

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:** Cimarex Energy Co. **OGRID Number:** 215099  
**Well Name:** Tres Equis 5 State 1H well & Tres Equis 5 8 State Com 351H, 352H, 401H & 401H wells **API:** 30-025-various  
**Pool:** Triple X; Bone Spring, West & WC-025 G-09 S243310P; Upper Wolfcamp **Pool Code:** 96674 & 98135

**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

<u>FOR OCD ONLY</u>	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	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.**

Paula M. Vance  
 Print or Type Name

Signature

October 30, 2024  
 Date

505-988-4421  
 Phone Number

pmvance@hollandhart.com  
 e-mail Address



**Paula M. Vance**  
**Associate**  
Phone (505) 988-4421  
Fax (505) 819-5579  
pmvance@hollandhart.com

October 30, 2024

**VIA ONLINE FILING**

Gerasimos Razatos, Division Director (Acting)  
Oil Conservation Division  
New Mexico Department of Energy, Minerals and Natural Resources  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

**Re: Application of Cimarex Energy Company for administrative approval to surface commingle (pool and lease) oil and gas production from spacing units comprised of Lots 3-4, S/2 NW/4 and SW/4 (W/2 equivalent) of Section 5, and the W/2 of Section 8, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico (the “Lands”)**

Dear Mr. Razatos:

Cimarex Energy Company (“Cimarex”) (OGRID No. 215099), pursuant to 19.15.12.10 NMAC, seeks administrative approval to surface commingle (pool and lease) diversely owned oil and gas production at the **Tres Equis 5 8 State Com Central Tank Battery** *insofar as all existing and future infill wells drilled in the following spacing units:*

(a) The 159.82-acre spacing unit comprised of Lot 4, SW/4 NW/4, and W/2 SW/4 (W/2 W/2 equivalent) of Section 5, in the Triple X; Bone Spring, West [96674] – currently dedicated to the **Tres Equis 5 State 1H** (API. No. 30-025-40532);

(b) The 319.82-acre spacing unit comprised of Lot 4, SW/4 NW/4, and W/2 SW/4 (W/2 W/2 equivalent) of Section 5, and the W/2 W/2 of Section 8, in the Triple X; Bone Spring, West [96674] – currently dedicated to the **Tres Equis 5 8 State Com 351H** (API. No. 30-025-53706);

(c) The 319.79-acre spacing unit comprised of Lot 3, SE/4 NW/4, and E/2 SW/4 (E/2 W/2 equivalent) of Section 5, and the E/2 W/2 of Section 8, in the Triple X; Bone Spring, West [96674] – currently dedicated to the **Tres Equis 5 8 State Com 352H** (API. No. 30-025-53707);

(d) The 319.82-acre spacing unit comprised of Lot 4, SW/4 NW/4, and W/2 SW/4 (W/2 W/2 equivalent) of Section 5, and the W/2 W/2 of Section 8, in the WC-025 G-09 S243310P; Upper Wolfcamp [98135] – currently dedicated to the **Tres Equis 5 8 State Com 401H** (API. No. 30-025-53708);

(e) The 319.79-acre spacing unit comprised of Lot 3, SE/4 NW/4, and E/2 SW/4 (E/2 W/2 equivalent) of Section 5, and the E/2 W/2 of Section 8, in the WC-025 G-



**Paula M. Vance**  
**Associate**  
**Phone** (505) 988-4421  
**Fax** (505) 819-5579  
pmvance@hollandhart.com

09 S243310P; Upper Wolfcamp [98135] – currently dedicated to the **Tres Equis 5 8 State Com 402H** (API. No. 30-025-53709); and

(f) Pursuant to 19.15.12.10.C(4)(g), *from all future additions of pools, leases or leases and pools connected to the Tres Equis 5 8 State Com Central Tank Battery* with notice provided only to the interest owners whose interest in the production is to be added.

Oil and gas production from these spacing units will be commingled and sold at the Tres Equis 5 8 State Com Central Tank Battery (“CTB”), located in the NE/4 NW/4 (Lot 3) of Section 5, Township 24 South, Range 33 East. Each well is equipped with a three-phase separator and metered on lease before production is transferred to the TB. Gas production from the separator will be individually metered with a calibrated orifice meter that is manufactured to AGA specifications. Oil production from the separator will be separately metered using Coriolis meters.

**Exhibit 1** is a land plat showing Cimarex’s current development plan, flow lines, well pads, and central tank battery (“Facility Pad”) in the subject area. The plat also identifies the wellbores and lease/spacing unit boundaries.

**Exhibit 2** is a completed Application for Surface Commingling (Diverse Ownership) Form C-107-B, that includes a statement from Drew Hanson, Engineer with Cimarex, identifying the facilities and the measurement devices to be utilized, a detailed schematic of the surface facilities (Exhibit A to the statement).

**Exhibit 3** is a well list and C-102 for each of the wells currently permitted or drilled within the existing spacing units.

**Exhibit 4** includes relevant communitization agreements.

Ownership is diverse between the above-described spacing units, each of which are either subject to a pooling agreement or a pooling order and are therefore considered “leases” as defined by 19.15.12.7(C) NMAC. **Exhibit 5** is a list of the interest owners (including any owners of royalty or overriding royalty interests) affected by this application, an example of the letters sent by certified mail advising the interest owners that any objections must be filed in writing with the Division within 20 days from the date the Division receives this application, and proof of mailing. A copy of this application has been provided to the State Land Office since state lands are involved.

Thank you for your attention to this matter, and please feel free to call if you have any questions or require additional information.

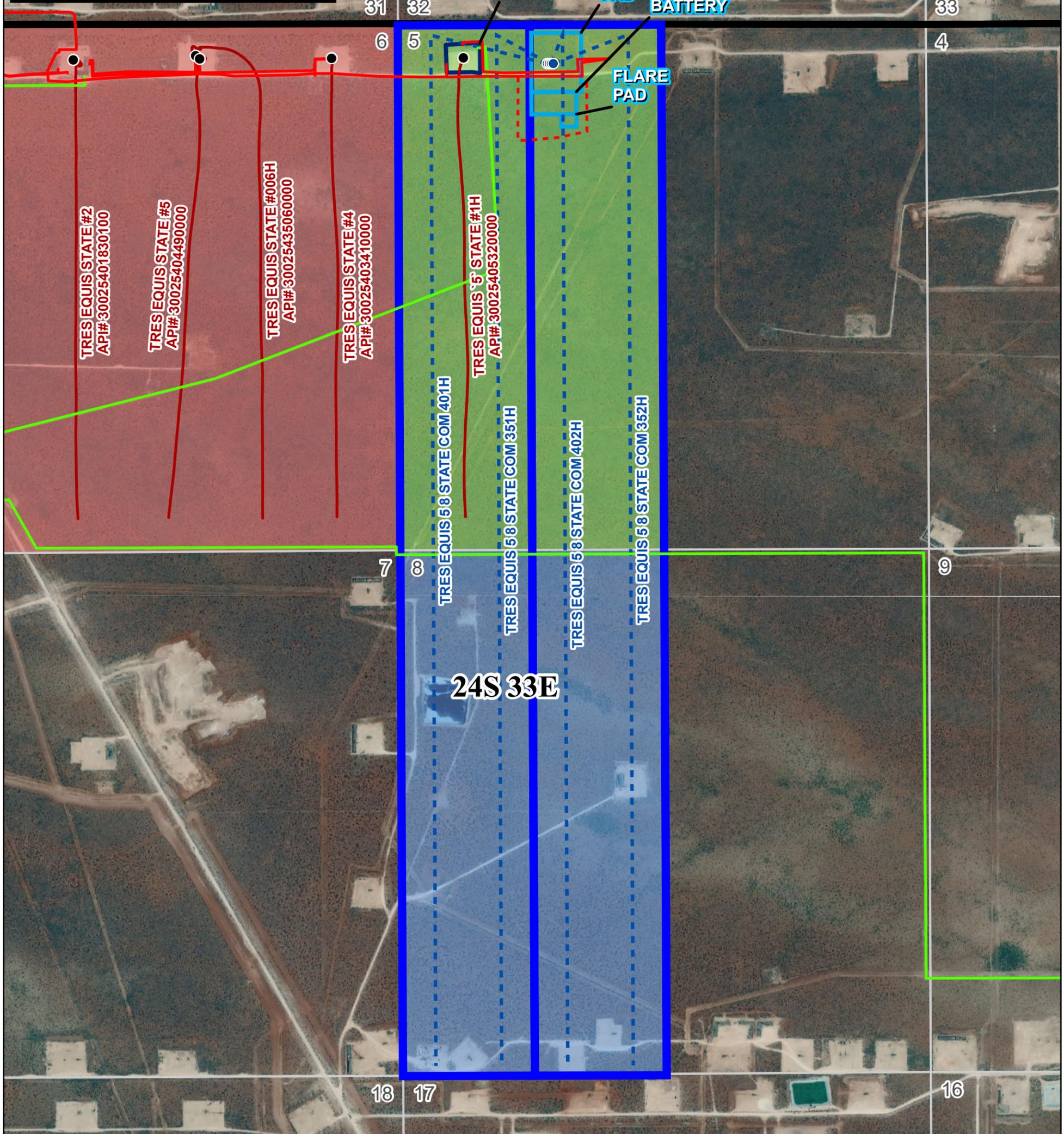
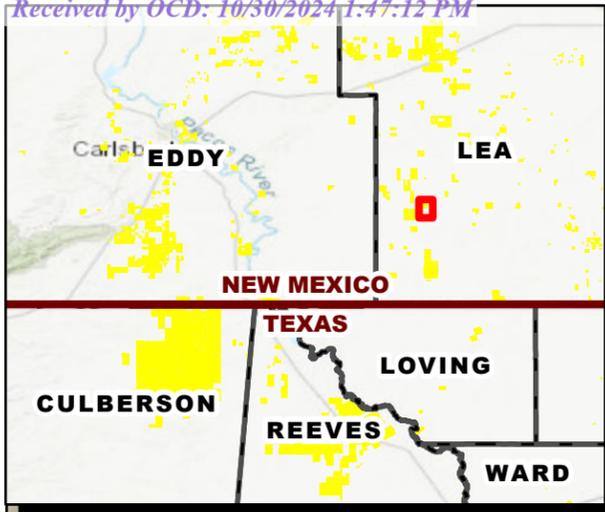
Sincerely,

A handwritten signature in blue ink that reads "Paula M. Vance".

Paula M. Vance

**ATTORNEY FOR CIMAREX ENERGY COMPANY**

EXHIBIT  
1



**COTERRA**

**TRES EQUIS 5-8  
STATE COM  
Lea County, NM**

Scale: CRS: NAD 1983 StatePlane New Mexico East  
Date: 10/9/2024 Author: jdew

--- Proposed Wells	<b>Facilities</b>	▣ Tres Equis 5-8 State Com Units
— Drilled Wells	▣ Built	<b>State Leases</b>
- - - Proposed Flowline	▣ Proposed	▣ lease & wells in Sec 6 not included
<b>Existing Pipelines</b>		▣ V083041
— Oil		▣ VC190
— Gas		

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: 6001 Deauville Blvd 300 Ste., Midland, TX 79706  
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
[96674] Triple X; Bone Spring, West	.79/1250	.8/1278	Bone Spring	\$54,339,222	35.95 BCF
[98135] WC-025 G-09 S243310P; Upper Wolfcamp	.82/1366		Wolfcamp	\$22,139,550	11.75 BCF
			Total	\$76,478,772	47.77 BCF

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

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

(1) Pool Name and Code.  
(2) Is all production from same source of supply?  Yes  No  
(3) Have 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.

**EXHIBIT  
2**

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

SIGNATURE: Cassie [Signature] TITLE: Regulatory Analyst

DATE: 10/15/2024

TYPE OR PRINT NAME Cassie Culpepper TELEPHONE NO.: 432-620-1641

E-MAIL ADDRESS: cassie.culpepper@coterra.com

31236775\_y1



Coterra Energy Inc.  
6001 N Deauville Blvd.  
Suite 300N  
Midland, TX 79706

T 432-571-7800  
F 432-571-7832  
coterra.com

### Procedure Description

Cimarex Energy Co. respectfully requests approval to surface commingle oil, gas, and water production at the Tres Equis 5 8 State Com Central Tank Battery ("CTB"), see Exhibit A.

The commingling of these leases will not negatively affect interest owners.

Cimarex will utilize electronic automated measurements at the wellhead to measure oil, gas, and water separately from each well prior to commingling the production.

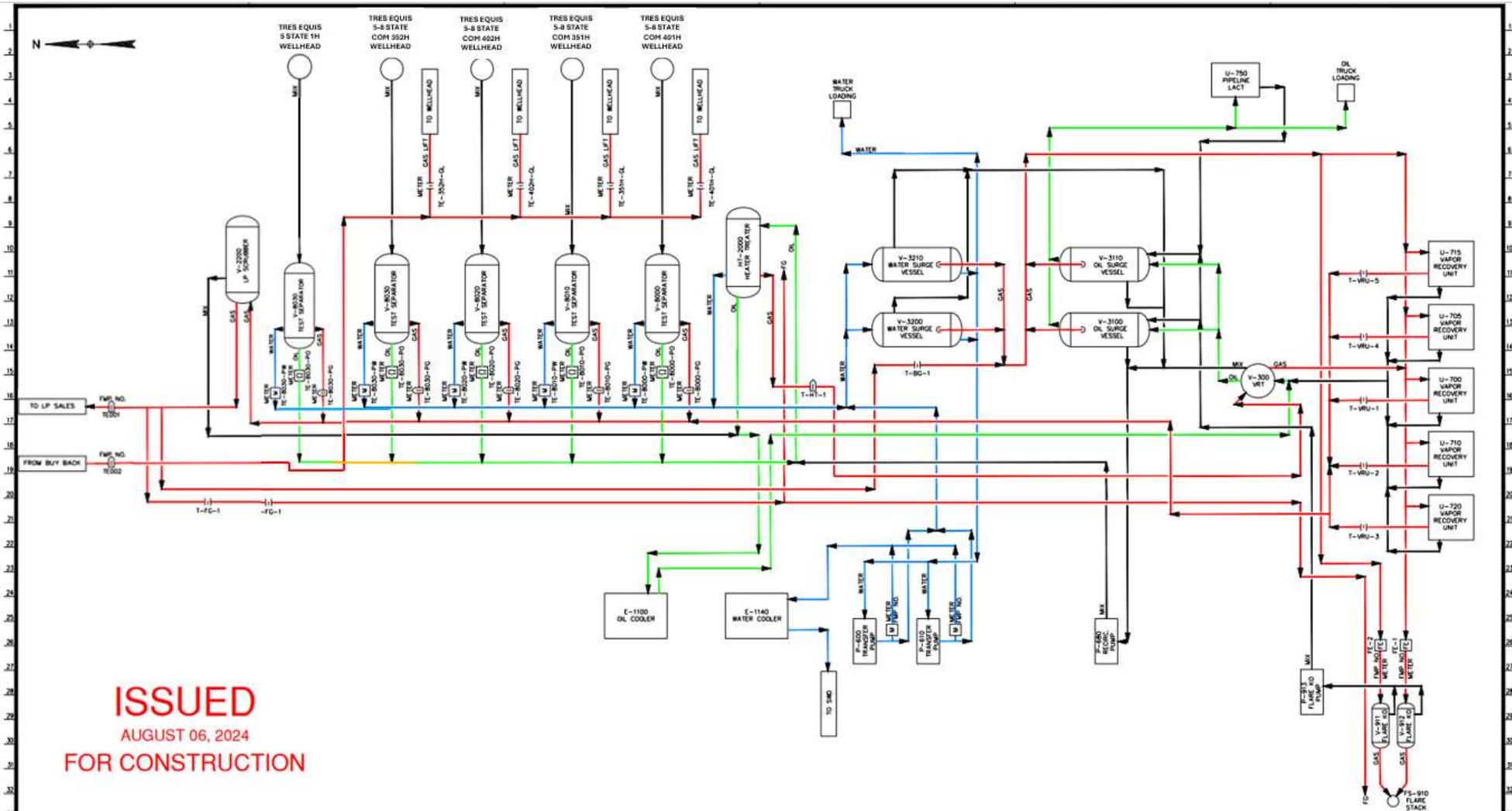
The Communitization Agreements, and their associated wells, are capable of production in paying quantities. Commingling the reserves is the most effective means of production.

Oil and gas production from these spacing units will be commingled and sold at the Tres Equis 5 8 State Com Central Tank Battery ("CTB"), which is located in the NE/4 NW/4 (Lot 3) of Section 5. The Sales Meter is located on lease at the CTB. Each well is equipped with a three-phase separator and metered on lease before production is transferred to the CTB and commingled prior to the Sales Meter. Gas production from the separator will be individually metered with a calibrated orifice meter that is manufactured to AGA specifications. Oil production from the separator will be separately metered using Coriolis meters. Please see Exhibit A, Production Flow Diagram, for the enclosed facility diagram.

The Tres Equis 5 8 State Com CTB requires no additional surface disturbance.

The NMOCD will be notified of any changes to the CTB.

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



**ISSUED**  
AUGUST 06, 2024  
**FOR CONSTRUCTION**

**NOTE:**

- SEE TABLE 1 ON DWG D-24407-10-000.

1) JR. GAS METER	WATER: <span style="color:blue">—</span>
2) SR. GAS METER	GAS: <span style="color:red">—</span>
3) CORIOLIS METER	MIX: <span style="color:green">—</span>
4) MAG METER	OIL: <span style="color:blue">—</span>
FE THERMAL MASS METER	
T TURBINE METER	

REFERENCE DRAWINGS		REVISIONS					
NO.	TITLE	NO.	DATE	DESCRIPTION	BY	CHK.	APP.
		0	06/06/24	ISSUED FOR CONSTRUCTION	RW	JHM	

**3S**  
Midland, Texas 79705  
Arlington, Texas 75011  
P.O. Box 77489  
Dallas, Texas 75276  
Ph: 432-687-6611  
WWW.3SENGINEERINGDESIGN.COM  
TYPE FIRM REG. #13889  
NM FIRM REG. #646320

**NOTICE**

THIS DRAWING HAS NOT BEEN PUBLISHED BUT IS A PUBLIC RECORD BY THE ENGINEERING & DESIGN FIRM FOR USE BY THE CLIENT NAMED IN THE TITLE BLOCK AND MAINTAINANCE FACILITY NAMED IN THE TITLE BLOCK AND SHALL NOT BE USED FOR ANY OTHER PURPOSE, OR FURNISHED TO ANY OTHER PARTY WITHOUT THE PERMISSION OF 3S ENGINEERING & DESIGN.

ENGINEERING RECORD	
BY	DATE
DRN: RW	06/26/24
DES: NR	
CHK:	
APP:	
AFE NO.:	
FACILITY ENGR.:	C. BOYLE
PROJ. ENGR.:	J. MCNEELY
SCALE:	NONE

**COTERRA**

TRES EQUIS 5-8 STATE COM  
METERED PROCESS FLOW DIAGRAM

LEA COUNTY

PLOT SCALE	NONE	DWG. NO.	D-24407-10-200
CAD NO.			

**EXHIBIT**  
**A**

API	Well Name & Number	UL or Q/Q	S-T-R	Pool Code
30-025-40532	<b>Tres Equis 5 State 1H</b>	W/2 W/2	5-24S-33E	Triple X; Bone Spring, West [96674]
30-025-PENDING	<b>Tres Equis 5 8 State Com 351H</b>	W/2 W/2 W/2 W/2	5-24S-33E 8-24S-33E	Triple X; Bone Spring, West [96674]
30-025-PENDING	<b>Tres Equis 5 8 State Com 352H</b>	E/2 W/2 E/2 W/2	5-24S-33E 8-24S-33E	Triple X; Bone Spring, West [96674]
30-025-PENDING	<b>Tres Equis 5 8 State Com 401H</b>	W/2 W/2 W/2 W/2	5-24S-33E 8-24S-33E	WC-025 G-09 S243310P; Upper Wolfcamp [98135]
30-025-PENDING	<b>Tres Equis 5 8 State Com 402H</b>	E/2 W/2 E/2 W/2	5-24S-33E 8-24S-33E	WC-025 G-09 S243310P; Upper Wolfcamp [98135]

EXHIBIT  
3

**HOBBS OCD**

**DISTRICT I**

1026 N. French Dr., Hobbs, NM 88240  
Phone (505) 593-0161 Fax (505) 893-0720

**DISTRICT II**

011 S. First St., Artesia, NM 80210  
Phone (505) 740-1283 Fax (505) 740-9720

**DISTRICT III**

1000 Rto Brazos Rd., Aztec, NM 87410  
Phone (505) 831-8178 Fax (505) 831-8170

**DISTRICT IV**

1220 E. St. Francis Dr., Santa Fe, NM 87505  
Phone (505) 478-3160 Fax (505) 478-3168

State of New Mexico  
Energy, Minerals and Natural Resources Department

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

**OIL CONSERVATION DIVISION**

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

APR 19 2012

RECEIVED

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

AMENDED REPORT

API Number <b>30-025-40532</b>	Pool Code <b>96674</b>	Pool Name <b>Triple X: Bone Spring, West</b>
Property Code <b>39181</b>	Property Name <b>TRES EQUIS "5" STATE</b>	Well Number <b>1</b>
OGRID No. <b>215099</b>	Operator Name <b>CIMAREX ENERGY CO.</b>	Elevation <b>3657'</b>

**Surface Location**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	5	24 S	33 E		330	NORTH	660	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
M	5	24 S	33 E		330	SOUTH	660	WEST	LEA

Dedicated Acres <b>159.82</b>	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p><b>SURFACE LOCATION</b> Lat - N 32°15'11.06" Long - W 103°36'02.62" NMSPC- N 456573.9 E 767813.2 (NAD-83)</p>	<p><b>OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division 4/19/12</p> <p>Signature: <i>Terri Stathem</i> Date: _____ Printed Name: Terri Stathem Email Address: tstathem@cimarex.com</p>
	<p><b>PROPOSED BOTTOM HOLE LOCATION</b> Lat - N 32°14'25.39" Long - W 103°38'02.65" NMSPC- N 451858.8 E 767841.7 (NAD-83)</p>	<p><b>SURVEYOR CERTIFICATION</b> I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.</p> <p>Date Surveyed: <b>APR 19 2012</b> Signature &amp; Seal of Professional Surveyor: <i>Gary L. Jones</i> Certificate No. Gary L. Jones 7977</p> <p><b>BASIN SURVEYS</b></p>

<b>C-102</b>  Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	Revised July 9, 2024			
		Submittal Type: <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td><input checked="" type="checkbox"/> Initial Submittal</td> </tr> <tr> <td><input type="checkbox"/> Amended Report</td> </tr> <tr> <td><input type="checkbox"/> As Drilled</td> </tr> </table>	<input checked="" type="checkbox"/> Initial Submittal	<input type="checkbox"/> Amended Report	<input type="checkbox"/> As Drilled
<input checked="" type="checkbox"/> Initial Submittal					
<input type="checkbox"/> Amended Report					
<input type="checkbox"/> As Drilled					

**WELL LOCATION INFORMATION**

API Number	Pool Code <b>98135</b>	Pool Name <b>WC-025 G-09 S243310P;UPPER WOLFCAMP</b>
Property Code	Property Name <b>TRES EQUIS 5 8 STATE COM</b>	Well Number <b>402H</b>
OGRID No. <b>215099</b>	Operator Name <b>CIMAREX ENERGY CO.</b>	Ground Level Elevation <b>3657.2'</b>
Surface Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
3	5	24S	33E		387 NORTH	1538 WEST	32.252880°	-103.597912°	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
N	8	24S	33E		100 SOUTH	1652 WEST	32.225206°	-103.597544°	LEA

Dedicated Acres <b>319.79</b>	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.		Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No		

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
3	5	24S	33E		100 NORTH	1652 WEST	32.253670°	-103.597541°	LEA

First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
3	5	24S	33E		100 NORTH	1652 WEST	32.253670°	-103.597541°	LEA

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
N	8	24S	33E		100 SOUTH	1652 WEST	32.225206°	-103.597544°	LEA

Unitized Area or Area of Uniform Interest	Spacing Unit Type <input type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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<p><b>OPERATOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i></p> <p style="font-size: 1.2em;"><i>Shelly Bowen</i>                      9/23/2024</p>	<p><b>SURVEYOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the well location shown on this plat was plotted from the field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <div style="text-align: center;">  </div>
Signature _____ Date _____ Shelly Bowen Printed Name shelly.bowen@coterra.com Email Address	Signature and Seal of Professional Surveyor 23782                      April 08, 2024 Certificate Number                      Date of Survey

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



<b>C-102</b>  Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	Revised July 9, 2024
		Submittal Type: <input checked="" type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled

**WELL LOCATION INFORMATION**

API Number	Pool Code <b>98135</b>	Pool Name <b>WC-025 G-09 S243310P;UPPER WOLFCAMP</b>
Property Code	Property Name <b>TRES EQUIS 5 8 STATE COM</b>	Well Number <b>401H</b>
OGRID No. <b>215099</b>	Operator Name <b>CIMAREX ENERGY CO.</b>	Ground Level Elevation <b>3658.4'</b>
Surface Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
3	5	24S	33E		387 NORTH	1498 WEST	32.252881°	-103.598041°	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
M	8	24S	33E		100 SOUTH	330 WEST	32.225211°	-103.601819°	LEA

Dedicated Acres <b>319.82</b>	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.		Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No		

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
4	5	24S	33E		100 NORTH	330 WEST	32.253677°	-103.601817°	LEA

First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
4	5	24S	33E		100 NORTH	330 WEST	32.253677°	-103.601817°	LEA

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
M	8	24S	33E		100 SOUTH	330 WEST	32.225211°	-103.601819°	LEA

Unitized Area or Area of Uniform Interest	Spacing Unit Type <input type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
---	---	-------------------------

<p><b>OPERATOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i></p> <p style="text-align: center;"><i>Shelly Bowen</i>                      9/23/2024</p>	<p><b>SURVEYOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the well location shown on this plat was plotted from the field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <div style="text-align: right;">  </div>
Signature _____ Date _____ Shelly Bowen Printed Name shelly.bowen@coterra.com Email Address	Signature and Seal of Professional Surveyor 23782                      April 08, 2024 Certificate Number                      Date of Survey

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



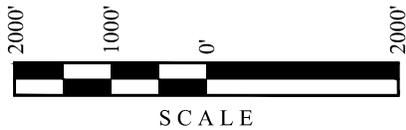
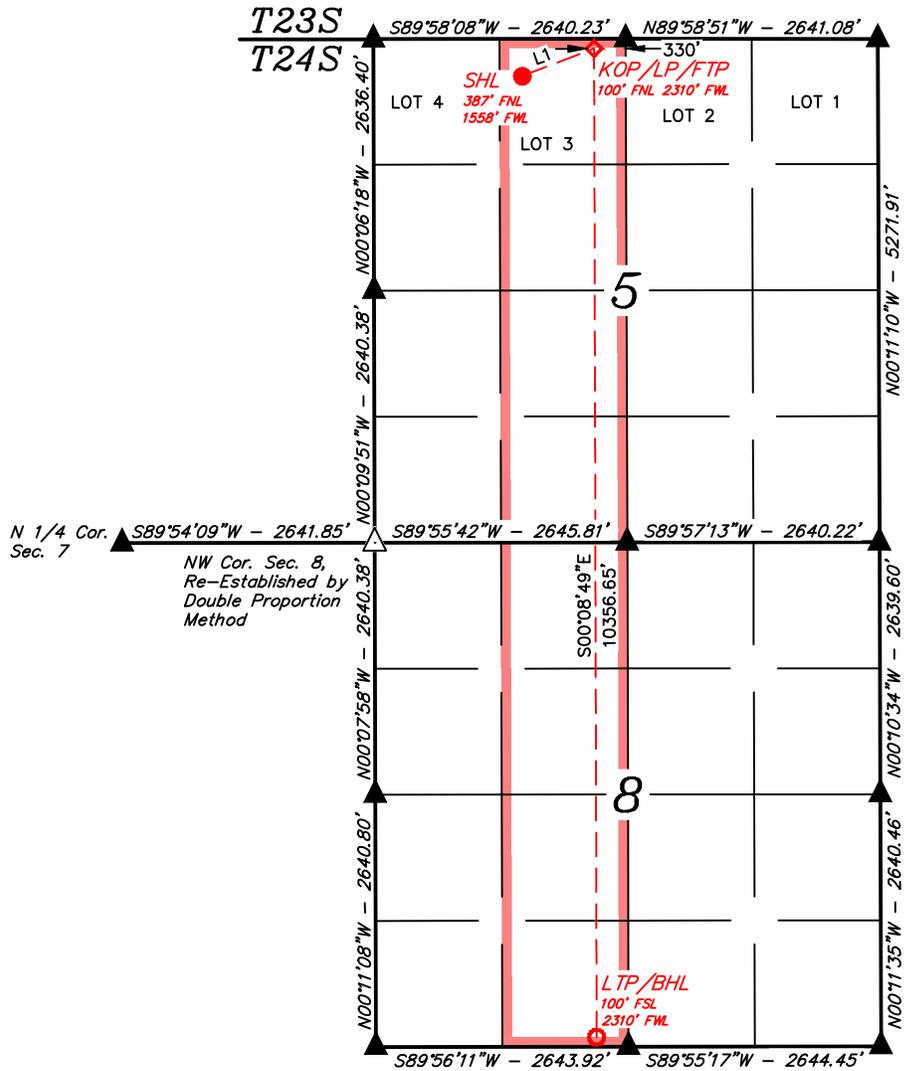


Property Name TRES EQUIS 5 8 STATE COM	Well Number 352H	Drawn By D.M.C. 07-24-24	Revised By (WELL NAME CHANGE & ADD DEDICATED ACREAGE)	REV.: 1 L.T.T. 09-09-24
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- = SURFACE HOLE LOCATION
- ◆ = KICK OFF POINT/LANDING POINT/FIRST TAKE POINT
- = LAST TAKE POINT/BOTTOM HOLE LOCATION
- ▲ = SECTION CORNER LOCATED
- △ = SECTION CORNER RE-ESTABLISHED.  
(Not Set on Ground.)
- = DEDICATED ACREAGE

**NOTE:**

- Distances referenced on plat to section lines are perpendicular.
- Basis of Bearings is a Transverse Mercator Projection with a Central Meridian of W103°53'00" (NAD 83)



LINE TABLE		
LINE	DIRECTION	LENGTH
L1	N69°03'15"E	805.08'

<b>NAD 83 (SURFACE HOLE LOCATION)</b>
LATITUDE = 32°15'10.37" (32.252880°)
LONGITUDE = -103°35'52.25" (-103.597847°)
<b>NAD 27 (SURFACE HOLE LOCATION)</b>
LATITUDE = 32°15'09.92" (32.252757°)
LONGITUDE = -103°35'50.52" (-103.597367°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 456509.97' E: 768704.14'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 456450.89' E: 727520.37'

<b>NAD 83 (KOP/LP/FTP)</b>
LATITUDE = 32°15'13.20" (32.253666°)
LONGITUDE = -103°35'43.49" (-103.595413°)
<b>NAD 27 (KOP/LP/FTP)</b>
LATITUDE = 32°15'12.75" (32.253542°)
LONGITUDE = -103°35'41.76" (-103.594933°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 456800.88' E: 769454.68'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 456741.78' E: 728270.92'

<b>NAD 83 (LTP/BHL)</b>
LATITUDE = 32°13'30.73" (32.225203°)
LONGITUDE = -103°35'43.50" (-103.595417°)
<b>NAD 27 (LTP/BHL)</b>
LATITUDE = 32°13'30.29" (32.225079°)
LONGITUDE = -103°35'41.78" (-103.594938°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 446446.25' E: 769524.63'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 446387.42' E: 728340.41'

<b>C-102</b>  Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	Revised July 9, 2024
		Submittal Type: <input checked="" type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled

**WELL LOCATION INFORMATION**

API Number	Pool Code <b>96674</b>	Pool Name <b>Triple X; Bone Spring, West</b>
Property Code	Property Name <b>TRES EQUIS 5 8 STATE COM</b>	Well Number <b>351H</b>
OGRID No. <b>215099</b>	Operator Name <b>CIMAREX ENERGY CO.</b>	Ground Level Elevation <b>3657.6'</b>
Surface Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
3	5	24S	33E		387 NORTH	1518 WEST	32.252881°	-103.597977°	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
M	8	24S	33E		100 SOUTH	990 WEST	32.225209°	-103.599685°	LEA

Dedicated Acres <b>319.82</b>	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.		Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No		

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
4	5	24S	33E		100 NORTH	990 WEST	32.253673°	-103.599682°	LEA

First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
4	5	24S	33E		100 NORTH	990 WEST	32.253673°	-103.599682°	LEA

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
M	8	24S	33E		100 SOUTH	990 WEST	32.225209°	-103.599685°	LEA

Unitized Area or Area of Uniform Interest	Spacing Unit Type <input type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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<p><b>OPERATOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i></p> <p style="font-size: 1.2em;"><i>Shelly Bowen</i>      9/23/2024</p>	<p><b>SURVEYOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the well location shown on this plat was plotted from the field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <div style="text-align: right;">  </div>
Signature _____ Date _____ Shelly Bowen Printed Name shelly.bowen@coterra.com Email Address	Signature and Seal of Professional Surveyor 23782      April 08, 2024 Certificate Number      Date of Survey

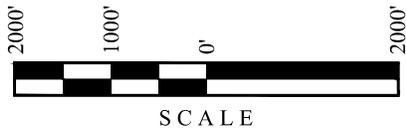
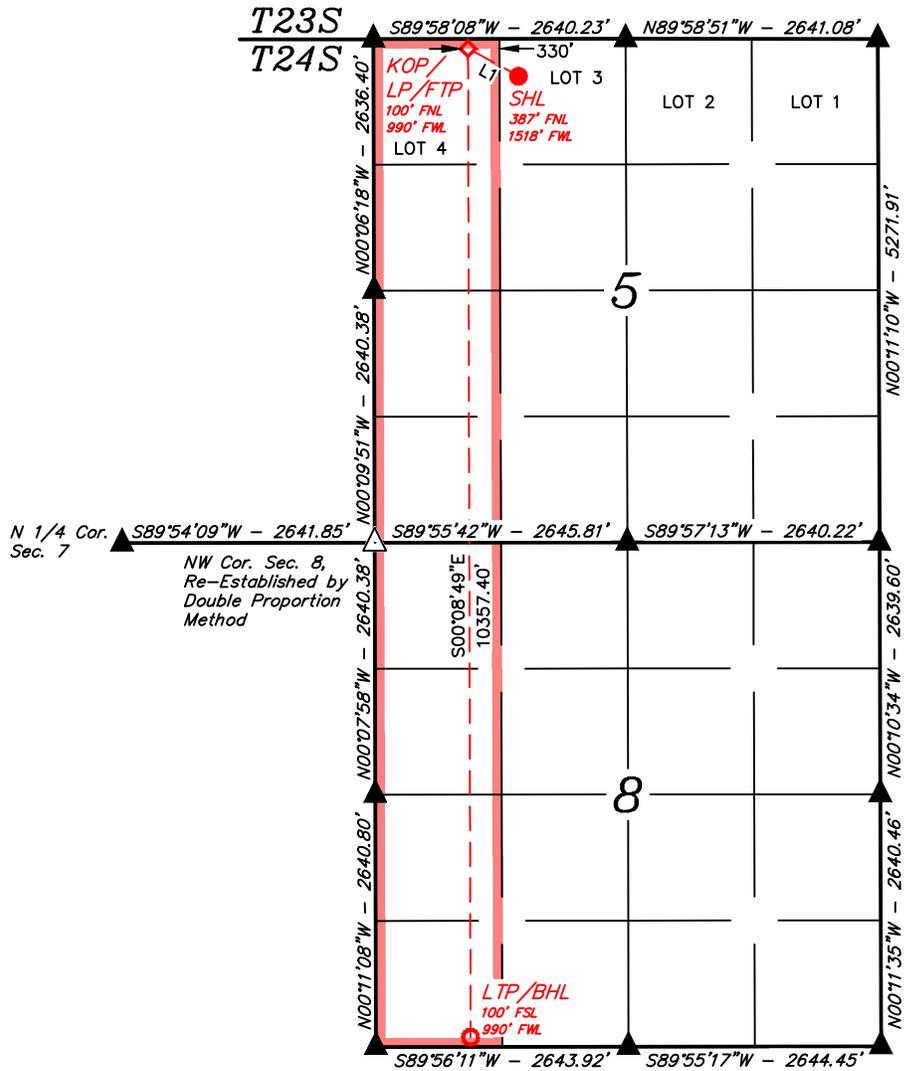
*Note: No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.*

Property Name TRES EQUIS 5 8 STATE COM	Well Number 351H	Drawn By D.M.C. 07-24-24	Revised By (WELL NAME CHANGE & ADD DEDICATED ACREAGE)	REV.: 1 L.T.T. 09-09-24
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(Not Set on Ground.)
- = DEDICATED ACREAGE

**NOTE:**

- Distances referenced on plat to section lines are perpendicular.
- Basis of Bearings is a Transverse Mercator Projection with a Central Meridian of W103°53'00" (NAD 83)



LINE TABLE		
LINE	DIRECTION	LENGTH
L1	N61°28'10"W	601.12'

<b>NAD 83 (SURFACE HOLE LOCATION)</b>
LATITUDE = 32°15'10.37" (32.252881°)
LONGITUDE = -103°35'52.72" (-103.597977°)
<b>NAD 27 (SURFACE HOLE LOCATION)</b>
LATITUDE = 32°15'09.92" (32.252757°)
LONGITUDE = -103°35'50.99" (-103.597496°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 456509.78' E: 768664.15'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 456450.70' E: 727480.38'

<b>NAD 83 (KOP/LP/FTP)</b>
LATITUDE = 32°15'13.22" (32.253673°)
LONGITUDE = -103°35'58.86" (-103.599682°)
<b>NAD 27 (KOP/LP/FTP)</b>
LATITUDE = 32°15'12.78" (32.253550°)
LONGITUDE = -103°35'57.13" (-103.599202°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 456794.63' E: 768134.92'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 456735.53' E: 726951.16'

<b>NAD 83 (LTP/BHL)</b>
LATITUDE = 32°13'30.75" (32.225209°)
LONGITUDE = -103°35'58.86" (-103.599685°)
<b>NAD 27 (LTP/BHL)</b>
LATITUDE = 32°13'30.31" (32.225085°)
LONGITUDE = -103°35'57.14" (-103.599206°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 446439.26' E: 768204.87'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 446380.42' E: 727020.66'

New Mexico State Land Office  
Oil, Gas, & Minerals Division

STATE/STATE OR  
STATE/FEE  
Revised August 2024

COMMUNITIZATION AGREEMENT  
ONLINE Version

API #: 30-025 \_\_\_\_\_ - TBD \_\_\_\_\_

THIS COMMUNITIZATION AGREEMENT (“Agreement”) [which is NOT to be used for carbon dioxide or helium] is entered into and made effective this 1st [day] of September [month], 2024, by and between the parties signing below (“Parties”):

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

WHEREAS, the Parties own working, royalty, or other leasehold or other interests or operating rights under the oil and gas leases and lands subject to this Agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules and regulations, which leases, along with the well(s) on each lease to be encompassed by this Agreement, are more particularly described in the schedule attached hereto, marked Exhibit “A” and made a part hereof, for all purposes; and

WHEREAS, said leases, insofar as they cover the Bone Spring formation or pool as defined by the NMOCD, as further described on Exhibit “A” (hereinafter referred to as “said formation”) in and under the land hereinafter described cannot be independently developed and operated in conformity with the well-spacing program established for such formation in and under said lands; and

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

NOW THEREFORE, in consideration of the premises and the mutual advantages to the Parties, it is mutually covenanted and agreed by and between the undersigned as follows:

1. The lands described in Exhibit A (or B) covered by this Agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions: W2/W2

Of Sect(s): 5 & 8 Twp: 24S Rng: 33E NMPM Lea County, NM

Containing 319.82 acres, more or less. It is the judgment of the Parties that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the OCD, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

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

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

2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the Parties that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.

3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals or performance of other lease obligations under the terms of said leases shall not be affected by this Agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this Agreement shall remain in full force and effect as originally issued and amended.

4. Cimarex Energy Co. shall be the operator of the said communitized area (“Operator”) and all matters of operation shall be determined and performed by Cimarex Energy Co. If more than one Operator operates wells subject to this Agreement, the Commissioner reserves the right to require one or more or all operators who added infill wells to this Agreement to obtain a new agreement.

5. The Commissioner hereafter is entitled to the right to take in kind the Commissioner’s share for the communitized substances allocated to such tract, and the Operator shall make deliveries of such royaltyshare taken in kind in conformity with applicable contracts, laws, and regulations.

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

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

8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws.

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

ONLINE  
version

State/State

10. Notwithstanding any other provision herein, if there is a cessation of production of communitized substances for more than sixty (60) days beginning one year after the date of execution, this Agreement shall automatically terminate, along with the ability to produce communitized substances, unless notice of reworking or drilling operations on the communitized area is made within 60 days of cessation of production of communitized substances and are thereafter conducted with reasonable diligence or the Commissioner of Public Lands otherwise grants an exception to continued drilling operations, including for the compliance of other state rules, laws, or policies. All such notices provided pursuant to this Paragraph shall be in writing and must be approved by the Commissioner. As to State Trust Lands, written notice of intention to commence any operations hereunder shall be filed with the Commissioner within thirty(30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this Agreement. All requests to the Commissioner to grant an exception or exceptions for the compliance of other state rules, laws, or policies must be made in writing within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to this Agreement or any lease from the State of New Mexico included in this Agreement

11. Operator shall furnish the Commissioner and the OCD, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

12. It is agreed between the Parties that the Commissioner, or the Commissioner's duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State Land Office and the OCD.

13. If any order of the OCD upon which this Agreement is predicated or based is in anyway changed or modified, then in such event said Agreement is likewise modified to conform thereto.

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 instruments, in writing, specifically referring hereto, and shall be binding upon all Parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. 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.

16. In the event that Operator is aggrieved by a decision of the Commissioner with respect to any action by the Commissioner arising under this Agreement, Operator may within thirty (30) days after the date of such action file an administrative contest pursuant to 19-7-64 NMSA (1978) and 19.2.15 NMAC. Operator shall initiate no court action against the Commissioner or New Mexico State Land Office regarding this Agreement except to appeal a final decision of the Commissioner rendered pursuant to such a contest proceeding, and as provided by 19-7-64 NMSA (1978). **The Parties agree that any venue for any appeal or other action shall be in Santa Fe, New Mexico.**

17. Operator shall notify the Commissioner in writing within ten (10) days of (i) Operator’s receipt of any compliance order, enforcement order, notice of violation, warning letter, or other written notice of final or contemplated enforcement action taken by any federal, state, or local governmental entity arising out of or concerning any of Operator’s operations on New Mexico state trust land; (ii) Operator’s receipt of any order, judgment, or decree (on consent or otherwise) entered by any federal or state court against Operator arising out of or concerning any of Operator’s operations on New Mexico state trust land; or (iii) Operator’s receipt of any written notice of claim, written pre-suit notice, or lawsuit arising out of or concerning any of Operator’s operations on New Mexico state trust land. Upon the Commissioner’s request, Operator shall promptly provide the Commissioner with a copy of any such order, judgment, decree, notice, letter, or lawsuit.

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

Operator Cimarex Energy Co. Lessees of Record Cimarex Energy Co. (V0-8304-1)

By Bradley Cantrell COG Production LLC (VC-19-0)

Print name of person

Attorney-in-Fact

Type of authority

Signature

Attach additional page(s) if needed.







**EXHIBIT A**

Attached to and made a part of that Communitization Agreement dated September 1, 20 24,  
 by and between Cimarex Energy Co., (Operator) Cimarex Energy Co.,  
COG Production LLC,  
 \_\_\_\_\_,  
 \_\_\_\_\_, (Record Title Holders/Lesseees of Record) covering  
 the Subdivisions : W2/W2  
 Sect(s): 5 & 8, Twnshp 24S, Rnge: 33E, NMPM Lea County, NM  
 Limited in depth from \_\_\_\_\_ ft to \_\_\_\_\_ ft. (enter here what is granted in pooling order if  
 applicable)  
 OPERATOR of Communitized Area: Cimarex Energy Co.

**DESCRIPTION OF LEASES COMMITTED:**

**TRACT NO. 1**

Lessor: State of New Mexico, acting by and through its Commissioner of Public Lands

Lessee of Record: Cimarex Energy Co.

Serial No. of Lease: V0-8304-1 Date of Lease: 7/1/2008

Description of Lands Committed:

Subdivisions: W2/W2

Sect(s): 5 Twnshp: 24S, Rng: 33E NMPM Lea County NM

No. of Acres: 159.82

**TRACT NO. 2**

Lessor: State of New Mexico, acting by and through its Commissioner of Public Lands

Lessee of Record: COG Production LLC

Serial No. of Lease: VC-19-0 Date of Lease: 10/1/2008

Description of Lands Committed:

Subdivisions: W2/W2

Sect(s): 8 Twnshp: 24S Rng: 33E NMPM Lea County, NM

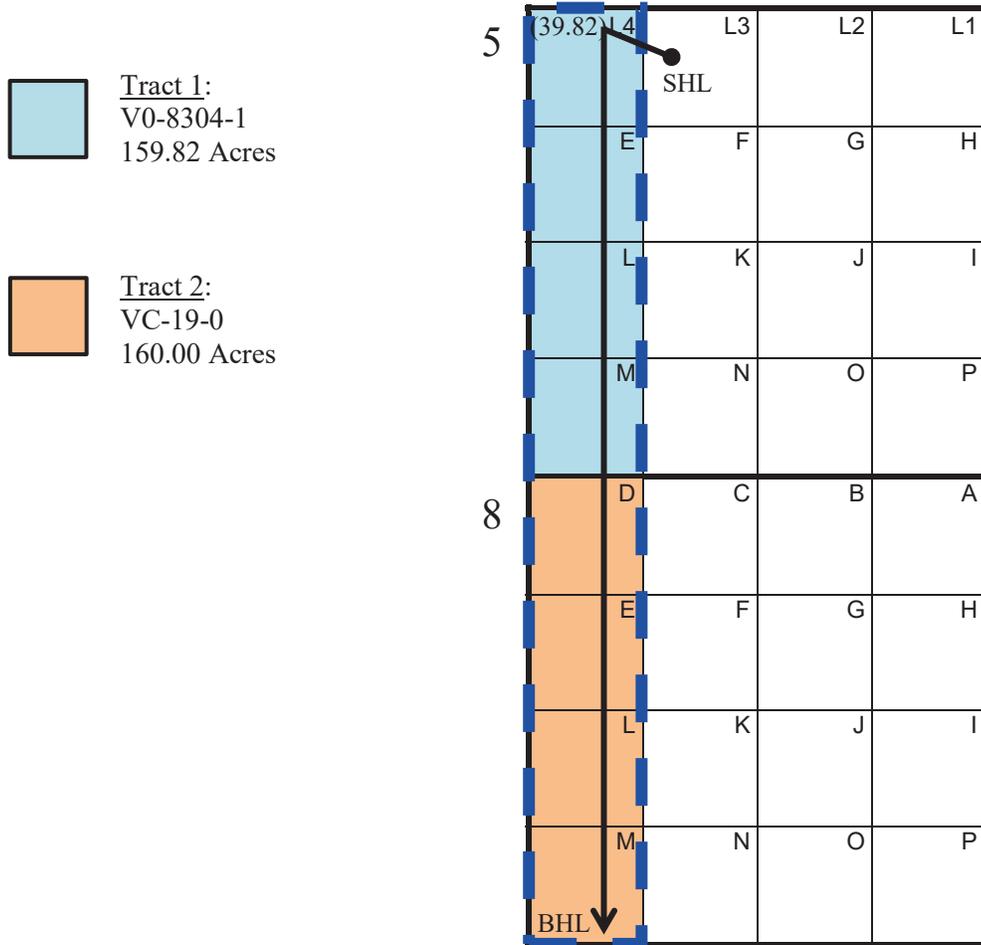
No. of Acres: 160.00

**RECAPITULATION**

Tract number	Number of Acres Committed	Percentage of Interest In Communitized Area (Must equal 100%)
No. 1	<u>159.82</u>	<u>49.9719%</u>
No. 2	<u>160.00</u>	<u>50.0281%</u>
TOTALS	<u>319.82</u>	<u>100.0000%</u>

Tres Equis 5 8 State Com 351H (API#: 30-025-XXXXX)

**T24S/R33E**



New Mexico State Land Office  
Oil, Gas, & Minerals Division

STATE/STATE OR  
STATE/FEE  
Revised August 2024

COMMUNITIZATION AGREEMENT

ONLINE Version

API #: 30-025 \_\_\_\_\_ - TBD \_\_\_\_\_

THIS COMMUNITIZATION AGREEMENT (“Agreement”) [which is NOT to be used for carbon dioxide or helium] is entered into and made effective this 1st [day] of September [month], 2024, by and between the parties signing below (“Parties”):

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

WHEREAS, the Parties own working, royalty, or other leasehold or other interests or operating rights under the oil and gas leases and lands subject to this Agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules and regulations, which leases, along with the well(s) on each lease to be encompassed by this Agreement, are more particularly described in the schedule attached hereto, marked Exhibit “A” and made a part hereof, for all purposes; and

WHEREAS, said leases, insofar as they cover the Bone Spring formation or pool as defined by the NMOCD, as further described on Exhibit “A” (hereinafter referred to as “said formation”) in and under the land hereinafter described cannot be independently developed and operated in conformity with the well-spacing program established for such formation in and under said lands; and

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

NOW THEREFORE, in consideration of the premises and the mutual advantages to the Parties, it is mutually covenanted and agreed by and between the undersigned as follows:

1. The lands described in Exhibit A (or B) covered by this Agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions: E2/W2

Of Sect(s): 5 & 8 Twp: 24S Rng: 33E NMPM Lea County, NM

Containing 319.79 acres, more or less. It is the judgment of the Parties that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the OCD, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

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

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

2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the Parties that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.

3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals or performance of other lease obligations under the terms of said leases shall not be affected by this Agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this Agreement shall remain in full force and effect as originally issued and amended.

4. Cimarex Energy Co. shall be the operator of the said communitized area (“Operator”) and all matters of operation shall be determined and performed by Cimarex Energy Co. If more than one Operator operates wells subject to this Agreement, the Commissioner reserves the right to require one or more or all operators who added infill wells to this Agreement to obtain a new agreement.

5. The Commissioner hereafter is entitled to the right to take in kind the Commissioner’s share for the communitized substances allocated to such tract, and the Operator shall make deliveries of such royaltyshare taken in kind in conformity with applicable contracts, laws, and regulations.

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

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

8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws.

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

ONLINE  
version

State/State

10. Notwithstanding any other provision herein, if there is a cessation of production of communitized substances for more than sixty (60) days beginning one year after the date of execution, this Agreement shall automatically terminate, along with the ability to produce communitized substances, unless notice of reworking or drilling operations on the communitized area is made within 60 days of cessation of production of communitized substances and are thereafter conducted with reasonable diligence or the Commissioner of Public Lands otherwise grants an exception to continued drilling operations, including for the compliance of other state rules, laws, or policies. All such notices provided pursuant to this Paragraph shall be in writing and must be approved by the Commissioner. As to State Trust Lands, written notice of intention to commence any operations hereunder shall be filed with the Commissioner within thirty(30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this Agreement. All requests to the Commissioner to grant an exception or exceptions for the compliance of other state rules, laws, or policies must be made in writing within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to this Agreement or any lease from the State of New Mexico included in this Agreement

11. Operator shall furnish the Commissioner and the OCD, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

12. It is agreed between the Parties that the Commissioner, or the Commissioner's duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State Land Office and the OCD.

13. If any order of the OCD upon which this Agreement is predicated or based is in anyway changed or modified, then in such event said Agreement is likewise modified to conform thereto.

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 instruments, in writing, specifically referring hereto, and shall be binding upon all Parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. 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.

16. In the event that Operator is aggrieved by a decision of the Commissioner with respect to any action by the Commissioner arising under this Agreement, Operator may within thirty (30) days after the date of such action file an administrative contest pursuant to 19-7-64 NMSA (1978) and 19.2.15 NMAC. Operator shall initiate no court action against the Commissioner or New Mexico State Land Office regarding this Agreement except to appeal a final decision of the Commissioner rendered pursuant to such a contest proceeding, and as provided by 19-7-64 NMSA (1978). **The Parties agree that any venue for any appeal or other action shall be in Santa Fe, New Mexico.**

17. Operator shall notify the Commissioner in writing within ten (10) days of (i) Operator’s receipt of any compliance order, enforcement order, notice of violation, warning letter, or other written notice of final or contemplated enforcement action taken by any federal, state, or local governmental entity arising out of or concerning any of Operator’s operations on New Mexico state trust land; (ii) Operator’s receipt of any order, judgment, or decree (on consent or otherwise) entered by any federal or state court against Operator arising out of or concerning any of Operator’s operations on New Mexico state trust land; or (iii) Operator’s receipt of any written notice of claim, written pre-suit notice, or lawsuit arising out of or concerning any of Operator’s operations on New Mexico state trust land. Upon the Commissioner’s request, Operator shall promptly provide the Commissioner with a copy of any such order, judgment, decree, notice, letter, or lawsuit.

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

Operator Cimarex Energy Co. Lessees of Record Cimarex Energy Co. (V0-8304-1)

By Bradley Cantrell COG Production LLC (VC-19-0)

Print name of person

Attorney-in-Fact

Type of authority

Signature

Attach additional page(s) if needed.





Lease # and Lessee of Record: VC-19-0 - COG Production LLC

BY: Ryan D. Owen, Attorney-in-Fact (Name and Title of Authorized Agent)

\_\_\_\_\_  
(Signature of Authorized Agent)

**Acknowledgment in an Individual Capacity**

State of \_\_\_\_\_ )  
County of \_\_\_\_\_ )  
SS)

This instrument was acknowledged before me on \_\_\_\_\_ Date

By \_\_\_\_\_  
Name(s) of Person(s)

(Seal)

\_\_\_\_\_  
Signature of Notarial Officer

My commission expires: \_\_\_\_\_

**Acknowledgment in an Representative Capacity**

State of Texas \_\_\_\_\_ )  
County of Midland \_\_\_\_\_ )  
SS)

This instrument was acknowledged before me on \_\_\_\_\_ Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name(s) of Person(s) Ryan D. Owen, Attorney-in-Fact

(Seal)

\_\_\_\_\_  
Signature of Notarial Officer

My commission expires: \_\_\_\_\_

**EXHIBIT A**

Attached to and made a part of that Communitization Agreement dated September 1, 20 24,  
 by and between Cimarex Energy Co., (Operator) Cimarex Energy Co.,  
COG Production LLC,  
 \_\_\_\_\_,  
 \_\_\_\_\_, (Record Title Holders/Lesseees of Record) covering  
 the Subdivisions : E2/W2  
 Sect(s): 5 & 8, Twnshp 24S, Rnge: 33E, NMPM Lea County, NM  
 Limited in depth from \_\_\_\_\_ ft to \_\_\_\_\_ ft. (enter here what is granted in pooling order if  
 applicable)  
 OPERATOR of Communitized Area: Cimarex Energy Co.

**DESCRIPTION OF LEASES COMMITTED:**

**TRACT NO. 1**

Lessor: State of New Mexico, acting by and through its Commissioner of Public Lands

Lessee of Record: Cimarex Energy Co.

Serial No. of Lease: V0-8304-1 Date of Lease: 7/1/2008

Description of Lands Committed:

Subdivisions: E2/W2

Sect(s): 5 Twnshp: 24S, Rng: 33E NMPM Lea County NM

No. of Acres: 159.79

**TRACT NO. 2**

Lessor: State of New Mexico, acting by and through its Commissioner of Public Lands

Lessee of Record: COG Production LLC

Serial No. of Lease: VC-19-0 Date of Lease: 10/1/2008

Description of Lands Committed:

Subdivisions: E2/W2

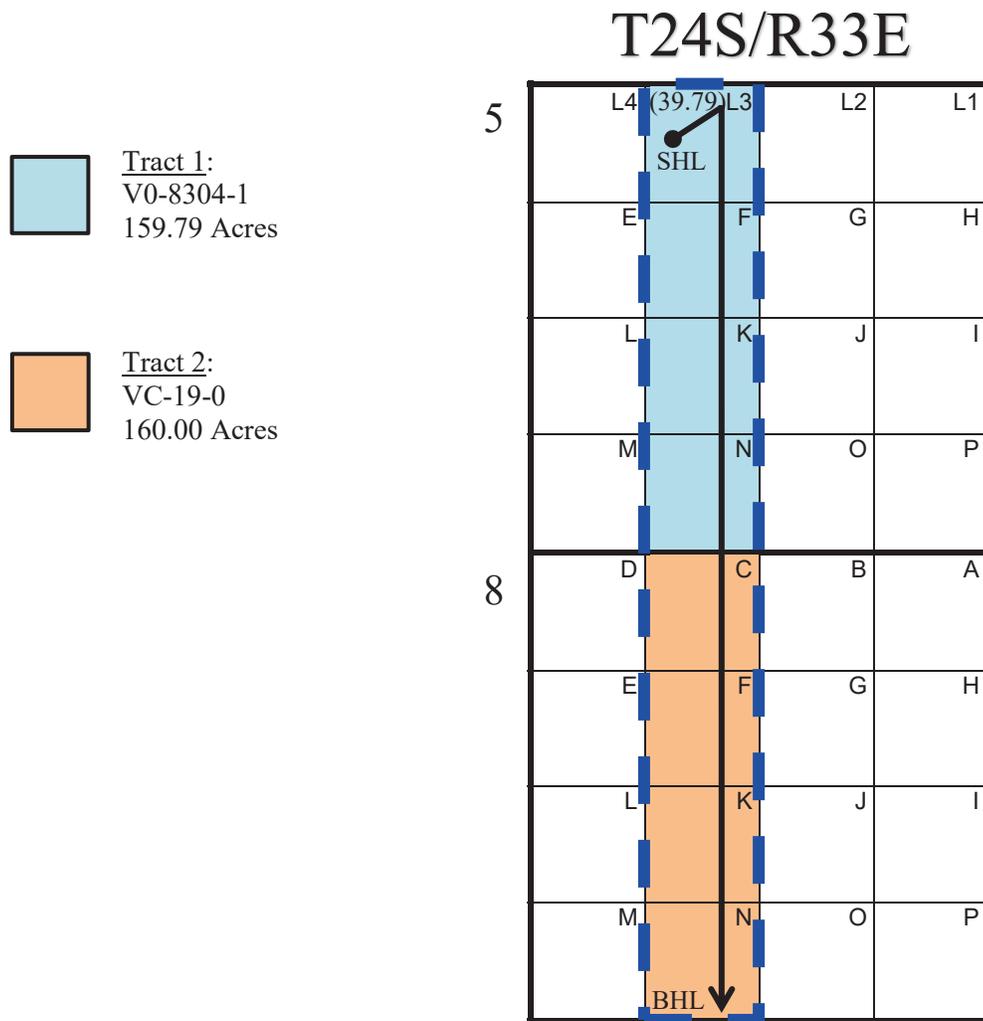
Sect(s): 8 Twnshp: 24S Rng: 33E NMPM Lea County, NM

No. of Acres: 160.00

**RECAPITULATION**

Tract number	Number of Acres Committed	Percentage of Interest In Communitized Area (Must equal 100%)
No. 1	<u>159.79</u>	<u>49.9672%</u>
No. 2	<u>160.00</u>	<u>50.0328%</u>
TOTALS	<u>319.79</u>	<u>100.0000%</u>

Tres Equis 5 8 State Com 352H (API#: 30-025-XXXXX)



New Mexico State Land Office  
Oil, Gas, & Minerals Division

STATE/STATE OR  
STATE/FEE  
Revised August 2024

COMMUNITIZATION AGREEMENT

ONLINE Version

API #: 30-025 \_\_\_\_\_ - TBD \_\_\_\_\_

THIS COMMUNITIZATION AGREEMENT (“Agreement”) [which is NOT to be used for carbon dioxide or helium] is entered into and made effective this 1st [day] of September [month], 2024, by and between the parties signing below (“Parties”):

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

WHEREAS, the Parties own working, royalty, or other leasehold or other interests or operating rights under the oil and gas leases and lands subject to this Agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules and regulations, which leases, along with the well(s) on each lease to be encompassed by this Agreement, are more particularly described in the schedule attached hereto, marked Exhibit “A” and made a part hereof, for all purposes; and

WHEREAS, said leases, insofar as they cover the Wolfcamp formation or pool as defined by the NMOCD, as further described on Exhibit “A” (hereinafter referred to as “said formation”) in and under the land hereinafter described cannot be independently developed and operated in conformity with the well-spacing program established for such formation in and under said lands; and

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

NOW THEREFORE, in consideration of the premises and the mutual advantages to the Parties, it is mutually covenanted and agreed by and between the undersigned as follows:

1. The lands described in Exhibit A (or B) covered by this Agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions: W2/W2

Of Sect(s): 5 & 8 Twp: 24S Rng: 33E NMPM Lea County, NM

Containing 319.82 acres, more or less. It is the judgment of the Parties that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the OCD, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

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

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

2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the Parties that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.

3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals or performance of other lease obligations under the terms of said leases shall not be affected by this Agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this Agreement shall remain in full force and effect as originally issued and amended.

4. Cimarex Energy Co. shall be the operator of the said communitized area (“Operator”) and all matters of operation shall be determined and performed by Cimarex Energy Co. If more than one Operator operates wells subject to this Agreement, the Commissioner reserves the right to require one or more or all operators who added infill wells to this Agreement to obtain a new agreement.

5. The Commissioner hereafter is entitled to the right to take in kind the Commissioner’s share for the communitized substances allocated to such tract, and the Operator shall make deliveries of such royaltyshare taken in kind in conformity with applicable contracts, laws, and regulations.

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

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

8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws.

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

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version

State/State

10. Notwithstanding any other provision herein, if there is a cessation of production of communitized substances for more than sixty (60) days beginning one year after the date of execution, this Agreement shall automatically terminate, along with the ability to produce communitized substances, unless notice of reworking or drilling operations on the communitized area is made within 60 days of cessation of production of communitized substances and are thereafter conducted with reasonable diligence or the Commissioner of Public Lands otherwise grants an exception to continued drilling operations, including for the compliance of other state rules, laws, or policies. All such notices provided pursuant to this Paragraph shall be in writing and must be approved by the Commissioner. As to State Trust Lands, written notice of intention to commence any operations hereunder shall be filed with the Commissioner within thirty(30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this Agreement. All requests to the Commissioner to grant an exception or exceptions for the compliance of other state rules, laws, or policies must be made in writing within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to this Agreement or any lease from the State of New Mexico included in this Agreement

11. Operator shall furnish the Commissioner and the OCD, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

12. It is agreed between the Parties that the Commissioner, or the Commissioner's duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State Land Office and the OCD.

13. If any order of the OCD upon which this Agreement is predicated or based is in anyway changed or modified, then in such event said Agreement is likewise modified to conform thereto.

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 instruments, in writing, specifically referring hereto, and shall be binding upon all Parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. 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.

16. In the event that Operator is aggrieved by a decision of the Commissioner with respect to any action by the Commissioner arising under this Agreement, Operator may within thirty (30) days after the date of such action file an administrative contest pursuant to 19-7-64 NMSA (1978) and 19.2.15 NMAC. Operator shall initiate no court action against the Commissioner or New Mexico State Land Office regarding this Agreement except to appeal a final decision of the Commissioner rendered pursuant to such a contest proceeding, and as provided by 19-7-64 NMSA (1978). **The Parties agree that any venue for any appeal or other action shall be in Santa Fe, New Mexico.**

17. Operator shall notify the Commissioner in writing within ten (10) days of (i) Operator’s receipt of any compliance order, enforcement order, notice of violation, warning letter, or other written notice of final or contemplated enforcement action taken by any federal, state, or local governmental entity arising out of or concerning any of Operator’s operations on New Mexico state trust land; (ii) Operator’s receipt of any order, judgment, or decree (on consent or otherwise) entered by any federal or state court against Operator arising out of or concerning any of Operator’s operations on New Mexico state trust land; or (iii) Operator’s receipt of any written notice of claim, written pre-suit notice, or lawsuit arising out of or concerning any of Operator’s operations on New Mexico state trust land. Upon the Commissioner’s request, Operator shall promptly provide the Commissioner with a copy of any such order, judgment, decree, notice, letter, or lawsuit.

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

Operator Cimarex Energy Co. Lessees of Record Cimarex Energy Co. (V0-8304-1)

By Bradley Cantrell COG Production LLC (VC-19-0)

Print name of person

Attorney-in-Fact

Type of authority

Signature

Attach additional page(s) if needed.

**OPERATOR:** \_\_\_\_\_ Cimarex Energy Co. \_\_\_\_\_

**BY:** \_\_\_\_\_ Bradley Cantrell, Attorney-in-Fact \_\_\_\_\_ **(Name and Title of Authorized Agent)**

\_\_\_\_\_  
**(Signature of Authorized Agent)**

**Acknowledgment in an Individual Capacity**

State of \_\_\_\_\_ )  
County of \_\_\_\_\_ )  
SS)

This instrument was acknowledged before me on \_\_\_\_\_ Date

By \_\_\_\_\_  
Name(s) of Person(s)

(Seal)

\_\_\_\_\_  
Signature of Notarial Officer

My commission expires: \_\_\_\_\_

**Acknowledgment in an Representative Capacity**

State of Texas \_\_\_\_\_ )  
County of Midland \_\_\_\_\_ )  
SS)

This instrument was acknowledged before me on \_\_\_\_\_ Date : \_\_\_\_\_

By: \_\_\_\_\_  
Name(s) of Person(s) Bradley Cantrell, Attorney-in-Fact

(Seal)

\_\_\_\_\_  
Signature of Notarial Officer

My commission expires: \_\_\_\_\_

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version

State/State



Lease # and Lessee of Record: VC-19-0 - COG Production LLC

BY: Ryan D. Owen, Attorney-in-Fact (Name and Title of Authorized Agent)

\_\_\_\_\_  
(Signature of Authorized Agent)

**Acknowledgment in an Individual Capacity**

State of \_\_\_\_\_ )  
County of \_\_\_\_\_ )  
SS)

This instrument was acknowledged before me on \_\_\_\_\_ Date

By \_\_\_\_\_  
Name(s) of Person(s)

(Seal)

\_\_\_\_\_  
Signature of Notarial Officer

My commission expires: \_\_\_\_\_

**Acknowledgment in an Representative Capacity**

State of Texas \_\_\_\_\_ )  
County of Midland \_\_\_\_\_ )  
SS)

This instrument was acknowledged before me on \_\_\_\_\_ Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name(s) of Person(s) Ryan D. Owen, Attorney-in-Fact

(Seal)

\_\_\_\_\_  
Signature of Notarial Officer

My commission expires: \_\_\_\_\_

ONLINE  
version

State/State

**EXHIBIT A**

Attached to and made a part of that Communitization Agreement dated September 1, 20 24,  
 by and between Cimarex Energy Co., (Operator) Cimarex Energy Co.,  
COG Production LLC,  
 \_\_\_\_\_,  
 \_\_\_\_\_, (Record Title Holders/Lesseees of Record) covering  
 the Subdivisions : W2/W2  
 Sect(s): 5 & 8, Twnshp 24S, Rnge: 33E, NMPM Lea County, NM  
 Limited in depth from \_\_\_\_\_ ft to \_\_\_\_\_ ft. (enter here what is granted in pooling order if  
 applicable)  
 OPERATOR of Communitized Area: Cimarex Energy Co.

**DESCRIPTION OF LEASES COMMITTED:**

**TRACT NO. 1**

Lessor: State of New Mexico, acting by and through its Commissioner of Public Lands

Lessee of Record: Cimarex Energy Co.

Serial No. of Lease: V0-8304-1 Date of Lease: 7/1/2008

Description of Lands Committed:

Subdivisions: W2/W2

Sect(s): 5 Twnshp: 24S, Rng: 33E NMPM Lea County NM

No. of Acres: 159.82

**TRACT NO. 2**

Lessor: State of New Mexico, acting by and through its Commissioner of Public Lands

Lessee of Record: COG Production LLC

Serial No. of Lease: VC-19-0 Date of Lease: 10/1/2008

Description of Lands Committed:

Subdivisions: W2/W2

Sect(s): 8 Twnshp: 24S Rng: 33E NMPM Lea County, NM

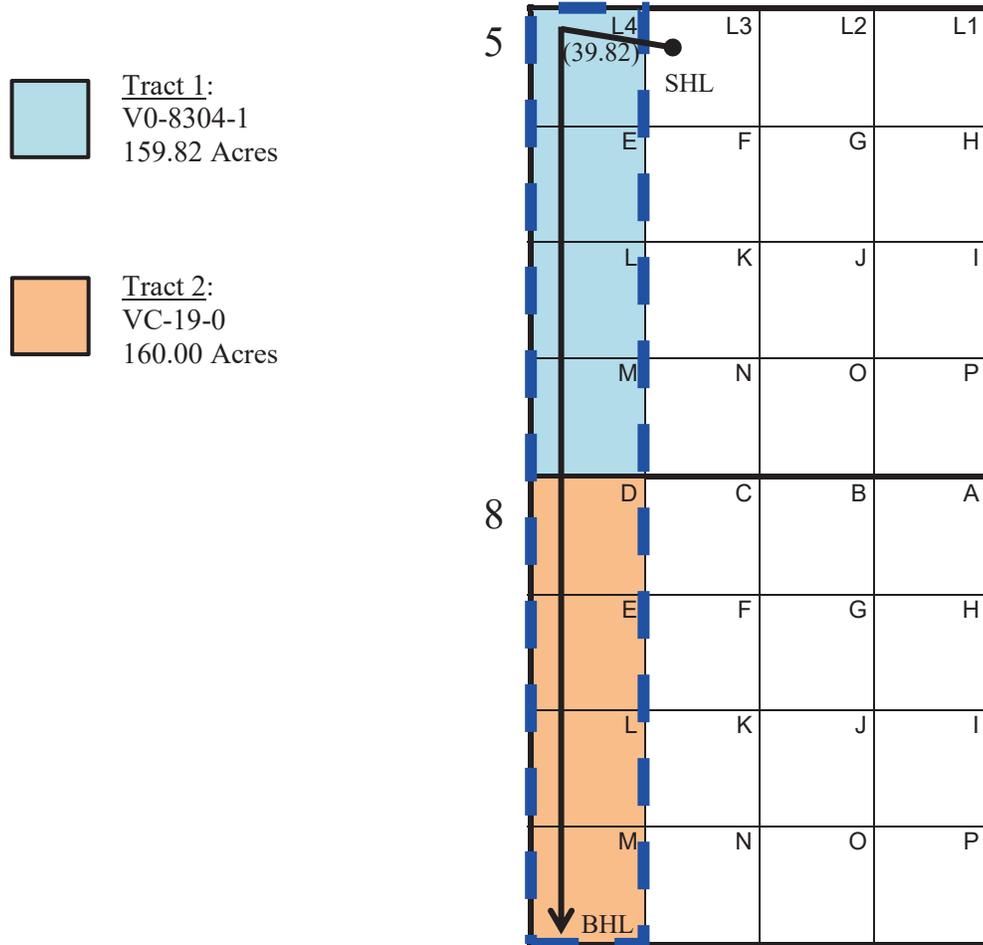
No. of Acres: 160.00

**RECAPITULATION**

Tract number	Number of Acres Committed	Percentage of Interest In Communitized Area (Must equal 100%)
No. 1	<u>159.82</u>	<u>49.9719%</u>
No. 2	<u>160.00</u>	<u>50.0281%</u>
TOTALS	<u>319.82</u>	<u>100.0000%</u>

Tres Equis 5 8 State Com 401H (API#: 30-025-XXXXX)

**T24S/R33E**



New Mexico State Land Office  
Oil, Gas, & Minerals Division

STATE/STATE OR  
STATE/FEE  
Revised August 2024

COMMUNITIZATION AGREEMENT

ONLINE Version

API #: 30-025 \_\_\_\_\_ - TBD \_\_\_\_\_

THIS COMMUNITIZATION AGREEMENT (“Agreement”) [which is NOT to be used for carbon dioxide or helium] is entered into and made effective this 1st [day] of September [month], 2024, by and between the parties signing below (“Parties”):

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

WHEREAS, the Parties own working, royalty, or other leasehold or other interests or operating rights under the oil and gas leases and lands subject to this Agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules and regulations, which leases, along with the well(s) on each lease to be encompassed by this Agreement, are more particularly described in the schedule attached hereto, marked Exhibit “A” and made a part hereof, for all purposes; and

WHEREAS, said leases, insofar as they cover the Wolfcamp formation or pool as defined by the NMOCD, as further described on Exhibit “A” (hereinafter referred to as “said formation”) in and under the land hereinafter described cannot be independently developed and operated in conformity with the well-spacing program established for such formation in and under said lands; and

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

NOW THEREFORE, in consideration of the premises and the mutual advantages to the Parties, it is mutually covenanted and agreed by and between the undersigned as follows:

1. The lands described in Exhibit A (or B) covered by this Agreement (hereinafter referred to as the “communitized area”) are described as follows:

Subdivisions: E2/W2

Of Sect(s): 5 & 8 Twp: 24S Rng: 33E NMPM Lea County, NM

Containing 319.79 acres, more or less. It is the judgment of the Parties that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the OCD, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

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

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

2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the Parties that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit “A” hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.

3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit “A” hereto or as herein provided to the contrary, the payment of rentals or performance of other lease obligations under the terms of said leases shall not be affected by this Agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this Agreement shall remain in full force and effect as originally issued and amended.

4. Cimarex Energy Co. shall be the operator of the said communitized area (“Operator”) and all matters of operation shall be determined and performed by Cimarex Energy Co. If more than one Operator operates wells subject to this Agreement, the Commissioner reserves the right to require one or more or all operators who added infill wells to this Agreement to obtain a new agreement.

5. The Commissioner hereafter is entitled to the right to take in kind the Commissioner’s share for the communitized substances allocated to such tract, and the Operator shall make deliveries of such royaltyshare taken in kind in conformity with applicable contracts, laws, and regulations.

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

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

8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws.

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

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State/State

10. Notwithstanding any other provision herein, if there is a cessation of production of communitized substances for more than sixty (60) days beginning one year after the date of execution, this Agreement shall automatically terminate, along with the ability to produce communitized substances, unless notice of reworking or drilling operations on the communitized area is made within 60 days of cessation of production of communitized substances and are thereafter conducted with reasonable diligence or the Commissioner of Public Lands otherwise grants an exception to continued drilling operations, including for the compliance of other state rules, laws, or policies. All such notices provided pursuant to this Paragraph shall be in writing and must be approved by the Commissioner. As to State Trust Lands, written notice of intention to commence any operations hereunder shall be filed with the Commissioner within thirty(30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this Agreement. All requests to the Commissioner to grant an exception or exceptions for the compliance of other state rules, laws, or policies must be made in writing within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to this Agreement or any lease from the State of New Mexico included in this Agreement

11. Operator shall furnish the Commissioner and the OCD, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

12. It is agreed between the Parties that the Commissioner, or the Commissioner's duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State Land Office and the OCD.

13. If any order of the OCD upon which this Agreement is predicated or based is in anyway changed or modified, then in such event said Agreement is likewise modified to conform thereto.

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 instruments, in writing, specifically referring hereto, and shall be binding upon all Parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. 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.

16. In the event that Operator is aggrieved by a decision of the Commissioner with respect to any action by the Commissioner arising under this Agreement, Operator may within thirty (30) days after the date of such action file an administrative contest pursuant to 19-7-64 NMSA (1978) and 19.2.15 NMAC. Operator shall initiate no court action against the Commissioner or New Mexico State Land Office regarding this Agreement except to appeal a final decision of the Commissioner rendered pursuant to such a contest proceeding, and as provided by 19-7-64 NMSA (1978). **The Parties agree that any venue for any appeal or other action shall be in Santa Fe, New Mexico.**

17. Operator shall notify the Commissioner in writing within ten (10) days of (i) Operator’s receipt of any compliance order, enforcement order, notice of violation, warning letter, or other written notice of final or contemplated enforcement action taken by any federal, state, or local governmental entity arising out of or concerning any of Operator’s operations on New Mexico state trust land; (ii) Operator’s receipt of any order, judgment, or decree (on consent or otherwise) entered by any federal or state court against Operator arising out of or concerning any of Operator’s operations on New Mexico state trust land; or (iii) Operator’s receipt of any written notice of claim, written pre-suit notice, or lawsuit arising out of or concerning any of Operator’s operations on New Mexico state trust land. Upon the Commissioner’s request, Operator shall promptly provide the Commissioner with a copy of any such order, judgment, decree, notice, letter, or lawsuit.

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

Operator Cimarex Energy Co. Lessees of Record Cimarex Energy Co. (V0-8304-1)

By Bradley Cantrell COG Production LLC (VC-19-0)

Print name of person

Attorney-in-Fact

Type of authority

Signature

Attach additional page(s) if needed.







**EXHIBIT A**

Attached to and made a part of that Communitization Agreement dated September 1, 20 24,  
 by and between Cimarex Energy Co., (Operator) Cimarex Energy Co.,  
COG Production LLC,  
 \_\_\_\_\_,  
 \_\_\_\_\_, (Record Title Holders/Lesseees of Record) covering  
 the Subdivisions : E2/W2  
 Sect(s): 5 & 8, Twnshp 24S, Rnge: 33E, NMPM Lea County, NM  
 Limited in depth from \_\_\_\_\_ ft to \_\_\_\_\_ ft. (enter here what is granted in pooling order if  
 applicable)  
 OPERATOR of Communitized Area: Cimarex Energy Co.

**DESCRIPTION OF LEASES COMMITTED:**

**TRACT NO. 1**

Lessor: State of New Mexico, acting by and through its Commissioner of Public Lands

Lessee of Record: Cimarex Energy Co.

Serial No. of Lease: V0-8304-1 Date of Lease: 7/1/2008

Description of Lands Committed:

Subdivisions: E2/W2

Sect(s): 5 Twnshp: 24S, Rng: 33E NMPM Lea County NM

No. of Acres: 159.79

**TRACT NO. 2**

Lessor: State of New Mexico, acting by and through its Commissioner of Public Lands

Lessee of Record: COG Production LLC

Serial No. of Lease: VC-19-0 Date of Lease: 10/1/2008

Description of Lands Committed:

Subdivisions: E2/W2

Sect(s): 8 Twnshp: 24S Rng: 33E NMPM Lea County, NM

No. of Acres: 160.00

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August, 2021

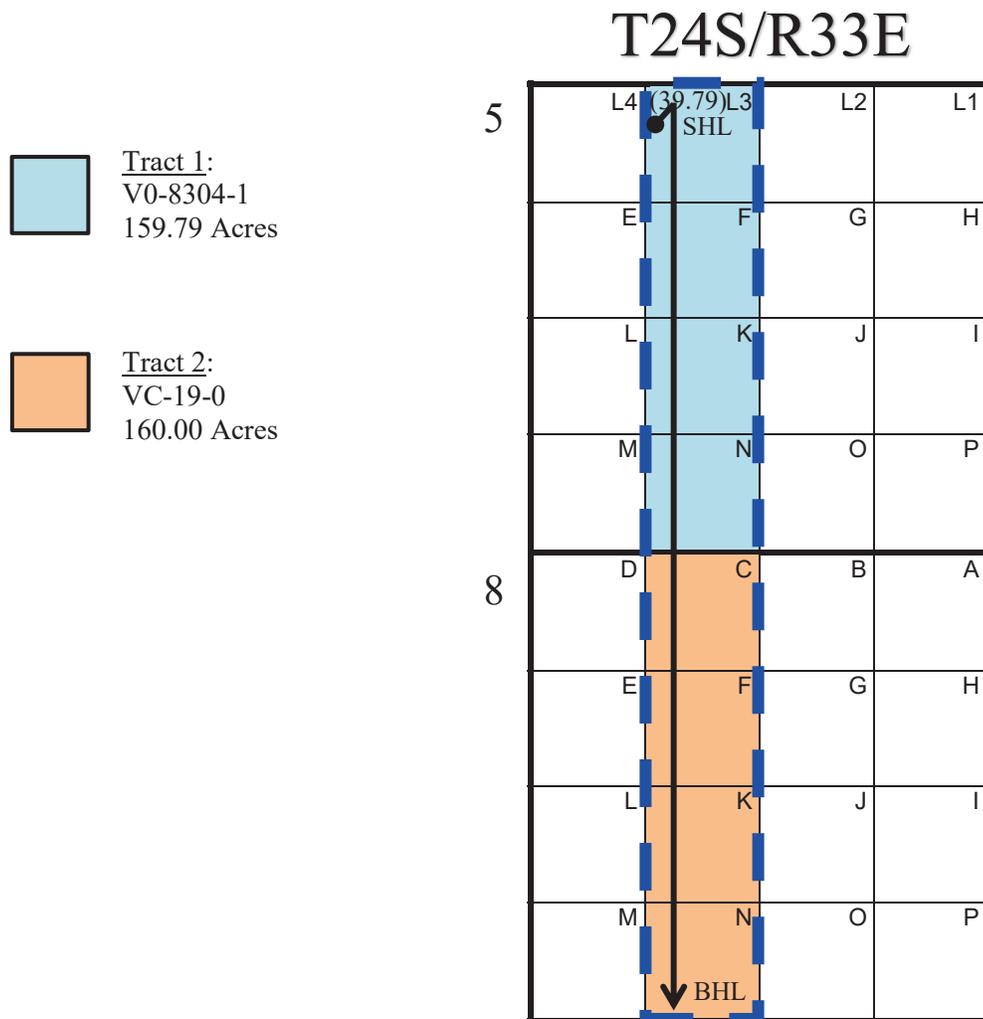
State/State

Tres Equis 5 8 – Wolfcamp – E2/W2

**RECAPITULATION**

Tract number	Number of Acres Committed	Percentage of Interest In Communitized Area (Must equal 100%)
No. 1	<u>159.79</u>	<u>49.9672%</u>
No. 2	<u>160.00</u>	<u>50.0328%</u>
TOTALS	<u>319.79</u>	<u>100.0000%</u>

Tres Equis 5 8 State Com 402H (API#: 30-025-XXXXX)



New Mexico State Land Office	PO Box 1148	Santa Fe	NM	87504
Weaver Royalty Partners LP	8226 Douglas Ave., Suite 655	Dallas	TX	75225
Foundation Mineral Partners III LP	8226 Douglas Ave., Suite 655	Dallas	TX	75225

EXHIBIT

**5**



**Paula M. Vance**  
**Associate**  
Phone (505) 988-4421  
Fax (505) 819-5579  
pmvance@hollandhart.com

October 24, 2024

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

**TO: ALL AFFECTED PARTIES**

**Re: Application of Cimarex Energy Company for administrative approval to surface commingle (pool and lease) oil and gas production from spacing units comprised of Lots 3-4, S/2 NW/4 and SW/4 (W/2 equivalent) of Section 5, and the W/2 of Section 8, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico (the "Lands")**

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application, which was filed with the New Mexico Oil Conservation Division on this date. Division rules require that a copy of this application be provided to you (there are no documents in this notice packet for you to sign). Any objection to this application must be filed in writing within twenty days from the date the Division receives the application at the Division's Santa Fe office located at 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Cassie Culpepper  
Coterra Energy Inc.  
(432) 620-1641  
cassie.culpepper@coterra.com

Sincerely,

A handwritten signature in blue ink that reads "Paula M. Vance".

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Paula M. Vance  
**ATTORNEY FOR CIMAREX ENERGY COMPANY**

Coterra - Tres Equis Commingling  
Postal Delivery Report

9414811898765486332519	New Mexico State Land Office	PO Box 1148	Santa Fe	NM	87504-1148	Your item was picked up at a postal facility at 7:55 am on October 29, 2024 in SANTA FE, NM 87501.
9414811898765486332557	Weaver Royalty Partners LP	8226 Douglas Ave Ste 655	Dallas	TX	75225-5946	Your item was delivered to an individual at the address at 2:14 pm on October 28, 2024 in DALLAS, TX 75225.
9414811898765486332564	Foundation Mineral Partners III LP	8226 Douglas Ave Ste 655	Dallas	TX	75225-5946	Your item was delivered to an individual at the address at 2:14 pm on October 28, 2024 in DALLAS, TX 75225.

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

**APPLICATION FOR SURFACE COMMINGLING  
SUBMITTED BY COTERRA ENERGY OPERATING CO.                      ORDER NO. PLC-1076**

**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. Coterra Energy Operating Co. (“Applicant”) submitted a complete application to surface commingle the oil and gas production from the pools and leases described in Exhibit A (“Application”).
2. Applicant included a complete list of the wells currently dedicated to each pool and lease.
3. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
4. 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.
5. Applicant in the notice for the Application stated that it sought authorization to prospectively include additional pools and leases in accordance with 19.15.12.10(C)(4)(g) NMAC.
6. Applicant stated that it sought authorization to surface commingle and off-lease measure, as applicable, oil and gas production from wells which have not yet been approved to be drilled, but will produce from a pool and lease as described in Exhibit A.
7. 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.
8. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.

**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 and leases as described in Exhibit A.

Applicant is authorized to surface commingle oil and gas production from the wells included in Exhibit A provided that they produce from a pool and lease described in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease, as applicable, from the pools and leases as described in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

Applicant is authorized to surface commingle oil and gas production from wells not included in Exhibit A but that produce from a pool and lease as described in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease, as applicable, from wells not included in Exhibit A but that produce from a pool and lease as described in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

2. This Order supersedes Order PLC-1076.
3. The allocation of oil and gas production to wells not included in Exhibit A but that produce from a pool and lease as described in Exhibit A shall be determined in the same manner as to wells identified in Exhibit A that produce from that pool and lease, provided that if more

than one allocation method is being used or if there are no wells identified in Exhibit A that produce from the pool and lease, then allocation of oil and gas production to each well not included in Exhibit A shall be determined by OCD prior to commingling production from it with the production from another well.

4. 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.
5. If Applicant recovers oil or gas production from produced water prior to Applicant injecting it or transferring custody of it, then that production shall be allocated to each well in the proportion that it contributed to the total produced water.
6. If Applicant recovers gas production using a vapor recovery unit (VRU), then that gas production shall be allocated to each well in the proportion that it contributed to the total oil production.
7. 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.
8. 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.
9. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10(C)(2) NMAC.
10. Applicant shall install and utilize vessels that are appropriately designed to ensure sufficient separation of the fluids and to accurately measure oil and gas production.
11. 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.
12. 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.

13. If a well is not included in Exhibit A but produces from a pool and lease as described in Exhibit A, then Applicant shall submit Forms C-102 and C-103 to the OCD Engineering Bureau after the well has been approved to be drilled and prior to off-lease measuring or commingling oil or gas production from it with the production from another well. The Form C-103 shall reference this Order and identify the well, proposed method to determine the allocation of oil and gas production to it, and the location(s) that commingling of its production will occur.
14. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
15. 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).
16. 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**



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**ALBERT C. S. CHANG  
DIRECTOR**

**DATE:** 1/26/2026

State of New Mexico  
Energy, Minerals and Natural Resources Department

## Exhibit A

**Order: PLC-1076**  
**Operator: Coterra Energy Operating Company (215099)**  
**Central Tank Battery: Tres Equis 5 8 State Com Central Tank Battery**  
**Central Tank Battery Location: UL C, Section 5, Township 23 South, Range 33 East**  
**Gas Title Transfer Meter Location: UL C, Section 5, Township 23 South, Range 33 East**

### Pools

Pool Name	Pool Code
TRIPLE X;BONE SPRING, WEST	96674
WC-025 G-09 S243310P;UPPER WOLFCAMP	98135

### Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
CA Wolfcamp SLO 205093 PUN 1407225	W2W2	05-24S-33E
	W2W2	08-24S-33E
CA Wolfcamp SLO 205094 PUN 1407231	E2W2	05-24S-33E
	E2W2	08-24S-33E
CA Bone Spring SLO 205091 PUN 1407200	W2W2	05-24S-33E
	W2W2	08-24S-33E
CA Bone Spring SLO 205092 PUN 1407218	E2W2	05-24S-33E
	E2W2	08-24S-33E

### Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-40532	TRES EQUIS 5 STATE #001H	W2W2	05-24S-33E	96674
30-025-53706	TRES EQUIS 5 8 STATE COM #351H	W2W2	05-24S-33E	96674
		W2W2	08-24S-33E	
30-025-53707	TRES EQUIS 5 8 STATE COM #352H	E2W2	05-24S-33E	96674
		E2W2	08-24S-33E	
30-025-53708	TRES EQUIS 5 8 STATE COM #401H	W2W2	05-24S-33E	98135
		W2W2	08-24S-33E	
30-025-53709	TRES EQUIS 5 8 STATE COM #402H	E2W2	05-24S-33E	98135
		E2W2	08-24S-33E	

Sante Fe Main Office  
Phone: (505) 476-3441

General Information  
Phone: (505) 629-6116

Online Phone Directory  
<https://www.emnrd.nm.gov/ocd/contact-us>

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

CONDITIONS

Action 397426

**CONDITIONS**

Operator: Coterra Energy Operating Co. 6001 Deauville Blvd Midland, TX 79706	OGRID: 215099
	Action Number: 397426
	Action Type: [C-107] Surface Commingle or Off-Lease (C-107B)

**CONDITIONS**

Created By	Condition	Condition Date
sarah.clelland	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 email us at <a href="mailto:OCD.Engineer@emnrd.nm.gov">OCD.Engineer@emnrd.nm.gov</a> .	1/27/2026