

2XTIW-201006-C-107B OLM-215

Revised March 23, 2017

RECEIVED: 10/6/20	REVIEWER: DM	TYPE: OLM	APP NO: pDM2028134125
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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: Squints Federal Com 7H & 8H

API: 30-025-43167 / 30-025-43168

Pool: Ojo Chiso: Bone Spring

Pool Code: 96553

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☐ PPR2) **NOTIFICATION REQUIRED TO:** Check those which apply.A. ☐ Offset operators or lease holdersB. ☒ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☐ Notification and/or concurrent approval by SLOE. ☒ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☒ 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

10/6/20

575-746-6974

Phone Number

jbarron@concho.com

e-mail Address

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

- (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: 10/6/20

TYPE OR PRINT NAME Jeanette Barron TELEPHONE NO.: 575.748.6974

E-MAIL ADDRESS: jbarron@concho.com



October 6, 2020

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

Re: Application for Administrative Approval
Off-lease Measurement – Oil Only

Dear Mr. McClure,

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

Squints Federal Com 7H
API# 30-025-43167
Ojo Chiso; Bone Spring
Ut. N, Sec.27 -T22S-R34E
Lea County, NM

Squints Federal Com 8H
API# 30-025-434168
Ojo Chiso; Bone Spring
Ut. N, Sec.27 -T22S-R34E
Lea County, NM

Oil Production:

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

Notifications have been sent to all working interest owners

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

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

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 DR., HOBBS, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

DISTRICT II

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

DISTRICT III

1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-8170

DISTRICT IV

1220 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462State 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 30-025-43167	Pool Code 96553	Pool Name OJO CHISO; BONE SPRING
Property Code 316103	Property Name SQUINTS FEDERAL COM	Well Number 7H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3404.1'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	27	22-S	34-E		220	SOUTH	2010	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	22	22-S	34-E		50	NORTH	2310	WEST	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

<p>Y=504689.1 N X=810270.9 E</p> <p>LTP 100' FNL & 2310' FWL Y=504598.4 N X=811260.9 E LAT.=32.384177° N LONG.=103.458928° W</p> <p>LEASE X-ING LAT.=32.362678° N LONG.=103.458984° W</p> <p>ETP 100' FSL & 2310' FWL Y=494236.3 N X=811322.6 E LAT.=32.355695° N LONG.=103.459003° W GRID AZ. TO ETP 117°21'34"</p> <p>Y=494128.3 N X=810333.6 E</p>	<p>2310' B.H. 50'</p> <p>Y=504701.6 N X=811591.3 E</p> <p>NAD 83 NME PROPOSED BOTTOM HOLE LOCATION Y=504648.4 N X=811260.6 E LAT.=32.384315° N LONG.=103.458928° W</p> <p>SECTION 22 SECTION 27</p> <p>GRID AZ. - 359°39'33" HORZ. DIST. - 10412.3'</p> <p>2010' SL. 220'</p> <p>Y=494139.0 N X=811653.8 E</p> <p>NAD 83 NME SURFACE LOCATION Y=494353.9 N X=811021.9 E LAT.=32.356025° N LONG.=103.459973° W</p>	<p>OPERATOR CERTIFICATION</p> <p>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.</p> <p><i>Jeanette Barron</i> 10/6/20 Signature Date</p> <p>Jeanette Barron Printed Name jbarron@concho.com E-mail Address</p> <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>JUNE 27, 2019 Date of Survey</p> <p>Signature & Seal of Professional Surveyor</p> <p>CHAD L. HARCROW NEW MEXICO LICENSED PROFESSIONAL SURVEYOR 17777</p> <p><i>Chad Harcrow</i> 7/3/19 Certificate No. CHAD HARCROW 17777 W.O. #19-1203 DRAWN BY: WN</p>
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DISTRICT I

1825 N. FRENCH DR., HOBBS, NM 88240
Phone: (505) 393-6181 Fax: (505) 393-0720

DISTRICT II

811 S. FIRST ST., ARTESIA, NM 88210
Phone: (505) 748-1283 Fax: (505) 748-0720

DISTRICT III

1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 334-8178 Fax: (505) 334-8170

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, 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 30-025-43168	Pool Code 96553	Pool Name OJO CHISO; BONE SPRING
Property Code 316103	Property Name SQUINTS FEDERAL COM	Well Number 8H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3404.0'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	27	22-S	34-E		220	SOUTH	690	WEST	LEA

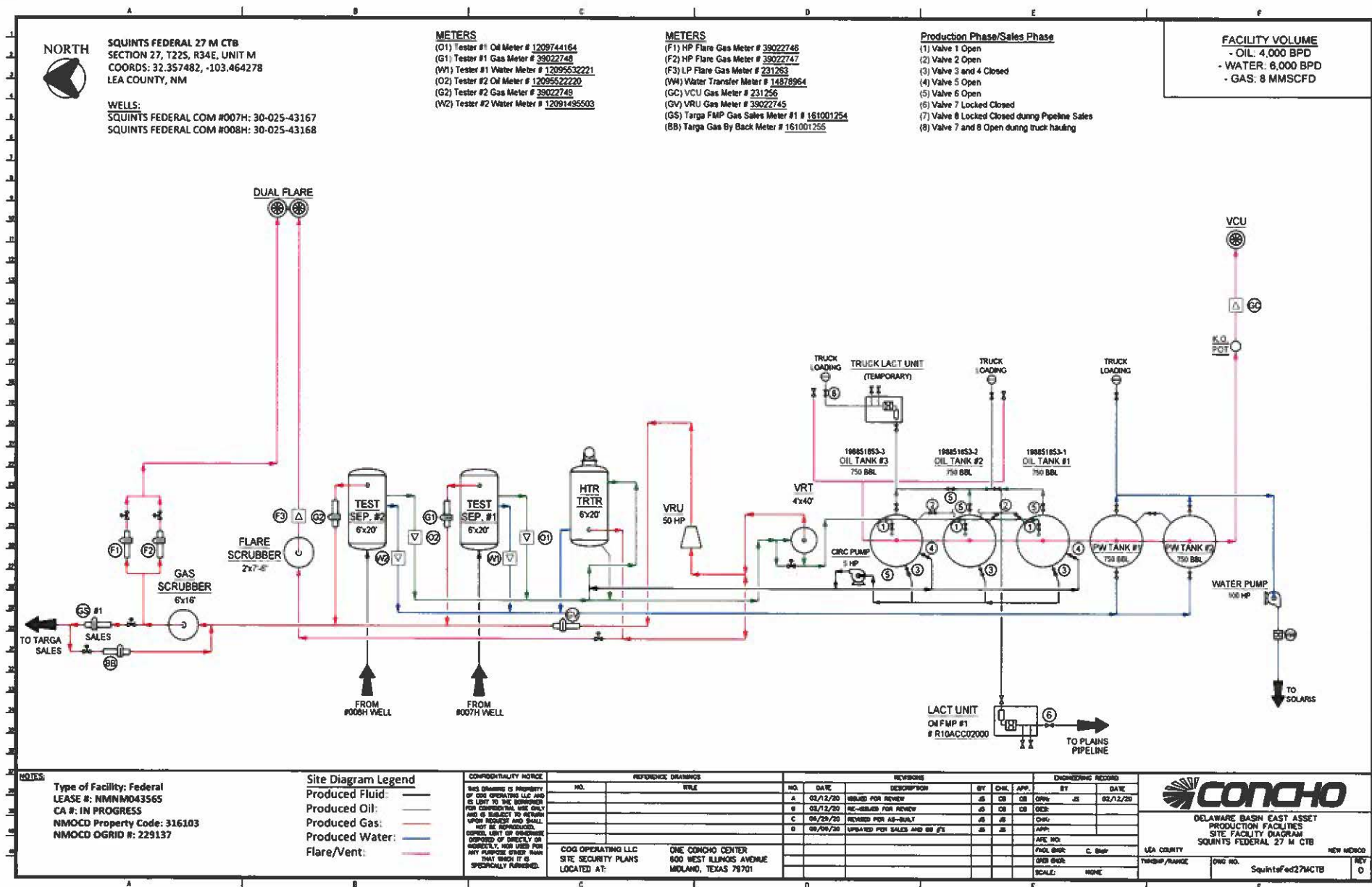
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	22	22-S	34-E		50	NORTH	660	WEST	LEA

Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.
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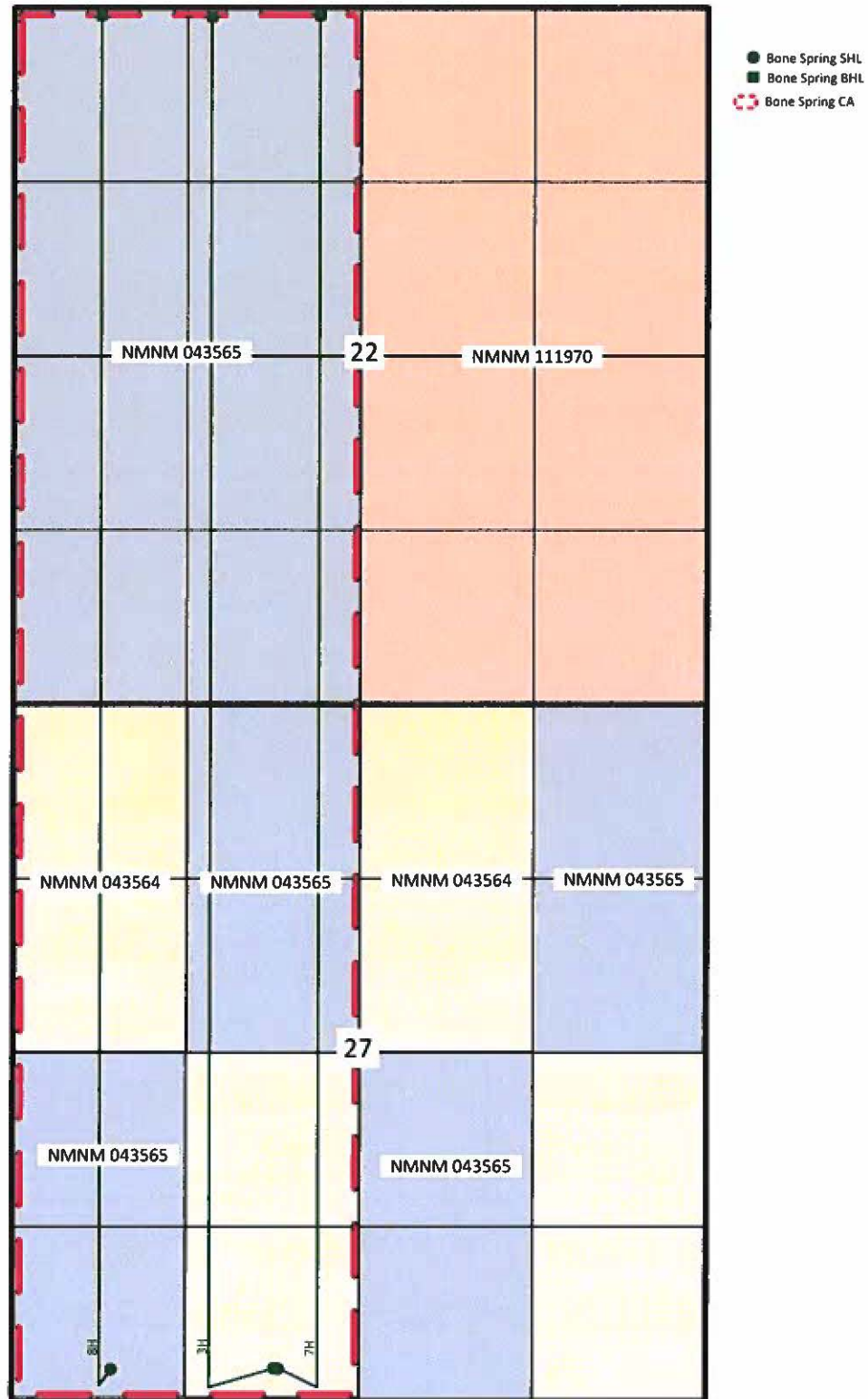
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>Y=504676.7 N X=808950.4 E</p> <p>LTP 100' FNL & 660' FWL Y=504582.9 N X=809611.0 E LAT.=32.384172° N LONG.=103.464273° W</p> <p>LEASE X-ING LAT.=32.369934° N LONG.=103.464309° W</p> <p>LEASE X-ING LAT.=32.362677° N LONG.=103.464328° W</p> <p>FTP 100' FSL & 660' FWL Y=494223.0 N X=809672.6 E LAT.=32.355696° N LONG.=103.464346° W GRID AZ. TO FTP 193°43'52"</p> <p>Y=494117.6 N X=809013.3 E</p>	<p>Y=504689.1 N X=810270.9 E</p> <p>NAD 83 NME PROPOSED BOTTOM HOLE LOCATION Y=504632.9 N X=809610.7 E LAT.=32.384309° N LONG.=103.464272° W</p> <p>NAD 83 NME SURFACE LOCATION Y=494343.2 N X=809702.0 E LAT.=32.356026° N LONG.=103.464247° W</p>	<p>OPERATOR CERTIFICATION</p> <p>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.</p> <p><i>Jeanette Barron</i> 10/6/20 Signature Date Jeanette Barron Printed Name jbarron@concho.com E-mail Address</p> <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>JUNE 27, 2019 Date of Survey</p> <p>Signature & Seal of Professional Surveyor</p> <p>CHAD L. HARCROW NEW MEXICO 17777 LICENSED PROFESSIONAL SURVEYOR</p> <p><i>Chad Harcrow</i> 7/25/19 Certificate No. CHAD HARCROW 17777 W.O. #19-1356 DRAWN BY: CD</p>
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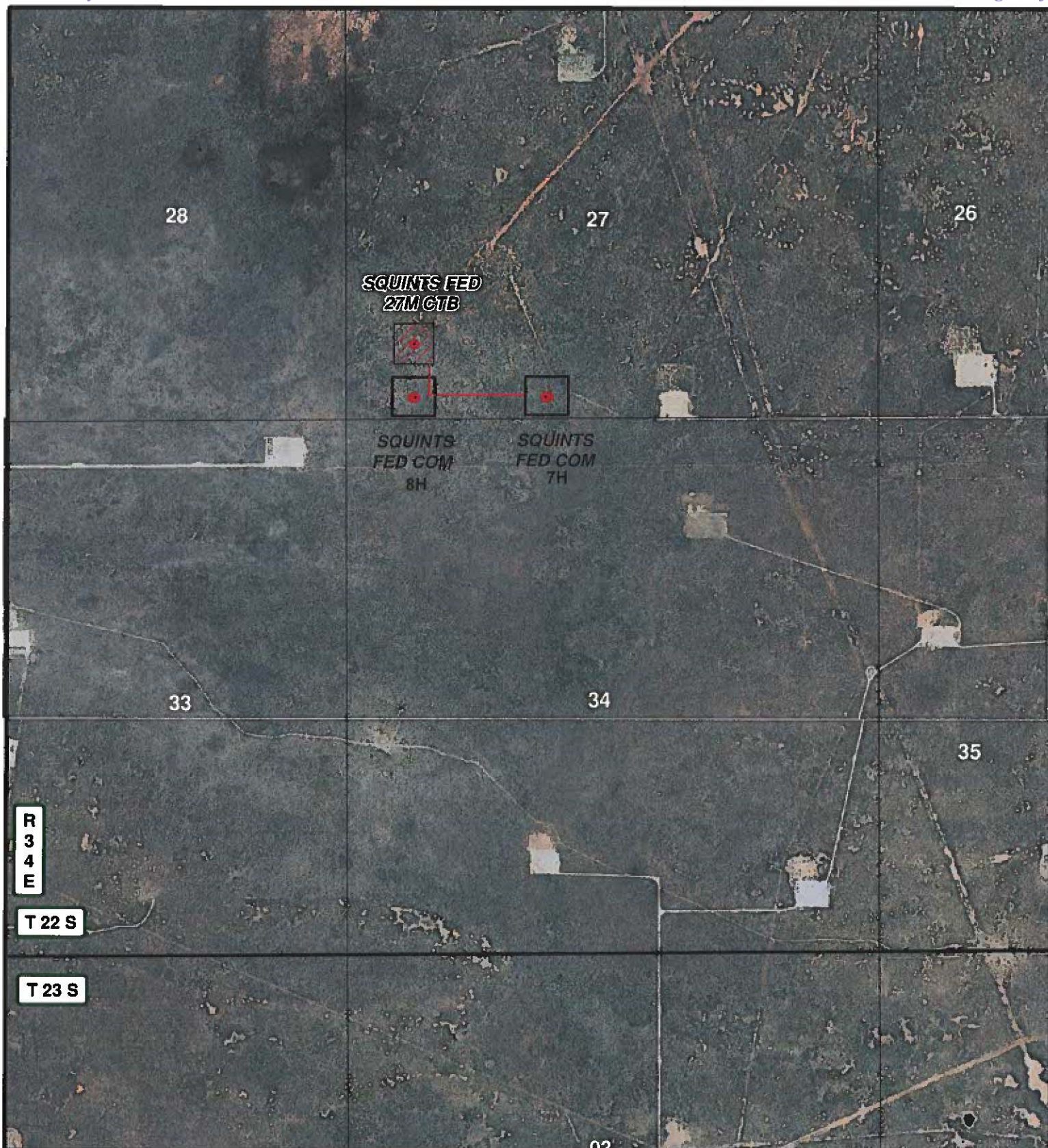


JB 06/20/19
DW 09/03/19
DW 03/11/20
DW 06/09/20

Squints Federal Com Wells



Sec 22, 27-T22S-R34E
Lea County, NM

**LEGEND**

- WELL
- WELLPAD
- ▨ TANK BATTERY
- FlowLine

SQUINTS FED 27 M CENTRAL TANK BATTERY

SEC: 27 TWP: 22 S. RGE: 34 E. ELEVATION: 3405.2'

STATE: NEW MEXICO COUNTY: LEA 750' FSL & 680' FWL

W.O. # 19-1795 LEASE: SQUINTS FED SURVEY: N.M.P.M

0 2,500 FEET

0 0.075 0.15 0.3 Miles

1 IN = 1,250 FT

LOCATION MAP

IMAGERY

10/1/2019

V.D.



COG OPERATING, LLC



HARCROW SURVEYING, LLC.

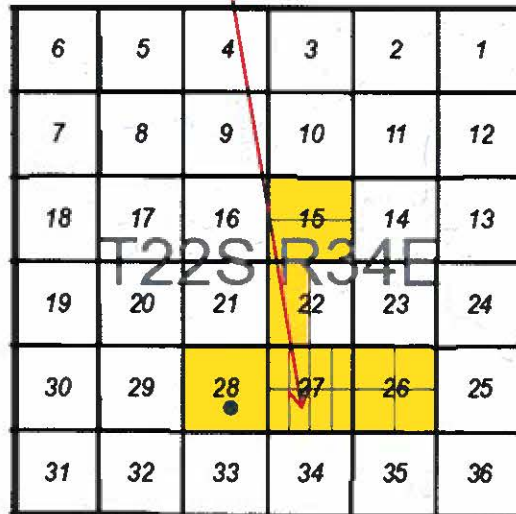
2316 W. MAIN ST, ARTESIA, NM 88210

PH: (575) 746-2158

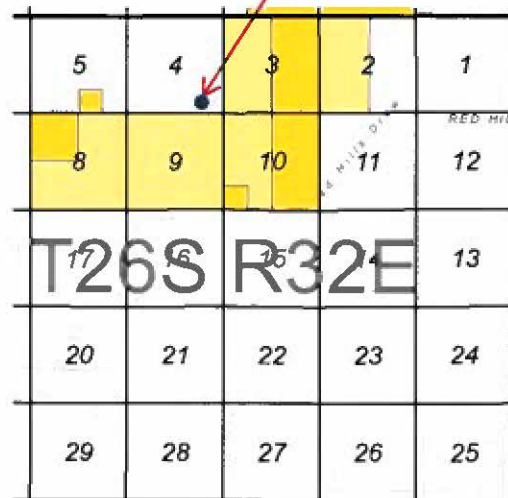
c.harcrow@harcrowsurveying.com

Squints Federal Com 7H & 8H & Red Hills and Jal Offload Station Map

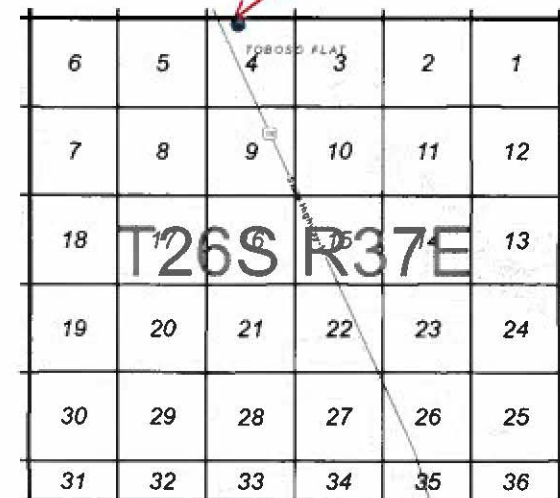
Squints Federal Com 7H & 8H
Lea County, NM



Red Hills Offload Station
Lea County, NM



Jal Offload Station
Lea County, NM



Squints Fed Com 7H, 8H OLM								
Date Sent	Initials	Name	Address	City	State	ZipCode	Certified Return Receipt No.	Delivered
10.06.20	JB	BTA Oil Producers	104 S. Pecos Street	Midland,	TX	79701	7017 3040 0000 1206 4142	
10.06.20	JB	Axis Energy Corporation	PO BOX 2107	Roswell,	NM	88202	7017 3040 0000 1206 4135	
10.06.20	JB	Wildcat Energy, L.L.C.	PO BOX 13323	Odessa,	TX	79768	7017 3040 0000 1206 4128	
10.06.20	JB	Alpha Energy Partners	PO BOX 10701	Midland,	TX	79702	7017 3040 0000 1206 4166	
10.06.20	JB	Clinton Pace	544 Comanche Drive	Lubbock,	TX	79404	7017 3040 0000 1206 4173	
10.06.20	JB	Ryan Pace	544 Comanche Drive	Lubbock,	TX	79404	7017 3040 0000 1206 4180	
10.06.20	JB	BLM	414 W. Taylor	Hobbs	NM	88240	7017 3040 0000 1206 4159	



Becky Zindel
Land Tech II

October 1, 2020

Certified US Mail

United States Department of the Interior
Bureau of Land Management
Pecos District – Carlsbad Field Office
620 E. Greene Street
Carlsbad, NM 88220-6292
Attention: Kari Vasenden

Re: Communitization Agreement
Squints Federal Com 7H & 8H
T22S, R34E, N.M.P.M.
Section 27: W/2
Section 22: W/2
Lea County, New Mexico

Dear Ms. Vasenden:

Enclosed for your approval are three (3) originals of the referenced Communitization Agreement covering the referenced lands and made effective July 25th, 2019. As of the effective date and when the wells were drilled, all record title parties had been accounted for and signed the attached CA. Please return one (1) approved original to my attention. A self-addressed stamped envelope has been provided for your convenience.

Thank you for your assistance. Should you have any questions, please do not hesitate to contact me by phone at 432-686-3082 or by email at rzindel@concho.com.

Regards,
COG OPERATING LLC

A handwritten signature in blue ink that reads "Becky Zindel".

Becky Zindel
Land Tech II
NM Delaware Basin – South

Enclosure(s)

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 25th day of July, 2019, 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 22 South, Range 34 East, N.M.P.M.

Section 27: W/2

Section 22: W/2

Lea County, New Mexico

Containing 640.00 acres, and this agreement shall include only the Bone Spring formation as defined by the NMOCD, underlying said lands and the oil and gas 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.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

All proceeds, 8/8ths, attributed to unleased Federal or Indian lands included within the CA area are to be paid into the appropriate Unleased Lands Account or Indian Trust Account by the designated operator until the land is leased or ownership is established.

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any

lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.

8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is **July 25, 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 occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.

13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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

OPERATOR:

COG OPERATING LLC

Date: _____

9/9/2020

By: _____

Sean Johnson
Attorney-In-Fact

ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF MIDLAND §

This instrument was acknowledged before me on the 4th day of September, ~~2019~~, 2020
 by Sean Johnson, Attorney-In-Fact of **COG Operating LLC**, a Delaware Limited Liability
 Company, on behalf of same.



Becky Zindel
 Notary Public in and for the State of Texas
 My Commission expires: 7/10/21

WORKING INTERET OWNERS AND/OR LESSEES OF RECORDDate: 9/9/2020**COG OPERATING LLC**

By: [Signature]
 Sean Johnson
 Attorney-In-Fact

BTA Oil Producers, LLC

Date: _____

By: _____

Name: _____

Title: _____

Alpha Energy Partners, LLC

Date: _____

By: _____

Name: _____

Title: _____

ACKNOWLEDGEMENT

STATE OF TEXAS §
 §
COUNTY OF MIDLAND §

This instrument was acknowledged before me on the ____ day of _____, 2019,
 by Sean Johnson, Attorney-In-Fact of **COG Operating LLC**, a Delaware Limited Liability
 Company, on behalf of same.

 Notary Public in and for the State of Texas
 My Commission expires: _____


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

Date: _____

By: _____
 Sean Johnson
 Attorney-In-Fact

BTA Oil Producers, LLC

Date: 10-18-2019

By: 
 Name: Barry Beal, Jr.
 Title: Managing Member

130k
YDP

Alpha Energy Partners, LLC

Date: _____

By: _____
 Name: _____
 Title: _____

ACKNOWLEDGEMENT

STATE OF TEXAS §
 §
 COUNTY OF MIDLAND §

This instrument was acknowledged before me on the ____ day of _____, 2019,
 by Sean Johnson, Attorney-In-Fact of **COG Operating LLC**, a Delaware Limited Liability
 Company, on behalf of same.

 Notary Public in and for the State of Texas
 My Commission expires: _____

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

Date: _____

By: _____
 Sean Johnson
 Attorney-In-Fact

BTA Oil Producers, LLC

Date: _____

By: _____
 Name: _____
 Title: _____

Alpha Energy Partners, LLC

Date: 10/5/2020

By: PLMox
 Name: P. NICK MAXWELL
 Title: AUTHORIZED MEMBER

Larry T. Long

Date: _____

By: _____

Name: _____

Title: _____

Axis Energy Corporation

Date: 10/16/2019

By: [Signature]

Name: KENNETH BARSE JR

Title: PRESIDENT

Wildcat Energy, L.L.C.

Date: _____

By: _____

Name: _____

Title: _____

Clinton Pace

Date: _____

By: _____

Name: _____

Title: _____

Ryan Pace

Date: _____

By: _____

Name: _____

Title: _____

Larry T. Long

Date: _____

By: _____

Name: _____

Title: _____

Axis Energy Corporation

Date: _____

By: _____

Name: _____

Title: _____

Wildcat Energy, L.L.C.

Date: 10/25/19

By: R. L. Becker

Name: R. L. Becker

Title: President - Manager

Clinton Pace

Date: _____

By: _____

Name: _____

Title: _____

Ryan Pace

Date: _____

By: _____

Name: _____

Title: _____

Larry T. Long

Date: _____

By: _____

Name: _____

Title: _____

Axis Energy Corporation

Date: _____

By: _____

Name: _____

Title: _____

Wildcat Energy, L.L.C.

Date: _____

By: _____

Name: _____

Title: _____

Clinton Pace

Date: _____

By: 

Name: Clinton Pace

Title: Mr.

Ryan Pace

Date: _____

By: _____

Name: _____

Title: _____

Larry T. Long

Date: _____

By: NMOCB Compulsory
Name: Boiling per order
Title: # R-21083

Axis Energy Corporation

Date: _____

By: _____
Name: _____
Title: _____

Wildcat Energy, L.L.C.

Date: _____

By: _____
Name: _____
Title: _____

Clinton Pace

Date: _____

By: _____
Name: _____
Title: _____

Ryan Pace

Date: _____

By: _____
Name: RP
Title: _____

Tara N. Pace

Date: _____

By: NMOC Compulsory Pooling
Name: per Order # R-21083
Title: _____**Aleyna Pace**

Date: _____

By: NMOC Compulsory Pooling
Name: per order # R-21083
Title: _____**Hunt Oil Company**

Date: _____

By: Assignment of Record Title
Name: to Axis Energy approved
Title: 6/22/20 effective 2/1/20
NMNM-043564

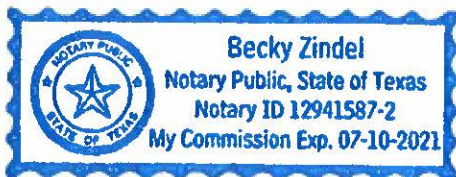
ACKNOWLEDGEMENTS

STATE OF TEXAS §

§

COUNTY OF MIDLAND §

This instrument was acknowledged before me on the 9th day of September, 2020,
by Sean Johnson, Attorney-In-Fact of **COG Operating LLC**, a Delaware Limited Liability
Company, on behalf of same.



Becky Zindel
Notary Public in and for the State of Texas
My Commission expires: 7/10/21

STATE OF _____ §

§

COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 2019,
by _____, as _____ of
BTA Oil Producers, LLC, a _____, on behalf of
same.

Notary Public in and for the State of Texas
My Commission expires: _____

STATE OF _____ §

§

COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 2019,
by _____, as _____ of
Alpha Energy Partners, LLC, a _____, on
behalf of same.

Notary Public in and for the State of Texas
My Commission expires: _____

ACKNOWLEDGEMENTS

STATE OF TEXAS

§

COUNTY OF MIDLAND

§

§

This instrument was acknowledged before me on the _____ day of _____, 2019,
by Sean Johnson, Attorney-In-Fact of COG Operating LLC, a Delaware Limited Liability
Company, on behalf of same.

Notary Public in and for the State of Texas

My Commission expires: _____

STATE OF TEXAS

§

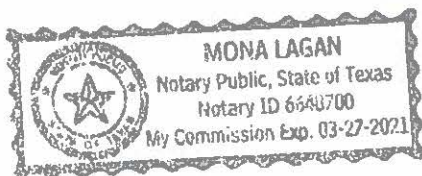
COUNTY OF MIDLAND

§

§

This instrument was acknowledged before me on the 10th day of October, 2019,
by Barry Beal, Jr., as Managing Member of

BTA Oil Producers, LLC, a Texas limited liability company, on behalf of
said limited liability company.
same.



Mona Lagan

Notary Public in and for the State of Texas
My Commission expires: 3-27-21

STATE OF _____

§

COUNTY OF _____

§

§

This instrument was acknowledged before me on the _____ day of _____, 2019,
by _____, as _____ of
Alpha Energy Partners, LLC, a _____, on
behalf of same.

Notary Public in and for the State of Texas

My Commission expires: _____

ACKNOWLEDGEMENTS

STATE OF TEXAS

§
§
§

COUNTY OF MIDLAND

This instrument was acknowledged before me on the ____ day of _____, 2019,
by Sean Johnson, Attorney-In-Fact of COG Operating LLC, a Delaware Limited Liability
Company, on behalf of same.

Notary Public in and for the State of Texas

My Commission expires: _____

STATE OF _____

§
§
§

COUNTY OF _____

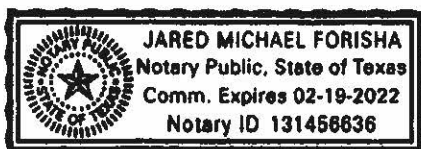
This instrument was acknowledged before me on the ____ day of _____, 2019,
by _____, as _____ of
BTA Oil Producers, LLC, a _____, on behalf of
same.

Notary Public in and for the State of Texas

My Commission expires: _____

STATE OF Texas§
§
§COUNTY OF Midland

This instrument was acknowledged before me on the 5th day of October, 2019,
by P. Nick Maxwell, as Authorized member of
Alpha Energy Partners, LLC, a Texas limited liability company, on
behalf of same.



Jared M. Forisha

Notary Public in and for the State of Texas
My Commission expires: 02-19-2022

STATE OF _____

§

COUNTY OF _____

§

§

This instrument was acknowledged before me on the _____ day of _____, 2019,
 by _____, as _____ of
 Larry T. Long, an _____, on behalf of same.

Notary Public in and for the State of Texas

My Commission expires: _____

STATE OF New Mexico

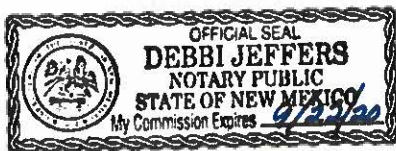
§

COUNTY OF Chaves

§

§

This instrument was acknowledged before me on the 16th day of October, 2019,
 by Kenneth Barbe Jr., as President of
 Axis Energy Corporation, a Texas Corporation, on behalf of
 same.



Notary Public in and for the State of ~~Texas~~ New MexicoMy Commission expires: 9/22/20

STATE OF _____

§

COUNTY OF _____

§

§

This instrument was acknowledged before me on the _____ day of _____, 2019,
 by _____, as _____ of
 Wildcat Energy, L.L.C., a _____, on behalf of
 same.

Notary Public in and for the State of Texas

My Commission expires: _____

STATE OF _____ §
 COUNTY OF _____ §
 §

This instrument was acknowledged before me on the _____ day of _____, 2019,
 by _____, as _____ of
 Larry T. Long, an _____, on behalf of same.

 Notary Public in and for the State of Texas
 My Commission expires: _____

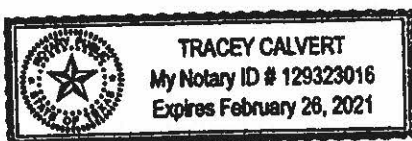
STATE OF _____ §
 COUNTY OF _____ §
 §

This instrument was acknowledged before me on the _____ day of _____, 2019,
 by _____, as _____ of
 Axis Energy Corporation, a _____, on behalf of
 same.

 Notary Public in and for the State of Texas
 My Commission expires: _____

STATE OF Texas §
 COUNTY OF Ellis §
 §

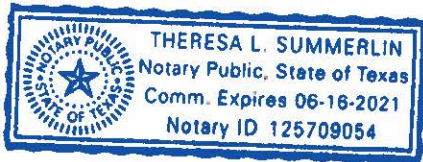
This instrument was acknowledged before me on the 15th day of October, 2019,
 by Roger L. Byker, as President of
 Wildcat Energy, L.L.C., a Texas LLC, on behalf of
 same.



Tracey Calvert
 Notary Public in and for the State of Texas
 My Commission expires: Feb. 26, 2021

STATE OF TEXAS §
 COUNTY OF Lubbock §

This instrument was acknowledged before me on the 18th day of September, 2019,
 by Clinton Pace, as _____ of
Clinton Pace, an _____, on behalf of same.



Theresa L. Summerlin
 Notary Public in and for the State of Texas
 My Commission expires: 6/16/21

STATE OF _____ §
 COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 2019,
 by _____, as _____ of
Ryan Pace, an _____, on behalf of same.

 Notary Public in and for the State of Texas
 My Commission expires: _____

STATE OF _____ §
 COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 2019,
 by _____, as _____ of
Tara N. Pace, an _____, on behalf of same.

 Notary Public in and for the State of Texas
 My Commission expires: _____

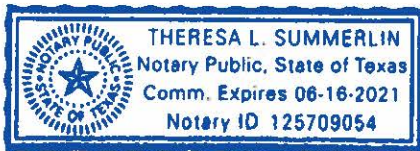
STATE OF _____ §
 COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 2019,
 by _____, as _____ of
 Clinton Pace, an _____, on behalf of same.

Notary Public in and for the State of Texas
 My Commission expires: _____

STATE OF TEXAS §
 COUNTY OF LUBBOCK §

This instrument was acknowledged before me on the 18th day of September, 2019,
 by Ryan Pace, as _____ of
 Ryan Pace, an _____, on behalf of same.



Theresa L. Summerlin
 Notary Public in and for the State of Texas
 My Commission expires: 6/16/21

STATE OF _____ §
 COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 2019,
 by _____ as _____ of
 Tara N. Pace, an _____, on behalf of same.

Notary Public in and for the State of Texas
 My Commission expires: _____

STATE OF _____ §
COUNTY OF _____ §
§

This instrument was acknowledged before me on the _____ day of _____, 2019,
by _____, as _____ of
Aleyna Pace, an _____, on behalf of same.

Notary Public in and for the State of Texas
My Commission expires: _____

STATE OF _____ §
COUNTY OF _____ §
§


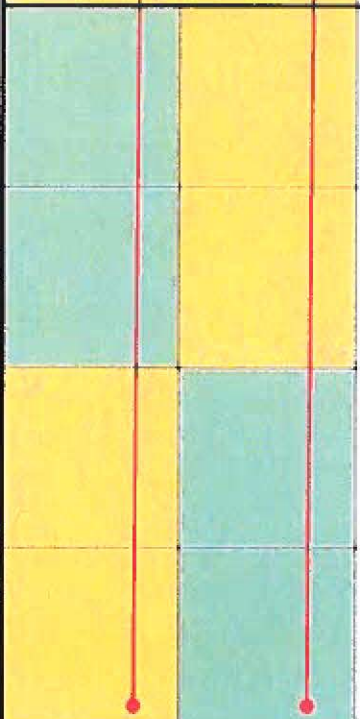

This instrument was acknowledged before me on the _____ day of _____, 2019,
by _____, as _____ of
Hunt Oil Company, an _____, on behalf of
same.

Notary Public in and for the State of Texas
My Commission expires: _____

EXHIBIT "A"

Plat of communized area covering 640.00 acres in W/2 of Section 27 and 22, Township 22
South, Range 34 East, N.M.P.M., Lea County, New Mexico

Squints Federal Com 8H

		Section 22	
		Tract 2: Sec 27: W/2SW/4 E/2NW/4 Sec 22: W/2 (480.00 ac) NMNM 43565	
			
		Section 27	
		Tract 1: Sec 27: W/2NW/4, E/2SW/4 (160.00 ac) NMNM 43564	
			

SQUINTS FEDERAL COM 8H, 7H

EXHIBIT "B"

Attached to and made a part of that Communitization Agreement dated July 25, 2019, covering W/2 of Section 27 and 22, Township 22 South, Range 34 East, N.M.P.M., Lea County, New Mexico

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

DESCRIPTION OF LEASES COMMITTED:**Tract No. 1**

Lease Effective Date:	June 1, 1981																			
Lease Term:	Ten (10) Years																			
Recordation:	Book 341, Page 221																			
Lessor:	USA Lease NMNM-43564																			
Original Lessee:	James A. Lane																			
Current Lessee:	COG Operating LLC; BTA Oil Producers, LLC; Hunt Oil Company; Joe J. Reynolds; David H. Pace																			
Description of Land Committed:	Insofar only as said lease covers: <u>Township 22 South, Range 34 East</u> Section 27: W/2NW/4, E/2SW/4 Lea County, New Mexico																			
Number of Acres:	160.00																			
Royalty Rate:	12½%																			
WI Owner Names and Interests:	<table border="0"> <tr> <td>COG Operating LLC</td> <td>50.0000000%</td> </tr> <tr> <td>BTA Oil Producers, LLC</td> <td>25.1000000%</td> </tr> <tr> <td>Alpha Energy Partners, LLC</td> <td>12.2140620%</td> </tr> <tr> <td>Larry T. Long</td> <td>7.0312500%</td> </tr> <tr> <td>Axis Energy Corporation Clinton Pace</td> <td>3.5156250%</td> </tr> <tr> <td>Ryan Pace</td> <td>0.4468760%</td> </tr> <tr> <td>Tara N. Pace</td> <td>0.4468760%</td> </tr> <tr> <td>Aleyna N. Pace</td> <td>0.4468753%</td> </tr> <tr> <td>Wildcat Energy, L.L.C.</td> <td>0.3515620%</td> </tr> </table>		COG Operating LLC	50.0000000%	BTA Oil Producers, LLC	25.1000000%	Alpha Energy Partners, LLC	12.2140620%	Larry T. Long	7.0312500%	Axis Energy Corporation Clinton Pace	3.5156250%	Ryan Pace	0.4468760%	Tara N. Pace	0.4468760%	Aleyna N. Pace	0.4468753%	Wildcat Energy, L.L.C.	0.3515620%
COG Operating LLC	50.0000000%																			
BTA Oil Producers, LLC	25.1000000%																			
Alpha Energy Partners, LLC	12.2140620%																			
Larry T. Long	7.0312500%																			
Axis Energy Corporation Clinton Pace	3.5156250%																			
Ryan Pace	0.4468760%																			
Tara N. Pace	0.4468760%																			
Aleyna N. Pace	0.4468753%																			
Wildcat Energy, L.L.C.	0.3515620%																			
ORRI Owners:	McMullen Minerals, LLC Pegasus Resources, LLC GGM Exploration, Inc. Sammy L. Morrison, Trustee of the Sammy and Sibyl Morrison Mineral Trust JJR, Inc. Misty Morning Partnership, Ltd. Douglas Investments, Inc. Panther City Exploration Company, LLC Robert E. Landreth																			

Tract No. 2

Lease Date: June 1, 1981
 Lease Term: Ten (10) Years
 Recordation: Book 405, Page 243
 Lessor: USA Lease NMNM-43565
 Original Lessee: R.J. Ackerman
 Current Lessee: COG Operating LLC; BTA Oil Producers, LLC; Axis Energy Corporation; Joe J. Reynolds; David H. Pace
 Description of Land Committed: Insofar only as said lease covers:
Township 22 South, Range 34 East
 Section 22: W/2
 Section 27: E/2NW/4, W/2SW/4
 Lea County, New Mexico
 Number of Acres: 480.00
 Royalty Rate: 12 1/4%
 WI Owner Names and Interests:

COG Operating LLC	50.00000000%
BTA Oil Producers, LLC	25.10000000%
Alpha Energy Partners, LLC	12.2140620%
Larry T. Long	7.0312500%
Axis Energy Corporation Clinton Pace	3.5156250%
Ryan Pace	0.4468760%
Tara N. Pace	0.4468753%
Aleyna N. Pace	0.4468753%
Wildcat Energy, L.L.C.	0.3515620%

ORRI Owners:

Madison M. Hinkle and Susan M. Hinkle, husband and wife
 Rolla R. Hinkle III, a single man
 Justin T. and Tiffany L. Crum, husband and wife
 Woody W. Wall and Marla L. Wall, h/w
 JJR, Inc.
 Misty Morning Partnership, Ltd.
 Douglas Investments, Inc,
 Panther City Exploration Company, LLC
 Robert E. Landreth

RECAPITULATION

Tract Number	Number of Acres Committed	Percentage of Interest in Communitized Area
No. 1	160.00	25.0000%
No. 2	480.00	75.0000%
	640.00	100.0000%