

DATE IN <u>11.15.11</u>	SUSPENSE	ENGINEER <u>RE</u>	LOGGED IN <u>11.15.11</u>	TYPE <u>COLM</u>	APP NO. <u>1131958586</u>
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

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



COG

ADMINISTRATIVE APPLICATION CHECKLIST

30-015-38971

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

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication

☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☒ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

Raptor 12 State Com 1H

API# 30-015-38971

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

[A] ☒ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **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.

Netha Aaron
Print or Type Name

Signature

Regulatory Analyst
Title

Date

oaaron@conchoresources.com
e-mail Address

RECEIVED OCT 19 11 23 AM '11
 See 19-15-23, 9 A (6)



November 14, 2011

COG Operating, LLC
Netha Aaron
550 W. Texas Ave., Suite 100
Midland, TX 79701

New Mexico Oil Conservation Division
Richard Ezeanyim
1220 S St. Francis Drive
Santa Fe, New Mexico 87505

Dear Mr. Ezeanyim,

COG Operating LLC respectfully requests approval for Off-Lease Measurement for the gas, on the following well:

Raptor 12 State Com 1H
Eddy County, NM
API # 30-015-38971
Surface: 400 FSL & 330 FWL Sec 12, T16S, R28E, Unit M

This well will be producing from the Ishee Lake, Abo (Oil - 97627) Pool. The Off-Lease Measurement facility is located at our Black Hawk 11 Fed Com 1H battery, located at Sec 11, T16S, R28E, 430' FSL and 330' FWL. The dcp-Midstream gas sales meter is located at this battery, meter #727906-00.

The Raptor 12 State Com 1H has a Communitization Agreement submitted for approval, but it has not been approved yet. If this agreement is approved it will comprise 160.00-acre well spacing unit. It involves 80 acres of State land in oil and gas lease V0-8390 and 80.00 acres of State land lease V0-8391.

I have attached proof of notice to all of our working interest owners, a diagram of our battery facilities, and a map with lease boundaries showing the well and facility locations.

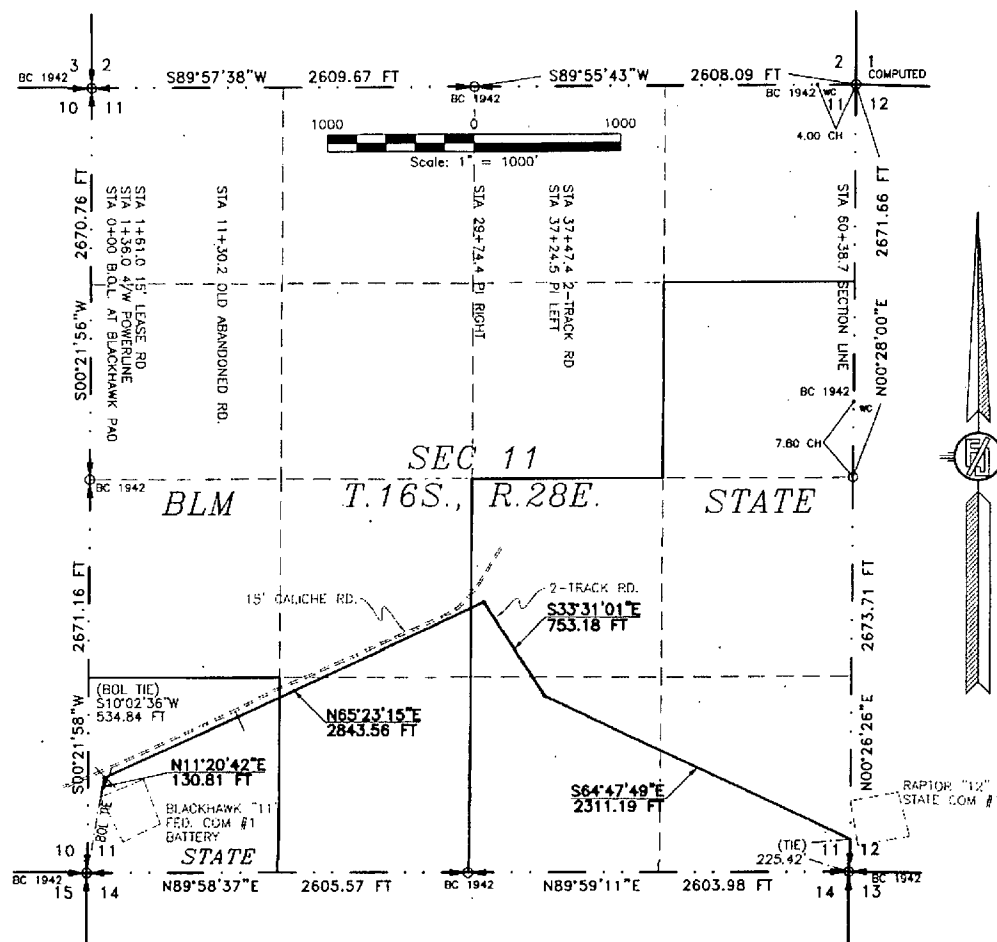
Please contact me at 432-818-2319 should you have any questions.

Sincerely,

COG Operating, LLC
Netha Aaron
Regulatory Analyst

RECEIVED OGD
2011 NOV 15 4 10 55

COG OPERATING LLC
CENTERLINE SURVEY OF A PIPELINE CROSSING
SECTION 11, TOWNSHIP 16 SOUTH, RANGE 28 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
AUGUST 17, 2011



A STRIP OF LAND 30 FEET WIDE CROSSING STATE OF NEW MEXICO LAND AND BUREAU OF LAND MANAGEMENT LAND IN SECTION 11, TOWNSHIP 16 SOUTH, RANGE 28 EAST, N.M.P.M., EDDY COUNTY, STATE OF NEW MEXICO AND BEING 15 FEET EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY:

BEGINNING AT A POINT WITHIN THE SW/4 SW/4 OF SAID SECTION 11, TOWNSHIP 16 SOUTH, RANGE 28 EAST, N.M.P.M., WHENCE THE SOUTHWEST CORNER OF SAID SECTION 11, TOWNSHIP 16 SOUTH, RANGE 28 EAST, N.M.P.M. BEARS S10°02'36"W, A DISTANCE OF 534.84 FEET;
THENCE N11°20'42"E A DISTANCE OF 130.81 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;
THENCE N65°23'15"E A DISTANCE OF 2843.56 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;
THENCE S33°31'01"E A DISTANCE OF 753.18 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;
THENCE S64°47'49"E A DISTANCE OF 2311.19 FEET THE TERMINUS OF THIS CENTERLINE SURVEY, WHENCE THE SOUTHEAST CORNER OF SAID SECTION 11, TOWNSHIP 16 SOUTH, RANGE 28 EAST, N.M.P.M. BEARS S00°26'26"W, A DISTANCE OF 225.42 FEET;

SAID STRIP OF LAND BEING 6038.74 FEET OR 365.98 RODS IN LENGTH, CONTAINING 4.159 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

SW/4	SW/4	1441.83	L.F.	87.38	RODS	0.993	ACRES	STATE
SW/4	SW/4	325.59	L.F.	19.73	RODS	0.224	ACRES	BLM
NE/4	SW/4	1112.60	L.F.	67.43	RODS	0.766	ACRES	BLM
NW/4	SE/4	696.28	L.F.	42.20	RODS	0.480	ACRES	STATE
SW/4	SE/4	1028.41	L.F.	62.33	RODS	0.708	ACRES	STATE
SE/4	SE/4	1434.03	L.F.	86.91	RODS	0.988	ACRES	STATE

I, FILMON C. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND SURVEYING IN THE STATE OF NEW MEXICO.

IN WITNESS WHEREOF, THIS CERTIFICATE IS EXECUTED AT CARLSBAD,
NEW MEXICO, THIS 29 DAY OF AUGUST 2011

1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.

2.) BASIS OF BEARING IS NMSP EAST
MODIFIED TO SURFACE COORDINATES.

SURVEY NO. 542 1-4

MADRON SURVEYING, INC. 301 SOUTH CANAL
(575) 706-9762 CARLSBAD, NEW MEXICO

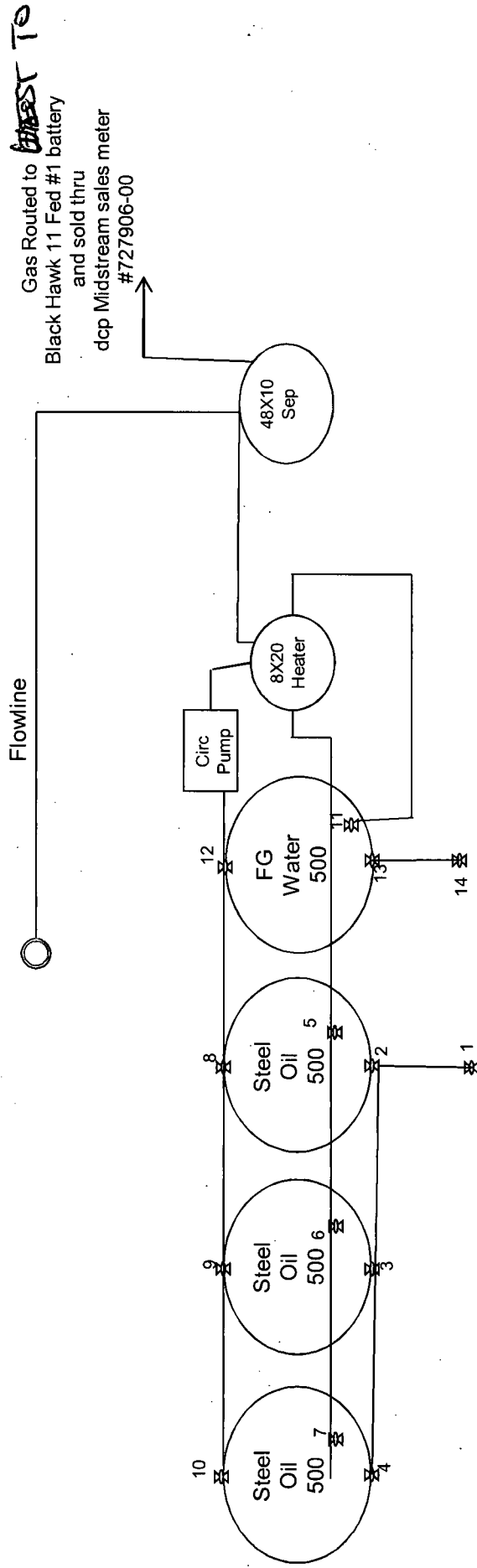
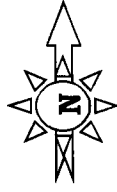
FILED IN LABARUMBY P 12797 MADRON SURVEYING, INC.
301 SOUTH CANAL
CARLSBAD, NEW MEXICO 88220
Phone (575) 706-9762

COG OPERATING LLC

Site Security Plan is located at:
550 W. Texas Suite 100, Midland, Texas 79701
(432)-683-7443

Revised: August 18, 2011

SUBJECT WELL
Raptor 12 State Com #1H
400' FSL & 200" FWL * Sec 12-16S-32E * Unit
Eddy County, NM
API -30-015-38971



Production Phase:

Valves: #1, 2, 3, 4 Closed
Valve: #11 Open
Valves: #5, 6 or 7 Open
Valves: #8, 9 or 10 Open
Valves: #13, 14 Open for Water Transfer

Sales Phase:

Valve: #1 Open
Valves: #2, 3 or 4 or Open
Valves: #5, 6 or 7 Open
Valves: #8, 9, 10 Closed

Water is trucked to SWD

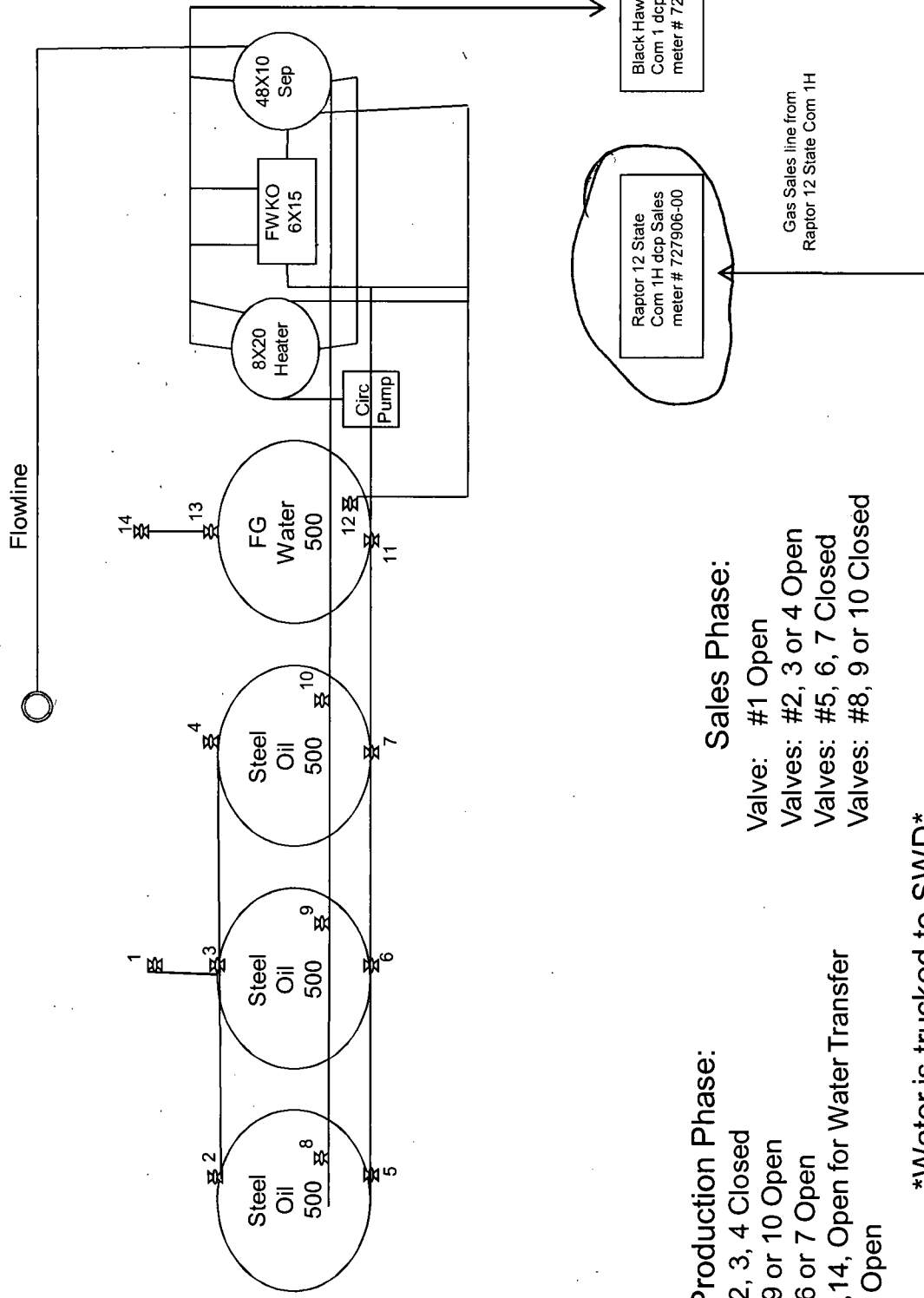
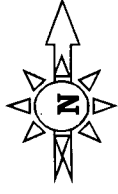
COG OPERATING LLC

Site Security Plan is located at:
550 W. Texas Suite 100, Midland, Texas 79701
(432)-683-7443

Revised: August 18, 2011

Black Hawk 11 Federal #1

430' FWL & 330' FWL * Sec 11-16S-28E * Unit M
Eddy County, NM
API -30-015-38250



Production Phase:

Valves: #1, 2, 3, 4 Closed
Valves: #8, 9 or 10 Open
Valves: #5, 6 or 7 Open
Valves: #13, 14, Open for Water Transfer
Valve: #12 Open

Sales Phase:

Valve: #1 Open
Valves: #2, 3 or 4 Open
Valves: #5, 6, 7 Closed
Valves: #8, 9 or 10 Closed

Water is trucked to SWD

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-38250	Pool Code 97102	Pool Name CROW FLATS; WOLFCAMP
Property Code 37327	Property Name BLACKHAWK 11 FEDERAL COM	Well Number 1H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3572'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	11	16-S	28-E		430	SOUTH	330	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	11	16-S	28-E		428	SOUTH	686	EAST	EDDY

Dedicated Acres 160	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

<p>DETAIL</p> <p>3574.4' 3573.5'</p> <p>600'</p> <p>3573.1' 3568.0'</p> <p>SEE DETAIL</p> <p>330' S.L.</p> <p>430'</p>	<p>GEODETIC COORDINATES NAD 27 NME Y=702805.5 N X=555115.1 E LAT.=32.931959° N LONG.=104.153699° W</p> <p>BOTTOM HOLE LOCATION Y=702706.9 N X=559563.1 E</p> <p>GRID AZ.=91°14'31" HORZ. DIST.=4550.3'</p> <p>B.H. 428'</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><u>Chasity Jackson</u> 6/21/11 Signature Date</p> <p><u>Chasity Jackson</u> Printed Name</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><u>Ronald J. Eidson</u> 6/16/2010 Date Signature & Seal Professional Surveyor</p> <p>Certificate No. GARY G. EIDSON 12641 RONALD J. EIDSON 3239</p>
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DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410

DISTRICT IV
11885 S. ST. FRANCIS DR., SANTA FE, NM 87505

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 July 16, 2010
Submit to Appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-38971	Pool Code 97627	Pool Name ISHEE LAKE; ABO
Property Code 309513	Property Name RAPTOR 12 STATE COM	Well Number 1H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3533'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	12	16-S	28-E		400	SOUTH	200	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	12	16-S	28-E		400	SOUTH	330	EAST	EDDY
Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.						

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>RECEIVED JUL 07 2011 NMOCD ARTESIA</p> <p>GEODETIC COORDINATES NAD 27 NME</p> <p>SURFACE LOCATION Y=702772.6 N X=560193.5 E LAT.=32.931843° N LONG.=104.137147° W</p> <p>BOTTOM HOLE LOCATION Y=702670.9 N X=564890.8 E</p> <p>PENETRATION POINT Y=702762.7 N X=560653.4 E</p> <p>GRID AZ.=91°14'27" HORIZ. DIST.=4499.6'</p> <p>Project Area Producing Area</p> <p>200' 400' 400' 330'</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> 7/6/2011 Signature Date</p> <p>Robyn Odom Printed Name</p> <p>Rodom@concho.com E-mail Address</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>FEBRUARY 20, 2011 Date of Survey</p> <p> Signature & Seal of Professional Surveyor</p> <p>Certificate Number 12641 Ronald J. Eidson 3239</p> <p>LA JWSC W.O.: 11 11.1475</p>

NM State Land Office
Oil, Gas, & Minerals Division

STATE/STATE OR
STATE/FEE
Revised March 2007

COMMUNITIZATION AGREEMENT

ONLINE Version

KNOW ALL MEN BY THESE PRESENTS:

STATE OF NEW MEXICO)
COUNTY OF LEA) ss)

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of July 28, 2011, by and between the parties subscribing, ratifying or consenting hereto, such parties hereinafter being referred to as "Parties hereto";

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

WHEREAS, the parties hereto, own working, royalty, or other leasehold interests or operating rights under the oil and gas leases and lands subject to this agreement, which leases are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

WHEREAS, said leases, insofar as they cover the L. Abo/Wolfcamp formation (hereinafter referred to as "said formation") in and under the land hereinafter described cannot be independently developed and operated in conformity with the well spacing program established for such formation in and under said lands; and

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

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

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

Township 16 South, Range 28 East, NMPM

Section 12: S2S2

Eddy County, New Mexico

Containing 160.00 acres, more or less. It is the judgment of the parties hereto that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

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

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

2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.

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

4. The State of New Mexico hereafter is entitled to the right to take in kind its share for the communitized substances allocated to such tract, and Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.

5. There shall be no obligation upon the parties hereto to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the parties hereto shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.

6. The commencement, completion, and continued operation or production of a well or wells for communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.

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

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

9. This agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities; provided, that this agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this Agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such production, and a report of the status

of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.

10. Operator will furnish the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and the Commissioner of Public Lands of the State of New Mexico, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

11. It is agreed between the parties hereto that the Commissioner of Public Lands, or his duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State of New Mexico.

12. If any order of the Oil Conservation Division of the New Mexico Energy Minerals and Natural Resources Department, upon which this agreement is predicated or based is in anyway changed or modified, then in such event said agreement is likewise modified to conform thereto.

13. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instruments, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

14. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.

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

OPERATOR & LESSEE OF RECORD:

COG OPERATING LLC

Successor in Interest to COG Oil & Gas, L.P.

By: Gregory K. Daggett
CW Gregory K. Daggett
Attorney-in-Fact me

LESSEE OF RECORD:

CROWN OIL PARTNERS III, LP

By: _____
Name:
Title:

WORKING INTEREST OWNERS:

MANZANO ENERGY PARTNERS, LP

By: _____
Kenneth Barbe, Jr.
Manager

HANLEY PETROLEUM INC.

By: _____
Brett K. Bracken
Vice President/General Manager

JARVIS J. SLADE

TBO OIL & GAS, LLC

By: _____
Brett K. Bracken
President / Treasurer

H 6 HOLDINGS

By: _____
Janet Hanson
Manager

LHAH PROPERTIES, LLC

By: _____
W. L. Hanley, Jr.
Manager

BLACK CROWN ENERGY PARTNERS LP

By: _____
Michael E. Black
President

CRUMP ENERGY PARTNERS LP

By: _____
William Crump
Vice President

ACKNOWLEDGEMENTS

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on August 1, 2011, by Gregory K. Daggett, Attorney-in-Fact, of COG Operating, LLC, a Delaware limited liability company, on behalf of said company.



Traci Conner

Notary Public in and for the State of Texas

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on _____, 2011, by _____, as _____ of Crown Oil Partners III, LP, a _____ limited partnership, on behalf of same.

Notary Public in and for the State of Texas

STATE OF NEW MEXICO

COUNTY OF CHAVES

This instrument was acknowledged before me on _____, 2011, by Kenneth Barbe, Jr., as Manager of Manzano Energy Partners, LP, a Delaware limited liability company, on behalf of same.

Notary Public in and for the State of Texas

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on _____, 2011, by Brett K. Bracken, as Vice President/General Manager of Hanley Petroleum Inc., a Texas corporation, on behalf of same.

Notary Public in and for the State of Texas

STATE OF NEW YORK

COUNTY OF NEW YORK

This instrument was acknowledged before me on _____, 2011, by Jarvis J. Slade.

Notary Public in and for the State of Texas

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on _____, 2011, by Brett K. Bracken, as President/Treasurer of TBO Oil & Gas LLC, a Texas limited liability company, on behalf of same.

Notary Public in and for the State of Texas

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on _____, 2011, by Janet Hanson, as Manager of H6 Holdings, LLC, a _____ limited liability company, on behalf of same.

Notary Public in and for the State of Texas

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on _____, 2011, by W. L. Hanley, Jr. as Manager of LHAH Properties LLC, a Delaware limited liability company, on behalf of same.

Notary Public in and for the State of Texas

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on _____, 2011, by Michael E. Black, as President of Black Crown Energy Partners LP, a _____ limited partnership, on behalf of same.

Notary Public in and for the State of Texas

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on _____, 2011, by William Crump, as Vice President of Crump Energy Partners LLC, a _____ limited liability company, on behalf of same.

Notary Public in and for the State of Texas

EXHIBIT A

Attached to and made a part of that Communitization Agreement dated July 28, 2011, covering S2S2
of Section 12, Township 16 South, Range 28 East, NMPM, Eddy County, New Mexico

OPERATOR of Communitized Area: COG Operating LLC

DESCRIPTION OF LEASES COMMITTED:

TRACT NO. 1

Serial No. of Lease: V0-8390
Date of Lease: December 1, 2008
Lessor: State of New Mexico acting by and through its Commissioner of Public
Lands
Lessee of Record: COG Operating LLC
Description of Lands Committed:

Insofar and only insofar as lease covers
Township 16 South, Range 28 East, NMPM
Section 12: S2SE
Eddy County, New Mexico

No. of Acres: 80.00
Royalty Rate: 1/6th
Name and Percent of ORRI Owners: None

Name and Percent of WI Owners:

COG Oil & Gas LLC

	100.00000000%
TOTAL	100.00000000%

TRACT NO. 2

Serial No. of Lease: V0-8391
Date of Lease: December 1, 2008
Lessor: State of New Mexico acting by and through its Commissioner of Public Lands
Lessee of Record: Crown Oil Partners III, LP
Description of Lands Committed:
Insofar and only insofar as lease covers
Township 16 South, Range 28 East, NMPM
Section 12: S2SE
Eddy County, New Mexico
No. of Acres: 80.00
Royalty Rate: 1/6th
Name and Percent of WI Owners:

Hanley Petroleum Inc.	18.75%*
Jarvis J. Slade	1.25 %*
TBO Oil & Gas, LLC	1.25 %*
H 6 Holdings	1.25 %*
LHAH Properties, LLC	2.50 %*
Manzano Energy Partners, LLC	50.00%**
Black Crown Energy Partners, LP	12.50%
Crump Energy Partners, LLC	<u>12.50%</u>
	100.00%

Name and Percent of ORRI Owners:

*The Hanley Petroleum Inc., et al working interest above bears a .00625 (.25 x .025) ORRI; and a .0625 (.25 x .25) reversionary interest in the operating rights at "payout". Each such interests owned equally by the following parties:

Black Crown Energy Partners, LP
Crump Energy Partners, LLC

**The Manzano Energy Partners, LLC working interest above bears a .02916667 (.50 x .05833333) ORRI; and a .075 (.50 x .15) reversionary interest in the operating rights at "payout". Each such interests owned equally by the following parties:

Black Crown Energy Partners, LP
Crump Energy Partners, LLC

RECAPITULATION

Tract number	Number of Acres Committed	Percentage of Interest In Communitized Area
No. 1	80.00	50.0000%
No.2	<u>80.00</u>	<u>50.0000%</u>
	160.00	100.0000%



October 26, 2011

Manzano, LLC
P.O. Box 2107
Roswell, NM 88202-2107

Certified Mail Article Number: 91 7199 9991 7030 4014 5136

Re: Amended Request for Off Lease Measurement and Surface Commingle of the gas

Dear Sir or Madam,

This letter is an amendment to the previous letter you received dated August 12, 2011. The request for Surface Commingling of the gas from the Raptor 12 State Com 1H and the Blackhawk 11 Fed Com #1 has been cancelled. We will be requesting Off Lease Measurement for only the gas from the Raptor 12 State Com 1H.

This letter will serve as notice under Rule 104.F (3) that COG Operating LLC has requested administrative approval from the Oil Conservation Division in Santa Fe, NM for Off Lease Measurement for the gas only for the following well:

**Raptor 12 State Com 1H
Eddy County, NM
API #: 30-015-38971
Communitization Agreement #: Pending**

Surface: 400 FSL & 200 FWL Sec 12, T16S, R28E, Unit M

The gas sales meter will be located on COG Operating, LLC property, Blackhawk 11 Federal Com #1, Sec 11, T16S, R28E, Unit M. DCP Midstream meter #727906-00. This well will have its own gas sales meter.

Should your company have any objection, it must be filed in writing within twenty(20) days from the date of this notice. The Division Director may approve the Off Lease Measurement and Surface Commingle of the gas if no objection has been made within the 20 days after the application has been received.

Sincerely,

A handwritten signature in black ink that reads "Netha Aaron".

COG Operating LLC
Netha Aaron
Regulatory Analyst

Enclosures: Letter dated August 12, 2011



August 12, 2011

Manzano, LLC
P.O. Box 2107
Roswell, NM 88202-2107

Certified Mail Article Number: 91 7199 9991 7030 4014 5051

Re: Request for Off Lease Measurement and Surface Commingle of only the gas

Dear Sir or Madam,

This letter will serve as notice under Rule 104.F (3) that COG Operating LLC has requested administrative approval from the Oil Conservation Division in Santa Fe, NM for Off Lease Measurement and Surface Commingle for the gas only for the following wells:

**Raptor 12 State Com 1H
Eddy County, NM
API #: 30-015-38971
Communitization Agreement #: Pending**

Surface: 400 FSL & 200 FWL Sec 12, T16S, R28E, Unit M

**Blackhawk 11 Federal Com #1
Eddy County, NM
API#: 30-015-38250
Communitization Agreement #: NM-126268**

Surface: 430 FSL & 330 FWL Sec 11, T16S, R28E, Unit M

The gas sales meter will be located on COG Operating, LLC property, Blackhawk 11 Federal Com #1, Sec 11, T16S, R28E, Unit M.

It is uneconomical for us to lay a 10,200' gas sales line to the main dcp gathering line at this time. We will allocate the gas using a check meter that will be set on the Raptor 12 State Com 1H gas line before it enters the Blackhawk 11 Federal Com #1 dcp sales meter. Then we will commingle the gas into the one dcp sales meter.

Should your company have any objection, it must be filed in writing within twenty(20) days from the date of this notice. The Division Director may approve the Off Lease Measurement and Surface Commingle of the gas if no objection has been made within the 20 days after the application has been received.

Sincerely,

COG Operating LLC
Netha Aaron
Regulatory Analyst

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Manzano, LLC
P.O. Box 2107
Roswell, NM 88202-2107

2. Article Number
(Transfer from service label)

91 7199 9991 7030 4014 5136

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.4. Restricted Delivery? (Extra Fee) ☐ Yes**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Manzano, LLC
P.O. Box 2107
Roswell, NM 88202-2107

2. Article Number
(Transfer from service label)

91 7199 9991 7030 4014 5136

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.4. Restricted Delivery? (Extra Fee) ☐ YesConfirmation
Services

Package ID: 9171999991703040145136
Destination ZIP Code: 88202
Customer Reference:
Recipient: _____
Address: _____

Electronic Certified
First Class Letter

PBP Account #: 41592288
Serial #: 1364097
OCT 26 2011 1:02 PM



October 26, 2011

Black Crown Energy Partners, LP
303 Veterans Airpark Lane, Suite 6101
Midland, TX 79705

Certified Mail Article Number: 91 7199 9991 7030 4014 5129

Re: Amended Request for Off Lease Measurement and Surface Commingle of the gas

Dear Sir or Madam,

This letter is an amendment to the previous letter you received dated August 12, 2011. The request for Surface Commingling of the gas from the Raptor 12 State Com 1H and the Blackhawk 11 Fed Com #1 has been cancelled. We will be requesting Off Lease Measurement for only the gas from the Raptor 12 State Com 1H.

This letter will serve as notice under Rule 104.F (3) that COG Operating LLC has requested administrative approval from the Oil Conservation Division in Santa Fe, NM for Off Lease Measurement for the gas only for the following well:

**Raptor 12 State Com 1H
Eddy County, NM
API #: 30-015-38971
Communitization Agreement #: Pending**

Surface: 400 FSL & 200 FWL Sec 12, T16S, R28E, Unit M

The gas sales meter will be located on COG Operating, LLC property, Blackhawk 11 Federal Com #1, Sec 11, T16S, R28E, Unit M. DCP Midstream meter #727906-00. This well will have its own gas sales meter.

Should your company have any objection, it must be filed in writing within twenty(20) days from the date of this notice. The Division Director may approve the Off Lease Measurement and Surface Commingle of the gas if no objection has been made within the 20 days after the application has been received.

Sincerely,

A handwritten signature in black ink, appearing to read "Netha Aaron".

COG Operating LLC
Netha Aaron
Regulatory Analyst

Enclosures: Letter dated August 12, 2011



August 12, 2011

Black Crown Energy Partners, LP
303 Veterans Airpark Lane, Suite 6101
Midland, TX 79705

Certified Mail Article Number: 91 7199 9991 7030 4014 5068

Re: Request for Off Lease Measurement and Surface Commingle of only the gas

Dear Sir or Madam,

This letter will serve as notice under Rule 104.F (3) that COG Operating LLC has requested administrative approval from the Oil Conservation Division in Santa Fe, NM for Off Lease Measurement and Surface Commingle for the gas only for the following wells:

**Raptor 12 State Com 1H
Eddy County, NM
API #: 30-015-38971
Communitization Agreement #: Pending**

Surface: 400 FSL & 200 FWL Sec 12, T16S, R28E, Unit M

**Blackhawk 11 Federal Com #1
Eddy County, NM
API#: 30-015-38250
Communitization Agreement #: NM-126268**

Surface: 430 FSL & 330 FWL Sec 11, T16S, R28E, Unit M

The gas sales meter will be located on COG Operating, LLC property, Blackhawk 11 Federal Com #1, Sec 11, T16S, R28E, Unit M.

It is uneconomical for us to lay a 10,200' gas sales line to the main dcp gathering line at this time. We will allocate the gas using a check meter that will be set on the Raptor 12 State Com 1H gas line before it enters the Blackhawk 11 Federal Com #1 dcp sales meter. Then we will commingle the gas into the one dcp sales meter.

Should your company have any objection, it must be filed in writing within twenty(20) days from the date of this notice. The Division Director may approve the Off Lease Measurement and Surface Commingle of the gas if no objection has been made within the 20 days after the application has been received.

Sincerely,

COG Operating LLC
Netha Aaron
Regulatory Analyst

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 		<p>A. Signature <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>X</p>	
<p>1. Article Addressed to:</p> <p>Black Crown Energy Partners, LP 303 Veterans Airpark Lane, Suite 6101 Midland, TX 79705</p>		<p>B. Received by (Printed Name)</p>	<p>C. Date of Delivery</p>
<p>2. Article Number (Transfer from service label)</p>		<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>	
<p>PS Form 3811, February 2004</p>		<p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p>	
<p>91 7199 9991 7030 4014 5129</p>		<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>	

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 		<p>A. Signature <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>X <i>[Signature]</i></p>	
<p>1. Article Addressed to:</p> <p>Black Crown Energy Partners, LP 303 Veterans Airpark Lane, Suite 6101 Midland, TX 79705</p>		<p>B. Received by (Printed Name)</p> <p>Dorie Stark</p>	<p>C. Date of Delivery</p> <p>10/27/11</p>
<p>2. Article Number (Transfer from service label)</p>		<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>	
<p>PS Form 3811, February 2004</p>		<p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p>	
<p>91 7199 9991 7030 4014 5129</p>		<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>	

Confirmation Services	Package ID: 9171999991703040145129		Electronic Certified
	Destination ZIP Code: 79705		First Class Letter
	Customer Reference:		
	Recipient: _____		PBP Account #: 41592288
	Address: _____		Serial #: 1364097
			OCT 26 2011 1:03 PM



October 26, 2011

Hanley Petroleum
415 W. Wall, Suite 1500
Midland, TX 79701

Certified Mail Article Number: 91 7199 9991 7030 4014 5112

Re: Amended Request for Off Lease Measurement and Surface Commingle of the gas

Dear Sir or Madam,

This letter is an amendment to the previous letter you received dated August 12, 2011. The request for Surface Commingling of the gas from the Raptor 12 State Com 1H and the Blackhawk 11 Fed Com #1 has been cancelled. We will be requesting Off Lease Measurement for only the gas from the Raptor 12 State Com 1H.

This letter will serve as notice under Rule 104.F (3) that COG Operating LLC has requested administrative approval from the Oil Conservation Division in Santa Fe, NM for Off Lease Measurement for the gas only for the following well:

**Raptor 12 State Com 1H
Eddy County, NM
API #: 30-015-38971
Communitization Agreement #: Pending**

Surface: 400 FSL & 200 FWL Sec 12, T16S, R28E, Unit M

The gas sales meter will be located on COG Operating, LLC property, Blackhawk 11 Federal Com #1, Sec 11, T16S, R28E, Unit M. DCP Midstream meter #727906-00. This well will have its own gas sales meter.

Should your company have any objection, it must be filed in writing within twenty(20) days from the date of this notice. The Division Director may approve the Off Lease Measurement and Surface Commingle of the gas if no objection has been made within the 20 days after the application has been received.

Sincerely,

A handwritten signature in black ink that reads "Netha Aaron".

COG Operating LLC
Netha Aaron
Regulatory Analyst

Enclosures: Letter dated August 12, 2011



August 12, 2011

Hanley Petroleum
415 W. Wall, Suite 1500
Midland, TX 79701

Certified Mail Article Number: 91 7199 9991 7030 4014 5075

Re: Request for Off Lease Measurement and Surface Commingle of only the gas

Dear Sir or Madam,

This letter will serve as notice under Rule 104.F (3) that COG Operating LLC has requested administrative approval from the Oil Conservation Division in Santa Fe, NM for Off Lease Measurement and Surface Commingle for the gas only for the following wells:

Raptor 12 State Com 1H
Eddy County, NM
API #: 30-015-38971
Communitization Agreement #: Pending

Surface: 400 FSL & 200 FWL Sec 12, T16S, R28E, Unit M

Blackhawk 11 Federal Com #1
Eddy County, NM
API#: 30-015-38250
Communitization Agreement #: NM-126268

Surface: 430 FSL & 330 FWL Sec 11, T16S, R28E, Unit M

The gas sales meter will be located on COG Operating, LLC property, Blackhawk 11 Federal Com #1, Sec 11, T16S, R28E, Unit M.

It is uneconomical for us to lay a 10,200' gas sales line to the main dcp gathering line at this time. We will allocate the gas using a check meter that will be set on the Raptor 12 State Com 1H gas line before it enters the Blackhawk 11 Federal Com #1 dcp sales meter. Then we will commingle the gas into the one dcp sales meter.

Should your company have any objection, it must be filed in writing within twenty(20) days from the date of this notice. The Division Director may approve the Off Lease Measurement and Surface Commingle of the gas if no objection has been made within the 20 days after the application has been received.

Sincerely,

COG Operating LLC
Netha Aaron
Regulatory Analyst

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <input type="checkbox"/> Agent <input type="checkbox"/> Addressee X</p> <p>B. Received by (Printed Name) C. Date of Delivery</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>1. Article Addressed to:</p> <p style="text-align: center;">Hanley Petroleum 415 W. Wall, Suite 1500 Midland, TX 79701</p>	<p>3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>2. Article Number 91 7199 9991 7030 4014 5112 (Transfer from service label)</p>	
<p>PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540</p>	

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <input type="checkbox"/> Agent <input type="checkbox"/> Addressee </p> <p>B. Received by (Printed Name) C. Date of Delivery 10-27</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>1. Article Addressed to:</p> <p style="text-align: center;">Hanley Petroleum 415 W. Wall, Suite 1500 Midland, TX 79701</p>	<p>3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>2. Article Number 91 7199 9991 7030 4014 5112 (Transfer from service label)</p>	
<p>PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-11</p>	

Confirmation Services	<p>Package ID: 9171999991703040145112</p> <p>Destination ZIP Code: 79701</p> <p>Customer Reference:</p> <p>Recipient: _____</p> <p>Address: _____</p>	<p>Electronic Certified First Class Letter</p> <p>PBP Account #: 41592288</p> <p>Serial #: 1364097</p> <p>OCT 26 2011 1:05 PM</p>
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October 26, 2011

Crump Energy Partners, LLC
303 Veterans Airpark Lane, Suite 6101
Midland, TX 79705

Certified Mail Article Number: 91 7199 9991 7030 4014 5105

Re: Amended Request for Off Lease Measurement and Surface Commingle of the gas

Dear Sir or Madam,

This letter is an amendment to the previous letter you received dated August 12, 2011. The request for Surface Commingling of the gas from the Raptor 12 State Com 1H and the Blackhawk 11 Fed Com #1 has been cancelled. We will be requesting Off Lease Measurement for only the gas from the Raptor 12 State Com 1H.

This letter will serve as notice under Rule 104.F (3) that COG Operating LLC has requested administrative approval from the Oil Conservation Division in Santa Fe, NM for Off Lease Measurement for the gas only for the following well:

**Raptor 12 State Com 1H
Eddy County, NM
API #: 30-015-38971
Communitization Agreement #: Pending**

Surface: 400 FSL & 200 FWL Sec 12, T16S, R28E, Unit M

The gas sales meter will be located on COG Operating, LLC property, Blackhawk 11 Federal Com #1, Sec 11, T16S, R28E, Unit M. DCP Midstream meter #727906-00. This well will have its own gas sales meter.

Should your company have any objection, it must be filed in writing within twenty(20) days from the date of this notice. The Division Director may approve the Off Lease Measurement and Surface Commingle of the gas if no objection has been made within the 20 days after the application has been received.

Sincerely,

A handwritten signature in black ink, appearing to read "Netha Aaron", with a long, sweeping underline.

COG Operating LLC
Netha Aaron
Regulatory Analyst

Enclosures: Letter dated August 12, 2011



August 12, 2011

Crump Energy Partners, LLC
303 Veterans Airpark Lane, Suite 6101
Midland, TX 79705

Certified Mail Article Number: 91 7199 9991 7030 4014 5082

Re: Request for Off Lease Measurement and Surface Commingle of only the gas

Dear Sir or Madam,

This letter will serve as notice under Rule 104.F (3) that COG Operating LLC has requested administrative approval from the Oil Conservation Division in Santa Fe, NM for Off Lease Measurement and Surface Commingle for the gas only for the following wells:

**Raptor 12 State Com 1H
Eddy County, NM
API #: 30-015-38971
Communitization Agreement #: Pending**

Surface: 400 FSL & 200 FWL Sec 12, T16S, R28E, Unit M

**Blackhawk 11 Federal Com #1
Eddy County, NM
API#: 30-015-38250
Communitization Agreement #: NM-126268**

Surface: 430 FSL & 330 FWL Sec 11, T16S, R28E, Unit M

The gas sales meter will be located on COG Operating, LLC property, Blackhawk 11 Federal Com #1, Sec 11, T16S, R28E, Unit M.

It is uneconomical for us to lay a 10,200' gas sales line to the main dcp gathering line at this time. We will allocate the gas using a check meter that will be set on the Raptor 12 State Com 1H gas line before it enters the Blackhawk 11 Federal Com #1 dcp sales meter. Then we will commingle the gas into the one dcp sales meter.

Should your company have any objection, it must be filed in writing within twenty(20) days from the date of this notice. The Division Director may approve the Off Lease Measurement and Surface Commingle of the gas if no objection has been made within the 20 days after the application has been received.

Sincerely,

COG Operating LLC
Netha Aaron
Regulatory Analyst

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 		<p>A. Signature <input type="checkbox"/> Agent <input type="checkbox"/> Addressee X</p>	
<p>1. Article Addressed to:</p> <p style="margin-top: 20px;">Crump Energy Partners, LLC 303 Veterans Airpark Lane, Suite 6101 Midland, TX 79705</p>		<p>B. Received by (Printed Name)</p>	<p>C. Date of Delivery</p>
<p>2. Article Number (Transfer from service label)</p>		<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>	
<p>PS Form 3811, February 2004</p>		<p>3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p>	
<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>		<p>91 7199 9991 7030 4014 5105</p>	

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 		<p>A. Signature <input type="checkbox"/> Agent <input type="checkbox"/> Addressee </p>	
<p>1. Article Addressed to:</p> <p style="margin-top: 20px;">Crump Energy Partners, LLC 303 Veterans Airpark Lane, Suite 6101 Midland, TX 79705</p>		<p>B. Received by (Printed Name) David Stark</p>	<p>C. Date of Delivery 10/27/11</p>
<p>2. Article Number (Transfer from service label)</p>		<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>	
<p>PS Form 3811, February 2004</p>		<p>3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p>	
<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>		<p>91 7199 9991 7030 4014 5105</p>	

Confirmation Services	Package ID: 9171999991703040145105	Electronic Certified
	Destination ZIP Code: 79705	First Class Letter
	Customer Reference:	PBP Account #: 41592288
	Recipient: _____	Serial #: 1364097
Address: _____	OCT 26 2011 1:06 PM	

District I
1625 N. French Drive, Hobbs, NM 88240
District II
1301 W. Grand Ave, 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 June 10, 2003

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: 550 West Texas Suite 100, Midland, Texas 79701
APPLICATION TYPE:

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

LEASE TYPE: ☐ Fee ☒ State ☐ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____

Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☐ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

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

(2) Are any wells producing at top allowables? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No.

(4) Measurement type: ☐ Metering ☐ Other (Specify)

(5) Will commingling decrease the value of production? ☐ Yes ☐ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

(1) Pool Name and Code.

(2) Is all production from same source of supply? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No

(4) Measurement type: ☐ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

(1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

(1) Is all production from same source of supply? ☒ Yes ☐ No

(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.

(3) Lease Names, Lease and Well Numbers, and API Numbers.

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

SIGNATURE: N. Aaron

TITLE: Regulatory Analyst

DATE: 12/1/11

TYPE OR PRINT NAME Netha Aaron

TELEPHONE NO.: 432-818-2319

E-MAIL ADDRESS: oaaron@concho.com

Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Friday, December 23, 2011 1:29 PM
To: 'aaron@conchoresources.com'
Cc: Brooks, David K., EMNRD
Subject: Application for off lease measurement of gas by COG: Raptor 12 State Com #1H 30-015-38971

Tracking:	Recipient	Read
	'aaron@conchoresources.com'	
	Brooks, David K., EMNRD	Read: 12/23/2011 1:51 PM

Hello Netha,
Hope your holidays are going well?

Per NMMAC 19.15.23.9A(6), please send a copy of this application to the State Land Office – and let me know if they have any objection or the date you notified them?
I will prepare this for release pending your reply.

Regards,

William V Jones, P.E.
Engineering, Oil Conservation Division
1220 South St. Francis Drive, Santa Fe, NM 87505
Tel 505.476.3448 ~ Fax 505.476.3462

