

BAIRD TRUST  
EXHIBITS Case  
15810/15811

Oil & Gas Lease

THIS OIL & GAS LEASE ("lease") made this 1st day of May, 2015, between Beulah M. Baird Trust dated July 6, 1990, by Norma Baird Loving and Weldon Baird as Co-Trustees, herein called "lessor" (whether one or more) and COG Operating LLC, One Concho Center, 600 W. Illinois Avenue, Midland, Texas 79701, herein called "lessee":

1. Lessor, in consideration of TEN AND OTHER DOLLARS in hand paid, receipt of which is hereby acknowledged, and of the agreements herein contained, hereby grants, leases and lets exclusively unto lessee, for the purpose of owning, investigating, exploring, prospecting, drilling, operating, producing and marketing oil, gas, and such other minerals and substances as may be produced incident to the production of oil and/or gas, the grant effected hereby to include the right to engage in all activities reasonably necessary or convenient to said stated purposes, including but not limited to conducting seismic operations, injecting gas, waters, oilier fluids, and air into subsurface strata, laying pipelines, storing oil, building tanks, roadways, telephone lines, and other structures and things thereon to produce, save, take care of, treat, process, store, transport and market said lease substances, the following described land (deemed to comprise .681.16 acres, whether it actually comprises more or less), in Lea County, New Mexico (the "leased premises" or "said land"), to-wit:

**Township 25 South, Range 35 East**  
Section 5: Lots 2, 4, SW/4NW/4, SW/4NE/4, N/2SW/4 & NW/4SE/4  
Section 6: N/2S/2  
Section 21: NW/4SW/4, SW/4SW/4, NW/4

2. Subject to the other provisions herein contained, this lease shall remain in force for a term of three (3) years from this date (called "primary term") and as long thereafter as oil or gas is produced from said land or from land with which said land is pooled, or this lease is otherwise maintained in accordance with its terms.

3. The royalties to be paid by lessee are: (a) on oil, and other liquid hydrocarbons, 25% of that produced and saved from said land, same to be delivered free of all costs to the credit of lessor at the tanks or pipelines to which the wells may be connected; (b) on gas, including casinghead gas or other gaseous substances produced from said land and used off the premises or used in the manufacture of gasoline or other products, the market value at the well of 25 % of the gas so used, provided that on gas sold on or off the premises, the royalties shall be 25% of the net proceeds realized at the well from such sale; (c) and at any time when this lease is not validated by other provisions hereof and there is a well on said land, or land pooled therewith, capable of producing and such well is shut-in, either before or after production therefrom, then on or before 90 days after said well is shut-in, and thereafter at annual intervals, lessee may pay or tender a shut-in royalty equal to \$1.00 per net acre of the acreage then capable of being held by the well under this lease by the party making such payment or tender, and so long as said shut-in royalty is paid or tendered, this lease shall not terminate and it shall be considered under all clauses hereof that leased substances are being produced from the leased premises in paying quantities. Each such payment shall be paid or tendered to the party or parties who at the time of such payment would be entitled to receive the royalties which would be paid under this lease if the well were in fact producing. The payment or tender of royalties and shut-in royalties may be made by check or draft. Any timely payment or tender of shut-in royalty which is made in a bona fide attempt to make proper payment, but which is erroneous in whole or in part as to parties or amounts, shall nevertheless be sufficient to prevent termination of this lease in the same manner as though a proper payment had been made if lessee shall correct such error within 30 days after lessee has received written notice thereof by certified mail from the party or parties entitled to receive payment together with such written instruments (or certified copies thereof) as are necessary to enable lessee to make proper payment.

4. This is a paid-up lease and lessee shall not be obligated during the primary term hereof to pay shut-in royalties, to commence or continue any operations of whatsoever character or to make any other payments hereunder in order to maintain this lease in force during the primary term; however, this provision is not intended to relieve lessee of the obligation to pay royalties on actual production pursuant to the provisions of Paragraph 3 hereof.

5. Lessee is hereby granted the right and power, from time to time, to pool or combine this lease, the land covered by it or any part or horizon thereof with any other land, leases, mineral estates or parts thereof for the production of oil or gas. Spacing units (for vertical wells) or project areas (for horizontal wells) pooled hereunder shall not exceed the spacing unit or project area fixed by law, from time to time during the term hereof, or by the Oil Conservation Division of the Energy and Minerals Department of the State of New Mexico or by any other lawful authority for the pool or area in which said land is situated, plus a tolerance of ten percent (10%). Lessee shall file written unit or project area designations in the county in which the premises are located and such units or project areas may be designated from time to time and either before or after the completion of wells. Operations (including, but not limited to, drilling operations) on or production from any part of any such unit or project area shall be considered for all purposes, except the payment of royalty, as operations conducted upon or production from the land described in this lease, including, for a horizontal well, those cases in which the location of the well site tract for such well is not located on the leased premises or on any other lands included within the project area for such well. There shall be allocated to the land covered by this lease included in any such unit or project area that portion of the total production of pooled minerals from wells in the unit or project area, after deducting any used in lease or unit (or project area) operations, which the net oil or gas acreage in the land covered by this lease included in the unit or project area bears to the total number of surface acres in the unit or project area. The production so allocated shall be considered for all purposes, including the payment or delivery of royalty, to be the entire production of pooled minerals from the portion of said land covered hereby and included in said unit or project area in the same manner as though produced from said land under the terms of this lease. Any pooled unit or project area designated by Lessee, as provided herein, may be amended or dissolved by Lessee, in whole or in part, at any time and from time to time, by recording an appropriate instrument in the County where the land is situated. As used in this lease, the term "horizontal well" shall mean a well containing a single lateral that is drilled in a manner in which the horizontal component of the completion interval extends at least one hundred (100) feet in the objective formation and which exceeds the vertical component of the completion interval in the objective formation. A horizontal well may have more than one lateral as long as each lateral component meets the above requirements for a single lateral. As used in this lease, the term "lateral" shall mean that portion of the well bore that deviates from approximate vertical orientation to approximate horizontal orientation and the remainder of the well bore beyond such deviation to the end of the well bore. A "vertical well" is a well other than a horizontal well.

6. If at the expiration of the primary term (a) there is no well upon said land capable of producing oil or gas, but lessee has commenced operations thereon, or (b) there has been production from, or operations upon the leased premises within the preceding ninety (90) days, this lease shall remain in force so long as operations are prosecuted with no cessation of more than ninety (90) consecutive days, whether such operations be the same or different operations and/or on the same well or on a different or additional well or wells, and if they result in the production of oil or gas, so long thereafter as oil or gas is produced from said land or this lease is otherwise maintained in force and effect. If after the expiration of the primary term there should be a cessation of production or other event or circumstance as would otherwise cause this lease to expire in accordance

with its terms, this lease shall not terminate if lessee commences or restores production or commences operations for additional drilling or for reworking within ninety (90) days thereafter. If any drilling, additional drilling, or reworking operations hereunder result in production, then this lease shall remain in full force so long thereafter as oil or gas is produced hereunder. As used throughout this lease, the term "reworking" means all actions taken to secure, restore or improve production through the use of a wellbore previously drilled, but without regard to whether the action involved be within or outside of the wellbore.

7. Lessee shall have free use of oil, gas and water from said land, except water from lessor's wells and tanks, for all operations hereunder, and the royalty shall be computed after deducting any so used. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by lessee on said land, including the right to draw and remove all casing. If and when having pipe lines on the surface unreasonably interferes with existing surface uses or surfaces uses then being commenced, Lessee, when required by lessor, will bury all pipe lines below ordinary plow depth or such lesser depth as reasonably removes same as an interference, and no well shall be drilled within two hundred feet (200 ft.) of any residence or barn now on said land without lessor's consent. Existing wells and/or wellbores on the leased premises may be reentered and used and to the extent such occurs the reentry shall be considered the same as the drilling of a new well on the leased premises.

8. The rights of either party hereunder may be assigned in whole or in part and the provisions hereof shall extend to their heirs, executors, administrators, successors and assigns, but no change in the ownership of the land or in the ownership of, or rights to receive, royalties or shut-in royalties, however accomplished shall operate to enlarge the obligations or diminish the rights of lessee and no such change or division shall be binding upon lessee for any purpose until thirty (30) days after lessee has received at lessee's principal place of business certified copies or acceptable alternative documentation in lieu thereof constituting the chain of title from the original lessor. If any such change in ownership occurs through the death of the owner, lessee may, at its option, pay or tender any royalties or shut-in royalties in the name of the deceased or to his estate or to his heirs, executor or administrator until such time as lessee has been furnished with evidence satisfactory to lessee as to the persons entitled to such sums. An assignment of this lease in whole or in part shall, to the extent of such assignment, relieve and discharge lessee of any obligations hereunder and, if lessee or assignee of part or parts hereof shall fail or make default in the payment of the proportionate part of royalty or shut-in royalty due from such lessee or assignee or fail to comply with any of the provisions of this lease, such default shall not affect this lease insofar as it covers a part of said lands upon which lessee or any assignee thereof shall properly comply or make such payments.

9. Should lessee be prevented from complying with any express or implied covenant of this lease, or from conducting drilling or reworking operations hereunder, or from producing oil or gas hereunder, by reason of scarcity or inability to obtain or use equipment or material, by act of God, by any Federal or state law or any order, rule or regulation of governmental authority (including the time during which lessee is waiting on the issuance of any order, rule, policy or practice in connection therewith or while the time for comments on the issuance of any rule, order, practice or policy is in effect), or by other act, event, circumstance or condition beyond Lessee's reasonable control, then while so prevented, and for thirty (30) days thereafter, lessee's duty shall be suspended, and lessee shall not be liable for failure to comply therewith; and this lease shall be extended while and so long as lessee is prevented by any such cause from conducting drilling or reworking operations or from producing oil or gas hereunder, and for thirty (30) days thereafter, and that time shall not be counted against lessee, anything in this lease to the contrary notwithstanding. As used herein, the term "order, rule, denial, policy, directive, rule-making proposal, and/or practice" includes, but is not limited to any denial, restriction or delay of drilling and/or other operations on the leased premises attributable to environmental and/or endangered species restrictions, conditions and limitations now or hereafter adopted, enforced or applied to the leased premises by any federal or state agency having authority with respect to the leased premises, and without limiting the generality of the foregoing clause, shall specifically include all lesser prairie chicken and sand dune lizard stipulations and restrictions, collectively referred to herein as "Endangered Species and Environmental Conditions." If lessee is precluded from engaging in operations because the necessary permits and approvals to drill have not been obtained, or because lessee is required to postpone or suspend operations by application of Endangered Species and Environmental Conditions, then its obligation and/or entitlement to engage in operations shall be deferred until sixty (60) days after approval of the necessary permits and approvals, or until sixty (60) days after operations are allowed to commence or resume following any period of suspension attributable to Endangered Species and Environmental Conditions, and the running of periods of special limitation applicable to the estate granted hereby shall be tolled during such deferral period.

10. Lessor hereby warrants and agrees to defend the title to said land and agrees that lessee at its option may discharge any tax, mortgage or other lien upon said land, and in the event lessee does so it shall be subrogated to such lien with the right to enforce same and to apply royalties and shut-in royalties payable hereunder toward satisfying same. Without impairment of lessee's rights under the warranty, if this lease covers less interest in the oil or gas in all or any part of said land than the entire undivided fee simple estate (whether lessor's interest is herein specified or not) then the royalties, shut-in royalty, and other payments, if any, accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. Should any one or more of the parties named above as lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

11. Lessee, its successors and assigns, shall have the right at any time to surrender this lease, in whole or in part, to lessor or his heirs, successors, and assigns by delivering or mailing a release thereof to the lessor, or by placing a release thereof of record in the county in which said land is situated; thereupon lessee shall be relieved from all obligations, expressed or implied, of this lease as to acreage so surrendered, except as to the liability for any payments accruing hereunder prior to the time of such surrender which shall survive surrender and continue as an obligation of lessee, and thereafter the shut-in royalty payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases. No partial surrender or release or partial termination shall in any manner reduce or limit lessee's entitlement to use all of the surface (as originally described and as originally subject to this lease) in connection with lessee's ownership and enjoyment of that portion of the leased premises (as originally described and as originally subject to this lease) as to which the lease has not been surrendered, released or terminated. Moreover, under no circumstances shall lessee, as a consequence of any partial surrender or release or partial termination, be required to relocate roads, pipelines, facilities or other improvements utilized, or potentially subject to use, by lessee in connection with lessee's ownership and enjoyment of that portion of the leased premises (as originally described and as originally subject to this lease) as to which the lease has not been surrendered, released or terminated. Nor shall the filing of a document of surrender or release, or a document acknowledging partial termination, be construed as effecting a surrender, release or partial termination of surface rights incident to lessee's ownership and enjoyment of that portion of the leased premises (as originally described and as originally subject to this lease) as to which the lease has not been surrendered, released or terminated.

IN WITNESS WHEREOF, this instrument is executed the day and year first above written.

LESSOR:

BEULAH M. BAIRD TRUST

By: *Norma Baird Lovine*  
Name: Norma Baird Lovine  
Title: Co-Trustee

By: *Weldon Baird*  
Name: Weldon Baird  
Title: Co-Trustee

BOOK 1973 PAGE 675

ACKNOWLEDGMENT

Corporate:

STATE OF Texas §  
COUNTY OF Dallas §

SS:

The foregoing instrument was acknowledged before me this 10<sup>th</sup> day of July, 2015, by Eddie Trevino <sup>Notina Faith Loring</sup> as Trustee of LLC Operating LLC <sup>Beulah Bank Trust</sup> a trust corporation, on behalf of said corporation.



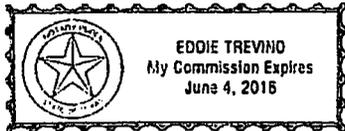
Notary Public  
Notary's Printed Name: Eddie Trevino  
My Commission Expires: 4th of June, 2016

Individual:

STATE OF Texas §  
COUNTY OF Dallas §

SS:

The foregoing instrument was acknowledged before me this 10<sup>th</sup> day of July, 2015, by Weldon Baird, as Trustee of LLC Operating LLC trust corporation <sup>Beulah Bank Trust</sup>



Notary Public  
Notary's Printed Name: Eddie Trevino  
My Commission Expires: 4th of June, 2016

Individual:

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

SS:

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 201 , by \_\_\_\_\_

Notary Public  
Notary's Printed Name: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

ADDENDUM TO OIL & GAS LEASE

{to 01.01.2012 Producers 88 (Paid-Up)}

Attached to that certain Oil & Gas Lease dated May 1, 2015, between Beulah M. Baird Trust dated July 6, 1990, by Norma Baird Loving and Weldon Baird as Co-Trustees, as Lessor, and COG Operating LLC, as Lessee.

In the event of conflict between this Addendum and paragraphs 1 – 11 of the form of Oil & Gas Lease to which this Addendum is attached, this Addendum shall control. Provided, however, this Addendum shall be harmonized with the form to which it is attached insofar as is reasonable to avoid the finding of a conflict.

12. Shut-In Royalty Limitation: The shut-in royalty provisions of the lease may be invoked on any number of occasions. Provided, however, neither the lease nor, after the establishment of Perpetuated Tracts (see paragraph 15 and 16 below) a particular Perpetuated Tract, may be held solely by the payment of shut-in royalties for any single shut-in period in excess of two (2) years or for multiple periods aggregating more than three (3) years.

13. Royalties at Greater of Proceeds or Market Value: The royalties payable hereunder shall be payable at the greater of (i) market value at the point of sale or at the point of use off the premises or (ii) proceeds realized at the point of sale, such that no expenses incurred by Lessee upstream of the point of sale shall be deductible. The sole exception to this shall be that if gas is processed in a plant for the extraction of liquids upstream of the point of use off the premises or point of sale, royalties shall bear a prorata share of said plant costs and fees (whether those costs and fees be charged by the plant as a percentage of proceeds or otherwise).

14. Pugh Clause: After the Severance Date provided for in 15(a) below, production of oil and/or gas from, and/or operations upon, a pooled unit shall maintain this lease in effect only as to that portion of the leased premises which is included in that pooled unit. This lease may be maintained in effect as to the remainder of the leased premises in accordance with the other provisions of this lease. Where a well is completed in multiple fields, such that multiple field and/or statewide rules are applicable to that well, and unit size is based upon spacing, density and/or proration rules that may be permitted or prescribed by a governmental authority having jurisdiction to do so, the unit size allowed hereby shall be the same as to all pooled depths, and that unit size shall be determined in accordance with the field and/or statewide rules that permit or prescribe the greatest number of acres to be assigned to a well.

15. Continuous Development: At the expiration of the primary term, this lease shall terminate as to all the acreage covered hereby **SAVE AND EXCEPT** as specified below:

- (a) At the expiration of the primary term, should lessee then be engaged in Drilling Operations ("Drilling Operations", for purposes of this paragraph 15 and the Continuous Development Period provided for herein only, to be limited to operations occurring between Commencement as provided below and Completion as provided below) upon the leased premises or lands pooled therewith, or should lessee have Completed a well upon the leased premises or lands pooled therewith (whether as a dry hole or as a producer) within the immediately preceding one hundred eighty (180) days, this lease shall continue in full force and effect as to all the acreage covered hereby until one hundred eighty (180) consecutive calendar days have elapsed without Drilling Operations being conducted on the leased premises or lands pooled therewith (i) after the Completion of any well as to which Drilling Operations were occurring at the expiration of the primary term or, (ii) in the absence of Drilling Operations occurring at the expiration of the primary term, after the Completion of the last well, if any, completed within the one hundred eighty (180) day period immediately preceding expiration of the primary term (the "Continuous Development Period"). "Completion" of a well shall be the earliest of: (i) the date of completion as shown on the appropriate well completion form filed with the New Mexico Oil Conservation Division ("OCD") on a productive well, (ii) the

date of plugging and abandonment as shown on the appropriate plugging form filed with the OCD on a non-productive well, or (iii) the expiration of one hundred twenty (120) calendar days after a well has reached total drilled depth. "Commencement" of a well, for purposes of this paragraph 15 and determination of the Continuous Development Program only, shall be fixed by the date when the drill bit first makes penetration of the earth in the drilling of the bore of a well. The later to occur of (i) the expiration of the primary term, or (ii) the expiration of the Continuous Development Period, if any, is herein called the "Severance Date".

- (b) On the Severance Date, this lease shall terminate as to all of the land and depths covered hereby, **SAVE AND EXCEPT** from the surface to the base of the deepest formation in and to that portion of the acreage of the leased premises included in (i) any one or more pooled units created pursuant to paragraph 5 hereof and then producing oil and/or gas, or (ii) any one or more "Retained Well Tracts" (as hereinafter defined). The term "Retained Well Tracts" as used herein is defined to mean tracts of land to be designated by lessee for vertical oil wells producing on the Severance Date not to exceed 80 acres plus a maximum acreage tolerance of 10%, and tracts of land to be designated by lessee for vertical gas wells and for horizontal wells (oil and gas) producing on the Severance Date not exceed 320 acres plus a maximum acreage tolerance of 10%; provided that larger Retained Well Tracts may be formed for vertical oil wells, for vertical gas wells and/or for horizontal wells to conform to any well spacing, density and/or proration pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so.
- (c) Each pooled unit and each Retained Well Tract as to which this lease remains in force after the Severance Date pursuant to this paragraph 15 shall be hereinafter referred to as a "Perpetuated Tract". Upon written request by lessor, for purposes of verification of Completion and Commencement dates, lessee shall provide lessor with copies of determinative reports, forms, certifications and documents filed by lessee with the OCD relative to the Commencement and Completion of each well.
- (d) The express continuous development provisions of this lease are in lieu of any implied duty of reasonable development prior to the Severance Date. Thereafter, however, lessee expressly accepts, in addition to all other duties and obligations stated herein, a duty of reasonable development equivalent to that duty of reasonable development which would be implied if there was no express covenant relating thereto.
- (e) In event of partial termination of this lease under the provisions hereof, lessee, upon request of lessor, shall execute and deliver unto lessor a partial release of this lease as to all lands and depths as to which this lease shall have expired under the provisions hereof.
- (f) In the determination of retained acreage and depths pursuant to 15(b) above, each of the lease saving/perpetuating clauses of the lease (including but not limited to the shut-in royalty provisions, the operations/rework clause, and/or the force majeure clause) shall be applicable, on a well by well basis, as a substitute for, and in lieu of, actual production, so that Perpetuated Tracts shall be held on the same basis as the lease would have been held in the absence of the partial termination/expiration provision(s) of this lease. Any wells and/or Perpetuated Tracts subject to lease saving/perpetuating clauses of the lease on any expiration or termination date otherwise provided for in this lease: (i) shall be deemed producing from all perforated formations, provided that (ii) any such wells that have not been perforated shall be deemed producing from each field

of anticipated completion as provided for in the application for drilling permit applicable to said well.

- (g) Where a well is completed in multiple fields, such that multiple field and/or statewide rules are applicable to that well, the Perpetuated Tract acreage to be held by that well shall be the same for all depths that are held, and shall be determined in accordance with the field and/or statewide rules that permit or prescribe the greatest number of acres to be assigned to a well.
- (h) No partial surrender or release or partial termination shall in any manner reduce or limit lessee's entitlement to use all of the surface (as originally described and as originally subject to this lease) in connection with lessee's ownership and enjoyment of that portion of the leased premises (as originally described and as originally subject to this lease) as to which the lease has not been surrendered, released or terminated. Moreover, under no circumstances shall lessee, as a consequence of any partial surrender or release or partial termination, be required to relocate roads, pipelines, facilities or other improvements utilized, or potentially subject to use, by lessee in connection with lessee's ownership and enjoyment of that portion of the leased premises (as originally described and as originally subject to this lease) as to which the lease has not been surrendered, released or terminated. Nor shall the filing of a document of surrender or release, or a document acknowledging partial termination, be construed as effecting a surrender, release or partial termination of surface rights incident to lessee's ownership and enjoyment of that portion of the leased premises (as originally described and as originally subject to this lease) as to which the lease has not been surrendered, released or terminated.

16. Separate Lease Clause (Applicable after Continuous Development): On and after the Severance Date, it shall be considered, solely for purposes of determining whether this lease is maintained in force and effect as to a particular Perpetuated Tract, that said Perpetuated Tract is a separate lease, under all terms and provisions hereof, such that (i) production, shut-in royalties, force majeure and/or operations otherwise sufficient to maintain this lease in force and effect, which take place on a particular Perpetuated Tract, will maintain this lease as to that particular Perpetuated Tract but will not maintain this lease in force and effect as to any other Perpetuated Tract and (ii) horizontal severances to be effected at the base of the deepest formation from which oil and/or gas is then being produced shall be separately determined as to each Perpetuated Tract.

17. Indemnification of Lessor: Lessee shall conduct its operations in compliance with all applicable laws, rules and regulations. Lessee will protect, indemnify, hold harmless and defend lessor against any third party claims, demands, costs, liabilities, losses or damages suffered by lessor, including reasonable attorneys fees, expert witness fees, litigation expenses and court costs, arising out of or associated in any way with (i) any activity conducted by lessee or lessee's employees, agents, servants, contractors, licensees or permittees on or near the leased premises; (ii) environmental remediation and plugging and abandonment of wells; (iii) the management, use and disposal of produced water and wastes or substances associated with activities on the leased premises; and/or (iv) the oil, gas, all other products, any waste material, or any substance, pollutant or contaminant produced by lessee or brought by lessee onto the leased premises (all of which potential sources of claims shall be referred to as "Lessee's Conduct"). LESSEE'S OBLIGATION TO INDEMNIFY LESSOR FOR CLAIMS AGAINST LESSOR ARISING FROM LESSEE'S CONDUCT SHALL APPLY WITHOUT REGARD TO FAULT ON THE PART OF EITHER LESSOR OR LESSEE AND SHALL SPECIFICALLY INCLUDE INDEMNIFICATION OF LESSOR AGAINST LIABILITY TO THIRD PERSONS ARISING FROM LESSOR'S CONCURRENT NEGLIGENCE (BUT NOT LESSOR'S SOLE NEGLIGENCE, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT) IF SUCH LIABILITY IS RELATED TO LESSEE'S CONDUCT. Lessee's indemnity obligations under this paragraph are continuing obligations which will continue in effect, and be enforceable by lessor, even after this lease terminates.

18. No Warranty of Title: This lease is granted, leased and let without warranty of title or other warranty of any kind or nature; provided, if and to the extent lessor's title should partially fail lessee shall be entitled to recoup bonus paid to lessor relative to such title as may have failed from any future payments owing to lessor hereunder, but in no event shall lessor otherwise ever be obligated to repay any bonus that has been paid to lessor as consideration for the granting of this lease. Provided, lessor also hereby assigns unto lessee all title claims, rights and causes of action, including causes of action for breach of warranty, lessor may have against third parties, asserted and unasserted, known and unknown; and where necessary to give effect to the assignment of such title claims, rights and causes of action lessor grants to lessee the right to be subrogated to such claims, rights and causes of action, including causes of action for breach of warranty.

LESSOR:

BEULAH M. BAIRD TRUST

By: Norma Baird Loving

Name: Norma Baird Loving

Title: Co-Trustee

By: Weldon Baird

Name: Weldon Baird

Title: Co-Trustee

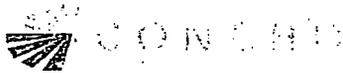
38471

STATE OF NEW MEXICO  
COUNTY OF LEA  
FILED

AUG 05 2015

at 11:59 o'clock AM  
and recorded in Book 1973  
Page 674  
Pat Chappelle, Lea County Clerk  
By A. Beauchamp Deputy





Mike Wallace

Certified Mail No. 91 7199 9991 7036 0762 4852

June 15, 2017

Weldon Baird  
709 McCoy Drive  
Irving, TX 75062

Re: Title Requirement  
Section 21, T25S-R35E  
Lea County, NM

To Whom It May Concern:

COG Operating LLC ("COG"), as Operator, plans to further develop the W/2 of Section 21, T25S-R35E by drilling multiple horizontal wells. COG recently received an updated title opinion covering the W/2 of Section 21, among other lands, and your interest is subject to title requirement(s) number(s) 17. Due to the uncertainties involved with unsatisfied title requirements, if the title requirement(s) regarding your interest are not cured before drilling, COG may apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the proposed well at such time. Please find the title requirement(s) affecting your interest attached to this letter. Upon the completion of curing such title requirement(s), please provide any instrument or documentation to the undersigned for review.

Please contact the undersigned at (432) 221-0465 or Megan Flanagan at (432) 685-2588 if you would like to discuss this in more detail. Your prompt attention to this matter is greatly appreciated.

Very truly yours,  
**COG Operating LLC**

Mike Wallace  
Senior Landman  
(432) 221-0465  
mwallace@concho.com

**NMOCD CASE Nos. 15810, 15812  
BAIRD TRUST  
Exhibit No. 2  
August 31, 2017**

P F

This opinion furnished by COG Operating LLC.  
Anyone relying upon the contents  
herein does so at his own risk and with-  
out recourse to COG Operating LLC.

17. **Discussion:** Appearing in Book 1492 at Page 884 is a Domiciliary Foreign Personal Representatives Deed from Norma Baird Loving as the Domiciliary Foreign Personal Representative of the Estate of Beulah M. Baird to Norma Baird Loving and Weldon Baird as Trustees of the Beulah M. Baird Trust dated July 7, 1990, which conveys all the Estate's interest in the oil, gas and other minerals in the W/2SW/4 and the NW/4 of Section 21 (referred to herein as Tracts 3, 4 and 5). We have given effect to this instrument, notwithstanding the fact that we have not reviewed Letters Testamentary, Letters of Administration or the authenticated proof of authority referenced in the deed as being in Lea County District Court, No. PB-2006-133Mc.

**Drilling Requirement (Tracts 3, 4 and 5):** You should obtain, record and provide to this office for review, the authenticated proof of authority referenced in the deed as being in Lea County District Court, No. PB-2006-133Mc appointing Norma Baird Loving as Domiciliary Foreign Personal Representative of the Estate of Beulah M. Baird.

**STATUS: Not satisfied.** A Petition for Proof of Authority recorded February 25, 2016 in Book 2008 at Page 290 and again in Book 2008 at Page 477 was filed in the Lea County District Court requesting the court that Norma Baird Loving as Domiciliary Foreign Personal Representative of the Estate of Beulah M. Baird, deceased, be allowed to exercise the powers of a local personal representative over the assets of the Estate. This Petition was executed December 7, 2006, while the original Order Admitting Will to Probate as a Muniment of Title was filed May 8, 1995 in the Probate Court of Dallas County, Texas, however, no Letters Testamentary appointing Norma Baird Loving as Personal Representative of the Estate appear of record since no administration of the estate was deemed necessary by a Texas court.

N.M. Stat. Ann § 45-4-204 provides that "If no local administration or application or petition therefor is pending in New Mexico, a *domiciliary foreign personal representative* may file with the court of a county in which property belonging to the decedent is located *authenticated copies of his appointment* and of any official bond he has given and a statement of the domiciliary foreign personal representative's address." (emphasis added)

In the Texas muniment to title proceedings, no administration of the estate is conducted by the Texas courts and no personal representative is appointed. The will is simply admitted to pass to title the devisees and legatees when no dispute, debts or administration is necessary. Accordingly, no individual can possibly comply with 45-4-204 because they cannot provide "copies of their appointment."

In order for a domiciliary foreign personal representative to exercise the powers of a local personal representative, such as execute a personal representative's deed, the subsequent statute (N.M. Stat. Ann § 45-4-205) requires that the foreign personal representative have complied with 45-4-204.

**SUPPLEMENTAL REQUIREMENT:** You should obtain, record and provide to this office for review, authenticated copies of the Letters Testamentary issued by the County Court of Dallas County, Texas appointing Norma Baird Loving as Personal Representative of the Estate of Beulah M. Baird, deceased or undertake full informal probate proceedings in a New Mexico court of competent jurisdiction.

**REGISTER OF ACTIONS**  
**CASE No. D-506-PB-2006-00133**

BAIRD IN THE MATTER OF

§  
§  
§  
§  
§  
§  
§

Case Type: Probate Miscellaneous  
 Date Filed: 12/27/2006  
 Location:  
 Judicial Officer: Shoobridge, William G. W.

**PARTY INFORMATION**

<b>Decedent</b>	<b>BAIRD, BEULAH M</b>	<b>Attorneys</b>	
<b>Personal Representative</b>	<b>LOVING, NORMA BAIRD</b>	<b>Female</b>	<b>Gary Don Reagan Retained 575-397-6551(W)</b>

**EVENTS & ORDERS OF THE COURT**

**DISPOSITIONS**  
 07/15/2009 **CVB: DISMISSED LOP** (Judicial Officer: Shoobridge, William G. W.)

**OTHER EVENTS AND HEARINGS**  
 12/27/2006 **ASM: CIVIL FILING-DIST.**  
 12/27/2006 **OPN: PETITION**  
     *PETITION FOR PROOF OF AUTHORITY - REAGAN*  
 05/01/2008 **JDG: JUDGE ASSIGN ADMINISTRATIVE**  
 05/01/2008 **NTC: JUDGE ASSIGNMENT** (Judicial Officer: Shoobridge, William G. W.)  
     *JUDGE SHOOBRIDGE ASSIGNED DUE TO THE RETIREMENT OF JUDGE MCB EE*  
 07/15/2009 **CLS: DISMISSAL BY LACK OF PROSECUTION** (Judicial Officer: Shoobridge, William G. W.)  
     *DISPOSITION ORDER FOR LACK OF PROSECUTION / SHOOBRIDGE ALL PENDING CLAIMS ARE DISMISSED WITHOUT PREJUDICE. WITHIN THIRTY DAYS AFTER SERVICE OF THIS ORDER, ANY PARTY MAY MOVE FOR REINSTATEMENT. IF OTHER PARTIES HAVE FILED AN APPEARANCE MOVANT SHALL COMPLY WITH RULE 1-007.1 NMRA 1989. FAILURE TO COMPLY WITH THESE REQUIREMENTS WILL RESULT IN THE DENIAL OF THE MOTION WITHOUT HEARING. IT IS FURTHER ORDERED THAT ALL WRITS, JUDGMENTS, FINAL ORDERS OR STIPULATIONS PREVIOUSLY FILED HEREIN SHALL REMAIN IN FULL FORCE AND EFFECT UNLESS OTHERWISE ORDERED.*

**FINANCIAL INFORMATION**

	<b>Personal Representative LOVING, NORMA BAIRD</b>		
	Total Financial Assessment		107.00
	Total Payments and Credits		107.00
	<b>Balance Due as of 08/22/2017</b>		<b>0.00</b>
12/27/2006	Counter Payment	Receipt # LOVD-124845	(107.00)
12/27/2006	Transaction Assessment	GARY DON REAGAN	107.00

**NMOCD CASE Nos. 15810, 15812**  
**BAIRD TRUST**  
**Exhibit No. 3**  
**August 31, 2017**

Weldon Baird  
709 McCoy Drive  
Irving, TX 75062  
(214) 255 8246

September 4, 1995

County Clerk  
Lea County, New Mexico  
County Courthouse  
Lovington, NM 88260

Sirs:

Please record the enclosed documents, to wit:

Last Will and Testament of Beulah M. Baird

Order Admitting Will To Probate; Estate of Beulah M. Baird; In The Probate Court No. 2 of  
Dallas County, Texas

The court document identifies myself and my sister Norma Loving as heirs of our mother's estate. Mrs. Loving resides at 1205 Portales Street, Irving, TX 75061. Judge Price noted that our brother Edwin Hall Baird is dead.

I have enclosed a check for \$50.00 for filing fees. If this insufficient please bill me for the remainder. If this more than enough, please return the remainder along with the recorded documents to me.

Sincerely,

  
Weldon Baird

NMOCD CASE Nos. 15810, 15812  
BAIRD TRUST  
Exhibit No. 4  
August 31, 2017



estate. My Executor specifically is given the right to renew and extend, in any form that my Executor deems best, any debt or charge existing at the time of my death which is for the best interest of my estate. My Executor shall have the right and power to incur indebtedness and to borrow money for the purpose of paying any or all of the aforesaid debts, expenses and taxes.

### ARTICLE III

#### GIFT OF PERSONAL PROPERTY

3.1 Gift to Children. I give and bequeath unto such of my children as may survive me, all of the interest in household furniture, furnishings and fixtures, objects of art, automobiles, club memberships and all other articles of household or personal use or ornament owned by me at the time of my death, together with all policies of fire, burglary, damage and other insurance on or in connection with the use of such property; provided, however, that my Executor in my Executor's sole and absolute discretion may divide, partition and distribute such property among my children having due regard to the personal preferences of my surviving children, or may sell any such articles and include the proceeds in the residue of my estate or include such articles directly in the said residue. If my children should fail to agree in an amicable manner as to the division of any personal effects, I direct my Executor to sell such item or items and the proceeds of any such sale shall be added to and distributed as part of the residue of my estate.

3.2 Packing and Shipping Costs. If a beneficiary under this Will desires to have all or part of any tangible personal property gifted to said beneficiary shipped to the beneficiary's home, I direct that reasonable packing and transportation charges so incurred be paid from the residue of my estate.

3.3 Memorandum. I may leave a memorandum suggesting to the recipients of my furniture, household goods, jewelry and personal effects my desires with respect to the distribution thereof, but such memorandum is merely a suggestion and such recipients shall be the absolute owner of such property, and shall be under no legal obligation to comply with my desire.

### ARTICLE IV

#### GIFT OF RESIDUARY

4.1 Disposition of Residuary Estate. I give all of my residuary estate, being all real and personal property, separate and community, wherever situated in which I may have an interest at the time of my death, not otherwise effectively disposed of, but not including any property over which I have a power of appointment, as set forth below.

4.2 Descendants Surviving Into Trust. If I leave one or more descendants of mine who survive me, my residuary estate not otherwise effectively disposed of shall be

LAST WILL AND TESTAMENT OF  
BEULAH M. BAIRD - Page 2

\_\_\_\_\_  
Beulah M. Baird, Testatrix

393-000148



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FILED IN DALLAS  
COUNTY CLERK'S OFFICE

distributed to the Trustee or Trustees then serving under that certain Trust Agreement called the **BEULAH M. BAIRD REVOCABLE TRUST** (hereafter "the Trust"), executed on the date of this Will wherein I am a Grantor and **NORMA BAIRD LOVING** and **WELDON BAIRD** are the Trustees IN TRUST.

4.3 No Descendants Surviving. If none of my descendants survive me for the period set forth hereinafter, my residuary estate shall be held, administered and distributed as set forth in Article IV of the Trust.

4.4 Contingent Disposition of Residuary Estate. If, for any reason, the Trust shall not be in existence at the time of my death or for any reason it shall be illegal or impossible or if the distribution of any property under this will to said Trust, is invalid under the governing rules of law, then I give that portion of my residuary estate bequeathed to the Trust to the Trustee or Trustees then serving or who would have been serving under the Trust, to be held, managed, invested, reinvested and distributed by said Trustee or Trustees upon the terms, provisions and conditions pertaining to the period beginning with the date of my death as are now contained in the Trust; and for that purpose I do incorporate hereby the Trust by reference into this my Will as fully as if herein set forth.

4.5 Survival Period. As a condition to inherit under this Article a legatee or devisee must survive me for a period of sixty (60) days.

#### ARTICLE V

#### POWERS FOR EXECUTOR

5.1 General Powers. In addition to the powers granted to a Trustee under the provisions of the Texas Trust Code, I authorize my Executor and my Executor's successors and when there is more than one Executor acting, my Co-Executors, to exercise the following powers:

A. Sales and Exchanges. To sell, exchange, assign, deliver or convey any security or property, real or personal, held by my estate at public or private sale, at such time and price and upon such terms and conditions (including credit) as my Executor may determine, subject only to such confirmation of Court as may be required by law.

B. Leasing. To lease any real estate for such term or terms and upon such conditions and rentals, and in such manner as my Executor may deem advisable.

C. Division and Distribution. To distribute my estate in whole or in part at such time or times as it deems advisable, and my Executor is authorized to make such distribution in cash, or in kind, or partly in cash and partly in kind.

D. Payment of Indebtedness. To distribute my estate subject to any and

LAST WILL AND TESTAMENT OF  
BEULAH M. BAIRD - Page 3

\_\_\_\_\_  
Beulah M. Baird, Testatrix

393-000149



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COUNTY CLERK'S OFFICE

all indebtedness incurred by me or by my Executor, which in the opinion of my Executor need not be paid first and subject to any or all mortgages, deeds of trusts and other liens created by me or by my Executor.

E. Business Powers. I authorize my Executor either to continue the operation of any business belonging to my estate for such time and in such manner as my Executor may deem advisable and for the best interests of my estate, or to sell or liquidate the business in such time and on such terms as my Executor may deem advisable and for the best interests of my estate. Any such operation, sale or liquidation by my Executor, in good faith, shall be at the risk of my estate and without any liability on the part of my Executor for any resulting losses.

F. Trustee's Powers. I give to my Executor all the powers granted to the Trustee in the Trust Agreement referred to above.

G. Relationships Between Executor and Trustee. To make sales of my probate estate to my trustee or trustees of the Trust set forth herein; to make and receive loans and advances, or both, to or from said trustee or trustees, said sales and said loans or advances to be made on such terms as my Executor and said trustee or trustees shall think proper; and I direct that all judgments, decisions, and actions so taken, if taken reasonably and in good faith, shall be final and binding upon all persons, even though the Executor and trustee or trustees shall be the same person or persons.

H. Tax Elections. My Executor shall have the power and authority to make any and all estate, inheritance, and income tax elections available to my Executor, including but not limited to, (i) the date which should be selected for the valuation of property in my gross estate for federal and state estate and inheritance tax purposes, (ii) whether a deduction shall be taken as an income tax deduction or an estate or inheritance tax deduction, and (iii) generation skipping tax elections. My Executor's decisions with respect to such matters shall be binding and conclusive upon all concerned, and no compensating adjustments between income or principal or any amounts of any bequest or devise hereunder shall be made as a result of any such decision.

## ARTICLE VI

### APPOINTMENT OF INDEPENDENT EXECUTOR

6.1 Appointment of Spouse as Independent Executor. I hereby nominate and appoint **NORMA BAIRD LOVING, WELDON BAIRD and EDWIN HALL BAIRD, OR ANY ONE OR MORE OF THEM** as Independent Executors of this my Last Will and Testament, and direct that they, or any one or more of them, shall act as such Executors without giving any bond or security whatsoever. I direct that no action be had in the probate

LAST WILL AND TESTAMENT OF  
BEULAH M. BAIRD - Page 4

\_\_\_\_\_  
Beulah M. Baird, Testatrix

393-000150



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court respecting my estate other than the probating and recording of this Will and to make, return and record an inventory and appraisalment of my estate and list of claims.

6.2 Appointment of Ancillary Executor. If the appointment of an executor of my estate is necessary or desirable in any jurisdiction in which no executor of mine is able and willing to act, I appoint as my Independent Executor in that jurisdiction such person (who may be an officer or employee of a corporate executor) or corporation as may be designated by my Texas Independent Executor in an instrument signed by my Executor to have all powers and discretion in that jurisdiction that my Texas Independent Executor is given with respect to the balance of my estate (including the power to sell real or personal property at public or private sales, for any purpose and to hold title to property in the name of a nominee), to be exercised without court order. My Executor may pay unto such ancillary executor reasonable compensation for the ancillary executor's services and may absolve such executor from any requirement that he furnish bond or other security.

THIS I MAKE AND PUBLISH as my Last Will and Testament, hereunto subscribing my name in the presence of the undersigned who witness the same at my request and in my presence and in the presence of each other, also subscribing their names hereto as attesting witnesses, all on this 6th day of July, 1990.

Beulah M. Baird  
Beulah M. Baird, Testatrix

We, the undersigned persons, of lawful age, have on this day at the request of Beulah M. Baird, witnessed her signature to the foregoing Last Will and Testament in the presence of each of us, and we have, at the same time and in her presence and in the presence of each other, subscribed our names hereto as attesting witnesses.

WITNESS:

David J. Jensen

Oran Tupper Jones

ADDRESS:

10111 Hillside

Dallas TX 75243

3975 High Summit Dr

Dallas TX 75244

c:\wp50\wills\baird.wil\5-10-90

LAST WILL AND TESTAMENT OF  
BEULAH M. BAIRD - Page 5

393-000151



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SELF-PROVING AFFIDAVIT

STATE OF TEXAS            )  
  )  
COUNTY OF DALLAS        )

BEFORE ME, the undersigned authority, on this day personally appeared Beulah M. Baird, Frank Tupper Smith, Jr. and Paul J. Zambie, known to me to be the Testatrix and the witnesses, respectively, whose names are subscribed to the annexed or foregoing instrument in their respective capacities, and, all of said persons being by me duly sworn, the said Testatrix declared to me and to the said witnesses in my presence that said instrument is her Last Will and Testament, and that she had willingly made and executed it as her free act and deed for the purposes therein expressed; and the said witnesses, each on his oath, stated to me, in the presence and hearing of the said Testatrix that the said Testatrix had declared to them that said instrument is her Last Will and Testament, and that she executed the same as such and wanted each of them to sign it as a witness; and upon their oaths each witness stated further that they did sign the same as witnesses in the presence of the said Testatrix and at her request; that she was at that time eighteen (18) years of age or over and was of sound mind, and that each of said witnesses was then at least fourteen (14) years of age.

FILED  
SUBSCRIBED TO BY:  
Beulah M. Baird  
Frank Tupper Smith, Jr.  
Paul J. Zambie

Beulah M. Baird  
Beulah M. Baird, Testatrix  
Frank Tupper Smith, Jr.  
Witness  
Paul J. Zambie  
Witness

SUBSCRIBED AND ACKNOWLEDGED before me by the said Beulah M. Baird, Testatrix, and subscribed and sworn to before me by the said witnesses, Frank Tupper Smith, Jr. and Paul J. Zambie, this 6th day of July, 1990.

Francine J. McGhee  
Notary Public, State of Texas

My Commission Expires:  
December 9, 1991

Francine J. McGhee  
Printed Name of Notary



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COUNTY CLERK'S OFFICE

393-000152

In Probate Court of Dallas County, Texas  
FOR THE COUNTY OF DALLAS

THE STATE OF TEXAS, }  
COUNTY OF DALLAS } ss.

I, EARL BULLOCK, County Clerk of Dallas County, and Clerk of the County and Probate Courts within and for the County of Dallas, State of Texas, do hereby certify that the foregoing is a true and correct copy of the

1. WILL
2. ORDER ADMITTING WILL TO PROBATE

Cause No 95-1487-P2 in the matter of the Estate of BEULAH M. BAIRD, as the same appear on file and of record in my office.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of said Court this 7TH day of NOVEMBER A. D. 1995

Earl Bullock  
County Clerk, Dallas County, Texas

THE STATE OF TEXAS, }  
COUNTY OF DALLAS } ss.

I, ROBERT E. PRICE, Judge of Probate Court 2 of Dallas County, State of Texas, the same being a Court of Record and having a Clerk and Seal, and having jurisdiction over probate matters, do hereby certify that EARL BULLOCK

who has signed the foregoing attestation, is the duly elected and qualified Clerk of said Court and that the signature of said Clerk to said Certificate of attestation is in due form according to the laws of the State of Texas, and entitled to full faith and credit.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of said Court to be hereunto affixed, this 7TH day of NOVEMBER A. D. 1995

Robert Price  
Judge, Probate Court No. 2  
Dallas County, Texas

THE STATE OF TEXAS, }  
COUNTY OF DALLAS } ss.

I, EARL BULLOCK, County Clerk of Dallas County, and Clerk of the County and Probate Courts of Dallas



NO. 95-01487 P/2

FILED

ESTATE OF

§

IN THE PROBATE COURT

95 MAR 15 PM 2:20

BEULAH M. BAIRD,

§

NO. 2 OF

EARL BULLOCK  
COUNTY CLERK  
DALLAS COUNTY

DECEASED

§

DALLAS COUNTY, TEXAS

PROOF OF DEATH AND OTHER FACTS

On this day, **NORMA BAIRD LOVING** ("Affiant"), personally appeared in Open Court, and after being duly sworn, stated the following:

1. **BEULAH M. BAIRD** ("Decedent"), died on March 11, 1995 in Irving, Dallas County, Texas, at the age of ninety two years.
2. **Decedent** was domiciled and had a fixed place of residence in this County at the date of death.
3. The document dated July 6, 1990 now shown to me and which purports to be **Decedent's** Will was never revoked so far as I know.
4. No child or children were born to or adopted by **Decedent** after the date of the Will.
5. **Decedent** was never divorced.
6. I am a child of the **Decedent** and Trustee of **Decedent's** Trust. I have personal and full knowledge of the financial affairs of **Decedent**. There is no necessity for any administration of **Decedent's** estate because there are no debts owed by **Decedent** which are not secured by liens on real estate.
7. **Decedent** was survived by two children: Affiant, **NORMA BAIRD LOVING** and by **WELDON BAIRD**; **Decedent's** child, **EDWIN HALL BAIRD**, predeceased **Decedent**. **EDWIN HALL BAIRD** left no issue surviving him.

95-1487 P/2

SIGNED this 8th day of May, 1995.

14 Norma Baird Loving  
NORMA BAIRD LOVING, Affiant  
1205 Portales  
Irving, Texas 75061

STATE OF TEXAS §  
  §  
COUNTY OF DALLAS §

SWORN TO AND SUBSCRIBED BEFORE ME by NORMA BAIRD LOVING, this  
8th day of May, 1995 ~~to certify which witness my hand and seal of office.~~

Judge Robert Price  
Clerk of Probate Court No. 2  
Dallas County, Texas

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

(D:\Clients\Baird.Est\Loving.Prj jr 5/5/95)

**45-4-204. Proof of authority; bond.**

If no local administration or application or petition therefor is pending in New Mexico, a domiciliary foreign personal representative may file with the court of a county in which property belonging to the decedent is located authenticated copies of his appointment and of any official bond he has given and a statement of the domiciliary foreign personal representative's address.

**History:** 1953 Comp., § 32A-4-204, enacted by Laws 1975, ch. 257, § 4-204; 1983, ch. 194, § 11.

**Compiler's notes.** — This section is similar to former 31-2-4, 1953 Comp.

**ANNOTATIONS**

**Am. Jur. 2d, A.L.R. and C.J.S. references.** — 34 C.J.S. Executors and Administrators § 998.

**45-4-205. Powers.**

A domiciliary foreign personal representative who has complied with Section 4-204 [45-4-204 NMSA 1978] may exercise as to assets in New Mexico all powers of a local personal representative and may maintain actions and proceedings in New Mexico subject to any conditions imposed upon nonresident parties generally.

**History:** 1953 Comp., § 32A-4-205, enacted by Laws 1975, ch. 257, § 4-205.

**Compiler's notes.** — This section includes within its scope some of the functions of former 31-2-5 and 31-2-8, 1953 Comp.

**NMOCD CASE Nos. 15810, 15812  
BAIRD TRUST  
Exhibit No. 5  
August 31, 2017**

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**MINERAL DEED AND ASSIGNMENT  
(LEA COUNTY)**

**KNOW ALL PERSONS BY THESE PRESENTS:**

That **Norma Baird Loving** and **Weldon R. Baird**, Trustees of the **Beulah M. Baird** Trust dated July 6, 1990. Whose address is c/o **Norma Baird Loving**, 2009 Crockett Court, Irving, Texas (hereinafter called "Grantors"), for consideration received hereby grant, bargain, sell, convey, transfer, assign, and deliver in equal undivided shares to **Norma Baird Loving**, a married women dealing in her sole and separate property, and **Weldon R. Baird**, a married man dealing in his sole and separate property, herein after called Grantees, whose mailing addresses are 2009 Crockett Court, Irving, TX 75038, all of the Trust's interest in and to all of the oil, gas, and other minerals and substances, whether known or unknown at this time, in, to, under, and that may be produced or derived from the lands situated in Lea County, State of New Mexico, described upon Exhibit "A" attached hereto and incorporated herein by reference, including but not limited to bonuses paid, rentals, royalties, and overriding royalties therefrom, together with the rights of ingress and egress at all times for the purpose of mining, drilling, exploring, operating, and developing said lands for oil, gas, and, other minerals, and storing, handling, transporting, and marketing the same therefrom.

This conveyance is made subject to any rights now existing in any lessees or assigns under all valid and subsisting oil and gas leases heretofore executed and now of legal record.

The parties hereto agree to execute further assurances as may be requisite for the full and complete enjoyment of the rights herein granted.

This instrument is executed without warranty, express, or implied, provided however, that Grantors hereby transfer to Grantees full power and right of substitution and subrogation in and to all covenants and warranties by others heretofore given or made in respect of the interests conveyed hereby, together with the benefit of and the right to enforce the covenants and warranties, if any, which Grantors are entitled to enforce with respect to the interests herein conveyed, transferred, and assigned against Grantors' predecessors in title to said land and property.

The mailing address for the Trust is c/o Norma Baird Loving, Trustee, 2009 Crockett Court, Irving, Texas 75038

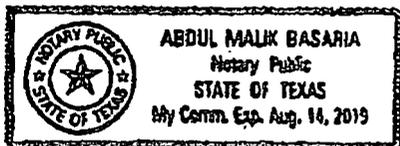
DATED this 10 day of MAY, 2016.

Norma Baird Loving, Trustee of the Beulah M. Baird Trust dated July 6, 1990, Grantor Weldon R. Baird, Trustee of the Beulah M. Baird Trust dated July 6, 1990, Grantor

STATE OF TEXAS )

COUNTY OF DALLAS )

The foregoing instrument was acknowledged before me this 10 day of MAY, 2016, by Norma Baird Loving and Weldon R. Baird, Trustees of the Beulah M. Baird Trust, on behalf of the Trust.



[Signature]  
Notary Public

My commission expires:

AUG 14, 2019

STATE OF NEW MEXICO  
COUNTY OF LEA

FILED  
At 11:49 o'clock A M

JAN 13 2017

Recorded in Book 2077 Page 526

Keith Manes, Lea County Clerk  
By [Signature] Deputy



00520

Mineral Deed and Assignment  
Beulah M. Baird Trust  
Page 3

BOOK 2077 PAGE 528

BOOK 2083 PAGE 327

**EXHIBIT "A"**

1. An undivided interest, believed to be and undivided One Twenty-Fourth (1/24) interest, in and to all the oil, gas and other minerals and mineral substances in and under and that may be produced from the following described land situated in Lea County, New Mexico, as follows, to-wit:

The West One-Half (W 1/2) of the Southwest One-Quarter (SW 1/4) less Six (6) acres described as follows:

Beginning at the Southeast (SE) corner of the Southwest One-Quarter (SW 1/4) of the Southwest One-Quarter (SW 1/4);

Thence North Six Hundred Thirty Feet (N 630');

Thence West Four Hundred Twenty Feet (W 420');

Thence South Six Hundred Thirty Feet (S 630');

Thence East Four Hundred Twenty Feet (E 420') to the point of beginning;

of Section Thirty-One (31), Township Fifteen South (15 S), Range Thirty-Six East (36 E), N.M.P.M., and containing Seventy-Four (74) acres, more or less.

2. An undivided One-Twelfth (1/12) interest in and to all of the oil, gas and other minerals and mineral substances in, under, and that may be produced from the following described land situated in Lea County, New Mexico, to-wit:

The Northwest One-Quarter (NW 1/4) of the Southeast One-Quarter (SE 1/4) of Section Twelve (12) in Township Twenty-Three South (23 S), Range Thirty-Four East (34 E), N.M.P.M., and containing Forty (40) acres, more or less.

3. An undivided One-Twelfth (1/12) interest in and to all of the oil, gas and other minerals and mineral substances in, under, and that may be produced from the following described land situated in Lea County, New Mexico, to-wit:

The Southwest One-Quarter (SW 1/4) of the Northeast One-Quarter (NE 1/4) of Section Fourteen (14) in Township Twenty-Four South (24 S), Range Thirty-Four East (34 E), N.M.P.M., and containing Forty (40) acres, more or less.

4. An undivided One-Twelfth (1/12) interest in and to all of the oil, gas and other minerals and mineral substances in, under, and that may be produced from the following described land situated in Lea County, New Mexico, to-wit:

The Southwest One-Quarter (SW ¼) of the Southeast One-Quarter (SE ¼) of Section Eighteen (18) in Township Twenty-Five South (25 S), Range Thirty-Six East (36 E), N.M.P.M., and containing Forty (40) acres, more or less.

5. An undivided One-Twelfth (1/12) interest in and to all of the oil, gas and other minerals and mineral substances in, under, and that may be produced from the following described land situated in Lea County, New Mexico, to-wit:

South Half of the Northwest One-Quarter (S ½ NE ¼) of Section Twenty (20), and Northwest One-Quarter (NW ¼), and West Half of the Southwest One-Quarter (W ½ SW ¼) of Section Twenty-One (21), Township Twenty-Five South (25 S), Range Thirty-Five East (35 E), N.M.P.M.

6. The following 8/75ths interest in and to the non-producing mineral interests in Lea County, New Mexico, in the following lands:

- a. SE/4 SW/4, Section 31, Township 24 South, Range 35 East, N.M.P.M.;
- b. NE/4 SE/4, N/2 SW/4, NW/4 SE/4, N/2 of S/2, Section 6, Township 25 South, Range 35 East, N.M.P.M.;
- c. Lots 2, 4, SW/4 NW/4, SW/4 NE/4, N/2 SW/4, NW/4 SE/4, Section 5, Township 25 South, Range 35 East, N.M.P.M.;
- d. N/2, Section 8, Township 25 South, Range 35 East, N.M.P.M.;
- e. Lot 1, S/2 NE/4, NE/4 SE/4, S/2 NW/4, E/2 SW/4, Section 1, Township 25 South, Range 34 East, N.M.P.M.;

It is the intent of this listing to include all of the interests of the Beulah M. Baird Trust dated July 6, 1990, in and to mineral properties situated in Lea County, New Mexico, including all of the Trust's right, title, and interest in, to, under, or derived from all oil, gas, and mineral leases and leaseholds, royalties, overriding royalties, production payments, net profits, minerals, and all other interests of whatsoever character relating to minerals, oil, gas or any combination thereof located in Lea County, New Mexico, even though said interests may be incorrectly described above or not listed above and even if property types, legal descriptions, and other information listed above may be inaccurate in some respects or if a given property is omitted above.

STATE OF NEW MEXICO  
COUNTY OF LEA  
FILED  
AT 12:51 o'clock P M

FEB 13 2017

Recorded in Book 2083 Page 325  
Keith Manes, Lea County Clerk  
By Keith manes Deputy



01901

**COG OPERATING LLC**  
 600 W ILLINOIS AVE  
 MIDLAND TX 79701  
 855-691-3863

Check Number **0000461549**

Prod. Code	Prod. Type	MC	Quantity	Value	Deductions	Net	Interest	Paid Int	Value	Deductions	Net Share
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Property: 300259.002H.1      STOVE PIPE FEDERAL COM #2H      NM Lea      Section: 6      Township: 025-S      Range: 035-E  
 06/2017      GAS      R1      3.54      12,479.33      44,154.69      28,286.00 0.00147994      0.00147994      65.35                41.87

Deduct	Description
MARKE 2,153.05	MARKETING 3.19
Meter F 400.00	Meter Fee 0.59
NMAdV 575.78	NM - Ad Valorem - 2540 0.85
NMCon 83.89	NM - Conservation - STD 0.12
NMSch 1,768.19	NM - School - STD 2.61
NMSev 1,655.80	NM - Severance - STD 2.45
NMPRO 154.87	NM PROCESSING FEE 0.23
TRAN,G 9,079.31	TRAN,GATH 13.44

Deductions From Revenue  
 NM - State Non-Resident Withholding

(3.20)

	Owner Gross	Owner Net Deductions	Owner Net Totals
Current Check	65.35	23.48	41.87
Year To Date	24,602.25	2,812.37	21,789.88

Concho may be interested in purchasing your Oil & Gas Mineral rights located in West Texas and/or Southeastern New Mexico, whether producing, non-producing, leased or unleased.

If you would be interested in selling your interest, please send an email to Kathy Garrett at [ConchoBD@concho.com](mailto:ConchoBD@concho.com) or if you prefer you may phone Kathy at 432-683-7443.

We look forward to hearing from you. Thank you!

To Access Electronic Revenue Check Detail:

PDS: 1-800-318-7850

Oildex: [jesse.atkinson@oildex.com](mailto:jesse.atkinson@oildex.com) 832-308-3632

031021	Owner	Check Date: 08/10/2017	Check Amount	38.67
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**NMOCD CASE Nos. 15810, 15812**  
**BAIRD TRUST**  
**Exhibit No. 6**  
**August 31, 2017**