



Melissa L. Dimit
Land Coordinator

August 28 2015



U S Mail

Nearburg Exploration Co LLC
PO Box 678100
Dallas TX 75267

RE **RECORDED COPIES FOR YOUR FILES**

SRO State Com 43H

T26S R28E N M P M

Section 17 W/2 W/2

Section 20 W/2 W/2

SRO State Com 44H

T26S R28E, N M P M

Section 17 E/2 W/2

Section 20 E/2 W/2

Eddy County New Mexico

Enclosed are copies of the referenced Communitization Agreements for your records

If you have any questions or need further assistance please feel free to contact me by phone at 432 685 2568
or by email at MDimit@concho.com

Sincerely

COG Operating LLC

Melissa Dimit
Land Coordinator
Delaware Basin – South NM

NEX-69

C 024515

NEW MEXICO STATE LAND OFFICE

CERTIFICATE OF APPROVAL

COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

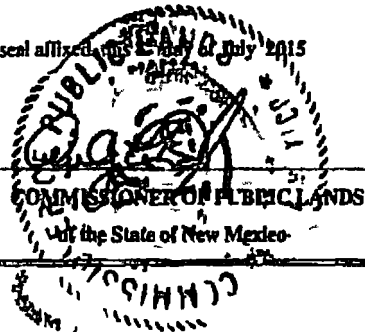
COG Operating LLC
 SRO State Com Well No. 43H
 Vertical Extent, Bone Spring
Township 26 South, Range 28 East, NMPM
 Section 17 W2W2
 Section 20 W2W2
 Eddy County, New Mexico

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination a Consolidation Agreement for the development and operation of acreage which is described within the referenced Agreement dated July 1 2014 which has been executed or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds

- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area.
- (b) That under the proposed agreement, the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- (c) That each beneficiary institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the State, with respect to state lands

NOW THEREFORE, by virtue of the authority conferred upon me under Sections 19-10-45 19-10-46 19-10-47 New Mexico Statutes Annotated 1978 Compilation, I the undersigned Commissioner of Public Lands of the State of New Mexico for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said Agreement, and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof and shall remain in full force and effect according to the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes

IN WITNESS WHEREOF this Certificate of Approval is executed, with seal affixed, this 6th day of July 2015



ATTN M DIMIT (ICC-833)
 COG OPERATING LLC
 600 W ILLINOIS AVE
 MIDLAND TX 79701 9808

SRO State Com #43H

ONLINE VERSION
 NM State Land Office
 Oil, Gas, & Minerals Division

STATE/STATE OR
 STATE/FEE
 Revised March 2007

COMMUNITIZATION AGREEMENT
 ONLINE Version

KNOW ALL MEN BY THESE PRESENTS

STATE OF NEW MEXICO)
 COUNTY OF EDDY) ss)

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] IS entered into as of July 1, 2014, by and between the parties subscribing, ratifying or consenting hereto such parties hereinafter being referred to as "Parties hereto",

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

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

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

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

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

1 27 0 34

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

Township 26 South, Range 28 East, N M P M

Section 17 W/2 W/2

Section 20 W/2 W/2

Eddy County, New Mexico

Containing 320 00 acres, more or less It is the judgment of the parties hereto that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest,

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

OPERATOR

COG Operating LLC

BY

Mona D. Ables
Mona D Ables
Vice President of Land & Geo

1 APR 8 35

ONLINE version
December 2007

State/State
State/Fee

LESSEES OF RECORD

Yates Petroleum Corporation

By
Its

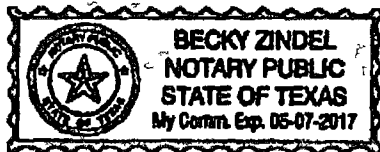
Nearburg Exploration Company, L.L.C

By
Its

ACKNOWLEDGEMENT

STATE OF TEXAS §
§ ss
COUNTY OF MIDLAND §

This instrument was acknowledged before me on July 3, 2014, by
Mona D Ables, Vice President of Land of COG Operating LLC, a Delaware Limited Liability
Company, on behalf of same



5/7/17
My Commission Expires

Becky Zindel
Notary Public and for the State of Texas

SC 8 11, 1 512

LESSEES OF RECORD

Yates Petroleum Corporation

10/14

Kathy H. Porter
By Kathy H. Porter
Its Attorney-in-Fact

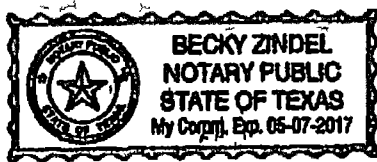
Nearburg Exploration Company, L L C

By
Its

ACKNOWLEDGEMENT

STATE OF TEXAS §
§ ss
COUNTY OF MIDLAND §

This instrument was acknowledged before me on July 3 2014 by
Mona D Ables, Vice President of Land, of COG Operating LLC a Delaware Limited Liability
Company, on behalf of same



5/7/17
My Commission Expires

Becky Zindel
Notary Public in and for the State of Texas

2015 JUL 1 1:08 PM

ACKNOWLEDGEMENT
(Continued)

STATE OF NEW MEXICO §
§ ss
COUNTY OF EDDY §

This instrument was acknowledged before me on July 15, 2014
by Kathy H Porter as Attorney-in-Fact of Yates Petroleum
Corporation, a New Mexico Corporation, on behalf of same



1-8-2016
My Commission Expires

Barbara Nelson
Notary Public in and for the State of New Mexico

STATE OF _____ §
§ ss
COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2014,
by _____, as _____, of Nearburg Exploration
Company, L L C, a _____, on behalf of same

My Commission Expires

Notary Public in and for the State of _____

2015 JUL 1 AM 8 35

LESSEES OF RECORD

Yates Petroleum Corporation

By _____
Its

Nearburg Exploration Company, L.L.C

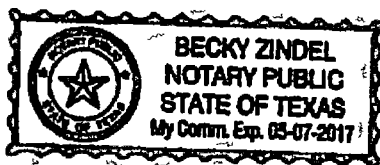
By _____
Its

Randy Howard
Randy Howard
Land Manager

ACKNOWLEDGEMENT

STATE OF TEXAS §
 § 55
COUNTY OF MIDLAND §

This instrument was acknowledged before me on July 3, 2014, by
Mona D Ables Vice President of Land, of COG Operating LLC, a Delaware Limited Liability
Company on behalf of same



5/7/17
My Commission Expires

Becky Zindel
Notary Public in and for the State of Texas

1 AM 8 35
JUL 15

ACKNOWLEDGEMENT (Continued)

STATE OF NEW MEXICO §
§ SS
COUNTY OF EDDY §

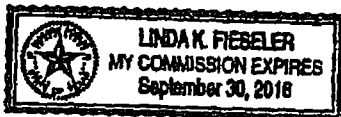
This instrument was acknowledged before me on _____, 2014
by _____, as _____ of Yates Petroleum
Corporation, a New Mexico Corporation, on behalf of same

My Commission Expires

Notary Public in and for the State of New Mexico

STATE OF TEXAS §
§ SS
COUNTY OF MIDLAND §

This instrument was acknowledged before me on May 20, 2014
by Randy Howard, as Land Manager of Nearburg Exploration
Company, L L C, a Texas limited liability company on behalf of same



9-30-16
My Commission Expires

Linda K. Fieseler
Notary Public in and for the State of Texas

EXHIBIT "A"

Plat of communized area covering 320 00 acres in Sections 17 & 20 of T26S - R28E N M P M
Eddy County New Mexico

SRO State Com #43H

Tract 1 VO-7470 (Sec 17 W/2 W/2)			
			SEC 17
Tract 2. VO-7450-0001 (Sec 20 W/2 W/2)			SEC 20

8 35

NOTE Show well location and tract numbers, show lots with acreage

1

2015 JUL 1 PM
COPY version
December 2007

State State
State Fee

State/State or
State/Fee Communitization

EXHIBIT "B"

Attached to and made a part of that Communitization Agreement, dated July 1, 2014, covering the W/2 W/2 of Section 17 and the W/2 W/2 of Section 20, Township 26 South, Range 28 East, N M P M., Eddy County, New Mexico

OPERATOR of Communitized Area. COG Operating LLC

DESCRIPTION OF LEASES COMMITTED

TRACT NO 1

Serial No of Lease	V0-7470
Date of Lease	July 1, 2005
Lessor	State of New Mexico acting by and through its Commissioner of Public Lands
Lessee of Record	Yates Petroleum Corporation
Description of Lands Committed	Insofar and only insofar as lease covers <u>Township 26 South, Range 28 East, N.M P M.</u> Section 17 W/2 W/2 Eddy County, New Mexico
No of Acres	160 00

TRACT NO 2

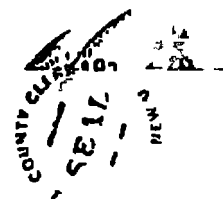
Serial No of Lease	V0-7450-0001
Date of Lease	July 1, 2005
Lessor	State of New Mexico acting by and through its Commissioner of Public Lands
Lessee of Record	Nearburg Exploration Company L L C
Description of Lands Committed.	Insofar and only insofar as lease covers <u>Township 26 South, Range 28 East, N.M P.M.</u> Section 20 W/2 W/2 Eddy County, New Mexico
No of Acres	160 00

1 APR 8 35

RECAPITULATION

Tract Number	Number of Acres Committed	Percentage of Interest In Communitized Area
No 1	160 00	50 000000%
No 2	<u>160 00</u>	<u>50.000000%</u>
	320 00	100 00000%

RECEPTION NO 1508701 STATE OF
NEW MEXICO COUNTY OF EDDY
RECORDED 08/07/2015 2 42 PM
BOOK 1033 PAGE 1171 *Hulson*
ROBIN VANNATTA, COUNTY CLERK



NEW MEXICO STATE LAND OFFICE

CERTIFICATE OF APPROVAL

COMMISSIONER OF PUBLIC LANDS STATE OF NEW MEXICO

COG Operating LLC
 SRO State Com Well No. 44H
 Vertical Extent, Bone Spring
Township 26 South, Range, 28 East, NM1PM
 Section 17 E2W2
 Section 20 : E2W2
 Eddy County New Mexico

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Consolidation Agreement for the development and operation of acreage which is described within the referenced Agreement dated October 1, 2014 which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds

- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area
- (b) That under the proposed agreement, the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- (c) That each beneficiary Insulation of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the State, with respect to state lands

NOW THEREFORE, by virtue of the authority conferred upon me under Sections 19 10-45 19 10-46 19 10-47 New Mexico Statutes Annotated, 1978 Compilation, I the undersigned Commissioner of Public Lands of the State of New Mexico for the purpose of more properly conserving the oil and gas resources of the State do hereby consent to and approve the said Agreement and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof and shall remain in full force and effect according to the terms and conditions of said Agreement This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF this Certificate of Approval is executed, with seal affixed, this 8th day of July, 2014


 COMMISSIONER OF PUBLIC LANDS

of the State of New Mexico.

SRO State Com #44H

ONLINE VERSION
 NM State Land Office
 Oil, Gas, & Minerals Division

STATE/STATE OR
 STATE/FEE
 Revised March 2007

COMMUNITIZATION AGREEMENT

ONLINE Version

KNOW ALL MEN BY THESE PRESENTS

STATE OF NEW MEXICO)
 COUNTY OF EDDY)^{SS}

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of October 1, 2014, by and between the parties subscribing, ratifying or consenting hereto, such parties hereinafter being referred to as "Parties hereto"

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

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

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

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

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

2015 JUL 1 4 08 PM

- 1 The lands covered by this agreement (hereinafter referred to as the 'communitized area') are described as follows

Township 26 South, Range 28 East, N M P M
Section 17 E/2 W/2
Section 20 E/2 W/2
Eddy County, New Mexico

Containing 320 00 acres, more or less It is the judgment of the parties hereto that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the Oil Conservation Division of the New Mexico Energy Minerals and Natural Resources Department, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest,

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

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

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

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

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

SRO State Com #44H

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

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

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

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

9 This agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution and upon approval by the Commissioner of Public Lands shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities provided, that this agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the operator to obtain a pipeline connection or to market the gas therefrom, and if either (a) a shut in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this agreement so as to prevent the expiration of such lease, or (b) each of the State of New Mexico oil and gas leases covering lands subject to this agreement is in its primary term (if a five-year lease) or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this Agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such production and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an

abandonment of such operations as to any lease from the State of New Mexico included in this agreement

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

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

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


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

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

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

OPERATOR

COG Operating LLC

BY Mona D. Ables
Mona D. Ables
Vice President of Land 

SRO State Com #44H

ACKNOWLEDGEMENT

STATE OF TEXAS §
 § ss
 COUNTY OF MIDLAND §

This instrument was acknowledged before me on April 21st, 2015 by Mona D Ables, Vice President of Land, of COG Operating LLC a Delaware Limited Liability Company on behalf of same



9/9/2017
 My Commission Expires

Melissa L. Dinit
 Notary Public in and for the State of Texas

LESSEES OF RECORD

Yates Petroleum Corporation

 BY
 ITS

Nearburg Exploration Company, L L C

 BY
 ITS

SRO State Com #44H

ACKNOWLEDGEMENT

STATE OF TEXAS §
 § ss
 COUNTY OF MIDLAND §

This instrument was acknowledged before me on April 21st, 2015, by Mona D Ables Vice President of Land, of COG Operating ELC, a Delaware Limited Liability Company, on behalf of same



9/9/2017
 My Commission Expires

Melissa L. Dimit
 Notary Public in and for the State of Texas

LESSEES OF RECORD

Yates Petroleum Corporation

Kathy H. Porter
 BY Kathy H Porter
 ITS Attorney-in-Fact

Nearburg Exploration Company, L.L.C.

BY _____
 ITS

SRO State Com #44H

ACKNOWLEDGEMENT

STATE OF NEW MEXICO §
 COUNTY OF EDDY § ss
 §

This instrument was acknowledged before me on April 6th 2015
 by Kathy H Porter as Attorney-in-Fact of Yates Petroleum
Corporation, a New Mexico Corporation, on behalf of same

09/29/2018
 My Commission Expires

OFFICIAL SEAL
 SARAH GALLEGO
 NOTARY PUBLIC-STATE OF NEW MEXICO
 My commission expires 9/29/2018

Sarah Gallego
 Notary Public in and for the State of New Mexico

STATE OF _____ §
 COUNTY OF _____ § ss
 §

This instrument was acknowledged before me on _____, 2015,
 by _____ as _____ of Neaburg Exploration
Company, L L C, a _____, on behalf of same

My Commission Expires

Notary Public in and for the State of _____

BOOK 1033 PAGE 1192

SRO State Com #44H

ACKNOWLEDGEMENT

STATE OF TEXAS §
 § SS
 COUNTY OF MIDLAND §

This instrument was acknowledged before me on April 21st, 2015, by Mona D Ables Vice President of Land, of COG Operating LLC a Delaware Limited Liability Company, on behalf of same



9/9/2017
 My Commission Expires

Melissa L. Dimit
 Notary Public in and for the State of Texas

LESSEES OF RECORD

Yates Petroleum Corporation

 BY
 ITS

Nearburg Exploration Company, L.L.C.

Randy Howard
 BY
 ITS

Randy Howard
 Land Manager

SRO State Com #44H

ACKNOWLEDGEMENT

STATE OF NEW MEXICO §
 COUNTY OF EDDY § ss
 §

This instrument was acknowledged before me on _____ 2015,
 by _____, as _____, of Yates Petroleum
 Corporation, a New Mexico Corporation on behalf of same

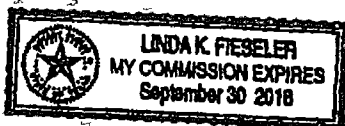
My Commission Expires

Notary Public in and for the State of New Mexico

STATE OF TEXAS §
 COUNTY OF MIDLAND § ss
 §

This instrument was acknowledged before me on May 20, 2015
 by Randy Howard, as Land Manager, of Nearburg Exploration
 Company, L L C, a Texas limited liability company, on behalf of same

9-30-16
 My Commission Expires



Linda K. Fieseler
 Notary Public in and for the State of Texas

SRO State Com #44H

EXHIBIT "A"

Plat of communitized area covering 320 00 acres in the E/2 W/2 of Section 17 and the E/2 W/2 of Section 20 of T26S R28E, N M P M Eddy County New Mexico

SRO State Com #44H

	Tract 1 VO-7470 (Sec 17 E/2 W/2)		
			SEC 17
	Tract 2 VO-7450-0001 (Sec. 20 E/2 W/2)		SEC 20

NOTE Show well location and tract numbers, show lots with acreage.

SRO State Com #44E

State/State or
State/Fee Communitization**EXHIBIT "B"**

Attached to and made a part of that Communitization Agreement, dated October 1 2014, covering the E/2 W/2 of Section 17 and the E/2 W/2 of Section 20, Township 26 South, Range 28 East, N M P M., Eddy County, New Mexico

OPERATOR of Communitized Area COG Operating LLC

DESCRIPTION OF LEASES COMMITTED**TRACT NO 1**

Serial No of Lease	V0 7470
Date of Lease	July 1, 2005
Lessor	State of New Mexico acting by and through its Commissioner of Public Lands
Lessee of Record	Yates Petroleum Corporation
Description of Lands Committed	Insofar and only insofar as lease covers <u>Township 26 South, Range 28 East, N M P M</u> Section 17 E/2 W/2 Eddy County, New Mexico
No of Acres	160 00

TRACT NO 2

Serial No of Lease	V0 7450 0001
Date of Lease	July 1 2005
Lessor	State of New Mexico acting by and through its Commissioner of Public Lands
Lessee of Record	Nearburg Exploration Company, L L C
Description of Lands Committed	Insofar and only insofar as lease covers <u>Township 26 South, Range 28 East, N M P M</u> Section 20 E/2 W/2 Eddy County New Mexico
No of Acres	160 00

SRO State Com #44H

RECAPITULATION

Tract Number	Number of Acres Committed	Percentage of Interest In Communitized Area
No 1	160 00	50 000000%
No 2	<u>160 00</u>	<u>50 000000%</u>
	320 00	100 000000%

RECEPTION NO 1508702 STATE OF
 NEW MEXICO, COUNTY OF EDDY
 RECORDED 08/07/2015 2 44 PM
 BOOK 1033 PAGE 1184 NS
 ROBIN VANNATTA COUNTY CLERK



2015 JUL 1 AM 8 37



City Center Center
830 West Portal Avenue
San Francisco, CA 94131



8 POSTAGE WILL BE PAID BY ADDRESSEE

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Newburg E. Peterson Co LLC

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UNABLE TO FORWARD
UNABLE TO FORWARD
RE-USE TO SENDER
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