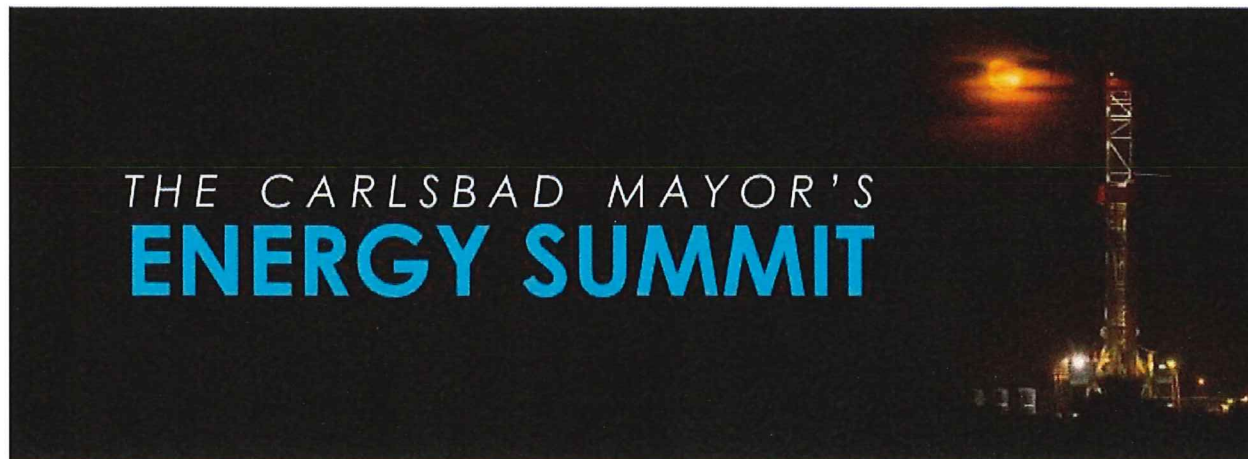
Pool Name: Triste Draw; Bone Spring (Oil) (96603) WC-025 G-08 S243213C; Wolfcamp (Oil) (98309).

Applicant: Cimarex Energy Co., Attn: Kanicia Schlichting, 600 N. Marienfeld Street, Suite 600, Midland, Texas 79701.
Interested parties must file objections or requests for hearing in writing with the division's Santa Fe Office within 20 days of this publication, or the division may approve this application.
#37985

02108629

00270259

LACI LUIG
CIMAREX ENERGY CO.
600 N. MARIENFELD STREET SUITE 600
MIDLAND, TX 79701



Agenda

Confirmed Agenda- Still In Development

“The Permian Basin: The Heart of Domestic Production”

8:00 a.m. to 1:30 p.m.- Oct 20 at the Walter Gerrells Performing Arts Center Annex, 4012 National Parks Highway

Master of Ceremonies: **Danny Fletcher**

Presentation of the Colors by the Carlsbad Veterans Honor Guard

Star Spangled Banner by **Deanna Garringer**

Opening Prayer by **Pastor Gabe Rubio, Oasis Christian Church**

Introduction by the **Carlsbad Mayor Dale Janway**

- “Industry Efforts and Successes through Trade Associations” – Moderated Panel Discussion by Missi Currier, Strategies 360.
 - **Doug Ackerman**, President and CEO, New Mexico Oil and Gas Association
 - **Jim Winchester**, Executive Director, Independent Petroleum Associates of New Mexico

- **Ben Shepperd**, President, Permian Basin Petroleum Association
- “Innovative Approaches to a Workforce Shortage”- **Sandi Guy**, Partner, Human Capital; Carr, Riggs & Ingram
- “Southeast New Mexico: Drilling Through the Decades”- **Hanson Yates**, Managing Member and President, Santo Petroleum
- “Midstreams in the Basin”- **Diaco Aviki**, Chief Operating Officer, Crestwood Midstream Partners
- “The Permian as a Resource”
Moderated Panel Discussion by Allen Davis, Eddy County

Brian McGowen, Permian Development Manager, XTO Energy

John Raines, Vice President, Delaware Basin Unit, Devon Energy

Aaron Hunter, Vice President Delaware Basin, ConocoPhillips

Brittany Steel, Subsurface Characterization Manager, New Mexico of Occidental Petroleum Corporation (OXY)

- **Brian McGowen**, Permian Development Manager, XTO Energy
- **John Raines**, Vice President, Delaware Basin Unit, Devon Energy
- **Aaron Hunter**, Vice President Delaware Basin, ConocoPhillips
- **Brittany Steel**, Subsurface Characterization Manager, New Mexico of Occidental Petroleum Corporation (OXY)
- “The Future of the Delaware Basin: an Overview”- **Robert G. Schwieters Jr.**, Chief Economist for Chevron’s Strategy & Sustainability Department
- Special Lunchtime Guest: **Weatherman Steve Stucker**

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Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 1st day of March, 2022, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

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:

Township 24 South, Range 32 East, N.M.P.M.

Section 11: E/2W/2 and W/2E/2

Section 14: E/2W/2 and W/2E/2

Lea County, New Mexico

Containing **640.00 acres**, and this agreement shall include only the **Bonespring Formation** underlying said lands and the natural gas and associated liquid hydrocarbons hereafter 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 "A", a plat designating the communitized area and, 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. The Operator of the communitized area shall be Cimarex Energy Co., 600 N. Marienfeld, Ste. 600, Midland, TX 79701. All matters of operations 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 operating 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 there from 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.

The communitized area approved in this Agreement contains unleased Federal lands. The value of 12 ½ percent for the Federal lands, of the production that would be allocated to such Federal lands, described above, if such lands were leased, committed and entitle to participation, shall be payable as compensatory royalties to the Federal government. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue from the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the communitized area and the Communitization Agreement is terminated, whichever occurs first.

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 and W/2E/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

- Any party acquiring a Federal lease of the unleased Federal lands included in the communitized area established hereunder, will be subject to this Agreement as of the effective date of the Federal leases to said party (ies). Upon issuance of the Federal lease and payment of its proportionate cost of the well, including drilling, completing and equipping the well, the acquiring party (ies) shall own the working interest described in the Tract, as described on Exhibit "B", and shall have the rights and obligations of said working interest as to the effective date of the Federal Lease.
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

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 and W/2E/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

- is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is October 1, 2020, 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 occur 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

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 and W/2E/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

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.

15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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.

Cimarex Energy Co., OPERATOR

Date

By: _____
Bradley Cantrell, Attorney-in-Fact

ACKNOWLEDGEMENT

STATE OF _____)
) ss.
COUNTY OF _____)

On this ____ day of _____, 2022, before me, a Notary Public for the State of Texas, personally appeared Bradley Cantrell, known to me to be the Attorney-In-Fact of Cimarex Energy Co., a Delaware corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 and W/2E/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

Cimarex Energy Co.

By: _____
Bradley Cantrell, Attorney-In-Fact

ACKNOWLEDGEMENT

[illegible]

On this ____ day of _____, 2022, before me, a Notary Public for the State of Texas personally appeared Bradley Cantrell, known to me to be the Attorney-in-Fact of Cimarex Energy Co., a Delaware corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 and W/2E/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

ConocoPhillips Company

By: _____
Print Name:

STATE OF TEXAS)
) ss.
COUNTY OF _____)

(SEAL)

Notary Public

Released to Imaging: 9/27/2022 10:04:22 AM

Chevron U.S.A. Inc.

Date

By: _____
Print Name:

ACKNOWLEDGEMENT

STATE OF TEXAS)
) ss.
COUNTY OF _____)

On this ____ day of _____, 2022, before me, a Notary Public for the State of _____ personally appeared _____, known to me to be the _____ of _____, a _____ corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

XTO Holdings, LLC

By: _____
Print Name: _____

ACKNOWLEDGEMENT

[illegible]

On this ____ day of _____, 2022, before me, a Notary Public for the State of _____ personally appeared _____, known to me to be the _____ of _____, a _____ corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 and W/2E/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

COG Operating LLC

By: _____
Print Name: _____

ACKNOWLEDGEMENT

[illegible]

On this ____ day of _____, 2022, before me, a Notary Public for the State of _____ personally appeared _____, known to me to be the _____ of _____, a _____ corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 and W/2E/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

Concho Oil & Gas LLC

By: _____
Print Name: _____

ACKNOWLEDGEMENT

[illegible]

On this ____ day of _____, 2022, before me, a Notary Public for the State of _____ personally appeared _____, known to me to be the _____ of _____, a _____ corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 and W/2E/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

**SELF CERTIFICATION STATEMENT FOR COMMUNITIZATION AGREEMENT WORKING
INTEREST**

COMMUNITIZATION AGREEMENT: _____

I, the undersigned, hereby certify, on behalf of Cimarex Energy Co., the Operator under the captioned Communitization Agreement, that all working interest owners shown on Exhibit "B" attached to the Communitization Agreement are, to the best of my knowledge, the true and correct owners of the leases committed to the Communitization Agreement, and the consents of the requisite working interest owners have been obtained.

I, further certify that the Communitization Agreement follows the standard form except for Sections 1 and 10.

NAME: _____ (signature of officer)

Printed: Bradley Cantrell

TITLE: Attorney-In-Fact

Phone number: (432) 571-7807, **Email:** Brad.Cantrell@coterra.com

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 and W/2E/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

EXHIBIT “A”

Plat of communitized area covering 640.00 acres in the E/2W/2 and W/2E/2 of Sections 11 and 14, Township 23 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

Dos Equis 11-14 Fed Com Wells

	Tract 1 NM 01917	Tract 2 NM 02889	11
	Tract 1 NM 01917	Tract 2 NM 02889	
	Tract 2 NM 02889	Tract 1 NM 01917	
	Tract 2 NM 02889	Tract 1 NM 01917	
	Tract 3 NM 033503	Tract 3 NM 033503	14
	Tract 3 NM 033503	Tract 3 NM 033503	
	Tract 3 NM 033503	Tract 3 NM 033503	
	Tract 3 NM 033503	Tract 3 NM 033503	

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 and W/2E/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

EXHIBIT "B"

To Communitization Agreement Dated March 1, 2022 embracing the following described land in Sections 11 & 14, Township 23 South, Range 32 East, N.M.P.M, Eddy County, NM.

Operator of Communitized Area: Cimarex Energy Co.

DESCRIPTION OF LEASES COMMITTED**Tract No. 1**

Lease Serial Number: NM 01917

Lessor: United States of America
Lessee: Chevron U.S.A. Inc.

Date: Effective June 1, 1950

Description of Land Committed: Township 23 South, Range 32 East,
Section 11: E/2NW/4 and W/2SE/4

Number of Acres: 160.00

Name of Working Interest Owners:
Magnum Hunter Production, Inc.....50.000000000%
Chevron U.S.A. Inc.....50.000000000%

Tract No. 2

Lease Serial Number: NM 02889

Lessor: United States of America
Lessee: ConocoPhillips Company

Date: January 1, 1979

Description of Land Committed: Township 23 South, Range 32 East,
Section 11: E/2SW/4 and W/2NE/4

Number of Acres: 160.00

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 and W/2E/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

Name of Working Interest Owners:

Cimarex Energy Co.....50.00000000%
 Magnum Hunter Production, Inc.....50.00000000%

Tract No. 3

Lease Serial Number: NM 033503

Lessor: United States of America

Lessee: Guy A. Baber

Date: April 1, 1957, effective November 1, 1958

Description of Land Committed: Township 23 South, Range 32 East,
 Section 14: E/2W/2 and W/2E/2

Number of Acres: 320.00

Name of Working Interest Owners:

Cimarex Energy Co.....33.33333334%
 XTO Holdings, LLC.....33.33333333%
 COG Operating LLC.....31.66666666%
 Concho Oil & Gas LLC.....1.666666667%

RECAPITULATION

Tract No.	No. Acres Committed	Percentage of Interest in Communitized Area
1	160.00	25.00%
2	160.00	25.00%
3	320.00	50.00%
	640.00	100.00%

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
 E/2W/2 and W/2E/2 of Sections 11 and 14,
 Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 1st day of March, 2022, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

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:

Township 24 South, Range 32 East, N.M.P.M.

Section 11: E/2W/2

Section 14: E/2W/2

Lea County, New Mexico

Containing **320.00 acres**, and this agreement shall include only the **Bonespring Formation** underlying said lands and the natural gas and associated liquid hydrocarbons hereafter 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 "A", a plat designating the communitized area and, 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. The Operator of the communitized area shall be Cimarex Energy Co., 600 N. Marienfeld, Ste. 600, Midland, TX 79701. All matters of operations 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 operating 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 there from 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.

The communitized area approved in this Agreement contains unleased Federal lands. The value of 12 ½ percent for the Federal lands, of the production that would be allocated to such Federal lands, described above, is such lands were leased, committed and entitle to participation, shall be payable as compensatory royalties to the Federal government. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue from the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the communitized area and the Communitization Agreement is terminated, whichever occurs first.

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

- Any party acquiring a Federal lease of the unleased Federal lands included in the communitized area established hereunder, will be subject to this Agreement as of the effective date of the Federal leases to said party (ies). Upon issuance of the Federal lease and payment of its proportionate cost of the well, including drilling, completing and equipping the well, the acquiring party (ies) shall own the working interest described in the Tract, as described on Exhibit "B", and shall have the rights and obligations of said working interest as to the effective date of the Federal Lease.
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

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.

10. The date of this agreement is October 1, 2020, 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 occur 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

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

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.

15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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.

Cimarex Energy Co., OPERATOR

Date

By: _____
Bradley Cantrell, Attorney-in-Fact

ACKNOWLEDGEMENT

STATE OF _____)
) ss.
COUNTY OF _____)

On this ____ day of _____, 2022, before me, a Notary Public for the State of Texas, personally appeared Bradley Cantrell, known to me to be the Attorney-In-Fact of Cimarex Energy Co., a Delaware corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

Cimarex Energy Co.

By: _____
Bradley Cantrell, Attorney-In-Fact

ACKNOWLEDGEMENT

[illegible]

On this ____ day of _____, 2022, before me, a Notary Public for the State of Texas personally appeared Bradley Cantrell, known to me to be the Attorney-in-Fact of Cimarex Energy Co., a Delaware corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

Magnum Hunter Production, Inc.

By: _____
Bradley Cantrell, Attorney-In-Fact

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

(SEAL)

Notary Public

Released to Imaging: 9/27/2022 10:04:22 AM

ConocoPhillips Company

By: _____
Print Name: _____

ACKNOWLEDGEMENT

[illegible]

On this ____ day of _____, 2022, before me, a Notary Public for the State of _____ personally appeared _____, known to me to be the _____ of _____, a _____ corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

Chevron U.S.A. Inc.

Date

By: _____
Print Name:

ACKNOWLEDGEMENT

STATE OF TEXAS)
) ss.
COUNTY OF _____)

On this ____ day of _____, 2022, before me, a Notary Public for the State of _____ personally appeared _____, known to me to be the _____ of _____, a _____ corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

XTO Holdings, LLC

By: _____
Print Name:

ACKNOWLEDGEMENT

On this ____ day of _____, 2022, before me, a Notary Public for the State of _____ personally appeared _____, known to me to be the _____ of _____, a _____ corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

Notary Public

Released to Imaging: 9/27/2022 10:04:22 AM

COG Operating LLC

By: _____
Print Name:

ACKNOWLEDGEMENT

[illegible]

On this ____ day of _____, 2022, before me, a Notary Public for the State of _____ personally appeared _____, known to me to be the _____ of _____, a _____ corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

Released to Imaging: 9/27/2022 10:04:22 AM

Concho Oil & Gas LLC

By: _____
Print Name: _____

ACKNOWLEDGEMENT

[illegible]

On this ____ day of _____, 2022, before me, a Notary Public for the State of _____ personally appeared _____, known to me to be the _____ of _____, a _____ corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

**SELF CERTIFICATION STATEMENT FOR COMMUNITIZATION AGREEMENT WORKING
INTEREST**

COMMUNITIZATION AGREEMENT: _____

I, the undersigned, hereby certify, on behalf of Cimarex Energy Co., the Operator under the captioned Communitization Agreement, that all working interest owners shown on Exhibit "B" attached to the Communitization Agreement are, to the best of my knowledge, the true and correct owners of the leases committed to the Communitization Agreement, and the consents of the requisite working interest owners have been obtained.

I, further certify that the Communitization Agreement follows the standard form except for Sections 1 and 10.

NAME: _____ (signature of officer)

Printed: Bradley Cantrell

TITLE: Attorney-In-Fact

Phone number: (432) 571-7807, **Email:** Brad.Cantrell@coterra.com

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

EXHIBIT “A”

Plat of communitized area covering **320.00** acres in the E/2W/2 of Sections 11 and 14, Township 23 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

Dos Equis 11-14 Fed Com Wells

	Tract 1 NM 01917	11
	Tract 1 NM 01917	
	Tract 2 NM 02889	
	Tract 2 NM 02889	
	Tract 3 NM 033503	14
	Tract 3 NM 033503	
	Tract 3 NM 033503	
	Tract 3 NM 033503	

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
 E/2W/2 of Sections 11 and 14,
 Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

EXHIBIT "B"

To Communitization Agreement Dated March 1, 2022 embracing the following described land in Sections 11 & 14, Township 23 South, Range 32 East, N.M.P.M, Eddy County, NM.

Operator of Communitized Area: Cimarex Energy Co.

DESCRIPTION OF LEASES COMMITTED**Tract No. 1**

Lease Serial Number:	NM 01917
Lessor:	United States of America
Lessee:	Chevron U.S.A. Inc.
Date:	Effective June 1, 1950
Description of Land Committed:	Township 23 South, Range 32 East, Section 11: E/2NW/4
Number of Acres:	80.00
Name of Working Interest Owners:	
Magnum Hunter Production, Inc.....	50.000000000%
Chevron U.S.A. Inc.....	50.000000000%

Tract No. 2

Lease Serial Number:	NM 02889
Lessor:	United States of America
Lessee:	ConocoPhillips Company
Date:	January 1, 1979
Description of Land Committed:	Township 23 South, Range 32 East, Section 11: E/2SW/4
Number of Acres:	80.00

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
E/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

Name of Working Interest Owners:

Cimarex Energy Co.....50.00000000%
 Magnum Hunter Production, Inc.....50.00000000%

Tract No. 3

Lease Serial Number: NM 033503

Lessor: United States of America

Lessee: Guy A. Baber

Date: April 1, 1957, effective November 1, 1958

Description of Land Committed: Township 23 South, Range 32 East,
 Section 14: E/2W/2

Number of Acres: 160.00

Name of Working Interest Owners:

Cimarex Energy Co.....33.33333334%
 XTO Holdings, LLC.....33.33333333%
 COG Operating LLC.....31.66666666%
 Concho Oil & Gas LLC.....1.666666667%

RECAPITULATION

Tract No.	No. Acres Committed	Percentage of Interest in Communitized Area
1	80.00	25.00%
2	80.00	25.00%
3	160.00	50.00%
	320.00	100.00%

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
 E/2W/2 of Sections 11 and 14,
 Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 1st day of March, 2022, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

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:

Township 24 South, Range 32 East, N.M.P.M.

Section 11: W/2W/2

Section 14: W/2W/2

Lea County, New Mexico

Containing **320.00 acres**, and this agreement shall include only the **Bonespring Formation** underlying said lands and the natural gas and associated liquid hydrocarbons hereafter 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 "A", a plat designating the communitized area and, 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. The Operator of the communitized area shall be Cimarex Energy Co., 600 N. Marienfeld, Ste. 600, Midland, TX 79701. All matters of operations 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 operating 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 there from 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.

The communitized area approved in this Agreement contains unleased Federal lands. The value of 12 ½ percent for the Federal lands, of the production that would be allocated to such Federal lands, described above, is such lands were leased, committed and entitle to participation, shall be payable as compensatory royalties to the Federal government. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue from the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the communitized area and the Communitization Agreement is terminated, whichever occurs first.

Any party acquiring a Federal lease of the unleased Federal lands included in the communitized area established hereunder, will be subject to this Agreement as of the effective date of the Federal leases to said party (ies). Upon issuance of the Federal lease and payment of its proportionate cost of the well, including drilling, completing and equipping the well, the acquiring party (ies) shall own the working interest described in the Tract, as described on Exhibit "B", and shall have the rights and obligations of said working interest as to the effective date of the Federal Lease.

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

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
W/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

- is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is October 1, 2020, 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 occur 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

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
W/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

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.

15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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.

Cimarex Energy Co., OPERATOR

Date

By: _____
Bradley Cantrell, Attorney-in-Fact

ACKNOWLEDGEMENT

STATE OF _____)
) ss.
COUNTY OF _____)

On this ____ day of _____, 2022, before me, a Notary Public for the State of Texas, personally appeared Bradley Cantrell, known to me to be the Attorney-In-Fact of Cimarex Energy Co., a Delaware corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
W/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

Magnum Hunter Production, Inc.

By: _____
Bradley Cantrell, Attorney-In-Fact

ACKNOWLEDGEMENT

[illegible]

On this ____ day of _____, 2022, before me, a Notary Public for the State of Texas personally appeared Bradley Cantrell, known to me to be the Attorney-in-Fact of Magnum Hunter Production, Inc., a Texas corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
W/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

ConocoPhillips Company

By: _____
Print Name: _____

ACKNOWLEDGEMENT

STATE OF TEXAS)
) ss.
COUNTY OF)

On this ____ day of _____, 2022, before me, a Notary Public for the State of _____ personally appeared _____, known to me to be the _____ of _____, a _____ corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
W/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

Chevron U.S.A. Inc.

By: _____
Print Name: _____

ACKNOWLEDGEMENT

[illegible]

On this ____ day of _____, 2022, before me, a Notary Public for the State of _____ personally appeared _____, known to me to be the _____ of _____, a _____ corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
W/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

XTO Holdings, LLC

By: _____
Print Name: _____

ACKNOWLEDGEMENT

STATE OF TEXAS)
) ss.
COUNTY OF)

On this ____ day of _____, 2022, before me, a Notary Public for the State of _____ personally appeared _____, known to me to be the _____ of _____, a _____ corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
W/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

**SELF CERTIFICATION STATEMENT FOR COMMUNITIZATION AGREEMENT WORKING
INTEREST**

COMMUNITIZATION AGREEMENT: _____

I, the undersigned, hereby certify, on behalf of Cimarex Energy Co., the Operator under the captioned Communitization Agreement, that all working interest owners shown on Exhibit "B" attached to the Communitization Agreement are, to the best of my knowledge, the true and correct owners of the leases committed to the Communitization Agreement, and the consents of the requisite working interest owners have been obtained.

I, further certify that the Communitization Agreement follows the standard form except for Sections 1 and 10.

NAME: _____ (signature of officer)

Printed: Bradley Cantrell

TITLE: Attorney-In-Fact

Phone number: (432) 571-7807, **Email:** Brad.Cantrell@coterra.com

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
W/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

EXHIBIT “A”

Plat of communitized area covering **320.00** acres in the W/2W/2 of Sections 11 and 14, Township 23 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

Dos Equis 11-14 Fed Com Wells

Tract 1 NM 01917			11
Tract 1 NM 01917			
Tract 2 NM 02889			
Tract 2 NM 02889			
Tract 3 NM 033503			14
Tract 3 NM 033503			
Tract 3 NM 033503			
Tract 3 NM 033503			

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W/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

EXHIBIT "B"

To Communitization Agreement Dated March 1, 2022 embracing the following described land in Sections 11 & 14, Township 23 South, Range 32 East, N.M.P.M, Eddy County, NM.

Operator of Communitized Area: Cimarex Energy Co.

DESCRIPTION OF LEASES COMMITTED**Tract No. 1**

Lease Serial Number:	NM 01917
Lessor:	United States of America
Lessee:	Chevron U.S.A. Inc.
Date:	Effective June 1, 1950
Description of Land Committed:	Township 23 South, Range 32 East, Section 11: W/2NW/4
Number of Acres:	80.00
Name of Working Interest Owners:	
Magnum Hunter Production, Inc.....	50.000000000%
Chevron U.S.A. Inc.....	50.000000000%

Tract No. 2

Lease Serial Number:	NM 02889
Lessor:	United States of America
Lessee:	ConocoPhillips Company
Date:	January 1, 1979
Description of Land Committed:	Township 23 South, Range 32 East, Section 11: W/2SW/4
Number of Acres:	80.00

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W/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

Name of Working Interest Owners:

Cimarex Energy Co.....50.00000000%

Magnum Hunter Production, Inc.....50.00000000%

Tract No. 3

Lease Serial Number: NM 033503

Lessor: United States of America

Lessee: Guy A. Baber

Date: April 1, 1957, effective November 1, 1958

Description of Land Committed: Township 23 South, Range 32 East,
Section 14: W/2W/2

Number of Acres: 160.00

Name of Working Interest Owners:

Cimarex Energy Co.....33.33333334%

XTO Holdings, LLC.....33.33333333%

COG Operating LLC.....31.66666666%

Concho Oil & Gas LLC.....1.666666667%

RECAPITULATION

Tract No.	No. Acres Committed	Percentage of Interest in Communitized Area
1	80.00	25.00%
2	80.00	25.00%
3	160.00	50.00%
	320.00	100.00%

Communitization Agreement – Dos Equis 11-14 Fed Com Wells
W/2W/2 of Sections 11 and 14,
Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 1st day of January, 2020, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

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:

The W/2 W/2 of Section 11 and the W/2 W/2 of Section 14, Township 24 South, Range 32 East, Lea County, New Mexico

Containing 320.00 acres, and this agreement shall include only the Wolfcamp Formation underlying said lands and the oil and gas hereafter referred to as "communitized substances," producible from such formation.

2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, 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. The Operator of the communitized area shall be Cimarex Energy Co., located at 600 N. Marienfeld Ave, Suite 600, Midland, Texas 79701. All matters of operations 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 operating 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 there from 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 lands included within the CA area are to be paid into the appropriate Unleased Lands 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 date of this agreement is October 30, 2019, 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 occur 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.
15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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.

Cimarex Energy Co. (Operator)

By: 
Michael DeShazer, Attorney-in-Fact

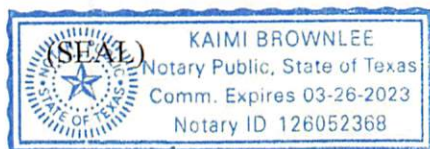
Date

CE
ZM

ACKNOWLEDGEMENT

STATE OF Texas)
COUNTY OF Midland) ss.

On this 21 day of February, 2020, before me, a Notary Public for the State of Texas, personally appeared Michael DeShazer, known to me to be the Attorney-in-Fact of Cimarex Energy Co., a Delaware Corporation, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

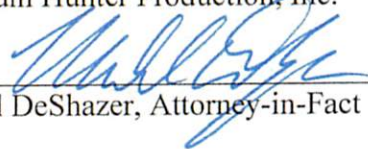


My Commission Expires


Notary Public

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Magnum Hunter Production, Inc.

By: 
Michael DeShazer, Attorney-in-Fact

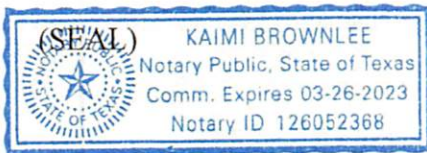
Date

CPE
rm

ACKNOWLEDGEMENT

STATE OF Texas)
COUNTY OF Midland) ss.

On this 21 day of February, 2020, before me, a Notary Public for the State of Texas, personally appeared Michael DeShazer, known to me to be the Attorney-in-Fact of Magnum Hunter Production, Inc., a Texas Corporation, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.



My Commission Expires _____


Notary Public

WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD

ConocoPhillips Company

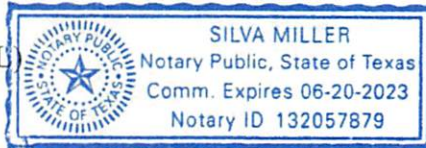
10/1/2020
DateBy: Justin K. Williams
Title: Attorney in Fact

ACKNOWLEDGEMENT

STATE OF Texas)
) ss.
COUNTY OF Harris)

On this 1st day of Oct., 2020, before me, a Notary Public for the State of Texas, personally appeared Justin K. Williams, known to me to be the Attorney-in-Fact of ConocoPhillips Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

6/20/2023
My Commission ExpiresSilva Miller
Notary Public

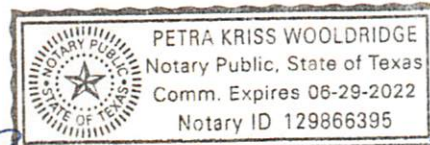
**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Chevron U.S.A. Inc.

2/20/20
DateBy: Jamie Helen
Title: Attorney-In-Fact**ACKNOWLEDGEMENT**STATE OF Texas)
) ss.
COUNTY OF Midland)

On this 20th day of February, 2020, before me, a Notary Public for the State of Texas, personally appeared Jacob Velasco, known to me to be the Attorney-In-Fact of Chevron U.S.A. Inc., the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

6-29-2022
My Commission ExpiresPetra Wooldridge
Notary Public

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

2-21-2020
Date

^{OH SW} XTO Holdings, LLC
By: [Signature]
Title: Agent and Attorney-in-Fact

ACKNOWLEDGEMENT

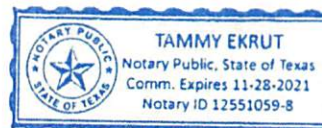
STATE OF Texas)
COUNTY OF Texas Harris) ss. TX

On this 21st day of February, 2020, before me, a Notary Public for the State of TX, personally appeared Edwin S. Ryan, Jr., known to me to be the Agent & Attorney-in-Fact of XTO Holdings, LLC, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

11-28-2021
My Commission Expires

[Signature]
Notary Public



**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

COG OPERATING LLC

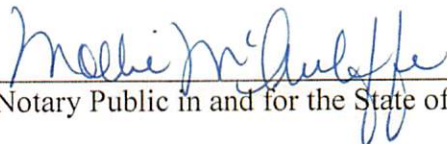
By: 
Sean Johnson, Attorney-in-Fact

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MW

ACKNOWLEDGEMENT

STATE OF TEXAS §
 §
COUNTY OF MIDLAND §

This instrument was acknowledged before me on February 3, 2020 by Sean Johnson, Attorney-in-Fact, of COG Operating LLC, a Delaware limited liability company on behalf of said limited liability company.


Notary Public in and for the State of Texas



WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD

CONCHO OIL & GAS LLC

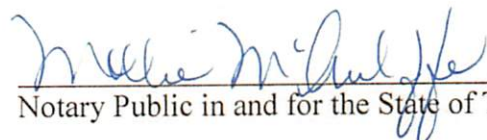
By: 
Sean Johnson, Attorney-in-Fact

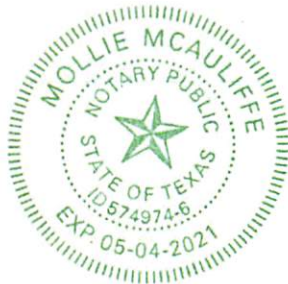
fu
MW

ACKNOWLEDGEMENT

STATE OF TEXAS §
 §
COUNTY OF MIDLAND §

This instrument was acknowledged before me on February 3, 2020 by Sean Johnson, Attorney-in-Fact, of Concho Oil & Gas LLC, a Texas limited liability company on behalf of said limited liability company.


Notary Public in and for the State of Texas



Guy A. ~~Barber~~, III

By: _____

ACKNOWLEDGEMENT

STATE OF _____)
) ss.
COUNTY OF _____)

On this ____ day of _____, 2020, before me, a Notary Public for the State of _____, personally appeared _____, known to me to be the individual that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

SELF CERTIFICATION STATEMENT FOR COMMUNITIZATION AGREEMENT WORKING
INTEREST

COMMUNITIZATION AGREEMENT: _____

I, the undersigned, hereby certify, on behalf of Cimarex Energy Co., the Operator under the captioned Communitization Agreement, that all working interest owners shown on Exhibit "B" attached to the Communitization Agreement are, to the best of my knowledge, the true and correct owners of the leases committed to the Communitization Agreement, and the consents of the requisite working interest owners have been obtained.

I, further certify that the Communitization Agreement follows the standard form except for Sections 1 and 10.

NAME: _____

Printed: Michael DeShazer

TITLE: Attorney-in-Fact

Phone number: 432-571-7800,

email celliott@cimarex.com

CTE
pm

EXHIBIT "A"

Plat of communitized area covering 320.00 acres in the W/2 W/2 of Section 11 and the W/2 W/2 of Section 14, Township 24 South, Range 32 East, Lea County, New Mexico.

Dos Equis 11-14 Fed Com 4H

Tract 1: NM 01917	Section 11, T24S, R32E
Tract 2: NM 02889	
Tract 3: NM 033503	Section 14, T24S, R32E

EXHIBIT "B"

To Communitization Agreement Dated November 7, 2019 embracing the following described land in the W/2 W/2 of Section 11 and the W/2 W/2 of Section 14, Township 24 South, Range 32 East, Lea County, New Mexico.

Operator of Communitized Area: Cimarex Energy Co.

DESCRIPTION OF LEASES COMMITTED**Tract No. 1**

Lease Serial Number:	NM-01917
Description of Land Committed:	Township 24 South, Range 32 East, N.M.P.M, Section 11: W/2NW/4
Number of Gross Acres:	80.00
Number of Acres:	80.00
Current Lessee of Record:	Chevron U.S.A. Inc.
Name of Working Interest Owners:	Magnum Hunter Production, Inc. Chevron U.S.A. Inc.
ORRI Owners:	Robert Erle Payne Carol Wright Bailey Shelley Wright Hickman ConocoPhillips Company

Tract No. 2

Lease Serial Number:	NM-02889
Description of Land Committed:	Township 24 South, Range 32 East, N.M.P.M, Section 11: W/2SW/4
Number of Gross Acres:	80.00
Number of Net Acres:	80.00
Current Lessee of Record:	ConocoPhillips Co.

Name of Working Interest Owners: Cimarex Energy Co.
Magnum Hunter Production, Inc.

ORRI Owners: James H. Briscoe
Patsy M. Scrimshire
Ora Carol Pennington
Brigham Young University's J. Reuben Clark Law School
Primary Children's Medical Center Foundation
Eugene E. Nearburg
Anna A. Reischman f/k/a Anna A. Nearburg
Pitch Energy Corporation

Tract No. 3

Lease Serial Number: NM-033503

Description of Land Committed: Township 24 South, Range 32 East,
N.M.P.M, Section 14: W/2 W/2

Number of Gross Acres: 160.00

Number of Net Acres: 160.00

Current Lessee of Record: Guy A. Barber, III

Name of Working Interest Owners: Cimarex Energy Co.
XTO Holdings, LLC
COG Operating LLC
Concho Oil and Gas LLC

ORRI Owners: Howard Jennings
Mrs. Helen Magruder Kolliker
Barger Family Trust
CCJR Properties, LLC

RECAPITULATION

<u>Tract No.</u>	<u>No. of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
1	80.00	25.0000%
2	80.00	25.0000%
3	160.00	50.0000%
Total	320.00	100.0000%

From: [McClure, Dean, EMNRD](#) on behalf of [Engineer, OCD, EMNRD](#)
To: [Kania Schlichting](#)
Cc: [McClure, Dean, EMNRD](#); [Kautz, Paul, EMNRD](#); [Wrinkle, Justin, EMNRD](#); [Powell, Brandon, EMNRD](#); [lisa@rwbyram.com](#); [Paradis, Kyle O](#); [Walls, Christopher](#)
Subject: Approved Administrative Order PLC-857
Date: Tuesday, September 27, 2022 9:49:44 AM
Attachments: [PLC857 Order.pdf](#)

NMOCD has issued Administrative Order PLC-857 which authorizes Cimarex Energy Company (215099) to surface commingle or off-lease measure, as applicable, the following wells:

30-025-45413	Dos Equis 11 14 Federal Com #4H	W/2 W/2 W/2 W/2	11-24S-32E 14-24S-32E	98309
30-025-45414	Dos Equis 11 14 Federal Com #5H	E/2 W/2, W/2 E/2 E/2 W/2, W/2 E/2	11-24S-32E 14-24S-32E	96603
30-025-47081	Dos Equis 11 14 Federal Com #23H	E/2 W/2, W/2 E/2 E/2 W/2, W/2 E/2	11-24S-32E 14-24S-32E	96603
30-025-47645	Dos Equis 11 14 Federal Com #24H	W/2 W/2	11-24S-32E 14-24S-32E	96603
30-025-50259	Dos Equis 11 14 Federal Com #25H	W/2 W/2	11-24S-32E 14-24S-32E	96603

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

From: [McClure, Dean, EMNRD](#)
To: ["Kania Schlichting"](#)
Cc: [John Coffman](#)
Subject: RE: [EXTERNAL] RE: surface commingling application PLC-857
Date: Monday, September 26, 2022 4:18:00 PM
Attachments: [Print Report Approved 2680895.pdf](#)

Kania,

Please see the attached PDF for an example of what I am looking for regarding notice to the BLM in lieu of providing them notice via certified mail. Essentially, I am needing to see something which demonstrates that the BLM has received notification of the commingling project.

Having said that; I re-examined your notice list and while I missed it the first time (your notice spreadsheet is a bit difficult to read), I do see that notice was provided to the BLM via certified mail. As such, I am withdrawing my request for a print off of the BLM sundry page.

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

From: Kania Schlichting <Kania.Schlichting@coterra.com>
Sent: Monday, September 26, 2022 3:41 PM
To: McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>
Cc: John Coffman <John.Coffman@coterra.com>
Subject: [EXTERNAL] RE: surface commingling application PLC-857

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Dean,

I have answered your questions below. Please see my attachments.

I have attached the Dos Equis 4H CA, it's still pending approval. We also won a hearing and we are waiting on the approved order. The record title owner did not respond so we had to force pool him.

I also talked with our landman and he says the overlapping should be fine. We are working with our attorneys to help us get approval. I've cc'd our landman, John Coffman, if you have more questions.

Please let me know if you need additional info for this approval.

Thank you!



Kania Schlichting | Regulatory Analyst
T: 432.571.7894 | kschlichting@cimarex.com | www.coterra.com
Coterra Energy Inc. | 600 N. Marienfeld Street, Suite 600 | Midland, TX 79701

Coterra Energy Inc. is the result of the merger of Cimarex Energy Co. and Cabot Oil & Gas Corporation on October 1, 2021.

From: McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>

Sent: Monday, September 26, 2022 12:27 PM

To: Kanicia Schlichting <Kanicia.Schlichting@coterra.com>

Subject: [EXTERNAL] surface commingling application PLC-857

WARNING: This email originated from outside of Coterra Energy. Do not click links or open attachments unless you recognize the sender, are expecting the content and know it is safe.

Ms. Schlichting,

I am reviewing surface commingling application PLC-857 which involves a commingling project that includes the Dos Equis 11 14 Federal Com Facility and is operated by Cimarex Energy Company (215099).

Something which I forgot to mention in our phone conversation; please print off a copy of the sundry from the BLM's system. (BLM sundry is attached.) The page I am looking for should include mention of the wells included as well as the current status of the sundry within their system.

Please confirm that the following well should be included instead of the well with an API number of 30-025-47646: **Yes, the API # 30-025-50259 is the correct API number.**

30-025-50259	Dos Equis 11 14 Federal Com #25H	W/2 W/2	11-24S-32E 14-24S-32E	96603
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Please provide the CA packet for the following well and its tract of land:

CA is attached.

30-025-45413	Dos Equis 11 14 Federal Com #4H	W/2 W/2 W/2 W/2	11-24S-32E 14-24S-32E	98309
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Please confirm that the spacing unit shown below for the following well is correct. If so, then the proposed CA within the E/2 W/2 of these sections will no longer be able to be included as this well cannot be allocated to that proposed CA. **Yes, I confirm this will go in with the 23H CA.**

30-025-45414	Dos Equis 11 14 Federal Com #5H	E/2 W/2, W/2 E/2 E/2 W/2, W/2 E/2	11-24S-32E 14-24S-32E	96603
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Additionally, per our conversation please note that there may be a conflict between the proposed CAs since they are overlapping. If the BLM does not approve the CAs in the manner submitted in this application, then any orders issued in relation to this application will automatically terminate 60 days after such action unless the operator submits an application to amend the order to conform with the new CA. However, the Division has no rules against overlapping spacing units and the application will not be held up due to this, but the operator needs to keep this in mind going forward to prevent itself from being out of compliance if the order should terminate. Please see the ordering language below.

1. **[Pending CA]** 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 a 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 commingling application to OCD to conform this Order with the approved Agreement(s). If Applicant fails to submit the new surface commingling application or OCD denies the new surface commingling 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.

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

This message may contain confidential and/or privileged information. If you are not the addressee or authorized to receive this for the addressee, you must not use, copy, disclose or take any action based on this message or any information herein. If you have received this message in error, please advise the sender immediately by reply e-mail and delete this message.

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

**APPLICATION FOR SURFACE COMMINGLING
SUBMITTED BY CIMAREX ENERGY COMPANY**

ORDER NO. PLC-857

ORDER

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. Cimarex Energy Company (“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 certified the commingling of oil and gas production from the pools, leases, and wells will not in reasonable probability reduce the value of the oil and gas production to less than if it had remained segregated.
7. Applicant in the notice for the Application stated that it sought authorization to prospectively include additional pools, leases, and wells in accordance with 19.15.12.10.C.(4)(g) NMAC.
8. 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

9. 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.
10. 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.
11. 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.
12. 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.
13. 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.
14. Applicant satisfied the notice requirements for the subsequent addition of pools, leases, and wells in the notice for the Application, in accordance with 19.15.12.10.C.(4)(g) NMAC. Subsequent additions of pools, leases, and wells within Applicant's defined parameters, as modified herein, will not, in reasonable probability, reduce the commingled production's value or otherwise adversely affect the interest owners in the production to be added.
15. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

ORDER

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 or gas title transfer meter 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 a 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 commingling application to OCD to conform this Order with the approved Agreement(s). If Applicant fails to submit the new surface commingling application or OCD denies the new surface commingling 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 it with production from another well.
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 may submit an application to amend this Order to add pools, leases, and subsequently drilled wells with spacing units adjacent to or within the tracts commingled by this Order by submitting a Form C-107-B in accordance with 19.15.12.10.C.(4)(g) NMAC, provided the pools, leases, and subsequently drilled wells are within the identified parameters included in the Application.
9. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.

10. 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).
11. 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**



**ADRIENNE E. SANDOVAL
DIRECTOR**

DATE: 9/26/2022

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: **PLC-857**

Operator: **Cimarex Energy Company (215099)**

Central Tank Battery: **Dos Equis 11 14 Federal Com Facility**

Central Tank Battery Location: **UL D, Section 11, Township 24 South, Range 32 East**

Gas Title Transfer Meter Location: **UL D, Section 11, Township 24 South, Range 32 East**

Pools

Pool Name	Pool Code
TRISTE DRAW; BONE SPRING	96603
WC-025 G-08 S243213C; WOLFCAMP	98309

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
NMNM 0001917	C D E F J O	11-24S-32E
NMNM 0002889	B G K L M N	11-24S-32E
NMNM 0033503	W/2, W/2 E/2	14-24S-32E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-45413	Dos Equis 11 14 Federal Com #4H	W/2 W/2	11-24S-32E	98309
		W/2 W/2	14-24S-32E	
30-025-45414	Dos Equis 11 14 Federal Com #5H	E/2 W/2, W/2 E/2	11-24S-32E	96603
		E/2 W/2, W/2 E/2	14-24S-32E	
30-025-47081	Dos Equis 11 14 Federal Com #23H	E/2 W/2, W/2 E/2	11-24S-32E	96603
		E/2 W/2, W/2 E/2	14-24S-32E	
30-025-47645	Dos Equis 11 14 Federal Com #24H	W/2	11-24S-32E	96603
		W/2	14-24S-32E	
30-025-50259	Dos Equis 11 14 Federal Com #25H	W/2	11-24S-32E	96603
		W/2	14-24S-32E	

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit B

Order: **PLC-857**
Operator: **Cimarex Energy Company (215099)**

Pooled Areas

Pooled Area	UL or Q/Q	S-T-R	Acres	Pooled Area ID
CA Wolfcamp BLM	W/2 W/2	11-24S-32E	320	A
	W/2 W/2	14-24S-32E		
CA Bone Spring BLM	W/2	11-24S-32E	640	B
	W/2	14-24S-32E		
CA Bone Spring BLM	E/2 W/2, W/2 E/2	11-24S-32E	640	C
	E/2 W/2, W/2 E/2	14-24S-32E		

Leases Comprising Pooled Areas

Lease	UL or Q/Q	S-T-R	Acres	Pooled Area ID
NMNM 0001917	W/2 NW/4	11-24S-32E	80	A
NMNM 0002889	W/2 SW/4	11-24S-32E	80	A
NMNM 0033503	W/2 W/2	14-24S-32E	160	A
NMNM 0001917	NW/4	11-24S-32E	160	B
NMNM 0002889	SW/4	11-24S-32E	160	B
NMNM 0033503	W/2	14-24S-32E	320	B
NMNM 0001917	C F J O	11-24S-32E	160	C
NMNM 0002889	B G K N	11-24S-32E	160	C
NMNM 0033503	E/2 W/2, W/2 E/2	14-24S-32E	320	C

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 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

CONDITIONS

Action 139599

CONDITIONS

Operator: CIMAREX ENERGY CO. 600 N. Marienfeld Street Midland, TX 79701	OGRID: 215099
	Action Number: 139599
	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.	9/27/2022