

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

June 20, 2022

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

Re:

Application for Administrative Approval Off-lease Measurement – Oil Only

Dear Mr. McClure,

COG Operating LLC respectfully requests approval for off-lease measurement – Oil only for the following wells:

Bedlington Federal Com 501H API# 30-025-48321 Triste Draw; Bone Spring Ut. N, Sec.35-T23S-R32E Lea County, NM

Bedlington Federal Com 503H API# 30-025-48334 Triste Draw; Bone Spring Ut. N, Sec.35-T23S-R32E Lea County, NM

Bedlington Federal Com 702H API# 30-025-48324 Triste Draw; Bone Spring Ut. N, Sec.35-T23S-R32E Lea County, NM Bedlington Federal Com 502H API# 30-025-48322 Triste Draw; Bone Spring Ut. N, Sec.35-T23S-R32E Lea County, NM

Bedlington Federal Com 701H API# 30-025-48323 Triste Draw; Bone Spring Ut. N, Sec.35-T23S-R32E Lea County, NM

Bedlington Federal Com 703H API# 30-025-48325 Triste Draw; Bone Spring Ut. N, Sec.35-T23S-R32E Lea County, NM

Oil Production:

The oil production from these wells may be transported by truck to either the Red Hills Offload Station, located in Unit O, Section 4-T26S-R32E, or the Jal Offload Station, located in Unit D, Section 4-T26S-R37E, Lea County in the event the CTB on lease is over capacity or in the case of battery or pipeline repairs. Oil will remain segregated and will be measured by lact meter when offloading at the Offload Stations.

Wells 501H-503H will have their own separate train and CTB as will the 701H-703H.

Notifications have been sent to all working interest owners

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

Thank you for your attention to this matter. If you have questions or need further information, please email me at jeanette.barron@conocophillips.com or call 575.748.6974.

Sincerely

Deanette Barron

Regulatory Coordinator

Revised March 23, 2017

RECEIVED;	REVIEWER:	TYPE:	APP NO:	
		ABOVE THIS TABLE FOR OCC		A DESC.
	- Geolog	CO OIL CONSER\ gical & Engineerin Francis Drive, San	g Bureau –	
		RATIVE APPLICAT		
THIS CH			CATIONS FOR EXCEPTIONS TO LE DIVISION LEVEL IN SANTA FE	
pplicant: COG Opera	ting, LLC			Number: 229137
	ton Fed Com 501H and f	ive other wells		025-48321
ool: Triste Draw; Bon	e Spring		POOLC	ode: 96603
SUBMIT ACCURA	TE AND COMPLETE IF	NFORMATION REQUINDICATED BEL		HE TYPE OF APPLICATION
	ATION: Check those Spacing Unit – Sime SL NSP	ultaneous Dedicati		D
[Measurement IPLC PC D sure Increase – Enl	OLS I OLM nanced Oil Recover EOR PPR	FOR OCD ONLY
A. Offset of B. Royalty C. Application D. Notification E. Notification F. Surface G. For all	REQUIRED TO: Checo operators or lease had no experited a lease had no experite	olders owners, revenue c shed notice rrent approval by rrent approval by	wners SLO	Notice Complete Application Content Complete
administrative understand the	approval is accurat	e and complete to taken on this appli	ubmitted with this a the best of my kno cation until the requ	ipplication for wledge. I also iired information and
Not	e: Statement must be com	pleted by an individual w	ith managerlal and/or supe	ervisory capacity.
			6/20	122
Jeanette Barron			Date ·	
Print or Type Name			575-746-6974 Phone Number	
Jeanette Barro	n		jeanette.barron@co	nocophillips.com
·				

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

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.

APPLICATIO	N FOR SURFACE	COMMINGLING	(DIVERSE	OWNERSHIP)	
OPERATOR NAME: COG	Operating LLC				
OPERATOR ADDRESS: 2208	W Main Street, Artesia, N	New Mexico 88210			
APPLICATION TYPE:					
☐ Pool Commingling ☐ Lease Comming	igling Pool and Lease Co	mmingling Soff-Lease	Storage and Measur	rement (Only if not Surface	e Commingled)
LEASE TYPE:	☐ State ☐ Fede				
Is this an Amendment to existing O					
Have the Bureau of Land Managem ☐Yes ☐No	ent (BLM) and State Lan	d office (SLO) been not	tified in writing	of the proposed comm	ingling
		OL COMMINGLIN ts with the following in			
	1	Calculated Gravities /	1	Calculated Value of	
(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
		_			
 (3) Has all interest owners been notified (4) Measurement type: Metering (5) Will commingling decrease the value 	☐ Other (Specify) lue of production? ☐ Yes	: □No If "yes", descr			
		ASE COMMINGLING ts with the following i			
(1) Pool Name and Code.	c lo Fly. Fi	Y_			
(2) Is all production from same source(3) Has all interest owners been notified			□Yes □N	Jo	
	Other (Specify)	oposed commissing.	v		
	` /	d LEASE COMMINELS with the following i			
(1) Complete Sections A and E.					
		TORAGE and MEA			
(1) Is all production from same sourc		<mark>eets with the following</mark> No	THE COLUMN THE PROPERTY OF THE		
(2) Include proof of notice to all inter	• • •				
(E)	ADDITIONAL INF			ypes)	
(1) A1(510		ets with the following i	ntormation		
(1) A schematic diagram of facility, i(2) A plat with lease boundaries show		ations. Include lease mimb	ers if Federal or S	tate lands are involved	
(3) Lease Names, Lease and Well Nu	_				
I hereby certify that the information abo	ve is true and complete to the	ne best of my knowledge a	nd belief.	1.1 1	
SIGNATURE: Handto I	Zannon_	TITLE: Regulatory Coordi	inator DATE:	1/20/22	
TYPE OR PRINT NAME Jeanette Barr	on TELEPHONE NO.: _	575.748.6974			

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

District.1
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District.III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
Distric.IIV
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

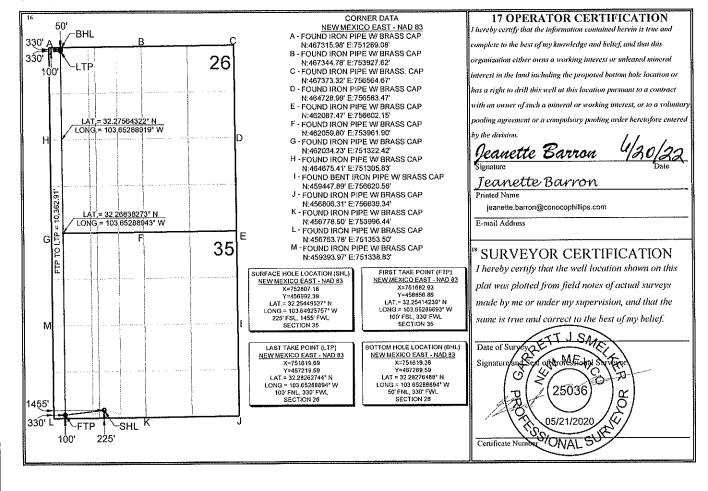
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number	2 Pool Code	3 Pool Name			
30-025-48321	96603	TRISTE DRAW; BONE SPRING			
4 Property Code 329952		5 Property Name 6 Well TON FEDERAL COM 50			
7 OGRID No.		8 Operator Name	9 Elevation		
229137		DPERATING LLC	3622'		

Surface Location Feet from the North/South line Feet from the East/West line County UL or lot no. Section Range Let Idn SOUTH 14551 WEST **LEA** 225 32-E N 35 23-S "Bottom Hole Location If Different From Surface East/West line Feet from the North/South line Feet from the County Lot Idn UL or lot no. Section Township Range NORTH 330 WEST **LEA** 23-S 50' D 26 32-E 13 Joint or Infill 14 Consolidation Code 15 Order No. 12 Dedicated Acres 640



District 1
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District III
1000 Rio Brazos Road, Aztec, NM 87410
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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

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WELL LOCATION AND ACREAGE DEDICATION PLAT

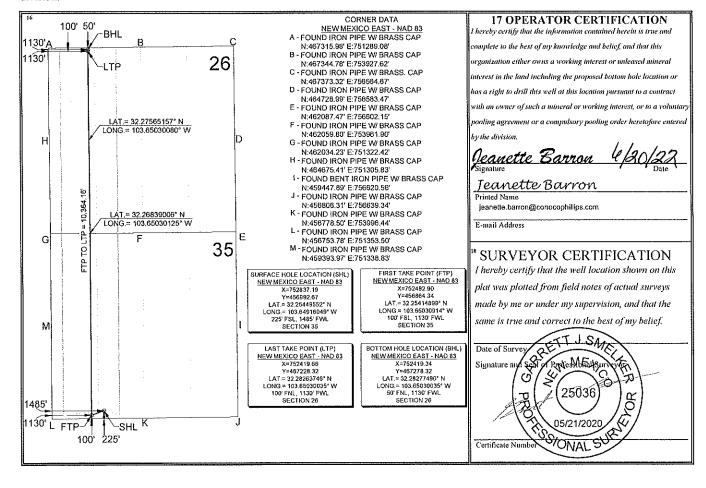
1 API Numbe 30-025-48322		2 Pool Code 96603		
4 Property Code 329952	, .		roperty Name DN FEDERAL COM	6 Well Number 502H
7 OGRIÐ No. 229137			perator Name ERATING LLC	9 Elevation 3622'

¹⁰ Surface Location

1	UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	N	35	23-S	32-E		225'	SOUTH	1485'	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		
D	26	23-S	32-E		50'	NORTH	1130'	WEST	LEA		
12 Dedicated Acres	12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No.										
640											



District1
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Phone: (575) 393-6161 Fax: (575) 393-0720
District11
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District111
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

District IV

UL or lot no.

N

Section

35

Township

23-S

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

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WELL LOCATION AND ACREAGE DEDICATION PLAT

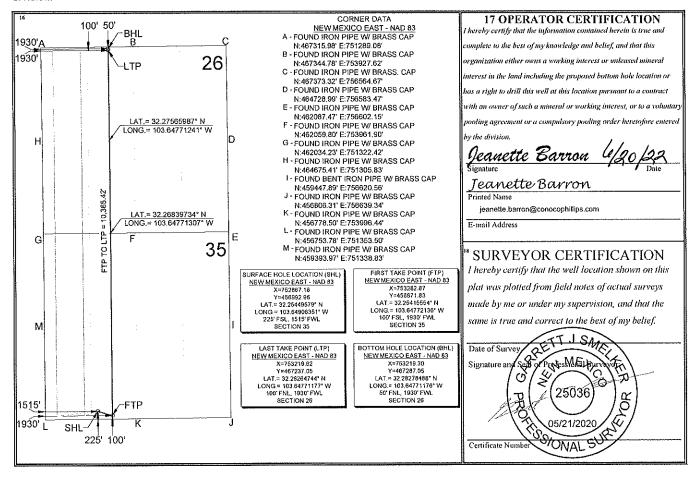
1 API Number 30-025-48334	2 Pool Code 96603	TRICTE DRAME DONE OPPING		
4 Property Code 329952				
7 OGRID №. 229317		ator Name RATING LLC	9 Elevation 3622'	

Surface Location

Range Lot Idn Feet from the North/South line Feet from the East/West line County
32-E 225' SOUTH 1515' WEST LEA

" 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
C	26	23-S	32-E		50'	NORTH	1930'	WEST	LEA
12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No.									
640				1					
į.									



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District III 1000 Rio Brazos Rond, Aztec, NM 87410 Phone; (505) 334-6178 Fax: (505) 334-6170 District IV.

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1220 South St. Francis Dr.
Santa Fe, NM 87505

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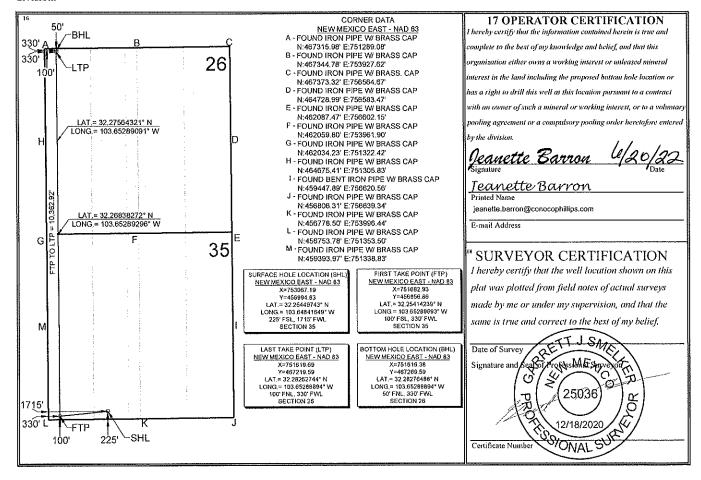
WELL LOCATION AND ACREAGE DEDICATION PLAT

30-025-4832	,	2 Pool Code 98248	3 Pool Name WC-025 G-08 S243217P; UPR WOLFCAMF		
4 Property Code 329952			Property Name ON FEDERAL COM	6 Well Number 701H	
7 OGRID №. 229137			Operator Name PERATING LLC	9 Elevation 3623'	

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	Enst/West line	County	ı
N	35	23-S	32-E		225'	SOUTH	1715'	WEST	LEA	
	l	I	" Be	ttom Ho	le Location I	f Different Fro	m Surface			

Feet from the North/South line East/West line UL or lot no. Section Township Range Lot Ida Feet from the County NORTH 330 WEST LEA 50' D 26 23-S32-E 13 Joint or Infill 12 Dedicated Acres 14 Consolidation Code 15 Order No. 640



District 1 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

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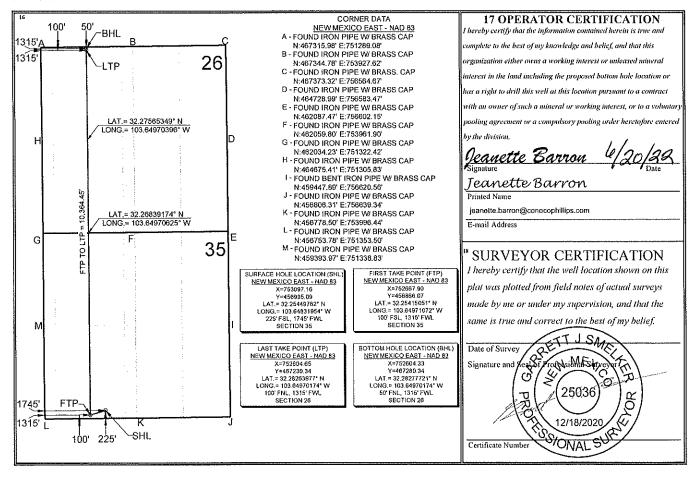
1 API Numbe 30-025-483	· -	2 Pool Code 98248	OLFCAMP		
4 Property Code 329952			roperty Name ON FEDERAL COM	6 Well Number 702H	
7 OGRID No. 229317			perator Name ERATING LLC	9 Elevation 3623'	

[™] Surface Location

	UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County	
	N	35	23-S	32 - E		225'	SOUTH	1745'	WEST	LEA	
_	D W M I I I I I I I I I I I I I I I I I I										

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section 26	Township 23-S	Range 32-E	Lot Idn	Feet from the 50'	North/South line NORTH	Feet from the 1315'	East/West line WEST	County LEA
12 Dedicated Acres	13 Joint o	er Infill 14 (Consolidation	Code 15 O	rder No.				



<u>District 1</u>
1025 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-6720
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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

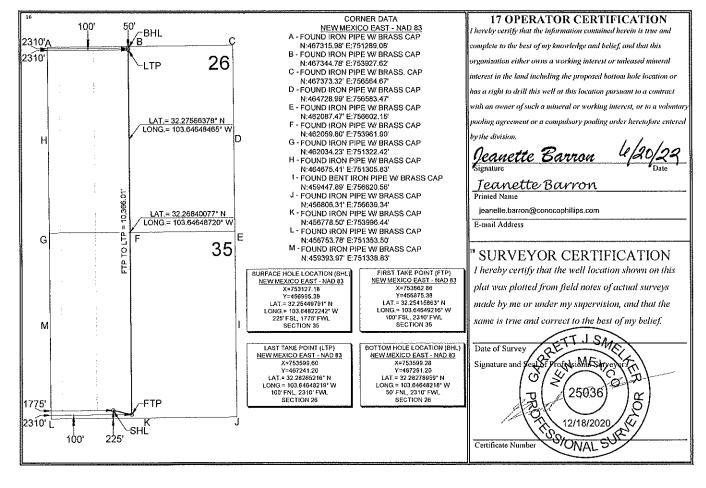
1 API Number 30-025-48325	2 Pool Code 98248	WC-025 G-08 S243217P; UPR WOLFCAMP	
4 Property Code 329952		5 Property Name 6 Well 1 BEDLINGTON FEDERAL COM 70	
7 OGRID No. 229137		perator Name ERATING LLC	9 Elevation 3623

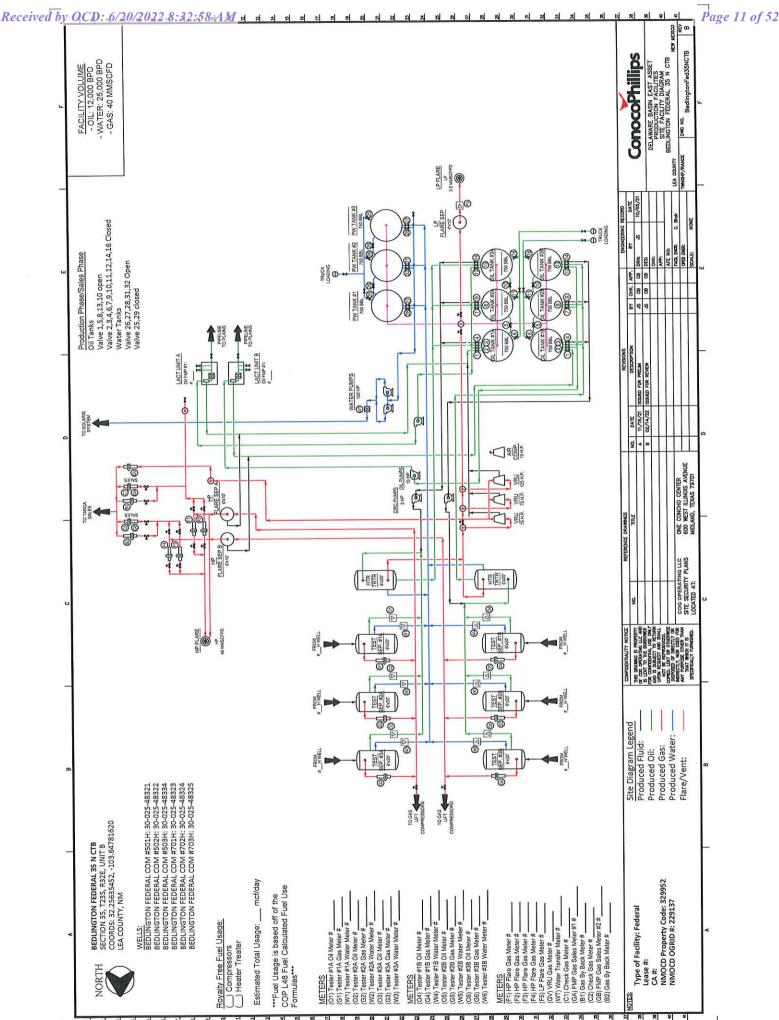
¹⁰ Surface Location

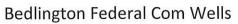
	UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	Enst/West line	County
	N	35	23-S	32-E		225'	SOUTH	1775'	WEST	LEA
•		D. H. H. H. L. H. H. L. H. D. C. H. D. L. G. G. C.								

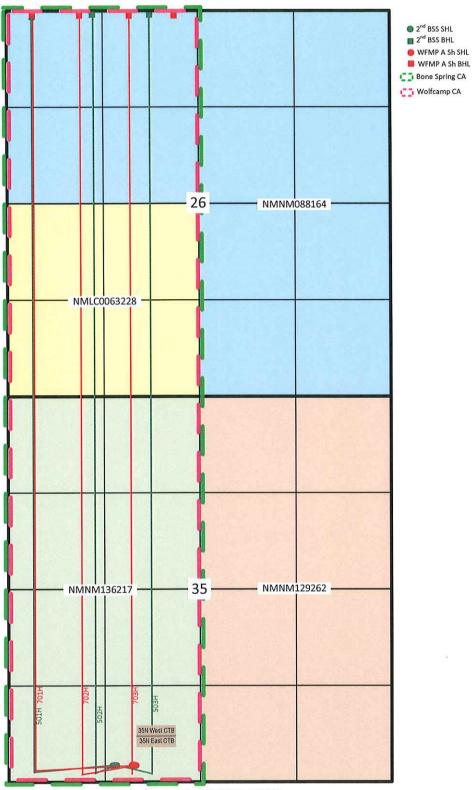
" Bottom Hole Location If Different From Surface

C 26 23-S 32-E	50'	NORTH	2310'	XX Im aim	
		1101111	2310	WEST	LEA
12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Or 640	rder No.				





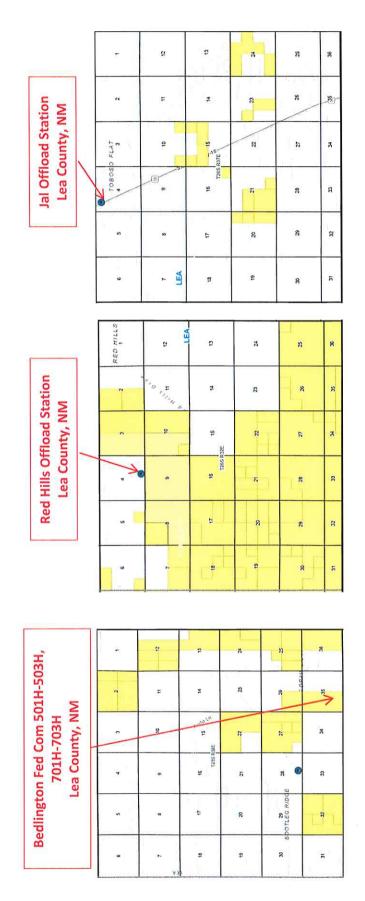




Sec. 26, 35-T23-R32E Lea County, NM

Bedlington Federal Com 501H-503H, 701H-703H

Red Hills and Jal Offload Station Map





			Bedlington Fed Com					
Date Sent	Initials	Name	Address	City	State	State ZipCode	Certified Return Receipt No.	Delivered
06.20.22	Bľ	JB Chevron USA Inc.	6301 Deauville Blvd	MIDLAND TX 79706	¥	79706	7020 1810 0000 1413 2437	
06.20.22	JB.	Magnum Hunter Production, Inc.	600 N. MARIENFELD STREET, STE 600	MIDLAND	¥	79701-4405	MIDLAND TX 79701-4405 7020 1810 0000 1413 2444	
06.20.22	BI	ВГМ	414 WEST TAYLOR	HOBBS	ΣN	NM 88240	7020 1810 0000 1413 2451	

Federal Communitization Agreement

Contract No.	

THIS AGREEMENT entered into as of the 1st of January, 2021, 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 23 South, Range 32 East, N.M.P.M.

Section 26: W2 Section 35: W2

Lea County, New Mexico

Containing 640.00 acres, and this agreement shall include only the Bone Spring Formation underlying said lands and the oil and gas 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 COG Operating LLC, 600 W. Illinois Avenue, 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.
 - All proceeds, 8/8ths, attributed to unleased Federal or Indian lands included within the CA area are to be paid into the appropriate Unleased Lands Account or Indian Trust Account by the designated operator until the land is leased or ownership is established.
- 6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
- 7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
- 8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
- 9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.

- 10. The date of this agreement is January 1, 2021, 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. <u>Nondiscrimination.</u> 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.

OPERATOR:

COG OPERATING LLC

Date: (0/14/-22

Sean Johnson

Attorney-in-fact

ACKNOWLEDGEMENT

By:

STATE OF TEXAS COUNTY OF MIDLAND

This instrument was acknowledged before me on 500 14 202 by Sean Johnson, attorney-in-fact of COG OPERATING LLC, a Delaware limited liability company, on behalf of same.

Laura R Reyna
Notary Public, State of Toxas
Notary ID 199645-1
My Commission Exp. 02-14-2023

Notary Public in and for the State of Texas

app

WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD

Date: 4/14/23

Ву:

Sean Johnson Attorney-In-fact

COG OPERATING LLC

CONOCOPHILLIPS COMPANY

Date: (4/14/2-2

Sean Johnson Attorney-in-fact

CHEVRON U.S.A. INC

Subject to NMOCD Order No. R-21473-A

ACKNOWLEDGEMENTS

STATE OF TEXAS	§		
	§		
COUNTY OF MIDLAND	§		
This instrument wa	s acknowledged before m	ne on the 14/M day of 5000	202 🕏
		IG LLC, a Delaware limited liability company, on b	ehalf of said
limited liability company.	latina little alleton de and little de la constitue de la constitue de la constitue de la constitue de la const	Laure R Rey	na
Notary I No My Comi	ura R Reyna Public, State of Texas tary ID 199645-1 nission Exp. 02-14-2028	Notary Public in and for the State of Texas My Commission Expires: 2.14.80.	
STATE OF TEXAS	§		
	§		
COUNTY OF MIDLAND	§		
This instrument wa	is acknowledged before r	ne on the 14/1h day of Sine.	202 🕏
by Sean Johnson, attorney	-in-fact, of CONOCOPHII	LLIPS COMPANY, a Delaware corporation, on b	ehalf of said
corporation.		Maria D. Or Land	-3
Control to the Standard Contro	and the second	Jamo R Rum	1
Notary Pu	ra R Reyna P blic, State of Toxas P ry ID 199645-1	Notary Public in and for the State of Texas My Commission Expires: 2.14.21	つとろ

EXHIBIT "A"

Plat of communitized area covering the W2 of Sections 26 & 35, T23S-R32E, N.M.P.M., Lea County, New Mexico

W2 Bedlington Federal Com

Tract 1: NMNM 088164			
- The second			
Tract 2: LC 063228			
Tract 4:		**************************************	
NMNM 136217			
Care in the second seco	SEC, 26 SEC, 35		
			1

EXHIBIT "B"

Attached to communitized agreement dated January 1, 2021 covering the W2 of Sections 26 & 35, T23S-R32E, N.M.P.M., Lea County, New Mexico

Communitized depths are hereby limited to the Bone Spring formation

Operator of Communitized Area: COG Operating LLC

TRACT #1

Lease 1 - NMNM 088164

Lease Date:March 1, 1992Lease Term:Five (5) YearsRecordation:Book 785, Page 264Lessor:United States of America

Original Lessee: Yates Petroleum Corporation (4%), Abo Petroleum Corporation (32%),

Yates Drilling Company (32%), Myco Industries Inc. (32%)

Current Lessee: Chevron USA Inc.

Description of Land Committed: Insofar and only insofar as said lease covers:

Township 23 South, Range 32 East

Section 26: NW

Lea County, New Mexico

Number of Acres: 160.00 Royalty Rate: 12.5%

WI Owners Names and Interests: Chevron USA Inc. 100%

ORRI Owners: Chevron USA Inc.

Tract #2

Legse 2 - LC 063228

Lease Date:June 1, 1951Lease Term:Five (5) YearsRecordation:Book 199, Page 282Lessor:United States of America

Original Lessee: Jewel E. Fields

Current Lessee: ConocoPhillips Company

Description of Land Committed: Insofar and only Insofar as said lease covers:

Township 23 South, Range 32 East

Section 26: SW

Lea County, New Mexico

Number of Acres: 160.00 Royalty Rate: 12.5%

WI Owners Names and Interests: COG Operating LLC 12.500000% ConocoPhillips Company 87.500000%

00,00000% <u>87,500000%</u> 100,000000%

ORRI Owners: None of Record.

Tract #3

Lease 3 - NMNM 136217

Lease Date:May 1, 2017Lease Term:Ten (10) YearsRecordation:Book 2106, Page 20Lessor:United States of AmericaOriginal Lessee:WCM Resources LLCCurrent Lessee:COG Operating LLC

Description of Land Committed: Insofar and only insofar as said lease covers:

Township 23 South, Range 32 East

Section 35: W2

Lea County, New Mexico

Number of Acres: 320.00 Royalty Rate: 12.5%

WI Owners Names and Interests: COG Operating LLC

ORRI Owners: None of Record

RECAPULATION

TRACT NO.	NO. OF ACRES COMMITTED	PERCENT OF INTEREST IN
		COMMUNITIZED AREA
1	160,00	25,00%
2	160.00	25.00%
3	320.00	50.00%
TOTAL	640,00	100.00%

100%

From: Barron, Jeanette
To: McClure, Dean, EMNRD

Subject: [EXTERNAL] RE: [EXTERNAL] Action ID: 118592; OLM-273

Date: Saturday, September 30, 2023 3:42:39 PM

Attachments: Bedlinton Fed Com 501H-503H NMOCD OLM Application.pdf

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

Hello Dean,

I will submit a new OLM application for the WFMP wells Monday once I get an executed copy of the CA from the land department. Also, I will make sure to email you the new action ID when I do. Attached is the OLM application for the BS wells for OLM-273...thank you!

Does the comment on WFMP CA "Chevron USA Inc Subject to NMOCD No. R-21474-A" mean they are not required to sign the CA? Not sure just noticed that on the Working interest owners on page 5.

Thank you,

Jeanette Barron | Regulatory Coordinator, Delaware Basin NM Regulatory | ConocoPhillips O: 575-748-6974 | C: 575-703-7411 | 2208 W. Main Street, Artesia, New Mexico

CONFIDENTIALITY NOTICE

This email message, including any attachment(s), is for the sole use of the intended recipient(s) and may contain confidential information. Any unauthorized review, use, disclosure or distribution is strictly prohibited. If you are not the intended recipient, please immediately contact the sender by email. Thank you.

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

Sent: Saturday, September 30, 2023 12:11 PM

To: Barron, Jeanette < Jeanette.Barron@conocophillips.com>

Subject: [EXTERNAL] Action ID: 118592; OLM-273

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

To whom it may concern (c/o Jeanette Barron for COG Operating, LLC),

The Division is reviewing the following application:

Action ID	118592
Admin No.	OLM-273
Applicant	COG Operating, LLC (229137)
Title	Bedlington Federal 35 N CTB (OIL)
Sub. Date	6/20/2022

Please provide the following additional supplemental documents:

• Please provide the executed Wolfcamp CA for the tract below:

CA Walfaama NMNM 105700746	$\mathbf{W}/2$	26-23S-32E
CA Wolfcamp NMNM 105790746	W/2	35-23S-32E

•

Please provide additional information regarding the following:

- Only 1 CA and pool may be included in an OLM Permit. The application states that each will have its own train and battery. Please note that each train will need to be completely isolated from the other one and may not be tied together at any headers, ect.
- Select either the BS or the WC wells to include in OLM-273; then submit a new OLM
 application for the other wells. COG may use the existing notice, just submit a new application
 except only include the wells which are removed from OLM-273. Once the application has
 been submitted, please email me with the Action ID.

Additional notes:

•

All additional supplemental documents and information may be provided via email and should be done by replying to this email. The produced email chain will be uploaded to the file for this application.

Please note that failure to take steps to address each of the requests made in this email within 10 business days of receipt of this email may result in the Division rejecting the application requiring the submittal of a new application by the applicant once it is prepared to address each of the topics raised.

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

From: McClure, Dean, EMNRD on behalf of Engineer, OCD, EMNRD

To: <u>Barron, Jeanette</u>

Cc: McClure, Dean, EMNRD; Kautz, Paul, EMNRD; Wrinkle, Justin, EMNRD; Powell, Brandon, EMNRD; Paradis, Kyle O; Walls,

Christopher

Subject: Approved Administrative Order OLM-273 **Date:** Tuesday, October 10, 2023 3:38:13 PM

Attachments: OLM273 Order.pdf

NMOCD has issued Administrative Order OLM-273 which authorizes COG Operating, LLC (229137) to surface commingle or off-lease measure, as applicable, the following wells:

Well API	Well Name	UL or Q/Q	S-T-R	Pool
20 025 49221	Dadin stan Fadanal Com #501H	W/2	26-23S-32E	0((02
30-025-48321	Bedlington Federal Com #501H	W/2	35-23S-32E	96603
20 025 49222	Dadin star Fadaval Com #502H	W/2	26-23S-32E	0((02
30-025-48322	Bedlington Federal Com #502H	W/2	35-23S-32E	96603
20.025.49224	Dadington Fodoval Com #502H	W/2	26-23S-32E	0((02
30-025-48334	Bedlington Federal Com #503H	W/2	35-23S-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



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

June 20, 2022

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

Re: Application for Administrative Approval

Off-lease Measurement - Oil Only

Dear Mr. McClure,

COG Operating LLC respectfully requests approval for off-lease measurement – Oil only for the following wells:

Bedlington Federal Com 501H API# 30-025-48321 Triste Draw; Bone Spring Ut. N, Sec.35-T23S-R32E Lea County, NM

Bedlington Federal Com 503H API# 30-025-48334 Triste Draw; Bone Spring Ut. N, Sec.35-T23S-R32E Lea County, NM Bedlington Federal Com 502H API# 30-025-48322 Triste Draw; Bone Spring Ut. N, Sec.35-T23S-R32E Lea County, NM

Oil Production:

The oil production from these wells may be transported by truck to either the Red Hills Offload Station, located in Unit O, Section 4-T26S-R32E, or the Jal Offload Station, located in Unit D, Section 4-T26S-R37E, Lea County in the event the CTB on lease is over capacity or in the case of battery or pipeline repairs. Oil will remain segregated and will be measured by lact meter when offloading at the Offload Stations.

Wells 501H-503H will have their own separate train and each train will be be completely isolated from the 701H-703H and will not be tied together at any headers.

Notifications have been sent to all working interest owners

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

Thank you for your attention to this matter. If you have questions or need further information, please email me at jeanette.barron@conocophillips.com or call 575.748.6974.

Sincerely,

Jeanette Barron

Jeanette Barron Regulatory Coordinator

RECEIVED:	- Geologi 1220 South St. Fr ADMINISTE ECKLIST IS MANDATORY FOR A	CO OIL CON cal & Engine	eering Bure	I DIVISIO eau –	N PROFITE OF NEW YORK
THIS CHE	- Geologi 1220 South St. Fr ADMINISTE ECKLIST IS MANDATORY FOR A	CO OIL CON cal & Engine ancis Drive,	SERVATION eering Bure	I DIVISIO eau –	N N
THIS CHE	ECKLIST IS MANDATORY FOR A	RATIVE APPL		14101 0730	5
	REGULATIONS WHICH RE	LL ADMINISTRATIVE EQUIRE PROCESSING	APPLICATIONS F	OR EXCEPTION	ns to division rules and
Applicant:				0	GRID Number:
Vell Name:				API	:
'ool:				Poo	ol Code:
SUBMIT ACCURAT	E AND COMPLETE IN	FORMATION I		O PROCES	SS THE TYPE OF APPLICATION
	ATION: Check those Spacing Unit – Simul L NSP(PI		i <u>ca</u> tion	TION UNIT)	□sD
[I] Commi □ [[II] Injectio	e only for [1] or [11] ingling – Storage – M DHC	LC ⊔PC µre Increase -	⊔OLS - Enhancec	□OLM I Oil Recc □PPR	
A. Offset of B. Royalty, C. Applica	REQUIRED TO: Check perators or lease ho overriding royalty oution requires publish tion and/or concurration and/or concurration.	ders wners, reven ed notice ent approval	ue owners		FOR OCD ONLY Notice Complete Application Content Complete
G. For all o	f the above, proof c ce required	f notification	or publicat	ion is atta	ached, and/or,
administrative a understand that	I hereby certify that pproval is accurate no action will be ta submitted to the Div	and comple t ken on this a _l	te to the be	st of my k	
Note	: Statement must be comple	eted by an individ	lual with manag	erial and/or	supervisory capacity.
			Da	ite	
Print or Type Name					
			Ph	ione Numb	per
Jeanette Barron	<u>,</u>				

e-mail Address

. Signature

District I 1625 N. French Drive, Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210

811 S. First St., Artesia, NM 88210 <u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410 <u>District IV</u> 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.

	ATION FOR SURFACE	COMMINGLING	DIVERSE	OWNERSHIP)						
OPERATOR NAME:										
OPERATOR ADDRESS:										
APPLICATION TYPE:	_	_								
☐ Pool Commingling ☐ Lease	Commingling Pool and Lease Co	mmingling Off-Lease	Storage and Measur	rement (Only if not Surface	e Commingled)					
LEASE TYPE: Fe										
	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					
(4) Measurement type: \(\square\)	en notified by certified mail of the pro- Metering		☐Yes ☐No.	ing should be approved						
		SE COMMINGLIN ts with the following in								
(3) Has all interest owners beer	ne source of supply? Yes No notified by certified mail of the propetering Other (Specify)	īo -	□Yes □N	O						
	` ,	LEASE COMMIN								
(1) Complete Sections A and I		is with the following in	погшаноп							
(D) OFF-LEASE STORAGE and MEASUREMENT Please attached sheets with the following information (1) Is all production from same source of supply?										
(E) ADDITIONAL INFORMATION (for all application types) Please attach sheets with the following information										
(2) A plat with lease boundari	cility, including legal location. es showing all well and facility locati Well Numbers, and API Numbers.	ions. Include lease numbe	ers if Federal or Sta	ate lands are involved.						
I hereby certify that the informat	tion above is true and complete to the	best of my knowledge an	d belief.							
SIGNATURE:	T	ITLE: Regulatory Coordin	nator DATE: 0	6.20.22						
TYPE OR PRINT NAME Jeane	tte Barron TELEPHONE NO.:	<u>575.748.6974</u>								

 $E-\underline{MAIL\ ADDRESS:_jean ette.barron@conocophillips.com}$

District I

District III

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

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

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

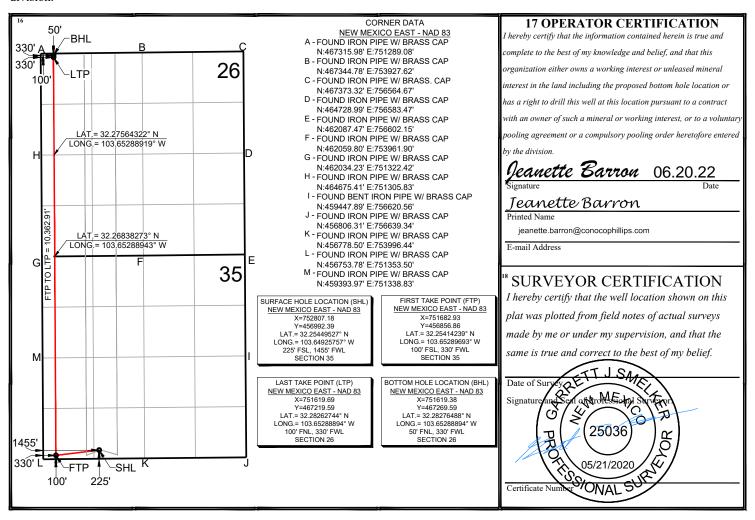
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

_	WEED ECCHITOTY AND MERENTED DEDICATION TERM								
	1 API Number 2 Pool 0 30-025-48321 96603		2 Pool Code 96603	3 Pool Name TRISTE DRAW; BONE SPRING					
	4 Property Code 329952			roperty Name ON FEDERAL COM	6 Well Number 501H				
	7 OGRID No. 229137			perator Name ERATING LLC	9 Elevation 3622'				

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
N	35	23-S	32-Е		225'	SOUTH	1455'	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
D	26	23-S	32-E		50'	NORTH	330'	WEST	LEA
12 Dedicated Acres 640 13 Joint or Infill 14 Consolidation Code 15 Order No.									



District I

District III

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

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

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

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

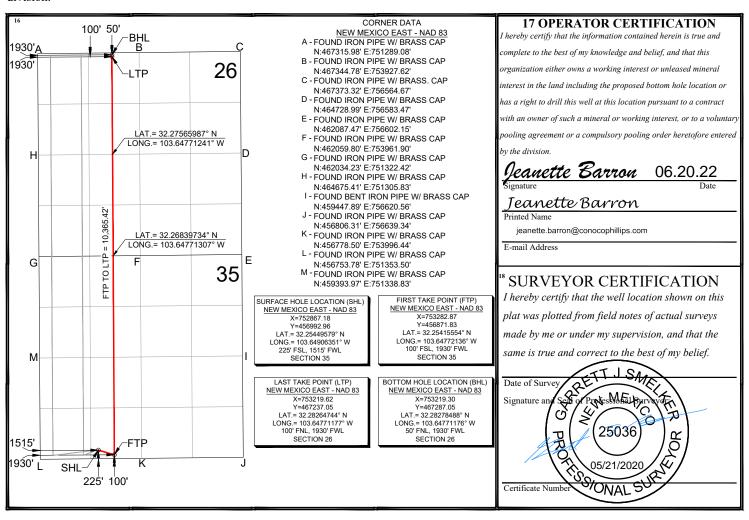
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-48334		2 Pool Code 96603	3 Pool Name TRISTE DRAW; BONE SPRIN	G
4 Property Code 329952			roperty Name DN FEDERAL COM	6 Well Number 503H
7 OGRID No. 229317			perator Name ERATING LLC	9 Elevation 3622'

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
N	35	23-S	32-Е		225'	SOUTH	1515'	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
С	26	23-S	32-Е		50'	NORTH	1930'	WEST	LEA
12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No.									
640									



District I

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

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

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

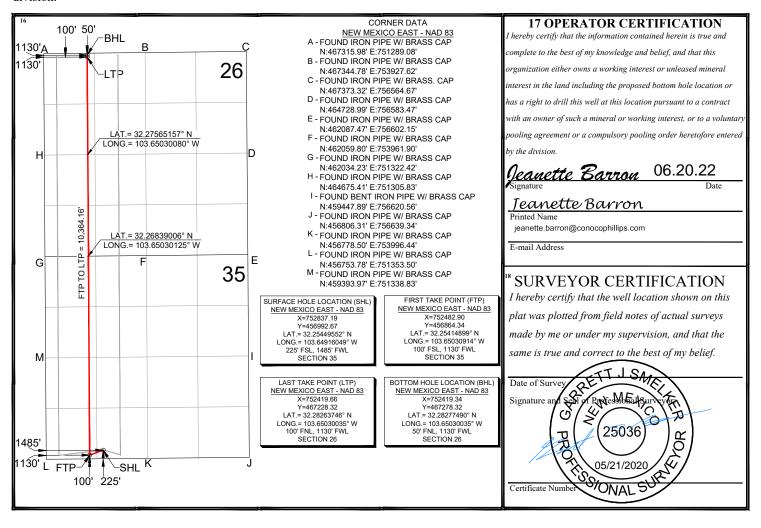
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

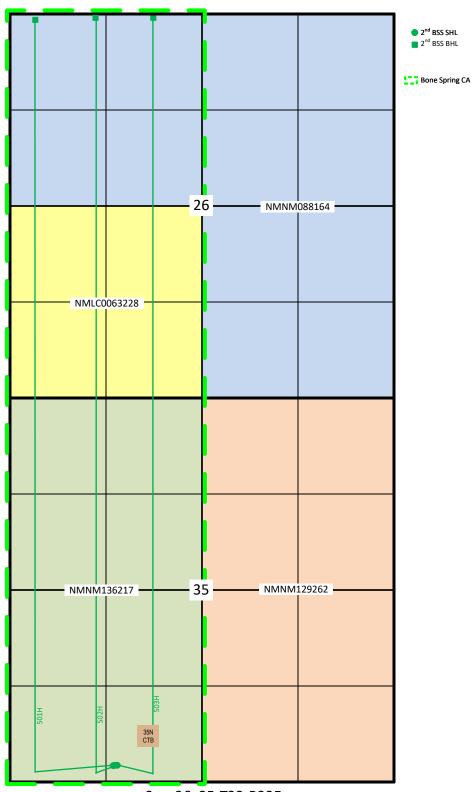
1 API Number 30-025-48322		2 Pool Code 96603		
4 Property Code 329952			roperty Name DN FEDERAL COM	6 Well Number 502H
7 OGRID No. 229137			perator Name ERATING LLC	9 Elevation 3622'

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
N	35	23-S	32-Е		225'	SOUTH	1485'	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
D	26	23-S	32-Е		50'	NORTH	1130'	WEST	LEA
12 Dedicated Acre	s 13 Joint o	or Infill 14 (Consolidation	Code 15 O	rder No.	,			
640									





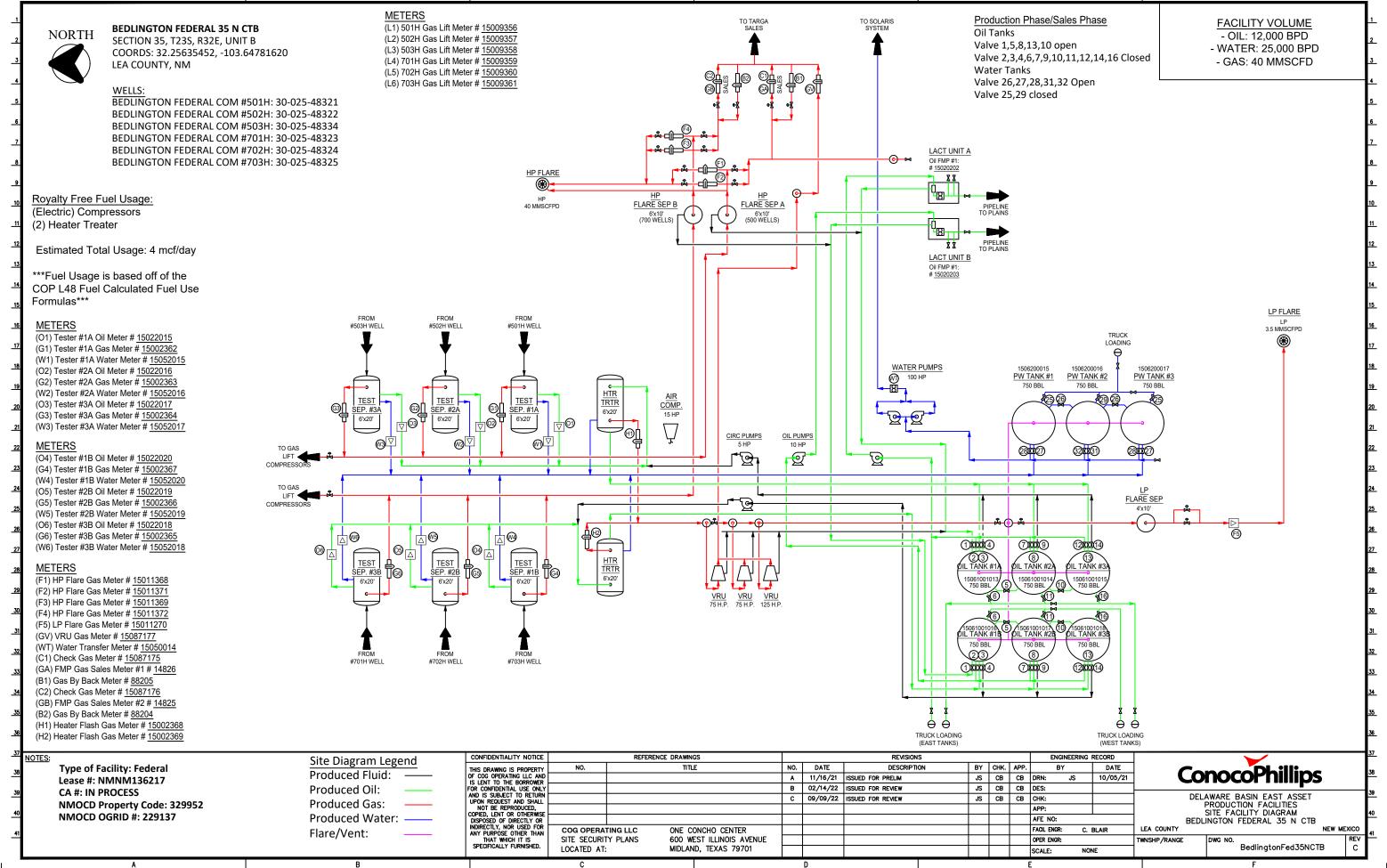


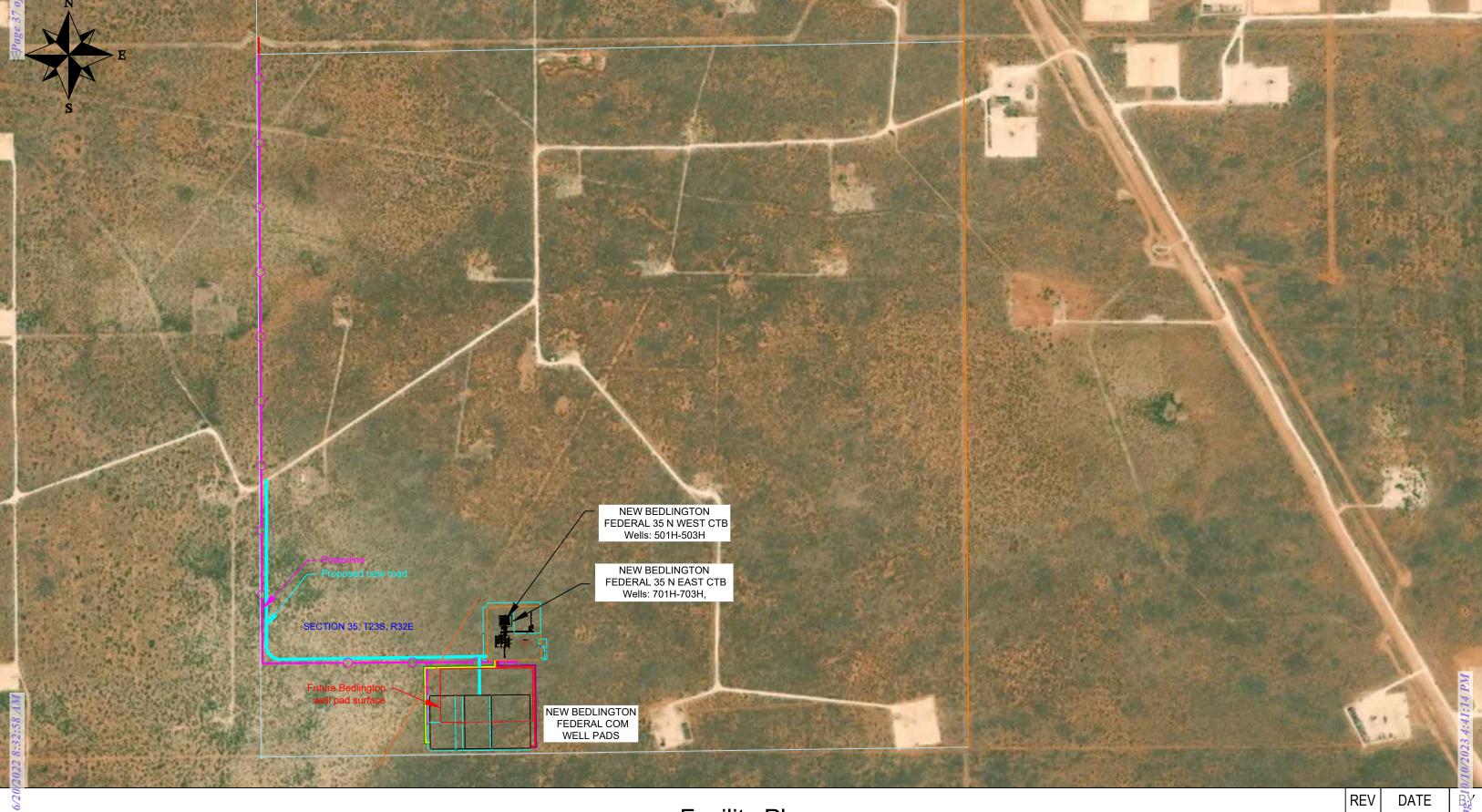
Sec. 26, 35-T23-R32E Lea County, NM

6/20/2022 8:32:58

OCD:

by



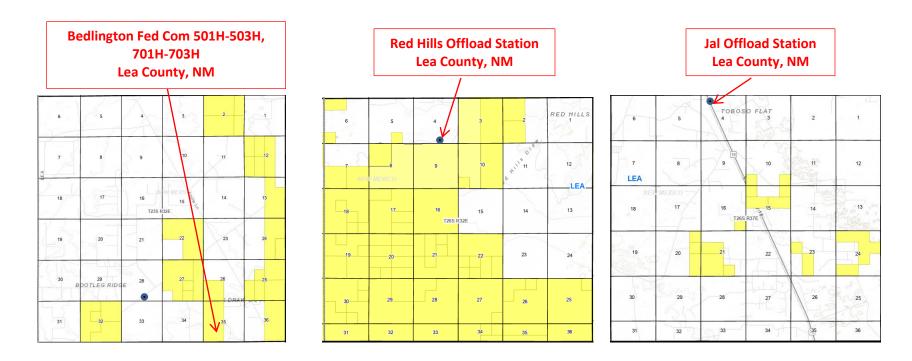




Facility Plan
Bedlington Federal Project
Sec 35, T23S, R32E

2.0	ALACT L	1/0
REV	DATE	I B
Е	10/19/21	ntzir
В	03/31/20	ıÇZı
С	11/10/20	azza
D	11/16/20	Rede

Bedlington Federal Com 501H-503H, 701H-703H & Red Hills and Jal Offload Station Map



Bedlington Fed Com								
Date Sent	Initials	Name	Address	City	State	ZipCode	Certified Return Receipt No.	Delivered
06.20.22	JB	Chevron USA Inc.	6301 Deauville Blvd	MIDLAND	TX	79706	7020 1810 0000 1413 2437	
06.20.22	JB	Magnum Hunter Production, Inc.	600 N. MARIENFELD STREET, STE 600	MIDLAND	TX	79701-4405	7020 1810 0000 1413 2444	
06.20.22	JB	BLM	414 WEST TAYLOR	HOBBS	NM	88240	7020 1810 0000 1413 2451	

Federal Communitization Agreement

Contract No.	

THIS AGREEMENT entered into as of the 1st of January, 2021, 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 23 South, Range 32 East, N.M.P.M.

Section 26: W2 Section 35: W2

Lea County, New Mexico

Containing **640.00** acres, and this agreement shall include only the **Bone Spring** Formation underlying said lands and the oil and gas 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 COG Operating LLC, 600 W. Illinois Avenue, 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.
 - All proceeds, 8/8ths, attributed to unleased Federal or Indian lands included within the CA area are to be paid into the appropriate Unleased Lands Account or Indian Trust Account by the designated operator until the land is leased or ownership is established.
- 6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
- 7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
- 8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
- 9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.

- 10. The date of this agreement is January 1, 2021, 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. <u>Nondiscrimination.</u> 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.

OPERATOR:

COG OPERATING LLC

Date: <u>(e /14/-</u>zz_____

Sean Johnson Attorney-in-fact

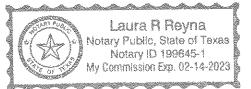
ACKNOWLEDGEMENT

By:

STATE OF TEXAS

COUNTY OF MIDLAND)

This instrument was acknowledged before me on _______, 202______, by Sean Johnson, attorney-in-fact of COG OPERATING LLC, a Delaware limited liability company, on behalf of same.



Notary Public in and for the State of Texas

griv

WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD

Date: 4/4/22

By:

Sean Johnson Attorney-in-fact

COG OPERATING LLC

CONOCOPHILLIPS COMPANY

Date: <u>Le/14/22</u>

By:

Sean Johnson Attorney-in-fact

CHEVRON U.S.A. INC

Subject to NMOCD Order No. R-21473-A

ACKNOWLEDGEMENTS

STATE OF TEXAS	§ £	
COUNTY OF MIDLAND	9 §	
This instrument was ack	nowledged before me	e on the $14/M$ day of $\sqrt{3}$ 00 202 $\sqrt{4}$
by Sean Johnson, attorney-in-fac	t, of COG OPERATING	3 LLC, a Delaware limited liability company, on behalf of said
Notary Public Notary Public Notary I	R Reyna c, State of Texas D 199645-1 n Exp. 02-14-2023	Hotary Public in and for the State of Texas My Commission Expires: 214-8083
STATE OF TEXAS	§	
	§	
COUNTY OF MIDLAND	§	
		e on the $14/h$ day of 506 202 g . IPS COMPANY, a Delaware corporation, on behalf of said
corporation.		Λ
Laura R Notary Public, S Notary ID	State of Texas 🖣	Notary Public in and for the State of Texas My Commission Expires: 2.14.2023

EXHIBIT "A"

Plat of communitized area covering the W2 of Sections 26 & 35, T23S-R32E, N.M.P.M., Lea County, New Mexico

W2 Bedlington Federal Com

Tract 1: NMNM 088164			
Tract 2: LC 063228			
Tract 4: NMNM 136217	SEC. 26		
	SEC. 35		

EXHIBIT "B"

Attached to communitized agreement dated January 1, 2021 covering the W2 of Sections 26 & 35, T23S-R32E, N.M.P.M., Lea County, New Mexico

Communitized depths are hereby limited to the Bone Spring formation

Operator of Communitized Area: COG Operating LLC

TRACT #1

Lease 1 - NMNM 088164

Lease Date:March 1, 1992Lease Term:Five (5) YearsRecordation:Book 785, Page 264Lessor:United States of America

Original Lessee: Yates Petroleum Corporation (4%), Abo Petroleum Corporation (32%),

Yates Drilling Company (32%), Myco Industries Inc. (32%)

Current Lessee: Chevron USA Inc.

Description of Land Committed: Insofar and only insofar as said lease covers:

Township 23 South, Range 32 East

Section 26: NW

Lea County, New Mexico

Number of Acres: 160.00 Royalty Rate: 12.5%

WI Owners Names and Interests: Chevron USA Inc. 100%

ORRI Owners: Chevron USA Inc.

Tract #2

Lease 2 - LC 063228

Lease Date:June 1, 1951Lease Term:Five (5) YearsRecordation:Book 199, Page 282Lessor:United States of America

Original Lessee: Jewel E. Fields

Current Lessee: ConocoPhillips Company

Description of Land Committed: Insofar and only insofar as said lease covers:

Township 23 South, Range 32 East

Section 26: SW

Lea County, New Mexico

Number of Acres: 160.00 Royalty Rate: 12.5%

WI Owners Names and Interests: COG Operating LLC 12.500000%

ConocoPhillips Company <u>87.500000%</u>

100.000000%

ORRI Owners: None of Record.

Tract #3

Lease 3 - NMNM 136217

Lease Date:May 1, 2017Lease Term:Ten (10) YearsRecordation:Book 2106, Page 20Lessor:United States of AmericaOriginal Lessee:WCM Resources LLC

Current Lessee: COG Operating LLC

Description of Land Committed: Insofar and only insofar as said lease covers:

Township 23 South, Range 32 East

Section 35: W2

Lea County, New Mexico

Number of Acres: 320.00 Royalty Rate: 12.5%

WI Owners Names and Interests: COG Operating LLC

ORRI Owners: None of Record

RECAPULATION

TRACT NO.	NO. OF ACRES COMMITTED	PERCENT OF INTEREST IN	
		COMMUNITIZED AREA	
1	160.00	25.00%	
2	160.00	25.00%	
3	320.00	50.00%	
TOTAL	640.00	100.00%	

100%

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

APPLICATION FOR OFF-LEASE MEASUREMENT SUBMITTED BY COG OPERATING, LLC

ORDER NO. OLM-273

ORDER

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

FINDINGS OF FACT

- 1. COG Operating, LLC ("Applicant") submitted a complete application to off-lease measure the oil production ("Application") from the wells, pool, and lease identified in Exhibit A.
- 2. Applicant provided notice of the Application to all persons owning a working interest in the oil production to be off-lease measured in accordance with 19.15.23.9(A)(5) NMAC, and those persons either submitted a written waiver or did not file an objection to the Application.
- 3. Applicant provided notice of the Application to the Bureau of Land Management or New Mexico State Land Office, as applicable.

CONCLUSIONS OF LAW

- 4. 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, and 19.15.23 NMAC.
- 5. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9(A)(5) NMAC.
- 6. 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 store and measure oil production off-lease from the pools, leases, and wells identified in Exhibit A at a central tank battery described in Exhibit A.
- 2. The oil production from the wells identified in Exhibit A shall be physically separated from the oil production from other wells and no commingling of production from different leases shall occur in accordance with 19.15.23.9(A)(3) NMAC and 19.15.23.9(A)(4) NMAC, except as otherwise provided in order(s) issued by OCD.
- 3. 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.

Order No. OLM-273 Page 1 of 2

- 4. Applicant shall calibrate the meters used to measure or allocate oil production in accordance with 19.15.12.10(C)(2) NMAC.
- 5. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

DATE: 10/9/23

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

DYLAMM. FUGE

DIRECTOR

Order No. OLM-273 Page 2 of 2

State of New Mexico Energy, Minerals and Natural Resources Department

Exhibit A

Order: OLM-273

Operator: COG Operating, LLC (229137)

Central Tank Battery: Bedlington Federal 35 N Central Tank Battery

Central Tank Battery Location: UL N, Section 35, Township 23 South, Range 32 East

Central Tank Battery: Red Hills Offload Station

Central Tank Battery Location: UL O, Section 4, Township 26 South, Range 32 East

Central Tank Battery: Jal Offload Station

Central Tank Battery Location: UL D, Section 4, Township 26 South, Range 37 East

Gas Title Transfer Meter Location:

Pools

Pool Name Pool Code
TRISTE DRAW; BONE SPRING 96603

Leases as defined in 19.15.12.7(C) NMAC

 Lease
 UL or Q/Q
 S-T-R

 CA Bone Spring BLM
 W/2
 26-23S-32E

 W/2
 35-23S-32E

	Wells			
Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-48321	Bedlington Federal Com #501H	W/2	26-23S-32E	96603
		W/2	35-23S-32E	
30-025-48322	Bedlington Federal Com #502H	W/2	26-23S-32E	96603
		W/2	35-23S-32E	
30-025-48334	Bedlington Federal Com #503H	W/2	26-23S-32E	96603
		W/2	35-23S-32E	70003

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

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 118592

CONDITIONS

Operator:	OGRID:
COG OPERATING LLC	229137
600 W Illinois Ave	Action Number:
Midland, TX 79701	118592
	Action Type:
	[C-107] Surface Commingle or Off-Lease (C-107B)

CONDITIONS

Create	ed By	Condition	Condition Date
dmc	clure	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.	10/10/2023