

ConocoPhillips 2208 West Main Street Artesia, New Mexico 88210 www.conocophillips.com

December 12, 2023

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

Re: Revision of CTB-983 / Application for Administrative Approval of Lease Commingle (CTB)

Dear Mr. McClure,

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

Potato Baby St Com 701H API# 30-015-47458 Purple Sage; Wolfcamp (Gas) Ut. D, Sec. 34-T26S-R28E Eddy County, NM

Potato Baby St Com 703H API# 30-015-47464 Purple Sage; Wolfcamp (Gas) Ut. D, Sec. 34-T26S-R28E Eddy County, NM

Potato Baby St Com 705H API# 30-015-47460 Purple Sage; Wolfcamp (Gas) Ut. B, Sec. 34-T26S-R28E Eddy County, NM

Potato Baby St Com 901H API# 30-015-49967 Purple Sage; Wolfcamp (Gas) Ut. H, Sec. 34-T26S-R28E Eddy County, NM

Potato Baby St Com 903H API# 30-015-49969 Purple Sage; Wolfcamp (Gas) Ut. H, Sec. 34-T26S-R28E Eddy County, NM

Potato Baby St Com 905H API# 30-015-49971 Purple Sage; Wolfcamp (Gas) Ut. H, Sec. 34-T26S-R28E Eddy County, NM Potato Baby St Com 702H API# 30-015-47461 Purple Sage; Wolfcamp (Gas) Ut. D, Sec. 34-T26S-R28E Eddy County, NM

Potato Baby St Com 704H API# 30-015-47463 Purple Sage; Wolfcamp (Gas) Ut. B, Sec. 34-T26S-R28E Eddy County, NM

Potato Baby St Com 706H API# 30-015-47459 Purple Sage; Wolfcamp (Gas) Ut. B, Sec. 34-T26S-R28E Eddy County, NM

Potato Baby St Com 902H API# 30-015-49968 Purple Sage; Wolfcamp (Gas) Ut. H, Sec. 34-T26S-R28E Eddy County, NM

Potato Baby St Com 904H API# 30-015-49970 Purple Sage; Wolfcamp (Gas) Ut. H, Sec. 34-T26S-R28E Eddy County, NM

Potato Baby St Com 906H API# 30-015-50007 Purple Sage; Wolfcamp (Gas) Ut. H, Sec. 34-T26S-R28E Eddy County, NM Potato Baby St Com 907H API# 30-015-50009 Purple Sage; Wolfcamp (Gas) Ut. H, Sec. 34-T26S-R28E Eddy County, NM

Potato Baby St Com 909H API# 30-015-50008 Purple Sage; Wolfcamp (Gas) Ut. H, Sec. 34-T26S-R28E Eddy County, NM Potato Baby St Com 908H API# 30-015-50006 Purple Sage; Wolfcamp (Gas) Ut. H, Sec. 34-T26S-R28E Eddy County, NM

Potato Baby St Com 910H API# 30-015-50010 Purple Sage; Wolfcamp (Gas) Ut. H, Sec. 34-T26S-R28E Eddy County, NM

Oil Production:

The oil production from all wells will be measured separately by test meter prior to being commingled at the Central Tank Battery located in Ut. N, Sec. 34-T26S-R28E. 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.

The Potato Baby State 34N Satellite A is in section 34-T26S-R28E and will handle production from Potato Baby State Com Wells 901H-904H. To maintain metering accuracy, production from each well will be routed through segregated production trains on the well pad.

The Potato Baby State 34N Satellite B is in section 34-T26S-R28E and will handle production from Potato Baby State Com Wells 906H-909H. To maintain metering accuracy, production from each well will be routed through segregated production trains on the well pad.

Gas Production:

The gas production from all wells will be measured separately by test meters prior to being commingled and entering a gas flow line to the gas custody transfer meter at the Central Tank Battery located in Ut. N, Sec. 34-T26S-R28E.

Well testing will be by separating and measuring the oil and gas production from the well for a minimum of twentyfour consecutive hours.

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

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

Thank you for your attention to this matter.

Sincerely,

Jeanette Barron

Jeanette Barron Regulatory Coordinator

RECEIVED:	REVIEWER:	TYPE:	APP NO:	
		ABOVE THIS TABLE FOR OCC O OIL CONSERV Cal & Engineerin Ancis Drive, San	/ATION DIVISIC ng Bureau –	
		ATIVE APPLICAT		
THIS	CHECKLIST IS MANDATORY FOR AL REGULATIONS WHICH RE			
Applicant:			00	GRID Number:
Vell Name:			AP	l: ol Code:
			JIRED TO PROCES	SS THE TYPE OF APPLICATION
A. Location	ICATION: Check those value of a Spacing Unit - Simult NSL NSP		on	□sd
[1] Com [one only for [1] or [11] nmingling – Storage – Mi DHC	re Increase – Enh	nanced Oil Reco	
A. Offse B. Roya C. Appl D. Notifi E. Notifi F. Surfa G. For a	N REQUIRED TO: Check to operators or lease hold lty, overriding royalty ovication requires published cation and/or concurred cation and/or concurred ce owner ll of the above, proof of otice required	ders wners, revenue o ed notice ent approval by B ent approval by B	wners ELO BLM	FOR OCD ONLY Notice Complete Application Content Complete ached, and/or,
administrative understand the	N: I hereby certify that to approval is accurate an action will be take are submitted to the Div	and complete to en on this applic	the best of my k	
N	lote: Statement must be comple	ted by an individual wit	th managerial and/or	supervisory capacity.
			<u>12.12.23</u> Date	
Print or Type Name				
			Phone Numb	per
<u>Jeanette Bar</u>	ron			
Signature			e-mail Addre	ess

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

OIL CONSERVATION DIVISION

1220 S. St Francis Drive Santa Fe, New Mexico 87505 Form C-107-B Revised August 1, 2011

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

APPLICA	ATION I	OR SURFACE O	COMMINGLING	(DIVERSE	OWNERSHIP)						
OPERATOR NAME:	COG Ope	rating LLC									
OPERATOR ADDRESS:	2208 W N	Iain Street, Artesia, N	ew Mexico 88210			_					
APPLICATION TYPE:						_					
☐ Pool Commingling ☐ Lease	Comminglin	g ☐Pool and Lease Cor	nmingling Off-Lease	Storage and Measur	rement (Only if not Surface	e Commingled)					
LEASE TYPE: Fe		State Feder									
Is this an Amendment to exist Have the Bureau of Land Ma						ingling					
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					
			-								
			<u> </u> -								
			-								
			-								
(2) Are any wells producing a (3) Has all interest owners bec (4) Measurement type: (5) Will commingling decreas	n notified by	v certified mail of the pro Other (Specify)		☐Yes ☐No.	ing should be approved						
		Please attach sheet	SE COMMINGLINGS with the following in								
 (1) Pool Name and Code. 982 (2) Is all production from sam (3) Has all interest owners beer (4) Measurement type: M 	e source of s notified by	upply? ⊠Yes □N		⊠Yes □N	0						
		(C) POOL 1	TEACE COLOMN	CI DIC							
			LEASE COMMIN s with the following in								
(1) Complete Sections A and	Е.										
	(D		ORAGE and MEA								
(1) Is all production from sam(2) Include proof of notice to		upply?		imoi mation							
()											
	(E) AD		RMATION (for all s with the following in		vpes)						
(1) A schematic diagram of fa	•										
 (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 informat	ion above is	true and complete to the	best of my knowledge an	d belief.							
signature: Jeanette		242	TLE: Regulatory Coordn		DATE:12.12.23	3					
TYPE OR PRINT NAME Jeane	tte Barron	TELEPHONE NO.:	575.748.6974								

E-MAIL ADDRESS: _jbarron@concho.com

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

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

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

District IV

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

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

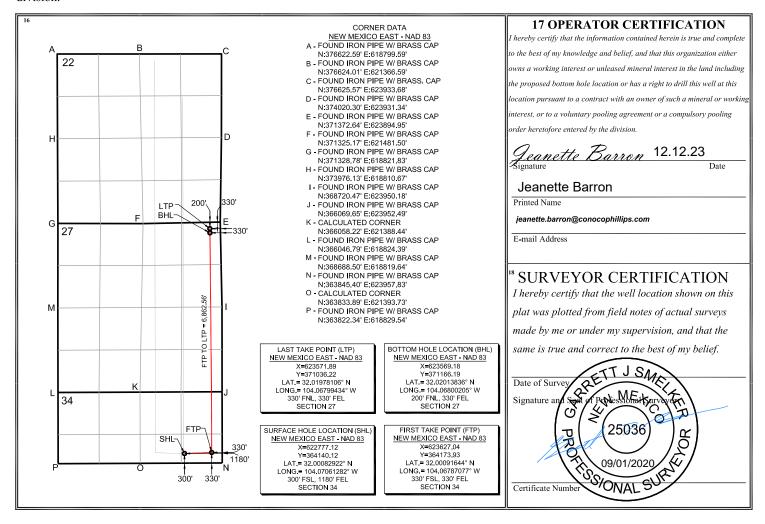
1 API Numbe 30-015-47458	2 Pool Code 98220 PURPLE SAGE; WOLFCAMP ((GAS)
4 Property Code 329348		roperty Name ABY STATE COM	6 Well Number 701H
7 OGRID No. 229137		perator Name ERATING LLC	9 Elevation 3073'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	34	26-S	28-E		300'	SOUTH	1180'	EAST	EDDY

11 Bottom Hole Location If Different From Surface

	Bottom Hole Eccation if Different Holm Surface										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
A	27	26-S	28-E		200'	NORTH	330'	EAST	EDDY		
12 Dedicated Acre	s 13 Joint o	r Infill 14	Consolidation	Code 15 O	rder No.	`					
767.52											



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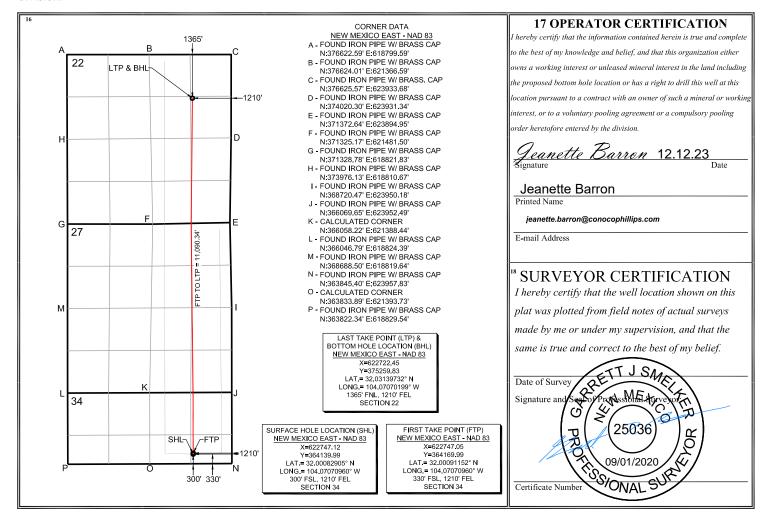
1 API Numbe 30-015-47461	r	2 Pool Code 98220	PURPLE SAGE; WOLFCAM	P (GAS)
4 Property Code 329348			roperty Name ABY STATE COM	6 Well Number 702H
7 OGRID No. 229137			perator Name ERATING LLC	9 Elevation 3074'

¹⁰ Surface Location

Γ	UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	4	34	26-S	28-E		300'	SOUTH	1210'	EAST	EDDY

11 Bottom Hole Location If Different From Surface

	Bottom Hole Eccation in Different Hom Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
Н	22	26-S	28-E		1365'	NORTH	1210'	EAST	EDDY	
12 Dedicated Acre	s 13 Joint o	or Infill 14	Consolidation	15 O	rder No.					
767.52										



District IV

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Santa Fe, NM 87505

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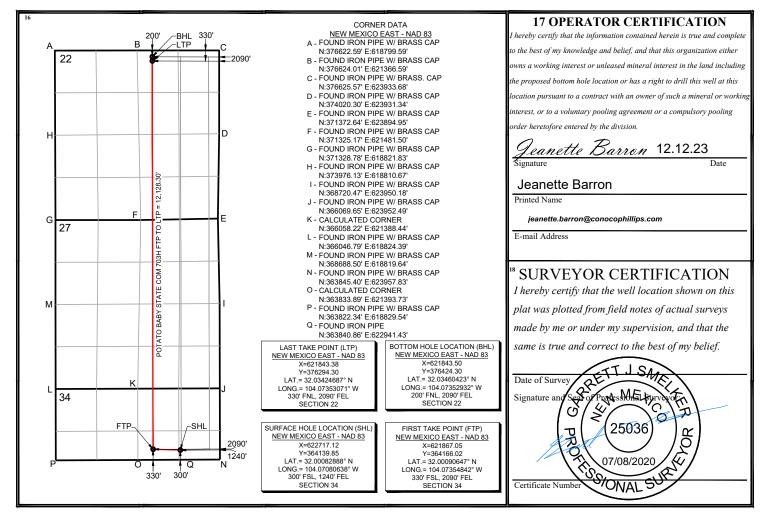
V-	***	EE EG CHITTOT (TIT (E	TICIETTOE DEDICTITION TETT		
1 API Numbe 30-015-47464	er	2 Pool Code 98220	PURPLE SAGE; WOLFCAMP (GAS	8)	
4 Property Code 329348			Property Name 6 Well I BABY STATE COM 70.		
7 OGRID No. 229137			perator Name ERATING LLC	9 Elevation 3075'	

¹⁰ Surface Location

Ì	UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	4	34	26-S	28-E		300'	SOUTH	1240'	EAST	EDDY

Rottom Hole Location If Different From Surface

	"Bottom Hole Location II Different From Surface										
Γ	UL or lot no.	Section	Townshi	ip	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	В	22	26-S		28-E		200'	NORTH	2090'	EAST	EDDY
Ī	2 Dedicated Acres 767.52	13 Joint o	r Infill	14 C	Consolidation	Code 15 C	Order No.				
	707.02										



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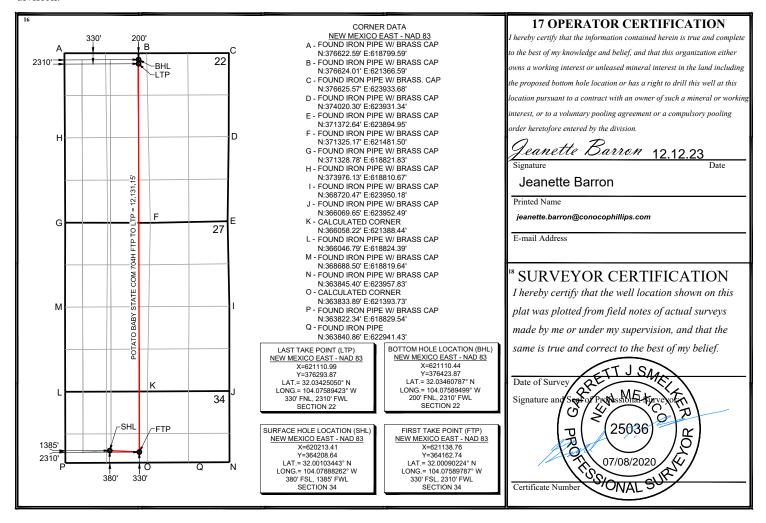
WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-015-47463		2 Pool Code 98220	GAS)	
4 Property Code 329348			roperty Name ABY STATE COM	6 Well Number 704H
7 OGRID №. 229137			perator Name ERATING LLC	9 Elevation 3083'

¹⁰ Surface Location

UL or lot no.	Section 34	Township 26-S	Range 28-E	Lot Idn	Feet from the 380'	North/South line SOUTH	Feet from the 1385'	East/West line WEST	County EDDY
			п Во	ttom Ho	le Location I	f Different Fro	m Surface		

	Bottom Hote Education 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	26-S	28-E		200'	NORTH	2310'	WEST	EDDY			
12 Dedicated Acre 767.52	s 13 Joint o	r Infill 14	Consolidation	Code 15 O	rder No.							



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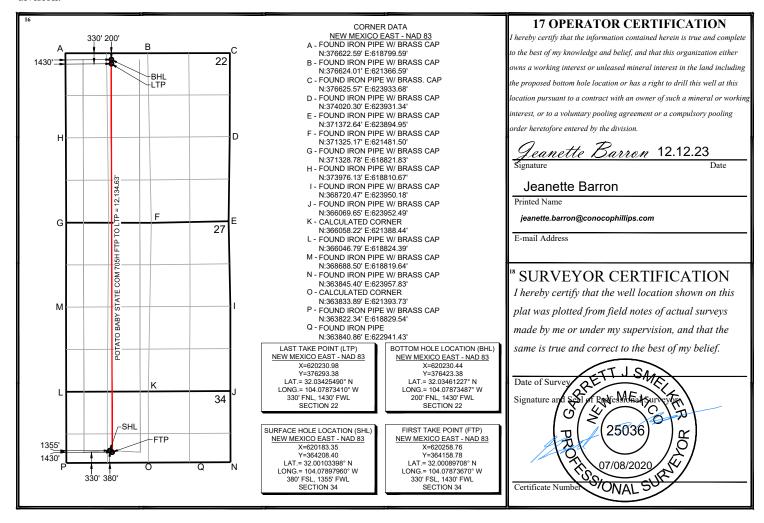
1 API Numbe 30-015-47460	er	2 Pool Code 98220	3 Pool Name PURPLE SAGE; WOLFCAMF	CAMP (GAS)		
4 Property Code 329348			roperty Name ABY STATE COM	6 Well Number 705H		
7 OGRID No. 229137	7 OGRID No.		perator Name ERATING LLC	9 Elevation 3082'		

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
2	34	26-S	28-E		380'	SOUTH	1355'	WEST	EDDY

Rottom Hole Location If Different From Surface

			11 H	ottom Ho	ole Location I	if Different Fro	om Surface		
UL or lot no.	Section	Townshi	p Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
С	22	26-S	28-E		200'	NORTH	1430'	WEST	EDDY
12 Dedicated Acres 767.52	13 Joint o	or Infill	14 Consolida	on Code 15	Order No.				



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OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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WELL LOCATION AND ACREAGE DEDICATION PLAT

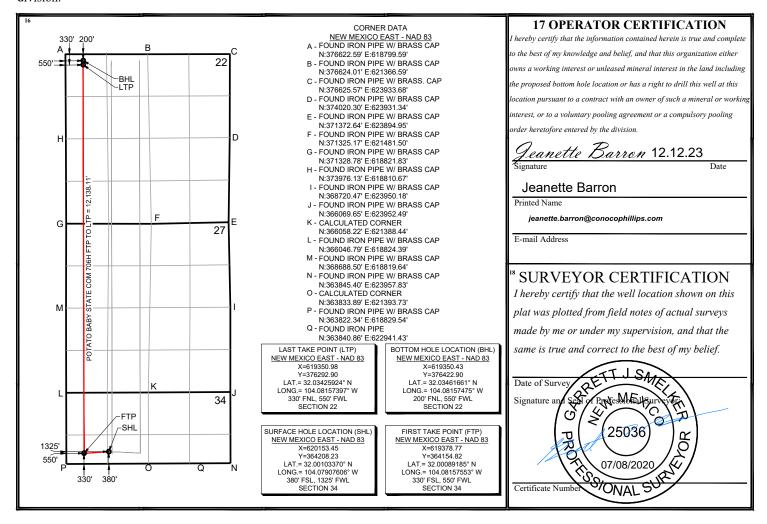
1 API Numbe 30-015-4745	2 Pool Code 98220	3 Pool Name PURPLE SAGE; WOLFCAMP (GAS)			
4 Property Code 329348	5 Property Name POTATO BABY STATE COM				
7 OGRID No. 229137		perator Name ERATING LLC	9 Elevation 3082'		

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
2	34	26-S	28-E		380'	SOUTH	1325'	WEST	EDDY

Bottom Hole Location If Different From Surface

			11 BC	ottom Ho	le Location I	f Different Fro	m Surface		
UL or lot no.	UL or lot no. Section Township Range Lo					North/South line	Feet from the	East/West line	County
D	22	26-S	28-E		200'	NORTH	550'	WEST	EDDY
12 Dedicated Acre 767.52	s 13 Joint o	or Infill 1	14 Consolidation	Code 15 O	rder No.				



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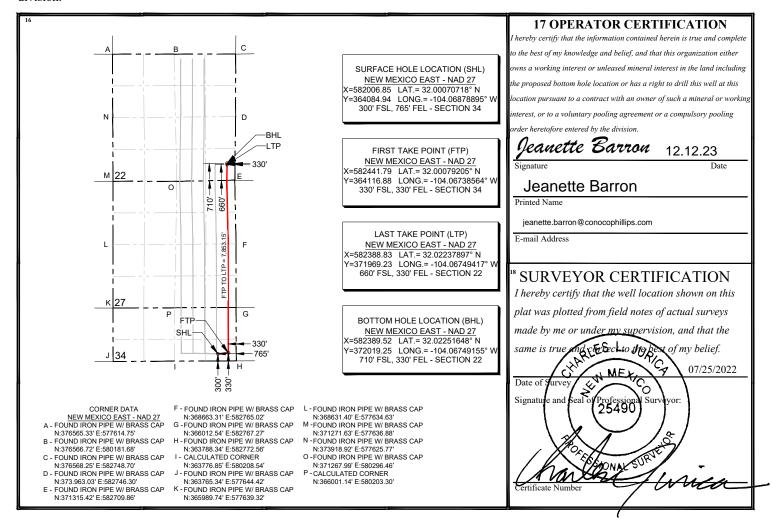
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Numbe		2 Pool Code		
30-015-49	967	98220	\mathbf{S})	
4 Property Code		5 Pı	6 Well Number	
329348		POTATO I	BABY STATE COM	901H
7 OGRID No.		8 O	perator Name	9 Elevation
229137		COG O	PERATING LLC	3065.36'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
4	34	26-S	28-E		300'	SOUTH	765'	EAST	EDDY		
	¹¹ 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		
P	22	26-S	28-E		710'	SOUTH	330'	EAST	EDDY		
12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No.											



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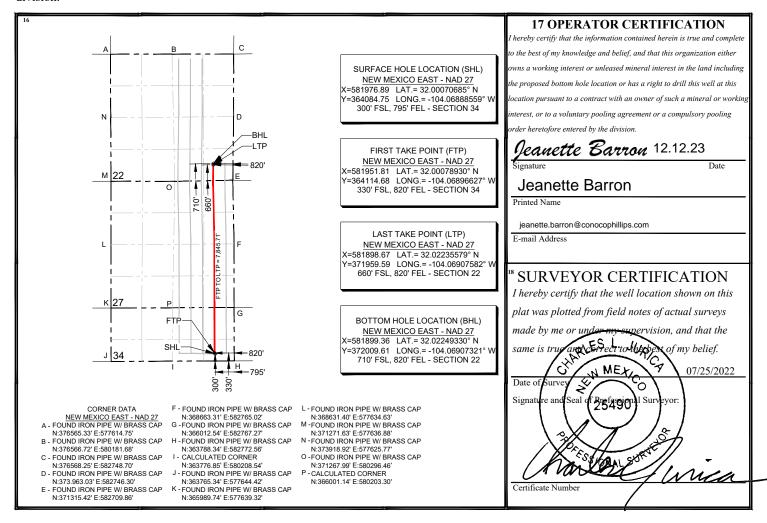
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WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Numbe 30-015-4	² Pool Code 98220	^{3 Pool Name} Purple Sage; Wolfcamp (Gas)				
4 Property Code	5 Pi	6 Well Number				
329348	POTATO I	POTATO BABY STATE COM				
7 OGRID No.	8 O	perator Name	9 Elevation			
229137	COG O	3065.92'				

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	34	26-S	28-E		300'	SOUTH	795'	EAST	EDDY
¹¹ 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
P	22	26-S	28-E		710'	SOUTH	820'	EAST	EDDY
12 Dedicated Acre	s 13 Joint o	or Infill 14	Consolidation	Code 15 O	rder No.				
527 72									



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EAST

1310'

AMENDED REPORT

EDDY

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-015-49969	² Pool Code 98220	³ Pool Name Purple Sage; Wolfcamp (Gas)			
4 Property Code 329348	5 Property Name POTATO BABY STATE COM				
7 OGRID No. 229137		perator Name PERATING LLC	9 Elevation 3066.45'		

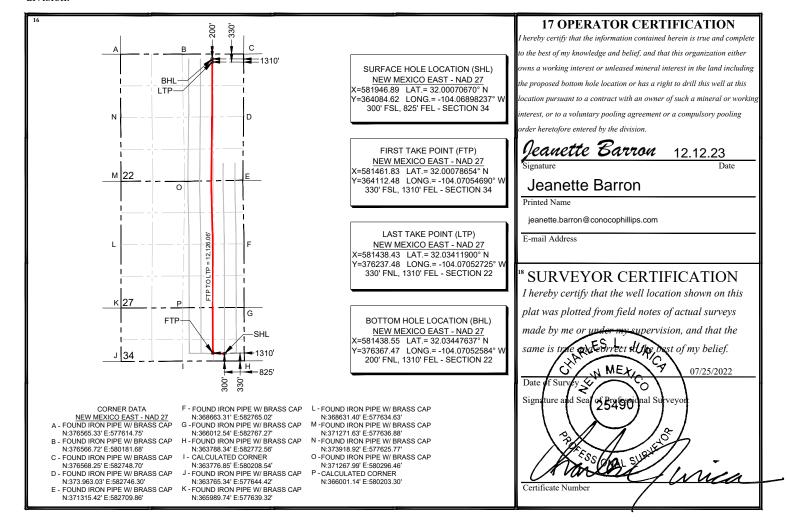
¹⁰ Surface Location

ľ	UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
	4	34	26-S	28-E		300'	SOUTH	825'	EAST	EDDY	
	¹¹ Bottom Hole Location If Different From Surface										
ſ	UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	

NORTH

26-S 28-E 200 В 12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code

767.72



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 <u>District III</u>

1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u>

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

AMENDED REPORT

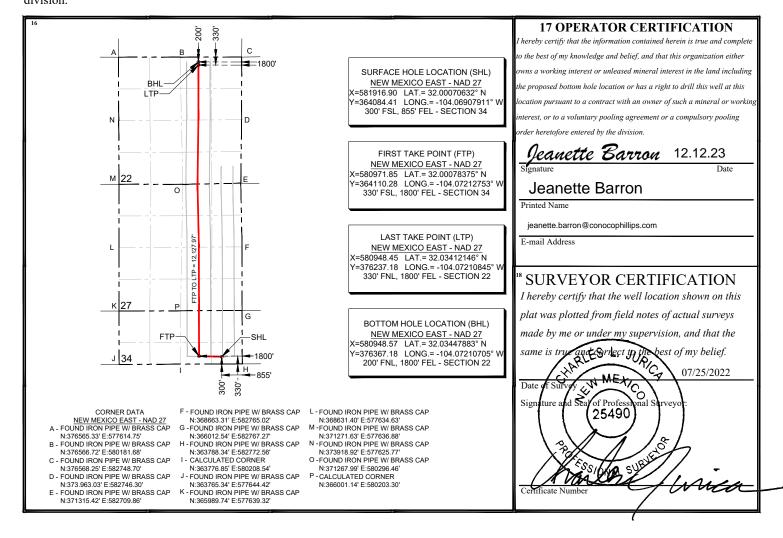
WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code	3 Pool Name			
30-015-49970		98220	Purple Sage; Wolfcamp (Gas)			
4 Property Code 329348		5 Pi Potato I	6 Well Number 904H			
7 OGRID No. 229137		8 O COG O	9 Elevation 3067.37'			

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County			
4	34	26-S	28-E		300'	SOUTH	855'	EAST	EDDY			
¹¹ 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			
В	22	26-S	28-E		200'	NORTH	1800'	EAST	EDDY			

12 Dedicated Acres | 13 Joint or Infill | 14 Consolidation Code | 15 Order No. | 767.72



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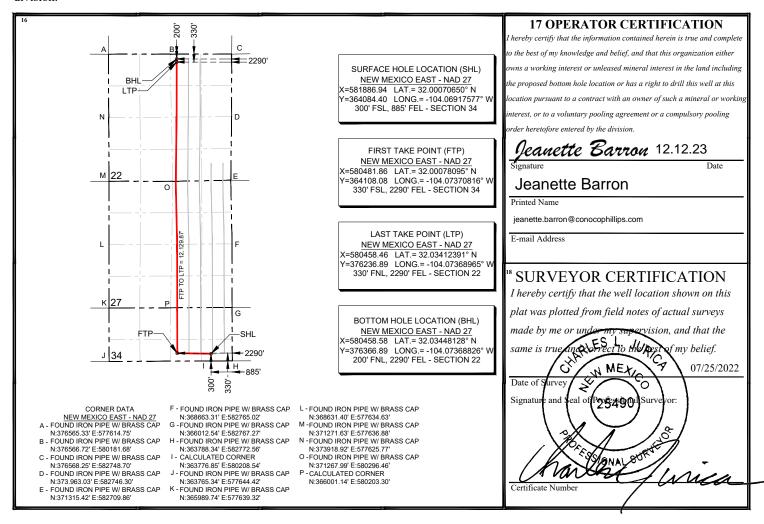
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code	3 Pool Name			
30-015-49971		98220	Purple Sage; Wolfcamp (Gas)			
4 Property Code		5 P	6 Well Number			
329348		POTATO 1	BABY STATE COM	905H		
7 OGRID No.		8 O	9 Elevation			
229137		COG O	PERATING LLC	3067.83'		

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County			
4	34	26-S	28-E		300'	SOUTH	885'	EAST	EDDY			
	" 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			
UL or lot no. B	Section 22	Township 26-S	Range 28-E	Lot Idn	Feet from the 200'	North/South line NORTH	Feet from the 2290'	East/West line EAST	County EDDY			



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767.52

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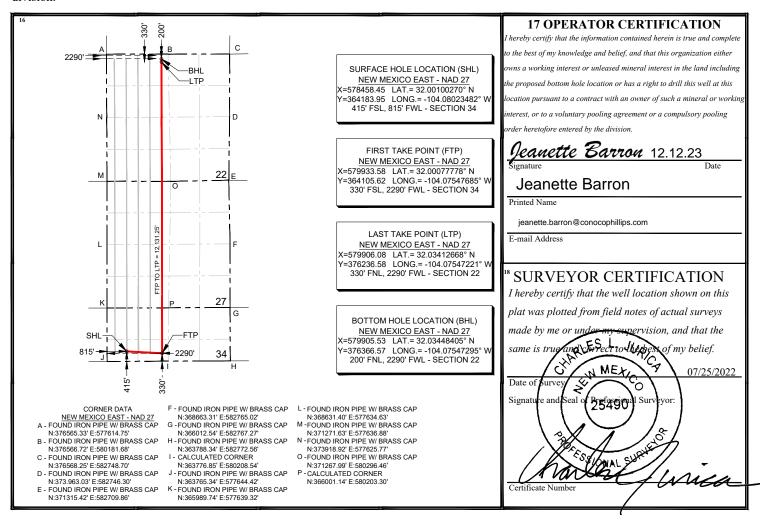
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code	3 Pool Name	
30-015-50007		98220		
4 Property Code		5 P	roperty Name	6 Well Number
329348		POTATO I	BABY STATE COM	906Н
7 OGRID No.		8 O	9 Elevation	
229137		COG O	3072.49'	

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
1	34	26-S	28-E		415'	SOUTH	815'	WEST	EDDY		
¹¹ 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		
UL or lot no.	Section 22	Township 26-S	Range 28-E	Lot Idn	Feet from the 200'	North/South line NORTH	Feet from the 2290'	East/West line WEST	County EDDY		



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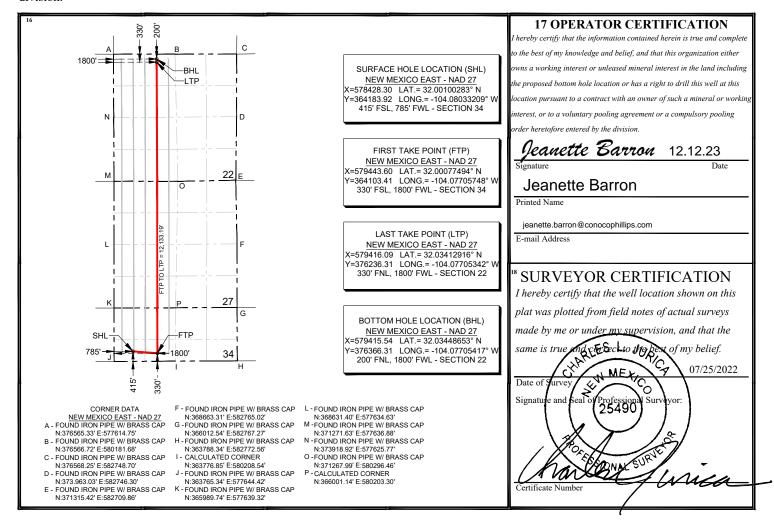
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code	3 Pool Name			
30-015-50009		98220	is)			
4 Property Code		5 Pi	roperty Name	6 Well Number		
329348		POTATO I	BABY STATE COM	907H		
7 OGRID No.		8 O	9 Elevation			
229137		8 Operator Name COG OPERATING LLC				

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
1	34	26-S	28-E		415'	SOUTH	785'	WEST	EDDY		
	¹¹ 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		
С	22	26-S	28-E		200'	NORTH	1800'	WEST	EDDY		
12 Dedicated Acre	s 13 Joint o	or Infill 14 (Consolidation	Code 15 O	rder No.						
707.50											



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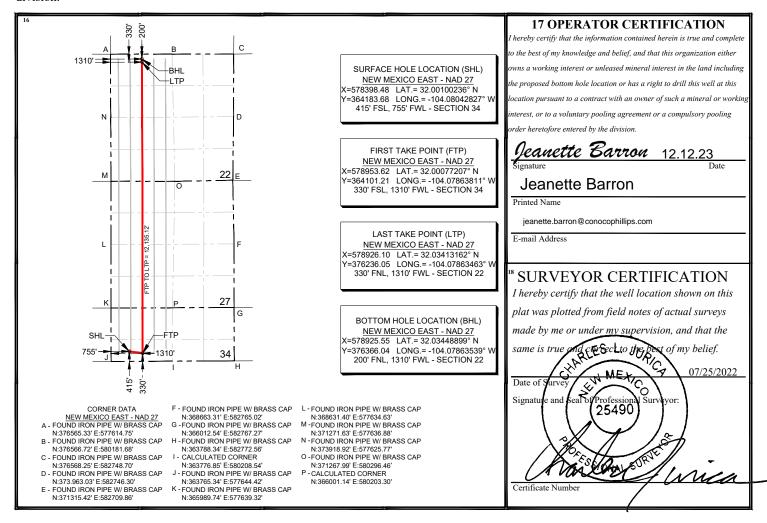
WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code	3 Pool Name	
30-015-50006		98220		
4 Property Code		5 Pı	roperty Name	6 Well Number
329348		POTATO I	BABY STATE COM	908H
7 OGRID No.		8 O	9 Elevation	
229137		COG O	3073.03'	

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
1	34	26-S	28-E		415'	SOUTH	755'	WEST	EDDY		
" 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	26-S	28-E		200'	NORTH	1310'	WEST	EDDY		
12 Dedicated Acre	2 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No.										

767.52



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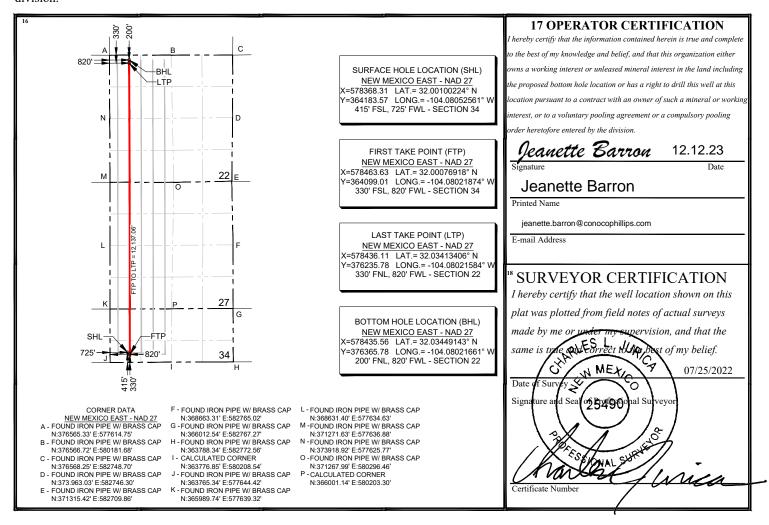
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number	r	2 Pool Code	3 Pool Name		
30-015-50008		98220	Purple Sage: Wolfcamp (Ga	as)	
4 Property Code		5 Pı	6 Well Number		
329348		РОТАТО І	909Н		
7 OGRID No.		8 O ₁	9 Elevation		
229137		COG O	3073.14'		

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	34	26-S	28-E		415'	SOUTH	725'	WEST	EDDY
	"Bottom Hole Location If Different From Surface								
UL or lot no.	UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County								
D	D 22 26-S 28-E 200' NORTH 820' WEST EDDY								
12 Dedicated Acre	2 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No.								



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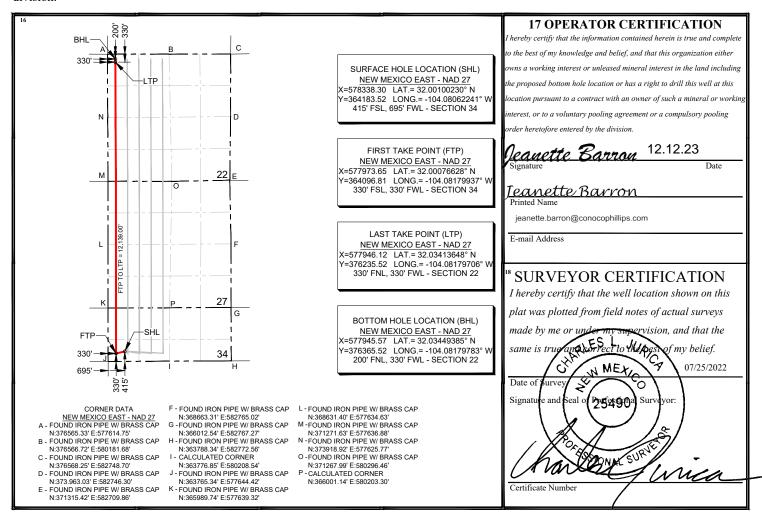
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number	r	2 Pool Code	3 Pool Name	
30-015-50010	0	98220	Purple Sage; Wolfcamp (Gas)	
4 Property Code		5 Pi	6 Well Number	
329348		POTATO I	910H	
7 OGRID No.		8 O	9 Elevation	
229137		COG O	3073.57'	

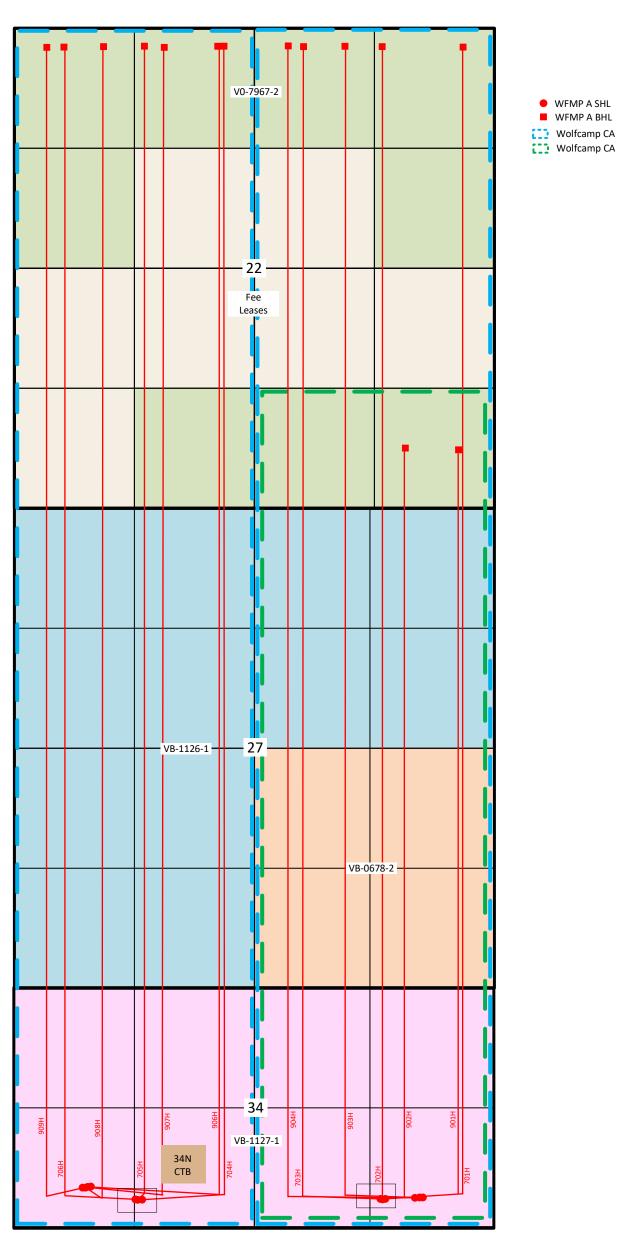
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	34	26-S	28-E		415'	SOUTH	695'	WEST	EDDY
	¹¹ 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	26-S	28-E		200'	NORTH	330'	WEST	EDDY
12 Dedicated Acre	s 13 Joint o	or Infill 14	Consolidation	Code 15 O	order No.				

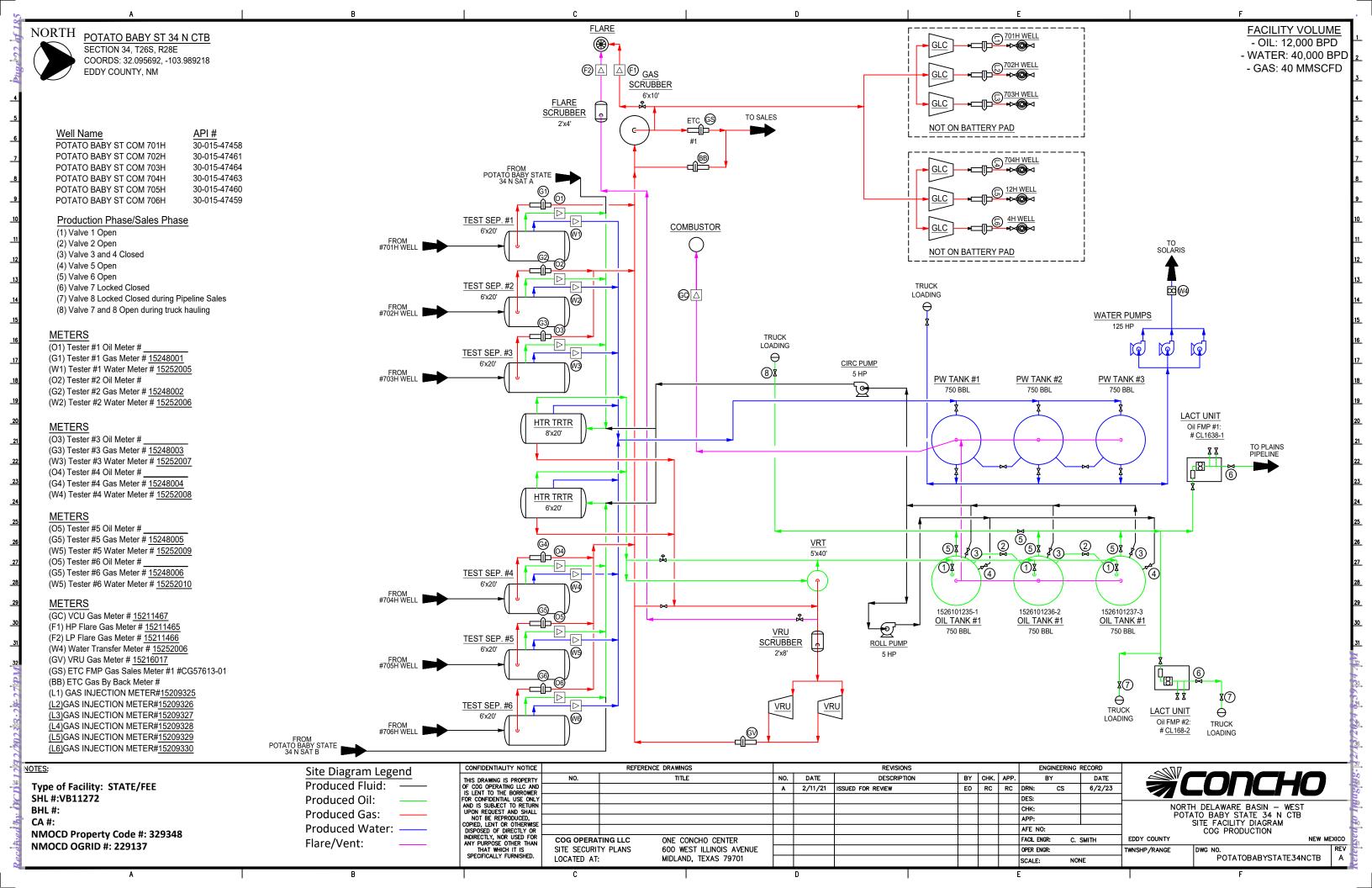


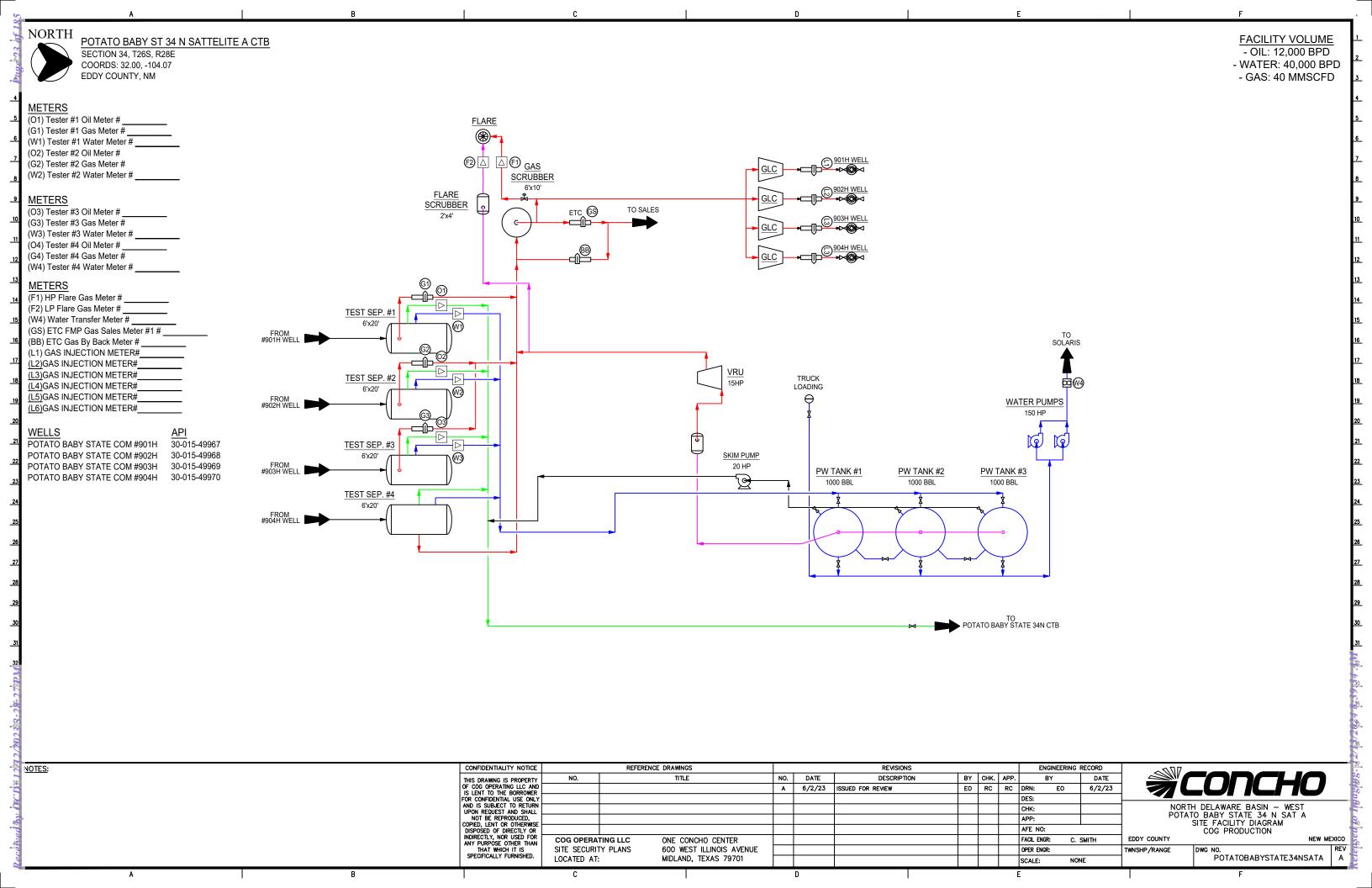
Potato Baby State Wells

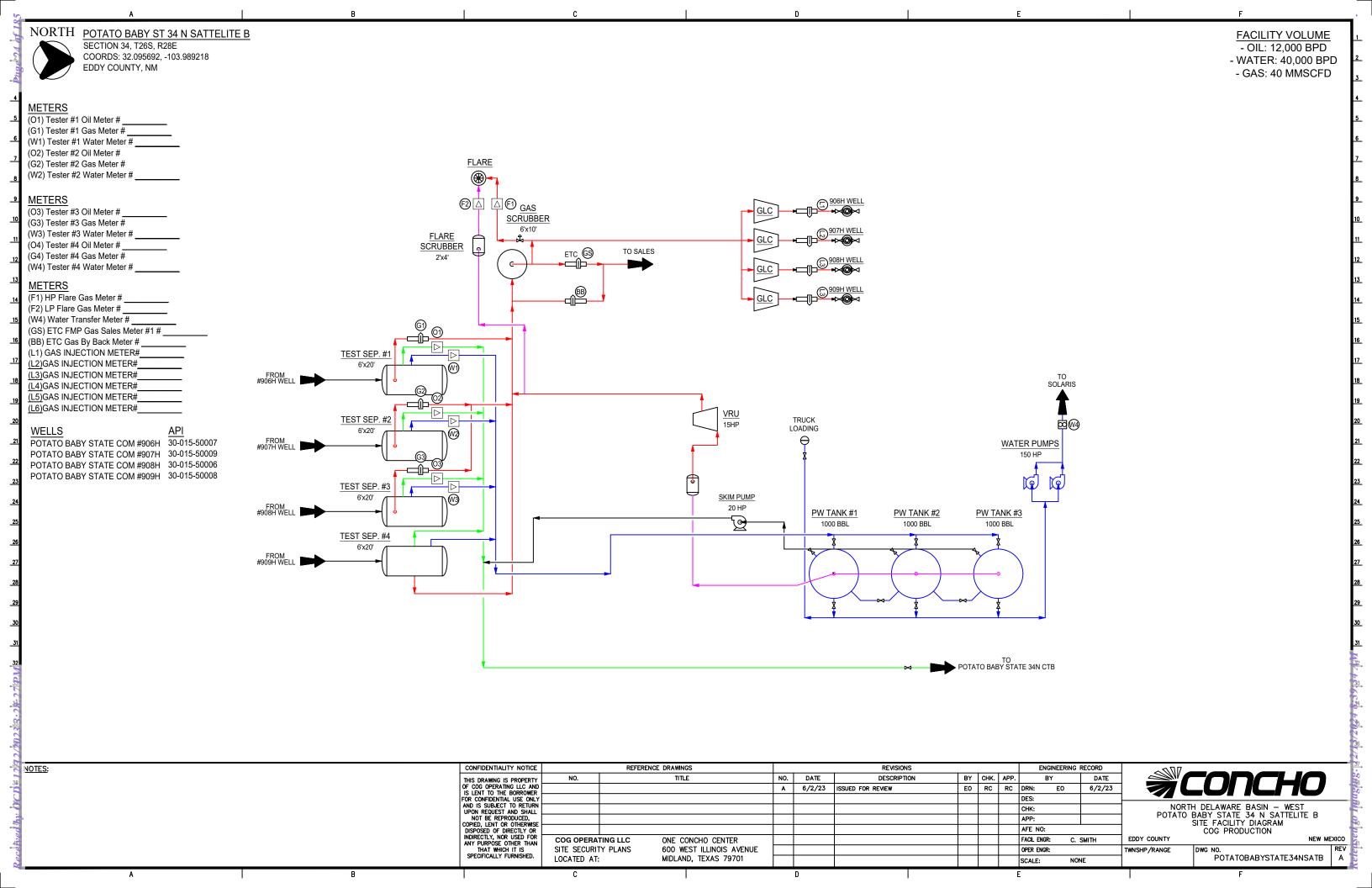
WFMP A SHL ■ WFMP A BHL



Sec. 22, 27, 34-T26S-R28E Eddy County, NM



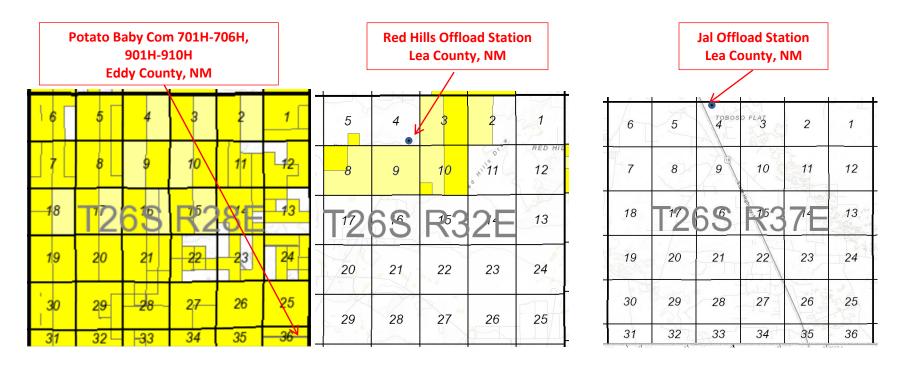






POTATO BABY ST COM 701H-706H & 901H-910H

Potato Baby State Com 701H-706H, 901H-910H & Red Hills and Jal Offload Station Map



		POTATO BABT ST COM 701	H-706H & 901H-910H SURFACE COMMIN	GLL		·	
ate Sent	Initials	Name	Address	City	State	ZipCode	Certified Return Receipt No
2.12.23	JB	1836 Royalty Partners LLC	306 W Wall Street, Suite 620	Midland	TX	79701	7017 3040 0000 1205 5010
2.12.23		Michael Foley, dealing in his sole and separate property	111 No 127th Plaza	Omaha	NE	68154	7017 3040 0000 1205 5027
.12.23	JB	Alice A. Wesely, dealing in her sole and separate property	12912 Dewey St	Omaha	NE	68154	7017 3040 0000 1205 5034
.12.23	JB	Anabel Schmidt Family Trust, Art Schmidt Trustee	30 Tiburon	Austin	TX	78738	7017 3040 0000 1205 5041
.12.23	JB JB	Ann E Obrien Ann Marie Abboud, dealing in her sole and separate property	6221 Woolworth Avenue 9771 Westchester Dr	Omaha Omaha	NE NE	68106 68114	7017 3040 0000 1205 5058 7017 3040 0000 1205 5065
.12.23	JB	AR Midland LP	1717 S Boulder Ave, Suite 400	Tulsa	OK	74119	7017 3040 0000 1205 5072
.12.23	JB	Brigham Minerals, LLC	5914 W Courtyard Drive, Suite 100	Austin	TX	78730	7017 3040 0000 1205 5089
.12.23	JB	BSB Minerals LLC	3207 Hanover St	Dallas	TX	75225	7017 3040 0000 1205 5096
.12.23	JB	Buckhorn Minerals IV LP	1885 St James Place, Suite 820	Houston	TX	77056	7017 3040 0000 1205 5102
.12.23	JB	Camie Wade	PO Box 65150	Lubbock	TX	79464	7017 3040 0000 1205 5119
.12.23	JB	Chisos Minerals LLC	1111 Bagby Street, Suite 2150	Houston	TX	77002	7017 3040 0000 1205 5126
.12.23	JB	Christine Speidel Fowlkes	416 S Manzanita Dr	Horizon City	TX	79928	7017 3040 0000 1205 5133
.12.23	JB	Christopher Clegg Fowlkes	416 S Manzanita Dr	Horizon City	TX	79928	7017 3040 0000 1205 5140
.12.23	JB JB	Dale Land & Minerals LLC David Kerby	2100 Ross Ave., Suite 1870 16704 County Road 1440	Dallas Wolfforth	TX TX	75201 79382	7017 3040 0000 1205 5157 7017 3040 0000 1205 5164
.12.23	JB	Debra Kay Primera	PO Box 28504	Austin	TX	78755	7017 3040 0000 1203 3104
.12.23	JB	Delaware Ranch Inc.	1304 W Riverside Drive	Carlsbad	NM	88220	7017 3040 0000 1205 5188
.12.23	JB	Edward George Silvius, dealing in his sole separate property	PO Box 1002	Dallas	OR	97338	7017 3040 0000 1205 5195
.12.23	JB	Edwin Fowlkes Heirs Family Limited Partnership	555 N 1400 E	Mapleton	UT	84664	7017 3040 0000 1205 5201
.12.23	JB	Edwin Hockaday Fowlkes, III (aka Trey Fowlkes)	PO Box 23416	Waco	TX	76702	7017 3040 0000 1205 5218
.12.23	JB	EG3 Inc.	PO Box 1567	Graham	TX	76450	7017 3040 0000 1205 5225
.12.23	JB	Ellen Ryan, dealing in her sole and separate property	5300 Mohawk Lane	Fairway	KS	66205	7017 3040 0000 1205 5232
.12.23	JB	Erin T. Moeschler, dealing in her sole and separate property	2406 NE Going St	Portland	OR	97211	7017 3040 0000 1205 5249
12.23	JB	Fortis Minerals II, LLC	1111 Bagby Street, Suite 2150	Houston	TX	77002	7017 3040 0000 1205 5256
.12.23	JB	Franco-Nevada Texas LP George Poage, III	1745 Shea Center Dr., Suite 400 PO Box 369	Highlands Ranch	CO	80129	7017 3040 0000 1205 5263
12.23 12.23	JB JB	George Poage, III George Thompson	4619 94th St	Marble Falls Lubbock	TX TX	78654 79424	7017 3040 0000 1205 5270 7017 3040 0000 1205 5287
12.23	JB	Herbert M. Sampson III, dealing in his sole and separate property	633 Park River PI	Estes Park	CO	80517	7017 3040 0000 1205 5287
.12.23	JB	James Daniel Jeffrey, whose wife is Jennifer J. Jeffrey	3830 Corvallis Drive	Reno	NV	89511	7017 3040 0000 1203 3294
12.23	JB	Janet E. Czerwinski, dealing in her sole and separate property	1042 S Kenilworth Ave	Oak Park	IL	60304	7017 3040 0000 1205 5317
12.23	JB	Janet Renee Fowlkes Murrey	PO Box 417	Eddy	TX	76524	7017 3040 0000 1205 5324
.12.23	JB	JC Resources LP	1717 S Boulder Ave, Suite 400	Tulsa	OK	74119	7017 3040 0000 1205 5331
.12.23	JB	Jessica E. Miller, dealing in her sole and separate property	683 JE George Blvd	Omaha	NE	68132	7017 3040 0000 1205 5348
.12.23	JB	John F. Risko, dealing in his sole and separate property	1609 Grappenhall Dr	Apex	NC	27502	7017 3040 0000 1205 5355
.12.23	JB	John Kevin Stumm, dealing in his sole and separate property	5572 Linea Del Cielo	Rancho Santa Fe	CA	92067	7017 3040 0000 1205 5362
.12.23	JB	John M. Fowlkes	PO Box 1470	Marfa	TX	79843	7017 3040 0000 1205 5379
12.23	JB	John Peter Jeffrey, whose wife is Margaret H. Jeffrey	PO Box 12019	Austin	TX	78711	7017 3040 0000 1205 5386
12.23 12.23	JB JB	Joseph F. Jeffrey, whose wife is Debra Jeffrey Joseph S. Risko, dealing in his sole and separate property	2963 Windsor Court 12605 Leavenworth Rd	Rescue Omaha	CA NE	95672 68154	7017 3040 0000 1205 5393 7017 3040 0000 1205 5409
12.23	JB	Jubilee Royalty Holdings LLC	615 Washington Rd, Suite 400	Pittsburgh	PA	15228	7017 3040 0000 1203 3409
12.23	JB	Kemp Smith, LLP	221 N Kansas, Suite 1700	El Paso	TX	79901	7017 3040 0000 1205 5423
12.23	JB	Kenneth C Treaccar dba Treaccar Properties Unvested LLC	618 Casasanta Trail	Lakeway	TX	78738	7017 3040 0000 1205 5430
12.23	JB	Laura & John Arnold Foundation dba LJA Charitable Investments LLC	1717 West Loop South, Suite 1800	Houston	TX	77027	7017 3040 0000 1205 5447
.12.23	JB	Lee M. Kugle, dealing in her sole and separate property	2429 Westlake Drive	Austin	TX	78746	7017 3040 0000 1205 5454
.12.23	JB	Leslie C. Daniel, Trustee of the Daniel Family Trust	3 Pursuit Cottage 16B	Aliso Viejo	CA	92656	7017 3040 0000 1205 5461
.12.23	JB	MAP2009-OK	101 N. Robinson, Suite 1000	Oklahoma City	OK	73102	7017 3040 0000 1205 5478
12.23	JB	Margaret Purvis Minerals LP	PO Box 51990	Midland	TX	79710	7017 3040 0000 1205 5485
.12.23	JB	Marguerite Fort Bruns	12711 Colorado Blvd E #505	Thornton	CO	80241	7017 3040 0000 1205 5492
.12.23	JB JB	Mark I. Conrad, SSP	2420 Independence Blvd 9417 Holmes Plaza #F2	Abilene	TX NE	79601 68127	7017 3040 0000 1205 5508 7017 3040 0000 1205 5515
.12.23	JB	Mary Pauline Begley, dealing in her sole and separate property Meghan Obrien Gerken	6514 Woolworth Avenue	Omaha Omaha	NE	68106	7017 3040 0000 1205 5513
12.23	JB	Nob Hill Minerals LLC	2932 NW 122nd Street, Suite 6	Oklahoma City	OK	73120	7017 3040 0000 1205 5539
12.23	JB	OXY USA, Inc.	5 Greenway Plaza, Suite 110	Houston	TX	77046	7017 3040 0000 1205 5546
12.23	JB	Patrick K. Fowlkes	PO Box 658	Marfa	TX	79843	7017 3040 0000 1205 5553
12.23	JB	Patrick Medlock dba PLM Geo LLC	1507 W 30th Street	Austin	TX	78703	7017 3040 0000 1205 5560
12.23	JB	Paul C. Jeffrey, dealing in his sole and separate property	10779 Berry Plz	Omaha	NE	68127	7017 3040 0000 1205 5577
12.23	JB	Penasco Petroleum LLC	PO Box 4168	Roswell	NM	88202	7017 3040 0000 1205 5584
12.23	JB	Philip J. Jeffrey, dealing in his sole and separate property	4527 Pierce St	Omaha	NE	68106	7017 3040 0000 1205 5591
12.23	JB	Preston L. Fowlkes	1800 Golf Course Road	Marfa	TX	79843	7017 3040 0000 1205 5607
12.23	JB JB	Rfort Mineral Properties LLC Richard A. Jeffrey, dealing in his sole and separate property	9716 Admiral Emerson Ave NE 604 S 124th Street	Albuquerque Omaha	NM NE	87111 68154	7017 3040 0000 1205 5614 7017 3040 0000 1205 5621
12.23	JB	Richard Brendan Stumm, dealing in his sole and separate property	553 S Marengo Ave	Pasadena Pasadena	CA	91101	7017 3040 0000 1205 5638
12.23	JB	Ricky Don Raindl	PO Box 142454	Irving	TX	75014	7017 3040 0000 1203 3038
12.23	JB	Riverbend Oil & Gas IX Investments LLC	Two Allen Center, 1200 Smith Street, Suite 1950	Houston	TX	77002	7017 3040 0000 1205 5652
12.23	JB	Robert Mitchell Raindl	4015 124th St	Lubbock	TX	79423	7017 3040 0000 1205 5669
12.23	JB	Rolla R. Hinkle, III, a single	105 W 3rd St, Suite 314	Roswell	NM	88201	7017 3040 0000 1205 5676
2.23	JB	Suzanne B. Koch	PO Box 6962	Miramar	FL	32550	7017 3040 0000 1205 5683
12.23	JB	Suzanne Foley-Jones, dealing in her sole and separate property	17229 Pierce St	Omaha	NE	68130	7017 3040 0000 1205 5690
12.23	JB	Sydney Dehus, whose husband is Edward Dehus TD Minerals LLC	2104 Wood St 8111 Westchester Drive, Suite 900	Sarasota	FL	34237	7017 3040 0000 1205 5706
12.23 12.23	JB JB	The Allar Company	PO Box 1567	Dallas Graham	TX TX	75225 76450	7017 3040 0000 1205 5713 7017 3040 0000 1205 5720
12.23	JB	Thomas F. Jeffrey, dealing in his sole and separate property	1400 N Dutton Ave., Suite 21	Santa Rosa	CA	95401	7017 3040 0000 1205 5737
12.23	JB	Thomas T. Foley, dealing in his sole and separate property	1420 S. 185th Cir	Omaha	NE	68130	7017 3040 0000 1203 3737
12.23	JB	Tommy L. Fort	PO Box 5356	Midland	TX	79704	7017 3040 0000 1205 5751
2.23	JB	Tundra AD3, LP	2100 Ross Ave., Suite 1870	Dallas	TX	75201	7017 3040 0000 1205 5768
2.23	JB	U5 LLC	16900 S Highland Ridge Drive	Belton	MO	64012	7017 3040 0000 1205 5775
2.23	JB	Wayne A. Bissett and Laura Bissett	PO Box 2101	Midland	TX	79702	7017 3040 0000 1205 5782
2.23	JB	Westbank Minerals LLC	5410 Bee Cave Road	West Lake Hills	TX	78746	7017 3040 0000 1205 5799
2.23	JB	Zachary J Privett dba Elk Creek Acquitions LLC	3600 Bee Cave Road, Suite 102	West Lake	TX	78746	7017 3040 0000 1205 5805
12.23	JB	ANN URYASZ	16900 S HIGHLAND RIDGE DR	BELTON	MO	64012	7020 1810 0000 1415 3678
12.23	JB	EG3 INC	PO BOX 1567	GRAHAM	TX	76450	7020 1810 0000 1415 3685
12.23	JB	JANE COAD OBRIEN LESLIE A HINES LIVING TRUST LESLIE A HINES TRUSTEE	307 S 57TH ST 2103 N RED CLIFF	OMAHA MESA	NE AZ	68132	7020 1810 0000 1415 3692 7020 1810 0000 1415 3708
12.23 12.23	JB JB	MARGARET H JEFFREY REVOC TRUST 9182002 MARGARET H JEFFREY TI		OMAHA	NE	85207 68154	7020 1810 0000 1415 3708
12.23	JB	RANCHITO AD4 LP	2100 ROSS AVE STE 1870	DALLAS	TX	75201	7020 1810 0000 1415 3715
12.23	JB	Treaccar Properties Univested, LLC	618 Casasanta Dr	LAKEWAY	TX	78738	7020 1810 0000 1415 3722
12.23	JB	VERITAS PERMIAN RESOURCES III LLC	PO BOX 10850	FORT WORTH	TX	76114	7020 1810 0000 1415 3746
12.23	JB	PLM GEO, LLC	1507 W 30TH STREET	AUSTIN	TX	78703	7020 1810 0000 1415 3753
	JB	SLO	PO BOX 1148	SANTA FE	NM	87504	7020 1810 0000 1415 3760
12.23 12.23	JB	BLM	620 E. GREEN STREET	CARLSBAD	NM	88220	7020 1810 0000 1415 3777

NM State Land Office Oil, Gas, & Minerals Division

STATE/STATE OR STATE/FEE

Revised March 2017

COMMUNITIZATION AGREEMENT

ONLINE Version

KNOW ALL MEN BY THESE PRESENTS:

Well Name: Potato Baby St Com *701H

STATE OF NEW MEXICO)

API #: 30 - 15 - 47458

Eddy) COUNTY OF

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of November 1 , 20 20, by and between the parties subscribing, ratifying or consenting hereto, such parties hereinafter being referred to as "Parties hereto";

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by the Legislature, as set forth in Sec. 19-10-53, New Mexico Statutes, Annotated, 1978, in the interest of conservation of oil & gas and the prevention of waste to consent to and approve the development or operation of State Trust Lands under agreements made by lessees of oil & gas leases thereon, jointly or severally with other oil & gas lessees of State Trust Lands, or oil and gas lessees or mineral owners of privately owned or fee lands, for the purpose of pooling or communitizing such lands to form a proration unit or portion thereof, or well-spacing unit, pursuant to any order, rule or regulation of the New Mexico Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department where such agreement provides for the allocation of the production of oil or gas from such pools or communitized areas on an acreage or other basis found by the Commissioner of Public Lands to be fair and equitable.

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 leases are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

Wolfcamp WHEREAS, said leases, insofar as they cover the formation or pool as defined by the NMOCD, as further described on Exhibit "A" (hereinafter referred to as "said formation") in and under the land hereinafter described cannot be independently developed and operated in conformity with the well spacing program established for such formation in and under said lands; and

WHEREAS, the parties hereto desire to communitize and pool their respective interests in said leases subject to this agreement for the purpose of developing, operating and producing hydrocarbons in the said formation in and under the land hereinafter described subject to the terms hereof.

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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 undersigned as follows:

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

Subdivisions E2 of Sec 27, N2NE & Lots 3, 4 (E2) of Sec 34

of Sect(s) (27, 34) Twnshp 26S Rng 28E NMPM Eddy County, NM containing 447.72 acres, more or less. It is the judgment of the parties hereto that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the parties hereto do hereby communitize for proration or spacing purposes only the leases and/or depths described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "communitized substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this agreement for all purposes, is Exhibit A showing the acreage, depths communitized and ownership (Lessees of Record) of all leases within the communitized area.

- 2. 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 leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.
- 3. Subject to Paragraph 4, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals under the terms of said leases shall not be affected by this agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this agreement shall remain in full force and effect as originally issued and amended.

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March, 2017

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State/State
State/Fee

4.	COG Operating LLC	shall be the Operator o	f the said communitize	ed area and
all	matters of operation shall be determin	ned and performed by	COG Operating	g LLC .

- 5. The State of New Mexico hereafter is entitled to the right to take in kind its share for the communitized substances allocated to such tract, and Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.
- 6. There shall be no obligation upon the parties hereto to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the parties hereto shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.
- 7. The commencement, completion, and continued operation or production of a well or wells of communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.
- 8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws. This agreement shall be subject to all applicable Federal and State laws, executive orders, rules and regulations affecting the performance of the provisions hereof, 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 compliance is prevented by or if such failure results from compliance with any such laws, orders, rules and regulations.
- 9. This agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities; provided, that this agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this agreement may be

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terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence. As to State Trust Lands, written notice of intention to commence such operations shall be filed with the Commissioner of Public Lands within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.

- 10. Operator will furnish the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and the Commissioner of Public Lands of the State of New Mexico, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.
- 11. It is agreed between the parties hereto that the Commissioner of Public Lands, or his duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State of New Mexico.
- 12. If any order of the Oil Conservation Division of the New Mexico Energy Minerals and Natural Resources Department, upon which this agreement is predicated or based is in anyway changed or modified, then in such event said agreement is likewise modified to conform thereto.
- 13. 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 instruments, 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.
- 14. 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.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

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PARTIES TO E/2 COMMUNITIZATION AGREEMENT (POTATO BABY 701H)

TRACT 1	VB-1126-01	SEC. 27: NE4	160 ACRES
Lessee of Record:	Chevron U.S.A. Inc. / (COG Operating LLC	Self-certification, co	py of pending Fitle & COG signature
	(COO Operating LEC	attached	The & COO signature
TRACT 2	VB-0678-02	SEC. 27: SE4	160 ACRES
Lessee of Record:	Chevron U.S.A. Inc. /	Self-certification, co	py of pending
	(COG Operating LLC	Transfer of Record 7 attached	Fitle & COG signature
TRACT 3	VB-1127-01	SEC. 34: N2NE, LOTS 3, 4	127.72 ACS
Lessee of Record:	Chevron U.S.A. Inc. /	Self-certification, co	py of pending
	(COG Operating LLC	Transfer of Record 7 attached	Fitle & COG signature

COG OPERATING LLC

Sean Johnson Attorney-in-Fact

)

OF

This instrument was acknowledged before me on

Mickie J Alien Notary Public, State of Texas Notary ID 13190816-8

My Commission Exp. 02-26-2023

NON-STATE

STATE OF TEXAS COUNTY OF MIDLAND

SELF-CERTIFICATION

AGREEMENTS:

By:

same.

private, Tribal or federal interests. The responsibility of the Commissioner and State Land Office is to protect and adjudicate on the State Land Office interests during the processing of Communitization Agreements. The State Land Office will only verify the accuracy of state lease in the proposed Communitization Agreement. All non-state interests must be certified by the Operator.
As Operator of this Communitization Agreement, COG Operating LLC, hereby certifies that all lessees and/or working interest owners that are parties to this Communitization Agreement, as shown on Exhibit A, have the legal rights and interests they claim to the private or federal or Tribal leases subject to this Communitization Agreement and COG Operating LLC obtained written consent and authority to enter into this Agreement on their behalf. Written consent/signatures of lessees and/or other interest owners will be made available to the State Land Office immediately upon request. Any misrepresentation or material omission by the Operator in this respect will be grounds to void the Communitization Agreement.
By: Sean Johnson Attorney-in-Fact
STATE OF TEXAS) COUNTY OF MIDLAND)
This instrument was acknowledged before me on Notary Public, a Delaware fimited liability company, on behalf of same. Mickie J Allen Notary Public, State of Texas Notary ID 13190816-8 My Commission Exp. 02-26-2023 My Commission Exp. 02-26-2023 This instrument was acknowledged before me on Notary in the State of COG Operating LLC, a Delaware fimited liability company, on behalf of same. Notary Public in and for the State of Texas State/State or State/Fee E/2 Potato Baby, Wolfcamp 27 & 34, T26S-R28E

Johnson, Attorney-in-Fect of COG Operating LLC, a Delaware limited liability company, on behalf of

INTERESTS

Approval of this Communitization Agreement does not constitute an adjudication of any federal,

Tribal or private interests, and neither the Commission of Public Lands nor the State Land Office warrant or certify that the information supplied by the party submitting this agreement is accurate with regard to all

Notary Public in and for the State of Texas

COMMUNITIZATION

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FOR

EXHIBIT A

Attached to and made a part of that Communitization Agreement dated November 1, 2020, by and between COG Operating LLC, covering the E/2 of Section 27, and the N/2 NE/4 and Lots 3. 4 (E/2) of Section 34, T26S-R28E, Eddy County, New Mexico

Limited to the Wolfcamp formation

Operator of Communitized Area: COG Operating LLC

DESCRIPTION OF LEASES COMMITTED:

TRACT 1	VB-1126-01	SEC. 27: NE4	160 ACRES

March 1, 2007 Date:

Lessor: State of New Mexico VB-1126-0001

Lessee: Chevron U.S.A. Inc.

Recording: N/A

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 27: NE/4

Eddy County, New Mexico

3/16th Royalty:

TRACT 2 VB-0678-02 SEC. 27: SE4 160 ACRES

Date: July 1, 2005

Lessor: State of New Mexico VB-0678-0002

Lessee: Chevron U.S.A. Inc.

Recording: N/A

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 27: SE/4

3/16th Royalty:

TRACT 3 VB-1127-01 SEC. 34: N2NE, LOTS 3, 4 127.72 ACS

Date: March 1, 2007

Lessor: State of New Mexico VB-1127-0000

Lessee: Chevron U.S.A. Inc.

Recording: N/A

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 34: N/2 NE/4 and Lots 3, 4 (E/2)

 $3/16^{th}$ Royalty:

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RECAPITULATION:

TRACT NUMBER	NUMBER OF ACRES COMMITTED	PERCENTAGE OF INTEREST IN COMMUNITIZED AREA
1	160.00	35.74%
2	160.00	35.74%
3	127.72	28.52%
TOTAL	447.72	100.00%

EXHIBIT B

Attached to and made a part of that Communitization Agreement dated November 1, 2020, by and between COG Operating LLC, covering the E/2 of Section 27, and the N/2 NE/4 and Lots 3, 4 (E/2) of Section 34, T26S-R28E, Eddy County, New Mexico

27-26S-28E	Tract 1 VB-1126-01 160 ac
	Tract 2 VB-0678-02 160 ac
34-26S-28E	Tract 3 VB-1127-01 127.72 ac

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NM State Land Office Oil, Gas, & Minerals Division

STATE/STATE OR STATE/FEE

Revised March 2017

COMMUNITIZATION AGREEMENT

KNOW ALL ME	ONLIN EN BY THESE PRESENTS:	Well Name:	Potato Baby State Co	m
STATE OF NEV	V MEXICO)		API #: 30	
COUNTY OF	Eddy)			

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of **November 1**, 20 **20**, by and between the parties subscribing, ratifying or consenting hereto, such parties hereinafter being referred to as "Parties hereto";

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by the Legislature, as set forth in Sec. 19-10-53, New Mexico Statutes, Annotated, 1978, in the interest of conservation of oil & gas and the prevention of waste to consent to and approve the development or operation of State Trust Lands under agreements made by lessees of oil & gas leases thereon, jointly or severally with other oil & gas lessees of State Trust Lands, or oil and gas lessees or mineral owners of privately owned or fee lands, for the purpose of pooling or communitizing such lands to form a proration unit or portion thereof, or well-spacing unit, pursuant to any order, rule or regulation of the New Mexico Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department where such agreement provides for the allocation of the production of oil or gas from such pools or communitized areas on an acreage or other basis found by the Commissioner of Public Lands to be fair and equitable.

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 leases are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

WHEREAS, said leases, insofar as they cover the formation or pool as defined by the NMOCD, as further described on Exhibit "A" (hereinafter referred to as "said formation") in and under the land hereinafter described cannot be independently developed and operated in conformity with the well spacing program established for such formation in and under said lands; and

WHEREAS, the parties hereto desire to communitize and pool their respective interests in said leases subject to this agreement for the purpose of developing, operating and producing hydrocarbons in the said formation in and under the land hereinafter described subject to the terms hereof.

ONLINE version March, 2017

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 undersigned as follows:

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

Subdivisions E2 of Sec 22 & 27, N2NE & Lots 3, 4 (E2) of Sec 34

of Sect(s) (22, 27, 34)Twnshp 26S Rng 28E NMPM Eddy County, NM containing 767.52 acres, more or less. It is the judgment of the parties hereto that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the parties hereto do hereby communitize for proration or spacing purposes only the leases and/or depths described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "communitized substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this agreement for all purposes, is Exhibit A showing the acreage, depths communitized and ownership (Lessees of Record) of all leases within the communitized area.

- 2. 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 leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.
- 3. Subject to Paragraph 4, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals under the terms of said leases shall not be affected by this agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this agreement shall remain in full force and effect as originally issued and amended.

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- 4. COG Operating LLC shall be the Operator of the said communitized area and all matters of operation shall be determined and performed by COG Operating LLC.
- 5. The State of New Mexico hereafter is entitled to the right to take in kind its share for the communitized substances allocated to such tract, and Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.
- 6. There shall be no obligation upon the parties hereto to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the parties hereto shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.
- 7. The commencement, completion, and continued operation or production of a well or wells of communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.
- 8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws. This agreement shall be subject to all applicable Federal and State laws, executive orders, rules and regulations affecting the performance of the provisions hereof, 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 compliance is prevented by or if such failure results from compliance with any such laws, orders, rules and regulations.
- 9. This agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities; provided, that this agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this agreement may be

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State/State
State/Fee

terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence. As to State Trust Lands, written notice of intention to commence such operations shall be filed with the Commissioner of Public Lands within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.

- 10. Operator will furnish the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and the Commissioner of Public Lands of the State of New Mexico, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.
- 11. It is agreed between the parties hereto that the Commissioner of Public Lands, or his duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State of New Mexico.
- 12. If any order of the Oil Conservation Division of the New Mexico Energy Minerals and Natural Resources Department, upon which this agreement is predicated or based is in anyway changed or modified, then in such event said agreement is likewise modified to conform thereto.
- 13. 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 instruments, 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.
- 14. 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.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

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TRACT 6

Lessee of Record:

VB-0678-02

PARTIES TO E/2 COMMUNITIZATION AGREEMENT (702H, 703H)

TRACT 1	V0-7967-02 SE	C. 22: N2NE, SENE, S2SE	200 ACRES
Lessee of Record:	OXY USA Inc.	Subject to Compulsory Po	oling Order No.
		3 1	Ü
TRACT 2	FEE SE	C. 22: SWNE	40 ACRES
Lessee of Record:	COG Operating LLC	Signature provided.	
Lessee of Record:	COG Production LLC	Signature provided.	
Lessee of Record:	COG Acreage LP	Signature provided.	
Lessee of Record:	OXY USA Inc.	Subject to Compulsory Po	oling Order No.
Lessee of Record:	EG3 Development LLC	Subject to Compulsory Po	
Lessee of Record:	Allar Development LLC	Subject to Compulsory Po	oling Order No.
	-		· ·
TRACT 3	FEE SE	C. 22: N2SE	80 ACRES
Lessee of Record:	COG Operating LLC	Signature provided.	
Lessee of Record:	COG Production LLC	Signature provided.	
Lessee of Record:	COG Acreage LP	Signature provided.	
Lessee of Record:	Concho Oil & Gas LLC	Signature provided.	
Lessee of Record:	OXY USA Inc.	Subject to Compulsory Po	oling Order No.
			•
TRACT 4	VB-1126-01 SE	C. 27: NE4	160 ACRES
Lessee of Record:	Chevron U.S.A. Inc. /	Self-certification, copy of	pending
	(COG Operating LLC)	Transfer of Record Title &	•
		attached	Č
TRACT 5	VB-1127-01 SE	C. 34: N2NE, LOTS 3, 4	127.72 ACS
Lessee of Record:	Chevron U.S.A. Inc. /	Self-certification, copy of	pending
	(COG Operating LLC)	Transfer of Record Title &	COG signature
			_

attached

SEC. 27: SE4

160 ACRES

COG OPERATING LLC By: Sean Johnson Attorney-in-Fact COG PRODUCTION LLC By: Sean Johnson Attorney-in-Fact CONCHO OIL & GAS LLC By: Sean Johnson Attorney-in-Fact COG ACREAGE LP By: Sean Johnson Attorney-in-Fact

SELF-CERTIFICATION OF NON-STATE INTERESTS FOR COMMUNITIZATION AGREEMENTS:

Approval of this Communitization Agreement does not constitute an adjudication of any federal, Tribal or private interests, and neither the Commission of Public Lands nor the State Land Office warrant or certify that the information supplied by the party submitting this agreement is accurate with regard to all private, Tribal or federal interests. The responsibility of the Commissioner and State Land Office is to protect and adjudicate on the State Land Office interests during the processing of Communitization Agreements. The State Land Office will only verify the accuracy of state lease in the proposed Communitization Agreement. All non-state interests must be certified by the Operator.

As Operator of this Communitization Agreement, COG Operating LLC, hereby certifies that all lessees and/or working interest owners that are parties to this Communitization Agreement, as shown on Exhibit A, have the legal rights and interests they claim to the private or federal or Tribal leases subject to this Communitization Agreement and COG Operating LLC obtained written consent and authority to enter into this Agreement on their behalf. Written consent/signatures of lessees and/or other interest owners will be made available to the State Land Office immediately upon request. Any misrepresentation or material omission by the Operator in this respect will be grounds to void the Communitization Agreement.

COG OPERATING LLC

By:

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Sean Johnson Attorney-in-Fact EM AR

STATE OF TEXAS)	
COUNTY OF MIDLAND)	
This instrument was acknowledged before me on by Sean Johnson, Attorney-in-Fact of COG Operating LLC, a Delaware limited	1 liability company.
on behalf of same.	///
Mickie J Allen Notary Public, State of Texas Notary ID 13190816-8 My Commission Exp. 02-26-2023	he State of Texas
STATE OF TEXAS	
COUNTY OF MIDLAND)	
This instrument was acknowledged before me on by Combe by Sean Johnson, Attorney-in-Fact of COG Production LLC, a Texas limited	
on behalf of same. Mickie J Allen Notary Public, State of Texas Notary ID 13190816-8 Notary Public in and for t	Allen
STATE OF TEXAS COUNTY OF MIDLAND)	
This instrument was acknowledged before me on because by Sean Johnson, Attorney-in-Fact of Concho Oil & Gas LLC, a Texas limited	er 8th, 2020,
on behalf of same	A madility company,
Mickle J Allen Notary Public, State of Texase Notary ID 13190816-8 My Commission Exp. 02-26-2023	the State of Texas
STATE OF TEXAS	
COUNTY OF MIDLAND)	
This instrument was acknowledged before me on by Soan Johnson Atternov in Fact of COG Acres of L.R. a Towns limited north	20 <u>20</u> , 20 <u>20</u> ,
by Sean Johnson, Attorney-in-Fact of COG Acreage LP, a Texas limited partn same.	ership, on benair of
Mickle J Allen Notary Public, State of Texas Notary ID 13190816-8 My Commission Exp. 02-26-2023 Notary Public in and for t	he State of Texas
STATE OF TEXAS	
COUNTY OF MIDLAND)	A4
This instrument was acknowledged before me on by Sean Johnson, Attorney-in-Fact of COG Operating LLC/a Delaware limited	d liability company.
on behalf of same.	Maria
Mickie J Allen Notary Public in and for t	the State of Texas
Notary Public, State of Texas Notary ID 13190816-8 My Commission Exp. 02-26-2023	

EXHIBIT A

Attached to and made a part of that Communitization Agreement dated November 1, 2020, by and between COG Operating LLC, and OXY USA Inc., covering the E/2 of Sections 22 and 27, and the N/2 NE/4 and Lots 3, 4 (E/2) of Section 34, T26S-R28E, Eddy County, New Mexico

Limited to the Wolfcamp formation

Operator of Communitized Area: COG Operating LLC

DESCRIPTION OF LEASES COMMITTED:

V0-7967-02 TRACT 1 SEC. 22: N2NE, SENE, S2SE 200 ACRES

Date:

March 1, 2007

Lessor:

State of New Mexico V0-7967-0001

Current Lessee:

OXY USA Inc.

Recording:

N/A

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M. Section 22: N/2 NE/4, SE/4 NE/4. S/2SE/4

Eddy County, New Mexico

Royalty:

1/6th

TRACT 2 FEE SEC. 22: SWNE 40 ACRES

Date:

August 2, 2019

Lessor:

EG3, Inc.

Lessee:

EG3 Development LLC

Recording:

1126/0375

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, limited to the Wolfcamp formation with the top being the stratigraphic equivalent of 9488' and the base being the stratographic equivalent of 11,687' as referenced in the Flower Draw 2 State #1 well (API 3001523615), located in Section 2, T26S-R28E, Eddy

County, New Mexico

Royalty:

1/4th

Date:

August 2, 2019

Lessor:

The Allar Company

Lessee:

Allar Development LLC

Recording:

1126/0391

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, limited to the Wolfcamp formation with the top

being the stratigraphic equivalent of 9488' and the base being the stratographic equivalent of 11,687' as referenced in the Flower Draw 2

> State/State or State/Fee E/2 Potato Baby, Wolfcamp 22, 27, 34, T26S-R28E

State/State or State/Fee 22, 27, 34, T26S-R28E Released to Imaging: 12/13/2024 8:39:34 AM

State #1 well (API 3001523615), located in Section 2, T26S-R28E, Eddy

County, New Mexico

1/4th Royalty:

Date: July 27, 2011

Anthem Holdings Inc. and AOG Mineral Partners, LTD. Lessor: COG Production LLC / COG Acreage LP / OXY USA Inc. Lessee:

862/1074 Recording:

Insofar and only insofar as to Description:

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4 Eddy County, New Mexico

1/4th Royalty:

Date: September 29, 2012 A. Michael Foley Lessor:

Lessee: COG Production, LLC

Recording: 909/0740

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4 Eddy County, New Mexico

1/5th Royalty:

Date: September 28, 2012 Lessor: John C. Foley

Lessee: COG Production, LLC

Recording: 915/1173

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4 Eddy County, New Mexico

1/5th Royalty:

Date: September 1, 2011

John C. Foley, dealing in his sole and separate property Lessor: COG Production LLC / COG Acreage LP / OXY USA Inc. Lessee:

Recording: 866/903

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4

Eddy County, New Mexico

1/4th

Royalty:

E/2 Potato Baby, Wolfcamp

Released to Imaging: 12/13/2024 8:39:34 AM

Date: January 1, 2012 Lessor: Suzanne Jones

Lessee: COG Production LLC

Recording: 913/0658

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4 Eddy County, New Mexico

Royalty: 1/5th

Date: January 1, 2012
Lessor: Ann Marie Abboud
Lessee: COG Production LLC

Recording: 911/1100

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4 Eddy County, New Mexico

Royalty: 1/5th

Date: January 1, 2012
Lessor: Thomas T. Foley
Lessee: COG Production LLC

Recording: 911/0855

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4 Eddy County, New Mexico

Royalty: 1/5th

Date: May 1, 2011

Lessor: Russell Family LLC

Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording: 853/1217

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M. Section 22: SW/4 NE/4, Surface-11,300'

Eddy County, New Mexico

Royalty: 1/4th

Date: November 1, 2020

Lessor: Ellen Y. Ryan, a/k/a Ellen M. Ryan, dealing in her sole and separate

property

Lessee: COG Operating LLC

Recording: TBD

State/State or State/Fee 22, 27, 34, T26S-R28E Released to Imaging: 12/13/2024 8:39:34 AM

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, as to all depths as to all depths below 8,188', or

those certain depths 100' below the deepest depth drilled of the Diamondback 22 State Com #1H well (API No. 30-015-38528)

1/4th Royalty:

Date: February 12, 2010

Lessor: Marion Jean O'Neill, Individually and as Co-Guardian of the Estate of

> Janet P. Widgert, an Incapacitated Person, and Julianne O'Neill, as Co-Guardian of the Estate of Janet P. Widgert, an Incapacitated Person

Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording: 805/0880

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4 Eddy County, New Mexico

1/4th Royalty:

Date: February 3, 2010 Lessor: Elizabeth Coad Risko

Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording: 805/0027

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4 Eddy County, New Mexico

Royalty: 1/4th

February 3, 2010 Date: Lessor: Joseph M. Jeffrey

Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording: 804/1008

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4 Eddy County, New Mexico

1/4th Royalty:

Date: February 3, 2010 Lessor: James Daniel Jeffrey

Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording: 805/1138

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4

E/2 Potato Baby, Wolfcamp

Eddy County, New Mexico

1/4th Royalty:

Date: Lessor: February 3, 2010 Thomas F. Jeffrey

Lessee:

COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording:

807/0464

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4

Eddy County, New Mexico

Royalty:

1/4th

Date:

February 3, 2010 John Peter Jeffrey

Lessor: Lessee:

COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording:

805/0033

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4 Eddy County, New Mexico

Royalty:

1/4th

Date:

February 3, 2010 Justine Jeffrey

Lessor: Lessee:

COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording:

805/0030

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4

Eddy County, New Mexico

Royalty:

1/4th

Date:

October 30, 2006

Lessor:

Richard B Stumm a/k/a/ Brett Stumm, dealing in his sole and separate

property

Current Lessee:

COG Operating LLC

Recording:

672/790

Description:

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty:

1/4th

Date:

October 30, 2006

Lessor:

Kevin J Stumm

Released to Imaging: 12/13/2024 8:39:34 AM

Current Lessee: COG Operating LLC

Recording: 672/800

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/4th

Date: November 8, 2006 Lessor: Robert H Collins

Current Lessee: COG Operating LLC

Recording: 685/538

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/4th

Date: November 22, 2006

Lessor: Leslie Collins Daniel, dealing in her sole and separate property

Current Lessee: COG Operating LLC

Recording: 680/119

Description: <u>Township 26 South, Range 28 East, N.M.P.M.</u>

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010

Lessor: Steven John Sampson
Current Lessee: COG Operating LLC

Recording: 701/533

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010

Lessor: Mark Coad Sampson
Current Lessee: COG Operating LLC

Recording: 701/535

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2007

Lessor: Richard Michael Sampson
Current Lessee: COG Operating LLC

Recording: 701/541

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/4th

Released to Imaging: 12/13/2024 8:39:34 AM

Date: May 29, 2010

Lessor: Herbert Michael Sampson III

Current Lessee: COG Operating LLC

Recording: 702/923

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010 Lessor: Jay J Hunter

Current Lessee: COG Operating LLC

Recording: 813/5

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/5th

Date: May 29, 2010 Lessor: Leslie Miller Hines

Current Lessee: COG Operating LLC

Recording: 813/1

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010

Lessor: Sally Ann Conrad, dealing in her sole and separate property

Current Lessee: COG Operating LLC

Recording: 813/11

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010 Lessor: Stuart Miller III

Current Lessee: COG Operating LLC

Recording: 813/3

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010

Lessor: Mary Ann Nyberg et vir

state/Fee olfcamp S-R28E Released to Imaging: 12/13/2024 8:39:34 AM

Current Lessee: COG Operating LLC

Recording: 812/1231

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/5th

Date: May 29, 2010
Lessor: Jane Coad O'Brien
Current Lessee: COG Operating LLC

Recording: 813/9

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/5th

Date: May 29, 2010

Lessor: Laura L Silk and husband William James Silk

Current Lessee: COG Operating LLC

Recording: 811/508

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010

Lessor: Frank Woods Petersen and his wife Linda Peterson

Current Lessee: COG Operating LLC

Recording: 813/711

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010

Lessor: First National Bank of Omaha

Current Lessee: COG Operating LLC

Recording: 808/205

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010

Lessor: E G Silvius, also sometimes known as Edward George Silvius, dealing in

his sole and separate property

Current Lessee: COG Operating LLC

Recording: 813/7

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/5th

Date:

May 29, 2010

Lessor:

Sydney Dehus et vir

Current Lessee:

COG Operating LLC

Recording:

812/1229

Description:

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty:

1/4th

TRACT 3

FEE

SEC. 22: N2SE

80 ACRES

Date:

July 2, 2012

Lessor:

Edwin H. Fowlkes III (aka Trey Fowlkes) and Janet Renee Fowlkes

Murrey

Lessee:

COG Operating LLC

Recording:

901 / 0702

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: N/2 SE/4

Eddy County, New Mexico

Royalty:

1/4th

Date:

August 1, 2011

Lessor: Lessee: Christine Speidel Fowlkes and Christopher Clegg Fowlkes COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording:

866/1007

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: N/2 SE/4

Eddy County, New Mexico

Royalty:

1/4th

Date:

May 17, 2011

Lessor:

Frank Blow Fowlkes COG Operating LLC

Lessee:

858/0792 / 869/0743 (Amendment and Extension of Oil & Gas Lease)

Recording: Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: NE/4 SE/4

Eddy County, New Mexico

Royalty:

1/4th

Date:

May 1, 2011

Lessor:

Frank Blow Fowlkes

State/State or State/Fee E/2 Potato Baby, Wolfcamp 22, 27, 34, T26S-R28E

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160 ACRES

Lessee:

COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording:

853/0807

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: NW/4 SE/4 Eddy County, New Mexico

Royalty:

22.00%

Date:

January 12, 2009 Delaware Ranch, Inc.

Lessor: Lessee:

COG Operating LLC / Concho Oil & Gas LLC

Recording:

764/1217

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: N/2 SE/4

Eddy County, New Mexico

Royalty:

1/5th

Date:

July 10, 2008

Lessor:

Clegg Preston Fowlkes, Lauren Fowlkes, Maco Stewart Fowlkes, J.M.

SEC. 27: NE4

Fowlkes, Jr., Nancy Fowlkes Donley, Kathleen K. Fowlkes

Lessee:

COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording:

747/0005

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: N/2 SE/4

Eddy County, New Mexico

Royalty:

1/4th

TRACT 4

VB-1126-01 March 1, 2007

Date: Lessor:

State of New Mexico VB-1126-0001

Lessee:

Chevron U.S.A. Inc.

Recording:

N/A

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 27: NE/4

Eddy County, New Mexico

Royalty:

3/16th

Date: March 1, 2007

Lessor: State of New Mexico VB-1127-0000

Lessee: Chevron U.S.A. Inc.

Recording: N/A

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 34: N/2 NE/4 and Lots 3, 4 (E/2)

Royalty: 3/16th

TRACT 6 VB-0678-02 SEC. 27: SE4 160 ACRES

Date: July 1, 2005

Lessor: State of New Mexico VB-0678-0002

Lessee: Chevron U.S.A. Inc.

Recording: N/A

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 27: SE/4

Royalty: 3/16th

RECAPITULATION:

TRACT NUMBER	NUMBER OF ACRES COMMITTED	PERCENTAGE OF INTEREST IN COMMUNITIZED AREA
1	200.00	26.05%
2	40.00	5.21%
3	80.00	10.42%
4	160.00	20.84%
5	127.72	16.64%
6	160.00	20.84%
TOTAL	767.72	100.00%

Received by OCD: 12/12/2023 3:28:27 PM

EXHIBIT B

Attached to and made a part of that Communitization Agreement dated November 1, 2020, by and between COG Operating LLC, and OXY USA Inc., covering the E/2 of Sections 22 and 27, and the N/2 NE/4 and Lots 3, 4 (E/2) of Section 34, T26S-R28E, Eddy County, New Mexico

22-26S-28E	Tract 1 V0-7967-02 200 ac
	Tract 2 Fee 40 ac
	Tract 3 Fee 80 ac
27-26S-28E	Tract 4 VB-1126-01 160 ac
	Tract 6 VB-0678-02 160 ac
34-26S-28E	Tract 5 VB-1127-01 127.72 ac

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY COG OPERATING, LLC

CASE NO. 21311 ORDER NO. R-21101-A

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ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on June 11, 2020, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order:

FINDINGS OF FACT

- 1. COG Operating, LLC. ("Operator") applied to conform Order R-21101 ("Exising Order") issued in Case No. 20934 with the Division's recently amended order template ("Amended Template").
- 2. Operator is in good standing under state-wide rules and regulations with respect to the Existing Order.
- 3. Operator has reviewed and agrees to the terms and conditions in the ordering paragraphs of the Amended Template.
- 4. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 5. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 6. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 7. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
- 8. This Order affirms the Findings of Fact and Conclusions of Law in the Existing Order and replaces the ordering paragraphs 15-35 in the Existing Order as stated below.

ORDER

- 9. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 10. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 11. Operator is designated as operator of the Unit and the Well(s).
- 12. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 13. The Operator shall commence drilling the Well(s) within one year after the date of this Order and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 14. This Order shall terminate automatically if Operator fails to comply with Paragraph 13 unless Operator obtains an extension by an amendment of this Order for good cause shown.
- 15. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 16. Operator shall submit to each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 17. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
- 18. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written

CASE NO. 21311 ORDER NO. R-21101-A

- objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 19. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 20. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 21. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 22. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 23. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 24. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 23 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 25. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.

CASE NO. 21311 ORDER NO. R-21101-A

- Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 27. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 et seq., and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 et seq.
- 28. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 29. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL DIRECTOR AES/jag Date: 6/12/2020

NM State Land Office Oil, Gas, & Minerals Division

STATE/STATE OR STATE/FEE

Revised March 2017

COMMUNITIZATION AGREEMENT

KNOW ALL ME	ONLIN EN BY THESE PRESENTS:	Well Name:	Potato Ba	by St Com
STATE OF NEW	/ MEXICO)		API #: 30	
COUNTY OF	Eddy)			

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of **November 1**, 20 **20**, by and between the parties subscribing, ratifying or consenting hereto, such parties hereinafter being referred to as "Parties hereto";

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by the Legislature, as set forth in Sec. 19-10-53, New Mexico Statutes, Annotated, 1978, in the interest of conservation of oil & gas and the prevention of waste to consent to and approve the development or operation of State Trust Lands under agreements made by lessees of oil & gas leases thereon, jointly or severally with other oil & gas lessees of State Trust Lands, or oil and gas lessees or mineral owners of privately owned or fee lands, for the purpose of pooling or communitizing such lands to form a proration unit or portion thereof, or well-spacing unit, pursuant to any order, rule or regulation of the New Mexico Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department where such agreement provides for the allocation of the production of oil or gas from such pools or communitized areas on an acreage or other basis found by the Commissioner of Public Lands to be fair and equitable.

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 leases are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

WHEREAS, said leases, insofar as they cover the formation or pool as defined by the NMOCD, as further described on Exhibit "A" (hereinafter referred to as "said formation") in and under the land hereinafter described cannot be independently developed and operated in conformity with the well spacing program established for such formation in and under said lands; and

WHEREAS, the parties hereto desire to communitize and pool their respective interests in said leases subject to this agreement for the purpose of developing, operating and producing hydrocarbons in the said formation in and under the land hereinafter described subject to the terms hereof.

ONLINE version March, 2017

Received by OCD: 12/12/2023 3:28:27 PM

State/State State/Fee 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 undersigned as follows:

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

Subdivisions W2 of Sec 22 & 27, N2NW & Lots 1,2 (W2) of Sec 34

of Sect(s) (22,27,34) Twnshp 26S Rng 28E NMPM Eddy County, NM containing 767.72acres, more or less. It is the judgment of the parties hereto that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the parties hereto do hereby communitize for proration or spacing purposes only the leases and/or depths described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "communitized substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this agreement for all purposes, is Exhibit A showing the acreage, depths communitized and ownership (Lessees of Record) of all leases within the communitized area.

- 2. 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 leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.
- 3. Subject to Paragraph 4, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals under the terms of said leases shall not be affected by this agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this agreement shall remain in full force and effect as originally issued and amended.

4.	COG Operating LLC	shall be the Operator	of the said co	ommunitized	area and
all	matters of operation shall be determine	ned and performed by	COG	Operating I	LLC .

- 5. The State of New Mexico hereafter is entitled to the right to take in kind its share for the communitized substances allocated to such tract, and Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.
- 6. There shall be no obligation upon the parties hereto to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the parties hereto shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.
- 7. The commencement, completion, and continued operation or production of a well or wells of communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.
- 8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws. This agreement shall be subject to all applicable Federal and State laws, executive orders, rules and regulations affecting the performance of the provisions hereof, 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 compliance is prevented by or if such failure results from compliance with any such laws, orders, rules and regulations.
- 9. This agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities; provided, that this agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this agreement may be

ONLINE version March, 2017

terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence. As to State Trust Lands, written notice of intention to commence such operations shall be filed with the Commissioner of Public Lands within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.

- 10. Operator will furnish the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and the Commissioner of Public Lands of the State of New Mexico, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.
- 11. It is agreed between the parties hereto that the Commissioner of Public Lands, or his duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State of New Mexico.
- 12. If any order of the Oil Conservation Division of the New Mexico Energy Minerals and Natural Resources Department, upon which this agreement is predicated or based is in anyway changed or modified, then in such event said agreement is likewise modified to conform thereto.
- 13. 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 instruments, 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.
- 14. 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.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

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PARTIES TO W/2 STATE COMMUNITIZATION AGREEMENT

TRACT 1 – V0-7967-0	32 SECTION 22: N	I2NW, SWNW, SESW	160 ACRES
Lessee of Record:	OXY USA Inc.	Subject to Compulso 21102-A, attached	ory Pooling Order No. R-

TRACT 2 – FEE	SECTION 22: SENW	40 ACRES
Lessees of Record:	EG3 Development LLC	Subject to Compulsory Pooling Order No. R-21102-A, attached
	Allar Development LLC	Subject to Compulsory Pooling Order No. R-21102-A, attached
	Tap Rock Resources LLC	Subject to Compulsory Pooling Order No. R-21102-A, attached
	COG Operating LLC	Signature attached.
	COG Production LLC	Signature attached.
	COG Acreage LP	Signature attached.
	OXY USA Inc.	Subject to Compulsory Pooling Order No. R-21102-A, attached

TRACT 3 – FEE	SECTION 22: W2SW	, NESW 120 ACRES
Lessees of Record:	COG Operating LLC	Signature attached.
	Concho Oil & Gas LLC	Signature attached.
	COG Production LLC	Signature attached.
	COG Acreage LP	Signature attached.
	Tap Rock Resources LLC	Subject to Compulsory Pooling Order No. R-21102-A, attached
	OXY USA Inc.	Subject to Compulsory Pooling Order No. R-
		21102-A, attached

TRACT 4 - VB-112	6-01 SECTION 27: W2	320 ACRES
Lessee of Record:	Chevron U.S.A. Inc. / (COG Operating LLC)	Self-certification, copy of pending Transfer of Record Title & COG signature attached

<u>TRACT 5 – VB-112</u>	<u>7-00 SECTION 34: N2NW</u>	7, LOTS 1 & 2 (W2)	127.52 ACRES
Lessee of Record:	Chevron U.S.A. Inc. /	Self-certification, co	py of pending Transfer
	(COG Operating LLC)	of Record Title & Co	OG signature attached

COG OPERATING LLC

By:
Sean Johnson
Attorney-in-Fact

CONCHO OIL & GAS LLC

By:
Sean Johnson
Attorney-in-Fact

CONCHO OIL & GAS LLC

COG ACREAGE LP

Sean Johnson Attorney-in Pact

By:

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SELF-CERTIFICATION OF NON-STATE INTERESTS FOR COMMUNITIZATION AGREEMENTS:

Approval of this Communitization Agreement does not constitute an adjudication of any federal, Tribal or private interests, and neither the Commission of Public Lands nor the State Land Office warrant or certify that the information supplied by the party submitting this agreement is accurate with regard to all private, Tribal or federal interests. The responsibility of the Commissioner and State Land Office is to protect and adjudicate on the State Land Office interests during the processing of Communitization Agreements. The State Land Office will only verify the accuracy of state lease in the proposed Communitization Agreement. All non-state interests must be certified by the Operator.

As Operator of this Communitization Agreement, COG Operating LLC, hereby certifies that all lessees and/or working interest owners that are parties to this Communitization Agreement, as shown on Exhibit A, have the legal rights and interests they claim to the private or federal or Tribal leases subject to this Communitization Agreement and COG Operating LLC obtained written consent and authority to enter into this Agreement on their behalf. Written consent/signatures of lessees and/or other interest owners will be made available to the State Land Office immediately upon request. Any misrepresentation or material omission by the Operator in this respect will be grounds to void the Communitization Agreement.

COG OPERATING LLQ

Sean Johnson Attorney-in-Fact

Em 12

STATE OF TEXAS) COUNTY OF MIDLAND)	
This instrument was acknowledged before me Johnson, Attorney-in-Fact of COG Operating LL behalf of same.	Makerther
	Notary Public in and for the State of Texas Mickle J Allen
STATE OF TEXAS) COUNTY OF MIDLAND)	Notary Public, State of Texas Notary ID 13190816-8 My Commission Exp. 02-26-2023
This instrument was acknowledged before me Johnson, Attorney-in-Fact of COG Production LLC of same.	Maket Allow
STATE OF TEXAS) COUNTY OF MIDLAND)	Notary Public in and for the State of Texas Mickie J Allen Notary Public, State of Texas Notary ID 13190816-8 My Commission Exp. 02-28-2023
This instrument was acknowledged before m Johnson, Attorney-in-Fact of Concho Oil & Gas LL of same.	ne on Sean Sean C, a Texas limited liability company, on behalf
	Notary Public in and for the State of Texas
STATE OF TEXAS) COUNTY OF MIDLAND)	Mickle J Allen Notary Public, State of Texas Notary ID 13190818-8 My Commission Exp. 02-26-2023
This instrument was acknowledged before m Johnson, Attorney-in-Fact of COG Acreage LP, a T	Texas limited partnership, on behalf of same.
	Notary Public in and for the State of Texas
STATE OF TEXAS) COUNTY OF MIDLAND)	Mickle J Aflen Notary Public, State of Texas Notary ID 13190616-8 My Commission Exp. 02-26-2023
This instrument was acknowledged before me on December 30 20, by Sean Johnson, Attorney-in-Fact of COG Operating LLC, a Delaware limited liability company, on	
behalf of same.	Micke Alleer
	Notary Public in and for the State of Texas

Mickie J Alien Notary Public, State of Texas Notary (D 13190816-8 My Commission Eq. 02-26-2023

State/State or State/Fee W/2 Potato Baby, Wolfcamp

EXHIBIT A

Attached to and made a part of that Communitization Agreement dated November 1, 2020, by and between COG Operating LLC, and OXY USA Inc., covering the W/2 of Sections 22 and 27, and the N/2 NW/4 and Lots 1, 2 (W/2) of Section 34, T26S-R28E, Eddy County, New Mexico

Limited to the Wolfcamp formation

Operator of Communitized Area: COG Operating LLC

DESCRIPTION OF LEASES COMMITTED:

TRACT 1 - V0-7967-02 SECTION 22: N2NW, SWNW, SESW 160 ACRES

Date:

March 1, 2007

Lessor:

State of New Mexico V0-7967-0002

Current Lessee:

OXY USA Inc.

Recording:

N/A

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: N/2 NW/4, SW/4 NW/4, SE/4 SW/4, Eddy County, New

Mexico

Royalty:

1/6th

TRACT 2 - FEE **SECTION 22: SENW 40 ACRES**

Date:

August 2, 2019

Lessor:

EG3, Inc.

Current Lessee:

EG3 Development LLC

Recording:

1126/0375

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, limited to the Wolfcamp formation with the top being the stratigraphic equivalent of 9488' and the base being the stratographic equivalent of 11,687' as referenced in the Flower Draw 2

State #1 well (API 3001523615), located in Section 2, T26S-R28E

Eddy County, New Mexico

Royalty:

1/4th

Date:

August 2, 2019

Lessor:

The Allar Company

Current Lessee:

Allar Development LLC

Recording:

1126/0391

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, limited to the Wolfcamp formation with the top being the stratigraphic equivalent of 9488' and the base being the stratographic equivalent of 11,687' as referenced in the Flower Draw 2 State #1 well (API 3001523615), located in Section 2, T26S-R28E

Eddy County, New Mexico

Royalty:

1/4th

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Date:

September 29, 2012 A. Michael Foley

Lessor: Current Lessee:

COG Production, LLC

Recording:

909/0740

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4 Eddy County, New Mexico

Royalty:

1/5th

Date:

September 28, 2012

Lessor:

John C. Foley

Current Lessee:

COG Production, LLC

Recording:

915/1173

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4 Eddy County, New Mexico

Royalty:

1/5th

Date: Lessor: January 1, 2012 Suzanne Jones

Current Lessee:

COG Production LLC

Recording:

913/0658

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4 Eddy County, New Mexico

Royalty:

1/5th

Date: Lessor: January 1, 2012 Ann Marie Abboud COG Production LLC

Recording:

Current Lessee:

911/1100

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4 Eddy County, New Mexico

Royalty:

1/5th

Date: Lessor: January 1, 2012
Thomas T. Foley
COG Production LLC

Current Lessee: Recording:

911/0855

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

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Section 22: SE/4 NW/4 Eddy County, New Mexico

Royalty:

1/5th

Date:

May 1, 2011

Lessor:

Russell Family LLC

Current Lessee:

COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording:

853/1217

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Surface-11,300'

Eddy County, New Mexico

Royalty:

1/4th

Date:

February 12, 2010

Lessor:

Marion Jean O'Neill, Individually and as Co-Guardian of the Estate of Janet P. Widgert, an Incapacitated Person, and Julianne O'Neill, as Co-Guardian of the Estate of Janet P. Widgert, an Incapacitated Person

Current Lessee:

COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording:

805/0880

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4 Eddy County, New Mexico

Royalty:

1/4th

Date: Lessor: February 3, 2010 Elizabeth Coad Risko

Current Lessee:

COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording:

805/0027

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4 Eddy County, New Mexico

Royalty:

1/4th

Date: Lessor: February 3, 2010 Joseph M. Jeffrey

Current Lessee:

COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording:

804/1008

Description:

Insofar and only insofar as to

Description. Insolar and only insola

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4 Eddy County, New Mexico

Royalty:

1/4th

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Date: February 3, 2010 Lessor: James Daniel Jeffrey

Current Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording: 805/1138

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4 Eddy County, New Mexico

Royalty: 1/4th

Date: February 3, 2010 Lessor: Thomas F. Jeffrey

Current Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording: 807/0464

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4 Eddy County, New Mexico

Royalty: 1/4th

Date: February 3, 2010 Lessor: John Peter Jeffrey

Current Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording: 805/0033

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4 Eddy County, New Mexico

Royalty: 1/4th

Date: February 3, 2010 Lessor: Justine Jeffrey

Current Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording: 805/0030

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4 Eddy County, New Mexico

Royalty: 1/4th

Date: January 1, 2020 Lessor: Lee M. Kugle

Current Lessee: COG Operating LLC

Recording: 1134/390

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, as to depths below 8,171'

or State/Fee

Wolfcamp

71', or

71'3/2078 8:36:34

Wolfcamp

Eddy County, New Mexico

Royalty: 1/4th

Date: September 18, 2020 Lessor: France Nevada Texas LP

Current Lessee: COG Operating LLC

Recording: 1142/0325

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, as to all depths as to all depths below 8,171', or

those certain depths 100' below the deepest depth drilled of the Diamondback 22 State Com #4H well (API No. 30-015-40816)

Royalty: 1/4th

Date: November 11, 2020 Lessor: Map2009-OK

Current Lessee: COG Operating LLC

Recording: 1142/968

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, as to all depths as to all depths 100' below the deepest formation drilled by the Diamondback 22 State Com #4H well

(API No. 30-015-40816)

Royalty: 1/4th

Date: November 1, 2020

Lessor: Ellen Y. Ryan, a/k/a Ellen M. Ryan

Current Lessee: COG Operating LLC

Recording: TBD

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, as to all depths as to all depths below 8,171', or

those certain depths 100' below the deepest depth drilled of the Diamondback 22 State Com #4H well (API No. 30-015-40816)

Royalty: 1/4th

Date: September 24, 2020
Lessor: Chisos Minerals LLC
Current Lessee: COG Operating LLC

Recording: 1141/984

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, as to all depths as to all depths below 8,171', or

those certain depths 100' below the deepest depth drilled of the Diamondback 22 State Com #4H well (API No. 30-015-40816)

Royalty: 1/4th

Date: May 29, 2010

Lessor: Sally Ann Conrad, dealing in her sole and separate property

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Current Lessee: COG Operating LLC

Recording: 813/11

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

1/4th Royalty:

Date: May 29, 2010

Lessor: E G Silvius, also sometimes known as Edward George Silvius, dealing in

his sole and separate property

Current Lessee: COG Operating LLC

Recording: 813/7

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

1/5th Royalty:

Date: May 29, 2010

Lessor: Mary Ann Nyberg et vir Current Lessee: COG Operating LLC

Recording: 812/1231

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

1/5th Royalty:

Date: May 29, 2010 Lessor: Jay J Hunter

COG Operating LLC Current Lessee:

Recording: 813/5

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

1/5th Royalty:

Date: October 30, 2006

Lessor: Richard B Stumm a/k/a/ Brett Stumm, dealing in his sole and separate

property

Current Lessee: COG Operating LLC

Recording: 672/790

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

1/4th Royalty:

Date: November 8, 2006 Lessor: Robert H Collins

Current Lessee: COG Operating LLC

Recording: 685/538

Description: Township 26 South, Range 28 East, N.M.P.M. Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty: 1/4th

Date: November 22, 2006

Lessor: Leslie Collins Daniel, dealing in her sole and separate property

Current Lessee: COG Operating LLC

Recording: 680/119

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010

Lessor: Steven John Sampson
Current Lessee: COG Operating LLC

Recording: 701/533

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010

Lessor: Mark Coad Sampson
Current Lessee: COG Operating LLC

Recording: 701/535

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty: 1/4th

Date: 5/29/2007

Lessor: Richard Michael Sampson
Current Lessee: COG Operating LLC

Recording: 701/541

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010

Lessor: Herbert Michael Sampson III

Current Lessee: COG Operating LLC

Recording: 702/923

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty: 1/4th

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Date: May 29, 2010

Lessor: Sydney Dehus et vir Current Lessee: COG Operating LLC

Recording: 812/1229

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010

Lessor: Leslie Miller Hines
Current Lessee: COG Operating LLC

Recording: 813/1

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010

Lessor: First National Bank of Omaha

Current Lessee: COG Operating LLC

Recording: 808/205

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010

Lessor: Frank Woods Petersen and his wife Linda Peterson

Current Lessee: COG Operating LLC

Recording: 813/711

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010
Lessor: Stuart Miller III
Current Lessee: COG Operating LLC

Recording: 813/3

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010

Lessor: Laura L Silk and husband William James Silk

Current Lessee: COG Operating LLC

Recording: 811/508

Description: Township 26 South, Range 28 East, N.M.P.M.

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Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty:

1/4th

Date:

May 29, 2010

Lessor:

Jane Coad O'Brien COG Operating LLC

Current Lessee: Recording:

813/9

Description:

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty:

1/5th

Date: Lessor: October 30, 2006 Kevin J Stumm

Current Lessee:

COG Operating LLC

Recording:

672/800

Description:

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty:

1/4th

TRACT 3 - FEE

SECTION 22: W2SW, NESW

120 ACRES

Date: Lessor: January 25, 2017 Patrick K. Fowlkes

Current Lessee:

Tap Rock Resources LLC

Recording:

1091/0723

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M. Section 22: W/2 SW/4, all depths below 8,155' and

NE/4 SW/4, all depths below 8,181'

Eddy County, New Mexico

Royalty:

1/4th

Date:

January 1, 2017

Lessor:

J.M. Fowlkes, Jr., Maco Stewart Fowlkes, John M. Fowlkes, Preston L.

Fowlkes, Lauren Fowlkes, Nancy Fowlkes Donley, Kathleen K. Moller

Current Lessee:

Tap Rock Resources LLC

Recording:

1091/0506

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M. Section 22: W/2 SW/4, all depths below 8,155' and

NE/4 SW/4, all depths below 8,181'

Eddy County, New Mexico

Royalty:

1/4th

Released to Imaging: 12/13/2024 8:39:34 AM

Date: January 1, 2017

Lessor: Edwin H. Fowlkes III (aka Trey Fowlkes) and Janet Renee Fowlkes

Murrey

Current Lessee: Tap Rock Resources LLC

Recording: 1091/0507

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M. Section 22: W/2 SW/4, all depths below 8,155' and

NE/4 SW/4, all depths below 8,181'

Eddy County, New Mexico

Royalty: 1/4th

Date: August 1, 2016
Lessor: Frank Blow Fowlkes
Current Lessee: COG Operating LLC

Recording: 1088/0135

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: W/2 SW/4, below 8155'

NE/4 SW/4, below 8181' Eddy County, New Mexico

Royalty: 1/4th

Date: August 1, 2011

Lessor: Christine Speidel Fowlkes and Christopher Clegg Fowlkes
Current Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording: 866/1007

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: W/2 SW/4, NE/4 SW/4

Eddy County, New Mexico

Royalty: 1/4th

Date: January 12, 2009 Lessor: Delaware Ranch, Inc.

Current Lessee: COG Operating LLC / Concho Oil & Gas LLC

Recording: 764/1217

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: W/2 SW/4, NE/4 SW/4

Eddy County, New Mexico

Royalty: 1/5th

TRACT 4 – VB-1126-01 SECTION 27: W2

Date:

March 1, 2007

Lessor:

State of New Mexico VB-1126-0001

Current Lessee:

Chevron U.S.A. Inc.

Recording:

N/A

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M. Section 27: W/2, Eddy County, New Mexico

Royalty:

3/16th

TRACT 5 - VB-1127-00 SECTION 34: N2NW, LOTS 1 & 2 (W2) 127.52 ACRES

Date:

March 1, 2007

Lessor:

State of New Mexico VB-1127-0000

Current Lessee:

Chevron U.S.A. Inc.

Recording:

N/A

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 34: N/2 NW/4 and Lots 1, 2 (W/2)

Royalty:

3/16th

RECAPITULATION

TRACT NUMBER	NUMBER OF ACRES COMMITTED	PERCENTAGE OF INTEREST IN COMMUNITIZED AREA
1	160.00	20.85%
2	40.00	5.21%
3	120.00	15.64%
4	320.00	41.69%
5	127.52	16.61%
TOTAL	767.52	100.00%

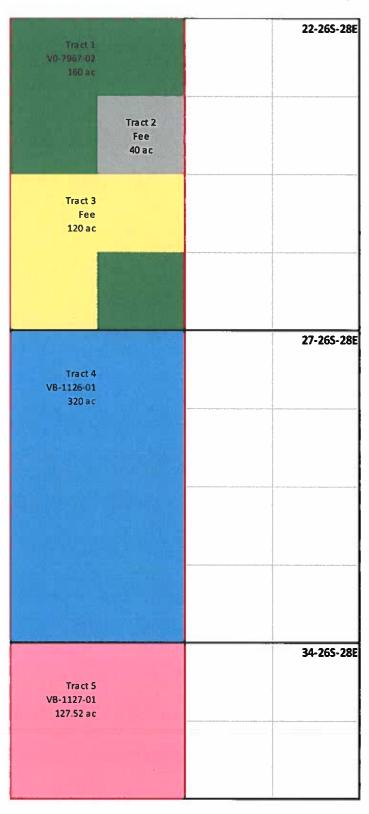
Released to Imaging: 12/13/2024 8:39:34 AM

320 ACRES

Received by OCD: 12/12/2023 3:28:27 PM

EXHIBIT B

Attached to and made a part of that Communitization Agreement dated November 1, 2020, by and between COG Operating LLC, and OXY USA Inc., covering the W/2 of Sections 22 and 27, and the N/2 NW/4 and Lots 1, 2 (W/2) of Section 34, T26S-R28E, Eddy County, New Mexico



Received by OCD: 12/12/2023 3:28:27 PM

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY COG OPERATING, LLC

CASE NO. 21312 ORDER NO. R-21102-A

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on June 11, 2020, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order:

FINDINGS OF FACT

- 1. COG Operating, LLC. ("Operator") applied to conform Order R-21102 ("Exising Order") issued in Case No. 20935 with the Division's recently amended order template ("Amended Template").
- 2. Operator is in good standing under state-wide rules and regulations with respect to the Existing Order.
- 3. Operator has reviewed and agrees to the terms and conditions in the ordering paragraphs of the Amended Template.
- 4. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 5. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 6. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 7. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
- 8. This Order affirms the Findings of Fact and Conclusions of Law in the Existing Order and replaces the ordering paragraphs 15-35 in the Existing Order as stated below.

ORDER

- 9. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 10. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 11. Operator is designated as operator of the Unit and the Well(s).
- 12. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 13. The Operator shall commence drilling the Well(s) within one year after the date of this Order and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 14. This Order shall terminate automatically if Operator fails to comply with Paragraph 13 unless Operator obtains an extension by an amendment of this Order for good cause shown.
- 15. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 16. Operator shall submit to each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 17. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
- 18. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written

CASE NO. 21312 ORDER NO. R-21102-A Released to Imaging: 12/13/2024 8:39:34 AM

- objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 19. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 20. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 21. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 22. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 23. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 24. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 23 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 25. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.

CASE NO. 21312 ORDER NO. R-21102-A Released to Imaging: 12/13/2024 8:39:34 AM

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- 26. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 27. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 et seq., and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 et seq.
- 28. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 29. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL DIRECTOR

AES/jag

Date: 6/12/2020

Released to Imaging: 12/13/2024 8:39:34 AM

NM State Land Office Oil, Gas, & Minerals Division

STATE/STATE OR STATE/FEE

Revised December 2021

COMMUNITIZATION AGREEMENT
ONLINE Version WNOW ALL DED CONG DV THESE DESENTS: ADI# 20 045 40067
KNOW ALL PERSONS BY THESE PRESENTS: API# 30-015-49967 Potato Baby St Com 901H
Potato Baby St Com 901H STATE OF NEW MEXICO) Well Name: API # 30-015-49968
Potato Baby St Com 902H
COUNTY OF)
THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of (date before 1 st production), 20, by and between the parties subscribing, ratifying or consenting hereto, such parties hereinafter being referred to as "Parties hereto";
WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by the Legislature, as set forth in Sec. 19-10-53, New Mexico Statutes, Annotated, 1978, in the interest of conservation of oil & gas and the prevention of waste to consent to and approve the development or operation of State Trust Lands under agreements made by lessees of oil & gas leases thereon, jointly or severally with other oil & gas lessees of State Trust Lands, or oil and gas lessees or mineral owners of privately owned or fee lands, for the purpose of pooling or communitizing such lands to form a proration unit or portion thereof, or well-spacing unit, pursuant to any order, rule or regulation of the New Mexico Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department where such agreement provides for the allocation of the production of oil or gas from such pools or communitized areas on an acreage or other basis found by the Commissioner of Public Lands to be fair and equitable.
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, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, which leases are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and
WHEREAS, said leases, insofar as they cover the formation or pool as defined by the NMOCD, as further described on Exhibit "A" (hereinafter referred to as "said formation") in and under the land hereinafter described cannot be independently developed and operated in conformity with the well spacing program established for such formation in and under said lands; and
WHEREAS, the parties hereto desire to communitize and pool their respective interests in said leases subject to this agreement for the purpose of developing, operating and producing

ONLINE version
December 9, 2021

hereof.

State/State

hydrocarbons in the said formation in and under the land hereinafter described subject to the terms

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 undersigned as follows:

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

Subdivisions:		
0f Sect(s):	Twp: 26S Rng: 28E NMPM	County, NM
•	acres, more or less. It is the judgment of the pa	
	production of hydrocarbons from the said format	
necessary and adv	visable in order to properly develop and produce t	the hydrocarbons in the said
formation beneath	n the said land in accordance with the well spacin	ng rules of the Oil Conservation
Division of the No	ew Mexico Energy, Minerals and Natural Resour	rces Department, and in order to
promote the conse	ervation of the hydrocarbons in and that may be p	produced from said formation in
and under said lar	nds, and would be in the public interest:	

AND, for the purposes aforesaid, the parties hereto do hereby communitize for proration or spacing purposes only the leases and depths described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "communitized substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this agreement for all purposes, is Exhibit A showing the acreage, depths communitized and ownership (Lessees of Record) of all leases within the communitized area.

- 2. 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 leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.
- 3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals under the terms of said leases shall not be affected by this agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this agreement shall remain in full force and effect as originally issued and amended.

ONLINE version December 9, 2021 State/State

4.	shall be the Operator of the said communitized area and
all	matters of operation shall be determined and performed by

- 5. The State of New Mexico hereafter is entitled to the right to take in kind its share for the communitized substances allocated to such tract, and Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.
- 6. There shall be no obligation upon the parties hereto to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the parties hereto shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.
- 7. The commencement, completion, and continued operation or production of a well or wells of communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.
- 8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws. This agreement shall be subject to all applicable Federal and State laws, executive orders, rules and regulations affecting the performance of the provisions hereof, 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 compliance is prevented by or if such failure results from compliance with any such laws, orders, rules and regulations.
- 9. This agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules, and regulations; provided, that this agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized

ONLINE version
December 9, 2021

State/State

area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence. As to State Trust Lands, written notice of intention to commence such operations shall be filed with the Commissioner of Public Lands within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.

- 10. Operator will furnish the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and the Commissioner of Public Lands of the State of New Mexico, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.
- 11. It is agreed between the parties hereto that the Commissioner of Public Lands, or his duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State of New Mexico.
- 12. If any order of the Oil Conservation Division of the New Mexico Energy Minerals and Natural Resources Department, upon which this agreement is predicated or based is in anyway changed or modified, then in such event said agreement is likewise modified to conform thereto.
- 13. 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 instruments, 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.
- 14. 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.

IN WITNESS WHEREOF, the parties	hereto have executed	this agreement as	of the day	and year
first above written.				

OPERATOR:		
-----------	--	--

 From:
 Barron, Jeanette

 To:
 McClure, Dean, EMNRD

 Cc:
 Lowe, Leonard, EMNRD

Subject: [EXTERNAL] Re: [EXTERNAL]Action ID: 293771; CTB-983-A

Date:Tuesday, October 29, 2024 3:26:39 PMAttachments:Potato Baby St Com Revised CTB 983.pdf

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Hello Dean,

I hope this email finds you well. I have attached a revised application for your review. On the second page, you will find the updated locations for the satellites. Satellite A is located in the NENE Unit A, Section 34-T26S-R28E, and Satellite B is located in the NWNE Unit B, Section 34-T26S-R28E. The CTB has also been changed to reflect Unit F. Additionally, I have replaced the lease map with a new one that clearly notes the positions of the satellites.

Please let me know if you need any further information or if there are any additional documents required.

Thank you for your attention to this matter.

Best regards,

Jeanette

Please note my new cell number.

Jeanette Barron | Regulatory Coordinator, Delaware Basin NM | ConocoPhillips

O: 575-748-6974 | **C**: 575-909-2803 | 2208 W. Main Street, Artesia, New Mexico

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From: McClure, Dean, EMNRD < Dean. McClure@emnrd.nm.gov>

Sent: Friday, October 25, 2024 11:10 AM

To: Barron, Jeanette < Jeanette.Barron@conocophillips.com> **Cc:** Lowe, Leonard, EMNRD < Leonard.Lowe@emnrd.nm.gov>

Subject: [EXTERNAL] Action ID: 293771; CTB-983-A

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

To whom it may concern (c/o Jeanette Barron for COG Operating, LLC),

The Division is reviewing the following application:

Action ID	293771
Admin No.	CTB-983-A
Applicant	COG Operating, LLC (229137)
Title	Potato Baby St 34 N CTB
Sub. Date	12/12/2023

Please provide the following additional supplemental documents:

•

Please provide additional information regarding the following:

 Please provide the location for each of the satellites referenced in the application; those being Potato Baby State 34N Satellite A and Potato Baby State 34N Satellite B. My speculation is that these satellites may be in the SE/4 of the SW/4 of section 34 based on the facility names, but please confirm the quarter-quarter location.

Additional notes:

•

All additional supplemental documents and information may be provided via email and should be done by replying to this email. The produced email chain will be uploaded to the file for this application.

Please note that failure to take steps to address each of the requests made in this email within 10 business days of receipt of this email may result in the Division rejecting the application requiring the submittal of a new application by the applicant once it is prepared to address each of the topics raised.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

Due

ARTESIA DAILY PRESS

Ad ID: 85418 Pre-Bill

P.O. Box 190 • Artesia , NM 88211-0190 • 575-746-3524

Jeanette Barron
COG Operating, LLC
2208 West Main
Artesia, NM 88210

Sold to: Account ID: 1935

Jeanette Barron
COG Operating, LLC
2208 West Main
Artesia, NM 88210

Please pay from this Pre-Bill. Return stub with payment.	Rep ID: LR	Terms: Net 30
Please pay from this Pleasin. Return state water page 1		Zone: C
Classification of Ad: 450 - Legal Notice		
PO: 26708 Text: Red Hills		

Charges from 11/28/2010 to 12/7/2023

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Date 12/7/23	Pub Type ADP Ad	Description Legal Notice: Red Hills - Legal	40400			\$90.98

	\$90.98
40/22	φ ο υ.ου
\$84.32	
i	

Pre-Bill Please return this portion with your payment. Remit Payment to: \$90.98 **Amount Due Artesia Daily Press** P.O. Box 190 Artesia, NM 88211-0190 **Amount Enclosed** Phone: 575-746-3524 Fax: 575-746-8795 Issue Date: 12/7/2023 Pre-Bill Date: 12/8/2023 Jeanette Barron Ad# 85418 COG Operating, LLC 2208 West Main Account # 1935 Artesia, NM 88210

Affidavit of Publication

State of New Mexico
County of Eddy

Danny Scott

being duly sworn, sayes that he is the

Publisher

of the Artesia Daily Press, a daily newspaper of General circulation, published in English at Artesia, said county and state, and that the hereto attached

Legal Ad

was published in a regular and entire issue of the said
Artesia Daily Press, a daily newspaper duly qualified
for that purpose within the meaning of Chapter 167 of
the 1937 Session Laws of the state of New Mexico for

1 Consecutive weeks/day on the same

day as follows: First Publication

December 7, 2023

Second Publication

Third Publication

Fourth Publication

Fifth Publication

Sixth Publication

Subscribed ans sworn before me this

8th

day of

December

2023

LATISHA ROMINE
Notary Public, State of New Mexico
Commission No. 1076338
My Commission Expires
05-12-2027

Latisha Romine

Notary Public, Eddy County, New Mexico

Copy of Publication:

Legal Notice

COG Operating, LLC (COG), 2208 W. Main St., Artesia, N.M., 88210, is seeking administrative approval from the New Mexico Oil Conservation Division to commingle the oil and gas production from the Potato Baby State Com 701H-706H, 901H-910 wells.

Said wells are located in Section 34, Township 26 South, Range 28 East, Eddy County, New Mexico. The Central Tank Battery (CTB) where production will be commingled is located in Ut N, Section 34-T26S-R28E, Eddy County, New Mexico.

In the event oil production at the CTB is over capacity or in the case of battery or pipeline repairs, COG is also seeking administrative approval for off-lease measurement at either the Red Hills Off-load Station in Unit O, Section 4-T26S-R32E, or the Jal Off-load Station in Unit D, Section 4-T26S-R37E, Lea County, New Mexico.

Any interested party who has an objection to this must give notice in writing to the Oil Conservation Division, 1220 S. Saint Francis St., Santa Fe, New Mexico, 87505, within ten (10) days of this notice. Any interested party with questions or comments may contact Shelly Klingler, 432-688-9027, shelley.c.klingler@conocophillips.com at COG Operating, LLC, 600 W. Illinois, Midland, Texas, 79701.

Published in the Artesia Daily Press, Artesia, N.M., Dec. 7, 2023 Legal No. 26708.

From: McClure, Dean, EMNRD on behalf of Engineer, OCD, EMNRD

To: <u>Barron, Jeanette</u>

Cc: McClure, Dean, EMNRD; Lowe, Leonard, EMNRD; Rikala, Ward, EMNRD; Wrinkle, Justin, EMNRD; Powell, Brandon,

EMNRD; Lamkin, Baylen L.

Subject:Approved Administrative Order CTB-983-ADate:Friday, December 13, 2024 8:20:20 AM

Attachments: CTB983A Order.pdf

NMOCD has issued Administrative Order CTB-983-A which authorizes COG Operating, LLC (229137) to surface commingle or off-lease measure, as applicable, the following wells:

Well API	Well Name	UL or Q/Q	S-T-R	Pool
		W/2	22-26S-28E	
30-015-50007	Potato Baby State Com #906H	W/2	27-26S-28E	98220
		W/2	34-26S-28E	
		W/2	22-26S-28E	
30-015-50009	Potato Baby State Com #907H	W/2	27-26S-28E	98220
	·	W/2	34-26S-28E	
		W/2	22-26S-28E	
30-015-50006	Potato Baby State Com #908H	W/2	27-26S-28E	98220
	·	W/2	34-26S-28E	
		W/2	22-26S-28E	
30-015-50008	Potato Baby State Com #909H	W/2	27-26S-28E	98220
	•	W/2	34-26S-28E	
		W/2	22-26S-28E	
30-015-50010	Potato Baby State Com #910H	W/2	27-26S-28E	98220
	•	W/2	34-26S-28E	
		W/2	22-26S-28E	
30-015-47463	Potato Baby State Com #704H	W/2	27-26S-28E	98220
	Totalo Busy State Com "70 III	W/2	34-26S-28E	
		W/2	22-26S-28E	
30-015-47460	Potato Baby State Com #705H	W/2	27-26S-28E	98220
	Tomo Duby State Com # 10011	W/2	34-26S-28E	
		W/2	22-26S-28E	
30-015-47459	Potato Baby State Com #706H	W/2	27-26S-28E	98220
	100000 2000 2000 0011	W/2	34-26S-28E	
		E/2	22-26S-28E	
30-015-47461	Potato Baby State Com #702H	E/2	27-26S-28E	98220
		E/2	34-26S-28E	
		E/2	22-26S-28E	
30-015-47464	Potato Baby State Com #703H	E/2	27-26S-28E	98220
		E/2	34-26S-28E	, , , , ,
		E/2	22-26S-28E	
30-015-49969	Potato Baby State Com #903H	E/2	27-26S-28E	98220
20 010 1//0/	2 June Dany Sense Com 117 Vol.	E/2	34-26S-28E	/ U## U
		E/2	22-26S-28E	
30-015-49970	Potato Baby State Com #904H	E/2	27-26S-28E	98220
50-015- 7 ////	Tomo Dany State Com 1170411	E/2	34-26S-28E	<i>> 0 2 2 0</i>
		E/2	22-26S-28E	
30-015-49971	Potato Baby State Com #905H	E/2	27-26S-28E	98220
30-013-47771	Totato Daby State Com myosii	E/2 E/2	34-26S-28E	70220
			0-T-200-2012	

30-015-49967	Potato Baby State Com #901H	S/2 SE/4	22-26S-28E	
		E/2	27-26S-28E	98220
		E/2	34-26S-28E	
30-015-49968	Potato Baby State Com #902H	S/2 SE/4	22-26S-28E	
		E/2	27-26S-28E	98220
		E/2	34-26S-28E	
30-015-47458	Potato Baby State Com #701H	E/2	27-26S-28E	98220
		E/2	34-26S-28E	70220

The administrative order is attached to this email and can also be found online at OCD Imaging.

Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

September 26, 2023

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

Re: Amending approved CTB-983 - Administrative Approval of Lease Commingle (CTB)

Dear Mr. McClure,

COG Operating LLC respectfully requests approval for amending CTB-983 adding 901H-910H wells for a surface lease commingling for the following wells:

Potato Baby St Com 701H API# 30-015-47458

Purple Sage; Wolfcamp (Gas) Ut. D, Sec. 34-T26S-R28E Eddy County, NM

Potato Baby St Com 703H API# 30-015-47464

Purple Sage; Wolfcamp (Gas) Ut. D, Sec. 34-T26S-R28E Eddy County, NM

Potato Baby St Com 705H API# 30-015-47460

Purple Sage; Wolfcamp (Gas) Ut. B, Sec. 34-T26S-R28E Eddy County, NM

Potato Baby St Com 901H API# 30-015-49967

Purple Sage; Wolfcamp (Gas) Ut. H, Sec. 34-T26S-R28E Eddy County, NM Potato Baby St Com 702H API# 30-015-47461

Purple Sage; Wolfcamp (Gas) Ut. D, Sec. 34-T26S-R28E Eddy County, NM

Potato Baby St Com 704H API# 30-015-47463

Purple Sage; Wolfcamp (Gas) Ut. B, Sec. 34-T26S-R28E Eddy County, NM

Potato Baby St Com 706H API# 30-015-47459

Purple Sage; Wolfcamp (Gas) Ut. B, Sec. 34-T26S-R28E Eddy County, NM

Potato Baby St Com 902H API# 30-015-49968

Purple Sage; Wolfcamp (Gas) Ut. H, Sec. 34-T26S-R28E Eddy County, NM Potato Baby St Com 903H API# 30-015-49969

Purple Sage; Wolfcamp (Gas) Ut. H, Sec. 34-T26S-R28E Eddy County, NM

Potato Baby St Com 905H API# 30-015-49971

Purple Sage; Wolfcamp (Gas) Ut. H, Sec. 34-T26S-R28E Eddy County, NM

Potato Baby St Com 907H API# 30-015-50009

Purple Sage; Wolfcamp (Gas) Ut. E, Sec. 34-T26S-R28E Eddy County, NM

Potato Baby St Com 909H

API# 30-015-50008

Purple Sage; Wolfcamp (Gas) Ut. E, Sec. 34-T26S-R28E Eddy County, NM Potato Baby St Com 904H API# 30-015-49970

Purple Sage; Wolfcamp (Gas) Ut. H, Sec. 34-T26S-R28E Eddy County, NM

Potato Baby St Com 906H API# 30-015-50007

Purple Sage; Wolfcamp (Gas) Ut. E, Sec. 34-T26S-R28E Eddy County, NM

Potato Baby St Com 908H API# 30-015-50006

Purple Sage; Wolfcamp (Gas) Ut. E, Sec. 34-T26S-R28E Eddy County, NM

Potato Baby St Com 910H API# 30-015-50010

Purple Sage; Wolfcamp (Gas) Ut. E, Sec. 34-T26S-R28E Eddy County, NM

Oil Production:

The oil production from all wells will be measured separately by allocation meter prior to being commingled at the Central Tank Battery located in Ut. F, Sec. 34-T26S-R28E. 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.

Production:

The Potato Baby State 34N Satellite A is NENE in section 34-T26S-R28E and will handle production from Potato Baby State Com Wells 901H-904H. To maintain metering accuracy, production from each well will be routed through segregated production trains on the well pad.

The Potato Baby State 34N Satellite B is NWNE in section 34-T26S-R28E and will handle production from Potato Baby State Com Wells 906H-909H. To maintain metering accuracy, production from each well will be routed through segregated production trains on the well pad.

Coriolis meters will be utilized for oil measurement on the downstream side of the 3- phase horizontal separator for each production train. These meters will be proven as per API, NMOCD, and BLM specs when installed, once per month for the first 3 months, and quarterly thereafter. These meters will function as the allocation meters for all wells entering the facility. Once the oil has been metered, it will be piped to the existing Potato Baby State 34N CTB to be processed and delivered to 3rd party sales lact.

Orifice meters will be located downstream of each inlet 3-phase separator, these meters will function as the allocation meters for all wells entering the facility. These meters will meet API and AGA standards and will be calibrated on a regular interval per API, NMOCD, and BLM regulations. Recovered vapors from the atmospheric tanks will be gathered and metered on the discharge side of the Vapor Recovery Unit (VRU) and compressed into the sales line. This sales volume, referred to as recovered vapors, will be allocated back to each well based on the individual well's gas production. Once the gas has been metered, it will be delivered to a 3rd party sales meter onsite.

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

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

Thank you for your attention to this matter.

Sincerely,

Jeanette Barron

Jeanette Barron Regulatory Coordinator

				Revised March 23, 2017
RECEIVED:	REVIEWER:	TYPE:	APP NO:	
	- Geologia	above THISTABLE FOR OCD DIV CO OIL CONSERVA Cal & Engineering ancis Drive, Santa	ATION DIVISION Bureau –	
THIS CH	ECKLIST IS MANDATORY FOR A	RATIVE APPLICATION L ADMINISTRATIVE APPLICA QUIRE PROCESSING AT THE I	TIONS FOR EXCEPTIONS	
Applicant: Well Name:			OGR Api:	RID Number:
			Pool	Code:
SUBMIT ACCURA	TE AND COMPLETE INI	ORMATION REQUIF		THE TYPE OF APPLICATION
A. Location -	ATION: Check those Spacing Unit – Simuli SL NSP(PR		n	lsd
[I] Comm □ I [II] Injecti	e only for [1] or [11] ningling – Storage – M DHC ©CTB ©P on – Disposal – Pressu WFX ©PMX ©S	LC ∐PC ∐0 ıre Increase - Enha	nced Oil Recov	_
A. Offset of Royalty C. Applica D. Notifica E. Notifica F. Surface G. For all of	REQUIRED TO: Check operators or lease hole, overriding royalty or ation requires published tion and/or concurrent of the above, proof oce required	ders wners, revenue ow ed notice ent approval by SLG ent approval by BLI	ners O M	FOR OCD ONLY Notice Complete Application Content Complete Ched, and/or,
administrative a understand tha	I hereby certify that approval is accurate to no action will be tale submitted to the Div	and complete to th ken on this applica	ne best of my kn	
Note	e: Statement must be comple	ted by an individual with	managerial and/or su	pervisory capacity.
			<u>12.12.23</u> Date	
Print or Type Name				
			Phone Numbe	er
<u>Jeanette Barro</u> Signature	u		e-mail Address	

<u>District I</u> 1625 N. French Drive, Hobbs, NM 88240 <u>District II</u> 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

1220 S. St Francis Dr, Santa Fe, NM 87505 State of New Mexico Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

1220 S. St Francis Drive Santa Fe, New Mexico 87505 Form C-107-B Revised August 1, 2011

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

APPLICATION	N FOR SURFACE	COMMINGLING	G (DIVERSE	OWNERSHIP)							
OPERATOR NAME: COG	Operating LLC										
OPERATOR ADDRESS: 2208	V Main Street, Artesia, I	New Mexico 88210									
APPLICATION TYPE:											
☐ Pool Commingling ☐ Lease Commin	gling Pool and Lease Co	ommingling Off-Lease	Storage and Measu	rement (Only if not Surface	e Commingled)						
	✓ State										
Is this an Amendment to existing Or											
Have the Bureau of Land Manageme ☐Yes ☐No	nt (BLM) and State Lan	d office (SLO) been not	tified in writing	of the proposed comm	ingling						
(A) POOL COMMINGLING Please attach sheets with the following information											
(1) Pool Names and Codes	Gravities / BTU of Non-Commingled	Calculated Gravities / BTU of Commingled		Calculated Value of Commingled	Volumes						
	Production	Production		Production							
				1							
				=							
(3) Has all interest owners been notified (4) Measurement type: ☐Metering (5) Will commingling decrease the value.	Other (Specify)		☐Yes ☐No.	ing should be approved							
	Please attach shee	SE COMMINGLIN ts with the following in									
 (1) Pool Name and Code. 98220 Purpl (2) Is all production from same source (3) Has all interest owners been notified (4) Measurement type: Metering 	of supply? ⊠Yes □!		⊠Yes □N	lo							
		d LEASE COMMIN									
(1) Complete Sections A and E.	Trease actuent since	is with the following in	inormation .								
<u> </u>											
	(D) OFF-LEASE ST Please attached she	TORAGE and MEA ets with the following									
(1) Is all production from same source(2) Include proof of notice to all interest		No									
(E)	ADDITIONAL INFO	ORMATION (for all ts with the following in		ypes)							
(1) A schematic diagram of facility, in											
(2) A plat with lease boundaries showi(3) Lease Names, Lease and Well Nun	-	tions. Include lease number	ers if Federal or St	ate lands are involved.							
I hereby certify that the information above	a is true and complete to the	a hast of my knowledge on	d balief								
SIGNATURE: Jeanette Ba	varan	TITLE: <u>Regulatory Coordn</u>			3						
TYPE OR PRINT NAME Jeanette Barro	TELEPHONE NO.:	_575.748.6974									

E-MAIL ADDRESS: _jbarron@concho.com

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

District II

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

District III

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

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION

1220 South St. Francis Dr. Santa Fe, NM 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

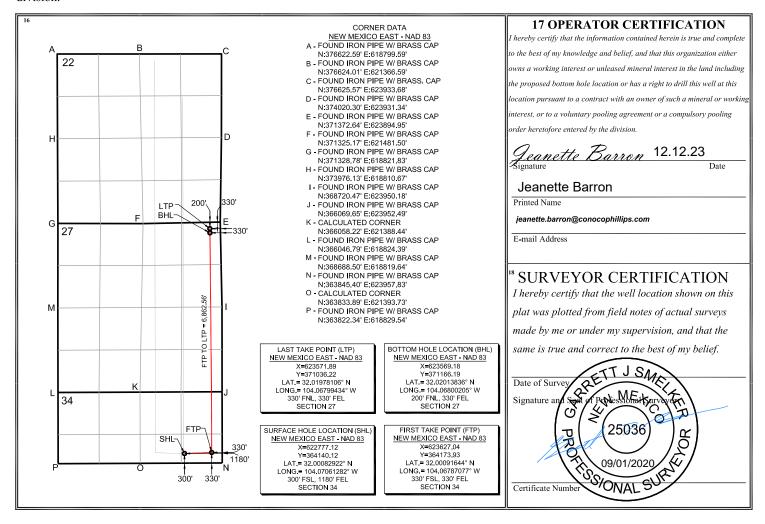
1 API Number 30-015-47458		2 Pool Code 98220 PURPLE SAGE; WOLFCAMP		(GAS)	
4 Property Code 329348			roperty Name ABY STATE COM	6 Well Number 701H	
7 OGRID No. 229137			perator Name ERATING LLC	9 Elevation 3073'	

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	34	26-S	28-E		300'	SOUTH	1180'	EAST	EDDY

11 Bottom Hole Location If Different From Surface

	"Bottom Hole Location if Different From Surface										
UL or lot no.	Section	Townshi	ip Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
A	27	26-S	28-E		200'	NORTH	330'	EAST	EDDY		
12 Dedicated Acre	s 13 Joint o	or Infill	14 Consolida	ion Code 15	Order No.						
767.52											



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Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

Santa Fe, NM 87505

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WELL LOCATION AND ACREAGE DEDICATION PLAT

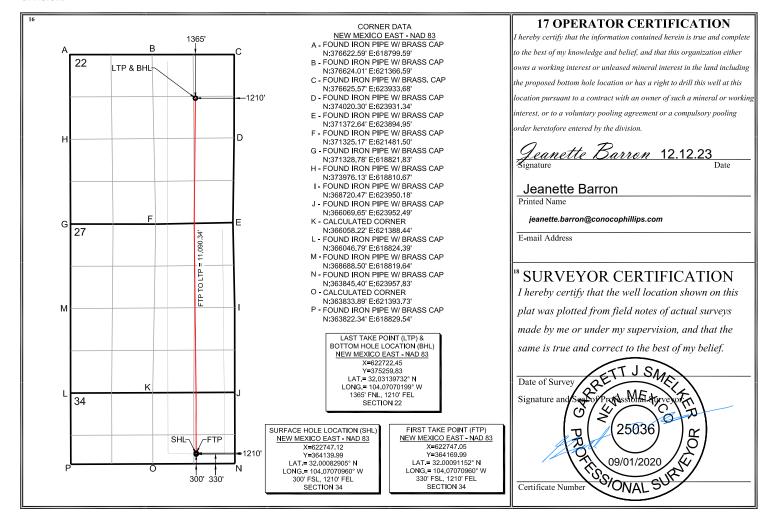
1 API Number 30-015-47461		2 Pool Code 98220	P (GAS)	
4 Property Code 329348			roperty Name ABY STATE COM	6 Well Number 702H
7 OGRID No. 229137			perator Name ERATING LLC	9 Elevation 3074'

¹⁰ Surface Location

Γ	UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	4	34	26-S	28-E		300'	SOUTH	1210'	EAST	EDDY

11 Bottom Hole Location If Different From Surface

		Bottom Hole Eccation in Different From Surface									
ı	UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
	Н	22	26-S	28 - E		1365'	NORTH	1210'	EAST	EDDY	
	12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code					rder No.					
	767.52										



1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 <u>District II</u>

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District IV

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1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 State of New Mexico
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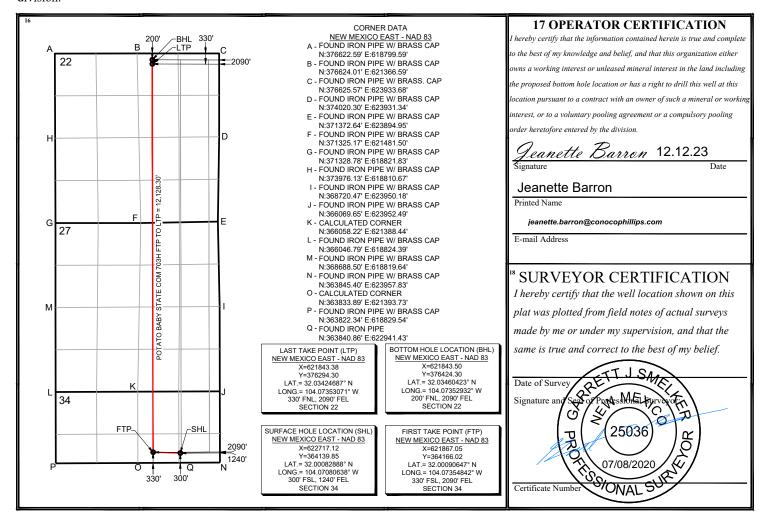
1 API Number 30-015-47464		2 Pool Code 98220	PURPLE SAGE; WOLFCAMP (GAS	S)
4 Property Code 329348			roperty Name ABY STATE COM	6 Well Number 703H
7 OGRID No. 229137			perator Name ERATING LLC	9 Elevation 3075'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	34	26-S	28-E		300'	SOUTH	1240'	EAST	EDDY

11 Bottom Hole Location If Different From Surface

	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		
В	22	26-S	28-E		200'	NORTH	2090'	EAST	EDDY		
12 Dedicated Acre 767.52	12 Dedicated Acres 13 Joint or Infill 14 Cons		Consolidation	Code 15 O	rder No.						



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

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1000 Rio Brazos Road, Aztec, NM 87410

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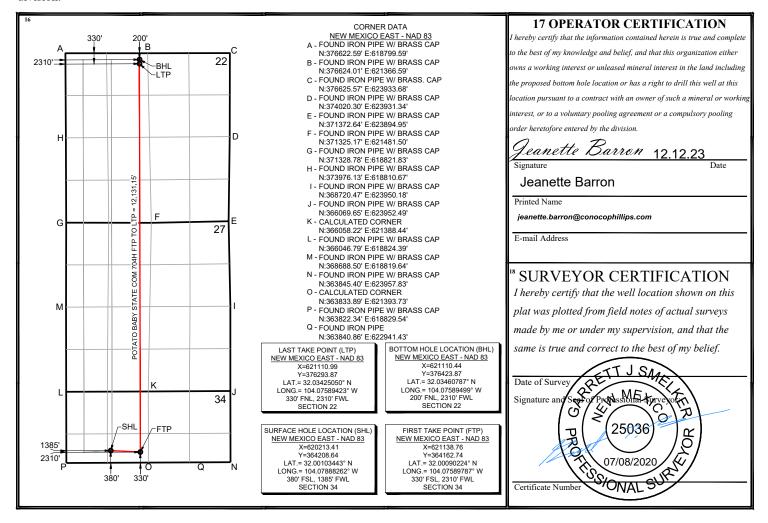
1 API Number 30-015-47463		2 Pool Code 98220	GAS)	
4 Property Code 329348			roperty Name ABY STATE COM	6 Well Number 704H
7 OGRID No. 229137			perator Name ERATING LLC	9 Elevation 3083'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
2	34	26-S	28-E		380'	SOUTH	1385'	WEST	EDDY

11 Bottom Hole Location If Different From Surface

	"Bottom Hole Location II Different From Surface												
UL or lot no.	Section	Townshi	p Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County				
C	22	26-S	28-E		200'	NORTH	2310'	WEST	EDDY				
12 Dedicated Acre 767.52	s 13 Joint o	or Infill 1	14 Consolidation	Code 15 O	rder No.								



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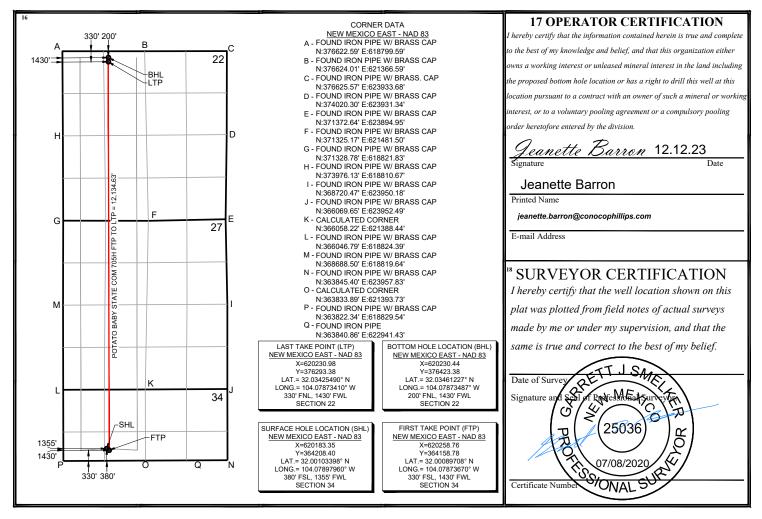
1 API Numbe 30-015-47460	1 API Number 2 Pool Co 30-015-47460 98220		3 Pool Name PURPLE SAGE; WOLFCAMF	P(GAS)
4 Property Code 329348			roperty Name ABY STATE COM	6 Well Number 705H
7 OGRID No. 229137			perator Name ERATING LLC	9 Elevation 3082'

¹⁰ Surface Location

2 34 26	26-S 28-E	380'	SOUTH	1355'	WEST	EDDY

¹¹ Bottom Hole Location If Different From Surface

	Bottom Hole Location if Different From Surface											
1	UL or lot no.	Section	Townshi	p Rang	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
	C	22	26-S	28-1		200'	NORTH	1430'	WEST	EDDY		
	12 Dedicated Acres 767.52	13 Joint o	or Infill	14 Consolida	ion Code 1:	5 Order No.						



1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 <u>District II</u>

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OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

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

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WELL LOCATION AND ACREAGE DEDICATION PLAT

Santa Fe, NM 87505

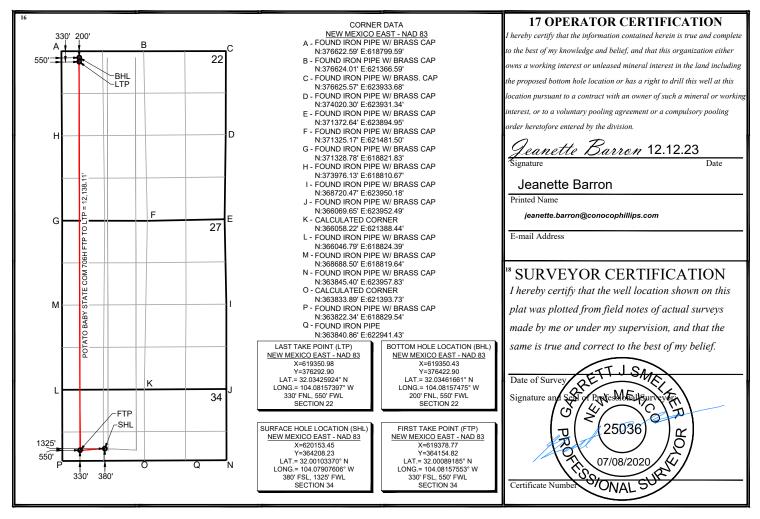
1 API Numbe 30-015-4745	2 Pool Code 98220)	
4 Property Code 329348		roperty Name ABY STATE COM	6 Well Number 706H
7 OGRID No. 229137		perator Name ERATING LLC	9 Elevation 3082'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
2	34	26-S	28-E		380'	SOUTH	1325'	WEST	EDDY

11 Bottom Hole Location If Different From Surface

	" Bottom Hole Location II 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	26-S	28-E		200'	NORTH	550'	WEST	EDDY			
12 Dedicated Acre 767.52	s 13 Joint o	or Infill 1	4 Consolidation	Code 15 O	rder No.							



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 <u>District III</u>

1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u>

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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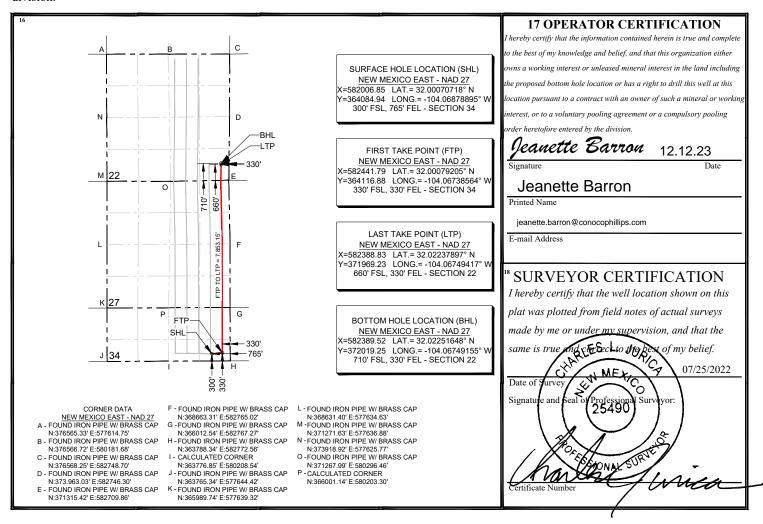
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

	1 API Number		2 Pool Code 3 Pool Name			
30-015-49	9967	98220	Purple Sage; Wolfcamp (Gas	S)		
4 Property Code		5 Pi	roperty Name	6 Well Number		
329348		POTATO BABY STATE COM				
7 OGRID No.		9 Elevation				
229137	COG OPERATING LLC 3065.36					

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	34	26-S	28-E		300'	SOUTH	765'	EAST	EDDY
			¹¹ Во	ttom Ho	le Location I	f Different Fro	m Surface		,
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	22	26-S	28-E		710'	SOUTH	330'	EAST	EDDY
12 Dedicated Acre	s 13 Joint o	or Infill 14	Consolidation	Code 15 O	rder No.				
527.72	2								



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

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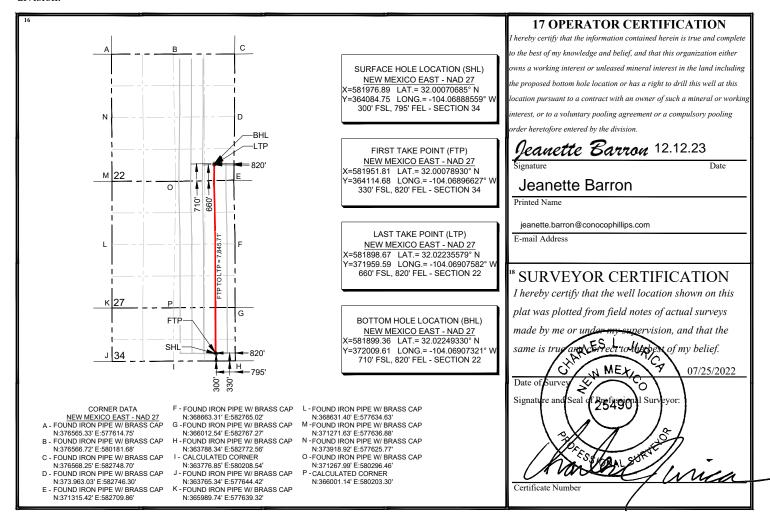
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

	1 API Number 30-015-49968		98220 Purple Sage; Wolfcamp (Gas)				
4 Property Code		5 Pi	roperty Name	6 Well Number			
329348		POTATO I	BABY STATE COM	902H			
7 OGRID No.		8 Operator Name					
229137		COG O	PERATING LLC	3065.92'			

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	34	26-S	28-E		300'	SOUTH	795'	EAST	EDDY
			11 Вс	ttom Ho	le Location I	f Different Fro	m Surface		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	22	26-S	28-E		710'	SOUTH	820'	EAST	EDDY
12 Dedicated Acre	s 13 Joint o	or Infill 14	Consolidation	Code 15 O	rder No.				
527 72									



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Santa Fe, NM 87505

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WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-015-49969		² Pool Code 98220	Purple Sage; Wolfcamp (Gas)	
4 Property Code 329348			roperty Name BABY STATE COM	6 Well Number 903H
7 OGRID No. 229137			perator Name PERATING LLC	9 Elevation 3066.45'

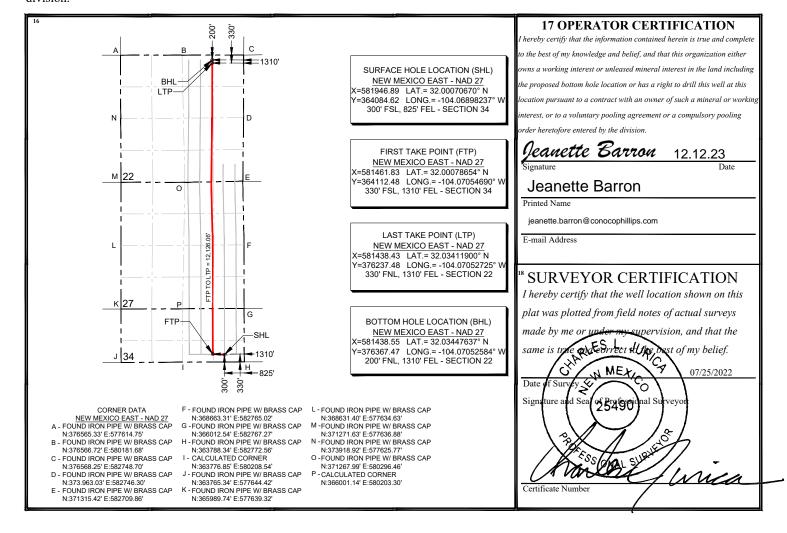
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	34	26-S	28-E		300'	SOUTH	825'	EAST	EDDY
¹¹ 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								County	
R	22	26-8	28-F		200'	NORTH	1310'	EAST	EDDY

B 22 26-S 28-E 200' NO

12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No.

767.72



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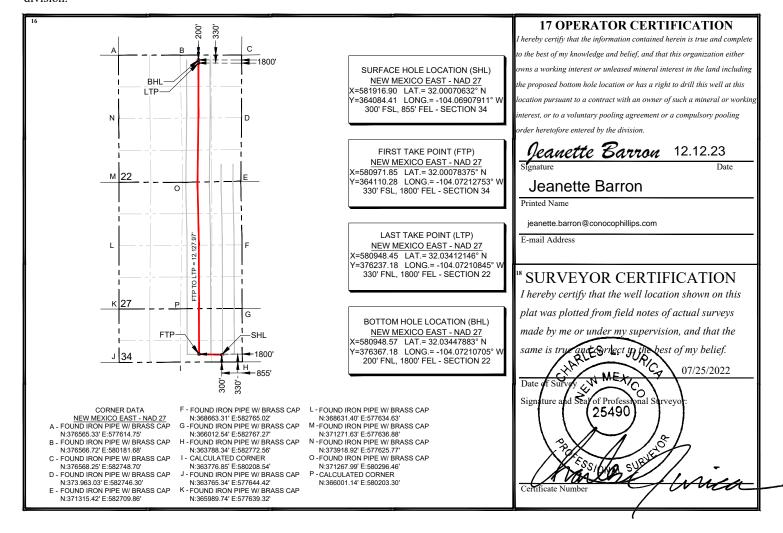
WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code 3 Pool Name			
30-015-49970		98220	Purple Sage; Wolfcamp (Ga	s)	
4 Property Code 329348		5 Property Name POTATO BABY STATE COM			
7 OGRID No. 229137			perator Name PERATING LLC	9 Elevation 3067.37'	

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
4	34	26-S	28-E		300'	SOUTH	855'	EAST	EDDY	
	" Bottom Hole Location If Different From Surface									
UL or lot no.	UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County									
В	22	26-S	28-E		200'	NORTH	1800'	EAST	EDDY	

12 Dedicated Acres | 13 Joint or Infill | 14 Consolidation Code | 15 Order No. | 767.72



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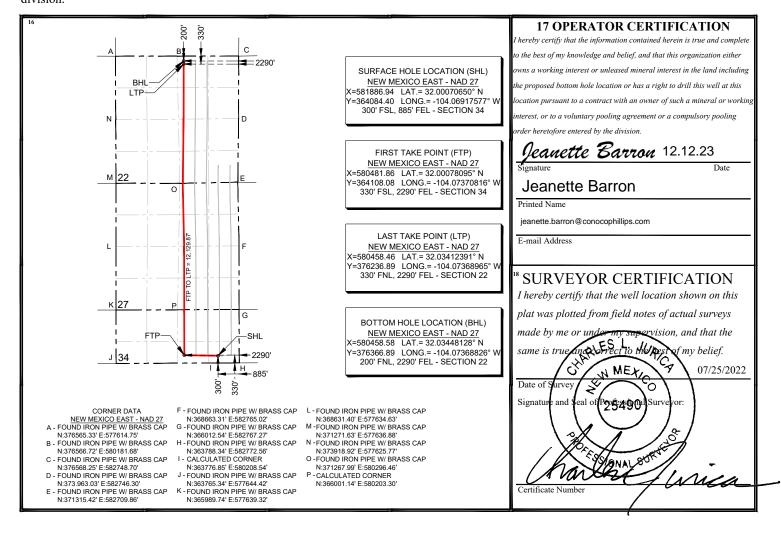
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WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code 3 Pool Name				
30-015-49971		98220	Purple Sage; Wolfcamp (Gas)			
4 Property Code		5 P	6 Well Number			
329348		POTATO BABY STATE COM				
7 OGRID No.		8 O	9 Elevation			
229137		COG O	3067.83'			

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	34	26-S	28-E		300'	SOUTH	885'	EAST	EDDY
¹¹ 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
В	22	26-S	28-E		200'	NORTH	2290'	EAST	EDDY
12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No.									
767 72									



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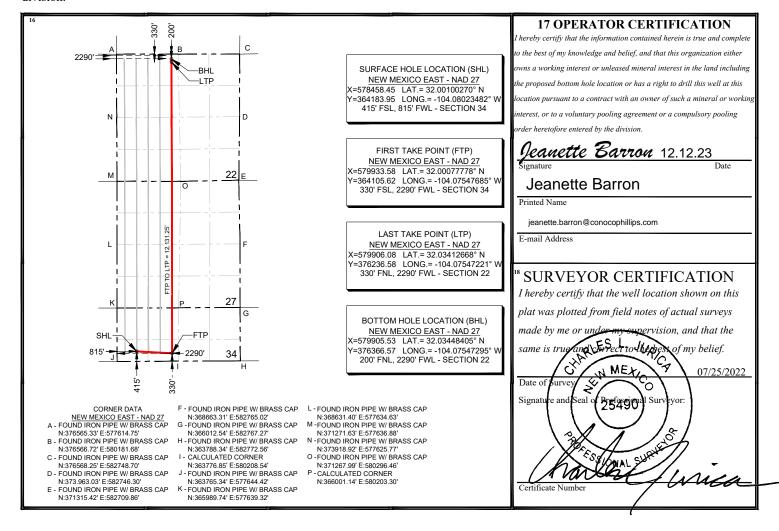
WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Numbe	r	2 Pool Code	3 Pool Name	
30-015-50007		98220		
4 Property Code		5 Pi	6 Well Number	
329348		POTATO I	906Н	
7 OGRID No.		8 O	9 Elevation	
229137		COG O	3072.49'	

¹⁰ Surface Location

	UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
	1	34	26-S	28-E		415'	SOUTH	815'	WEST	EDDY	
	¹¹ Bottom Hole Location If Different From Surface										
	_			11 Bo	ttom Ho	le Location I	f Different Fro	m Surface	_		
Ì	UL or lot no.	Section	Township	11 Bo Range	ttom Ho	le Location I Feet from the	f Different Fro	Surface Feet from the	East/West line	County	

12 Dedicated Acres | 13 Joint or Infill | 14 Consolidation Code | 15 Order No. | 767.52



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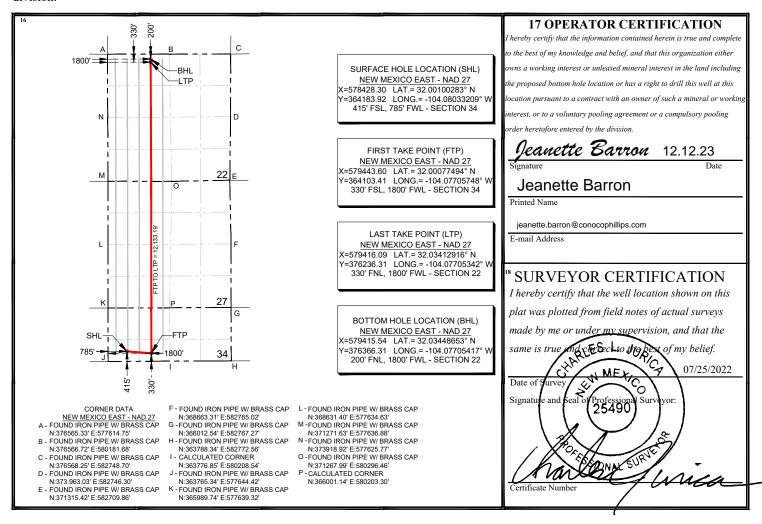
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WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Numbe	2 Pool Code		3 Pool Name		
30-015-50009		98220	s)		
4 Property Code		5 Pi	6 Well Number		
329348		POTATO I	BABY STATE COM	907H	
7 OGRID No.		8 O	9 Elevation		
229137		COG O	3072.65'		

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
1	34	26-S	28-E		415'	SOUTH	785'	WEST	EDDY	
¹¹ 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	
С	22	26-S	28-E		200'	NORTH	1800'	WEST	EDDY	
12 Dedicated Acre	12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No.									
767.52										



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767.52

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

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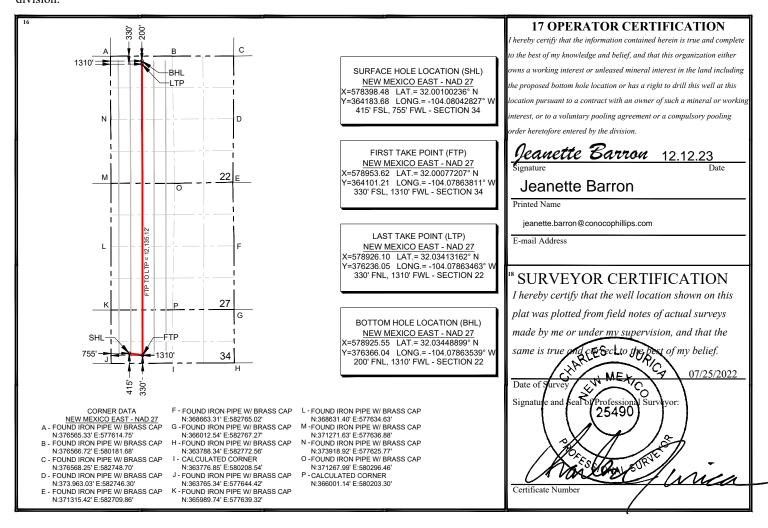
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WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Numbe	r	2 Pool Code	3 Pool Name			
30-015-5000	6	98220	Purple Sage: Wolfcamp (Gas)			
4 Property Code		5 Pı	6 Well Number			
329348		POTATO I	908H			
7 OGRID No.		8 O	9 Elevation			
229137		COG O	3073.03'			

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	34	26-S	28-E		415'	SOUTH	755'	WEST	EDDY
¹¹ 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
С	22	26-S	28-E		200'	NORTH	1310'	WEST	EDDY
12 Dedicated Acre	12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No.								



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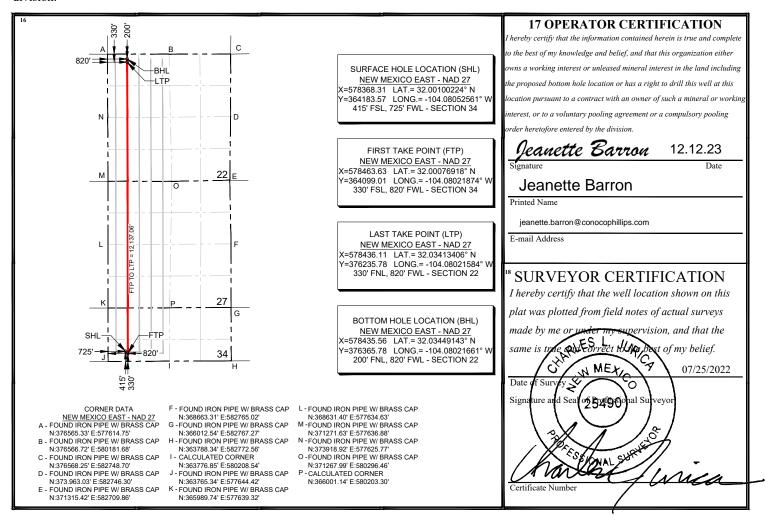
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WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number	r	2 Pool Code	3 Pool Name					
30-015-50008		98220	as)					
4 Property Code		5 Pı	6 Well Number					
329348		POTATO I	POTATO BABY STATE COM					
7 OGRID No.		8 O ₁	9 Elevation					
229137		COG O	3073.14'					

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	34	26-S	28-E		415'	SOUTH	725'	WEST	EDDY
¹¹ 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	26-S	28-E		200'	NORTH	820'	WEST	EDDY
12 Dedicated Acre	2 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No.								
707.50									



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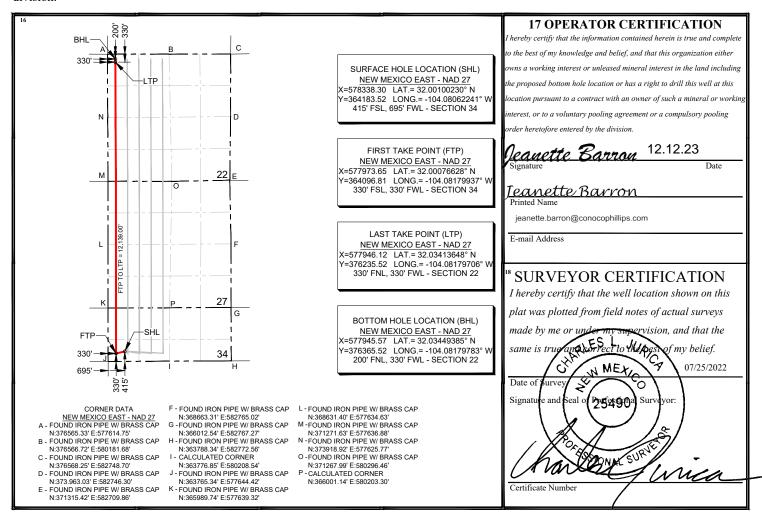
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WELL LOCATION AND ACREAGE DEDICATION PLAT

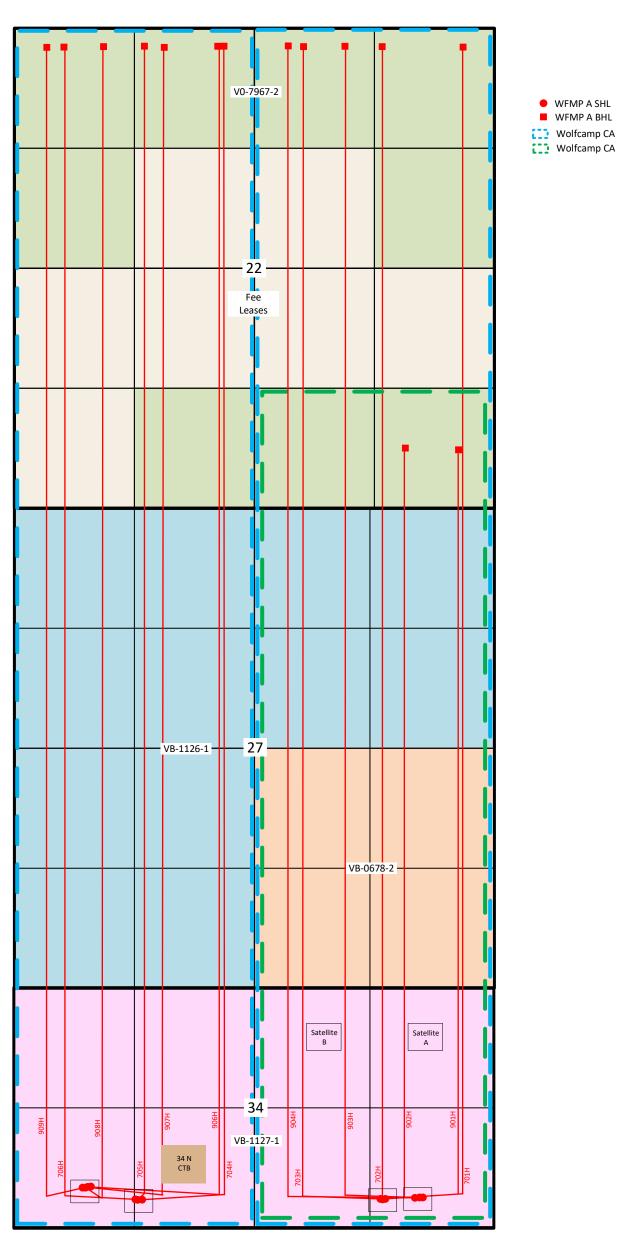
1 API Number 2 Pool Code		2 Pool Code	3 Pool Name			
30-015-5001	30-015-50010 98220		Purple Sage; Wolfcamp (Gas)			
4 Property Code		5 Pi	6 Well Number			
329348		POTATO I	910H			
7 OGRID No.		8 O	9 Elevation			
229137		COG O	3073.57'			

¹⁰ Surface Location

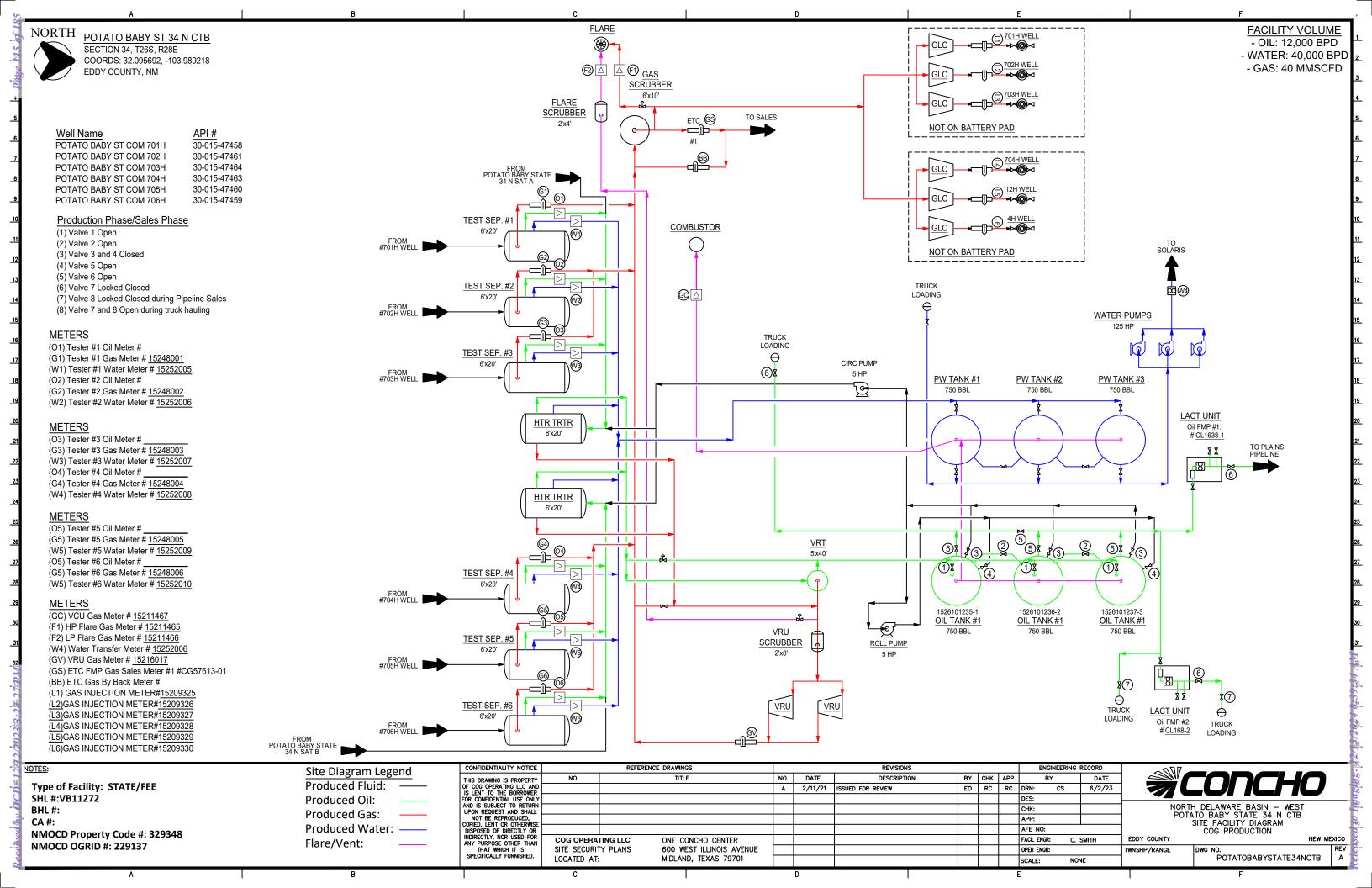
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	34	26-S	28-E		415'	SOUTH	695'	WEST	EDDY
¹¹ Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	22	26-S	28-E		200'	NORTH	330'	WEST	EDDY
12 Dedicated Acre	12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No.								



Potato Baby State Wells



Sec. 22, 27, 34-T26S-R28E Eddy County, NM



NORTH FACILITY VOLUME POTATO BABY ST 34 N SATTELITE A CTB - OIL: 12,000 BPD SECTION 34, T26S, R28E COORDS: 32.00, -104.07 - WATER: 40,000 BPD EDDY COUNTY, NM - GAS: 40 MMSCFD **METERS** (O1) Tester #1 Oil Meter # **FLARE** (G1) Tester #1 Gas Meter # ₩• (W1) Tester #1 Water Meter # (O2) Tester #2 Oil Meter # (G2) Tester #2 Gas Meter # (W2) Tester #2 Water Meter # SCRUBBER 6'x10' FLARE **METERS** SCRUBBER (O3) Tester #3 Oil Meter # ETC, GS TO SALES 2'x4' (G3) Tester #3 Gas Meter # (W3) Tester #3 Water Meter # (O4) Tester #4 Oil Meter # (G4) Tester #4 Gas Meter # (W4) Tester #4 Water Meter # **METERS** 01 (F1) HP Flare Gas Meter # (F2) LP Flare Gas Meter # TEST SEP. #1 (W4) Water Transfer Meter # (GS) ETC FMP Gas Sales Meter #1 # TO SOLARIS FROM #901H WELL (BB) ETC Gas By Back Meter # (L1) GAS INJECTION METER# (L2)GAS INJECTION METER# VRU (L3)GAS INJECTION METER# TEST SEP. #2 TRUCK ₩ (L4)GAS INJECTION METER# LOADING 6'x20' (L5)GAS INJECTION METER# WATER PUMPS (L6)GAS INJECTION METER# 150 HP **WELLS** POTATO BABY STATE COM #901H 30-015-49967 TEST SEP. #3 POTATO BABY STATE COM #902H 30-015-49968 SKIM PUMP FROM #903H WELL POTATO BABY STATE COM #903H 30-015-49969 20 HP PW TANK #1 PW TANK #2 PW TANK #3 POTATO BABY STATE COM #904H 30-015-49970 **@** 1000 BBL 1000 BBL 1000 BBL TEST SEP. #4 6'x20' FROM #904H WELL TO
POTATO BABY STATE 34N CTB NOTES: CONFIDENTIALITY NOTICE REFERENCE DRAWINGS ENGINEERING RECORD REVISIONS NO. TITLE NO. DATE DESCRIPTION BY CHK. APP. BY DATE THIS DRAWING IS PROPERTY THIS DRAWING IS PROPERTY OF COG OPERATING LIC AND IS LENT TO THE BORROWER FOR CONFIDENTIAL USE ONLY AND IS SUBJECT TO RETURN UPON REQUEST AND SHALL NOT BE REPRODUCED, COPIED, LENT OR OTHERWISE DISPOSED OF DIRECTLY OR INDIRECTLY, NOR USED FOR ANY PURPOSE OTHER THAN THAN THICH IT IS SPECIFICALLY FURNISHED. A 6/2/23 ISSUED FOR REVIEW EO RC RC DRN: 6/2/23 DES: NORTH DELAWARE BASIN — WEST POTATO BABY STATE 34 N SAT A SITE FACILITY DIAGRAM COG PRODUCTION CHK: APP: AFE NO: EDDY COUNTY NEW MEXICO ONE CONCHO CENTER C. SMITH COG OPERATING LLC FACIL ENGR: 600 WEST ILLINOIS AVENUE

MIDLAND, TEXAS 79701

OPER ENGR:

NONE

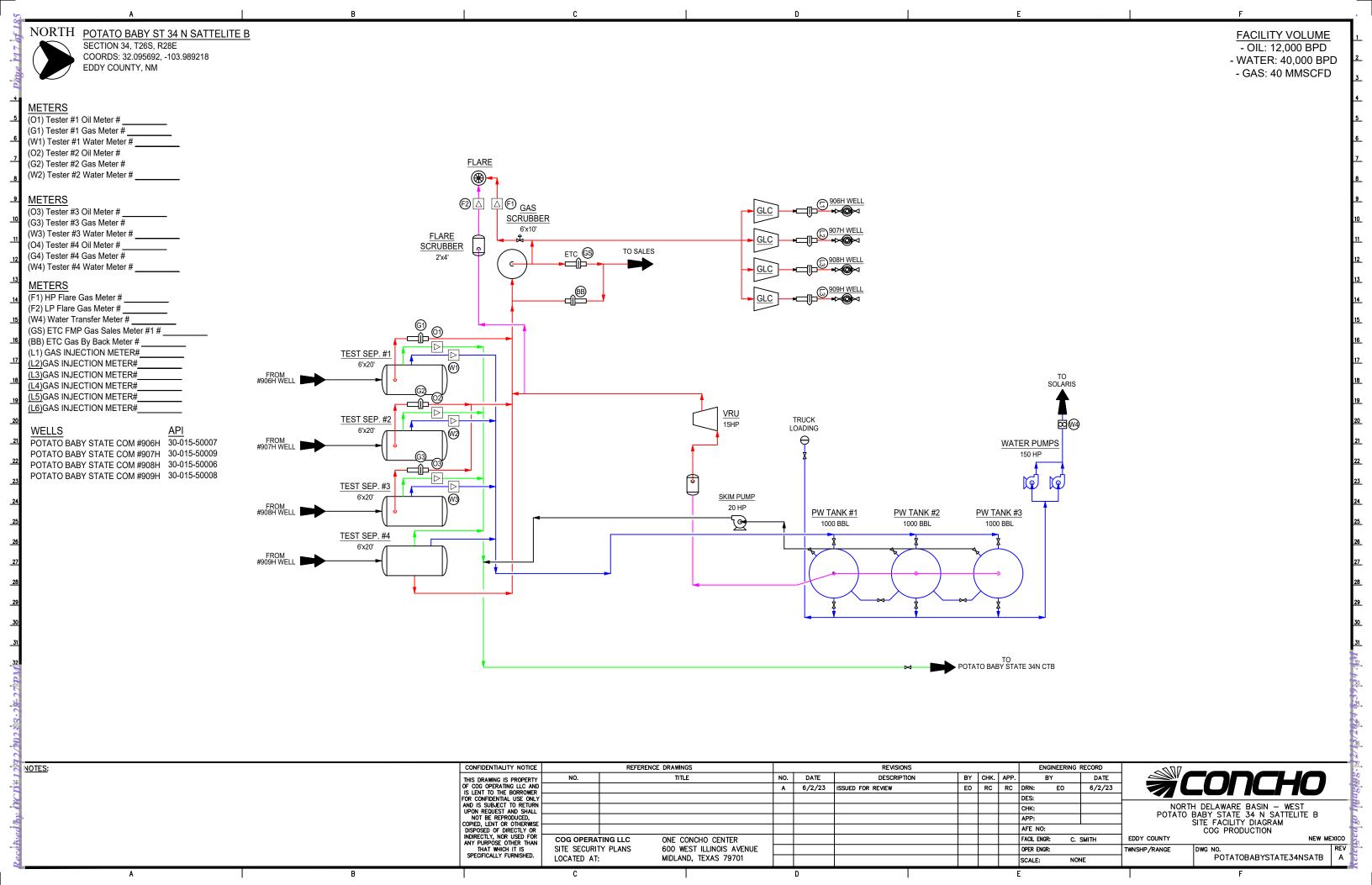
SCALE:

TWNSHP/RANGE

POTATOBABYSTATE34NSATA

SITE SECURITY PLANS

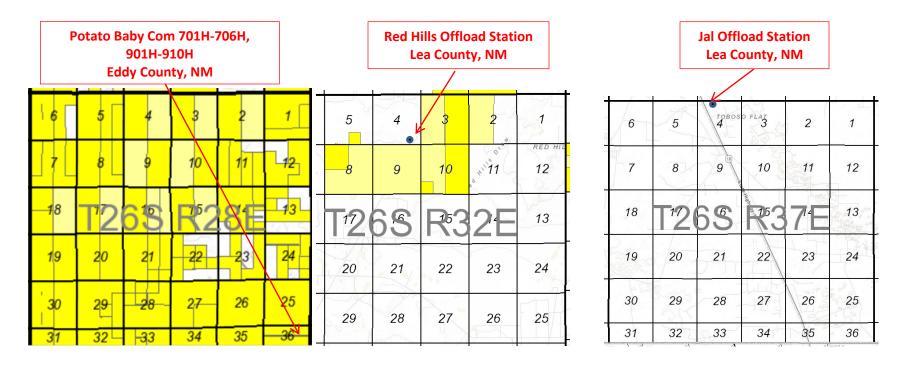
LOCATED AT:





POTATO BABY ST COM 701H-706H & 901H-910H

Potato Baby State Com 701H-706H, 901H-910H & Red Hills and Jal Offload Station Map



		POTATO BABT ST COM 701	H-706H & 901H-910H SURFACE COMMIN	GLE		ı	
ate Sent	Initials	Name	Address	City	State	ZipCode	Certified Return Receipt No
2.12.23	JB	1836 Royalty Partners LLC	306 W Wall Street, Suite 620	Midland	TX	79701	7017 3040 0000 1205 5010
2.12.23		Michael Foley, dealing in his sole and separate property	111 No 127th Plaza	Omaha	NE	68154	7017 3040 0000 1205 5027
.12.23	JB	Alice A. Wesely, dealing in her sole and separate property	12912 Dewey St	Omaha	NE	68154	7017 3040 0000 1205 5034
.12.23	JB	Anabel Schmidt Family Trust, Art Schmidt Trustee	30 Tiburon	Austin	TX	78738	7017 3040 0000 1205 5041
.12.23	JB JB	Ann E Obrien Ann Marie Abboud, dealing in her sole and separate property	6221 Woolworth Avenue 9771 Westchester Dr	Omaha Omaha	NE NE	68106 68114	7017 3040 0000 1205 5058 7017 3040 0000 1205 5065
.12.23	JB	AR Midland LP	1717 S Boulder Ave, Suite 400	Tulsa	OK	74119	7017 3040 0000 1205 5072
.12.23	JB	Brigham Minerals, LLC	5914 W Courtyard Drive, Suite 100	Austin	TX	78730	7017 3040 0000 1205 5089
.12.23	JB	BSB Minerals LLC	3207 Hanover St	Dallas	TX	75225	7017 3040 0000 1205 5096
.12.23	JB	Buckhorn Minerals IV LP	1885 St James Place, Suite 820	Houston	TX	77056	7017 3040 0000 1205 5102
.12.23	JB	Camie Wade	PO Box 65150	Lubbock	TX	79464	7017 3040 0000 1205 5119
.12.23	JB	Chisos Minerals LLC	1111 Bagby Street, Suite 2150	Houston	TX	77002	7017 3040 0000 1205 5126
.12.23	JB	Christine Speidel Fowlkes	416 S Manzanita Dr	Horizon City	TX	79928	7017 3040 0000 1205 5133
.12.23	JB	Christopher Clegg Fowlkes	416 S Manzanita Dr	Horizon City	TX	79928	7017 3040 0000 1205 5140
.12.23	JB JB	Dale Land & Minerals LLC David Kerby	2100 Ross Ave., Suite 1870 16704 County Road 1440	Dallas Wolfforth	TX TX	75201 79382	7017 3040 0000 1205 5157 7017 3040 0000 1205 5164
.12.23	JB	Debra Kay Primera	PO Box 28504	Austin	TX	78755	7017 3040 0000 1203 3104
.12.23	JB	Delaware Ranch Inc.	1304 W Riverside Drive	Carlsbad	NM	88220	7017 3040 0000 1205 5188
.12.23	JB	Edward George Silvius, dealing in his sole separate property	PO Box 1002	Dallas	OR	97338	7017 3040 0000 1205 5195
.12.23	JB	Edwin Fowlkes Heirs Family Limited Partnership	555 N 1400 E	Mapleton	UT	84664	7017 3040 0000 1205 5201
.12.23	JB	Edwin Hockaday Fowlkes, III (aka Trey Fowlkes)	PO Box 23416	Waco	TX	76702	7017 3040 0000 1205 5218
.12.23	JB	EG3 Inc.	PO Box 1567	Graham	TX	76450	7017 3040 0000 1205 5225
.12.23	JB	Ellen Ryan, dealing in her sole and separate property	5300 Mohawk Lane	Fairway	KS	66205	7017 3040 0000 1205 5232
.12.23	JB	Erin T. Moeschler, dealing in her sole and separate property	2406 NE Going St	Portland	OR	97211	7017 3040 0000 1205 5249
.12.23	JB	Fortis Minerals II, LLC	1111 Bagby Street, Suite 2150	Houston	TX	77002	7017 3040 0000 1205 5256
.12.23	JB	Franco-Nevada Texas LP George Poage, III	1745 Shea Center Dr., Suite 400 PO Box 369	Highlands Ranch	CO	80129	7017 3040 0000 1205 5263
12.23 12.23	JB JB	George Poage, III George Thompson	4619 94th St	Marble Falls Lubbock	TX TX	78654 79424	7017 3040 0000 1205 5270 7017 3040 0000 1205 5287
12.23	JB	Herbert M. Sampson III, dealing in his sole and separate property	633 Park River PI	Estes Park	CO	80517	7017 3040 0000 1205 5287
.12.23	JB	James Daniel Jeffrey, whose wife is Jennifer J. Jeffrey	3830 Corvallis Drive	Reno	NV	89511	7017 3040 0000 1203 3294
.12.23	JB	Janet E. Czerwinski, dealing in her sole and separate property	1042 S Kenilworth Ave	Oak Park	IL	60304	7017 3040 0000 1205 5317
12.23	JB	Janet Renee Fowlkes Murrey	PO Box 417	Eddy	TX	76524	7017 3040 0000 1205 5324
.12.23	JB	JC Resources LP	1717 S Boulder Ave, Suite 400	Tulsa	OK	74119	7017 3040 0000 1205 5331
.12.23	JB	Jessica E. Miller, dealing in her sole and separate property	683 JE George Blvd	Omaha	NE	68132	7017 3040 0000 1205 5348
.12.23	JB	John F. Risko, dealing in his sole and separate property	1609 Grappenhall Dr	Apex	NC	27502	7017 3040 0000 1205 5355
.12.23	JB	John Kevin Stumm, dealing in his sole and separate property	5572 Linea Del Cielo	Rancho Santa Fe	CA	92067	7017 3040 0000 1205 5362
.12.23	JB	John M. Fowlkes	PO Box 1470	Marfa	TX	79843	7017 3040 0000 1205 5379
12.23	JB	John Peter Jeffrey, whose wife is Margaret H. Jeffrey	PO Box 12019	Austin	TX	78711	7017 3040 0000 1205 5386
12.23 12.23	JB JB	Joseph F. Jeffrey, whose wife is Debra Jeffrey Joseph S. Risko, dealing in his sole and separate property	2963 Windsor Court 12605 Leavenworth Rd	Rescue Omaha	CA NE	95672 68154	7017 3040 0000 1205 5393 7017 3040 0000 1205 5409
12.23	JB	Jubilee Royalty Holdings LLC	615 Washington Rd, Suite 400	Pittsburgh	PA	15228	7017 3040 0000 1203 3409
12.23	JB	Kemp Smith, LLP	221 N Kansas, Suite 1700	El Paso	TX	79901	7017 3040 0000 1205 5423
12.23	JB	Kenneth C Treaccar dba Treaccar Properties Unvested LLC	618 Casasanta Trail	Lakeway	TX	78738	7017 3040 0000 1205 5430
12.23	JB	Laura & John Arnold Foundation dba LJA Charitable Investments LLC	1717 West Loop South, Suite 1800	Houston	TX	77027	7017 3040 0000 1205 5447
.12.23	JB	Lee M. Kugle, dealing in her sole and separate property	2429 Westlake Drive	Austin	TX	78746	7017 3040 0000 1205 5454
.12.23	JB	Leslie C. Daniel, Trustee of the Daniel Family Trust	3 Pursuit Cottage 16B	Aliso Viejo	CA	92656	7017 3040 0000 1205 5461
.12.23	JB	MAP2009-OK	101 N. Robinson, Suite 1000	Oklahoma City	OK	73102	7017 3040 0000 1205 5478
12.23	JB	Margaret Purvis Minerals LP	PO Box 51990	Midland	TX	79710	7017 3040 0000 1205 5485
.12.23	JB	Marguerite Fort Bruns	12711 Colorado Blvd E #505	Thornton	CO	80241	7017 3040 0000 1205 5492
.12.23	JB JB	Mark I. Conrad, SSP	2420 Independence Blvd 9417 Holmes Plaza #F2	Abilene	TX NE	79601 68127	7017 3040 0000 1205 5508 7017 3040 0000 1205 5515
.12.23	JB	Mary Pauline Begley, dealing in her sole and separate property Meghan Obrien Gerken	6514 Woolworth Avenue	Omaha Omaha	NE	68106	7017 3040 0000 1205 5522
12.23	JB	Nob Hill Minerals LLC	2932 NW 122nd Street, Suite 6	Oklahoma City	OK	73120	7017 3040 0000 1205 5539
12.23	JB	OXY USA, Inc.	5 Greenway Plaza, Suite 110	Houston	TX	77046	7017 3040 0000 1205 5546
12.23	JB	Patrick K. Fowlkes	PO Box 658	Marfa	TX	79843	7017 3040 0000 1205 5553
12.23	JB	Patrick Medlock dba PLM Geo LLC	1507 W 30th Street	Austin	TX	78703	7017 3040 0000 1205 5560
12.23	JB	Paul C. Jeffrey, dealing in his sole and separate property	10779 Berry Plz	Omaha	NE	68127	7017 3040 0000 1205 5577
12.23	JB	Penasco Petroleum LLC	PO Box 4168	Roswell	NM	88202	7017 3040 0000 1205 5584
12.23	JB	Philip J. Jeffrey, dealing in his sole and separate property	4527 Pierce St	Omaha	NE	68106	7017 3040 0000 1205 5591
12.23	JB	Preston L. Fowlkes	1800 Golf Course Road	Marfa	TX	79843	7017 3040 0000 1205 5607
12.23	JB JB	Rfort Mineral Properties LLC	9716 Admiral Emerson Ave NE 604 S 124th Street	Albuquerque Omaha	NM NE	87111 68154	7017 3040 0000 1205 5614 7017 3040 0000 1205 5621
12.23	JB	Richard A. Jeffrey, dealing in his sole and separate property Richard Brendan Stumm, dealing in his sole and separate property	553 S Marengo Ave	Pasadena Pasadena	CA	91101	7017 3040 0000 1205 5621
12.23	JB	Ricky Don Raindl	PO Box 142454	Irving	TX	75014	7017 3040 0000 1203 3038
12.23	JB	Riverbend Oil & Gas IX Investments LLC	Two Allen Center, 1200 Smith Street, Suite 1950	Houston	TX	77002	7017 3040 0000 1205 5652
12.23	JB	Robert Mitchell Raindl	4015 124th St	Lubbock	TX	79423	7017 3040 0000 1205 5669
12.23	JB	Rolla R. Hinkle, III, a single	105 W 3rd St, Suite 314	Roswell	NM	88201	7017 3040 0000 1205 5676
12.23	JB	Suzanne B. Koch	PO Box 6962	Miramar	FL	32550	7017 3040 0000 1205 5683
12.23	JB	Suzanne Foley-Jones, dealing in her sole and separate property	17229 Pierce St	Omaha	NE	68130	7017 3040 0000 1205 5690
12.23	JB	Sydney Dehus, whose husband is Edward Dehus TD Minerals LLC	2104 Wood St 8111 Westchester Drive, Suite 900	Sarasota	FL	34237	7017 3040 0000 1205 5706
12.23 12.23	JB JB	The Allar Company	PO Box 1567	Dallas Graham	TX TX	75225 76450	7017 3040 0000 1205 5713 7017 3040 0000 1205 5720
12.23	JB	Thomas F. Jeffrey, dealing in his sole and separate property	1400 N Dutton Ave., Suite 21	Santa Rosa	CA	95401	7017 3040 0000 1205 5737
12.23	JB	Thomas T. Foley, dealing in his sole and separate property	1420 S. 185th Cir	Omaha	NE	68130	7017 3040 0000 1203 3737
12.23	JB	Tommy L. Fort	PO Box 5356	Midland	TX	79704	7017 3040 0000 1205 5751
2.23	JB	Tundra AD3, LP	2100 Ross Ave., Suite 1870	Dallas	TX	75201	7017 3040 0000 1205 5768
2.23	JB	U5 LLC	16900 S Highland Ridge Drive	Belton	MO	64012	7017 3040 0000 1205 5775
2.23	JB	Wayne A. Bissett and Laura Bissett	PO Box 2101	Midland	TX	79702	7017 3040 0000 1205 5782
12.23	JB	Westbank Minerals LLC	5410 Bee Cave Road	West Lake Hills	TX	78746	7017 3040 0000 1205 5799
2.23	JB	Zachary J Privett dba Elk Creek Acquitions LLC	3600 Bee Cave Road, Suite 102	West Lake	TX	78746	7017 3040 0000 1205 5805
12.23	JB	ANN URYASZ	16900 S HIGHLAND RIDGE DR PO BOX 1567	BELTON	MO	64012	7020 1810 0000 1415 3678
12.23 12.23	JB JB	EG3 INC JANE COAD OBRIEN	90 BOX 1567 307 S 57TH ST	GRAHAM OMAHA	TX NE	76450	7020 1810 0000 1415 3685 7020 1810 0000 1415 3692
12.23	JB	LESLIE A HINES LIVING TRUST LESLIE A HINES TRUSTEE	2103 N RED CLIFF	MESA	NE AZ	68132 85207	7020 1810 0000 1415 3692
12.23	JB	MARGARET H JEFFREY REVOC TRUST 9182002 MARGARET H JEFFREY TI		OMAHA	NE	68154	7020 1810 0000 1415 3708
12.23	JB	RANCHITO AD4 LP	2100 ROSS AVE STE 1870	DALLAS	TX	75201	7020 1810 0000 1415 3715
12.23	JB	Treaccar Properties Univested, LLC	618 Casasanta Dr	LAKEWAY	TX	78738	7020 1810 0000 1415 3722
12.23	JB	VERITAS PERMIAN RESOURCES III LLC	PO BOX 10850	FORT WORTH	TX	76114	7020 1810 0000 1415 3746
12.23	JB	PLM GEO, LLC	1507 W 30TH STREET	AUSTIN	TX	78703	7020 1810 0000 1415 3753
12.23		SLO	PO BOX 1148	SANTA FE	NM	87504	7020 1810 0000 1415 3760
12.23	JB JB	BLM	620 E. GREEN STREET	CARLSBAD	NM	88220	7020 1810 0000 1415 3777

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NM State Land Office Oil, Gas, & Minerals Division

STATE/STATE OR STATE/FEE

Revised March 2017

COMMUNITIZATION AGREEMENT

ONLINE Version

KNOW ALL MEN BY THESE PRESENTS:

Well Name: Potato Baby St Com *701H

STATE OF NEW MEXICO)

API #: 30 - 15 - 47458

Eddy) COUNTY OF

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of November 1 , 20 20, by and between the parties subscribing, ratifying or consenting hereto, such parties hereinafter being referred to as "Parties hereto";

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by the Legislature, as set forth in Sec. 19-10-53, New Mexico Statutes, Annotated, 1978, in the interest of conservation of oil & gas and the prevention of waste to consent to and approve the development or operation of State Trust Lands under agreements made by lessees of oil & gas leases thereon, jointly or severally with other oil & gas lessees of State Trust Lands, or oil and gas lessees or mineral owners of privately owned or fee lands, for the purpose of pooling or communitizing such lands to form a proration unit or portion thereof, or well-spacing unit, pursuant to any order, rule or regulation of the New Mexico Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department where such agreement provides for the allocation of the production of oil or gas from such pools or communitized areas on an acreage or other basis found by the Commissioner of Public Lands to be fair and equitable.

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 leases are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

Wolfcamp WHEREAS, said leases, insofar as they cover the formation or pool as defined by the NMOCD, as further described on Exhibit "A" (hereinafter referred to as "said formation") in and under the land hereinafter described cannot be independently developed and operated in conformity with the well spacing program established for such formation in and under said lands; and

WHEREAS, the parties hereto desire to communitize and pool their respective interests in said leases subject to this agreement for the purpose of developing, operating and producing hydrocarbons in the said formation in and under the land hereinafter described subject to the terms hereof.

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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 undersigned as follows:

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

Subdivisions E2 of Sec 27, N2NE & Lots 3, 4 (E2) of Sec 34

of Sect(s) (27, 34) Twnshp 26S Rng 28E NMPM Eddy County, NM containing 447.72 acres, more or less. It is the judgment of the parties hereto that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the parties hereto do hereby communitize for proration or spacing purposes only the leases and/or depths described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "communitized substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this agreement for all purposes, is Exhibit A showing the acreage, depths communitized and ownership (Lessees of Record) of all leases within the communitized area.

- 2. 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 leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.
- 3. Subject to Paragraph 4, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals under the terms of said leases shall not be affected by this agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this agreement shall remain in full force and effect as originally issued and amended.

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State/State

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- 4. COG Operating LLC shall be the Operator of the said communitized area and all matters of operation shall be determined and performed by COG Operating LLC .
- 5. The State of New Mexico hereafter is entitled to the right to take in kind its share for the communitized substances allocated to such tract, and Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.
- 6. There shall be no obligation upon the parties hereto to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the parties hereto shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.
- 7. The commencement, completion, and continued operation or production of a well or wells of communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.
- 8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws. This agreement shall be subject to all applicable Federal and State laws, executive orders, rules and regulations affecting the performance of the provisions hereof, 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 compliance is prevented by or if such failure results from compliance with any such laws, orders, rules and regulations.
- 9. This agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities; provided, that this agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this agreement may be

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State/State
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terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence. As to State Trust Lands, written notice of intention to commence such operations shall be filed with the Commissioner of Public Lands within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.

- 10. Operator will furnish the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and the Commissioner of Public Lands of the State of New Mexico, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.
- 11. It is agreed between the parties hereto that the Commissioner of Public Lands, or his duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State of New Mexico.
- 12. If any order of the Oil Conservation Division of the New Mexico Energy Minerals and Natural Resources Department, upon which this agreement is predicated or based is in anyway changed or modified, then in such event said agreement is likewise modified to conform thereto.
- 13. 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 instruments, 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.
- 14. 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.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

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PARTIES TO E/2 COMMUNITIZATION AGREEMENT (POTATO BABY 701H)

TRACT 1	VB-1126-01	SEC. 27: NE4	160 ACRES
Lessee of Record:	Chevron U.S.A. Inc. (COG Operating LL	C) Transfer of Record	opy of pending Title & COG signature
		attached	
TRACT 2	VB-0678-02	SEC. 27: SE4	160 ACRES
Lessee of Record:	Chevron U.S.A. Inc. (COG Operating LL)		opy of pending Title & COG signature
TRACT 3	VB-1127-01	SEC. 34: N2NE, LOTS 3,	4 127.72 ACS
Lessee of Record:	Chevron U.S.A. Inc. (COG Operating LL		opy of pending Title & COG signature

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COG OPERATING LLC

Sean Johnson Attorney-in-Fact

This instrument was acknowledged before me on

OF

Mickie J Alien Notary Public, State of Texas Notary ID 13190816-8 My Commission Exp. 02-26-2023

NON-STATE

STATE OF TEXAS COUNTY OF MIDLAND

SELF-CERTIFICATION

AGREEMENTS:

By:

same.

or certify that the information supplied by the party submitting this agreement is accurate with regard to all private, Tribal or federal interests. The responsibility of the Commissioner and State Land Office is to protect and adjudicate on the State Land Office interests during the processing of Communitization Agreements. The State Land Office will only verify the accuracy of state lease in the proposed Communitization Agreement. All non-state interests must be certified by the Operator.
As Operator of this Communitization Agreement, COG Operating LLC, hereby certifies that all lessees and/or working interest owners that are parties to this Communitization Agreement, as shown on Exhibit A, have the legal rights and interests they claim to the private or federal or Tribal leases subject to this Communitization Agreement and COG Operating LLC obtained written consent and authority to enter into this Agreement on their behalf. Written consent/signatures of lessees and/or other interest owners will be made available to the State Land Office immediately upon request. Any misrepresentation or material omission by the Operator in this respect will be grounds to void the Communitization Agreement.
By: Sean Johnson Attorney-in-Fact
STATE OF TEXAS) COUNTY OF MIDLAND)
This instrument was acknowledged before me on Court of COG Operating LLC, a Delawate limited liability company, on behalf of same. Mickie J Allen Notary Public, State of Texas Notary ID 13190816-8 My Commission Exp. 02-26-2023 Notary Exp. 12-26-2023 Notary Public in and for the State of Texas State/State or State/Fee E/2 Potato Baby, Wolfcamp 27 & 34, T26S-R28E

Johnson, Attorney in Fact of COG Operating LLC, a Delaward limited liability company, on behalf of

INTERESTS

Approval of this Communitization Agreement does not constitute an adjudication of any federal,

Tribal or private interests, and neither the Commission of Public Lands nor the State Land Office warrant

Notary Public in and for the State of Texas

COMMUNITIZATION

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FOR

EXHIBIT A

Attached to and made a part of that Communitization Agreement dated November 1, 2020, by and between COG Operating LLC, covering the E/2 of Section 27, and the N/2 NE/4 and Lots 3. 4 (E/2) of Section 34, T26S-R28E, Eddy County, New Mexico

Limited to the Wolfcamp formation

Operator of Communitized Area: COG Operating LLC

DESCRIPTION OF LEASES COMMITTED:

TRACT 1	VB-1126-01	SEC. 27: NE4	160 ACRES

March 1, 2007 Date:

Lessor: State of New Mexico VB-1126-0001

Lessee: Chevron U.S.A. Inc.

Recording: N/A

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 27: NE/4

Eddy County, New Mexico

3/16th Royalty:

TRACT 2 VB-0678-02 SEC. 27: SE4 160 ACRES

Date: July 1, 2005

Lessor: State of New Mexico VB-0678-0002

Lessee: Chevron U.S.A. Inc.

Recording: N/A

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 27: SE/4

3/16th Royalty:

TRACT 3 VB-1127-01 SEC. 34: N2NE, LOTS 3, 4 127.72 ACS

Date: March 1, 2007

Lessor: State of New Mexico VB-1127-0000

Lessee: Chevron U.S.A. Inc.

Recording: N/A

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 34: N/2 NE/4 and Lots 3, 4 (E/2)

 $3/16^{th}$ Royalty:

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RECAPITULATION:

TRACT NUMBER	NUMBER OF ACRES COMMITTED	PERCENTAGE OF INTEREST IN COMMUNITIZED AREA
1	160.00	35.74%
2	160.00	35.74%
3	127.72	28.52%
TOTAL	447.72	100.00%

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EXHIBIT B

Attached to and made a part of that Communitization Agreement dated November 1, 2020, by and between COG Operating LLC, covering the E/2 of Section 27, and the N/2 NE/4 and Lots 3, 4 (E/2) of Section 34, T26S-R28E, Eddy County, New Mexico

27-26S-28E	Tract 1 VB-1126-01 160 ac
	Tract 2 VB-0678-02 160 ac
34-26S-28E	Tract 3 VB-1127-01 127.72 ac

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NM State Land Office Oil, Gas, & Minerals Division

STATE/STATE OR STATE/FEE

Revised March 2017

COMMUNITIZATION AGREEMENT ONLINE Version

KNOW ALL MEN BY THESE PRESENTS:	Well Name: Potato Baby State Com
STATE OF NEW MEXICO)	API #: 30
COUNTY OF Eddy)	
THAT THIS AGREEMENT (which is NOT to b	e used for carbon dioxide or heliuml is entered

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of **November 1**, 20 **20**, by and between the parties subscribing, ratifying or consenting hereto, such parties hereinafter being referred to as "Parties hereto";

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by the Legislature, as set forth in Sec. 19-10-53, New Mexico Statutes, Annotated, 1978, in the interest of conservation of oil & gas and the prevention of waste to consent to and approve the development or operation of State Trust Lands under agreements made by lessees of oil & gas leases thereon, jointly or severally with other oil & gas lessees of State Trust Lands, or oil and gas lessees or mineral owners of privately owned or fee lands, for the purpose of pooling or communitizing such lands to form a proration unit or portion thereof, or well-spacing unit, pursuant to any order, rule or regulation of the New Mexico Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department where such agreement provides for the allocation of the production of oil or gas from such pools or communitized areas on an acreage or other basis found by the Commissioner of Public Lands to be fair and equitable.

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 leases are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

WHEREAS, said leases, insofar as they cover the formation or pool as defined by the NMOCD, as further described on Exhibit "A" (hereinafter referred to as "said formation") in and under the land hereinafter described cannot be independently developed and operated in conformity with the well spacing program established for such formation in and under said lands; and

WHEREAS, the parties hereto desire to communitize and pool their respective interests in said leases subject to this agreement for the purpose of developing, operating and producing hydrocarbons in the said formation in and under the land hereinafter described subject to the terms hereof.

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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 undersigned as follows:

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

Subdivisions E2 of Sec 22 & 27, N2NE & Lots 3, 4 (E2) of Sec 34

of Sect(s) (22, 27, 34)Twnshp 26S Rng 28E NMPM Eddy County, NM containing 767.52 acres, more or less. It is the judgment of the parties hereto that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the parties hereto do hereby communitize for proration or spacing purposes only the leases and/or depths described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "communitized substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this agreement for all purposes, is Exhibit A showing the acreage, depths communitized and ownership (Lessees of Record) of all leases within the communitized area.

- 2. 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 leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.
- 3. Subject to Paragraph 4, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals under the terms of said leases shall not be affected by this agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this agreement shall remain in full force and effect as originally issued and amended.

ONLINE version
March, 2017

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State/State
State/Fee

- 4. COG Operating LLC shall be the Operator of the said communitized area and all matters of operation shall be determined and performed by COG Operating LLC.
- 5. The State of New Mexico hereafter is entitled to the right to take in kind its share for the communitized substances allocated to such tract, and Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.
- 6. There shall be no obligation upon the parties hereto to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the parties hereto shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.
- 7. The commencement, completion, and continued operation or production of a well or wells of communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.
- 8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws. This agreement shall be subject to all applicable Federal and State laws, executive orders, rules and regulations affecting the performance of the provisions hereof, 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 compliance is prevented by or if such failure results from compliance with any such laws, orders, rules and regulations.
- 9. This agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities; provided, that this agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this agreement may be

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terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence. As to State Trust Lands, written notice of intention to commence such operations shall be filed with the Commissioner of Public Lands within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.

- 10. Operator will furnish the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and the Commissioner of Public Lands of the State of New Mexico, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.
- 11. It is agreed between the parties hereto that the Commissioner of Public Lands, or his duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State of New Mexico.
- 12. If any order of the Oil Conservation Division of the New Mexico Energy Minerals and Natural Resources Department, upon which this agreement is predicated or based is in anyway changed or modified, then in such event said agreement is likewise modified to conform thereto.
- 13. 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 instruments, 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.
- 14. 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.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

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PARTIES TO E/2 COMMUNITIZATION AGREEMENT (702H, 703H)

TRACT 1	V0-7967-02	SEC.	22: N2NE, SENE, S2SE	200 ACRES	
Lessee of Record:	OXY USA Inc. Subject to Compulsory Pooling Order No		ling Order No.		
TRACT 2	FEE	SEC.	22: SWNE	40 ACRES	
Lessee of Record:	COG Operating LLC		Signature provided.	TOTTOTAL	
Lessee of Record:	COG Production LLC		Signature provided.		
Lessee of Record:	COG Acreage LP		Signature provided.		
Lessee of Record:	OXY USA Inc.		<u> </u>	Compulsory Pooling Order No.	
Lessee of Record:	EG3 Development LI	LC	Subject to Compulsory Poo		
Lessee of Record:	Allar Development Li	LC	Subject to Compulsory Poo		
	•			Ŭ	
TRACT 3	FEE	SEC.	22: N2SE	80 ACRES	
Lessee of Record:	COG Operating LLC		Signature provided.		
Lessee of Record:	COG Production LLC		Signature provided.		
Lessee of Record:	COG Acreage LP		Signature provided.		
Lessee of Record:	Concho Oil & Gas LI	LC	Signature provided.		
Lessee of Record:	OXY USA Inc.		Subject to Compulsory Pooling Order No.		
TRACT 4	VB-1126-01		27: NE4	160 ACRES	
Lessee of Record:	Chevron U.S.A. Inc. /		Self-certification, copy of p	_	
	(COG Operating LLC	C)	Transfer of Record Title & COG signature		
			attached		
TRACT 5	VB-1127-01		34: N2NE, LOTS 3, 4	127.72 ACS	
Lessee of Record:	Chevron U.S.A. Inc. /		Self-certification, copy of p		
	(COG Operating LLO	C)	Transfer of Record Title &	COG signature	
			attached		
TRACT 6	VB-0678-02		27: SE4	160 ACRES	
Lessee of Record:	Chevron U.S.A. Inc. /		Self-certification, copy of p		
	(COG Operating LLC)		Transfer of Record Title & COG signature		
			attached		

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COG OPERATING LLC By: Sean Johnson Attorney-in-Fact COG PRODUCTION LLC By: Sean Johnson Attorney-in-Fact CONCHO OIL & GAS LLC By: Sean Johnson Attorney-in-Fact COG ACREAGE LP By: Sean Johnson Attorney-in-Fact

SELF-CERTIFICATION OF NON-STATE INTERESTS FOR COMMUNITIZATION AGREEMENTS:

Approval of this Communitization Agreement does not constitute an adjudication of any federal, Tribal or private interests, and neither the Commission of Public Lands nor the State Land Office warrant or certify that the information supplied by the party submitting this agreement is accurate with regard to all private, Tribal or federal interests. The responsibility of the Commissioner and State Land Office is to protect and adjudicate on the State Land Office interests during the processing of Communitization The State Land Office will only verify the accuracy of state lease in the proposed Communitization Agreement. All non-state interests must be certified by the Operator.

As Operator of this Communitization Agreement, COG Operating LLC, hereby certifies that all lessees and/or working interest owners that are parties to this Communitization Agreement, as shown on Exhibit A, have the legal rights and interests they claim to the private or federal or Tribal leases subject to this Communitization Agreement and COG Operating LLC obtained written consent and authority to enter into this Agreement on their behalf. Written consent/signatures of lessees and/or other interest owners will be made available to the State Land Office immediately upon request. Any misrepresentation or material omission by the Operator in this respect will be grounds to void the Communitization Agreement.

EM AR

COG OPERATING LLC

By:

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Sean Johnson

Attorney-in-Fact

State/State or State/Fee E/2 Potato Baby, Wolfcamp 22, 27, 34, T26S-R28E

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STATE OF TEXAS) COUNTY OF MIDLAND)
This instrument was acknowledged before me on December 844, 2020, by Sean Johnson, Attorney-in-Fact of COG Operating LLC, a Delaware limited liability company,
on behalf of same. Mickle J Allen Notary Public, State of Texas Notary ID 13190816-8 My Commission Bp. 02-28-2023
STATE OF TEXAS COUNTY OF MIDLAND)
This instrument was acknowledged before me on December 8th, 2020, by Sean Johnson, Attorney-in-Fact of COG Production LLC, a Texas limited liability company, on behalf of same.
Mickie J Allen Notary Public, State of Texas Notary to 13190816-8 Not ry Public in and for the State of Texas My Commission Exp. 02-28-2023
STATE OF TEXAS COUNTY OF MIDLAND)
This instrument was acknowledged before me on December 8th, 2020, by Sean Johnson, Attorney-in-Fact of Concho Oil & Gas LLC, a Texas limited liability company, on behalf of same.
Mickle J Allen Notary Public, State of Texas Notary ti 13190816-8 My Commission Exp. 02-28-2023
STATE OF TEXAS COUNTY OF MIDLAND)
This instrument was acknowledged before me on leaves 84, 2020, by Sean Johnson, Attorney-in-Fact of COG Acreage LP, a Texas limited partnership, on behalf of
Mickle J Allen Notary Public, State of Texas Notary ID 13190816-8 My Commission Exp. 02-28-2023 Mickle J Allen Notary Public in and for the State of Texas
STATE OF TEXAS COUNTY OF MIDLAND)
This instrument was acknowledged before me on become the company, 20 20, by Sean Johnson, Attorney-in-Fact of COG Operating LLC a Delaware limited liability company, on behalf of same.
Mickie J Allen Notary Public in and for the State of Texas Notary ID 13190816-8 My Commission Exp. 02-26-2023

EXHIBIT A

Attached to and made a part of that Communitization Agreement dated November 1, 2020, by and between COG Operating LLC, and OXY USA Inc., covering the E/2 of Sections 22 and 27, and the N/2 NE/4 and Lots 3, 4 (E/2) of Section 34, T26S-R28E, Eddy County, New Mexico

Limited to the Wolfcamp formation

Operator of Communitized Area: COG Operating LLC

DESCRIPTION OF LEASES COMMITTED:

V0-7967-02 TRACT 1 SEC. 22: N2NE, SENE, S2SE 200 ACRES

Date:

March 1, 2007

Lessor:

State of New Mexico V0-7967-0001

Current Lessee:

OXY USA Inc.

Recording:

N/A

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M. Section 22: N/2 NE/4, SE/4 NE/4. S/2SE/4

Eddy County, New Mexico

Royalty:

1/6th

TRACT 2 FEE SEC. 22: SWNE

40 ACRES

Date:

August 2, 2019

Lessor:

EG3, Inc.

Lessee:

EG3 Development LLC

Recording:

1126/0375

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, limited to the Wolfcamp formation with the top being the stratigraphic equivalent of 9488' and the base being the stratographic equivalent of 11,687' as referenced in the Flower Draw 2 State #1 well (API 3001523615), located in Section 2, T26S-R28E, Eddy

County, New Mexico

Royalty:

1/4th

Date:

August 2, 2019

Lessor:

The Allar Company

Lessee:

Allar Development LLC

Recording:

1126/0391

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, limited to the Wolfcamp formation with the top

being the stratigraphic equivalent of 9488' and the base being the stratographic equivalent of 11,687' as referenced in the Flower Draw 2

> State/State or State/Fee E/2 Potato Baby, Wolfcamp 22, 27, 34, T26S-R28E

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State #1 well (API 3001523615), located in Section 2, T26S-R28E, Eddy

County, New Mexico

1/4th Royalty:

Date: July 27, 2011

Anthem Holdings Inc. and AOG Mineral Partners, LTD. Lessor: COG Production LLC / COG Acreage LP / OXY USA Inc. Lessee:

862/1074 Recording:

Insofar and only insofar as to Description:

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4 Eddy County, New Mexico

1/4th Royalty:

Date: September 29, 2012 A. Michael Foley Lessor:

Lessee: COG Production, LLC Recording: 909/0740

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4 Eddy County, New Mexico

1/5th Royalty:

Date: September 28, 2012 Lessor: John C. Foley

Lessee: COG Production, LLC

Recording: 915/1173

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4 Eddy County, New Mexico

1/5th Royalty:

Date: September 1, 2011

John C. Foley, dealing in his sole and separate property Lessor: COG Production LLC / COG Acreage LP / OXY USA Inc. Lessee:

Recording: 866/903

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4 Eddy County, New Mexico

1/4th Royalty:

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Date: January 1, 2012 Lessor: Suzanne Jones

Lessee: COG Production LLC

Recording: 913/0658

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4 Eddy County, New Mexico

Royalty: 1/5th

Date: January 1, 2012
Lessor: Ann Marie Abboud
Lessee: COG Production LLC

Recording: 911/1100

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4 Eddy County, New Mexico

Royalty: 1/5th

Date: January 1, 2012
Lessor: Thomas T. Foley
Lessee: COG Production LLC

Recording: 911/0855

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4 Eddy County, New Mexico

Royalty: 1/5th

Date: May 1, 2011

Lessor: Russell Family LLC

Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording: 853/1217

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M. Section 22: SW/4 NE/4, Surface-11,300'

Eddy County, New Mexico

Royalty: 1/4th

Date: November 1, 2020

Lessor: Ellen Y. Ryan, a/k/a Ellen M. Ryan, dealing in her sole and separate

property

Lessee: COG Operating LLC

Recording: TBD

State/State or State/Fee
E/2 Potato Baby, Wolfcamp
22, 27, 34, T26S-R28E

Released to Imaging: 12/13/2024 8:39:34 AM

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, as to all depths as to all depths below 8,188', or

those certain depths 100' below the deepest depth drilled of the Diamondback 22 State Com #1H well (API No. 30-015-38528)

Royalty: 1/4th

Date: February 12, 2010

Lessor: Marion Jean O'Neill, Individually and as Co-Guardian of the Estate of

Janet P. Widgert, an Incapacitated Person, and Julianne O'Neill, as Co-Guardian of the Estate of Janet P. Widgert, an Incapacitated Person

Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording: 805/0880

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4 Eddy County, New Mexico

Royalty: 1/4th

Date: February 3, 2010
Lessor: Elizabeth Coad Risko

Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording: 805/0027

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4 Eddy County, New Mexico

Royalty: 1/4th

Date: February 3, 2010 Lessor: Joseph M. Jeffrey

Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording: 804/1008

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4 Eddy County, New Mexico

Royalty: 1/4th

Date: February 3, 2010
Lessor: James Daniel Jeffrey

Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording: 805/1138

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4

5 W/4 NE/4

Eddy County, New Mexico 1/4th

Royalty: 1/4

Date: February 3, 2010 Lessor: Thomas F. Jeffrey

Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording: 807/0464

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4 Eddy County, New Mexico

Royalty: 1/4th

Date: February 3, 2010 Lessor: John Peter Jeffrey

Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording: 805/0033

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4 Eddy County, New Mexico

Royalty: 1/4th

Date: February 3, 2010 Lessor: Justine Jeffrey

Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording: 805/0030

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4 Eddy County, New Mexico

Royalty: 1/4th

Date: October 30, 2006

Lessor: Richard B Stumm a/k/a/ Brett Stumm, dealing in his sole and separate

property

Current Lessee: COG Operating LLC

Recording: 672/790

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/4th

Date: October 30, 2006 Lessor: Kevin J Stumm Released to Imaging: 12/13/2024 8:39:34 AM

or State/Fee

Molfcamp
T26S-R28E

12/13/2024 8:39:34 AM

Current Lessee: COG Operating LLC

Recording: 672/800

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/4th

Date: November 8, 2006 Lessor: Robert H Collins

Current Lessee: COG Operating LLC

Recording: 685/538

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/4th

Date: November 22, 2006

Lessor: Leslie Collins Daniel, dealing in her sole and separate property

Current Lessee: COG Operating LLC

Recording: 680/119

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010

Lessor: Steven John Sampson
Current Lessee: COG Operating LLC

Recording: 701/533

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010

Lessor: Mark Coad Sampson
Current Lessee: COG Operating LLC

Recording: 701/535

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2007

Lessor: Richard Michael Sampson
Current Lessee: COG Operating LLC

Recording: 701/541

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/4th

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Date: May 29, 2010

Lessor: Herbert Michael Sampson III

Current Lessee: COG Operating LLC

Recording: 702/923

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010 Lessor: Jay J Hunter

Current Lessee: COG Operating LLC

Recording: 813/5

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/5th

Date: May 29, 2010 Lessor: Leslie Miller Hines

Current Lessee: COG Operating LLC

Recording: 813/1

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010

Lessor: Sally Ann Conrad, dealing in her sole and separate property

Current Lessee: COG Operating LLC

Recording: 813/11

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010 Lessor: Stuart Miller III

Current Lessee: COG Operating LLC

Recording: 813/3

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010

Lessor: Mary Ann Nyberg et vir

State/State or State/Fee E/2 Potato Baby, Wolfcamp 22, 27, 34, T26S-R28E Released to Imaging: 12/13/2024 8:39:34 AM

Current Lessee: COG Operating LLC

Recording: 812/1231

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/5th

Date: May 29, 2010
Lessor: Jane Coad O'Brien
Current Lessee: COG Operating LLC

Recording: 813/9

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/5th

Date: May 29, 2010

Lessor: Laura L Silk and husband William James Silk

Current Lessee: COG Operating LLC

Recording: 811/508

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010

Lessor: Frank Woods Petersen and his wife Linda Peterson

Current Lessee: COG Operating LLC

Recording: 813/711

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010

Lessor: First National Bank of Omaha

Current Lessee: COG Operating LLC

Recording: 808/205

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010

Lessor: E G Silvius, also sometimes known as Edward George Silvius, dealing in

his sole and separate property

Current Lessee: COG Operating LLC

Recording: 813/7

Description: Township 26 South, Range 28 East, N.M.P.M.

State/State or State/Fee 22, 27, 34, T26S-R28E Released to Imaging: 12/13/2024 8:39:34 AM

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty:

Date:

May 29, 2010

Lessor:

Sydney Dehus et vir

Current Lessee:

COG Operating LLC

Recording:

812/1229

1/5th

Description:

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SW/4 NE/4, Eddy County, New Mexico

Royalty:

1/4th

TRACT 3

FEE

SEC. 22: N2SE

80 ACRES

Date:

July 2, 2012

Lessor:

Edwin H. Fowlkes III (aka Trey Fowlkes) and Janet Renee Fowlkes

Murrey

Lessee:

COG Operating LLC

Recording:

901 / 0702

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: N/2 SE/4

Eddy County, New Mexico

Royalty:

1/4th

Date:

August 1, 2011

Lessor: Lessee: Christine Speidel Fowlkes and Christopher Clegg Fowlkes COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording:

866/1007

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: N/2 SE/4

Eddy County, New Mexico

Royalty:

1/4th

Date:

May 17, 2011

Lessor:

Frank Blow Fowlkes COG Operating LLC

Lessee: Recording:

858/0792 / 869/0743 (Amendment and Extension of Oil & Gas Lease)

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: NE/4 SE/4

Eddy County, New Mexico

Royalty:

1/4th

Date:

May 1, 2011

Lessor:

Frank Blow Fowlkes

E/2 Potato Baby, Wolfcamp

State/State or State/Fee 22, 27, 34, T26S-R28E

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160 ACRES

Lessee:

COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording:

853/0807

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: NW/4 SE/4 Eddy County, New Mexico

Royalty:

22.00%

Date:

January 12, 2009 Delaware Ranch, Inc.

Lessor: Lessee:

COG Operating LLC / Concho Oil & Gas LLC

Recording:

764/1217

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: N/2 SE/4

Eddy County, New Mexico

Royalty:

1/5th

Date:

July 10, 2008

Lessor:

Clegg Preston Fowlkes, Lauren Fowlkes, Maco Stewart Fowlkes, J.M.

SEC. 27: NE4

Fowlkes, Jr., Nancy Fowlkes Donley, Kathleen K. Fowlkes

Lessee:

COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording:

747/0005

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: N/2 SE/4

Eddy County, New Mexico

Royalty:

1/4th

TRACT 4

VB-1126-01

March 1, 2007

Lessor:

Date:

State of New Mexico VB-1126-0001

Lessee:

Chevron U.S.A. Inc.

Recording:

N/A

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 27: NE/4

Eddy County, New Mexico

Royalty:

3/16th

<u>TRACT 5</u> <u>VB-1127-01</u> <u>SEC. 34: N2NE, LOTS 3, 4 127.72 ACS</u>

Date: March 1, 2007

Lessor: State of New Mexico VB-1127-0000

Lessee: Chevron U.S.A. Inc.

Recording: N/A

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 34: N/2 NE/4 and Lots 3, 4 (E/2)

Royalty: 3/16th

TRACT 6 VB-0678-02 SEC. 27: SE4 160 ACRES

Date: July 1, 2005

Lessor: State of New Mexico VB-0678-0002

Lessee: Chevron U.S.A. Inc.

Recording: N/A

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 27: SE/4

Royalty: 3/16th

RECAPITULATION:

TRACT NUMBER	NUMBER OF ACRES COMMITTED	PERCENTAGE OF INTEREST IN COMMUNITIZED AREA
1	200.00	26.05%
2	40.00	5.21%
3	80.00	10.42%
4	160.00	20.84%
5	127.72	16.64%
6	160.00	20.84%
TOTAL	767.72	100.00%

EXHIBIT B

Attached to and made a part of that Communitization Agreement dated November 1, 2020, by and between COG Operating LLC, and OXY USA Inc., covering the E/2 of Sections 22 and 27, and the N/2 NE/4 and Lots 3, 4 (E/2) of Section 34, T26S-R28E, Eddy County, New Mexico

Tract 1 V0-7967-02 200 ac
Tract 2 Fee 40 ac
Tract 3 Fee 80 ac
Tract 4 VB-1126-01 160 ac
Tract 6 VB-0678-02 160 ac
Tract 5 VB-1127-01 127.72 ac

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY COG OPERATING, LLC

CASE NO. 21311 ORDER NO. R-21101-A

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ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on June 11, 2020, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order:

FINDINGS OF FACT

- 1. COG Operating, LLC. ("Operator") applied to conform Order R-21101 ("Exising Order") issued in Case No. 20934 with the Division's recently amended order template ("Amended Template").
- 2. Operator is in good standing under state-wide rules and regulations with respect to the Existing Order.
- 3. Operator has reviewed and agrees to the terms and conditions in the ordering paragraphs of the Amended Template.
- 4. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 5. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 6. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 7. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
- 8. This Order affirms the Findings of Fact and Conclusions of Law in the Existing Order and replaces the ordering paragraphs 15-35 in the Existing Order as stated below.

CASE NO.

ORDER

- 9. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 10. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 11. Operator is designated as operator of the Unit and the Well(s).
- 12. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 13. The Operator shall commence drilling the Well(s) within one year after the date of this Order and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 14. This Order shall terminate automatically if Operator fails to comply with Paragraph 13 unless Operator obtains an extension by an amendment of this Order for good cause shown.
- 15. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 16. Operator shall submit to each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 17. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
- 18. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written

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- objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 19. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 20. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 21. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 22. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 23. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 24. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 23 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 25. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.

CASE NO. 21311 ORDER NO. R-21101-A

- 26. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 27. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 et seq., and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 et seq.
- 28. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 29. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL DIRECTOR AES/jag Date: 6/12/2020

NM State Land Office Oil, Gas, & Minerals Division

STATE/STATE OR STATE/FEE

Revised March 2017

COMMUNITIZATION AGREEMENT ONLINE Version

KNOW ALL MEN BY THESE PRESENTS:	Well Name: Potato Baby St Com
STATE OF NEW MEXICO)	API #: 30
COUNTY OF Eddy)	

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of **November 1**, 20 **20**, by and between the parties subscribing, ratifying or consenting hereto, such parties hereinafter being referred to as "Parties hereto";

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by the Legislature, as set forth in Sec. 19-10-53, New Mexico Statutes, Annotated, 1978, in the interest of conservation of oil & gas and the prevention of waste to consent to and approve the development or operation of State Trust Lands under agreements made by lessees of oil & gas leases thereon, jointly or severally with other oil & gas lessees of State Trust Lands, or oil and gas lessees or mineral owners of privately owned or fee lands, for the purpose of pooling or communitizing such lands to form a proration unit or portion thereof, or well-spacing unit, pursuant to any order, rule or regulation of the New Mexico Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department where such agreement provides for the allocation of the production of oil or gas from such pools or communitized areas on an acreage or other basis found by the Commissioner of Public Lands to be fair and equitable.

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 leases are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

WHEREAS, said leases, insofar as they cover the formation or pool as defined by the NMOCD, as further described on Exhibit "A" (hereinafter referred to as "said formation") in and under the land hereinafter described cannot be independently developed and operated in conformity with the well spacing program established for such formation in and under said lands; and

WHEREAS, the parties hereto desire to communitize and pool their respective interests in said leases subject to this agreement for the purpose of developing, operating and producing hydrocarbons in the said formation in and under the land hereinafter described subject to the terms hereof.

ONLINE version March, 2017

State/State State/Fee

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 undersigned as follows:

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

Subdivisions W2 of Sec 22 & 27, N2NW & Lots 1,2 (W2) of Sec 34

of Sect(s) (22,27,34) Twnshp 26S Rng 28E NMPM Eddy County, NM containing 767.72acres, more or less. It is the judgment of the parties hereto that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the parties hereto do hereby communitize for proration or spacing purposes only the leases and/or depths described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "communitized substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this agreement for all purposes, is Exhibit A showing the acreage, depths communitized and ownership (Lessees of Record) of all leases within the communitized area.

- 2. 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 leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.
- 3. Subject to Paragraph 4, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals under the terms of said leases shall not be affected by this agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this agreement shall remain in full force and effect as originally issued and amended.

4.	COG Operating LLC	shall be the Operator	of the said co	ommunitized	area and
all	matters of operation shall be determine	ned and performed by	COG	Operating I	LLC .

- 5. The State of New Mexico hereafter is entitled to the right to take in kind its share for the communitized substances allocated to such tract, and Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.
- 6. There shall be no obligation upon the parties hereto to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the parties hereto shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.
- 7. The commencement, completion, and continued operation or production of a well or wells of communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.
- 8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws. This agreement shall be subject to all applicable Federal and State laws, executive orders, rules and regulations affecting the performance of the provisions hereof, 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 compliance is prevented by or if such failure results from compliance with any such laws, orders, rules and regulations.
- 9. This agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities; provided, that this agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this agreement may be

ONLINE version March, 2017

terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence. As to State Trust Lands, written notice of intention to commence such operations shall be filed with the Commissioner of Public Lands within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.

- 10. Operator will furnish the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and the Commissioner of Public Lands of the State of New Mexico, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.
- 11. It is agreed between the parties hereto that the Commissioner of Public Lands, or his duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State of New Mexico.
- 12. If any order of the Oil Conservation Division of the New Mexico Energy Minerals and Natural Resources Department, upon which this agreement is predicated or based is in anyway changed or modified, then in such event said agreement is likewise modified to conform thereto.
- 13. 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 instruments, 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.
- 14. 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.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

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PARTIES TO W/2 STATE COMMUNITIZATION AGREEMENT

TRACT 1 - V0-7967-0	2 SECTION 22: N2N	W, SWNW, SESW	160 ACRES
Lessee of Record:	OXY USA Inc.	Subject to Compulso 21102-A, attached	ory Pooling Order No. R-

TRACT 2 – FEE	SECTION 22: SENW	40 ACRES
Lessees of Record:	EG3 Development LLC	Subject to Compulsory Pooling Order No. R-
		21102-A, attached
	Allar Development LLC	Subject to Compulsory Pooling Order No. R-
		21102-A, attached
	Tap Rock Resources LLC	Subject to Compulsory Pooling Order No. R-
		21102-A, attached
	COG Operating LLC	Signature attached.
	COG Production LLC	Signature attached.
	COG Acreage LP	Signature attached.
	OXY USA Inc.	Subject to Compulsory Pooling Order No. R-
		21102-A, attached

TRACT 3 – FEE	SECTION 22: W2SV	V, NESW 120 ACRES
Lessees of Record:	COG Operating LLC Concho Oil & Gas LLC COG Production LLC	Signature attached. Signature attached. Signature attached.
	COG Acreage LP Tap Rock Resources LLC	Signature attached. Subject to Compulsory Pooling Order No. R-21102-A, attached
	OXY USA Inc.	Subject to Compulsory Pooling Order No. R-21102-A, attached

TRACT 4 - VB-112	6-01 SECTION 27: W2	320 ACRES
Lessee of Record:	Chevron U.S.A. Inc. / (COG Operating LLC)	Self-certification, copy of pending Transfer of Record Title & COG signature attached

TRACT 5 – VB-112	<u> 27-00 SECTION 34: N2NW</u>	V, LOTS 1 & 2 (W2)	127.52 ACRES
Lessee of Record:	Chevron U.S.A. Inc. /	Self-certification, co	py of pending Transfer
	(COG Operating LLC)	of Record Title & Co	OG signature attached

By: Sean Johnson wm n

COG PRODUCTION LLC

Attorney-in fact

By:
Sean Johnson
Attorney-in-Fact

CONCHO OIL & GAS LLC

By:
Sean Johnson
Attorney-in-Fact

COG ACREAGE LP

By:
Sean Johnson
Attorney-in-Fact

SELF-CERTIFICATION OF NON-STATE INTERESTS FOR COMMUNITIZATION AGREEMENTS:

Approval of this Communitization Agreement does not constitute an adjudication of any federal, Tribal or private interests, and neither the Commission of Public Lands nor the State Land Office warrant or certify that the information supplied by the party submitting this agreement is accurate with regard to all private, Tribal or federal interests. The responsibility of the Commissioner and State Land Office is to protect and adjudicate on the State Land Office interests during the processing of Communitization Agreements. The State Land Office will only verify the accuracy of state lease in the proposed Communitization Agreement. All non-state interests must be certified by the Operator.

As Operator of this Communitization Agreement, COG Operating LLC, hereby certifies that all lessees and/or working interest owners that are parties to this Communitization Agreement, as shown on Exhibit A, have the legal rights and interests they claim to the private or federal or Tribal leases subject to this Communitization Agreement and COG Operating LLC obtained written consent and authority to enter into this Agreement on their behalf. Written consent/signatures of lessees and/or other interest owners will be made available to the State Land Office immediately upon request. Any misrepresentation or material omission by the Operator in this respect will be grounds to void the Communitization Agreement.

COG OPERATING LLO

Sean Johnson Attorney-in-Fact

Em 12

STATE OF TEXAS) COUNTY OF MIDLAND)
This instrument was acknowledged before me on Combook \$4, 2020, 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
Mickle J Allen
STATE OF TEVAS
COUNTY OF MIDLAND) Notary ID 13190816-8 My Commission Exp. 02-26-2023
Danner Commence
This instrument was acknowledged before me on recomber 8th, 20 20, by Sean Johnson, Attorney-in-Fact of COG Production LLC, a Texas limited liability company, on behalf
of same.
March 450 Co
Notary Public in and for the State of Texas
STATE OF TEXAS) Mickie J Alleri Notary Public, State of Texas
COUNTY OF MIDLAND) Notary ID 13190816-8 My Commission Exp. 02-28-2023
This instrument was acknowledged before me on December 500, 2000, by Sean
Johnson, Attorney-in-Fact of Concho Oil & Gas LLC, a Texas limited liability company, on behalf
of same. Micket Allew
Notary Public in and for the State of Texas
STATE OF TEXAS) Mickle J Allen Notary Public, State of Texas
COUNTY OF MIDLAND) Notary ID 13190818-8
This instrument was acknowledged before me on My Commission Exp. 02-28-2023, by Sean
Johnson, Attorney-in-Fact of COG Acreage LP, a Texas limited partnership, on behalf of same.
Michellen
Notary Public in and for the State of Texas
Mickle J Allen
STATE OF TEXAS Notary Public, State of Texas Notary ID 13190616-8
COUNTY OF MIDLAND) My Commission Exp. 02-26-2023
This instrument was acknowledged before me on December 8th, 20 20, 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

Mickie J Alien Notary Public, State of Texas Notary ID 13190816-8 My Commission Eq. 02-26-2023

State/State or State/Fee W/2 Potato Baby, Wolfcamp

EXHIBIT A

Attached to and made a part of that Communitization Agreement dated November 1, 2020, by and between COG Operating LLC, and OXY USA Inc., covering the W/2 of Sections 22 and 27, and the N/2 NW/4 and Lots 1, 2 (W/2) of Section 34, T26S-R28E, Eddy County, New Mexico

Limited to the Wolfcamp formation

Operator of Communitized Area: COG Operating LLC

DESCRIPTION OF LEASES COMMITTED:

TRACT 1 - V0-7967-02 SECTION 22: N2NW, SWNW, SESW 160 ACRES

Date:

March 1, 2007

Lessor:

State of New Mexico V0-7967-0002

Current Lessee:

OXY USA Inc.

Recording:

N/A

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: N/2 NW/4, SW/4 NW/4, SE/4 SW/4, Eddy County, New

Mexico

Royalty:

1/6th

TRACT 2 - FEE **SECTION 22: SENW 40 ACRES**

Date:

August 2, 2019

Lessor:

EG3, Inc.

Current Lessee:

EG3 Development LLC

Recording:

1126/0375

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, limited to the Wolfcamp formation with the top being the stratigraphic equivalent of 9488' and the base being the stratographic equivalent of 11,687' as referenced in the Flower Draw 2 State #1 well (API 3001523615), located in Section 2, T26S-R28E

Eddy County, New Mexico

Royalty:

1/4th

Date:

August 2, 2019

Lessor:

The Allar Company

Current Lessee:

Allar Development LLC

Recording:

1126/0391

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, limited to the Wolfcamp formation with the top

being the stratigraphic equivalent of 9488' and the base being the stratographic equivalent of 11,687' as referenced in the Flower Draw 2 State #1 well (API 3001523615), located in Section 2, T26S-R28E

Eddy County, New Mexico

Royalty:

1/4th

September 29, 2012 A. Michael Foley COG Production, LLC

Recording: 909/0740

Date:

Lessor:

Current Lessee:

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4 Eddy County, New Mexico

Royalty: 1/5th

Date: September 28, 2012 Lessor: John C. Foley

Current Lessee: COG Production, LLC

Recording: 915/1173

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4 Eddy County, New Mexico

Royalty: 1/5th

Date: January 1, 2012 Lessor: Suzanne Jones

Current Lessee: COG Production LLC

Recording: 913/0658

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4 Eddy County, New Mexico

Royalty: 1/5th

Date: January 1, 2012
Lessor: Ann Marie Abboud
Current Lessee: COG Production LLC

Recording: 911/1100

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4 Eddy County, New Mexico

Royalty: 1/5th

Received by OCD: 12/12/2023 3:28:27 PM

Date: January 1, 2012
Lessor: Thomas T. Foley
Current Lessee: COG Production LLC

Recording: 911/0855

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Released to Imaging: 12/13/2024 8:39:34 AM

Section 22: SE/4 NW/4 Eddy County, New Mexico

Royalty:

1/5th

Date:

May 1, 2011

Lessor:

Russell Family LLC

Current Lessee:

COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording:

853/1217

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Surface-11,300'

Eddy County, New Mexico

Royalty:

1/4th

Date:

February 12, 2010

Lessor:

Marion Jean O'Neill, Individually and as Co-Guardian of the Estate of Janet P. Widgert, an Incapacitated Person, and Julianne O'Neill, as Co-Guardian of the Estate of Janet P. Widgert, an Incapacitated Person

Current Lessee:

COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording:

805/0880

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4 Eddy County, New Mexico

Royalty:

1/4th

Date: Lessor: February 3, 2010 Elizabeth Coad Risko

Current Lessee:

COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording:

805/0027

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4 Eddy County, New Mexico

Royalty:

1/4th

Date: Lessor: February 3, 2010 Joseph M. Jeffrey

Current Lessee:

COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording:

804/1008

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4 Eddy County, New Mexico

Royalty:

1/4th

Released to Imaging: 12/13/2024 8:39:34 AM

Date: February 3, 2010 Lessor: James Daniel Jeffrey

Current Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording: 805/1138

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4 Eddy County, New Mexico

Royalty: 1/4th

Date: February 3, 2010 Lessor: Thomas F. Jeffrey

Current Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording: 807/0464

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4 Eddy County, New Mexico

Royalty: 1/4th

Date: February 3, 2010 Lessor: John Peter Jeffrey

Current Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording: 805/0033

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4 Eddy County, New Mexico

Royalty: 1/4th

Date: February 3, 2010 Lessor: Justine Jeffrey

Current Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording: 805/0030
Description: Insofar and only insofar

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4 Eddy County, New Mexico

Royalty: 1/4th

Date: January 1, 2020 Lessor: Lee M. Kugle

Current Lessee: COG Operating LLC

Recording: 1134/390

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, as to depths below 8,171'

Eddy County, New Mexico 1/4th

Date: September 18, 2020
Lessor: France Nevada Texas LP
Current Lessee: COG Operating LLC

Recording: 1142/0325

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, as to all depths as to all depths below 8,171', or

those certain depths 100' below the deepest depth drilled of the Diamondback 22 State Com #4H well (API No. 30-015-40816)

Royalty: 1/4th

Royalty:

Date: November 11, 2020 Lessor: Map2009-OK

Current Lessee: COG Operating LLC

Recording: 1142/968

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, as to all depths as to all depths 100' below the deepest formation drilled by the Diamondback 22 State Com #4H well

(API No. 30-015-40816)

Royalty: 1/4th

Date: November 1, 2020

Lessor: Ellen Y. Ryan, a/k/a Ellen M. Ryan

Current Lessee: COG Operating LLC

Recording: TBD

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, as to all depths as to all depths below 8,171', or

those certain depths 100' below the deepest depth drilled of the Diamondback 22 State Com #4H well (API No. 30-015-40816)

Royalty: 1/4th

Date: September 24, 2020
Lessor: Chisos Minerals LLC
Current Lessee: COG Operating LLC

Recording: 1141/984

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, as to all depths as to all depths below 8,171', or

those certain depths 100' below the deepest depth drilled of the Diamondback 22 State Com #4H well (API No. 30-015-40816)

Royalty: 1/4th

Date: May 29, 2010

Lessor: Sally Ann Conrad, dealing in her sole and separate property

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Current Lessee: COG Operating LLC

Recording: 813/11

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010

Lessor: E G Silvius, also sometimes known as Edward George Silvius, dealing in

his sole and separate property

Current Lessee: COG Operating LLC

Recording: 813/7

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty: 1/5th

Date: May 29, 2010

Lessor: Mary Ann Nyberg et vir Current Lessee: COG Operating LLC

Recording: 812/1231

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty: 1/5th

Date: May 29, 2010 Lessor: Jay J Hunter

Current Lessee: COG Operating LLC

Recording: 813/5

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty: 1/5th

Date: October 30, 2006

Lessor: Richard B Stumm a/k/a/ Brett Stumm, dealing in his sole and separate

property

Current Lessee: COG Operating LLC

Recording: 672/790

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty: 1/4th

Date: November 8, 2006
Lessor: Robert H Collins

Current Lessee: COG Operating LLC

Recording: 685/538

Description: Township 26 South, Range 28 East, N.M.P.M.

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Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty: 1/4th

Date: November 22, 2006

Lessor: Leslie Collins Daniel, dealing in her sole and separate property

Current Lessee: COG Operating LLC

Recording: 680/119

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010

Lessor: Steven John Sampson
Current Lessee: COG Operating LLC

Recording: 701/533

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010

Lessor: Mark Coad Sampson
Current Lessee: COG Operating LLC

Recording: 701/535

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty: 1/4th

Date: 5/29/2007

Lessor: Richard Michael Sampson
Current Lessee: COG Operating LLC

Recording: 701/541

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010

Lessor: Herbert Michael Sampson III

Current Lessee: COG Operating LLC

Recording: 702/923

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty: 1/4th

Released to Imaging: 12/13/2024 8:39:34 AM

Date: May 29, 2010 Lessor: Sydney Dehus et vir

Current Lessee: COG Operating LLC

Recording: 812/1229

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010
Lessor: Leslie Miller Hines
Current Lessee: COG Operating LLC

Recording: 813/1

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010

Lessor: First National Bank of Omaha

Current Lessee: COG Operating LLC

Recording: 808/205

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010

Lessor: Frank Woods Petersen and his wife Linda Peterson

Current Lessee: COG Operating LLC

Recording: 813/711

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty: 1/4th

Date: May 29, 2010
Lessor: Stuart Miller III

Current Lessee: COG Operating LLC

Recording: 813/3

Description: Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty: 1/4th

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Date: May 29, 2010

Lessor: Laura L Silk and husband William James Silk

Current Lessee: COG Operating LLC

Recording: 811/508

Description: Township 26 South, Range 28 East, N.M.P.M.

Moller

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Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty:

1/4th

Date:

May 29, 2010

Lessor:

Jane Coad O'Brien COG Operating LLC

Current Lessee:

COG Operauli

Recording:

813/9

Description:

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty:

1/5th

Date: Lessor: October 30, 2006 Kevin J Stumm

Current Lessee:

COG Operating LLC

Recording:

672/800

Description:

Township 26 South, Range 28 East, N.M.P.M.

Section 22: SE/4 NW/4, Eddy County, New Mexico

Royalty:

1/4th

TRACT 3 – FEE

SECTION 22: W2SW, NESW

120 ACRES

Date: Lessor: January 25, 2017 Patrick K. Fowlkes

Current Lessee:

Tap Rock Resources LLC

Recording:

1091/0723

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M. Section 22: W/2 SW/4, all depths below 8,155' and

NE/4 SW/4, all depths below 8,181'

Eddy County, New Mexico

Royalty:

1/4th

Date:

January 1, 2017

Lessor:

J.M. Fowlkes, Jr., Maco Stewart Fowlkes, John M. Fowlkes, Preston L. Fowlkes, Lauren Fowlkes, Nancy Fowlkes Donley, Kathleen K. Moller

Current Lessee:

Tap Rock Resources LLC

Recording:

1091/0506

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M. Section 22: W/2 SW/4, all depths below 8,155' and

NE/4 SW/4, all depths below 8,181'

Eddy County, New Mexico

Royalty:

1/4th

Released to Imaging: 12/13/2024 8:39:34 AM

Date: January 1, 2017

Lessor: Edwin H. Fowlkes III (aka Trey Fowlkes) and Janet Renee Fowlkes

Murrey

Current Lessee: Tap Rock Resources LLC

Recording: 1091/0507

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M. Section 22: W/2 SW/4, all depths below 8,155' and

NE/4 SW/4, all depths below 8,181'

Eddy County, New Mexico

Royalty: 1/4th

Date: August 1, 2016 Lessor: Frank Blow Fowlkes

Current Lessee: COG Operating LLC Recording: 1088/0135

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: W/2 SW/4, below 8155'

NE/4 SW/4, below 8181' Eddy County, New Mexico

Royalty: 1/4th

Date: August 1, 2011

Lessor: Christine Speidel Fowlkes and Christopher Clegg Fowlkes Current Lessee: COG Production LLC / COG Acreage LP / OXY USA Inc.

Recording: 866/1007

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: W/2 SW/4, NE/4 SW/4

Eddy County, New Mexico

Royalty: 1/4th

Date: January 12, 2009 Lessor: Delaware Ranch, Inc.

Current Lessee: COG Operating LLC / Concho Oil & Gas LLC

Recording: 764/1217

Description: Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 22: W/2 SW/4, NE/4 SW/4

Eddy County, New Mexico

Royalty: 1/5th

TRACT 4 – VB-1126-01 SECTION 27: W2

320 ACRES

Date:

March 1, 2007

Lessor:

State of New Mexico VB-1126-0001

Current Lessee:

Chevron U.S.A. Inc.

Recording:

N/A

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M. Section 27: W/2, Eddy County, New Mexico

Royalty:

3/16th

TRACT 5 - VB-1127-00 SECTION 34: N2NW, LOTS 1 & 2 (W2) 127.52 ACRES

Date:

March 1, 2007

Lessor:

State of New Mexico VB-1127-0000

Current Lessee:

Chevron U.S.A. Inc.

Recording:

N/A

Description:

Insofar and only insofar as to

Township 26 South, Range 28 East, N.M.P.M.

Section 34: N/2 NW/4 and Lots 1, 2 (W/2)

Royalty:

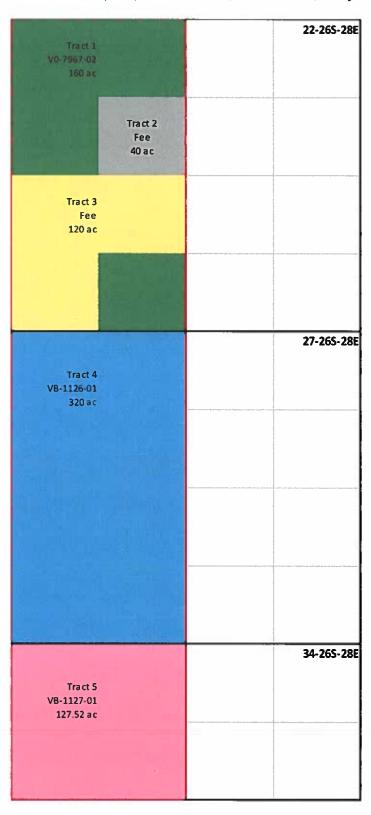
3/16th

RECAPITULATION

TRACT NUMBER	NUMBER OF ACRES COMMITTED	PERCENTAGE OF INTEREST IN COMMUNITIZED AREA
1	160.00	20.85%
2	40.00	5.21%
3	120.00	15.64%
4	320.00	41.69%
5	127.52	16.61%
TOTAL	767.52	100.00%

EXHIBIT B

Attached to and made a part of that Communitization Agreement dated November 1, 2020, by and between COG Operating LLC, and OXY USA Inc., covering the W/2 of Sections 22 and 27, and the N/2 NW/4 and Lots 1, 2 (W/2) of Section 34, T26S-R28E, Eddy County, New Mexico



STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY COG OPERATING, LLC

CASE NO. 21312 ORDER NO. R-21102-A

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on June 11, 2020, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order:

FINDINGS OF FACT

- 1. COG Operating, LLC. ("Operator") applied to conform Order R-21102 ("Exising Order") issued in Case No. 20935 with the Division's recently amended order template ("Amended Template").
- 2. Operator is in good standing under state-wide rules and regulations with respect to the Existing Order.
- 3. Operator has reviewed and agrees to the terms and conditions in the ordering paragraphs of the Amended Template.
- 4. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 5. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 6. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 7. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
- 8. This Order affirms the Findings of Fact and Conclusions of Law in the Existing Order and replaces the ordering paragraphs 15-35 in the Existing Order as stated below.

ORDER

- 9. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 10. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 11. Operator is designated as operator of the Unit and the Well(s).
- 12. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 13. The Operator shall commence drilling the Well(s) within one year after the date of this Order and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 14. This Order shall terminate automatically if Operator fails to comply with Paragraph 13 unless Operator obtains an extension by an amendment of this Order for good cause shown.
- 15. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 16. Operator shall submit to each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 17. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
- 18. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written

CASE NO. 21312 ORDER NO. R-21102-A

CASE NO.

21312

ORDER NO. R-21102-A

- objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 19. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 20. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 21. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 22. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 23. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 24. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 23 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 25. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.

- 26. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 27. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 et seq., and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 et seq.
- 28. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 29. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

Date:

6/12/2020

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL DIRECTOR

AES/jag

CASE NO. 21312 ORDER NO. R-21102-A

NM State Land Office Oil, Gas, & Minerals Division

STATE/STATE OR STATE/FEE

Revised December 2021

C	OMMUNITIZATIO	
KNOW ALL PERSONS BY	ONLINE V :CHESE PRESENTS	
STATE OF NEW MEXICO SS	·	
COUNTY OF)	Potato Baby St Com 902H
into as of (date before 1st pr	roduction)	e used for carbon dioxide or helium] is entered, 20, by and between the parties parties hereinafter being referred to as "Parties
Legislature, as set forth in Secconservation of oil & gas and to operation of State Trust Land jointly or severally with other mineral owners of privately ovalands to form a proration unit or regulation of the New Mexico Natural Resources Department	the prevention of was sunder agreements of a gas lessees of wheel or fee lands, for portion thereof, or Oil Conservation Dist where such agreements or communitized and the prevention of the such agreements or communitized and the prevention of the such agreements of the such	f the State of New Mexico is authorized by the xico Statutes, Annotated, 1978, in the interest of the to consent to and approve the development or made by lessees of oil & gas leases thereon, of State Trust Lands, or oil and gas lessees or the purpose of pooling or communitizing such well-spacing unit, pursuant to any order, rule or vision of the New Mexico Energy, Minerals and ent provides for the allocation of the production reas on an acreage or other basis found by the ble.
rights under the oil and gas lear required to remain in good st	ases and lands subject tanding and complia described in the sche	yalty, or other leasehold interests or operating t to this agreement, and all such State leases are nt with State laws, rules & regulations, which dule attached hereto, marked Exhibit "A" and
referred to as "said formation")	y the NMOCD, as fur in and under the land	rther described on Exhibit "A" (hereinafter dhereinafter described cannot be independently spacing program established for such formation
WHEREAS, the parties heret	o desire to commun	itize and pool their respective interests in said

WHEREAS, the parties hereto desire to communitize and pool their respective interests in said leases subject to this agreement for the purpose of developing, operating and producing hydrocarbons in the said formation in and under the land hereinafter described subject to the terms hereof.

ONLINE version
December 9, 2021

State/State

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 undersigned as follows:

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

Subdivisions:		
Of Sect(s):	Twp: 26S_Rng: 28E_NMPM	County, NM
Containing	_acres, more or less. It is the judgment of the	e parties hereto that the
communitization,	pooling and consolidation of the aforesaid lan	nd into a single unit for the
development and p	production of hydrocarbons from the said form	nation in and under said land is
necessary and adv	isable in order to properly develop and produc	ce the hydrocarbons in the said
formation beneath	the said land in accordance with the well spa	cing rules of the Oil Conservation
Division of the Ne	ew Mexico Energy, Minerals and Natural Reso	ources Department, and in order to
	ervation of the hydrocarbons in and that may b	*
-	ids, and would be in the public interest;	•

AND, for the purposes aforesaid, the parties hereto do hereby communitize for proration or spacing purposes only the leases and depths described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "communitized substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this agreement for all purposes, is Exhibit A showing the acreage, depths communitized and ownership (Lessees of Record) of all leases within the communitized area.

- 2. 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 leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.
- 3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals under the terms of said leases shall not be affected by this agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this agreement shall remain in full force and effect as originally issued and amended.

ONLINE version December 9, 2021 State/State

4.	shall be the Operator of the said communitized area and
all	matters of operation shall be determined and performed by

- 5. The State of New Mexico hereafter is entitled to the right to take in kind its share for the communitized substances allocated to such tract, and Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.
- 6. There shall be no obligation upon the parties hereto to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the parties hereto shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.
- 7. The commencement, completion, and continued operation or production of a well or wells of communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.
- 8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws. This agreement shall be subject to all applicable Federal and State laws, executive orders, rules and regulations affecting the performance of the provisions hereof, 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 compliance is prevented by or if such failure results from compliance with any such laws, orders, rules and regulations.
- 9. This agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules, and regulations; provided, that this agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized

ONLINE version
December 9, 2021

area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence. As to State Trust Lands, written notice of intention to commence such operations shall be filed with the Commissioner of Public Lands within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.

- 10. Operator will furnish the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and the Commissioner of Public Lands of the State of New Mexico, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.
- 11. It is agreed between the parties hereto that the Commissioner of Public Lands, or his duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State of New Mexico.
- 12. If any order of the Oil Conservation Division of the New Mexico Energy Minerals and Natural Resources Department, upon which this agreement is predicated or based is in anyway changed or modified, then in such event said agreement is likewise modified to conform thereto.
- 13. 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 instruments, 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.
- 14. 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.

IN WITNESS WHEREOF, the parties	hereto have executed	this agreement as	of the day	and year
first above written.				

OPERATOR:			
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ONLINE version
December 9, 2021

State/State

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

APPLICATION FOR SURFACE COMMINGLING SUBMITTED BY COG OPERATING, LLC

ORDER NO. CTB-983-A

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having considered the application and the recommendation of the OCD Engineering Bureau, issues the following Order.

FINDINGS OF FACT

- 1. COG Operating, LLC ("Applicant") submitted a complete application to surface commingle the oil and gas production from the pools, leases, and wells as described in Exhibit A ("Application").
- 2. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
- 3. Applicant provided notice of the Application to all persons owning an interest in the oil and gas production to be commingled, including the owners of royalty and overriding royalty interests, regardless of whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
- 4. Applicant provided notice of the Application to the Bureau of Land Management ("BLM") or New Mexico State Land Office ("NMSLO"), as applicable.
- 5. Applicant submitted or intends to submit one or more proposed communitization agreement(s) ("Proposed Agreement(s)") to the BLM or NMSLO, as applicable, identifying the acreage of each lease to be consolidated into a single pooled area ("CA Pooled Area"), as described in Exhibit A.

CONCLUSIONS OF LAW

- 6. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, 70-2-16, and 70-2-17, 19.15.12. NMAC, and 19.15.23. NMAC.
- 7. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10 A.(2) NMAC, 19.15.12.10 C.(4)(c) NMAC, and 19.15.12.10 C.(4)(e) NMAC, as applicable.
- 8. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9 A.(5) NMAC and 19.15.23.9 A.(6) NMAC, as applicable.
- 9. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10 B.(1) NMAC or 19.15.12.10 C.(1) NMAC, as applicable.

Order No. CTB-983-A Page 1 of 3

- 10. Commingling of oil and gas production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10 B.(3) NMAC and 19.15.12.10 C.(4)(h) NMAC.
- 11. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

ORDER

1. Applicant is authorized to surface commingle oil and gas production from the pools, leases, and wells as described in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease from the pools, leases, and wells as described in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

- 2. This Order supersedes Order CTB-983.
- 3. For each CA Pooled Area described in Exhibit A, Applicant shall submit a Proposed Agreement to the BLM or NMSLO, as applicable, prior to commencing oil and gas production. If Applicant fails to submit the Proposed Agreement, this Order shall terminate on the following day.

No later than sixty (60) days after the BLM or NMSLO approves or denies a Proposed Agreement, Applicant shall submit a Form C-103 to OCD with a copy of the decision and a description of the approved lands, as applicable. If Applicant withdraws or the BLM or NMSLO denies a Proposed Agreement, this Order shall terminate on the date of such action, and Applicant shall cease commingling the production from the CA Pooled Area. If the BLM or NMSLO approves but modifies the Proposed Agreement(s), Applicant shall comply with the approved Agreement(s), and no later than sixty (60) days after such decision, Applicant shall submit a new surface commingling application to OCD to conform this Order with the approved Agreement(s) if the formation or dedicated lands are modified or if a modification is made that will affect this Order. If Applicant fails to submit the new surface commingling application or OCD denies the new surface commingling application, this Order shall terminate on the date of such action.

Applicant shall allocate the oil and gas production to each lease within a CA Pooled Area in proportion to the acreage that each lease bears to the entire acreage of the CA Pooled Area until the Proposed Agreement which includes the CA Pooled Area is approved. After the Proposed Agreement is approved, the oil and gas production from the CA Pooled Area shall be allocated as required by the BLM's or NMSLO's, as applicable, approval of the Agreement, including any production that had been allocated previously in accordance with this Order.

4. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling it with production from another well.

Order No. CTB-983-A Page 2 of 3

- 5. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15. NMAC or 19.15.23.8. NMAC.
- 6. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9. NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8 B. NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8 E. NMAC.
- 7. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10 C.(2) NMAC.
- 8. If the commingling of oil and gas production from any pool, lease, or well reduces the value of the commingled oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil and gas production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.
- 9. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
- 10. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).
- 11. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

DATE: 12/12/2024

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

GERASIMOS RAZATOS DIRECTOR (ACTING)

Order No. CTB-983-A Page 3 of 3

State of New Mexico Energy, Minerals and Natural Resources Department

Exhibit A

Order: CTB-983-A

Operator: COG Operating, LLC (229137)

Central Tank Battery: Potato Baby ST 34 N Central Tank Battery

Central Tank Battery Location: UL F, Section 34, Township 26 South, Range 28 East

Central Tank Battery: Potato Baby State 34N Satellite A

Central Tank Battery Location: UL A, Section 34, Township 26 South, Range 28 East

Central Tank Battery: Potato Baby State 34N Satellite B

Central Tank Battery Location: UL B, Section 34, Township 26 South, Range 28 East

Central Tank Battery: Red Hills Offload Station

Central Tank Battery Location: UL O, Section 4, Township 26 South, Range 32 East

Central Tank Battery: Jal Offload Station

Central Tank Battery Location: UL D, Section 4, Township 26 South, Range 37 East Gas Title Transfer Meter Location: UL F, Section 34, Township 26 South, Range 28 East

Pools

Pool Name Pool Code
PURPLE SAGE; WOLFCAMP (GAS) 98220

Leases as defined in 19.15.12.7(C) NMA
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	(0) 1 (1/11111	
Lease	UL or Q/Q	S-T-R
	W/2	22-26S-28E
CA Wolfcamp NMSLO 204249 PUN 1391044	W/2	27-26S-28E
	W/2	34-26S-28E
	E/2	22-26S-28E
CA Wolfcamp NMSLO 204250 PUN 1391879	E/2	27-26S-28E
	E/2	34-26S-28E
	S/2 SE/4	22-26S-28E
PROPOSED CA Wolfcamp NMSLO A	E/2	27-26S-28E
	E/2	34-26S-28E
CA Walfaama NMSI O 20/251 DUN 1301053	E/2	27-26S-28E
CA Wolfcamp NMSLO 204251 PUN 1391053	E/2	34-26S-28E

Wells

	VV CHS			
Well API	Well Name	UL or Q/Q	S-T-R	Pool
		W/2	22-26S-28E	
30-015-50007	Potato Baby State Com #906H	W/2	27-26S-28E	98220
		W/2	34-26S-28E	
		W/2	22-26S-28E	
30-015-50009	Potato Baby State Com #907H	W/2	27-26S-28E	98220
		W/2	34-26S-28E	
		W/2	22-26S-28E	
30-015-50006	Potato Baby State Com #908H	W/2	27-26S-28E	98220
		W/2	34-26S-28E	

		W/2	22-26S-28E	
30-015-50008	Potato Baby State Com #909H	W/2	27-26S-28E	98220
	•	W/2	34-26S-28E	
		W/2	22-26S-28E	
30-015-50010	Potato Baby State Com #910H	W/2	27-26S-28E	98220
		W/2	34-26S-28E	
		W/2	22-26S-28E	
30-015-47463	Potato Baby State Com #704H	W/2	27-26S-28E	98220
		W/2	34-26S-28E	
		W/2	22-26S-28E	
30-015-47460	Potato Baby State Com #705H	W/2	27-26S-28E	98220
	•	W/2	34-26S-28E	
		W/2	22-26S-28E	
30-015-47459	Potato Baby State Com #706H	W/2	27-26S-28E	98220
	•	W/2	34-26S-28E	
		E/2	22-26S-28E	
30-015-47461	Potato Baby State Com #702H	E/2	27-26S-28E	98220
	•	E/2	34-26S-28E	
		E/2	22-26S-28E	
30-015-47464	Potato Baby State Com #703H	E/2	27-26S-28E	98220
		E/2	34-26S-28E	
		E/2	22-26S-28E	
30-015-49969	Potato Baby State Com #903H	E/2	27-26S-28E	98220
		E/2	34-26S-28E	
		E/2	22-26S-28E	
30-015-49970	Potato Baby State Com #904H	E/2	27-26S-28E	98220
		E/2	34-26S-28E	
		E/2	22-26S-28E	
30-015-49971	Potato Baby State Com #905H	E/2	27-26S-28E	98220
	•	E/2	34-26S-28E	
		S/2 SE/4	22-26S-28E	
30-015-49967	Potato Baby State Com #901H	E/2	27-26S-28E	98220
		E/2	34-26S-28E	
		S/2 SE/4	22-26S-28E	
30-015-49968	Potato Baby State Com #902H	E/2	27-26S-28E	98220
	-	E/2	34-26S-28E	
20 015 47450	Dotate Dahy State Com #701H	E/2	27-26S-28E	00220
30-015-47458	Potato Baby State Com #701H	E/2	34-26S-28E	98220
30-013-47436	1 otato baby State Com #70111	E/2	34-26S-28E	70220

Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

CONDITIONS

Action 293771

CONDITIONS

Operator:	OGRID:	
COG OPERATING LLC	229137	
600 W Illinois Ave	Action Number:	
Midland, TX 79701	293771	
	Action Type:	
	[C-107] Surface Commingle or Off-Lease (C-107B)	

CONDITIONS

Created By	Condition	Condition Date
dmcclure	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please email us at OCD.Engineer@emnrd.nm.gov.	12/13/2024