

RECEIVED: 7/28/20	REVIEWER: DM	TYPE: OLM	APP NO: pDM2021139928
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

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



ADMINISTRATIVE APPLICATION CHECKLIST

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

Applicant: COG OPERATING, LLC	OGRID Number: 229137
Well Name: ROADRUNNER FEDERAL COM #3H & 13Y	API: 30-015-44862/30-015-44993
Pool: COTTONWOOD DRAW; BONE SPRING	Pool Code: 97494

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.

Jeanette Barron

Print or Type Name

Signature

7/28/20

Date

575-748-6974

Phone Number

jbarron@concho.com

e-mail Address



July 28, 2020

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

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

Dear Mr. McClure,

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

Road Runner Federal Com #3H
API #30-015-44862
Cottonwood Draw; Bone Spring
UL N Sec 25-T25S-R26E
Eddy County, New Mexico

Road Runner Federal Com #13Y
API #30-015-44993
Cottonwood Draw; Bone Spring
UL N Sec 25-T25S-R26E
Eddy County, New Mexico

Oil Production:

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

Notifications have been sent to all working interest owners

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

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

Sincerely,

A handwritten signature in black ink that reads "Jeanette Barron".

Jeanette Barron
Regulatory Technician II

CORPORATE ADDRESS

One Concho Center | 600 West Illinois Avenue | Midland, Texas 79701
P 432 683 7443 | F 432 683 7441

ARTESIA WEST OFFICE

2208 Main Street | Artesia, New Mexico 88210
P 575 748 6940 | F 575 746.2096

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

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

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

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: COG Operating LLC
OPERATOR ADDRESS: 2208 W Main Street, Artesia, New Mexico 88210
APPLICATION TYPE:
☐ Pool Commingling ☐ Lease Commingling ☐ Pool and Lease Commingling ☒ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

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

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

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

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

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

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

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

(1) Complete Sections A and E.

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

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

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

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

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

SIGNATURE: Jeanette Barron TITLE: Regulatory Technician II DATE: 7/28/20

TYPE OR PRINT NAME Jeanette Barron TELEPHONE NO.: 575.748.6974

E-MAIL ADDRESS: jbarron@concho.com

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-44862	² Pool Code 97494	³ Pool Name COTTONWOOD DRAW; BONE SPRING
⁴ Property Code 316775	⁵ Property Name ROAD RUNNER FEDERAL COM	⁶ Well Number 3H
⁷ OGRID No. 229137	⁸ Operator Name COG OPERATING, LLC	⁹ Elevation 3241.4'

¹⁰ Surface Location

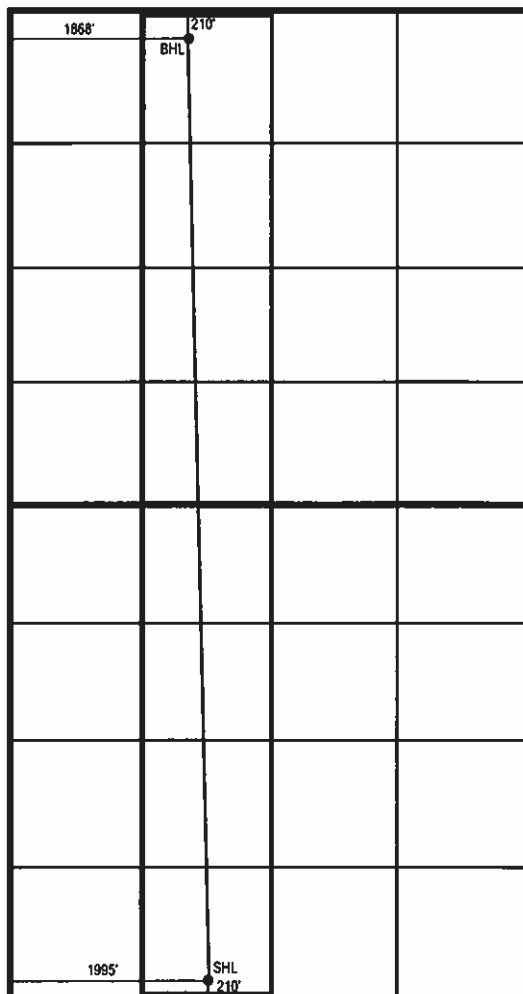
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	25	25S	26E		210	SOUTH	1995'	WEST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	24	25S	26E		210	NORTH	1868	WEST	EDDY

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Jeanette Barron 7/28/20
Signature Date

Jeanette Barron
Printed Name

jbarron@concho.com
E-mail Address

¹⁸ SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

REFER TO ORIGINAL PLAT

Date of Survey

Signature and Seal of Professional Surveyor:

Certificate Number

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-44993		² Pool Code 97494	³ Pool Name COTTONWOOD DRAW; BONE SPRING
⁴ Property Code 316775	⁵ Property Name ROAD RUNNER FEDERAL COM		⁶ Well Number 13Y
⁷ OGRID No. 229137	⁸ Operator Name COG OPERATING, LLC		⁹ Elevation 3242.1'

¹⁰ Surface Location

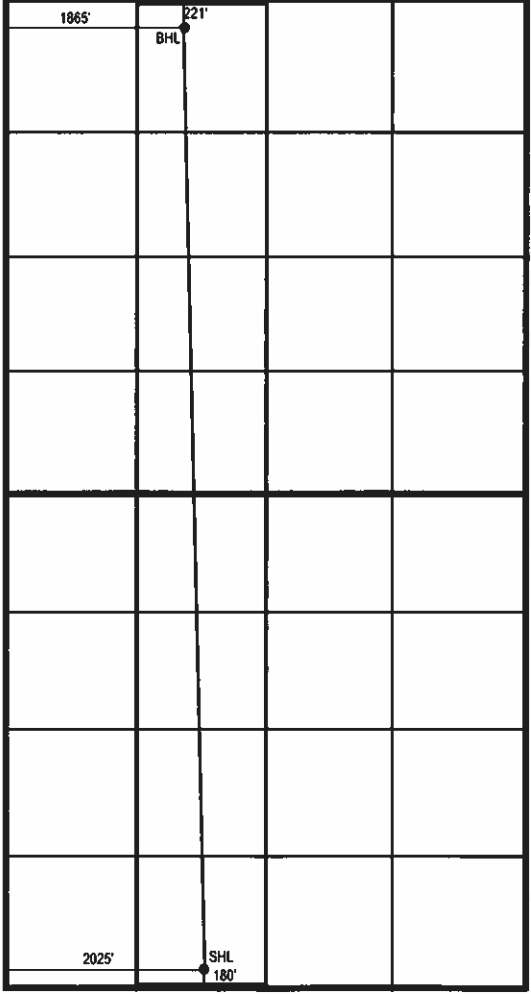
UL or lot no.	Section	Township	Range	Lot 1 dn	Feet from the	North/South line	Feet from the	East/West line	County
N	25	25S	26E		180	SOUTH	2025	WEST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 1 dn	Feet from the	North/South line	Feet from the	East/West line	County
C	24	25S	26E		221	NORTH	1865	WEST	EDDY

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



¹⁷ OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Jeanette Barron 7/28/20
Signature Date

Jeanette Barron
Printed Name

jbarron@concho.com
E-mail Address

¹⁸ SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

REFER TO ORIGINAL PLAT

Date of Survey
Signature and Seal of Professional Surveyor

Certificate Number

ROAD RUNNER FEDERAL COM 3H & 13Y CTB

SECTION 36, T25S, R26E, UNIT C

COORDS: 32.093027, -104.247028

EDDY COUNTY, NM

WELLS:

ROAD RUNNER FEDERAL COM #003H: 30-015-44862

ROAD RUNNER FEDERAL COM #013Y: 30-015-44993

SALES GAS METERS

Sales Gas FUP Meter

(GS): #11105

Buy Back Gas Meter

(BB): #60047

WATER METERS

(3H) Allocation Meter

(W1): #122103671713

(13Y) Allocation Meter

(W2): #12103625520

SMD Meter

(W3): # (View Block)

GAS FMP MTRS

Booster Comp. Meter

(BG): #68522346

VRU Gas Meter

(GV): #68522347

Flare Gas Meter

(F1): #18905436146

(3H) Gas Lnt Meter

(L3): #68522359

(13Y) Gas Lnt Meter

(L2): #68522360

VCU Gas Meter

(GC): #16807046169

LP Flare Gas Meter

(F2): #

Production Phase - Oil Tank #1

- Valve 1 open

- Valves 2, 3, and 4 closed

- Valves 5, 6, 7, and 8 open

- Valves 9, 10, 11, and 12 closed

- Valve 13 open

- Valves 14, 15, and 16 closed

Sales Phase - Oil Tank #1

- Valve 1 closed

- Valves 2, 3, or 4 open

- Valve 5 closed

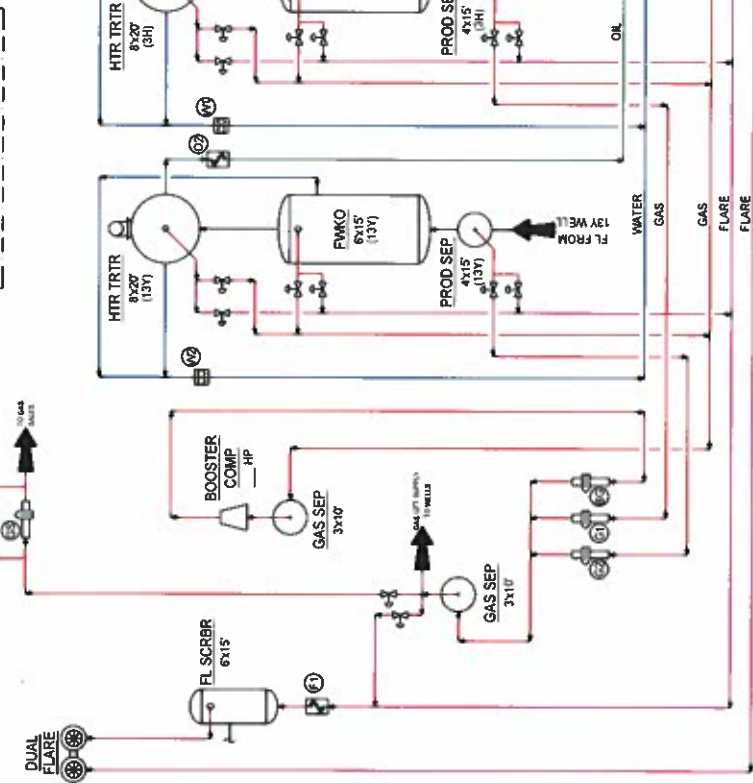
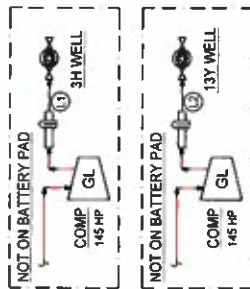
- Valves 6, 7, and 8 open

- Valve 9 open

- Valves 10, 11, and 12 closed

- Valve 13 closed

- Valves 14, 15, or 16 open



NOTES

Type of Facility: Federal

SHL #: Fee

BHL #: MNM 26105

CA #: MNM 096835

NMCD Property Code: 316776

NMCD OGRID #: 229137

Legend for Site Diagram

Produced Fluid:

Produced Oil:

Produced Gas:

Produced Water:

Flare/Vent:

CONFIDENTIALITY NOTICE

THIS DRAWING IS PROPERTY OF CONCHO AND IS NOT TO BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM, WITHOUT THE WRITTEN PERMISSION OF CONCHO. CONCHO, ITS EMPLOYEES, AND ITS AGENTS AND SUBSIDIARIES, AND ANY OTHER PERSONS OR ENTITIES, ARE NOT TO BE HELD LIABLE FOR ANY DAMAGES, INCLUDING REASONABLE ATTORNEY'S FEES, ARISING OUT OF OR FROM THE USE OF THIS DRAWING.

REFERENCE DRAWINGS

NO. TITLE

ONE CONCHO CENTER
600 WEST ALAMOS AVENUE
IRVING, TEXAS 75001

REVISIONS

NO.	DATE	DESCRIPTION	BY	CHK	APP
A	07/28/20	ISSUED FOR REVIEW	JS	JS	
B	07/28/20	REVISED FOR FIELD IMPLEMENTATION	JS	JS	
C	07/28/20	ISSUED FOR FIELD IMPLEMENTATION	JS	JS	
D	07/28/20	REVISED FOR FIELD IMPLEMENTATION	JS	JS	
E	07/28/20	REVISED FOR FIELD IMPLEMENTATION	JS	JS	

CONCRETING RECORD

NO.	DATE	DESCRIPTION	BY	CHK	APP
A	07/28/20	ISSUED FOR REVIEW	JS	JS	
B	07/28/20	REVISED FOR FIELD IMPLEMENTATION	JS	JS	
C	07/28/20	ISSUED FOR FIELD IMPLEMENTATION	JS	JS	
D	07/28/20	REVISED FOR FIELD IMPLEMENTATION	JS	JS	
E	07/28/20	REVISED FOR FIELD IMPLEMENTATION	JS	JS	

CONCHO

NORTHERN CONCHO BASIN ASSET
PRODUCTION FACILITIES
SITE FACILITY DIAGRAM
ROAD RUNNER FEDERAL COM 3H & 13Y CTB
EDDY COUNTY
NMCD OGRID #: 229137
SHEET NO. 0-1700-81-005

[illegible]

Sec 24, 25, 36 -T25S-R26E
Eddy County, NM

Road Runner Fed Com 3H & 13Y

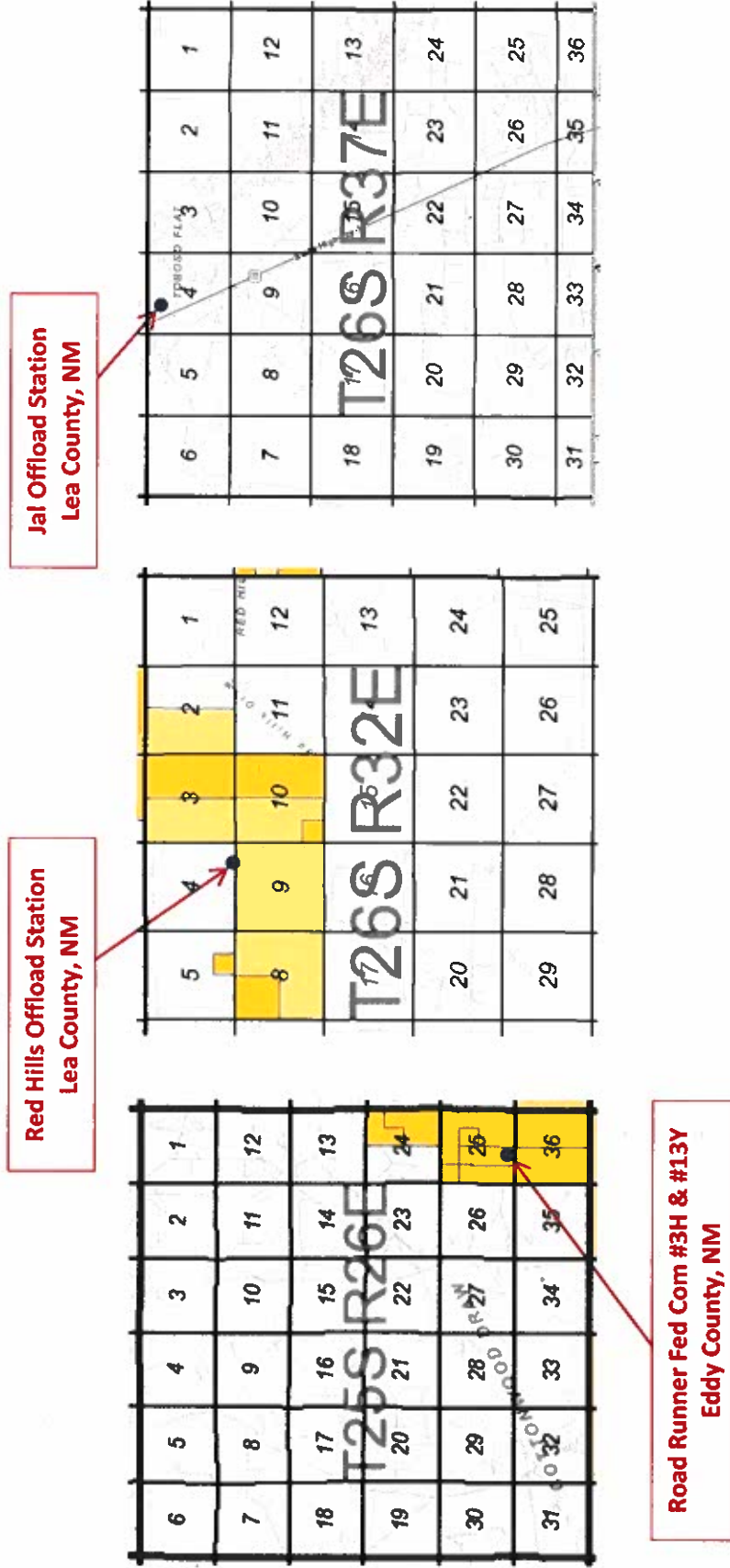


Road Runner Fed Com 3H located N-25-R25S-T26E 32.094125, -104.248568

Road Runner Fed Com 13Y located N-25-R25S-T26E 32.094042, -104.248473

Lucid sales meter located C-36-T25S-R26E 32.092692, -104.247402

Road Runner Fed Com #3H & #13Y & Red Hills and Jal Offload Station Map



Roadrunner Federal Com 3H & 13Y

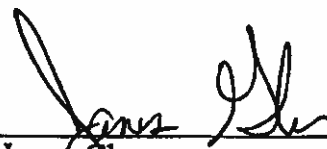
Date Sent	Initials	Name	Address	City	State	ZipCode	Certified Return Receipt No.	Delivered
07.28.20	JB	Cimarex Energy Co	202 S. Cheyenne Avenue, Suite 1000	Tulsa	OK	74103	7019 2280 0001 1027 2187	
07.28.20	JB	RSC Resources LP	9740 W FM 2147 #8329	Horseshoe Bay	TX	78657	7019 2280 0001 1027 2194	
07.28.20	JB	MRC Permian Company	5400 IBJ Freeway, One Lincol Centre, Suite 1500	Dallas	TX	75240	7019 2280 0001 1027 2200	
07.28.20	JB	BLM	620 E. Green Street	Carlsbad	Nm	88220	7019 2280 0001 1027 2217	

Determination - Approval - Certification

Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine that the Federal lease or leases as to the lands committed to the attached agreement 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 that consummation and approval of the agreement will be in the public interest. Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.
 - B. Approve the attached Communitization Agreement covering E2W2 of sec. 24, T. 25 S., R. 26 E. and E2W2 of sec. 25, T. 25 S., R. 26 E., NMPM, as to all producible hydrocarbons from the Bone Spring formation. This approval will become invalid if the public interest requirements under section 3105.2-3 (c) are not met.
- Approval also requires operator to submit copies of sundries or any other documentation regarding activity with this well to the Bureau of Land Management (BLM), Calrsbad Field Office pursuant to Item 9 of the approved Communitization Agreement.
- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the agreement.

Approved: **MAY - 7 2019**



 James Glover
 Supervisory Geologist
 Branch of Reservoir Management
 Division of Minerals

Effective: November 1, 2017

Contract No.: Com. Agr. NMNM138692

Reception: 1908144 Book: 1124 Page: 0778 Pages: 16

Recorded: 08/21/2019 12:54 PM Fee: \$50.00

Eddy County, New Mexico ~ Robin Van Natta, County Clerk



RN

COG OPERATING LLC
 ATTN TESSA ELDER 1CC-8
 600 WILLINOIS AVE
 MIDLAND, TX 79701-9808

Federal Communitization Agreement

Contract No. **NMNM138692**

THIS AGREEMENT entered into as of November 1, 2017, by and among the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

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

WHEREAS, the parties hereto own working, royalty, or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this Agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

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

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

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

Township 25 South, Range 26 East, N.M.P.M.

Section 24: E2W2

Section 25: E2W2

Eddy County, New Mexico

containing 320.00 acres, and this Agreement shall include the Bone Spring Formation underlying said lands and the natural gas and associated liquid hydrocarbons, hereafter referred to as "communitized substances," producible from such formation.

2. Attached hereto, and made a part of this Agreement for all purposes is Exhibit A, a plat designating the communitized area and, Exhibit B, designating the operator of the communitized area and showing the acreage, percentage, and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.
3. The Operator of the communitized area shall be COG Operating LLC, 600 W. Illinois Avenue, Midland, Texas 79701. All matters of operations shall be governed by the operator under and pursuant to the terms and provisions of this Agreement. A successor operator may be designated

Road Runner Federal Com #3H and Road Runner Federal Com #13H

by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.

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

All proceeds, 8/8ths, attributed to unleased Federal, State, or fee land included within the CA area are to be placed in an interest earning escrow or trust account by the designated operator until the land is leased or ownership is established.

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this Agreement shall not be affected by this Agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this Agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any non-communitized lease production, provided, however, in regard 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 non-communitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this Agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this Agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This Agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations, and no party hereto shall suffer

a forfeiture or be liable in damages for failure to comply with any of the provisions of this Agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules, or regulations.

10. The date of this agreement is November 1, 2017, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of two (2) years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this Agreement may be terminated at any time by mutual agreement of the parties hereto. This Agreement shall not terminate upon cessation of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of non-production. The two (2) year term of this Agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this Agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occurs in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This Agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This Agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
15. **Non-Discrimination.** In connection with the performance of work under this Agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this Agreement.

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

OPERATOR / LESSEE OF RECORD: NMNM - 112907 :

COG OPERATING LLC

By: _____

Mark A. Carter, Attorney-In-Fact *all.*
pro

STATE OF TEXAS

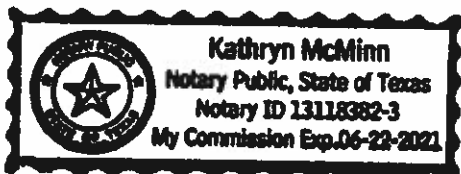
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COUNTY OF MIDLAND

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This instrument was acknowledged before me on April 30th, 2018, by Mark A. Carter, Attorney-In-Fact, of COG Operating LLC, a Delaware limited liability company, on behalf of same.



Kathryn McMinn
Notary Public in and for the State of Texas

RECORD TITLE OWNER NMNM - 096835:

CIMAREX ENERGY COMPANY

By: _____

Title: _____

STATE OF TEXAS

§

§

COUNTY OF MIDLAND

§

This instrument was acknowledged before me on _____, 2017, by _____, as _____ of Cimarex Energy Company, a _____ on behalf of said _____.

Notary Public in and for the State of Texas

Road Runner Federal Com #3H and Road Runner Federal Com #13H

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

OPERATOR / LESSEE OF RECORD: NMNM - 112907 :

COG OPERATING LLC

By: _____
Mark A. Carter, Attorney-In-Fact

STATE OF TEXAS §
 §
COUNTY OF MIDLAND §

This instrument was acknowledged before me on _____, 2017, by Mark A. Carter, Attorney-In-Fact, of COG Operating LLC, a Delaware limited liability company, on behalf of same.

Notary Public in and for the State of Texas

RECORD TITLE OWNER NMNM - 096835:

^{Co.}
CIMAREX ENERGY COMPANY

By: _____
Title: Roger Alexander
Attorney-In-Fact

STATE OF TEXAS §
 §
COUNTY OF MIDLAND §

This instrument was acknowledged before me on February 19, 2017, by Roger Alexander as Attorney In Fact of Cimarex Energy Company, a Delaware Corporation on behalf of said Corporation.



Kaimi Brownlee
Notary Public in and for the State of Texas

Road Runner Federal Com #3H and Road Runner Federal Com #13H

RECORD TITLE OWNERS NMNM - 026105:

EOG RESOURCES, INC.

By: Wendy Dalton *W*Title: Wendy Dalton
Agent and Attorney-in-Fact

STATE OF TEXAS

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COUNTY OF MIDLAND

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This Instrument was acknowledged before me on April 2, 2017, by Wendy Dalton, as Agent and Attorney-in-Fact of EOG Resources, Inc., a Delaware Corporation on behalf of said Corporation.



Sarah Tisdale Semer
Notary Public in and for the State of Texas

RECORD TITLE OWNER NMNM - 026105:

CHEVRON U.S.A. PRODUCTION COMPANY

By: _____

Title: _____

STATE OF TEXAS

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§

COUNTY OF HARRIS

§

This instrument was acknowledged before me on _____, 2017, by _____, as _____ of Chevron U.S.A. Production Company, a _____ on behalf of said _____.

Notary Public in and for the State of Texas

Road Runner Federal Com #3H and Road Runner Federal Com #13H

RECORD TITLE OWNERS NMNM - 026105:

EOG RESOURCES, INC.

By: _____

Title: _____

STATE OF TEXAS

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§

COUNTY OF MIDLAND

§

This instrument was acknowledged before me on _____, 2017, by
 _____, as _____ of EOG
 Resources, Inc., a _____ on behalf of said _____.

Notary Public in and for the State of Texas

RECORD TITLE OWNER NMNM - 026105:

CHEVRON U.S.A. PRODUCTION COMPANY
A division of Chevron U.S.A. Inc.By: Nick BrockTitle: Attorney-in-Fact

STATE OF TEXAS

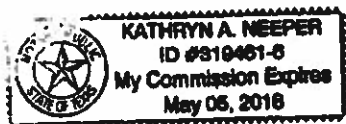
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COUNTY OF ~~HARRIS~~ Midland

§

This instrument was acknowledged before me on January 23rd, 2018, by
Nick Brock, as Attorney-in-Fact of
 Chevron U.S.A. Production Company, a division of Chevron U.S.A. Inc. on behalf of said
Pennsylvania Corporation



 Notary Public in and for the State of Texas

MRC PERMIAN COMPANY

By: *CA*
 Title: Executive Vice President - Land, Legal and Administration *not filed*

STATE OF TEXAS

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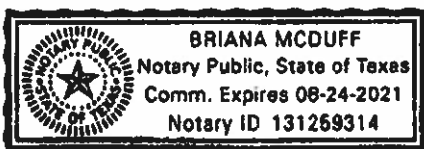
COUNTY OF DALLAS

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This instrument was acknowledged before me on February 15th 2018 ~~2017~~, by
Craig N. Adams, as Executive Vice President - Land, Legal and Administration of MRC
 Permian Company, a Texas corporation on behalf of said corporation.

Briana McDuff
 Notary Public in and for the State of Texas

**RSC RESOURCES LP**

By: _____
 Title: _____

STATE OF TEXAS

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COUNTY OF MIDLAND

§

§

This instrument was acknowledged before me on _____, 2017, by
 _____, as _____ of RSC
 Resources, LP, a _____ on behalf of said _____.

 Notary Public in and for the State of Texas

Road Runner Federal Com #3H and Road Runner Federal Com #13H

MRC PERMIAN COMPANY

By: _____
Title: _____

STATE OF TEXAS

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§

COUNTY OF DALLAS

This instrument was acknowledged before me on _____, 2017, by
_____, as _____ of MRC
Permian Company, a _____ on behalf of said _____.

Notary Public in and for the State of Texas

RSC RESOURCES LP

By: *[Signature]*
Title: President

STATE OF TEXAS

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§

COUNTY OF ~~MIDLAND~~ LLANO

This instrument was acknowledged before me on December 15, 2017, by
RANDY S. CATE, as President of RSC
Resources, LP, a TEXAS Limited Partnership on behalf of said Limited Partnership.

[Signature]
Notary Public in and for the State of Texas

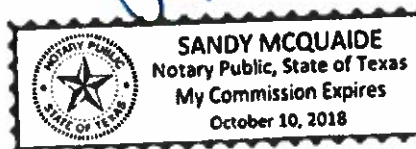


EXHIBIT "A"
Plat of communitized area covering E2W2 of Section 24 and E2W2 of Section 25,
T25S-R26E, Eddy County, New Mexico

Roadrunner Fed Com 3H (API No. 30-15-44862)
Roadrunner Fed Com 13Y (API No. 30-15-44993)

	Tract 1 NM-026105 80 ac		24-25S-26E
	Tract 2 NM-096835 80 ac		
	Tract 3 NM-112907 40 ac		25-25S-26E
	OTHER (Fee) 120 ac		

EXHIBIT "B"**Leases covering E2W2 of Section 24 and E2W2 of Section 25,
T25S-R26E, Eddy County, New Mexico**

Operator of Communitized Area: COG Operating LLC

TRACT 1

Lease No.: NM-026105
 Lessor: United State of America
 Lessee of Record: EOG Resources, Inc. and Chevron USA Production Co.
 Date of Lease: December 1, 1973
 Description of Lands: Insofar and only insofar as said lease covers:
Township 25 South, Range 26 East, N.M.P.M.
 Sec. 24: E2NW
 Eddy County, New Mexico
 No. of Acres: 80.00 ac
 Working Interest Owners:

Cimarex Energy Co.	44.6875%
COG Operating LLC	39.0625%
MRC Permian Co.	15.6250%
RSC Resources, LP	.6250%

TRACT 2

Lease No.: NM-096835
 Lessor: United State of America
 Lessee of Record: Cimarex Energy
 Date of Lease: June 1, 1996
 Description of Lands: Insofar and only insofar as said lease covers:
Township 25 South, Range 26 East, N.M.P.M.
 Sec. 24: E2SW
 Eddy County, New Mexico
 No. of Acres: 80.00 ac
 Working Interest Owners:

Cimarex Energy Co.	44.6875%
COG Operating LLC	39.0625%
MRC Permian Co.	15.6250%
RSC Resources, LP	.6250%

TRACT 3

Lease No.: NM-112907
 Lessor: United State of America
 Lessee of Record: COG Operating LLC
 Date of Lease: January 1, 2005
 Description of Lands: Insofar and only insofar as said lease covers:
Township 25 South, Range 26 East, N.M.P.M.
 Sec. 24: NENW
 Eddy County, New Mexico
 No. of Acres: 40.00 ac
 Working Interest Owners:

Cimarex Energy Co.	44.6875%
COG Operating LLC	39.0625%
MRC Permian Co.	15.6250%
RSC Resources, LP	.6250%

TRACT 4**Fee leases described below:****120 ac**

Working Interest Owners:	Cimarex Energy Co.	44.6875%
	COG Operating LLC	39.0625%
	MRC Permian Co.	15.6250%
	RSC Resources, LP	.6250%

Date: August 15, 2014
Lessor: Susan Ogden Benting Revocable Trust
Lessee of Record: COG Operating LLC
Recorded: Book 997, Page 831
Description: Insofar as said lease covers
Township 25 South, Range 26 East, N.M.P.M.
SE/4NW/4, E/2SW/4 of Section 25
 Eddy County, New Mexico

Date: August 15, 2014
Lessor: Ann Forehand Langlins
Lessee of Record: COG Operating LLC
Recorded: Book 997, Page 841
Description: Insofar as said lease covers
Township 25 South, Range 26 East, N.M.P.M.
SE/4NW/4, E/2SW/4 of Section 25
 Eddy County, New Mexico

Date: August 15, 2014
Lessor: Elizabeth Forehand Smith
Lessee of Record: COG Operating LLC
Recorded: Book 997, Page 836
Description: Insofar as said lease covers
Township 25 South, Range 26 East, N.M.P.M.
SE/4NW/4, E/2SW/4 of Section 25
 Eddy County, New Mexico

Date: August 15, 2014
Lessor: Karen Ogden Cortese
Lessee of Record: COG Operating LLC
Recorded: Book 997, Page 846
Description: Insofar as said lease covers
Township 25 South, Range 26 East, N.M.P.M.
SE/4NW/4, E/2SW/4 of Section 25
 Eddy County, New Mexico

Date: August 15, 2014
Lessor: Alisa Ogden
Lessee of Record: COG Operating LLC

Recorded: Book 997, Page 826
Description: Insofar as said lease covers
Township 25 South, Range 26 East, N.M.P.M.
SE/4NW/4, E/2SW/4 of Section 25
Eddy County, New Mexico

Date: August 15, 2014
Lessor: Craig William Ogden
Lessee of Record: COG Operating LLC
Recorded: Book 997, Page 821
Description: Insofar as said lease covers
Township 25 South, Range 26 East, N.M.P.M.
SE/4NW/4, E/2SW/4 of Section 25
Eddy County, New Mexico

Date: February 5, 2016
Lessor: Mark Lee Forehand and Jeanne Forehand
Lessee of Record: COG Operating LLC
Recorded: Book 1064, Page 732
Description: Insofar as said lease covers
Township 25 South, Range 26 East, N.M.P.M.
SE/4NW/4, E/2SW/4 of Section 25
Eddy County, New Mexico

Date: February 5, 2016
Lessor: Charlotte Albright
Lessee of Record: COG Operating LLC
Recorded: Book 1064, Page 735
Description: Insofar as said lease covers
Township 25 South, Range 26 East, N.M.P.M.
SE/4NW/4, E/2SW/4 of Section 25
Eddy County, New Mexico

Date: January 16, 2017
Lessor: Jodie R. Darden
Lessee of Record: COG Operating LLC
Recorded: Book 1091, Page 701
Description: Insofar as said lease covers
Township 25 South, Range 26 East, N.M.P.M.
SE/4NW/4, E/2SW/4 of Section 25
Eddy County, New Mexico

Date: January 12, 2017
Lessor: John Reed
Lessee of Record: COG Operating LLC
Recorded: Book 1091, Page 702
Description: Insofar as said lease covers
Township 25 South, Range 26 East, N.M.P.M.

**SE/4NW/4, E/2SW/4 of Section 25
Eddy County, New Mexico**

Date: January 12, 2017
Lessor: Jana B. Crane
Lessee of Record: COG Operating LLC
Recorded: Book 1091, Page 703
Description: Insofar as said lease covers
Township 25 South, Range 26 East, N.M.P.M.
SE/4NW/4, E/2SW/4 of Section 25
Eddy County, New Mexico

Date: January 16, 2017
Lessor: Camille R. Allen
Lessee of Record: COG Operating LLC
Recorded: Book 1091, Page 704
Description: Insofar as said lease covers
Township 25 South, Range 26 East, N.M.P.M.
SE/4NW/4, E/2SW/4 of Section 25
Eddy County, New Mexico

Date: January 20, 2017
Lessor: Arroyo Resources Ltd.
Lessee of Record: COG Operating LLC
Recorded: Book 1091, Page 915
Description: Insofar as said lease covers
Township 25 South, Range 26 East, N.M.P.M.
SE/4NW/4, E/2SW/4 of Section 25
Eddy County, New Mexico

Date: April 20, 2017
Lessor: Lost Creek Royalties LP
Lessee of Record: COG Operating LLC
Recorded: Book 1094, Page 1213
Description: Insofar as said lease covers
Township 25 South, Range 26 East, N.M.P.M.
SE/4NW/4, E/2SW/4 of Section 25
Eddy County, New Mexico

Date: April 1, 2017
Lessor: Hold The Door, L.P.
Lessee of Record: COG Operating LLC
Recorded: Book 1093, Page 1097
Description: Insofar as said lease covers
Township 25 South, Range 26 East, N.M.P.M.
SE/4NW/4, E/2SW/4 of Section 25
Eddy County, New Mexico

Date: October 15, 2017
Lessor: Ross Duncan Properties LLC and B&G Royalties
Lessee of Record: COG Operating LLC
Recorded: Book 1103, Page 254
Description: Insofar as said lease covers
Township 25 South, Range 26 East, N.M.P.M.
SE/4NW/4, E/2SW/4 of Section 25
 Eddy County, New Mexico

Date: December 3, 2014
Lessor: CH4NET.com, Ltd.
Lessee of Record: COG Operating LLC
Recorded: Book 1005, Page 1028
Description: Insofar as said lease covers
Township 25 South, Range 26 East, N.M.P.M.
SE/4NW/4, E/2SW/4 of Section 25
 Eddy County, New Mexico

RECAPULATION

Tract 1	80.00 ac	25.00%
Tract 2	80.00 ac	25.00%
Tract 3	40.00 ac	12.50%
Tract 4	120.00 ac	37.50%
TOTAL	320.00 ac	100.00%