

Revised March 23, 2017

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: Caza Operating, LLC **OGRID Number:** 249099
Well Name: Comanche 25 36 Federal State Com #001H **API:** 30-025-47449
Pool: WC-025 G-09 S263619C; WOLFCAMP **Pool Code:** 98234

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

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

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

FOR OCD ONLY	
<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.

Cory Walk

Print or Type Name

Cory Walk

Signature

10-30-2024

Date

505-466-8120

Phone Number

cory@permitswest.com

e-mail Address

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

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

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Caza Operating, LLC
OPERATOR ADDRESS: 200 N. Loraine Street, Suite 1550, Midland, TX 79701
APPLICATION TYPE:

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

LEASE TYPE: Fee [X] State [X] Federal

Is this an Amendment to existing Order? [] Yes [X] 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
[X] Yes [] No

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

Table with 6 columns: (1) Pool Names and Codes, Gravities / BTU of Non-Commingled Production, Calculated Gravities / BTU of Commingled Production, Calculated Value of Commingled Production, Volumes. Includes rows for WC-025 G-09 S263619C, WC-025 G-09 S263525B, and WC-025 G-08 S253534O.

(2) Are any wells producing at top allowables? [] Yes [X] No
(3) Has all interest owners been notified by certified mail of the proposed commingling? [X] Yes [] No.
(4) Measurement type: [X] Metering [] Other (Specify)
(5) Will commingling decrease the value of production? [] Yes [X] 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: Cory Walk TITLE: Consultant DATE: 10/30/2024
TYPE OR PRINT NAME Cory Walk TELEPHONE NO.: 505-466-8120
E-MAIL ADDRESS: cory@permitswest.com



October 30, 2024

New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, NM 87505

Re: Request for pool and lease commingling
Comanche 25 36 Federal State Com #001H
Sec. 25, T26S, R35E
API: 30-025-47449
WC-025 G-09 S263619C; WOLFCAMP
Lea County, NM

Dear Mr. McClure:

Caza Operating, LLC, is filing a surface commingling application for pool and communitization agreement commingling of oil, water, and gas at their Comanche 25 36 Federal State Com Facility. This application includes a total of 4 wells but also seeks approval for the ability to add future wells and leases to these facilities.

Commingling will not reduce the total value of remaining production.

Please contact the undersigned should you have any questions or need any additional information.

Sincerely,

Cory Walk
Agent
Permits West Inc.
(505) 466-8120
cory@permitswest.com

APPLICATION FOR SURFACE COMMINGLING, AT A COMMON CENTRAL FACILITY

Caza Operating, LLC respectfully requests approval to Surface Commingle the production from the Comanche 25-36 Fed Com Federal Lease NMNM125402 with State Lease SLO VB-2574 at the Comanche 25-36 Fed Com Facility as defined by 43 CFR 3173.14 (a)(1)(iii).

The Comanche 25-36 Fed Com Federal Lease NMNM125402 has the same proportion of Federal Interest and is subject to the same fixed Federal Royalty Rate and revenue distribution for all the wells. [\[43 CFR 3173.14 \(a\)\(1\)\(iii\)\]](#)

The Comanche 25-36 Fed Com Federal Lease NMNM125402 and State Lease SLO VB-2374 contain four(4) producing wells utilizing the Comanche 25-36 Fed Com Facility for production and sales. Two(2) of the wells are producing from the Bone Spring Formation and two(2) of the wells are producing from the Wolfcamp Formation. Noted below are the Federal and State Comm Agmrnts that allow these formations and producing pools to be communitized together with common identical ownership.

Federal Comm Agrmnts	State Comm Agrmnts
NMNM105785617,	Apprvd Nov 2, 2022
NMNM105785622	Apprvd Nov 1, 2022
NMNM105785625	Apprvd Nov 2, 2022
NMNM105785627	Apprvd Nov 2, 2022

The (MASS) Serial Register page for Federal Lease NMNM125402 and all Federal and State Comm Agrmnts have been attached.

Table 1 - Federal Royalty Rate

This table provides a list of the Federal Royalty Rates of the individual wells and tracts associated with Federal Lease NMNM125402 and State Lease SLO VB-2374 in the proposed Surface Commingling. The table provides the details of the proportionate share of each lease as adjusted by the Tract Participation Factor reflecting all the tracts and the wells all have the same proportion of Federal Interest and are subject to the same fixed Federal Royalty Rate and revenue distribution. [\[43 CFR 3173.14 \(a\)\(1\)\(iii\)\]](#)

TABLE 1 - FEDERAL ROYALTY RATES							
WELL NAME	API #	FEDERAL LSE NMNM125402			STATE LSE VB-2574		
		Royalty %	Combined Acres	Tract Factor	Royalty %	Combined Acres	Tract Factor
Comanche 25-36 Fed State Com 1H	30-025-47449	12.75	320.00	0.686	18.75	146.49	0.314
Comanche 25-36 Fed State Com 2Y	30-025-48368						
Comanche 25-36 Fed State Com 3H	30-025-47451						
Comanche 25-36 Fed State Com 4H	30-025-47452						

The physical location of the Comanche 25-36 Fed Com Facility and the OIL and GAS FMPs are within the boundaries of the Comanche 25-36 Fed Com Federal Lease NMNM125402. Because all OIL and GAS FMPs are within the boundaries of the proposed Surface Commingling Agrmnt and within the boundaries of Federal Lease NMNM125402, no offlease production is involved with this Surface Commingling request. [\[43 CFR 3173.15\(a\)\]](#)

Caza Operating, LLC is the sole Operator of Record for the Comanche 25-36 Fed Com Federal Lease NMNM125402 and State Lease SLO VB-2574 and agrees with commingling the oil, gas, and water production at the Comanche 25-36 Fed Com Facility. [\[43 CFR 3173.15\(c\)\]](#)

Caza Operating is specifically requesting permission to Surface Commingle the oil, gas, and water production and sales from Federal Lease NMNM125402 and State Lease SLO VB-2574 at the Comanche 25-36 Fed Com Facility. [\[43 CFR 3173.15\(d\)\]](#)

Caza Operating believes Surface Commingling the oil, gas, and water associated with the wells producing from the Comanche 25-36 Fed Com Federal Lease NMNM125402 and State Lease SLO VB-2574 at the Comanche 25-36 Fed Com Facility using the proposed allocation methodology with the meter calibration and maintenance schedule, will not negatively affect the royalty revenue of the Federal government.

A **Federal Lease Plat** has been attached that includes: [\[43 CFR 3173.15\(e\)\(1-2\)\]](#)

- All lease boundaries within the proposed Surface Commingling Agreement,
- The location of the Comanche 25-36 Fed Com Facility,
- The surface and bottomhole locations of all the wells,
- The wells and their associated flowlines are fully contained within the physical boundaries of the Comanche 25-36 Fed Com Facility, and
- The OIL and GAS FMPs are within the boundaries of the proposed Surface Commingling Agrmnt and within the boundaries of Federal Lease NMNM125402.

The surface location of the Comanche 25-36 Fed Com Facility is Federal property managed by the BLM Carlsbad Office. [\[43 CFR 3173.15\(h\)\]](#)

Caza Operating does not anticipate any new Federal surface disturbance as part of this Surface Commingling request. [\[43 CFR 3173.23\(j\)\]](#)

Caza Operating believes that all the wells on these Federal leases are capable of production in paying quantities based on the most current production data provided in Table 2. [\[43 CFR 3173.15\(j\)\]](#)

Table 2 – Lease and Well Info

This table provides a list of well related information for the four(4) wells associated with the Comanche 25-36 Fed Com Federal Lease NMNM125402 and State Lease SLO VB-2574 that are to be included in the proposed Surface Commingling and Allocation Approval (CAA). [\[43 CFR 3173.15\(d\)\]](#)

TABLE 2 - WELL INFO					
WELL / POOL	API #	Oil BOPM	API Gravity	Gas MCFM	Gas mmBTU/Ft ³
WOLFCAMP					
Comanche 25-36 Fed State Com 1H	30-025-47449	3,100	40.0	20,400	1222
Comanche 25-36 Fed State Com 2Y	30-025-48368	3,400	40.0	16,600	1222
BONE SPRING					
Comanche 25-36 Fed State Com 3H	30-025-47451	3,700	40.0	19,700	1222
Comanche 25-36 Fed State Com 4H	30-025-47452	3,100	40.0	21,600	1222
This table provides a monthly summary of the oil and gas production volumes for each well along with the Oil API gravity and Gas BTU content as of June 2024. [43 CFR 3173.15(k)]					

PROCESS DESCRIPTION

The full wellstream production from the Comanche 25-36 Fed Com wells flowing to the Comanche 25-36 Fed Com Facility will be directed to individually, dedicated 3-phase separators equipped with oil, gas, and water meters to accurately measure production. The direct, metered volumes will then be utilized to monitor individual well performance and serve as the basis for the volume allocation methodology.

After separation and measurement, the oil production will flow to a Heater Treater and the water production will flow to a Freewater Knockout. These vessels will further remove any residual water or sediments to allow the oil to become a saleable product. The oil and water production will then flow to separate, onsite storage for subsequent sales, or disposal. There are two(2) OIL FMPs located at this facility. OIL FMP 1 is a pipeline LACT Unit connected to Salt Creek Midstream Oil Pipeline and Oil FMP 2 is a common oil load line for manually gauged, oil truck sales.

After separation, the gas production will be sold through the GAS FMP located at the facility into Targa Gas Pipeline through Gas Sales Mtr# 56014783. Any low pressure gas and tank vapors from the facility's various process vessels and tanks will be gathered, compressed with vapor recovery units, and will also be sold through the GAS FMP to Targa Gas Pipeline. Any process interruptions that may occur will divert the gas production to a metered, onsite high pressure or low pressure flare.

The oil, gas, and water production will be proratedly allocated to each individual well based on the directly measured, metered volumes obtained from the dedicated 3-phase separators noted above.

A detailed **Flow Diagram** has been attached to provide clarity to the process and volume allocations.

ALLOCATION METHODOLOGY

All production volume allocations will use directly measured, oil, gas, and water meter readings obtained from each well's individually, dedicated 3-phase separator as the basis for allocating production and sales to each well. These measured meter readings in aggregate will determine each well's proportionate share of the total amount of facility production and sales. Detailed examples of the allocation methodology using Direct Meter Readings are provided in the attached **Oil, Gas, and Water Production Volume Allocation Example**. [\[43 CFR 3173.15\(c\)\]](#)

OIL

The oil production from the four(4) Comanche 25-36 Fed Com wells will flow to the Comanche 25-36 Fed Com Facility through a well header system that directs each individual well to a dedicated 3-phase separator equipped with an individual oil Coriolis meter to accurately measure production, monitor well performance, and serve as the basis for the volume allocation methodology. After separation, the produced oil from each well is then commingled and stored in common oil stock tanks. The commingled oil will then be sold from the sealed and strapped oil storage tanks through either OIL FMP 1 or OIL FMP 2. OIL FMP 1 is a pipeline LACT Unit connected to the Salt Creek Midstream Oil Pipeline. OIL FMP 2 is the truck load line where the oil sale occurs by manually gauging a tank into a truck. Both OIL FMPs are physically located at the facility.

The oil sold through both OIL FMP 1 and OIL FMP 2 will be proratedly allocated to each individual well using the directly measured, oil meter readings obtained from each well's individually, dedicated 3-phase separator. These measured oil meter readings in aggregate will determine each well's proportionate share of the total amount of the facility's oil production and sales. Each well's individual oil meter reading is obtained on a daily basis throughout the entire month and serves as the basis for the volume allocation methodology. See the attached **Oil, Gas, and Water Production Volume Allocation Example** for details.

The commingled oil production that fails to meet sales specifications will be directed to the heater treater that will further remove any residual water or sediments to allow the oil to become a saleable product.

GAS

The gas production from the four(4) Comanche 25-36 Fed Com wells will flow to the Comanche 25-36 Fed Com Facility through a well header system that directs each individual well to a dedicated 3-phase separator equipped with an individual orifice gas meter to accurately measure production to monitor well performance and serve as the basis for the volume allocation methodology. After separation, the gas production will be sold through the GAS FMP located at the facility into Targa Gas Pipeline through gas sales mtr# 56014783. Any low pressure gas and tank vapors from the facility's various process vessels and tanks will be gathered, compressed with vapor recovery units, and will also be sold through the GAS FMP to Targa Gas Pipeline. Any process interruptions that may occur will divert the gas production to a metered, onsite high pressure or low pressure flare.

The gas sold through the GAS FMP will be proratedly allocated to each individual well using the directly measured, orifice gas meter readings obtained from each well's individually, dedicated 3-phase separator. These measured gas meter readings in aggregate will determine each well's proportionate share of the total amount of the facility's gas production and sales. Each well's individual gas meter reading is obtained on a daily basis throughout the entire month and will serve as the basis for the volume allocation methodology. See the attached **Oil, Gas, and Water Production Volume Allocation Example** for details.

WATER

The water production from the four(4) Comanche 25-36 Fed Com wells will flow to the Comanche 25-36 Fed Com Facility through a well header system that directs each individual well to a dedicated 3-phase separator equipped with an individual water turbine meter to accurately measure production to monitor well performance and serve as the basis for the volume allocation methodology. After separation, the produced water from each well is then commingled and stored in common water stock tanks and will be pumped or trucked to disposal. There is separate oil and water storage for all commingled liquids.

The total produced water will be proratedly allocated to each individual well using the directly measured, water turbine meter readings obtained from each well's individually, dedicated 3-phase separator. These measured water meter readings in aggregate will determine each well's proportionate share of the total amount of the facility's water production and disposal. Each well's individual water meter reading is obtained on a daily basis throughout the entire month and will serve as the basis for the volume allocation methodology. See the attached [Oil, Gas, and Water Production Volume Allocation Example](#) for details.

MEASUREMENT/ CALIBRATIONS

All production volume allocations will use directly measured, oil, gas, and water meter readings obtained from each well's individually, dedicated 3-phase separator as the basis for allocating production and sales to each well as previously noted. All allocation meters will be operated, maintained, and calibrated by Caza Operating designated personnel per API guidelines and as deficiencies are identified, to insure reasonably accurate data is maintained to properly allocate production and monitor well performance.

All hydrocarbon Facility Measurement Points (FMPs) will be maintained and calibrated as noted below:

- OIL FMP Oil trucked sales will be from manually gauged tanks and automated Oil LACT sales will use API oil sales guidelines within the current 43 CFR 3174 regulations for OIL FMPs.
- GAS FMP All gas sales and allocation meters will be maintained within the current API guidelines and 43 CFR 3175 regulations for GAS FMPs.
- Water All water meters will be calibrated and maintained as deficiencies are identified, to insure reasonably accurate data is maintained to properly monitor well performance.

Caza Operating believes accurate production accountability will be maintained through use of the Allocation Methodology described herein and by keeping the OIL FMPs, GAS FMP, and all allocation meters calibrated and maintained to BLM FMP standards. [\[43 CFR 3173.22\(b\)\]](#)

ATTACHMENTS

(MASS) Serial Register includes a printout of Federal Lease NMNM125402.

Federal Communitization Agreements NMNM105785617, NMNM105785622, NMNM105785625, and NMNM105785627 authorizing the Bone Spring and Wolfcamp formations in the E/2 of Sec 25 T26S R35E and NE/4 Sec 36 T26S R35E to be communitized together.

State Communitization Agreements four(4) executed agreements dated Nov 1st and 2nd 2022.

Federal Lease Plat shows the location of the Comanche 25-36 Fed Com Facility, the surface and bottomhole locations of all the wells, the flowlines from the wells to the Facility, and the GAS FMP, OIL FMP 1, and OIL FMP 2 sales points all located at the facility or within the boundaries of the Federal Lease NMNM125402.

Flow Diagram provides information on the flow, measurement, storage, and disposition of oil, gas, and water production from all wells and the designated OIL FMP and GAS FMPs.

Oil, Gas, and Water Production Volume Allocation Example provides details on the proposed prorated production and sales volume Direct Meter Readings allocation methodology based on the meter readings obtained from each well's individually, dedicated 3-phase separator.

Oil and Gas Analysis is not required per 43 CFR 3173.15(k) as this application is made under 43 CFR 3173.14(a)(1)(iii) where the same proportion of Federal Interest, fixed Federal Royalty Rate, and revenue distribution exists for all wells.

OIL, GAS, and WATER PRODUCTION VOLUME ALLOCATION - EXAMPLE

COMANCHE 25 - 36 FED STATE COM

FACILITY TOTAL COMMINGLED PRODUCTION

GAS PRODUCTION	BTU FACTOR	ENERGY	VOLUME
Targa Meter Statement - GAS FMP	1.222	73,320	52,000

OIL PRODUCTION	ENDING	START	VOLUME
SaltCreek Oil Statement			
Pipeline LACT - OIL FMP 1	28,000	19,000	9,000
Truck LACT - OIL FMP 2	14,000	12,000	2,000
			<u>11,000</u>

WATER PRODUCTION	ENDING	START	VOLUME
Pilot Water Statement	240,000	135,000	105,000

DIRECT METERED VOLUMES METHODOLOGY

Methodology uses directly measured, oil, gas, and water meter readings obtained from each well's individually, dedicated 3-phase separator as the basis for allocating production and sales to each well. These measured meter readings in aggregate, will determine each well's proportionate share of the total amount of facility production and sales.

OIL and GAS FMPs and allocation meters will be maintained to BLM FMP standards.

STEP 1

- Obtain Monthly Volume Statements from Purchasers:
- GAS FMP - Targa Meter Statement Meter# 560147832
 - OIL FMP 1 - Saltcreek Pipeline LACT Oil Statement
 - OIL FMP 2 - Saltcreek Pipeline Truck LACT Oil Statement

STEP 2

- Obtain Monthly Meter Readings for each Well
- Obtain Gas, Oil, and Water Meter Readings from Dedicated Separators for Each Well

STEP 3

- Calculate Monthly Volume Allocation Factors for each Well
- Divide each Well's Gas, Oil, and Water Meter Reading by the Sum of their Respective Gas, Oil, and Water Meter Readings

STEP 4

- Determine Monthly Volume Allocation for each Well
- Multiply Monthly Gas Allocation Factor for each Well times the GAS FMP Statement Volume
 - Multiply Monthly Oil Allocation Factor for each Well times the Total OIL FMP Statement Volume
 - Multiply Monthly Water Allocation Factor for each Well times the Water Statement Volume

WELL VOLUME ALLOCATIONS:

Well	METER READINGS			GAS		Oil		WATER	
	Gas Meter Reading (Mcf)	Oil Meter Reading (Bbls)	Water Meter Reading (Bbls)	Gas Volume Allocation Factor	Allocated Gas Volume (Mcf)	Oil Volume Allocation Factor	Allocated Oil Volume (Bbls)	Water Volume Allocation Factor	Allocated Water Volume (Bbls)
Comanche 25-36 Fed State Com 1H	10,000	3,000	10,000	0.200	10,400	0.300	3,300	0.10000	10,500
Comanche 25-36 Fed State Com 2Y	20,000	4,000	40,000	0.400	20,800	0.400	4,400	0.40000	42,000
Comanche 25-36 Fed State Com 3H	15,000	2,000	30,000	0.300	15,600	0.200	2,200	0.30000	31,500
Comanche 25-36 Fed State Com 4H	5,000	1,000	20,000	0.100	5,200	0.100	1,100	0.20000	21,000
TOTAL	50,000	10,000	100,000	1.000	52,000	1.000	11,000	1.00000	105,000

Commingled Production Volume Allocations will be performed on a prorated basis using Oil, Gas, and Water Direct, Meter Readings from production separators

$$\text{Commingled Oil Volume Allocation} = \left(\frac{\text{Individual Well Oil Meter Volume}}{\sum \text{All Well Oil Meter Volumes}} \right) \times \text{Total Commingled Oil Production Volume}$$

$$\text{Commingled Gas Volume Allocation} = \left(\frac{\text{Individual Well Gas Meter Volume}}{\sum \text{All Well Gas Meter Volumes}} \right) \times \text{Total Commingled Gas Production Volume}$$

$$\text{Commingled Water Volume Allocation} = \left(\frac{\text{Individual Well Water Meter Volume}}{\sum \text{All Well Water Meter Volumes}} \right) \times \text{Total Commingled Water Production Volume}$$

****NOTE****
It is mathematically expected for the Sum of Oil, Gas, & Water Meter Readings for all the wells to be different than the Total Comanche 25-36 Fed Com Facility Commingled Monthly Production Volume

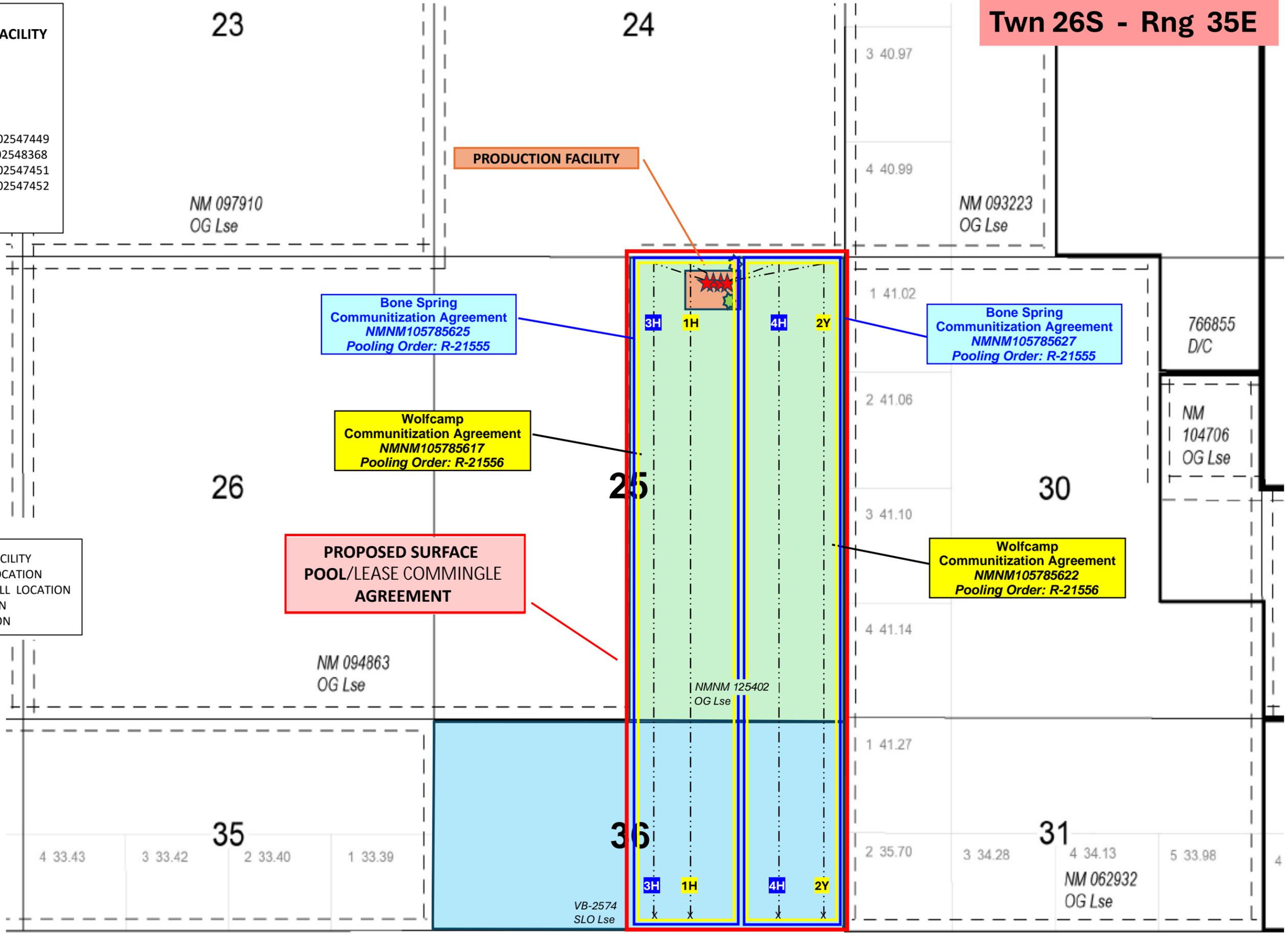
STEP 4

FEDERAL LAND PLAT
COMANCHE 25-36 FED STATE COM FACILITY
 Legal: NWNE, SEC 25 T26S, R35E
 Desc: 32.020502N 103.317525W
 Lease #: NMNM125402
 County: Lea, New Mexico

Wells on Location:
 Comanche 25-36 Fed State Com 1H API 3002547449
 Comanche 25-36 Fed State Com 2Y API 3002548368
 Comanche 25-36 Fed State Com 3H API 3002547451
 Comanche 25-36 Fed State Com 4H API 3002547452

Remote Wells Accessing Location:
 None

TwN 26S - Rng 35E



LEGEND

- TANK BATTERY FACILITY
- SURFACE WELL LOCATION
- BOTTOMHOLE WELL LOCATION
- OIL FMP LOCATION
- GAS FMP LOCATION

DART Consulting
 DART.Consulting@yahoo.com
 Spring, TX 713-416-3651

SITE FACILITY DIAGRAM
COMANCHE 25-36 FED STATE COM FACILITY

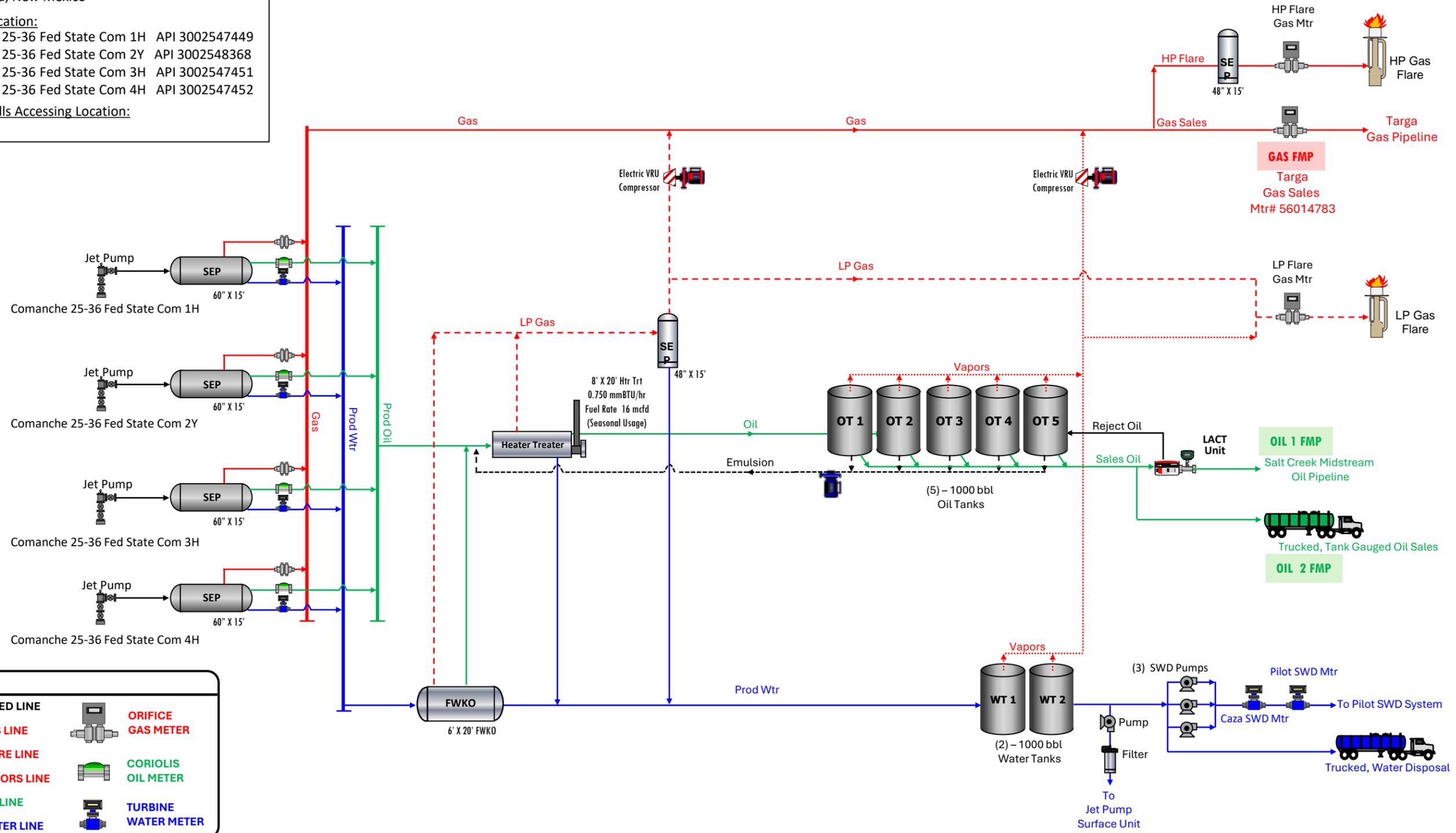
Legal: NWNE, SEC 25 T26S, R35E
 Desc: 32.020502N 103.317525W
 Lease #: NMNM125402
 County: Lea, New Mexico

Wells on Location:

- Comanche 25-36 Fed State Com 1H API 3002547449
- Comanche 25-36 Fed State Com 2Y API 3002548368
- Comanche 25-36 Fed State Com 3H API 3002547451
- Comanche 25-36 Fed State Com 4H API 3002547452

Remote Wells Accessing Location:
 None

FLOW DIAGRAM



LEGEND

— MIXED LINE		ORIFICE GAS METER
— GAS LINE		CORIOLIS OIL METER
- - FLARE LINE		TURBINE WATER METER
..... VAPORS LINE		
— OIL LINE		
— WATER LINE		

DART Consulting
 DART.Consulting@yahoo.com
 Spring, TX 713-416-3651

OWNER_NAME	ADDR1	CITY	ST	ZIP	Certified Mailing Receipt Number
TRACEY L. BREADNER	4020 EAST HILL DRIVE	IRVING	TX	75038	9589-0710-5270-0750-2796-85
CHEVRON USA INC.	P.O. BOX 730436	DALLAS	TX	75373-0436	9589-0710-5270-0750-2796-92
DEVON ENERGY PRODUCTION CO, LP	P O BOX 843559	DALLAS	TX	75284-3559	9589-0710-5270-0750-2797-08
ENDEAVOR ENERGY RESOURCES LP	110 N. MARIENFELD ST, Suite 200	MIDLAND	TX	79701	9589-0710-5270-0750-2797-15
NEWKUMET LTD	P.O. BOX 11330	MIDLAND	TX	79702	9589-0710-5270-0750-2797-22
NMSLO, Revenue Processing Bureau	PO Box 1148	Santa Fe	NM	87504-1148	9589-0710-5270-0750-2797-39
OFFICE OF NATURAL RES REVENUE	PO BOX 25627	DENVER	CO	80225-0627	9589-0710-5270-0750-2797-46
WILLIAM D. PATTERSON	6851 NE LOOP 820, SUITE 200	N. RICHLAND HILLS	TX	76180	9589-0710-5270-0750-2797-53
SUSAN M. THOMA	7333 NORFOLK PLACE	CASTLE PINES	CO	80108	9589-0710-5270-0750-2797-60
CAZA PETROLEUM, LLC	200 N LORAIN, Suite 1550	MIDLAND	TX	79701	9589-0710-5270-0750-2797-77
BUREAU OF LAND MANAGEMENT	620 E GREENE ST	CARLSBAD	NM	88220	9589-0710-5270-0750-2797-84

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 Adult Signature Required \$
 Adult Signature Restricted Delivery \$
 Postage \$
 Total Postage and Fees \$

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Sent To **DEVON ENERGY PRODUCTION CO, LP**
 P O BOX 843559
 DALLAS, TX 75284-3559
 Comanche 25-36 Fed St Com 1H

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

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 Adult Signature Restricted Delivery \$
 Postage \$
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Sent To **SUSAN M. THOMA**
 7333 NORFOLK PLACE
 CASTLE PINES, CO 80108
 Comanche 25-36 Fed St Com 1H

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

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 Adult Signature Restricted Delivery \$
 Postage \$
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Sent To **ENDEAVOR ENERGY RESOURCES LP**
 110 N. MARIENFELD ST, Suite 200
 MIDLAND, TX 79701
 Comanche 25-36 Fed St Com 1H

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Sent To **CAZA PETROLEUM, LLC**
 200 N LORAIN, Suite 1550
 MIDLAND, TX 79701
 Comanche 25-36 Fed St Com 1H

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

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 Adult Signature Required \$
 Adult Signature Restricted Delivery \$
 Postage \$
 Total Postage and Fees \$

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Sent To **NEWKUMET LTD**
 P.O. BOX 11330
 MIDLAND, TX 79702
 Comanche 25-36 Fed St Com 1H

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 Return Receipt (hardcopy) \$
 Return Receipt (electronic) \$
 Certified Mail Restricted Delivery \$
 Adult Signature Required \$
 Adult Signature Restricted Delivery \$
 Postage \$
 Total Postage and Fees \$

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Sent To **CHEVRON USA INC.**
 P.O. BOX 730436
 DALLAS, TX 75373-0436
 Comanche 25-36 Fed St Com 1H

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

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Certified Mail Fee \$
 Extra Services & Fees (check box, add fee as appropriate)
 Return Receipt (hardcopy) \$
 Return Receipt (electronic) \$
 Certified Mail Restricted Delivery \$
 Adult Signature Required \$
 Adult Signature Restricted Delivery \$
 Postage \$
 Total Postage and Fees \$

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Sent To **WILLIAM D. PATTERSON**
 6851 NE LOOP 820, SUITE 200
 N. RICHLAND HILLS, TX 76180
 Comanche 25-36 Fed St Com 1H

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

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Certified Mail Fee \$
 Extra Services & Fees (check box, add fee as appropriate)
 Return Receipt (hardcopy) \$
 Return Receipt (electronic) \$
 Certified Mail Restricted Delivery \$
 Adult Signature Required \$
 Adult Signature Restricted Delivery \$
 Postage \$
 Total Postage and Fees \$

Postmark Here

Sent To **NMSLO, Revenue Processing Bureau**
 PO Box 1148
 Santa Fe, NM 87504-1148
 Comanche 25-36 Fed St Com 1H

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OFFICIAL USE

Certified Mail Fee \$
 Extra Services & Fees (check box, add fee as appropriate)
 Return Receipt (hardcopy) \$
 Return Receipt (electronic) \$
 Certified Mail Restricted Delivery \$
 Adult Signature Required \$
 Adult Signature Restricted Delivery \$
 Postage \$
 Total Postage and Fees \$

Postmark Here

Sent To **TRACEY L. BREADNER**
 4020 EAST HILL DRIVE
 IRVING, TX 75038
 Comanche 25-36 Fed St Com 1H

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

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Certified Mail Fee \$
 Extra Services & Fees (check box, add fee as appropriate)
 Return Receipt (hardcopy) \$
 Return Receipt (electronic) \$
 Certified Mail Restricted Delivery \$
 Adult Signature Required \$
 Adult Signature Restricted Delivery \$
 Postage \$
 Total Postage and Fees \$

Postmark Here

Sent To **BUREAU OF LAND MANAGEMENT**
 620 E GREENE ST
 CARESBAD, NM 88220
 Comanche 25-36 Fed St Com 1H

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

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OFFICIAL USE

Certified Mail Fee \$
 Extra Services & Fees (check box, add fee as appropriate)
 Return Receipt (hardcopy) \$
 Return Receipt (electronic) \$
 Certified Mail Restricted Delivery \$
 Adult Signature Required \$
 Adult Signature Restricted Delivery \$
 Postage \$
 Total Postage and Fees \$

Postmark Here

Sent To **OFFICE OF NATURAL RES REVENUE**
 PO BOX 25627
 DENVER, CO 80225-0627
 Comanche 25-36 Fed St Com 1H

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

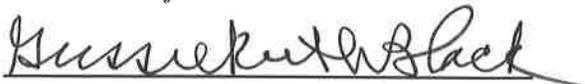
I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
November 12, 2024
and ending with the issue dated
November 12, 2024.



Publisher

Sworn and subscribed to before me this
12th day of November 2024.



Business Manager

My commission expires

January 29, 2027
(Seal)
STATE OF NEW MEXICO
NOTARY PUBLIC
GUSSIE RUTH BLACK
COMMISSION # 1087526
COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

LEGAL NOTICE November 12, 2024

Caza Operating, LLC located at 200 N. Loraine Street, Suite 1550, Midland TX 79701 is applying to the NMOCD for pool/lease surface commingling at their Comanche 25 36 Federal State Com CTB located in Lea County, Section 25, T26S-R35E. Wells are producing from Sections 25 & 36, T26S-R35E. Production will be from the WC-025 G- 09 S263619C; WOLFCAMP [98234], WC-025 G-09 S263525B; BONE SPRING [98355], and WC-025 G-08 S2535340; BONE SPRING [97088] pools. Caza is also seeking the ability to add future wells and leases to the proposed commingle application.

Pursuant to Statewide Rule 19.15.12.10, interested parties must file objections or requests for hearing in writing with the NM Oil Conservation Division, 1220 South Saint Francis Dr., Santa Fe, NM 87505, within 20 days after publication, or the NMOCD may approve the application. For questions pertaining to the application, please contact Cory Walk at 505-466-8120.
#00296000

02108485

00296000

BRIAN WOOD
PERMITS WEST
37 VERANO LOOP
SANTA FE, NM 87508

9589071052700750279784



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Add to Informed Delivery

Latest Update

Your item was delivered to an individual at the address at 1:03 pm on November 18, 2024 in CARLSBAD, NM 88220.

Get More Out of USPS Tracking:



USPS Tracking Plus[®]



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Delivered, Left with Individual

CARLSBAD, NM 88220

November 18, 2024, 1:03 pm

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[What Do USPS Tracking Statuses Mean?](#)

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Latest Update

Your item was picked up at a postal facility at 7:55 am on November 15, 2024 in SANTA FE, NM 87501.

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USPS Tracking Plus[®]



Delivered

Delivered, Individual Picked Up at Postal Facility

SANTA FE, NM 87501

November 15, 2024, 7:55 am

[See All Tracking History](#)

[What Do USPS Tracking Statuses Mean?](#)

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
Serial Register Page
NMNM105688550**

Run Date/Time: 9/4/2024 15:59 PM
Single Serial Number Report

Authority	Total Acres	Serial Number
01-12-1983; 096STAT2447; 30USC188; FED O&G ROYALTY MGT ACT-1982, TITLE IV.	320.0000	NMNM105688550

Legacy Serial No
NMNM 125402

Product Type: 312021 COMPETITIVE PUBLIC DOMAIN LEASE POST 1987
Commodity: Oil & Gas
Case Disposition: AUTHORIZED

Case File Jurisdiction:
-

CASE DETAILS NMNM105688550

MLRS Case Ref	C-8261076		
Case Name			
Unit Agreement Name			
	Split Estate		Fed Min Interest
Effective Date	06/01/1995	Split Estate Acres	Future Min Interest No
Expiration Date		Royalty Rate	12.5%
Land Type	Public Domain	Royalty Rate Other	Future Min Interest Date
Formation Name		Approval Date	Acquired Royalty Interest
Parcel Number		Sale Date	Held in a Producing Unit No
Parcel Status		Sales Status	Number of Active Wells
		Total Bonus Amount	0.00
Related Agreement		Tract Number	Production Status
Application Type		Fund Code	145003
			Held by Actual Production
			Lease Suspended No
			Total Rental Amount

CASE CUSTOMERS NMNM105688550

Name & Mailing Address	Interest Relationship	Percent Interest
DEVON ENERGY CO LP 333 WEST SHERIDAN AVENUE OKLAHOMA CITY OK 73102	LESSEE	100.000000

RECORD TITLE
(No Records Found)

OPERATING RIGHTS
(No Records Found)

LAND RECORDS NMNM105688550

Mer	Twp	Rng	Sec	Survey Type	Survey Number	Subdivision	District / Field Office	County	Mgmt Agency
23	0260S	0350E	025	Aliquot		E2	PECOS DISTRICT OFFICE CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT

CASE ACTIONS NMNM105688550

Action Date	Date Filed	Action Name	Action Status	Action Information
04/18/1995	04/18/1995	CASE ESTABLISHED	APPROVED/ACCEPTED	
06/01/1995	06/01/1995	EFFECTIVE DATE	APPROVED/ACCEPTED	
06/01/1995	06/01/1995	FUND CODE	APPROVED/ACCEPTED	Action Remarks: 05;145003
06/01/1995	06/01/1995	RLTY RATE - 12 1/2%	APPROVED/ACCEPTED	
09/15/2010	09/15/2010	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	Action Remarks: LBO
09/15/2010	09/15/2010	CASE CREATED BY SEGREGATION	APPROVED/ACCEPTED	Action Remarks: OUT OF NMNM 94863;
07/16/2021	03/14/2022	PRODUCTION DETERMINATION	FILED	Production Determination Status: First Production Production Type: Actual Well Name: Comanche 26-26 Fed State Com 2Y Well Number: 300254836 First Production Date: 2021-07-16 Action Effective Date: 2021-07-16 Case Action Status Date: 2022-07-21
07/16/2021	03/14/2022	PRODUCTION DETERMINATION	FILED	Production Determination Status: First Production Well Name: Comanche 26-26 Fed State Com 2Y Well Number: 300254836 First Production Date: 2021-07-16 Action Effective Date: 2021-07-16 Case Action Status Date: 2022-07-21

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DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CASE RECORDATION

Serial Register Page

NMNM105688550

Run Date/Time: 9/4/2024 15:59 PM
Single Serial Number Report

ASSOCIATED AGREEMENT OR LEASE (RECAPITULATION TABLE) INFO

NMNM105688550

Agreement Serial Number	Agreement Legacy Serial Number	Case Disposition	Product Name	Tract No	Commit- ment Status	Commitment Status Effective Date	Acres	Allocation Percent
NMNM105785617		PENDING		01			160.0000	68.590000
NMNM105785622		PENDING		01			160.0000	68.600000
NMNM105785625		PENDING		01			160.0000	68.590000
NMNM105785627		PENDING		01			160.0000	68.600000

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**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
Serial Register Page
NMNM105785617**

Run Date/Time: 9/3/2024 13:41 PM
Single Serial Number Report

Authority

02-25-1920;041STAT0437;30USC181;MINERAL LEASING
ACT OF 1920

Serial Number

NMNM105785617

**Agreement
Acres
233.2700**

Legacy Serial No

**Product Type: 318310 COMMUNITIZATION AGREEMENT
Commodity: Oil & Gas
Case Disposition: PENDING**

Case File Jurisdiction: -

CASE DETAILS NMNM105785617

MLRS Case Ref	C-8377119		
Case Name			
Unit Agreement Name			
Effective Date	07/01/2021	Split Estate	Fed Min Interest
Expiration Date		Split Estate Acres	Future Min Interest
Land Type	Federal-All Rights	Royalty Rate	Future Min Interest Date
Formation Name	Wolfcamp	Royalty Rate Other	Acquired Royalty Interest
Parcel Number		Approval Date	Held In a Producing Unit
Parcel Status		Sale Date	Number of Active Wells
Related Agreement		Sales Status	
Application Type		Total Bonus Amount	0.00
		Production Determination	Non-Producing
		Tract Number	Lease Suspended
		Fund Code	Total Rental Amount
			No
			No

CASE CUSTOMERS NMNM105785617

Name & Mailing Address	Interest Relationship	Percent Interest
CAZA OPERATING LLC NEW MEXICO STATE OFFICE	200 N LORAIN ST STE 1550 301 DINOSAUR TRAIL	MIDLAND TX 79701-4765 SANTA FE NM 87508
	OPERATOR	100.000000
	OFFICE OF RECORD	0.000000

LAND RECORDS NMNM105785617

Mer	Twp	Rng	Sec	Survey Type	Survey Number	Subdivision	District / Field Office	County	Mgmt Agency
23	0260S	0350E	025	Aliquot		W2E2			
23	0260S	0350E	036	Aliquot		NWNE			
23	0260S	0350E	036	Lot		2			

CASE ACTIONS NMNM105785617

Action Date	Date Filed	Action Name	Action Status	Action Information
09/12/2022	09/12/2022	ADD CASE LANDS	APPROVED/ACCEPTED	Action Effective Date: 2021-07-01 Case Action Status Date: 2022-09-16
09/12/2022	09/12/2022	AGREEMENT FILED	APPROVED/ACCEPTED	Action Effective Date: 2021-07-01 Case Action Status Date: 2022-09-16

ASSOCIATED AGREEMENT OR LEASE (RECAPITULATION TABLE) INFO

Lease Serial Number	Lease Legacy Serial Number	Case Disposition	Product Name	Type	Tract No	Commitment Status	Commitment Effective Date	Acres	Allocation Percent
NMNM105688550	NMNM 125402	AUTHORIZED	COMPETITIVE PUBLIC DOMAIN LEASE POST 1987	FEDERAL	01			160.0000	68.590000
				STATE	02			73.2700	31.410000
TOTAL								233.2700	100.000000

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**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
Serial Register Page
NMNM105785617**

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Single Serial Number Report

Page 2 of 2

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**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
Serial Register Page
NMNM105785622**

Run Date/Time: 9/3/2024 13:48 PM
Single Serial Number Report

Authority

02-25-1920;041STAT0437;30USC181;MINERAL LEASING
ACT OF 1920

Serial Number

NMNM105785622

**Agreement
Acres
233.2200**

Legacy Serial No

**Product Type: 318310 COMMUNITIZATION AGREEMENT
Commodity: Oil & Gas
Case Disposition: PENDING**

Case File Jurisdiction: -

CASE DETAILS NMNM105785622

MLRS Case Ref	C-8377127		
Case Name			
Unit Agreement Name			
Effective Date	07/01/2021	Split Estate	Fed Min Interest
Expiration Date		Split Estate Acres	Future Min Interest
Land Type	Federal-All Rights	Royalty Rate	Future Min Interest Date
Formation Name	Wolfcamp	Royalty Rate Other	Acquired Royalty Interest
Parcel Number		Approval Date	Held In a Producing Unit
Parcel Status		Sale Date	Number of Active Wells
Related Agreement		Sales Status	
Application Type		Total Bonus Amount	0.00
		Production Determination	Non-Producing
		Tract Number	Lease Suspended
		Fund Code	Total Rental Amount
			No
			No

CASE CUSTOMERS NMNM105785622

Name & Mailing Address	Interest Relationship	Percent Interest
CAZA OPERATING LLC NEW MEXICO STATE OFFICE	200 N LORAIN ST STE 1550 301 DINOSAUR TRAIL	MIDLAND TX 79701-4765 SANTA FE NM 87508
	OPERATOR	100.000000
	OFFICE OF RECORD	0.000000

LAND RECORDS NMNM105785622

Mer	Twp	Rng	Sec	Survey Type	Survey Number	Subdivision	District / Field Office	County	Mgmt Agency
23	0260S	0350E	025	Aliquot		E2E2			
23	0260S	0350E	036	Aliquot		NENE			
23	0260S	0350E	036	Lot		1			

CASE ACTIONS NMNM105785622

Action Date	Date Filed	Action Name	Action Status	Action Information
09/12/2022	09/12/2022	ADD CASE LANDS	APPROVED/ACCEPTED	Action Effective Date: 2021-07-01 Case Action Status Date: 2022-09-16
09/12/2022	09/12/2022	AGREEMENT FILED	APPROVED/ACCEPTED	Action Effective Date: 2021-07-01 Case Action Status Date: 2022-09-16

ASSOCIATED AGREEMENT OR LEASE (RECAPITULATION TABLE) INFO

Lease Serial Number	Lease Legacy Serial Number	Case Disposition	Product Name	Type	Tract No	Commitment Status	Commitment Effective Date	Acres	Allocation Percent
NMNM105688550	NMNM 125402	AUTHORIZED	COMPETITIVE PUBLIC DOMAIN LEASE POST 1987	FEDERAL	01			160.0000	68.600000
				STATE	02			73.2200	31.400000
TOTAL								233.2200	100.000000

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**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
Serial Register Page
NMNM105785622**

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Single Serial Number Report

Page 2 of 2

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DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT
 CASE RECORDATION
 Serial Register Page
 NMNM105785625

Run Date/Time: 9/11/2024 19:52 PM
 Single Serial Number Report

Authority

02-25-1920;041STAT0437;30USC181;MINERAL LEASING
 ACT OF 1920

Serial Number

NMNM105785625

**Agreement
 Acres
 233.2700**

Legacy Serial No

Product Type: 318310 COMMUNITIZATION AGREEMENT
Commodity: Oil & Gas
Case Disposition: PENDING

Case File Jurisdiction: -

CASE DETAILS NMNM105785625

MLRS Case Ref	C-8377128		
Case Name			
Unit Agreement Name			
Effective Date	07/01/2021	Split Estate	Fed Min Interest
Expiration Date		Split Estate Acres	Future Min Interest
Land Type	Federal-All Rights	Royalty Rate	Future Min Interest Date
Formation Name	Bone Spring	Royalty Rate Other	Acquired Royalty Interest
Parcel Number		Approval Date	Held In a Producing Unit
Parcel Status		Sale Date	Number of Active Wells
Related Agreement		Sales Status	
Application Type		Total Bonus Amount	0.00
		Production Determination	Non-Producing
		Tract Number	Lease Suspended
		Fund Code	Total Rental Amount

CASE CUSTOMERS NMNM105785625

Name & Mailing Address	Interest Relationship	Percent Interest
CAZA OPERATING LLC NEW MEXICO STATE OFFICE	200 N LORAIN ST STE 1550 301 DINOSAUR TRAIL	MIDLAND TX 79701-4765 SANTA FE NM 87508
	OPERATOR	100.000000
	OFFICE OF RECORD	0.000000

LAND RECORDS NMNM105785625

Mer	Twp	Rng	Sec	Survey Type	Survey Number	Subdivision	District / Field Office	County	Mgmt Agency
23	0260S	0350E	025	Aliquot		W2E2			
23	0260S	0350E	036	Aliquot		NWNE			
23	0260S	0350E	036	Lot		2			

CASE ACTIONS NMNM105785625

Action Date	Date Filed	Action Name	Action Status	Action Information
09/12/2022	09/12/2022	ADD CASE LANDS	APPROVED/ACCEPTED	Action Effective Date: 2021-07-01 Case Action Status Date: 2022-09-16
09/12/2022	09/12/2022	AGREEMENT FILED	APPROVED/ACCEPTED	Action Effective Date: 2022-07-01 Case Action Status Date: 2022-09-16

ASSOCIATED AGREEMENT OR LEASE (RECAPITULATION TABLE) INFO

Lease Serial Number	Lease Legacy Serial Number	Case Disposition	Product Name	Type	Tract No	Commitment Status	Commitment Effective Date	Acres	Allocation Percent
NMNM105688550	NMNM 125402	AUTHORIZED	COMPETITIVE PUBLIC DOMAIN LEASE POST 1987	FEDERAL	01			160.0000	68.590000
				STATE	02			73.2700	31.410000
TOTAL								233.2700	100.000000

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 HISTORICAL INFORMATION MAY ONLY BE ACCESSIBLE THROUGH THE MLRS WEBSITE.

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
Serial Register Page
NMNM105785625**

Run Date/Time: 9/11/2024 19:52 PM
Single Serial Number Report

Page 2 of 2

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DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT
 CASE RECORDATION
 Serial Register Page
 NMNM105785627

Run Date/Time: 9/11/2024 19:56 PM
 Single Serial Number Report

Authority

02-25-1920;041STAT0437;30USC181;MINERAL LEASING
 ACT OF 1920

Serial Number

NMNM105785627

**Agreement
 Acres
 233.2200**

Legacy Serial No

Product Type: 318310 COMMUNITIZATION AGREEMENT
Commodity: Oil & Gas
Case Disposition: PENDING

Case File Jurisdiction: -

CASE DETAILS NMNM105785627

MLRS Case Ref	C-8377130		
Case Name			
Unit Agreement Name			
Effective Date	07/01/2021	Split Estate	Fed Min Interest
Expiration Date		Split Estate Acres	Future Min Interest
Land Type	Federal-All Rights	Royalty Rate	Future Min Interest Date
Formation Name	Bone Spring	Royalty Rate Other	Acquired Royalty Interest
Parcel Number		Approval Date	Held In a Producing Unit
Parcel Status		Sale Date	Number of Active Wells
Related Agreement		Sales Status	
Application Type		Total Bonus Amount	0.00
		Production Determination	Non-Producing
		Tract Number	Lease Suspended
		Fund Code	Total Rental Amount
			No
			No

CASE CUSTOMERS NMNM105785627

Name & Mailing Address	Interest Relationship	Percent Interest
CAZA OPERATING LLC NEW MEXICO STATE OFFICE	200 N LORAIN ST STE 1550 301 DINOSAUR TRAIL	MIDLAND TX 79701-4765 SANTA FE NM 87508
	OPERATOR	100.000000
	OFFICE OF RECORD	0.000000

LAND RECORDS NMNM105785627

Mer	Twp	Rng	Sec	Survey Type	Survey Number	Subdivision	District / Field Office	County	Mgmt Agency
23	0260S	0350E	025	Aliquot		E2E2			
23	0260S	0350E	036	Aliquot		NENE			
23	0260S	0350E	036	Lot		1			

CASE ACTIONS NMNM105785627

Action Date	Date Filed	Action Name	Action Status	Action Information
09/12/2022	09/12/2022	ADD CASE LANDS	APPROVED/ACCEPTED	Action Effective Date: 2021-07-01 Case Action Status Date: 2022-09-16
09/12/2022	09/12/2022	AGREEMENT FILED	APPROVED/ACCEPTED	Action Effective Date: 2021-07-01 Case Action Status Date: 2022-09-16

ASSOCIATED AGREEMENT OR LEASE (RECAPITULATION TABLE) INFO

Lease Serial Number	Lease Legacy Serial Number	Case Disposition	Product Name	Type	Tract No	Commitment Status	Commitment Effective Date	Acres	Allocation Percent
NMNM105688550	NMNM 125402	AUTHORIZED	COMPETITIVE PUBLIC DOMAIN LEASE POST 1987	FEDERAL	01			160.0000	68.600000
				STATE	02			73.2200	31.400000
TOTAL								233.2200	100.000000

NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM
 HISTORICAL INFORMATION MAY ONLY BE ACCESSIBLE THROUGH THE MLRS WEBSITE.

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
Serial Register Page
NMNM105785627**

Run Date/Time: 9/11/2024 19:56 PM
Single Serial Number Report

Page 2 of 2

NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM
HISTORICAL INFORMATION MAY ONLY BE ACCESSIBLE THROUGH THE MLRS WEBSITE.



COMMISSIONER

Stephanie Garcia Richard

*State of New Mexico
Commissioner of Public Lands*

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

Phone (505) 827-5760
Fax (505) 827-5766
www.nmstatelands.org

Jeannie Roberts
Caza Operating, LLC
16945 Northchase, Suite 1430
Houston, TX 77060

November 2nd, 2022

Re: Communitization Agreement Approval
Comanche 25 36 Federal State Com #001H
Vertical Extent: Wolfcamp
Township: 26 South, Range 35 East, NMPM
Section 25: W2E2
Section 36: NW4NE4, Lot 2

Lea County, New Mexico

Dear Ms. Roberts,

The Commissioner of Public Lands has this date approved the Comanche 25 36 Federal State Com #001H Communitization Agreement for the Wolfcamp formation effective 07-01-2021. Enclosed are three Certificates of Approval.

The agreement shall remain in effect for Two Years, and as long thereafter as communitized substances are produced from the communitized area in paying quantities.

Approval of this agreement does not warrant or certify that the operator and/or other working interest owners hold legal or equitable title to the leases which are committed hereto, nor does the Commissioner's approval constitute adjudication of any federal or private interests, or warrant or certify that the information supplied by the operator regarding federal or private interests is accurate.

If we may be of further service, please contact Baylen Lamkin at (505) 827-6628.

Sincerely,

B. Lamkin

Baylen Lamkin
Petroleum Specialist Supervisor

NEW MEXICO STATE LAND OFFICE

CERTIFICATE OF APPROVAL

COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

**Caza Operating, LLC
Comanche 25 36 Federal State Com #001H
Wolfcamp
Township: 26 South, Range: 35 East, NMPM
Section 25: W2E2
Section 36: NW4NE4, Lot 2

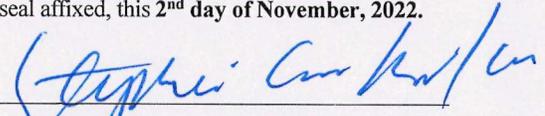
Lea County, New Mexico**

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 **July 01, 2021**, 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 2nd day of November, 2022.



COMMISSIONER OF PUBLIC LANDS
of the State of New Mexico

NM State Land Office
Oil, Gas, & Minerals Division

STATE/FEDERAL OR
STATE/FEDERAL/FEE

Revised August, 2021

ONLINE Version

COMMUNITIZATION AGREEMENT

API Initial Well: 30-025 - 47449

THIS AGREEMENT, entered into as of the date shown in Section 10 hereof by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto,"

WITNESSETH:

WHEREAS, the Act of February 25, 1920, 41 Stat. 437, as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a federal oil and gas lease, or any portions thereof, with other lands, whether or not owned by the United States, when separate tracts under such federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area, and such communitization or pooling is determined to be in the public interest; and,

WHEREAS, the Commissioner of Public Lands of the State of New Mexico, herein called "the Commissioner", is authorized to consent to and approve agreements pooling state oil and gas leases or any portion thereof, when separate tracts under such state leases cannot be independently developed and operated economically in conformity with well-spacing and gas proration rules and regulations established for the field or area and such pooling is determined to be in the public interest; and,

WHEREAS, the parties hereto own working, royalty, or other leasehold interests, or operating rights under the oil and gas leases and land subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and,

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of the agreement;

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

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

Subdivisions W/2E/2, Section 25, T26S-R35E and W/2NE/4, Section 36, T26S-R35E,
Sect(s) 25 & 36, T 26S, R 35E, NMPM Lea County, NM
containing 233.27 acres, more or less, and this agreement shall include only the
Wolfcamp Formation
or pool, underlying said lands and the hydrocarbons
(hereinafter referred to as "communitized substances") producible from such formation.

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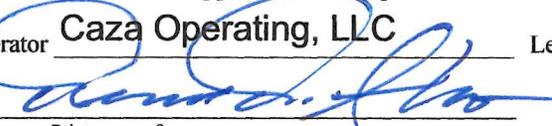
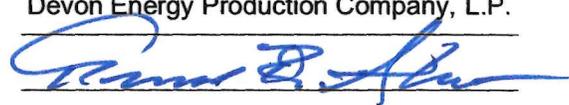
2. Attached hereto, and made a part of this agreement for all purposes, is Exhibit "B" designating the operator of the communitized area and showing the acreage, percentage, and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.
3. All matters of operation shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and three (3) executed copies of a designation of successor operator shall be filed with the Authorized Officer and three (3) additional executed copies thereof shall be filed with the Commissioner.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, and the Commissioner, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties, and such other reports as are deemed necessary to compute monthly the royalty due the United States and the State of New Mexico, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of leasehold bears to the entire acreage interest committed to this agreement.
6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any federal lease bearing a sliding-or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.

- 8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
- 9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or is such failure results from, compliance with any such laws, orders, rules or regulations.
- 10. The date of this agreement is July _____ Month 1 Day, 2021 Year, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his duly authorized representative, and by the Commissioner or his duly authorized representative, and shall remain in force and effect for a period of two (2) years and so 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 & regulations; provided, that the two-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of the capability of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted 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 such capability of 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.
- 11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal lands shall be subject to approval by the

Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.

- 12. It is agreed by the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in the oil and gas leases under which the United States of America is lessor, and in the applicable oil and gas operating regulations of the Department of the Interior. It is further agreed between the parties hereto that the Commissioner shall have the right of supervision over all operations to the same extent and degree as provided in the oil and gas leases under which the State of New Mexico is lessor and in the applicable oil and gas statutes and regulations of the State of New Mexico.
- 13. The agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.
- 14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
- 15. Nondiscrimination: In connection with the performance of work under this agreement, the Operator agrees to comply with all of the provisions of Section 202 (1) to (7) inclusive, of Executive Order 11246 (30 F. R. 12319), as amended which are hereby incorporated by reference in this agreement.

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

Operator	<u>Caza Operating, LLC</u>	Lessees of Record	<u>Caza Petroleum, LLC</u>
By			<u>Devon Energy Production Company, L.P.</u>
	Print name of person		
	Richard R. Albro, Vice President, Land		
	Type of authority		

Attach additional page(s) if needed.

[Acknowledgments are on following page.]

Acknowledgment in an Individual Capacity

State of _____)

County of _____) S.S.)

This instrument was acknowledged before me on _____
DATE

By _____
Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

My commission expires: _____

Acknowledgment in a Representative Capacity

State of Texas)

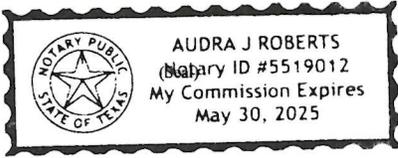
County of Harris) S.S.)

This instrument was acknowledged before me on June 16, 2022
DATE

By Richard R. Albro

Name(s) of Person(s)
as Vice President, Land of Caza Operating, LLC and Caza Petroleum, LLC

Type of authority, e.g., officer, trustee, etc Name of party on behalf of whom instrument was executed



Audra J Roberts
Signature of Notarial Officer

My commission expires: 5-30-2025

Lessee of Record and Working Interest Owner

Caza Petroleum, LLC

By: _____



Richard R. Albro, Vice President, Land
Print Name – Title

Acknowledgment in a Representative Capacity

State of Texas)

County of Harris)

This instrument was acknowledged before me on June 16, 2022
Date

By Richard R. Albro

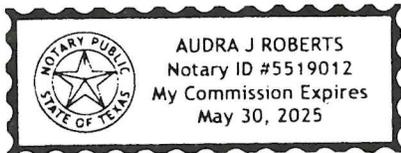
Name of Person

As Vice President, Land

Title - Type of Authority

of Caza Petroleum, LLC

Name of party on behalf of



Signature of Notarial Officer

My commission expires: 5-30-2025

Working Interest Owner

Chevron U.S.A. Inc.

By: Kelly Coppins **KELLY COPPINS**
Attorney-In-Fact

Print Name – Title

Acknowledgment in a Representative Capacity

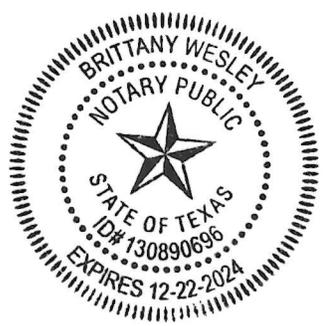
State of Texas)

County of Tarrant)

This instrument was acknowledged before me on July 13, 2022
Date

By Kelly Coppins
Name of Person

As Attorney-in-Fact of Chevron U.S.A. Inc.
Title - Type of Authority Name of party on behalf of



Brittany Wesley
Signature of Notarial Officer

My commission expires: 12-22-2024

Lessee of Record

Devon Energy Production Company, L.P.

By: *David Korell*

David Korell - Land Manager *AK*

Print Name - Title

Acknowledgment in a Representative Capacity

State of Oklahoma)

County of Oklahoma)

This instrument was acknowledged before me on 27th July 2022
Date

By David Korell
Name of Person

As Land Manager of Devon Energy Production Company, LP
Title - Type of Authority Name of party on behalf of



Cynthia Sheldon
Signature of Notarial Officer

My commission expires: 11/25/2025

EXHIBIT A

Description of leases committed to communitized area covering the W/2E/2 of Section 25, T26S-R35E, and W/2NE/4 of Section 36, T26S-R35E, NMPM, Lea County, New Mexico.

Comanche 25-36 Fed State Com #1H

To Communitization Agreement dated July 1, 2021. Plat of communitized area covering: Subdivisions W/2E/2 Sec. 25, T26S-R35E, and W/2NE/4 Sec. 36, T26S-R35E, of Sect. 25 & 36, T 26S, R 35E, NMPM, Lea County, NM.

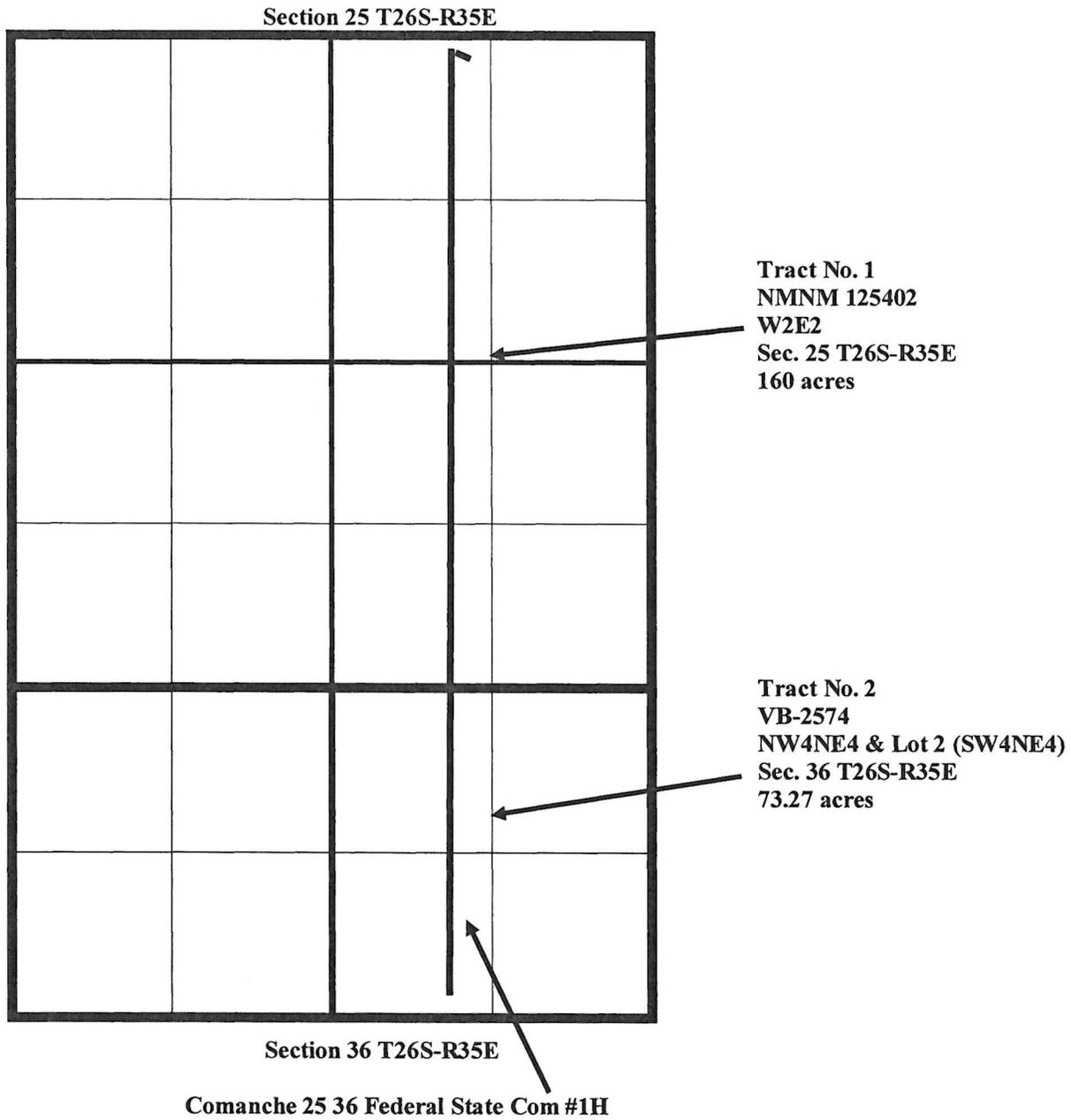


EXHIBIT B

Description of leases committed to communitized area covering the W/2E/2 of Section 25, T26S-R35E, and W/2NE/4 of Section 36, T26S-R35E, NMPM, Lea County, New Mexico.

Comanche 25-36 Fed State Com #1H

To Communitization Agreement dated July 1, 2021. Plat of communitized area covering: Subdivisions W/2E/2 Sec. 25, T26S-R35E, and W/2NE/4 Sec. 36, T26S-R35E, of Sect. 25 & 36, T 26S, R 35E, NMPM, Lea County, NM.

Operator of Communitized Area: Caza Operating, LLC

Pooling Order Number: R-21556

DESCRIPTION OF LEASES COMMITTED

TRACT NO. 1

Lease Serial No: NMNM 125402
 Lease Date: June 1, 1995
 Lease Term: 10 years
 Lessor: United States of America
 Original Lessee: Santa Fe Energy Resources, Inc.
 Present Lessee: Devon Energy Production Company, L.P.
 Description of
 Lands Committed: W/2E/2 Subdivisions B, G, J, O,
Sect(s) 25 Twp 26S, Rng 35E NMPM, Lea, County, NM
 Number of Acres: 160.00
 Royalty Rate: 1/8th (12.5%)
 Name and Percent
 ORRI Owners: Devon Energy Production Company, L.P. – 7.5%
 Name and Percent
 WI Owners: Caza Petroleum, LLC – 50%
Chevron U.S.A. Inc. – 50%

TRACT NO. 2

Lease Serial No: VB-2574
 Lease Date: August 1, 2015
 Lease Term: 5 years
 Lessor: State of New Mexico
 Original Lessee: Newkumet Exploration, Inc.
 Present Lessee: Caza Petroleum, LLC
 Description of
 Lands Committed: NW/4NE/4 and Lot 2 Subdivisions B, G,
Sect(s) 36 Twp 26S, Rng 35E NMPM, Lea, County, NM
 Number of Acres: 73.27
 Royalty Rate: 3/16th (18.75%)
 Name and Percent
 ORRI Owners: Newkumet Ltd. – 0.854166% William D. Patterson – 0.427083%
Tracey L. Breadner – 0.427083% Susan Marie Thoma 0.854167%
Endeavor Energy Resources, L.P. – 1.6875%
 Name and Percent
 WI Owners: Caza Petroleum, LLC – 50%
Chevron U.S.A. Inc. – 50%

RECAPITULATION

Tract No.	Number of Acres Committed	Percentage of Interest In Communitized Area (Must Equal 100%)
No. 1	<u>160</u>	<u>68.59%</u>
No. 2	<u>73.27</u>	<u>31.41%</u>
TOTALS	<u>233.27</u>	<u>100%</u>



COMMISSIONER

Stephanie Garcia Richard

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

Phone (505) 827-5760
Fax (505) 827-5766
www.nmstatelands.org

Jeannie Roberts
Caza Operating, LLC
16945 Northchase, Suite 1430
Houston, TX 77060

November 2nd, 2022

Re: Communitization Agreement Approval
Comanche 25 36 Federal State Com #002Y
Vertical Extent: Wolfcamp
Township: 26 South, Range 35 East, NMPM
Section 25: E2E2
Section 36: NE4NE4, Lot 1

Lea County, New Mexico

Dear Ms. Roberts,

The Commissioner of Public Lands has this date approved the Comanche 25 36 Federal State Com #002Y Communitization Agreement for the Wolfcamp formation effective 07-01-2021. Enclosed are three Certificates of Approval.

The agreement shall remain in effect for Two Years, and as long thereafter as communitized substances are produced from the communitized area in paying quantities.

Approval of this agreement does not warrant or certify that the operator and/or other working interest owners hold legal or equitable title to the leases which are committed hereto, nor does the Commissioner's approval constitute adjudication of any federal or private interests, or warrant or certify that the information supplied by the operator regarding federal or private interests is accurate.

If we may be of further service, please contact Baylen Lamkin at (505) 827-6628.

Sincerely,

B. Lamkin

Baylen Lamkin
Petroleum Specialist Supervisor

NEW MEXICO STATE LAND OFFICE

CERTIFICATE OF APPROVAL

COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

**Caza Operating, LLC
Comanche 25 36 Federal State Com #002Y
Wolfcamp
Township: 26 South, Range: 35 East, NMPM
Section 25: E2E2
Section 36: NE4NE4, Lot 1

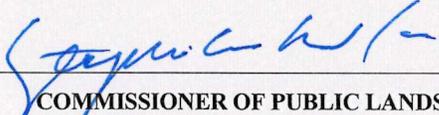
Lea County, New Mexico**

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 **July 01, 2021**, 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.
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- (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 **2nd day of November, 2022**.



COMMISSIONER OF PUBLIC LANDS
of the State of New Mexico

NEW MEXICO STATE LAND OFFICE

CERTIFICATE OF APPROVAL

COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

**Caza Operating, LLC
Comanche 25 36 Federal State Com #002Y
Wolfcamp
Township: 26 South, Range: 35 East, NMPM
Section 25: E2E2
Section 36: NE4NE4, Lot 1**

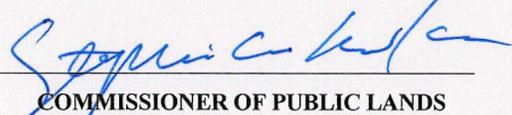
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COMMISSIONER OF PUBLIC LANDS
of the State of New Mexico

NEW MEXICO STATE LAND OFFICE

CERTIFICATE OF APPROVAL

COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

**Caza Operating, LLC
Comanche 25 36 Federal State Com #002Y
Wolfcamp
Township: 26 South, Range: 35 East, NMPM
Section 25: E2E2
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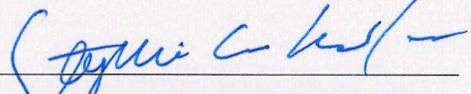
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- (d) That such agreement is in other respects for the best interests of the State, with respect to state lands.

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 **2nd day of November, 2022.**



COMMISSIONER OF PUBLIC LANDS
of the State of New Mexico

NM State Land Office
Oil, Gas, & Minerals Division

STATE/FEDERAL OR
STATE/FEDERAL/FEE
Revised August, 2021

ONLINE Version
COMMUNITIZATION AGREEMENT

API Initial Well: 30-025 - 48638

THIS AGREEMENT, entered into as of the date shown in Section 10 hereof by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto,"

WITNESSETH:

WHEREAS, the Act of February 25, 1920, 41 Stat. 437, as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a federal oil and gas lease, or any portions thereof, with other lands, whether or not owned by the United States, when separate tracts under such federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area, and such communitization or pooling is determined to be in the public interest; and,

WHEREAS, the Commissioner of Public Lands of the State of New Mexico, herein called "the Commissioner", is authorized to consent to and approve agreements pooling state oil and gas leases or any portion thereof, when separate tracts under such state leases cannot be independently developed and operated economically in conformity with well-spacing and gas proration rules and regulations established for the field or area and such pooling is determined to be in the public interest; and,

WHEREAS, the parties hereto own working, royalty, or other leasehold interests, or operating rights under the oil and gas leases and land subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and,

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of the agreement;

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

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

Subdivisions E/2E/2, Section 25, T26S-R35E and E/2NE/4, Section 36, T26S-R35E,
Sect(s) 25 & 36, T 26S, R 35E, NMPM Lea County, NM
containing 233.22 acres, more or less, and this agreement shall include only the
Wolfcamp Formation

or pool, underlying said lands and the hydrocarbons

(hereinafter referred to as "communitized substances") producible from such formation.

2022 OCT 20 AM 10:59

2. Attached hereto, and made a part of this agreement for all purposes, is Exhibit "B" designating the operator of the communitized area and showing the acreage, percentage, and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.
3. All matters of operation shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and three (3) executed copies of a designation of successor operator shall be filed with the Authorized Officer and three (3) additional executed copies thereof shall be filed with the Commissioner.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, and the Commissioner, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties, and such other reports as are deemed necessary to compute monthly the royalty due the United States and the State of New Mexico, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of leasehold bears to the entire acreage interest committed to this agreement.
6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any federal lease bearing a sliding-or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.

- 8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.

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

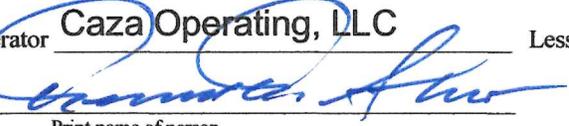
- 10. The date of this agreement is July Month 1 Day, 2021 Year, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his duly authorized representative, and by the Commissioner or his duly authorized representative, and shall remain in force and effect for a period of two (2) years and so 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 & regulations; provided, that the two-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of the capability of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted 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 such capability of 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.

- 11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal lands shall be subject to approval by the

Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.

- 12. It is agreed by the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in the oil and gas leases under which the United States of America is lessor, and in the applicable oil and gas operating regulations of the Department of the Interior. It is further agreed between the parties hereto that the Commissioner shall have the right of supervision over all operations to the same extent and degree as provided in the oil and gas leases under which the State of New Mexico is lessor and in the applicable oil and gas statutes and regulations of the State of New Mexico.
- 13. The agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.
- 14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
- 15. Nondiscrimination: In connection with the performance of work under this agreement, the Operator agrees to comply with all of the provisions of Section 202 (1) to (7) inclusive, of Executive Order 11246 (30 F. R. 12319), as amended which are hereby incorporated by reference in this agreement.

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

Operator	<u>Caza Operating, LLC</u>	Lessees of Record	<u>Caza Petroleum, LLC</u>
By			<u>Devon Energy Production Company, L.P.</u>
	Print name of person		
	Richard R. Albro, Vice President, Land		
	Type of authority		

Attach additional page(s) if needed.

[Acknowledgments are on following page.]

Acknowledgment in an Individual Capacity

State of _____)

County of _____) SS)

This instrument was acknowledged before me on _____
DATE

By _____
Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

My commission expires: _____

Acknowledgment in a Representative Capacity

State of Texas)

County of Harris) SS)

This instrument was acknowledged before me on June 16, 2022
DATE

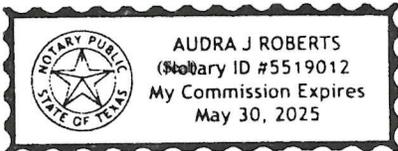
By Richard R. Albro

Name(s) of Person(s)

as Vice President, Land of Caza Operating, LLC and Caza Petroleum, LLC

Type of authority, e.g., officer, trustee, etc

Name of party on behalf of whom instrument was executed



Audra J Roberts
Signature of Notarial Officer

My commission expires: 5-30-2025

Lessee of Record and Working Interest Owner

Caza Petroleum, LLC

By: 

Richard R. Albro, Vice President, Land
Print Name – Title

Acknowledgment in a Representative Capacity

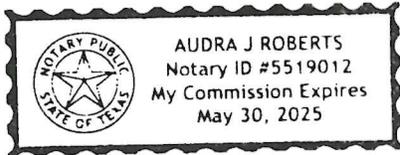
State of Texas)

County of Harris)

This instrument was acknowledged before me on June 16, 2022
Date

By Richard R. Albro
Name of Person

As Vice President, Land of Caza Petroleum, LLC
Title - Type of Authority Name of party on behalf of




Signature of Notarial Officer

My commission expires: 5-30-2025

Working Interest Owner

Chevron U.S.A. Inc.

By: Kelly Coppins **KELLY COPPINS**
Attorney-In-Fact

Print Name – Title

Acknowledgment in a Representative Capacity

State of Texas)

County of Harris)

This instrument was acknowledged before me on July 13th 2022
Date

By Kelly Coppins
Name of Person

As Attorney-in-Fact of Chevron U.S.A. Inc.
Title - Type of Authority Name of party on behalf of



Brittany Wesley
Signature of Notarial Officer

My commission expires: 12-22-2024

Lessee of Record

Devon Energy Production Company, L.P.

By: 

David Korell - Land Manager

Print Name – Title

Acknowledgment in a Representative Capacity

State of Oklahoma)

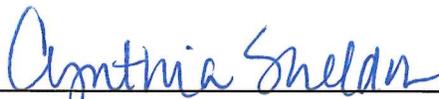
County of Oklahoma)

This instrument was acknowledged before me on 27th July 2022
Date

By David Korell
Name of Person

As Land Manager of Devon Energy Production Company, LP
Title - Type of Authority Name of party on behalf of




Signature of Notarial Officer

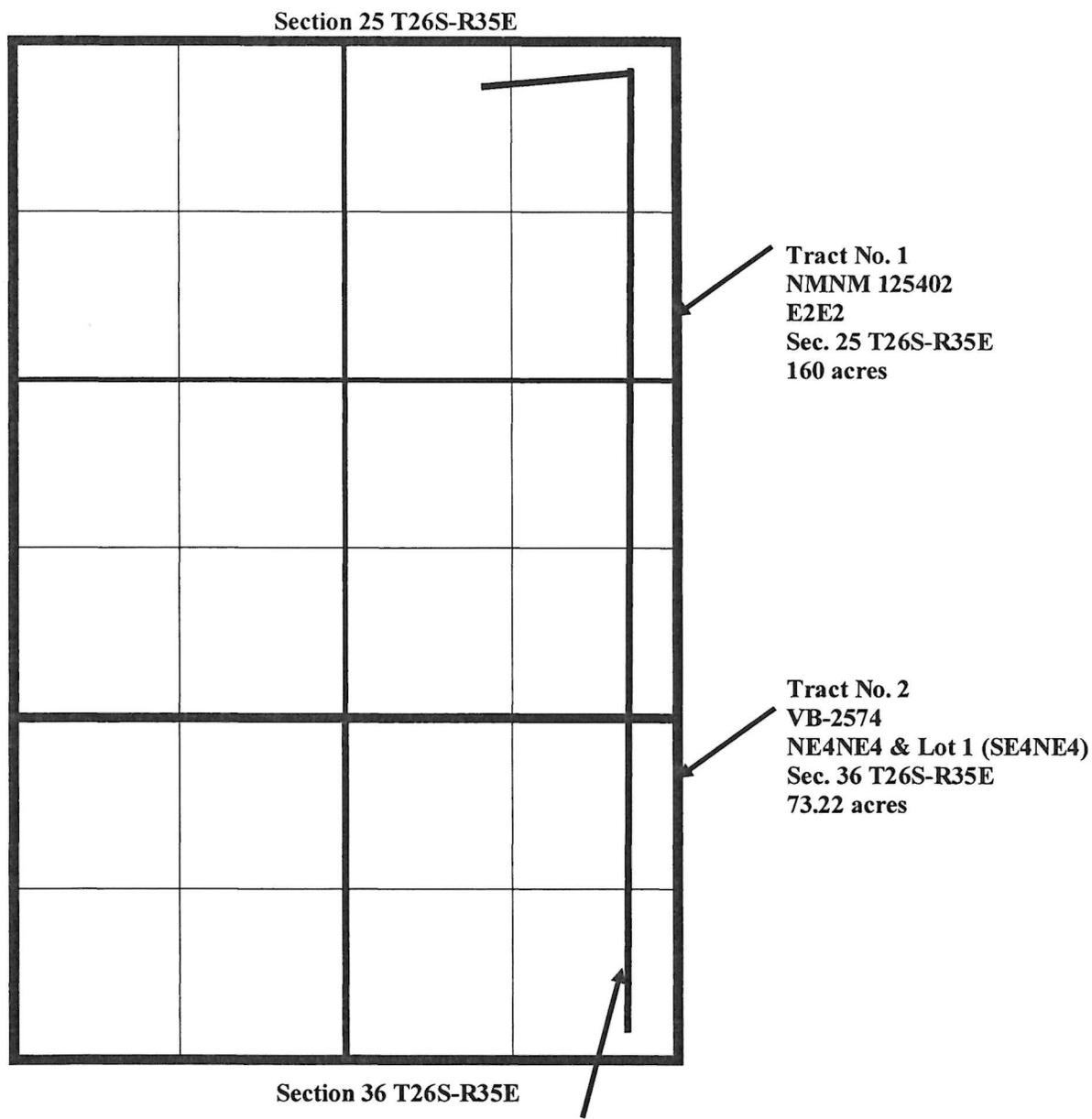
My commission expires: 11/25/2025

EXHIBIT A

Description of leases committed to communitized area covering the E/2E/2 of Section 25, T26S-R35E, and E/2NE/4 of Section 36, T26S-R35E, NMPM, Lea County, New Mexico.

Comanche 25-36 Fed State Com #2Y

To Communitization Agreement dated July 1, 2021. Plat of communitized area covering: Subdivisions E/2E/2 Sec. 25, T26S-R35E, and E/2NE/4 Sec. 36, T26S-R35E, of Sect. 25 & 36, T 26S, R 35E, NMPM, Lea County, NM.



Comanche 25 36 Federal State Com #2Y

EXHIBIT B

Description of leases committed to communitized area covering the E/2E/2 of Section 25, T26S-R35E, and E/2NE/4 of Section 36, T26S-R35E, NMPM, Lea County, New Mexico.

Comanche 25-36 Fed State Com #2Y

To Communitization Agreement dated July 1, 2021. Plat of communitized area covering: Subdivisions E/2E/2 Sec. 25, T26S-R35E, and E/2NE/4 Sec. 36, T26S-R35E, of Sect. 25 & 36, T 26S, R 35E, NMPM, Lea County, NM.

Operator of Communitized Area: Caza Operating, LLC

Pooling Order Number: R-21556

DESCRIPTION OF LEASES COMMITTED

TRACT NO. 1

Lease Serial No: NMNM 125402
 Lease Date: June 1, 1995
 Lease Term: 10 years
 Lessor: United States of America
 Original Lessee: Santa Fe Energy Resources, Inc.
 Present Lessee: Devon Energy Production Company, L.P.
 Description of
 Lands Committed: E/2E/2 Subdivisions A, H, I, P,
Sect(s) 25 Twp 26S, Rng 35E NMPM, Lea, County, NM
 Number of Acres: 160.00
 Royalty Rate: 1/8th (12.5%)
 Name and Percent
 ORRI Owners: Devon Energy Production Company, L.P. – 7.5%
 Name and Percent
 WI Owners: Caza Petroleum, LLC – 50%
Chevron U.S.A. Inc. – 50%

TRACT NO. 2

Lease Serial No: VB-2574
 Lease Date: August 1, 2015
 Lease Term: 5 years
 Lessor: State of New Mexico
 Original Lessee: Newkumet Exploration, Inc.
 Present Lessee: Caza Petroleum, LLC
 Description of
 Lands Committed: NE/4NE/4 and Lot 1 Subdivisions A, H,
Sect(s) 36 Twp 26S, Rng 35E NMPM, Lea, County, NM
 Number of Acres: 73.22
 Royalty Rate: 3/16th (18.75%)
 Name and Percent
 ORRI Owners: Newkumet Ltd. – 0.854166% William D. Patterson – 0.427083%
Tracey L. Breadner – 0.427083% Susan Marie Thoma 0.854167%
Endeavor Energy Resources, L.P. – 1.6875%
 Name and Percent
 WI Owners: Caza Petroleum, LLC – 50%
Chevron U.S.A. Inc. – 50%

RECAPITULATION

Tract No.	Number of Acres Committed	Percentage of Interest In Communitized Area (Must Equal 100%)
No. 1	<u>160</u>	<u>68.60%</u>
No. 2	<u>73.22</u>	<u>31.40%</u>
TOTALS	<u>233.22</u>	<u>100%</u>



COMMISSIONER

Stephanie Garcia Richard

*State of New Mexico
Commissioner of Public Lands*

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

Phone (505) 827-5760
Fax (505) 827-5766
www.nmstatelands.org

Jeannie Roberts
Caza Operating, LLC
16945 Northchase, Suite 1430
Houston, TX 77060

November 1st, 2022

Re: Communitization Agreement Approval
Comanche 25 36 Federal State Com #003H
Vertical Extent: Bone Spring
Township: 26 South, Range 35 East, NMPM
Section 25: W2E2
Section 36: NW4NE4, Lot 2

Lea County, New Mexico

Dear Ms. Roberts,

The Commissioner of Public Lands has this date approved the Comanche 25 36 Federal State Com #003H Communitization Agreement for the Bone Spring formation effective 07-01-2021. Enclosed are three Certificates of Approval.

The agreement shall remain in effect for Two Years, and as long thereafter as communitized substances are produced from the communitized area in paying quantities.

Approval of this agreement does not warrant or certify that the operator and/or other working interest owners hold legal or equitable title to the leases which are committed hereto, nor does the Commissioner's approval constitute adjudication of any federal or private interests, or warrant or certify that the information supplied by the operator regarding federal or private interests is accurate.

If we may be of further service, please contact Baylen Lamkin at (505) 827-6628.

Sincerely,

B. Lamkin

Baylen Lamkin
Petroleum Specialist Supervisor

NEW MEXICO STATE LAND OFFICE

CERTIFICATE OF APPROVAL

COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

**Caza Operating, LLC
Comanche 25 36 Federal State Com #003H
Bone Spring
Township: 26 South, Range: 35 East, NMPM
Section 25: W2E2
Section 36: NW4NE4, Lot 2**

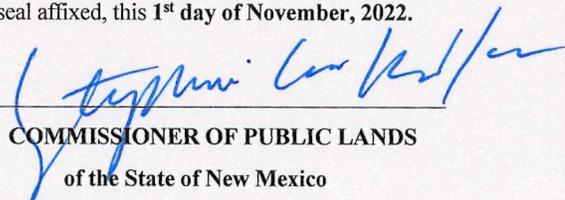
Lea County, New Mexico

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 **July 01, 2021**, 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 **1st day of November, 2022.**



COMMISSIONER OF PUBLIC LANDS
of the State of New Mexico

NM State Land Office
Oil, Gas, & Minerals Division

STATE/FEDERAL OR
STATE/FEDERAL/FEE

Revised August, 2021

ONLINE Version

COMMUNITIZATION AGREEMENT

API Initial Well: 30-0 25 - 47451

THIS AGREEMENT, entered into as of the date shown in Section 10 hereof by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto,"

WITNESSETH:

WHEREAS, the Act of February 25, 1920, 41 Stat. 437, as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a federal oil and gas lease, or any portions thereof, with other lands, whether or not owned by the United States, when separate tracts under such federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area, and such communitization or pooling is determined to be in the public interest; and,

WHEREAS, the Commissioner of Public Lands of the State of New Mexico, herein called "the Commissioner", is authorized to consent to and approve agreements pooling state oil and gas leases or any portion thereof, when separate tracts under such state leases cannot be independently developed and operated economically in conformity with well-spacing and gas proration rules and regulations established for the field or area and such pooling is determined to be in the public interest; and,

WHEREAS, the parties hereto own working, royalty, or other leasehold interests, or operating rights under the oil and gas leases and land subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and,

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of the agreement;

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

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

Subdivisions W/2E/2, Section 25, T26S-R35E and W/2NE/4, Section 36, T26S-R35E,

Sect(s) 25 & 36, T 26S, R 35E, NMPM Lea County, NM

containing 233.27 acres, more or less, and this agreement shall include only the

Bone Spring Formation

or pool, underlying said lands and the hydrocarbons

(hereinafter referred to as "communitized substances") producible from such formation.

2022 OCT 20 AM 10:59

2. Attached hereto, and made a part of this agreement for all purposes, is Exhibit "B" designating the operator of the communitized area and showing the acreage, percentage, and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.
3. All matters of operation shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and three (3) executed copies of a designation of successor operator shall be filed with the Authorized Officer and three (3) additional executed copies thereof shall be filed with the Commissioner.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, and the Commissioner, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties, and such other reports as are deemed necessary to compute monthly the royalty due the United States and the State of New Mexico, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of leasehold bears to the entire acreage interest committed to this agreement.
6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any federal lease bearing a sliding-or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.

- 8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.

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

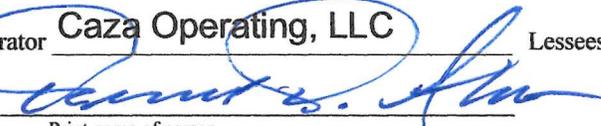
- 10. The date of this agreement is July Month 1 Day, 2021 Year, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his duly authorized representative, and by the Commissioner or his duly authorized representative, and shall remain in force and effect for a period of two (2) years and so 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 & regulations; provided, that the two-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of the capability of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted 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 such capability of 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.

- 11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal lands shall be subject to approval by the

Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.

- 12. It is agreed by the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in the oil and gas leases under which the United States of America is lessor, and in the applicable oil and gas operating regulations of the Department of the Interior. It is further agreed between the parties hereto that the Commissioner shall have the right of supervision over all operations to the same extent and degree as provided in the oil and gas leases under which the State of New Mexico is lessor and in the applicable oil and gas statutes and regulations of the State of New Mexico.
- 13. The agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.
- 14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
- 15. Nondiscrimination: In connection with the performance of work under this agreement, the Operator agrees to comply with all of the provisions of Section 202 (1) to (7) inclusive, of Executive Order 11246 (30 F. R. 12319), as amended which are hereby incorporated by reference in this agreement.

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

Operator <u>Caza Operating, LLC</u> By <u></u> Print name of person Richard R. Albro, Vice President, Land Type of authority	Lessees of Record <u>Caza Petroleum, LLC</u> <u>Devon Energy Production Company, L.P.</u>
---	--

Attach additional page(s) if needed.

[Acknowledgments are on following page.]

Acknowledgment in an Individual Capacity

State of _____)

County of _____) SS)

This instrument was acknowledged before me on _____
DATE

By _____
Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

My commission expires: _____

Acknowledgment in a Representative Capacity

State of Texas)

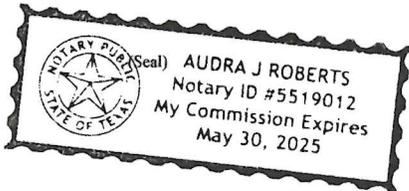
County of Harris) SS)

This instrument was acknowledged before me on June 16, 2022
DATE

By Richard R. Albro
Name(s) of Person(s)

as Vice President, Land of Caza Operating, LLC and Caza Petroleum, LLC

Type of authority, e.g., officer, trustee, etc Name of party on behalf of whom instrument was executed

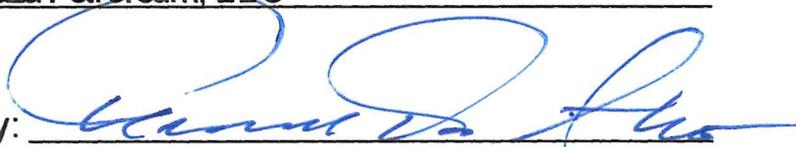


Audra J Roberts
Signature of Notarial Officer

My commission expires: 5-30-2025

Lessee of Record and Working Interest Owner

Caza Petroleum, LLC

By: 

Richard R. Albro, Vice President, Land
Print Name – Title

Acknowledgment in a Representative Capacity

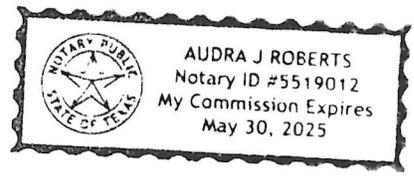
State of Texas)

County of Harris)

This instrument was acknowledged before me on June 16, 2022
Date

By Richard R. Albro
Name of Person

As Vice President, Land of Caza Petroleum, LLC
Title - Type of Authority Name of party on behalf of




Signature of Notarial Officer

My commission expires: 5-30-2025

Working Interest Owner

Chevron U.S.A. Inc.

By: *Kelly Coppins* **KELLY COPPINS**
Attorney-In-Fact

Print Name – Title

Acknowledgment in a Representative Capacity

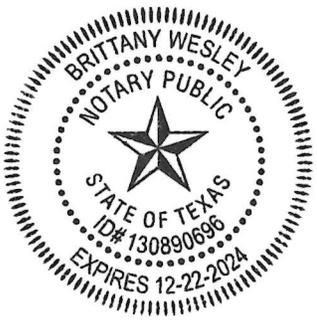
State of Texas)

County of Tarrant)

This instrument was acknowledged before me on July 13, 2022
Date

By Kelly Coppins
Name of Person

As Attorney-in-Fact of Chevron U.S.A. Inc.
Title - Type of Authority Name of party on behalf of



Brittany Wesley
Signature of Notarial Officer

My commission expires: 12-22-2024

Lessee of Record

Devon Energy Production Company, L.P.

By: 

David Korell - Land Manager

Print Name – Title

Acknowledgment in a Representative Capacity

State of Oklahoma)

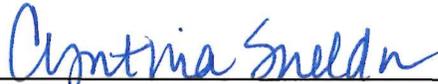
County of Oklahoma)

This instrument was acknowledged before me on 27th July 2022
Date

By David Korell
Name of Person

As Land Manager of Devon Energy Production, LP
Title - Type of Authority Name of party on behalf of




Signature of Notarial Officer

My commission expires: 11/25/2025

EXHIBIT A

Description of leases committed to communitized area covering the W/2E/2 of Section 25, T26S-R35E, and W/2NE/4 of Section 36, T26S-R35E, NMPM, Lea County, New Mexico.

Comanche 25-36 Fed State Com #3H

To Communitization Agreement dated July 1, 2021. Plat of communitized area covering: Subdivisions W/2E/2 Sec. 25, T26S-R35E, and W/2NE/4 Sec. 36, T26S-R35E, of Sect. 25 & 36, T 26S, R 35E, NMPM, Lea County, NM.

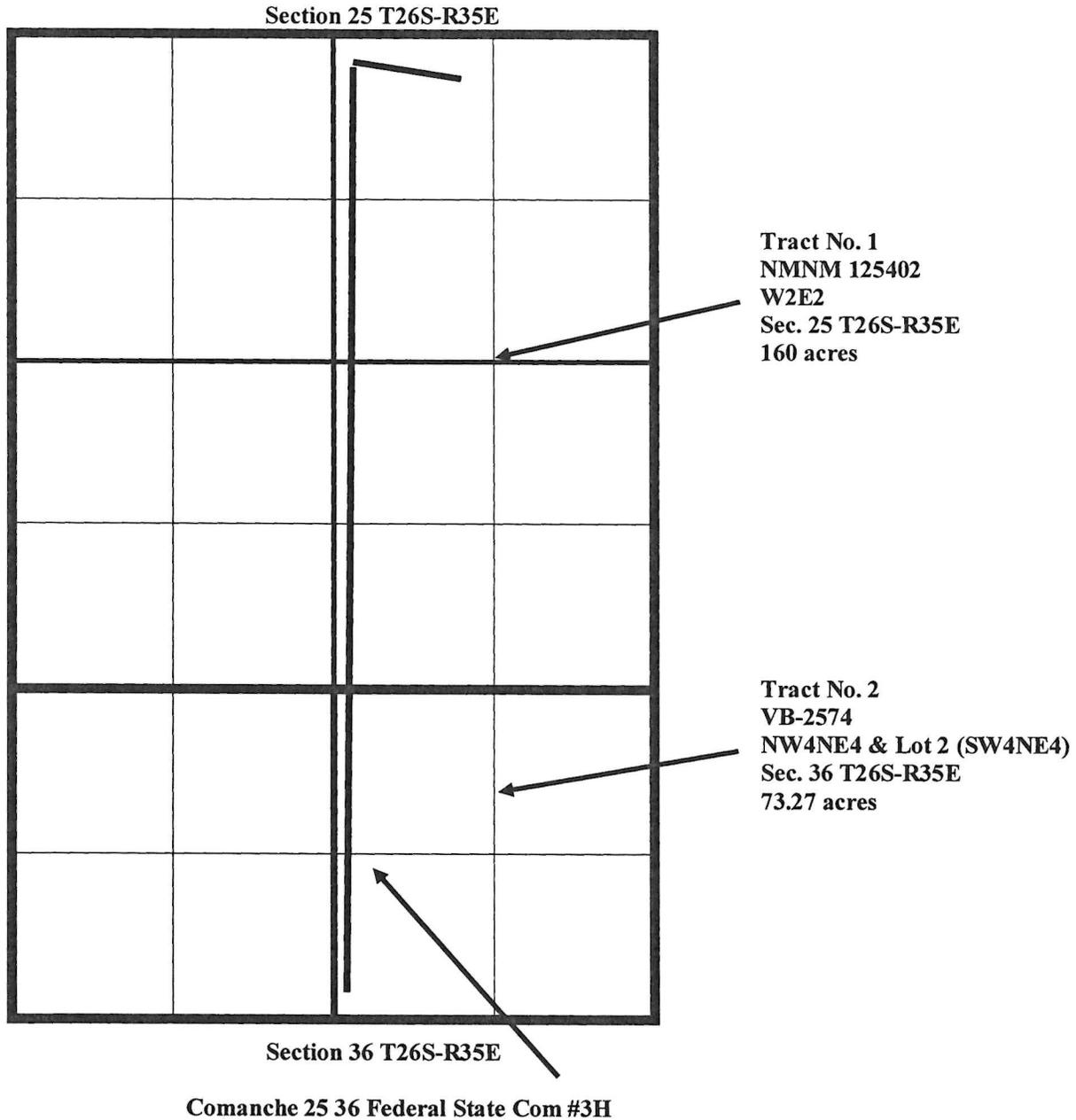


EXHIBIT B

Description of leases committed to communitized area covering the W/2E/2 of Section 25, T26S-R35E, and W/2NE/4 of Section 36, T26S-R35E, NMPM, Lea County, New Mexico.

Comanche 25-36 Fed State Com #3H

To Communitization Agreement dated July 1, 2021. Plat of communitized area covering: Subdivisions W/2E/2 Sec. 25, T26S-R35E, and W/2NE/4 Sec. 36, T26S-R35E, of Sect. 25 & 36, T 26S, R 35E, NMPM, Lea County, NM.

Operator of Communitized Area: Caza Operating, LLC
Pooling Order Number: R-21555

DESCRIPTION OF LEASES COMMITTED

TRACT NO. 1

Lease Serial No:	<u>NMNM 125402</u>
Lease Date:	<u>June 1, 1995</u>
Lease Term:	<u>10 years</u>
Lessor:	<u>United States of America</u>
Original Lessee:	<u>Santa Fe Energy Resources, Inc.</u>
Present Lessee:	<u>Devon Energy Production Company, L.P.</u>
Description of Lands Committed:	<u>W/2E/2 Subdivisions B, G, J, O,</u> <u>Sect(s) 25 Twp 26S, Rng 35E NMPM, Lea, County, NM</u>
Number of Acres:	<u>160.00</u>
Royalty Rate:	<u>1/8th (12.5%)</u>
Name and Percent ORRI Owners:	<u>Devon Energy Production Company, L.P. – 7.5%</u>
Name and Percent WI Owners:	<u>Caza Petroleum, LLC – 50%</u> <u>Chevron U.S.A. Inc. – 50%</u>

TRACT NO. 2

Lease Serial No: VB-2574
 Lease Date: August 1, 2015
 Lease Term: 5 years
 Lessor: State of New Mexico
 Original Lessee: Newkumet Exploration, Inc.
 Present Lessee: Caza Petroleum, LLC
 Description of
 Lands Committed: NW/4NE/4 and Lot 2 Subdivisions B, G,
Sect(s) 36 Twp 26S, Rng 35E NMPM, Lea, County, NM
 Number of Acres: 73.27
 Royalty Rate: 3/16th (18.75%)
 Name and Percent
 ORRI Owners: Newkumet Ltd. – 0.854166% William D. Patterson – 0.427083%
Tracey L. Breadner – 0.427083% Susan Marie Thoma 0.854167%
Endeavor Energy Resources, L.P. – 1.6875%
 Name and Percent
 WI Owners: Caza Petroleum, LLC – 50%
Chevron U.S.A. Inc. – 50%

RECAPITULATION

Tract No.	Number of Acres Committed	Percentage of Interest In Communitized Area (Must Equal 100%)
No. 1	<u>160</u>	<u>68.59%</u>
No. 2	<u>73.27</u>	<u>31.41%</u>
TOTALS	<u>233.27</u>	<u>100%</u>



COMMISSIONER

Stephanie Garcia Richard

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

Phone (505) 827-5760
Fax (505) 827-5766
www.nmstatelands.org

Jeannie Roberts
Caza Operating, LLC
16945 Northchase, Suite 1430
Houston, TX 77060

November 2nd, 2022

Re: Communitization Agreement Approval
Comanche 25 36 Federal State Com #004H
Vertical Extent: Bone Spring
Township: 26 South, Range 35 East, NMPM
Section 25: E2E2
Section 36: NE4NE4, Lot 1

Lea County, New Mexico

Dear Ms. Roberts,

The Commissioner of Public Lands has this date approved the Comanche 25 36 Federal State Com #004H Communitization Agreement for the Bone Spring formation effective 07-01-2021. Enclosed are three Certificates of Approval.

The agreement shall remain in effect for Two Years, and as long thereafter as communitized substances are produced from the communitized area in paying quantities.

Approval of this agreement does not warrant or certify that the operator and/or other working interest owners hold legal or equitable title to the leases which are committed hereto, nor does the Commissioner's approval constitute adjudication of any federal or private interests, or warrant or certify that the information supplied by the operator regarding federal or private interests is accurate.

If we may be of further service, please contact Baylen Lamkin at (505) 827-6628.

Sincerely,

B. Lamkin

Baylen Lamkin
Petroleum Specialist Supervisor

NEW MEXICO STATE LAND OFFICE

CERTIFICATE OF APPROVAL

COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

**Caza Operating, LLC
Comanche 25 36 Federal State Com #004H
Bone Spring
Township: 26 South, Range: 35 East, NMPM
Section 25: E2E2
Section 36: NE4NE4, Lot 1**

Lea 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 **July 01, 2021**, 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 **2nd day of November, 2022.**

COMMISSIONER OF PUBLIC LANDS
of the State of New Mexico

NEW MEXICO STATE LAND OFFICE

CERTIFICATE OF APPROVAL

COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

**Caza Operating, LLC
Comanche 25 36 Federal State Com #004H
Bone Spring
Township: 26 South, Range: 35 East, NMPM
Section 25: E2E2
Section 36: NE4NE4, Lot 1**

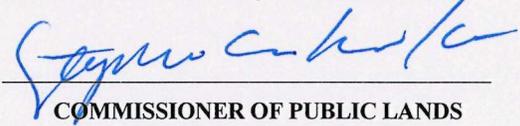
Lea County, New Mexico

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- (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.
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**COMMISSIONER OF PUBLIC LANDS
of the State of New Mexico**

NEW MEXICO STATE LAND OFFICE

CERTIFICATE OF APPROVAL

COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

**Caza Operating, LLC
Comanche 25 36 Federal State Com #004H
Bone Spring
Township: 26 South, Range: 35 East, NMPM
Section 25: E2E2
Section 36: NE4NE4, Lot 1**

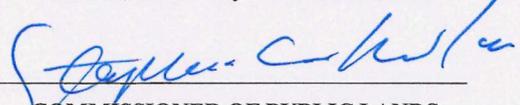
Lea County, New Mexico

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- (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 **2nd day of November, 2022.**



COMMISSIONER OF PUBLIC LANDS
of the State of New Mexico

NM State Land Office
Oil, Gas, & Minerals Division

STATE/FEDERAL OR
STATE/FEDERAL/FEE

Revised August, 2021

ONLINE Version

COMMUNITIZATION AGREEMENT

API Initial Well: 30-0 25 - 47452

THIS AGREEMENT, entered into as of the date shown in Section 10 hereof by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto,"

WITNESSETH:

WHEREAS, the Act of February 25, 1920, 41 Stat. 437, as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a federal oil and gas lease, or any portions thereof, with other lands, whether or not owned by the United States, when separate tracts under such federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area, and such communitization or pooling is determined to be in the public interest; and,

WHEREAS, the Commissioner of Public Lands of the State of New Mexico, herein called "the Commissioner", is authorized to consent to and approve agreements pooling state oil and gas leases or any portion thereof, when separate tracts under such state leases cannot be independently developed and operated economically in conformity with well-spacing and gas proration rules and regulations established for the field or area and such pooling is determined to be in the public interest; and,

WHEREAS, the parties hereto own working, royalty, or other leasehold interests, or operating rights under the oil and gas leases and land subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and,

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of the agreement;

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

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

Subdivisions E/2E/2, Section 25, T26S-R35E and E/2NE/4, Section 36, T26S-R35E,
Sect(s) 25 & 36, T 26S, R 35E, NMPM Lea County, NM
containing 233.22 acres, more or less, and this agreement shall include only the
Bone Spring Formation
or pool, underlying said lands and the hydrocarbons
(hereinafter referred to as "communitized substances") producible from such formation.

2022 OCT 20 AM 10:59

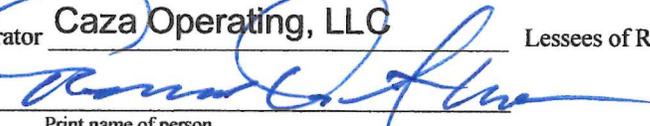
2. Attached hereto, and made a part of this agreement for all purposes, is Exhibit "B" designating the operator of the communitized area and showing the acreage, percentage, and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.
3. All matters of operation shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and three (3) executed copies of a designation of successor operator shall be filed with the Authorized Officer and three (3) additional executed copies thereof shall be filed with the Commissioner.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, and the Commissioner, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties, and such other reports as are deemed necessary to compute monthly the royalty due the United States and the State of New Mexico, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of leasehold bears to the entire acreage interest committed to this agreement.
6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any federal lease bearing a sliding-or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.

- 8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
- 9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or is such failure results from, compliance with any such laws, orders, rules or regulations.
- 10. The date of this agreement is July Month 1 Day, 2021 Year, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his duly authorized representative, and by the Commissioner or his duly authorized representative, and shall remain in force and effect for a period of two (2) years and so 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 & regulations; provided, that the two-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of the capability of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted 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 such capability of 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.
- 11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal lands shall be subject to approval by the

Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.

- 12. It is agreed by the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in the oil and gas leases under which the United States of America is lessor, and in the applicable oil and gas operating regulations of the Department of the Interior. It is further agreed between the parties hereto that the Commissioner shall have the right of supervision over all operations to the same extent and degree as provided in the oil and gas leases under which the State of New Mexico is lessor and in the applicable oil and gas statutes and regulations of the State of New Mexico.
- 13. The agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.
- 14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
- 15. Nondiscrimination: In connection with the performance of work under this agreement, the Operator agrees to comply with all of the provisions of Section 202 (1) to (7) inclusive, of Executive Order 11246 (30 F. R. 12319), as amended which are hereby incorporated by reference in this agreement.

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

Operator <u>Caza Operating, LLC</u> By  Print name of person Richard R. Albro, Vice President, Land Type of authority	Lessees of Record <u>Caza Petroleum, LLC</u> <u>Devon Energy Production Company, L.P.</u>
--	--

Attach additional page(s) if needed.

[Acknowledgments are on following page.]

Acknowledgment in an Individual Capacity

State of _____)

County of _____) SS)

This instrument was acknowledged before me on _____
DATE

By _____
Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

My commission expires: _____

Acknowledgment in a Representative Capacity

State of Texas)

County of Harris) SS)

This instrument was acknowledged before me on June 16, 2022
DATE

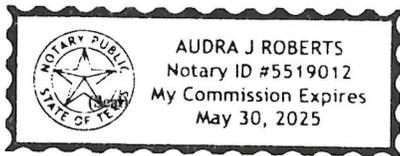
By Richard R. Albro

Name(s) of Person(s)

as Vice President, Land of Caza Operating, LLC and Caza Petroleum, LLC

Type of authority, e.g., officer, trustee, etc

Name of party on behalf of whom instrument was executed



Audra J Roberts
Signature of Notarial Officer

My commission expires: 5-30-2025

Lessee of Record and Working Interest Owner

Caza Petroleum, LLC

By: 

Richard R. Albro, Vice President, Land
Print Name – Title

Acknowledgment in a Representative Capacity

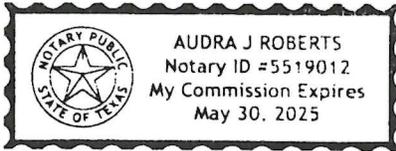
State of Texas)

County of Harris)

This instrument was acknowledged before me on June 16, 2022
Date

By Richard R. Albro
Name of Person

As Vice President, Land of Caza Petroleum, LLC
Title - Type of Authority Name of party on behalf of




Signature of Notarial Officer

My commission expires: 5-30-2025

Working Interest Owner

Chevron U.S.A. Inc.

By: Kelly Coppins **KELLY COPPINS**
Attorney-In-Fact

Print Name – Title

Acknowledgment in a Representative Capacity

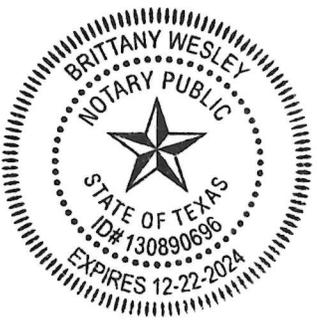
State of Texas)

County of Tarrant)

This instrument was acknowledged before me on July 13, 2022
Date

By Kelly Coppins
Name of Person

As Attorney-in-Fact of CHEVRON U.S.A. INC.
Title - Type of Authority Name of party on behalf of



Brittany Wesley
Signature of Notarial Officer

My commission expires: 12-22-2024

Lessee of Record

Devon Energy Production Company, L.P.

By: 
David Korell - Land Manager

Print Name – Title

Acknowledgment in a Representative Capacity

State of Oklahoma)

County of oklahoma)

This instrument was acknowledged before me on 27th July 2022
Date

By David Korell
Name of Person

As Land Manager of Devon Energy Production Company, LP
Title - Type of Authority Name of party on behalf of




Signature of Notarial Officer

My commission expires: 11/25/2025

EXHIBIT A

Description of leases committed to communitized area covering the E/2E/2 of Section 25, T26S-R35E, and E/2NE/4 of Section 36, T26S-R35E, NMPM, Lea County, New Mexico.

Comanche 25-36 Fed State Com #4H

To Communitization Agreement dated July 1, 2021. Plat of communitized area covering: Subdivisions E/2E/2 Sec. 25, T26S-R35E, and E/2NE/4 Sec. 36, T26S-R35E, of Sect. 25 & 36, T 26S, R 35E, NMPM, Lea County, NM.

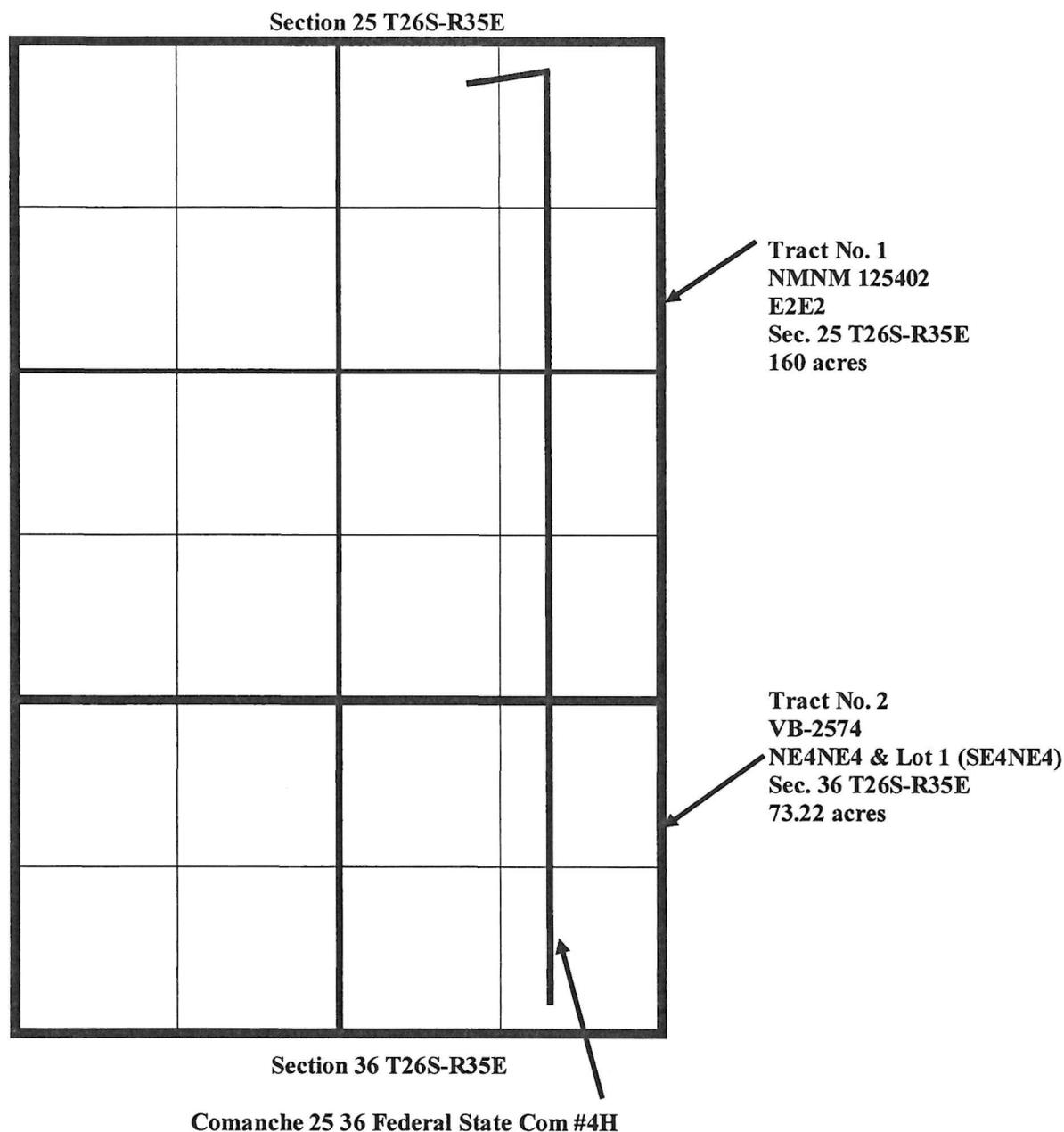


EXHIBIT B

Description of leases committed to communitized area covering the E/2E/2 of Section 25, T26S-R35E, and E/2NE/4 of Section 36, T26S-R35E, NMPM, Lea County, New Mexico.

Comanche 25-36 Fed State Com #4H

To Communitization Agreement dated July 1, 2021. Plat of communitized area covering: Subdivisions E/2E/2 Sec. 25, T26S-R35E, and E/2NE/4 Sec. 36, T26S-R35E, of Sect. 25 & 36, T 26S, R 35E, NMPM, Lea County, NM.

Operator of Communitized Area: Caza Operating, LLC
Pooling Order Number: R-21555

DESCRIPTION OF LEASES COMMITTED

TRACT NO. 1

Lease Serial No:	<u>NMNM 125402</u>
Lease Date:	<u>June 1, 1995</u>
Lease Term:	<u>10 years</u>
Lessor:	<u>United States of America</u>
Original Lessee:	<u>Santa Fe Energy Resources, Inc.</u>
Present Lessee:	<u>Devon Energy Production Company, L.P.</u>
Description of Lands Committed:	<u>E/2E/2 Subdivisions A, H, I, P, Sect(s) 25 Twp 26S, Rng 35E NMPM, Lea, County, NM</u>
Number of Acres:	<u>160.00</u>
Royalty Rate:	<u>1/8th (12.5%)</u>
Name and Percent ORRI Owners:	<u>Devon Energy Production Company, L.P. – 7.5%</u>
Name and Percent WI Owners:	<u>Caza Petroleum, LLC – 50%</u> <u>Chevron U.S.A. Inc. – 50%</u>

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

**APPLICATION FOR SURFACE COMMINGLING
SUBMITTED BY CAZA OPERATING, LLC**

ORDER NO. PLC-987

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. Caza 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 certified the commingling of oil and gas production from the pools, leases, and wells will not in reasonable probability reduce the value of the oil and gas production to less than if it had remained segregated.
6. Applicant stated that it sought authorization to surface commingle and off-lease measure, as applicable, oil and gas production from wells which have not yet been approved to be drilled, but will produce from a pool and lease as described in Exhibit A.

CONCLUSIONS OF LAW

7. 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.
8. 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.
9. 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.

10. 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.
11. 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.
12. 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.

Applicant is authorized to surface commingle oil and gas production from wells not included in Exhibit A but that produce from a pool and lease as described in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease from wells not included in Exhibit A but that produce from a pool and lease as described in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

2. 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.
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 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.
5. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10 C.(2) NMAC.
6. 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.

7. If a well is not included in Exhibit A but produces from a pool and lease as described in Exhibit A, then Applicant shall submit Forms C-102 and C-103 to the OCD Engineering Bureau after the well has been approved to be drilled and prior to off-lease measuring or commingling oil or gas production from it with the production from another well. The Form C-103 shall reference this Order and identify the well, proposed method to determine the allocation of oil and gas production to it, and the location(s) that commingling of its production will occur.
8. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
9. 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).
10. 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: 6-4-2025

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: PLC-987
Operator: Caza Operating, LLC (249099)
Central Tank Battery: Comanche 25-36 Fed State Com Facility
Central Tank Battery Location: UL B, Section 25, Township 26 South, Range 35 East
Gas Title Transfer Meter Location: UL B, Section 25, Township 26 South, Range 35 East

Pools

Pool Name	Pool Code
WC-025 G-08 S253534O;BONE SPRING	97088
WC-025 G-09 S263619C;WOLFCAMP	98234
WC-025 G-09 S263525B;BONE SPRING	98355

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
CA Wolfcamp NMNM 105785617	W/2 E/2 W/2 NE/4	25-26S-35E 36-26S-35E
CA Wolfcamp NMNM 105785622	E/2 E/2 E/2 NE/4	25-26S-35E 36-26S-35E
CA Bone Spring NMNM 105785625	W/2 E/2 W/2 NE/4	25-26S-35E 36-26S-35E
CA Bone Spring NMNM 105785627	E/2 E/2 E/2 NE/4	25-26S-35E 36-26S-35E
CA Bone Spring SLO 204452 PUN 1396011	W/2 E/2 W/2 NE/4	25-26S-35E 36-26S-35E
CA Wolfcamp SLO 204453 PUN 1395994	W/2 E/2 W/2 NE/4	25-26S-35E 36-26S-35E
CA Bone Spring SLO 204477 PUN 1397255	E/2 E/2 E/2 NE/4	25-26S-35E 36-26S-35E
CA Wolfcamp SLO 204478 PUN 1397527	E/2 E/2 E/2 NE/4	25-26S-35E 36-26S-35E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-47449	COMANCHE 25 36 FEDERAL STATE COM #001H	W/2 E/2 W/2 NE/4	25-26S-35E 36-26S-35E	98234
30-025-47451	COMANCHE 25 36 FEDERAL STATE COM #003H	W/2 E/2 W/2 NE/4	25-26S-35E 36-26S-35E	98355
30-025-47452	COMANCHE 25 36 FEDERAL STATE COM #004H	E/2 E/2 E/2 NE/4	25-26S-35E 36-26S-35E	97088
30-025-48368	COMANCHE 25 36 FEDERAL STATE COM #002Y	E/2 E/2 E/2 NE/4	25-26S-35E 36-26S-35E	98234

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

COMMENTS

Action 409675

COMMENTS

Operator: CAZA OPERATING, LLC 200 N Loraine St Midland, TX 79701	OGRID: 249099
	Action Number: 409675
	Action Type: [C-107] Surface Commingle or Off-Lease (C-107B)

COMMENTS

Created By	Comment	Comment Date
sarah.clelland	Applicant only mentions future leases. No pool reference or C(4)(g) reference.	6/3/2025

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

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

CONDITIONS

Action 409675

CONDITIONS

Operator: CAZA OPERATING, LLC 200 N Loraine St Midland, TX 79701	OGRID: 249099
	Action Number: 409675
	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 .	6/5/2025