

RECEIVED: 7/30/20	REVIEWER: DM	TYPE: PLC	APP NO: pDM2021332418
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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:** JACINTO FEDERAL COM #40H & TWO OTHER WELLS PLEASE SEE ATTACHED **API:** 30-025-44152  
**Pool:** WC-025 G-09 S253402N; WOLFCAMP & RED HILLS; BONE SRING, NORTH **Pool Code:** 98116/96434

**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**

- ☐ Notice Complete  
☐ 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

*Jeanette Barron*  
 Signature

Date

7/30/20

575-748-6974

Phone Number

jbarron@concho.com

e-mail Address



July 30, 2020

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

Re: Application for Administrative Approval of Pool Lease Commingle

Dear Mr. McClure,

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

Jacinto Fed Com 40H  
 API# 30-025-44152  
 WC-025 G-09 S253402N; Wolfcamp  
 Ut. O, Sec. 25-T24S-R34E  
 Lea County, NM

Baseball Cap Fed Com 603H  
 API# 30-025-45784  
 Red Hills; Bone Spring, North  
 Ut. O, Sec. 25-T24S-R34E  
 Lea County, NM

Baseball Cap Fed Com 705H  
 API# 30-025-45789  
 WC-025 G-09 S253402N; Wolfcamp  
 Ut. O, Sec. 25-T24S-R34E  
 Lea County, NM

**Oil Production:**

The oil production from all wells will be measured separately by allocation meter prior to being commingled at the Central Tank Battery located in Ut. O, Sec. 25-T24S-R34E. In the event the CTB is over capacity or in the case of battery or pipeline repairs the oil production from these wells may be transported by truck to either the Red Hills Offload Station, located in Unit O, Section 4-T26S-R32E, or the Jal Offload Station, located in Unit D, Section 4-T26S-R37E, Lea County. In this case, the oil will remain segregated and will be measured by lact meter when offloading at said stations.

**Gas Production:**

The gas production from all wells will be measured separately by allocation meter prior to being commingled and entering a gas flow line to the gas custody transfer meter at the Central Tank Battery located in Ut. O, Sec. 25-T24S-R34E. The Targa gas sales meter # 1611172.

**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



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

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

Thank you for your attention to this matter.

Sincerely,

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

Jeanette Barron  
Regulatory Technician II

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**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
WC-025 G-09 S253402N; WOLFCAMP/98116	43.5/1393	41.5/1385			
RED HILLS; BONE SPRING, NORTH/ 96434	41.3/1379				

- (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: 7/30/20

TYPE OR PRINT NAME Jeanette Barron TELEPHONE NO.: 575.748.6974

E-MAIL ADDRESS: jbarron@concho.com

**DISTRICT I**1825 N. French Dr., Hobbs, NM 88240  
Phone (505) 863-8181 Fax: (505) 863-8720**DISTRICT II**811 S. First St., Artesia, NM 88210  
Phone (505) 746-1283 Fax: (505) 746-8720**DISTRICT III**1000 Rio Brazos Rd., Aztec, NM 87410  
Phone (505) 334-8178 Fax: (505) 334-8170**DISTRICT IV**1226 S. St. Francis Dr., Santa Fe, NM 87505  
Phone (505) 476-5480 Fax: (505) 476-5483**State of New Mexico**  
Energy, Minerals and Natural Resources Department**OIL CONSERVATION DIVISION**1226 South St. Francis Dr.  
Santa Fe, New Mexico 87505

Form C-102

Revised August 1, 2011

Submit one copy to appropriate  
District Office**WELL LOCATION AND ACREAGE DEDICATION PLAT**☐ AMENDED REPORT

API Number 30-025-44152		Pool Code 98116	Pool Name WC-025 G-09 S253402N; Wolfcamp
Property Code 322441	Property Name JACINTO FED COM		Well Number 40H
OGRID No. 229137	Operator Name COG OPERATING, LLC		Elevation 3382'

**Surface Location**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	25	24 S	34 E		360	SOUTH	1980	EAST	LEA

**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
B	24	24 S	34 E		203	NORTH	2230	EAST	LEA

Dedicated Acres 320	Joint or Infill	Consolidation Code	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

**BOTTOM HOLE LOCATION**

Lat - N 32.209713°  
Long - W 103.422380°  
NMSPC- N 441221.7  
E 823082.6  
(NAD-83)

**LOWER PERF**

**336' FNL & 2243' FEL**  
Lat - N 32.209347°  
Long - W 103.422421°  
NMSPC- N 441088.2  
E 823071.1  
(NAD-83)

**UPPER PERF**

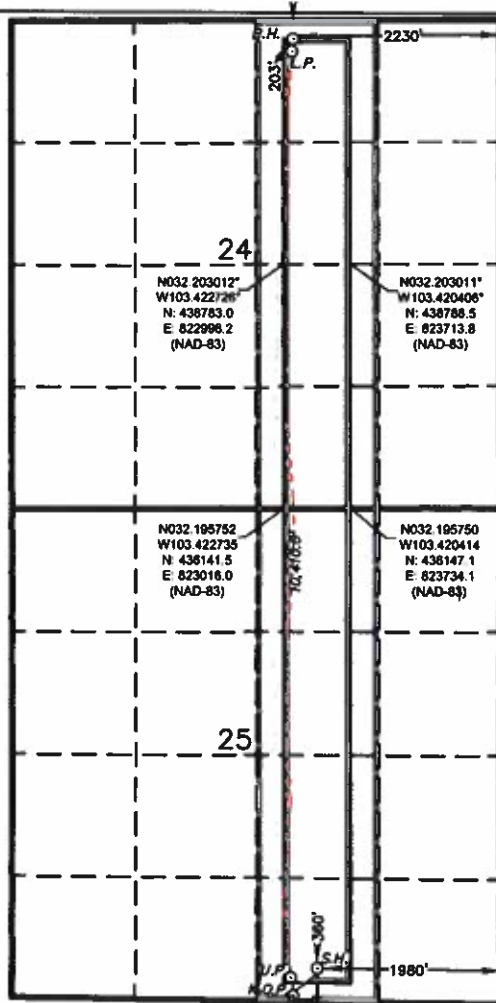
**256' FSL & 2269' FEL**  
Lat - N 32.181811°  
Long - W 103.422526°  
NMSPC- N 431070.4  
E 823123.5  
(NAD-83)

**KICK OFF POINT**

**59' FSL & 2253' FEL**  
Lat - N 32.181268°  
Long - W 103.422443°  
NMSPC- N 430873.2  
E 823150.9  
(NAD-83)

**SURFACE LOCATION**

Lat - N 32.182082°  
Long - W 103.421591°  
NMSPC- N 431171.5  
E 823411.8  
(NAD-83)

**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 undivided 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* 7/30/20  
Signature Date

Jeanette Barron  
Printed Name  
jbarron@concho.com  
Email Address

**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.

JANUARY 9, 2019  
Date Surveyed  
Signature & Seal of  
Professional Surveyor

Certification No. Gary L. Jones 7977  
Surveyor

0' 1000' 2000' 3000' 4000'  
SCALE: 1" = 2000'  
WO Num.: 32603



DISTRICT I  
1625 N. FRENCH DR., HOBBS, NM 88240  
Phone: (505) 393-6161 Fax: (505) 393-0720

DISTRICT II  
811 S. FIRST ST., ARTESIA, NM 88210  
Phone: (505) 748-1283 Fax: (505) 748-9720

DISTRICT III  
1000 RIO BRAZOS RD., 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, New Mexico 87505

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

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number 30-025-45784	Pool Code 96434	Pool Name RED HILLS; BONE SPRING, NORTH
Property Code 319803	Property Name BASEBALL CAP FEDERAL COM	Well Number 603H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3387.7'

**Surface Location**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	25	24-S	34-E		390	SOUTH	2305	EAST	LEA

**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
B	24	24-S	34-E		200	NORTH	1880	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			

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

<p>NAD 83 NME PROPOSED BOTTOM HOLE LOCATION Y=441227.5 N X=823435.1 E LAT.=32.209721° N LONG.=103.421241° W</p>	<p>Y=441421.9 N X=822678.3 E</p>	<p>200' B.H. 1880'</p> <p>Y=441431.7 N X=823995.8 E</p> <p>LTP 330' FNL &amp; 1880' FEL Y=441097.5 N X=823436.2 E LAT.=32.209364° N LONG.=103.421240° W</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Jeannette Barron</i> 7/30/20 Signature Date</p> <p>Jeannette Barron Printed Name</p> <p>jbarron@concho.com E-mail Address</p>
<p>NAD 83 NME SURFACE LOCATION Y=431204.1 N X=823088.2 E LAT.=32.182179° N LONG.=103.422637° W</p>	<p>Y=430816.9 N X=822756.4 E</p>	<p>LEASE X-ING LAT.=32.203010° N LONG.=103.421247° W</p> <p>LEASE X-ING LAT.=32.195750° N LONG.=103.421253° W</p> <p>FTP 330' FSL &amp; 1880' FEL Y=431140.5 N X=823513.1 E LAT.=32.181994° N LONG.=103.421265° W GRID AZ. TO FTP 98°31'07"</p> <p>Y=430805.7 N X=824075.4 E</p>	<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>AUGUST 7, 2018 Date of Survey</p> <p>Signature &amp; Seal of Professional Surveyor</p> <p><i>Chad L. Harcrow</i> 8/26/18 Certificate No. CHAD HARCROW 17777 W.O. # 18-932 DRAWN BY: SP</p>

DISTRICT I  
1625 N. FRENCH DR., HOBBS, NM 88240  
Phone: (575) 393-8161 Fax: (575) 393-0720

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State of New Mexico  
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1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

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

☒ AMENDED REPORT  
As Drilled

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number 30-025-45789		Pool Code 96434	Pool Name RED HILLS; BONE SPRING, NORTH
Property Code 319803	Property Name BASEBALL CAP FEDERAL COM		Well Number 705H
OGRID No. 229137	Operator Name COG OPERATING, LLC		Elevation 3388.3'

**Surface Location**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	25	24-S	34-E		390	SOUTH	2335	EAST	LEA

**Bottom Hole Location If Different From Surface**

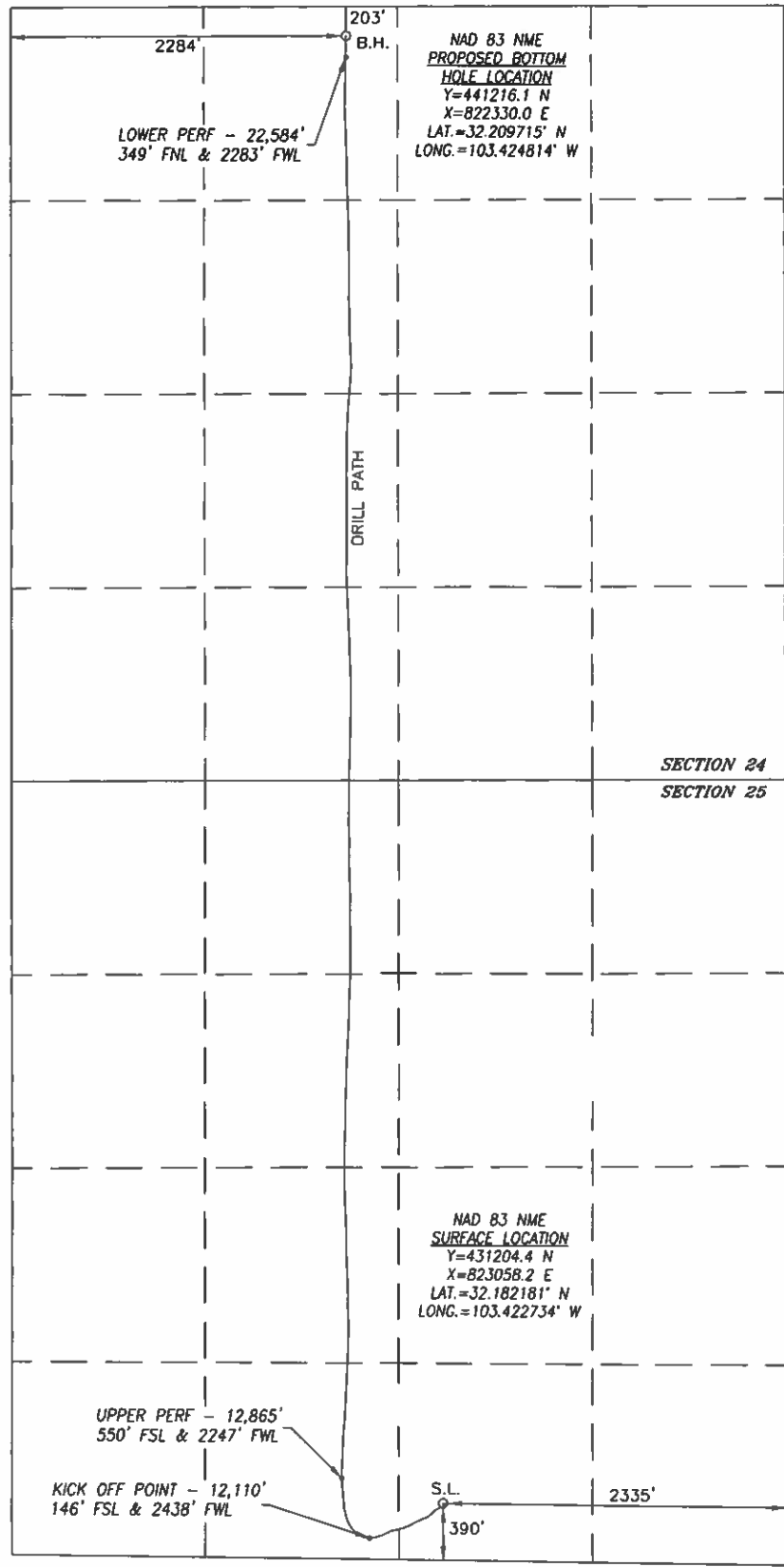
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	24	24-S	34-E		203	NORTH	2284	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			

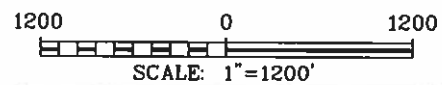
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

SEE PAGE 2

Property Code 319803	Property Name BASEBALL CAP FEDERAL COM	Well Number 705H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3388.3'



SURFACE INFO AND BOREPATH SHOWN HEREON IS BASED ON DIRECTIONAL SURVEY REPORT PROVIDED BY COG OPERATING, LLC FOR THE BASEBALL CAP FEDERAL COM #705H SUPPLIED TO HARCROW SURVEYING, LLC ON JANUARY 28, 2020



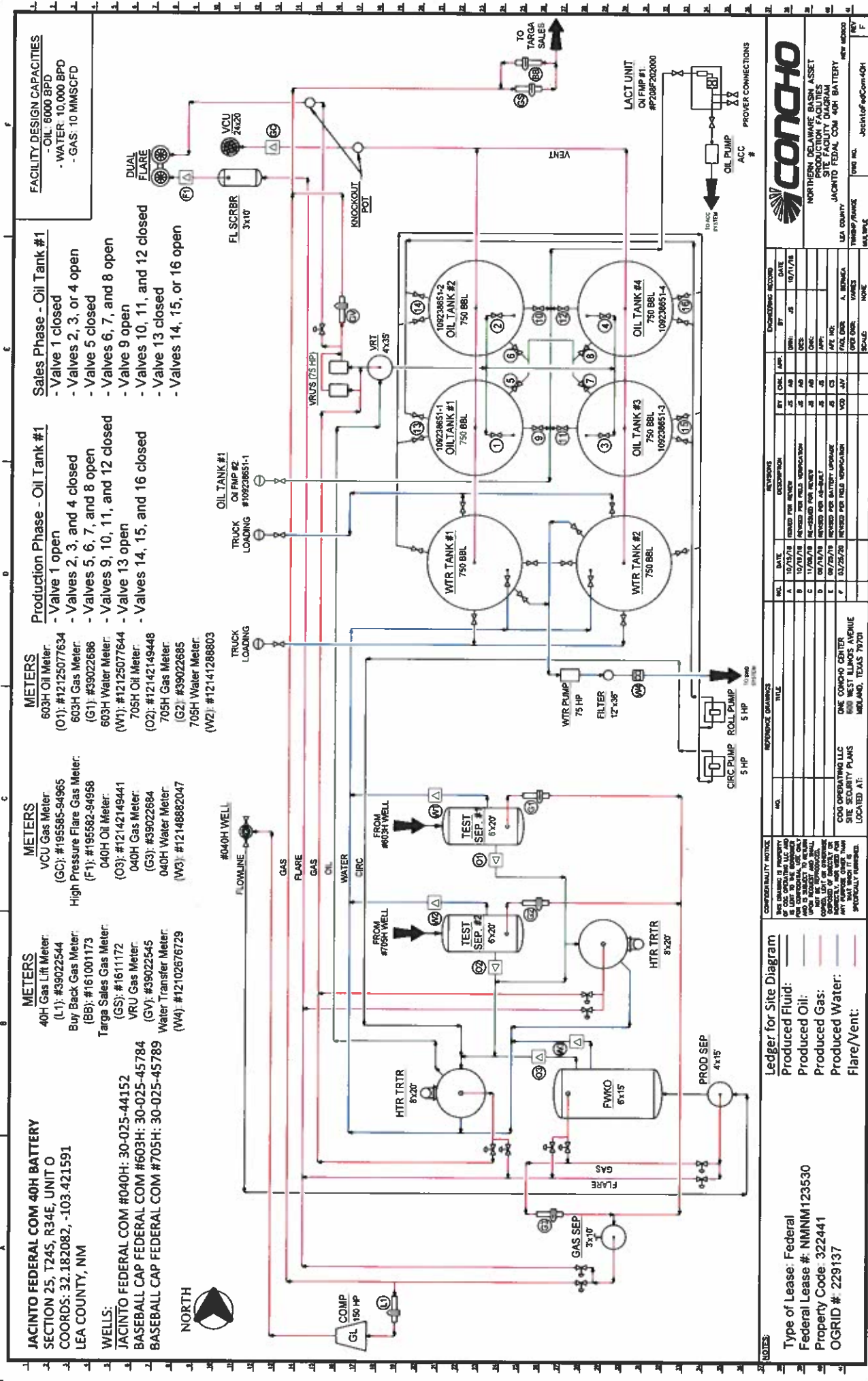
<b>OPERATOR CERTIFICATION</b> I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. <i>Jeanette Barron</i> 7/30/20 Signature Date Jeanette Barron Printed Name jbarron@concho.com E-mail Address	
<b>SURVEYOR CERTIFICATION</b> 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. AUG. 7, 2018/SEPT. 30, 2019 Date of Survey/Date of Geographic Survey Signature & Seal of Professional Surveyor  <i>Chad Harcrow</i> 1/30/20 Certificate No. CHAD HARCROW 17777 W.O. # 20-165 DRAWN BY: WN	



Production Summary Report											
API: 30-025-44152											
JACINTO FEDERAL COM #040H											
Printed On: Thursday, July 30 2020											
		Production				Injection					
Year	Pool	Month	Oil(BBLS)	Gas(MCF)	Water(BBLS)	Days P/I	Water(BBLS)	Co2(MCF)	Gas(MCF)	Other	Pressure
2019	[98116] WC-025 G-09 S253402N;WOLFCAMP	Dec	13268	17518	14087	29	0	0	0	0	0
2020	[98116] WC-025 G-09 S253402N;WOLFCAMP	Jan	0	0	0	0	0	0	0	0	0
2020	[98116] WC-025 G-09 S253402N;WOLFCAMP	Feb	2378	5743	56350	16	0	0	0	0	0
2020	[98116] WC-025 G-09 S253402N;WOLFCAMP	Mar	7260	22451	52520	31	0	0	0	0	0
2020	[98116] WC-025 G-09 S253402N;WOLFCAMP	Apr	8307	21203	28612	30	0	0	0	0	0
2020	[98116] WC-025 G-09 S253402N;WOLFCAMP	May	8095	20357	21874	31	0	0	0	0	0

Production Summary Report											
API: 30-025-45784											
BASEBALL CAP FEDERAL COM #603H											
Printed On: Thursday, July 30 2020											
		Production				Injection					
Year	Pool	Month	Oil(BBLS)	Gas(MCF)	Water(BBLS)	Days P/I	Water(BBLS)	Co2(MCF)	Gas(MCF)	Other	Pressure
2020	[96434] RED HILLS;BONE SPRING, NORTH	Feb	17211	21417	73315	15	0	0	0	0	0
2020	[96434] RED HILLS;BONE SPRING, NORTH	Mar	48250	57469	128400	31	0	0	0	0	0
2020	[96434] RED HILLS;BONE SPRING, NORTH	Apr	33159	39332	80289	30	0	0	0	0	0
2020	[96434] RED HILLS;BONE SPRING, NORTH	May	27141	32364	66904	31	0	0	0	0	0

Production Summary Report											
API: 30-025-45789											
BASEBALL CAP FEDERAL COM #705H											
Printed On: Thursday, July 30 2020											
		Production				Injection					
Year	Pool	Month	Oil(BBLS)	Gas(MCF)	Water(BBLS)	Days P/I	Water(BBLS)	Co2(MCF)	Gas(MCF)	Other	Pressure
2020	[96434] RED HILLS;BONE SPRING, NORTH	Feb	17623	20770	78291	15	0	0	0	0	0
2020	[96434] RED HILLS;BONE SPRING, NORTH	Mar	47805	59539	134127	31	0	0	0	0	0
2020	[96434] RED HILLS;BONE SPRING, NORTH	Apr	35560	44292	86049	30	0	0	0	0	0
2020	[96434] RED HILLS;BONE SPRING, NORTH	May	29514	36713	65074	31	0	0	0	0	0



- FACILITY DESIGN CAPACITIES**
- OIL: 8000 BPD
  - WATER: 10,000 BPD
  - GAS: 10 MMSCFD
- 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

- 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

- METERS**
- 603H Oil Meter:  
(O1): #12125077634  
603H Gas Meter:  
(G1): #39022686  
603H Water Meter:  
(W1): #12125077644  
705H Oil Meter:  
(O2): #12142149448  
705H Gas Meter:  
(G2): #39022685  
705H Water Meter:  
(W2): #12141288803
- VCU Gas Meter:  
(GC): #195585-94965  
High Pressure Flare Gas Meter:  
(F1): #195582-94958  
040H Oil Meter:  
(O3): #12142149441  
040H Gas Meter:  
(G3): #39022684  
040H Water Meter:  
(W3): #1214882047
- 40H Gas Lift Meter:  
(L1): #39022544  
Buy Back Gas Meter:  
(BB): #161001173  
Targa Sales Gas Meter:  
(GS): #1611172  
VRU Gas Meter:  
(GV): #39022545  
Water Transfer Meter:  
(W4): #12102676729

**JACINTO FEDERAL COM 40H BATTERY**  
SECTION 25, T24S, R34E, UNIT O  
COORDS: 32.182082, -103.421591  
LEA COUNTY, NM

**WELLS:**  
JACINTO FEDERAL COM #040H: 30-025-44152  
BASEBALL CAP FEDERAL COM #603H: 30-025-45784  
BASEBALL CAP FEDERAL COM #705H: 30-025-45789

**NOTES:**

Type of Lease: Federal  
Federal Lease #: NMMN123530  
Property Code: 322441  
OGRID #: 229137

**Ledger for Site Diagram**

Produced Fluid: \_\_\_\_\_  
Produced Oil: \_\_\_\_\_  
Produced Gas: \_\_\_\_\_  
Produced Water: \_\_\_\_\_  
Flare/Vent: \_\_\_\_\_

**CONCHO**  
NORTHERN DELAWARE BASIN ASSET  
PRODUCTION FACILITIES  
JACINTO FEDERAL COM 40H BATTERY

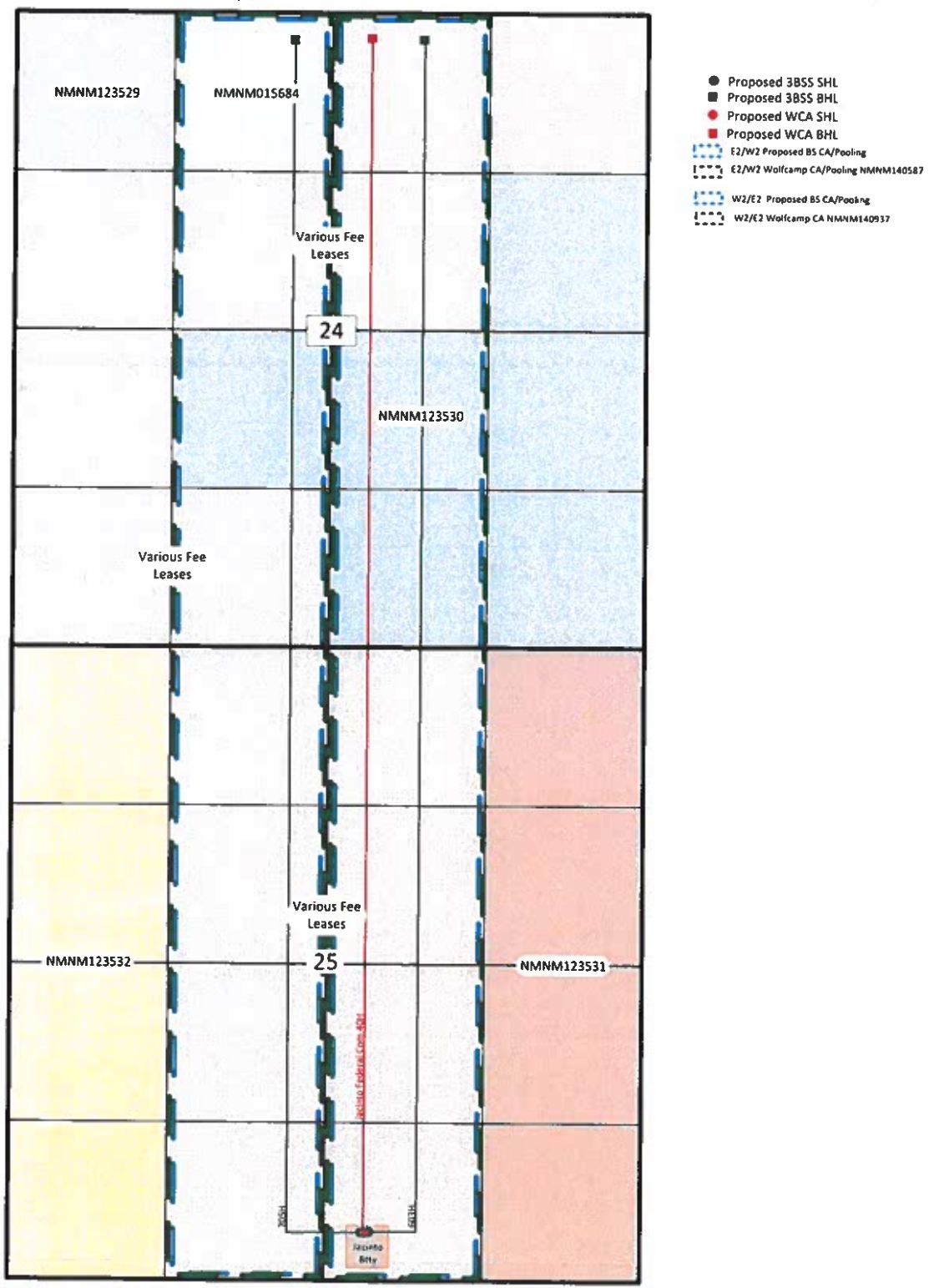
**REVISIONS**

NO.	DATE	DESCRIPTION	BY	CHK.	APP.
A	10/19/18	REVISED FOR REVIEW	JS	AB	
B	10/19/18	REVISED FOR FIELD MODIFICATION	JS	AB	
C	11/08/18	REVISED FOR FIELD MODIFICATION	JS	AB	
D	01/19/19	REVISED FOR AS-BUILT	JS	AB	
E	07/25/19	REVISED FOR BATTERY UPGRADE	JS	AB	
F	10/25/20	REVISED FOR FIELD MODIFICATION	VD	JAV	

**CONCHO OPERATING LLC**  
SITE SECURITY PLANS  
LOCATED AT: \_\_\_\_\_

**CONFIDENTIALITY NOTICE**  
THIS DRAWING IS PROPERTY OF CONCHO OPERATING LLC 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 OPERATING LLC. ANY UNAUTHORIZED REPRODUCTION OR TRANSMISSION OF THIS DRAWING IS STRICTLY PROHIBITED AND WILL BE PROSECUTED TO THE FULL EXTENT OF THE LAW.

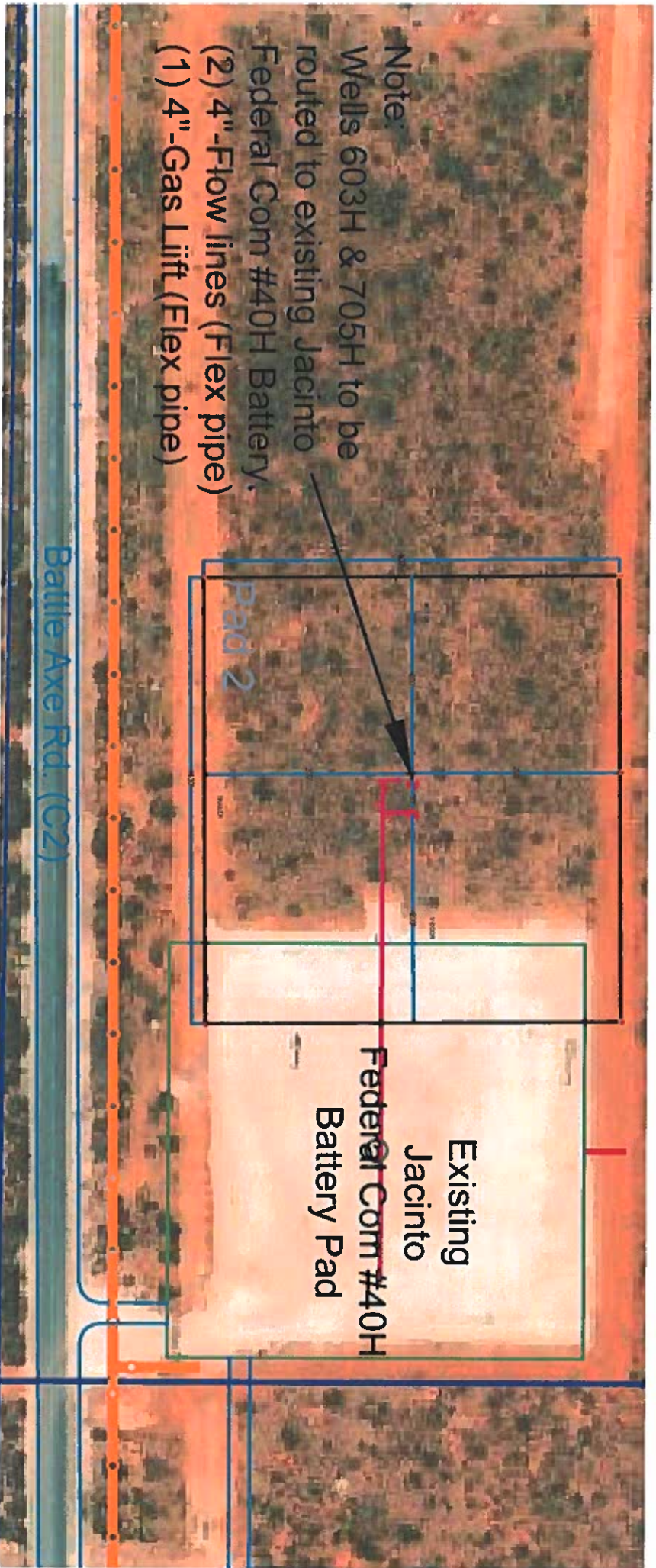
Baseball Cap/Jacinto Federal Com Wells



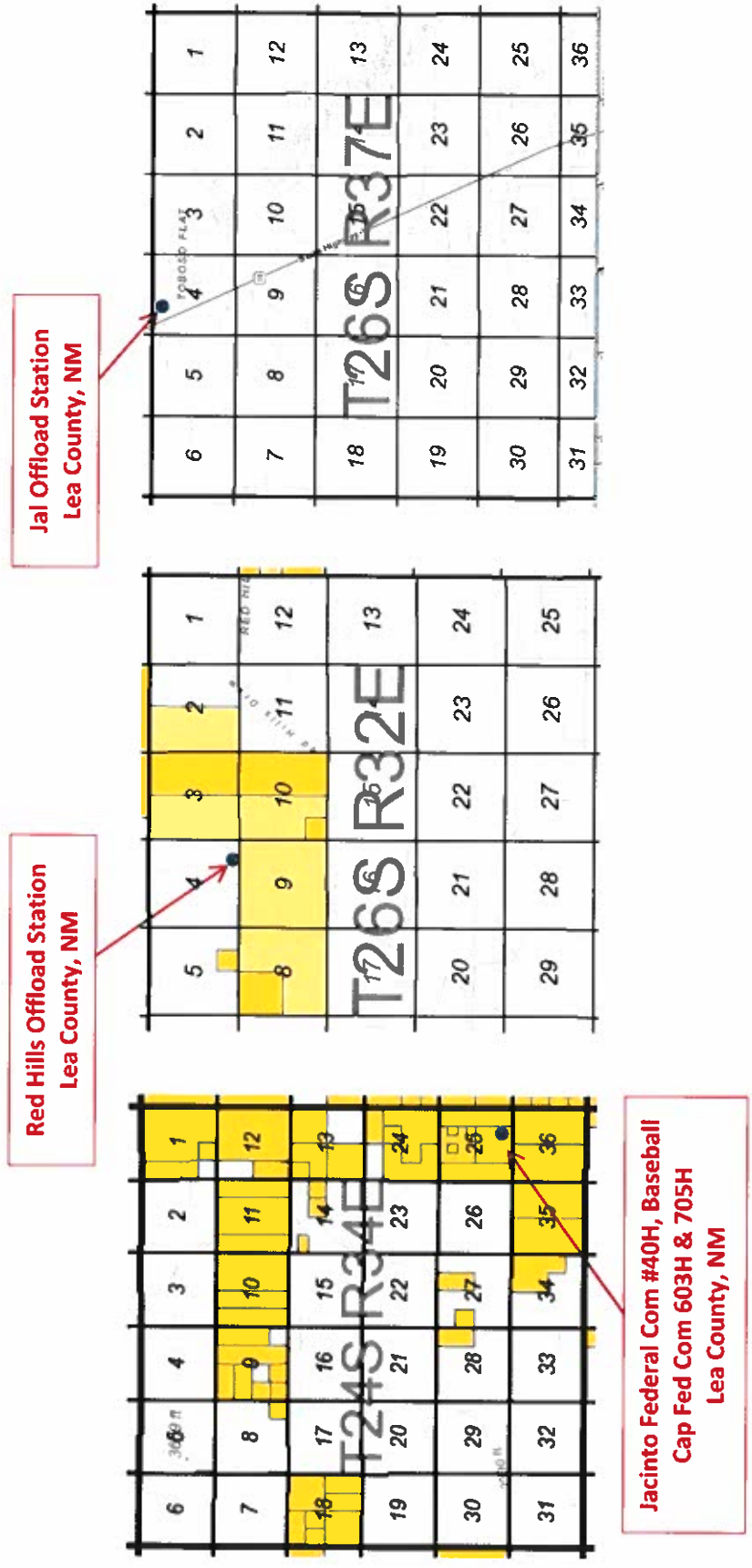
Sec. 24, 25, 36-T24S-R34E  
Lea County, NM



Note:  
Wells 603H & 705H to be  
routed to existing Jacinto  
Federal Com #40H Battery,  
(2) 4"-Flow lines (Flex pipe)  
(1) 4"-Gas Lift (Flex pipe)



# Jacinto Federal Com #40H, Baseball Cap Fed Com 603H & 705H & Red Hills and Jal Offload Station Map



**HOBBS NEWS SUN**  
**LEGAL NOTICES**

COG Operating LLC (COG), 2208 West Main, Artesia, New Mexico, 88210, has filed an application seeking administrative approval for Pool Lease Commingle of oil & gas from the New Mexico Oil Conservation Division and Bureau of Land Management for the Jacinto Federal Com #40H, Baseball Cap Fed Com 603H & Baseball Cap Fed Com 705H the surface hole location of these well are located in Unit O, Section 25, Township 24 South Range 34 East in Lea County, New Mexico. Also, COG is seeking approval for Off-lease Measurement so that oil production from this well may be transported by truck to the Red Hills Offload Station, located in Unit O, Section 4 Township 26 South Range 32 East, or the Jal Offload Station located in Unit D, Section 4. Township 26 South Range 37 East, Lea County, in the event the Central Tank Battery 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 Red Hills Station. Any interested party who has an objection to this must give notice in writing to the Oil Conservation Division, 1220 South Saint Francis Street, Santa Fe, New Mexico, 87505, within ten (10) days of this notice. Any interested party with questions or comments may contact Matt Solomon at (432) 685-4352, [msolomon@concho.com](mailto:msolomon@concho.com) at COG Operating LLC, 600 West Illinois, Midland, Texas 79701.

Published in the Hobbs News Sun, Hobbs, NM August 02, 2020.



Jacinto Fed Com 40h, Baseball Cap Fed Com 603H & Baseball Cap Fed Com 705H PLC

Date Sent	Initials	Name	Address	City	State	ZipCode	Certified Return Receipt No.	Delivered
07.30.20.	JB	5588 OIL, LLC	PO BOX 470925	FORT	TX	76107	7019 2280 0001 1027 2224	
07.30.20.	JB	AE&J ROYALTIES LLC	23 BERGEN STREET	BROOKLY	NY	11201	7019 2280 0001 1027 2231	
07.30.20.	JB	ALLAR DEVELOPMENT LLC	P O BOX 1567	GRAHAM	TX	76450	7019 2280 0001 1027 2248	
07.30.20.	JB	ALLDALE MINERALS III LP DBA	TUNDRA AD3 LP	DALLAS	TX	75201	7019 2280 0001 1027 2255	
07.30.20.	JB	ARKOMA DRILLING II LP	ATTN: BOB ROTH	DALLAS	TX	75225	7019 2280 0001 1027 2262	
07.30.20.	JB	ARRAKIS HOLDINGS LLC	PO BOX 26	MAYPEAR	TX	76064	7019 2280 0001 1027 2279	
07.30.20.	JB	BERT MADERA	PO BOX 462	ALTO	NM	88312	7019 2280 0001 1027 2286	
07.30.20.	JB	BEXP I LP	5914 W COURTYARD DR STE 340	AUSTIN	TX	78730	7019 2280 0001 1027 2293	
07.30.20.	JB	BIG THREE ENERGY GROUP LLC	P O BOX 429	ROSWELL	NM	88202-0429	7019 2280 0001 1027 2309	
07.30.20.	JB	BISHOP FAMILY TRUST DTD	C/O DIANE L BISHOP TRUSTEE	FOLSOM	CA	95763-2134	7019 2280 0001 1027 2316	
07.30.20.	JB	BISHOP FAMILY TRUST DTD	PO BOX 2134	FOLSON	CA	95763	7019 2280 0001 1027 2323	
07.30.20.	JB	BLACKBIRD ROYALTIES LLC	PO BOX 2670	RISWEKK	NM	88202	7019 2280 0001 1027 2330	
07.30.20.	JB	BOBBIE DORNER	1944 SE MARION ST	PORTLAN	OR	97202	7019 2280 0001 1027 2347	
07.30.20.	JB	CAMARIE OIL AND GAS LLC	2502 CAMARIE AVE	MIDLAND	TX	79705	7019 2280 0001 1027 2354	
07.30.20.	JB	CARROLLTON MINERAL PARTNERS	5950 BERSHIRE LN STE 1125	DALLAS	TX	75225	7019 2280 0001 1027 2361	
07.30.20.	JB	CAYUGA ROYALTIES LLC	PO BOX 540711	HOUSTON	TX	77254	7019 2280 0001 1027 2378	
07.30.20.	JB	CEP MINERALS LLC	PO BOX 50820	MIDLAND	TX	79710	7019 2280 0001 1027 2385	
07.30.20.	JB	CHARLOTTE W SCHUMAN LIVING	CHARLOTTE W SCHUMAN AND KARLYN S	TULSA	OK	74114	7019 2280 0001 1027 2392	
07.30.20.	JB	CHEVRON USA INC	P O BOX 730436	Dallas	TX	75373-0436	7019 2280 0001 1027 2408	
07.30.20.	JB	CLAY SANFORD KING	3045 WALNUT BEND LN #32	HOUSTON	TX	77042	7019 2280 0001 1027 2415	
07.30.20.	JB	CLIFTON FORREST KING	4800 N 10TH STREET STE D	MCALLEN	TX	78504	7019 2280 0001 1027 2422	
07.30.20.	JB	CMP PERMIAN, LP	2525 KELL BLVD STE 510	WICHITA	TX	76708-1061	7019 2280 0001 1027 2439	
07.30.20.	JB	COLLINS & JONES INVESTMENTS	508 W WALL STREET	MIDLAND	TX	79701	7019 2280 0001 1027 2446	
07.30.20.	JB	COMMERCE FIRST OPERATING, LP	14241 DALLAS PARKWAY, SUITE 600	DALLAS	TX	75254	7019 2280 0001 1027 2453	
07.30.20.	JB	COMMERCE FIRST ROYALTIES LP	14241 DALLAS PKWY STE 600	DALLAS	TX	75254	7019 2280 0001 1027 2460	
07.30.20.	JB	CROWN OIL PARTNERS, LP	DBA MAVROS OIL COMPANY, LLC	MIDLAND	TX	79710	7019 2280 0001 1027 2477	
07.30.20.	JB	CROWN OIL PARTNERS, LP DBA	PO BOX 50820	MIDLAND	TX	79710	7019 2280 0001 1027 2484	
07.30.20.	JB	DANIEL M CROOK	2302 R ST SE #100	AUBURN	WA	98002	7019 2280 0001 1027 2491	
07.30.20.	JB	DAVID CROMWELL	2008 COUNTRY CLUB DR	MIDLAND	TX	79701	7019 2280 0001 1027 2507	
07.30.20.	JB	DEANE DURHAM	3603 TRINITY MEADOWS PL	MIDLAND	TX	79707	7017 3040 0000 1206 1769	
07.30.20.	JB	DESERT PARTNERS VI, LP	PO BOX 3579	MIDLAND	TX	79702	7017 3040 0000 2539 9620	
07.30.20.	JB	DRAGON CREEK MINERALS LLC	PO BOX 470857	FT	TX	76147	7017 3040 0000 1205 8097	
07.30.20.	JB	EG3 INC	P O BOX 1567	GRAHAM	TX	76450-0000	7017 3040 0000 1205 8103	
07.30.20.	JB	ELIFOR LLC	23 RUSH HAVEN DR	THE	TX	77381	7017 3040 0000 1206 1745	
07.30.20.	JB	ENCANTO MINERALS LLC	2929 ALLEN PKWY, STE 200	HOUSTON	TX	77019	7017 3040 0000 1205 4716	
07.30.20.	JB	ENERGEX, LLC	4873 RAINTREE CIRCLE	PARKER	CO	80134	7017 3040 0000 1205 4723	
07.30.20.	JB	ERK ENERGY INC	10205 FOSSMOOR ST	AUSTIN	TX	78717	7017 3040 0000 1205 4730	
07.30.20.	JB	ESTATE OF EDWIN W DALEY	C/O DUANE R DALEY	MESA	AZ	85204	7017 3040 0000 1205 4747	
07.30.20.	JB	ESTATE OF MARLENE NICHOLS	PO BOX 2215	SCOTTSD	AZ	85252	7017 3040 0000 1205 4754	
07.30.20.	JB	ESTATE OF VEIVA DALEY	C/O DUANE R DALEY	MESA	AZ	85204	7017 3040 0000 1205 4761	
07.30.20.	JB	FEATHERSTONE DEVELOPMENT	P O BOX 429	ROSWELL	NM	88202	7017 3040 0000 1205 4778	
07.30.20.	JB	FOUNDATION MINERALS LLC	PO BOX 50820	MIDLAND	TX	79710	7017 3040 0000 1205 4771	
07.30.20.	JB	FRANCO-NEVADA TEXAS LP	1745 SHEA CENTER DR., SUITE 400	HIGHLAND	CO	80129	7017 3040 0000 1205 4488	
07.30.20.	JB	FRANKLIN MOUNTAIN ROYALTY	INVESTMENTS LLC	DENVER	CO	80206	7017 3040 0000 1205 4495	
07.30.20.	JB	GERARD G VAVREK	1521 2ND AVE APT 1604	SEATTLE	WA	98101	7017 3040 0000 1205 4785	
07.30.20.	JB	GGM EXPLORATION INC	PO BOX 123610	FORT	TX	76121	7017 3040 0000 1205 4792	
07.30.20.	JB	GOOD NEWS MINERALS, LLC	P.O. BOX 50820	MIDLAND	TX	79710	7017 3040 0000 1205 4808	
07.30.20.	JB	H JASON WACKER	5601 HILLCREST	MIDLAND	TX	79707	7017 3040 0000 1205 4815	
07.30.20.	JB	HEADWATERS MINERALS II LP	3300 N A ST	MIDLAND	TX	79705	7017 3040 0000 1205 4822	
07.30.20.	JB	JAMES H MOOMAW SSP	PO BOX 341	TREMONT	UT	84337	7017 3040 0000 1205 4839	
07.30.20.	JB	JESSE A FAUGHT JR	PO BOX 52603	MIDLAND	TX	79710	7017 3040 0000 1205 4846	
07.30.20.	JB	JETSTREAM ROYALTY PARTNERS	105 NURSERY LN, STE 220	FORT	TX	76114	7017 3040 0000 1205 4853	
07.30.20.	JB	KALEB D SMITH	2501 LUBBOCK AVE	FT	TX	76109	7017 3040 0000 1205 4860	
07.30.20.	JB	KMF LAND, LLC	1144 15TH ST STE 2650	DENVER	CO	80202	7017 3040 0000 1205 4877	
07.30.20.	JB	LISSA SCHUMAN WRIGHT	5777 CARELL AVENUE	AGOURA	CA	91301	7017 3040 0000 1205 4884	
07.30.20.	JB	LMC ENERGY LLC	550 W. TEXAS AVE., SUITE 945	MIDLAND	TX	79701	7017 3040 0000 1205 4891	
07.30.20.	JB	LONGWOOD GATHERING & DIS	DBA MRC PERMIAN LKE COMPANY LLC	DALLAS	TX	75240	7017 3040 0000 1205 4907	
07.30.20.	JB	MADISON M HINKLE & SUSAN M	PO BOX 2292	ROSWELL	NM	88202-2292	7017 3040 0000 1205 4914	
07.30.20.	JB	MARATHON OIL COMPANY DBA	5555 SAN FELIPE ST	HOUSTON	TX	77056	7017 3040 0000 1205 4921	
07.30.20.	JB	MARIBO CO LLC	1855 GARLAND LANE	BOULDER	CO	80304	7017 3040 0000 1205 4938	
07.30.20.	JB	MATTHEW SCHUMAN	789 HORATIO BLVD	BUFFALO	IL	60089	7017 3040 0000 1205 4945	
07.30.20.	JB	MAVROS MINERALS II, LLC	PO BOX 50820	MIDLAND	TX	79710	7017 3040 0000 1205 4952	
07.30.20.	JB	MCMULLEN MINERALS LLC	2821 WEST 7TH STREET STE 515	FT.	TX	76107	7017 3040 0000 1205 4969	
07.30.20.	JB	MECO IV LLC	1200 17TH ST, STE 975	DENVER	CO	80202	7017 3040 0000 1205 4976	
07.30.20.	JB	MICHAEL FRED MADERA	PO BOX 845	LA PINE	OR	97739-0645	7017 3040 0000 1205 4983	
07.30.20.	JB	MICHAEL WAYNE ROYE	PO BOX 3714	MIDLAND	TX	79702	7017 3040 0000 1205 4990	
07.30.20.	JB	MIKE MOYLETT	PO BOX 50820	MIDLAND	TX	79710	7017 3040 0000 1205 5003	
07.30.20.	JB	MILDRED MAXINE MCCALL	1710 BROOKSIDE PINE LN	KINGWOO	TX	77345	7017 3040 0000 1205 2682	
07.30.20.	JB	MONGOOSE MINERALS LLC	600 W ILLINOIS AVE	MIDLAND	TX	79701	7017 3040 0000 1205 2699	
07.30.20.	JB	MONTEZUMA HOTEL LLC	PO BOX 317	VANDALIA	IL	62471-0317	7017 3040 0000 1205 2705	
07.30.20.	JB	MONTICELLO MINERALS LLC	5528 VICKERY BLVD	DALLAS	TX	75206	7017 3040 0000 1205 2712	
07.30.20.	JB	MONTIE CAROL MADERA	NKA MONTIE CAROL MONTGOMERY	RIUDOSO	NM	88345	7017 3040 0000 1205 2729	
07.30.20.	JB	MRC PERMIAN COMPANY	ONE LINCOLN CENTRE STE 1500	DALLAS	TX	75240-1017	7017 3040 0000 1205 2736	
07.30.20.	JB	MULESHOE CRUDE LP	101 BLACKBERRY CT	MIDLAND	TX	79705	7017 3040 0000 1205 2743	
07.30.20.	JB	NESTEGG ENERGY CORP	2308 SIERRA VISTA RD	ARTESIA	NM	88210-9409	7017 3040 0000 1205 2750	
07.30.20.	JB	NOVO MINERALS LP	1001 W. WILSHIRE BLVD STE 206	OKLAHOM	OK	73116	7017 3040 0000 1205 2767	
07.30.20.	JB	OAK VALLEY MINERAL & LAND LP	P O BOX 50820	MIDLAND	TX	79710	7017 3040 0000 1205 2774	
07.30.20.	JB	OFFICE OF NATURAL RESOURCES	Royalty Management Program	Denver	CO	80217-5760	7017 3040 0000 1205 2781	
07.30.20.	JB	PATRICIA GETTY	7416 GLADYS ST	LONE OAK	TX	75453	7017 3040 0000 1205 2798	

07.30.20.	JB	PAUL DORAN REV TRUST DTD	PO BOX 317	VANDALIA	IL	62471	7017 3040 0000 1205 2804	
07.30.20.	JB	PEGASUS RESOURCES LLC	PO BOX 733980	DALLAS	TX	75373-7339	7017 3040 0000 1205 2811	
07.30.20.	JB	PEGASUS RESOURCES NM LLC	PO BOX 470698	FT	TX	76147	7017 3040 0000 1205 2828	
07.30.20.	JB	POST OAK CROWN IV, LLC	ATTN: RYAN MATHEWS	HOUSTON	TX	77056	7017 3040 0000 1205 2835	
07.30.20.	JB	POST OAK CROWN IV-B, LLC	ATTN: RYAN MATHEWS	HOUSTON	TX	77056	7017 3040 0000 1205 2842	
07.30.20.	JB	PREVAIL ENERGY LLC	521 DEXTER ST	DENVER	CO	80220	7017 3040 0000 1205 2859	
07.30.20.	JB	PROSPECTOR LLC	P O BOX 429	ROSWELL	NM	88202-0000	7017 3040 0000 1205 2866	
07.30.20.	JB	REBECCA CLAIRE PUCKETT	8335 DOMER DR	SPRING	TX	77379	7017 3040 0000 1205 2873	
07.30.20.	JB	RHEINER HOLDINGS LLC	PO BOX 980552	HOUSTON	TX	77098	7017 3040 0000 1205 2880	
07.30.20.	JB	RIVERBEND OIL & GAS	1200 SMITH ST, STE 1950	HOUSTON	TX	77002	7017 3040 0000 1205 2897	
07.30.20.	JB	RIVERBEND OIL & GAS IX	INVESTMENTS LLC	HOUSTON	TX	77002	7017 3040 0000 1205 2903	
07.30.20.	JB	RIVERBEND OIL & GAS IX LLC	500 DALLAS ST, STE 1250	HOUSTON	TX	77002	7017 3040 0000 1205 2910	
07.30.20.	JB	ROLLA R. HINKLE III	PO BOX 2292	ROSWELL	NM	88202-2292	7017 3040 0000 1205 2927	
07.30.20.	JB	ROSS DUNCAN PROPERTIES LLC	PO BOX 647	ARTESIA	NM	88211	7017 3040 0000 1205 2934	
07.30.20.	JB	SANDRA PHILLIPS	6936 PRIVATE RD 4222	GILMER	TX	75644	7017 3040 0000 1205 2941	
07.30.20.	JB	SARA LOUISE STRAND	5327 PENN AVE	BROOKLY	MN	55430	7017 3040 0000 1205 2965	
07.30.20.	JB	SHANNON DALEY	19248 N 13TH PL	PHOENIX	AZ	85024	7017 3040 0000 1205 2972	
07.30.20.	JB	SHELLING INVESTMENTS LLC DBA	BUGLING BULL INVESTMENTS LLC	THE	TX	77381	7017 3040 0000 1205 2989	
07.30.20.	JB	SPRINGWOOD MINERALS 6 LP	PO BOX 3579	MIDLAND	TX	79702	7017 3040 0000 1205 2996	
07.30.20.	JB	STACEY BOELKENS	700 MILL ST	SPRINGDA	AR	72767	7017 3040 0000 1205 3009	
07.30.20.	JB	STATE OF NMDOT	ATTN: JOHN LOPEZ	SANTA FE	NM	87504	7017 3040 0000 1205 3016	
07.30.20.	JB	TAP ROCK RESOURCES LLC	602 PARK POINT DR, STE 200	GOLDEN	CO	80401	7017 3040 0000 1205 3030	
07.30.20.	JB	TARA MARIE WELDON	160 7TH AVE SE	MILACA	MN	56353	7017 3040 0000 1205 3047	
07.30.20.	JB	TD MINERALS LLC	ATTN: WALT NIXON	DALLAS	TX	75225	7017 3040 0000 1205 3054	
07.30.20.	JB	THE MADERA TRUST U/A DTD	PAMELA MADERA TRUSTEE	ELOY	AZ	85131	7017 3040 0000 1205 3061	
07.30.20.	JB	TILDEN CAPITAL LLC	PO BOX 470857	FORT	TX	76147	7017 3040 0000 1205 3078	
07.30.20.	JB	TILDEN CAPITAL MINERALS LLC	PO BOX 470857	FORT	TX	76147	7017 3040 0000 1205 3085	
07.30.20.	JB	TRUST Q U/W/O PEGGY A YATES	P.O. BOX 100	ARTESIA	NM	88211-0100	7017 3040 0000 1205 3092	
07.30.20.	JB	VIPER ENERGY PARTNERS LLC	500 W TEXAS AVE STE 1200	MIDLAND	TX	79701	7017 3040 0000 1205 3108	
07.30.20.	JB	VLADIN LLC	PO BOX 100	ARTESIA	NM	88211-0100	7017 3040 0000 1205 3115	
07.30.20.	JB	WALTER CORNELL ROYE	6500 CUESTA TRAIL	AUSTIN	TX	78730	7017 3040 0000 1205 3122	
07.30.20.	JB	WING RESOURCES III LLC	2100 MCKINNEY AVE STE 1540	DALLAS	TX	75201	7017 3040 0000 1205 3139	
07.30.20.	JB	BLM	414 West Taylor	HOBBS	NM	88240	7017 3040 0000 1205 2958	

**Federal Communitization Agreement**

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into as of the 1st day of August, 2017, 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 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 24 South, Range 34 East, N.M.P.M.**

**Section 24: W/2 E/2**

**Section 25: W/2 E/2**

**Lea County, New Mexico**

Containing 320.00 acres, and this agreement shall include only the **Wolfcamp Formation** underlying said lands and the oil and gas 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

Jacinto Fed Com 40H (Baseball Cap Fed Com 24H)

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 Ave., 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 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 or Indian lands included within the CA area are to be paid into the appropriate Unleased Lands Account or Indian 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 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 if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is **January 1, 2019**, 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 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 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 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

**Federal/Fee**

occur 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. Nondiscrimination. 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 - COG Operating LLC

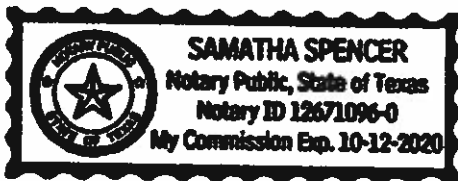
By: Sean Johnson  
Operator/Attorney-in-Fact

Date: \_\_\_\_\_

## ACKNOWLEDGEMENT

**STATE OF TEXAS** )  
 ) ss.  
**COUNTY OF MIDLAND** )

This instrument was acknowledged before me on October 10<sup>th</sup>, 2019, by Sean Johnson, Attorney-in-Fact of COG Operating LLC, a Delaware Limited Liability Company, on behalf of same.



NOTARY PUBLIC in and for the State of Texas



**WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD:**

Date: \_\_\_\_\_

**COG Operating LLC**

By: [Signature]  
Sean Johnson  
Attorney-in-Fact

Date: \_\_\_\_\_

**Concho Oil & Gas, LLC**

By: [Signature]  
Sean Johnson  
Attorney-in-Fact

Date: \_\_\_\_\_

**Muleshoe Crude LP**

By: [Signature]  
Name: Bradley S. Bates  
Title: OWNER

Date: \_\_\_\_\_

**MECO IV, LLC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date: \_\_\_\_\_

**MRC Permian LKE Company, LLC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date: \_\_\_\_\_

**MRC Permian Company, LLC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date: \_\_\_\_\_

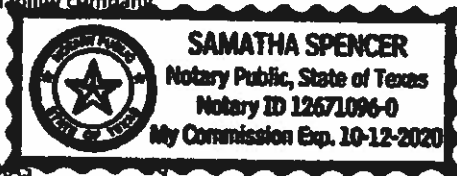
**Energen Resources Corporation**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ACKNOWLEDGEMENTS

STATE OF TEXAS       §  
                                  §  
COUNTY OF MIDLAND   §

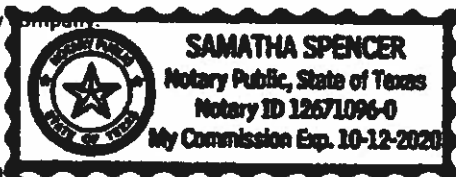
The foregoing instrument was acknowledged before me on the 10<sup>th</sup> day of October, 2019, by Sean Johnson, as Attorney-In-Fact of COG OPERATING LLC, a Delaware limited liability company, on behalf of said limited liability company.



Samatha Spencer  
NOTARY PUBLIC in and for the State of Texas

STATE OF TEXAS       §  
                                  §  
COUNTY OF MIDLAND   §

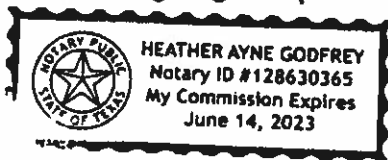
The foregoing instrument was acknowledged before me on the 10<sup>th</sup> day of October, 2019, by Sean Johnson, as Attorney-In-Fact of CONCHO OIL & GAS, LLC, a Texas limited liability company, on behalf of said limited liability company.



Samatha Spencer  
NOTARY PUBLIC in and for the State of Texas

STATE OF Texas       §  
                                  §  
COUNTY OF midland   §

This instrument was acknowledged before me on the 31 day of July, 2019, by Bradley Bates, as Owner of MULESHOE CRUDE LP, a LP company, on behalf of said LP company.



Heather Godfrey  
NOTARY PUBLIC in and for the State of Texas


STATE OF \_\_\_\_\_ §  
                                  §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2019, by \_\_\_\_\_, as \_\_\_\_\_ of MECO, IV, LLC, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

Federal/Fee

**WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD:**

Date: _____	<b>COG Operating LLC</b> By: _____ Sean Johnson Attorney-in-Fact
Date: _____	<b>Concho Oil &amp; Gas, LLC</b> By: _____ Sean Johnson Attorney-in-Fact
Date: _____	<b>Muleshoe Crude LP</b> By: _____ Name: <u>Bradley S. Bates</u> Title: _____
Date: <u>8/13/19</u>	<b>MECO IV, LLC</b> By:  Name: <u>Sam De Siqueira</u> Title: <u>Manager</u>
Date: _____	<b>MRC Permian LKE Company, LLC</b> By: _____ Name: _____ Title: _____
Date: _____	<b>MRC Permian Company, LLC</b> By: _____ Name: _____ Title: _____
Date: _____	<b>Energen Resources Corporation</b> By: _____ Name: _____ Title: _____

Federal/Fee

# ACKNOWLEDGEMENTS

STATE OF TEXAS           §  
                                      §  
COUNTY OF MIDLAND   §

The foregoing instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2019, by Sean Johnson, as Attorney-In-Fact of **COG OPERATING LLC**, a Delaware limited liability company, on behalf of said limited liability company.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of Texas

STATE OF TEXAS           §  
                                      §  
COUNTY OF MIDLAND   §

The foregoing instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2019, by Sean Johnson, as Attorney-In-Fact of **CONCHO OIL & GAS, LLC**, a Texas limited liability company, on behalf of said limited liability company.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of Texas

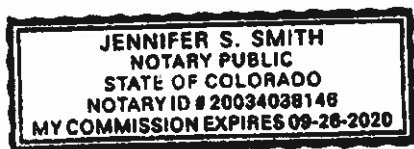
STATE OF \_\_\_\_\_ §  
                                      §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2019, by \_\_\_\_\_, as \_\_\_\_\_ of **MULESHOE CRUDE LP**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF Colorado §  
                                      §  
COUNTY OF Denver §

This instrument was acknowledged before me on the 13<sup>th</sup> day of August, 2019, by Sam D. Winegrad, as Manager of MECO, IV, LLC, a Delaware LLC, on behalf of said LLC.



Jennifer S. Smith  
NOTARY PUBLIC in and for the State of Colorado

Federal/Fee

**WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD:**

**COG Operating LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Sean Johnson  
Attorney-in-Fact

**Concho Oil & Gas, LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Sean Johnson  
Attorney-in-Fact

**Muleshoe Crude LP**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: Bradley S. Bates  
Title: \_\_\_\_\_

**MECO IV, LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**MRC Permian LKE Company, LLC**

Date: 9.23.19

By: [Signature]  
Name: Craig N. Adams  
Title: Executive Vice President & COO  
S.W.J.  
yld

**MRC Permian Company**

Date: 9.23.19

By: [Signature]  
Name: Craig N. Adams  
Title: Executive Vice President & COO  
S.W.J.  
yld

**Energen Resources Corporation**

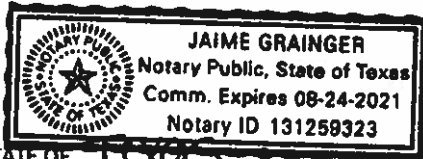
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Federal Fee

STATE OF Texas §  
COUNTY OF Dallas §

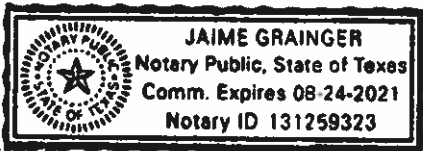
This instrument was acknowledged before me on the 23<sup>rd</sup> day of September, 2019, by Craig N. Adams as Executive Vice President of MRC PERMIAN LKE COMPANY, LLC, a Texas Corporation on behalf of said Corporation.



Jaime Grainger  
NOTARY PUBLIC in and for the State of Texas

STATE OF Texas §  
COUNTY OF Dallas §

This instrument was acknowledged before me on the 23<sup>rd</sup> day of September, 2019, by Craig N. Adams as Executive Vice President of MRC PERMIAN COMPANY, a Texas Corporation on behalf of said Corporation.



Jaime Grainger  
NOTARY PUBLIC in and for the State of Texas

STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

This Instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2019, by \_\_\_\_\_, as \_\_\_\_\_ of ENERGEN RESOURCES CORPORATION a \_\_\_\_\_ on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2019, by \_\_\_\_\_, as \_\_\_\_\_ of MARATHON OIL PERMIAN, LLC, a \_\_\_\_\_ on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_



**WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD:**

**COG Operating LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Sean Johnson  
Attorney-in-Fact

**Concho Oil & Gas, LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Sean Johnson  
Attorney-in-Fact

**Muleshoe Crude LP**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: Bradley S. Bates  
Title: \_\_\_\_\_

**MECO IV, LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**MRC Permian LKE Company, LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**MRC Permian Company, LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**Energen Resources Corporation**

Date: \_\_\_\_\_

By: Tom F. Hawkins

Name: TOM F. HAWKINS  
Title: EXECUTIVE VP-LAND

*Handwritten initials:*  
M  
K  
P  
A

Federal/Fee

STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2019, by \_\_\_\_\_ as \_\_\_\_\_ of MRC PERMIAN LKE COMPANY, LLC, a \_\_\_\_\_ on behalf of said \_\_\_\_\_

NOTARY PUBLIC in and for the State of \_\_\_\_\_

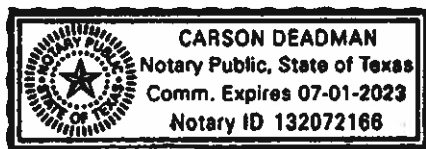
STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2019, by \_\_\_\_\_ as \_\_\_\_\_ of MRC PERMIAN COMPANY, LLC, a \_\_\_\_\_ on behalf of said \_\_\_\_\_

NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF Texas §  
COUNTY OF Midland §

This instrument was acknowledged before me on the 9 day of August, 2019, by TOM F. HAWKINS as Executive VP-Land of ENERGEN RESOURCES CORPORATION an Alabama Corporation on behalf of said corporation



*[Signature]*

NOTARY PUBLIC in and for the State of Texas

STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2019, by \_\_\_\_\_ as \_\_\_\_\_ of MARATHON OIL PERMIAN, LLC, a \_\_\_\_\_ on behalf of said \_\_\_\_\_

NOTARY PUBLIC in and for the State of \_\_\_\_\_

Federal/Fee

Date: \_\_\_\_\_

**EOG Resources, Inc.***(Compulsory Pooled via NMOCD Order 14520)*

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Chevron USA Inc.***(Compulsory Pooled via NMOCD Order 14520)*

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Tap Rock Resources***(Compulsory Pooled via NMOCD Order 14520)*

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**BEXPI, LP***(Compulsory Pooled via NMOCD Order 14520)*

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: 8/8/2019**Marathon Oil Permian, LLC**By: Matthew D. BrownName: Matthew D. Brown <sup>msb</sup>Title: Attorney-In-Fact

Date: \_\_\_\_\_

**Tap Rock Resources, LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Commerce First Operating, LP**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Federal/Fee

STATE OF \_\_\_\_\_ §  
 COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2019, by \_\_\_\_\_, as \_\_\_\_\_ of MRC PERMIAN LKE COMPANY, LLC, a \_\_\_\_\_ on behalf of said \_\_\_\_\_.

NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §  
 COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2019, by \_\_\_\_\_, as \_\_\_\_\_ of MRC PERMIAN COMPANY, LLC, a \_\_\_\_\_ on behalf of said \_\_\_\_\_.

NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §  
 COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2019, by \_\_\_\_\_, as \_\_\_\_\_ of ENERGEN RESOURCES CORPORATION a \_\_\_\_\_ on behalf of said \_\_\_\_\_.

NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF Texas §  
 COUNTY OF Harris §

This instrument was acknowledged before me on the 8th day of August, 2019, by Matthew D. Buxton, as Attorney-in-fact of MARATHON OIL PERMIAN, LLC, a Delaware Limited Liability company on behalf of said said company.



Jessica Gorman  
 NOTARY PUBLIC in and for the State of Texas

Federal/Fee

Date: \_\_\_\_\_

**EOG Resources, Inc.**

*(Compulsory Pooled via NMOCD Order 14520)*

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Chevron USA Inc.**

*(Compulsory Pooled via NMOCD Order 14520)*

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Tap Rock Resources**

*(Compulsory Pooled via NMOCD Order 14520)*

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**BEXPI, LP**

*(Compulsory Pooled via NMOCD Order 14520)*

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Marathon Oil Permian, LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Tap Rock Resources, LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: 9-5-2019

**Commerce First Operating, LP**

By: [Signature]

Name: Andrew Smith

Title: President

Federal/Fee

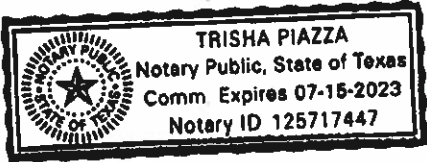
STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2019, by \_\_\_\_\_, as \_\_\_\_\_ of TAP ROCK RESOURCES, LLC, a \_\_\_\_\_ on behalf of said \_\_\_\_\_.

NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF TEXAS §  
COUNTY OF DALLAS §

This instrument was acknowledged before me on the 5<sup>TH</sup> day of SEPTEMBER, 2019, by Andrew Smith, as President of COMMERCE FIRST OPERATING, LP, a Texas limited partnership on behalf of said partnership.



[Signature]  
NOTARY PUBLIC in and for the State of TEXAS



**EXHIBIT "A"**

Plat of communitized area covering the W/2 E/2 of Section 24 & W/2 E/2 of Section 25, T24S – R34E,  
N.M.P.M.,  
Lea County, New Mexico

**Jacinto Federal Com #40H**

- Tract 1:  
Fee Leases  

- Tract 2:  
Fee Leases  

- Tract 3:  
USA NM 123530  

- Tract 4:  
Fee Leases  

- Tract 5:  
Fee Leases  

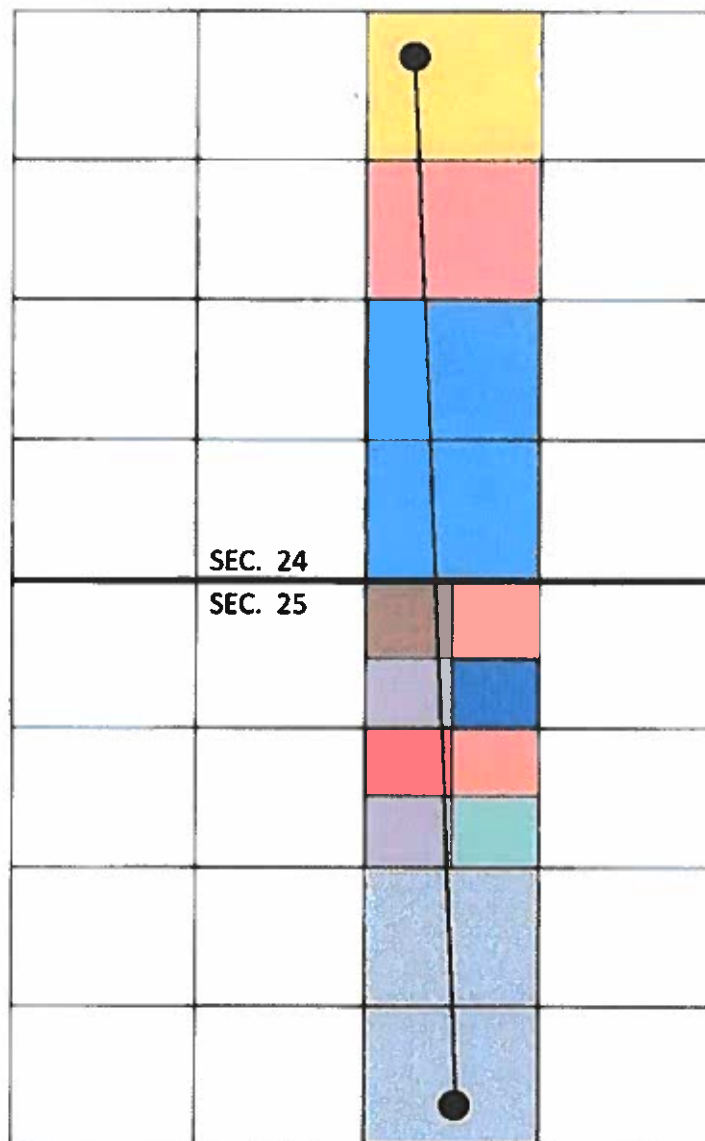
- Tract 6:  
Fee Leases  

- Tract 7:  
Fee Leases  

- Tract 8:  
Fee Leases  

- Tract 9:  
Fee Leases  

- Tract 10:  
Fee Leases  

**EXHIBIT "B"**

Attached to and made a part of that Communitization Agreement dated August 1, 2017, covering the W/2E/2 of Section 24 and the W/2E/2 of Section 25, T24S – R34E, N.M.P.M., Lea County, New Mexico

Operator of Communitized Area: **COG Operating LLC**

**DESCRIPTION OF LEASES COMMITTED:**

**TRACTS 1 & 2:**

**Lease 1**

Lease Date: January 15, 2015  
Lease Term: Three (3) Years  
Recordation: Book 1948, Page 8  
Lessor: AE&J Royalties, LLC, a New Mexico LLC  
Original Lessee: Endeavor Energy Resources, LP  
Current Lessee: Bradley S. Bates  
COG Operating, LLC  
Concho Oil & Gas, LLC  
MECO IV, LLC

Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 24: NW/4NE/4  
Lea County, New Mexico

Number of Gross Acres: 40.00

Royalty Rate: 1/4

WI Owner Names and Interests: Bradley S. Bates 4.0000%  
COG Operating, LLC 70.3125%  
Concho Oil and Gas, LLC 23.4375%  
MECO IV, LLC 2.2500%

ORRI Owners: Of Record

**Lease 2**

Lease Date: September 7, 2016  
Lease Terms: Three (3) Years  
Recordation: Book 2069, Page 724  
Lessor: Daniel P. Schuman and Vida K. Schuman, Trustees of the Daniel P. Schuman  
and Vida K. Schuman Revocable Trust dated 4/15/2014

Original Lessee: MidCon Land Services, LLC

Current Lessee: Energen Resources Corporation

Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 24: SW/4NE/4, NW/4NE/4  
Lea County, New Mexico

Number of Gross Acres: 80

Royalty Rate: 1/5

WI Owners Names and Interests: Energen Resources Corporation 100%

ORRI Owners: Of Record

Federal/Fee

**Lease 3**

Lease Date: September 7, 2016  
Lease Term: Three (3) Years  
Recordation: Book 2069, Page 738  
Lessor: Marc Schuman  
Original Lessee: MidCon Land Services, LLC  
Current Lessee: Energen Resources Corporation  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 24: SW/4NE/4, NW/4NE/4  
Lea County, New Mexico  
  
Number of Gross Acres: 80  
Royalty Rate: 1/5  
WI Owners Names and Interests: Energen Resources Corporation 100%  
ORRI Owners: Of Record

**Lease 4**

Lease Date: September 2, 2016  
Lease Terms: Three (3) Years  
Recordation: Book 2069, Page 743  
Lessor: Charlotte W. Schuman and Karlyn S. Doyle, Co-Trustees of the  
W. Schuman Living Trust dated 10/5/1998  
Original Lessee: MidCon Land Services, LLC  
Current Lessee: Energen Resources Corporation  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 24: SW/4NE/4, NW/4NE/4  
Lea County, New Mexico  
  
Number of Gross Acres: 80  
Royalty Rate: 1/5  
WI Owners Names and Interests: Energen Resources Corporation 100%  
ORRI Owners: Of Record

**Lease 5**

Lease Date: May 4, 2017  
Lease Terms: Three (3) Years  
Recordation: Book 2112, Page 589  
Lessor: Matthew Schuman  
Original Lessee: COG Operating, LLC  
Current Lessor: COG Operating, LLC  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 24: NW/4NE/4, SW/4NE/4  
Lea County, New Mexico  
  
Number of Gross Acres: 80  
Royalty Rate: 1/4  
WI Owners Names and Interests: COG Operating, LLC 100%  
ORRI Owners: Of Record

**Lease 6**

Lease Date: May 4, 2017  
Lease Terms: Three (3) Years  
Recordation: Book 2112, Page 585  
Lessor: Liessa Schuman  
Original Lessee: COG Operating, LLC  
Current Lessee: COG Operating, LLC  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 24: NW/4NE/4, SW/4NE/4  
80  
Number of Gross Acres:  
Royalty Rate: 1/4  
WI Owners Names and Interests: COG Operating, LLC 100%  
ORRI Owners: Of Record

**Lease 7**

Lease Date: November 2, 2017  
Lease Terms: Three (3) Years  
Recordation: Book 2124, Page 876  
Lessor: Commerce First Royalties, LLC  
Original Lessee: Commerce First Operating, LP  
Current Lessee: Commerce First Operating, LP  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 24: NW/NE, SW/NE  
Lea County, New Mexico  
80  
Number of Gross Acres:  
Royalty Rate: 1/4  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

**TRACT 3:**

**Lease 8**

Lease Date: August 25, 2009, Effective September 1, 2009  
Lease Term: Ten (10) Years  
Recordation: Not Recorded  
Lessor: USA NM 123530  
Original Lessee: The Allar Company  
Current Lessee: COG Operating, LLC  
Concho Oil & Gas, LLC  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 24: W/2SE/4  
Lea County, New Mexico  
80.00  
Number of Gross Acres:  
Royalty Rate: 1/8  
WI Owner Names and Interests: COG Operating, LLC 97.5%  
Concho Oil & Gas, LLC 2.5%  
ORRI Owners: Of Record

**TRACT 4:**

**Lease 9**

Lease Date: February 3, 2015  
Lease Term: Three (3) Years  
Recordation: Book 1944, Page 991  
Lessor: Rex L. Harelson  
Original Lessee: Blackbird Royalties, LLC  
Current Lessee: MRC Permian LKE Company, LLC  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 25: NW/4NW/4NE/4  
Lea County, New Mexico  
  
Number of Gross Acres: 10  
Royalty Rate: 1/5  
WI Owner Names and Interests: MRC Permian LKE Company, LLC 100%  
ORRI Owners: Of Record

**TRACT 5:**

**Lease 10**

Lease Date: July 25, 2013  
Lease Term: Five (5) Years  
Recordation: Book 1859, Page 669  
Lessor: Duane R. Daley  
Original Lessee: Yates Petroleum Corporation  
Current Lessee: EOG Y Resources, Inc.  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 25: NE/4NW/4NE/4, NE/4SW/4NE/4  
Lea County, New Mexico  
  
Number of Gross Acres: 20  
Royalty Rate: 1/5  
WI Owner Names and Interests: EOG Y Resources, Inc. 100%  
ORRI Owners: Of Record

**Lease 11**

Lease Date: August 24, 2016  
Lease Term: Three (3) Years  
Recordation: Book 2051, Page 400  
Lessor: Shawna Dee Lawrence, aka Shawna Grayham  
Original Lessee: Energex, LLC  
Current Lessee: COG Operating LLC  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 25: NE/4NW/4NE/4, NE/4SW/4NE/4  
Lea County, New Mexico  
  
Number of Gross Acres: 20  
Royalty Rate: 3/16  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

Federal/Fee

**Lease 12**

Lease Date: July 25, 2013  
Lease Term: Five (5) Years  
Recordation: Book 1853, Page 293  
Lessor: Mary Johnson  
Original Lessee: Yates Petroleum Corporation  
Current Lessee: EOG Y Resources, Inc.  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 25: NE/4NW/4NE/4, NE/4SW/4NE/4  
Lea County, New Mexico  
  
Number of Gross Acres: 20  
Royalty Rate: 1/5  
WI Owners Names and Interests: EOG Y Resources, Inc. 100%  
ORRI Owners: Of Record

**Lease 13**

Lease Date: August 30, 2013  
Lease Terms: Three (3) Years  
Recordation: Book 1856, Page 84  
Lessor: Benjamin F. Crook  
Original Lessee: Energex, LLC  
Current Lessee: COG Operating LLC  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 25: NE/4NW/4NE/4, NE/4SW/4NE/4  
  
Number of Gross Acres: 20  
Royalty Rate: 1/5  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

**Lease 14**

Lease Date: August 4, 2017  
Lease Terms: Three (3) Years  
Recordation: Book 2121, Page 542  
Lessor: Daniel M. Crook  
Original Lessee: COG Operating LLC  
Current Lessee: COG Operating LLC  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 25: NE/4NW/4NE/4, NE/4SW/4NE/4  
Lea County, New Mexico  
  
Number of Gross Acres: 20  
Royalty Rate: 1/4  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record



**TRACTS 6 & 9:**

**Lease 15**

Lease Date: May 10, 2017  
Lease Terms: Three (3) Years  
Recordation: Book 2105, Page 797  
Lessor: Rolla R. Hinkle III and Rosemary H. Hinkle, husband and wife  
Original Lessee: OneEnergy Partners Operating, LLC  
Current Lessee: COG Operating LLC  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 25: SE/4SW/4NE/4, SE/4NW/4NE/4, less and except a 0.3300  
acre tract of land acquired by the New Mexico Department of  
Transportation  
Lea County, New Mexico  
Number of Gross Acres: 20  
Royalty Rate: 1/4  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

**Lease 16**

Lease D4te: May 10, 2017  
Lease Term: Three (3) Years  
Recordation: Book 2105, Page 793  
Lessor: Madison M. Hinkle and Susan M. Hinkle, husband and wife  
Original Lessee: OneEnergy Partners Operating, LLC  
Current Lessee: COG Operating LLC  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 25: SE/4SW/4NE/4, SE/4NW/4NE/4, less and except a 0.3300  
acre tract of land acquired by the New Mexico Department of  
Transportation  
Lea County, New Mexico  
Number of Gross Acres: 20  
Royalty Rate: 1/4  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

**Lease 17**

Lease Date: December 13, 2016  
Lease Terms: Three (3) Years  
Recordation: Book 2086, Page 479  
Lessor: Justin Nine and wife, Sara Nine  
Original Lessee: OneEnergy Partners Operating, LLC  
Current Lessee: COG Operating LLC  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 25: SE/4SW/4NE/4, SE/4NW/4NE/4  
Lea County, New Mexico  
Number of Gross Acres: 20  
Royalty Rate: 1/4  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

Federal/Fee

**Lease 18**

Lease Date: December 13, 2016  
Lease Terms: Three (3) Years  
Recordation: Book 2086, Page 475  
Lessor: Tim Lilley and wife, Tashina Lilley  
Original Lessee: OneEnergy Partners Operating, LLC  
Current Lessee: COG Operating LLC  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 25: SE/4SW/4NE/4, SE/4NW/4NE/4  
Lea County, New Mexico  
  
Number of Gross Acres: 20  
Royalty Rate: 1/4  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

**Lease 19**

Lease Date: December 13, 2016  
Lease Terms: Three (3) Years  
Recordation: Book 2086, Page 503  
Lessor: Marc Lilley and wife, Lisa Lilley  
Original Lessee: OneEnergy Partners Operating, LLC  
Current Lessee: COG Operating LLC  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 25: SE/4SW/4NE/4, SE/4NW/4NE/4  
Lea County, New Mexico  
  
Number of Gross Acres: 20  
Royalty Rate: 1/4  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

**Lease 20**

Lease Date: December 13, 2016  
Lease Terms: Three (3) Years  
Recordation: Book 2086, Page 483  
Lessor: Dylan Tarter  
Original Lessee: OneEnergy Partners Operating, LLC  
Current Lessee: COG Operating LLC  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 25: SE/4SW/4NE/4, SE/4NW/4NE/4  
Lea County, New Mexico  
  
Number of Gross Acres: 20  
Royalty Rate: 1/4  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

**TRACT 7:**

**Lease 21**

Lease Date: March 30, 2016  
Lease Term: Three (3) Years  
Recordation: Book 2122, Page 432, Amended at Book 2124, Page 979  
Lessor: Tara Marie Weldon, joined pro forma by her husband Brian Patrick Weldon  
Original Lessee: Blackbird Royalties, LLC  
Current Lessee: Tap Rock Resources, LLC 100%  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 25: A 1.8956 acre tract in the SW/4NW/4NE/4  
Lea County, New Mexico  
  
Number of Gross Acres: 20  
Royalty Rate: 6/24  
WI Owners Names and Interests: Marathon Oil Permian, LLC 100%  
ORRI Owners: Of Record

**Lease 22**

Lease Date: June 14, 2016  
Lease Term: Three (3) Years  
Recordation: Book 2043, Page 434  
Lessor: Blackbird Royalties, LLC  
Original Lessee: Crown Oil Partners V, LP  
Crump Energy Partners II, LLC  
Current Lessee: Marathon Oil Permian, LLC  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 25: SW/4NW/4NE/4, SW/4SW/4NE/4  
Lea County, New Mexico  
  
Number of Gross Acres: 20  
Royalty Rate: 6/25  
WI Owners Names and Interests: Boaz Energy II, LLC 100%  
ORRI Owners: Of Record

**Lease 23**

Lease Date: August 18, 2017  
Lease Term: Three (3) Years  
Recordation: Book 2124, Page 980  
Lessor: Blackbird Royalties, LLC  
Original Lessee: Boaz Energy II, LLC  
Current Lessee: Tap Rock Resources, LLC  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 25: A 1.8956 acre tract in the SW/4NW/4NE/4  
Lea County, New Mexico  
  
Number of Gross Acres: 20  
Royalty Rate: 1/4  
WI Owners Names and Interests: Tap Rock Resources, LLC 100%  
ORRI Owners: Of Record

**TRACT 8:****Lease 24**

Lease Date:	February 24, 2015
Lease Term:	Five (5) Years
Recordation:	Book 1948, Page 327
Lessor:	James H. Moomaw
Original Lessee:	Blackbird Royalties, LLC
Current Lessee:	MRC Permian LKE Company LLC
Description of Land Committed:	Insofar only as said lease covers: <u>Township 24 South, Range 34 East</u> Section 25: NW/4SW/4NE/4 Lea County, New Mexico
Number of Gross Acres:	10
Royalty Rate:	1/5
WI Owners Names and Interests:	MRC Permian LKE Company, LLC     100%
ORRI Owners:	Of Record

**TRACT 10****Lease 25**

Lease Date:	November 4, 2015
Lease Term:	Three (3) Years
Recordation:	Book 1993, Page 488
Lessor:	Rubert Madera
Original Lessee:	Energex, LLC
Current Lessee:	COG Operating LLC
Description of Land Committed:	Insofar only as said lease covers: <u>Township 24 South, Range 34 East</u> Section 25: W/2SE/4 Lea County, New Mexico
Number of Gross Acres:	80
Royalty Rate:	1/5
WI Owners Names and Interests:	COG Operating LLC     100%
ORRI Owners:	Of Record

**Lease 25**

Lease Date:	November 4, 2015
Lease Term:	Three (3) Years
Recordation:	Book 1995, Page 124
Lessor:	Mildred Maxine Madera McCall
Original Lessee:	Energex, LLC
Current Lessee:	COG Operating LLC
Description of Land Committed:	Insofar only as said lease covers: <u>Township 24 South, Range 34 East</u> Section 25: W/2SE/4 Lea County, New Mexico
Number of Gross Acres:	80
Royalty Rate:	1/5
WI Owners Names and Interests:	COG Operating LLC     100%
ORRI Owners:	Of Record

**Lease 27**

Lease Date: January 17, 2011  
 Lease Term: Three (3) Years  
 Recordation: Book 1717, Page 170  
 Lessor: Neal Parks King, joined pro forma by his wife Dorothy Perkins King  
 Original Lessee: Sam L. Shackelford  
 Current Lessee: COG Operating, LLC  
 Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
 Section 25: W/2SE/4  
 Lea County, New Mexico  
 Number of Gross Acres: 80  
 Royalty Rate: 1/5  
 WI Owners Names and Interests: COG Operating, LLC 100%  
 ORRI Owners: Of Record

**Lease 28**

Lease Date: January 17, 2011  
 Lease Term: Three (3) Years  
 Recordation: Book 1718, Page 238  
 Lessor: Rebecca Hunter  
 Original Lessee: Sam L. Shackelford  
 Current Lessee: COG Operating, LLC  
 Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
 Section 25: W/2SE/4  
 Lea County, New Mexico  
 Number of Gross Acres: 80  
 Royalty Rate: 1/5  
 WI Owners Names and Interests: COG Operating, LLC 100%  
 ORRI Owners: Of Record

**Lease 29**

Lease Date: January 17, 2011  
 Lease Term: Three (3) Years  
 Recordation: Book 1718, Page 241  
 Lessor: David Puckett  
 Original Lessee: Sam L. Shackelford  
 Current Lessee: COG Operating, LLC  
 Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
 Section 25: W/2SE/4  
 Lea County, New Mexico  
 Number of Gross Acres: 80  
 Royalty Rate: 1/5  
 WI Owners Names and Interests: COG Operating, LLC 100%  
 ORRI Owners: Of Record

Federal/Fee

**Lease 30**

Lease Date: January 17, 2011  
Lease Term: Three (3) Years  
Recordation: Book 1718, Page 246  
Lessor: Mary Jack Johnson, joined pro forma by her husband, Robert Johnson  
Original Lessee: Sam L. Shackelford  
Current Lessee: COG Operating, LLC  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 25: W/2SE/4  
Lea County, New Mexico  
Number of Gross Acres: 80  
Royalty Rate: 1/5  
WI Owners Names and Interests: COG Operating, LLC 100%  
ORRI Owners: Of Record

**Lease 31**

Lease Date: February 25, 2011  
Lease Term: Three (3) Years  
Recordation: Book 1720, Page 474  
Lessor: Katherine Madera  
Original Lessee: Sam L. Shackelford  
Current Lessee: COG Operating, LLC  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 25: W/2SE/4  
Lea County, New Mexico  
Number of Gross Acres: 80  
Royalty Rate: 1/5  
WI Owners Names and Interests: COG Operating, LLC 100%  
ORRI Owners: Of Record

**Lease 32**

Lease Date: February 25, 2011  
Lease Term: Three (3) Years  
Recordation: Book 1723, Page 598  
Lessor: Pamela Madera  
Original Lessee: Sam L. Shackelford  
Current Lessee: COG Operating, LLC  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 25: W/2SE/4  
Lea County, New Mexico  
Number of Gross Acres: 80  
Royalty Rate: 1/5  
WI Owners Names and Interests: COG Operating, LLC 100%  
ORRI Owners: Of Record



**Lease 33**

Lease Date: August 8, 2016  
Lease Term: Three (3) Years  
Recordation: Book 2063, Page 13  
Lessor: Lela Ellen Madera  
Original Lessee: Black Mountain Operating, LLC  
Current Lessee: Marathon Oil Permian, LLC 100%  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 25: W/2SE/4  
Lea County, New Mexico  
Number of Gross Acres: 80  
Royalty Rate: 1/5  
WI Owners Names and Interests: Marathon Oil Permian, LLC 100%  
ORRI Owners: Of Record

**Lease 34**

Lease Date: August 16, 2016  
Lease Term: Three (3) Years  
Recordation: Book 2063, Page 26  
Lessor: Michael Fred Madera  
Original Lessee: Black Mountain Operating, LLC  
Current Lessee: Marathon Oil Permian, LLC  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 25: W/2SE/4  
Lea County, New Mexico  
Number of Gross Acres: 80  
Royalty Rate: 1/5  
WI Owners Names and Interests: Marathon Oil Permian, LLC 100%  
ORRI Owners: Of Record

**Lease 35**

Lease Date: May 1, 2017  
Lease Terms: Three (3) Years  
Recordation: Book 2117, Page 362  
Lessor: Katherine Ross Madera Sharbutt  
Original Lessee: COG Operating, LLC  
Current Lessee: COG Operating, LLC  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 25: W/2SE/4  
Lea County, New Mexico  
Number of Gross Acres: 80  
Royalty Rate: 1/4  
WI Owners Names and Interests: COG Operating, LLC 100%  
ORRI Owners: Of Record

Federal/Fee

**Lease 36**

Lease Date: October 1, 2017  
Lease Terms: Three (3) Years  
Recordation: Book 2125, Page 723  
Lessor: Diane Bishop  
Original Lessee: COG Operating LLC  
Current Lessee: COG Operating LLC  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 25: NE/4NW/4NE/4, NE/4SW/4NE/4  
Lea County, New Mexico  
  
Number of Gross Acres: 20  
Royalty Rate: 1/4  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

**Lease 37**

Lease Date: September 12, 2017  
Lease Terms: Three (3) Years  
Recordation: Book 2123, Page 774  
Lessor: Mavros Minerals, LLC  
Original Lessee: COG Operating LLC  
Current Lessee: COG Operating LLC  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 25: W/2SE/4  
Lea County, New Mexico  
  
Number of Gross Acres: 80  
Royalty Rate: 1/4  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

**Lease 38**

Lease Date: September 12, 2017  
Lease Terms: Three (3) Years  
Recordation: Book 2123, Page 773  
Lessor: Oak Valley Mineral and Land, LP  
Original Lessee: COG Operating LLC  
Current Lessee: COG Operating LLC  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 25: W/2SE/4  
Lea County, New Mexico  
  
Number of Gross Acres: 80  
Royalty Rate: 1/4  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

**Lease 39**

Lease Date: September 12, 2017  
Lease Terms: Three (3) Years  
Recordation: Book 2123, Page 776  
Lessor: 5588 Oil LLC  
Original Lessee: COG Operating LLC  
Current Lessee: COG Operating LLC  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 25: W/2SE/4  
Lea County, New Mexico  
Number of Gross Acres: 80  
Royalty Rate: 1/4  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

**Lease 40**

Lease Date: September 12, 2017  
Lease Terms: Three (3) Years  
Recordation: Book 2123, Page 775  
Lessor: CEP Minerals, LLC  
Original Lessee: COG Operating LLC  
Current Lessee: COG Operating LLC  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 25: W/2SE/4  
Lea County, New Mexico  
Number of Gross Acres: 80  
Royalty Rate: 1/4  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

**UNLEASED MINERAL INTEREST OWNERS**

**New Mexico Department of Transportation – Tract 4**

**Duane Daley – Tract 5**

**Inspire AOG Partners, Ltd. – Tract 5**

**Chevron U.S.A. Inc. – Tract 10**

**MRC Permian Company – Tract 12**

**Bobbie Dorner – Tract 5**

**Rhonda Forsha – Tract 5**

**Viva Krause C/O Rhonda Forsha – Tract 5**

**Patricia Getty – Tract 5**

**Sandra Phillips – Tract 5**

**Shannon Daley aka Shannon D. Earl – Tract 5**

**Stacey Boelkens aka Stacy Alexander – Tract 5**

**Sara Louise Strand – Tract 12**

**William Davis Clark, and his successors, as Successor Trustee of the Jean Coulter  
Clark Revocable Trust Agreement dated September 6, 1996 – Tract 2**

# RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest In Communitized Area
1	40.00	12.500%
2	40.00	12.500%
3	80.00	25.000%
4	10.00	3.125%
5	20.00	6.250%
6	10.00	3.125%
7	20.00	6.250%
8	10.00	3.125%
9	10.00	3.125%
10	80.00	25.00%
<b>Total</b>	<b>320.00</b>	<b>100.000%</b>

# Federal Communitization Agreement

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into as of the 1st day of August, 2017, 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 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 24 South, Range 34 East, N.M.P.M.**

**Section 24: W/2 E/2**

**Section 25: W/2 E/2**

**Lea County, New Mexico**

Containing **320.00** acres, and this agreement shall include only the **Bone Spring Formation** underlying said lands and the oil and gas 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 Ave., 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 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 or Indian lands included within the CA area are to be paid into the appropriate Unleased Lands Account or Indian 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 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 if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is **January 1, 2019**, 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 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 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 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

Federal/Fee

hydrocarbons occur 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. Nondiscrimination. 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 - COG Operating LLC

By: Sean Johnson  
Operator/Attorney-in-Fact

\_\_\_\_\_  
Date

### ACKNOWLEDGEMENT

STATE OF TEXAS                    )  
  ) ss.  
COUNTY OF MIDLAND            )

This instrument was acknowledged before me on \_\_\_\_\_, 2019, by Sean Johnson, Attorney-in-Fact of COG Operating LLC, a Delaware Limited Liability Company, on behalf of same.

(SEAL)

\_\_\_\_\_  
My Commission Expires

\_\_\_\_\_  
Notary Public

Baseball Cap Federal Com 603H

**WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORD**

**WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD:**

	<b>COG Operating LLC</b>
Date: _____	By: _____ Sean Johnson Attorney-in-Fact
	<b>Concho Oil &amp; Gas, LLC</b>
Date: _____	By: _____ Sean Johnson Attorney-in-Fact
	<b>Marathon Oil Permian, LLC</b>
Date: _____	By: _____ Name: _____ Title: _____
	<b>Muleshoe Crude, LP</b>
Date: _____	By: _____ Name: _____ Title: _____
	<b>MRC Permian Company</b>
Date: _____	By: _____ Name: _____ Title: _____
	<b>MRC Permian LKE Company, LLC</b>
Date: _____	By: _____ Name: _____ Title: _____
	<b>MECO IV, LLC</b>
Date: _____	By: _____ Name: _____ Title: _____

Federal/Fee

Date: \_\_\_\_\_

**Energen Resources Corporation**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Commerce First Operating**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**EOG Resources, Inc.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Topwater Resources, LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Advance Energy Partners, LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Tap Rock Resources, LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Chevron U.S.A. Inc.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

NON-PARTICIPATING ROYALTY OWNERS

**EG3, Inc.**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Nestegg Energy Corporation**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Allar Development, LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



## ACKNOWLEDGEMENTS

STATE OF TEXAS       §  
                                   §  
 COUNTY OF MIDLAND   §

The foregoing instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2019, by Sean Johnson, as Attorney-In-Fact of **COG OPERATING LLC**, a Delaware limited liability company, on behalf of said limited liability company.

\_\_\_\_\_  
 NOTARY PUBLIC in and for the State of Texas

STATE OF TEXAS       §  
                                   §  
 COUNTY OF MIDLAND   §

The foregoing instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by Mark A. Carter, as Attorney-In-Fact of **CONCHO OIL & GAS, LLC**, a Texas limited liability company, on behalf of said limited liability company.

\_\_\_\_\_  
 NOTARY PUBLIC in and for the State of Texas

STATE OF \_\_\_\_\_ §  
                                   §  
 COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 201\_, by \_\_\_\_\_ as \_\_\_\_\_ of **MARATHON OIL PERMIAN, LLC**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
 NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §  
                                   §  
 COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 201\_, by \_\_\_\_\_, as \_\_\_\_\_ of **MULESHOE CRUDE, LP**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
 NOTARY PUBLIC in and for the State of \_\_\_\_\_

Federal/Fee

STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 201\_, by \_\_\_\_\_, as \_\_\_\_\_ of **MRC PERMIAN COMPANY** a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 201\_, by \_\_\_\_\_, as \_\_\_\_\_ of **MRC PERMIAN LKE COMPANY, LLC**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 201\_, by \_\_\_\_\_, as \_\_\_\_\_ of **MECO IV, LLC**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 201\_, by \_\_\_\_\_, as \_\_\_\_\_ of **ENERGEN RESOURCES CORPORATION**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

Federal/Fee

STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2019, by \_\_\_\_\_, as \_\_\_\_\_ of **COMMERCE FIRST OPERATING**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 201\_, by \_\_\_\_\_, as \_\_\_\_\_ of **EOG Y RESOURCES, INC.**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 201\_, by \_\_\_\_\_, as \_\_\_\_\_ of **TOPWATER RESOURCES, LLC**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 201\_, by \_\_\_\_\_, as \_\_\_\_\_ of **ADVANCE ENERGY PARTNERS, LLC**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

Federal/Fee

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 201\_, by \_\_\_\_\_, as \_\_\_\_\_ of **TAP ROCK RESOURCES, LLC**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 201\_, by \_\_\_\_\_, as \_\_\_\_\_ of **CHEVRON U.S.A. INC.**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

NOTARY PUBLIC in and for the State of \_\_\_\_\_

**NPRO ACKNOWLEDGEMENTS**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 201\_, by \_\_\_\_\_, as \_\_\_\_\_ of **EG3, INC.**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 201\_, by \_\_\_\_\_, as \_\_\_\_\_ of **NESTEGG ENERGY CORPORATION**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

NOTARY PUBLIC in and for the State of \_\_\_\_\_

Federal/Fee

STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 201\_, by \_\_\_\_\_, as \_\_\_\_\_ of **ALLAR DEVELOPMENT, LLC**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

**EXHIBIT "A"**

Plat of communitized area covering the W/2 E/2 of Section 24 & W/2 E/2 of Section 25, T24S – R34E,  
N.M.P.M.,  
Lea County, New Mexico

Tract 1:  
Fee



Tract 2:  
USA NM 123530



Tract 3:  
Fee



Tract 4:  
Fee



Tract 5:  
Fee



Tract 6:  
Fee



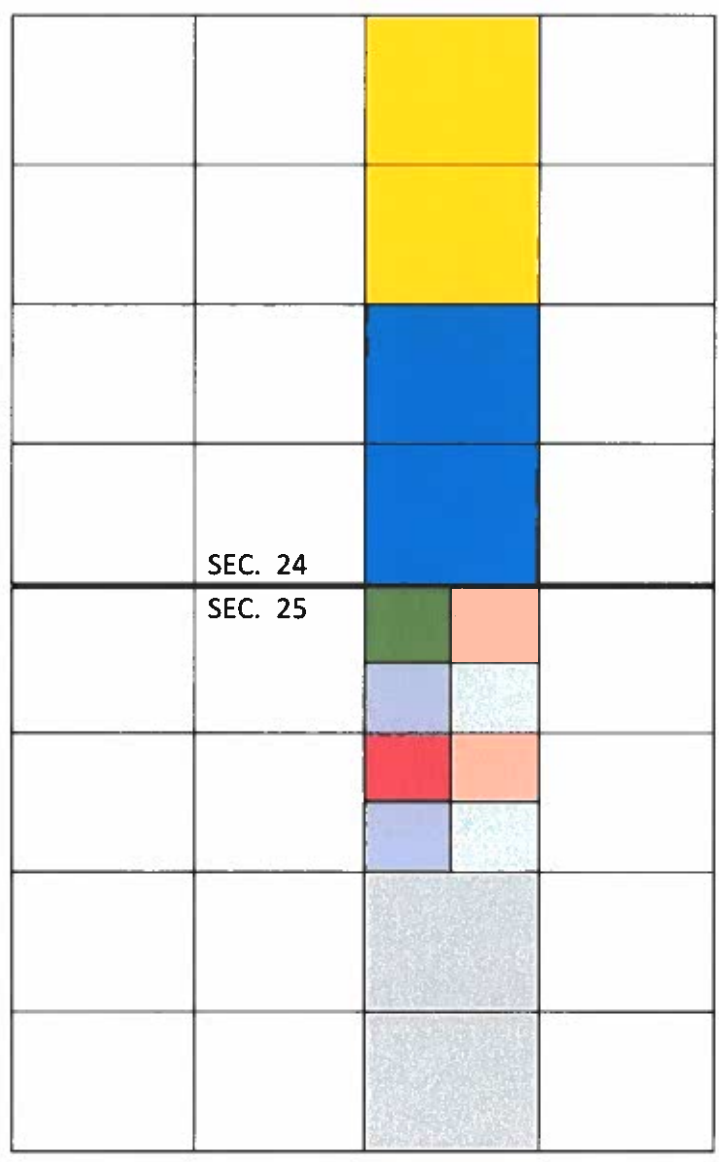
Tract 7:  
Fee



Tract 8:  
Fee



Tract 9:  
Fee



**EXHIBIT "B"**

Attached to and made a part of that Communitization Agreement dated August 1, 2017  
covering the W/2E/2 of Section 24 and the W/2E/2 of Section 25, T24S – R34E,  
N.M.P.M., Lea County, New Mexico  
Communitized depths are hereby limited to the Bone Spring Formation

Operator of Communitized Area: **COG Operating LLC**

**DESCRIPTION OF LEASES COMMITTED**

**TRACT 1:**

Lease Date:	January 15, 2015
Lease Term:	Three (3) Years
Recordation:	Volume 1948, Page 8
Lessor:	AE&J Royalties, LLC, a New Mexico LLC
Original Lessee:	Endeavor Energy Resources, LP
Current Lessee:	Muleshoe Crude, LP COG Operating LLC Concho Oil & Gas, LLC MECO IV, LLC
Description of Land Committed:	<b>Insofar and only insofar as said lease covers:</b> <u>Township 24 South, Range 34 East</u> Section 24: NW/4NE/4, SW/4NE/4 Lea County, New Mexico
Number of Acres:	80
Royalty Rate:	1/4
WI Owner Names and Interests:	Muleshoe Crude, LP 4.0000% COG Operating LLC 70.3125% Concho Oil and Gas, LLC 23.4375% MECO IV, LLC 2.2500%
ORRI Owners:	Of Record



Federal/Fee

Lease Date: September 7, 2016  
Lease Terms: Three (3) Years  
Recordation: Volume 2069, Page 728  
Lessor: Daniel P. Schuman and Vida K. Schuman, Trustees of the Daniel P. Schuman and Vida K. Schuman Revocable Trust dated 4/15/2014  
  
Original Lessee: MidCon Land Services, LLC  
Current Lessee: Energen Resources Corporation  
Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
Section 24: NW/4NE/4, SW/4NE/4  
Lea County, New Mexico  
  
Number of Acres: 80  
Royalty Rate: 1/5  
WI Owners Names and Interests: Energen Resources Corporation 100%  
ORRI Owners: Of Record

Lease Date: September 7, 2016  
Lease Terms: Three (3) Years  
Recordation: Volume 2069, Page 738  
Lessor: Marc Schuman, a single man  
Original Lessee: MidCon Land Services, LLC  
Current Lessee: Energen Resources Corporation  
Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
Section 24: NW/4NE/4, SW/4NE/4  
Lea County, New Mexico  
  
Number of Acres: 80  
Royalty Rate: 1/5  
WI Owners Names and Interests: Energen Resources Corporation 100%  
ORRI Owners: Of Record

Lease Date: September 2, 2016  
Lease Term: Three (3) Years  
Recordation: Book 2069, Page 743  
Lessor: Charlotte W. Schuman and Karlyn S. Doyle, Co-Trustees of the Charlotte W. Schuman Living Trust dated 10/5/1988  
  
Original Lessee: MidCon Land Services, LLC  
Current Lessee: Energen Resources Corporation  
Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
Section 25: NW/4NE/4, SW/4NE/4  
Lea County, New Mexico  
  
Number of Acres: 80  
Royalty Rate: 1/5  
WI Owners Names and Interests: Energen Resources Corporation 100%  
ORRI Owners: Of Record

Federal/Fee

Lease Date: May 4, 2017  
Lease Terms: Three (3) Years  
Recordation: Not Recorded  
Lessor: Matthew Schuman  
Original Lessee: COG Operating LLC  
Current Lessor: COG Operating LLC  
Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
Section 24: NW/4NE/4, SW/4NE/4  
Lea County, New Mexico  
Number of Acres: 80  
Royalty Rate: 1/4  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

Lease Date: May 4, 2017  
Lease Terms: Three (3) Years  
Recordation: Book 2112, Page 585, Lea County Records  
Lessor: Liessa Schuman  
Original Lessee: COG Operating LLC  
Current Lessee: COG Operating LLC  
Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
Section 24: NW/4NE4, SW/4NE/4  
Number of Acres: 80  
Royalty Rate: 1/4  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

Lease Date: November 2, 2017  
Lease Terms: Three (3) Years  
Recordation: Book 2124, Page 876 (Memorandum), Lea County Records  
Lessor: Commerce First Royalties, LLC  
Original Lessee: Commerce First Operating, LP  
Current Lessee: Commerce First Operating, LP  
Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
Section 24: NW/4NE/4, SW/4NE/4  
Number of Acres: 80  
Royalty Rate: 1/4  
WI Owners Names and Interests: Commerce First Operating, LP 100%  
ORRI Owners: Of Record

**TRACT 2:**

Lease Date: August 25, 2009; Eff. September 1, 2009  
 Lease Term: Ten (10) Years  
 Recordation: Not Recorded  
 Lessor: USA NM 123530  
 Original Lessee: The Allar Company  
 Current Lessee: COG Operating LLC  
 Concho Oil & Gas, LLC  
 Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
 Section 24: W2SE/4  
 Number of Acres: 80  
 Royalty Rate: 1/8  
 WI Owner Names and Interests: COG Operating LLC 97.5%  
 Concho Oil & Gas, LLC 2.5%  
 ORRI Owners: Of Record

**TRACT 3:**

Lease Date: February 24, 2015  
 Lease Term: Five (5) Years  
 Recordation: Volume 1948, Page 327  
 Lessor: James H. Moomaw  
 Original Lessee: Blackbird Royalties, LLC  
 Current Lessee: MRC Permian LKE Company LLC  
 Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
 Section 25: NW/4SW/4NE/4  
 Lea County, New Mexico  
 Number of Acres: 10  
 Royalty Rate: 1/5  
 WI Owners Names and Interests: MRC Permian LKE Company, LLC 100%  
 ORRI Owners: Of Record

**TRACT 4:**

Lease Date: August 9, 2017  
 Lease Term: Three (3) Years  
 Recordation: Book 2122, Page 6  
 Lessor: Inspire AOG Partners, LTD.  
 Lessee: Ozark Royalty Co.  
 Current Lessee: Topwater Resources, LLC  
 Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
 Section 25: NE/4SW/4NE/4  
 Lea County, New Mexico  
 Number of Acres: 10  
 Royalty Rate: 1/4  
 WI Owner Names and Interests: Topwater Resources, LLC 100%  
 ORRI Owners: Of Record

Lease Date: July 25, 2013  
 Lease Term: Five (5) Years  
 Recordation: Volume 1859, Page 669  
 Lessor: Duane R. Daley, dealing in his sole and separate property  
 Lessee: Yates Petroleum Corporation  
 Current Lessee: EOG Y Resources, Inc.  
 Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
 Section 25: NE/4SW/4NE/4, NE/4NW/4/NE/4  
 Lea County, New Mexico  
 Number of Acres: 20  
 Royalty Rate: 1/5  
 WI Owner Names and Interests: EOG Y Resources, Inc. 100%  
 ORRI Owners: Of Record

Federal/Fee

Lease Date: August 24, 2016  
Lease Term: Three (3) Years  
Recordation: Volume 2051, Page 400  
Lessor: Shawna Dee Lawrence, aka Shawna Grayham, dealing in her sole and Separate property  
Original Lessee: Energex, LLC  
Current Lessee: COG Operating LLC  
Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
Section 25: NE/4NW/4NE/4, NE/4SW/4NE/4  
Lea County, New Mexico  
Number of Acres: 20  
Royalty Rate: 3/16  
WI Owners Names and Interests: Energex, LLC 100%  
ORRI Owners: Of Record

Lease Date: July 25, 2013  
Lease Terms: Five (5) Years  
Recordation: Volume 1853, Page 293  
Lessor: Mary Johnson, dealing in her sole and separate property  
Original Lessee: Yates Petroleum Corporation  
Current Lessee: EOG Y Resources, Inc.  
Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
Section 25: NE/4NW/4NE/4, NE/4SW/4NE/4  
Lea County, New Mexico  
Number of Acres: 20  
Royalty Rate: 1/5  
WI Owners Names and Interests: EOG Y Resources, Inc. 100%  
ORRI Owners: Of Record

Lease Date: October 1, 2017  
Lease Terms: Three (3) Years  
Recordation: Book 2125, Page 723  
Lessor: Diane Bishop  
Original Lessee: COG Operating LLC  
Current Lessee: COG Operating LLC  
Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
Section 25: NE/4SW/4NE/4  
Lea County, New Mexico  
Number of Acres: 10  
Royalty Rate: 1/4  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

Lease Date: August 4, 2017  
Lease Terms: Three (3) Years  
Recordation: Book 2121, Page 542  
Lessor: Daniel M. Crook  
Original Lessee: COG Operating LLC  
Current Lessee: COG Operating LLC  
Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
Section 25: NE/4NW/4NE/4, NE/4SW/4NE/4  
Lea County, New Mexico  
  
Number of Gross Acres: 20  
Royalty Rate: 1/4  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

Lease Date: April 20, 2018  
Lease Terms: Three (3) Years  
Recordation: Book 2135, Page 359  
Lessor: Franco-Nevada Texas, LP  
Original Lessee: Advance Energy Partners, LLC  
Current Lessee: Advance Energy Partners, LLC  
Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
Section 25: NE/4NW/4NE/4, NE/4SW/4NE/4  
Lea County, New Mexico  
  
Number of Gross Acres: 20  
Royalty Rate: 1/4  
WI Owners Names and Interests: Advance Energy Partners 100%  
ORRI Owners: Of Record

**TRACT 5:**

Lease Date: May 10, 2017  
Lease Terms: Three (3) Years  
Recordation: Volume 2105, Page 797  
Lessor: Rolla R. Hinkle III and Rosemary H. Hinkle, husband and wife  
  
Original Lessee: OneEnergy Partners Operating, LLC  
Current Lessee: COG Operating LLC  
Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
Section 25: SE/4SW/4NE/4, SE/4NW/4NE/4 Less and except a 0.3300 acre tract of land Conveyed unto the New Mexico Department of Transportation  
Lea County, New Mexico  
  
Number of Acres: 20  
Royalty Rate: 1/4  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

Lease Date: May 10, 2017  
Lease Term: Three (3) Years  
Recordation: Volume 2105, Page 793  
Lessor: Madison M. Hinkle and Susan M. Hinkle, husband and wife  
Original Lessee: OneEnergy Partners Operating, LLC  
Current Lessee: COG Operating LLC  
Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
Section 25: SE/4SW/4NE/4, SE/4NW/4NE/4 Less and except  
a 0.3300 acre tract of land Conveyed unto the New Mexico  
Department of Transportation  
Lea County, New Mexico  
Number of Acres: 20  
Royalty Rate: 1/4  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

Lease Date: December 13, 2016  
Lease Terms: Three (3) Years  
Recordation: Volume 2086, Page 479  
Lessor: Justin Nine and wife, Sara Nine  
Original Lessee: OneEnergy Partners Operating, LLC  
Current Lessee: COG Operating LLC  
Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
Section 25: SE/4SW/4NE/4, SE/4NW/4NE/4  
Lea County, New Mexico  
Number of Acres: 20  
Royalty Rate: 1/4  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

Lease Date: December 13, 2016  
Lease Terms: Three (3) Years  
Recordation: Volume 2086, Page 475  
Lessor: Tim Lilley and wife, Tashina Lilley  
Original Lessee: OneEnergy Partners Operating, LLC  
Current Lessee: COG Operating LLC  
Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
Section 25: SE/4SW/4NE/4, SE/4NW/4NE/4  
Lea County, New Mexico  
Number of Acres: 20  
Royalty Rate: 1/4  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record



Lease Date: December 13, 2016  
Lease Terms: Three (3) Years  
Recordation: Volume 2086, Page 503  
Lessor: Marc Lilley and wife, Lisa Lilley  
Original Lessee: OneEnergy Partners Operating, LLC  
Current Lessee: COG Operating LLC  
Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
Section 25: SE/4SW/4NE/4, SE/4NW/4NE/4  
Lea County, New Mexico  
Number of Acres: 20  
Royalty Rate: 1/4  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

Lease Date: December 13, 2016  
Lease Terms: Three (3) Years  
Recordation: Volume 2086, Page 483  
Lessor: Dylan Tarter, a single man dealing in his sole and separate property  
Original Lessee: OneEnergy Partners Operating, LLC  
Current Lessee: COG Operating LLC  
Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
Section 25: SE/4SW/4NE/4, SE/4NW/4NE/4  
Lea County, New Mexico  
Number of Acres: 20  
Royalty Rate: 1/4  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

**TRACT 6:**

Lease Date: March 30, 2017  
Lease Term: Three (3) Years  
Recordation: Volume 2124, Page 979  
Lessor: Tara Marie Weldon, dealing in her sole and separate property joined pro forma by her husband Brian Patrick Weldon  
Original Lessee: Blackbird Royalties, LLC  
Current Lessee: Tap Rock Resources, LLC  
Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
Section 25: a 1.8956 acre tract in the SW/4NW/4NE/4  
Lea County, New Mexico  
Number of Acres: 1.8956  
Royalty Rate: 1/4  
WI Owners Names and Interests: Tap Rock Resources, LLC 100%  
ORRI Owners: Of Record

Lease Date: March 30, 2016  
 Lease Term: Three (3) Years  
 Recordation: Volume 2021, Page 531  
 Lessor: Tara Marie Weldon  
 Original Lessee: Blackbird Royalties, LLC  
 Current Lessee: Marathon Oil Permian, LLC  
 Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
 Section 25: SW/4NW/4NE/4 less a 1.8956 acre tract  
 Lea County, New Mexico  
 Number of Acres: 10  
 Royalty Rate: 1/4  
 WI Owners Names and Interests: Marathon Oil Permian, LLC 100%  
 ORRI Owners: Of Record

Lease Date: June 14, 2016  
 Lease Term: Four (4) Years  
 Recordation: Volume 2043, Page 434  
 Lessor: Blackbird Royalties, LLC  
 Original Lessee: Crown Oil Partners V, LP  
 Crump Energy Partners II, LLC  
 Current Lessee: Marathon Oil Permian, LLC  
 Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
 Section 25: SW/4NW/4NE/4, SW/4SW/4NE/4,  
 less 1.8965 acre tract  
 Lea County, New Mexico  
 Number of Acres: 20  
 Royalty Rate: 6/25  
 WI Owners Names and Interests: Marathon Oil Permian, LLC 100%  
 ORRI Owners: Of Record

Lease Date: August 18, 2017  
 Lease Term: 3 Years  
 Recordation: Book 2124, Page 980, Lea County Records  
 Lessor: Blackbird Royalties LLC  
 Original Lessee: Boaz Energy II, LLC  
 Current Lessee: Tap Rock Resources, LLC  
 Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
 Section 25: A 1.8956 acre tract in the SW/4NW/4NE/4  
 Lea County, New Mexico  
 Number of Acres: 1.8956  
 Royalty Rate: 1/4  
 WI Owners Names and Interests: Tap Rock Resources, LLC 100%  
 ORRI Owners: Of Record

**TRACT 7:**

Lease Date: February 3, 2015  
Lease Term: Three (3) Years  
Recordation: Volume 1944, Page 991  
Lessor: Rex L. Harelson, a married man dealing in his sole and separate property  
Original Lessee: Blackbird Royalties, LLC  
Current Lessee: MRC Permian LKE Company, LLC  
Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
Section 25: NW/4NW/4NE/4  
Lea County, New Mexico  
Number of Acres: 10  
Royalty Rate: 1/5  
WI Owner Names and Interests: MRC Permian LKE Company, LLC 100%  
ORRI Owners: Of Record

**TRACT 8:**

Lease Date: November 4, 2015  
Lease Term: Three (3) Years  
Recordation: Volume 1993, Page 488  
Lessor: Rubert Madera, dealing in his sole and separate property  
Original Lessee: Energex, LLC  
Current Lessee: COG Operating LLC  
Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
Section 25: W/2SE/4  
Lea County, New Mexico  
Number of Acres: 80  
Royalty Rate: 1/5  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

Lease Date: November 4, 2015  
Lease Term: Three (3) Years  
Recordation: Volume 1995, Page 124  
Lessor: Mildred Maxine Madera McCall, dealing in her sole and separate property  
Original Lessee: Energex, LLC  
Current Lessee: COG Operating LLC  
Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
Section 25: W/2SE/4  
Lea County, New Mexico  
Number of Acres: 80  
Royalty Rate: 1/5  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

Lease Date: January 17, 2011  
Lease Term: Three (3) Years  
Recordation: Volume 1717, Page 170  
Lessor: Neal Parks King, dealing in his sole and separate property and Joined pro forma by his wife Dorothy Perkins King  
Original Lessee: Sam L. Shackelford  
Current Lessee: COG Operating LLC  
Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
Section 25: W/2SE/4  
Lea County, New Mexico  
Number of Acres: 80  
Royalty Rate: 1/5  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

Lease Date: January 17, 2011  
Lease Term: Three (3) Years  
Recordation: Volume 1718, Page 238  
Lessor: Rebecca Hunter, dealing in her sole and separate property  
Original Lessee: Sam L. Shackelford  
Current Lessee: COG Operating LLC  
Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
Section 25: W/2SE/4  
Lea County, New Mexico  
Number of Acres: 80  
Royalty Rate: 1/5  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

Federal/Fee

Lease Date: January 17, 2011  
Lease Term: Three (3) Years  
Recordation: Volume 1718, Page 241  
Lessor: David Puckett, dealing in his sole and separate property  
Original Lessee: Sam L. Shackelford  
Current Lessee: COG Operating LLC  
Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
Section 25: W/2SE/4  
Lea County, New Mexico  
Number of Acres: 80  
Royalty Rate: 1/5  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

Lease Date: January 17, 2011  
Lease Term: Three (3) Years  
Recordation: Volume 1718, Page 246  
Lessor: Mary Jack Johnson, dealing in her sole and separate property  
and joined pro forma by her husband, Robert Johnson  
Original Lessee: Sam L. Shackelford  
Current Lessee: COG Operating LLC  
Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
Section 25: W/2SE/4  
Lea County, New Mexico  
Number of Acres: 80  
Royalty Rate: 1/5  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

Lease Date: February 25, 2011  
Lease Term: Three (3) Years  
Recordation: Volume 1720, Page 474  
Lessor: Katherine Madera, dealing in her sole and separate property  
Original Lessee: Sam L. Shackelford  
Current Lessee: COG Operating LLC  
Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
Section 25: W/2SE/4  
Lea County, New Mexico  
Number of Acres: 80  
Royalty Rate: 1/5  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

Lease Date: February 25, 2011  
Lease Term: Three (3) Years  
Recordation: Volume 1723, Page 598  
Original Lessor: Pamela Madera, dealing in her sole and separate property  
Lessee: Sam L. Shackelford  
Current Lessee: COG Operating LLC  
Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
Section 25: W/2SE/4  
Lea County, New Mexico  
Number of Acres: 80  
Royalty Rate: 1/5  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

Lease Date: August 8, 2016  
Lease Term: Three (3) Years  
Recordation: Volume 2063, Page 13  
Lessor: Lela Ellen Madera  
Original Lessee: Black Mountain Operating, LLC  
Current Lessee: Marathon Oil Permian, LLC  
Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
Section 25: W/2SE/4  
Lea County, New Mexico  
Number of Acres: 80  
Royalty Rate: 1/5  
WI Owners Names and Interests: Marathon Oil Permian, LLC 100%  
ORRI Owners: Of Record

Lease Date: August 16, 2016  
Lease Term: Three (3) Years  
Recordation: Volume 2063, Page 26  
Lessor: Michael Fred Madera  
Original Lessee: Black Mountain Operating, LLC  
Current Lessee: Marathon Oil Permian, LLC  
Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
Section 25: W/2SE/4  
Lea County, New Mexico  
Number of Acres: 80  
Royalty Rate: 1/5  
WI Owners Names and Interests: Marathon Oil Permian, LLC 100%  
ORRI Owners: Of Record

Federal/Fee

Lease Date: May 1, 2017  
Lease Terms: Three (3) Years  
Recordation: Not Recorded  
Lessor: Katherine Ross Madera Sharbutt  
Original Lessee: COG Operating LLC  
Current Lessee: COG Operating LLC  
Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
Section 25: W/2SE/4  
Lea County, New Mexico  
Number of Acres: 80  
Royalty Rate: 1/4  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

Lease Date: September 12, 2017  
Lease Terms: Three (3) Years  
Recordation: Book 2123, Page 774  
Lessor: Mavros Minerals, LLC  
Original Lessee: COG Operating LLC  
Current Lessee: COG Operating LLC  
Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
Section 25: W/2SE/4  
Lea County, New Mexico  
Number of Acres: 80  
Royalty Rate: 1/4  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record



Lease Date: September 12, 2017  
 Lease Terms: Three (3) Years  
 Recordation: Book 2123, Page 773  
 Lessor: Oak Valley Mineral and Land, LP  
 Original Lessee: COG Operating LLC  
 Current Lessee: COG Operating LLC  
 Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
 Section 25: W/2SE/4  
 Lea County, New Mexico  
 Number of Acres: 80  
 Royalty Rate: 1/4  
 WI Owners Names and Interests: COG Operating LLC 100%  
 ORRI Owners: Of Record

Lease Date: September 12, 2017  
 Lease Terms: Three (3) Years  
 Recordation: Book 2123, Page 776  
 Lessor: 5588 Oil LLC  
 Original Lessee: COG Operating LLC  
 Current Lessee: COG Operating LLC  
 Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
 Section 25: W/2SE/4  
 Lea County, New Mexico  
 Number of Acres: 80  
 Royalty Rate: 1/4  
 WI Owners Names and Interests: COG Operating LLC 100%  
 ORRI Owners: Of Record

Lease Date: September 12, 2017  
 Lease Terms: Three (3) Years  
 Recordation: Book 2123, Page 775  
 Lessor: CEP Minerals, LLC  
 Original Lessee: COG Operating LLC  
 Current Lessee: COG Operating LLC  
 Description of Land Committed: **Insofar and only insofar as said lease covers:**  
Township 24 South, Range 34 East  
 Section 25: W/2SE/4  
 Lea County, New Mexico  
 Number of Acres: 80  
 Royalty Rate: 1/4  
 WI Owners Names and Interests: COG Operating LLC 100%  
 ORRI Owners: Of Record

# **UNLEASED MINERAL INTEREST OWNERS**

New Mexico Department of Transportation – Tracts 4 & 6  
 Duane Daley – Tract 5  
 Chevron U.S.A. Inc. – Tract 10  
 MRC Permian Company – Tract 7  
 Bobbie Dorner – Tract 5  
 Rhonda Forsha – Tract 5  
 Viva Krause C/O Rhonda Forsha – Tract 5  
 Patricia Getty – Tract 5  
 Sandra Phillips – Tract 5  
 Shannon Daley – Tract 5  
 Stacey Boelkens a/k/a Stacy Alexander – Tract 5  
 Sara Louise Strand – Tract 7

## **RECAPITULATION**

Tract No.	No. of Acres Committed	Percentage of Interest In Communitized Area
1	80.00	25.000%
2	80.00	25.000%
3	10.00	3.125%
4	20.00	6.250%
5	20.00	6.250%
6	20.00	6.250%
7	10.00	3.125%
8	80.00	25.000%
<b>Total</b>	<b>320.00</b>	<b>100.000%</b>

Federal Communitization Agreement

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into as of the 1st day of January, 2019, 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 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 24 South, Range 34 East, N.M.P.M.**

**Section 24: E/2 W/2**

**Section 25: E/2 W/2**

**Lea County, New Mexico**

Containing 320.00 acres, and this agreement shall include only the **Bone Spring Formation** underlying said lands and the oil and gas 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 Ave., 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 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 or Indian lands included within the CA area are to be paid into the appropriate Unleased Lands Account or Indian 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 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 if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is **January 1, 2019**, 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 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 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 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

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. Nondiscrimination. 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.

By: Mark A. Carter  
Operator/Attorney-in-Fact

Date \_\_\_\_\_

## ACKNOWLEDGEMENT

STATE OF TEXAS )  
COUNTY OF MIDLAND ) ss.

This instrument was acknowledged before me on \_\_\_\_\_, 201\_\_, by Mark A. Carter, Attorney-in-Fact of COG Operating LLC, a Delaware Limited Liability Company, on behalf of same.

(SEAL)

## My Commission Expires

**Notary Public**

**WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORD**

**WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD:**

**COG Operating LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Mark A. Carter  
Attorney-in-Fact

**Concho Oil & Gas, LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Mark A. Carter  
Attorney-in-Fact

**Muleshoe Crude, LP**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**MECO IV, LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**MRC Permian LKE Company,  
LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**MRC Permian Company**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**Energen Resources Corporation**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



Date: \_\_\_\_\_

**Vladin, LLC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**John A. Yates, Trustee of Trust Q  
u/w/o Peggy A. Yates, dated 11-20-  
1989**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EOG Resources, Inc.**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**Marathon Oil Permian, LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**Commerce First Operating, LP**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**Topwater Resources, LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**Chevron U.S.A. Inc.**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

NON-PARTICIPATING ROYALTY OWNERS

**EG3, Inc.**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Nestegg Energy Corporation**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Allar Development, LLC**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

ACKNOWLEDGEMENTS

STATE OF TEXAS       §  
                                  §  
COUNTY OF MIDLAND   §

The foregoing instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_, by Mark A. Carter, as Attorney-In-Fact of **COG OPERATING LLC**, a Delaware limited liability company, on behalf of said limited liability company.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of Texas

STATE OF TEXAS       §  
                                  §  
COUNTY OF MIDLAND   §

The foregoing instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_, by Mark A. Carter, as Attorney-In-Fact of **CONCHO OIL & GAS, LLC**, a Texas limited liability company, on behalf of said limited liability company.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of Texas

STATE OF \_\_\_\_\_ §  
                                  §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_, by \_\_\_\_\_ as \_\_\_\_\_ of **MULESHOE CRUDE, LP**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §  
                                  §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_, by \_\_\_\_\_ as \_\_\_\_\_ of **MECO, IV**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

Federal/Fee

STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_, by \_\_\_\_\_, as \_\_\_\_\_ of **MRC PERMIAN LKE COMPANY, LLC**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_, by \_\_\_\_\_, as \_\_\_\_\_ of **MRC PERMIAN COMPANY** a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_, by \_\_\_\_\_ as \_\_\_\_\_ of **ENERGEN RESOURCES CORPORATION**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_, by \_\_\_\_\_ as \_\_\_\_\_ of **VLADIN, LLC**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

Federal/Fee

STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_, by John A. Yates, as Trustee of **TRUST Q U/W/O PEGGY A. YATES, DATED 11-20-1989**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_, by \_\_\_\_\_, as \_\_\_\_\_ of **EOG Y RESOURCES, INC.**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_, by \_\_\_\_\_, as \_\_\_\_\_ of **MARATHON OIL PERMIAN, LLC**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_, by \_\_\_\_\_, as \_\_\_\_\_ of **COMMERCE FIRST OPERATING LP**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

Federal/Fee

STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_, by \_\_\_\_\_, as \_\_\_\_\_ of **TOPWATER RESOURCES, LLC**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_, by \_\_\_\_\_, as \_\_\_\_\_ of **CHEVRON U.S.A. INC.**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

### NPRO ACKNOWLEDGEMENTS

STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_, by \_\_\_\_\_, as \_\_\_\_\_ of **EG3, INC.**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_, by \_\_\_\_\_, as \_\_\_\_\_ of **NESTEGG ENERGY CORPORATION**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

Federal/Fee

STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_, by \_\_\_\_\_, as \_\_\_\_\_ of **ALLAR DEVELOPMENT, LLC**, a \_\_\_\_\_, on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_

### EXHIBIT "A"

Plat of communitized area covering the E/2 W/2 of Section 24 & E/2 W/2 of Section 25, T24S – R34E,  
N.M.P.M., Lea County, New Mexico  
Communitized depths are hereby limited to the Bone Spring Formation

#### Baseball Cap Federal Com 705H

Tract 1:  
USA NM 15684



Tract 2:  
Fee Leases



Tract 3:  
USA NM 123530



Tract 4:  
Fee Leases



Tract 5:  
Fee Leases



Tract 6:  
Fee Leases



Tract 7:  
Fee Leases



Tract 8:  
Fee Leases



Tract 9:  
Fee



Tract 10:  
Fee Leases

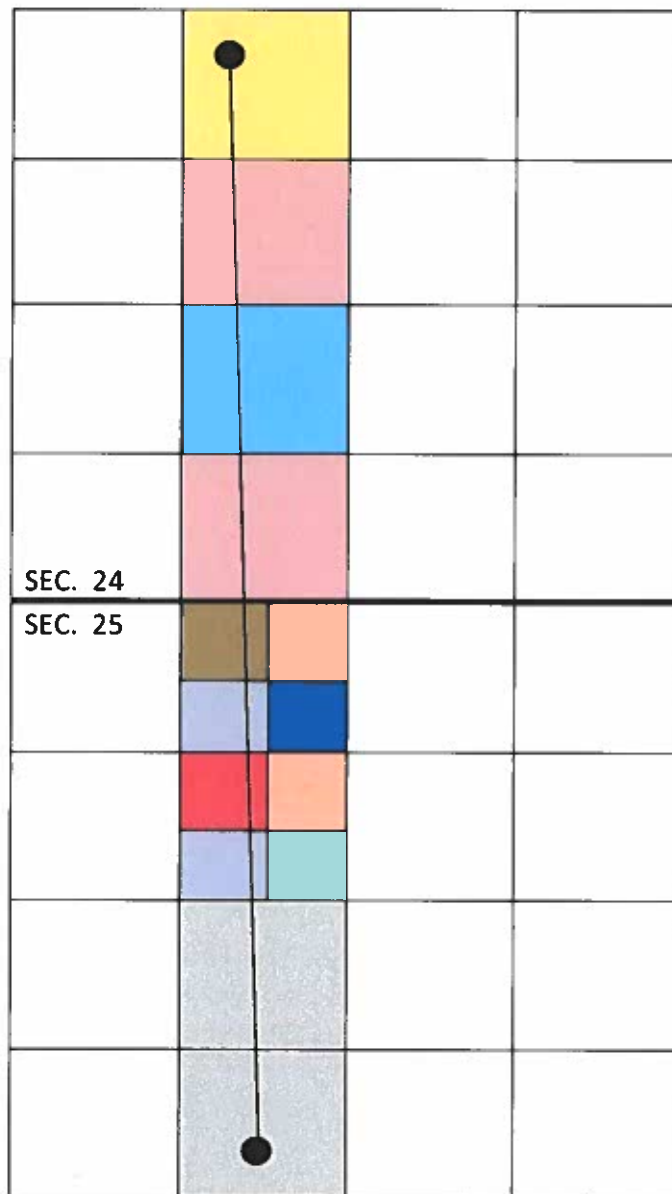




EXHIBIT "B"

Attached to and made a part of that Communitization Agreement dated January 1, 2019 covering the E/2W/2 of Section 24 and the E/2W/2 of Section 25, T24S – R34E, N.M.P.M., Lea County, New Mexico

Communitized depths are hereby limited to the Bone Spring Pool

Operator of Communitized Area: **COG Operating LLC**

DESCRIPTION OF LEASES COMMITTED

TRACT 1:

Lease Date: June 14, 1972, Eff. July 1, 1972  
Lease Term: Ten (10) Years  
Recordation: Not Recorded  
Lessor: USA NM 15684  
Original Lessee: John A. Yates  
Current Lessee: Vladin, LLC  
John A. Yates, Trustee of Trust Q u/w/o Peggy A. Yates, dated 11-20-1989  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 24: NE/4NW/4  
Lea County, New Mexico  
Number of Acres: 40  
Royalty Rate: 1/8  
WI Owner Names and Interests: Vladin, LLC 50%  
John A. Yates, Trustee of Trust Q u/w/o Peggy A. Yates, dated 11-20-1989 50%  
ORRI Owners: Of Record

TRACT 2:

Lease Date: January 15, 2015  
Lease Term: Three (3) Years  
Recordation: Volume 1948, Page 8  
Lessor: AE&J Royalties, LLC, a New Mexico LLC  
Original Lessee: Endeavor Energy Resources, LP  
Current Lessee: Muleshoe Crude, LP  
COG Operating LLC  
Concho Oil & Gas, LLC  
MECO IV, LLC  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 24: SE/4NW/4, SE/4SW/4  
Lea County, New Mexico  
Number of Acres: 80  
Royalty Rate: 1/4  
WI Owner Names and Interests: Muleshoe Crude, LP 4.0000%  
COG Operating LLC 70.3125%  
Concho Oil and Gas, LLC 23.4375%  
MECO IV, LLC 2.2500%  
ORRI Owners: Of Record  
Baseball Cap Federal Com 705H

Federal/Fee

Lease Date: September 7, 2016  
 Lease Terms: Three (3) Years  
 Recordation: Volume 2069, Page 728  
 Lessor: Daniel P. Schuman and Vida K. Schuman, Trustees of the Daniel P. Schuman and Vida K. Schuman Revocable Trust dated 4/15/2014  
 Original Lessee: MidCon Land Services, LLC  
 Current Lessee: Energen Resources Corporation  
 Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
 Section 24: SE/4NW/4, SE/4SW/4  
 Lea County, New Mexico  
 Number of Acres: 80  
 Royalty Rate: 1/5  
 WI Owners Names and Interests: Energen Resources Corporation 100%  
 ORRI Owners: Of Record

Lease Date: September 7, 2016  
 Lease Terms: Three (3) Years  
 Recordation: Volume 2069, Page 738  
 Lessor: Marc Schuman, a single man  
 Original Lessee: MidCon Land Services, LLC  
 Current Lessee: Energen Resources Corporation  
 Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
 Section 24: SE/4NW/4, SE/4SW/4  
 Lea County, New Mexico  
 Number of Acres: 80  
 Royalty Rate: 1/5  
 WI Owners Names and Interests: Energen Resources Corporation 100%  
 ORRI Owners: Of Record

Lease Date: September 2, 1016  
 Lease Term: Three (3) Years  
 Recordation: Book 2069, Page 743  
 Lessor: Charlotte W. Schuman and Karlyn S. Doyle, Co-Trustees of the Charlotte W. Schuman Living Trust dated 10/5/1988  
 Original Lessee: MidCon Land Services, LLC  
 Current Lessee: Energen Resources Corporation  
 Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
 Section 25: SE/4NW/4, SE/4SW/4  
 Lea County, New Mexico  
 Number of Acres: 80  
 Royalty Rate: 1/5  
 WI Owners Names and Interests: Energen Resources Corporation 100%  
 ORRI Owners: Of Record

		Federal/Fee
Lease Date:	May 4, 2017	
Lease Terms:	Three (3) Years	
Recordation:	Not Recorded	
Lessor:	Matthew Schuman	
Original Lessee:	COG Operating LLC	
Current Lessor:	COG Operating LLC	
Description of Land Committed:	Insofar only as said lease covers: <u>Township 24 South, Range 34 East</u> Section 24: SE/4NW/4, SE/4SW/4 Lea County, New Mexico	
Number of Acres:	80	
Royalty Rate:	1/4	
WI Owners Names and Interests:	COG Operating LLC	100%
ORRI Owners:	Of Record	
Lease Date:	May 4, 2017	
Lease Terms:	Three (3) Years	
Recordation:	Not Recorded	
Lessor:	Liessa Schuman	
Original Lessee:	COG Operating LLC	
Current Lessee:	COG Operating LLC	
Description of Land Committed:	Insofar only as said lease covers: <u>Township 24 South, Range 34 East</u> Section 24: SE/4NW/4, SE/4SW/4	
Number of Acres:	80	
Royalty Rate:	1/4	
WI Owners Names and Interests:	COG Operating LLC	100%
ORRI Owners:	Of Record	
Lease Date:	November 2, 2017	
Lease Terms:	Three (3) Years	
Recordation:	Book 2124, Page 876 (Memorandum), Lea County Records	
Lessor:	Commerce First Royalties, LLC	
Original Lessee:	Commerce First Operating, LP	
Current Lessee:	Commerce First Operating, LP	
Description of Land Committed:	Insofar only as said lease covers: <u>Township 24 South, Range 34 East</u> Section 24: SE/4SW/4, SE/4NW/4	
Number of Acres:	80	
Royalty Rate:	1/4	
WI Owners Names and Interests:	Commerce First Operating, LP	100%
ORRI Owners:	Of Record	

**TRACT 3:**

Lease Date:	August 25, 2009; Eff. September 1, 2009	
Lease Term:	Ten (10) Years	
Recordation:	Not Recorded	
Lessor:	USA NM 123530	
Original Lessee:	The Allar Company	
Current Lessee:	COG Operating LLC	
	Concho Oil & Gas, LLC	
Description of Land Committed:	Insofar only as said lease covers:	
	<u>Township 24 South, Range 34 East</u>	
	Section 24: NE/4SW/4	
Number of Acres:	40	
Royalty Rate:	1/8	
WI Owner Names and Interests:	COG Operating LLC	97.5%
	Concho Oil & Gas, LLC	2.5%
ORRI Owners:	Of Record	

**TRACT 4:**

Lease Date:	February 24, 2015	
Lease Term:	Five (5) Years	
Recordation:	Volume 1948, Page 327	
Lessor:	James H. Moomaw, dealing in his sole and separate property	
Original Lessee:	Blackbird Royalties, LLC	
Current Lessee:	MRC Permian LKE Company LLC	
Description of Land Committed:	Insofar only as said lease covers:	
	<u>Township 24 South, Range 34 East</u>	
	Section 25: NW/4NE/4NW/4	
	Lea County, New Mexico	
Number of Acres:	10	
Royalty Rate:	1/5	
WI Owners Names and Interests:	MRC Permian LKE Company, LLC	100%
ORRI Owners:	Of Record	

**TRACT 5:**

Lease Date:	August 9, 2017	
Lease Term:	Three (3) Years	
Recordation:	Book 2122, Page 6	
Lessor:	Inspire AOG Partners, LTD.	
Lessee:	Ozark Royalty Co.	
Current Lessee:	Topwater Resources, LLC	
Description of Land Committed:	Insofar only as said lease covers:	
	<u>Township 24 South, Range 34 East</u>	
	Section 25: NE/4NE/4/NW/4, NE/4SW/4NW/4	
	Lea County, New Mexico	
Number of Acres:	20	
Royalty Rate:	1/4	
WI Owner Names and Interests:	Topwater Resources, LLC	100%
ORRI Owners:	Of Record	

Federal/Fee

Lease Date: July 25, 2013  
 Lease Term: Five (5) Years  
 Recordation: Volume 1859, Page 669  
 Lessor: Duane R. Daley, dealing in his sole and separate property  
 Lessee: Yates Petroleum Corporation  
 Current Lessee: EOG Y Resources, Inc.  
 Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
 Section 25: NE/4NE/4NW/4, NE/4SE/4/NW/4  
 Lea County, New Mexico  
 Number of Acres: 20  
 Royalty Rate: 1/5  
 WI Owner Names and Interests: EOG Y Resources, Inc. 100%  
 ORRI Owners: Of Record

Lease Date: August 24, 2016  
 Lease Term: Three (3) Years  
 Recordation: Volume 2051, Page 400  
 Lessor: Shawna Dee Lawrence, aka Shawna Grayham, dealing in her sole and Separate property  
 Original Lessee: Energex, LLC  
 Current Lessee: Energex, LLC  
 Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
 Section 25: NE/4NE/4NW/4, NE/4SE/4NW/4  
 Lea County, New Mexico  
 Number of Acres: 20  
 Royalty Rate: 3/16  
 WI Owners Names and Interests: Energex, LLC 100%  
 ORRI Owners: Of Record

Lease Date: July 25, 2013  
 Lease Terms: Five (5) Years  
 Recordation: Volume 1853, Page 293  
 Lessor: Mary Johnson, dealing in her sole and separate property  
 Original Lessee: Yates Petroleum Corporation  
 Current Lessee: EOG Y Resources, Inc.  
 Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
 Section 25: NE/4NE/4NW/4, NE/4SE/4NW/4  
 Lea County, New Mexico  
 Number of Acres: 20  
 Royalty Rate: 1/5  
 WI Owners Names and Interests: EOG Y Resources, Inc. 100%  
 ORRI Owners: Of Record

Federal/Fee

Lease Date: October 1, 2017  
Lease Terms: Three (3) Years  
Recordation: Book 2125, Page 723  
Lessor: Diane Bishop  
Original Lessee: COG Operating LLC  
Current Lessee: COG Operating LLC  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 25: NE/4NE/4NW/4, NE/4SE/4NW/4  
Lea County, New Mexico

Number of Acres: 80  
Royalty Rate: 1/4  
WI Owners Names and Interests: COG Operating LLC 100%  
ORRI Owners: Of Record

Lease Date: April 20, 2018  
Lease Terms: Three (3) Years  
Recordation: Book 2135, Page 359  
Lessor: Franco-Nevada Texas, LP  
Original Lessee: Advance Energy Partners, LLC  
Current Lessee: Advance Energy Partners, LLC  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 25: NE/4NE/4NW/4, NE/4SE/4NW/4  
Lea County, New Mexico

Number of Acres: 20  
Royalty Rate: 1/4  
WI Owners Names and Interests: Advance Energy Partners, LLC 100%  
ORRI Owners: Of Record

**TRACT 6:**

Lease Date: May 10, 2017  
Lease Terms: Three (3) Years  
Recordation: Volume 2105, Page 797  
Lessor: Rolla R. Hinkle III and Rosemary H. Hinkle, husband and wife  
Original Lessee: OneEnergy Partners Operating, LLC  
Current Lessee: COG Operating, LLC  
Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
Section 25: SE/4NE/4NW/4, Less and except a 0.0024 acre tract of  
land Conveyed unto the New Mexico Department of  
Transportation  
Lea County, New Mexico

Number of Acres: 10  
Royalty Rate: 1/4  
WI Owners Names and Interests: OneEnergy Partners Operating, LLC 100%  
ORRI Owners: Of Record

Federal/Fee

Lease Date: May 10, 2017  
 Lease Term: Three (3) Years  
 Recordation: Volume 2105, Page 793  
 Lessor: Madison M. Hinkle and Susan M. Hinkle, husband and wife  
 Original Lessee: OneEnergy Partners Operating, LLC  
 Current Lessee: COG Operating, LLC  
 Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
 Section 25: SE/4NE/4NW/4, Less and except a 0.0024 acre tract of  
 land Conveyed unto the New Mexico Department of  
 Transportation  
 Lea County, New Mexico  
 Number of Acres: 10  
 Royalty Rate: 1/4  
 WI Owners Names and Interests: OneEnergy Partners Operating, LLC 100%  
 ORRI Owners: Of Record

Lease Date: December 13, 2016  
 Lease Terms: Three (3) Years  
 Recordation: Volume 2086, Page 479  
 Lessor: Justin Nine and wife, Sara Nine  
 Original Lessee: OneEnergy Partners Operating, LLC  
 Current Lessee: COG Operating, LLC  
 Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
 Section 25: SE/4NE/4NW/4  
 Lea County, New Mexico  
 Number of Acres: 10  
 Royalty Rate: 1/4  
 WI Owners Names and Interests: OneEnergy Partners Operating, LLC 100%  
 ORRI Owners: Of Record

Lease Date: December 13, 2016  
 Lease Terms: Three (3) Years  
 Recordation: Volume 2086, Page 475  
 Lessor: Tim Lilley and wife, Tashina Lilley  
 Original Lessee: OneEnergy Partners Operating, LLC  
 Current Lessee: COG Operating, LLC  
 Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
 Section 25: SE/4NE/4NW/4  
 Lea County, New Mexico  
 Number of Acres: 10  
 Royalty Rate: 1/4  
 WI Owners Names and Interests: OneEnergy Partners Operating, LLC 100%  
 ORRI Owners: Of Record

		Federal/Fee
Lease Date:	December 13, 2016	
Lease Terms:	Three (3) Years	
Recordation:	Volume 2086, Page 503	
Lessor:	Marc Lilley and wife, Lisa Lilley	
Original Lessee:	OneEnergy Partners Operating, LLC	
Current Lessee:	COG Operating, LLC	
Description of Land Committed:	Insofar only as said lease covers: <u>Township 24 South, Range 34 East</u> Section 25: SE/4NE/4NW/4 Lea County, New Mexico	
Number of Acres:	10	
Royalty Rate:	1/4	
WI Owners Names and Interests:	OneEnergy Partners Operating, LLC	100%
ORRI Owners:	Of Record	
Lease Date:	December 13, 2016	
Lease Terms:	Three (3) Years	
Recordation:	Volume 2086, Page 483	
Lessor:	Dylan Tarter, a single man dealing in his sole and separate property	
Original Lessee:	OneEnergy Partners Operating, LLC	
Current Lessee:	COG Operating, LLC	
Description of Land Committed:	Insofar only as said lease covers: <u>Township 24 South, Range 34 East</u> Section 25: SE/4NE/4NW/4 Lea County, New Mexico	
Number of Acres:	10	
Royalty Rate:	1/4	
WI Owners Names and Interests:	OneEnergy Partners Operating, LLC	100%
ORRI Owners:	Of Record	

**TRACT 7:**

Lease Date:	March 30, 2016	
Lease Term:	Four (4) Years	
Recordation:	Volume 2021, Page 531	
Lessor:	Tara Marie Weldon, dealing in her sole and separate property joined pro forma by her husband Brian Patrick Weldon	
Original Lessee:	Blackbird Royalties, LLC	
Current Lessee:	Marathon Oil Permian, LLC	
Description of Land Committed:	Insofar only as said lease covers: <u>Township 24 South, Range 34 East</u> Section 25: SW/4NE/4NW/4, SW/4SE/4NW/4 Lea County, New Mexico	
Number of Acres:	20	
Royalty Rate:	6/25	
WI Owners Names and Interests:	Marathon Oil Permian, LLC	100%
ORRI Owners:	Of Record	



		Federal/Fee
Lease Date:	June 14, 2016	
Lease Term:	Four (4) Years	
Recordation:	Volume 2043, Page 434	
Lessor:	Blackbird Royalties, LLC	
Original Lessee:	Crown Oil Partners V, LP	
	Crump Energy Partners II, LLC	
Current Lessee:	Marathon Oil Permian, LLC	
Description of Land Committed:	Insofar only as said lease covers: <u>Township 24 South, Range 34 East</u> Section 25: SW/4NE/4NW/4, SW/4SE/4NW/4 Lea County, New Mexico	
Number of Acres:	20	
Royalty Rate:	6/25	
WI Owners Names and Interests:	Marathon Oil Permian, LLC	100%
ORRI Owners:	Of Record	

**TRACT 8:**

Lease Date:	February 3, 2015	
Lease Term:	Three (3) Years	
Recordation:	Volume 1944, Page 991	
Lessor:	Rex L. Harelson, a married man dealing in his sole and separate property	
Original Lessee:	Blackbird Royalties, LLC	
Current Lessee:	MRC Permian LKE Company, LLC	
Description of Land Committed:	Insofar only as said lease covers: <u>Township 24 South, Range 34 East</u> Section 25: NW/4SE/4NW/4 Lea County, New Mexico	
Number of Acres:	10	
Royalty Rate:	1/5	
WI Owner Names and Interests:	MRC Permian LKE Company, LLC	100%
ORRI Owners:	Of Record	

**TRACT 9:**

Lease Date:	July 11, 2017	
Lease Terms:	Three (3) Years	
Recordation:	Book 2123, Page 820	
Lessor:	Fiorenza Albert--Howard, fka Flower Anderson	
Original Lessee:	CJM Resources, LP	
Current Lessee:	COG Operating, LLC	
Description of Land Committed:	Insofar only as said lease covers: <u>Township 24 South, Range 34 East</u> Section 25: SE/4SE/4NW/4 Lea County, New Mexico	
Number of Acres:	20	
Royalty Rate:	1/8	
WI Owners Names and Interests:	COG Operating, LLC	100%
ORRI Owners:	Of Record	

**TRACT 10:**

Lease Date:	November 4, 2015	
Lease Term:	Three (3) Years	
Recordation:	Volume 1993, Page 488	
Lessor:	Rubert Madera, dealing in his sole and separate property	
Original Lessee:	Energex, LLC	
Current Lessee:	COG Operating, LLC	
Description of Land Committed:	Insofar only as said lease covers: <u>Township 24 South, Range 34 East</u> Section 25: E/2SW/4 Lea County, New Mexico	
Number of Acres:	80	
Royalty Rate:	1/5	
WI Owners Names and Interests:	Energex, LLC	100%
ORRI Owners:	Of Record	
Lease Date:	November 4, 2015	
Lease Term:	Three (3) Years	
Recordation:	Volume 1995, Page 124	
Lessor:	Mildred Maxine Madera McCall, dealing in her sole and separate property	
Original Lessee:	Energex, LLC	
Current Lessee:	COG Operating, LLC	
Description of Land Committed:	Insofar only as said lease covers: <u>Township 24 South, Range 34 East</u> Section 25: E/2SW/4 Lea County, New Mexico	
Number of Acres:	80	
Royalty Rate:	1/5	
WI Owners Names and Interests:	Energex, LLC	100%
ORRI Owners:	Of Record	
Lease Date:	January 17, 2011	
Lease Term:	Three (3) Years	
Recordation:	Volume 1717, Page 170	
Lessor:	Neal Parks King, dealing in his sole and separate property and Joined pro forma by his wife Dorothy Perkins King	
Original Lessee:	Sam L. Shackelford	
Current Lessee:	COG Operating LLC	
Description of Land Committed:	Insofar only as said lease covers: <u>Township 24 South, Range 34 East</u> Section 25: E/2SW/4 Lea County, New Mexico	
Number of Acres:	80	
Royalty Rate:	1/5	
WI Owners Names and Interests:	COG Operating LLC	100%
ORRI Owners:	Of Record	

Federal/Fee

Lease Date: January 17, 2011  
 Lease Term: Three (3) Years  
 Recordation: Volume 1718, Page 238  
 Lessor: Rebecca Hunter, dealing in her sole and separate property  
 Original Lessee: Sam L. Shackelford  
 Current Lessee: COG Operating LLC  
 Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
 Section 25: E/2SW/4  
 Lea County, New Mexico  
 Number of Acres: 80  
 Royalty Rate: 1/5  
 WI Owners Names and Interests: COG Operating LLC 100%  
 ORRI Owners: Of Record

Lease Date: January 17, 2011  
 Lease Term: Three (3) Years  
 Recordation: Volume 1718, Page 241  
 Lessor: David Puckett, dealing in his sole and separate property  
 Original Lessee: Sam L. Shackelford  
 Current Lessee: COG Operating LLC  
 Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
 Section 25: E/2SW/4  
 Lea County, New Mexico  
 Number of Acres: 80  
 Royalty Rate: 1/5  
 WI Owners Names and Interests: COG Operating LLC 100%  
 ORRI Owners: Of Record

Lease Date: January 17, 2011  
 Lease Term: Three (3) Years  
 Recordation: Volume 1718, Page 246  
 Lessor: Mary Jack Johnson, dealing in her sole and separate property and  
 joined pro forma by her husband, Robert Johnson  
 Original Lessee: Sam L. Shackelford  
 Current Lessee: COG Operating LLC  
 Description of Land Committed: Insofar only as said lease covers:  
Township 24 South, Range 34 East  
 Section 25: E/2SW/4  
 Lea County, New Mexico  
 Number of Acres: 80  
 Royalty Rate: 1/5  
 WI Owners Names and Interests: COG Operating LLC 100%  
 ORRI Owners: Of Record

		Federal/Fee
Lease Date:	February 25, 2011	
Lease Term:	Three (3) Years	
Recordation:	Volume 1720, Page 474	
Lessor:	Katherine Madera, dealing in her sole and separate property	
Original Lessee:	Sam L. Shackelford	
Current Lessee:	COG Operating LLC	
Description of Land Committed:	Insofar only as said lease covers: <u>Township 24 South, Range 34 East</u> Section 25: E/2SW/4 Lea County, New Mexico	
Number of Acres:	80	
Royalty Rate:	1/5	
WI Owners Names and Interests:	COG Operating LLC	100%
ORRI Owners:	Of Record	
Lease Date:	February 25, 2011	
Lease Term:	Three (3) Years	
Recordation:	Volume 1723, Page 598	
Original Lessor:	Pamela Madera, dealing in her sole and separate property	
Lessee:	Sam L. Shackelford	
Current Lessee:	COG Operating LLC	
Description of Land Committed:	Insofar only as said lease covers: <u>Township 24 South, Range 34 East</u> Section 25: E/2SW/4 Lea County, New Mexico	
Number of Acres:	80	
Royalty Rate:	1/5	
WI Owners Names and Interests:	COG Operating LLC	100%
ORRI Owners:	Of Record	
Lease Date:	August 8, 2016	
Lease Term:	Three (3) Years	
Recordation:	Volume 2063, Page 13	
Lessor:	Lela Ellen Madera	
Original Lessee:	Black Mountain Operating, LLC	
Current Lessee:	Marathon Oil Permian, LLC	
Description of Land Committed:	Insofar only as said lease covers: <u>Township 24 South, Range 34 East</u> Section 25: E/2SW/4 Lea County, New Mexico	
Number of Acres:	80	
Royalty Rate:	1/5	
WI Owners Names and Interests:	Marathon Oil Permian, LLC	100%
ORRI Owners:	Of Record	

		Federal/Fee
Lease Date:	August 16, 2016	
Lease Term:	Three (3) Years	
Recordation:	Volume 2063, Page 26	
Lessor:	Michael Fred Madera	
Original Lessee:	Black Mountain Operating, LLC	
Current Lessee:	Marathon Oil Permian, LLC	
Description of Land Committed:	Insofar only as said lease covers: <u>Township 24 South, Range 34 East</u> Section 25: E/2SW/4 Lea County, New Mexico	
Number of Acres:	80	
Royalty Rate:	1/5	
WI Owners Names and Interests:	Marathon Oil Permian, LLC	100%
ORRI Owners:	Of Record	
Lease Date:	May 1, 2017	
Lease Terms:	Three (3) Years	
Recordation:	Not Recorded	
Lessor:	Katherine Ross Madera Sharbutt	
Original Lessee:	COG Operating LLC	
Current Lessee:	COG Operating LLC	
Description of Land Committed:	Insofar only as said lease covers: <u>Township 24 South, Range 34 East</u> Section 25: E/2SW/4 Lea County, New Mexico	
Number of Acres:	80	
Royalty Rate:	1/4	
WI Owners Names and Interests:	COG Operating LLC	100%
ORRI Owners:	Of Record	
Lease Date:	September 12, 2017	
Lease Terms:	Three (3) Years	
Recordation:	Book 2123, Page 774	
Lessor:	Mavros Minerals, LLC	
Original Lessee:	COG Operating LLC	
Current Lessee:	COG Operating LLC	
Description of Land Committed:	Insofar only as said lease covers: <u>Township 24 South, Range 34 East</u> Section 25: E/2SW/4 Lea County, New Mexico	
Number of Acres:	80	
Royalty Rate:	1/4	
WI Owners Names and Interests:	COG Operating LLC	100%
ORRI Owners:	Of Record	

		Federal/Fee
Lease Date:	September 12, 2017	
Lease Terms:	Three (3) Years	
Recordation:	Book 2123, Page 773	
Lessor:	Oak Valley Mineral and Land, LP	
Original Lessee:	COG Operating LLC	
Current Lessee:	COG Operating LLC	
Description of Land Committed:	Insofar only as said lease covers: <u>Township 24 South, Range 34 East</u> Section 25: E/2SW/4 Lea County, New Mexico	
Number of Acres:	80	
Royalty Rate:	1/4	
WI Owners Names and Interests:	COG Operating LLC	100%
ORRI Owners:	Of Record	
Lease Date:	September 12, 2017	
Lease Terms:	Three (3) Years	
Recordation:	Book 2123, Page 776	
Lessor:	5588 Oil LLC	
Original Lessee:	COG Operating LLC	
Current Lessee:	COG Operating LLC	
Description of Land Committed:	Insofar only as said lease covers: <u>Township 24 South, Range 34 East</u> Section 25: E/2SW/4 Lea County, New Mexico	
Number of Acres:	80	
Royalty Rate:	1/4	
WI Owners Names and Interests:	COG Operating LLC	100%
ORRI Owners:	Of Record	
Lease Date:	September 12, 2017	
Lease Terms:	Three (3) Years	
Recordation:	Book 2123, Page 775	
Lessor:	CEP Minerals, LLC	
Original Lessee:	COG Operating LLC	
Current Lessee:	COG Operating LLC	
Description of Land Committed:	Insofar only as said lease covers: <u>Township 24 South, Range 34 East</u> Section 25: E/2SW/4 Lea County, New Mexico	
Number of Acres:	80	
Royalty Rate:	1/4	
WI Owners Names and Interests:	COG Operating LLC	100%
ORRI Owners:	Of Record	

**UNLEASED MINERAL INTEREST OWNERS**

New Mexico Department of Transportation – Tracts 4 & 6

Duane Daley – Tract 5

Chevron U.S.A. Inc. – Tract 10

MRC Permian Company – Tract 7

Bobbie Dorner – Tract 5

Rhonda Forsha – Tract 5

Viva Krause C/O Rhonda Forsha – Tract 5

Patricia Getty – Tract 5

Sandra Phillips – Tract 5

Shannon Daley – Tract 5

Stacey Boelkens a/k/a Stacy Alexander – Tract 5

Sara Louise Strand – Tract 7

**RECAPITULATION**

<b>Tract No.</b>	<b>No. of Acres Committed</b>	<b>Percentage of Interest In Communitized Area</b>
1	40.00	12.500%
2	80.00	25.000%
3	40.00	12.500%
4	10.00	3.125%
5	20.00	6.250%
6	10.00	3.125%
7	20.00	6.250%
8	10.00	3.125%
9	10.00	3.125%
10	80.00	25.00%
<b>Total</b>	<b>320.00</b>	<b>100.000%</b>

## APPLICATION FOR POOL LEASE COMMINGLING AT CENTRAL TANK BATTERY

COG Operating LLC is requesting approval for pool lease commingling of production from the following wells:

### Federal Lease #NMNM123530; 12.5% Royalty Rate; CA# NMNM140937 & NMNM140587

Location Sec 25, T24S-R34E

Pool; 98116 WC-025 G-09 5253402N; Wolfcamp

Well Name;	API #	Est Oil BOPB	Est Oil Gravity	Est Gas MCFPD	Est Gas BTU
Jacinto Fed Com 40H	30-025-46065	300	43.5	350	1376
Baseball Cap Fed Com 705H	30-025-45789	2200	41.5	1100	1393

### Federal Lease #NMNM123530; 12.5% Royalty Rate; CA# NMNM140937

Location Sec 35, T24S-R34E

Pool; 95434 Red Hills; Bone Spring, North

Well Name;	API #	Est Oil BOPB	Est Oil Gravity	Est Gas MCFPD	Est Gas BTU
Baseball Cap Fed Com 603H	30-25-45784	2200	41.3	1000	1379

### Oil and Gas Metering:

Production from the Jacinto Fed Com 40H and Baseball Cap Fed 603H & 705H each will enter into their own dedicated 3-phase inlet vessel. Oil from each vessel will be continuously measured with allocation meters. Gas will be continuously measured with allocation meters, as well.

After the oil from the Jacinto Fed Com 40H and Baseball Cap Fed 603H & 705H is individually measured it will be commingled and sent to a heater treater(s) and then vapor recovery tower. From the vapor recovery tower, the oil will enter the storage tanks and then be sold through a pipeline LACT FMP, temporary truck LACT FMP, or truck load line FMP. After the gas from the Jacinto Fed Com 40H and Baseball Cap Fed 603H & 705H is individually measured it will be commingled and sent to the purchaser's sales meter, which will be the gas FMP. During normal operations a vapor recovery unit and booster compressor will pull flashing gas off the heater treater and VRT; this gas will be commingled and sent to the gas FMP.

### Flares

During normal operating conditions the high-pressure flare will be inactive. If the gas sales line pressure exceeds the facility design pressure then the commingled gas will be sent to the high-pressure flare, measured and burned. Gas that flashes off the oil and water tanks will be sent to the lower pressure flare, measured and burned. If power to the VRU is lost, then gas from the heater treater and VRT will be sent to the low-pressure flare, measured and burned.

### Gas Lift Compression

The Jacinto Fed Com 40H and Baseball Cap Fed 603H & 705H will be utilizing gas lift for artificial lift. Commingled gas will be sent to the gas lift compressor where it will be compressed and measured with an allocation meter.

### Process and Flow Diagram:

The flow of production is shown in detail on the enclosed facility diagram. The commingling of this production is the most effective, economical means of producing the reserves and will not result in reduced royalty or improper measurement of production. The proposed commingling will reduce operating expenses as well as reduce the surface facility footprint and overall emissions.

COG Operating LLC understands the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.

All owners of interest are identical, with identical revenue distribution, therefore notification of owners is not required (see attached letter from COG Operating LLC Landman).

Respectfully,

*Janette Barron*

Janette Barron  
Production Technician II



## APPLICATION FOR POOL LEASE COMMINGLING AT CENTRAL TANK BATTERY

COG Operating LLC is requesting approval for pool lease commingling of production from the following wells:

### Federal Lease #NMNM123530; 12.5% Royalty Rate; CA# NMNM140937 & NMNM140587

Location Sec 25, T24S-R34E

Pool; 98116 WC-025 G-09 S253402N; Wolfcamp

Well Name;	API #	Est Oil BOPB	Est Oil Gravity	Est Value/bbl	Est Gas MCFPD	Est Gas BTU	Est Value/MCF
Jacinto Fed Com 40H	30-025-46065	300	43.5	16.33	350	1376	1.07
Baseball Cap Fed Com 705H	30-025-45789	2200	41.5	16.33	1100	1393	1.07

### Federal Lease #NMNM123530; 12.5% Royalty Rate; CA# NMNM140937

Location Sec 35, T24S-R34E

Pool; 95434 Red Hills; Bone Spring , North

Well Name;	API #	Est Oil BOPB	Est Oil Gravity	Est Value/bbl	Est Gas MCFPD	Est Gas BTU	Est Value/MCF
Baseball Cap Fed Com 603H	30-25-45784	2200	41.3	16.33	1000	1379	1.07

### Economic Combined Production

#### Federal Lease #NMNM123535; 12.5% Royalty Rate

Well Name;	Est Oil BOPB	Est Oil Gravity	Est Value/bbl	Est Gas MCFPD	Est Gas BTU	Est Value/MCF
Broth Helm Fed Com CTB	4700	41.5	16.33	2450	1385	1.07

COG Operating LLC certifies the commingling of the pools will not negatively affect the value of the federal royalties.

Signed:

Printed Name:

Title:

Date:

**CONFIDENTIAL**



# Serial Register Page

Jan 06, 2020

01 02-25-1920:041STAT0437;30USC181

Case Type: O&g communitization agrmt

Serial Number: NMNM 140587

Commodity: Oil & gas

Acres: 320.000

Disposition: Pending

## Office Of Record

Owner Name	Street	City	State	Zip	Net Acres	%Int
BLM NMSO	301 DINOSAUR TRL	SANTA FE	NM	87508-1560	0.000	0.00

## Operator

Owner Name	Street	City	State	Zip	Net Acres	%Int
COG OPERATING LLC	600 W ILLINOIS AVE	MIDLAND	TX	79701-4882	320.000	100.00

Meridian:	New Mex	State:	NM	County:	Lea
Township:	24 S	Range:	34 E	Admin Agency	
Section:	24	E2W2;		BUREAU OF LAND MGMT	
Section:	25	E2W2;		BUREAU OF LAND MGMT	

Code	Action	Date	Remarks
387	Case established	8/1/2017	
516	Formation	8/1/2017	WOLFCAMP;
580	Proposal received	8/7/2019	CA RECD;



# Serial Register Page

Jan 06, 2020

01 02-25-1920;041STAT0437;30USC181ETSEQ

Case Type: O&g lse simo public land

Serial Number: NMNM 015684

Commodity: Oil & gas

Acres: 560.000

Disposition: Authorized

<u>Lessee</u>						
<u>Owner Name</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Net Acres</u>	<u>%Int</u>
VLADIN LLC	PO BOX 100	ROSWELL	NM	88202-0100	560.000	100.00

<u>Operating Rights</u>						
<u>Owner Name</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Net Acres</u>	<u>%Int</u>
EOG RESOURCES INC	PO BOX 4362	HOUSTON	TX	77210-4362	0.000	0.00

<b>Meridian:</b>	New Mex	<b>State:</b>	NM	<b>County:</b>	Lea
<b>Township:</b>	24 S	<b>Range:</b>	34 E	<b>Admin Agency</b>	
<b>Section:</b>	13	SE;		BUREAU OF LAND MGMT	
<b>Section:</b>	23	E2SE;		BUREAU OF LAND MGMT	
<b>Section:</b>	24	NENW;		BUREAU OF LAND MGMT	
<b>Section:</b>	28	SW,SWSE,E2SE;		BUREAU OF LAND MGMT	

<u>Code</u>	<u>Action</u>	<u>Date</u>	<u>Remarks</u>
387	Case established	2/28/1972	SPAR45;
888	Drawing held	2/29/1972	
237	Lease issued	6/14/1972	
496	Fund code	7/1/1972	05;145003
530	Rlty rate - 12 1/2%	7/1/1972	
868	Effective date	7/1/1972	
235	Extended	6/30/1982	THRU 06/30/84;
650	Held by prod - actual	8/29/1982	
102	Notice sent-prod status	11/5/1982	
246	Lease committed to ca	7/13/1983	RNM011 EFF 10/02/82
932	Trf oper rgts filed	8/8/1983	
932	Trf oper rgts filed	8/15/1983	
933	Trf oper rgts approved	8/25/1983	(1)EFF 10/09/82;
933	Trf oper rgts approved	8/25/1983	(2)EFF 09/01/83;

<u>Code</u>	<u>Action</u>	<u>Date</u>	<u>Remarks</u>
932	Trf oper rgts filed	1/26/1984	(1)
932	Trf oper rgts filed	1/26/1984	(2) MT
933	Trf oper rgts approved	6/7/1984	(1)EFF 07/01/84;
933	Trf oper rgts approved	6/7/1984	(2)EFF 07/01/84;
932	Trf oper rgts filed	9/16/1986	
933	Trf oper rgts approved	10/1/1986	EFF 10/01/86;
932	Trf oper rgts filed	11/25/1986	
933	Trf oper rgts approved	1/13/1987	EFF 12/01/86;
963	Case microfilmed	1/21/1987	CNUM 104,754 DS
817	Merger recognized	9/21/1987	BELCO DEV/ENRON OG
817	Merger recognized	9/21/1987	BELNORTH ENE/ENRON OG
817	Merger recognized	9/21/1987	BELNORTH PETRO/ENRON
817	Merger recognized	9/21/1987	HNG OIL/ENRON OG
974	Automated record verif	5/12/1988	MRR/SG
932	Trf oper rgts filed	10/20/2016	TRUST Q/EOG RESOURC;1
933	Trf oper rgts approved	1/4/2017	EFF 11/01/16;
974	Automated record verif	1/4/2017	MJD
140	Asgn filed	9/4/2018	YATES JOHN/VLADIN;1
817	Merger recognized	1/1/2019	EOG RES ASSET/EOG RE
139	Asgn approved	3/6/2019	EFF 10/01/18;
974	Automated record verif	3/6/2019	LBO
932	Trf oper rgts filed	8/30/2019	RODEN ASS/TUMBLER O;1
932	Trf oper rgts filed	8/30/2019	RODEN PAR/TUMBLER O;1

Remarks

01/04/17 - TRANSFEREE BONDED EOG RESOURCES NM2308 NW



# Serial Register Page

Jan 06, 2020

01 02-25-1920;041STAT0437;30USC181

Case Type: O&g communitization agmt

Serial Number: NMNM 140937

Commodity: Oil & gas

Acres: 320.000

Disposition: Pending

## Office Of Record

Owner Name	Street	City	State	Zip	Net Acres	%Int
BLM NMSO	301 DINOSAUR TRL	SANTA FE	NM	87508-1560	0.000	0.00

## Operator

Owner Name	Street	City	State	Zip	Net Acres	%Int
COG OPERATING LLC	600 W ILLINOIS AVE	MIDLAND	TX	79701-4882	320.000	100.00

Meridian: New Mex

State: NM

County: Lea

Township: 24 S

Range: 34 E

Admin Agency

Section: 24

W2E2;

BUREAU OF LAND MGMT

Section: 25

W2E2;

BUREAU OF LAND MGMT

Code	Action	Date	Remarks
387	Case established	8/1/2017	
516	Formation	8/1/2017	WOLFCAMP;
580	Proposal received	10/18/2019	CA RECD;



# Serial Register Page

Jan 06, 2020

01 12-22-1987;101STAT1330;30USC181 ET SE

Case Type: O&amp;g lse comp pd -1987

Serial Number: NMNM 123530

Commodity: Oil &amp; gas

Acres: 240.000

Disposition: Authorized

## Lessee

Owner Name	Street	City	State	Zip	Net Acres	%Int
COG OPERATING LLC	600 W ILLINOIS AVE	MIDLAND	TX	79701-4882	240.000	100.00

## Operating Rights

Owner Name	Street	City	State	Zip	Net Acres	%Int
COG OPERATING LLC	600 W ILLINOIS AVE	MIDLAND	TX	79701-4882	0.000	0.00
CONCHO OIL & GAS LLC	600 W ILLINOIS AVE	MIDLAND	TX	79701-4882	0.000	0.00

Meridian:	New Mex	State:	NM	County:	Lea
Township:	24 S	Range:	34 E	Admin Agency	
Section:	24	SENE,NESW,SE;		BUREAU OF LAND MGMT	

Code	Action	Date	Remarks
387	Case established	6/5/2009	200907034;
191	Sale held	7/22/2009	
267	Bid received	7/22/2009	\$54000.00;
237	Lease issued	8/25/2009	
974	Automated record verif	8/25/2009	BTM
496	Fund code	9/1/2009	05;145003
530	Rlty rate - 12 1/2%	9/1/2009	
868	Effective date	9/1/2009	
42	Case sent to	9/2/2009	RROMERO;
932	Trf oper rgts filed	11/10/2009	ALLAR/MARBOB ENERGY;1
933	Trf oper rgts approved	3/9/2010	EFF 12/01/09;
974	Automated record verif	3/9/2010	RAYO/RAYO
932	Trf oper rgts filed	3/29/2010	ALLAR CO/EG3 INC;1
933	Trf oper rgts approved	6/16/2010	EFF 04/01/2010;
974	Automated record verif	6/16/2010	MJD
932	Trf oper rgts filed	4/19/2011	MARBOB EN/COG OPERA;1

<u>Code</u>	<u>Action</u>	<u>Date</u>	<u>Remarks</u>
933	Trf oper rgts approved	6/22/2011	EFF 05/01/11;
974	Automated record verif	6/22/2011	RAYO/RAYO
932	Trf oper rgts filed	6/30/2014	EG3 INC/ALLAR CO;1
933	Trf oper rgts approved	8/8/2014	EFF 07/01/14;
974	Automated record verif	8/8/2014	JS
899	Trf of orr filed	5/4/2017	1
932	Trf oper rgts filed	5/5/2017	EG3/ALLAR COMPANY;1
933	Trf oper rgts approved	6/12/2017	EFF 06/01/17'
974	Automated record verif	6/12/2017	RCC
140	Asgn filed	6/23/2017	ALLAR/COG OPERATING;1
932	Trf oper rgts filed	6/23/2017	ALLAR/COG OPERATING;1
139	Asgn approved	7/24/2017	EFF 07/01/17;
933	Trf oper rgts approved	7/24/2017	EFF 07/01/17;
974	Automated record verif	7/24/2017	LBO
899	Trf of orr filed	1/16/2018	1
650	Held by prod - actual	11/30/2018	/1/
658	Memo of 1st prod-actual	11/30/2018	/1/#26H;
643	Production determination	3/4/2019	/1/

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**Remarks**

STIPULATIONS ATTACHED TO LEASE:  
 NM-11-LN SPECIAL CULTURAL RESOURCE  
 SENM-S-20 SPRINGS, SEEPS AND TANKS  
 SENM-S-22 PRAIRIE CHICKENS  
 PER MMS - RENT PD THRU 09/01/2010  
 06/22/2011 - PER MMS RENT PD THRU 09/01/2011  
 08/08/14 - RENTAL PAID THRU 09/01/13



# Certificate of Analysis

Number: 6030-20030204-012A

**Artesia Laboratory**  
200 E Main St.  
Artesia, NM 88210  
Phone 575-746-3481

Concho Oil & Gas  
Concho Oil & Gas  
2407 Pecos Ave.  
Artesia, NM 88210

Mar. 31, 2020

Station Name: Jacinto Fed Com 40H  
Station Number: 39022684  
Station Location: COG  
Sample Point: Meter Run  
Type of Sample: Spot-Cylinder  
Heat Trace Used: N/A  
Sampling Method: Fill and Purge  
Sampling Company: SPL  
Analyzed: 03/31/2020 10:06:42 by User1

Sampled By: Cameron Rivera  
Sample Of: Gas Spot  
Sample Date: 03/26/2020 10:30  
Sample Conditions: 86.43 psia, @ 103.7 °F Ambient: 85 °F  
Effective Date: 03/26/2020 10:30  
Method: GPA-2261M  
Cylinder No: 1111-002405  
Instrument: 6030\_GC2 (Agilent 7890B)  
Last Inst. Cal.: 03/02/2020 9:09 AM

## Analytical Data

Components	Un-normalized Mol %	Mol. %	Wt. %	GPM at 14.73 psia	
Hydrogen Sulfide	0.000	0.00050	0.001		GPM TOTAL C2+
Nitrogen	1.402	1.39708	1.682		GPM TOTAL C3+
Methane	72.071	71.81783	49.528		GPM TOTAL iC5+
Carbon Dioxide	0.336	0.33482	0.633		
Ethane	13.131	13.08488	16.913	3.514	
Propane	7.574	7.54740	14.306	2.088	
Iso-butane	0.953	0.94965	2.373	0.312	
n-Butane	2.529	2.52012	6.297	0.798	
Iso-pentane	0.611	0.60885	1.888	0.224	
n-Pentane	0.651	0.64871	2.012	0.236	
Hexanes Plus	1.094	1.09016	4.367	0.478	
	100.352	100.00000	100.000	7.650	

Calculated Physical Properties	Total	C6+
Relative Density Real Gas	0.8065	3.2176
Calculated Molecular Weight	23.26	93.19
Compressibility Factor	0.9955	
<b>GPA 2172 Calculation:</b>		
<b>Calculated Gross BTU per ft<sup>3</sup> @ 14.73 psia &amp; 60°F</b>		
Real Gas Dry BTU	1376	5141
Water Sat. Gas Base BTU	1352	5052
Ideal, Gross HV - Dry at 14.73 psia	1369.4	5141.1
Ideal, Gross HV - Wet	1345.5	5051.6

**Comments:** H2S Field Content 5 ppm  
Mcf/day 824.74

Hydrocarbon Laboratory Manager

**Quality Assurance:** The above analyses are performed in accordance with ASTM, UOP, GPA guidelines for quality assurance, unless otherwise stated.





# Certificate of Analysis

Number: 6030-20040044-006A

**Artesia Laboratory**  
200 E Main St.  
Artesia, NM 88210  
Phone 575-746-3481

Concho Oil & Gas  
Concho Oil & Gas  
2407 Pecos Ave.  
Artesia, NM 88210

Apr. 08, 2020

Station Name: Baseball Cap Fed Com 705H  
Station Number: 39022685  
Station Location: COG  
Sample Point: Meter Run  
Type of Sample: Spot-Cylinder  
Heat Trace Used: N/A  
Sampling Method: Fill and Purge  
Sampling Company: SPL  
Analyzed: 04/08/2020 12:48:25 by User1

Sampled By: James Hill  
Sample Of: Gas Spot  
Sample Date: 04/07/2020 11:02  
Sample Conditions: 95 psig, @ 123 °F Ambient: 70 °F  
Effective Date: 04/07/2020 11:02  
Method: GPA-2261M  
Cylinder No: 5030-00602  
Instrument: 6030\_GC2 (Agilent 7890B)  
Last Inst. Cal.: 03/02/2020 9:09 AM

## Analytical Data

Components	Un-normalized Mol %	Mol. %	Wt. %	GPM at 14.73 psia		
Nitrogen	1.678	1.72421	2.042		GPM TOTAL C2+	7.940
Methane	68.721	70.61342	47.890		GPM TOTAL C3+	4.421
Carbon Dioxide	0.274	0.28155	0.524		GPM TOTAL IC5+	1.010
Ethane	12.751	13.10214	16.656	3.519		
Propane	7.636	7.84628	14.627	2.171		
Iso-butane	0.993	1.02035	2.507	0.335		
n-Butane	2.782	2.85861	7.024	0.905		
Iso-pentane	0.692	0.71106	2.169	0.261		
n-Pentane	0.764	0.78504	2.395	0.286		
Hexanes Plus	1.029	1.05734	4.166	0.463		
	97.320	100.00000	100.000	7.940		

### Calculated Physical Properties

	Total	C6+
Relative Density Real Gas	0.8202	3.2176
Calculated Molecular Weight	23.65	93.19
Compressibility Factor	0.9954	

### GPA 2172 Calculation:

#### Calculated Gross BTU per ft<sup>3</sup> @ 14.73 psia & 60°F

Real Gas Dry BTU	1393	5141
Water Sat. Gas Base BTU	1369	5052
Ideal, Gross HV - Dry at 14.73 psia	1386.3	5141.1
Ideal, Gross HV - Wet	1362.1	5051.6

**Comments:** H2S Field Content 0 ppm  
Mcf/day 1763

Hydrocarbon Laboratory Manager

**Quality Assurance:** The above analyses are performed in accordance with ASTM, UOP, GPA guidelines for quality assurance, unless otherwise stated.



# Certificate of Analysis

Number: 6030-20050138-002A

**Artesia Laboratory**  
200 E Main St.  
Artesia, NM 88210  
Phone 575-746-3481

David Jaquez  
Concho Oil & Gs  
2208 W Main St  
Artesia, NM 88210

May 26, 2020

Station Name: BASEBALL CAP FED 603H  
Station Number: 39022686  
Station Location: COG  
Sample Point: METER RUN  
Type of Sample: Spot-Cylinder  
Heat Trace Used: N/A  
Sampling Method: Fill and Purge  
Sampling Company: COG  
Analyzed: 05/26/2020 12:35:33 by User1

Sampled By: John Patno  
Sample Of: Gas Spot  
Sample Date: 05/26/2020 08:21  
Sample Conditions: 107 psig, @ 111 °F Ambient: 63 °F  
Effective Date: 05/26/2020 08:21  
Method: GPA-2261M  
Cylinder No: 5030-01286  
Instrument: 6030\_GC2 (Agilent 7890B)  
Last Inst. Cal.: 05/05/2020 13:24 PM

## Analytical Data

Components	Un-normalized Mol %	Mol. %	Wt. %	GPM at 14.73 psia		
Hydrogen Sulfide	0.000	0.00048	0.001		GPM TOTAL C2+	7.650
Nitrogen	1.347	1.34088	1.610		GPM TOTAL C3+	4.204
Methane	72.197	71.86891	49.429		GPM TOTAL iC5+	0.960
Carbon Dioxide	0.388	0.38624	0.729			
Ethane	12.889	12.83043	16.540	3.446		
Propane	7.540	7.50574	14.189	2.077		
Iso-butane	0.980	0.97555	2.431	0.321		
n-Butane	2.683	2.67081	6.655	0.846		
Iso-pentane	0.670	0.66696	2.063	0.245		
n-Pentane	0.729	0.72569	2.245	0.264		
Hexanes Plus	1.033	1.02831	4.108	0.451		
	100.456	100.00000	100.000	7.650		

### Calculated Physical Properties

Relative Density Real Gas	Total	C6+
	0.8087	3.2176
Calculated Molecular Weight	23.33	93.19
Compressibility Factor	0.9955	

### GPA 2172 Calculation:

#### Calculated Gross BTU per ft<sup>3</sup> @ 14.73 psia & 60°F

Real Gas Dry BTU	1379	5141
Water Sat. Gas Base BTU	1355	5052
Ideal, Gross HV - Dry at 14.73 psia	1372.3	5141.1
Ideal, Gross HV - Wet	1348.4	5051.6

Comments: H2S Field Content 4.8 ppm

Hydrocarbon Laboratory Manager

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