United States Department of the Interior



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BUREAU OF LAND MANAGEMENT

Carlsbad Field Office 620 E. Greene Carlsbad, New Mexico 88220-6292 www.nm.blm.gov



In Reply Refer to NM127243 3107 (P0220)

Memorandum

To: State Director (9210)

From: Legal Instrument Examiner (P0220)

Subject: First Production, Communitization Agreement NM127243

Date of Completion:

Date of First Production:

Field:

Operator, Well Name & No, API Number:

Location:

Total Depth:

Surface Elevation:

Producing Formation:

Well Capable of Production in Paying Quantities:

Initial Daily Production:

Oil 402 BBL; Gas 860 MCF; Water 2516 BBL

December 20, 2011

December 29, 2011

2H; 30-015-39283

3,014' GL

Yes

Culebra Bluff, Bone Spring

16,805' MD; 8,666' TVD

SWNE sec. 5, T. 23 S., R. 29 E.

Bone Spring (8,940' – 16,755')

COG Operating LLC; Road Lizard 5 Federal Com

Current Status:

Producing Oil Well

Remarks: CA NM127243, effective 6/1/11, communitizes production of all gas and fluid hydrocarbons in the Bone Spring formation beneath the SWNE, NWSE, SWSE of sec. 5, and the W2E2 of sec. 8, T. 23 S., R. 29 E., Eddy County, NM, and is comprised of 120 acres of Federal land in lease NM-59383, and 160 acres of Fee land, for a 280 acre spacing unit.

If you have any questions regarding this memorandum, please call Kurt Simmons at (575) 234-5983.

/S/ Debbie McKinney January 19, 2012

cc: ONRR-Denver First Production File LLNM (P0220, File Room)