

RECEIVED: 6/30/20	REVIEWER: DM	TYPE: CTB	APP NO: pDM2018338093
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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:** COG OPERATING, LLC **OGRID Number:** 229137  
**Well Name:** BLUE JAY FEDERAL #1H & BLUE JAY FEDERAL COM 2H **API:** 30-025-42338 / 30-025-43533  
**Pool:** WC-025 G-07 S203506D; BONE SPRING **Pool Code:** 97983

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

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

A. Location - Spacing Unit - Simultaneous Dedication

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

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

[I] Commingling - Storage - Measurement

☐ DHC ☒ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

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

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

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

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

**FOR OCD ONLY**

- ☐ Notice Complete  
☐ Application Content Complete

**3) CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note: Statement must be completed by an individual with managerial and/or supervisory capacity.**

Jeanette Barron

Print or Type Name

*Jeanette Barron*

Signature

Date

575-748-6974

Phone Number

jbarron@concho.com

e-mail Address



June 30, 2020

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

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

Dear Mr. McClure,

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

Blue Jay Federal 1H  
API# 30-025-42338  
WC-025 G-08 S203506D; Bone Spring  
Ut. O, Sec. 18-T20S-R35E  
Lea County, NM

Blue Jay Federal Com 2H  
API# 30-025-43533  
WC-025 G-08 S203506D; Bone Spring  
Ut. P, Sec. 18-T20S-R35E  
Lea County, NM

**Oil Production:**

The oil production from all wells will be measured separately by allocation meter prior to being commingled at the Central Tank Battery located in Ut. O, Sec. 18-T20S-R35E. In addition, the oil production from these wells may also be transported by truck to either the Red Hills Offload Station, located in Unit O, Section 4-T26S-R32E, or the Jal Offload Station, located in Unit D, Section 4-T26S-R37E, Lea County in the event the CTB on lease is over capacity or in the case of battery or pipeline repairs. In this case the oil will remain segregated and will be measured by lact meter when offloading at said stations.

**Gas Production:**

The gas production from all wells will be measured separately by allocation meter prior to being commingled and entering a gas flow line to the gas custody transfer meter at the Central Tank Battery located in Ut. D, Sec. 18-T20S-R35E. The Enterprise gas sales meter # 1181297.

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

**CORPORATE ADDRESS**

One Concho Center | 600 West Illinois Avenue | Midland, Texas 79701  
P 432.683.7443 | F 432.683.7441

**ARTESIA WEST OFFICE**

2208 Main Street | Artesia, New Mexico 88210  
P 575.748.6940 | F 575.746.2096



Please see the enclosed Administrative Application Checklist, C-107B Application for Surface Commingling, plats for referenced wells, site facility diagram, maps with lease boundaries showing wells and facility locations and prior six month's production.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink that reads "Jeanette Barron".

Jeanette Barron  
Regulatory Technician II

**CORPORATE ADDRESS**

One Concho Center | 600 West Illinois Avenue | Midland, Texas 79701  
P 432.683.7443 | F 432.683.7441

**ARTESIA WEST OFFICE**

2208 Main Street | Artesia, New Mexico 88210  
P 575.748.6940 | F 575.746.2096

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: COG Operating LLC

OPERATOR ADDRESS: 2208 W. Main Street, Artesia, NM 88210

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

(2) Are any wells producing at top allowables? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No.

(4) Measurement type: ☐ Metering ☐ Other (Specify)

(5) Will commingling decrease the value of production? ☐ Yes ☐ No If "yes", describe why commingling should be approved

**(B) LEASE COMMINGLING**

Please attach sheets with the following information

(1) Pool Name and Code. 97983 WC-025 G-07 S203506D; BONE SPRING

(2) Is all production from same source of supply? ☒ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No

(4) Measurement type: ☒ Metering ☐ Other (Specify)

**(C) POOL and LEASE COMMINGLING**  
Please attach sheets with the following information

(1) Complete Sections A and E.

**(D) OFF-LEASE STORAGE and MEASUREMENT**  
Please attached sheets with the following information

(1) Is all production from same source of supply? ☐ Yes ☐ No

(2) Include proof of notice to all interest owners.

**(E) ADDITIONAL INFORMATION (for all application types)**  
Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.

(3) Lease Names, Lease and Well Numbers, and API Numbers.

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

SIGNATURE: Jeanette Barron

TITLE: Regulatory Technician

DATE: 6/30/20

TYPE OR PRINT NAME Jeanette Barron

TELEPHONE NO.: 575-748-6974

E-MAIL ADDRESS jbarron@concho.com

**District I**

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

**District II**

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

**District III**

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

**District IV**

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

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

Form C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number <b>30-025-42338</b>	<sup>2</sup> Pool Code <b>97983</b>	<sup>3</sup> Pool Name <b>WC-025 G-07 S203506D; BONE SPRING</b>
<sup>4</sup> Property Code <b>313978</b>	<sup>5</sup> Property Name <b>BLUE JAY FEDERAL</b>	
<sup>7</sup> OGRID No. <b>229137</b>	<sup>8</sup> Operator Name <b>COG OPERATING, LLC</b>	
		<sup>6</sup> Well Number <b>1H</b>
		<sup>9</sup> Elevation <b>3671.8</b>

<sup>10</sup> Surface Location

UL or lot no. <b>O</b>	Section <b>18</b>	Township <b>20S</b>	Range <b>35E</b>	Lot 1 dn	Feet from the <b>190</b>	North/South line <b>SOUTH</b>	Feet from the <b>2310</b>	East/West line <b>EAST</b>	County <b>LEA</b>
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<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no. <b>B</b>	Section <b>18</b>	Township <b>20S</b>	Range <b>35E</b>	Lot 1 dn	Feet from the <b>414</b>	North/South line <b>NORTH</b>	Feet from the <b>2245</b>	East/West line <b>EAST</b>	County <b>LEA</b>
<sup>12</sup> Dedicated Acres <b>160</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.					

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

			414'	2245'	<b><sup>17</sup> 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.  <i>Jeanette Barron</i> 6/30/20 Signature Date <b>Jeanette Barron</b> Printed Name <b>jbarron@concho.com</b> E-mail Address
					<b><sup>18</sup> 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.  <b>REFER TO ORIGINAL PLAT</b>  Date of Survey Signature and Seal of Professional Surveyor:   Certificate Number
			SHL 190'	2310'	

**DISTRICT I**1026 N. French Dr., Hobbs, NM 88240  
Phone (575) 393-6161 Fax: (575) 393-0720**DISTRICT II**811 S. First St., Artesia, NM 88210  
Phone (575) 748-1883 Fax: (575) 748-0720**DISTRICT III**1000 Rio Brazos Rd., Aztec, NM 87410  
Phone (505) 334-6178 Fax: (505) 334-6170**DISTRICT IV**1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone (505) 476-8480 Fax: (505) 476-8483State 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**WELL LOCATION AND ACREAGE DEDICATION PLAT**☐ AMENDED REPORT  
(As -Drilled)

API Number 30-025-43533	Pool Code 97983	Pool Name WC-025 G-08 S203506D; Bone Spring
Property Code 317287	Property Name BLUE JAY FEDERAL COM	Well Number 2H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3685'

**Surface Location**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	18	20 S	35 E		210	SOUTH	660	EAST	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
A	18	20 S	35 E		200	NORTH	378	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160			

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

N: 575821.1 E: 755249.8 (NAD-27)	N: 575832.6 E: 757887.8 (NAD-27)	N: 575848.6 E: 759210.3 (NAD-27)	200' B.L.	378'
Producing Area 11684-15963'				
N: 570544.9 E: 755293.1 (NAD-27)	N: 570568.7 E: 759252.3 (NAD-27)	S.L. 660'		

**OPERATOR CERTIFICATION**

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 undivided 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.

Jeanette Barron 6/30/20  
Signature Date

Jeanette Barron  
Printed Name  
jbarron@concho.com  
Email Address

**SURVEYOR CERTIFICATION**

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.

SEPTEMBER 30, 2016  
Date Surveyed

[Signature]  
Signature of Professional Surveyor

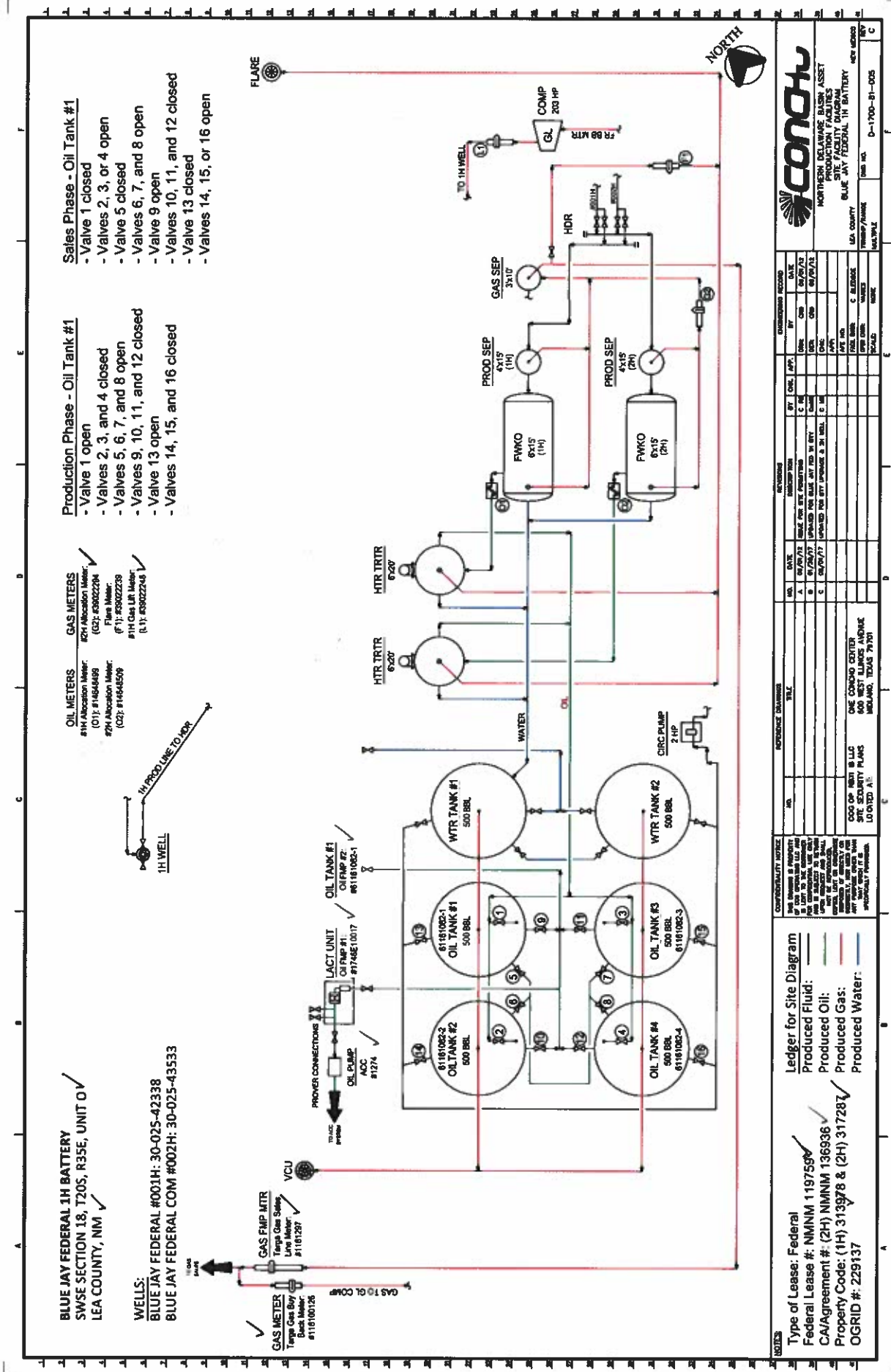
Certified by GARY L. LOPES 7977  
BRAND 660/258

0' 500' 1000' 1500' 2000'

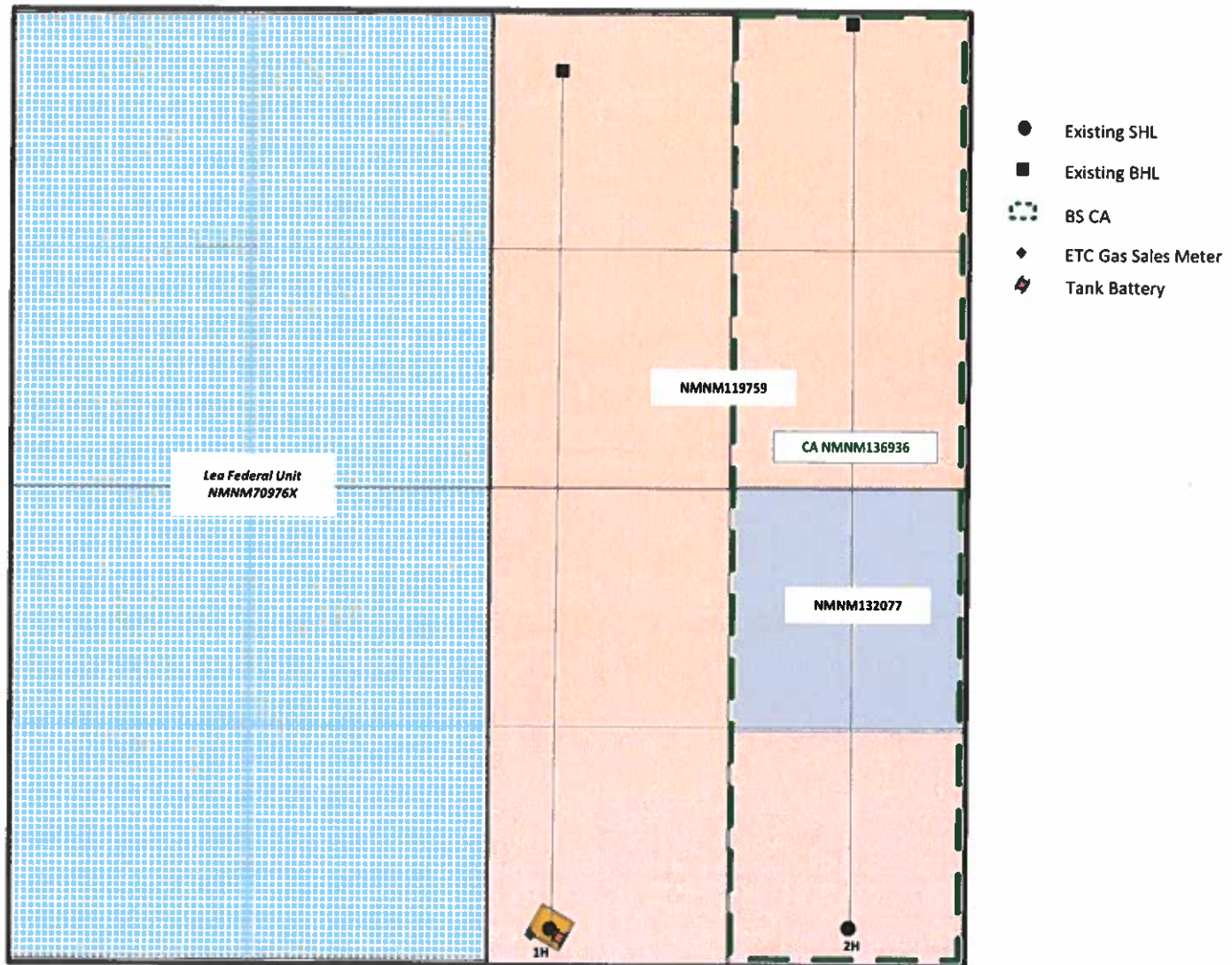
N: 570584.0  
E: 780572.2  
(NAD-27)

SCALE: 1" = 1000'  
WQ Num.: 32478





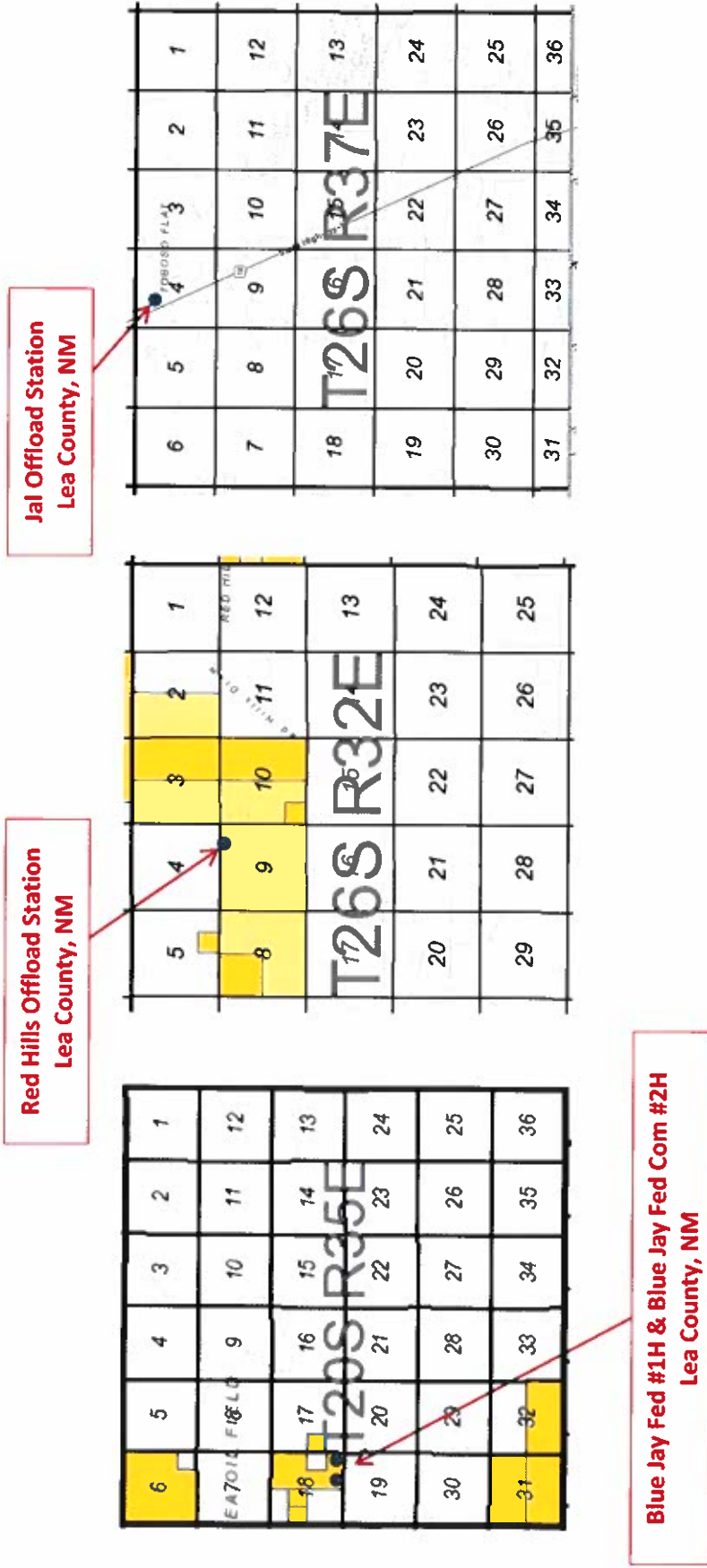
# Blue Jay Federal Area



Sec. 18-T20S-R35E



# Blue Jay Fed #1H & Blue Jay Fed Com #2H & Red Hills and Jal Offload Station Map





# Blue Jay Federal

18

## Legend

- Blue Jay Fed #1H - ETC Gas Meter #1181297
- Blue Jay SHL's



Blue Jay Fed #1H - ETC Gas Meter #1181297

Blue Jay Federal #1H - SHL

Blue Jay Fed Com #2H - SHL

Production Summary Report												
API: 30-025-42338												
<b>BLUE JAY FEDERAL #001H</b>												
Printed On: Tuesday, June 09 2020												
Production												
Year	Pool	Month	Oil(BBLS)	Gas(MCF)	Water(BBL)	Days P/I	Water(BBL)	Co2(MCF)	Gas(MCF)	Other	Pressure	
2019	[97983] WC-025 G-08 S203506D;BONE SPRING	Oct	2853	12869	3616	31	0	0	0	0	0	
2019	[97983] WC-025 G-08 S203506D;BONE SPRING	Nov	2678	14344	3507	30	0	0	0	0	0	
2019	[97983] WC-025 G-08 S203506D;BONE SPRING	Dec	2343	14825	5400	31	0	0	0	0	0	
2020	[97983] WC-025 G-08 S203506D;BONE SPRING	Jan	2254	14339	3813	31	0	0	0	0	0	
2020	[97983] WC-025 G-08 S203506D;BONE SPRING	Feb	1743	12717	3400	29	0	0	0	0	0	
2020	[97983] WC-025 G-08 S203506D;BONE SPRING	Mar	1803	13320	3696	31	0	0	0	0	0	

Production Summary Report												
API: 30-025-43533												
<b>BLUE JAY FEDERAL COM #002H</b>												
Printed On: Tuesday, June 09 2020												
Production												
Year	Pool	Month	Oil(BBLS)	Gas(MCF)	Water(BBL)	Days P/I	Water(BBL)	Co2(MCF)	Gas(MCF)	Other	Pressure	
2019	[97983] WC-025 G-08 S203506D;BONE SPRING	Oct	848	434	2979	16	0	0	0	0	0	
2019	[97983] WC-025 G-08 S203506D;BONE SPRING	Nov	830	523	2612	14	0	0	0	0	0	
2019	[97983] WC-025 G-08 S203506D;BONE SPRING	Dec	2557	2356	7547	31	0	0	0	0	0	
2020	[97983] WC-025 G-08 S203506D;BONE SPRING	Jan	2935	2986	7823	31	0	0	0	0	0	
2020	[97983] WC-025 G-08 S203506D;BONE SPRING	Feb	2970	3676	7449	29	0	0	0	0	0	
2020	[97983] WC-025 G-08 S203506D;BONE SPRING	Mar	3303	4244	7486	31	0	0	0	0	0	



## Blue Jay Fed 1H, Blue Jay Fed Com 2H

Date Sent	Initials	Name	Address	City	State	ZipCode	Certified Return Receipt No.	Delivered
06.30.20	JB	Marshall & Winston Inc	PO Box 50880	Midland	TX	79710	7019 2280 0001 1027 2057	
06.30.20	JB	Office of Natural Resources	PQ Box 5760	Denver	CO	80217	7019 2280 0001 1027 2064	
06.30.20	JB	Nestegg Energy Corp	2308 Sierra Vista Rd	Artesia	NM	88210	7019 2280 0001 1027 20571	
06.30.20	JB	BLM	414 West Taylor	Hobbs	NM	88240	7019 2280 0001 1027 20588	

25-  
10

KEITH HANES, COUNTY CLERK  
000087203  
Book 2185 Page 654  
1 of 10  
05/22/2017 12:21 PM  
BY WAYNE COLE

Determination - Approval - Certification

Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine that the Federal lease or leases as to the lands committed to the attached agreement cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located, and that consummation and approval of the agreement will be in the public interest. Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.
- B. Approve the attached Communitization Agreement covering Sec. 18: E2E2, T. 20 S., R. 35 E., NMPM, as to all producible hydrocarbons from the Bone Spring formation. This approval will become invalid if the public interest requirements under section 3105.2-3 (c) are not met. .
- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the agreement.

Approved: 04/19/2017



Cody R. Layton  
Assistant Field Manager,  
Lands and Minerals

Effective: 09/01/2016

Contract No.: Com. Agr. NM136936



Federal/Federal

**FEDERAL COMMUNITIZATION AGREEMENT****Well Name: Blue Jay Federal #2H**Contract No. NM 136936

LEA COUNTY, NM  
 KEITH MANES, COUNTY CLERK  
 888887283  
 Book 2105 Page 655  
 2 of 18  
 05/22/2017 12:21 PM  
 BY WAYNE COLE

THIS AGREEMENT entered into as of the date shown in Section 10 hereof by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

**WITNESSETH:**

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty, or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this Agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this Agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this Agreement:

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

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

**Township 20 South, Range 35 East, N.M.P.M.**

**Section 18: E½E½**

**Lea County, New Mexico**

containing 160.0 acres, and this agreement shall include only the Bone Spring Formation underlying said lands and the natural gas and associated liquid hydrocarbons, hereafter referred to as "communitized substances," producible from such formation.

2. Attached hereto, and made a part of this Agreement for all purposes is Exhibit A, a plat designating the communitized area and, Exhibit B, designating the operator of the communitized area and showing the acreage, percentage, and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.

3. The Operator of the communitized area shall be COG Operating LLC, as Operator, 600 W. Illinois Avenue, Midland, Texas 79701. All matters of operations shall be governed by the operator under and pursuant to the terms and provisions of this Agreement. A successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.

LEA COUNTY, NM  
KEITH HANES, COUNTY CLERK  
000007203  
Book 2105 Page 657  
4 of 10  
05/22/2017 12:21 PM  
BY WAYNE COLE

Federal/Federal

4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties, and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.

5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

All proceeds, 8/8ths, attributed to unleased Federal, State, or fee land included within the CA area are to be placed in an interest earning escrow or trust account by the designated operator until the land is leased or ownership is established.

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this Agreement shall not be affected by this Agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this Agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any non-communitized lease production, provided, however, in regard to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any non-communitized lease production.

7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this Agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.

8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this Agreement shall be deemed to be operations or production as to each lease committed hereto.

9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This Agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this Agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules, or regulations.

LEA COUNTY, NH  
KEITH MANES, COUNTY CLERK  
000007203  
Book 2105 Page 658  
5 of 10  
05/22/2017 12:21 PM  
BY WAYNE COLE

Federal/Federal

10. The date of this agreement is September 1, 2016, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of two (2) years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this Agreement may be terminated at any time by mutual agreement of the parties hereto. This Agreement shall not terminate upon cessation of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of non-production. The two (2) year term of this Agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.

11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this Agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.

12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occurs in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.

13. This Agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.

14. This Agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

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

LEA COUNTY, NM  
KEITH MANES, COUNTY CLERK  
888887283  
Book 2185 Page 659  
6 of 18  
03/22/2017 12:21 PM  
BY WAYNE COLE

Federal/Federal

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written and have set opposite their respective names the date of execution.

OPERATOR (NMNM 119759 & NMNM 132077)  
OPERATING RIGHTS OWNER / RECORD TITLE OWNER (NMNM 119759):

**Statement of Written Consent by All Named Owners:**

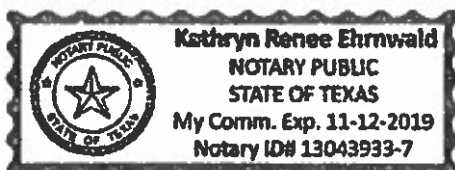
***I, the undersigned, hereby certify, on behalf of COG Operating LLC, the Operator of the proposed Communitization Agreement, that all working interest owners (i.e., the lessees of record and operating rights owners) shown on Exhibit "B" attached to the Communitization Agreement are, to the best of my knowledge, the working interest owners of the Federal or Indian leases subject to the Communitization Agreement, and that the written consents of all the named owners have been obtained and will be made available to the BLM immediately upon request.***

**COG OPERATING LLC**

By: Mona D. Ables  
Mona D. Ables  
Vice President of Land

STATE OF TEXAS           §  
  §  
COUNTY OF MIDLAND   §

This instrument was acknowledged before me on January 12, 2017, by Mona D. Ables, Vice President of Land of COG Operating LLC, a Delaware limited liability company, on behalf of same.



Kathryn Renee Ehrnwald  
Notary Public in and for the State of Texas

LEA COUNTY, NM  
KEITH HAMES, COUNTY CLERK  
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Book 2185 Page 668  
7 of 18  
05/22/2017 12:21 PM  
BY WAYNE COLE

Federal/Federal

OPERATING RIGHTS OWNER / RECORD TITLE OWNER (NMNM 119759):

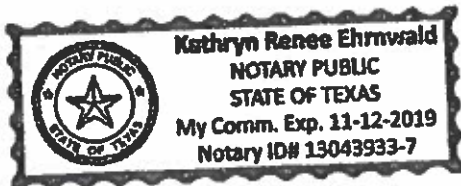
CONCHO OIL & GAS LLC

By: Mona D. Ables  
Name: Mona D. Ables  
Title: Vice President of Land

STATE OF Texas §  
COUNTY OF Midland §

This instrument was acknowledged before me on January 12, 2017, by Mona D. Ables, Vice President of Land of COG Operating LLC, a Texas limited liability company, on behalf of same.

Kathryn Renee Ehrnwald  
Notary Public in and for the State of Texas





LEA COUNTY, NM  
KEITH HANES, COUNTY CLERK  
000007203  
Book 2105 Page 661  
8 of 10  
05/22/2017 12:21 PM  
BY WAYNE COLE

Federal/Federal

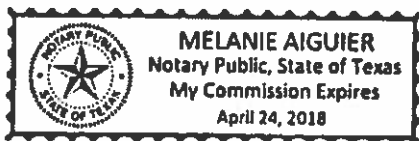
OPERATING RIGHTS OWNER / RECORD TITLE OWNER (NMNM 132077):

MARSHALL & WINSTON INC.

By: Tom M Brandt  
Name: Tom M. Brandt  
Title: President

STATE OF TEXAS §  
§  
COUNTY OF MIDLAND §

This instrument was acknowledged before me on October 11, 2016, by Tom M. Brandt, as President of Marshall & Winston Inc., a Nevada corporation, on behalf of said corporation.



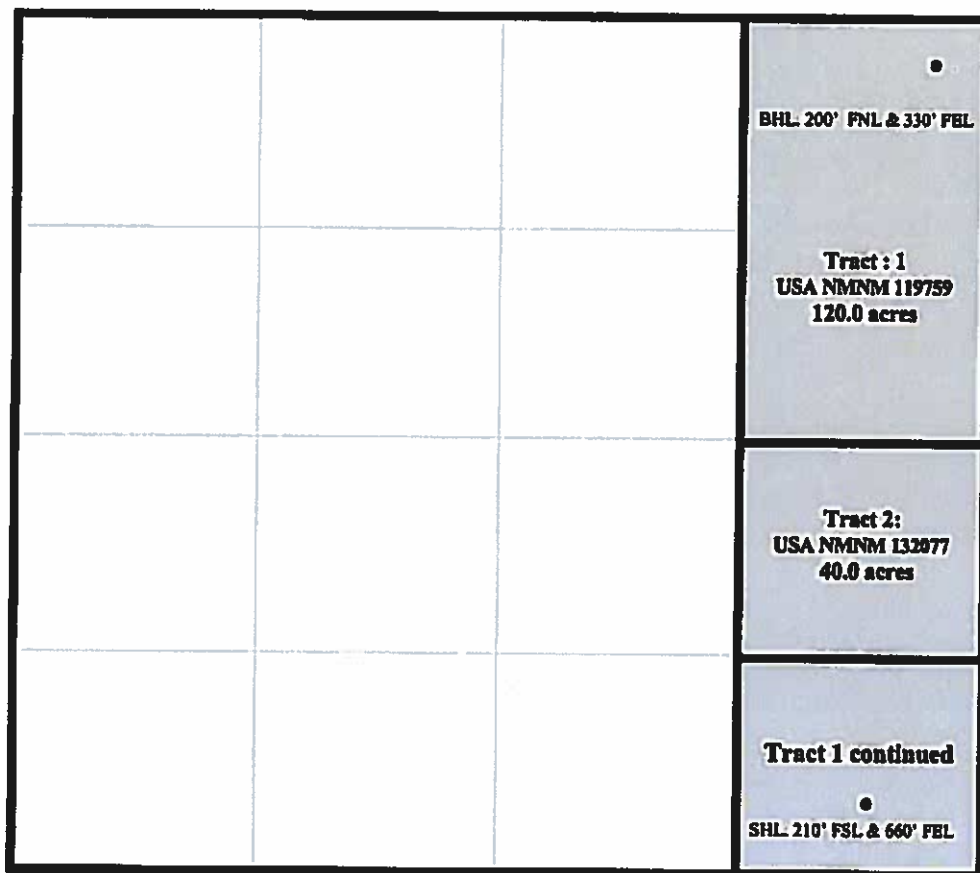
Melanie Aiguier  
Notary Public in and for the State of Texas

LEA COUNTY, NM  
 KEITH MANES, COUNTY CLERK  
 888887203  
 Book 2185 Page 662  
 9 of 18  
 05/22/2017 12:21 PM  
 BY WAYNE COLE

Federal/Federal

**EXHIBIT "A"**

**Plat of communitized area covering 160.0 acres in Section 18: E½E½,  
 Township 20 South, Range 35 East, N.M.P.M., Lea County, New Mexico.**

**Blue Jay Federal Com #2H****RECAPITULATION**

<b>Tract No.</b>	<b>No. of Acres Committed</b>	<b>Percentage of Interest in Communitized Area</b>
<b>1</b>	<b>120.0</b>	<b>75.00%</b>
<b>2</b>	<b>40.0</b>	<b>25.00%</b>
<b>Total</b>	<b>160.0</b>	<b>100.00%</b>

LEA COUNTY, NM  
KEITH HANES, COUNTY CLERK  
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Book 2105 Page 663  
10 of 18  
05/22/2017 12:21 PM  
BY WAYNE COLE

Federal/Federal

**EXHIBIT "B"**

Attached to and made a part of that Communitization Agreement dated September 1, 2016,  
covering Section 18: E½E½, Township 20 South, Range 35 East, N.M.P.M.,  
Lea County, New Mexico.

Operator of Communitized Area: COG Operating LLC

**DESCRIPTION OF LEASES COMMITTED:****TRACT NO. 1**

Serial No. of Lease:	NMNM-119759	
Effective Date of Lease :	May 1, 2008	
Lease Term:	Ten (10) years	
Lessor:	United States of America	
Current Lessee:	COG Operating LLC (95.0%) Concho Oil & Gas LLC(5.0%)	
Description of Lands Committed:	Insofar only as said lease covers <u>Township 20 South, Range 35 East, N.M.P.M.</u> Section 18: E½NE¼, SE¼SE¼ Lea County, New Mexico	
No. of Acres:	120.0, more or less	
WI Owners and Interests:	COG Operating LLC	83.125%
	Concho Oil & Gas LLC	4.375%
	Marshall & Winston Inc.	<u>12.500%</u>
		100.000%
ORRI Owners:	Of Record	

**TRACT NO. 2**

Serial No. of Lease:	NMNM-132077	
Effective Date of Lease:	June 15, 2014	
Lease Term:	Ten (10) years	
Lessor:	United States of America	
Current Lessee:	Marshall & Winston Inc. (100.0%)	
Description of Lands Committed:	<u>Township 20 South, Range 35 East, N.M.P.M.</u> Section 18: NE¼SE¼ Lea County, New Mexico	
No. of Acres:	40.0, more or less	
WI Owners and Interests:	COG Operating LLC	83.125%
	Concho Oil & Gas LLC	4.375%
	Marshall & Winston Inc.	<u>12.500%</u>
		100.000%
ORRI Owners:	Of Record	

## APPLICATION FOR SURFACE COMMINGLING AT CENTRAL TANK BATTERY

COG Operating LLC is requesting approval for surface commingling of production from the following wells:

### Federal Lease #NMNM119759; 12.5% Royalty Rate

Well Name	Location	API#	Pool	Est Oil BOPD	Est Oil Gravity	Est Gas MCFPD	Est Gas BTU
Blue Jay Fed 1H	Sec. 18, NENW T20S-R35E	30-025-42338	97983 WC-025 G- 08S203506D; Bone Spring	61	43.1	465	1316

### Federal Lease #NMNM119759 & NMNM132077; 12.5% Royalty Rate; CA# NMNM136936 E/2 E/2

Well Name	Location	API#	Pool	Est Oil BOPD	Est Oil Gravity	Est Gas MCFPD	Est Gas BTU
Blue Jay Fed Com 2H	Sec. 18, NENE T20S-R35E	30-025-43533	97983 WC-025 G- 08S203506D; Bone Spring	92	42.7	105	1427

### Oil and Gas Metering:

Production from the Blue Jay Federal 1H & Blue Jay Federal Com 2H each will enter into their own dedicated 3-phase inlet vessel. Oil from each vessel will be continuously measured with allocation meters. Gas will be continuously measured with allocation meters, as well.

After the oil from the two wells is individually measured, it will be commingled and sent to a heater treater and then vapor recovery tower. From the vapor recovery tower, the oil will enter the storage tanks and then be sold through a pipeline LACT FMP, temporary truck LACT FMP, or truck load line FMP.

After the gas from the two wells is individually measured it will be commingled and sent to the purchaser's sales meter, which will be the gas FMP. During normal operations a vapor recovery unit will pull flashing gas off the heater treater and VRT, this gas will be commingled and sent to the gas FMP.

### Flares

During normal operating conditions the high-pressure flare will be inactive. If the gas sales line pressure exceeds the facility design pressure then the commingled gas will be sent to the high-pressure flare, measured and burned. Gas that flashes off the oil and water tanks will be sent to the lower pressure flare, measured and burned. If power to the VRU is lost, then gas from the heater treater and VRT will be sent to the low-pressure flare, measured and burned.

### Gas Lift Compression

The 1H will be utilizing gas lift for artificial lift. Commingled gas will be sent to the gas lift compressor where it will be compressed and measured with an allocation meter. The facility will have the capacity to buy gas back from the gas purchaser. This gas will be measured prior to entering the facility.

### Process and Flow Diagram:

The flow of production is shown in detail on the enclosed facility diagram. The commingling of this production is the most effective, economical means of producing the reserves and will not result in reduced royalty or improper measurement of production. The proposed commingling will reduce operating expenses as well as reduce the surface facility footprint and overall emissions.

COG Operating LLC understands the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.

Respectfully,



Jeanette Barron  
Production Technician II

Date: 6/30/20





# Serial Register Page

Jun 30, 2020

01 12-22-1987;101STAT1330,30USC181 ET SE

Case Type: O&g lse comp pd -1987

Serial Number: NMNM 119759

Commodity: Oil & gas

Acres: 320.000

Disposition: Authorized

## Lessee

Owner Name	Street	City	State	Zip	Net Acres	%Int
COG OPERATING LLC	600 W ILLINOIS AVE	MIDLAND	TX	79701-4882	304.000	95.00
CONCHO OIL & GAS LLC	600 W ILLINOIS AVE	MIDLAND	TX	79701-4882	16.000	5.00

Meridian: New Mex State: NM County: Lea

Township: 20 S Range: 35 E Admin Agency

Section: 17 NWSW; BUREAU OF LAND MGMT

Section: 18 NE,W2SE,SESE; BUREAU OF LAND MGMT

Code	Action	Date	Remarks
387	Case established	11/29/2007	200801061;
299	Protest filed	1/2/2008	FOREST GUARDIANS
191	Sale held	1/16/2008	
267	Bid received	1/16/2008	\$192000.00;
298	Protest dismissed	4/6/2008	
237	Lease issued	4/8/2008	
974	Automated record verif	4/8/2008	BCO
496	Fund code	5/1/2008	05;145003
530	Rlty rate - 12 1/2%	5/1/2008	
868	Effective date	5/1/2008	
140	Asgn filed	1/31/2011	MARBOB EN/COG OPERA;1
139	Asgn approved	3/11/2011	EFF 02/01/11;
974	Automated record verif	3/18/2011	ANN
650	Held by prod - actual	6/7/2016	/1/
658	Memo of 1st prod-actual	6/7/2016	/1/#1H;
246	Lease committed to ca	9/1/2016	NMNM136936;
643	Production determination	9/15/2016	/1/
658	Memo of 1st prod-actual	3/15/2017	/2/NMNM136936;#2H
643	Production determination	4/19/2017	/2/

Remarks

STIPULATIONS ATTACHED TO LEASE:

NM-11-LN SPECIAL CULTURAL RESOURCE

SENM-S-17 SLOPES OR FRAGILE SOILS

SENM-S-22 PRAIRIE CHICKENS

SENM-S-23 SAND DUNE LIZARD

SENM-S-35 NSO-SAND DUNE LIZARD HABITAT

SEC. 18: NE

03/18/2011 - RENTAL PAID 05/01/2010 - PER MMS



# Serial Register Page

Jun 30, 2020

01 02-25-1920;041STAT0437;30USC181

Case Type: O&g communitization agrmt

Serial Number: NMNM 136936

Commodity: Oil & gas

Acres: 160.000

Disposition: Authorized

## Office Of Record

Owner Name	Street	City	State	Zip	Net Acres	%Int
BLM CARLSBAD FO	620 E GREENE ST	CARLSBAD	NM	88220	0.000	0.00

## Operator

Owner Name	Street	City	State	Zip	Net Acres	%Int
COG OPERATING LLC	600 W ILLINOIS AVE	MIDLAND	TX	79701-4882	160.000	100.00

Meridian: New Mex State: NM County: Lea  
 Township: 20 S Range: 35 E Admin Agency  
 Section: 18 E2E2; BUREAU OF LAND MGMT

Code	Action	Date	Remarks
387	Case established	9/1/2016	
516	Formation	9/1/2016	BONE SPRING
526	Acres-fed int 100%	9/1/2016	160;100%
868	Effective date	9/1/2016	/A/
654	Agrmt producing	3/15/2017	/1/
658	Memo of 1st prod-actual	3/15/2017	/1/30-025-43533
334	Agrmt approved	4/19/2017	
643	Production determination	4/19/2017	/1/

## Remarks

/A/ RECAPITULATION EFFECTIVE 09/01/2016

TR#	LEASE SERIAL NO	AC COMMITTED	% INTEREST
1	NMNM 119759	120.00	75.00
2	NMNM 132077	40.00	25.00
	TOTAL	160.00	100.00



# Certificate of Analysis

Number: 6030-20020171-003A

**Artesia Laboratory**  
200 E Main St.  
Artesia, NM 88210  
Phone 575-746-3481

Concho Oil & Gas  
Concho Oil & Gas  
2407 Pecos Ave.  
Artesia, NM 88210

Feb. 28, 2020

Station Name: Blue Jay Fed 1H LG  
Station Number: 39022248  
Station Location: COG  
Sample Point: N/A  
Type of Sample: Spot-Cylinder  
Heat Trace Used: N/A  
Sampling Method: Fill and Purge  
Sampling Company: SPL  
Analyzed: 02/28/2020 08:24:42 by User1

Sampled By: Alan Dominguez  
Sample Of: Gas Spot  
Sample Date: 02/25/2020 12:45  
Sample Conditions: 643.2 psig, @ 73.9 °F Ambient: 46 °F  
Effective Date: 02/25/2020 12:45  
Method: GPA-2261M  
Cylinder No: 1111-002548  
Instrument: 6030\_GC2 (Agilent 7890B)  
Last Inst. Cal.: 02/26/2020 16:26 PM

## Analytical Data

Components	Un-normalized Mol %	Mol. %	Wt. %	GPM at 14.73 psia		
Nitrogen	3.341	3.324	4.108		GPM TOTAL C2+	7.242
Methane	71.394	71.042	50.286		GPM TOTAL C3+	3.552
Carbon Dioxide	0.145	0.144	0.280		GPM TOTAL iC5+	0.595
Ethane	13.813	13.745	18.235	3.690		
Propane	7.277	7.241	14.088	2.003		
Iso-butane	0.780	0.776	1.990	0.255		
n-Butane	2.221	2.210	5.667	0.699		
Iso-pentane	0.462	0.460	1.464	0.169		
n-Pentane	0.507	0.504	1.604	0.183		
Hexanes Plus	0.557	0.554	2.278	0.243		
	100.497	100.000	100.000	7.242		

### Calculated Physical Properties

	Total	C6+
Relative Density Real Gas	0.7855	3.2176
Calculated Molecular Weight	22.66	93.19
Compressibility Factor	0.9959	

### GPA 2172 Calculation:

#### Calculated Gross BTU per ft<sup>3</sup> @ 14.73 psia & 60°F

Real Gas Dry BTU	1316	5141
Water Sat. Gas Base BTU	1293	5052
Ideal, Gross HV - Dry at 14.73 psia	1310.3	5141.1
Ideal, Gross HV - Wet	1287.5	

**Comments:** H2S Field Content 0 ppm  
Mcf/day 530.2

Hydrocarbon Laboratory Manager

**Quality Assurance:** The above analyses are performed in accordance with ASTM, UOP, GPA guidelines for quality assurance, unless otherwise stated.



# Certificate of Analysis

Number: 6030-20020171-002A

**Artesia Laboratory**  
200 E Main St.  
Artesia, NM 88210  
Phone 575-746-3481

Concho Oil & Gas  
Concho Oil & Gas  
2407 Pecos Ave.  
Artesia, NM 88210

Feb. 28, 2020

Station Name: Blue Jay Fed Com 2H  
Station Number: 39022294  
Station Location: COG  
Sample Point: N/A  
Type of Sample: Spot-Cylinder  
Heat Trace Used: N/A  
Sampling Method: Fill and Purge  
Sampling Company: SPL  
Analyzed: 02/28/2020 08:06:52 by User1

Sampled By: Alan Dominguez  
Sample Of: Gas Spot  
Sample Date: 02/25/2020 12:00  
Sample Conditions: 74.5 psig, @ 70.5 °F Ambient: 48 °F  
Effective Date: 02/25/2020 12:00  
Method: GPA-2261M  
Cylinder No: 5030-00468  
Instrument: 6030\_GC2 (Agilent 7890B)  
Last Inst. Cal.: 02/26/2020 16:27 PM

## Analytical Data

Components	Un-normalized Mol %	Mol. %	Wt. %	GPM at 14.73 psia		
Nitrogen	2.973	2.938	3.346		GPM TOTAL C2+	9.143
Methane	65.858	65.075	42.436		GPM TOTAL C3+	4.891
Carbon Dioxide	0.167	0.165	0.295		GPM TOTAL iC5+	0.936
Ethane	16.013	15.823	19.340	4.252		
Propane	9.769	9.653	17.302	2.672		
Iso-butane	1.051	1.039	2.455	0.342		
n-Butane	3.007	2.971	7.019	0.941		
Iso-pentane	0.589	0.582	1.707	0.214		
n-Pentane	0.644	0.636	1.865	0.232		
Hexanes Plus	1.131	1.118	4.235	0.490		
	101.202	100.000	100.000	9.143		

Calculated Physical Properties	Total	C6+
Relative Density Real Gas	0.8533	3.2176
Calculated Molecular Weight	24.60	93.19
Compressibility Factor	0.9950	
<b>GPA 2172 Calculation:</b>		
<b>Calculated Gross BTU per ft³ @ 14.73 psia &amp; 60°F</b>		
Real Gas Dry BTU	1427	5141
Water Sat. Gas Base BTU	1403	5052
Ideal, Gross HV - Dry at 14.73 psia	1420.3	5141.1
Ideal, Gross HV - Wet	1395.6	

**Comments:** H2S Field Content 0 ppm  
Mcf/day 263.8

Hydrocarbon Laboratory Manager

Quality Assurance: The above analyses are performed in accordance with ASTM, UOP, GPA guidelines for quality assurance, unless otherwise stated.



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*FORM APPROVED  
OMB NO. 1004-0137  
Expires: January 31, 20185. Lease Serial No.  
NMNM119759

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
BLUE JAY FEDERAL 1H9. API Well No.  
30-025-4233810. Field and Pool or Exploratory Area  
WC-025 G-08 S203506D;BONE11. County or Parish, State  
LEA COUNTY, NM**SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator  
COG OPERATING LLCContact: JEANETTE BARRON  
E-Mail: JBARRON@CONCHO.COM3a. Address  
2208 W MAIN STREET  
ARTESIA, NM 882103b. Phone No. (include area code)  
Ph: 575-748-6974

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

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

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

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

COG OPERATING LLC RESPECTFULLY REQUESTS DESIGNATION OF GAS FACILITY MEASUREMENT POINTS FOR BLUE JAY FEDERAL 1H BATTERY.

THE GAS FACILITY MEASUREMENT POINT IS GAS SALES METER # 1181297 MEETS API AND AGA STANDARDS AND WILL MEASURE AND BE CALIBRATED ACCORDING TO ALL FEDERAL REQUIREMENTS AND REGULATIONS.

BLUE JAY FEDERAL 1H 30-025-42338  
BLUE JAY FEDERAL COM 2H 30-025-3533

PLEASE SEE ATTACHED SITE FACILITY DIAGRAM

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #520770 verified by the BLM Well Information System  
For COG OPERATING LLC, sent to the Hobbs

Name (Printed/Typed) JEANETTE BARRON

Title REGULATORY TECHNICIAN

Signature (Electronic Submission)

Date 06/30/2020

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By

Title

Date

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

Office

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

(Instructions on page 2)

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO. 1004-0137  
Expires: January 31, 2018**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*5. Lease Serial No.  
NMNM119759

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on page 2**

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

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other8. Well Name and No.  
BLUE JAY FEDERAL 1H2. Name of Operator  
COG OPERATING LLCContact: JEANETTE BARRON  
E-Mail: JBARRON@CONCHO.COM9. API Well No.  
30-025-423383a. Address  
2208 W MAIN STREET  
ARTESIA, NM 882103b. Phone No. (include area code)  
Ph: 575-748-697410. Field and Pool or Exploratory Area  
WC-025 G-08 S203506D;BONE

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

11. County or Parish, State  
LEA COUNTY, NM**12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

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

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

COG OPERATING LLC RESPECTFULLY REQUESTS DESIGNATION OF OIL FACILITY MEASUREMENT POINTS FOR BLUE JAY FEDERAL 1H BATTERY.

OIL FACILITY MEASUREMENT POINTS WILL BE #1 LACT #1746E10017 AND #2 TANK #61161082-1 AT THE BATTERY.

BLUE JAY FEDERAL 1H 30-025-42338  
BLUE JAY FEDERAL COM 2H 30-025-3533

PLEASE SEE ATTACHED SITE FACILITY DIAGRAM

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #520775 verified by the BLM Well Information System For COG OPERATING LLC, sent to the Hobbs</b>	
Name (Printed/Typed) JEANETTE BARRON	Title REGULATORY TECHNICIAN
Signature (Electronic Submission)	Date 06/30/2020

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

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

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

(Instructions on page 2)

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***