



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

May 21, 2024

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

Re: Application for Administrative Approval
Off-lease Measurement & Storage

Dear Mr. McClure,

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

SRO State Com 60H
API# 30-015-41741
Red Bluff; Bone Spring, South
Ut. H, Sec.10-T26S-R28E
Eddy County, NM

Oil Production:

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

Notifications have been sent to all working interest owners

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

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

Sincerely,

Jeanette Barron
Jeanette Barron
Regulatory Coordinator

RECEIVED:	REVIEWER:	TYPE:	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: _____ OGRID Number: _____
 Well Name: _____ API: _____
 Pool: _____ Pool Code: _____

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

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
 A. Location – Spacing Unit – Simultaneous Dedication
 NSL NSP (PROJECT AREA) NSP (PRORATION UNIT) SD
- B. Check one only for [I] or [II]
 [I] Commingling – Storage – Measurement
 DHC CTB PLC PC OLS OLM
 [II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
 A. Offset operators or lease holders
 B. Royalty, overriding royalty owners, revenue owners
 C. Application requires published notice
 D. Notification and/or concurrent approval by SLO
 E. Notification and/or concurrent approval by BLM
 F. Surface owner
 G. For all of the above, proof of notification or publication is attached, and/or,
 H. No notice required

<u>FOR OCD ONLY</u>	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

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

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

05.21.24

Date

Print or Type Name

Phone Number

Jeanette Barron

Signature

e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department
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 FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: COG Operating LLC
OPERATOR ADDRESS: 2208 W Main Street, Artesia, New Mexico 88210
APPLICATION TYPE:

Pool Commingling Lease Commingling Pool and Lease Commingling Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: Fee State Federal

Is this an Amendment to existing Order? Yes No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
 Yes No

(A) POOL COMMINGLING
Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

(2) Are any wells producing at top allowables? Yes No
(3) Has all interest owners been notified by certified mail of the proposed commingling? Yes No.
(4) Measurement type: Metering Other (Specify)
(5) Will commingling decrease the value of production? Yes No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING
Please attach sheets with the following information

(1) Pool Name and Code.
(2) Is all production from same source of supply? Yes No
(3) Has all interest owners been notified by certified mail of the proposed commingling? Yes No
(4) Measurement type: Metering Other (Specify)

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

(1) Complete Sections A and E.

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

(1) Is all production from same source of supply? Yes No
(2) Include proof of notice to all interest owners.

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

(1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

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

SIGNATURE: Jeanette Barron TITLE: Regulatory Coordinator DATE: 05.21.24

TYPE OR PRINT NAME Jeanette Barron TELEPHONE NO.: 575.748.6974

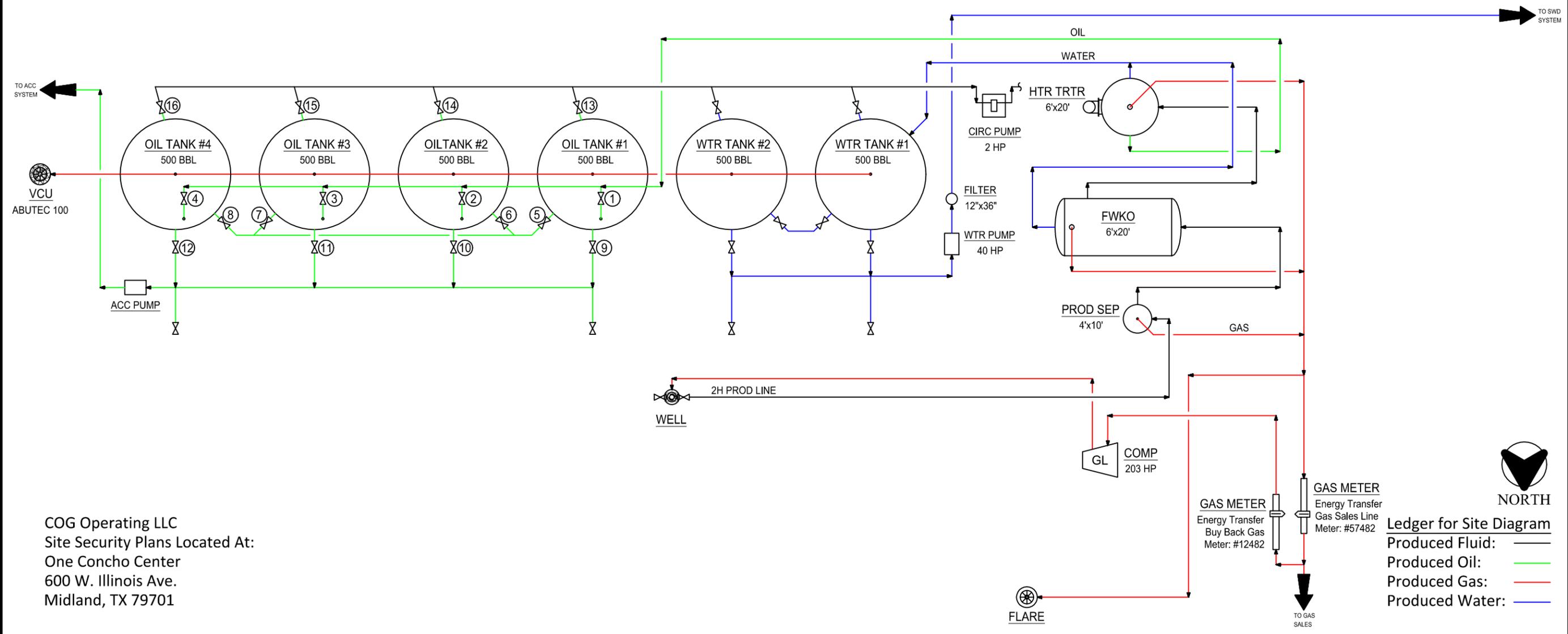
E-MAIL ADDRESS: jeanette.barron@conocophillips.com

SRO STATE COM 60H BATTERY
 SENE SECTION 10, T26S, R28E, UNIT H
 EDDY COUNTY, NM

WELLS:
 SRO STATE COM #060H: 30-015-41741

- Production Phase - Oil Tank #1
- Valve 1 open
 - Valves 2, 3, and 4 closed
 - Valves 5, 6, 7, and 8 open
 - Valves 9, 10, 11, and 12 closed
 - Valve 13 open
 - Valves 14, 15, and 16 closed

- Sales Phase - Oil Tank #1
- Valve 1 closed
 - Valves 2, 3, or 4 open
 - Valve 5 closed
 - Valves 6, 7, and 8 open
 - Valve 9 open
 - Valves 10, 11, and 12 closed
 - Valve 13 closed
 - Valves 14, 15, or 16 open



COG Operating LLC
 Site Security Plans Located At:
 One Concho Center
 600 W. Illinois Ave.
 Midland, TX 79701

Ledger for Site Diagram
 Produced Fluid: —
 Produced Oil: —
 Produced Gas: —
 Produced Water: —

NO.	DATE	DESCRIPTION	BY	CHK.	APP.	ENGINEERING RECORD	
						BY	DATE
A	06/01/12	ISSUE FOR SITE PERMITTING	CRB			DRN: CRB	06/01/12
B	06/27/16	UPDATED FOR SRO STATE COM 60H BTY	CMB			DES: CRB	06/01/12
						CHK:	
						APP:	
						AFE NO:	
						FACL ENGR: C. BLEDSOE	
						OPER ENGR: VARIES	
						SCALE: NONE	

CONFIDENTIALITY NOTICE		REFERENCE DRAWINGS		REVISIONS			ENGINEERING RECORD	
NO.	TITLE	NO.	TITLE	NO.	DATE	DESCRIPTION	BY	DATE
THIS DRAWING IS PROPERTY OF COG OPERATING LLC 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 THAT WHICH IT IS SPECIFICALLY FURNISHED.				COG OPERATING LLC 600 WEST ILLINOIS AVENUE MIDLAND, TEXAS 79701				

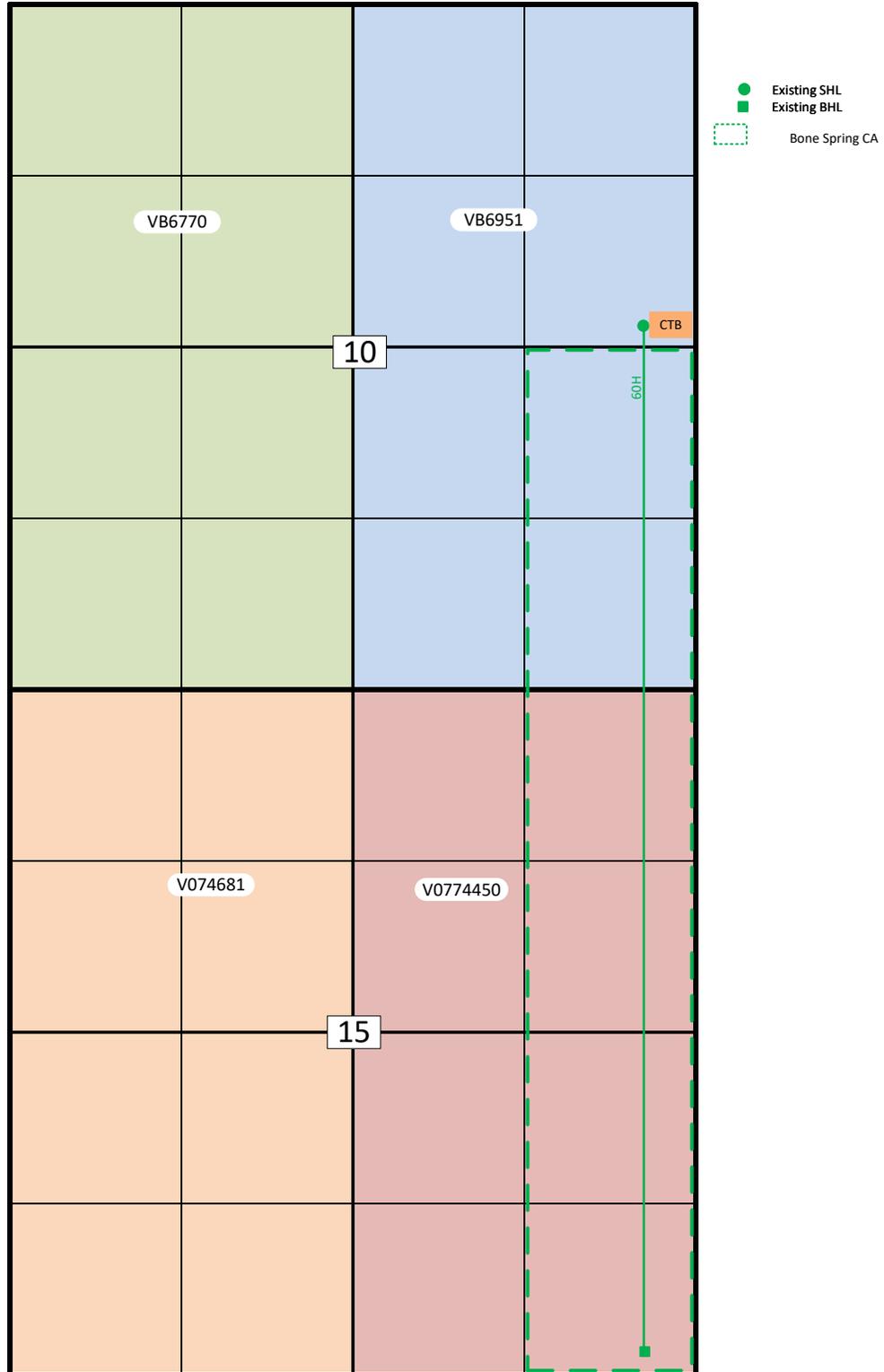
NOTES: Type of Lease: State State Lease #: VB06950000 Property Code: 40112 OGRID #: 229137		EDDY COUNTY TWNSHIP/RANGE: MULTIPLE DWG NO. D-1700-81-005 REV B	
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NEW MEXICO BASIN ASSET
 PRODUCTION FACILITIES
 SITE FACILITY DIAGRAM
 SRO STATE COM 60H BATTERY

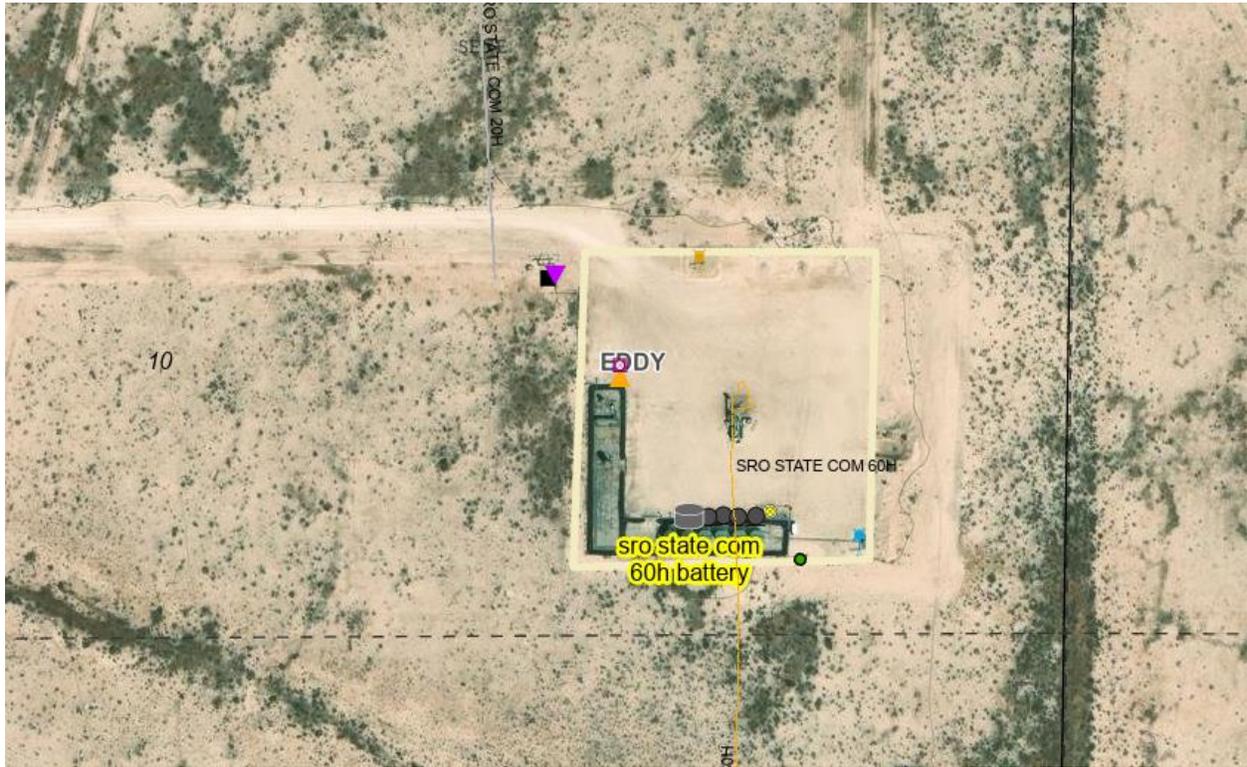


SRO State Com 60H



Sec 10,15 - T26S-R28E
Eddy County, NM

SRO STATE COM 60H



SRO State Com 60H

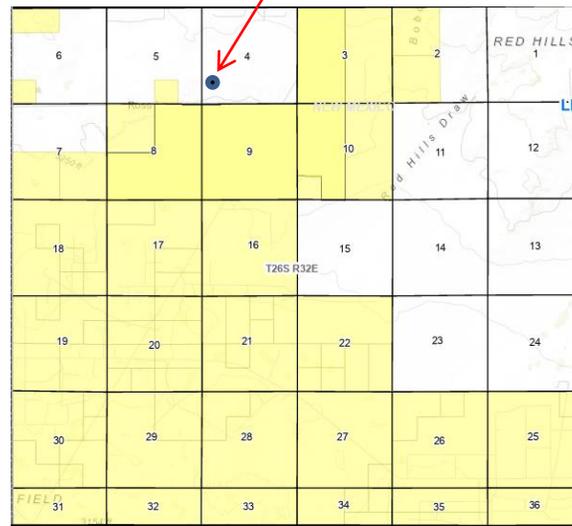
&

Red Hills and Jal Offload Station Map

SRO St Com 60H
Eddy County, NM



Red Hills Offload Station
Lea County, NM



Jal Offload Station
Lea County, NM



SRO State Com 60H								
Date Sent	Initials	Name	Address	City	State	ZipCode	Certified Return Receipt No.	Delivered
05.21.24	JB	THE ALLAR COMPANY	PO BOX 1567	GRAHAM	TX	76450-7567	7020 1810 0000 1415 3364	
05.21.24	JB	OXY Y 1	5 Greenway Plaza, Suite 110	HOUSTON	TX	77046	7020 1810 0000 1415 3357	
05.21.24	JB	CHEVRON USA INC	6301 Deauville Blvd	Midland	TX	79706	7020 1810 0000 1415 3388	
05.21.24	JB	EOG RESOURCES INC	5509 Champions Drive	Midland	TX	79706	7020 1810 0000 1415 3371	
05.21.24	JB	SLO	PO BOX 1148	Santa Fe	NM	87504-1148	7020 1810 0000 1415 3395	

NEW MEXICO STATE LAND OFFICE

CERTIFICATE OF APPROVAL

COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

**COG Operating LLC
Sro State Com Well No. 060H
Vertical Extent: Bone Spring
Township: 26 South, Range: 28 East, NMPM
Section 10
Eddy County, New Mexico**

There having been presented to the undersigned Commissioner of Public Lands of the State on New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated , which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area.
- (b) That under the proposed agreement, the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- (c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the State, with respect to state lands.

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 19-10-45, 19-10-46, 19-10-47, New Mexico Statutes Annotated, 1978 Compilation, I, the undersigned Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said Agreement, and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof, and shall remain in full force and effect according to the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 12th day of January 2019.

Aubrey D...
COMMISSIONER OF PUBLIC LANDS
of the State of New Mexico



COG OPERATING LLC
600 W ILLINOIS AVE
MIDLAND TX 79701-9808

ONLINE VERSION
NM State Land Office
Oil, Gas, & Minerals Division

STATE/STATE OR
STATE/FEE
Revised March 2007

COMMUNITIZATION AGREEMENT
ONLINE Version

KNOW ALL MEN BY THESE PRESENTS:

STATE OF NEW MEXICO)
COUNTY OF EDDY)^{SS)}

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of **July 1, 2014**, 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 lands under agreements made by lessees of oil & gas leases thereon, jointly or severally with other oil & gas lessees of State 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 area on an acreage or other basis found by the Commissioner 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 **Bone Spring** formation (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.

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:

27 8 27 5 4M 9 NOV 2014

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

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

Section 10: E/2 SE/4

Section 15: E/2 E/2

Eddy County, New Mexico

Containing 240.00 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 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, 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. 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.

27 8 22 9 NOV 2024

5. 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.

6. The commencement, completion, and continued operation or production of a well or wells for 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.

7. 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.

8. COG Operating LLC shall be the Operator of said communitized area and all matters of operation shall be determined and performed by COG Operating LLC.

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 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 lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of

27 8 09 5

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:

COG Operating LLC

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

Handwritten initials: MA, RD

Stamp: 27 8 5M 9 NON REC

LESSEES OF RECORD:

Yates Petroleum Corporation

By:
Its:

The Allar Company

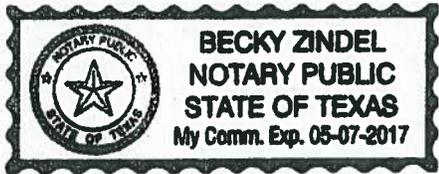
By:
Its:

ACKNOWLEDGEMENT

STATE OF TEXAS §
 § ss.
COUNTY OF MIDLAND §

This instrument was acknowledged before me on July 3, 2014, by Mona D. Ables, Vice President of Land, of **COG Operating LLC**, a Delaware Limited Liability Company, on behalf of same.

5/7/17
My Commission Expires



Becky Zindel
Notary Public in and for the State of Texas

27 8 44 9 NON REC

LESSEES OF RECORD:

Yates Petroleum Corporation

K.V.M. *Kathy H. Porter*
By: Kathy H Porter
Its: Attorney-in-Fact

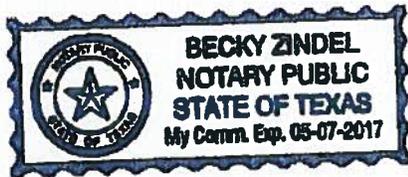
The Allar Company

By:
Its:

ACKNOWLEDGEMENT

STATE OF TEXAS §
 § ss.
COUNTY OF MIDLAND §

This instrument was acknowledged before me on July 3, 2014, by Mona D. Ables, Vice President of Land, of COG Operating LLC, a Delaware Limited Liability Company, on behalf of same.



5-7-17
My Commission Expires
Becky Zindel
Notary Public in and for the State of Texas

ONLINE version
December 2007

State/State
State/Fee

27 8 49 9 NOV 2014

LESSEES OF RECORD:

Yates Petroleum Corporation

By:
Its:

The Allar Company



By: JOHN CHILES GRAHAM
Its: PRESIDENT

ACKNOWLEDGEMENT

STATE OF TEXAS §
 § ss.
COUNTY OF MIDLAND §

This instrument was acknowledged before me on _____, 2014, by
Mona D. Ables, Vice President of Land, of **COG Operating LLC**, a Delaware Limited Liability
Company, on behalf of same.

My Commission Expires

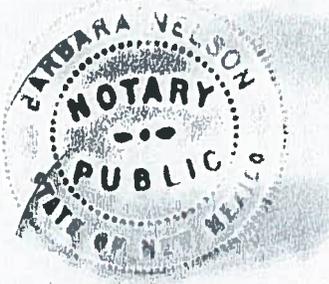
Notary Public in and for the State of Texas

NOV 9 6 AM 8 27

ACKNOWLEDGEMENT
(Continued)

STATE OF NEW MEXICO §
 § ss.
COUNTY OF EDDY §

This instrument was acknowledged before me on July 15, 2014,
by Kathy H. Porter, as Attorney-in-Fact, of **Yates Petroleum Corporation**, a New Mexico Corporation, on behalf of same.



1-8-2016
My Commission Expires

Barbara Nelson
Notary Public in and for the State of New Mexico

STATE OF _____ §
 § ss.
COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2014,
by _____, as _____, of **The Allar Company**, a
_____, on behalf of same.

My Commission Expires

Notary Public in and for the State of _____

2014 NOV 9 6 PM 8 27

EXHIBIT "A"

Plat of communitized area covering 240.00 acres in Sections 10 & 15 of T26S - R28E, N.M.P.M.
Eddy County, New Mexico

SRO State Com #60H

			●
			Tract 1: VB-0695 <i>(Sec 10: E/2 SE/4)</i>
SEC 10			
SEC 15			Tract 2: VO-7445 <i>(Sec. 15: E/2 E/2)</i>
			●

NOTE: Show well location and tract numbers, show lots with acreage.

State/State or
State/Fee Communitization

EXHIBIT "B"

Attached to and made a part of that Communitization Agreement, dated **July 1, 2014**, covering the E/2 SE/4 of Section 10 and the E/2 E/2 of Section 15, Township 26 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.

OPERATOR of Communitized Area: COG Operating LLC

DESCRIPTION OF LEASES COMMITTED:

TRACT NO. 1

Serial No. of Lease: VB-0695
 Date of Lease: July 1, 2005
 Lessor: State of New Mexico acting by and through its Commissioner of Public Lands
 Lessee of Record: Yates Petroleum Corporation
 Description of Lands Committed: Insofar and only insofar as lease covers Township 26 South, Range 28 East, N.M.P.M. Section 10: E/2 SE/4 Eddy County, New Mexico
 No. of Acres: 80.00

TRACT NO. 2

Serial No. of Lease: V0-7445
 Date of Lease: July 1, 2005
 Lessor: State of New Mexico acting by and through its Commissioner of Public Lands
 Lessee of Record: The Allar Company
 Description of Lands Committed: Insofar and only insofar as lease covers Township 26 South, Range 28 East, N.M.P.M. Section 15: E/2 E/2 Eddy County, New Mexico
 No. of Acres: 160.00

82 8 WY 9 NOV 2014

RECAPITULATION

Tract Number	Number of Acres Committed	Percentage of Interest In Communitized Area
No. 1	80.00	33.333333%
No. 2	<u>160.00</u>	<u>66.666667%</u>
	240.00	100.00000%

28 8 09 9 NOV 2015

ONLINE version
December 2007

State/State
State/Fee

9



RECEPTION NO: 1501295 STATE OF
 NEW MEXICO, COUNTY OF EDDY
 RECORDED 02/04/2015 2:13 PM
 BOOK 1009 PAGE 0001 *R Nelson*
 ROBIN VANNATTA, COUNTY CLERK

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

**APPLICATION FOR OFF-LEASE MEASUREMENT
SUBMITTED BY COG OPERATING, LLC.**

ORDER NO. OLM-292

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having considered the application and the recommendation of the Engineering Bureau, issues the following Order.

FINDINGS OF FACT

1. COG Operating, LLC. (“Applicant”) submitted a complete application to off-lease measure the oil production ("Application") from the wells, pool, and lease identified in Exhibit A.
2. Applicant provided notice of the Application to all persons owning a working interest in the oil production to be off-lease measured in accordance with 19.15.23.9(A)(5) NMAC, and those persons either submitted a written waiver or did not file an objection to the Application.
3. Applicant provided notice of the Application to the Bureau of Land Management or New Mexico State Land Office, as applicable.

CONCLUSIONS OF LAW

4. 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, and 19.15.23 NMAC.
5. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9(A)(5) NMAC.
6. 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 store and measure oil production off-lease from the pools, leases, and wells identified in Exhibit A at a central tank battery described in Exhibit A.
2. The oil production from the wells identified in Exhibit A shall be physically separated from the oil production from other wells and no commingling of production from different leases or pools shall occur in accordance with 19.15.23.9(A)(3) NMAC and 19.15.23.9(A)(4) NMAC, except as otherwise provided in order(s) issued by OCD.
3. 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.

4. Applicant shall calibrate the meters used to measure or allocate oil production in accordance with 19.15.12.10(C)(2) NMAC.
5. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



**GERASIMOS RAZATOS
DIRECTOR (ACTING)**

DATE: 5/22/2025

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: OLM-292

Operator: COG Operating, LLC (229137)

Central Tank Battery: SRO State Com 60H Central Tank Battery (Oil Only)

Central Tank Battery Location: UL H, Section 10, 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 H, Section 10, Township 26 South, Range 28 East

Pools

Pool Name	Pool Code
RED BLUFF;BONE SPRING, SOUTH	51010

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
CA Red Bluff, Bone Spring, South SLO 203436 PUN	E/2 SE/4	10-26S-28E
1346864	E/2 E/2	15-26S-28E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-015-41741	SRO STATE COM #060H	E/2 SE/4	10-26S-28E	51010
		E/2 E/2	15-26S-28E	

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 346490

CONDITIONS

Operator: COG OPERATING LLC 600 W Illinois Ave Midland, TX 79701	OGRID: 229137
	Action Number: 346490
	Action Type: [C-107] Surface Commingle or Off-Lease (C-107B)

CONDITIONS

Created By	Condition	Condition Date
sarah.clelland	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 .	5/23/2025