

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. Multiple--See Attached
2. Name of Operator COG OPERATING LLC		6. If Indian, Allottee or Tribe Name
3a. Address 600 W ILLINOIS AVENUE MIDLAND, TX 79701		7. If Unit or CA/Agreement, Name and/or No. Multiple--See Attached
3b. Phone No. (include area code) Ph: 432-685-4332		8. Well Name and No. Multiple--See Attached
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Multiple--See Attached		9. API Well No. Multiple--See Attached
		10. Field and Pool, or Exploratory DODD - GLORIETA-UPPER YESO
		11. County or Parish, and State EDDY COUNTY, NM

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

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

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

COG Operating LLC respectfully requests approval for surface commingle on the following wells:

Submarine 10 Federal Com 1H
NMLC028731b
NMLC068722
API 30-015-41300
Sec 10 T17S R29E NENE 460FSL 285FEL

CA-NM129933

Submarine 10 Federal Com 2H
NMLC028731b
NMLC068722
CANMM129933

NM OIL CONSERVATION
ARTESTA DISTRICT

JUL 29 2016

RECEIVED

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #337974 verified by the BLM Well Information System For COG OPERATING LLC, sent to the Carlsbad Committed to AFMSS for processing by PRISCILLA PEREZ on 04/29/2016 (16PP1047SE)	
Name (Printed/Typed) KANICIA CASTILLO	Title PREPARER
Signature (Electronic Submission)	Date 04/29/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>DUNCAN WHITLOCK</u>	Title <u>TECHNICAL LPET</u>	Date <u>07/26/2016</u>
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office Carlsbad

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

Additional data for EC transaction #337974 that would not fit on the form

5. Lease Serial No., continued

NMLC068722
NMNM125007

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

NMNM129231
NMNM129933
NMNM129991
NMNM130988

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM129933	NMLC068722	SUBMARINE 10 FED COM 2H	30-015-40358-00-S1	Sec 10 T17S R29E NENE 945FNL 15FEL
NMNM130988	NMLC068722	SUBMARINE 10 FED COM 3H	30-015-40543-00-S1	Sec 10 T17S R29E SENE 1605FNL 85FEL
NMNM130988	NMLC068722	SUBMARINE 10 FED COM 4H	30-015-40545-00-S1	Sec 10 T17S R29E SENE 2285FNL 40FEL
NMLC068722	NMLC068722	SUBMARINE 10 FED COM 1H	30-015-41300-00-X1	Sec 10 T17S R29E NENE 460FNL 285FEL
NMNM125007	NMNM125007	SUBMARINE 11 FED COM 1H	30-015-41301-00-X1	Sec 11 T17S R29E NWNW 330FNL 10FWL
NMNM129231	NMNM125007	SUBMARINE 11 FED COM 2H	30-015-40359-00-S1	Sec 11 T17S R29E NWNW 945FNL 155FWL
NMNM129991	NMNM125007	SUBMARINE 11 FED COM 3H	30-015-40546-00-S1	Sec 11 T17S R29E SWNW 1605FNL 85FWL
NMNM129991	NMNM125007	SUBMARINE 11 FEDERAL COM 4H	30-015-40360-00-S1	Sec 11 T17S R29E SWNW 2285FNL 130FWL

32. Additional remarks, continued

API 30-015-40358
Sec 10 T17S R29E NENE 945FNL 15FEL

Submarine 10 Federal Com 3H
NMLC028731b
NMNM068722
CANMNM130988
API 30-015-40543
Sec 10 T17S R29E SENE 1605FNL 85FEL

Submarine 10 Federal Com 4H
NMLC028731b
NMLC068722
CANMNM130988
API 30-015-40545
Sec 10 T17S R29E SENE 2285FNL 40FEL

Submarine 11 Federal Com 1H
NMLC028731b
NMNM125007 *CA-NM129231*
API 30-015-41301
Sec 11 T17S R29E NWNW 330FNL 10FWL

Submarine 11 Federal Com 2H
NMLC028731b
NMNM125007
CANMNM129231
API 30-015-40359
Sec 11 T17S R29E NWNW 945FNL 155FWL

Submarine 11 Federal Com 3H
NMLC028731b
NMNM125007
CANMNM129991
API 30-015-40546
Sec 11 T17S R29E SWNW 1650FNL 85FWL

Submarine 11 Federal Com 4H
NMLC028731b
NMNM125007
CANMNM129991
API 30-015-40360
Sec 11 T17S R29E SWNW 2285FNL 130FWL

Consolidating production to one battery will extend the economic life for these wells and lessen surface disturbance.
Commingling will not reduce value of production.

32. Additional remarks, continued

All interest owners have been notified.
Please see attachments.

APPLICATION FOR A CENTRAL TANK BATTERY, LEASE COMMINGLE, OFF LEASE MEASUREMENT, SALES, & STORAGE

Central Tank Battery Proposal for the Submarine 10 & 11 Wells:

COG Operating is requesting approval for the Central Tank Battery, Lease Commingle, Off Lease Measurement, Sales, & Storage for the following wells:

Federal Lease: NMLC028731B (Rate: 12.5%) – Aug 8th

Federal Lease NMLC068722 (12.5%)

Well Name	Location	API #	DHC-4565 Pool 97917	Oil BOPD	Gravities	MCFPD	BTU
CA NMNM129933							
Submarine 10 Fed Com 1H	NENE Sec. 10-T17S-R29E-A	30-015-41300	Dodd;Glorieta Upper Yeso (75%) Pool 96610 Undes.Empire;Glorieta- Yeso East (25%)	16*	36.9*	24*	1308.7*

CA NMNM129933

Submarine 10 Fed Com 2H	NENE Sec. 10-T17S-R29E-A	30-015-40358	Dodd;Glorieta Upper Yeso (75%) Pool 96610 Undes.Empire;Glorieta- Yeso East (25%)	38	37.1	88	1306.6
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Federal Lease: NMLC028731B (Rate: 12.5%) – Aug 8th

Federal Lease NMLC068722 (12.5%)

Well Name	Location	API #	DHC-4565 Pool 97917	Oil BOPD	Gravities	MCFPD	BTU
CA NMNM130988							
Submarine 10 Fed Com 3H	SENE Sec. 10-T17S-R29E-H	30-015-40543	Dodd;Glorieta Upper Yeso (75%) Pool 96610 Undes.Empire;Glorieta- Yeso East (25%)	31	36.9	79	1308.7

CA NMNM130988

Submarine 10 Fed Com 4H	SENE Sec. 10-T17S-R29E-H	30-015-40545	Dodd;Glorieta Upper Yeso(75%) Pool 96610 Undes.Empire;Glorieta- Yeso East (25%)	38	37.9	106	1265.5
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Federal Lease: NMLC028731B (Rate: 12.5%)

Federal Lease: NMNM 125007 (Sch B: 12.5% -25%)

Well Name	Location	API #	DHC-4565 Pool 97917	Oil BOPD	Gravities	MCFPD	BTU
CA NMNM129231							
Submarine 11 Fed Com 1H	NWNW Sec. 11-T17S-R29E-D	30-015-41301	Dodd;Glorieta Upper Yeso (75%) Pool 96610 Undes.Empire;Glorieta- Yeso East (25%)	20*	37.4*	77*	1260.1*

CA NMNM129231

Submarine 11 Fed Com 2H	NWNW Sec. 11-T17S-R29E-D	30-015-40359	Dodd;Glorieta Upper Yeso (75%) Pool 96610 Undes.Empire;Glorieta- Yeso East (25%)	36	37.4	98	1260.1
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Federal Lease: NMLC028731B (Rate: 12.5%)

Federal Lease: NMNM 125007 (Sch B: 12.5% -25%)

Well Name	Location	API #	DHC-4565 Pool 97917	Oil BOPD	Gravities	MCFPD	BTU
CA NMNM129991 Submarine 11 Fed Com 3H	SWNW Sec. 11-T17S-R29E-E	30-015-40546	Dodd;Glorieta Upper Yeso (75%) Pool 96610 Undes.Empire;Glorieta- Yeso East (25%)	50	36.9	85	1357.1
CA NMNM129991 Submarine 11 Fed Com 4H	SWNW Sec. 11-T17S-R29E-E	30-015-40360	Dodd;Glorieta Upper Yeso (75%) Pool 96610 Undes.Empire;Glorieta- Yeso East (25%)	25	35.8	65	1319.1

*These are proposed totals for these wells; once these wells are drilled the production information will be amended. I will submit BOPD & MCFPD for the Submarine 10 Federal Com #1H & Submarine 11 Federal Com #1H upon receipt.

Attached is a map displays the federal leases and well locations in Section 10 & 11 -T17S-R29E.

The BLM's interest in two of the leases have the same royalty rates of 12.5%. The third lease is a Sch. B, 12.5% - 25%. We have attached production data to show that our sliding scale lease has not produced at a higher royalty rate than 12.5%. Average production per well per day would have to be above 50bbbls. Please see the data attached to the economics page.

Oil & Gas metering:

The central tank battery is located on the pad for the Submarine 10 Fed Com #2H well located in NENE Sec. 10 & NWNW Sec. 11 - T17S-R29E on federal lease NMLC 028731B. Flowlines from producing wells terminate into the test/production header which serves as the inlet to the tank battery. From the header, two wells can be put in test while the remaining wells are combined in the production header for separation and storage of produced fluids.

The 3-phase horizontal test separator and associated metering devices for Sec. 10 wells have been sized for the expected range of fluid rates from the production wells. The sizing and calibration of this equipment ensures accurate measurement of produced fluids from a well in test. Separate meters are used for measuring oil, water and gas. After fluids are separated, oil and water flow rates are measured using turbine meters (PO) #393791, and the gas flow rate is measured using an orifice meter (PG) #D-140328. This process is also used to measure production with a 3-phase horizontal test separator from Sec. 11 wells and oil is measured using turbine meter (PO) TBD and the gas flow rate is measured using an orifice meter (PG) TBD.

Monthly gas and oil production will be allocated based on the percentage of each wells contribution as determined through well tests. This battery will handle a total of 8 horizontal wells. Each well will be tested at least once a month and the duration of each test will be a minimum of three days. The oil test meter will be proven as per API, NMOCD, and BLM specifications, when installed, once per month for the first 3 months (to establish a consistent repeatability factor), and then quarterly thereafter, the factor obtained will be used to allocate the production volumes. The gas test meter will be calibrated on a regular basis per API, NMOCD and BLM specifications.

Combined fluids from the production header will be routed to a 2-phase separator where gas and liquids are separated. Gas separated at this point is sent to the Frontier CDP meter #631229. If Frontier is unable to take the gas for any reason, there is an offload DCP Midstream CDP meter #745254-00 that can be used to sell gas. Liquids from the test separators are routed to the FWKO for processing before the water is sent to the water tanks and oil is sent to the heater treater. Any gas that flashes off during the additional processing stages is tied directly into the gas sales system upstream of both CDP meters. These meters will be calibrated on a regular basis per API, NMOCD and BLM specifications.

The Submarine 10 Fed Com #2H battery will have three 500 BBL oil tanks that all wells will utilize. These oil tanks have a common delivery point on the northwest side of the location where oil is hauled via trucking by Holly Transportation. Oil sales volume is

determined by gauging of sealed tanks before and after the truck is loaded in accordance with applicable API, NMOCD, and BLM specifications.

Water from all producing wells will be separated through the use of a FWKO and heater-treater prior to being routed to the two 500 BBL water tanks. Water will then be transferred out of the tanks and tied into a Company owned SWD system. Bulk water leaving the facility is measured using a turbine meter.

Submarine 10 Fed Com #1H, 2H, 3H and 4H production will flow into the test/production header and is routed through the process as described above. No other unique metering devices are included on this individual well.

Submarine 11 Fed Com #1H, 2H, 3H and 4H production flows into the test/production header and is routed through the process as described above. No other unique metering devices are included on this individual well.

Process and Flow Descriptions:

The flow of produced fluids is shown in detail on the enclosed facility diagram, along with a map which shows the lease boundaries, communication agreement boundaries, and location of wells, facility, and gas sales meter. The proposed commingling is appropriate based on the BLM's guidance in IM 2013-152. The proposed commingling will maximize the ultimate recovery of oil and/or gas from the federal leases and will reduce environmental impacts by minimizing surface disturbance and emissions. The proposed commingling will reduce not adversely affect federal royalty income, production accountability, or the distribution of royalty.

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

Signed:



Printed Name: Kania Castillo

Title: Lead Regulatory Analyst

Date: 05/20/2016

	1.2014	2.2014	3.2014	4.2014	5.2014	6.2014	7.2014	8.2014	9.2014	10.2014	11.2014	12.2014
Oil Production - Bbls												
Lease NM125007 Allocating Production 80/160 acres												
Submarine 11 Fed Com # 2H	443	497	776	614	359	788	401	372	289	401	518	343
Submarine 11 Fed Com # 3H	1543	1192	2523	3054	2108	1655	1182	1281	820	928	888	1017
Submarine 11 Fed Com # 4H	498	547	352	185	376	727	488	523	170	1082	291	614
Total Production Lease 125007	1242	1118	1825.5	1916.5	1421.5	1575	1035.5	2156	639.5	1195.5	837.5	987
Monthly Average # of Bbls	13.3548	13.3095	19.6290	21.2944	15.2849	17.5000	11.13441	23.1828	7.105556	12.85484	9.005376	10.61291

* Average production calculated based from production allocated from sliding scale lease NM125007 contributing 80 of 160 acres. Production divided by total # of wells and total # of days in each month

Oil Production - Bbls	1.2015	2.2015	3.2015	4.2015	5.2015	6.2015	7.2015	8.2015	9.2015	10.2015	11.2015	12.2015
Lease NM125007 Allocating Production 80/160 acres												
Submarine 11 Fed Com # 2H	493	421	282	266	235	234	200	258	231	344	264	353
Submarine 11 Fed Com # 3H	1134	1088	1158	1058	983	1071	927	274	289	184	74	28
Submarine 11 Fed Com # 4H	167	238	530	91	255	618	710	524	505	893	548	347
Total Production Lease 125007	897	863.5	985	706.5	736.5	961.5	918.5	528	512.5	710.5	443	364
Monthly Average # of Bbls	9.6452	9.2849	10.5914	7.5968	7.9194	10.3387	9.8763	5.6774	5.5108	7.5398	4.7634	3.9140

* Average production calculated based from production allocated from sliding scale lease NM125007 contributing 80 of 160 acres. Production divided by total # of wells and total # of days in each month

001

NMNM 00

NMNM 002

NMNM 0025

NMNM 12

012

NMNM 00

NMLC 006

NMLC 00287

NMNM 007

NMLC 0028

013

002

NMNM 125007

SCHEIN

011

NMLC 0058362

003

NMLC 0067807

010

NMLC 0028731B

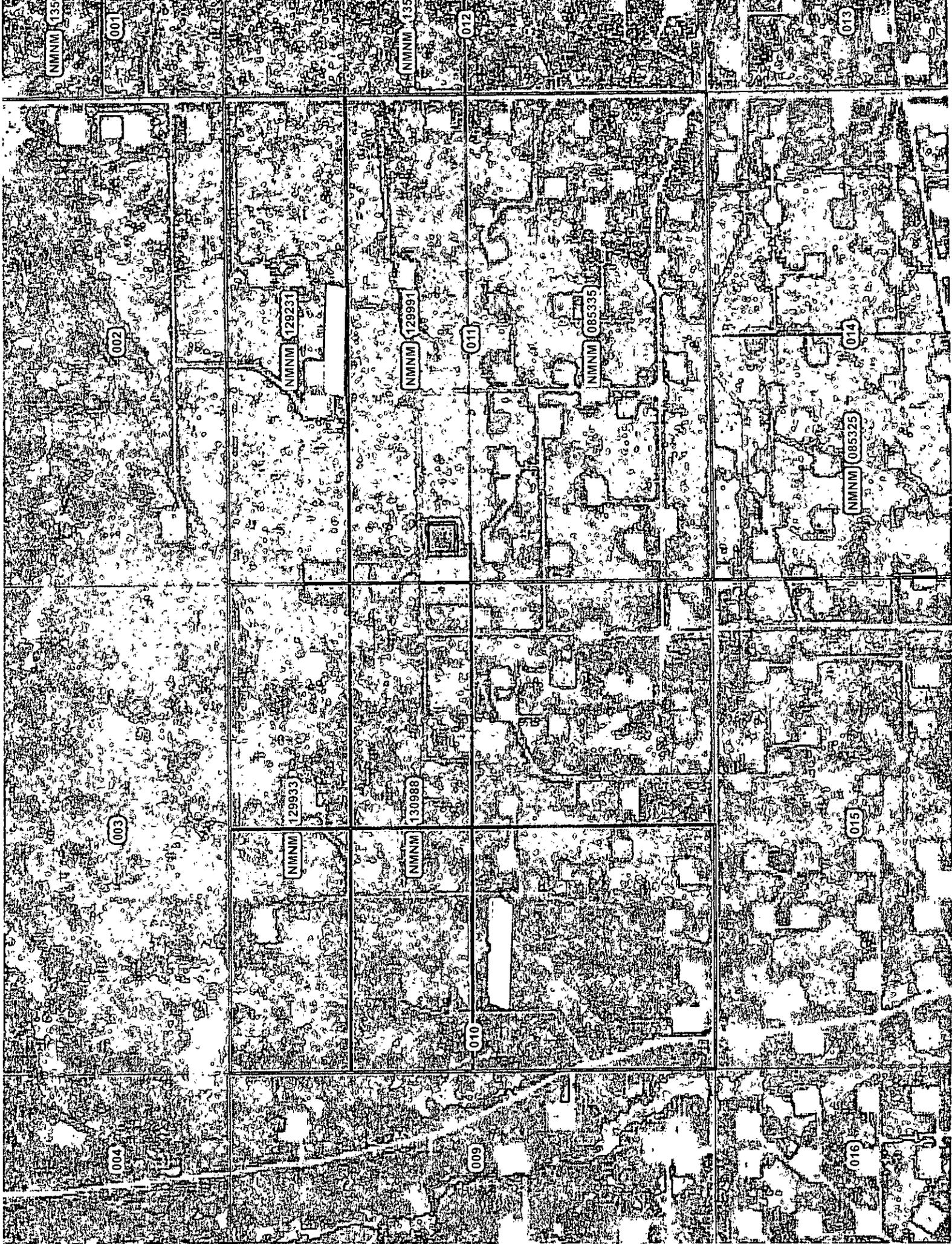
015

004

009

NMLC 0068722

016



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

Run Time: 10:21 AM

Page 1 of 1

Run Date: 05/10/2016

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

Total Acres Serial Number
160.000 NMNM-- - 129933

Case Type 318310: O&G COMMUNITIZATION AGRMT
Commodity 410: NATURAL GAS
Case Disposition: AUTHORIZED

Serial Number: NMNM-- - 129933

Name & Address			Int Rel	% Interest
BLM CARLSBAD FO	620 E GREENE ST	CARLSBAD NM 88220	OFFICE OF RECORD	0.000000000
COG OPERATING LLC	550 W TEXAS AVE STE 100	MIDLAND TX 797014287	OPERATOR	100.000000000

Serial Number: NMNM-- - 129933

Mer Twp	Rng	Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23	0170S	0290E	010	ALIQ	N2N2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 129933

Act Date	Code	Action	Action Remark	Pending Office
03/01/2012	387	CASE ESTABLISHED		
03/01/2012	516	FORMATION	YESO BELOW 5000'	
03/01/2012	525	ACRES-NONFEDERAL	160; 100%	
03/01/2012	868	EFFECTIVE DATE	30-015-40358	
11/12/2012	643	PRODUCTION DETERMINATION		
11/12/2012	654	AGRMT PRODUCING		
11/12/2012	658	MEMO OF 1ST PROD-ACTUAL		
02/15/2013	334	AGRMT APPROVED		

Serial Number: NMNM-- - 129933

Line Nr	Remarks
0001	RECAPITULATION EFFECTIVE 03/01/2012
0002	TR# LEASE SERIAL# AC COMMITTED %INTEREST
0003	1 LC-068722 40.00 25.00 <i>12.5%</i>
0004	2 LC-028731B 120.00 75.00 <i>AUG 8TH</i>
0005	TOTAL 160.00 100.00
0006	YESO FORMATION TO INCLUDE ONLY THE DEPTH
0007	BELOW 5,000 FEET

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

Run Time: 10:25 AM

Page 1 of 1

Run Date: 05/10/2016

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

Total Acres Serial Number
160.000 NMNM-- - 130988

Case Type 318310: O&G COMMUNITIZATION AGRMT
Commodity 410: NATURAL GAS

Case Disposition: AUTHORIZED

Serial Number: NMNM-- - 130988

Name & Address			Int Rel	% Interest
BLM CARLSBAD FO	620 E GREENE ST	CARLSBAD NM 88220	OFFICE OF RECORD	0.000000000
CONCHO OIL & GAS LLC	600 W ILLINOIS AVE, ONE CONCHO CEI	MIDLAND TX 797014882	OPERATOR	100.000000000

Serial Number: NMNM-- - 130988

Mer Twp Rng Sec	S Typ	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23 0170S 0290E 010	ALIQ		S2N2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 130988

Act Date	Code	Action	Action Remark	Pending Office
03/01/2012	387	CASE ESTABLISHED		
03/01/2012	516	FORMATION	YESO	
03/01/2012	526	ACRES-FED INT 100%	160; 100%	
03/01/2012	868	EFFECTIVE DATE	30-015-40545	
01/29/2013	643	PRODUCTION DETERMINATION		
07/30/2013	658	MEMO OF 1ST PROD-ACTUAL		
08/12/2013	334	AGRMT APPROVED		

Serial Number: NMNM-- - 130988

Line Nr	Remarks			
0001	RECAPITULATION EFFECTIVE 03/01/2013			
0002	TR# LEASE SERIAL# AC COMMITTED %INTEREST			
0003	1 LC068722 40.00 25.00			12,590
0004	2 LC028731B 120.00 75.00			AUG 8TH
0005	TOTAL 160.00 100.00			

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

Run Time: 10:26 AM

Page 1 of 1

Run Date: 05/10/2016

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

Total Acres

Serial Number

Case Type 318310: O&G COMMUNITIZATION AGRMT

160.000

NMNM-- - 129231

Commodity 410: NATURAL GAS

Case Disposition: AUTHORIZED

Serial Number: NMNM-- - 129231

Name & Address				Int Rel	% Interest
BLM CARLSBAD FO	620 E GREENE ST	CARLSBAD NM 88220		OFFICE OF RECORD	0.000000000
COG PRODUCTION LLC	600 W ILLINOIS AVE, ONE CONCHO CEI MIDLAND TX 79701			OPERATOR	100.000000000

Serial Number: NMNM-- - 129231

Mer Twp	Rng	Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23	01705	0290E	011	ALIQ	N2N2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 129231

Act Date	Code	Action	Action Remark	Pending Office
03/01/2012	387	CASE ESTABLISHED	2H SUBMARINE 11 FED	
03/01/2012	516	FORMATION	YESO BELOW 5000'	
03/01/2012	526	ACRES-FED INT 100%	160; 100%	
03/01/2012	868	EFFECTIVE DATE		
10/17/2012	334	AGRMT APPROVED		
11/11/2012	643	PRODUCTION DETERMINATION		
11/11/2012	654	AGRMT PRODUCING		
11/11/2012	658	MEMO OF 1ST PROD-ACTUAL		

Serial Number: NMNM-- - 129231

Line Nr	Remarks
0001	RECAPITULATION EFFECTIVE 03/01/2012
0002	TR# LEASE SERIAL# AC COMMITTED %INTEREST
0003	1 LC-028731B 80.00 50.00 <i>AUG 8TH</i>
0004	2 NM-125007 80.00 50.00 <i>SCH B 12.5-2590</i>
0005	TOTAL 160.00 100.00
0006	YESO FORMATION TO INCLUDE ONLY THE DEPTHS
0007	BELOW 5,000 FEET

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

Run Time: 10:27 AM

Page 1 of 1

Run Date: 05/10/2016

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

Total Acres Serial Number
160.000 NMNM-- - 129991

Case Type 318310: O&G COMMUNITIZATION AGRMT
Commodity 410: NATURAL GAS
Case Disposition: AUTHORIZED

Serial Number: NMNM-- - 129991

Name & Address			Int Rel	% Interest
BLM CARLSBAD FO	620 E GREENE ST	CARLSBAD NM 88220	OFFICE OF RECORD	0.000000000
COG ACREAGE LP	600 W ILLINOIS AVE, ONE CONCHO CEI	MIDLAND TX 79701	OPERATOR	100.000000000

Serial Number: NMNM-- - 129991

Mer Twp	Rng	Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23	01705	0290E	011	ALIQ	S2N2:	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 129991

Act Date	Code	Action	Action Remark	Pending Office
03/01/2012	387	CASE ESTABLISHED		
03/01/2012	516	FORMATION	YESO	
03/01/2012	526	ACRES-FED INT 100%	160; 100%	
03/01/2012	868	EFFECTIVE DATE	30-015-40360	
01/17/2013	643	PRODUCTION DETERMINATION		
01/17/2013	654	AGRMT PRODUCING		
01/17/2013	658	MEMO OF 1ST PROD-ACTUAL		
02/26/2013	334	AGRMT APPROVED		

Serial Number: NMNM-- - 129991

Line Nr	Remarks			
0001	RECAPITULATION EFFECTIVE 03/01/2012			
0002	TR# LEASE SERIAL# AC COMMITTED %INTEREST			
0003	1 LC028731B 80.00 50.00			<i>Aug 87H</i>
0004	2 NM125007 80.00 50.00			<i>SCH B 12.5-2590</i>
0005	TOTAL 160.00 100.00			

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

Run Time: 01:04 PM

Page 1 of 6

Run Date: 05/24/2016

01 02-25-1920;041STAT0437;30USC226

Total Acres

Serial Number

Case Type 310771: O&G EXCHANGE LEASE - PD

1,480.000

NMLC-- 0 028731B

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED

Serial Number: NMLC-- 0 028731B

Name & Address			Int Rel	% Interest
BETTIS BROTHERS INC	500 W TEXAS #830	MIDLAND TX 79701	OPERATING RIGHTS	0.000000000
BP AMERICA PRODUCTION CO	PO BOX 3092	HOUSTON TX 772533092	OPERATING RIGHTS	0.000000000
CHANDLER DOUG	1603 W RIDGE	CARLSBAD NM 88220	OPERATING RIGHTS	0.000000000
CHANDLER TERRY	1603 W RIDGE	CARLSBAD NM 88220	OPERATING RIGHTS	0.000000000
COG OPERATING LLC	600 W ILLINOIS AVE	MIDLAND TX 797014882	OPERATING RIGHTS	0.000000000
COG OPERATING LLC	600 W ILLINOIS AVE	MIDLAND TX 797014882	LESSEE	95.000000000
CONCHO OIL & GAS LLC	600 W ILLINOIS AVE, ONE CONCHO CEI	MIDLAND TX 797014882	OPERATING RIGHTS	0.000000000
CONCHO OIL & GAS LLC	600 W ILLINOIS AVE, ONE CONCHO CEI	MIDLAND TX 797014882	LESSEE	5.000000000
CONOCOPHILLIPS CO	PO BOX 7500	BARTLESVILLE OK 740057500	OPERATING RIGHTS	0.000000000
EOG RESOURCES INC	333 CLAY ST #4200	HOUSTON TX 77002	OPERATING RIGHTS	0.000000000
GRAY JOHN R TRUST	PO BOX 1182	ARTESIA NM 88210	OPERATING RIGHTS	0.000000000
GRAY JOHNNY C	PO BOX 34	CARLSBAD NM 88220	OPERATING RIGHTS	0.000000000
GRAY TERRY E	PO BOX 34	CARLSBAD NM 88220	OPERATING RIGHTS	0.000000000
KERR-MCGEE OG ONSHORE LP	1999 BROADWAY #3700	DENVER CO 80202	OPERATING RIGHTS	0.000000000
KHODY LAND & MINERALS CO	210 PARK AVE STE 700	OKLAHOMA CITY OK 731025600	OPERATING RIGHTS	0.000000000
MARBOB ENERGY CORP	PO BOX 227	ARTESIA NM 882110227	OPERATING RIGHTS	0.000000000
OCCIDENTAL PERMIAN LP	PO BOX 50250	MIDLAND TX 797100250	OPERATING RIGHTS	0.000000000
OXY USA WTP LP	6 DESTA DR #6000	MIDLAND TX 797055505	OPERATING RIGHTS	0.000000000
PITCH ENERGY CORP	PO BOX 304	ARTESIA NM 882110304	OPERATING RIGHTS	0.000000000
PXP PRODUCING CO LLC	717 TEXAS ST STE 2100	HOUSTON TX 770022753	OPERATING RIGHTS	0.000000000
RICKEY HOWARD	PO BOX 281	ARTESIA NM 88210	OPERATING RIGHTS	0.000000000
RICKEY RITA	PO BOX 281	ARTESIA NM 88210	OPERATING RIGHTS	0.000000000
SWN PRODUCTION COMPANY LLC	PO BOX 12359	SPRING TX 773912359	OPERATING RIGHTS	0.000000000

Serial Number: NMLC-- 0 028731B

Mer Twp	Rng	Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23	01705	0290E	010	ALIQ	E2,E2W2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	01705	0290E	011	ALIQ	W2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	01705	0290E	014	ALIQ	E2,NW,NESW;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	01705	0290E	015	ALIQ	NE;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Relinquished/Withdrawn Lands

Serial Number: NMLC-- 0 028731B

23	01705	0290E	711	FF	E2 ASGN;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
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Serial Number: NMLC-- 0 028731B

Act Date	Code	Action	Action Remark	Pending Office
07/21/1933	124	APLN RECD		
06/29/1934	237	LEASE ISSUED		
06/29/1934	868	EFFECTIVE DATE		
07/29/1934	496	FUND CODE	05;145003	
09/11/1940	570	CASE SEGREGATED BY ASGN	INTO NMLC058362;	
10/08/1940	570	CASE SEGREGATED BY ASGN	INTO NMLC058429;	
11/18/1940	650	HELD BY PROD - ACTUAL	/1/	
11/18/1940	658	MEMO OF 1ST PROD-ACTUAL	/1/	
05/13/1941	570	CASE SEGREGATED BY ASGN	INTO NMLC059083;	
01/01/1960	237	LEASE ISSUED		
01/01/1960	534	RLTY RATE-SLIDING-SCH D	IDL SEE NEXT PAGE REMARKS	

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

AUG. 8

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION**

Run Time: 01:04 PM

Page 6 of 6

Run Date: 05/24/2016

(MASS) Serial Register Page

06/21/2011	933	TRF OPER RGTS APPROVED	EFF 05/01/11;25
06/21/2011	933	TRF OPER RGTS APPROVED	EFF 05/01/11;26
06/21/2011	933	TRF OPER RGTS APPROVED	EFF 05/01/11;27
06/21/2011	933	TRF OPER RGTS APPROVED	EFF 05/01/11;28
06/21/2011	933	TRF OPER RGTS APPROVED	EFF 05/01/11;29
06/21/2011	933	TRF OPER RGTS APPROVED	EFF 05/01/11;30
06/21/2011	933	TRF OPER RGTS APPROVED	EFF 05/01/11;7
06/21/2011	933	TRF OPER RGTS APPROVED	EFF 05/01/11;8
06/21/2011	933	TRF OPER RGTS APPROVED	EFF:05/01/11;9
06/21/2011	974	AUTOMATED RECORD VERIF	MJD
07/12/2011	139	ASGN APPROVED	EFF 05/01/11;
07/12/2011	974	AUTOMATED RECORD VERIF	MV
08/10/2011	933	TRF OPER RGTS APPROVED	EFF 06/01/11;
08/10/2011	974	AUTOMATED RECORD VERIF	MV
11/11/2011	624	RLTY REDUCTION FILED	
03/01/2012	246	LEASE COMMITTED TO CA	/4/NMNM129231;SUBM 11
03/01/2012	246	LEASE COMMITTED TO CA	/5/NMNM129933;SUBM 10
03/01/2012	246	LEASE COMMITTED TO CA	NM NML29991;
06/19/2012	940	NAME CHANGE RECOGNIZED	POGO/XP
11/11/2012	658	MEMO OF 1ST PROD-ACTUAL	/4/NMNM129231;
11/12/2012	643	PRODUCTION DETERMINATION	/5/
11/12/2012	658	MEMO OF 1ST PROD-ACTUAL	/5/NMNM129933;
10/13/2013	530	RLTY RATE - 12 1/2%	YESO FM;/C/
10/13/2013	625	RLTY REDUCTION APPV	EFF 10/07/06;/C/
01/05/2015	940	NAME CHANGE RECOGNIZED	SOUTHWESTERN/SWN;
07/07/2015	899	TRF OF ORR FILED	3

Serial Number: NMLC-- 0 028731B

Line Nr	Remarks
0003	10/01/2001 - MARBOB ENE CORP - NM2056 SW/NM
0004	/A/ AC 534 RLTY RATE-SLIDING SCH D EFF 6/29/1934
0005	THRU 12/31/1959
0006	/B/ THE OPERATOR MUST USE THE PRODUCTION HISTORY
0007	FROM THE 1ST CLAIM YEAR IN ORDER TO CALCULATE A
0008	SUBSEQUENT REDUCTION IN THE ESTABLISHED STRIPPER
0009	REDUCED ROYALTY RATE TO BE USED DURING THE 2ND CLAIM
0010	YEAR.
0011	BONDED OPERATORS/LESSEES
0012	06/26/2003 - MARBOB ENE CORP - NM2056 SW/NM
0013	04/10/2006 - MARBOB BONDED LESSEE NM2056/SW
0014	04/25/2007 -LOBOS ENERGY PARTNERS LLC NMB000260 S/W;
0015	06/17/2011 - COG OPERTATING
0016	10/13/2013 /C/ACT OF 08/08/1976 ROYALTY REDUCTION
0017	RLTY 12.5% FOR T. 17 S., R. 29 E., SEC 14, NENE IN
0018	THE YESO FORMATION ONLY.

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

Run Time: 12:39 PM

Page 1 of 2

Run Date: 04/29/2016

01 02-25-1920;041STAT0437;30USC226

Case Type 311111: O&G LSE NONCOMP PUB LAND
Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED

Total Acres Serial Number
160.000 NMLC-- 0 068722

Serial Number: NMLC-- 0 068722

Name & Address			Int Rel	% Interest
ALAMO RESOURCES II LLC	820 GESSNER SUTE 1650	HOUSTON TX 77024	OPERATING RIGHTS	0 00000000
MACK C CHASE TRUSTEE	PO BOX 693	ARTESIA NM 88210	OPERATING RIGHTS	0 00000000
MACK ENERGY CORP	PO BOX 960	ARTESIA NM 88211	OPERATING RIGHTS	0.00000000
SLAYTON PAUL	BOX 2035	ROSWELL NM 882022035	LESSEE	100 00000000

Serial Number: NMLC-- 0 068722

Mer Twp	Rng	Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23	01705	0290E	010	ALIQ	W2W2.	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMLC-- 0 068722

Act Date	Code	Action	Action Remark	Pending Office
08/16/1948	124	APLN RECD		
08/30/1949	237	LEASE ISSUED		
09/01/1949	496	FUND CODE	05;145003	
09/01/1949	530	RLTY RATE - 12 1/2%		
09/01/1949	868	EFFECTIVE DATE		
11/06/1956	650	HELD BY PROD - ACTUAL	/1/	
11/06/1956	658	MEMO OF 1ST PROD-ACTUAL	/1/	
03/28/1957	102	NOTICE SENT-PROD STATUS		
06/18/1987	963	CASE MICROFILMED/SCANNED	CNUM 101,423 DS	
05/26/1988	140	ASGN FILED	FEATHERSTONE/SLAYTON	
06/20/1988	139	ASGN APPROVED	EFF 06/01/88;	
05/25/1990	932	TRF OPER RGTS FILED	AMCO PROD/MACK ENE	
07/24/1990	933	TRF OPER RGTS APPROVED	EFF 06/01/90;	
03/02/1992	933	TRF OPER RGTS APPROVED	EFF 12/01/91;	
10/01/1992	621	RLTY RED-STRIPPER WELL	2.1%;/1/	
02/10/1993	625	RLTY REDUCTION APPV	/1/	
04/07/1993	909	BOND ACCEPTED	EFF 04/05/93;NM2151	
03/24/1995	932	TRF OPER RGTS FILED	MACK ENERGY/CHASE TR	
06/08/1995	933	TRF OPER RGTS APPROVED	EFF 04/01/95;	
02/01/2002	621	RLTY RED-STRIPPER WELL	1.3%;/2/	
04/01/2003	621	RLTY RED-STRIPPER WELL	1.3%;/3/	
04/08/2003	625	RLTY REDUCTION APPV	/2/	
09/07/2004	625	RLTY REDUCTION APPV	/3/	
11/08/2004	974	AUTOMATED RECORD VERIF	BCO	
01/09/2006	932	TRF OPER RGTS FILED	MACK C &/HANSON WA;1	
02/16/2006	933	TRF OPER RGTS APPROVED	EFF 02/01/06;	
02/16/2006	974	AUTOMATED RECORD VERIF	ANN	
12/15/2007	246	LEASE COMMITTED TO CA	CA NM120425	
08/05/2008	932	TRF OPER RGTS FILED	WARREN ET/DORAL ENE;1	
09/30/2008	933	TRF OPER RGTS APPROVED	EFF 09/01/08;	
09/30/2008	974	AUTOMATED RECORD VERIF	MV	
06/28/2010	932	TRF OPER RGTS FILED	DORAL ENE/ALAMO RES;1	
08/17/2010	933	TRF OPER RGTS APPROVED	EFF 07/01/10;	

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

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

Run Time: 12:41 PM

Page 1 of 1

Run Date: 04/29/2016

01 02-25-1920;041STAT0437;30USC181ETSEQ
Case Type 312011: O&G LSE COMP PUBLIC
Commodity 459: OIL & GAS
Case Disposition: AUTHORIZED

Total Acres 160.000
Serial Number NMNM-- - 125007

Serial Number: NMNM-- - 125007

Name & Address			Int Rel	% Interest
COG OPERATING LLC	600 WILLINOIS AVE	MIDLAND TX 797014882	OPERATING RIGHTS	0.000000000
COG OPERATING LLC	600 WILLINOIS AVE	MIDLAND TX 797014882	LESSEE	95.000000000
CONCHO OIL & GAS LLC	600 WILLINOIS AVE. ONE CONCHO CE	MIDLAND TX 797014882	LESSEE	5.000000000

Serial Number: NMNM-- - 125007

Mer Twp	Rng	Sec	STyp	SNr Suf	Subdivision	District/Field Office	County	Mgmt Agency
23	01705	0290E	011	ALIQ	NE;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 125007

Act Date	Code	Action	Action Remark	Pending Office
01/11/1955	387	CASE ESTABLISHED		
02/01/1955	496	FUND CODE	05;145003	
02/01/1955	532	RLTY RATE 12.5-25% SCH B		
02/01/1955	868	EFFECTIVE DATE		
07/15/1986	650	HELD BY PROD - ACTUAL		
01/01/2005	209	CASE CREATED BY SEGR	OUT OF NMNM016786;	
01/01/2005	232	LEASE COMMITTED TO UNIT	NMNM111789X;DODD	
06/01/2009	246	LEASE COMMITTED TO CA	NMNM123608	
06/28/2010	974	AUTOMATED RECORD VERIF	SSP	
04/18/2011	140	ASGN FILED	MARBOB EN/COG OPERA;1	
04/18/2011	140	ASGN FILED	MARBOB EN/COG OPERA;2	
04/18/2011	932	TRF OPER RGTS FILED	MARBOB E/COG OPERA;1	
04/18/2011	932	TRF OPER RGTS FILED	MARBOB EN/COG OPERA;1	
04/18/2011	932	TRF OPER RGTS FILED	MARBOB EN/COG OPERA;2	
04/18/2011	932	TRF OPER RGTS FILED	MARBOB EN/COG OPERA;3	
06/24/2011	933	TRF OPER RGTS APPROVED	EFF: 05/01/2011;1	
06/24/2011	933	TRF OPER RGTS APPROVED	EFF: 05/01/2011;2	
06/24/2011	933	TRF OPER RGTS APPROVED	EFF: 05/01/2011;3	
06/24/2011	933	TRF OPER RGTS APPROVED	EFF: 05/01/2011;4	
06/24/2011	974	AUTOMATED RECORD VERIF	MJD	
07/12/2011	139	ASGN APPROVED	EFF 05/01/11;	
07/12/2011	974	AUTOMATED RECORD VERIF	MV	
03/01/2012	246	LEASE COMMITTED TO CA	CA NM129231	
03/01/2012	246	LEASE COMMITTED TO CA	CA NM129991	

Serial Number: NMNM-- - 125007

Line Nr	Remarks
0001	06/24/2011 - OPERATOR BONDED - COG OPERATING

Submarine 10 Federal Com 4H Battery Notices

December 10, 2012

Carol Sanford Garrett
1712 S. Jackson
Amarillo, TX 79102

Certified Mail Article Number: 91 7199 9991 7030 4044 9241

Re: Notice of Surface Commingle

Carol Sanford Garrett,

This letter will serve as notice under Rule 104.F (3) that COG Operating LLC has requested administrative approval from the Oil Conservation Division in Santa Fe, NM for surface commingling of the following wells:

Production from the north half of Section 10 and the north half of Section 11 to be gathered at Submarine 10 Federal Com 4H CTB, separate well test to be conducted for each well.

Submarine 10 Fed Com 1H Eddy County, NM API # pending Surface: 460 FNL & 285 FEL, Sec 10 T17S, R29E, Unit A	Submarine 10 Fed Com 2H Eddy County, NM API # 30-015-40358 Surface: 945 FNL & 15 FEL, Sec 10 T17S, R29E, Unit A
Submarine 10 Fed Com 3H Eddy County, NM API # 30-015-40543 Surface: 1605 FNL & 85 FEL, Sec 10 T17S, R29E, Unit H	Submarine 10 Fed Com 4H Eddy County, NM API # 30-015-40545 Surface: 2285 FNL 40 FEL, Sec 10 T17S, R29E, Unit H
Submarine 11 Fed Com 1H Eddy County, NM API # pending Surface: 330 FNL & 10 FWL, Section 11 T17S, R29E, Unit D	Submarine 11 Fed Com 2H Eddy County, NM API # 30-015-40359 Surface: 945 FNL & 155 FWL, Section 11 T17S, R29E, Unit D
Submarine 11 Fed Com 3H Eddy County, NM API # 30-015-40546 Surface: 1605 FNL & 85 FWL, Section 11 T17S, R29E, Unit E	Submarine 11 Fed Com 4H Eddy County, NM API # 30-015-40360 Surface: 2285 FNL & 130 FWL, Section 11 T17S, R29E, Unit E

Should your company have any objection to this notice. The Division Director may approve or disapprove as has been made within the 20 days a

Please contact me at 432-221-0467

Sincerely,

Brian Maiorino
Regulatory Analyst
COG Operating LLC

Attachments: Surface Map

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:

Carol Sanford Garrett
1712 S. Jackson
Amarillo, TX 79102

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent
 Addressee

Carol Sanford Garrett

B. Received by (Printed Name) C. Date of Delivery

Carol Sanford Garrett *12-20-12*

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

3. Service Type

Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

December 10, 2012

Paul Slayton
PO Box 2035
Roswell, NM 88201

Certified Mail Article Number: 91 7199 9991 7030 4044 9265

Re: Notice of Surface Commingle

Paul Slayton,

This letter will serve as notice under Rule 104.F (3) that COG Operating LLC has requested administrative approval from the Oil Conservation Division in Santa Fe, NM for surface commingling of the following wells:

Production from north half of Section 10 and north half of Section 11 to be gathered at Submarine 10 Federal Com 4H CTB, separate well test to be conducted for each well.

Submarine 10 Fed Com 1H Eddy County, NM API # pending Surface: 460 FNL & 285 FEL, Sec 10 T17S, R29E, Unit A	Submarine 10 Fed Com 2H Eddy County, NM API # 30-015-40358 Surface: 945 FNL & 15 FEL, Sec 10 T17S, R29E, Unit A
Submarine 10 Fed Com 3H Eddy County, NM API # 30-015-40543 Surface: 1605 FNL & 85 FEL, Sec 10 T17S, R29E, Unit H	Submarine 10 Fed Com 4H Eddy County, NM API # 30-015-40545 Surface: 2285 FNL 40 FEL, Sec 10 T17S, R29E, Unit H
Submarine 11 Fed Com 1H Eddy County, NM API # pending Surface: 330 FNL & 10 FWL, Section 11 T17S, R29E, Unit D	Submarine 11 Fed Com 2H Eddy County, NM API # 30-015-40359 Surface: 945 FNL & 155 FWL, Section 11 T17S, R29E, Unit D
Submarine 11 Fed Com 3H Eddy County, NM API # 30-015-40546 Surface: 1605 FNL & 85 FWL, Section 11 T17S, R29E, Unit E	Submarine 11 Fed Com 4H Eddy County, NM API # 30-015-40360 Surface: 2285 FNL & 130 FWL, Section 11 T17S, R29E, Unit E

SENDER: COMPLETE THIS SECTION

Should your company have any objection. The Division Director may approval has been made within the 20 days after

Please contact me at 432-221-0467

Sincerely,

Brian Maiorino
Regulatory Analyst
COG Operating LLC

Attachments: Surface Map

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

1. Article Addressed to:

Paul Slayton
PO Box 2035
Roswell, NM 88201

COMPLETE THIS SECTION OF DELIVERY

A. Signature
 June Andrews Agent
 Address

B. Received by (Printed Name) *June Andrews* C. Date of Delivery *12/24/12*

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No
Box 2035

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

91 7199 9991 7030 4044 9265

December 10, 2012

Barbara Ann Quail Malone
4424 80th Street
Lubbock, TX 79424

Certified Mail Article Number: 91 7199 9991 7030 4044 9258

Re: Notice of Surface Commingle

Barbara Ann Quail Malone,

This letter will serve as notice under Rule 104.F (3) that COG Operating LLC has requested administrative approval from the Oil Conservation Division in Santa Fe, NM for surface commingling of the following wells:

Production from the north half of Section 10 and the north half of Section 11 to be gathered at Submarine 10 Federal Com 4H CTB, separate well test to be conducted for each well.

Submarine 10 Fed Com 1H
Eddy County, NM
API # pending
Surface: 460 FNL & 285 FEL, Sec 10
T17S, R29E, Unit A

Submarine 10 Fed Com 2H
Eddy County, NM
API # 30-015-40358
Surface: 945 FNL & 15 FEL, Sec 10
T17S, R29E, Unit A

Submarine 10 Fed Com 3H
Eddy County, NM
API # 30-015-40543
Surface: 1605 FNL & 85 FEL, Sec 10
T17S, R29E, Unit H

Submarine 10 Fed Com 4H
Eddy County, NM
API # 30-015-40545
Surface: 2285 FNL 40 FEL, Sec 10
T17S, R29E, Unit H

Submarine 11 Fed Com 1H
Eddy County, NM
API # pending
Surface: 330 FNL & 10 FWL, Section 11
T17S, R29E, Unit D

Submarine 11 Fed Com 2H
Eddy County, NM
API # 30-015-40359
Surface: 945 FNL & 155 FWL, Section 11
T17S, R29E, Unit D

Submarine 11 Fed Com 3H
Eddy County, NM
API # 30-015-40546
Surface: 1605 FNL & 85 FWL, Section 11
T17S, R29E, Unit E

Submarine 11 Fed Com 4H
Eddy County, NM
API # 30-015-40360
Surface: 2285 FNL & 130 FWL, Section 11

SENDER COMPLETE THIS SECTION

COMPLETE THIS SECTION ON DELIVERY

Should your company have any ob notice. The Division Director may has been made within the 20 days

Please contact me at 432-221-046

Sincerely,

Brian Maiorino
Regulatory Analyst
COG Operating LLC

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

1. Article Addressed to:

Barbara Ann Quail Malone
4424 80th Street
Lubbock, TX 79424

A. Signature

X *Bill Malone*

Agent
 Addressee

B. Received by (Printed Name)

Bill Malone

C. Date of Delivery

12-11-12

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

3. Service Type

- Certified Mail Express Mail
- Registered Return Receipt for Merchandise
- Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

Attachments: Surface Map

91 7199 9991 7030 4044 9258

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO
---------	----------	----------	-----------	------	--------

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

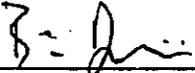
- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]**
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance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

- [1] **TYPE OF APPLICATION - Check Those Which Apply for [A]**
 [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD
- Check One Only for [B] or [C]
 [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR
- [D] Other: Specify _____
- [2] **NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply**
 [A] Working, Royalty or Overriding Royalty Interest Owners
 [B] Offset Operators, Leaseholders or Surface Owner
 [C] Application is One Which Requires Published Legal Notice
 [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] Waivers are Attached

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

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Brian Maiorino  Regulatory Analyst 12/11/12
 Print or Type Name Signature Title Date
 bmaiorino@concho.com
 e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: COG Operating LLC
OPERATOR ADDRESS: One Concho Center, 600 W. Illinois Avenue, Midland, TX 79701
APPLICATION TYPE:
 Pool Commingling Lease Commingling Pool and Lease Commingling Off-Lease Storage and Measurement (Only if not Surface Commingled)
LEASE TYPE: Fee State Federal

Is this an Amendment to existing Order? Yes No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
 Yes No

(A) POOL COMMINGLING
Please attach sheets with the following information

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

(2) Are any wells producing at top allowables? Yes No
(3) Has all interest owners been notified by certified mail of the proposed commingling? Yes No.
(4) Measurement type: Metering Other (Specify)
(5) Will commingling decrease the value of production? Yes No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING
Please attach sheets with the following information

(1) Pool Name and Code: Dodd, Glorieta-Yeso (979170), Grayburg Jackson, SR, Q, G, SA (28509)
(2) Is all production from same source of supply? Yes No
(3) Has all interest owners been notified by certified mail of the proposed commingling? Yes No
(4) Measurement type: Metering Other (Specify)

(C) POOL and LEASE COMMINGLING
Please attach sheets with the following information

(1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT
Please attached sheets with the following information

(1) Is all production from same source of supply? Yes No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)
Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief
SIGNATURE: B. Maiorino TITLE: Regulatory Analyst DATE: 12/11/12
TYPE OR PRINT NAME: Brian Maiorino TELEPHONE NO.: 432-221-0467
E-MAIL ADDRESS: bmaiorino@concho.com

**Bureau of Land Management
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

**Submarine 10 Fed Com 1H 3001541300 CA-NM129933, Submarine 10 Fed Com 2H 3001540358 CA- NM129933,
Submarine 10 Fed Com 3H 3001540543 CA-NM130988, Submarine 10 Fed Com 4H 3001540545 CA-NM130988,
Submarine 11 Fed Com 1H 3001541301 CA-NM129231, Submarine 11 Fed Com 2H 3001540359 CA-NM129231,
Submarine 11 Fed Com 3H 3001540546 CA-NM129991, Submarine 11 Fed Com 4H 3001540360 CA-NM129991**

COG Production LLC

July 26, 2016

Condition of Approval

Commingling of CA production and off-CA Storage, Measurement, & Sales of Production

1. This approval is subject to like approval by the New Mexico Oil Conservation Division.
2. This agency shall be notified of any spill or discharge as required by NTL-3A.
3. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
4. This approval does not constitute right-of-way approval for any off-lease activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.
5. Approval for combining production from various sources is a privilege which is granted to lessees for the purpose of aiding conservation and extending the economic life of leases. Applicants should be cognizant that failure to operate in accordance with the provisions outlined in the Authorized Officer's conditions of approval and/or subsequent stipulations or modifications will subject such approval to revocation.
6. Gas measurement for allocation must be measured as per Onshore Order #5 and API regulations for sales meters.
7. All gas and oil subject to royalty shall be measured as per federal regulations and shall be reported to ONRR as required. All gas which is vented, flared or used on lease shall be reported as per NTL-4A to ONRR. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer.
8. This agency shall be notified of any change in sales method or location of sales point.
9. Additional wells and/or leases/CA require additional commingling approvals.
10. Notify this office 24 Hrs. prior to any meter proving to allow time for an inspector to witness.
11. If any wells are added to Lease NM125007 or if a well which is presently on Lease NM125007 is recompleted into another zone. This approval will no-longer be valid until it has been reevaluated and the royalty rate is determined to still fall under the same 12.5% in which this approval is being approved.