

02/22/17

C O N T R A C T D A T A S H E E T
1 NEARBURG PRODUCING COMPANY

** General Information ** ** ACTIVE **

Contract no: C-0288A Status: EXP
 Contract name: COTTONWOOD DRAW NORTH: JOA - No. tracts: 1
 MARBOB & PITCH ETAL-SRO WELLS
 (EXPIRED)
 Contract date: 05/08/09
 Effective date: 05/08/09
 Expiration date:
 Parties: MARBOB ENERGY CORPORATION OP
 PITCH ENERGY CORPORATION NON-OP
 THE ALLAR COMPANY NON-OP
 YATES PETROLEUM CORPORATION NON-OP
 EG3, INC NON-OP
 YATES DRILLING COMPANY NON-OP
 ABO PETROLEUM CORPORATION NON-OP
 MYCO INDUSTRIES, INC. NON-OP
 CHESAPEAKE EXPLORATION, LLC NON-OP
 NEARBURG EXPLORATION COMPANY, NON-OP
 LEGEND NATURAL GAS III L.P. NON-OP
 DEVON ENERGY PRODUCTION COMPAN NON-OP
 Contract type: JOINT OPERATING AGREEMENT
 Operator: MARBOB ENERGY CORPORATION

NMOCC CASE Nos. 15441, 15481, 15482
 NEX, SRO2 LLC AND SRO3 LLC
 Exhibit No. 65
 February 28, 2017

** Contract Description **

JOA COVERING THE E/2 E/2 OF SECTION 32, ALL OF SECTION 33, S/2 OF SECTION 34, T25S-R28E, AND ALL OF SECTIONS 3-4, 9-10, 15, 17, 20, W/2 OF SECTION 2, W/2 OF SECTION 5, E/2 OF SECTION 7, E/2 OF SECTION 8, E/2 E/2 OF SECTION 16, E/2 OF SECTION 18, T26S-R28E, LTD FROM SURFACE TO BASE OF BONE SPRING FM; EDDY COUNTY, NM.

** Obligations **

** Provisions **

DRIL	DRILLING REQUIREMENTS	O/B 8/1/09, MARBOB AS OPR TO DRILL INITIAL TEST WELL AT A LEGAL LOCATION IN SECTION 4, T26S-R28E, TO SUFFICIENTLY TEST THE BONE SPRING FM
SUBOPS	SUBSEQUENT OPERATIONS	NEW WELLS REQUIRE WRITTEN NOTIFICATION TO ALL PARTIES, WHO HAVE 30 DAYS TO RESPOND. FAILURE TO REPLY CONSTITUTES ELECTION NOT TO PARTICIPATE.
NON	NON-CONSENT PENALTY	N/C INTERESTS TO BE OFFERED TO CONSENTING PARTIES W/48-HR ELECTION PERIOD.
NON	NON-CONSENT PENALTY	200% NEW SURF EQP BEYOND WH CONNECTIONS + 200% OPRS 1ST PROD; AND, 500% DRILLING, REWORKING, DEEPENING, PLUGGING BACK, TESTING & COMPLETING; AND, 500% NEW EQUIP IN WELL (TO AND INCL WH CONNECTIONS).
TIK	TAKE IN KIND	EACH PARTY HAS RIGHT TO TAKE-IN-KIND OR SEPARATELY MARKET ITS PROPORTIONATE SHARE OF ALL O&G PRODUCED IN CONTRACT AREA
EXPLMT	EXPENDITURE LIMIT	CONSENT OF ALL PARTIES REQ'D FOR EXPENDITURES IN EXCESS OF \$25,000.00 EXCEPT WELL EXPENSE PREV AUTHORIZED
RENTAL	DELAY RENTALS	RENTALS, SHUT-IN WELL PMTS & MINIMUM ROYALTIES ARE TO BE PAID BY THE PARTY WHO SUBJECTED SUCH LEASE TO THIS AGREEMENT AT ITS OWN EXPENSE.
SURR	SURRENDER PROVISION	CONSENT OF ALL PARTIES REQ'D TO SURRENDER LEASES COVERED BY THIS AGMT
MISC	MISCELLANEOUS	LEASE RENEWALS/EXTS REQ NOTICE TO OTHER PARTIES, WHO THEN HAVE 30-DAY ELECTION PERIOD. EACH PARTY WHO PARTICIPATES IN THE PURCHASE OF A RENEWAL LEASE WILL BE GIVEN AN ASMT WITHOUT WARRANTY OF ITS PROPORTIONATE INTEREST. RENEWALS/EXTS TAKEN BEFORE EXP OR W/IN 6 MOS AFTER EXP SHALL BE SUBJECT.
PREF TERM	PREFERENTIAL RIGHTS TERM OF AGREEMENT	PREF RTS STRICKEN TERM IS FOR SO LONG AS PRODUCING IN PAYING QUANTITIES; 180 DAY CESSATION & 180 DAY REWORK

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300150689 01	SRO STATE UNIT COM #4H ORI-P&A
300150694 01	SRO STATE UNIT COM #6H - ORRI
300150695 01	SRO STATE UNIT COM #7H - ORRI
300150696 01	SRO STATE UNIT COM #5H - ORRI
300150700 01	SRO STATE UNIT COM #8H - ORRI
300150707 01	SRO STATE UNIT #13H - ORRI
300150708 01	SRO STATE UNIT #14H - ORRI
300150727 01	SRO STATE UNIT #17H - ORRI
300150729 01	SRO STATE UNIT #15H ORI - P&A
300150730 01	SRO STATE UNIT #9H - ORRI
300150743 01	SRO STATE UNIT #16H - ORRI
300150753 01	SRO STATE UNIT COM #11H - ORI
300150762 01	SRO STATE UNIT #10H - ORRI
300150778 01	SRO STATE UNIT #31H - ORRI
300150780 01	SRO STATE UNIT #18H - ORRI
300150846 01	SRO STATE UNIT #12H - ORRI
300150847 01	SRO STATE UNIT #20H - ORRI
300150848 01	SRO STATE UNIT #53H - ORRI

 ** Associated Contracts **

Contract no	Name
A-0332	COTTONWOOD DRAW NORTH T/A - NEX TO MARBOB (EXPIRED)
C-0282	COTTONWOOD DRAW NORTH COMAGMT - SRO STATE COM #2H
C-0283	COTTONWOOD DRAW NORTH COMAGMT - SRO STATE UNIT COM #3H
C-0284	COTTONWOOD DRAW NORTH COMAGMT - SRO STATE UNIT COM #4H
C-0285	COTTONWOOD DRAW NORTH COMAGMT - SRO STATE UNIT COM #5H
C-0286	COTTONWOOD DRAW NORTH COMAGMT - SRO STATE UNIT COM #7H
C-0288	COTTONWOOD DRAW NORTH UA (SRO STATE EXPL UNIT) - MARBOB &
C-0295	COTTONWOOD DRAW NORTH COMAGMT - SRO STATE UNIT COM #8H
C-0296	COTTONWOOD DRAW NORTH COMAGMT - SRO STATE UNIT COM #6H

 ** Acquisitions **

 ** Tract Information **

Tract 1		
State	NEW MEXICO	District PERMIAN BASIN
County	EDDY	Field
Prospect	COTTONWOOD DRAW NORT	

 ** Legal Description **

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Legal Desc ID 28909

New Mexico Principal Meridian

T25S R28E
Sec 32 E/2 E/2

Sec 33 ALL

Sec 34 S/2

T26S R28E
Sec 2 W/2

Sec 3 ALL

Sec 4 ALL

Sec 5 W/2

Sec 7 E/2

Sec 8 E/2

Sec 9 ALL

Sec 10 ALL

Sec 15 ALL

Sec 16 E/2 E/2

Sec 17 ALL

Sec 18 E/2

Sec 20 ALL

FROM SURFACE TO BASE OF BONE SPRING FM

** Depth Restrictions **

From	Depth	Ref	Formation
To	NA	SURFACE	BONE BONE SPRING
		BASE	

** Participants **

Part Code	Act Flg	Eff Dates	Exp Dates	Participant	Interest
WI	N			4154 MARBOB ENERGY CORPORATION	0 19477715
WI				1200 PITCH ENERGY CORPORATION	0 16856606
				2282 EOG Y RESOURCES, INC	0 13028650
				2164 EOG A RESOURCES INC	0 06663396
				2277 YATES DRILLING COMPANY	0 06663396
				1969 EOG M RESOURCES INC	0 06663396
				8992 THE ALLAR COMPANY	0 20162395
				17573 CHESAPEAKE EXPLORATION L L C	0 10484446
Total					1 00000000
ORRI N				4 NEARBURG EXPLORATION CO LLC	0 00083333
ORRI-NEX					
Total					0 00083333

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_____ ** Payout Information ** _____

Payout code	Description	Type	Paid out	Cost centers	Contracts
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_____ ** Attachments ** _____

Type	Attachment filename
MID OA OPERATING AGREEMENT	C-0288A Cottonwood Draw North-JOA-Marbob & Pitch et al pdf

_____ ** Set-up Information ** _____

Input date	11/24/2014
Input user	ST
Last update date	05/19/2016
Last update user	LP