

DATE: 12/7/2015	SUSPENSE	ENGINEER: MAM	LOGGED: 12/07/2015	TYPE: CTB	APP NO: PMA153Y236792
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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



### 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

#### 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 \_\_\_\_\_

#### [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.

Laura Pina

Print or Type Name

Signature

Compliance Coordinator

Title

Date

lpina@legacylp.com

Email Address

12/02/2015

- MAM  
 C-102  
 - Av. monthly  
 production

- CTB  
 - Legacy Reserves operating BP  
 240 974  
 well  
 - BLITZEN 35 Fed  
 Cum 14  
 30-015-36044  
 - BLITZEN 35 Fed Cum  
 24  
 30-015-36058  
 Pool  
 - Anderson's  
 WOLFcamp, north  
 97183



RECEIVED OGD

2015 DEC -7 P 1:58

December 2, 2015

New Mexico Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505  
Attention: Engineering Department

Re: Application for Surface Commingling  
Blitzen 35 Federal Com #1H & #2H  
Unit Letter A, H; Sec. 35; T16S, R28E  
Lea County, New Mexico

Legacy Reserves Operating LP respectfully requests administrative approval to surface commingle the Blitzen 35 Federal Com #1H and Blitzen 35 Federal Com #2H.

This permit application is being submitted as the original operator, COG Operating LLC, neglected to do so back in 2010 when the initial well, #2H was drilled and completed.

Please contact the undersigned at (432) 689-5273 should you have any questions or need anything further.

Sincerely,

Laura Pina  
Compliance Coordinator

Enclosure

cc: NMOCD/Artesia

**Legacy Reserves**

303 West Wall, Suite 1800 • Midland, Texas 79701 • P. O. Box 10848 • Midland, Texas 79702  
OFFICE 432-689-5200 • FAX 432-686-8318

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: Legacy Reserves Operating, LP

OPERATOR ADDRESS: P.O. Box 10848, Midland, TX 79702

APPLICATION TYPE:

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

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 Previous Operator: Concho Resources Inc. did not submit an Application for Surface Commingling.

**(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
Pool 96666: Anderson N; Wolfcamp Blitzen 35 Federal Com 1H	42.8/1312	42.8/1312		\$42.0191/bbl \$2.73016/mcf	34 BOPD 167 MCFPD
Pool 96666: Anderson N; Wolfcamp Blitzen 35 Federal Com 2H	41.3/1312	42.8/1312		\$42.0191/bbl \$2.73016/mcf	55 BOPD 275 MCFPD

(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 B.

**(D) OFF-LEASE STORAGE and MEASUREMENT**  
Please attach 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: Laura Pina

TITLE: Compliance Officer

DATE: December 02, 2015

TYPE OR PRINT NAME: Laura Pina

TELEPHONE NO.: 432.689.5273

E-MAIL ADDRESS: lpina@legacylp.com

DISTRICT I  
1825 N. French Dr., Hobbs, NM 88240

DISTRICT II  
1201 W. Grand Avenue, Artesia, NM 88210

DISTRICT III  
1090 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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-36044	Pool Code 97183	Pool Name Anderson; Wolfcamp, North
Property Code 36953	Property Name BLITZEN "35" FEDERAL COM	Well Number 1
OGRID No. 229137	Operator Name C.O.G. OPERATING L.L.C.	Elevation 3592'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	35	16 S	28 E		330	NORTH	990	EAST	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
D	35	16 S	28 E		357	NORTH	340	WEST	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>340' 357'</p> <p>3908.1'</p> <p>3596.2' - 3586.9'</p> <p>330' SL 990'</p> <p>3591.9' 3585.3'</p>		<p><b>OPERATOR CERTIFICATION</b></p> <p>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 unless mineral interest in the land including the proposed bottom hole 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.</p> <p><i>Netha Aaron</i> 7/12/11 Signature Date</p> <p>Netha Aaron Printed Name</p>
<p><b>BOTTOM HOLE LOCATION</b></p> <p>LAT.: N 32°53'09.46" LONG.: W104°09'15.68" SPC- N.: 686092.82 E.: 596285.362 (NAD-83)</p>	<p><b>SURFACE LOCATION</b></p> <p>LAT.: N 32°53'09.30" LONG.: W104°08'29.68" SPC- N.: 686084.021 E.: 600200.361 (NAD-83)</p>	<p><b>SURVEYOR CERTIFICATION</b></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>NOVEMBER 29, 2007</p> <p>Date Signature Professional Surveyor</p> <p><i>[Signature]</i> 18783</p> <p>Certificate No. Gary L. Jones 7977</p> <p><b>Basin Surveys</b></p>

## DISTRICT I

1080 N. French Dr., Hobbs, NM 88240

## DISTRICT II

1001 W. Grand Avenue, Artesia, NM 88210

## DISTRICT III

1003 Rio Bravos Rd., Aztec, NM 87410

## DISTRICT IV

1820 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources DepartmentOIL 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

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number: 30-015-36058	Pool Code: 97183	Pool Name: Anderson; Wolfcamp, North
Property Code: 36953	Property Name: BLITZEN "35" FEDERAL COM	Well Number: 2
GRID No. 229137	Operator Name: C.O.G. OPERATING L.L.C.	Elevation: 3585'

## Surface Location

UL or lot No.	Section	Township	Range	Lot Idn.	Feet from the	North/South line	Feet from the	East/West line	County
H	35	16 S	28 E		1800'	NORTH	330'	EAST	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
E	35	16 S	28 E		1785'	NORTH	376'	WEST	EDDY
Dedicated Acres: 160		Joint or Infill		Consolidation Code		Order No.			

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

	<p><b>OPERATOR CERTIFICATION</b></p> <p>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 pursuant to a contract with an owner of such a mineral or working interest, or is a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <u>K.C.</u> Date: <u>06/14/10</u></p> <p>Printed Name: <u>Kanicia Carrillo</u></p>
	<p><b>BOTTOM HOLE LOCATION</b></p> <p>LAT.: N 32°52'54.92" LONG.: W104°09'16.04" N.: 684623.461 E.: 596257.240 (NAD-83)</p>
<p><b>SURVEYOR CERTIFICATION</b></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 24, 2007</p> <p>Date Survey: <u>AUG 24 2007</u></p> <p>Signature: <u>[Signature]</u></p> <p>Professional Seal: <u>[Seal]</u></p> <p>Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>	

**LEASE PRODUCTION - BLITZEN 35 FEDERAL**

prod period	cc name	api	oilprod	waterprod	gas prdn	days on	AVE BOPD	AVE BWPD	AVE MCFD
5/31/2015	BLITZEN 35 FED 1H	3001536044	785	298	3,060	31	25	10	99
6/30/2015	BLITZEN 35 FED 1H		963	831	6,171	30	32	28	206
7/31/2015	BLITZEN 35 FED 1H		659	373	4,999	31	21	12	161
8/31/2015	BLITZEN 35 FED 1H		1,215	1,384	4,970	31	39	45	160
9/30/2015	BLITZEN 35 FED 1H		872	888	4,646	30	29	30	155
10/31/2015	BLITZEN 35 FED 1H		1,047	1,150	5,812	31	34	37	187
5/31/2015	BLITZEN 35 FED 2H	3001536058	484	354	1,468	31	16	11	47
6/30/2015	BLITZEN 35 FED 2H		1,107	1,067	5,770	30	37	36	192
7/31/2015	BLITZEN 35 FED 2H		849	544	6,049	31	27	18	195
8/31/2015	BLITZEN 35 FED 2H		1,991	1,730	8,283	31	64	56	267
9/30/2015	BLITZEN 35 FED 2H		1,430	1,109	7,493	30	48	37	250
10/31/2015	BLITZEN 35 FED 2H		1,717	1,437	9,375	31	55	46	302
5/31/2015	TOTAL LEASE		1,269	652	4,528	31	41	21	146
6/30/2015	TOTAL LEASE		2,070	1,898	11,941	30	69	63	398
7/31/2015	TOTAL LEASE		1,508	917	11,048	31	49	30	356
8/31/2015	TOTAL LEASE		3,206	3,114	13,253	31	103	100	428
9/30/2015	TOTAL LEASE		2,302	1,997	12,139	30	77	67	405
10/31/2015	TOTAL LEASE		2,764	2,587	15,187	31	89	83	490

Estimate - Production Not Yet Filed w/ NMOCD

APPLICATION FOR, COMMINGLING and OFF LEASE MEASUREMENT AT A COMMON  
CENTRAL TANK BATTERY

Proposal for Blitzen "35" Federal Com 1H & Blitzen "35" Federal Com 2H:

Legacy Reserves Operating, LP is requesting approval for the Central Tank Battery, Commingling, and Off lease sales of gas and oil:

**List of Wells**

Federal Lease NM103876 & CA NM126360

Well Name	Location	API #	Pool 96666	Oil BOPD	Gravities	MCFPD	BTU
Blitzen 35 Fed Com 1H	Sec 35, NENE T16SR28E	3001536044	Anderson N; Wolfcamp	34	43	167	1343

Federal Lease NM103876 & CA NM124318

Well Name	Location	API #	Pool 96666	Oil BOPD	Gravities	MCFPD	BTU
Blitzen 35 Fed Com 2H	Sec 35, SENE T16SR28E	3001536058	Anderson N; Wolfcamp	55	41	275	1330

Attached map shows the federal leases and well locations in Section 35, NENE-T16S-R28E & Section 35, SENE-T16S-R28E.

The BLM's interest in both wells is the same. Lease NM103876 royalty rate is 8.333333%, CA NM126360 involves 160 Acres of Lease. Lease NM103876 at a rate of 8.333333%, CA NM124318 involves 160 acres of Lease.

**Details of the Proposed Method of Measurement and Allocation of Production**

**Oil & Gas metering:**

The central tank battery is located on the shared well location for the Blitzen 35 Fed Com #2H well located in Section 35, SE/NE, T16S, R28E on federal lease NM103876 in Eddy County, New Mexico.

Well production from producing well #1H and #2H comes to a common production header at the CTB where isolation valves and lines are available to route each wells production thru either a well test separator or a production separator.

When a well is on test its production is routed thru the 3' x 10' horizontal, 3-phase well test separator. When a well, or even both wells are on production and not on test then their production streams are both commingled into a single, unmetered, 4'x10' vertical, 2-phase production separator.

The well test separator is equipped with metering equipment for metering all 3 fluid streams, oil, gas and water production following discharge from the vessel. Oil and water are each metered separately using Cameron Nu-Flow MC-II Flow Analyzers (turbine meters). The oil test meter serial number is SN-374105 and the water test meter serial # is SN-373774. Gas is measured using a Cameron Nu-Flow Scanner Model 2000 (orifice meter) with meter serial # SN-D280401. In a given month each producing well is typically tested for multiple days and sometimes multiple times in order to obtain a representative well test for that given month. From these representative well tests monthly total oil, gas and water production is allocated to each producing well.

well test for that given month. From these representative well tests monthly total oil, gas and water production is allocated to each producing well.

The measurement of total lease daily and monthly oil production is determined by the utilization of electronic tank level gauges present on each of the 3, 500 bbl steel welded oil tanks. No manual tank gauging is performed.

Oil sales are accomplished by metering oil total commingled oil production thru a LACT unit before being truck hauled to pipeline by Bridger Transportation and sold to Occidental Energy and Marketing. The LACT meter at the Blitzen 35 Fed Com CTB is a 3" Smith Meter, Model E3-SI (turbine meter, Meter #724953, Serial # P644653243). This LACT unit utilizes Linco Electromatic ELMC-TA 1000 totalizer/controller and Invalco BS&W monitor (Model 4728).

Gas sales to DCP Midstream consists of total surface commingled gas production from both wells upon gas separation at both the vertical 2-phase separator or the 3-phase heater treater. The DCP gas meter is located approximately 2000' northeast of the CTB and is off-lease measurement and custody transfer. The DCP meter is a ABB Total Flow, Model UFLOW 6213Y (serial # T113058094). This is an electronic readout orifice meter utilizing a 2.069" ID meter run.

Additionally, a water meter is located at the water tank to provide daily lease water production. This meter is a Turbines Incorporated, Model F012-P-XI turbine meter.

Presently, the custody transfer LACT unit and gas meter are calibrated on a regular basis per purchasing company, API, NMOCD and BLM specifications. The well test separator meters are tested on a demand basis when the lease operator/pumper has a concern in their test accuracy. The BLM and OCD will be notified of any future changes in the facilities.

#### **Process and Flow Descriptions:**

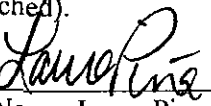
The flow path of oil, gas and water production at the CTB is shown in detail on enclosed facility diagram. An attached map shows the lease boundaries, communization agreement boundaries, location of each well, the CTB facility and the location of the gas sales meter.

The commingling of production from the #1H and #2H wells into one CTB facility is the most economical means of producing the oil and gas reserves of both wells. This surface commingling will reduce total lease operating expense as well as reduce the surface facility footprint and overall air emissions versus having two separate batteries.

We feel this CTB and the incorporation of centralized oil, gas and water measurement will not result in reduced royalty payments or improper measurement of production.

Legacy Reserves Operating, LP understands the requested approval of this CTB will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.

Working, royalty, and overriding interest owners have been notified of this application via certified mail (see attached).

Signed:   
Printed Name: Laura Pina  
Title: Compliance Coordinator  
Date: 12/02/2015



To calculate the weighted average of the oil or gas, add the daily production times the gravity or BTU for the first well with the daily production times the gravity or BTU of the second well. Divide it by the total daily production for the two wells. This is the weighted average of the gravity or BTU.

#### **Weighted Gravity of Oil**

Blitzen 35 Federal Com 1H = 34 BOPD, 42.8 Gravity

Blitzen 35 Federal Com 2H = 55 BOPD, 41.3 Gravity

$$(34 \text{ BOPD} \times 42.8 \text{ Gravity}) + (55 \text{ BOPD} \times 41.3 \text{ Gravity}) = 3726.7$$

$$(3726.7)/(34 \text{ BOPD} + 55 \text{ BOPD}) = \mathbf{41.8730 \text{ or } 41.9 \text{ Weighted Gravity of Oil}}$$

#### **Weighted BTU Gas**

Blitzen 35 Federal Com 1H = 167 MCFD, 1343 BTU

Blitzen 35 Federal Com 2H = 275 MCFD, 1331 BTU

$$(167 \text{ MCFD} \times 1343 \text{ BTU}) + (275 \text{ MCFD} \times 1330 \text{ BTU})$$

$$(590031)/(167 \text{ MCFD} + 275 \text{ MCFD}) = \mathbf{1334.9118 \text{ or } 1335 \text{ Weighted BTU Gas}}$$

## Economic Justification Work Sheet Sonic Federal Tank Battery

Commingling proposal for leases: NM103876 & CA NM126360 and NM103876 & CA NM124318

Federal Lease NM103876 & CA NM126360, Royalty Rate 8.333333% of 160 Acre Well

Well Name	BOPD	Oil Gravity @ 60 deg	Value/bbl	MCFPD	Dry MMBTU	Value/mcf
Blitzen 35 Fed Com 1H	34	42.8	\$42.0191	167	1343	\$2.76013

Federal Lease NM103876 & CA NM124318, Royalty Rate 8.333333% of 160 Acre Well

Well Name	BOPD	Oil Gravity @ 60 deg	Value/bbl	MCFPD	Dry MMBTU	Value/mcf
Blitzen 35 Fed Com 1H	55	41.3	\$42.0191	275	1331	\$2.76013

### Economic combined production

Federal Lease NM103876 & CA NM126360

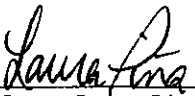
Royalty Rate 8.333333% for CA NM126360

Federal Lease NM103876 & CA NM124318

Royalty Rate 8.333333% for CA NM124318

Facility Name	BOPD	Oil Gravity@60deg	Value/bbl	MCFPD	Dry MMBTU	Value/mcf
Blitzen 35 Federal Tank Battery	89	41.9	\$42.0191	442	1335	\$2.76013

\*See Attachment for Calculated Weighted Oil Gravity and Dry BTU.

Signed:   
 Printed Name: Laura Pina  
 Title: Compliance Coordinator  
 Date: 12/02/2015

Note: Operator should supply contract rates per BBL and gravity or MCF and BTU. Operator should also provide the sulfur content for sour crude or gas and what the price differentials are. Provide Average Sulfur content if production contains sulfur.

### Detailed Economic Justification

The commingling of production from the #1H and #2H wells into one CTB facility is the most economical means of producing the oil and gas reserves of both wells.

This surface commingling will reduce the total lease operating expense and therefore provide incremental cash flow to both the working interest owners, royalty owners and the overriding royalty interest owners.

We forecast that the BLM will see an additional \$4000 in net cash flow over the next 12+ years by Legacy operating the lease with 1 CTB versus having a tank battery at both wells. Additionally, the State of NM will earn an additional \$3,000 and the total royalty and working interest owners will earn an additional \$235,000.

Currently the CTB is at Well #2H so the construction of a 2<sup>nd</sup> battery would be at the #1H well location. We forecast that a \$150,000 investment and an additional \$600/ month operating expense would be required to build a 2<sup>nd</sup> battery at #1H. If built, the additional well operating cost would cause the #1 well to be abandoned 7+ months earlier in time and subsequently reduce the incremental cash flow to either the royalty owners or the working interest owners.

Realize, the operating cost assumption of \$600/month for a 2<sup>nd</sup> tank battery could be low and as much as \$1000/month could be witnessed. Therefore, the cash flows show below could be low and more savings could be realized by using a CTB and not operating a 2 tank battery.

#### Economics: Well #1H

Case	Cumulative Cash flow			Op Cost \$/Mo	Abandonment Month/Year
	Federal	State	8/8ths		
No Battery	\$292,000	\$219,000	\$2,100,000	\$5839	Aug/2028 (12yrs/9mos)
New Battery	\$288,000	\$216,000	\$1,865,000	\$6439	Jan/2028 (12 yrs/2mos)
Difference	\$ 4,000	\$ 3,000	\$ 235,000	\$ 600	- (0yrs/7mos)

#### Royalty Interests

Federal-8.333333%

State- 6.250000%

Gross 8/8ths -14.583333%

Oil Price-\$42.02/BO

Gas Price-\$2.76/MCF

Note: The Economic Simulation Runs from PowerTools economic simulation are attached.

**Annual CashFlow Report**

Project: C:\Users\kwilliams\Desktop\Blitzen 35 Federal-120115.mdb

Lease Name: BLITZEN 35 FEDERAL COM-FED ROYALTY (10) Operator: LEGACY RESERVES OPERATING LP

County, ST: EDDY, NM

Field Name: ANDERSON NORTH

Location: S16 E28 35 NE NE

Reserve Type/Class: Proved/Developed, Producing

Date	Well Count	Gross Production		Net Production		Average Prices		Sales Total (\$)
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	
12/2015	1	1,047	5,142	87	429	42.02	2.76	4,849
12/2016	1	11,517	56,567	960	4,714	42.02	2.76	53,338
12/2017	1	9,789	48,082	816	4,007	42.02	2.76	45,337
12/2018	1	8,321	40,870	693	3,406	42.02	2.76	38,537
12/2019	1	7,073	34,739	589	2,895	42.02	2.76	32,756
12/2020	1	6,012	29,528	501	2,461	42.02	2.76	27,843
12/2021	1	5,110	25,099	426	2,092	42.02	2.76	23,666
12/2022	1	4,344	21,334	362	1,778	42.02	2.76	20,116
12/2023	1	3,692	18,134	308	1,511	42.02	2.76	17,099
12/2024	1	3,138	15,414	262	1,284	42.02	2.76	14,534
12/2025	1	2,667	13,102	222	1,092	42.02	2.76	12,354
12/2026	1	2,267	11,137	189	928	42.02	2.76	10,501
12/2027	1	1,927	9,466	161	789	42.02	2.76	8,926
08/2028	1	1,121	5,508	93	459	42.02	2.76	5,194
Grand Total:		68,025	334,124	5,669	27,844	42.02	2.76	315,050

Date	Operating Expenses (\$)	Taxes (\$)	Operating Income (\$)	Other Costs (\$)	Periodic Cash Flow (\$)	Cumulative Cash Flow (\$)	10% Cash Flow (\$)
12/2015	0	354	4,495	0	4,495	4,495	4,459
12/2016	0	3,892	49,446	0	49,446	53,940	46,664
12/2017	0	3,308	42,029	0	42,029	95,969	36,058
12/2018	0	2,812	35,725	0	35,725	131,694	27,863
12/2019	0	2,390	30,366	0	30,366	162,060	21,531
12/2020	0	2,032	25,811	0	25,811	187,871	16,637
12/2021	0	1,727	21,939	0	21,939	209,810	12,856
12/2022	0	1,468	18,648	0	18,648	228,459	9,934
12/2023	0	1,248	15,851	0	15,851	244,310	7,676
12/2024	0	1,061	13,473	0	13,473	257,783	5,932
12/2025	0	902	11,452	0	11,452	269,236	4,584
12/2026	0	766	9,735	0	9,735	278,970	3,542
12/2027	0	651	8,274	0	8,274	287,245	2,737
08/2028	0	379	4,815	0	4,815	292,059	1,470
Grand Total:	0	22,990	292,059	0	292,059	292,059	201,943

**Discount Present Worth:**

0.00 %	292,059
10.00 %	201,943
15.00 %	174,813
20.00 %	154,352
30.00 %	125,850
50.00 %	93,929
60.00 %	84,151
70.00 %	76,608
80.00 %	70,608
90.00 %	65,714
100.00 %	61,642

**Economic Dates:**

Effective Date	12/2015
Entered Limit	08/2028
Economic Life	153 Months
	12 Years 9 Months

**Economics Information:**

Net Payout Date:	12/2015
Rate of Return:	>100 %
Return on Investment:	0.00
Disc Return on Invest:	0.00
Initial Division of Interest:	

**Economics Summary:**

	Bbl Oil	Mcf Gas
Ultimate Gross	174,881	559,238
Historic Gross	106,856	225,114
Gross at Eff Date	106,856	225,114
Remaining Gross	68,025	334,124
Remaining Net	5,669	27,844

BTU Content: 1.000 mmbtu/mcf  
Gravity: Oil: 1.00 Gas: 0.800

	NRI	ORI
Oil:	8.333333	0.000000
Gas:	8.333300	0.000000
Injection:	0.000000	0.000000
Reversion Date:	None	

**Federal Royalty Evaluation**

- Well #1H - No Tank Battery (Use CTB at Well #2H)

Date: 12/2/2015

Time: 11:11 AM

**Annual CashFlow Report**

Project: C:\Users\kwilliams\Desktop\Blitzen 35 Federal-120115.mdb

Lease Name: BLITZEN 35 FEDERAL COM-FED ROYALTY (OPERATING) CY RESERVES OPERATING LP

County, ST: EDDY, NM

Field Name: ANDERSON NORTH

Location: S16 E28 35 NE NE

Reserve Type/Class: Proved/Developed, Producing

Date	Well Count	Gross Production		Net Production		Average Prices		Sales Total (\$)
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	
12/2015	1	1,047	5,142	87	429	42.02	2.76	4,849
12/2016	1	11,517	56,567	960	4,714	42.02	2.76	53,338
12/2017	1	9,789	48,082	816	4,007	42.02	2.76	45,337
12/2018	1	8,321	40,870	693	3,406	42.02	2.76	38,537
12/2019	1	7,073	34,739	589	2,895	42.02	2.76	32,756
12/2020	1	6,012	29,528	501	2,461	42.02	2.76	27,843
12/2021	1	5,110	25,099	426	2,092	42.02	2.76	23,666
12/2022	1	4,344	21,334	362	1,778	42.02	2.76	20,116
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12/2024	1	3,138	15,414	262	1,284	42.02	2.76	14,534
12/2025	1	2,667	13,102	222	1,092	42.02	2.76	12,354
12/2026	1	2,267	11,137	189	928	42.02	2.76	10,501
12/2027	1	1,927	9,466	161	789	42.02	2.76	8,926
01/2028	1	147	722	12	60	42.02	2.76	680
Grand Total:		67,051	329,337	5,588	27,445	42.02	2.76	310,536

Date	Operating Expenses (\$)	Taxes (\$)	Operating Income (\$)	Other Costs (\$)	Periodic Cash Flow (\$)	Cumulative Cash Flow (\$)	10% Cash Flow (\$)
12/2015	0	354	4,495	0	4,495	4,495	4,459
12/2016	0	3,892	49,446	0	49,446	53,940	46,664
12/2017	0	3,308	42,029	0	42,029	95,969	36,058
12/2018	0	2,812	35,725	0	35,725	131,694	27,863
12/2019	0	2,390	30,366	0	30,366	162,060	21,531
12/2020	0	2,032	25,811	0	25,811	187,871	16,637
12/2021	0	1,727	21,939	0	21,939	209,810	12,856
12/2022	0	1,468	18,648	0	18,648	228,459	9,934
12/2023	0	1,248	15,851	0	15,851	244,310	7,676
12/2024	0	1,061	13,473	0	13,473	257,783	5,932
12/2025	0	902	11,452	0	11,452	269,236	4,584
12/2026	0	766	9,735	0	9,735	278,970	3,542
12/2027	0	651	8,274	0	8,274	287,245	2,737
01/2028	0	50	631	0	631	287,875	198
Grand Total:	0	22,661	287,875	0	287,875	287,875	200,671

**Discount Present Worth:**

0.00 %	287,875
10.00 %	200,671
15.00 %	174,083
20.00 %	153,923
30.00 %	125,693
50.00 %	93,903
60.00 %	84,139
70.00 %	76,603
80.00 %	70,605
90.00 %	65,713
100.00 %	61,642

**Economic Dates:**

Effective Date	12/2015
Entered Limit	01/2028
Economic Life	146 Months
	12 Years 2 Months

**Economics Information:**

Net Payout Date:	12/2015
Rate of Return:	>100 %
Return on Investment:	0.00
Disc Return on Invest:	0.00
Initial Division of Interest:	

**Economics Summary:**

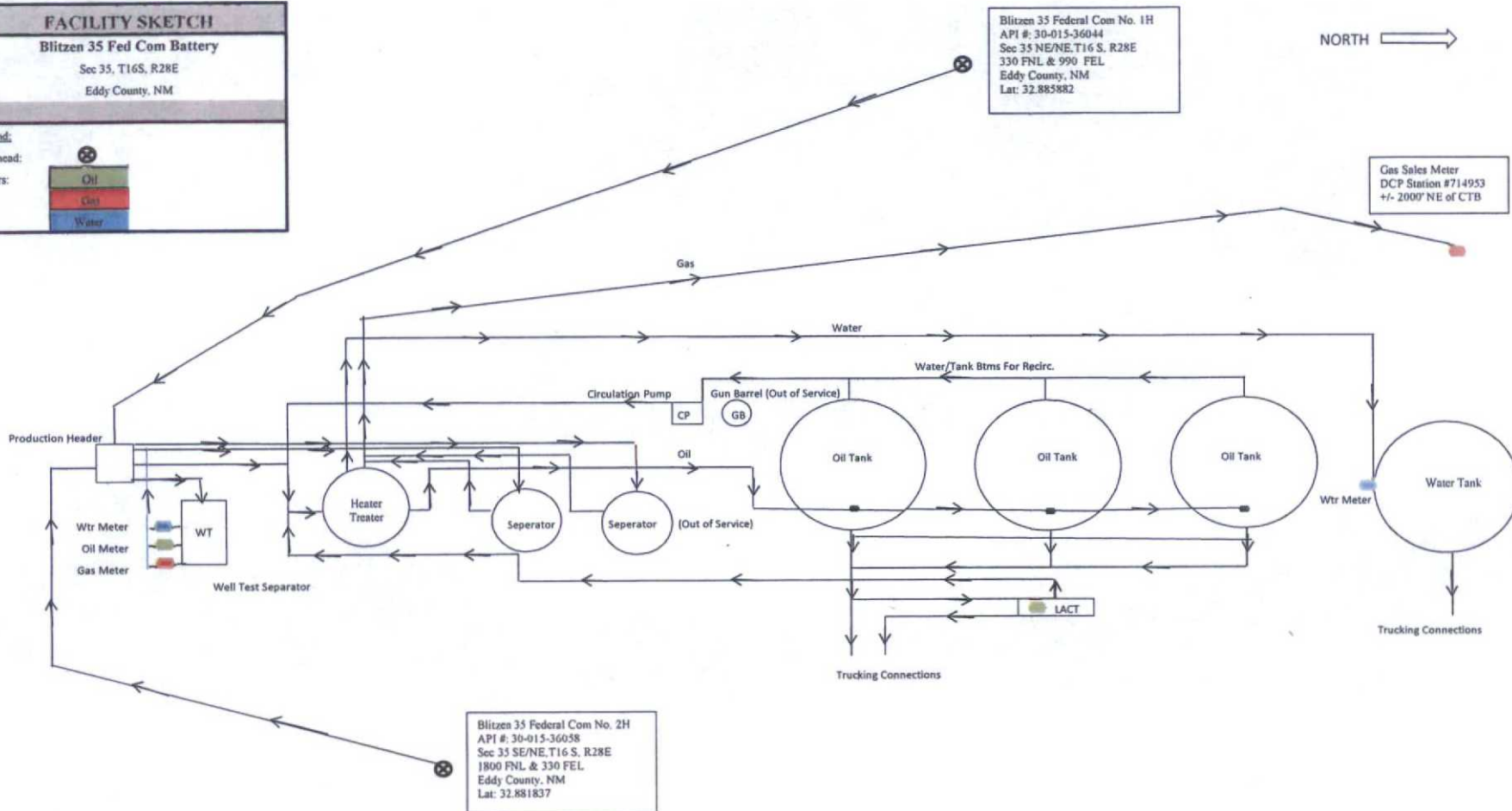
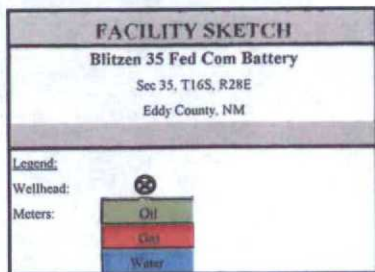
	Bbl Oil	Mcf Gas
Ultimate Gross	173,907	554,451
Historic Gross	106,856	225,114
Gross at Eff Date	106,856	225,114
Remaining Gross	67,051	329,337
Remaining Net	5,588	27,445

BTU Content: 1.000 mmbtu/mcf  
Gravity: Oil: 1.00 Gas: 0.800

		NRI	ORI
Oil:	0.000000	8.333333	0.000000
Gas:		8.333300	0.000000
Injection:		0.000000	0.000000
Reversion Date:	None		

**Federal Royalty Evaluation**

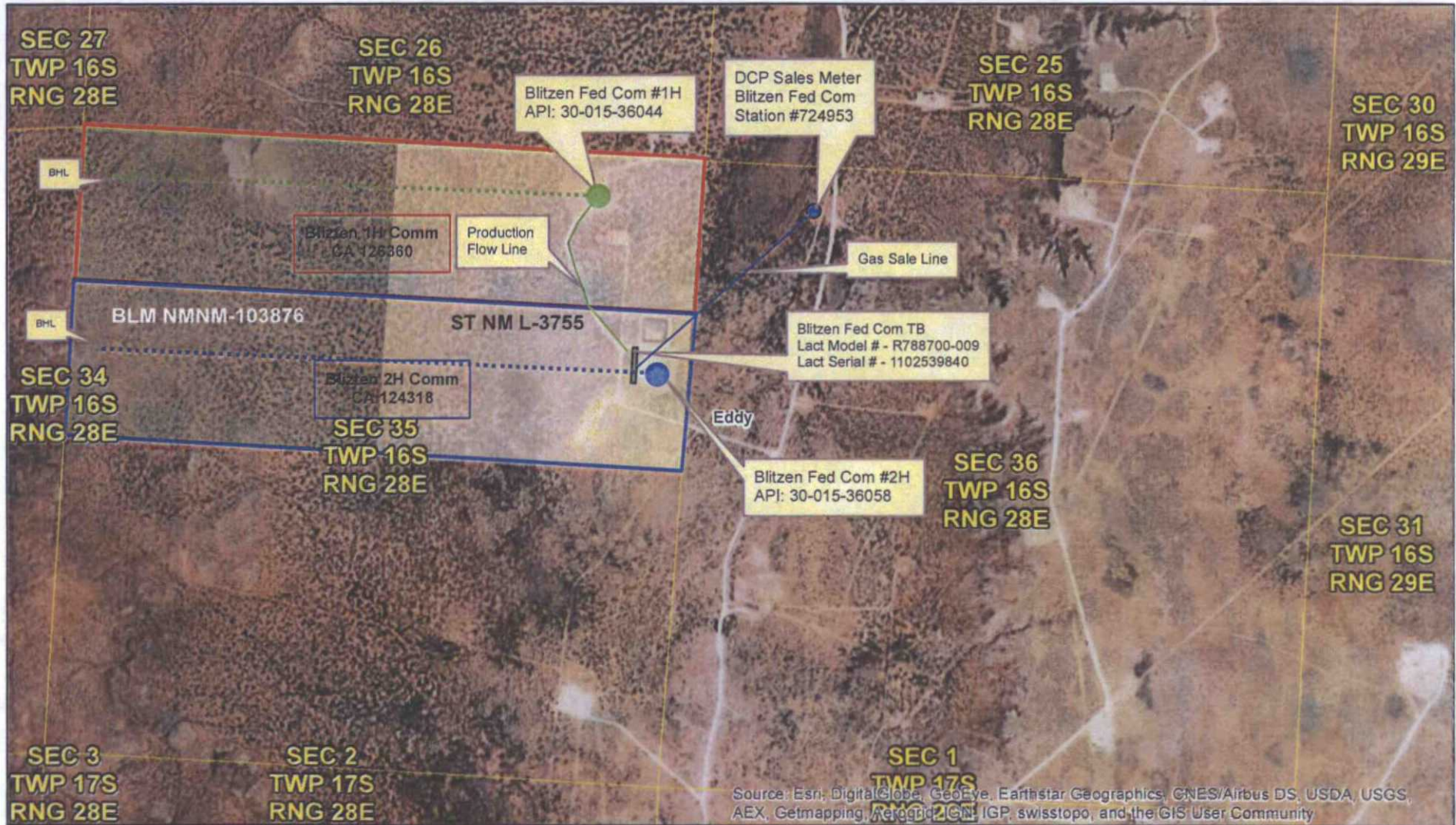
- Well #1H - Build Tank Battery





# Blitzen Fed Com 1H & 2H

Section 35-16S-28E, Eddy County New Mexico



## Legend

- ..... Blitzen Fed Com 2H
- ..... Blitzen Fed Com 1H
- 2H Comm Agreement - 124318
- 1H Comm Agreement - 126360
- BLM NMNM-103876
- ST NM L-3755
- Blitzen Fed Com Tank Battery

Date: 12/1/2015

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: October 31, 2014

**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to re-enter an  
abandoned well. Use Form 3160-3 (APD) for such proposals.**

**SUBMIT IN TRIPLICATE – Other instructions on page 2.**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

LEGACY RESERVES OPERATING LP

3a. Address

PO BOX 10848  
MIDLAND, TX 79702

3b. Phone No. (include area code)

432-689-5200

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1800 FNL & 330 FEL, SEC. 35, SENE, T16S, R28E

7. If Unit of CA/Agreement, Name and/or No.  
NMNM124318

8. Well Name and No.  
BLITZEN 35 FEDERAL COM #2H

9. API Well No.  
30-015-36058

10. Field and Pool or Exploratory Area  
ANDERSON N; WOLFCAMP

11. County or Parish, State  
EDDY CO, NM

**12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other SEE BELOW
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

TYPE OF ACTION: Surface Commingling, Central Tank Battery & Off Lease Gas Measurement

Legacy Reserves Operating, LP request approval to Surface Commingle production on the following wells at a common central tank battery located on the Blitzen 35 Federal Com #2H well location.

Blitzen 35 Federal Com #1H Lease number NMNM103876, Section 35, NENE, T16S, R28E, API 3001536044

Blitzen 35 Federal Com #2H Lease number NMNM103876, Section 35, SENE, T16S, R28E, API 3001536058

Blitzen 35 Federal Com #1H will require surface commingling and off lease measurement, storage and sales of oil and gas. Blitzen 35 Federal Com #2H will only be requiring surface commingling and off lease measurement and sales of gas.

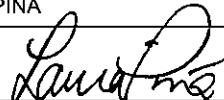
See attached detailed commingling information, facility diagram and map.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

LAURA PINA

Title COMPLIANCE COORDINATOR

Signature



Date 12/02/2015

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



**DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
CASE RECORDATION  
(MASS) Serial Register Page**

Run Time: 04:34 PM

Page 1 of 2

Run Date: 11/17/2015

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

Total Acres

Serial Number

Case Type 312021: O&G LSE COMP PD -1987

160.000

NMNM-- - 103876

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED

Serial Number: NMNM-- - 103876

Name & Address			Int Rel	% Interest
COG OPERATING LLC	600 W ILLINOIS AVE	MIDLAND TX 797014882	LESSEE	100.000000000
LEGACY RESERVES OPERATING LP	303 W WALL ST STE 1800	MIDLAND TX 797015106	OPERATING RIGHTS	0.000000000

Serial Number: NMNM-- - 103876

Mer Twp	Rng	Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23	0160S	0280E	035	ALIQ	NW;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 103876

Act Date	Code	Action	Action Remark	Pending Office
01/18/2000	387	CASE ESTABLISHED	200001104	
01/19/2000	191	SALE HELD		
01/19/2000	267	BID RECEIVED	\$105600.00;	
01/19/2000	392	MONIES RECEIVED	\$320.00;	
01/24/2000	392	MONIES RECEIVED	\$105280.00;	
02/14/2000	237	LEASE ISSUED		
02/14/2000	974	AUTOMATED RECORD VERIF	MCS	
03/01/2000	496	FUND CODE	05;145003	
03/01/2000	530	RLTY RATE - 12 1/2%		
03/01/2000	868	EFFECTIVE DATE		
04/11/2000	084	RENTAL RECEIVED BY ONRR	\$240.00;11/MULTIPLE	
01/04/2001	084	RENTAL RECEIVED BY ONRR	\$240.00;21/397	
01/16/2002	963	CASE MICROFILMED/SCANNED		
03/01/2002	315	RENTAL RATE DET/ADJ	\$10.00;	
03/01/2002	531	RLTY RATE - 16 2/3%	/A/	
05/22/2002	284	REINSTATEMENT FILED	CLASS II;	
05/22/2002	393	DEC ISSUED	ADL REQUIREMENTS;	
05/22/2002	791	TERMINAT'N NOTICE ISSUED	CLASS II;	
05/22/2002	974	AUTOMATED RECORD VERIF	LBO	
07/10/2002	610	PUBLISHED	67FR45758	
08/15/2002	282	REINSTATEMENT APPROVED	CLASS II EFF 3/1/02;	
08/15/2002	974	AUTOMATED RECORD VERIF	LBO	
05/24/2004	791	TERMINAT'N NOTICE ISSUED	CLASS II;	
05/24/2004	974	AUTOMATED RECORD VERIF	LR	
07/30/2004	792	TERMINATION VACATED		
07/30/2004	974	AUTOMATED RECORD VERIF	LR	
03/26/2007	140	ASGN FILED	CHASE OIL/COG OIL &;1	
03/26/2007	932	TRF OPER RGTS FILED	CHASE OIL/COG OIL &;1	
05/02/2007	139	ASGN APPROVED	EFF 04/01/07;	
05/02/2007	933	TRF OPER RGTS APPROVED	EFF 04/01/07;	
05/02/2007	974	AUTOMATED RECORD VERIF	MV	
01/08/2010	246	LEASE COMMITTED TO CA	NMNM124318	
03/17/2010	940	NAME CHANGE RECOGNIZED	COG O&G/COG OPER	
02/22/2011	246	LEASE COMMITTED TO CA	CA NM126360	
06/20/2011	643	PRODUCTION DETERMINATION	/1/	

NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM

DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
CASE RECORDATION  
(MASS) Serial Register Page

Run Time: 04:34 PM

Page 2 of 2

Run Date: 11/17/2015

06/20/2011	650	HELD BY PROD - ACTUAL	/1/
06/20/2011	658	MEMO OF 1ST PROD-ACTUAL	/1/NMNM126360;
07/10/2013	932	TRF OPER RGTS FILED	COG OPERA/LEGACY RE;1
01/06/2014	933	TRF OPER RGTS APPROVED	EFF 08/01/13;
01/06/2014	974	AUTOMATED RECORD VERIF	LBO

Line Nr      Remarks

Serial Number: NMNM-- - 103876

0002	RENTAL PD 2000-2007 DUE 03/08
0003	BONDED OPERATOR
0004	01/06/14 LEGACY RES OP LP NM001015 NM/SW \$25K;



December 2, 2015

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Interest Owners

Re: Request for a CTB & Commingle  
Blitzen "35" Federal Com #1H & Blitzen "35" Federal Com #2H  
Sec 35, NE/NE, T16S, R28E & Sec 35, SE/NE, T16S, R28E  
API Number: 30-015-36044 & 30-015-36058  
Pool 96666 Anderson N; Wolfcamp  
Eddy County, NM

Interest Owners:

This is to advise you that Legacy Reserves Operating, LP, is filing an application with the New Mexico Oil Conservation Division ("NMOCD") seeking approval for a Central Tank Battery & Off-Lease Gas Measurement, Sales & Storage for the above mention wells.

This permit application is being submitted as the original operator, COG Operating LLC, neglected to do so back in 2010 when the initial well, #2H was drilled and completed.

A copy of our application submitted to the Division is attached.

Any objections or requests that a hearing should be held regarding this application must be submitted to the New Mexico Oil Conservation Division Santa Fe office within 20 days from the date of this letter.

Please contact the undersigned at (432) 689-5273 should you have any questions or need anything further.

Sincerely,

Laura Pina  
Compliance Coordinator  
Legacy Reserves Operating, LP

Enclosure

**Legacy Reserves**

303 West Wall, Suite 1800 • Midland, Texas 79701 • P. O. Box 10848 • Midland, Texas 79702  
OFFICE 432-689-5200 • FAX 432-221-6314

## CERTIFIED MAILING LIST

### Wells and Leases:

Blitzen "35" Federal Com 1H (NM103876 & CA NM126360)

Blitzen "35" Federal Com 2H (NM103876 & CA NM124318)

### Respondent Name/Address:

### Certified Mailing Number:

Ventana Minerals LLC  
P. O. Box 359  
Artesia, NM 88211-0359

7014 3490 0000 0970 2174

RSC Resources, LP  
6824 Island Circle  
Midland, TX 79707-0000

7014 3490 0000 0970 2181

Peregrine Production LLC  
P. O. Box 50655  
Midland, TX 79710

7014 3490 0000 0970 2198

Newkumet Exploration Inc.  
P. O. Box 11330  
Midland, TX 79702

7014 3490 0000 0970 2204

Estate of G. K. McDonald  
P. O. Box 2690  
Lubbock, TX 79493

7014 3490 0000 0970 2211

Diakan Minerals LLC  
P. O. Box 693  
Artesia, NM 88211-0693

7014 3490 0000 0970 2228

Robert C. Chase  
P. O. Box 297  
Artesia, NM 88211-0297

7015 0640 0006 9387 4585

Chase Oil Corporation  
P. O. Box 1767  
Artesia, NM 88211-1767

7015 0640 0006 9387 4592

William N. Beach LTD  
800 North Marienfeld, Ste. 200  
Midland, TX 79701

7015 0640 0006 9387 4608

State of New Mexico  
P. O. Box 2308  
Santa Fe, NM 87504

7015 0640 0006 9387 4615

## CERTIFIED MAILING LIST

### Wells and Leases:

Blitzen "35" Federal Com 1H (NM103876 & CA NM126360)

Blitzen "35" Federal Com 2H (NM103876 & CA NM124318)

### Respondent Name/Address:

### Certified Mailing Number:

Mark F. Schweinfurth  
8600 Skyline Drive, Apt. 1222  
Dallas, TX 75243

7015 0640 0006 9387 4622

The Russell Paul Rose GST  
P. O. Box 1060  
Levelland, TX 79336

7015 0640 0006 9387 4639

Randy Prude  
203 West Wall, Ste. 1200  
Midland, TX 79701

7015 0640 0006 9387 4646

Office of Natural Resources  
P. O. Box 25627  
Denver, CO 80225-0627

7015 0640 0006 9387 4653

S. Howard Norton III  
4607 17<sup>th</sup> Street  
Lubbock, TX 79419

7015 0640 0006 9387 4660

Norton LLC  
60 Beach Avenue  
South Dartmouth, MA 02748

7015 0640 0006 9387 4677

John W. Norton  
4514 Englewood Ave.  
Lubbock, TX 79414-1227

7015 0640 0006 9387 4684

D D Narrell Family Trust  
4284 South FM RD 644  
Loriane, TX 79532

7015 0640 0006 9387 4691

McDonald Company  
P. O. Box 93733  
Lubbock, TX 79493

7015 0640 0006 9387 4707

Lucy V. Lindsay  
P. O. Box 2690  
San Angelo, TX 76902-2690

7015 0640 0006 9387 4714

## CERTIFIED MAILING LIST

### Wells and Leases:

Blitzen "35" Federal Com 1H (NM103876 & CA NM126360)

Blitzen "35" Federal Com 2H (NM103876 & CA NM124318)

### Respondent Name/Address:

### Certified Mailing Number:

David L. Holland  
3000 N. Garfield, Ste. 107  
Midland, TX 79705

7015 0640 0006 9387 4721

Deborah Brown Grissen  
P. O. Box 2690  
San Angelo, TX 76902-2690

7015 0640 0006 9387 4738

The Karen Rose Durrett GST  
P. O. Box 1060  
Levelland, TX 79336

7015 0640 0006 9387 4745

Beach Exploration Inc.  
800 N. Marienfeld, Ste. 200  
Midland, TX 79701

7015 0640 0006 9387 4752

Jasper H. Baldwin Jr.  
P. O. Box 590  
Hunt, TX 78024-0590

7015 0640 0006 9387 4769