

RECEIVED: 7/7/20	REVIEWER: DM	TYPE: PLC	APP NO: pDM2019037025
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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

<b>Applicant:</b> COG Operating, LLC	<b>OGRID Number:</b> 229137
<b>Well Name:</b> Baseball Cap Fed Com 601H & 701H	<b>API:</b> 30-025-45783 / 30-025-45793
<b>Pool:</b> Red Hills; Bone Spring & WC-025 G-09 S253402N; Wolfcamp	<b>Pool Code:</b> 96434 & 98116

**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

7/7/20  
 Date

575-746-6974

Phone Number

jbarron@concho.com

e-mail Address



July 7, 2020

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

Re: Application for Administrative Approval of Pool Lease Commingle

Dear Mr. McClure,

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

Baseball Cap Fed Com 601H	Baseball Cap Fed Com 701H
API# 30-025-45783	API# 30-025-45793
Red Hills; Bone Spring, North	WC-025 G-09 S253402N; Wolfcamp
Ut. P, Sec. 25-T24S-R34E	Ut. P, Sec. 25-T24S-R34E
Lea County, NM	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 Unit P, Sec. 25-T24S-R34E. In the event the CTB is over capacity or in the case of battery or pipeline repairs the oil production from these wells may be transported by truck to either the Red Hills Offload Station, located in Unit O, section 4-T26S-R32E, or the Jal Offload Station, located in Unit D, Section 4-T26S-R37E, Lea County. In 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 Unit. P, Sec. 25-T24S-R34E. The Targa gas sales meter # 161001235.

The Baseball Cap Federal wells have identical ownership in identical percentages, therefore, no owner notification is required. A letter from the responsible COG landman stating this fact is enclosed with this application.

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

**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 85210  
P 575 748 6940 | F 575 746.2096



Thank you for your attention to this matter.

Sincerely,

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

Jeanette Barron  
Regulatory Technician II

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**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, New Mexico 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
Red Hills; Bone Spring, North 96434	42.5/ BTU 1441	43.3/ BTU 1412			
WC-02 G-09 S253402N; Wolfcamp 98116	44.1/ BTU 1385				

(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.

(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 II

DATE: 7/7/20

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) 593-6161 Fax: (575) 393-9720

**DISTRICT II**  
811 S. FIRST ST., ARTESIA, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720

**DISTRICT III**  
1000 RIO BRAZOS RD., AZTEC, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170

**DISTRICT IV**  
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505  
Phone: (505) 478-3460 Fax: (505) 478-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

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

☒ AMENDED REPORT  
As Drilled

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number 30-025-45783	Pool Code 96434	Pool Name Red Hills; Bone Spring, North
Property Code 319803	Property Name BASEBALL CAP FEDERAL COM	Well Number 601H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3376.7'

**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	25	24-S	34-E		430	SOUTH	1080	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	24	24-S	34-E		200	NORTH	790	EAST	LEA
Dedicated Acres 320	Joint or Infill	Consolidation Code	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

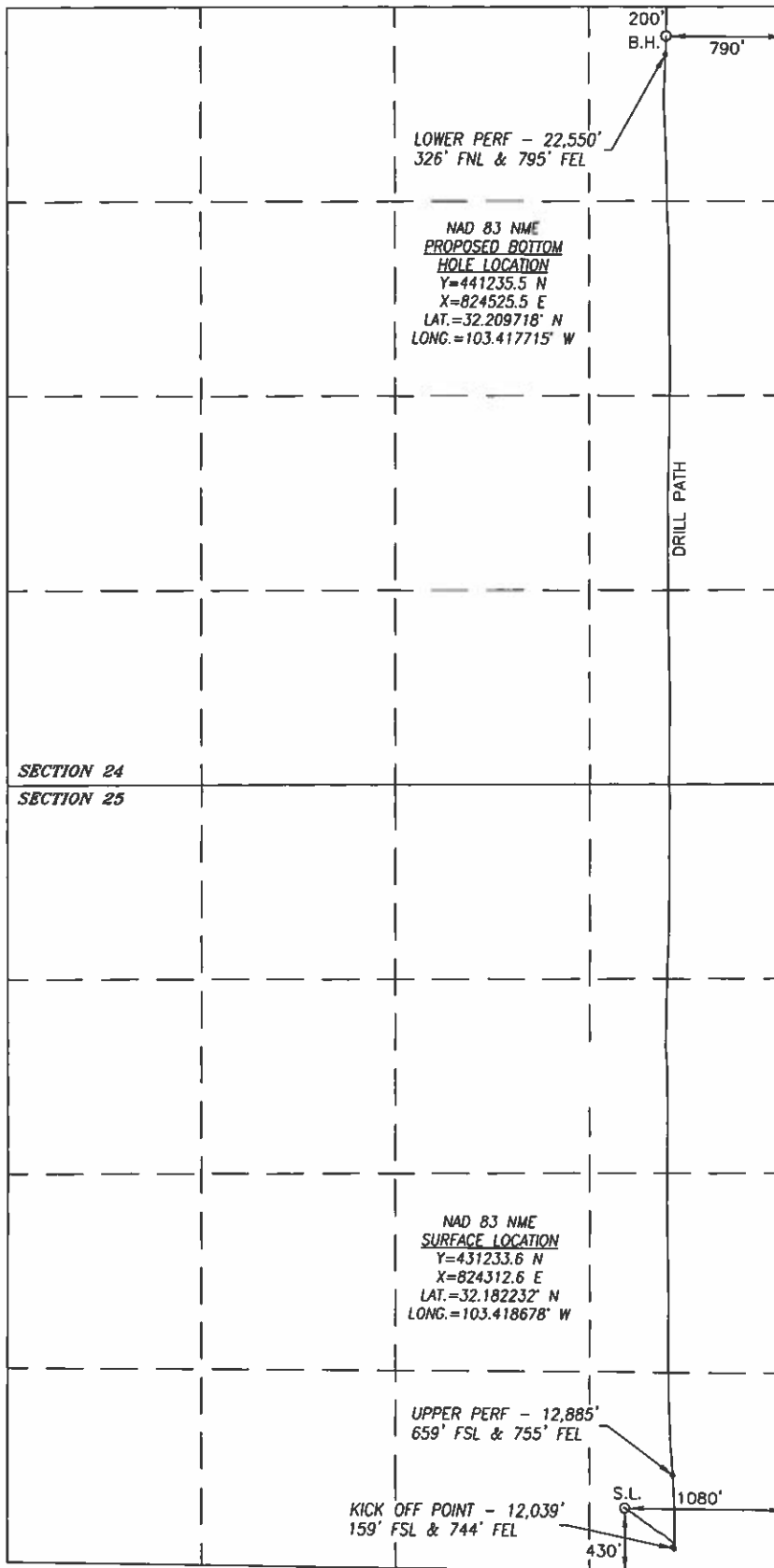
SEE PAGE 2

PAGE 1 OF 2

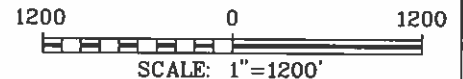
W.O. # 20-372

DRAWN BY: WN

Property Code 319803	Property Name BASEBALL CAP FEDERAL COM	Well Number 601H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3376.7'



SURFACE INFO AND BOREPATH SHOWN HERSON IS BASED ON DIRECTIONAL SURVEY REPORT PROVIDED BY COG OPERATING, LLC FOR THE BASEBALL CAP FEDERAL COM #601H SUPPLIED TO HARCROW SURVEYING, LLC ON MARCH 5, 2020



#### OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unless 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Jeanette Barron* 7/7/20  
Signature Date

Jeanette Barron

Printed Name

jbarron@concho.com

E-mail 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.

MAR. 9, 2018/OCT. 1, 2019

Date of Survey/Date of Geographic Survey

Signature & Seal of Professional Surveyor



*Chad Harcrow* 3/6/20  
Certificate No. CHAD HARCROW 17777

DISTRICT I  
1625 N. FRENCH DR., HOBBS, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0780

DISTRICT II  
511 S. FIRST ST., ARTESIA, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III  
1000 RIO BRAZOS RD., AZTEC, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV  
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505  
Phone: (505) 476-3480 Fax: (505) 476-3482

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

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

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number 30-025-45793	Pool Code 98116	Pool Name WC-025 G-09 S253402N; WOLFCAMP
Property Code 319803	Property Name BASEBALL CAP FEDERAL COM	Well Number 701H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3377.1'

**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	25	24-S	34-E		430	SOUTH	1110	EAST	LEA

**Bottom Hole Location If Different From Surface**

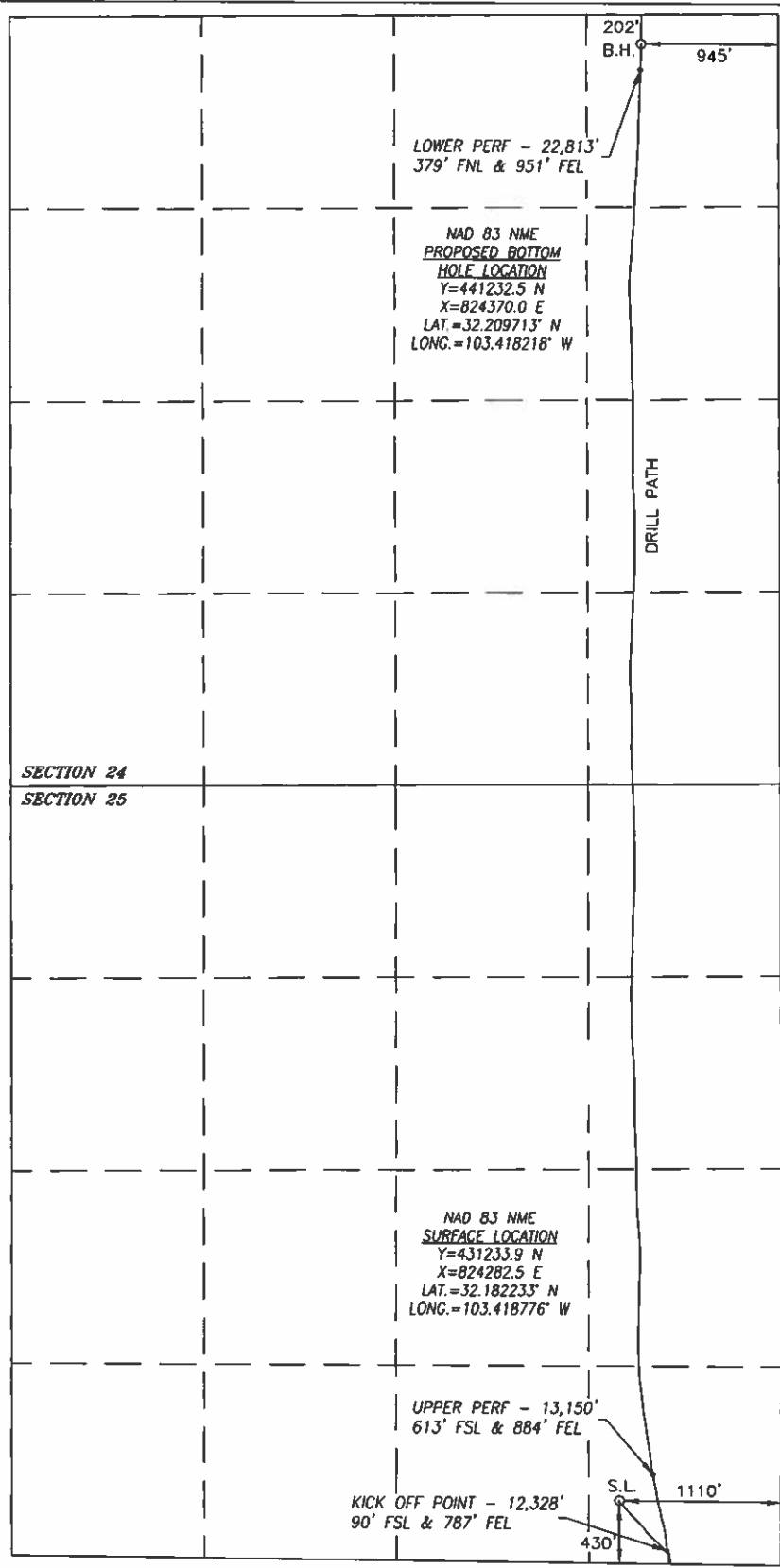
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	24	24-S	34-E		202	NORTH	945	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			

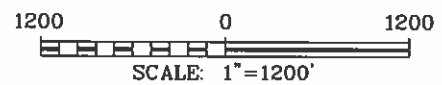
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

SEE PAGE 2

Property Code 319803	Property Name BASEBALL CAP FEDERAL COM	Well Number 701H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3377.1'



SURFACE INFO AND BOREPATH SHOWN HEREBY IS BASED ON DIRECTIONAL SURVEY REPORT PROVIDED BY COG OPERATING, LLC FOR THE BASEBALL CAP FEDERAL COM #701H SUPPLIED TO HARCROW SURVEYING, LLC ON FEBRUARY 18, 2020



### OPERATOR CERTIFICATION

I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Jeanette Barron* 7/7/20  
Signature Date

Jeanette Barron  
Printed Name

*jbarron@concho.com*  
E-mail 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.

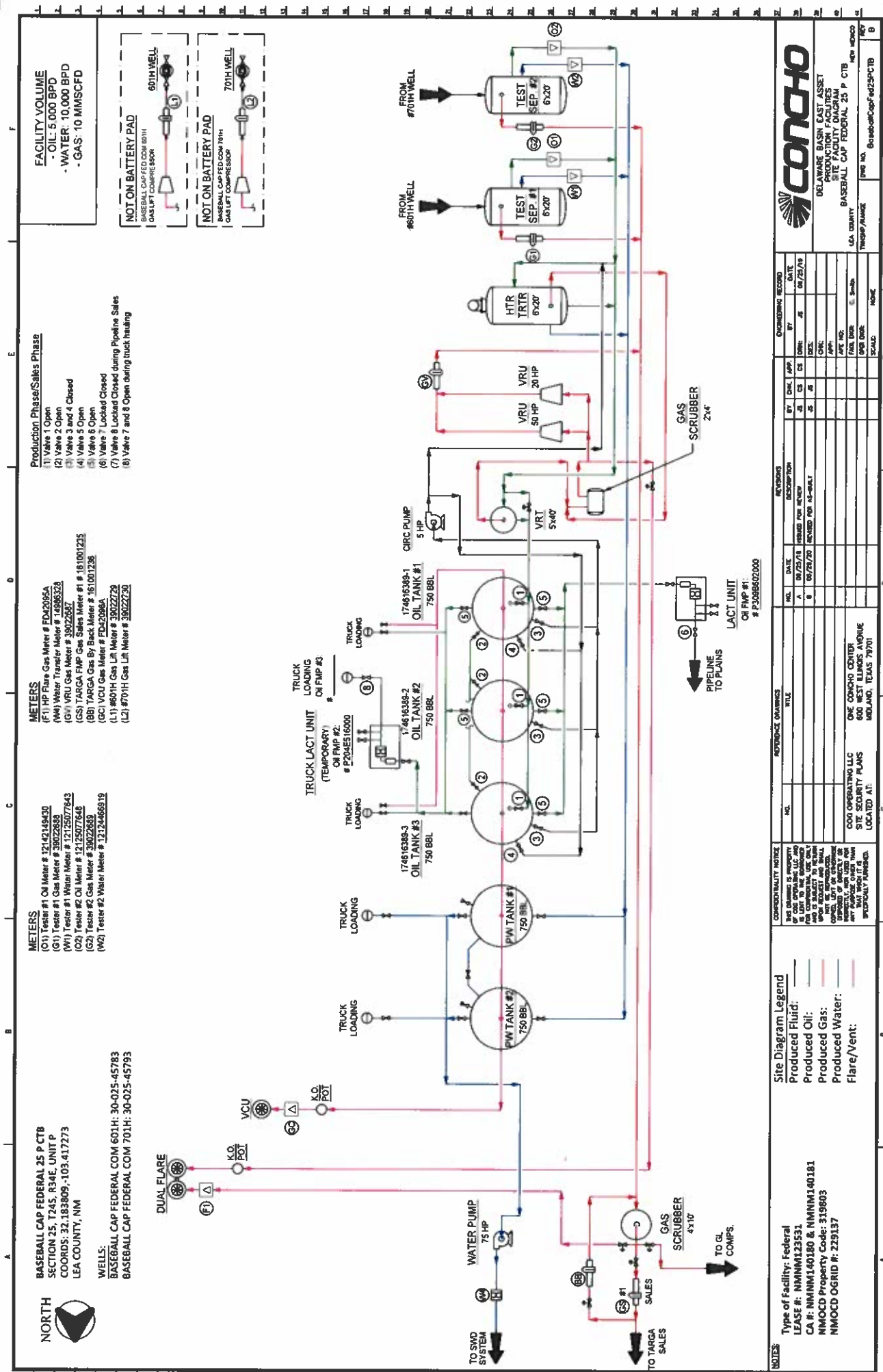
MAR. 9, 2018/OCT. 1, 2019  
Date of Survey/Date of Geographic Survey

Signature & Seal of Professional Surveyor

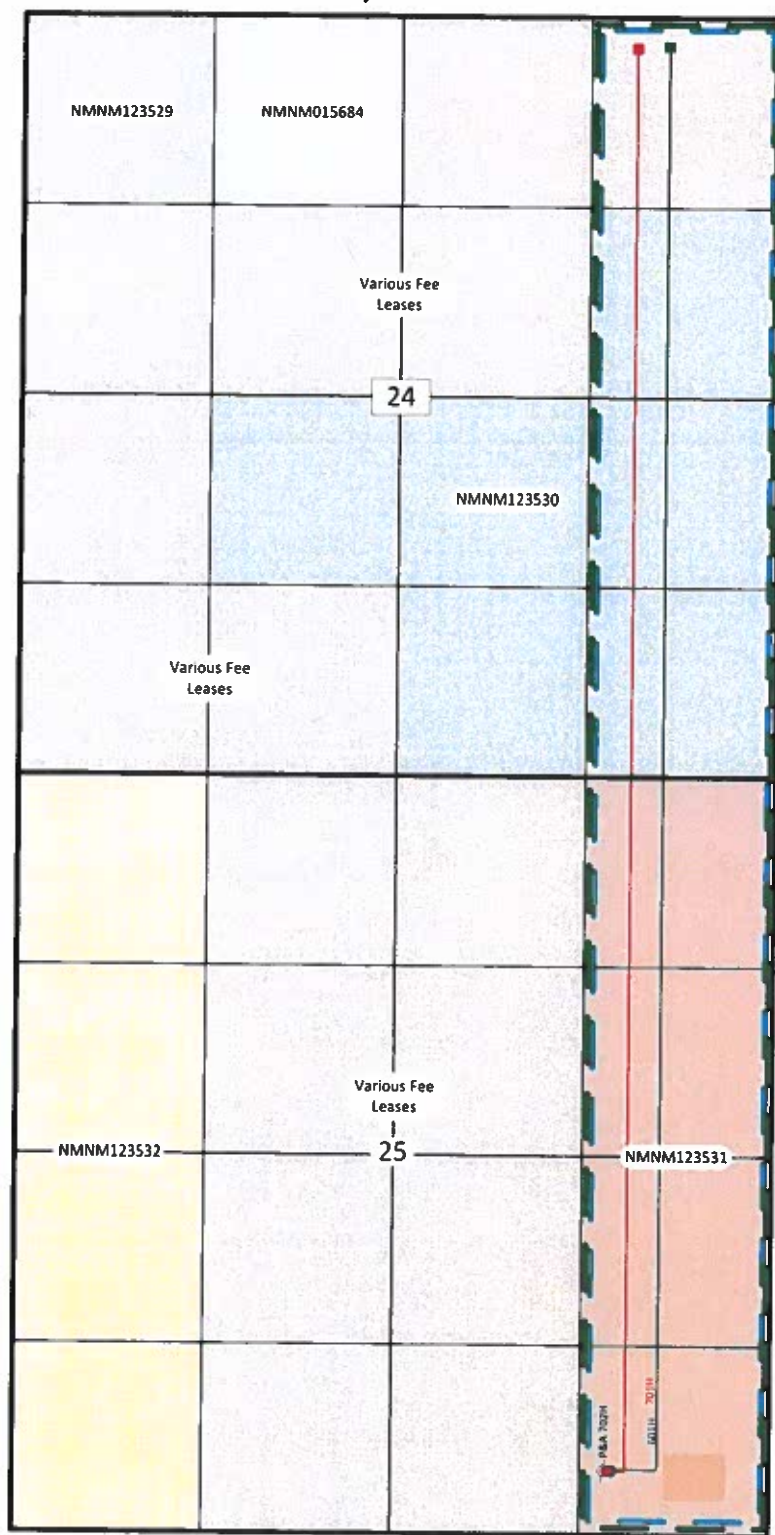


Certificate No. CHAD HARCROW 17777





# Baseball Cap Federal 25P CTB

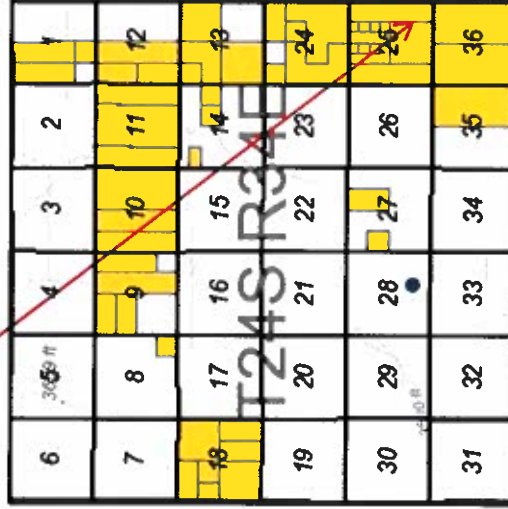


- 3BSS SHL
- 3BSS BHL
- WCA SHL
- WCA BHL
- NMNM140180 BS CA/Pooling
- NMNM140181 Wolfcamp CA/Pooling
- CTB

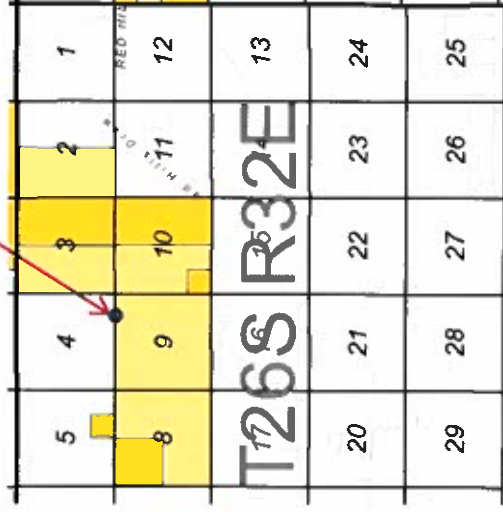
Sec. 24, 25, 36-T24S-R34E  
Lea County, NM

# Baseball Cap Fed Com 601H & 701H & Red Hills and Jal Offload Station Map

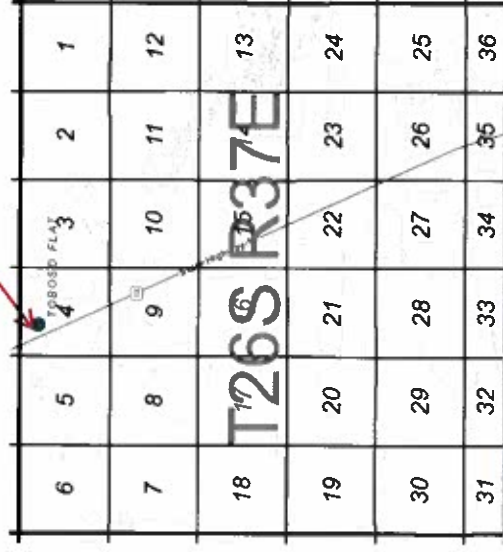
Baseball Cap Fed Com 601h & 701H  
Lea County, NM



Red Hills Offload Station  
Lea County, NM



Jal Offload Station  
Lea County, NM









**Matt Solomon**  
Staff Landman

May 28, 2020

To Whom It Concerns:

My name is Matt Solomon, and I am the landman that oversees the Baseball Cap Federal Com wells for COG Operating LLC ("Concho").

Regarding the Baseball Cap Federal Com 601H and 701H wells the following statements are true:

- 1) The revenue owners are identical as defined in NMAC 19.15.12.7.B.
- 2) The leases or pools have the same working, royalty and overriding royalty owners in exactly the same percentages.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "MS", written over a horizontal line.

Matt Solomon - CPL, J.D.  
Staff Landman  
432-685-4352 (o)  
832-544-9492 (c)  
[msolomon@concho.com](mailto:msolomon@concho.com)

## COMMUNITIZATION AGREEMENT

Contract No. \_\_\_\_\_

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 and depicted on "Exhibit A":

**Township 24 South, Range 34 East, N.M.P.M.**

**Section 24: E/2 E/2**

**Section 25: E/2 E/2**

**Lea County, New Mexico**

Containing 320 acres, and this agreement shall include only the **Bone Spring Formation** underlying said lands and the crude oil and associated natural gas, hereinafter, referred to as "communitized substances", producible from such formation(s).

2. Attached hereto, and made a part of this agreement for all purposes, is Exhibit B, designating the operator of the communitized area and showing the acreage, percentage, depths communitized 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. All matters of operation 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 three (3) executed copies of a designation of successor operator shall be filed with the Authorized Officer.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas 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 therefrom 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 noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity



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

10. The effective date of this agreement is **August 1, 2019**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons 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. **Nondiscrimination:** In connection with the performance of work under this agreement, the operator agrees to comply with all of the provisions of Section



202(1) to (7) inclusive, of Executive Order 11246 (30 F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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

**OPERATOR:**

**COG OPERATING LLC**

Date: 5/15/19

By: \_\_\_\_\_

Sean Johnson  
Attorney-in-Fact *JD*

**ACKNOWLEDGEMENT**

STATE OF TEXAS           §  
  §  
COUNTY OF MIDLAND   §

This instrument was acknowledged before me on May 15, 2019, by Sean Johnson, Attorney-in-Fact of **COG Operating LLC**, a Delaware Limited Liability Company, on behalf of same.



7/10/21  
My Commission Expires

Becky Zindel  
Notary Public in and for the State of Texas

Date: 5/15/19

**COG OPERATING LLC**

By:   
Sean Johnson  
Attorney-in-Fact *WJB*

Date: 5/15/19

**CONCHO OIL & GAS, LLC**

By:   
Sean Johnson  
Attorney-in-Fact *WJB*

Date: \_\_\_\_\_

**BRADLEY S. BATES**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date: \_\_\_\_\_

**MECO IV, LLC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date: \_\_\_\_\_

**ENERGEN RESOURCES CORPORATION**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date: \_\_\_\_\_

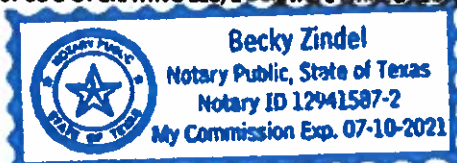
**COMMERCE FIRST ROYALTIES, LLC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

## ACKNOWLEDGEMENTS

STATE OF TEXAS §  
 COUNTY OF MIDLAND §

The foregoing instrument was acknowledged before me on the 15 day of May, 2019, by Sean Johnson, as Attorney-In-Fact of **COG OPERATING LLC**, a Delaware limited liability company, on behalf of said limited liability company.



Becky Zindel  
 NOTARY PUBLIC in and for the State of Texas

STATE OF TEXAS §  
 COUNTY OF MIDLAND §

The foregoing instrument was acknowledged before me on the 15 day of May, 2019, by Sean Johnson, as Attorney-In-Fact of **CONCHO OIL & GAS, LLC**, a Texas limited liability company, on behalf of said limited liability company.



Becky Zindel  
 NOTARY PUBLIC in and for the State of Texas

STATE OF \_\_\_\_\_ §  
 COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by **BRADLEY S. BATES**.

\_\_\_\_\_  
 NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §  
 COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by \_\_\_\_\_ as \_\_\_\_\_ of **MECO IV, LLC**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
 NOTARY PUBLIC in and for the State of \_\_\_\_\_

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

**COG OPERATING LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Mark A. Carter

Attorney-in-Fact

**CONCHO OIL & GAS, LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Mark A. Carter

Attorney-in-Fact

**BRADLEY S. BATES**

**MULESHOE CRUDE LP**

Date: 9-20-2018

**Bradley S. Bates, President  
202 Crude, LLC, General Partner  
of Muleshoe Crude, LP**

By: *[Signature]*

Name: BRADLEY S. BATES

Title: Owner & President of 202 Crude LLC  
General Partner of Muleshoe Crude, LP  
MECO IV, LLC

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**ENERGEN RESOURCES CORPORATION**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**COMMERCE FIRST ROYALTIES, LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## ACKNOWLEDGEMENTS

STATE OF TEXAS §  
 COUNTY OF MIDLAND §

The foregoing instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by Mark A. Carter, as Attorney-In-Fact of COG OPERATING LLC, a Delaware limited liability company, on behalf of said limited liability company.

\_\_\_\_\_  
 NOTARY PUBLIC in and for the State of Texas

STATE OF TEXAS §  
 COUNTY OF MIDLAND §

The foregoing instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by Mark A. Carter, as Attorney-In-Fact of CONCHO OIL & GAS, LLC, a Texas limited liability company, on behalf of said limited liability company.

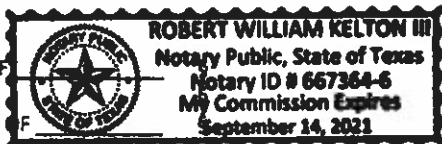
\_\_\_\_\_  
 NOTARY PUBLIC in and for the State of Texas

STATE OF TEXAS §  
 COUNTY OF Midland §

This instrument was acknowledged before me on the 26 day of September, 2018, by BRADLEY S. BATES, President of 202 Crude LLC, General Partner of Muleshoe Crude LP as the act of the said limited partnership.

Muleshoe Crude LP  
Robert William Kelton III  
 NOTARY PUBLIC in and for the State of TEXAS

STATE OF  
 COUNTY OF



This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by \_\_\_\_\_ as \_\_\_\_\_ of MECO IV, LLC, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
 NOTARY PUBLIC in and for the State of \_\_\_\_\_

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

**COG OPERATING LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Mark A. Carter

Attorney-in-Fact

**CONCHO OIL & GAS, LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Mark A. Carter

Attorney-in-Fact

**BRADLEY S. BATES**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**MECO IV, LLC**

Date: 9/13/18

By: 

Name: Sam D. L. Siney

Title: Manager

**ENERGEN RESOURCES CORPORATION**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**COMMERCE FIRST ROYALTIES, LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## ACKNOWLEDGEMENTS

STATE OF TEXAS §  
 COUNTY OF MIDLAND §

The foregoing instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by Mark A. Carter, as Attorney-In-Fact of COG OPERATING LLC, a Delaware limited liability company, on behalf of said limited liability company.

\_\_\_\_\_  
 NOTARY PUBLIC in and for the State of Texas

STATE OF TEXAS §  
 COUNTY OF MIDLAND §

The foregoing instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by Mark A. Carter, as Attorney-In-Fact of CONCHO OIL & GAS, LLC, a Texas limited liability company, on behalf of said limited liability company.

\_\_\_\_\_  
 NOTARY PUBLIC in and for the State of Texas

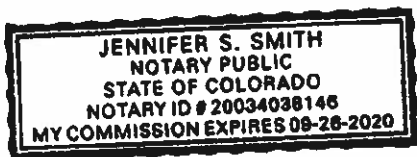
STATE OF \_\_\_\_\_ §  
 COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by BRADLEY S. BATES.

\_\_\_\_\_  
 NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF Colorado §  
 COUNTY OF Denver §

This instrument was acknowledged before me on the 13<sup>th</sup> day of September, 2018, by Sam D. Winegrad as Manager of MECO IV, LLC, a Delaware limited liability company on behalf of said LLC



Jennifer S. Smith  
 NOTARY PUBLIC in and for the State of Colorado

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

**COG OPERATING LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Mark A. Carter

Attorney-in-Fact

**CONCHO OIL & GAS, LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Mark A. Carter

Attorney-in-Fact

**BRADLEY S. BATES**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**MECO IV, LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**ENERGEN RESOURCES CORPORATION**

Date: 4-25-2019

By: Tom F. Hawkins von

Name: TOM F. HAWKINS

Title: EXECUTIVE VICE PRESIDENT-LAND

**COMMERCE FIRST ROYALTIES, LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_

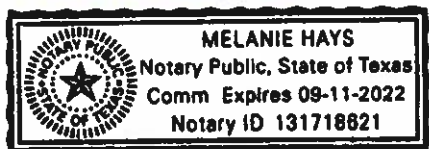
Name: \_\_\_\_\_

Title: \_\_\_\_\_



STATE OF Texas §  
 COUNTY OF Midland §

This instrument was acknowledged before me on the 25<sup>th</sup> day of April, 2018, by Tom E. Hawkins, as Executive Vice President - Land of ENERGEN RESOURCES CORPORATION, an Alabama Corporation, on behalf of said Corporation.



Melanie Hays  
 NOTARY PUBLIC in and for the State of Texas

STATE OF \_\_\_\_\_ §  
 COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by \_\_\_\_\_, as \_\_\_\_\_ of **COMMERCE FIRST ROYALTIES, LLC.**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
 NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §  
 COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by \_\_\_\_\_, as \_\_\_\_\_ of **EG3, INC.**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
 NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §  
 COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by \_\_\_\_\_, as \_\_\_\_\_ of **NESTEGG ENERGY CORPORATION**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
 NOTARY PUBLIC in and for the State of \_\_\_\_\_

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

**COG OPERATING LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Mark A. Carter  
Attorney-in-Fact

**CONCHO OIL & GAS, LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Mark A. Carter  
Attorney-in-Fact

**BRADLEY S. BATES**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**MECO IV, LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**ENERGEN RESOURCES CORPORATION**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**COMMERCE FIRST ~~ROYALTIES, LLC~~ <sup>OPERATING, LP</sup>**

Date: 5-8-19

By: [Signature]  
Name: Andrew Smith  
Title: President

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by \_\_\_\_\_, as \_\_\_\_\_ of **ENERGEN RESOURCES CORPORATION**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF Texas §

COUNTY OF Dallas §

This instrument was acknowledged before me on the 8 day of May, 2018, by Andrew Smith, as President of **COMMERCE FIRST OPERATING, L.P.**, a Texas limited partnership, on behalf of said partnership.



[Signature]  
NOTARY PUBLIC in and for the State of Texas

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by \_\_\_\_\_, as \_\_\_\_\_ of **EG3, INC.**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by \_\_\_\_\_, as \_\_\_\_\_ of **NESTEGG ENERGY CORPORATION**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

**NON-PARTICIPATING ROYALTY OWNERS**

Date: September 11, 2018

**EG3, INC.**

By:   
Name: John Chiles Graham  
Title: Vice President

Date: \_\_\_\_\_

**NESTEGG ENERGY CORPORATION**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date: September 11, 2018

**ALLAR DEVELOPMENT, LLC**

By:   
Name: John Chiles Graham  
Title: President

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by \_\_\_\_\_, as \_\_\_\_\_ of **ENERGEN RESOURCES CORPORATION**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §

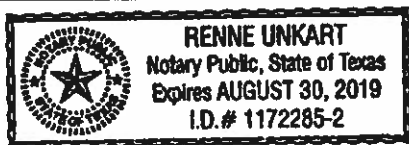
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by \_\_\_\_\_, as \_\_\_\_\_ of **COMMERCE FIRST ROYALTIES, LLC**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF TEXAS §COUNTY OF YOUNG §

This instrument was acknowledged before me on the 11<sup>th</sup> day of September, 2018, by John Chiles Graham, as Vice President of EG3, INC., a Texas corporation, on behalf of said corporation.



*Renne Unkart*  
NOTARY PUBLIC in and for the State of Texas

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by \_\_\_\_\_, as \_\_\_\_\_ of **NESTEGG ENERGY CORPORATION**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF TEXAS §

COUNTY OF YOUNG §

This instrument was acknowledged before me on the 11<sup>th</sup> day of September, 2018, by  
John Chiles Graham, as President of ALLAR DEVELOPMENT, LLC,  
a Delaware limited liability company, on behalf of said company.



\_\_\_\_\_  
NOTARY PUBLIC in and for the State of Texas

**NON-PARTICIPATING ROYALTY OWNERS**

**EG3, INC.**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**NESTEGG ENERGY CORPORATION**

Date: 11/2/2018

By: Boye Miller

Name: Boye Miller

Title: President

**ALLAR DEVELOPMENT, LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by \_\_\_\_\_, as \_\_\_\_\_ of **ENERGEN RESOURCES CORPORATION**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by \_\_\_\_\_, as \_\_\_\_\_ of **COMMERCE FIRST ROYALTIES, LLC**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by \_\_\_\_\_, as \_\_\_\_\_ of **EG3, INC.**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF New Mexico §COUNTY OF Eddy §

This instrument was acknowledged before me on the 2nd day of November, 2018, by Boys Miller, as President of **NESTEGG ENERGY CORPORATION**, a New Mexico corporation, on behalf of said corporation.



OFFICIAL SEAL  
ALEXIS C. CARTER  
NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires 12-29-19

Alexis C. Carter

NOTARY PUBLIC in and for the State of New Mexico



**EXHIBIT "A"**

Plat of communitized area covering the E/2E/2 of Section 24 & E/2E/2 of Section 25, T24S – R34E, N.M.P.M.,  
Lea County, New Mexico

Communitized depths are hereby limited to the Bone Spring Formation

**Baseball Cap Federal Com E2E2**

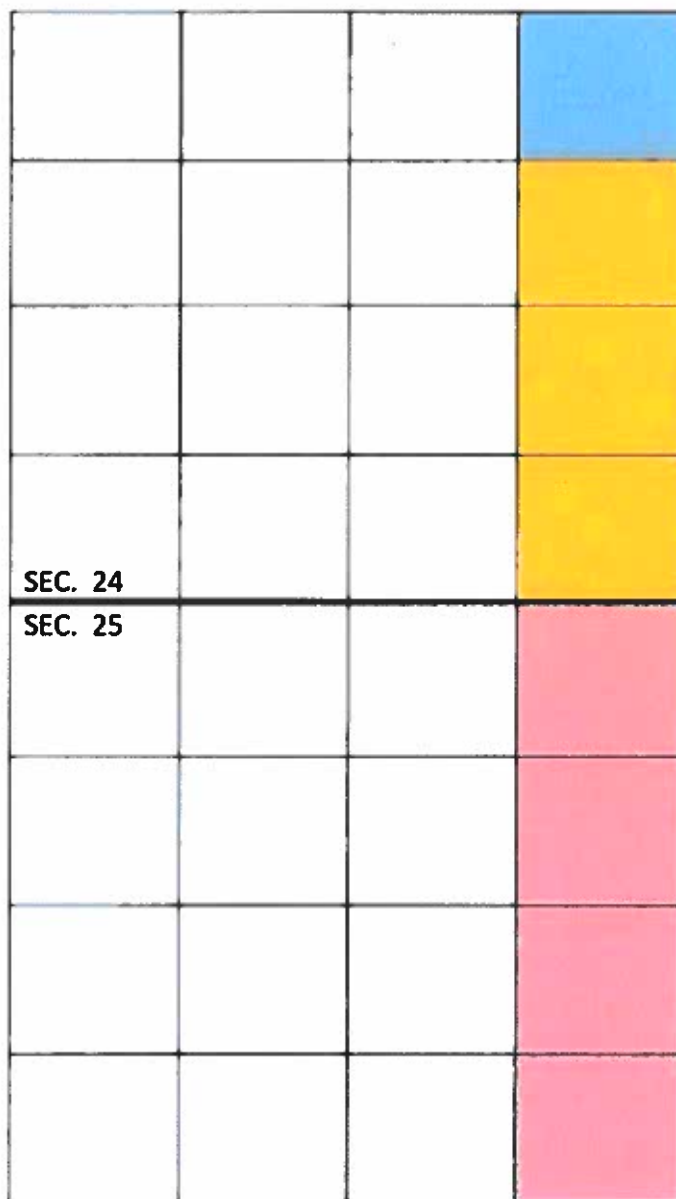
Tract 1:  
USA NM 123530



Tract 2:  
USA NM 123531



Tract 3:  
FEE LEASES



**EXHIBIT "B"**

Attached to and made a part of that Communitization Agreement dated October 1, 2018 covering the E/2E/2 of Section 24 and the E/2E/2 of Section 25, T24S – R34E, N.M.P.M., Lea County, New Mexico  
Communitized depths are hereby limited to the Bone Spring Formation (Red Hills: Bone Spring N; Pool Code 96434)

Operator of Communitized Area: **COG Operating LLC**

**DESCRIPTION OF LEASES COMMITTED:**

**TRACT 1:**

Lease Date: August 25, 2009, Effective September 1, 2009  
Lease Term: Ten (10) Years  
Recordation: Not Recorded  
Lessor: USA NM 123530  
Original Lessee: The Allar Company  
Current Lessee: COG Operating LLC  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 24: SE/4NE/4, E/2SE/4  
Lea County, New Mexico  
  
Number of Acres: 120  
Royalty Rate: 1/8  
WI Owner Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

**TRACT 2:**

Lease Date: August 25, 2009, Effective September 1, 2009  
Lease Term: Ten (10) Years  
Recordation: Not Recorded  
Lessor: USA NM 123531  
Original Lessee: The Allar Company  
Current Lessee: COG Operating LLC  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 25: E/2E/2  
Lea County, New Mexico  
  
Number of Acres: 160  
Royalty Rate: 1/8  
WI Owner Names and Interests: COG Operating LLC 97.50%  
Concho Oil and Gas, LLC 2.50%  
ORRI Owners: Of Record

**TRACT 3:**

**Lease Date:** January 15, 2015  
**Lease Terms:** Six (6) Years  
**Recordation:** Book 2128, Page 45  
**Lessor:** AE&J Royalties, LLC, A New Mexico LLC  
**Original Lessee:** Endeavor Energy Resources, LP  
**Current Lessee:** COG Operating LLC  
 Concho Oil & Gas, LLC  
 MECO IV, LLC  
 Bradley S. Bates

**Description of Land Committed:** Insofar only as said lease covers:  
Township 24 South, Range 34 East  
 Section 24: NE/4NE/4  
 Lea County, New Mexico

**Number of Acres:** 20  
**Royalty Rate:** 1/5  
**WI Owners Names and Interests:**

COG Operating LLC	69.49%
Concho Oil & Gas, LLC	23.16%
MECO IV, LLC	2.25%
Bradley S. Bates	5.10%

**ORRI Owners:** Of Record

**Lease Date:** September 7, 2016  
**Lease Terms:** Three (3) Years  
**Recordation:** Book 2069, Page 728  
**Lessor:** Daniel P. Schuman and Vida K. Schuman, Trustees of the Daniel P. Schuman and Vida K. Schuman Revocable Trust dated 4-15-2014  
**Original Lessee:** MidCon Land Services, LLC  
**Current Lessee:** Energen Resources Corporation  
**Description of Land Committed:** Insofar only as said lease covers:  
Township 24 South, Range 34 East  
 Section 24: NE/4NE/4  
 Lea County, New Mexico

**Number of Acres:** 20  
**Royalty Rate:** 1/5  
**WI Owners Names and Interests:**

Energen Resources Corporation	100%
-------------------------------	------

**ORRI Owners:** Of Record

**Lease Date:** September 7, 1016  
**Lease Term:** Three (3) Years  
**Recordation:** Book 2069, Page 738  
**Lessor:** Marc Schuman  
**Original Lessee:** MidCon Land Services, LLC  
**Current Lessee:** Energen Resources Corporation  
**Description of Land Committed:** Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 24: NE/4NE/4  
Lea County, New Mexico  
  
**Number of Acres:** 20  
**Royalty Rate:** 1/5  
**WI Owners Names and Interests:** Energen Resources Corporation 100%  
**ORRI Owners:** Of Record

**Lease Date:** September 2, 1016  
**Lease Term:** Three (3) Years  
**Recordation:** Book 2069, Page 743  
**Lessor:** Charlotte W. Schuman and Karlyn S. Doyle, Co-Trustees of the  
Charlotte W. Schuman Living Trust dated 10/5/1988  
  
**Original Lessee:** MidCon Land Services, LLC  
**Current Lessee:** Energen Resources Corporation  
**Description of Land Committed:** Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 24: NE/4NE/4  
Lea County, New Mexico  
  
**Number of Acres:** 20  
**Royalty Rate:** 1/5  
**WI Owners Names and Interests:** Energen Resources Corporation 100%  
**ORRI Owners:** Of Record

**Lease Date:** May 4, 2017  
**Lease Terms:** Three (3) Years  
**Recordation:** Book 2112, Page 585  
**Lessor:** Liessa Schuman  
**Original Lessee:** COG Operating LLC  
**Current Lessee:** COG Operating LLC  
**Description of Land Committed:** Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 24: NE/4NE/4  
  
**Number of Acres:** 20  
**Royalty Rate:** 1/4  
**WI Owners Names and Interests:** COG Operating LLC 100%  
**ORRI Owners:** Of Record

Lease Date: May 4, 2017  
 Lease Terms: Three (3) Years  
 Recordation: Book 2112, Page 589  
 Lessor: Matthew Schuman  
 Original Lessee: COG Operating LLC  
 Current Lessor: COG Operating LLC  
 Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
 Section 24: NE/4NE/4  
 Lea County, New Mexico  
 Number of Acres: 20  
 Royalty Rate: 1/4  
 WI Owners Names and Interests: COG Operating LLC 100%  
 ORRI Owners: Of Record

### UNLEASED MINERAL INTEREST OWNERS

Commerce First Royalties, LLC

### RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	120.00	26.667%
2	40.00	23.333%
3	160.00	50.000%
<b>Total</b>	<b>320.00</b>	<b>100.000%</b>

## COMMUNITIZATION AGREEMENT

Contract No. \_\_\_\_\_

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 and depicted on "Exhibit A":

**Township 24 South, Range 34 East, N.M.P.M.**

**Section 24: E/2 E/2**

**Section 25: E/2 E/2**

**Lea County, New Mexico**

Containing 320 acres, and this agreement shall include only the **Wolfcamp Formation** underlying said lands and the crude oil and associated natural gas, hereinafter, referred to as "communitized substances", producible from such formation(s).

2. Attached hereto, and made a part of this agreement for all purposes, is Exhibit B, designating the operator of the communitized area and showing the acreage, percentage, depths communitized 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. All matters of operation 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 three (3) executed copies of a designation of successor operator shall be filed with the Authorized Officer.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas 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 therefrom 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 noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity

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

10. The effective date of this agreement is August 1, 2019, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons 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. Nondiscrimination: In connection with the performance of work under this agreement, the operator agrees to comply with all of the provisions of Section



202(1) to (7) inclusive, of Executive Order 11246 (30 F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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

**OPERATOR:**

**COG OPERATING LLC**

Date: 5/15/2019

By: 

Sean Johnson  
Attorney-in-Fact *not*

**ACKNOWLEDGEMENT**

STATE OF TEXAS           §  
  §  
COUNTY OF MIDLAND   §

This instrument was acknowledged before me on May 15, 2019, by Sean Johnson, Attorney-in-Fact of **COG Operating LLC**, a Delaware ~~Limited Liability~~ Company, on behalf of same.



7/10/21  
My Commission Expires

  
Notary Public in and for the State of Texas

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

Date: 5/15/19

**COG OPERATING LLC**

By:   
Sean Johnson  
Attorney-in-Fact

Date: 5/15/19

**CONCHO OIL & GAS, LLC**

By:   
Sean Johnson  
Attorney-in-Fact

Date: \_\_\_\_\_

**BRADLEY S. BATES**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date: \_\_\_\_\_

**MECO IV, LLC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date: \_\_\_\_\_

**ENERGEN RESOURCES CORPORATION**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date: \_\_\_\_\_

**COMMERCE FIRST ROYALTIES, LLC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ACKNOWLEDGEMENTS

STATE OF TEXAS       §  
                                  §  
COUNTY OF MIDLAND   §

The foregoing instrument was acknowledged before me on the 15 day of May, 2019, by Sean Johnson, as Attorney-In-Fact of COG OPERATING LLC, a Delaware limited liability company, on behalf of said limited liability company.



Becky Zindel  
NOTARY PUBLIC in and for the State of Texas

STATE OF TEXAS       §  
                                  §  
COUNTY OF MIDLAND   §

The foregoing instrument was acknowledged before me on the 15 day of May, 2019, by Sean Johnson, as Attorney-In-Fact of CONCHO OIL & GAS, LLC, a Texas limited liability company, on behalf of said limited liability company.



Becky Zindel  
NOTARY PUBLIC in and for the State of Texas

STATE OF \_\_\_\_\_ §  
                                  §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by BRADLEY S. BATES.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §  
                                  §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by \_\_\_\_\_ as \_\_\_\_\_ of MECO IV, LLC, a \_\_\_\_\_ on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD:

COG OPERATING LLC

Date: \_\_\_\_\_

By: \_\_\_\_\_  
~~Mark A. Carter~~  
 Attorney-in-Fact

CONCHO OIL & GAS, LLC

Date: \_\_\_\_\_

By: \_\_\_\_\_  
~~Mark A. Carter~~  
 Attorney-in-Fact

9-20-2018  
 Date: \_\_\_\_\_  
 Bradley S. Bates, President  
 202 Crude, LLC, General Partner  
 of Muleshoe Crude, LP

~~BRADLEY S. BATES~~ Muleshoe Crude  
 By: Bradley S. Bates  
 Name: Bradley S. Bates  
 Title: President of 202 Crude LLC, General Partner of Muleshoe Crude LP  
 MECO IV, LLC

Date: \_\_\_\_\_

By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_

ENERGEN RESOURCES CORPORATION

Date: \_\_\_\_\_

By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_

COMMERCE FIRST ROYALTIES, LLC

Date: \_\_\_\_\_

By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_

# ACKNOWLEDGEMENTS

STATE OF TEXAS §

COUNTY OF MIDLAND §

The foregoing instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by ~~Mark A. Carter~~ as Attorney In-Fact of COG OPERATING LLC, a Delaware limited liability company, on behalf of said limited liability company.

NOTARY PUBLIC in and for the State of Texas

STATE OF TEXAS §

COUNTY OF MIDLAND §

The foregoing instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by ~~Mark A. Carter~~ as Attorney In-Fact of CONCHO OIL & GAS, LLC, a Texas limited liability company, on behalf of said limited liability company.

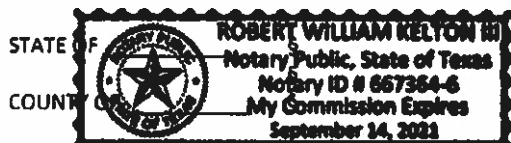
NOTARY PUBLIC in and for the State of Texas

STATE OF Texas §

COUNTY OF Midland §

This instrument was acknowledged before me on the 20 day of September, 2018, by BRADLEY S. BATES, President of 202 Cude LLC, General Partner of Muleshoe Cude LP, as the attorney in fact of the said limited partnership.

NOTARY PUBLIC in and for the State of Texas



This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by \_\_\_\_\_ as \_\_\_\_\_ of MECO IV, LLC, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

NOTARY PUBLIC in and for the State of \_\_\_\_\_

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

**COG OPERATING LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_

~~Mark A. Carter~~  
Attorney-in-Fact

**CONCHO OIL & GAS, LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_

~~Mark A. Carter~~  
Attorney-in-Fact

**BRADLEY S. BATES**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**MECO IV, LLC**

Date: 9/13/18

By: 

Name: Sam D. Dwyer

Title: Manager

**ENERGEN RESOURCES CORPORATION**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**COMMERCE FIRST ROYALTIES, LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## ACKNOWLEDGEMENTS

STATE OF TEXAS §

§

COUNTY OF MIDLAND §

The foregoing instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by ~~Mark A. Carter~~ as Attorney-in-Fact of COG OPERATING LLC, a Delaware limited liability company, on behalf of said limited liability company.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of Texas

STATE OF TEXAS §

§

COUNTY OF MIDLAND §

The foregoing instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by ~~Mark A. Carter~~ as Attorney-In-Fact of CONCHO OIL & GAS, LLC, a Texas limited liability company, on behalf of said limited liability company.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of Texas

STATE OF \_\_\_\_\_ §

§

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by BRADLEY S. BATES.

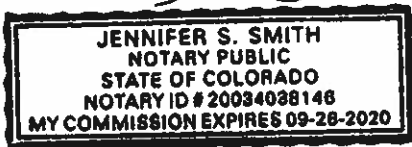
\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF Colorado §

§

COUNTY OF Denver §

This instrument was acknowledged before me on the 13<sup>th</sup> day of September, 2018, by Sam D. Winegard as Manager of MECO IV, LLC, a Delaware limited liability company on behalf of said LLC



Jennifer S. Smith  
NOTARY PUBLIC in and for the State of Colorado



**WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD:****COG OPERATING LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_

~~Mark A. Carter~~

Attorney-in-Fact

**CONCHO OIL & GAS, LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_

~~Mark A. Carter~~

Attorney-in-Fact

**BRADLEY S. BATES**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**MECO IV, LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**ENERGEN RESOURCES CORPORATION**Date: 4-25-2019By: Tom F. HawkinsName: TOM F. HAWKINSTitle: Executive Vice President-Land *Tom***COMMERCE FIRST ROYALTIES, LLC**

Date: \_\_\_\_\_

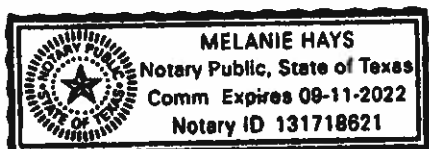
By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF Texas §COUNTY OF Midland §

This instrument was acknowledged before me on the 26<sup>th</sup> day of April, 2019, by Tam F. Hawkins, as Executive Vice President-Land of ENERGEN RESOURCES CORPORATION, an Alabama Corporation, on behalf of said Corporation.



*Melanie Hays*

NOTARY PUBLIC in and for the State of Texas

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by \_\_\_\_\_, as \_\_\_\_\_ of COMMERCE FIRST ROYALTIES, LLC, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by \_\_\_\_\_, as \_\_\_\_\_ of EG3, INC., a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by \_\_\_\_\_, as \_\_\_\_\_ of NESTEGG ENERGY CORPORATION, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

NOTARY PUBLIC in and for the State of \_\_\_\_\_

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

**COG OPERATING LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_

~~Mark A. Carter~~  
Attorney-in-Fact

**CONCHO OIL & GAS, LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_

~~Mark A. Carter~~  
Attorney-in-Fact

**BRADLEY S. BATES**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**MECO IV, LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**ENERGEN RESOURCES CORPORATION**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**COMMERCE FIRST ROYALTIES, LLC** <sup>OPERATING, LP</sup>

Date: 5-8-19

By: AS

Name: Andrew Smith  
Title: President

STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by \_\_\_\_\_, as \_\_\_\_\_ of **ENERGEN RESOURCES CORPORATION**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF Texas §  
COUNTY OF Dallas §

This instrument was acknowledged before me on the 8 day of May, 2018, by Andrew Smith as President of **COMMERCE FIRST OPERATING, LP**, a Texas limited partnership, on behalf of said partnership.  
~~ROYALTIES, LLC, a~~



[Signature]  
NOTARY PUBLIC in and for the State of Texas

STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by \_\_\_\_\_, as \_\_\_\_\_ of **EG3, INC.**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by \_\_\_\_\_, as \_\_\_\_\_ of **NESTEGG ENERGY CORPORATION**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

NOTARY PUBLIC in and for the State of \_\_\_\_\_

**NON-PARTICIPATING ROYALTY OWNERS**

Date: September 11, 2018

**EG3, INC.**

By:   
Name: John Chiles Graham  
Title: Vice President

Date: \_\_\_\_\_

**NESTEGG ENERGY CORPORATION**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date: September 11, 2018

**ALLAR DEVELOPMENT, LLC**

By:   
Name: John Chiles Graham  
Title: President

STATE OF \_\_\_\_\_ §

§

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by \_\_\_\_\_, as \_\_\_\_\_ of **ENERGEN RESOURCES CORPORATION**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §

§

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by \_\_\_\_\_, as \_\_\_\_\_ of **COMMERCE FIRST ROYALTIES, LLC**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

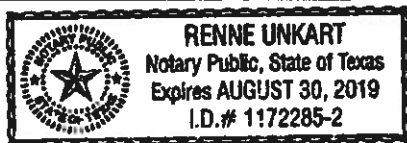
\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF TEXAS §

§

COUNTY OF YOUNG §

This instrument was acknowledged before me on the 11<sup>th</sup> day of September, 2018, by John Chiles Graham, as Vice President of EG3, INC., a Texas corporation, on behalf of said corporation.



*Renne Unkart*  
NOTARY PUBLIC in and for the State of Texas

STATE OF \_\_\_\_\_ §

§

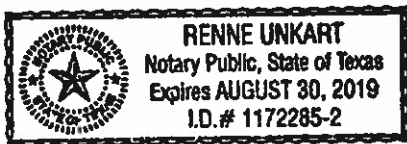
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by \_\_\_\_\_, as \_\_\_\_\_ of **NESTEGG ENERGY CORPORATION**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF TEXAS §  
COUNTY OF YOUNG §

This instrument was acknowledged before me on the 11<sup>th</sup> day of September, 2018, by  
John Chiles Graham, as President of ALLAR DEVELOPMENT, LLC,  
a Delaware limited liability company, on behalf of said company.



Renne Unkart  
NOTARY PUBLIC in and for the State of Texas

**NON-PARTICIPATING ROYALTY OWNERS**

**EG3, INC.**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**NESTEGG ENERGY CORPORATION**

Date: 11/2/2018

By: Bone Miller

Name: Ray Miller

Title: President

**ALLAR DEVELOPMENT, LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



STATE OF \_\_\_\_\_ §  
 COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by \_\_\_\_\_, as \_\_\_\_\_ of ENERGEN RESOURCES CORPORATION, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
 NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §  
 COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by \_\_\_\_\_, as \_\_\_\_\_ of COMMERCE FIRST ROYALTIES, LLC., a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
 NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §  
 COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by \_\_\_\_\_, as \_\_\_\_\_ of EG3, INC., a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
 NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF New Mexico §  
 COUNTY OF Eddy §

This instrument was acknowledged before me on the 2nd day of November, 2018, by Raye Miller, as President of NESTEGG ENERGY CORPORATION, a New Mexico corporation on behalf of said corporation.



OFFICIAL SEAL  
 ALEXUS C. CARTER  
 NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires: 12-29-19

Alexus Carter

NOTARY PUBLIC in and for the State of New Mexico

**EXHIBIT "A"**

Plat of communitized area covering the E/2E/2 of Section 24 & E/2E/2 of Section 25, T24S – R34E, N.M.P.M.,  
Lea County, New Mexico

Communitized depths are hereby limited to the Wolfcamp Formation

**Baseball Cap Federal Com E2E2**

Tract 1:  
USA NM 123530



Tract 2:  
USA NM 123531



Tract 3:  
FEE LEASES



SEC. 24			
SEC. 25			

# **EXHIBIT "B"**

Attached to and made a part of that Communitization Agreement dated October 1, 2018 covering the E/2E/2 of Section 24 and the E/2E/2 of Section 25, T24S – R34E, N.M.P.M., Lea County, New Mexico  
Communitized depths are hereby limited to the Bone Spring Formation (Red Hills: Bone Spring N; Pool Code 96434)

**Operator of Communitized Area: COG Operating LLC**

## **DESCRIPTION OF LEASES COMMITTED:**

### **TRACT 1:**

Lease Date:	August 25, 2009, Effective September 1, 2009		
Lease Term:	Ten (10) Years		
Recordation:	Not Recorded		
Lessor:	USA NM 123530		
Original Lessee:	The Allar Company		
Current Lessee:	COG Operating LLC		
Description of Land Committed:	Insofar only as said lease covers: <u>Township 24 South, Range 34 East</u> Section 24: SE/4NE/4, E/2SE/4 Lea County, New Mexico		
Number of Acres:	120		
Royalty Rate:	1/8		
WI Owner Names and Interests:	COG Operating LLC	100%	
ORRI Owners:	Of Record		

### **TRACT 2:**

Lease Date:	August 25, 2009, Effective September 1, 2009		
Lease Term:	Ten (10) Years		
Recordation:	Not Recorded		
Lessor:	USA NM 123531		
Original Lessee:	The Allar Company		
Current Lessee:	COG Operating LLC		
Description of Land Committed:	Insofar only as said lease covers: <u>Township 24 South, Range 34 East</u> Section 25: E/2E/2 Lea County, New Mexico		
Number of Acres:	160		
Royalty Rate:	1/8		
WI Owner Names and Interests:	COG Operating LLC	97.50%	
	Concho Oil and Gas, LLC	2.50%	
ORRI Owners:	Of Record		

**TRACT 3:**

**Lease Date:** January 15, 2015  
**Lease Terms:** Six (6) Years  
**Recordation:** Book 2128, Page 45  
**Lessor:** AE&J Royalties, LLC, A New Mexico LLC  
**Original Lessee:** Endeavor Energy Resources, LP  
**Current Lessee:** COG Operating LLC  
 Concho Oil & Gas, LLC  
 MECO IV, LLC  
 Bradley S. Bates

**Description of Land Committed:**

Insofar only as said lease covers:  
Township 24 South, Range 34 East  
 Section 24: NE/4NE/4  
 Lea County, New Mexico

**Number of Acres:**

20

**Royalty Rate:**

1/5

**WI Owners Names and Interests:**

COG Operating LLC	69.49%
Concho Oil & Gas, LLC	23.16%
MECO IV, LLC	2.25%
Bradley S. Bates	5.10%

**ORRI Owners:**

Of Record

**Lease Date:** September 7, 2016  
**Lease Terms:** Three (3) Years  
**Recordation:** Book 2069, Page 728  
**Lessor:** Daniel P. Schuman and Vida K. Schuman, Trustees of the Daniel P. Schuman and Vida K. Schuman Revocable Trust dated 4-15-2014  
**Original Lessee:** MidCon Land Services, LLC  
**Current Lessee:** Energen Resources Corporation  
**Description of Land Committed:** Insofar only as said lease covers:  
Township 24 South, Range 34 East  
 Section 24: NE/4NE/4  
 Lea County, New Mexico

**Number of Acres:** 20  
**Royalty Rate:** 1/5  
**WI Owners Names and Interests:** Energen Resources Corporation 100%  
**ORRI Owners:** Of Record

**Lease Date:** September 7, 1016  
**Lease Term:** Three (3) Years  
**Recordation:** Book 2069, Page 738  
**Lessor:** Marc Schuman  
**Original Lessee:** MidCon Land Services, LLC  
**Current Lessee:** Energen Resources Corporation  
**Description of Land Committed:** Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 24: NE/4NE/4  
Lea County, New Mexico  
  
**Number of Acres:** 20  
**Royalty Rate:** 1/5  
**WI Owners Names and Interests:** Energen Resources Corporation 100%  
**ORRI Owners:** Of Record

**Lease Date:** September 2, 1016  
**Lease Term:** Three (3) Years  
**Recordation:** Book 2069, Page 743  
**Lessor:** Charlotte W. Schuman and Karlyn S. Doyle, Co-Trustees of the  
Charlotte W. Schuman Living Trust dated 10/5/1988  
  
**Original Lessee:** MidCon Land Services, LLC  
**Current Lessee:** Energen Resources Corporation  
**Description of Land Committed:** Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 24: NE/4NE/4  
Lea County, New Mexico  
  
**Number of Acres:** 20  
**Royalty Rate:** 1/5  
**WI Owners Names and Interests:** Energen Resources Corporation 100%  
**ORRI Owners:** Of Record

**Lease Date:** May 4, 2017  
**Lease Terms:** Three (3) Years  
**Recordation:** Book 2112, Page 585  
**Lessor:** Liessa Schuman  
**Original Lessee:** COG Operating LLC  
**Current Lessee:** COG Operating LLC  
**Description of Land Committed:** Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 24: NE/4NE/4  
  
**Number of Acres:** 20  
**Royalty Rate:** 1/4  
**WI Owners Names and Interests:** COG Operating LLC 100%  
**ORRI Owners:** Of Record

Lease Date: May 4, 2017  
 Lease Terms: Three (3) Years  
 Recordation: Book 2112, Page 589  
 Lessor: Matthew Schuman  
 Original Lessee: COG Operating LLC  
 Current Lessor: COG Operating LLC  
 Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
 Section 24: NE/4NE/4  
 Lea County, New Mexico  
 Number of Acres: 20  
 Royalty Rate: 1/4  
 WI Owners Names and Interests: COG Operating LLC 100%  
 ORRI Owners: Of Record

### UNLEASED MINERAL INTEREST OWNERS

Commerce First Royalties, LLC

### RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest In Communitized Area
1	120.00	26.667%
2	40.00	23.333%
3	160.00	50.000%
<b>Total</b>	<b>320.00</b>	<b>100.000%</b>

## APPLICATION FOR POOL LEASE COMMINGLING AT CENTRAL TANK BATTERY

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

### Federal Lease #NMNM123530 & NMNM123531; 12.5% Royalty Rate; CA# NMNM140180 & NMNM140181

Location Sec 25, T24S-R34E

Pool; 96434 Red Hills; Bone Spring, North

Well Name;	API #	Est Oil BOPB	Est Oil Gravity	Est Gas MCFPD	Est Gas BTU
Baseball Cap Fed Com 601H	30-025-45783	1000	42.5	1100	1441

### Federal Lease #NMNM123530 & NMNM123531; 12.5% Royalty Rate; CA# NMNM140180 & NMNM140181

Location Sec 25, T24S-R34E

Pool; 98116 WC-025 G-09 S253402N; Wolfcamp

Well Name;	API #	Est Oil BOPB	Est Oil Gravity	Est Gas MCFPD	Est Gas BTU
Baseball Cap Fed Com 701H	30-025-45793	1000	44.1	1200	1385

#### Oil and Gas Metering:

Production from the Baseball Cap Federal Com 601H & 701H 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 Baseball Cap Federal Com 601H & 701H are individually measured it will be commingled and sent to a heater treater(s) 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 601H & 701H are 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 and booster compressor 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 601H & 701H 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.

#### 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.

All owners of interest are identical, with identical revenue distribution, therefore notification of owners is not required (see attached letter from COG Operating LLC Landman).

Respectfully,

  
Jeanette Barron

Production Technician II



IHS Markit

# BASEBALL CAP FED NMNM123531 SERIAL PAGE

Jun 23, 2020

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

Case Type: O&amp;g lse comp pd -1987

Serial Number: NMNM 123531

Commodity: Oil &amp; gas

Acres: 160.000

Disposition: Authorized

**Lessee**

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

**Operating Rights**

Owner Name	Street	City	State	Zip	Net Acres	%Int
COG OPERATING LLC	600 W ILLINOIS AVE	MIDLAND	TX	79701-4882	0.000	0.00
CONCHO OIL & GAS LLC	600 W ILLINOIS AVE	MIDLAND	TX	79701-4882	0.000	0.00

Meridian: New Mex

State: NM

County: Lea

Township: 24 S

Range: 34 E

Admin Agency

Section: 25

E2E2;

BUREAU OF LAND MGMT

Code	Action	Date	Remarks
387	Case established	6/5/2009	200907035;
191	Sale held	7/22/2009	
267	Bid received	7/22/2009	\$41600.00;
237	Lease issued	8/25/2009	
974	Automated record verif	8/25/2009	BTM
496	Fund code	9/1/2009	05;145003
530	Rlty rate - 12 1/2%	9/1/2009	
868	Effective date	9/1/2009	
42	Case sent to	9/2/2009	RROMERO;
932	Trf oper rgts filed	11/10/2009	ALLAR/MARBOB ENERGY;1
933	Trf oper rgts approved	3/9/2010	EFF 12/01/09;
974	Automated record verif	3/9/2010	RAYO/RAYO
932	Trf oper rgts filed	3/29/2010	ALLAR CO/EG3 INC;1
933	Trf oper rgts approved	6/16/2010	EFF 04/01/2010;
974	Automated record verif	6/16/2010	MJD



<u>Code</u>	<u>Action</u>	<u>Date</u>	<u>Remarks</u>
932	Trf oper rgts filed	4/19/2011	MARBOB EN/COG OPERA;1
933	Trf oper rgts approved	6/22/2011	EFF 05/01/11;
974	Automated record verif	6/22/2011	RAYO/RAYO
932	Trf oper rgts filed	6/30/2014	EG3 INC/ALLAR CO;1
933	Trf oper rgts approved	8/8/2014	EFF 07/01/14;
974	Automated record verif	8/8/2014	JS
899	Trf of orr filed	5/4/2017	1
932	Trf oper rgts filed	5/5/2017	EG3/ALLAR COMPANY;1
933	Trf oper rgts approved	6/12/2017	EFF 06/01/17;
974	Automated record verif	6/12/2017	RCC
140	Asgn filed	6/23/2017	ALLAR/COG OPERATING;1
932	Trf oper rgts filed	6/23/2017	ALLAR/COG OPERATING;1
139	Asgn approved	7/24/2017	EFF 07/01/17;
933	Trf oper rgts approved	7/24/2017	EFF 07/01/17;
974	Automated record verif	7/24/2017	LBO
899	Trf of orr filed	1/16/2018	1
246	Lease committed to ca	8/1/2019	NMNM140180;
246	Lease committed to ca	8/1/2019	NMNM140181;
235	Extended	8/31/2019	THRU 08/31/21;
763	Expires	9/1/2019	
974	Automated record verif	9/9/2019	LL

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**Remarks**

STIPULATIONS ATTACHED TO LEASE:

NM-11-LN SPECIAL CULTURAL RESOURCE

SENM-S-22 PRAIRIE CHICKENS

PER MMS - RENT PD THRU 09/01/2010

06/22/2011 - PER MMS RENT PD THRU 09/01/2011

08/08/14 - RENTAL PAID THRU 09/01/13



IHS Markit

# BASEBALL CAP FED NMNM123530 SERIAL PAGE

Jun 23, 2020

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

Case Type: O&amp;g lse comp pd -1987

Serial Number: NMNM 123530

Commodity: Oil &amp; gas

Acres: 240.000

Disposition: Authorized

**Lessee**

Owner Name	Street	City	State	Zip	Net Acres	%Int
COG OPERATING LLC	600 W ILLINOIS AVE	MIDLAND	TX	79701-4882	240.000	100.00

**Operating Rights**

Owner Name	Street	City	State	Zip	Net Acres	%Int
COG OPERATING LLC	600 W ILLINOIS AVE	MIDLAND	TX	79701-4882	0.000	0.00
CONCHO OIL & GAS LLC	600 W ILLINOIS AVE	MIDLAND	TX	79701-4882	0.000	0.00

Meridian: New Mex

State: NM

County: Lea

Township: 24 S

Range: 34 E

Admin Agency

Section: 24

SENE,NESW,SE;

BUREAU OF LAND MGMT

Code	Action	Date	Remarks
387	Case established	6/5/2009	200907034;
191	Sale held	7/22/2009	
267	Bid received	7/22/2009	\$54000.00;
237	Lease issued	8/25/2009	
974	Automated record verif	8/25/2009	BTM
496	Fund code	9/1/2009	05;145003
530	Rlty rate - 12 1/2%	9/1/2009	
868	Effective date	9/1/2009	
42	Case sent to	9/2/2009	RROMERO;
932	Trf oper rgts filed	11/10/2009	ALLAR/MARBOB ENERGY;1
933	Trf oper rgts approved	3/9/2010	EFF 12/01/09;
974	Automated record verif	3/9/2010	RAYO/RAYO
932	Trf oper rgts filed	3/29/2010	ALLAR CO/EG3 INC;1
933	Trf oper rgts approved	6/16/2010	EFF 04/01/2010;
974	Automated record verif	6/16/2010	MJD

<u>Code</u>	<u>Action</u>	<u>Date</u>	<u>Remarks</u>
932	Trf oper rgts filed	4/19/2011	MARBOB EN/COG OPERA;1
933	Trf oper rgts approved	6/22/2011	EFF 05/01/11;
974	Automated record verif	6/22/2011	RAYO/RAYO
932	Trf oper rgts filed	6/30/2014	EG3 INC/ALLAR CO;1
933	Trf oper rgts approved	8/8/2014	EFF 07/01/14;
974	Automated record verif	8/8/2014	JS
899	Trf of orr filed	5/4/2017	1
932	Trf oper rgts filed	5/5/2017	EG3/ALLAR COMPANY;1
933	Trf oper rgts approved	6/12/2017	EFF 06/01/17'
974	Automated record verif	6/12/2017	RCC
140	Asgn filed	6/23/2017	ALLAR/COG OPERATING;1
932	Trf oper rgts filed	6/23/2017	ALLAR/COG OPERATING;1
139	Asgn approved	7/24/2017	EFF 07/01/17;
933	Trf oper rgts approved	7/24/2017	EFF 07/01/17;
974	Automated record verif	7/24/2017	LBO
899	Trf of orr filed	1/16/2018	1
650	Held by prod - actual	11/30/2018	/1/
658	Memo of 1st prod-actual	11/30/2018	/1/#26H;
643	Production determination	3/4/2019	/1/
246	Lease committed to ca	8/1/2019	NMNM140180;
246	Lease committed to ca	8/1/2019	NMNM140181;

Remarks

STIPULATIONS ATTACHED TO LEASE:  
 NM-11-LN SPECIAL CULTURAL RESOURCE  
 SENM-S-20 SPRINGS, SEEPS AND TANKS  
 SENM-S-22 PRAIRIE CHICKENS  
 PER MMS - RENT PD THRU 09/01/2010  
 06/22/2011 - PER MMS RENT PD THRU 09/01/2011  
 08/08/14 - RENTAL PAID THRU 09/01/13



# Serial Register Page

Jun 08, 2020

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

**Case Type:** O&g communitization agrmt

**Serial Number:** NMNM 140180

**Commodity:** Oil & gas

**Acres:** 320.000

**Disposition:** Authorized

## Office Of Record

Owner Name	Street	City	State	Zip	Net Acres	%Int
BLM NMSO	301 DINOSAUR TRL	SANTA FE	NM	87508-1560	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	320.000	100.00

**Meridian:** New Mex **State:** NM **County:** Lea

**Township:** 24 S **Range:** 34 E **Admin Agency**

**Section:** 24 E2E2; BUREAU OF LAND MGMT

**Section:** 25 E2E2; BUREAU OF LAND MGMT

Code	Action	Date	Remarks
580	Proposal received	5/28/2019	CA RECD;
387	Case established	8/1/2019	
516	Formation	8/1/2019	BONE SPRING;
525	Acres-nonfederal	8/1/2019	40.00;12.50%
868	Effective date	8/1/2019	/A/
763	Expires	7/31/2021	

## Remarks

/A/RECAPITULATION EFFECTIVE 08/01/2019

TR#	LEASE SERIAL NO	AC COMMITTED	% INTEREST
1	NMNM 123530	120.00	37.5000
2	NMNM 123531	160.00	50.0000
3	FEE	40.00	12.5000
TOTAL		320.00	100.0000



# Serial Register Page

Jun 08, 2020

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

Case Type: O&g communitization agrmt

Serial Number: NMNM 140181

Commodity: Oil & gas

Acres: 320.000

Disposition: Authorized

## Office Of Record

Owner Name	Street	City	State	Zip	Net Acres	%Int
BLM NMSO	301 DINOSAUR TRL	SANTA FE	NM	87508-1560	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	320.000	100.00

Meridian:	New Mex	State:	NM	County:	Lea
Township:	24 S	Range:	34 E	Admin Agency	
Section:	24	E2E2;		BUREAU OF LAND MGMT	
Section:	25	E2E2;		BUREAU OF LAND MGMT	

Code	Action	Date	Remarks
580	Proposal received	5/28/2019	CA RECD;
387	Case established	8/1/2019	
516	Formation	8/1/2019	WOLFCAMP;
525	Acres-nonfederal	8/1/2019	40.00;12.50%
868	Effective date	8/1/2019	/A/
763	Expires	7/31/2021	

## Remarks

/A/RECAPITULATION ACCEPTED 08/01/2019

TR#	LEASE SERIAL NO	AC COMMITTED	% INTEREST
1	NMNM 123530	120.00	37.5000
2	NMNM 123531	160.00	50.0000
3	FEE	40.00	12.5000
	TOTAL	320.00	100.0000



# Certificate of Analysis

Number: 6030-20040044-004A

**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

Apr. 08, 2020

Station Name: Baseball Cap Fed Com 601H  
Station Number: 39022688  
Station Location: COG  
Sample Point: Meter Run  
Type of Sample: Spot-Cylinder  
Heat Trace Used: N/A  
Sampling Method: Fill and Purge  
Sampling Company: SPL  
Analyzed: 04/08/2020 12:32:20 by PS

Sampled By: James Hill  
Sample Of: Gas Spot  
Sample Date: 04/07/2020 09:53  
Sample Conditions: 96 psig, @ 116 °F Ambient: 70 °F  
Effective Date: 04/07/2020 09:53  
Method: GPA-2261M  
Cylinder No: 5030-00644  
Instrument: 70104124 (Inficon Micro GC Fusion)  
Last Inst. Cal.: 04/06/2020 0:00 AM

## Analytical Data

Components	Un-normalized Mol %	Mol. %	Wt. %	GPM at 14.73 psia		
Hydrogen Sulfide	0.000	0.00100	0.001		GPM TOTAL C2+	8.213
Nitrogen	1.342	1.34683	1.539		GPM TOTAL C3+	4.916
Methane	70.451	70.70470	46.284		GPM TOTAL iC5+	1.673
Carbon Dioxide	0.455	0.45694	0.821			
Ethane	12.224	12.26837	15.052	3.297		
Propane	7.266	7.29183	13.120	2.019		
Iso-butane	1.003	1.00641	2.387	0.331		
n-Butane	2.810	2.82021	6.688	0.893		
Iso-pentane	0.803	0.80589	2.372	0.296		
n-Pentane	0.933	0.93595	2.755	0.341		
Hexanes Plus	2.353	2.36187	8.981	1.036		
	99.640	100.00000	100.000	8.213		

Calculated Physical Properties	Total	C6+
Relative Density Real Gas	0.8502	3.2176
Calculated Molecular Weight	24.51	93.19
Compressibility Factor	0.9949	
<b>GPA 2172 Calculation:</b>		
<b>Calculated Gross BTU per ft<sup>3</sup> @ 14.73 psia &amp; 60°F</b>		
Real Gas Dry BTU	1441	5141
Water Sat. Gas Base BTU	1417	5052
Ideal, Gross HV - Dry at 14.73 psia	1433.7	5141.1
Ideal, Gross HV - Wet	1408.7	5051.6

**Comments:** H2S Field Content 10 ppm  
Mcf/day 1815

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: 6030-20060004-007A

**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

June 03, 2020

Station Name: Baseball Cap Fed Com 701H  
Station Number: 39022689  
Station Location: COG  
Sample Point: Meter Run  
Type of Sample: Spot-Cylinder  
Heat Trace Used: N/A  
Sampling Method: Fill and Purge  
Sampling Company: SPL  
Analyzed: 06/03/2020 09:19:19 by User1

Sampled By: Chad Whitt  
Sample Of: Gas Spot  
Sample Date: 05/29/2020 09:53  
Sample Conditions: 97 psig, @ 99 °F Ambient: 80 °F  
Effective Date: 05/29/2020 09:53  
Method: GPA-2261M  
Cylinder No: 1111-002528  
Instrument: 6030\_GC2 (Agilent 7890B)  
Last Inst. Cal.: 05/05/2020 13:24 PM

## Analytical Data

Components	Un-normalized Mol %	Mol. %	Wt. %	GPM at 14.73 psia	
Hydrogen Sulfide	0.000	0.00050	0.001		GPM TOTAL C2+ 7.915
Nitrogen	1.899	1.89424	2.256		GPM TOTAL C3+ 4.318
Methane	70.715	70.53760	48.102		GPM TOTAL IC5+ 0.933
Carbon Dioxide	0.180	0.17955	0.336		
Ethane	13.424	13.39032	17.116	3.597	
Propane	7.900	7.88018	14.771	2.180	
Iso-butane	1.044	1.04138	2.573	0.342	
n-Butane	2.731	2.72415	6.731	0.863	
Iso-pentane	0.669	0.66732	2.047	0.245	
n-Pentane	0.680	0.67829	2.080	0.247	
Hexanes Plus	1.009	1.00647	3.987	0.441	
	100.251	100.00000	100.000	7.915	

<b>Calculated Physical Properties</b>	<b>Total</b>	<b>C6+</b>
Relative Density Real Gas	0.8157	3.2176
Calculated Molecular Weight	23.52	93.19
Compressibility Factor	0.9954	
<b>GPA 2172 Calculation:</b>		
<b>Calculated Gross BTU per ft<sup>3</sup> @ 14.73 psia &amp; 60°F</b>		
Real Gas Dry BTU	1385	5141
Water Sat. Gas Base BTU	1362	5052
Ideal, Gross HV - Dry at 14.73 psia	1379.1	5141.1
Ideal, Gross HV - Wet	1355.1	5051.6

**Comments:** H2S Field Content 5 ppm

Hydrocarbon Laboratory Manager

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