

MF114851

<i>State Lease</i>	<i>Control</i>	<i>Base File</i>	<i>County</i>
MF114851	56-030239		GLASSCOCK

<i>Survey</i>	HIGHWAYS & PUBLIC TRANSPORTATION DE	
<i>Block</i>		
<i>Block Name</i>		
<i>Township</i>		
<i>Section/Tract</i>		
<i>Land Part</i>	SH-158	
<i>Part Description</i>	HIGHWAY RIGHT-OF-WAY	
<i>Acres</i>	21.2	
<i>Depth Below</i>	<i>Depth Above</i>	<i>Depth Other</i>
		See Lease

<i>Name</i>	COG OPERATING LLC
<i>Lease Date</i>	4/2/2013
<i>Primary Term</i>	3 yrs
<i>Bonus (\$)</i>	\$6,360.00
<i>Rental (\$)</i>	\$0.00
<i>Lease Royalty</i>	0.2500

*Leasing:* \_\_\_\_\_

*Analyst:* \_\_\_\_\_

*Maps:* \_\_\_\_\_

*GIS:*     *W*    

*DocuShare:* \_\_\_\_\_

F1089957

M

F

1

1

4

8

5

1

CONTENTS OF FILE NO. MF- 114851

1. Application & checklist	2/27/13	(22) Unit 7653 Request to commingle 8/15/14
2. OIL & GAS LEASE	4/3/12	(23) Request to commingle
3. Cover letter, bonus, fees	2/27/13	Units 6814, 6815, 6785 8/25/14
4. Plat	2/27/13	(24) Agree to commingle
5. Affidavit of Highest Consideration	2/27/13	Units 6814, 6815, 6785, 7653 8/15/14
6. Source Deed Records	2/27/13	scanned PJ 11-1-16
7. Adjacent lease schedule	2/27/13	
8. Final letter	4/23/13	
9. Assignment #9050, COG Operating to Teknor Tech	12.18.13	
10. Assignment #9051, COG Operating to Chevron Midcontinent	12.18.13	
11. Amended Unit 6785 agreement/ attachments	3/27/14 L	
12. Unit 6814 agreement/ attachments	4/14/14 L	
13. Unit 6815 agreement/ attachments	4/14/14 L	
14. W-2 Currie "A" State # 4508 173-36253	6/9/14 L	
Scanned sm 5/17/15		
15. DIVISION order	4-1-14	
16. RRC FORMS 173-35858	11-4-13	
17. DIVISION order	6-24-15	
18. Division Order	7/24/15	
19. Unit 7653 Agreement/ attachments	9/3/15 L	
scanned PJ 10-26-15		
20. Oil + Gas lease Recorded	10-27-15	
21. DIVISION ORDER	5-20-16	
scanned PJ 7-22-16		



Replaces 112866  
See 112866 for deed records

GLO USE ONLY  
STATE LEASE  
MF-112866

H

RECEIVED  
2/27/13

114851

APPLICATION & CHECKLIST FOR HIGHWAY RIGHT OF WAY LEASE

Revised Sept 2011

LESSEE COG Operating LLC

ADDRESS One Concho Center, 600 West Illinois Avenue, Midland, TX 79701

[Lessee name and address must be written as they will appear on the Lease.]

HIGHEST ADJACENT BONUS PER ACRE PAID \$ 300.00 NET ACRES 21.2

TOTAL CONSIDERATION TO COMMISSIONER OF GENERAL LAND OFFICE

\$ 6,360.00 Paid 1-27-2013 \$ 95.40 Paid 2/27/13  
[bonus amount] [date] [sales fee] [date]

TERM [General Land Office will determine the Term based on remaining term of adjacent leases] ~~10/6/2015~~ 3 years

HIGHEST ADJACENT LEASE ROYALTY RATE 1/4

HIGHEST ADJACENT LEASE SHUT-IN ROYALTY \$40.00/acre (\$1200/well)  
[Note: Shut-in royalty will be highest in adjacent leases with a minimum of \$1200/well.]

TOTAL GROSS ACRES IN PROPOSED LEASE 21.2 TOTAL NET ACRES IN PROPOSED LEASE 21.2

COUNTY Glasscock

ALL NAMES OF ROAD/HIGHWAY/STREET BEING LEASED:  
State Highway 158 (SH-158)

FULL DESCRIPTION [Abstract, Block, Township, Section]  
4.9 acres in SW/4 Section 40, A-794, Block 32, T-4-S, T&P RY. Co. Survey, and 16.3 acres in N/2 and SE/4 Section 45, A-84, Block 32, T-4-S, T&P RY. Co. Survey

Do you control all minerals or leasehold adjacent to the highway/roadway? Yes  No   
If no, what percent of minerals or leasehold adjacent to the roadway do you control? \_\_\_\_\_

Is the highway/roadway on Relinquishment Act Lands? Yes  No

The second page of this Application is a Checklist that must be filled out and all items furnished before a Highway Right of Way Lease will be prepared.

For questions:  
George Martin  
Texas General Land Office  
1700 N Congress  
Austin TX 78701  
512-475-1512  
[george.martin@glo.texas.gov](mailto:george.martin@glo.texas.gov)

Section 40, Block 32,  
T-4S, T&P Ry Co.  
Survey, A-794, and Section 45,  
Block 32, T-4S,  
T. & P. Ry. Co. Survey,  
A-84

File No. MF 114851

Application ~~checklist~~

Date Filed: 2/27/13

Jerry E. Patterson, Commissioner

By J.E.P.

*[Faint handwritten notes and stamps at the top of the page]*

*[Faint handwritten text in the middle of the page]*

*[Faint handwritten notes at the bottom of the page]*

# The State of Texas



## Austin, Texas

PAID-UP  
OIL AND GAS LEASE NO. (MF 114851)  
GENERAL LAND OFFICE  
AUSTIN, TEXAS

THIS AGREEMENT made and entered into by and between the Commissioner of the General Land Office of the State of Texas, whose address is Stephen F. Austin Building, 1700 North Congress, Austin, Texas, 78701, hereinafter called "Lessor", hereunto authorized by the School Land Board, pursuant to the provisions of Chapters 32 and 52 of the Natural Resources Code (hereinafter called N.R.C.), and amendments thereto, and all applicable rules promulgated by the School Land Board and **COG Operating, LLC**, whose address is **600 West Illinois Ave., Midland, TX 79701** hereinafter called "Lessee".

1. Lessor, in consideration of **Six Thousand Three Hundred Sixty and 00/100 (\$ 6,360.00)**, receipt of which is hereby acknowledged, and of the covenants and agreements of Lessee hereinafter contained, does hereby grant, lease, and let unto Lessee the land covered hereby for the purposes and with the exclusive right of exploring, drilling, mining and operating for, producing and owning oil, gas, and all other hydrocarbons, produced from the land covered hereby. The land covered hereby, herein called "said land" is located in the County of **Glasscock**, State of Texas, and is described as follows:

**21.2 acres** of land, more or less, known as, situated in said **Glasscock** County, Texas, more particularly described in Exhibit "A" attached hereto and made a part hereof together with a plat, attached hereto as Exhibit "B", depicting said right-of-way and surrounding area for purposes of illustration only.

For the purpose of determining the amount of any bonus or other payment hereunder, said land shall be deemed to contain **21.2 acres** whether actually containing more or less, and the above recital of acreage shall be deemed to be the true acreage thereof. Lessor accepts the bonus as lump sum consideration for this lease and all rights and options hereunder.

2. PRIMARY TERM: This lease, which is a "paid up" lease requiring no rentals, shall remain in force for a term of **three years**, from **April 3rd, 2013** hereinafter called "primary term", and as long thereafter as operations, as hereinafter defined, are conducted upon said land with no cessation for more than ninety (90) consecutive days.

3. ROYALTIES: As royalty Lessee covenants and agrees:

(a) To deliver to the credit of Lessor, in the pipe line to which Lessee may connect its well, the equal **1/4** part of all oil produced and saved by Lessee from said land, or from time to time, at the option of Lessee, to pay Lessor the average posted market price of such **1/4** part of such oil at the wells as of the day it is run to the pipe line or storage tanks, Lessor's interest, in either case, to bear none of the cost of treating oil to render it marketable pipe line oil;

(b) To pay Lessor on gas and casing head gas produced from said land (1) when sold by lessee  $\frac{1}{4}$  of the amount realized by Lessee, computed at the mouth of the well, or (2) when used by Lessee off said land or in the manufacture of gasoline or other products, the market value, at the mouth of the well, of  $\frac{1}{4}$  of such gas and casing head gas.

(c) If, at the expiration of the primary term or at any time or times thereafter, there is any well on said land or on lands with which said land or any portion thereof has been pooled, capable of producing oil or gas, and all such wells are shut-in, this lease shall, nevertheless, continue in force as though operations were being conducted on said land for so long as said wells are shut-in, and thereafter this lease may be continued in force as if no shut-in had occurred

(d) Lessee covenants and agrees to use reasonable diligence to produce, utilize, or market the minerals capable of being produced from said wells, but in the exercise of such diligence, Lessee shall not be obligated to install or furnish facilities other than well facilities and ordinary lease facilities of flow lines, separator, and lease tank, and shall not be required to settle labor trouble or to market gas upon terms unacceptable to Lessee.

(e) If at any time or times after the expiration of the primary term, all such wells are shut-in for a period of ninety consecutive days, and during such time there are no operations on said land, then at or before the expiration of said ninety day period, lessee shall pay or tender, by check of lessee, as royalty, the sum of **\$ 1,200.00 per well**. Lessee shall make like payments or tenders at or before the end of each anniversary of the expiration of said ninety day period if upon such anniversary this lease is being continued in force solely by reason of the provisions of this paragraph. Each such payment or tender shall be made to the parties who at the time of payment would be entitled to receive the royalties which would be paid under this lease if the wells were producing. Nothing herein shall impair lessee's right to release as provided in paragraph 5 hereof. In the event of assignment of this lease in whole or in part, liability for payment hereunder shall rest exclusively on the then owner or owners of this lease, severally as to acreage owned by each.

(f) All royalties not taken in kind shall be paid to the Commissioner of the General Land Office at Austin, Texas, in the following manner:

Royalty on oil is due and must be received in the General Land Office on or before the 5th day of the second month succeeding the month of production, and royalty on gas is due and must be received in the General Land Office on or before the 15th day of the second month succeeding the month of production, accompanied by the affidavit of the owner, manager, or other authorized agent, completed in the form and manner prescribed by the General Land Office and showing the gross amount and disposition of all oil and gas produced and the market value of the oil and gas, together with a copy of all documents, records or reports confirming the gross production, disposition and market value including gas meter readings, pipeline receipts, gas line receipts and other checks or memoranda of amount produced and put into pipelines, tanks, or pools and gas lines or gas storage, and any other reports or records which the General Land Office may require to verify the gross production, disposition and market value. In all cases the authority of a manager or agent to act for the Lessee herein must be filed in the General Land Office. Each royalty payment shall be accompanied by a check stub, schedule, summary or other remittance advice showing by the assigned General Land Office lease number the amount of royalty being paid on each lease. If Lessee pays his royalty on or before thirty (30) days after the royalty payment was due, the Lessee owes a penalty of 5% on the royalty or \$25.00, whichever is greater. A royalty payment which is over thirty (30) days late shall accrue a penalty of 10% of the royalty due or \$25.00, whichever is greater. In addition to a penalty, royalties shall accrue interest at a rate of 12% per year; such interest will begin accruing when the royalty is sixty (60) days overdue. Affidavits and supporting documents which are not filed when due shall incur a penalty in an amount set by the General Land Office administrative rule which is effective on the date when the affidavits or supporting documents were due. The Lessee shall bear all responsibility for paying or causing royalties to be paid as prescribed by the due date provided herein. Payment of the delinquency penalty shall in no way operate to prohibit the State's right of forfeiture as provided by law nor act to postpone the date on which royalties were originally due. The above penalty provisions shall not apply in cases of title dispute as to the State's portion of the royalty or to that portion of the royalty in dispute as to fair market value. The State shall have first lien upon all oil and gas produced from the area covered by this lease to secure the payment of all unpaid royalty and other sums of money that may become due to the State hereunder.

4. POOLING: (a) Lessee is hereby granted the right, at its option, to pool or unitize any land covered by this lease with any other land covered by this lease, and/or with any other land, lease, or leases, as to any or all minerals or horizons. Units pooled for oil hereunder shall not exceed 160 acres each in area, and units pooled for gas hereunder shall not exceed in area 640 acres each plus a tolerance often percent (10%) thereof, unless oil or gas units of a greater size are allowed under or prescribed by rules of the Railroad Commission of Texas. A unit established hereunder shall be valid

and effective for all purposes of this lease even though there may be mineral, royalty, or leasehold interests in lands within the unit, which are not effectively pooled or unitized. Any operations conducted on any part of such unitized land shall be considered, for all purposes, except the payment of royalty, as operations conducted upon said land under this lease. There shall be allocated to the land covered by this lease within each such unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) the proportion of the total production of unitized minerals from the unit, after deducting any used in lease or unit operations, which the number of surface acres in such land (or in each such separate tract) covered by this lease within the unit bears to the total number of surface acres in the unit, and the production so allocated shall be considered for all purposes, including payment or delivery of royalty, overriding royalty and any other payments out of production, to be the entire production of unitized minerals from the land to which allocated in the same manner as though produced there from under the terms of this lease. The owner of the reversionary estate of any term royalty or mineral estate agrees that the accrual of royalties pursuant to this paragraph or of shut-in royalties from a well on the unit shall satisfy any limitation of term requiring production of oil or gas. The formation of any unit hereunder which includes land not covered by this lease shall not have the effect of exchanging or transferring any interest under this lease (including, without limitation, any shut-in royalty which may become payable under this lease) between parties owning interests in land covered by this lease and parties owning interests in land not covered by this lease. Neither shall it impair the right of Lessee to release as provided in paragraph 5 hereof, except that Lessee may not so release as to lands within a unit while there are operations thereon for unitized minerals unless all pooled leases are released as to lands within the unit. At any time while this lease is in force Lessee may dissolve any unit established hereunder by filing for record in the public office where this lease is recorded a declaration to that effect, if at that time no operations are being conducted thereon for unitized minerals. Subject to the provisions of this paragraph 4, a unit once established hereunder shall remain in force for so long as any lease subject thereto shall remain in force. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool or unitize as provided in this paragraph 4 with consequent allocation of production as herein provided. As used in this paragraph 4, the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises.

(b) Neither unit production of oil or gas, nor unit operations, nor payment of shut-in royalties from a unit gas well, shall serve to hold the lease in force as to any area outside the unit, regardless of whether the production, maintenance of a shut-in gas well, or operations are actually located on the State tract or not.

(c) Lessee agrees to file with the General Land Office a copy of any unit designation, which this lease is included within ninety (90) days of such designation.

5. RELEASE: Lessee may relinquish the rights granted hereunder to the State at any time by recording the relinquishment in the county where this area is situated and filing the recorded relinquishment or certified copy of same in the General Land Office within ninety (90) days after its execution accompanied by the prescribed filing fee. Such relinquishment will not have the effect of releasing Lessee from any liability theretofore accrued in favor of the State.

6. REWORK: If at any time or times during the primary term operations are conducted on said land and if all operations are discontinued, this lease shall thereafter terminate at the end of the primary term or on the ninetieth day after discontinuance of all operations, whichever is the later date, unless on such later date either (1) Lessee is conducting operations or (2) the shut-in well provisions of paragraph 3 or the provisions of paragraph 9 are applicable. Whenever used in this lease the word "operations" shall mean operations for and any of the following: drilling, testing, completing, reworking, recompleting, deepening, plugging back or repairing of a well in search for or in an endeavor to obtain production of oil or gas, or production of oil or gas in paying quantities.

7. MINERAL USE: Lessee shall have the use, free from royalty, of oil and gas produced from said land in all operations hereunder.

8. NOTICE: In the event Lessor considers that Lessee has not complied with all its obligations hereunder, both express and implied, Lessor shall notify Lessee in writing, setting out specifically in what respects Lessee has breached this contract. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all

or any part of the breaches alleged by Lessor. The service of said notice shall be precedent to the bringing of any action by Lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on Lessee. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform all its obligations hereunder. If this lease is canceled for any cause, it shall nevertheless remain in force and effect as to (1) sufficient acreage around each well as to which there are operations to constitute a drilling or maximum allowable unit under applicable governmental regulations, (but in no event less than forty acres), such acreage to be designated by Lessee as nearly as practicable in the form of a square centered at the well, or in such shape as then existing spacing rules require; and (2) any part of said land included in a pooled unit on which there are operations.

9. FORCE MAJEURE: If, while this lease is in force, at, or after the expiration of the primary term hereof, it is not being continued in force by reason of the shut-in well provisions of paragraph 3 hereof, and Lessee is not conducting operations on said land by reason of (1) any law, order, rule or regulation, (whether or not subsequently determined to be invalid) or (2) any other cause, whether similar or dissimilar, (except financial) beyond the reasonable control of Lessee, the primary term shall be extended until the first anniversary date hereof occurring ninety (90) or more days following the removal of such delaying cause, and this lease may be extended thereafter by operations as if such delay had not occurred.

10. LESSER ESTATE CLAUSE: If this lease covers a less interest in the oil or gas in all or any part of said land than the entire and undivided fee simple estate (whether lessors interest is herein specified or not), or no interest therein, then the royalties, and other monies 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.

11. ASSIGNMENTS: This lease may be transferred at any time. All transfers must reference the lease by file number and must be recorded in the county where the land covered hereby is located, and the recorded transfer or a copy certified to by the County Clerk of the county where the transfer is recorded must be filed in the General Land Office within ninety (90) days of the execution date, as provided by N.R.C. Section 52.026, accompanied by the prescribed filing fee. Every transferee shall succeed to all rights and be subject to all obligations, liabilities, and penalties owed to the State by the original Lessee or any prior transferee of the lease, including any liabilities to the State for unpaid royalties.

12. WELL INFORMATION: Lessee agrees to forthwith furnish Lessor, upon written request, with copies of all drilling logs, electrical logs, cores and core records and other information pertaining to all wells drilled by lessee either on the leased premises or acreage pooled therewith, when requested to do so. Said information shall remain confidential as required by statute.

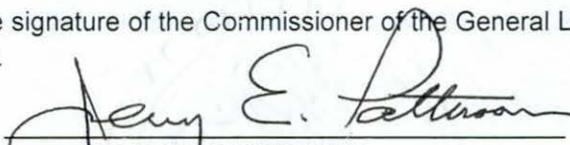
13. SURFACE: Notwithstanding anything herein to the contrary, it is agreed that Lessee will not conduct any exploration or drilling on the surface of the leased premises or use the surface in the exercise of any rights herein granted. Any development of said land shall be by means of a directional well located off the leased premises, or by pooling of said land with other land, lease or leases as hereinabove provided.

14. COMPENSATORY ROYALTY: Lessee shall pay a compensatory royalty if this lease is not being held by production on the leased premises, by production from a pooled unit, or by payment of shut-in royalties in accordance with the terms of this lease, and if oil or gas is sold or delivered in paying quantities from a well located within 2,500 feet of the leased premises and completed in a producible reservoir underlying the area leased hereunder or in any case in which drainage is occurring. Such compensatory royalty shall be paid at the royalty rate provided in this lease based on the value of production from the well as provided in the lease on which such well is located. The compensatory royalty shall be paid in the same proportion that the acreage of this lease has to the acreage of the proration unit surrounding the draining well plus the acreage of this lease. The compensatory royalty shall be paid monthly to the Commissioner of the General Land Office on or before the last day of the month after the month in which the oil or gas is sold and delivered from the well causing the drainage or from the well located within 2500 feet of the leased premises and completed in a producible reservoir under this lease. Notwithstanding anything herein to the contrary, compensatory royalty payable hereunder shall

be no less than an amount equal to double the shut-in, and shall maintain this lease in effect for so long as such payments are made as provided herein.

15. FORFEITURE: If Lessee shall fail or refuse to make payment of any sum within thirty (30) days after it becomes due, or if Lessee or an authorized agent should knowingly make any false return or false report concerning production or drilling, or if Lessee shall fail or refuse to drill any offset well or wells in good faith as required by law and the rules and regulations adopted by the Commissioner of the General Land Office, or if Lessee should fail to file reports in the manner required by law or fail to comply with rules and regulations promulgated by the General Land Office, or refuse the proper authority access to the records pertaining to operations, or if Lessee or an authorized agent should knowingly fail or refuse to give correct information to the proper authority, or knowingly fail or refuse to furnish the General Land Office a correct log of any well, or if this lease is pooled or assigned and the unit designation or assignment is not filed in the General Land Office as required by law, the rights acquired under this lease shall be subject to forfeiture by the Commissioner, and he shall forfeit same when sufficiently informed of the facts which authorize a forfeiture, and when forfeited the area shall again be subject to lease. However, nothing herein shall be construed as waiving the automatic termination of this lease by operations of law or by reason of any special limitation arising hereunder. Forfeitures may be set aside and this lease and all rights there under reinstated before the rights of another intervene upon satisfactory evidence to the Commissioner of the General Land Office of future compliance with the provisions of the law and of this lease and the rules and regulations that may be adopted relative hereto.

IN TESTIMONY WHEREOF, witness the signature of the Commissioner of the General Land Office of the State of Texas under the seal of the General Land Office.


---

JERRY E. PATTERSON  
COMMISSIONER, GENERAL LAND OFFICE

Approved:  
ML:   
DC:   
CC: 

TELEPHONE (432) 684-6728  
FAX (432) 686-1845

STEVEN L. PREWITT  
REGISTERED PROFESSIONAL  
LAND SURVEYOR NO. 5106

**LUCHINI & MERTZ**  
*Land Surveying Co.*  
P.O. BOX 1963  
MIDLAND, TEXAS 79702

*April 18, 2011*

**METES AND BOUNDS DESCRIPTION OF**  
*An Approximate 4.9 Acre Tract out of*  
*Section 40, Block 32, T-4-S,*  
*T. & P. RR. Co.,*  
*Glasscock County, Texas*

*Beginning at a point on the calculated south line of Section 40, Block 32, T-4-S, T. & P. RR. Co. and in the west right-of-way of Highway 158 for the southwest corner of this tract, from which the calculated southwest corner of said Section 40 bears S 75°26'42" W 1006.49 feet;*

*Thence N 46°32'09" W, with the west right-of-way fence of Highway 158, 162.99 feet to a point in the west right-of-way fence of Highway 158 at the beginning of a curve to the left;*

*Thence northwesterly along said curve, having a radius of 5669.58 feet and a central angle of 9°26'00", a distance of 933.46 feet to a point in the west right-of-way fence of Highway 158.*

*Thence N 55°48'58" W, with the west right-of-way fence of Highway 158, 563.57 feet to a point on the calculated west line of said Section 40 and in the west right-of-way fence of Highway 158 for the most northerly southwest corner of this tract;*

*Thence N 14°21'20" W, with the calculated west line of said Section 40, 183.19 feet to a point on the calculated west line of said Section 40 and in the east right-of-way fence of Highway 158 for the most northerly corner of this tract;*

*Thence S 55°42'35" E, with the east right-of-way fence of Highway 158, 702.66 feet to a point in the east right-of-way fence of Highway 158 at the beginning of a curve to the right;*

*Thence southeasterly along said curve, having a radius of 5789.58 feet and a central angle of 9°26'00", a distance of 953.21 feet to a point in the east right-of-way fence of Highway 158.*

*Thence S 45°55'12" E, with the east right-of-way fence of Highway 158, 234.23 feet to a point in the east right-of-way fence and on the calculated south line of said Section 40 for the southeast corner of this tract;*

*Thence S 75°26'42" W, with the calculated south line of said Section 40, 138.48 feet to the point of beginning.*

*LUCHINI & MERTZ*  
*Land Surveying Co.*  
*P.O. BOX 1963*  
*MIDLAND, TEXAS 79702*

*April 18, 2011*

*METES AND BOUNDS DESCRIPTION of*  
*An approximate 16.3 Acre Tract out of*  
*Section 45, Block 32, T-4-S,*  
*T. & P. RR. Co.,*  
*Glasscock County, Texas*

*Beginning at a point on the calculated north line of Section 45, Block 32, T-4-S, T. & P. RR. Co. and in the west right-of-way fence of Highway 158 for the most northwesterly corner of this tract, from which the calculated northwest corner of said Section 45 bears S 75°26'42" W 1006.49 feet;*

*Thence N 75°26'42" E, with the calculated north line of said Section 45, 138.48 feet to a point on the calculated north line of said Section 45 and in the east right-of-way fence of Highway 158 for the most northerly northeast corner of this tract;*

*Thence S 46°37'12" E, with the east right-of-way fence of Highway 158, 2224.88 feet;*

*Thence S 46°14'50" E, with the east right-of-way fence of Highway 158, 259.68 feet;*

*Thence S 49°13'42" E, with the east right-of-way fence of Highway 158, 325.02 feet to a point in the east right-of-way fence of Highway 158 at the beginning of a curve to the left;*

*Thence southeasterly along said curve, having a radius of 2804.79 feet and a central angle of 36°00'00", a distance of 1762.30 feet to a point in the northeast right-of-way of Highway 158;*

*Thence S 82°25'01" E, with the northeast right-of-way fence of Highway 158, 1318.10 feet to a point on the calculated east line of said Section 45, and in the northeast right-of-way fence of Highway 158 for the most southerly northeast corner of this tract;*

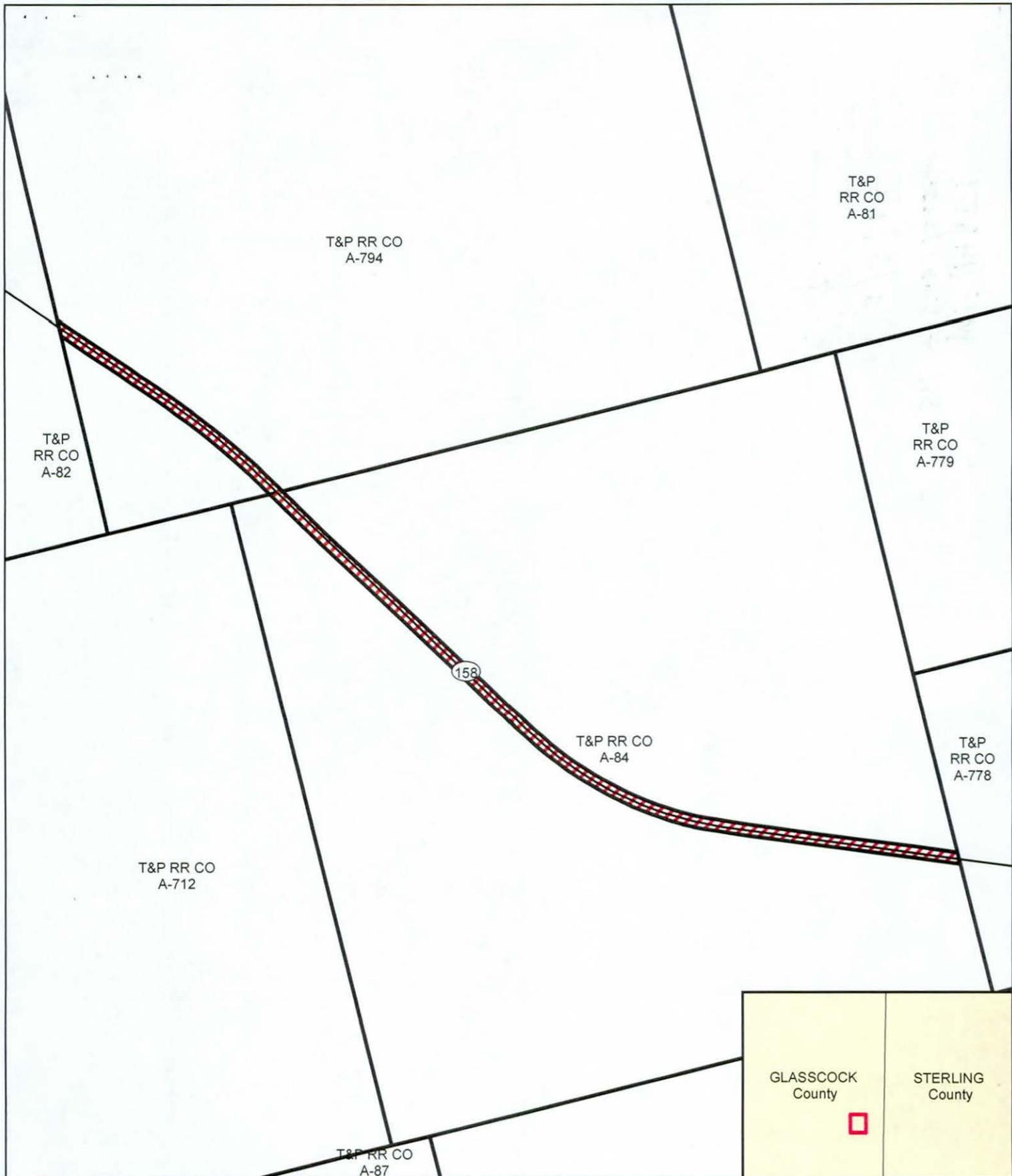
*Thence S 14°21'20" E, with the calculated east line of said Section 45, 129.54 feet to a point on the calculated east line of said Section 45 and in the southwest right-of-way of Highway 158, for the most southerly corner of this tract;*

*Thence N 82°24'23" W, with the southwest right-of-way of Highway 158, 1361.84 feet to a point in the southwest right-of-way fence of Highway 158 at the beginning of a curve to the right;*

*Thence northwesterly along said curve, having a radius of 2924.79 feet and a central angle of 36°00'00", a distance of 1837.70 feet to a point in the west right-of-way fence of Highway 158;*

*Thence N 47°09'02" W, with the west right-of-way fence of Highway 158, 1369.77 feet to a point in the west right-of-way fence of Highway 158;*

*Thence N 46°32'21" W, with the west right-of-way fence of Highway 158, 1517.28 feet to the point of beginning.*



Highway Right-of-Way  
 Plat of SH 158  
 MF114851  
 21.2 acres  
 Glasscock County, Texas



The Texas General Land Office makes no representations or warranties regarding the accuracy or completeness of the information depicted on this map or the data from which it was produced. This map IS NOT suitable for navigational purposes and does not purport to depict or establish boundaries between private and public land.



Map Generated by:  
 Zeke Guillen  
 IS/BAS/GIS  
 March 2013

File No. MF 114851  
Oil + Gas lease

Date Filed: 4/3/12  
Jerry E. Patterson, Commissioner  
By M.A.



February 25, 2013

Commissioner of the General Land Office  
Lease Administration, Attn: George Martin  
1700 North Congress Avenue, Room 1600  
Austin, Texas 78701

**Re: Glass 2 East Prospect**  
**Request for Renewal of Lease No. (MF 112866)**  
**Highway 158 ROW Oil & Gas Lease**  
**Insofar as it covers Highway ROW in Sections 40**  
**and 45, Block 32, T-4-S, T&P RY Co. Survey,**  
**Glasscock County, Texas, containing 21.2 acres,**  
**more or less**

Gentlemen:

This letter is our formal request and application for the renewal of an Oil and Gas Lease No. (MF 112866) from the General Land Office of the State of Texas, insofar as it covers the segments described above of State Highway 158 in Glasscock County, Texas. With this letter, we submit the following:

1. Affidavit by Joe Britt Dutton dated January 29, 2013 stating the two (2) sections of land involved, the total acres involved, the ownership of lands offsetting the highway tracts, the highest bonus paid was \$300.00 per acre, that there is no well capable of producing in paying quantities within 2,500 feet of any portion of the Highway tract and that the lease requested for is not for the purpose of drilling a horizontal well.
2. A land plat showing the acreage applied for highlighted in yellow. This plat also shows our leases on either side of the highway.
3. A surveyor's plats of the highway showing the acreage content which includes Metes and Bounds description by the surveyor of the lands we are requesting a lease.
4. Memorandum of Oil and Gas Lease with a xerox copy of Lease itself covering lands on either side of the highway (certified copy memorandum in your files).
5. Our check No. 0000172322 dated February 7, 2013 in the amount of \$6,360.00 covering \$6,360.00 as bonus consideration (21.2 acres @ \$300.00/acre).
6. Our check No. 0000172321 dated February 7, 2013 in the amount of \$500.00 processing fee.
7. Our check No. 0000172320 dated February 7, 2013 in the amount of \$95.40 as a one and one-half (1 ½) percent statutory sales fee.

Commissioner of the General Land Office  
Page Two  
February 25, 2013

Please issue an Oil and Gas Lease to COG Operating LLC, One Concho Center, 600 West Illinois Avenue, Midland, Texas 79701 as soon as possible.

Thank you for your considering this application of the captioned lease. You may call the undersigned at 432.818.2211 if you need to discuss this offer.

Very truly yours,

**COG OPERATING LLC**

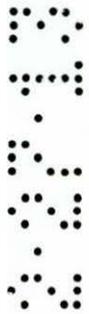


Joe Britt Dutton  
Senior Landman

COG OPERATING LLC  
600 W ILLINOIS AVE  
MIDLAND TX 79701  
(855) 687-8097

Check Number 0000172322

Invoice #	Inv. Date	Description	Amount	Discount	Net Amount
020613B	02/06/2013		6,360.00	0.00	6,360.00



13707093

121

019460	← Vendor	Check Date: 02/07/2013	Check Amount →	<del>6,360.00</del>
--------	----------	------------------------	----------------	---------------------

COG OPERATING LLC  
600 W ILLINOIS AVE  
MIDLAND TX 79701  
(855) 687-8097

Check Number 0000172321

Invoice #	Inv. Date	Description	Amount	Discount	Net Amount
0206-3A	02/06/2013		500.00	0.00	500.00



13707094

121

019460	← Vendor	Check Date: 02/07/2013	Check Amount →	<del>500.00</del>
--------	----------	------------------------	----------------	-------------------

COG OPERATING LLC  
600 W ILLINOIS AVE  
MIDLAND TX 79701  
(855) 687-8097

Check Number 0000172320

Invoice #	Inv. Date	Description	Amount	Discount	Net Amount
020613	02/06/2013		95.40	0.00	95.40



13707095

121  
X

019460	← Vendor	Check Date: 02/07/2013	Check Amount →	95.40
--------	----------	------------------------	----------------	-------

File No. MF 14851  
Cover letter, bonus, fees

Date Filed: 2/27/13  
Jerry E. Patterson, Commissioner

By: J.E.A.

2013

Date to GIS 4-5-13

SLB Date 4-3-12

Approx due date 4-12-13

Lease Number 114851

County GLASSCOCK

Road Name SH-158

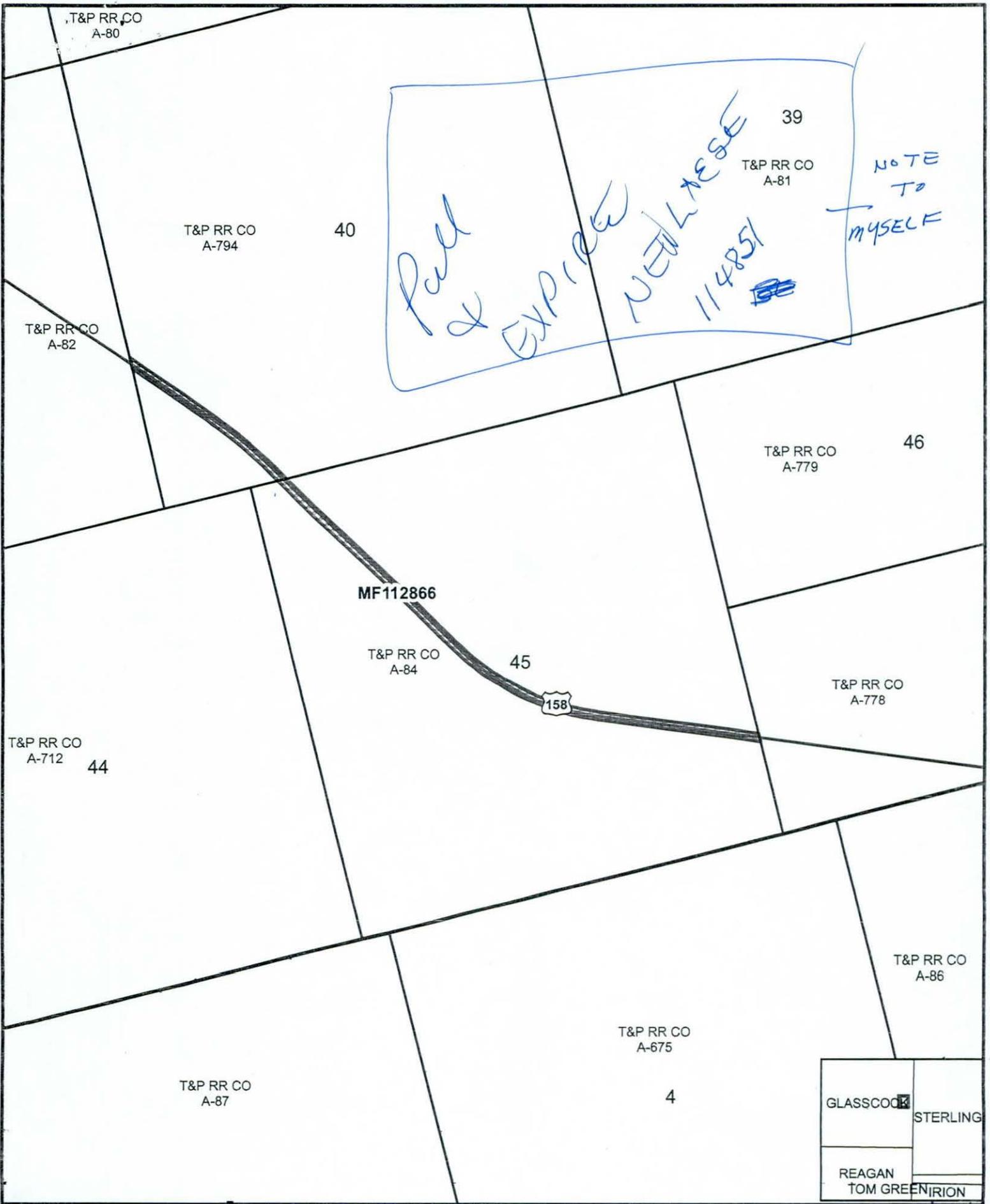
Acreage 21.2

- Abstract
1. Sec 40 Blk 32 - T4S - T4PRy Co A-294
  2. Sec 45 Blk 32 - T4S - T4PRy Co A-84
  3. \_\_\_\_\_
  4. \_\_\_\_\_

Completed by \_\_\_\_\_

T Drive date \_\_\_\_\_

26 



Map Showing a Buffer of  
 SH 158  
 21.2 acres  
 Glasscock County

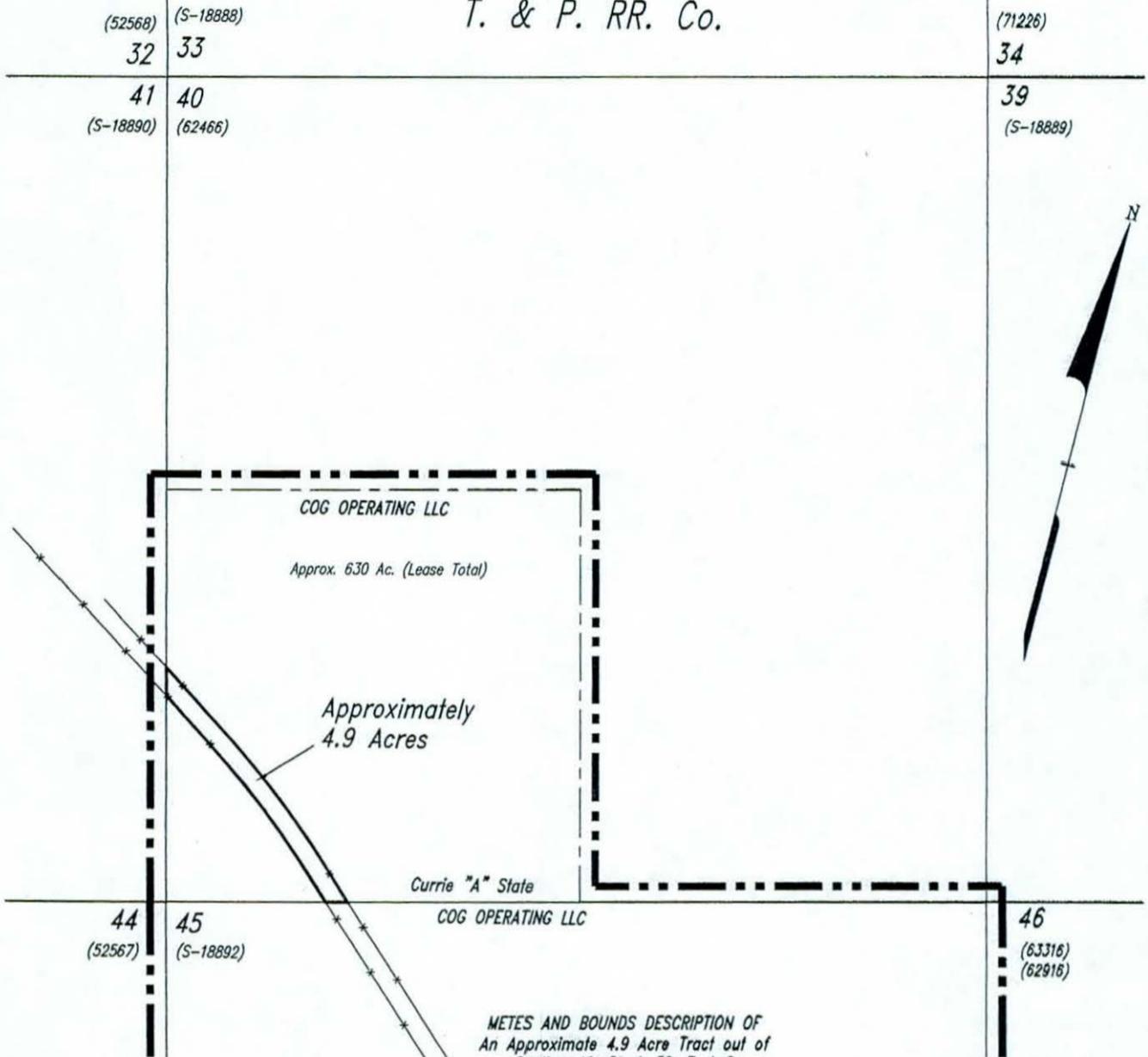


The Texas General Land Office makes no representations or warranties regarding the accuracy or completeness of the information depicted on this map or the data from which it was produced. This map IS NOT suitable for navigational purposes and does not purport to depict or establish boundaries between private and public land.



Map Generated by  
 Zake Gullian  
 IS/BAS/GIS  
 July 17 2011

Block 32, T-4-S,  
T. & P. RR. Co.



METES AND BOUNDS DESCRIPTION OF  
An Approximate 4.9 Acre Tract out of  
Section 40, Block 32, T-4-S,  
T. & P. RR. Co.,  
Glasscock County, Texas

Beginning at a point on the calculated south line of Section 40, Block 32, T-4-S, T. & P. RR. Co. and in the west right-of-way of Highway 158 for the southwest corner of this tract, from which the calculated southwest corner of said Section 40 bears S 75°26'42" W 1006.49 feet;

Thence N 46°32'09" W, with the west right-of-way fence of Highway 158, 162.99 feet to a point in the west right-of-way fence of Highway 158 at the beginning of a curve to the left;

Thence northwesterly along said curve, having a radius of 5669.58 feet and a central angle of 9°26'00", a distance of 933.46 feet to a point in the west right-of-way fence of Highway 158.

Thence N 55°48'58" W, with the west right-of-way fence of Highway 158, 563.57 feet to a point on the calculated west line of said Section 40 and in the west right-of-way fence of Highway 158 for the most northerly southwest corner of this tract;

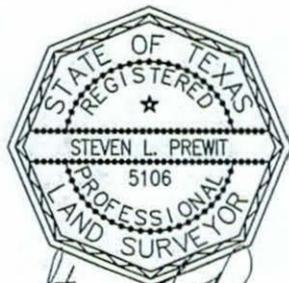
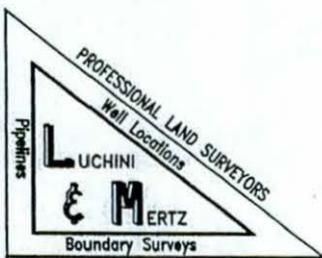
Thence N 14°21'20" W, with the calculated west line of said Section 40, 183.19 feet to a point on the calculated west line of said Section 40 and in the east right-of-way fence of Highway 158 for the most northerly corner of this tract;

Thence S 55°42'35" E, with the east right-of-way fence of Highway 158, 702.66 feet to a point in the east right-of-way fence of Highway 158 at the beginning of a curve to the right;

Thence southeasterly along said curve, having a radius of 5789.58 feet and a central angle of 9°26'00", a distance of 953.21 feet to a point in the east right-of-way fence of Highway 158.

Thence S 45°55'12" E, with the east right-of-way fence of Highway 158, 234.23 feet to a point in the east right-of-way fence and on the calculated south line of said Section 40 for the southeast corner of this tract;

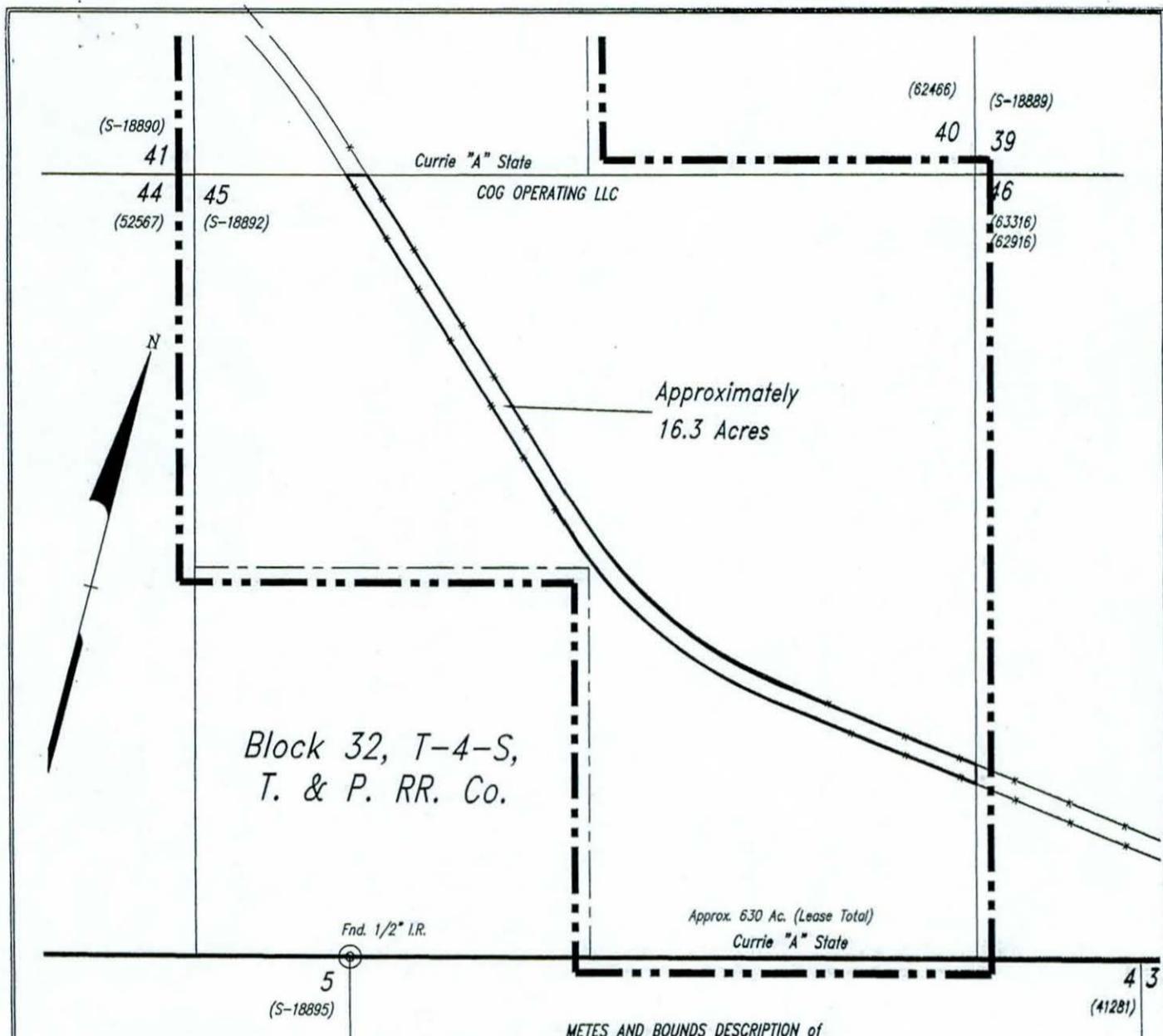
Thence S 75°26'42" W, with the calculated south line of said Section 40, 138.48 feet to the point of beginning.



Steven L. Prewit  
April 2011  
110418DH

Plat  
COG OPERATING LLC  
Approximately 4.9 Acres  
out of  
Section 40, Block 32, T-4-S,  
T. & P. RR. Co.,  
Glasscock County, Texas  
Scale: 1" = 2000'





**METES AND BOUNDS DESCRIPTION of  
An approximate 16.3 Acre Tract out of  
Section 45, Block 32, T-4-S,  
T. & P. RR. Co.,  
Glasscock County, Texas**

Beginning at a point on the calculated north line of Section 45, Block 32, T-4-S, T. & P. RR. Co. and in the west right-of-way fence of Highway 158 for the most northwesterly corner of this tract, from which the calculated northwest corner of said Section 45 bears S 75°26'42" W 1006.49 feet;

Thence N 75°26'42" E, with the calculated north line of said Section 45, 138.48 feet to a point on the calculated north line of said Section 45 and in the east right-of-way fence of Highway 158 for the most northerly northeast corner of this tract;

Thence S 46°37'12" E, with the east right-of-way fence of Highway 158, 2224.88 feet;

Thence S 46°14'50" E, with the east right-of-way fence of Highway 158, 259.68 feet;

Thence S 49°13'42" E, with the east right-of-way fence of Highway 158, 325.02 feet to a point in the east right-of-way fence of Highway 158 at the beginning of a curve to the left;

Thence southeasterly along said curve, having a radius of 2804.79 feet and a central angle of 36°00'00", a distance of 1762.30 feet to a point in the northeast right-of-way of Highway 158;

Thence S 82°25'01" E, with the northeast right-of-way fence of Highway 158, 1318.10 feet to a point on the calculated east line of said Section 45, an in the northeast right-of-way fence of Highway 158 for the most southerly northeast corner of this tract;

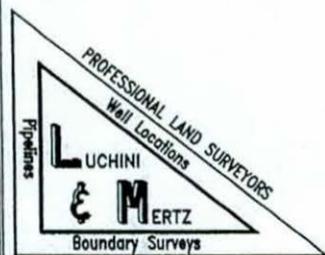
Thence S 14°21'20" E, with the calculated east line of said Section 45, 129.54 feet to a point on the calculated east line of said Section 45 and in the southwest right-of-way of Highway 158, for the most southerly corner of this tract;

Thence N 82°24'23" W, with the southwest right-of-way of Highway 158, 1361.84 feet to a point in the southwest right-of-way fence of Highway 158 at the beginning of a curve to the right;

Thence northwesterly along said curve, having a radius of 2924.79 feet and a central angle of 36°00'00", a distance of 1837.70 feet to a point in the west right-of-way fence of Highway 158;

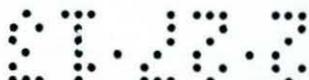
Thence N 47°09'02" W, with the west right-of-way fence of Highway 158, 1369.77 feet to a point in the west right-of-way fence of Highway 158;

Thence N 46°32'21" W, with the west right-of-way fence of Highway 158, 1517.28 feet to the point of beginning.



*Steven L. Prewit*  
April 2011  
110418DH1

Plat  
  
COG OPERATING LLC  
Approximately 16.3 Acres  
out of  
Section 45, Block 32, T-4-S,  
T. & P. RR. Co.,  
Glasscock County, Texas  
  
Scale: 1" = 2000'





4

File No. MF 114851  
plat

Date Filed: 2/27/13

Jerry E. Patterson, Commissioner

By M. A.

3023

AFFIDAVIT

STATE OF TEXAS §  
COUNTY OF GLASSCOCK §

Affiant: Joe Britt Dutton  
550 West Texas Avenue, Suite 100  
Midland, Texas 79701

Date: January 29, 2013

Affiant on oath swears that the following statements are true:

My name is Joe Britt Dutton. I am a Senior Landman with COG Operating LLC, which is applying for a lease underlying that portion of Highway 158 in Glasscock County, Texas, which is depicted on the two (2) plats submitted herewith (the "Highway tracts"). The Highway tracts cross Sections 40 and 45 in Block 32, T-4-S, T&P Ry. Co. Survey, Glasscock County, Texas. The Highway tracts consist of 21.2 acres, more or less.

In my position with COG Operating LLC ("COG"), I am familiar with the mineral and leasehold ownership on the acreage adjoining the Highway tract, the basis upon which the adjoining leases were acquired and COG's exploration plans for this area. Henry Petroleum LP, the original lessee, was purchased in its entirety by COG, and COG will be the Operator of the leases currently in effect on both sides of the Highway tract. The highest bonus paid for any of these leases was \$300.00/acre. COG and certain other working interest partners, currently own the full leasehold estate in all of the acreage adjoining the Highway tract on both sides. There are no unleased mineral interests in the adjoining acreage. COG requests that the lease be issued in its favor so that it can assign undivided interests in said lease to its other working interest partners in their respective participation percentages.

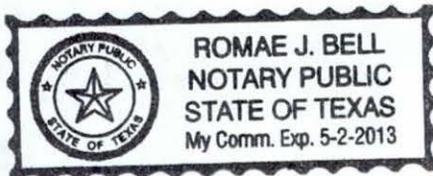
I have determined that, as of January 29, 2013, there was no well capable of producing in paying quantities located within 2,500 feet of any portion of the Highway tract. The lease being applied for is not for the purpose of drilling a horizontal well.

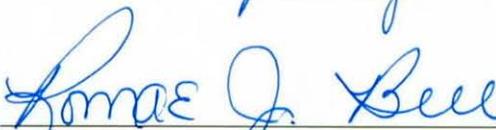
This Affidavit is executed by Affiant and made a part of the documents submitted in support of its application for an oil and gas lease covering the Highway tract.

Affiant:

  
\_\_\_\_\_  
Joe Britt Dutton

SUBSCRIBED AND SWORN TO before me this the 30<sup>th</sup> day of January, 2013.



  
\_\_\_\_\_  
Notary Public - State of Texas

File No. MF 114851  
Affidavit of Highest  
Consideration

Date Filed: 2/27/13

Jerry E. Patterson, Commissioner

By: J.E.A.



33673

RIGHT-OF-WAY DEED

STATE OF TEXAS  
COUNTY OF GLASSCOCK

KNOW ALL MEN BY THESE PRESENTS:

THAT we, Stephen C. Currie and wife, Dimple Currie, and William J. Currie and wife, Maud Currie, of the County of Glasscock State of Texas, for and in consideration of the sum of five thousand seven hundred eighty three (\$5783.85) and 85/100 DOLLARS, to us in hand paid by the State of Texas, acting by and through the State Highway Commission, receipt of which is hereby acknowledged, have this sold, and do hereby these presents grant, bargain, sell and convey unto the State of Texas, all that certain tract or parcel of land, situated in the County of Glasscock, State of Texas, and being a part of Survey 40, Abstract 794, Block 32, Township 4-South, T. & P. Ry. Co. Survey conveyed by Mrs. Lucy Currie to Stephen C. Currie and William J. Currie by the Deed dated the 15th day of March, 1933, and recorded in Volume 40, page 280, Survey 24, Abstract 800; Survey 25, Abstract 157; Said Surveys 23, 24, and 25 being out of Block 33, Township 4-South T. & P. Ry. Co. Surveys; and further being part of Survey 30, Abstract 964; Survey 31; Abstract 79; Survey 32, Abstract 711; Survey 41, Abstract 82, Survey 40, Abstract 794; Survey 45, Abstract 84; Survey 46, Abstract 778; Said Surveys 30, 31, 32, 41, 45 and 46 being out of Block 32, Township 4-South, T. & P. Ry. Co. Surveys. with the exception of said Survey 40, Abstract 794 a one-third undivided interest in the remaining Surveys was conveyed by Mrs. Lucy Currie to Stephen C. and William J. Currie by deed dated the 15th day of March, 1933 and recorded in Volume 40, page 279, of the Deed Records of Glasscock County, Texas, and the remaining two-third undivided interest in said Surveys having been bequeathed to Stephen C. and William J. Currie by their father, James Currie, by will, copy of probate of said will being recorded in Volume 9, page 127, of the Deed Records of Glasscock County, Texas.

(Important Note: If no liens, leases or easements exist, insert the word None.) liens (s) held by None, easement(s) held by None, lease (s) held by None, and being more particularly described as follows, to wit:

Being a strip of land along and adjacent to the center line of State Highway No. 158, 38, 621 feet long and 120 feet wide, 60 feet each side of said center line from station 264 + 65 to station 650 + 86.

Said center line being described as follows, to-wit:

Beginning at a point on the west line of said survey 23, said point of beginning being station 264 + 65 and being S 14 Deg. 26 Min. E. 1824 feet from the northwest corner of said survey 23.

Cont'd.

774

Thence S. 78 deg. 37 Min. E. 5912.1 feet to the P. C. of a 1 degree circular curve to the right at station 323 / 77.1;

Thence around said curve, whose central angle is 21 deg. 35 min. a distance of 2158.3 feet to the P. T. of said curve, at station 345 / 35.4;

Thence S. 57 Deg. .02 Min. E., at 3760.6 feet a point on the east line of said survey 25 and west line of said survey 30, said point being station 382 / 96, and being S. 14 deg. 34 Min. E. 2768 feet from the northeast corner of said Survey 25 and northwest corner of said Survey 30;

Thence continuing same course 11,888 feet in all to a point where said center line deflects 0 Deg. 45 Min. to the right at station 463 / 23.4;

Thence S. 56 Deg. 17 Min. E. 8103.9 feet to the P. C. of a 1 degree circular curve to the right, at station 545 / 27.3;

Thence around said curve, whose central angle is 9 deg. 26 Min. a distance of 943.3 feet to the P. T. of said curve, at station 554 / 70.6;

Thence S. 46 Deg. 51 Min. E., at 199.4 feet a point on the south line of said survey 40 and north line of said survey 45, said point being station 556 / 70 and being S. 75 Deg. 26 Min. W., 4122 feet from the southeast corner of said survey 40 and northeast corner of said survey 45;

Thence continuing same course 3048.5 feet in all to a point, the P. C. of a 2 degree circular curve to the left, at station 585 / 19.1;

Thence around said curve, whose central angle is 36 deg. 00 Min. a distance of 1800 feet to the P. T. of said curve at station 603 / 19.1;

Thence S. 82 Deg. 51 Min. E., at 1280.9 feet a point on the east line of said survey 45 and west line of said survey 46, said point being station 616 / 00 and being N. 14 Deg. 34 Min. W. 1275 feet from the southeast corner of said survey 45 and southwest corner of said survey 46;

Thence continuing same course 4766.9 feet in all to a point on the south line of said survey 46, said point being station 658 / 86 and being S. 75 Deg. 26 Min. W., 2106 feet from the southeast corner of said Survey 46.

Said strip of land containing 106.394 acres.

TO HAVE AND TO HOLD the above described premises together with all and singular the rights and appurtenances thereto in any wise belonging, unto the said State of Texas and its assigns.

And we the said Stephen C. Currie and wife Dimple Currie, and

Cont'd.

295

William J. Currie and wife Maud Currie do hereby bind ourselves, our heirs, executors, and administrators to warrant and forever defend all and singular the said premises, unto the said State of Texas, and its assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof.

And it is further agreed that the said Grantors herein in consideration of the benefits above set out, will remove from the property above described such fences, building and other obstructions as may be found upon said premises.

Witness our hands, this the 13th day of April, A. D. 1942.

William J. Currie  
Maud Currie  
Stephen C. Currie  
Dimple Currie

THE STATE OF TEXAS  
COUNTY OF GLASSCOCK

Before me, the undersigned authority in and for said County and State, on this day personally appeared Stephen C. Currie and William J. Currie, known to me to be the persons whose names are subscribed to the foregoing instrument and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this the 13th day of April 1942.

Vena Lawson  
County Clerk in and for Glasscock  
County, Texas.

(Seal)

THE STATE OF TEXAS  
COUNTY OF GLASSCOCK

Before me, the undersigned authority in and for said County and State, on this day personally appeared Dimple Currie, wife of Stephen C. Currie, known to me to be the person whose name is subscribed to the foregoing instrument, and having been examined by me privily and apart from her husband, and having the same fully explained to her, she the said Dimple Currie, acknowledged such instrument to be her act and deed, and declared that she had willingly

Cont'd.

signed the same for the purposes and consideration therein expressed,  
and that she did not wish to retract it.

Given under my hand and seal of office, this the 13th day  
of April, 1942.

(Seal)

Vena Lawson  
County Clerk, Glasscock County, Texas.

THE STATE OF TEXAS

COUNTY OF GLASSCOCK

Before me, the undersigned authority in and for  
said County and State, on this day personally  
appeared Maud Currie, wife of William J. Currie, known to me to be the  
person whose name is subscribed to the foregoing instrument, and having  
been examined by me privily and apart from her husband, and having the  
same fully explained to her, she the said Maud Currie, acknowledged such  
instrument to be her act and deed, and declared that she had willingly  
signed the same for the purposes and consideration therein expressed, and  
that she did not wish to retract it.

Given under my hand and seal of office, this the 13th day of  
April 1942.

(Seal)

Vena Lawson  
County Clerk in and for Glasscock County,  
Texas.

Filed for record May 30, 1942, at 2:00 P. M.  
Recorded June 8, 1942, Vol. 52, page 19, Deed Records Glasscock County,  
Texas.

File No. MF 114851  
Source Deed Records

Date Filed: 2/27/13  
Jerry E. Patterson, Commissioner  
By M.A.

# 4357

MEMORANDUM OF OIL AND GAS LEASE

THE STATE OF TEXAS  
 COUNTY OF GLASSCOCK

§  
 §  
 §

KNOW ALL MEN BY THESE PRESENTS:

This Memorandum of Oil and Gas Lease is made and entered into this 6th day of October, 2008, among **JAMES R. CURRIE, INDIVIDUALLY AND AS TRUSTEE**, and **JIMMIE R. CURRIE**, wife of James R. Currie, whose address is P. O. Box 357, Garden City, Texas 79739, **CYNTHIA C. HOWARD**, a married woman dealing in her sole and separate property, whose address is 2600 Inwood Court, Midland, Texas 79705, and **DARLA C. TAYLOR**, a married woman dealing in her sole and separate property, whose address is 2 Hanover Drive, Midland, Texas 79705 (collectively, "Lessor"), and **HENRY PETROLEUM LP**, a Texas limited partnership, whose address is 550 W. Texas Ave., Suite 1300, Midland, Texas 79701 ("Lessee"):

WITNESSETH:

Lessor and Lessee have this day entered into an Oil and Gas Lease covering the following described lands located in Glasscock County, Texas, to wit:

All of Sections 40 and 45, Block 32, Township 4 South, T&P Ry. Co. Survey, and all of Section 4, Block 32, Township 5 South, T&P Ry. Co. Survey, containing 1,920 acres, more or less.

Said Oil and Gas Lease, subject to certain termination provisions, contains a primary term of three (3) years and shall remain in force as long thereafter as oil or gas is produced in paying quantities from the above described lands by Lessee, or drilling or reworking operations are prosecuted thereon under the terms and provisions of said lease.

Lessor and Lessee are executing this Memorandum of Oil and Gas Lease for the purpose of placing the same of record in Glasscock County, Texas, and in order to constitute constructive notice of said Oil and Gas Lease in lieu of the recording of said Oil and Gas Lease in its entirety. A full and complete copy of said Oil and Gas Lease will be maintained in the office of both Lessor and Lessee at the addresses shown above.

IN WITNESS WHEREOF, this Memorandum of Oil and Gas Lease is executed as of the day, month and year first hereinabove written.

LESSOR:

James R. Currie

JAMES R. CURRIE, INDIVIDUALLY AND AS TRUSTEE

Jimmie R. Currie

JIMMIE R. CURRIE

Cynthia C. Howard

CYNTHIA C. HOWARD

Darla C. Taylor

DARLA C. TAYLOR



LESSEE:

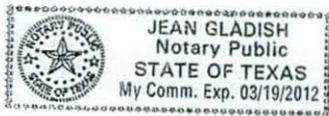
HENRY PETROLEUM LP

By: Concho GP LLC,  
its General Partner

By: [Signature]  
Name: Matthew C. Hyde  
Title: VP Exploration & Prod

THE STATE OF TEXAS §  
COUNTY OF Midland §

This instrument was acknowledged before me on this 6<sup>th</sup> day of October, 2008,  
by JAMES R. CURRIE, INDIVIDUALLY AND AS TRUSTEE.



[Signature]  
NOTARY PUBLIC - State of Texas

THE STATE OF TEXAS §  
COUNTY OF Midland §

This instrument was acknowledged before me on this 6<sup>th</sup> day of October, 2008,  
by JIMMIE R. CURRIE.



[Signature]  
NOTARY PUBLIC - State of Texas

THE STATE OF TEXAS §  
COUNTY OF MIDLAND §

This instrument was acknowledged before me on this 6<sup>th</sup> day of October, 2008,  
by CYNTHIA C. HOWARD.

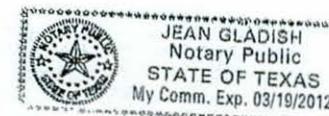


[Signature]  
NOTARY PUBLIC - State of Texas



THE STATE OF TEXAS §  
COUNTY OF MIDLAND §

This instrument was acknowledged before me on this 6<sup>th</sup> day of October, 2008,  
by DARLA C. TAYLOR.



[Signature]  
NOTARY PUBLIC - State of Texas



THE STATE OF TEXAS  
COUNTY OF MIDLAND

§  
§

BOOK 125 PAGE 652

This instrument was acknowledged before me on this 12<sup>th</sup> day of November, 2008, by Matthew D. Hyde, V.P. Exploration; Land of Concho GP LLC, General Partner of HENRY PETROLEUM LP, a Texas limited partnership, on behalf of said limited partnership.



Romae J. Bell  
NOTARY PUBLIC - State of Texas

**FILED**  
AT 10:00 O'CLOCK A M  
ON THE 8 DAY OF December  
A.D., 2008  
INS. NO. 4357

Rebecca Batla

COUNTY CLERK, GLASSCOCK COUNTY, TEXAS

BY Suzie Wilton DEPUTY

STATE OF TEXAS  
COUNTY OF GLASSCOCK

I hereby certify that this instrument was FILED on the date and at the time stamped hereon by me and was duly RECORDED in the Volume and Page of the named RECORDS of Glasscock County, Texas, as stamped hereon by me.



Rebecca Batla

County Clerk, Glasscock County, Texas

OFFICIAL PUBLIC RECORDS

VOL. 125 PAGE 650  
RECORDED December 8, 2008



OIL AND GAS LEASE

THE STATE OF TEXAS            §  
  §        KNOW ALL MEN BY THESE PRESENTS:  
COUNTY OF GLASSCOCK       §

This Oil and Gas Lease ("this lease") is made and entered into this 6th day of October, 2008, among **JAMES R. CURRIE, INDIVIDUALLY AND AS TRUSTEE, JIMMIE R. CURRIE**, wife of James R. Currie, **CYNTHIA C. HOWARD**, a married woman dealing in her sole and separate property, and **DARLA C. TAYLOR**, a married woman dealing in her sole and separate property (collectively, "Lessor"), and **HENRY PETROLEUM LP**, a Texas limited partnership ("Lessee"):

WITNESSETH:

1. Lessor, in consideration of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration in hand paid, the receipt of which is hereby acknowledged, of the royalties herein provided, and of the covenants, agreements and obligations hereinafter contained on the part of Lessee to be kept and/or performed and upon the conditions and with the limitations hereinafter set forth and contained, hereby GRANTS, LEASES and LETS exclusively unto Lessee for the sole and only purpose of investigating, exploring, prospecting, drilling and operating for, developing and producing oil and gas (oil and gas, for all purposes of this lease, being defined to include oil, gas, casinghead gas, and the byproducts thereof, and such other hydrocarbons and sulphur as are necessarily produced with, and incidental, to the production of oil and/or gas from wells on the lands herein leased), laying pipelines, building roads, tanks, power stations and other structures thereon, to produce, save, take care of, treat, store, transport and own said products, all of the following described lands (the "said lands") located in Glasscock County, Texas, to wit:

All of Sections 40 and 45, Block 32, Township 4 South, T&P Ry. Co. Survey, and all of Section 4, Block 32, Township 5 South, T&P Ry. Co. Survey, containing 1,920 acres, more or less.

2. Subject to the other provisions herein contained, this lease shall remain in force for a term of three (3) years from this date (herein called "primary term"), and as long thereafter as oil or gas is produced in paying quantities from said lands by Lessee, or drilling or reworking operations are prosecuted thereon under the other provisions hereof, or this lease is otherwise maintained as herein provided.

3. Lessee covenants and agrees to pay to Lessor the following royalties which are hereby reserved and retained by Lessor:

(a) On all oil and on all liquid hydrocarbons extracted from gas under the provisions hereof, one-fourth (1/4) of the market value of that produced and saved from the said lands, such value to be determined by (i) the highest posted price, plus premium, if any, paid to the producer for oil, condensate, distillates or other liquid hydrocarbons, respectively of a like type and gravity for the field where produced and when run, or (ii) the prevailing market price therefor offered or paid to the producer for the field where produced and when run, or (iii) the gross proceeds of the sale thereof, whichever is the greatest.

(b) On all gas produced from said lands, including casinghead gas and residue gas at the tailgate of any plant through which gas produced from said lands may be processed, one-fourth (1/4) of the market value of the gas at the place of use or sale by Lessee, or at Lessor's option, one-fourth (1/4) of the gas, in kind, at the well or at the outlet side of the separator, or at the tailgate of any plant through which gas is processed, as the case may be. Market value is to be based on the average market price paid for gas of comparable quality for the field (which, for such purpose, means the general area in which the land covered by this lease is located) where produced and when run, or



the gross price paid or offered to the producer, whichever is greater; provided, however, that when gas is sold in an arms-length sale transaction with an unaffiliated third-party, market value shall be the price paid to Lessee for such gas.

(c) On condensate and all other products separated, extracted or manufactured from gas produced from said lands by any extraction, absorption, pressuring or other plant belonging wholly or in part to Lessee or any subsidiary company, one-fourth (1/4) of the market value at the plant of all such condensate and other products so separated, extracted or manufactured, or, at Lessor's option, one-fourth (1/4) of such condensate and other products, in kind, shall be delivered to Lessor at the plant.

(d) On condensate and all other products separated, extracted or manufactured from gas produced from said lands by an extraction, absorption, pressuring or other plant belonging to a third party or parties, one-fourth (1/4) of the amount received by Lessee from the sale of condensate and other products separated, extracted or manufactured by said plant and credited to Lessee under the terms of Lessee's contract with such plant.

(e) This lease is intended to cover only oil and gas, but it is contemplated that some sulphur may be produced necessarily with, and incidental to, the production of oil and gas and, in such event, this lease shall also cover such sulphur so produced. On all sulphur so produced under and by virtue of the terms of this lease, Lessor shall have and be entitled to a royalty of one-fourth (1/4) of all such sulphur produced and saved, same to be delivered to Lessor, free of all costs, or, at the option of Lessor, Lessee shall account to Lessor for one-fourth (1/4) of the amount received by Lessee from the sale of such sulphur.

(f) If at any time after the expiration of the primary term of this lease there is no production from said lands but there is a gas well located on said lands which is capable of producing in paying quantities and shut-in for any cause, this lease shall nevertheless continue in force and effect provided that Lessee pays or tenders, as royalty, by a valid check or draft of Lessee, to the parties entitled to receive royalties under this lease on or before ninety (90) days after the date on which (1) the gas well is shut-in, or (2) this lease ceases to be otherwise maintained as provided herein, whichever is the later date, and annually thereafter, a shut-in gas well royalty payment in the amount hereinafter provided, and if such payment is properly and timely made, it will be considered that gas is being produced from said lands in accordance with the terms of this lease; provided, however, this lease may not be continued in force by the making of shut-in gas well royalty payments as herein provided for a period or periods of longer than two (2) consecutive years. The first annual payment following the date on which a well is shut-in shall be a sum of money equal to \$20.00 per net mineral acre for the acreage then held under this lease by the parties making such payment or tender, and for the next succeeding year shall be a sum of money equal to \$40.00 per net mineral acre for the acreage then held under this lease by the party making such payment or tender. This provision as to the payment of shut-in gas royalty is a condition and not a covenant, and the failure to pay any shut-in gas royalty as herein provided shall effect an automatic termination of this lease unless the lease is otherwise maintained as herein provided.

(g) Notwithstanding anything contained herein to the contrary, Lessee agrees that all royalties accruing under this lease (including those paid in kind) shall be without deduction, directly or indirectly, for the cost of producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting or otherwise making the oil and gas produced hereunder ready for sale or use. In determining the value of all royalties payable hereunder, such values shall be determined without deduction for said costs.

(h) Notwithstanding anything contained in this Paragraph 3 or elsewhere in this lease to the contrary, Lessor may at any time and from time to time, on sixty (60) days prior notice in writing to Lessee, require that payment of all or any part of the royalties accruing to Lessor under this lease on oil, gas or any product, be made in kind, effective as of the first day of the calendar month next following the expiration of said sixty (60) day period, or if payment of any such royalties are



then being made to Lessor in kind, require that such in kind payments cease and that payment of such royalties thereafter be made as provided in this Paragraph 3, with Lessor having the recurring right at any time and from time to time to either take in kind, cease taking in kind, and resume taking in kind, all or any part of such royalties. In the event Lessor elects to take in kind, Lessee shall make all its leasehold and pipeline facilities available for Lessor's use free of cost to Lessor; provided, however, that any additional expenditures resulting solely from Lessor's taking in kind or separately marketing Lessor's royalty oil or gas (and which would not have been necessary otherwise) shall be borne and paid by Lessor.

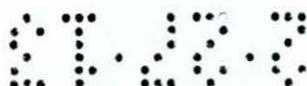
(i) After payment of royalties is first begun on production from any well on said lands, Lessor's share of proceeds from the sale of oil production shall be paid no later than sixty (60) days after the end of the month in which such oil is produced and Lessor's share of proceeds from the sale of gas and casinghead gas production shall be paid no later than ninety (90) days after the end of the month in which such gas or casinghead gas is produced. If payment is not made within such time limits, Lessor shall be entitled to payment of interest by Lessee on the delinquent amounts at the rate of twelve percent (12%) per annum.

(j) As security for the payment of the royalties and all other payments provided for in this lease, Lessee agrees by acceptance hereof that Lessor shall have a first lien and security interest upon the leasehold estate created hereby, the personal property and equipment thereon and all proceeds of production and as-extracted collateral accruing to both Lessor and Lessee hereunder.

4. Lessee shall have the right at Lessee's sole expense to drill a water well on said lands and use water produced therefrom free of costs for the drilling or re-entering (but not completion, fracing, recompletion, reworking or operation) of the first oil and/or gas well drilled or re-entered on said lands. Lessee shall not have the right to drill any additional water wells on said lands without the consent of Lessor. Lessee shall consult with Lessor regarding the location of any water wells so drilled and when Lessee ceases using a water well Lessee shall either tender the same to Lessor or properly plug the same, whichever option Lessor elects. Lessor shall have the option and right, but not the obligation, to sell Lessee water for use in connection with the completion, fracing, recompletion, reworking and/or operation of the first oil and/or gas well drilled or re-entered on said lands and for the drilling, completion, fracing, recompletion, reworking and/or operating of all subsequent oil and/or gas wells drilled or re-entered on said lands at a minimum price of \$.42 (forty-two cents) per barrel, but commensurate with the prevailing rate in the area, whichever is greater. Should any of Lessee's operations result in the loss or damage of any existing water well of Lessor, Lessee shall either repair the damage or drill a new water well as soon as reasonably possible to assure a continuing supply of water. Except as specifically provided above, Lessee shall not have the right to use any fresh or potable water or water suitable for irrigation purposes from said lands, including, without limitation, any underground water, surface water or water in Lessor's tanks, without the prior written consent of Lessor. In addition, Lessee shall not have the use of fresh or potable water or water suitable for irrigation from said lands for producing oil and/or gas by waterflooding, pressure maintenance or other recovery operations.

5. This is a paid-up lease and no payments of delay rentals shall be required to maintain this lease in force during the primary term hereof. Lessee may at any time or times execute a release or releases covering any portion or portions of said lands, record the same and deliver to Lessor a copy of the same reflecting the recording data, and thereby surrender this lease as to such portion or portions.

6. After the expiration of the primary term, if oil or gas has been produced from said lands, and if all production thereof should cease from any cause, this lease shall not terminate, provided Lessee, until production is again obtained, does not permit more than sixty (60) days to elapse between the cessation of production and the beginning of additional drilling or reworking operations in a bona fide attempt to obtain production, and if such operations result in the discovery of oil or gas, this lease shall not terminate as long as oil or gas is being produced by Lessee from said lands in paying quantities.



7. If a well or wells producing oil or gas in paying quantities is completed on lands not covered by this lease and within six hundred sixty feet (660') of any portion of said lands as to which this lease is then in force and effect, or if any well be draining said lands, Lessee shall commence the drilling of an offset well or wells on land covered by this lease within ninety (90) days of the date of the first production from such well. In lieu of drilling an offset well to any such oil or gas well, Lessee shall have the option of (i) paying Lessor, as royalty, a sum equal to the royalties which would be payable under this lease on the production from such well had the same been produced hereunder commencing with the date of the first production and Lessee's obligation to drill such offset well shall be deferred as long as Lessee may elect to pay such royalty in lieu of drilling an offset well, or (ii) releasing this lease insofar as it covers a tract of land in as near the form of a square as possible and constituting what would be the offset proration unit established in conformity with the field rules or spacing laws prescribed or permitted with respect to such offset well. The provisions of this paragraph 7 shall not apply to situations where Lessee has drilled a well on lands that are adjacent to said lands and in which any Lessor owns a mineral interest.

8. Notwithstanding any other provision herein contained to the contrary, it is understood and agreed that if this lease is in full force and effect at the end of the primary term hereof, then within one hundred twenty (120) days after the later of: (i) the expiration of the primary term, or (ii) the completion of drilling or reworking operations being conducted at the end of the primary term, Lessee shall commence the actual drilling of a well on said lands and shall thereafter continuously develop said lands by drilling additional wells on the lands covered hereby with no more than one hundred twenty (120) days elapsing between the completion of one well and the commencement of the next succeeding well. For the purposes of interpretation of this provision, a well shall be determined to be completed on the day Lessee releases the drilling rig used to drill such well, the day such rig is moved off the location or the day one hundred twenty (120) days after the well is commenced, whichever day occurs first, and a well shall be determined to be commenced when such well is spudded with a drilling rig of a suitable size necessary to reach the objective depth. The drilling of each well properly commenced hereunder shall be completed by Lessee within one hundred twenty (120) days from the date of the commencement of such well.

Upon the sooner to occur of October 6, 2015, or the cessation of such continuous drilling program by Lessee, this lease and all rights hereunder shall automatically terminate as to all lands covered hereby, save and except as to each well then capable of producing oil or gas in paying quantities together with the proration unit allocated thereto (the size of said proration unit being hereby defined as the number of acres prescribed by the Railroad Commission of Texas, or other proper governmental authority, as the minimum number of acres required for the production of the maximum allowable from a well in the particular field and from the particular formation involved) as of the date of such termination, and shall further automatically terminate (i) as to all depths in each such proration unit which are one-hundred feet (100') or more above the producing formation in each such well capable of producing oil or gas in paying quantities, and (ii) as to all depths in each such proration unit which are one-hundred feet (100') or more below the producing formation in each such well capable of producing oil or gas in paying quantities. Within thirty (30) days after a partial termination of this lease as provided above, Lessee shall execute and deliver to Lessor a recordable release of this lease as to all lands covered hereby save and except the lands and depths to be allocated to each producing proration unit in accordance with the terms set forth above.

Upon the sooner to occur of October 6, 2015, or cessation of said continuous drilling program, any acreage so assigned to a producing proration unit shall be considered as covered by a separate lease containing the same terms and provisions hereof, so that thereafter each separate lease can be kept in force and effect only by actual production from, or operations upon, that particular tract without regard to production or drilling operations upon the other tracts retained by Lessee under the terms hereof. From such point in time forward all references in this lease to "said lands" shall be deemed references to each of such retained tracts the same as if each of such retained tracts were originally covered by a separate lease containing the same terms and provisions hereof.



Notwithstanding the fact that the previous paragraph provides that any acreage assigned to a producing proration unit shall be considered as covered by a separate lease upon the sooner to occur of October 6, 2015, or cessation of the continuous drilling program set forth above, if at any time after the sooner to occur of October 6, 2015, or the cessation of such continuous drilling program, the applicable field rules for any wells drilled on said lands are changed or the well or wells located thereon are re-classified as oil or gas wells so that less acreage is thereafter allocated to said well or wells for spacing purposes, this lease shall thereupon terminate as to all acreage not thereafter allocated to said well or wells for spacing purposes unless Lessee commences actual drilling operations on the unproductive acreage then subject to this lease within one-hundred twenty (120) days after any such change in field rules or well reclassification, and thereafter continuously develops such unproductive acreage by drilling additional wells on the lands then covered hereby with no more than one-hundred twenty (120) elapsing between the completion of one well and the commencement of the next succeeding well. Upon the cessation of such continuous drilling program by Lessee, this lease and all rights hereunder shall automatically terminate as to all lands covered hereby, save and except as to each well then capable of producing oil or gas in paying quantities together with the proration unit allocated thereto, all upon the same terms and as further provided above in this paragraph 8.

9. With respect to actual operations conducted by Lessee on said lands, it is agreed by and between Lessor and Lessee as follows:

(a) Prior to the commencement of any drilling, reworking or other material operations on said lands, Lessee shall give Lessor written notice of Lessee's intention to commence operations, the approximate date of such commencement and the approximate proposed location of same, and the type of operations to be conducted, such notice to be given within a reasonable time prior to the actual commencement of such operations. In locating the wells, pumping units, tank batteries, pipelines, roads and other facilities located on said lands, Lessee agrees to consult with Lessor and follow reasonable requests for such protection as may be necessary or advisable to minimize interference with Lessor's and/or the surface owner's operations on said lands. To the extent practicable, Lessee shall situate all such pipelines, roads and surface facilities at locations approved by Lessor. Nothing contained in this lease shall be construed to give Lessee, its successors and assigns, the right to construct or maintain any lease house or lease camp for housing Lessee's employees on said lands, and Lessee shall have no right to do so.

(b) No well, tank battery or other surface production or marketing facility of Lessee shall be located within six hundred feet (600') of the two (2) main residences located on said lands or on Lessor's adjacent lands, or within three hundred feet (300') of any other residence, barn, building, water well, windmill or tank now or hereafter located on said lands or on Lessor's adjacent lands, without the Lessor's prior written consent. The location for each well, tank battery, road and right of way for a pipeline or flow line shall use only so much of the surface as is necessary to conduct operations under this lease in a reasonable and prudent manner. Lessee agrees to maintain any roads on said lands used by Lessee, or its permittees, in good repair and condition as all-weather caliche roads at all times. No new road shall be constructed by Lessee without first consulting with Lessor as to the location of such road, and all new roads shall be constructed and maintained as all-weather caliche roads at Lessee's cost and expense and shall not exceed twenty (20) feet in width. No caliche or gravel from said lands shall be used by Lessee in its operations under this lease without the prior written consent of Lessor. Lessee shall install adequate bridges or culverts wherever any new road constructed by Lessee crosses a natural stream or drainage, and all roads and any pipelines laid by Lessee shall be so constructed and laid as not to interfere with the natural flow of surface waters or with drainage.

(c) At the request of Lessor or the surface owner, all pipelines and electric power lines laid by Lessee on said lands shall be buried to a depth of at least thirty-six inches (36") below the surface and the area occupied by all buried pipelines and electric power lines, after installation, replacement or repair, shall be backfilled and tamped, and otherwise restored as nearly as practical to its condition prior to installation, replacement or repair. In the event Lessee shall obtain commercial



production of oil and/or gas from said lands pursuant to the terms hereof, Lessee shall have the right to install electric power lines on said lands for the purpose of operating equipment used in producing, operating, processing or transmitting gas or other hydrocarbons produced from said lands. Lessor shall be consulted with as to the location and method of installation of such electric power lines prior to commencement of installation and to the extent practicable Lessee shall situate all such electric power lines at locations approved by Lessor. Lessee shall install an electric motor to operate any pumping unit placed by Lessee on said lands to produce any well and Lessee further agrees that any such pumping unit shall not be operated by an internal combustion engine.

(d) All operations conducted by Lessee on said lands shall be conducted in accordance with all applicable environmental laws and regulations and in such manner as will least interfere with the ranching and agricultural operations on said lands. Lessee shall construct and maintain fences around each site of Lessee's surface facilities (including, but not limited to, producing wells, tank batteries, separators and slush and other pits) sufficient to keep all livestock out of such sites. Lessee shall install and/or maintain gates or substantial cattleguards capable of turning livestock at all openings in fences crossed by Lessee or others in conducting operations under this lease.

(e) Lessee shall keep the surface of said lands neat and clean and shall remove all waste material and debris as soon as may be practical and upon the completion of any drilling or reworking operations, Lessee shall fill and level all pits and ruts, remove all debris and restore the surface of said lands so used by Lessee as nearly as practicable to its condition prior to Lessee's use thereof, except for such permanent production or marketing facilities as Lessee may maintain thereon. All pits dug and used in connection with Lessee's operations on said lands shall be lined with plastic liners. Upon restoration of each such pit, the plastic liners shall be cut off at least three (3) feet below the surface and the pit shall be back-filled and covered with topsoil. Within one hundred twenty (120) days following the abandonment of any wellsite or other facility location on said lands, Lessee shall fill and level all pits and ruts, remove all caliche and debris and restore the surface of the area used as nearly as practicable to its condition prior to Lessee's use thereof, including the placement of top soil thereon of a depth sufficient to grow native grasses where practicable, and at the request of Lessor, Lessee shall re-seed such area with native grasses selected by Lessor.

(f) Lessee shall not permit its agents, employees, servants, contractors, subcontractors, service personnel or others entering upon said lands under the authority of this lease to hunt or fish on any portion of said lands or to take any rifle, shotgun, pistol or other firearms thereon for any purpose whatsoever. The Lessor or the Lessor's representatives may inspect any vehicle entering said lands and may deny access to said lands to anyone found carrying firearms or fishing equipment.

(g) Any salt water produced from wells drilled under this lease shall be disposed of off of said lands or shall be reinjected into a subsurface strata at a depth sufficient to protect all oil and/or gas bearing formations and all sources and supplies of fresh and potable water or water suitable for irrigation purposes.

(h) Lessee shall furnish the Lessor with full and complete information as to all water zones encountered by Lessee in any well drilled on said lands, whether it be a well drilled for oil or gas or a water well. If Lessee desires to abandon any water well drilled by it hereunder, prior to doing so, Lessee shall tender such water well or wells to the Lessor, and if the Lessor should elect to accept the same, Lessee may remove all equipment from said water well and such water well and all casing therein shall be and become the property of the Lessor.

(i) Without the prior written consent of Lessor, Lessee shall not conduct any seismic or geophysical operations within five hundred feet (500') of any residence, barn, building, water well, windmill or tank now located or hereafter to be located on said lands or on Lessor's adjacent lands, other than foot traffic to lay receiver lines and receiver phones.



(j) Lessee shall at all times indemnify, defend and save and hold harmless Lessor and Lessor's heirs, successors and assigns, from and against any and all claims, liabilities, demands, damages and causes of action in any manner due to or arising out of any and all operations of Lessee, its assigns, employees, agents, affiliates, contractors and subcontractors on said lands.

(k) Should Lessee drill a well on that portion of said lands now or hereafter in cultivation, after drilling operations are completed, Lessee shall, to the extent practicable, locate all surface equipment and other facilities at locations that will least interfere with Lessor's farming operations. Lessee shall not conduct any surface operations of any kind or character on that portion of said lands now or hereafter irrigated with an underground drip irrigation system or with any center-pivot or other mobile irrigation system, without the prior written consent of Lessor.

(l) Lessee shall install gates across all existing cattle guards used or new cattle guards installed for access to said lands and, except as provided below or unless otherwise permitted by Lessor, shall keep all such cattle guard gates closed and locked at all times by use of a locking device acceptable to Lessor. During any period in which Lessee is conducting actual drilling operations on said lands, Lessee shall not be required to keep said gates locked.

(m) Lessee, its agents, employees, contractors and subcontractors or others entering upon said lands under the authority of this lease shall not intentionally remove or destroy any fossils, Indian artifacts, man-made structures or other archeological objects of historical or scientific value which may be situated thereon. Should Lessee or any of its employees, agents, contractors or subcontractors discover any such objects on said lands, it shall leave said objects in place. If at any time Lessor determines that the conduct or activity on said lands by any employee, agent, contractor or subcontractor of Lessee is not in compliance with the terms of this lease after written notice by Lessor to Lessee of such non-compliance, Lessor shall have the right to require that Lessee not utilize said person or persons in the conduct of its operations on said lands.

(n) Lessee shall at all times maintain all surface facilities located on said lands, including without limitation, all pump jacks, tank batteries, heater treaters, separators and equipment, in good repair and condition, and in a properly painted condition through use of a tan paint color or other paint color approved by Lessor. Lessee shall not store any machinery, tubulars, equipment, vehicles or other personal property or equipment on said lands without the prior approval of Lessor.

(o) Lessee, its agents, employees, contractors and subcontractors or others entering upon said lands under the authority of this lease shall drive all vehicles on said lands in a safe manner and at speeds not to exceed twenty (20) miles per hour. In addition, Lessee, its agents, employees, contractors and subcontractors or others entering upon said lands under the authority of this lease shall not use any paved black-top roads located on said lands without the prior written consent of Lessor.

(p) Lessee agrees to use reasonable care in the conduct of all operations on said lands to prevent injury or damage to the livestock, buildings or other property situated on the surface of said lands, or water wells and tanks located thereon, and Lessee agrees to pay the surface owner for any and all damages to the surface owner's livestock, crops, fences, building, wells, tanks and any other fixtures of the surface owner, or of any tenant of the surface owner, situated on said lands, resulting from operations under this lease. In addition to any damages which may become payable by Lessee as above provided, Lessee shall pay the surface owner the following amounts for damages to the surface of said lands:

- (i) Eight Thousand and no/100 Dollars (\$8,000.00) for each location for a drilling, producing or re-entered well located on lands which are not in cultivation, and if the site is more than two (2) acres, the amount shall be proportionately increased at the rate of Four Thousand and no/100 Dollars (\$4,000.00) per acre or part thereof. Ten Thousand



and no/100 Dollars (\$10,000.00) for each location for a drilling, producing or re-entered well located on lands which are in cultivation, and if the site is more than two (2) acres, the amount shall be proportionately increased at the rate of Five Thousand and no/100 Dollars (\$5,000.00) per acre or part thereof. Each such location shall not exceed more acreage than is reasonably and necessarily required by Lessee in its operations hereunder.

- (ii) Five Thousand and no/100 Dollars (\$5,000.00) for the site occupied by each tank battery, pumping station, meter run or other surface production, treating or marketing facility not located on a well location and located on lands which are not in cultivation, and, if the site is more than one (1) acre, the amount shall be proportionately increased at the rate of Seven Thousand Five Hundred and no/100 Dollars (\$7,500.00) per acre or part thereof. Seven Thousand Five Hundred and no/100 Dollars (\$7,500.00) for the site occupied by each tank battery, pumping station, meter run or other surface production, treating or marketing facility not located on a well location and located on lands which are in cultivation, and, if the site is more than one (1) acre, the amount shall be proportionately increased at the rate of Ten Thousand and no/100 Dollars (\$10,000.00) per acre or part thereof. Each such location shall not exceed more acreage than is reasonably and necessarily required by Lessee in its operations hereunder.
- (iii) For each pipeline (other than and excluding temporary surface pipelines) and buried power line installed by Lessee on said lands, the sum of Twenty and no/100 Dollars (\$20.00) per rod. To the extent practical, all such pipelines and buried power lines shall be laid along fence lines or roads.
- (iv) For each above-ground electric power line laid upon said lands, the sum of Two Hundred Fifty and no/100 Dollars (\$250.00) per pole; the location and height of each such line to be approved by Lessor.
- (v) For 2D geophysical operations on said lands, the sum of Two Thousand Five Hundred and no/100 Dollars (\$2,500.00) per mile, and for 3D and other geophysical operations on said lands, the sum of Twenty and no/100 Dollars (\$20.00) per acre.
- (vi) For roads constructed or used by Lessee on said lands, the sum of Twenty and no/100 Dollars (\$20.00) per rod for new roads built by Lessee and the sum of Twelve and no/100 Dollars (\$12.00) per rod for use of existing roads; each such road not to exceed twenty feet (20') in width.

The foregoing amounts shall remain effective for three (3) years from the date hereof and thereafter Lessee shall pay the reasonable going rate in the area with the foregoing amounts to be the minimums.

So long as this lease continues in force and effect as to any portion of said lands and for the sole purpose of conducting operations on and marketing production from said lands, Lessee shall be deemed to have a continuing non-exclusive easement and rights of ingress and egress on said lands even though this lease has been released or has otherwise terminated with respect to portions of said lands. Such continuing rights shall in all cases be subject to all of the terms and provisions of this lease.



Each payment due hereunder shall be due and payable prior to the time Lessee first utilizes any of the said lands for a purpose requiring such a payment to the payees.

All provisions of this lease whereby Lessee is obligated to perform any obligation hereunder are contractual in nature. It shall never be necessary for the Lessor to allege or prove a cause of action in tort based upon any breach hereof. This lease contract is specifically made performable in the County where said lands are located.

10. Lessor shall have access to all drilling information and, at Lessor's sole risk, access to the rig floor for all wells drilled on said lands. Lessee shall furnish Lessor with copies of all reports filed by Lessee with the Railroad Commission of Texas or other governmental authority having jurisdiction relating to the location, drilling, completion and plugging and abandonment of each well drilled by Lessee hereunder, with daily reports of the progress of the drilling and completion of each well, with a copy of each electric log, mud log, sample log, and drillstem or production test made or taken in each well, and with a copy of all ground surveys made on said lands.

Lessee shall, to the extent Lessee has the right to do so, furnish Lessor, at Lessee's sole cost and expense, one complete copy of all original geophysical data (including field tapes and associated support data, shot point location maps, survey notes, velocity data and surface elevation of shot points), and any geophysical interpretations thereof (without representation or warranty as to the accuracy thereof), obtained by Lessee with respect to all or any portion of said lands within thirty (30) days after obtaining the same. All information provided by Lessee to Lessor under this paragraph 10 that is not public information shall be maintained as confidential by Lessor until the earlier of October 6, 2015, or the expiration of this lease.

11. Except as otherwise provided herein, Lessee shall have the right at any time during or within six (6) months after the expiration of this lease as to any portion of the said lands, to remove all property and fixtures placed by Lessee on any such portion of said lands, including the right to draw and remove all casing, then belonging to Lessee and not taken over by Lessor under some other provision of this lease. If Lessee fails to remove such property and fixtures within said six (6) months, such property and fixtures shall at the election of Lessor, either become owned by Lessor or Lessor may have such property removed at the sole expense of Lessee; provided, however, Lessee shall not be relieved of its liability to plug any well so abandoned. Lessee shall have no right to remove and shall leave in place all cattleguards and gates installed by Lessee on said lands.

12. All rights of Lessor hereunder may be assigned in whole or in part and the provisions hereof shall extend to the heirs, successors, executors, administrators and assigns of Lessor, but no change or division in ownership of said lands or of the rentals and royalties payable to Lessor hereunder shall operate to enlarge the obligations or diminish the rights of Lessee; and no such change or division in ownership shall be binding on Lessee until the person acquiring any interest has furnished Lessee with a copy of the instrument, reflecting the recording data, constituting his chain of title from the original Lessor. In order to assure Lessor that operations hereunder shall be conducted by responsible parties for the mutual benefit of Lessor and Lessee, Lessee agrees that no assignment of all or any part of Lessee's interest in this lease shall be made without the prior written consent of Lessor, which consent shall not be unreasonably withheld. Any purported assignment of this lease by Lessee without the prior written consent of Lessor shall be void and of no force and effect. Lessee shall give Lessor prompt written notice of any permitted assignment of this lease as to all or any portion of the said lands and such notice shall be accompanied by a true copy of the instrument effecting such assignment. All rights and obligations of each party hereunder shall extend to and be binding upon the heirs, successors and permitted assigns of each party. All covenants and agreements contained in this lease shall constitute covenants running with the land.

13. Should Lessee be prevented from complying with any express or implied covenants of this lease, from conducting drilling or reworking operations thereon or from producing oil or gas therefrom by reason of force majeure, or by any federal or state law or any order, rule or regulation



of governmental authority, then while so prevented, Lessee's obligation to comply with such covenant shall be suspended and Lessee shall not be liable in damages for failure to comply therewith; the time provided for compliance 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 from the said lands, and the time while Lessee is so prevented shall not be counted against Lessee. However, nothing herein shall excuse Lessee from paying, or extending the time for paying, any rental, royalty, shut-in gas royalty or other payment payable in money hereunder, or serve to extend the primary term of this lease beyond four (4) years from the date hereof or permit Lessee to maintain this lease in force and effect by shut-in gas well royalty payment for any period longer than two (2) consecutive years after the end of the primary term.

14. The lease is executed without warranty of title, either express or implied. If Lessor owns an interest in said lands less than the entire oil and gas fee simple estate, then the royalties to be paid Lessor hereunder shall be reduced proportionately.

15. Notwithstanding any other provision herein contained to the contrary, this is not a community lease and this lease shall not be deemed to pool the royalties among the parties who comprise Lessor, and royalties shall be payable on the basis of ownership of the lands where any producing well is located. This lease may not be pooled or unitized except with the express written consent of Lessor.

16. All notices permitted or required to be given hereunder shall be in writing and shall be deemed to have been given if sent by United States mail, postage prepaid, properly addressed, or delivered in person to the party to whom such notice is to be given at the following addresses:

LESSOR:

James R. Currie, Individually  
and as Trustee, and Jimmie R. Currie  
P. O. Box 357  
Garden City, Texas 79739

Cynthia C. Howard  
2600 Inwood Ct.  
Midland, Texas 79705

Darla C. Taylor  
2 Hanover Dr.  
Midland, Texas 79705

With copy in each case to:

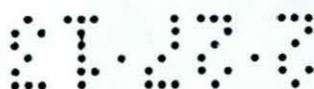
Bill Howard  
500 W. Illinois, Suite 300  
Midland, Texas 79701

LESSEE:

Henry Petroleum LP  
550 W. Texas Ave., Suite 1300  
Midland, Texas 79701

17. If Lessee purchases abstracts of title covering all or any portion of said lands, Lessee agrees to give such abstracts to Lessor when Lessee has completed its title examination with respect to said lands. If Lessee drills a well on said lands, Lessee, at its sole cost and expense, shall supplement to the date of this lease Lessor's abstracts covering each section of land where each well is located.

18. If Lessee enters into a gas purchase contract covering gas produced from said lands which contains what is commonly referred to as a "take or pay provision" (such provision meaning that the gas purchaser agrees to take delivery of a specified minimum volume or quantity of gas over a specified term at a specified price or to make minimum periodic payments with producer for gas



not taken by the purchaser) and the purchaser under such gas purchase contract makes payments to Lessee by virtue of such purchaser's failure to take delivery of such minimum volume or quantity of gas, then Lessor shall be entitled to one-fourth (1/4) of all such sums paid to Lessee or producer under the "pay" provisions of such gas purchase contract. Said royalty payments shall be due and owing to Lessor within sixty (60) days after receipt of such payments by Lessee. Any royalty payments made to Lessor under the "pay" obligation of any "take or pay" gas contract shall be applied as a credit towards Lessee's royalty obligation. If the gas purchaser makes up such gas within the period called for in the gas contract, and Lessee is required to give such purchaser a credit for gas previously paid for but not taken, then Lessor shall not be entitled to royalty on such make-up gas. If Lessee is not producing gas in paying quantities from said lands but is receiving payments under the "pay" portion of such "take or pay" gas purchase contract provision, such payments shall not relieve Lessee of the duty to make shut-in royalty payments if Lessee desires to continue this lease, but such "take or pay" royalty payments shall be applied as a credit against any shut-in royalty obligation of the Lessee. Lessor shall be a third party beneficiary of any gas purchase contract and/or transportation agreement entered into between Lessee and any purchaser and/or transporter of Lessor's gas, irrespective of any provision of any such contract to the contrary. Lessor shall be entitled to one-fourth (1/4) of the value of any benefits obtained by or granted to Lessee from any gas purchaser and/or transporter from the amendment, modification, extension, alteration, consolidation, transfer, translation or settlement of any such gas purchase contract and/or transportation agreement.

19. Lessor has executed and delivered to Lessee a Memorandum of Oil and Gas Lease of even date herewith. It is agreed that in lieu of recording this lease in its entirety, only the Memorandum of Oil and Gas Lease will be recorded by Lessee unless the prior written consent of Lessor is first obtained by Lessee.

20. If Lessee has entered into and consummated an agreement to acquire and/or has acquired within one (1) year prior to the date of this lease, or if Lessee or its successors or assigns hereafter enter into and consummate an agreement to acquire and/or do acquire within one (1) year after the date of this lease, any oil and gas rights from other mineral owners in said lands or any oil and gas rights from other mineral owners covering more than 100 net mineral acres in lands within two and one-half (2.50) miles of the outside boundary of the lands covered by this lease, which lease or agreement provides for a greater lessor bonus payment or lessor royalty fraction than is provided in, or is paid in connection with, this lease, Lessor shall be entitled to the same economic benefits as are provided to any such other mineral owners. Lessee shall submit to Lessor a copy of any such approved lease contract and draft or statement of bonus payment, as applicable, and shall within thirty (30) days thereafter make any required payments to Lessor or execute any required amendments to this lease as are necessary to entitle Lessor to such benefits from and after the date of this lease.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]



IN WITNESS WHEREOF, this instrument is executed as of the day, month and year first hereinabove written.

LESSOR:

James R. Currie

JAMES R. CURRIE, INDIVIDUALLY AND AS TRUSTEE

Jimmie R. Currie

JIMMIE R. CURRIE

Cynthia C. Howard

CYNTHIA C. HOWARD

Darla C. Taylor

DARLA C. TAYLOR

LESSEE:

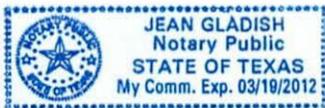
HENRY PETROLEUM LP

By: Concho GP LLC,  
its General Partner

By: M.G. R.  
Name: Matthew G. Hyde  
Title: Exploration & Land

THE STATE OF TEXAS §  
COUNTY OF Midland §

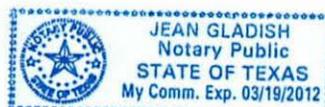
This instrument was acknowledged before me on this 6<sup>th</sup> day of October, 2008, by JAMES R. CURRIE, INDIVIDUALLY AND AS TRUSTEE.



Jean Gladish  
NOTARY PUBLIC State of Texas

THE STATE OF TEXAS §  
COUNTY OF Midland §

This instrument was acknowledged before me on this 6<sup>th</sup> day of October, 2008, by JIMMIE R. CURRIE.



Jean Gladish  
NOTARY PUBLIC State of Texas



THE STATE OF TEXAS           §  
COUNTY OF MIDLAND       §

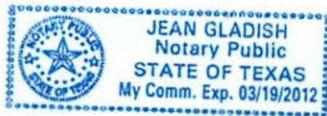
This instrument was acknowledged before me on this 6<sup>th</sup> day of October, 2008,  
by CYNTHIA C. HOWARD.



Jean Gladish  
NOTARY PUBLIC - State of Texas

THE STATE OF TEXAS           §  
COUNTY OF MIDLAND       §

This instrument was acknowledged before me on this 6<sup>th</sup> day of October, 2008,  
by DARLA C. TAYLOR.



Jean Gladish  
NOTARY PUBLIC - State of Texas

THE STATE OF TEXAS           §  
COUNTY OF MIDLAND       §

This instrument was acknowledged before me on this 12<sup>th</sup> day of November, 2008,  
by Matthew S. Hyde, V.P. Exploration: Land of Concho  
GP LLC, General Partner of HENRY PETROLEUM LP, a Texas limited partnership on behalf of  
said limited partnership.



Romae J. Bell  
NOTARY PUBLIC - State of Texas



File No. MF 114851

Adjacent lease  
schedule

Date Filed: 2/27/13

Jerry F. Patterson, Commissioner

By

*J.F.P.*

30673

TEXAS



GENERAL LAND OFFICE

JERRY PATTERSON, COMMISSIONER

April 23, 2013

MR. Joe Britt Dutton  
Concho Operating, LLC  
One Concho Center  
600 West Illinois Ave  
Midland, TX 79701

**Dear Mr. Dutton,**

Re: State of Texas HROW Lease # MF 114851

Enclosed you will find an original executed Highway Right-of-Way lease in Glasscock County.

**Please proof read the lease before filing of record and refer to this lease number with all correspondence.**

**Please have your client provide the GLO with a copy of the Unit Designation after this lease has been added and the unit designation has been filed of record.**

If you have any questions please feel free to contact me at my direct phone number, or email address listed below, or contact George Martin at his direct number (512) 475-1512.

Best regards,

Beverly Boyd  
Energy Resources  
Mineral Leasing  
512-463-6521  
beverly.boyd@glo.texas.gov

Stephen F. Austin Building • 1700 North Congress Avenue • Austin, Texas 78701-1495

Post Office Box 12873 • Austin, Texas 78711-2873

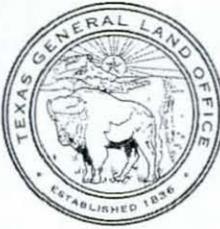
512-463-5001 • 800-998-4GLO

[www.glo.state.tx.us](http://www.glo.state.tx.us)

File No. MF 14851  
Final letter

Date Filed: 4/23/13  
Jerry E. Patterson, Commissioner  
By J.E.A.

TEXAS



GENERAL LAND OFFICE

JERRY PATTERSON, COMMISSIONER

July 25, 2014

Romae Bell  
Concho  
600 West Illinois Avenue  
Midland, Texas 79701

RE: GLO Assignment ID # 9050

Dear Ms. Bell,

The General Land Office received the following instrument(s) and has filed them in the appropriate files.

Partial Assignment of Oil and Gas Lease is effective April 3, 2013 from COG Operating LLC, as assignor, to Tekar Tech, LP, et al, as assignee. As filed for record in Glasscock County, in volume 229, page 656.

Please see attached "Exhibit A" for reference. Filing fees of \$25.00 were received in connection with the above assignment. Please feel free to contact me if you have any questions.

Best Regards,

Alberto Amesquita  
Mineral Leasing  
Energy Resources

Stephen F. Austin Building • 1700 North Congress Avenue • Austin, Texas 78701-1495

P.O. Box 12873 • Austin, Texas 78711-2873

512.463.5001 • 800.998.4GLO

[glo.texas.gov](http://glo.texas.gov)

---

## *Exhibit "A"*

---

<i>GLO ID</i>	<i>County</i>	<i>Lease</i>
9050	Glasscock	MF114851

---

*Friday, July 25, 2014*

COG OPERATING LLC

600 W ILLINOIS AVE  
MIDLAND TX 79701  
(855) 687-8097

Check Number 0000205345

Invoice #	Int. Date	Description	Amount	Discount	Net Amount
102913	10/29/2013		50.00	0.00	50.00

129

14705131

004038

Vendor

Check Date: 10/31/2013

Check Amount

50.00



December 13, 2013

Mr. Mark Adams  
Commissioner of the General Land Office  
1700 North Congress Avenue  
Austin, TX 78701-1495

RE: Glass 2 East Prospect  
State of Texas HROW Lease # MF 114851  
Glasscock County, Texas

Dear Mark:

As per No. 11 "Assignments" in reference to the captioned lease, enclosed are two (2) fully executed certified copies of the following:

- (1) Partial Assignment of Oil and Gas Lease by and between COG Operating LLC, as Assignor, and Chevron Midcontinent, L. P., as Assignee. Glass 2 East Area Prospect
- (2) Partial Assignment of Oil and Gas Lease by and between COG Operating LLC, as Assignor, and Tekar Tech, LP, et al., as Assignees. Glass 2 East Area Prospect

Also, enclosed is COG Operating LLC's check No. 0000205345 in the amount of \$50.00 for each instrument to be filed in the General Land Office.

Should you have any questions, or need additional information, please feel free to contact me at 432.818.2203.

Very truly yours,

COG OPERATING LLC

A handwritten signature in blue ink that reads "Romae Bell". The signature is written in a cursive style.

Romae Bell  
Land Coordinator

/rb  
Enclosures

121013

#132638

PARTIAL ASSIGNMENT OF OIL AND GAS LEASE

STATE OF TEXAS                   §  
  §           KNOW ALL MEN BY THESE PRESENTS THAT:  
COUNTY OF GLASSCOCK       §

The undersigned, **COG OPERATING LLC**, a Delaware limited liability company, successor by merger to Henry Petroleum LP, whose mailing address is 550 West Texas Avenue Suite 100, Midland, TX 79701, herein called "Assignor", in consideration of the sum of Ten Dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby **assign, transfer and convey** unto the Assignees listed below the undivided interests opposite each Assignee in and to the oil and gas lease described on Exhibit "A" attached hereto together with the rights incident thereto, insofar and only insofar as said lease cover the lands described on said Exhibit "A":

<b>Tekar Tech, LP</b> P. O. Box 81131 Midland, Texas 79708	<b>0.00125000</b>
<b>Baqash Resources LP</b> 4816 Rangewood Court Midland, Texas 79707	<b>0.00100000</b>
<b>Kathrin A. Lewis</b> 1003 Stanolind Avenue Midland, Texas 79705	<b>0.00100000</b>
<b>Sharon F. Temple</b> 3809 Crestline Avenue Midland, TX 79707	<b>0.00187500</b>
Total	<b><u>0.00512500</u></b>

TO HAVE AND TO HOLD the same unto Assignee, Assignee's successors and assigns forever, subject to the terms and provisions contained in said leases, and all contracts and assignments relating thereto, all of which Assignee hereby assumes insofar as the same are applicable to the interest hereby assigned and further subject to the following terms and conditions:

1. This Assignment of Oil and Gas Lease (this "Assignment") is made and accepted without representation or warranty of title, express or implied, except by, through and under Assignor.
2. All of the terms, conditions and provisions hereof shall inure to and be binding upon the parties hereto, their respective heirs, executors, administrators, assigns and successors.
3. Concerning the lands described therein, this Assignment is subject to the terms and conditions of that certain unrecorded Joint Operating Agreement dated effective February 7, 2005.


 True and correct copy  
 of original filed in the  
 Glasscock County  
 Clerks Office  
 Page 1 of 3

12.10.13

BOOK 229 PAGE 657

PARTIAL ASSIGNMENT OF OIL AND GAS LEASE  
COG Operating LLC to Employees  
Glass 2 (East Area) Prospect  
Glasscock County, TX

IN WITNESS WHEREOF, this Assignment is effective as of the date of the Oil and Gas Lease shown on the attached Exhibit "A".

ASSIGNOR:

COG OPERATING LLC

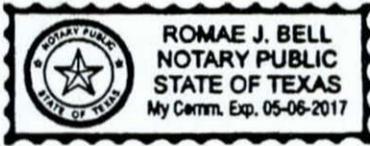
By: Mona D. Ables  
Mona D. Ables  
Vice President of Land *JSD* *MSO*

STATE OF TEXAS §

COUNTY OF MIDLAND §

This instrument was acknowledged before me this 13<sup>th</sup> day of September 2013, by **MONA D. ABLES**, as Vice President of Land of **COG Operating LLC**, a Delaware limited liability company, on behalf of said limited liability company.

Romae J. Bell  
Notary Public in and for the State of Texas



True and correct copy  
of original filed in the  
Glasscock County  
Clerks Office



PARTIAL ASSIGNMENT OF OIL AND GAS LEASE  
COG Operating LLC to Employees  
Glass 2 (East Area) Prospect  
Glasscock County, Texas

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT CERTAIN PARTIAL ASSIGNMENT OF OIL AND GAS LEASE BETWEEN COG OPERATING LLC, AS ASSIGNOR, AND TEKAR TECH LP, ET AL., AS ASSIGNEES.

OIL AND GAS LEASE:

DATE: April 3, 2013  
LESSOR: Commissioner of the General Land Office of the State of Texas  
(MF 114851)  
LESSEE: COG Operating LLC  
DESCRIPTION: 21.2 acres in State Highway #158 Right-of-Way out of Sections 40 and 45, Block 32, T-4-S, T&P Ry. Co. Survey, Glasscock County, Texas  
RECORDED: Volume 223, page 326 of the Official Public Records of Glasscock County, Texas

FILED  
AT 10:00 O'CLOCK A M  
ON THE 26 DAY OF Sept.  
A.D., 2013  
INS. NO. 132638

Rebecca Batla  
COUNTY CLERK, GLASSCOCK COUNTY, TEXAS  
BY Angie Kellie DEPUTY

STATE OF TEXAS  
COUNTY OF GLASSCOCK  
I hereby certify that this instrument was FILED on the date and at the time stamped hereon by me and was duly RECORDED in the Volume and Page of the named RECORDS of Glasscock County, Texas, as stamped hereon by me.



Rebecca Batla  
County Clerk, Glasscock County, Texas

OFFICIAL PUBLIC RECORDS  
VOL. 229 PAGE 656  
RECORDED Sept. 26, 2013

End of Exhibit "A" Partial Assignment of Oil and Gas Lease



True and correct copy  
of original filed in the  
Glasscock County  
Clerks Office

CERTIFIED TRUE AND CORRECT COPY CERTIFICATE  
STATE OF TEXAS  
COUNTY OF GLASSCOCK

The above and foregoing is a full, true and correct photographic copy of the original record now in my lawful custody and possession, as the same is filed/recorded in the Official Public Records of my office, found in VOL. 229 PAGE 656



I hereby certified on Dec 10, 2013  
REBECCA BATLA, COUNTY & DISTRICT CLERK  
GLASSCOCK COUNTY, TEXAS  
BY Adriana Rung DEPUTY

9

File No. MF-114851  
Assignment #9050  
W/O Penning to Tekon Tech  
Date Filed: 12.18.13  
Jerry E. Patterson, Commissioner  
By         

010151

TEXAS



GENERAL LAND OFFICE

JERRY PATTERSON, COMMISSIONER

July 25, 2014

Romae Bell  
Concho  
600 West Illinois Avenue  
Midland, Texas 79701

RE: GLO Assignment ID # 9051

Dear Ms. Bell,

The General Land Office received the following instrument(s) and has filed them in the appropriate files.

Partial Assignment of Oil and Gas Lease is effective April 3, 2013 from COG Operating LLC, as assignor, to Chevron Midcontinent, L.P., as assignee. As filed for record in Glasscock County, in volume.229, page 659.

Please see attached "Exhibit A" for reference. Filing fees of \$25.00 were received in connection with the above assignment. Please feel free to contact me if you have any questions.

Best Regards,

Alberto Amesquita  
Mineral Leasing  
Energy Resources

Stephen F. Austin Building • 1700 North Congress Avenue • Austin, Texas 78701-1495

P.O. Box 12873 • Austin, Texas 78711-2873

512.463.5001 • 800.998.4GLO

[glo.texas.gov](http://glo.texas.gov)

---

## *Exhibit "A"*

<i>GLO ID</i>	<i>County</i>	<i>Lease</i>
9051	Glasscock	MF114851

*Friday, July 25, 2014*



PARTIAL ASSIGNMENT OF OIL AND GAS LEASE  
COG Operating LLC to Chevron Midcontinent, L. P.  
Glass 2 (East Area) Prospect  
Glasscock County, Texas

STATE OF TEXAS §  
COUNTY OF MIDLAND §

This instrument was acknowledged before me this 13<sup>th</sup> day of September 2013,  
by **MONA D. ABLES**, as Vice President of Land for **COG OPERATING LLC**, a Delaware  
limited liability company, on behalf of said limited liability company.

*Romae J. Bell*  
Notary Public in and for the State of Texas



**FILED**  
AT 10:00 O'CLOCK 4 M  
ON THE 26 DAY OF Sept.  
A.D., 2013  
INS. NO. 123639

*Rebecca Batla*  
COUNTY CLERK, GLASSCOCK COUNTY, TEXAS  
BY *Suzie Kelly* DEPUTY

STATE OF TEXAS  
COUNTY OF GLASSCOCK  
I hereby certify that this instrument was FILED on the  
date and at the time stamped hereon by me and was duly  
RECORDED in the Volume and Page of the named  
RECORDS of Glasscock County, Texas, as stamped  
hereon by me.



*Rebecca Batla*  
County Clerk, Glasscock County, Texas

OFFICIAL PUBLIC RECORDS  
VOL. 229 PAGE 659  
RECORDED Sept. 26, 2013

**CERTIFIED TRUE AND CORRECT COPY CERTIFICATE**  
STATE OF TEXAS  
COUNTY OF GLASSCOCK

The above and foregoing is a full, true and correct photographic copy of the  
original record now in my lawful custody and possession, as the same is  
filed/recorded in the Official Public Records of my office, found in  
VOL. 229, PAGE 659



I hereby certified on Dec. 10, 2013  
REBECCA BATLA, COUNTY & DISTRICT CLERK  
GLASSCOCK COUNTY, TEXAS  
BY *Adriana Remy* DEPUTY



True and correct copy  
of original filed in the  
Glasscock County  
Clerks Office

Page 2 of 2

010191

10

File No. MF 114851

Assignment # 9051

COG Operating to Chevron Midcontinent

Date Filed: 12-18-13

Jerry E. Patterson, Commissioner

By *[Signature]*

Printed name of  
Commissioner  
of Public Safety

**DO NOT DESTROY**



**Texas General Land Office**

**UNIT AGREEMENT MEMO**

UPA148112

**Unit Number** 6785  
**Operator Name** Cog Operating Llc **Effective Date** 10/24/2013  
**Customer ID** C000044811 **Unitized For** Oil And Gas  
**Unit Name** Currie "A" State #4505 **Unit Term**  
**County 1** Glasscock **RRC District 1** 08 **Old Unit Number** **Inactive Status Date**  
**County 2** **RRC District 2**  
**County 3** **RRC District 3**  
**County 4** **RRC District 4**  
**Unit type** Permanent  
**State Net Revenue Interest** 0.00095456  
**State Part in Unit** 0.00381825  
**Unit Depth** Allow All Depths **Well**  
**From Depth** **Formation**  
**To Depth** **Participation Basis** Surface Acreage  
**If Excluions Apply: See Remarks**

Lease Number	Tract No	Lease Acres in Unit	Total Unit Acres	Tract Participation	Lease Royalty	Tract Royalty Participation	Royalty Rate Reduction Clause
MF114851	1	0.600000	157.140000	0.003818	0.25000000	0.000955	No

**API Number**  
 4217335891 ✓

**Remarks:**

[Empty rectangular box for remarks]

**Prepared By:** Mark Adams  
**GLO Base Updated By:** Mark Adams  
**RAM Approval By:** VA  
**GIS By:** MC  
**Well Inventory By:** MB

**Prepared Date:** 3/27/14  
**GLO Base Date:** 3/27/14  
**RAM Approval Date:** 3/28/14  
**GIS Date:** 2-23-14  
**WI Date:** 3/28/14

# Pooling Committee Report

**To:** School Land Board **UPA148112**  
**Date of Board Meeting:** **Unit Number: 6785**  
**Effective Date:** 10/24/2013  
**Unit Expiration Date:**  
**Applicant:**  
**Attorney Rep:**  
**Operator:** Cog Operating Llc  
**Unit Name:** Currie "A" State #4505  
**Field Name:** Garden City, S. (Wolfcamp)

**County:**

<u>Lease Type</u>	<u>Lease Number</u>	<u>Lease Royalty</u>	<u>Expiration Date</u>	<u>Lease Term</u>	<u>Lease Acres</u>	<u>Lease Acres In Unit</u>	<u>Royalty Participation</u>
HROW	MF114851	0.25000000	04/03/2016	3 years	21.200000	0.600000	0.00095456

<b>Private Acres:</b>	156.540000
<b>State Acres:</b>	0.600000
<b>Total Unit Acres:</b>	157.140000

<b><u>Participation Basis:</u></b>	Surface Acreage
Surface Acreage	
<b><u>State Acreage:</u></b>	0.38%
<b><u>State Net Revenue Interest:</u></b>	0.10%

<b><u>Unit Type:</u></b>	<b><u>Unitized for:</u></b>
Permanent	Oil And Gas
<b><u>Term:</u></b>	

<b><u>RRC Rules:</u></b>	<b><u>Spacing Acres:</u></b>
No	

#6785

RECEIVED  
2/17/14



**Information for Highway Right-of-Way Unit Declaration**  
Texas General Land Office  
Jerry Patterson, Commissioner  
1700 North Congress Avenue  
Austin, Texas 78701-1495

**OPERATOR INFORMATION**

Contact Name: Mr. Joe Dutton # Phone (432) 818-2211  
Name of Pooled Unit Currie A State 4505 ✓  
Operator of Pooled Unit COG Operating LLC ✓ County Glasscock ✓  
Effective Date of Unit Declaration: October 24, 2013 ✓

**HROW LEASE(S) IN UNIT**

HROW State Lease No.	Lease Date	Term	HROW Royalty	Total Lease Acreage	Lease Acreage in Unit
MF-114851	✓4/3/2013	✓3 years	✓1/4	✓21.2	0.60

Total Acreage In Pooled Unit 157.14 ✓ Ac.  
State's Royalty Revenue Interest in Unit: 0.095456% ✓ Total HROW Acreage In Unit 0.60 ✓ Ac.  
Total Private Acreage In Unit 156.54 ✓ Ac.

Attach a plat showing the pooled unit outline, unit well(s) location, and HROW lease tracts.

Type of Mineral Pooled:  Oil  Gas  Oil & Gas ✓

Pooled Interval: All Depths X ✓ Top Depth \_\_\_\_\_ Base Depth \_\_\_\_\_

If pooling a Formation(s) please list Formation Name: All Formations ✓

RRC Field Name(s): Garden City, S. (Wolfcamp Field)

**UNIT WELL(S)**

API # 42-173-35891 RRC ID# 166150  
API # \_\_\_\_\_ RRC ID# \_\_\_\_\_  
API # \_\_\_\_\_ RRC ID# \_\_\_\_\_  
API # \_\_\_\_\_ RRC ID# \_\_\_\_\_



Private Road



Streets Aerial Hybrid Topo

CURRIE, J.  
1-712

T. &  
P.R.R. CO.  
1-34

BEYER,  
W.E.  
1-779

GLASSCOCK

45

BEYER,  
W.E.  
1-778

44

BEYER,  
W.E.  
1-675

T. &  
P.R.R. CO.  
1-86

124 Longitude:-101.306672  
50° N 101° 18' 24" W



Auto Save

GLO GIS



#140519

**DESIGNATION OF POOLED UNIT**

**COG Operating LLC  
Currie "A" State #4505 Pooled Unit  
Glasscock County, Texas**

This Designation of Pooled Unit is made and entered into effective as of October 24, 2013, by and between the undersigned owners of the oil and gas leases described in Exhibit "A" hereof embracing lands in Glasscock County, Texas and by and between the undersigned owners of royalty in and under the lands described in Exhibit "A" hereof.

**WITNESSETH:**

1. Each of said oil and gas leases embraces a portion of the lands within the pooled unit and collectively embraces the entire pooled unit.

2. The owners of said oil and gas leases desire to pool the oil and gas leases described in Exhibit "A" hereof (INSOFAR, but only insofar as said oil and gas leases cover and affect lands lying within the unit area).

3. The owners of the royalty in and under the lands described in Exhibit "A" hereof hereby consent to this Designation of Pooled Unit (INSOFAR, but only insofar as said oil and gas leases cover and affect lands lying within the unit area).

4. The unit area shall consist of 157.14 acres, more or less, in Glasscock County, Texas, as described and referred to in Exhibit "A" hereto as to all depths and formations.

5. The owners of said oil and gas leases commit all of their interest and all interest over which they hold pooling privilege or power by virtue of said oil and gas leases, amendment and/or ratifications thereof, other instruments or by operation of law and which are within the above described unit area, and by these presents do hereby pool said oil and gas leases, the leasehold rights, and royalty interest therein, insofar as said leases, rights and interest cover and affect the lands described in Exhibit "A" for the drilling and production of oil, gas, condensate, casinghead gas and other hydrocarbons hereinafter at times referred to as "pooled mineral."

(a) The unit shall be operated as an entirety for the exploration, development, and production of the pooled mineral, rather than as separate tracts.

(b) All drilling operations, reworking or other operations with respect to the pooled mineral on lands within the unit shall be considered as though the same were on each separate tract in the unit, regardless of the actual location of the well or wells thereon, for all purposes under the terms of the respective leases or other contracts thereon and this agreement.

(c) Production of the pooled mineral from the unit allocated to each separate tract, respectively, as hereinafter provided, shall be deemed to have been produced from each separate tract in the unit, regardless of the actual location of the well or wells thereon, for all purposes under the terms of the respective leases or other contracts thereon and this agreement.

(d) All rights to the production of the pooled mineral from the unit, including royalties and other payments, shall be determined and governed by the lease or other contract pertaining to each separate tract, respectively, based upon the production so allocated to such tract only, and in lieu of the actual production of the pooled mineral therefrom.

6. For the purposes of computing the royalty to which each Lessor or royalty owner shall be entitled on production of oil or gas and condensate there shall be allocated to each tract committed to the above referred unit, that pro rata portion from the pooled mineral produced from the pooled unit which the number of surface acres contained in each such tract bears to the total number of surface acres included in the pooled unit.

7. Notwithstanding anything contained elsewhere in this Designation of Pooled Unit, it is expressly understood and agreed that nothing contained in this Designation of Pooled Unit shall modify or affect (i) the continuous development provisions, the horizontal and vertical lease

Designation of Pooled Unit  
Currie "A" State #4505 Pooled Unit

termination provisions or the separate lease provisions contained in Lease No. 1 described on Exhibit "A" attached hereto ("Lease 1"); or (ii) the Lessee's implied covenant to reasonably develop the lands covered by Lease 1, if any. It is further expressly understood and agreed that upon partial termination of Lease 1 pursuant to its terms as to any portion of Tract No. 1 described on Exhibit "A" attached hereto, neither the terminated portion of Lease 1 nor that portion of the mineral interest in said Tract No. 1 that was subject to Lease 1 prior to such partial termination shall remain subject to the terms of this Designation of Pooled Unit. Provided, notwithstanding (i) and (ii) above or other language of this paragraph, a unit well shall be deemed a well on Lease No. 1 for purposes of: (a) extending the continuous development period of Lease No. 1, if and to the extent, but only if and to the extent, it would do so if drilled on Lease No. 1 in the absence of pooling and (b) determining compliance with Lease No. 1's implied duty of reasonable development, if any.

The declaration may be executed in counterpart, none of which needs to be executed by all parties, or may be ratified or consented to by separate instruments and shall be binding upon both parties who have executed such a counterpart, ratification or consent.

IN WITNESS WHEREOF, the parties hereto have executed this agreement upon the respective dates of their acknowledgments.

Lessee under Leases 1 & 2:

**COG Operating LLC**

**Chevron Midcontinent, L.P.**

By: Chevron Midcontinent Operations LLC,  
General Partner

By: Mona D. Ables  
Mona D. Ables  
Vice President of Land 

By: \_\_\_\_\_  
D. K. Beckham  
Attorney-in-Fact

**Baqash Resources LP**

**Tekar Tech, L.P.**

By: Baqash Resources Management LLC.  
General Partner

By: TCB Management, LLC.  
General Partner

Damian G. Barrett  
Damian G. Barrett, Manager

Terence Craig Burkes  
Terence Craig Burkes, President

\_\_\_\_\_  
**Kathrin A. Lewis**

\_\_\_\_\_  
**Sharon F. Temple**

Designation of Pooled Unit  
Currie "A" State #4505 Pooled Unit

termination provisions or the separate lease provisions contained in Lease No. 1 described on Exhibit "A" attached hereto ("Lease 1"); or (ii) the Lessee's implied covenant to reasonably develop the lands covered by Lease 1, if any. It is further expressly understood and agreed that upon partial termination of Lease 1 pursuant to its terms as to any portion of Tract No. 1 described on Exhibit "A" attached hereto, neither the terminated portion of Lease 1 nor that portion of the mineral interest in said Tract No. 1 that was subject to Lease 1 prior to such partial termination shall remain subject to the terms of this Designation of Pooled Unit. Provided, notwithstanding (i) and (ii) above or other language of this paragraph, a unit well shall be deemed a well on Lease No. 1 for purposes of: (a) extending the continuous development period of Lease No. 1, if and to the extent, but only if and to the extent, it would do so if drilled on Lease No. 1 in the absence of pooling and (b) determining compliance with Lease No. 1's implied duty of reasonable development, if any.

The declaration may be executed in counterpart, none of which needs to be executed by all parties, or may be ratified or consented to by separate instruments and shall be binding upon both parties who have executed such a counterpart, ratification or consent.

IN WITNESS WHEREOF, the parties hereto have executed this agreement upon the respective dates of their acknowledgments.

**Lessee under Leases 1 & 2:****COG Operating LLC**

By: Mona D. Ables  
Mona D. Ables  
Vice President of Land 

**Chevron Midcontinent, L.P.**

By: Chevron Midcontinent Operations LLC,  
General Partner

By: D. K. Beckham  
D. K. Beckham  
Attorney-in-Fact

**Baqash Resources LP**

By: Baqash Resources Management LLC.  
General Partner

**Tekar Tech, L.P.**

By: TCB Management, LLC.  
General Partner

\_\_\_\_\_  
Damian G. Barrett, Manager

\_\_\_\_\_  
Terence Craig Burkes, President

\_\_\_\_\_  
Kathrin A. Lewis

\_\_\_\_\_  
Sharon F. Temple

Designation of Pooled Unit  
Currie "A" State #4505 Pooled Unit

termination provisions or the separate lease provisions contained in Lease No. 1 described on Exhibit "A" attached hereto ("Lease 1"); or (ii) the Lessee's implied covenant to reasonably develop the lands covered by Lease 1, if any. It is further expressly understood and agreed that upon partial termination of Lease 1 pursuant to its terms as to any portion of Tract No. 1 described on Exhibit "A" attached hereto, neither the terminated portion of Lease 1 nor that portion of the mineral interest in said Tract No. 1 that was subject to Lease 1 prior to such partial termination shall remain subject to the terms of this Designation of Pooled Unit. Provided, notwithstanding (i) and (ii) above or other language of this paragraph, a unit well shall be deemed a well on Lease No. 1 for purposes of: (a) extending the continuous development period of Lease No. 1, if and to the extent, but only if and to the extent, it would do so if drilled on Lease No. 1 in the absence of pooling and (b) determining compliance with Lease No. 1's implied duty of reasonable development, if any.

The declaration may be executed in counterpart, none of which needs to be executed by all parties, or may be ratified or consented to by separate instruments and shall be binding upon both parties who have executed such a counterpart, ratification or consent.

IN WITNESS WHEREOF, the parties hereto have executed this agreement upon the respective dates of their acknowledgments.

Lessee under Leases 1 & 2:

**COG Operating LLC**

**Chevron Midcontinent, L.P.**

By: Chevron Midcontinent Operations LLC,  
General Partner

By: Mona D. Ables  
Mona D. Ables  
Vice President of Land

By: \_\_\_\_\_  
D. K. Beckham  
Attorney-in-Fact

**Baqash Resources LP**

**Tekar Tech, L.P.**

By: Baqash Resources Management LLC,  
General Partner

By: TCB Management, LLC,  
General Partner

\_\_\_\_\_  
Damian G. Barrett, Manager

\_\_\_\_\_  
Terence Craig Burkes, President

Kathrin A. Lewis  
Kathrin A. Lewis

\_\_\_\_\_  
Sharon F. Temple

Designation of Pooled Unit  
Currie "A" State #4505 Pooled Unit

termination provisions or the separate lease provisions contained in Lease No. 1 described on Exhibit "A" attached hereto ("Lease 1"); or (ii) the Lessee's implied covenant to reasonably develop the lands covered by Lease 1, if any. It is further expressly understood and agreed that upon partial termination of Lease 1 pursuant to its terms as to any portion of Tract No. 1 described on Exhibit "A" attached hereto, neither the terminated portion of Lease 1 nor that portion of the mineral interest in said Tract No. 1 that was subject to Lease 1 prior to such partial termination shall remain subject to the terms of this Designation of Pooled Unit. Provided, notwithstanding (i) and (ii) above or other language of this paragraph, a unit well shall be deemed a well on Lease No. 1 for purposes of: (a) extending the continuous development period of Lease No. 1, if and to the extent, but only if and to the extent, it would do so if drilled on Lease No. 1 in the absence of pooling and (b) determining compliance with Lease No. 1's implied duty of reasonable development, if any.

The declaration may be executed in counterpart, none of which needs to be executed by all parties, or may be ratified or consented to by separate instruments and shall be binding upon both parties who have executed such a counterpart, ratification or consent.

IN WITNESS WHEREOF, the parties hereto have executed this agreement upon the respective dates of their acknowledgments.

Lessee under Leases 1 & 2:

**COG Operating LLC**

**Chevron Midcontinent, L.P.**

By: Chevron Midcontinent Operations LLC,  
General Partner

By: Mona D. Ables  
Mona D. Ables  
Vice President of Land 

By: \_\_\_\_\_  
D. K. Beckham  
Attorney-in-Fact

**Baqash Resources LP**

**Tekar Tech, L.P.**

By: Baqash Resources Management LLC.  
General Partner

By: TCB Management, LLC.  
General Partner

\_\_\_\_\_  
Damian G. Barrett, Manager

\_\_\_\_\_  
Terence Craig Burkes, President

\_\_\_\_\_  
Kathrin A. Lewis

Sharon F. Temple by: Linda Temple  
Sharon F. Temple

Designation of Pooled Unit  
Currie "A" State #4505 Pooled Unit

**Royalty Owners Under Lease 1:**

**CCH Ranch Investments LP**  
By: CCH Ranch Management LLC  
General Partner

By: Cynthia C. Howard  
Cynthia C. Howard  
President

**DCT Ranch Investments LP**  
By: DCT Ranch Management LLC  
General Partner

By: Darla C. Taylor  
Darla C. Taylor  
President

**ACKNOWLEDGMENTS**

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 17<sup>th</sup> day of December, 2013, by **MONA D. ABLES**, as Vice President of Land of **COG OPERATING LLC**, a Delaware limited liability company on behalf of said limited liability company.



Romae J. Bell  
Notary Public, State of Texas

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on \_\_\_\_ day of \_\_\_\_\_, 2013, by **D. K. BECKHAM**, as Attorney-in-Fact for Chevron Midcontinent Operations LLC, a Delaware limited liability company, as General Partner of **CHEVRON MIDCONTINENT, L.P.**, a Texas limited partnership, on behalf of said limited partnership..

\_\_\_\_\_  
Notary Public, State of Texas

My commission expires:  
\_\_\_\_\_

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 19<sup>th</sup> day of December, 2013, by **TERENCE CRAIG BURKES**, as President for TCB Management, LLC, a Texas limited liability company, as General Partner of **TEKAR TECH, L.P.**, a Texas limited partnership, on behalf of said limited partnership.



Romae J. Bell  
Notary Public, State of Texas

Designation of Pooled Unit  
Currie "A" State #4505 Pooled Unit

**Royalty Owners Under Lease 1:**

**CCH Ranch Investments LP**  
By: CCH Ranch Management LLC  
General Partner

By: Cynthia C. Howard  
Cynthia C. Howard  
President

**DCT Ranch Investments LP**  
By: DCT Ranch Management LLC  
General Partner

By: Daria C. Taylor  
Daria C. Taylor  
President

**ACKNOWLEDGMENTS**

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 17<sup>th</sup> day of December, 2013, by **MONA D. ABLES**, as Vice President of Land of **COG OPERATING LLC**, a Delaware limited liability company on behalf of said limited liability company.



Romae J. Bell  
Notary Public, State of Texas

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 14<sup>th</sup> day of January, 2013, by **D. K. BECKHAM**, as Attorney-in-Fact for Chevron Midcontinent Operations LLC, a Delaware limited liability company, as General Partner of **CHEVRON MIDCONTINENT, L.P.**, a Texas limited partnership, on behalf of said limited partnership..

[Signature]  
Notary Public, State of Texas

My commission expires:  
5/5/2014

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on \_\_\_ day of \_\_\_\_\_, 2013, by **TERENCE CRAIG BURKES**, as President for TCB Management, LLC, a Texas limited liability company, as General Partner of **TEKAR TECH, L.P.**, a Texas limited partnership, on behalf of said limited partnership.

\_\_\_\_\_  
Notary Public, State of Texas

Designation of Pooled Unit  
Currie "A" State #4505 Pooled Unit

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 18<sup>th</sup> day of December, 2013, by **DAMIAN G. BARRETT**, as Manager for Baqash Resources Management LLC, a Texas limited liability company, as General Partner of BAQASH RESOURCES LP, a Texas limited partnership, on behalf of said limited partnership.



Romae J. Bell  
Notary Public, State of Texas

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 15<sup>th</sup> day of January, <sup>2014</sup>~~2013~~, by **KATHRIN A. LEWIS**.



Romae J. Bell  
Notary Public, State of Texas

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 17<sup>th</sup> day of January, <sup>2014</sup>~~2013~~ by **ERIN N. TEMPLE**, as attorney in fact on behalf of **SHARON F. TEMPLE**.



Romae J. Bell  
Notary Public, State of Texas

Designation of Pooled Unit  
Currie "A" State #4505 Pooled Unit

ACKNOWLEDGMENTS

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 18th day of December, 2013, by **CYNTHIA C. HOWARD**, President of CCH Ranch Management LLC, General partner of CCH RANCH INVESTMENTS LP, a Texas limited partnership, on behalf of said limited partnership.



My commission expires:

8-26-15

Judy K. Taylor  
Notary Public, State of Texas

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 18th day of December, 2013, by **DARLA C. TAYLOR**, President of DCT Ranch Management LLC, General Partner of DCT RANCH INVESTMENTS LP, a Texas limited partnership, on behalf of said limited partnership.



My commission expires:

8-26-15

Judy K. Taylor  
Notary Public, State of Texas

Designation of Pooled Unit  
Currie "A" State 4505 Pooled Unit

**EXHIBIT "A"**  
**DESIGNATION OF POOLED UNIT**

**COG Operating LLC**  
**Currie "A" State #4505 Pooled Unit**  
**Glasscock County, Texas**

Description of Pooled Unit

**Currie "A" State #4505 Unit**

NE/4 of Section 45, Block 32, Township 4 South, T & P Ry. Co. Survey, A-84, containing 157.14 acres, more or less:

Tract No. 1

A tract of land containing 156.54 acres, more or less, being all of NE/4 of Section 45, Block 32, Township 4 South, T & P Ry. Co. Survey, A-84, Glasscock County, Texas, containing 157.14 acres, more or less, SAVE AND EXCEPT 0.60 acres, more or less, being the right-of-way of State Highway 158, described more particularly by metes and bounds in Tract No. 2 below.

Tract No. 2

A tract of land containing 0.60 acres, more or less, out of NE/4 of Section 45, Block 32, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas, being the right-of-way of State Highway 158, described more particularly by metes and bounds as shown on the plat attached hereto:

Leases Committed to Pooled Unit:

Lease No. 1

Lessor: James R. Currie, Individually and as Trustee, and Jimmie R. Currie, wife of James R. Currie, Cynthia C. Howard, and Darla C. Taylor.  
Lessee: Henry Petroleum LP  
Date: October 6, 2008  
Recording: Memorandum of Lease recorded in Volume 125, Page 650, Official Public Records of Glasscock County, Texas.  
Description: Insofar as and only insofar as said lease covers Tract 1 described above.

Lease No. 2

Lessor: Commissioner of the General Land Office of the State of Texas  
Lease No. (MF 114851)  
Lessee: COG Operating LLC  
Date: April 3, 2013  
Recording: Volume 223, Page 326, Official Public Records of Glasscock County, Texas.  
Description: Insofar as and only insofar as said lease covers Tract 2 described above.

End of page 1 of Exhibit "A" to Currie "A" State #4505 Pooled Unit - Designation of Pooled Unit

Currie "A" State #4505

Unit 6785

MF114851

VOL. 241 PAGE 540



METES AND BOUNDS DESCRIPTION of  
 0.6 Acres (within Highway 158 ROW) out of  
 Section 45, Block 32, T-4-S,  
 T. & P. RR. Co.,  
 Glasscock County, Texas

Beginning at a point in the northeast right-of-way of Highway and on the west line of the northeast quarter (NE/4) of Section 45, Block 32, T-4-S, T. & P. RR. Co., for the most northerly corner of this tract, from which the calculated northwest corner of said Section 45 bears N 14°33'16" W 2329.33 feet and S 75°26'42" W 2616.74 feet;  
 Thence S 49°13'42" E, with the northeast right-of-way of Highway 158, 53.97 feet;  
 Thence with the northeast right-of-way of Highway 158, with a curve to the left, having a radius of 2804.79 feet, a central angle of 5°51'27", a distance of 286.75 feet to a point in the northeast right-of-way of Highway 158 and on the south line of the northeast quarter (NE/4) of said Section 45 for the most southeasterly corner of this tract;  
 Thence S 75°39'24" W, with the south line of the northeast quarter (NE/4) of said Section 45, 154.78 feet to a point on the south line of the northeast quarter (NE/4) of said Section 45 and in the southwest right-of-way of Highway 158, for the most southwesterly corner of this tract;  
 Thence with the southwest right-of-way of Highway 158, with a curve to the right, having a radius of 2924.79 feet, a central angle of 1°35'41", a distance of 81.41 feet to a point in the southwest right-of-way of Highway 158 and on the west line of the northeast quarter (NE/4) of said Section 45 for a corner of this tract;  
 Thence N 14°21'20" W, with the west line of the northeast quarter (NE/4) of said Section 45, 207.83 feet to the point of beginning.



Steven L. Premit  
 April 2011  
 110418DH1

Plot  
 COG OPERATING LLC  
 Approximately 16.3 Acres  
 out of  
 Section 45, Block 32, T-4-S,  
 T. & P. RR. Co.,  
 Glasscock County, Texas  
 Scale: 1" = 2000'



COPY

FILED  
AT 10:00 O'CLOCK A M  
ON THE 6 DAY OF Feb.  
A.D. 2014  
INS. NO. 140519

STATE OF TEXAS  
COUNTY OF GLASSCOCK

I hereby certify that this instrument was FILED on the  
date and at the time stamped hereon by me and was duly  
RECORDED in the Volume and Page of the named  
RECORDS of Glasscock County, Texas, as stamped  
hereon by me.



Rebecca Bada  
County Clerk, Glasscock County, Texas

Rebecca Bada  
COUNTY CLERK, GLASSCOCK COUNTY, TEXAS

BY Adriana Ramirez  
DEPUTY

OFFICIAL PUBLIC RECORDS  
VOL. 241 PAGE 530  
RECORDED Feb. 6, 2014

File No. MF 114851

Unit 678S agreement /  
attachments

File Filed: 3/27/14

Jerry Patterson, Commissioner

MO Barnstone

**DO NOT DESTROY**



**Texas General Land Office  
UNIT AGREEMENT MEMO**

UPA148141

Unit Number 6814  
 Operator Name COG Operating LLC Effective Date 08/11/2013  
 Customer ID C000044811 Unitized For Oil And Gas  
 Unit Name Currie "A" State #4003 Unit Term  
 County 1 Glasscock RRC District 1 08 Old Unit Number Inactive Status Date  
 County 2 RRC District 2  
 County 3 RRC District 3  
 County 4 RRC District 4  
 Unit type Permanent  
 State Net Revenue Interest 0.00756200  
 State Part in Unit 0.03024800  
 Unit Depth Allow All Depths Well  
 From Depth Formation  
 To Depth Participation Basis Surface Acreage  
 If Excluions Apply: See Remarks

Lease Number	Tract No	Lease Acres in Unit	Total Unit Acres	Tract Participation	Lease Royalty	Tract Royalty Participation	Royalty Rate Reduction Clause
MF114851	1	4.830000	159.680000	0.030248	0.25000000	0.007562	No

API Number  
4217335858 ✓

Remarks:

[Redacted Remarks Box]

Prepared By: Mark Adams  
 GLO Base Updated By: Mark Adams  
 RAM Approval By: [Signature]  
 GIS By: mc  
 Well Inventory By: [Signature]

Prepared Date: 4/14/14  
 GLO Base Date: 4/14/14  
 RAM Approval Date: 4-17-14  
 GIS Date: 2-23-15  
 WI Date: 4/15/14

# Pooling Committee Report

To: School Land Board

UPA148141

Date of Board Meeting:

Unit Number: 6814

Effective Date: 08/11/2013

Unit Expiration Date:

Applicant:

Attorney Rep:

Operator: Cog Operating Llc, Midland

Unit Name: Currie "A" State #4003

Field Name: Garden City, S. (Wolfcamp)

County:

Glasscock

<u>Lease Type</u>	<u>Lease Number</u>	<u>Lease Royalty</u>	<u>Expiration Date</u>	<u>Lease Term</u>	<u>Lease Acres</u>	<u>Lease Acres In Unit</u>	<u>Royalty Participation</u>
HROW	MF114851	0.25000000	04/03/2016	3 years	21.200000	4.830000	0.00756200

<b>Private Acres:</b>	154.850000
<b>State Acres:</b>	4.830000
<b>Total Unit Acres:</b>	159.680000

<b>Participation Basis:</b>	Surface Acreage
Surface Acreage	
<b>State Acreage:</b>	3.02%
<b>State Net Revenue Interest:</b>	0.76%

<b>Unit Type:</b>	<b>Unitized for:</b>
Permanent	Oil And Gas
<b>Term:</b>	

<b>RRC Rules:</b>	<b>Spacing Acres:</b>
No	

# 6814

RECEIVED  
2/17/14



**Highway Right-of-Way Unit Designation Form**

Texas General Land Office  
Jerry Patterson, Commissioner  
1700 North Congress Avenue  
Austin, Texas 78701-1495

**OPERATOR INFORMATION**

Contact Name Mr. Joe Dutton Phone (432) 818-2211  
Name of Pooled Unit Currie A State 4003 ✓  
Operator of Pooled Unit COG Operating LLC ✓ County Glasscock ✓  
Effective Date of Unit Declaration: August 11, 2013 ✓

**HROW LEASE(S) IN UNIT**

HRWO State Lease No.	Lease Date	Term	HROW Royalty	Total Acreage in HROW Lease	HROW Lease Acreage in Unit
MF-114851	✓4/3/2013	✓3 years	✓1/4	✓21.2	4.83 ✓

0.00756200 Total Acreage In Pooled Unit 159.68 ✓ Ac.  
State's Royalty Revenue Interest in Unit: 0.756200% Total HRWO Acreage In Unit 4.83 ✓ Ac.  
Total Private Acreage In Unit (Total Acreage - Total HROW Acreage) 154.85 ✓ Ac.

Attach a plat showing the pooled unit outline, unit well(s) location, and HROW lease tracts.

Type of Mineral Pooled:  Oil  Gas  Oil & Gas  
Pooled Interval: All Depths  Top Depth \_\_\_\_\_ Base Depth \_\_\_\_\_  
If pooling a Formation(s) please list Formation Name: All Formations  
RRC Field Name(s): Garden City, S. (Wolfcamp Field)

**UNIT WELL(S)**

API # 42-173-35858 ✓ RRC ID# 166150  
API # \_\_\_\_\_ RRC ID# \_\_\_\_\_  
API # \_\_\_\_\_ RRC ID# \_\_\_\_\_  
API # \_\_\_\_\_ RRC ID# \_\_\_\_\_

# 6814

#140518

**DESIGNATION OF POOLED UNIT**

**COG Operating LLC  
Currie "A" State #4003 Pooled Unit  
Glasscock County, Texas**

This Designation of Pooled Unit is made and entered into effective as of August 11, 2013, by and between the undersigned owners of the oil and gas leases described in Exhibit "A" hereof embracing lands in Glasscock County, Texas and by and between the undersigned owners of royalty in and under the lands described in Exhibit "A" hereof.

**WITNESSETH:**

1. Each of said oil and gas leases embraces a portion of the lands within the pooled unit and collectively embraces the entire pooled unit.

2. The owners of said oil and gas leases desire to pool the oil and gas leases described in Exhibit "A" hereof (INSOFAR, but only insofar as said oil and gas leases cover and affect lands lying within the unit area).

3. The owners of the royalty in and under the lands described in Exhibit "A" hereof hereby consent to this Designation of Pooled Unit (INSOFAR, but only insofar as said oil and gas leases cover and affect lands lying within the unit area).

4. The unit area shall consist of 159.68 acres, more or less, in Glasscock County, Texas, as described and referred to in Exhibit "A" hereto as to all depths and formations.

5. The owners of said oil and gas leases commit all of their interest and all interest over which they hold pooling privilege or power by virtue of said oil and gas leases, amendment and/or ratifications thereof, other instruments or by operation of law and which are within the above described unit area, and by these presents do hereby pool said oil and gas leases, the leasehold rights, and royalty interest therein, insofar as said leases, rights and interest cover and affect the lands described in Exhibit "A" for the drilling and production of oil, gas, condensate, casinghead gas and other hydrocarbons hereinafter at times referred to as "pooled mineral."

(a) The unit shall be operated as an entirety for the exploration, development, and production of the pooled mineral, rather than as separate tracts.

(b) All drilling operations, reworking or other operations with respect to the pooled mineral on lands within the unit shall be considered as though the same were on each separate tract in the unit, regardless of the actual location of the well or wells thereon, for all purposes under the terms of the respective leases or other contracts thereon and this agreement.

(c) Production of the pooled mineral from the unit allocated to each separate tract, respectively, as hereinafter provided, shall be deemed to have been produced from each separate tract in the unit, regardless of the actual location of the well or wells thereon, for all purposes under the terms of the respective leases or other contracts thereon and this agreement.

(d) All rights to the production of the pooled mineral from the unit, including royalties and other payments, shall be determined and governed by the lease or other contract pertaining to each separate tract, respectively, based upon the production so allocated to such tract only, and in lieu of the actual production of the pooled mineral therefrom.

6. For the purposes of computing the royalty to which each Lessor or royalty owner shall be entitled on production of oil or gas and condensate there shall be allocated to each tract committed to the above referred unit, that pro rata portion from the pooled mineral produced from the pooled unit which the number of surface acres contained in each such tract bears to the total number of surface acres included in the pooled unit.

7. Notwithstanding anything contained elsewhere in this Designation of Pooled Unit, it is expressly understood and agreed that nothing contained in this Designation of Pooled Unit shall modify or affect (i) the continuous development provisions, the horizontal and vertical lease

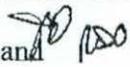
Designation of Pooled Unit  
Currie "A" State 4003 Pooled Unit

termination provisions or the separate lease provisions contained in Lease No. 1 described on Exhibit "A" attached hereto ("Lease 1"); or (ii) the Lessee's implied covenant to reasonably develop the lands covered by Lease 1, if any. It is further expressly understood and agreed that upon partial termination of Lease 1 pursuant to its terms as to any portion of Tract No. 1 described on Exhibit "A" attached hereto, neither the terminated portion of Lease 1 nor that portion of the mineral interest in said Tract No. 1 that was subject to Lease 1 prior to such partial termination shall remain subject to the terms of this Designation of Pooled Unit. Provided, notwithstanding (i) and (ii) above or other language of this paragraph, a unit well shall be deemed a well on Lease No. 1 for purposes of: (a) extending the continuous development period of Lease No. 1, if and to the extent, but only if and to the extent, it would do so if drilled on Lease No. 1 in the absence of pooling and (b) determining compliance with Lease No. 1's implied duty of reasonable development, if any.

The declaration may be executed in counterpart, none of which needs to be executed by all parties, or may be ratified or consented to by separate instruments and shall be binding upon both parties who have executed such a counterpart, ratification or consent.

IN WITNESS WHEREOF, the parties hereto have executed this agreement upon the respective dates of their acknowledgments.

Lessee under Leases 1 & 2:**COG Operating LLC**

By: Mona D. Ables  
Mona D. Ables  
Vice President of Land 

**Chevron Midcontinent, L.P.**

By: Chevron Midcontinent Operations LLC,  
General Partner

By: \_\_\_\_\_  
D. K. Beckham  
Attorney-in-Fact

**Baqash Resources LP**

By: Baqash Resources Management LLC.  
General Partner

Damian G. Barrett  
Damian G. Barrett, Manager

**Tekar Tech, L.P.**

By: TCB Management, LLC.  
General Partner

Terence Craig Burkes  
Terence Craig Burkes, President

\_\_\_\_\_  
Sharon F. Temple

\_\_\_\_\_  
Kathrin A. Lewis

Designation of Pooled Unit  
Currie "A" State 4003 Pooled Unit

termination provisions or the separate lease provisions contained in Lease No. 1 described on Exhibit "A" attached hereto ("Lease 1"); or (ii) the Lessee's implied covenant to reasonably develop the lands covered by Lease 1, if any. It is further expressly understood and agreed that upon partial termination of Lease 1 pursuant to its terms as to any portion of Tract No. 1 described on Exhibit "A" attached hereto, neither the terminated portion of Lease 1 nor that portion of the mineral interest in said Tract No. 1 that was subject to Lease 1 prior to such partial termination shall remain subject to the terms of this Designation of Pooled Unit. Provided, notwithstanding (i) and (ii) above or other language of this paragraph, a unit well shall be deemed a well on Lease No. 1 for purposes of: (a) extending the continuous development period of Lease No. 1, if and to the extent, but only if and to the extent, it would do so if drilled on Lease No. 1 in the absence of pooling and (b) determining compliance with Lease No. 1's implied duty of reasonable development, if any.

The declaration may be executed in counterpart, none of which needs to be executed by all parties, or may be ratified or consented to by separate instruments and shall be binding upon both parties who have executed such a counterpart, ratification or consent.

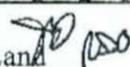
IN WITNESS WHEREOF, the parties hereto have executed this agreement upon the respective dates of their acknowledgments.

Lessee under Leases 1 & 2:

**COG Operating LLC**

**Chevron Midcontinent, L.P.**

By: Chevron Midcontinent Operations LLC,  
General Partner

By: Mona D. Ables  
Mona D. Ables  
Vice President of Land 

By: D. K. Beckham  
D. K. Beckham  
Attorney-in-Fact

**Baqash Resources LP**

**Tekar Tech, L.P.**

By: Baqash Resources Management LLC.  
General Partner

By: TCB Management, LLC.  
General Partner

\_\_\_\_\_  
Damian G. Barrett, Manager

\_\_\_\_\_  
Terence Craig Burkes, President

\_\_\_\_\_  
Sharon F. Temple

Kathrin A. Lewis  
Kathrin A. Lewis

Designation of Pooled Unit  
Currie "A" State 4003 Pooled Unit

termination provisions or the separate lease provisions contained in Lease No. 1 described on Exhibit "A" attached hereto ("Lease 1"); or (ii) the Lessee's implied covenant to reasonably develop the lands covered by Lease 1, if any. It is further expressly understood and agreed that upon partial termination of Lease 1 pursuant to its terms as to any portion of Tract No. 1 described on Exhibit "A" attached hereto, neither the terminated portion of Lease 1 nor that portion of the mineral interest in said Tract No. 1 that was subject to Lease 1 prior to such partial termination shall remain subject to the terms of this Designation of Pooled Unit. Provided, notwithstanding (i) and (ii) above or other language of this paragraph, a unit well shall be deemed a well on Lease No. 1 for purposes of: (a) extending the continuous development period of Lease No. 1, if and to the extent, but only if and to the extent, it would do so if drilled on Lease No. 1 in the absence of pooling and (b) determining compliance with Lease No. 1's implied duty of reasonable development, if any.

The declaration may be executed in counterpart, none of which needs to be executed by all parties, or may be ratified or consented to by separate instruments and shall be binding upon both parties who have executed such a counterpart, ratification or consent.

IN WITNESS WHEREOF, the parties hereto have executed this agreement upon the respective dates of their acknowledgments.

**Lessee under Leases 1 & 2:**

**COG Operating LLC**

By: Mona D. Ables  
Mona D. Ables  
Vice President of Land *MDA*

**Baqash Resources LP**

By: Baqash Resources Management LLC.  
General Partner

\_\_\_\_\_  
Damian G. Barrett, Manager

**Chevron Midcontinent, L.P.**

By: Chevron Midcontinent Operations LLC,  
General Partner

By: \_\_\_\_\_  
D. K. Beckham  
Attorney-in-Fact

**Tekar Tech, L.P.**

By: TCB Management, LLC.  
General Partner

\_\_\_\_\_  
Terence Craig Burkes, President

Sharon F. Temple *leg:*  
Sharon F. Temple *Sharon F. Temple*

Kathrin A. Lewis  
Kathrin A. Lewis

Designation of Pooled Unit  
Currie "A" State 4003 Pooled Unit

**Royalty Owners Under Lease 1:**

**CCH Ranch Investments LP**  
By: CCH Ranch Management LLC  
General Partner

By: Cynthia C. Howard  
Cynthia C. Howard  
President

**DCT Ranch Investments LP**  
By: DCT Ranch Management LLC  
General Partner

By: Darla C. Taylor  
Darla C. Taylor  
President

**ACKNOWLEDGMENTS**

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 17<sup>th</sup> day of December, 2013, by **MONA D. ABLES**, as Vice President of Land of **COG OPERATING LLC**, a Delaware limited liability company on behalf of said limited liability company.



Romae J. Bell  
Notary Public, State of Texas

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on \_\_\_\_\_ day of \_\_\_\_\_, 2013, by **D. K. BECKHAM**, as Attorney-in-Fact for Chevron Midcontinent Operations LLC, a Delaware limited liability company, as General Partner of **CHEVRON MIDCONTINENT, L.P.**, a Texas limited partnership, on behalf of said limited partnership..

\_\_\_\_\_  
Notary Public, State of Texas

My commission expires:  
\_\_\_\_\_

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 19<sup>th</sup> day of December, 2013, by **TERENCE CRAIG BURKES**, as President for TCB Management, LLC, a Texas limited liability company, as General Partner of **TEKAR TECH, L.P.**, a Texas limited partnership, on behalf of said limited partnership.



Romae J. Bell  
Notary Public, State of Texas

Designation of Pooled Unit  
Currie "A" State 4003 Pooled Unit

Royalty Owners Under Lease 1:

**CCH Ranch Investments LP**  
By: CCH Ranch Management LLC  
General Partner

By: Cynthia C. Howard  
Cynthia C. Howard  
President

**DCT Ranch Investments LP**  
By: DCT Ranch Management LLC  
General Partner

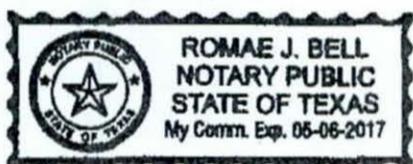
By: Darla C. Taylor  
Darla C. Taylor  
President

**ACKNOWLEDGMENTS**

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 17<sup>th</sup> day of December, 2013, by **MONA D. ABLES**, as Vice President of Land of **COG OPERATING LLC**, a Delaware limited liability company on behalf of said limited liability company.

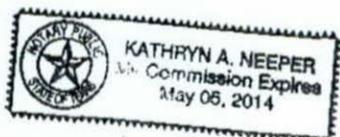


Romae J. Bell  
Notary Public, State of Texas

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 14<sup>th</sup> day of January, 2013, by **D. K. BECKHAM**, as Attorney-in-Fact for Chevron Midcontinent Operations LLC, a Delaware limited liability company, as General Partner of **CHEVRON MIDCONTINENT, L.P.**, a Texas limited partnership, on behalf of said limited partnership..



Kathryn A. Neeper  
Notary Public, State of Texas

My commission expires:

5/5/2014

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on \_\_\_\_\_ day of \_\_\_\_\_, 2013, by **TERENCE CRAIG BURKES**, as President for TCB Management, LLC, a Texas limited liability company, as General Partner of **TEKAR TECH, L.P.**, a Texas limited partnership, on behalf of said limited partnership.

\_\_\_\_\_  
Notary Public, State of Texas

Designation of Pooled Unit  
Currie "A" State 4003 Pooled Unit

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 18<sup>th</sup> day of December, 2013, by **DAMIAN G. BARRETT**, as Manager for Baqash Resources Management LLC, a Texas limited liability company, as General Partner of BAQASH RESOURCES LP, a Texas limited partnership, on behalf of said limited partnership.

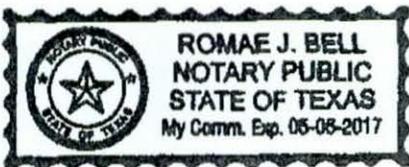


*Romae J. Bell*  
Notary Public, State of Texas

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 17<sup>th</sup> day of January, <sup>2014</sup>~~2013~~, by **ERIN N. TEMPLE**, as attorney in fact on behalf of **SHARON F. TEMPLE**.



*Romae J. Bell*  
Notary Public, State of Texas

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 15<sup>th</sup> day of January, <sup>2014</sup>~~2013~~, by **KATHRIN A. LEWIS**.



*Romae J. Bell*  
Notary Public, State of Texas

Designation of Pooled Unit  
Currie "A" State 4003 Pooled Unit

ACKNOWLEDGMENTS

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was personally acknowledged before me on 18th day of December, 2013, by **Cynthia C. Howard**, President of CCH Ranch Management LLC, General partner of **CCH RANCH INVESTMENTS LP**, a Texas limited partnership, on behalf of said limited partnership.



Judy K. Taylor  
Notary Public, State of Texas

My commission expires:

8-26-15

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was personally acknowledged before me on 18th day of December, 2013, by **Darla C. Taylor**, President of DCT Ranch Management LLC, General Partner of **DCT RANCH INVESTMENTS LP**, a Texas limited partnership, on behalf of said limited partnership.



Judy K. Taylor  
Notary Public, State of Texas

My commission expires:

8-26-15

Designation of Pooled Unit  
Currie "A" State 4003 Pooled Unit

**EXHIBIT "A"**  
**DESIGNATION OF POOLED UNIT**

**COG Operating LLC**  
**Currie "A" State #4003 Pooled Unit**  
**Glasscock County, Texas**

**Description of Pooled Unit**

**Currie "A" State 4003 Unit**

SW/4 of Section 40, Block 32, Township 4 South, T & P Ry. Co. Survey, A-79, containing 159.68 acres, more or less:

**Tract No. 1**

**A tract of land containing 154.85 acres, more or less, being all of SW/4 of Section 40, Block 32, Township 4 South, T & P Ry. Co. Survey, A-794, containing 159.68 acres, more or less, SAVE AND EXCEPT 4.83 acres, more or less, being the right-of way of State Highway 158, described more particularly by metes and bounds in Tract No. 2 below.**

**Tract No. 2**

**A tract of land containing 4.83 acres, more or less, out of SW/4 of Section 40, Block 32, Township 4 South, T&P Ry. Co. Survey, being the right-of-way of State Highway 158, described more particularly by metes and bounds attached as page 2 to this Exhibit.**

**Leases Committed to Pooled Unit:**

**Lease No. 1**

**Lessor:** James R. Currie, Individually and as Trustee, and Jimmie R. Currie, wife of James R. Currie, Cynthia C. Howard, and Darla C. Taylor.

**Lessee:** Henry Petroleum LP

**Date:** October 6, 2008

**Recording:** Memorandum of Lease recorded in Volume 125, Page 650, Official Public Records of Glasscock County, Texas.

**Description:** Insofar as and only insofar as said lease covers Tract 1 described above.

**Lease No. 2**

**Lessor:** Commissioner of the General Land Office of the State of Texas  
Lease No. (MF 114851)

**Lessee:** COG Operating LLC

**Date:** April 3, 2013

**Recording:** Volume 223, Page 326, Official Public Records of Glasscock County, Texas.

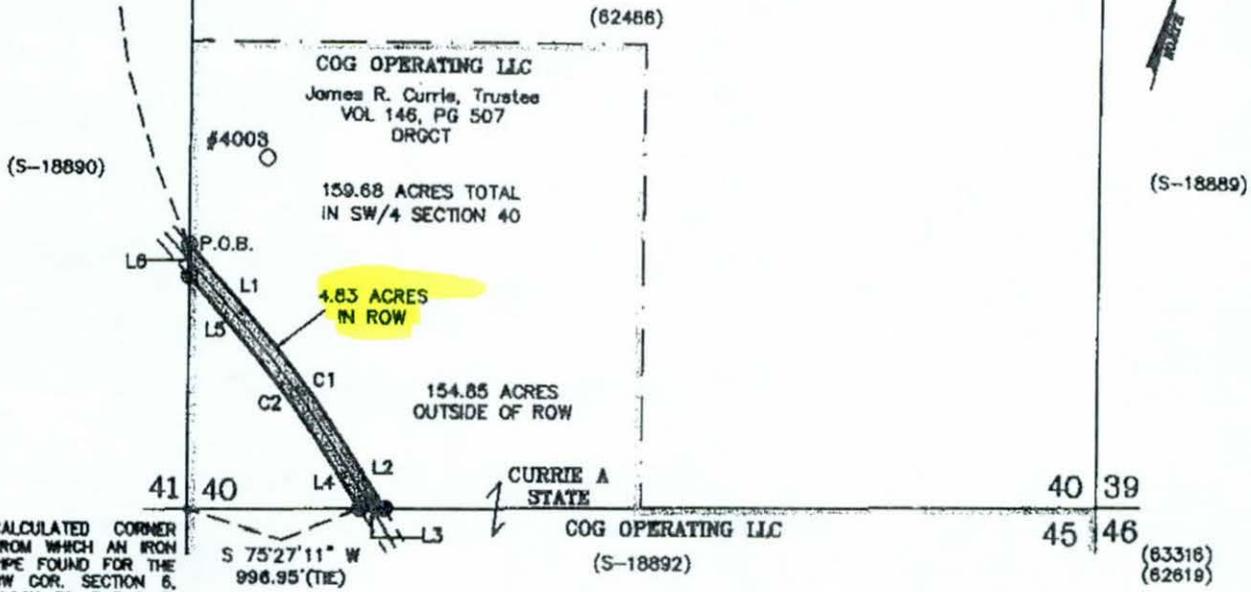
**Description:** Insofar as and only insofar as said lease covers Tract 2 described above.

End of page 1 of Exhibit "A" to Currie "A" State #4003 Pooled Unit - Designation of Pooled Unit

BLOCK 32, T-4-S,  
T. & P. RR. CO. SURVEY,  
GLASSCOCK COUNTY, TEXAS

(52568) CALCULATED CORNER FROM WHICH OLD STONE MOUND FOUND FOR THE NE COR. SECTION 24, BLOCK 33, T-4-S, T. & P. RR. CO. SURVEY BEARS N 47°56'01" W 19048.68'. (S-18888) (71226)  
32 40 33 34  
41 40 40 39

LINE	BEARING	DISTANCE
L1	S 66°57'26" E	562.42'
L2	S 46°31'06" E	362.36'
L3	S 75°27'11" W	141.44'
L4	N 46°31'06" W	287.50'
L5	N 55°57'29" W	418.56'
L6	N 14°05'18" W	179.77'
C1	ARC=953.72' R=5788.75' Δ=9°26'23"	
C2	ARC=933.95' R=5668.77' Δ=9°26'23"	

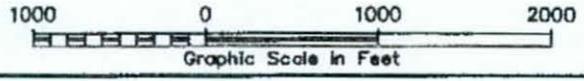


CALCULATED CORNER FROM WHICH AN IRON PIPE FOUND FOR THE NW COR. SECTION 6, BLOCK 32, T-4-S, T. & P. RR. CO. SURVEY BEARS S 47°26'36" W 10898.67'. 44 (52567)

SEE SHEET 2 OF 2 FOR A FIELD NOTE DESCRIPTION OF THIS TRACT OF LAND

LEGEND

- ⊙ - Denotes Set Spike with metal washer Marked "WEST CO. MIDLAND"
- ⊙ - Denotes Calculated Corner
- ⊙ - Denotes Producing Well Location
- ⊙ - Denotes Proposed Well Location
- (S-27758) - Denotes General Land Office File No.
- — — — — - Denotes Lease Line



- NOTE:
- Plane Coordinates, Bearings and Distances shown hereon are Lambert Grid and Conform to the "Texas Coordinate System", Texas Central Zone, North American Datum of 1983. Acreages shown hereon are mean surface values.
  - See information filed in the office of this Surveyor which describes the reconstruction of this Tract.

I HEREBY CERTIFY THAT THIS PLAT WAS MADE FROM THE NOTES TAKEN IN THE FIELD IN A BONA FIDE SURVEY UNDER MY SUPERVISION.

*Waide A. Mertz*  
WAIDE A. MERTZ TEXAS R.P.L.S. NO. 4082  
REGISTERED PROFESSIONAL LAND SURVEYOR

COG OPERATING, LLC

TRACT SURVEY  
4.83 ACRES IN STATE HIGHWAY 158 ROW  
OUT OF THE SW/4 OF  
SECTION 40, BLOCK 32, T-4-S,  
T. & P. RR. CO. SURVEY  
GLASSCOCK CO., TEXAS

WEST COMPANY  
of Midland, Inc.

110 W. LOUISIANA, STE. 110  
MIDLAND TEXAS, 79701-3414  
OFFICE: (432)887-0885 FAX: (432)887-0888  
Web Page: www.team-west.com  
Email: survey@team-west.com

Drawn By: D.E.H.	Date: June 27, 2013
Scale: 1"=1000'	Revised:
Sheet 1 of 2	Field Note Book: COG 1002/3-4
W.O. No: 2013-0879-04	Dwg. No: 2013-0879-04_SW-4_40.DWG

BEING a 4.83 acre tract of land out of a tract belonging to James R. Currie, Trustee, according to Volume 146, Page 507, Deed Records Glasscock County Texas, located in the southwest quarter (SW/4) of Section 40, Block 32, T-4-S, T. & P. RR. Co. Survey, Glasscock County, Texas and being more particularly described as follows:

BEGINNING at a spike with a metal washer marked "WEST CO. MIDLAND" set in the north right-of-way of State Highway 158, and on the west line of said Section 40, for the most northwesterly corner of this tract, from which the calculated northwest corner of said Section 40 bears N 14°05'18" W, a distance of 3811.54 feet, from said calculated corner, an old stone mound found for the northeast corner of Section 24, Block 33, T-4-S, T. & P. RR. Co. Survey bears N 47°56'01" W, a distance of 19048.68 feet;

THENCE S 55°57'29" E, with the north right-of-way of said State Highway 158, a distance of 552.42 feet to a point in the north right-of-way of said State Highway 158, at the beginning of a curve to the right;

THENCE with said curve (Radius = 5788.75 feet, Central Angle = 9°26'23"), with the north right-of-way of said State Highway 158, a distance of 953.72 feet to a point in the north right-of-way of said State Highway 158;

THENCE S 46°31'06" E, with the north right-of-way of said State Highway 158, a distance of 362.39 feet to a spike with a metal washer marked "WEST CO. MIDLAND", set on the south line of said Section 40 and in the north right-of-way of said State Highway 158 for the southeast corner of this tract;

THENCE S 75°27'11" W, with the south line of said Section 40, a distance of 141.44 feet to a spike with a metal washer marked "WEST CO. MIDLAND" set on the south line of said Section 40 and in the south right-of-way of said State Highway 158 for the southwest corner of this tract, from which the calculated southwest corner of said Section 40 bears S 75°27'11" W, a distance of 996.95 feet, from said calculated corner, an iron pipe found for the northwest corner of Section 6, Block 32, T-5-S, T. & P. RR. Co. Survey bears S 47°26'35" W, a distance of 10898.67 feet;

THENCE N 46°31'06" W, with the south right-of-way of said State Highway 158, a distance of 287.50 feet to a point in the south right-of-way of said State Highway 158 at the beginning of a curve to the left;

THENCE with said curve (Radius = 5668.77 feet, Central Angle = 9°26'23"), with the south right-of-way of said State Highway 158, a distance of 933.95 feet to a point in the south right-of-way of said State Highway 158;

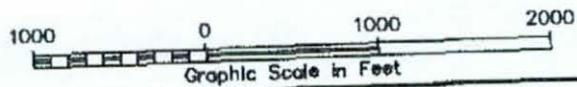
THENCE N 55°57'29" W, with the south right-of-way of said State Highway 158, a distance of 418.56 feet to a spike with a metal washer marked "WEST CO. MIDLAND" set on the west line of said Section 40 and in the south right-of-way of said State Highway 158 for the most southerly northwest corner of this tract;

THENCE N 14°05'18" W, with the west line of said Section 40, a distance of 179.77 feet to the POINT OF BEGINNING and containing 4.83 acres of land.

SEE SHEET 1 OF 2 FOR A DETAILED SKETCH OF THIS TRACT OF LAND

NOTE:

- 1) Plane Coordinates, Bearings and Distances shown hereon are Lambert Grid and Conform to the "Texas Coordinate System", Texas Central Zone, North American Datum of 1983. Acreages shown hereon are mean surface values.
- 2) See information filed in the office of this Surveyor which describes the reconstruction of this Tract.



I HEREBY CERTIFY THAT THIS PLAT WAS MADE FROM NOTES TAKEN IN THE FIELD IN A BONA FIDE SURVEY MADE UNDER MY SUPERVISION.

WADE MERTZ TEXAS R.P.L.S.



WEST COMPANY

of Midland, Inc.

110 W. LOUISIANA, STE. 110  
MIDLAND TEXAS, 79701-3414  
OFFICE: (432)687-0865 FAX: (432)687-0868  
Web Page: www.team-west.com  
Email: survey@team-west.com

COG OPERATING, LLC

TRACT SURVEY  
4.83 ACRES IN STATE HIGHWAY 158 ROW  
OUT OF THE SW/4 OF  
SECTION 40, BLOCK 32, T-4-S,  
T. & P. RR. CO. SURVEY  
GLASSCOCK CO., TEXAS

Drawn By: D.E.H.	Date: June 27, 2013
Scale: 1"=1000'	Revised:
Sheet 2 of 2	Field Note Book: COG 1002/3-4
W.O. No: 2013-0879-04	Dwg. No.: 2013-0879-04_SW-4_40.DWG

FILED  
AT 10:00 O'CLOCK A M  
ON THE 6 DAY OF Feb.  
A.D., 2014  
INS. NO. 140518

STATE OF TEXAS  
COUNTY OF GLASSCOCK

I hereby certify that this instrument was FILED on the  
date and at the time stamped hereon by me and was duly  
RECORDED in the Volume and Page of the named  
RECORDS of Glasscock County, Texas, as stamped  
hereon by me.



*Rebecca Bada*

County Clerk, Glasscock County, Texas

*Rebecca Bada*

COUNTY CLERK, GLASSCOCK COUNTY, TEXAS

BY *Christina Pamy*  
DEPUTY

OFFICIAL PUBLIC RECORDS

VOL. 241 PAGE 518  
RECORDED Feb. 6, 2014

File No. MF114851  
Unit 6814 agreement /  
attachments  
Date Filed: 4/19/14  
Jerry Patterson, Commissioner  
By MB Barnstone

**DO NOT DESTROY**



**Texas General Land Office  
UNIT AGREEMENT MEMO**

UPA148142

Unit Number 6815  
 Operator Name COG Operating LLC Effective Date 10/24/2013  
 Customer ID C000044811 Unitized For Oil And Gas  
 Unit Name Currie "A" State #4510 Unit Term  
 County 1 Glasscock RRC District 1 08 Old Unit Number Inactive Status Date  
 County 2 RRC District 2  
 County 3 RRC District 3  
 County 4 RRC District 4  
 Unit type Permanent  
 State Net Revenue Interest 0.01230032  
 State Part in Unit 0.04920128  
 Unit Depth Allow All Depths Well  
 From Depth Formation  
 To Depth Participation Basis Surface Acreage  
 If Excluions Apply: See Remarks

Lease Number	Tract No	Lease Acres in Unit	Total Unit Acres	Tract Participation	Lease Royalty	Tract Royalty Participation	Royalty Rate Reduction Clause
MF114851	1	7.700000	156.500000	0.049201	0.25000000	0.012300	No

API Number  
4217335965

Remarks:

[Redacted Remarks Box]

Prepared By: Mark Allen Prepared Date: 4/14/14  
 GLO Base Updated By: Mark Allen GLO Base Date: 4/14/14  
 RAM Approval By: SWallen RAM Approval Date: 4.17.14  
 GIS By: MC GIS Date: 4-23-15  
 Well Inventory By: mb WI Date: 4/15/14

# Pooling Committee Report

To: School Land Board

UPA148142

Date of Board Meeting:

Unit Number: 6815

Effective Date: 10/24/2013

Unit Expiration Date:

Applicant:

Attorney Rep:

Operator: Cog Operating Llc, Midland

Unit Name: Currie "A" State #4510

Field Name: Garden City, S. (Wolfcamp)

County:

<u>Lease Type</u>	<u>Lease Number</u>	<u>Lease Royalty</u>	<u>Expiration Date</u>	<u>Lease Term</u>	<u>Lease Acres</u>	<u>Lease Acres In Unit</u>	<u>Royalty Participation</u>
HROW	MF114851	0.25000000	04/03/2016	3 years	21.200000	7.700000	0.01230032

<b>Private Acres:</b>	148.800000
<b>State Acres:</b>	7.700000
<b>Total Unit Acres:</b>	156.500000

<b>Participation Basis:</b>	Surface Acreage
Surface Acreage	
<b>State Acreage:</b>	4.92%
<b>State Net Revenue Interest:</b>	1.23%

<b>Unit Type:</b>	<b>Unitized for:</b>
Permanent	Oil And Gas
<b>Term:</b>	

<b>RRC Rules:</b>	<b>Spacing Acres:</b>
No	

# 6815

RECEIVED  
2/17/14



**Information for Highway Right-of-Way Unit Declaration**  
Texas General Land Office  
Jerry Patterson, Commissioner  
1700 North Congress Avenue  
Austin, Texas 78701-1495

**OPERATOR INFORMATION**

Contact Name: Mr. Joe Dutton # Phone (432) 818-2211  
Name of Pooled Unit Currie A State 4510 ✓  
Operator of Pooled Unit COG Operating LLC ✓ County Glasscock ✓  
Effective Date of Unit Declaration: October 24, 2013 ✓

**HROW LEASE(S) IN UNIT**

HROW State Lease No.	Lease Date	Term	HROW Royalty	Total Lease Acreage	Lease Acreage in Unit
MF-114851	✓ 4/3/2013	✓ 3 years	✓ 1/4	✓ 21.2	✓ 7.7

O. 01230032 Total Acreage In Pooled Unit 156.5 ✓ Ac.  
State's Royalty Revenue Interest In Unit: 1.230032% Total HROW Acreage In Unit 7.7 ✓ Ac.  
Total Private Acreage In Unit 148.8 ✓ Ac.

Attach a plat showing the pooled unit outline, unit well(s) location, and HROW lease tracts.

Type of Mineral Pooled:  Oil  Gas  Oil & Gas

Pooled Interval: All Depths X Top Depth \_\_\_\_\_ Base Depth \_\_\_\_\_

If pooling a Formation(s) please list Formation Name: All Formations

RRC Field Name(s): Garden City, S. (Wolfcamp Field)

**UNIT WELL(S)**

API # 42-173-35965 ✓ RRC ID# 166150  
API # \_\_\_\_\_ RRC ID# \_\_\_\_\_  
API # \_\_\_\_\_ RRC ID# \_\_\_\_\_  
API # \_\_\_\_\_ RRC ID# \_\_\_\_\_

#140521

**DESIGNATION OF POOLED UNIT**

**COG Operating LLC  
Currie "A" State #4510 Pooled Unit  
Glasscock County, Texas**

This Designation of Pooled Unit is made and entered into effective as of October 24, 2013, by and between the undersigned owners of the oil and gas leases described in Exhibit "A" hereof embracing lands in Glasscock County, Texas and by and between the undersigned owners of royalty in and under the lands described in Exhibit "A" hereof.

## WITNESSETH:

1. Each of said oil and gas leases embraces a portion of the lands within the pooled unit and collectively embraces the entire pooled unit.

2. The owners of said oil and gas leases desire to pool the oil and gas leases described in Exhibit "A" hereof (INSOFAR, but only insofar as said oil and gas leases cover and affect lands lying within the unit area).

3. The owners of the royalty in and under the lands described in Exhibit "A" hereof hereby consent to this Designation of Pooled Unit (INSOFAR, but only insofar as said oil and gas leases cover and affect lands lying within the unit area).

4. The unit area shall consist of 156.5 more or less, in Glasscock County, Texas, as described and referred to in Exhibit "A" hereto as to all depths and formations.

5. The owners of said oil and gas leases commit all of their interest and all interest over which they hold pooling privilege or power by virtue of said oil and gas leases, amendment and/or ratifications thereof, other instruments or by operation of law and which are within the above described unit area, and by these presents do hereby pool said oil and gas leases, the leasehold rights, and royalty interest therein, insofar as said leases, rights and interest cover and affect the lands described in Exhibit "A" for the drilling and production of oil, gas, condensate, casinghead gas and other hydrocarbons hereinafter at times referred to as "pooled mineral."

(a) The unit shall be operated as an entirety for the exploration, development, and production of the pooled mineral, rather than as separate tracts.

(b) All drilling operations, reworking or other operations with respect to the pooled mineral on lands within the unit shall be considered as though the same were on each separate tract in the unit, regardless of the actual location of the well or wells thereon, for all purposes under the terms of the respective leases or other contracts thereon and this agreement.

(c) Production of the pooled mineral from the unit allocated to each separate tract, respectively, as hereinafter provided, shall be deemed to have been produced from each separate tract in the unit, regardless of the actual location of the well or wells thereon, for all purposes under the terms of the respective leases or other contracts thereon and this agreement.

(d) All rights to the production of the pooled mineral from the unit, including royalties and other payments, shall be determined and governed by the lease or other contract pertaining to each separate tract, respectively, based upon the production so allocated to such tract only, and in lieu of the actual production of the pooled mineral therefrom.

6. For the purposes of computing the royalty to which each Lessor or royalty owner shall be entitled on production of oil or gas and condensate there shall be allocated to each tract committed to the above referred unit, that pro rata portion from the pooled mineral produced from the pooled unit which the number of surface acres contained in each such tract bears to the total number of surface acres included in the pooled unit.

7. Notwithstanding anything contained elsewhere in this Designation of Pooled Unit, it is expressly understood and agreed that nothing contained in this Designation of Pooled Unit shall modify or affect (i) the continuous development provisions, the horizontal and vertical lease

Designation of Pooled Unit  
Currie "A" State #4510 Pooled Unit

termination provisions or the separate lease provisions contained in Lease No. 1 described on Exhibit "A" attached hereto ("Lease 1"); or (ii) the Lessee's implied covenant to reasonably develop the lands covered by Lease 1, if any. It is further expressly understood and agreed that upon partial termination of Lease 1 pursuant to its terms as to any portion of Tract No. 1 described on Exhibit "A" attached hereto, neither the terminated portion of Lease 1 nor that portion of the mineral interest in said Tract No. 1 that was subject to Lease 1 prior to such partial termination shall remain subject to the terms of this Designation of Pooled Unit. Provided, notwithstanding (i) and (ii) above or other language of this paragraph, a unit well shall be deemed a well on Lease No. 1 for purposes of: (a) extending the continuous development period of Lease No. 1, if and to the extent, but only if and to the extent, it would do so if drilled on Lease No. 1 in the absence of pooling and (b) determining compliance with Lease No. 1's implied duty of reasonable development, if any.

The declaration may be executed in counterpart, none of which needs to be executed by all parties, or may be ratified or consented to by separate instruments and shall be binding upon both parties who have executed such a counterpart, ratification or consent.

IN WITNESS WHEREOF, the parties hereto have executed this agreement upon the respective dates of their acknowledgments.

**Lessee under Leases 1 & 2:**

**COG Operating LLC**

**Chevron Midcontinent, L.P.**

By: Chevron Midcontinent Operations LLC,  
General Partner

By: Mona D. Ables  
Mona D. Ables  
Vice President of Land

By: \_\_\_\_\_  
D. K. Beckham  
Attorney-in-Fact

**Baqash Resources LP**

**Tekar Tech, L.P.**

By: Baqash Resources Management LLC.  
General Partner

By: TCB Management, LLC.  
General Partner

Damian G. Barrett  
Damian G. Barrett, Manager

Terence Craig Burkes  
Terence Craig Burkes, President

\_\_\_\_\_  
Kathrin A. Lewis

\_\_\_\_\_  
Sharon F. Temple

Designation of Pooled Unit  
Currie "A" State #4510 Pooled Unit

termination provisions or the separate lease provisions contained in Lease No. 1 described on Exhibit "A" attached hereto ("Lease 1"); or (ii) the Lessee's implied covenant to reasonably develop the lands covered by Lease 1, if any. It is further expressly understood and agreed that upon partial termination of Lease 1 pursuant to its terms as to any portion of Tract No. 1 described on Exhibit "A" attached hereto, neither the terminated portion of Lease 1 nor that portion of the mineral interest in said Tract No. 1 that was subject to Lease 1 prior to such partial termination shall remain subject to the terms of this Designation of Pooled Unit. Provided, notwithstanding (i) and (ii) above or other language of this paragraph, a unit well shall be deemed a well on Lease No. 1 for purposes of: (a) extending the continuous development period of Lease No. 1, if and to the extent, but only if and to the extent, it would do so if drilled on Lease No. 1 in the absence of pooling and (b) determining compliance with Lease No. 1's implied duty of reasonable development, if any.

The declaration may be executed in counterpart, none of which needs to be executed by all parties, or may be ratified or consented to by separate instruments and shall be binding upon both parties who have executed such a counterpart, ratification or consent.

IN WITNESS WHEREOF, the parties hereto have executed this agreement upon the respective dates of their acknowledgments.

Lessee under Leases 1 & 2:

**COG Operating LLC**

**Chevron Midcontinent, L.P.**

By: Chevron Midcontinent Operations LLC,  
General Partner

By: Mona D. Ables  
Mona D. Ables  
Vice President of Land

By: D. K. Beckham  
D. K. Beckham  
Attorney-in-Fact

**Baqash Resources LP**

**Tekar Tech, L.P.**

By: Baqash Resources Management LLC.  
General Partner

By: TCB Management, LLC.  
General Partner

\_\_\_\_\_  
Damian G. Barrett, Manager

\_\_\_\_\_  
Terence Craig Burkes, President

\_\_\_\_\_  
Kathrin A. Lewis

\_\_\_\_\_  
Sharon F. Temple

Designation of Pooled Unit  
Currie "A" State #4510 Pooled Unit

termination provisions or the separate lease provisions contained in Lease No. 1 described on Exhibit "A" attached hereto ("Lease 1"); or (ii) the Lessee's implied covenant to reasonably develop the lands covered by Lease 1, if any. It is further expressly understood and agreed that upon partial termination of Lease 1 pursuant to its terms as to any portion of Tract No. 1 described on Exhibit "A" attached hereto, neither the terminated portion of Lease 1 nor that portion of the mineral interest in said Tract No. 1 that was subject to Lease 1 prior to such partial termination shall remain subject to the terms of this Designation of Pooled Unit. Provided, notwithstanding (i) and (ii) above or other language of this paragraph, a unit well shall be deemed a well on Lease No. 1 for purposes of: (a) extending the continuous development period of Lease No. 1, if and to the extent, but only if and to the extent, it would do so if drilled on Lease No. 1 in the absence of pooling and (b) determining compliance with Lease No. 1's implied duty of reasonable development, if any.

The declaration may be executed in counterpart, none of which needs to be executed by all parties, or may be ratified or consented to by separate instruments and shall be binding upon both parties who have executed such a counterpart, ratification or consent.

IN WITNESS WHEREOF, the parties hereto have executed this agreement upon the respective dates of their acknowledgments.

Lessee under Leases 1 & 2:**COG Operating LLC**

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

Mona D. Ables  
Vice President of Land**Chevron Midcontinent, L.P.**By: Chevron Midcontinent Operations LLC,  
General Partner

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

D. K. Beckham  
Attorney-in-Fact**Baqash Resources LP**By: Baqash Resources Management LLC.  
General Partner**Tekar Tech, L.P.**By: TCB Management, LLC.  
General Partner\_\_\_\_\_  
Damian G. Barrett, Manager\_\_\_\_\_  
Terence Craig Burkes, President\_\_\_\_\_  
Kathrin A. Lewis

Kathrin A. Lewis

\_\_\_\_\_  
Sharon F. Temple

Sharon F. Temple

Designation of Pooled Unit  
Currie "A" State #4510 Pooled Unit

termination provisions or the separate lease provisions contained in Lease No. 1 described on Exhibit "A" attached hereto ("Lease 1"); or (ii) the Lessee's implied covenant to reasonably develop the lands covered by Lease 1, if any. It is further expressly understood and agreed that upon partial termination of Lease 1 pursuant to its terms as to any portion of Tract No. 1 described on Exhibit "A" attached hereto, neither the terminated portion of Lease 1 nor that portion of the mineral interest in said Tract No. 1 that was subject to Lease 1 prior to such partial termination shall remain subject to the terms of this Designation of Pooled Unit. Provided, notwithstanding (i) and (ii) above or other language of this paragraph, a unit well shall be deemed a well on Lease No. 1 for purposes of: (a) extending the continuous development period of Lease No. 1, if and to the extent, but only if and to the extent, it would do so if drilled on Lease No. 1 in the absence of pooling and (b) determining compliance with Lease No. 1's implied duty of reasonable development, if any.

The declaration may be executed in counterpart, none of which needs to be executed by all parties, or may be ratified or consented to by separate instruments and shall be binding upon both parties who have executed such a counterpart, ratification or consent.

IN WITNESS WHEREOF, the parties hereto have executed this agreement upon the respective dates of their acknowledgments.

Lessee under Leases 1 & 2:

**COG Operating LLC**

**Chevron Midcontinent, L.P.**

By: Chevron Midcontinent Operations LLC,  
General Partner

By: Mona D. Ables  
Mona D. Ables  
Vice President of Land

By: \_\_\_\_\_  
D. K. Beckham  
Attorney-in-Fact

**Baqash Resources LP**

**Tekar Tech, L.P.**

By: Baqash Resources Management LLC.  
General Partner

By: TCB Management, LLC.  
General Partner

\_\_\_\_\_  
Damian G. Barrett, Manager

\_\_\_\_\_  
Terence Craig Burkes, President

\_\_\_\_\_  
Kathrin A. Lewis

Sharon F. Temple by:  
Sharon F. Temple  
Erin D. Temple

Designation of Pooled Unit  
Currie "A" State #4510 Pooled Unit

Royalty Owners Under Lease 1:

**CCH Ranch Investments LP**  
By: CCH Ranch Management LLC  
General Partner

By: Cynthia C. Howard  
Cynthia C. Howard  
President

**DCT Ranch Investments LP**  
By: DCT Ranch Management LLC  
General Partner

By: Darla C. Taylor  
Darla C. Taylor  
President

**ACKNOWLEDGMENTS**

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 17<sup>th</sup> day of December, 2013, by **MONA D. ABLES**, as Vice President of Land of **COG OPERATING LLC**, a Delaware limited liability company on behalf of said limited liability company.



Romae J. Bell  
Notary Public, State of Texas

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on \_\_\_\_\_ day of \_\_\_\_\_, 2013, by **D. K. BECKHAM**, as Attorney-in-Fact for Chevron Midcontinent Operations LLC, a Delaware limited liability company, as General Partner of **CHEVRON MIDCONTINENT, L.P.**, a Texas limited partnership, on behalf of said limited partnership..

\_\_\_\_\_  
Notary Public, State of Texas

My commission expires:  
\_\_\_\_\_

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 19<sup>th</sup> day of December, 2013, by **TERENCE CRAIG BURKES**, as President for TCB Management, LLC, a Texas limited liability company, as General Partner of **TEKAR TECH, L.P.**, a Texas limited partnership, on behalf of said limited partnership.



Romae J. Bell  
Notary Public, State of Texas

Designation of Pooled Unit  
Currie "A" State #4510 Pooled Unit

Royalty Owners Under Lease 1:

**CCH Ranch Investments LP**  
By: CCH Ranch Management LLC  
General Partner

By: Cynthia C. Howard  
Cynthia C. Howard  
President

**DCT Ranch Investments LP**  
By: DCT Ranch Management LLC  
General Partner

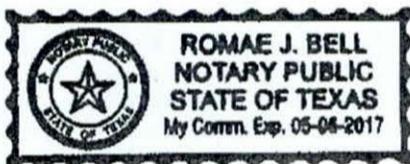
By: Darla C. Taylor  
Darla C. Taylor  
President

**ACKNOWLEDGMENTS**

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 17<sup>th</sup> day of December, 2013, by **MONA D. ABLES**, as Vice President of Land of **COG OPERATING LLC**, a Delaware limited liability company on behalf of said limited liability company.

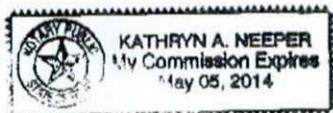


Romae J. Bell  
Notary Public, State of Texas

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 14<sup>th</sup> day of January, 2013, by **D. K. BECKHAM**, as Attorney-in-Fact for Chevron Midcontinent Operations LLC, a Delaware limited liability company, as General Partner of **CHEVRON MIDCONTINENT, L.P.**, a Texas limited partnership, on behalf of said limited partnership..



Kathryn A. Neeper  
Notary Public, State of Texas

My commission expires:

5/5/2014

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on \_\_\_ day of \_\_\_\_\_, 2013, by **TERENCE CRAIG BURKES**, as President for TCB Management, LLC, a Texas limited liability company, as General Partner of **TEKAR TECH, L.P.**, a Texas limited partnership, on behalf of said limited partnership.

\_\_\_\_\_  
Notary Public, State of Texas

Designation of Pooled Unit  
Currie "A" State #4510 Pooled Unit

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 18<sup>th</sup> day of December, 2013, by **DAMIAN G. BARRETT**, as Manager for Baqash Resources Management LLC, a Texas limited liability company, as General Partner of BAQASH RESOURCES LP, a Texas limited partnership, on behalf of said limited partnership.

Romae J. Bell  
Notary Public, State of Texas

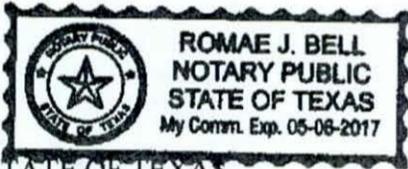


STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 15<sup>th</sup> day of January, <sup>2014</sup>~~2013~~, by **KATHRIN A. LEWIS**.

Romae J. Bell  
Notary Public, State of Texas

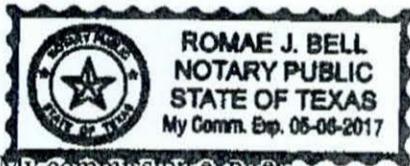


STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 17<sup>th</sup> day of January, <sup>2014</sup>~~2013~~, by **ERIN N. TEMPLE**, as attorney in fact on behalf of **SHARON F. TEMPLE**.

Romae J. Bell  
Notary Public, State of Texas



My commissior expires.

Designation of Pooled Unit  
Currie "A" State #4510 Pooled Unit

ACKNOWLEDGMENTS

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 18th day of December, 2013, by **CYNTHIA C. HOWARD**, President of CCH Ranch Management LLC, General partner of **CCH RANCH INVESTMENTS LP**, a Texas limited partnership, on behalf of said limited partnership.



Judy K. Taylor  
Notary Public, State of Texas

My commission expires:  
8-26-15

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 18th day of December, 2013, by **DARLA C. TAYLOR**, President of DCT Ranch Management LLC, General Partner of **DCT RANCH INVESTMENTS LP**, a Texas limited partnership, on behalf of said limited partnership.



Judy K. Taylor  
Notary Public, State of Texas

My commission expires:  
8-26-15

Designation of Pooled Unit  
Currie "A" State 4510 Pooled Unit

**EXHIBIT "A"**  
**DESIGNATION OF POOLED UNIT**

**COG Operating LLC**  
**Currie "A" State #4510 Pooled Unit**  
**Glasscock County, Texas**

**Description of Pooled Unit**

**Currie "A" State #4510 Unit**

NW/4 of Section 45, Block 32, Township 4 South, T & P Ry. Co. Survey, A-84, containing 156.5 acres, more or less:

**Tract No. 1**

A tract of land containing 148.8 acres, more or less, being all of NW/4 of Section 45, Block 32, Township 4 South, T & P Ry. Co. Survey, A-84, Glasscock County, Texas, containing 156.5 acres, more or less, SAVE AND EXCEPT 7.7 acres, more or less, being the right-of-way of State Highway 158, described more particularly by metes and bounds in Tract No. 2 below.

**Tract No. 2**

A tract of land containing 7.7 acres, more or less, out of NW/4 of Section 45, Block 32, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas, being the right-of-way of State Highway 158, described more particularly by metes and bounds as shown on the plat attached hereto:

**Leases Committed to Pooled Unit:**

**Lease No. 1**

Lessor: James R. Currie, Individually and as Trustee, and Jimmie R. Currie, wife of James R. Currie, Cynthia C. Howard, and Darla C. Taylor.  
Lessee: Henry Petroleum LP  
Date: October 6, 2008  
Recording: Memorandum of Lease recorded in Volume 125, Page 650, Official Public Records of Glasscock County, Texas.  
Description: Insofar as and only insofar as said lease covers Tract 1 described above.

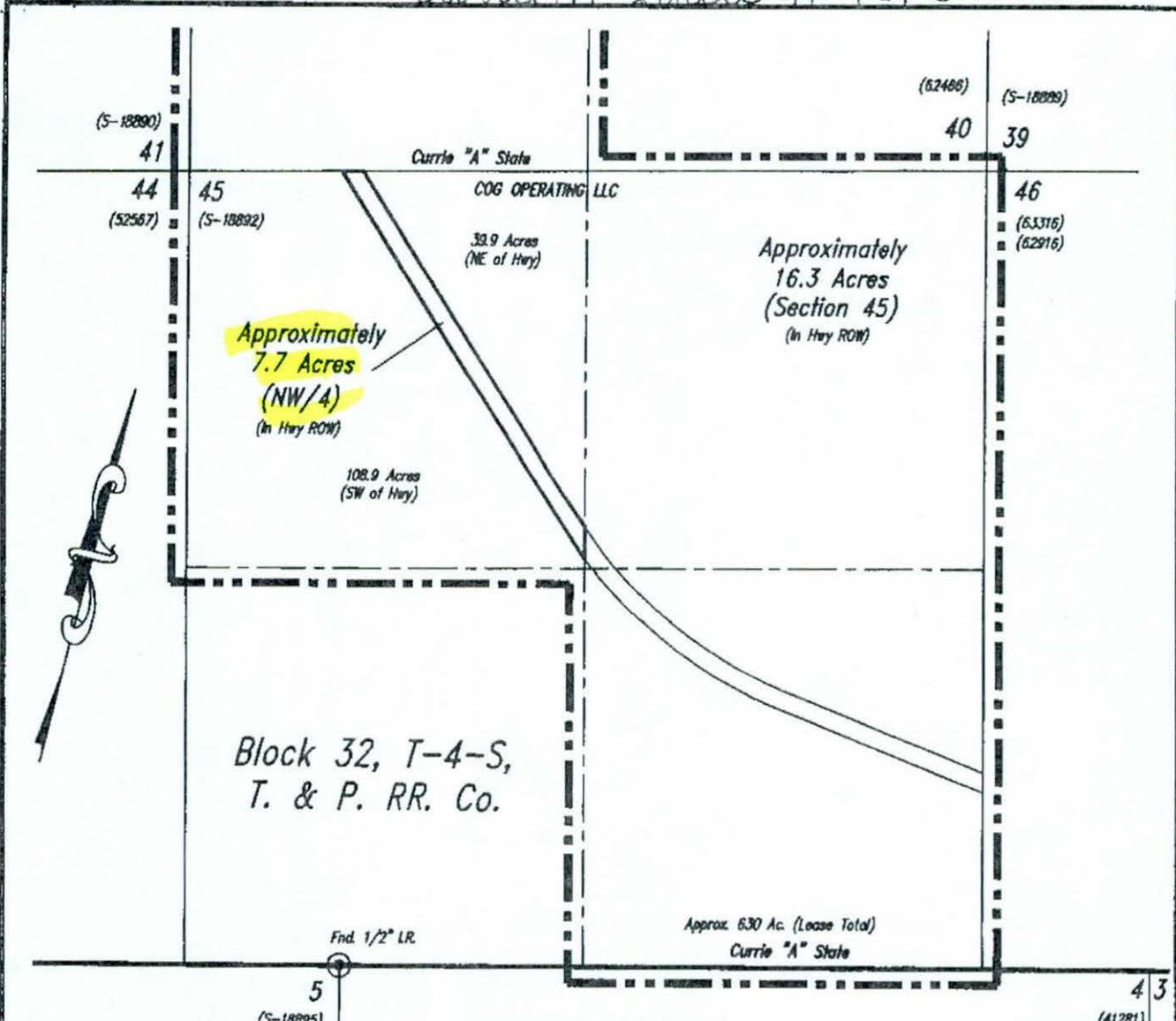
**Lease No. 2**

Lessor: Commissioner of the General Land Office of the State of Texas  
Lease No. (MF 114851)  
Lessee: COG Operating LLC  
Date: April 3, 2013  
Recording: Volume 223, Page 326, Official Public Records of Glasscock County, Texas.  
Description: Insofar as and only insofar as said lease covers Tract 2 described above.

End of page 1 of Exhibit "A" to Currie "A" State #4510 Pooled Unit - Designation of Pooled Unit

Currie "A" State # 4510

WML 241 PAGE 564



Block 32, T-4-S,  
T. & P. RR. Co.

METES AND BOUNDS DESCRIPTION of  
7.7 Acres (within Highway 158 ROW) out of  
Section 45, Block 32, T-4-S,  
T. & P. RR. Co.,  
Glasscock County, Texas

Beginning at a point in the southwest right-of-way of Highway 158 and on the north line of Section 45, Block 32, T-4-S, T. & P. RR. Co., for the northwest corner of this tract, from which the calculated northwest corner of said Section 45 bears S 75°26'42" W 1006.49 feet;

Thence N 75°26'42" E, with the north line of said Section 45, 138.48 feet to a point on the north line of said Section 45 and in the northeast right-of-way of Highway 158, for the northeast corner of this tract;

Thence S 46°37'12" E, with the northeast right-of-way of Highway 158, 2224.88 feet;

Thence S 46°14'50" E, with the northeast right-of-way of Highway 158, 259.68 feet;

Thence S 49°13'42" E, with the northeast right-of-way of Highway 158, 271.04 feet to a point in the northeast right-of-way of Highway 158 and on the east line of the northwest quarter (NW/4) of said Section 45 for the most southerly northeast corner of this tract;

Thence S 14°21'20" E, with the east line of the northwest quarter (NW/4) of said Section 45, 207.83 feet to a point on the east line of the northwest quarter (NW/4) of said Section 45 and in the southwest right-of-way of Highway 158 for the most southerly corner of this tract;

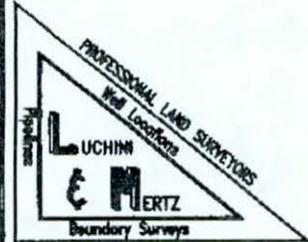
Thence with the southwest right-of-way of Highway 158, with a curve to the right, having a radius of 2924.79 feet, a central angle of 2°18'25", a distance of 117.77 feet;

Thence N 47°09'02" W, with the southwest right-of-way of Highway 158, 1369.77 feet;

Thence N 46°32'21" W, with the southwest right-of-way of Highway 158, 1517.28 feet to the point of beginning.



Steven L. Prewit  
April 2011  
1104180H1



Plat

COG OPERATING LLC  
Approximately 16.3 Acres  
out of  
Section 45, Block 32, T-4-S,  
T. & P. RR. Co.,  
Glasscock County, Texas

Scale: 1" = 2000'

FILED  
AT 10:00 O'CLOCK A M  
ON THE 6 DAY OF Feb  
A.D., 2014  
INS. NO. 140521

*Rebecca Badla*

COUNTY CLERK, GLASSCOCK COUNTY, TEXAS

BY *Adriana Ramirez*  
DEPUTY

STATE OF TEXAS  
COUNTY OF GLASSCOCK

I hereby certify that this instrument was FILED on the  
date and at the time stamped hereon by me and was duly  
RECORDED in the Volume and Page of the named  
RECORDS of Glasscock County, Texas, as stamped  
hereon by me.



*Rebecca Badla*

County Clerk, Glasscock County, Texas

OFFICIAL PUBLIC RECORDS

VOL 241 PAGE 554

RECORDED Feb 6, 2014

File No. MF114851

Unit 6815 agreement /

attachments

Date Filed: 4/14/14

Jerry Patterson, Commissioner

By MB Barnstone

MF 114851

RAILROAD COMMISSION OF TEXAS

Oil and Gas Division

Tracking No.: 107036
Status: Submitted

This facsimile W-2 was generated electronically from data submitted to the RRC.

API No. 42- 173-36253

7. RRC District No. 08

8. RRC Lease No.

Oil Well Potential Test, Completion or Recompletion Report, and Log

Form with fields for Field Name (GARDEN CITY, S. (WOLFCAMP)), Lease Name (CURRIE 'A' STATE), Operator (COG OPERATING LLC), Address (ONE CONCHO CENTER 600 W ILLINOIS AVE MIDLAND, TX 79701-0000), Location (45, 32 T4S, T&P RR CO, A-84), and Completion Date (05/20/2014).

SECTION I- POTENTIAL TEST DATA IMPORTANT: Test should be for 24 hours unless otherwise specified infield rules.

Table with 4 main columns: Date of test (06/06/2014), No. of hours tested (24), Production method (Pumping), and Choke size. Includes sub-rows for production during test period and calculated 24-hour rate.

INSTRUCTIONS: File an original and one copy of the completed Form W-2 in the appropriate RRC District Office within 30 days after completing a well and within 10 days after a potential test.

WELL TESTERS CERTIFICATION section with a signature line for the Well Tester and Name of Company.

OPERATOR'S CERTIFICATION section with signature lines for the Operator's representative (COG OPERATING LLC) and the Regulatory Analyst (Vickie Gotcher).

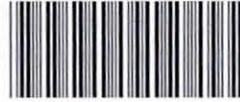
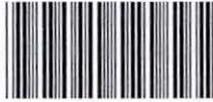
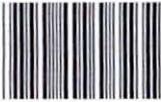
SECTION III DATA ON WELL COMPLETION AND LOG (Not Required on Retest)									
24. Type of Completion New Well <input checked="" type="checkbox"/> Deepening <input type="checkbox"/> Plug Back <input type="checkbox"/> Other <input type="checkbox"/>					25. Permit to Drill, Plug Back or Deepen DATE 01/08/2014 PERMIT NO. 776088		Rule 37 Exception CASE NO.		
26. Notice of Intention to Drill this well was filed in Name of COG OPERATING LLC					Water Injection Permit PERMIT NO.		Salt Water Disposal Permit PERMIT NO.		
27. Number of producing wells on this lease in this field (reservoir) including this well 4			28. Total number of acres in this lease 637.0		30. Distance to nearest well, Same Lease & Reservoir 2820.0		Other PERMIT NO.		
29. Date Plug Back, Deepening, Workover or Drilling Operations: 01/22/2014		Commenced 02/02/2014		Completed					
31. Location of well, relative to nearest lease boundaries 617.0 Feet From South East Line of the CURRIE 'A' STATE				Line and 467.0 Feet from Lease					
32. Elevation (DF, RKB, RT, GR ETC.) 2497 GR				33. Was directional survey made other than inclination (Form W-12)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					
34. Top of Pay		35. Total Depth 9272		36. P. B. Depth 9216		37. Surface Casing Determined by Field Rules <input type="checkbox"/>		Recommendation of T.D.W.R. Railroad Commission (Special) <input checked="" type="checkbox"/>	
								Dt. of Letter 03/22/2012	
								Dt. of Letter	
38. Is well multiple completion? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No									
39. If multiple completion, list all reservoir names (completions in this well) and Oil Lease or Gas ID No. FIELD & RESERVOIR N/A					GAS ID or OIL LEASE #		Oil-G Gas-G		Well #
40. Intervals Drilled by: Rotary Tools <input checked="" type="checkbox"/> Cable Tools		41. Name of Drilling Contractor			42. Is Cementing Affidavit Attached? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				
43. CASING RECORD (Report All Strings Set in Well)									
CASING SIZE		WT #/FT.		DEPTH SET		MULTISTAGE TOOL DEPTH		TYPE & AMOUNT CEMENT (sacks)	
8 5/8				2191				CL C 1390	
5 1/2				9272				CL C / CL H 990	
								HOLE SIZE	
								TOP OF CEMENT	
								SLURRY VOL. cu. ft.	
								2392.0	
								1379.0	
44. LINER RECORD									
Size		Top		Bottom		Sacks Cement		Screen	
N/A									
45. TUBING RECORD									
Size		Depth Set		Packer Set		From 6830		To 9020	
2 3/8		6771				From		To	
						From		To	
						From		To	
46. Producing Interval (this completion) Indicate depth of perforation or open hole									
47. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.									
Depth Interval				Amount and Kind of Material Used					
6830.0		9020.0		SEE FRAC FOCUS					
48. FORMATION RECORD (LIST DEPTHS OF PRINCIPAL GEOLOGICAL MARKERS AND FORMATION TOPS)									
Formations		Depth		Formations		Depth			
SANTA ROSA		1000.0		SPRABERRY		4620.0			
YATES		1250.0		DEAN		5650.0			
SEVEN RIVERS		1300.0		WOLFCAMP		5720.0			
QUEEN		1500.0		WICHITA ALBANY		7400.0			
SAN ANDRES - HIGH FLOWS, H2S, CORROSIVE		2160.0		PENNSYLVANIAN		8300.0			
GLORIETA		2450.0		STRAWN		8880.0			
GRAYBURG		2850.0		ATOKA		8970.0			
CLEARFORK		3920.0		FUSSELMAN		9100.0			

File No. MF114851  
W-2 Currie "A"  
State # 4508 173-36253  
Date Filed: 6/9/14  
Jerry Patterson, Commissioner  
By MB Barnstone

M# 114851  
6815



( KEEP THIS COPY FOR YOUR RECORDS )



### DIVISION ORDER

To: Plains Marketing L.P.  
P.O. Box 4648  
Houston, TX 77210-4648

Property Name: CURRIE A STATE 4510  
Operator: COG OPERATING LLC  
County and State: GLASSCOCK, TX  
Production: OIL / CONDENSATE ( GAS )

Date: 03/27/2014  
Property Descr: SEE EXHIBIT 'A'  
Effective 7 A.M.: 02/01/2014

Decimal Interest: 0.01230032 ✓  
Type of Interest: RI  
ROYALTY INTEREST

Owner Number  
**0062639**  
Property Number:  
**01 196242**

Owner Name and Address: COMMISSIONER GENERAL LD OFFICE  
STATE OF TEXAS  
1700 NORTH CONGRESS AVENUE  
AUSTIN, TX 78701

COMMISSIONER GENERAL LD OFFICE  
STATE OF TEXAS  
1700 NORTH CONGRESS AVENUE  
AUSTIN, TX 78701

[Correspondence Address]

[Remittance Address]

The undersigned severally and not jointly certifies the ownership of their decimal interest in production or proceeds as described above payable by Plains Marketing, L.P. (hereinafter called "Payor").  
Payor shall be notified, in writing, of any change in ownership, decimal interest, or payment address. All such changes shall be effective the first day of the month following receipt of such notice.

Payor is authorized to withhold payment pending resolution of a title dispute or adverse claim asserted regarding the interest in production claimed herein by the undersigned. The undersigned agrees to reimburse Payor any amount attributable to an interest to which the undersigned is not entitled. Unless otherwise required by law, Payor shall not be required to pay interest on payments withheld due to a title dispute or adverse claim.

Payments of less than \$25.00 may be accrued before disbursement until the total amount equals \$25.00 or more, or until December 31 of each year, whichever occurs first.

This Division Order does not amend any lease or operating agreement between the undersigned and the lessee or operator or any other contracts for the purchase of oil or gas.

The undersigned will be paid in accordance with the division of interests set out above. As to oil and/or condensate, the Payor shall pay all parties at the price agreed to by the operator for oil and/or condensate to be sold pursuant to this division order. Payor shall compute quantity and make corrections for gravity and temperature and make deductions for impurities. As to gas, the undersigned will be paid in accordance with the division of interest set forth herein. The Payor will pay all parties for their respective interest in the gas proceeds paid to Payor by the operator for disbursement at the price and upon the terms agreed to by the operator for the gas marketed by the operator. Payor is a disbursement service provider only and does not purchase the gas nor take title to the gas. The operator is responsible for marketing gas produced from the property described in the attached property description. Payor does not assume any obligations of the lessee or operator under any oil and gas lease, gas sales contract or other agreement to which Payor is not a party.

In addition to the terms and conditions of this Division Order, the undersigned and Payor may have certain statutory rights under the laws of the state in which the property is located.

Special Clauses/Requirements: If applicable, see Exhibit 'A'.

Owner Social Security # or Taxpayer ID #:   
Owner Daytime Telephone #: \_\_\_\_\_  
Owner FAX #: \_\_\_\_\_  
Email Address: \_\_\_\_\_

Owner BY: \_\_\_\_\_  
Signature: OWNER #: 0062639

Signature of two Witnesses/Attest \_\_\_\_\_

TITLE: \_\_\_\_\_

**FEDERAL LAW REQUIRES YOU TO FURNISH YOUR SOCIAL SECURITY OR TAXPAYER IDENTIFICATION NUMBER.  
FAILURE TO COMPLY WILL RESULT IN 28% TAX WITHHOLDING AND WILL NOT BE REFUNDABLE BY PAYOR.**

( KEEP THIS COPY FOR YOUR RECORDS )

**EXHIBIT 'A'**

**PROPERTY NUMBER: 01 196242**

**OWNER: 0062639**

OWNER	NAME/ADDRESS	SSN/TIN	INTEREST	TYPE	PAY ST	EFFECTIVE	CLAUSES	REQUIREMENTS
0062639	COMMISSIONER GENERAL LD OFFICE STATE OF TEXAS 1700 NORTH CONGRESS AVENUE AUSTIN, TX 78701	[REDACTED]	0.01230032	RI	3U	02/01/2014	1	N/A

**CLAUSES**

- 1 EFFECTIVE WITH FEBRUARY 2014 PRODUCTION, PLAINS MARKETING, L.P. WAS DESIGNATED AS OIL PURCHASER FOR THE CURRIE A STATE 4510 LEASE BY THE OPERATOR, COG OPERATING LLC. THIS DIVISION ORDER WAS PREPARED BASED ON INFORMATION PROVIDED BY THE OPERATOR.

LEGAL DESCRIPTION

•••• NW/4 SECTION 45, BLOCK 32, T-4-S, T&P RY. CO.  
•••• GLASSCOCK COUNTY, TX

••••

•

••••

••••

••••

•

••••

••••

Exhibit "A"

Attached to letter dated January 28, 2015 from The Texas General Land Office

State Lease/Unit No.	Unit Name	Well No.	RI	Property No.
MF 112652	Hart	3	0.125	01 196355
MF 029514	Johnson State		0.0625	01 196429
MF 116687	Crews-Mast 8A	3, 4, 6	0.125	01 202148
MF 115682	12th Man State		0.125	01 202113
Unit 6685	Currie 'E' State	4102	0.054603	01 196189
Unit 6815	Currie 'A' State	4510	0.01230032	01 196242

15

File No. MF 114831  
DIVISION order

Date Filed: 4-1-19

Jerry E. Patterson, Commissioner

By JF

MF  
114851

**RAILROAD COMMISSION OF TEXAS**

Oil and Gas Division

Tracking No.: 89971  
Status: Approved

This facsimile W-2 was generated electronically from data submitted to the RRC.

API No. 42- 173-35858

7. RRC District No.  
08

**Oil Well Potential Test, Completion or Recompletion Report, and Log**

8. RRC Lease No.  
44645

9. Well No.  
4003

10. County of well site  
GLASSCOCK

11. Purpose of filing

- Initial Potential
- Retest
- Reclass
- Well record only (Explain in remarks)

1. FIELD NAME (as per RRC Records or Wildcat) GARDEN CITY, S. (WOLFCAMP)		2. LEASE NAME CURRIE 'A' STATE	
3. OPERATOR'S NAME (Exactly as shown on Form P-5, Organization Report) COG OPERATING LLC		RRC Operator No. 166150	
4. ADDRESS ONE CONCHO CENTER 600 W ILLINOIS AVE MIDLAND, TX 79701-0000			
5. If Operator has changed within last 60 days, name former operator			
6a. Location (Section, Block, and Survey) 40, 32 T4S, T&P RR CO / CURRIE, H, A-794		6b. Distance and direction to nearest town in this county 9.5 MILES SE FROM GARDEN CITY	
12. If workover or reclass, give former field (with reservoir) & Gas ID or oil lease no. FIELD & RESERVOIR		GAS ID or OIL LEASE #	Oil-O Gas-G
N/A			Well #
13. Type of electric or other log run Neutron logs		14. Completion or recompletion date 09/21/2013	

**SECTION I- POTENTIAL TEST DATA IMPORTANT: Test should be for 24 hours unless otherwise specified infield rules.**

15. Date of test 10/27/2013	16. No. of hours tested 24	17. Production method (Flowing, Gas Lift, Jetting, Pumping- Size & Type of pump) Pumping			18. Choke size
19. Production during Test Period	Oil - BBLS 99.0	Gas - MCF 72	Water - BBLS 41	Gas - Oil Ratio 727	Flowing Tubing Pressure PSI
20. Calculated 24-Hour Rate	Oil - BBLS 99.0	Gas - MCF 72	Water - BBLS 41	Oil Gravity-API-60° 42.2	Casing Pressure PSI
21. Was swab used during this test? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		22. Oil produced prior to test (New & Reworked wells) 964.0		23. Injection Gas-Oil Ratio	
REMARKS: N/A					

INSTRUCTIONS: File an original and one copy of the completed Form W-2 in the appropriate RRC District Office within 30 days after completing a well and within 10 days after a potential test. If an operator does not properly report the results of a potential test within the 10-day period, the effective date of the allowable assigned to the well will not extend back more than 10 days before the W-2 was received in the District Office. (Statewide Rules 16 and 51) To report a completion or recompletion, fill in both sides of this form. To report a retest, fill in only the front side.

**WELL TESTERS CERTIFICATION**

I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I conducted or supervised this test by observation of (a) meter readings or (b) the top and bottom gauges of each tank into which production was run during the test. I further certify that the potential test data shown above is true, correct, and complete, to the best of my knowledge.

Signature Well Tester

Name of Company

RRC Representative

**OPERATOR'S CERTIFICATION**

I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this report, that this report was prepared by me or under my supervision and direction, and that data and facts stated therein are true, correct and complete, to the best of my knowledge.

COG OPERATING LLC

Type or printed name of operator's representative

(432) 818-2249

11/04/2013

Telephone Area Code

Number

Month Day Year

Regulatory Analyst

Title of Person

Vickie Gotcher

Signature

SECTION III DATA ON WELL COMPLETION AND LOG (Not Required on Retest)									
24. Type of Completion New Well <input checked="" type="checkbox"/> Deepening <input type="checkbox"/> Plug Back <input type="checkbox"/> Other <input type="checkbox"/>					25. Permit to Drill, Plug Back or Deepen DATE: 05/23/2013 PERMIT NO: 763000 Rule 37 Exception		CASE NO.		
26. Notice of Intention to Drill this well was filed in Name of COG OPERATING LLC					Water Injection Permit		PERMIT NO.		
27. Number of producing wells on this lease in this field (reservoir) including this well 1			28. Total number of acres in this lease 630.4		Salt Water Disposal Permit		PERMIT NO.		
29. Date Plug Back, Deepening, Workover or Drilling Operations: 07/25/2013		Commenced 08/11/2013		Completed 08/11/2013		30. Distance to nearest well, Same Lease & Reservoir 0.0			
31. Location of well, relative to nearest lease boundaries 673.0 West				Fet From North Line of the CURRIE 'A' STATE		Line and 467.0		Fet from Lease	
32. Elevation (DF, RKB, RT, GR, ETC) 2539 GR				33. Was directional survey made other than inclination (Form W-12)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
34. Top of Pay 6920		35. Total Depth 9394		36. P. B. Depth 9348		37. Surface Casing Determined by: Field Rules <input type="checkbox"/>		Recommendation of T.D.W.R. Railroad Commission (Special) <input checked="" type="checkbox"/>	
								Dt. of Letter 10/27/2011 Dt. of Letter 06/26/2013	
38. Is well multiple completion? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No									
39. If multiple completion, list all reservoir names (completions in this well) and Oil Lease or Gas ID No. FIELD & RESERVOIR N/A					GAS ID or OIL LEASE #		Oil-G Gas-G		Well #
40. Intervals Drilled by: Rotary Tools <input checked="" type="checkbox"/> Cable Tools					41. Name of Drilling Contractor SAVANNA			42. Is Cementing Affidavit Attached? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
43. CASING RECORD (Report All Strings Set in Well)									
CASING SIZE		WT #/FT.		DEPTH SET		MULTISTAGE TOOL DEPTH		TYPE & AMOUNT CEMENT (sacks)	
13 3/8		48.0		420				CL C 530	
8 5/8		32.0		4500				11	
5 1/2		17.0		9394				POZ C/H 920	
								HOLE SIZE	
								TOP OF CEMENT	
								SLURRY VOL. cu. ft.	
								7 7/8	
								0	
								1850	
								3350	
								715.5	
								1040.0	
								1254.0	
44. LINER RECORD									
Size		Top		Bottom		Sacks Cement		Screen	
N/A									
45. TUBING RECORD					46. Producing Interval (this completion) Indicate depth of perforation or open hole				
Size		Depth Set		Packer Set		From 6920		To 9140	
2 3/8		6877				From		To	
						From		To	
						From		To	
47. ACID, SHOT, FRACTURE, CEMENT SQUEEZE ETC.									
Depth Interval				Amount and Kind of Material Used					
6920.0 - 9140.0				504 BBLS 15% HCL, 1,723 BBLS WATER, 1,199,352# PROPPANT					
48. FORMATION RECORD (LIST DEPTHS OF PRINCIPAL GEOLOGICAL MARKERS AND FORMATION TOPS)									
Formations		Depth		Formations		Depth			
WOLFCAMP		6075.0							
CLINE		8675.0							
ATOKA		9075.0							
REMARKS: N/A									

Cementer: Fill in shaded areas.  
Operator: Fill in other items.

RAILROAD COMMISSION OF TEXAS  
Oil and Gas Division

Form W-15  
Cementing Report  
Rev. 4/1/83  
483-045

1. Operator's Name (As shown on Form P-5, Organization Report) <b>LOG OPERATING LLC</b>	2. RRC Operator No. <b>1166150</b>	3. RRC District No. <b>08</b>	4. County of Well Site <b>GLASSCOCK</b>
5. Field Name (Wildcat or exactly as shown on RRC Records) <b>GARDEN CITY, S. (WOLFCAMP)</b>		6. API No. <b>42-173-35858</b>	7. Drilling Permit No. <b>763000</b>
8. Lease Name <b>CURRIE "A" STATE</b>	9. Rule 37 Case No.	10. Oil Lease/Gas ID No. <b>NEW</b>	11. Well No. <b>4003</b>

CASING CEMENTING DATA:		SURFACE CASING	INTER-MEDIATE CASING	PRODUCTION CASING		MULTI-STAGE CEMENTING PROCESS	
				Single String	Multiple Parallel Strings	Tool	Shoe
12. Cementing Date		7-26-13					
13. • Drilled Hole Size		17 1/2					
• Est. % wash or hole enlargement							
14. Size of casing (in. O.D.)		13 3/8					
15. Top of liner (ft.)							
16. Setting depth (ft.)		420'					
17. Number of centralizers used		5					
18. Hrs. Waiting on cement before drill-out		12					
1 <sup>st</sup> Slurry	19. API cement used: No. of sacks ▶	530					
	Class ▶	C					
	Additives ▶	2%CACL 1/4 PPS CELLO					
2 <sup>nd</sup> Slurry	No. of sacks ▶						
	Class ▶						
	Additives ▶						
3 <sup>rd</sup> Slurry	No. of sacks ▶						
	Class ▶						
	Additives ▶						
1 <sup>st</sup>	20. Slurry pumped: Volume (cu. ft.) ▶	715.5					
	Height (ft.) ▶	1030					
2 <sup>nd</sup>	Volume (cu. ft.) ▶						
	Height (ft.) ▶						
3 <sup>rd</sup>	Volume (cu. ft.) ▶						
	Height (ft.) ▶						
Total	Volume (cu. ft.) ▶	715.5					
	Height (ft.) ▶	1030					
21. Was cement circulated to ground surface (or bottom of cellar) outside casing?		YES					
Remarks 1 CIRCULATED 7 BBL/ 30 SKS CMT TO PIT							
Remarks 2							

CEMENTING TO PLUG AND ABANDON	PLUG #1	PLUG #2	PLUG #3	PLUG #4	PLUG #5	PLUG #6	PLUG #7	PLUG #8
23. Cementing date								
24. Size of hole or pipe plugged (in.)								
25. Depth to bottom of tubing or drill pipe (ft.)								
26. Sacks of cement used (each plug)								
27. Slurry volume pumped (cu. Ft.)								
28. Calculated top of plug (ft.)								
29. Measured top of plug, if tagged (ft.)								
30. Slurry wt. (lb/gal)								
31. Type cement								

CEMENTER'S CERTIFICATE: I declare under penalties in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this Certification, that the cementing of casing and/or the placing of cement plugs in this well as shown in the report was performed by me or under my Supervision, and that the cementing data and facts presented on both sides of this form are true, correct, and complete, to the best of my knowledge. This certification covers cementing data only.

Cameron Canterbury Cement supervisor  
Name and title of cementer's representative

Baker Hughes Industries  
Cementing Company

[Signature]  
Signature

P.O. Box 4717  
Address

Odessa, Texas 79760  
City, State, Zip Code

(432) 381-2301  
Tel: Area Code Number

                      
Date: mo. day yr.

OPERATOR'S CERTIFICATE: I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this Certification, that I have knowledge of the well data and information presented in this report, and that data and facts presented on both sides of this form are true, correct, and complete, to the best of my knowledge. This certification covers all well data.

VICKIE L. GOTCHER  
Typed or printed name of operator's representative

REGULATORY ANALYST  
Title

[Signature]  
Signature

6000 W ILLINOIS AVE MIDLAND TX 79701  
Address City, State, Zip Code

432-818-2249  
Tel.: Area Code Number

08/06/13  
Date: mo. day yr.

Instructions to Form W-15, Cementing Report

IMPORTANT: Operators and cementing companies must comply with the requirements of the Commission's Statewide Rules 8 (Water Protection), 13 (Casing, Cementing, Drilling, and Completion), and 14 (Well Plugging). For offshore operations, see the requirements of Rule 13 (c).

- A. What to file. An operator should file an original and one copy of the completed Form W-15 for each cementing company used on a well. The cementing of different casing strings on a well by one cementing company may be reported on one form. Form W-15 should be filed with the following.
- An initial oil or gas completion report, Form W-2 or G-1, as required by Statewide or special field rates;
  - Form W-4, Application for Multiple Completion, if the well is a multiple parallel casing completion; and
  - Form W-3, Plugging Record, unless the W-3 is signed by the cementing company representative. When reporting dry holes, operators must complete Form W-15, in addition to Form W-3, to show any casing cemented in the hole.
- B. Where to file. The appropriate Commission District Office for the county in which the well is located.
- C. Surface Casing. An operator must set and cement sufficient surface casing to protect all usable-quality water strata, as defined by the Texas Department of Water Resources, Austin. Before drilling a well in any field or area in which no field rules are in effect or in which surface casing requirements are not specified in the applicable rules, an operator must obtain a letter from the Department of Water Resources stating the protection depth. Surface casing should not be set deeper than 200 feet below the specified depth without prior approval from the Committee.
- D. Centralizers. Surface Casing must be centralized at the shoe, above and below a stage collar or diverting tool, if run, and through usable-quality water zones. In Non-deviated holes, a centralizer must be placed every fourth joint from the cement shoe to the ground surface or to the bottom of the cellar. All centralizers must meet API specifications.
- E. Exceptions and alternative casing programs. The District Director may grant an exception to the requirements of Statewide Rule 13. In a written application, an operator must state the reason for the requested exception and outline an alternate program for casing and cementing through the protection depth for strata containing usable-quality water. The District Director may approve, modify, or reject a proposed program. An operator must obtain approval of any exception before beginning casing and cementing operations.
- F. Intermediate and production casing. For specific technical requirements, operators should consult Statewide Rule 13 (3) and (4).
- G. Plugging and abandoning. Cement plugs must be placed in the wellbore as required by Statewide Rule 14. The District Director may require additional cement plugs. For onshore or inland wells, a 10-foot cement plug must be placed in the top of the well, and the casing must be cut off three foot below the ground surface. All cement plugs, except the top plug, must have sufficient slurry volume to fill 100 feet of hole, plus ten percent for each 1,000 feet of depth from the ground surface to the bottom of the plug.

To plug and abandon a well, operators must use only cementers approved by the Director of Field Operations, Cementing companies, service companies or operators can qualify as approved cementers by demonstrating that they are able to mix and pump cement in compliance with Commission rules and regulations.

Cementer: Fill in shaded areas.  
Operator: Fill in other items.

**RAILROAD COMMISSION OF TEXAS**  
**Oil and Gas Division**

Form W-15  
Cementing Report  
Rev. 4/1/83  
483-045

1. Operator's Name (As shown on Form P-5, Organization Report) <b>COG OPERATING LLC</b>	2. RRC Operator No. <b>166150</b>	3. RRC District No. <b>7C</b>	4. County of Well Site <b>GLASSCOCK</b>
5. Field Name (Wildcat or exactly as shown on RRC Records) <b>GARDEN CITY, S. (WOLF CAMP)</b>		6. API No. <b>42-173-35858</b>	7. Drilling Permit No. <b>763000</b>
8. Lease Name <b>CURRIE "A" STATE</b>	9. Rule 37 Case No.	10. Oil Lease/Gas ID No. <b>NEW</b>	11. Well No. <b>4003</b>

CASING CEMENTING DATA:		SURFACE CASING	INTER-MEDIATE CASING	PRODUCTION CASING		MULTI-STAGE CEMENTING PROCESS	
				Single String	Multiple Parallel Strings	Tool	Shoe
12. Cementing Date			8-1-13				
13. • Drilled Hole Size			11"				
• Est. % wash or hole enlargement							
14. Size of casing (in. O.D.)			8 5/8"				
15. Top of liner (ft.)							
16. Setting depth (ft.)			4,500'				
17. Number of centralizers used			31				
18. Hrs. Waiting on cement before drill-out			12				
1 <sup>st</sup> Slurry	19. API cement used: No. of sacks ▶		450				
	Class ▶		C				
	Additives ▶		Remarks 1				
2 <sup>nd</sup> Slurry	No. of sacks ▶		200				
	Class ▶		C				
	Additives ▶		Remarks 2				
3 <sup>rd</sup> Slurry	No. of sacks ▶						
	Class ▶						
	Additives ▶						
1 <sup>st</sup>	20. Slurry pumped: Volume (cu. ft.) ▶		774				
	Height (ft.) ▶		3044				
2 <sup>nd</sup>	Volume (cu. ft.) ▶		266				
	Height (ft.) ▶		1046				
3 <sup>rd</sup>	Volume (cu. ft.) ▶						
	Height (ft.) ▶						
Total	Volume (cu. ft.) ▶		1040				
	Height (ft.) ▶		4090				
21. Was cement circulated to ground surface (or bottom of cellar) outside casing ?			No				
Remarks #1 2% Calcium Chloride + 125#/sk Cello Flake + 4% Bentonite 2 Remarks #2 5% Calcium Chloride							

CEMENTING TO PLUG AND ABANDON	PLUG #1	PLUG #2	PLUG #3	PLUG #4	PLUG #5	PLUG #6	PLUG #7	PLUG #8
23. Cementing date								
24. Size of hole or pipe plugged (in.)								
25. Depth to bottom of tubing or drill pipe (ft.)								
26. Sacks of cement used (each plug)								
27. Slurry volume pumped (cu. ft.)								
28. Calculated top of plug (ft.)								
29. Measured top of plug, if tagged (ft.)								
30. Slurry wt. (lb gal)								
31. Type cement								

CEMENTER'S CERTIFICATE: I declare under penalties in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this Certification, that the cementing of casing and/or the placing of cement plugs in this well as shown in the report was performed by me or under my Supervision, and that the cementing data and facts presented on both sides of this form are true, correct, and complete, to the best of my knowledge. This certification covers cementing data only.

Alex Contreras-Service Supervisor

Name and title of cementer's representative

Baker Hughes Services Company

Cementing Company

[Signature]  
Signature

P.O. Box 4717

Address

Odessa,

City

Texas

State

79760

Zip Code

(432) 381-2301

Tel: Area Code Number

8-1-13

Date: mo. Day yr

OPERATOR'S CERTIFICATE: I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this Certification, that I have knowledge of the well data and information presented in this report, and that data and facts presented on both sides of this form are true, correct, and complete, to the best of my knowledge. This certification covers all well data.

VICKIE L. GOTCHER

Typed or printed name of operator's representative

REGULATORY ANALYST

Title

[Signature]  
Signature

600 W ILLINOIS AVE

Address

MIDLAND TX

City

79701

State

432-818-2249

Zip Code

432-818-2249

Tel: Area Code Number

08/15/13

Date: mo. day yr

Instructions to Form W-15, Cementing Report

IMPORTANT: Operators and cementing companies must comply with the requirements of the Commission's Statewide Rules 8 (Water Protection), 13 (Casing, Cementing, Drilling, and Completion), and 14 (Well Plugging). For offshore operations, see the requirements of Rule 13 (c).

- A. What to file. An operator should file an original and one copy of the completed Form W-15 for each cementing company used on a well. The cementing of different casing strings on a well by one cementing company may be reported on one form. Form W-15 should be filed with the following:
- An initial oil or gas completion report, Form W-2 or G-1, as required by Statewide or special field rules;
  - Form W-4, Application for Multiple Completion, if the well is a multiple parallel casing completion; and
  - Form W-3, Plugging Record, unless the W-3 is signed by the cementing company representative. When reporting dry holes, operators must complete Form W-15, in addition to Form W-3, to show any casing cemented in the hole.
- B. Where to file. The appropriate Commission District Office for the county in which the well is located.
- C. Surface Casing. An operator must set and cement sufficient surface casing to protect all usable-quality water strata, as defined by the Texas Department of Water Resources, Austin. Before drilling a well in any field or area in which no field rules are in effect or in which surface casing requirements are not specified in the applicable rules, an operator must obtain a letter from the Department of Water Resources stating the protection depth. Surface casing should not be set deeper than 200 feet below the specified depth without prior approval from the Committee.
- D. Centralizers. Surface Casing must be centralized at the shoe, above and below a stage collar or diverting tool, if run, and through usable-quality water zones. In Non-deviated holes, a centralizer must be placed every fourth joint from the cement shoe to the ground surface or to the bottom of the cellar. All centralizers must meet API specifications.
- E. Exceptions and alternative casing programs. The District Director may grant an exception to the requirements of Statewide Rule 13. In a written application, an operator must state the reason for the requested exception and outline an alternate program for casing and cementing through the protection depth for strata containing usable-quality water. The District Director may approve, modify, or reject a proposed program. An operator must obtain approval of any exception before beginning casing and cementing operations.
- F. Intermediate and production casing. For specific technical requirements, operators should consult Statewide Rule 13 (3) and (4).
- G. Plugging and abandoning. Cement plugs must be placed in the wellbore as required by Statewide Rule 14. The District Director may require additional cement plugs. For onshore or inland wells, a 10-foot cement plug must be placed in the top of the well, and the casing must be cut off three feet below the ground surface. All cement plugs, except the top plug, must have sufficient slurry volume to fill 100 feet of hole, plus ten percent for each 1,000 feet of depth from the ground surface to the bottom of the plug.

To plug and abandon a well, operators must use only cements approved by the Director of Field Operations, Cementing companies, service companies or operators can qualify as approved cements by demonstrating that they are able to mix and pump cement in compliance with Commission rules and regulations.

Cementer: Fill in shaded areas.  
Operator: Fill in other items.

RAILROAD COMMISSION OF TEXAS  
Oil and Gas Division

Form W-15  
Cementing Report  
Rev. 4/1/83  
483-045

1. Operator's Name (As shown on Form P-5, Organization Report) <b>COG Operating LLC</b>	2. RRC Operator No. <b>1166150</b>	3. RRC District No. <b>08</b>	4. County of Well Site <b>Glasscock</b>
5. Field Name (Wildcat or exactly as shown on RRC Records) <b>GARDEN CITY, S. (WOLF CAMP)</b>		6. API No. <b>42-173-35858</b>	7. Drilling Permit No. <b>763000</b>
8. Lease Name <b>Currie 'A' State</b>	9. Rule 37 Case No.	10. Oil Lease/Gas ID No. <b>NEW</b>	11. Well No. <b>4003</b>

CASING CEMENTING DATA:		SURFACE CASING	INTER-MEDIATE CASING	PRODUCTION CASING		MULTI-STAGE CEMENTING PROCESS	
				Single String	Multiple Parallel Strings	Tool	Shoe
12. Cementing Date				08-10-2013			
13. • Drilled Hole Size				7 7/8"			
• Est. % wash or hole enlargement							
14. Size of casing (in. O.D.)				5 1/2"			
15. Top of liner (ft.)							
16. Setting depth (ft.)				9,394'			
17. Number of centralizers used				37			
18. Hrs. Waiting on cement before drill-out				12			
1 <sup>st</sup> Slurry	19. API cement used: No. of sacks ▶			200			
	Class ▶			60:40 POZ:C			
	Additives ▶			Remarks #1			
2 <sup>nd</sup> Slurry	No. of sacks ▶			720			
	Class ▶			50:50:2 POZ:H			
	Additives ▶			Remarks #2			
3 <sup>rd</sup> Slurry	No. of sacks ▶						
	Class ▶						
	Additives ▶						
1st	20. Slurry pumped: Volume (cu. ft.) ▶			340			
	Height (ft.) ▶			1962			
2nd	Volume (cu. ft.) ▶			914			
	Height (ft.) ▶			5244			
3rd	Volume (cu. ft.) ▶						
	Height (ft.) ▶						
Total	Volume (cu. ft.) ▶			1254			
	Height (ft.) ▶			7206			
21. Was cement circulated to ground surface (or bottom of cellar) outside casing ?				No			
(22) Remarks #1 0.4% FL-62 + 0.5% FL-52 + 0.5% Sodium Metasilicate + 0.05% R-3 + 2 #/sk Kol Seal + 0.125 #/sk Ceiko Flaka Remarks #2 0.2% FL-52 + 0.25% Sodium Chloride + 0.005 gps FP-13L							

CEMENTING TO PLUG AND ABANDON	PLUG #1	PLUG #2	PLUG #3	PLUG #4	PLUG #5	PLUG #6	PLUG #7	PLUG #8
23. Cementing date								
24. Size of hole or pipe plugged (in.)								
25. Depth to bottom of tubing or drill pipe (ft.)								
26. Sacks of cement used (each plug)								
27. Slurry volume pumped (cu. ft.)								
28. Calculated top of plug (ft.)								
29. Measured top of plug, if tagged (ft.)								
30. Slurry wt. (lb/gal)								
31. Type cement								

CEMENTER'S CERTIFICATE: I declare under penalties in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this Certification, that the cementing of casing and/or the placing of cement plugs in this well as shown in the report was performed by me or under my Supervision, and that the cementing data and facts presented on both sides of this form are true, correct, and complete, to the best of my knowledge. This certification covers cementing data only.

Phillip M. Bowen- Service Supervisor  
Name and title of cementer's representative

Baker Hughes Pressure Pumping Services  
Cementing Company

[Signature]  
Signature

P.O. Box 4717  
Address

Odessa, Texas 79760  
City, State, Zip Code

(432) 381-2301  
Tel: Area Code Number

08-10-2013  
Date: mo. Day yr.

OPERATOR'S CERTIFICATE: I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this Certification, that I have knowledge of the well data and information presented in this report, and that data and facts presented on both sides of this form are true, correct, and complete, to the best of my knowledge. This certification covers all well data.

VICKIE L. GOTCHER  
Typed or printed name of operator's representative

REGULATORY ANALYST  
Title

[Signature]  
Signature

6000 W. ILLINOIS AVE. MIDLAND, TX 79701  
Address City, State, Zip Code

432-518-2249  
Tel: Area Code Number

08/20/13  
Date: mo. day yr.

Instructions to Form W-15, Cementing Report

IMPORTANT: Operators and cementing companies must comply with the requirements of the Commission's Statewide Rules 8 (Water Protection), 13 (Casing, Cementing, Drilling, and Completion), and 14 (Well Plugging). For offshore operations, see the requirements of Rule 13 (c).

- A. What to file. An operator should file an original and one copy of the completed Form W-15 for each cementing company used on a well. The cementing of different casing strings on a well by one cementing company may be reported on one form. Form W-15 should be filed with the following.
- An initial oil or gas completion report, Form W-2 or G-1, as required by Statewide or special field rules;
  - Form W-4, Application for Multiple Completion, if the well is a multiple parallel casing completion; and
  - Form W-3, Plugging Record, unless the W-3 is signed by the cementing company representative. When reporting dry holes, operators must complete Form W-15, in addition to Form W-3, to show any casing cemented in the hole.
- B. Where to file. The appropriate Commission District Office for the county in which the well is located.
- C. Surface Casing. An operator must set and cement sufficient surface casing to protect all usable-quality water strata, as defined by the Texas Department of Water Resources, Austin. Before drilling a well in any field or area in which no field rules are in effect or in which surface casing requirements are not specified in the applicable rules, an operator must obtain a letter from the Department of Water Resources stating the protection depth. Surface casing should not be set deeper than 200 feet below the specified depth without prior approval from the Committee.
- D. Centralizers. Surface Casing must be centralized at the shoe, above and below a stage collar or diverting tool, if run, and through usable-quality water zones. In Non-deviated holes, a centralizer must be placed every fourth joint from the cement shoe to the ground surface or to the bottom of the cellar. All centralizers must meet API specifications.
- E. Exceptions and alternative casing programs. The District Director may grant an exception to the requirements of Statewide Rule 13. In a written application, an operator must state the reason for the requested exception and outline an alternate program for casing and cementing through the protection depth for strata containing usable-quality water. The District Director may approve, modify, or reject a proposed program. An operator must obtain approval from the District Director before beginning casing and cementing operations.
- F. Intermediate and production casing. For specific technical requirements, operators should consult Statewide Rule 13 (3) and AUG 19 2013
- G. Plugging and abandoning. Cement plugs must be placed in the wellbore as required by Statewide Rule 14. The District Director may require additional cement plugs. For onshore or inland wells, a 10-foot cement plug must be placed in the top of the well, and the casing must be cut off three feet below the ground surface. All cement plugs, except the top plug, must have sufficient slurry volume to fill 100 feet of hole, plus ten percent for each 1000 feet of depth from the ground surface to the bottom of the plug

To plug and abandon a well, operators must use only cementers approved by the Director of Field Operations, Cementing companies, service companies or operators can qualify as approved cementers by demonstrating that they are able to mix and pump cement in compliance with Commission rules and regulations.

RECEIVED

AUG 19 2013

REGULATORY & ASSET TEAM

RAILROAD COMMISSION OF TEXAS  
OIL AND GAS DIVISION

Form W-12  
(1-1-71)

<b>INCLINATION REPORT</b> (One Copy Must Be Filed With Each Completion Report.)		6. RRC District 08
1. FIELD NAME (as per RRC Records or Wildcat) GARDEN CITY, S. (WOLFCAMP)		7. RRC Lease Number. (Oil completions only) NEW
2. LEASE NAME Currie 'A' State		8. Well Number 4003
3. OPERATOR COG OPERATING, LLC		9. RRC Identification Number (Oil completions only)
4. ADDRESS ONE PONCHO CENTER 400 W. ILLINOIS AVE. MIDLAND, TX 79701		10. County Glasscock
5. LOCATION (Section, Block, and Survey) SEC. 40, BLK 32 T4S, T+P RR CO, A-794		

RECORD OF INCLINATION

*11. Measured Depth (feet)	12. Course Length (Hundreds of feet)	*13. Angle of Inclination* (Degrees)	14. Displacement per Hundred Feet (Sine of Angle X100)	15. Course Displacement (feet)	16. Accumulative Displacement (feet)
210	2.10	1.20	2.09	4.40	4.40
420	2.10	1.10	1.92	4.03	8.43
632	2.32	.50	.87	2.02	10.45
848	5.06	.50	.87	4.42	14.87
1064	4.76	.10	.17	.83	15.70
1279	4.75	.10	.17	.83	16.53
1495	4.76	.50	.87	4.15	20.68
1711	4.76	.30	.52	2.49	23.18
1927	4.74	.60	1.05	4.96	28.14
2143	4.75	.70	2.97	14.09	42.23
2359	2.54	3.50	6.10	15.51	57.74
2575	.32	3.20	5.58	1.79	59.52
2791	.93	2.70	4.71	4.38	63.90
3007	.34	2.80	4.88	1.66	65.57
3223	.35	3.60	6.28	2.20	67.76
3439	4.07	3.20	5.58	22.72	90.48

If additional space is needed, use the reverse side of this form.

17. Is any information shown on the reverse side of this form?  yes  no
18. Accumulative total displacement of well bore at total depth of 9364 feet = 196.06 feet.
- \*19. Inclination measurements were made in -  Tubing  Casing  Open hole  Drill Pipe
20. Distance from surface location of well to the nearest lease line 467 feet.
21. Minimum distance to lease line as prescribed by field rules 467 feet.
22. Was the subject well at any time intentionally deviated from the vertical in any manner whatsoever? NO
- (If the answer to the above question is "yes", attach written explanation of the circumstances.)

<p><b>INCLINATION DATA CERTIFICATION</b></p> <p>I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this certification, that I have personal knowledge of the inclination data and facts placed on both sides of this form and that such data and facts are true, correct, and complete to the best of my knowledge. This certification covers all data as indicated by asterisks (*) by the item numbers on this form.</p> <p><i>[Signature]</i></p> <p>Signature of Authorized Representative <u>JUSTIN BROWN OPERATIONS MGR.</u></p> <p>Name of Person and Title (type or print) <u>SAVANNA DRILLING</u></p> <p>Name of Company <u>COG OPERATING</u></p> <p>Telephone: <u>432-64-1055</u></p> <p style="text-align: center;">Area Code</p>	<p><b>OPERATOR CERTIFICATION</b></p> <p>I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this certification, that I have personal knowledge of all information presented in this report, and that all data presented on both sides of this form are true, correct, and complete to the best of my knowledge. This certification covers all data and information presented herein except inclination data as indicated by asterisks (*) by the item numbers on this form.</p> <p><i>[Signature]</i></p> <p>Signature of Authorized Representative <u>VICKIE L. GOTCHER - REG. ANALYST</u></p> <p>Name of Person and Title (type or print) <u>COG OPERATING LLC</u></p> <p>Operator <u>432 818-2249</u></p> <p>Telephone: <u>432 818-2249</u></p> <p style="text-align: center;">Area Code</p>
---	---

Railroad Commission Use Only:

Approved By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

\* Designates items certified by company that conducted the inclination surveys.



# HALLIBURTON

## COMPENSATED NEUTRON GAMMA RAY/ CCL LOG

TIGHT HOLE

Company COG OPERATING LLC  
Well CURRIE A STATE #4003  
Field GARDEN CITY, S (WOLFCAMP)  
County Glasscock State TEXAS

API No 42-173-35858 Serv # 900676037 Other Services  
Location: 1980' FSL & 467' FWL  
SEC 40, BLK 32, T-4-S  
T&P RR CO SURVEY

RCBL

Company  
Well  
Field  
County

Sec: Twp: Rge:

Permanent Datum	GROUND LEVEL	Elevation	2539'	Elevation			
Log Measured From	KB	17 Ft above perm datum	KB	2556'			
Drilling Measured From	KB		DF	2556'			
			GL	2539'			
Date @ Time Logged	19 AUG 2013	Type Fluid in Hole	WATER				
Run No	ONE	Density of Fluid	N/A				
Depth - Driller	9394'	Fluid Level	FULL				
Depth - Logger	9348'	Cement Top Est. Logged	3350'				
Bottom - Logged Interval	9346'	Equipment / Location	12097005 / ODESSA				
Top - Log Interval	4000'	Recorded by	M SMITH				
Max Recorded Temp.	NOT RECORDED	Witnessed by	MR BOB HOWARD				
CEMENTING DATA	Surface	Protection	Production	Liner			
	String	String	String				
Date / Time Cemented							
Primary / Squeeze							
Expected							
Compressive Strength	psi@	hrs	psi@	hrs	psi@ hrs		
Cement Volume							
Cement Type / Weight	/	/	/	/			
Formulation							
Mud Type / Mud Wgt.	/	/	/	/			
Borehole Record				Casing & Tubing Record			
Run Number	Bit	From	To	Size	Weight	From	To
CNE	11"	SURFACE	4500'	8 625"	32#	SURFACE	4500'
TWO	7 875"	4500'	9394'	5 5"	17#	SURFACE	9394'
SHORT JOINT	6016	6039'	SHORT JOINT	8233'	8255'		

SEP 03 2013

REGISTRATION & CONTROL

**APPLICATION FOR ALTERNATE SURFACE CASING PROGRAM**  
**Statewide Rule 13(b)(2)(g)**  
**RRC District 08**

703

Operator's Name and Address:  COG OPERATING LLC 550 W. TEXAS AVE., STE.100 MIDLAND, TEXAS 79701	Lease: CURRIE 'A' STATE	Well No. 4003
	Field: GARDEN CITY, S. (WOLFCAMP)	
	Drilling Permit No.: 763000	
	County: GLASSCOCK	RRC District: 08
	Location: SEC 40, BLK 32 T4S, T&P RR CO, A-794	
Proposed TD: 9,500		

Distance and Direction from nearest town: 0.5 MILES SE FROM GARDEN CITY

Proposed injection or disposal well?  Yes  No NOTE: Special conditions may apply. See PROVISIONS below.

Usable-quality water strata (as determined by TCEQ "Waterboard" letter) occur to a depth of 350'+20' ft, and from \_\_\_\_\_ ft to \_\_\_\_\_ ft, and from \_\_\_\_\_ ft to \_\_\_\_\_ ft.

**Note: Please submit copy of TCEQ "Waterboard" letter with this request. Request cannot be processed without this information.**

Distance and direction of nearest water well (within 1/4 mile): WATER WELL 1/4 MILE NW FROM SURFACE LOCATION  
 Type of water well (domestic, public, irrigation, stock, etc.): U/K Depth: U/K

**Proposed Casing and Cementing Program**

Note: You may attach a wellbore diagram or cementing proposal to this application.

This application is for (check applicable boxes):  Short surface casing  excess surface casing  no surface casing

The proposed surface casing depth: 2200' Multi-Stage tool depth (if applicable): N/A

Intermediate or production casing depth: 9400' Multi-Stage tool depth (if applicable): N/A

Centralizer number and placement: Total 18 - 1-pin end top it., 1-above/below DV tool, 1-every 4<sup>th</sup> it to top, 1- 7' above shoe

Does the cement across the critical zone have 72-hr compressive strength of at least 1,200 psi?  Yes  No

Does the filler cement have 24-hr compressive strength of at least 250 psi?  Yes  No

Do you plan on circulating cement to the surface on all casing strings protecting usable-quality water?  Yes  No

Reason for this request: to contain pressure if a deeper high-pressure zone is encountered.

**PROVISIONS APPLICABLE TO RULE 13 EXCEPTIONS:**

- Caution: If this well is being drilled for injection or disposal purposes, an injection or disposal well permit may be denied unless surface casing is set and cemented through all zones of usable-quality groundwater.
- Centralizers must be used through all usable-quality waters. Refer to Rule 13(b)(2)(F).
- Notify District Office 8 hours prior to setting casing.

Signature: Vickie L. Gotcher Name: Vickie L. Gotcher Date: 06/26/2013 Phone: 432-818-2249

**IF CEMENT IS NOT CIRCULATED TO THE GROUND SURFACE AS REQUIRED BY THIS EXCEPTION, YOU MUST IMMEDIATELY CONTACT THE DISTRICT 7C OFFICE AT 325-657-7450, AND FOLLOW THE PROCEDURES AS SET OUT IN RULE 13(B)(2)(g)(III) OR AS RECOMMENDED BY THE DISTRICT OFFICE.**

RRC District Office Action:	
<input type="checkbox"/> Approved	<input checked="" type="checkbox"/> Approved as Modified
<input type="checkbox"/> Denied	By: <u>[Signature]</u> Date: <u>6-27-13</u>
Remarks/Modifications: <u>Critical Zone Slurry required across the water board</u>	

RRC Use Only ▶

Groundwater  
Advisory Unit

GROUNDWATER PROTECTION DETERMINATION

Date October 27, 2011

GAU File No.: SC- 5573

\*\*\*\*\* EXPEDITED APPLICATION \*\*\*\*\*

API Number 17300000

Attention: VIOLA VASQUEZ

RRC Lease No. 000000

SC\_166150\_17300000\_000000\_5573.pdf

--Measured--

467 ft FKL

467 ft FNL

MRL: SURVEY

COG OPERATING LLC  
550 W TEXAS AVE  
STE100  
MIDLAND TX 79701

Digital Map Location:	
X-coord/Long	<u>101.30795</u>
Y-coord/Lat	<u>31.82851</u>
Datum	<u>83</u>
Zone	<u></u>

P-5# 166150

County GLASSCOCK

Lease & Well No. CURRIE-A- #4009&ALL

Purpose ND

Location SUR-T&P, BLK-32, TSHP-4-S, SEC-40, --[TD=-1], [RRC 8],

To protect usable-quality groundwater at this location, the Groundwater Advisory Unit of the Texas Railroad Commission recommends:

The interval from the land surface to 20 feet below the base of Cretaceous-age beds must be protected. The base of the Cretaceous is estimated to occur at a depth of 350 feet.

Note: Unless stated otherwise, this recommendation is intended to apply only to the subject well and not for area-wide use. This recommendation is intended for normal drilling, production, and plugging operations only. It does not apply to saltwater disposal operation into a nonproductive zone (RRC Form W-14).

If you have any questions, please contact us at 512-463-2741 [gau@rrc.state.tx.us](mailto:gau@rrc.state.tx.us), or by mail.

Sincerely,

Digitally signed by Mark Vining  
DN: c=US, st=TEXAS, l=Austin,  
o=Railroad Commission of Texas,  
cn=Mark Vining,  
email=mark.vining@rrc.state.tx.us  
Date: 2011.10.27 08:53:23 -0507

GEOLOGIST SEAL



Mark R. Vining, P.G.

Geologist, Groundwater Advisory Unit  
Oil & Gas Division

The seal appearing on this document was authorized by Mark R. Vining on 10/27/2011  
Note: Alteration of this electronic document will invalidate the digital signature.

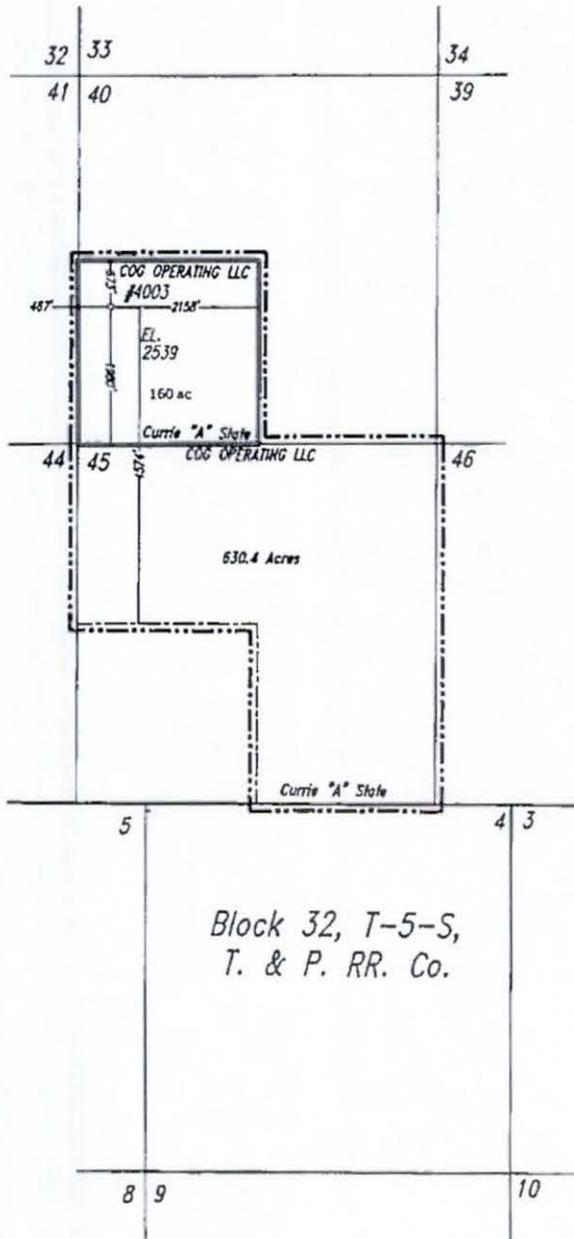
**RAILROAD COMMISSION OF TEXAS  
OIL & GAS DIVISION**

PERMIT TO DRILL, DEEPEN, PLUG BACK, OR RE-ENTER ON A REGULAR OR ADMINISTRATIVE EXCEPTION LOCATION

PERMIT NUMBER 763000	DATE PERMIT ISSUED OR AMENDED May 23, 2013	DISTRICT * 08		
API NUMBER 42-173-35858	FORM W-1 RECEIVED May 20, 2013	COUNTY GLASSCOCK		
TYPE OF OPERATION NEW DRILL	WELLBORE PROFILE(S) Vertical	ACRES 630.4		
OPERATOR COG OPERATING LLC	166150	NOTICE This permit and any allowable assigned may be revoked if payment for fee(s) submitted to the Commission is not honored. District Office Telephone No: (432) 684-5581		
LEASE NAME CURRIE 'A' STATE	WELL NUMBER 4003			
LOCATION 9.5 miles SE direction from GARDEN CITY	TOTAL DEPTH 9500			
Section, Block and/or Survey SECTION ◀ 40                      BLOCK ◀ 32 T4S                      ABSTRACT ◀ 794 SURVEY ◀ T&P RR CO / CURRIE, H				
DISTANCE TO SURVEY LINES 1980 ft. SOUTH    467 ft. WEST		DISTANCE TO NEAREST LEASE LINE 467 ft.		
DISTANCE TO LEASE LINES 673 ft. NORTH    467 ft. WEST		DISTANCE TO NEAREST WELL ON LEASE See FIELD(s) Below		
FIELD(s) and LIMITATIONS: * SEE FIELD DISTRICT FOR REPORTING PURPOSES *				
FIELD NAME LEASE NAME	ACRES NEAREST LEASE	DEPTH NEAREST LEASE	WELL # NEAREST WE	DIST
GARDEN CITY, S. (WOLFCAMP) CURRIE 'A' STATE	630.40 467	7,642	4003 0	08
RESTRICTIONS: This is a hydrogen sulfide field. Hydrogen Sulfide Fields with perforations must be isolated and tested per State Wide Rule 36 and a Form H-9 filed with the district office. Fields with SWR 10 authority to downhole commingle must be isolated and tested individually prior to commingling production.				
THE FOLLOWING RESTRICTIONS APPLY TO ALL FIELDS				
This well shall be completed and produced in compliance with applicable special field or statewide spacing and density rules. If this well is to be used for brine mining, underground storage of liquid hydrocarbons in salt formations, or underground storage of gas in salt formations, a permit for that specific purpose must be obtained from Environmental Services prior to construction, including drilling, of the well in accordance with Statewide Rules 81, 95, and 97.				

API No. <u>42-173-35858</u>		<b>RAILROAD COMMISSION OF TEXAS OIL &amp; GAS DIVISION</b>				<b>FORM W-1</b> 07/2004		
Drilling Permit # <u>763000</u>		<b>APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER</b>				Permit Status: <u>Approved</u>		
SWR Exception Case/Docket No. _____		<i>This facsimile W-1 was generated electronically from data submitted to the RRC. A certification of the automated data is available in the RRC's Austin office.</i>						
1. RRC Operator No. <u>166150</u>		2. Operator's Name (as shown on form P-5, Organization Report) <u>COG OPERATING LLC</u>		3. Operator Address (include street, city, state, zip):				
4. Lease Name <u>CURRIE 'A' STATE</u>		5. Well No. <u>4003</u>						
<b>GENERAL INFORMATION</b>								
6. Purpose of filing (mark ALL appropriate boxes): <input checked="" type="checkbox"/> New Drill <input type="checkbox"/> Recompletion <input type="checkbox"/> Reclass <input type="checkbox"/> Field Transfer <input type="checkbox"/> Re-Enter <input type="checkbox"/> Amended <input type="checkbox"/> Amended as Drilled (BHL) (Also File Form W-1D)								
7. Wellbore Profile (mark ALL appropriate boxes): <input checked="" type="checkbox"/> Vertical <input type="checkbox"/> Horizontal (Also File Form W-1H) <input type="checkbox"/> Directional (Also File Form W-1D) <input type="checkbox"/> Sidetrack								
8. Total Depth <u>9500</u>		9. Do you have the right to develop the minerals under any right-of-way? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		10. Is this well subject to Statewide Rule 36 (hydrogen sulfide area)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				
<b>SURFACE LOCATION AND ACREAGE INFORMATION</b>								
11. RRC District No. <u>08</u>		12. County <u>GLASSCOCK</u>		13. Surface Location <input checked="" type="checkbox"/> Land <input type="checkbox"/> Bay/Estuary <input type="checkbox"/> Inland Waterway <input type="checkbox"/> Offshore				
14. This well is to be located <u>9.5</u> miles in a <u>SE</u> direction from <u>GARDEN CITY</u> which is the nearest town in the county of the well site.								
15. Section <u>40</u>		16. Block <u>32 T4S</u>		17. Survey <u>T&amp;P RR CO / CURRIE, H</u>		18. Abstract No. <u>A-794</u>	19. Distance to nearest lease line: <u>467</u> ft.	20. Number of contiguous acres in lease, pooled unit, or unitized tract: <u>630.4</u>
21. Lease Perpendiculars: <u>673</u> ft from the <u>NORTH</u> line and <u>467</u> ft from the <u>WEST</u> line.		22. Survey Perpendiculars: <u>1980</u> ft from the <u>SOUTH</u> line and <u>467</u> ft from the <u>WEST</u> line.						
23. Is this a pooled unit? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		24. Unitization Docket No.:		25. Are you applying for Substandard Acreage Field? <input type="checkbox"/> Yes (attach Form W-1A) <input checked="" type="checkbox"/> No				
<b>FIELD INFORMATION</b> List all fields of anticipated completion including Wildcat. List one zone per line.								
26. RRC District No.	27. Field No.	28. Field Name (exactly as shown in RRC records)			29. Well Type	30. Completion Depth	31. Distance to Nearest Well in this Reservoir	32. Number of Wells on this lease in this Reservoir
<u>08</u>	<u>33998500</u>	<u>GARDEN CITY, S. (WOLFCAMP)</u>			<u>Oil or Gas Well</u>	<u>7642</u>	<u>0.00</u>	<u>1</u>
<b>BOTTOMHOLE LOCATION INFORMATION</b> is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS								
<b>Remarks</b> [RRC STAFF May 23, 2013 7:57 AM]: Manual review ok, density met.					<b>Certificate:</b> I certify that information stated in this application is true and complete, to the best of my knowledge.			
					<u>Vickie Gotcher, Regulatory Analyst I</u> <u>May 20, 2013</u> Name of filer    Date submitted			
<b>RRC Use Only</b>					<u>(432)818-2249</u> <u>vgotcher@concho.com</u> Phone    E-mail Address (OPTIONAL)			
Data Validation Time Stamp: <u>May 24, 2013 10:03 AM (Current Version)</u>								

Block 32, T-4-S,  
T. & P. RR. Co.



Block 32, T-5-S,  
T. & P. RR. Co.

Note: Survey Reconnection Map is the Office of Luchini and Mertz.  
 Note: All bearings and coordinates shown are based on the Texas Coordinate System of 1927, Central Zone.  
 Note: NAD 83 Coordinates & Latitude/Longitude are well known to Section 42.  
 Note: This location is approximately 0.5 miles northwest of Garrettsville.  
 Note: This does not constitute a boundary survey.  
 Note: The close sketch represents the location as shown on the ground and is for permit purposes only.

#4003  
 X:1694164.72 Latitude:31.81821060°  
 Y:783868.28 Longitude:-101.31791796°  
 Latitude:31°49'05.56"N Longitude:101°19'04.50"W

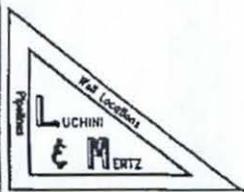
Railroad Commission Permit Plot

COG OPERATING LLC  
 Currie "A" State Lease  
 the SW/4 of Section 40, &  
 the N/2 & SE/4 of Section 45, Block 32, T-4-S,  
 T. & P. RR. Co.,  
 Glasscock County, Texas

April 24, 2013

130424d1

Scale: 1" = 2000'



File No. MF 114851  
RRC FORMS 173-35858

No.

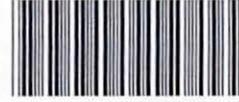
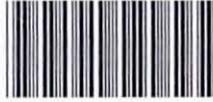
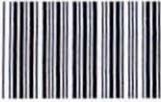
Date Filed: 11-4-13

Jerry E. Patterson, Commissioner

By JC

M F 114851

( KEEP THIS COPY FOR YOUR RECORDS )



### DIVISION ORDER

To: Plains Marketing L.P.  
P.O. Box 4648  
Houston, TX 77210-4648

Property Name: CURRIE A STATE 4003  
Operator: COG OPERATING LLC  
County and State: GLASSCOCK, TX  
Production: OIL / CONDENSATE ( GAS )

Date: 01/31/2014  
Property Descr: SEE EXHIBIT 'A'  
Effective 7 A.M.: 09/01/2013  
Decimal Interest: 0.00756200  
Type of Interest: RI  
ROYALTY INTEREST

Owner Number  
**0062639**  
Property Number:  
**01 191856**

Owner Name: COMMISSIONER GENERAL LD OFFICE  
and Address: STATE OF TEXAS  
1700 NORTH CONGRESS AVENUE  
AUSTIN, TX 78701

COMMISSIONER GENERAL LD OFFICE  
STATE OF TEXAS  
1700 NORTH CONGRESS AVENUE  
AUSTIN, TX 78701

[Correspondence Address]

[Remittance Address]

The undersigned severally and not jointly certifies the ownership of their decimal interest in production or proceeds as described above payable by Plains Marketing, L.P. (hereinafter called "Payor").

Payor shall be notified, in writing, of any change in ownership, decimal interest, or payment address. All such changes shall be effective the first day of the month following receipt of such notice.

Payor is authorized to withhold payment pending resolution of a title dispute or adverse claim asserted regarding the interest in production claimed herein by the undersigned. The undersigned agrees to reimburse Payor any amount attributable to an interest to which the undersigned is not entitled. Unless otherwise required by law, Payor shall not be required to pay interest on payments withheld due to a title dispute or adverse claim.

Payments of less than \$25.00 may be accrued before disbursement until the total amount equals \$25.00 or more, or until December 31 of each year, whichever occurs first.

This Division Order does not amend any lease or operating agreement between the undersigned and the lessee or operator or any other contracts for the purchase of oil or gas.

The undersigned will be paid in accordance with the division of interests set out above. As to oil and/or condensate, the Payor shall pay all parties at the price agreed to by the operator for oil and/or condensate to be sold pursuant to this division order. Payor shall compute quantity and make corrections for gravity and temperature and make deductions for impurities. As to gas, the undersigned will be paid in accordance with the division of interest set forth herein. The Payor will pay all parties for their respective interest in the gas proceeds paid to Payor by the operator for disbursement at the price and upon the terms agreed to by the operator for the gas marketed by the operator. Payor is a disbursement service provider only and does not purchase the gas nor take title to the gas. The operator is responsible for marketing gas produced from the property described in the attached property description. Payor does not assume any obligations of the lessee or operator under any oil and gas lease, gas sales contract or other agreement to which Payor is not a party.

In addition to the terms and conditions of this Division Order, the undersigned and Payor may have certain statutory rights under the laws of the state in which the property is located.

Special Clauses/Requirements: If applicable, see Exhibit 'A'.

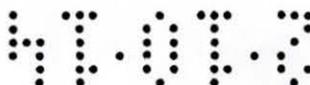
Owner Social Security # \_\_\_\_\_  
or Taxpayer ID #: \_\_\_\_\_  
Owner Daytime Telephone #: \_\_\_\_\_  
Owner FAX #: \_\_\_\_\_  
Email Address: \_\_\_\_\_

Owner BY: \_\_\_\_\_  
Signature: \_\_\_\_\_  
OWNER #: 0062639

Signature of two  
Witnesses/Attest \_\_\_\_\_

TITLE: \_\_\_\_\_

FEDERAL LAW REQUIRES YOU TO FURNISH YOUR SOCIAL SECURITY OR TAXPAYER IDENTIFICATION NUMBER.  
FAILURE TO COMPLY WILL RESULT IN 28% TAX WITHHOLDING AND WILL NOT BE REFUNDABLE BY PAYOR.



( KEEP THIS COPY FOR YOUR RECORDS )

**EXHIBIT 'A'**

**PROPERTY NUMBER: 01 191856**

**OWNER: 0062639**

OWNER	NAME/ADDRESS	SSN/TIN	INTEREST	TYPE	PAY ST	EFFECTIVE	CLAUSES	REQUIREMENTS
0062639	COMMISSIONER GENERAL LD OFFICE STATE OF TEXAS 1700 NORTH CONGRESS AVENUE AUSTIN, TX 78701	[REDACTED]	0.00756200	RI	3U	09/01/2013	1	N/A

**CLAUSES**

- 1 EFFECTIVE WITH SEPTEMBER 2013 PRODUCTION, PLAINS MARKETING, L.P. WAS DESIGNATED AS OIL PURCHASER FOR THE CURRIE A STATE 4003 LEASE BY THE OPERATOR, COG OPERATING LLC. THIS DIVISION ORDER WAS PREPARED BASED ON INFORMATION PROVIDED BY THE OPERATOR.

LEGAL DESCRIPTION

SE/4 SECTION 40, BLOCK 32, T-4-S, T&P RY. CO. SURVEY  
GLASSCOCK COUNTY, TEXAS

A-794

MF 114851

UNIT 6785

21.20 LEASED ACRES

HWY 158

17.  
DIVISION ORDER

File No. MF 114851

UNIT 6785

Date Filed: 6/24/15

Jerry E. Patterson, Commissioner

By TRAVIS MATTHEWS

5-10-14



TEXAS GENERAL LAND OFFICE  
GEORGE P. BUSH, COMMISSIONER

July 24, 2015

Plains Marketing L.P.  
Attention: Division Order  
P.O. Box 4648  
Houston, TX 77210-4648

Re: State Lease No. MF114851 Currie A State 4505

Dear Sir/Madam:

The Texas General Land Office (GLO) has received your Division Order for the referenced unit. These Division Order has been filed in the appropriate mineral file.

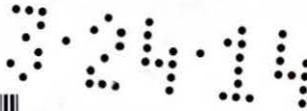
The payment of royalties attributable to state-owned mineral and royalty interests is set by contract and applicable statutes and rules. The execution of division orders may, in some cases, affect the manner in which such payments are made or calculated. Therefore, Title 31, §9.32, of the Texas Administrative Code specifies that GLO staff cannot execute a division order or bind the state to any terms contained within it.

Subject to applicable state law and the state's right to take its production in-kind, the GLO acquiesces to the sale of oil and gas in accordance with the terms and conditions set out in the oil and gas leases. If you have questions concerning this matter, please feel free to e-mail me at the address below my signature.

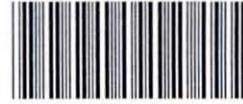
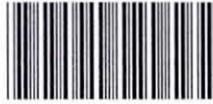
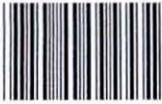
We look forward to being put on pay status as soon as you are able to set up the wells in our RRAC system.

Thank you,

Vivian Hernandez  
Landman, Energy Resources  
512-475-0428  
512-475-1543 (fax)  
[vivian.hernandez@glo.texas.gov](mailto:vivian.hernandez@glo.texas.gov)



MF 114851  
Unit 6785



### DIVISION ORDER

To: Plains Marketing L.P.  
P.O. Box 4648  
Houston, TX 77210-4648

Date: 03/19/2014  
Property Descr: SEE EXHIBIT 'A'  
Effective 7 A.M.: 02/01/2014

Owner Number

**0062639**

Property Number:

**01 196241**

Property Name: CURRIE A STATE 4505  
Operator: COG OPERATING LLC  
County and State: GLASSCOCK, TX  
Production: OIL / CONDENSATE ( GAS )

Decimal Interest: 0.00095456  
Type of Interest: RI  
ROYALTY INTEREST

Owner Name and Address: COMMISSIONER GENERAL LD OFFICE  
STATE OF TEXAS  
1700 NORTH CONGRESS AVENUE  
AUSTIN, TX 78701

COMMISSIONER GENERAL LD OFFICE  
STATE OF TEXAS  
1700 NORTH CONGRESS AVENUE  
AUSTIN, TX 78701

[Correspondence Address]

[Remittance Address]

The undersigned severally and not jointly certifies the ownership of their decimal interest in production or proceeds as described above payable by Plains Marketing, L.P. (hereinafter called "Payor").

Payor shall be notified, in writing, of any change in ownership, decimal interest, or payment address. All such changes shall be effective the first day of the month following receipt of such notice.

Payor is authorized to withhold payment pending resolution of a title dispute or adverse claim asserted regarding the interest in production claimed herein by the undersigned. The undersigned agrees to reimburse Payor any amount attributable to an interest to which the undersigned is not entitled. Unless otherwise required by law, Payor shall not be required to pay interest on payments withheld due to a title dispute or adverse claim.

Payments of less than \$25.00 may be accrued before disbursement until the total amount equals \$25.00 or more, or until December 31 of each year, whichever occurs first.

This Division Order does not amend any lease or operating agreement between the undersigned and the lessee or operator or any other contracts for the purchase of oil or gas.

The undersigned will be paid in accordance with the division of interests set out above. As to oil and/or condensate, the Payor shall pay all parties at the price agreed to by the operator for oil and/or condensate to be sold pursuant to this division order. Payor shall compute quantity and make corrections for gravity and temperature and make deductions for impurities. As to gas, the undersigned will be paid in accordance with the division of interest set forth herein. The Payor will pay all parties for their respective interest in the gas proceeds paid to Payor by the operator for disbursement at the price and upon the terms agreed to by the operator for the gas marketed by the operator. Payor is a disbursement service provider only and does not purchase the gas nor take title to the gas. The operator is responsible for marketing gas produced from the property described in the attached property description. Payor does not assume any obligations of the lessee or operator under any oil and gas lease, gas sales contract or other agreement to which Payor is not a party.

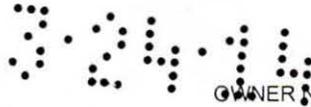
In addition to the terms and conditions of this Division Order, the undersigned and Payor may have certain statutory rights under the laws of the state in which the property is located.

Special Clauses/Requirements: If applicable, see Exhibit 'A'.

Owner Social Security # or Taxpayer ID #:   
Owner Daytime Telephone #: \_\_\_\_\_  
Owner FAX #: \_\_\_\_\_  
Email Address: \_\_\_\_\_

Owner BY: \_\_\_\_\_ Signature of two Witnesses/Attest \_\_\_\_\_  
Signature: OWNER #: 0062639  
TITLE: \_\_\_\_\_

**FEDERAL LAW REQUIRES YOU TO FURNISH YOUR SOCIAL SECURITY OR TAXPAYER IDENTIFICATION NUMBER. FAILURE TO COMPLY WILL RESULT IN 28% TAX WITHHOLDING AND WILL NOT BE REFUNDABLE BY PAYOR.**



COMMISSIONER GENERAL LD OFFICE  
STATE OF TEXAS  
1700 NORTH CONGRESS AVENUE  
AUSTIN, TX 78701

INSTRUCTIONS TO ALL INTEREST OWNERS  
READ CAREFULLY BEFORE SIGNING DIVISION ORDER.

FAILURE TO COMPLY WITH THESE INSTRUCTIONS WILL DELAY PAYMENT. THE ATTACHED DIVISION ORDER SHOULD NOT BE ALTERED IN ANY WAY UNLESS ACCOMPANIED BY DOCUMENTARY EVIDENCE TO SUPPORT THE CHANGE.

**Signature:**

**Individuals**

Sign name as shown on the instrument. Have the signature witnessed by at least one person not related to the party signing.

**Corporations**

If signing for a corporation, signature must be attested, corporate seal affixed, and title of signatory party shown. If not previously furnished, a certified copy of authority of executing officer must be submitted.

**Partnerships**

If signing for a partnership, all partners must sign unless signed by an authorized partner and a certified copy of his authority furnished.

**Signature by Second Party**

If the instrument is signed by an agent, attorney-in-fact, guardian, estate representative, trustee or any party other than the named interest owner, evidence of the rights vested in the signatory party must be provided.

**Taxpayer ID or Social Security Number**

**Insert your number in the space provided. Failure to provide this information may result in backup withholding at the rate of 28%. This information must be shown on this Division Order even if it has been previously provided.**

**State Tax Exempt**

Please advise immediately if the interest is owned by a tax-free entity and provide our office with a copy of the applicable state form. State taxes will be deducted if you fail to enclose documentation supporting your tax-exempt status.

**Correspondence Address**

Indicate in the space provided the address to which correspondence is to be mailed. Print or type. Do not abbreviate.

**Remittance Address**

Indicate in the space provided the address to which royalty checks are to be mailed. If you are already receiving checks from Plains Marketing, L.P., be sure to use the same address to which we are now mailing checks. For information about electronic deposit of your check, please call our Customer Relations Department toll free at 1-800-772-7589.

**Change of Address**

You should notify us promptly of any change in your mailing address. For your protection, please submit your address change to us in writing at the address below. If you should have any questions, please call our toll free Customer Relations line for assistance at 1-800-772-7589 or in the Houston area at 713-646-4460.

RETURN THE EXECUTED DIVISION ORDER AND EXHIBIT 'A' PROVIDED TO THE ADDRESS BELOW.  
KEEP ONE COPY FOR YOUR RECORDS.

Plains Marketing L.P.  
Attention: Division Order  
P.O. Box 4648  
Houston, TX 77210-4648

**PLEASE NOTE THAT AN IMPROPERLY EXECUTED DIVISION ORDER WILL NOT BE PROCESSED FOR PAYMENT AND WILL BE RETURNED FOR PROPER EXECUTION.**



( DO NOT DETACH FROM PAGE ONE OF DIVISION ORDER )

**EXHIBIT 'A'**

**PROPERTY NUMBER: 01 196241**

**OWNER: 0062639**

OWNER	NAME/ADDRESS	SSN/TIN	INTEREST	TYPE	PAY ST	EFFECTIVE	CLAUSES	REQUIREMENTS
0062639	COMMISSIONER GENERAL LD OFFICE STATE OF TEXAS 1700 NORTH CONGRESS AVENUE AUSTIN, TX 78701		0.00095456	RI	3U	02/01/2014	1	N/A

**CLAUSES**

- 1 EFFECTIVE WITH FEBRUARY 2014 PRODUCTION, PLAINS MARKETING, L.P. WAS DESIGNATED AS OIL PURCHASER FOR THE CURRIE A STATE 4505 LEASE BY THE OPERATOR, COG OPERATING LLC. THIS DIVISION ORDER WAS PREPARED BASED ON TITLE INFORMATION PROVIDED BY THE OPERATOR.

LEGAL DESCRIPTION

SE/4 NE/4 SECTION 45, BLOCK 32, A-84, T-4-S, T&P RY CO., GLASSCOCK COUNTY, TEXAS.

File No. MF 114851 18.  
Division Order

Date Filed: 7/24/2015

Jerry E. Patterson, Commissioner

By VH





# Pooling Committee Report

**To:** School Land Board UPA158946  
**Date of Board Meeting:** Unit Number: 7653  
**Effective Date:** 10/24/2013  
**Unit Expiration Date:**  
**Applicant:** COG Operating, LLC  
**Attorney Rep:**  
**Operator:** Cog Operating Llc, Midland  
**Unit Name:** Currie A State 4508  
**Field Name:** GARDEN CITY, S. (WOLFCAMP)

**County:**

<u>Lease Type</u>	<u>Lease Number</u>	<u>Lease Royalty</u>	<u>Expiration Date</u>	<u>Lease Term</u>	<u>Lease Acres</u>	<u>Lease Acres In Unit</u>	<u>Royalty Participation</u>
HROW	MF114851	0.25000000	04/03/2016	3 years	21.200000	8.000000	0.01273074

<b>Private Acres:</b>	149.100000
<b>State Acres:</b>	8.000000
<b>Total Unit Acres:</b>	157.100000

<b>Participation Basis:</b>	Surface Acreage
Surface Acreage	
<b>State Acreage:</b>	5.09%
<b>State Net Revenue Interest:</b>	1.27%

<b>Unit Type:</b>	<b>Unitized for:</b>
Permanent	Oil And Gas
<b>Term:</b>	

<b>RRC Rules:</b>	<b>Spacing Acres:</b>
Yes	



**Highway Right-of-Way Unit Designation Form**

Texas General Land Office  
Jerry Patterson, Commissioner  
1700 North Congress Avenue  
Austin, Texas 78701-1495

**OPERATOR INFORMATION**

Contact Name Mr. Joe Dutton Phone ( 432 ) 818-2211  
Name of Pooled Unit Currie A State 4508  
Operator of Pooled Unit COG Operating LLC County Glasscock  
Effective Date of Unit Declaration: October 24, 2013

**HROW LEASE(S) IN UNIT**

HRWO State Lease No.	Lease Date	Term	HROW Royalty	Total Acreage in HROW Lease	HROW Lease Acreage in Unit
MF-114851	4/3/2013	3 years	1/4	21.2	8.0

Total Acreage In Pooled Unit 157.1 Ac.

State's Royalty Revenue Interest in Unit: 1.273074% Total HRWO Acreage In Unit 8.0 Ac.

Total Private Acreage In Unit (Total Acreage - Total HROW Acreage) 149.1 Ac.

Attach a plat showing the pooled unit outline, unit well(s) location, and HROW lease tracts.

Type of Mineral Pooled:  Oil  Gas  Oil & Gas

Pooled Interval: All Depths  Top Depth \_\_\_\_\_ Base Depth \_\_\_\_\_

If pooling a Formation(s) please list Formation Name: All Formations

RRC Field Name(s): Garden City, S (Wolfcamp Field)

**UNIT WELL(S)**

API # 42-173-36253 RRC ID# 166150  
API # \_\_\_\_\_ RRC ID# \_\_\_\_\_  
API # \_\_\_\_\_ RRC ID# \_\_\_\_\_  
API # \_\_\_\_\_ RRC ID# \_\_\_\_\_

H-ROW Unit 7653

MF 114851

Curve "A" State #4508

VOL. 241 PAGE 1592



Block 32, T-4-S,  
T. & P. RR. Co.

MEAS AND BOUNDS DESCRIPTION of  
8.0 Acres (with Highway 158 ROW) out of  
Section 45, Block 32, T-4-S,  
T. & P. RR. Co.,  
Glasscock County, Texas

Beginning at a point in the southeast right-of-way of Highway 158 and on the east line of Section 45, Block 32, T-4-S, T. & P. RR. Co. for the most westerly corner of this tract, from which the calculated southeast corner of said Section 45 bears S 14°21'25" E 1157.84 feet;

- Thence N 81°24'23" W, with the southeast right-of-way of Highway 158, 1361.05 feet;
- Thence with the southeast right-of-way of Highway 158, with a curve to the right, having a radius of 2024.79 feet, a central angle of 32°00'34", a distance of 1638.52 feet to a point on the north line of the southeast quarter (SE/4) of said Section 45 for the southeast corner of this tract;
- Thence N 73°30'24" E, with the north line of the southeast quarter (SE/4) of said Section 45, 154.79 feet to a point on the north line of the southeast quarter (SE/4) of said Section 45 and in the southeast right-of-way of Highway 158 for the southeast corner of this tract;
- Thence with the southeast right-of-way of Highway 158, with a curve to the left, having a radius of 2024.79 feet, a central angle of 30°00'33", a distance of 1475.50 feet;
- Thence S 62°25'01" E, with the southeast right-of-way of Highway 158, 1318.19 feet to a point in the southeast right-of-way of Highway 158 and on the east line of said Section 45 for the most westerly corner of this tract;
- Thence S 14°21'25" E, with the east line of said Section 45, 128.54 feet to the point of beginning.

STATE OF TEXAS  
REGISTERED  
STEVEN L. PRUITT  
5106  
PROFESSIONAL  
LAND SURVEYOR

Steven L. Pruitt

April 2011  
110442811

P. O. Box 1982, Midland, Texas 79702 (409) 834-8708 Fax 834-1546

Plot

COG OPERATING LLC  
Approximately 16.3 Acres  
out of  
Section 45, Block 32, T-4-S,  
T. & P. RR. Co.,  
Glasscock County, Texas

Scale: 1" = 2000'

#140520

DESIGNATION OF POOLED UNIT

COG Operating LLC  
 Currie "A" State #4508 Pooled Unit  
 Glasscock County, Texas

This Designation of Pooled Unit is made and entered into effective as of October 24, 2013, by and between the undersigned owners of the oil and gas leases described in Exhibit "A" hereof embracing lands in Glasscock County, Texas and by and between the undersigned owners of royalty in and under the lands described in Exhibit "A" hereof.

## WITNESSETH:

1. Each of said oil and gas leases embraces a portion of the lands within the pooled unit and collectively embraces the entire pooled unit.

2. The owners of said oil and gas leases desire to pool the oil and gas leases described in Exhibit "A" hereof (INSOFAR, but only insofar as said oil and gas leases cover and affect lands lying within the unit area).

3. The owners of the royalty in and under the lands described in Exhibit "A" hereof hereby consent to this Designation of Pooled Unit (INSOFAR, but only insofar as said oil and gas leases cover and affect lands lying within the unit area).

4. The unit area shall consist of 157.1 acres, more or less, in Glasscock County, Texas, as described and referred to in Exhibit "A" hereto as to all depths and formations.

5. The owners of said oil and gas leases commit all of their interest and all interest over which they hold pooling privilege or power by virtue of said oil and gas leases, amendment and/or ratifications thereof, other instruments or by operation of law and which are within the above described unit area, and by these presents do hereby pool said oil and gas leases, the leasehold rights, and royalty interest therein, insofar as said leases, rights and interest cover and affect the lands described in Exhibit "A" for the drilling and production of oil, gas, condensate, casinghead gas and other hydrocarbons hereinafter at times referred to as "pooled mineral."

(a) The unit shall be operated as an entirety for the exploration, development, and production of the pooled mineral, rather than as separate tracts.

(b) All drilling operations, reworking or other operations with respect to the pooled mineral on lands within the unit shall be considered as though the same were on each separate tract in the unit, regardless of the actual location of the well or wells thereon, for all purposes under the terms of the respective leases or other contracts thereon and this agreement.

(c) Production of the pooled mineral from the unit allocated to each separate tract, respectively, as hereinafter provided, shall be deemed to have been produced from each separate tract in the unit, regardless of the actual location of the well or wells thereon, for all purposes under the terms of the respective leases or other contracts thereon and this agreement.

(d) All rights to the production of the pooled mineral from the unit, including royalties and other payments, shall be determined and governed by the lease or other contract pertaining to each separate tract, respectively, based upon the production so allocated to such tract only, and in lieu of the actual production of the pooled mineral therefrom.

6. For the purposes of computing the royalty to which each Lessor or royalty owner shall be entitled on production of oil or gas and condensate there shall be allocated to each tract committed to the above referred unit, that pro rata portion from the pooled mineral produced from the pooled unit which the number of surface acres contained in each such tract bears to the total number of surface acres included in the pooled unit.

7. Notwithstanding anything contained elsewhere in this Designation of Pooled Unit, it is expressly understood and agreed that nothing contained in this Designation of Pooled Unit shall modify or affect (i) the continuous development provisions, the horizontal and vertical lease

Designation of Pooled Unit  
Currie "A" State #4508 Pooled Unit

termination provisions or the separate lease provisions contained in Lease No. 1 described on Exhibit "A" attached hereto ("Lease 1"); or (ii) the Lessee's implied covenant to reasonably develop the lands covered by Lease 1, if any. It is further expressly understood and agreed that upon partial termination of Lease 1 pursuant to its terms as to any portion of Tract No. 1 described on Exhibit "A" attached hereto, neither the terminated portion of Lease 1 nor that portion of the mineral interest in said Tract No. 1 that was subject to Lease 1 prior to such partial termination shall remain subject to the terms of this Designation of Pooled Unit. Provided, notwithstanding (i) and (ii) above or other language of this paragraph, a unit well shall be deemed a well on Lease No. 1 for purposes of: (a) extending the continuous development period of Lease No. 1, if and to the extent, but only if and to the extent, it would do so if drilled on Lease No. 1 in the absence of pooling and (b) determining compliance with Lease No. 1's implied duty of reasonable development, if any.

The declaration may be executed in counterpart, none of which needs to be executed by all parties, or may be ratified or consented to by separate instruments and shall be binding upon both parties who have executed such a counterpart, ratification or consent.

IN WITNESS WHEREOF, the parties hereto have executed this agreement upon the respective dates of their acknowledgments.

Lessee under Leases 1 & 2:

**COG Operating LLC**

**Chevron Midcontinent, L.P.**

By: Chevron Midcontinent Operations LLC,  
General Partner

By: Mona D. Ables  
Mona D. Ables  
Vice President of Land

By: \_\_\_\_\_  
D. K. Beckham  
Attorney-in-Fact

**Baqash Resources LP**

**Tekar Tech, L.P.**

By: Baqash Resources Management LLC,  
General Partner

By: TCB Management, LLC,  
General Partner

Damian G. Barrett  
Damian G. Barrett, Manager

Terence Craig Burkes  
Terence Craig Burkes, President

\_\_\_\_\_  
**Kathrin A. Lewis**

\_\_\_\_\_  
**Sharon F. Temple**

Designation of Pooled Unit  
Currie "A" State #4508 Pooled Unit

termination provisions or the separate lease provisions contained in Lease No. 1 described on Exhibit "A" attached hereto ("Lease 1"); or (ii) the Lessee's implied covenant to reasonably develop the lands covered by Lease 1, if any. It is further expressly understood and agreed that upon partial termination of Lease 1 pursuant to its terms as to any portion of Tract No. 1 described on Exhibit "A" attached hereto, neither the terminated portion of Lease 1 nor that portion of the mineral interest in said Tract No. 1 that was subject to Lease 1 prior to such partial termination shall remain subject to the terms of this Designation of Pooled Unit. Provided, notwithstanding (i) and (ii) above or other language of this paragraph, a unit well shall be deemed a well on Lease No. 1 for purposes of: (a) extending the continuous development period of Lease No. 1, if and to the extent, but only if and to the extent, it would do so if drilled on Lease No. 1 in the absence of pooling and (b) determining compliance with Lease No. 1's implied duty of reasonable development, if any.

The declaration may be executed in counterpart, none of which needs to be executed by all parties, or may be ratified or consented to by separate instruments and shall be binding upon both parties who have executed such a counterpart, ratification or consent.

IN WITNESS WHEREOF, the parties hereto have executed this agreement upon the respective dates of their acknowledgments.

Lessee under Leases 1 & 2:

COG Operating LLC

Chevron Midcontinent, L.P.

By: Chevron Midcontinent Operations LLC,  
General Partner

By: Mona D. Ables  
Mona D. Ables  
Vice President of Land

By: D. K. Beckham  
D. K. Beckham  
Attorney-in-Fact

Baqash Resources LP

Tekar Tech, L.P.

By: Baqash Resources Management LLC,  
General Partner

By: TCB Management, LLC,  
General Partner

\_\_\_\_\_  
Damian G. Barrett, Manager

\_\_\_\_\_  
Terence Craig Burkes, President

\_\_\_\_\_  
Kathrin A. Lewis

\_\_\_\_\_  
Sharon F. Temple

Designation of Pooled Unit  
Currie "A" State #4508 Pooled Unit

termination provisions or the separate lease provisions contained in Lease No. 1 described on Exhibit "A" attached hereto ("Lease 1"); or (ii) the Lessee's implied covenant to reasonably develop the lands covered by Lease 1, if any. It is further expressly understood and agreed that upon partial termination of Lease 1 pursuant to its terms as to any portion of Tract No. 1 described on Exhibit "A" attached hereto, neither the terminated portion of Lease 1 nor that portion of the mineral interest in said Tract No. 1 that was subject to Lease 1 prior to such partial termination shall remain subject to the terms of this Designation of Pooled Unit. Provided, notwithstanding (i) and (ii) above or other language of this paragraph, a unit well shall be deemed a well on Lease No. 1 for purposes of: (a) extending the continuous development period of Lease No. 1, if and to the extent, but only if and to the extent, it would do so if drilled on Lease No. 1 in the absence of pooling and (b) determining compliance with Lease No. 1's implied duty of reasonable development, if any.

The declaration may be executed in counterpart, none of which needs to be executed by all parties, or may be ratified or consented to by separate instruments and shall be binding upon both parties who have executed such a counterpart, ratification or consent.

IN WITNESS WHEREOF, the parties hereto have executed this agreement upon the respective dates of their acknowledgments.

Lessee under Leases 1 & 2:

**COG Operating LLC**

**Chevron Midcontinent, L.P.**

By: Chevron Midcontinent Operations LLC,  
General Partner

By: Mona D. Ables  
Mona D. Ables  
Vice President of Land

By: \_\_\_\_\_  
D. K. Beckham  
Attorney-in-Fact

**Baqash Resources LP**

**Tekar Tech, L.P.**

By: Baqash Resources Management LLC.  
General Partner

By: TCB Management, LLC.  
General Partner

\_\_\_\_\_  
Damian G. Barrett, Manager

\_\_\_\_\_  
Terence Craig Burkes, President

Kathrin A. Lewis  
Kathrin A. Lewis

\_\_\_\_\_  
Sharon F. Temple

Designation of Pooled Unit  
Currie "A" State #4508 Pooled Unit

termination provisions or the separate lease provisions contained in Lease No. 1 described on Exhibit "A" attached hereto ("Lease 1"); or (ii) the Lessee's implied covenant to reasonably develop the lands covered by Lease 1, if any. It is further expressly understood and agreed that upon partial termination of Lease 1 pursuant to its terms as to any portion of Tract No. 1 described on Exhibit "A" attached hereto, neither the terminated portion of Lease 1 nor that portion of the mineral interest in said Tract No. 1 that was subject to Lease 1 prior to such partial termination shall remain subject to the terms of this Designation of Pooled Unit. Provided, notwithstanding (i) and (ii) above or other language of this paragraph, a unit well shall be deemed a well on Lease No. 1 for purposes of: (a) extending the continuous development period of Lease No. 1, if and to the extent, but only if and to the extent, it would do so if drilled on Lease No. 1 in the absence of pooling and (b) determining compliance with Lease No. 1's implied duty of reasonable development, if any.

The declaration may be executed in counterpart, none of which needs to be executed by all parties, or may be ratified or consented to by separate instruments and shall be binding upon both parties who have executed such a counterpart, ratification or consent.

IN WITNESS WHEREOF, the parties hereto have executed this agreement upon the respective dates of their acknowledgments.

Lessee under Leases 1 & 2:

**COG Operating LLC**

**Chevron Midcontinent, L.P.**

By: Chevron Midcontinent Operations LLC,  
General Partner

By: Mona D. Ables  
Mona D. Ables  
Vice President of Land

By: \_\_\_\_\_  
D. K. Beckham  
Attorney-in-Fact

**Baqash Resources LP**

**Tekar Tech, L.P.**

By: Baqash Resources Management LLC.  
General Partner

By: TCB Management, LLC.  
General Partner

\_\_\_\_\_  
Damian G. Barrett, Manager

\_\_\_\_\_  
Terence Craig Burkes, President

\_\_\_\_\_  
Kathrin A. Lewis

Sharon F. Temple by: Eric Temple  
Sharon F. Temple

Designation of Pooled Unit  
Currie "A" State #4508 Pooled Unit

**Royalty Owners Under Lease 1:**

**CCH Ranch Investments LP**  
By: CCH Ranch Management LLC  
General Partner

By: Cynthia C. Howard  
Cynthia C. Howard  
President

**DCT Ranch Investments LP**  
By: DCT Ranch Management LLC  
General Partner

By: Darla C. Taylor  
Darla C. Taylor  
President

**ACKNOWLEDGMENTS**

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 17<sup>th</sup> day of December, 2013, by **MONA D. ABLES**, as Vice President of Land of **COG OPERATING LLC**, a Delaware limited liability company on behalf of said limited liability company.



Romae J. Bell  
Notary Public, State of Texas

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on \_\_\_ day of \_\_\_\_\_, 2013, by **D. K. BECKHAM**, as Attorney-in-Fact for Chevron Midcontinent Operations LLC, a Delaware limited liability company, as General Partner of **CHEVRON MIDCONTINENT, L.P.**, a Texas limited partnership, on behalf of said limited partnership.

\_\_\_\_\_  
Notary Public, State of Texas

My commission expires:  
\_\_\_\_\_

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 19<sup>th</sup> day of December, 2013, by **TERENCE CRAIG BURKES**, as President for TCB Management, LLC, a Texas limited liability company, as General Partner of **TEKAR TECH, L.P.**, a Texas limited partnership, on behalf of said limited partnership.



Romae J. Bell  
Notary Public, State of Texas

Designation of Pooled Unit  
Currie "A" State #4508 Pooled Unit

**Royalty Owners Under Lease 1:**

**CCH Ranch Investments LP**  
By: CCH Ranch Management LLC  
General Partner

**DCT Ranch Investments LP**  
By: DCT Ranch Management LLC  
General Partner

By: Cynthia C. Howard  
Cynthia C. Howard  
President

By: Darla C. Taylor  
Darla C. Taylor  
President

**ACKNOWLEDGMENTS**

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 17<sup>th</sup> day of December, 2013, by **MONA D. ABLES**, as Vice President of Land of **COG OPERATING LLC**, a Delaware limited liability company on behalf of said limited liability company.

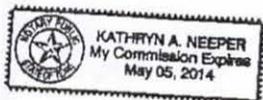


Romae J. Bell  
Notary Public, State of Texas

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 4<sup>th</sup> day of January, 2013, by **D. K. BECKHAM**, as Attorney-in-Fact for Chevron Midcontinent Operations LLC, a Delaware limited liability company, as General Partner of **CHEVRON MIDCONTINENT, L.P.**, a Texas limited partnership, on behalf of said limited partnership..



Kathryn A. Neeper  
Notary Public, State of Texas

My commission expires:  
5/5/2014

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on \_\_\_\_\_ day of \_\_\_\_\_, 2013, by **TERENCE CRAIG BURKES**, as President for TCB Management, LLC, a Texas limited liability company, as General Partner of **TEKAR TECH, L.P.**, a Texas limited partnership, on behalf of said limited partnership.

\_\_\_\_\_  
Notary Public, State of Texas

Designation of Pooled Unit  
Currie "A" State #4508 Pooled Unit

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 18<sup>th</sup> day of December, 2013, by **DAMIAN G. BARRETT**, as Manager for Baqash Resources Management LLC, a Texas limited liability company, as General Partner of BAQASH RESOURCES LP, a Texas limited partnership, on behalf of said limited partnership.



Romae J. Bell  
Notary Public, State of Texas

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 15<sup>th</sup> day of January, <sup>2014</sup>~~2013~~, by **KATHRIN A. LEWIS**.



Romae J. Bell  
Notary Public, State of Texas

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 17<sup>th</sup> day of January, <sup>2014</sup>~~2013~~, by **ERIN N. TEMPLE**, as attorney in fact on behalf of **SHARON F. TEMPLE**.



My commission expires \_\_\_\_\_

Romae J. Bell  
Notary Public, State of Texas

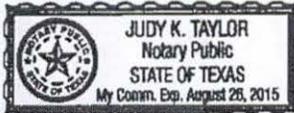
Designation of Pooled Unit  
Currie "A" State #4508 Pooled Unit

ACKNOWLEDGMENTS

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 18th day of December, 2013, by **CYNTHIA C. HOWARD**, President of CCH Ranch Management LLC, General partner of **CCH RANCH INVESTMENTS LP**, a Texas limited partnership, on behalf of said limited partnership.



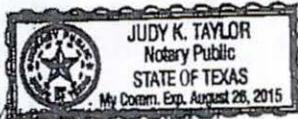
My commission expires 8-26-15

Judy K. Taylor  
Notary Public, State of Texas

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on 18th day of December, 2013, by **DARLA C. TAYLOR**, President of DCT Ranch Management LLC, General Partner of **DCT RANCH INVESTMENTS LP**, a Texas limited partnership, on behalf of said limited partnership.



My commission expires 8-26-15

Judy K. Taylor  
Notary Public, State of Texas

Designation of Pooled Unit  
Currie "A" State 4508 Pooled Unit

EXHIBIT "A"  
DESIGNATION OF POOLED UNIT

COG Operating LLC  
Currie "A" State #4508 Pooled Unit  
Glasscock County, Texas

Description of Pooled Unit

**Currie "A" State #4508 Unit**

SE/4 of Section 45, Block 32, Township 4 South, T & P Ry. Co. Survey, A-84, containing 157.1 acres, more or less:

Tract No. 1

A tract of land containing 149.1 acres, more or less, being all of SE/4 of Section 45, Block 32, Township 4 South, T & P Ry. Co. Survey, A-84, Glasscock County, Texas, containing 157.1 acres, more or less, SAVE AND EXCEPT 8.0 acres, more or less, being the right-of-way of State Highway 158, described more particularly by metes and bounds in Tract No. 2 below.

Tract No. 2

A tract of land containing 8.0 acres, more or less, out of SE/4 of Section 45, Block 32, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas, being the right-of-way of State Highway 158, described more particularly by metes and bounds as shown on the plat attached hereto:

Leases Committed to Pooled Unit:

Lease No. 1

Lessor: James R. Currie, Individually and as Trustee, and Jimmie R. Currie, wife of James R. Currie, Cynthia C. Howard, and Darla C. Taylor.  
Lessee: Henry Petroleum LP  
Date: October 6, 2008  
Recording: Memorandum of Lease recorded in Volume 125, Page 650, Official Public Records of Glasscock County, Texas.  
Description: Insofar as and only insofar as said lease covers Tract 1 described above.

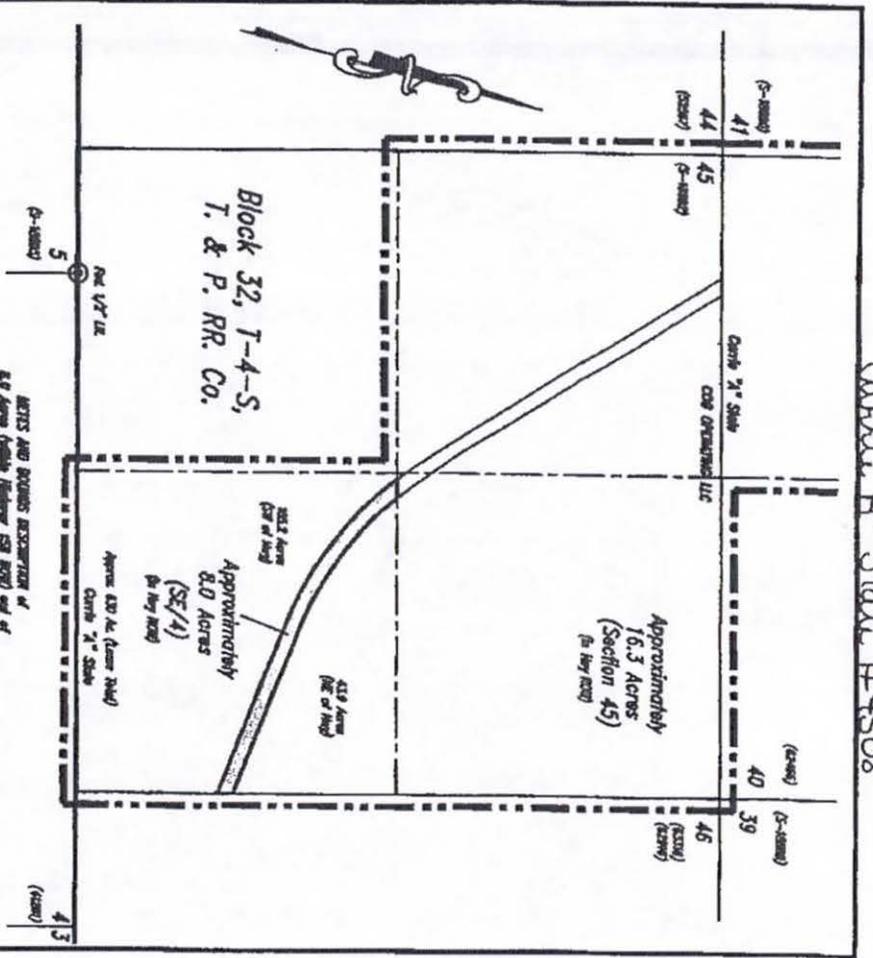
Lease No. 2

Lessor: Commissioner of the General Land Office of the State of Texas  
Lease No. (MF 114851)  
Lessee: COG Operating LLC  
Date: April 3, 2013  
Recording: Volume 223, Page 326, Official Public Records of Glasscock County, Texas.  
Description: Insofar as and only insofar as said lease covers Tract 2 described above.

End of page 1 of Exhibit "A" to Currie "A" State #4508 Pooled Unit - Designation of Pooled Unit

Currier "A" State #4508

VOL. 244 PAGE 552



Beginning of a point in the southern right-of-way of Highway 152 on the east line of Section 46, Block 32, T-4-S, I. & P. RR. Co. for the most westerly corner of this tract from which the established westerly corner of said Section 45 bears S 19°21'35" E 1157.84 feet.

Thence N 82°23'21" E, with the southern right-of-way of Highway 152, 1311.85 feet.

Thence with the southern right-of-way of Highway 152, with a curve to the right, having a radius of 2824.79 feet, a central angle of 27°35'47", a distance of 1582.82 feet to a point on the south line of the southeast quarter (SE/4) of said Section 45 for the southern corner of this tract.

Thence N 27°39'24" E, with the south line of the southeast quarter (SE/4) of said Section 46, 154.29 feet to a point on the north line of the southeast quarter (SE/4) of said Section 45 and to the southern right-of-way of Highway 152 for the northeast corner of this tract.

Thence with the southern right-of-way of Highway 152, with a curve to the left, having a radius of 2824.79 feet, a central angle of 20°09'32", a distance of 1423.28 feet.

Thence S 82°23'19" E, with the southern right-of-way of Highway 152, 1316.18 feet to a point in the southern right-of-way of Highway 152 out on the east line of said Section 43 for the most westerly corner of this tract.

Thence S 14°21'39" E, with the east line of said Section 46, 1233.84 feet to the point of beginning.

STEVEN L. PRUITT  
5108  
COMMISSION EXPIRES 08/31/2015  
STATE OF TEXAS  
SURVEYOR

Steven L. Pruitt

April 2011

11042428

COO OPERATING LLC  
Approximately 16.3 Acres  
and of  
Section 45, Block 32, T-4-S,  
I. & P. RR. Co.,  
Glasscock County, Texas

Scale: 1" = 2000'

PLAT

T. O. Box 1993, Midland, Texas 79702 (505) 834-8728 Fax 505-834-1898

VOL. 291 PAGE 592

STATE OF TEXAS  
COUNTY OF GLASSCOCK  
I hereby certify that this instrument was FILED on the  
date and at the time stamped hereon by me and was duly  
RECORDED in the Volume and Page of the stamped  
hereon by me.  
County Clerk, Glasscock County, Texas



*Rubeca Barta*  
County Clerk, Glasscock County, Texas

OFFICIAL PUBLIC RECORDS  
VOL. 291 PAGE 592  
RECORDED Feb. 16, 2014

FILED  
AT 10:00 O'CLOCK  
M *A*  
ON THE 16 DAY OF Feb  
AD, 2014  
INS. NO. 140520  
*Rubeca Barta*  
COUNTY CLERK, GLASSCOCK COUNTY, TEXAS  
BY *William Kowalski*  
DEPUTY

# The State of Texas



Austin, Texas

PAID-UP  
OIL AND GAS LEASE NO. (MF 114851)  
GENERAL LAND OFFICE  
AUSTIN, TEXAS

THIS AGREEMENT made and entered into by and between the Commissioner of the General Land Office of the State of Texas, whose address is Stephen F. Austin Building, 1700 North Congress, Austin, Texas, 78701, hereinafter called "Lessor", hereunto authorized by the School Land Board, pursuant to the provisions of Chapters 32 and 52 of the Natural Resources Code (hereinafter called N.R.C.), and amendments thereto, and all applicable rules promulgated by the School Land Board and COG Operating, LLC, whose address is 600 West Illinois Ave., Midland, TX 79701 hereinafter called "Lessee".

1. Lessor, in consideration of **Six Thousand Three Hundred Sixty and 00/100 (\$ 6,360.00)**, receipt of which is hereby acknowledged, and of the covenants and agreements of Lessee hereinafter contained, does hereby grant, lease, and let unto Lessee the land covered hereby for the purposes and with the exclusive right of exploring, drilling, mining and operating for, producing and owning oil, gas, and all other hydrocarbons, produced from the land covered hereby. The land covered hereby, herein called "said land" is located in the County of **Glasscock**, State of Texas, and is described as follows:

**21.2 acres** of land, more or less, known as, situated in said **Glasscock** County, Texas, more particularly described in Exhibit "A" attached hereto and made a part hereof together with a plat, attached hereto as Exhibit "B", depicting said right-of-way and surrounding area for purposes of illustration only.

For the purpose of determining the amount of any bonus or other payment hereunder, said land shall be deemed to contain **21.2 acres** whether actually containing more or less, and the above recital of acreage shall be deemed to be the true acreage thereof. Lessor accepts the bonus as lump sum consideration for this lease and all rights and options hereunder.

2. **PRIMARY TERM:** This lease, which is a "paid up" lease requiring no rentals, shall remain in force for a term of **three years**, from **April 3rd, 2013** hereinafter called "primary term", and as long thereafter as operations, as hereinafter defined, are conducted upon said land with no cessation for more than ninety (90) consecutive days.

3. **ROYALTIES:** As royalty Lessee covenants and agrees:

(a) To deliver to the credit of Lessor, in the pipe line to which Lessee may connect its well, the equal **1/4** part of all oil produced and saved by Lessee from said land, or from time to time, at the option of Lessee, to pay Lessor the average posted market price of such **1/4** part of such oil at the wells as of the day it is run to the pipe line or storage tanks, Lessor's interest, in either case, to bear none of the cost of treating oil to render it marketable pipe line oil;

(b) To pay Lessor on gas and casing head gas produced from said land (1) when sold by lessee 1/4 of the amount realized by Lessee, computed at the mouth of the well, or (2) when used by Lessee off said land or in the manufacture of gasoline or other products, the market value, at the mouth of the well, of 1/4 of such gas and casing head gas.

(c) If, at the expiration of the primary term or at any time or times thereafter, there is any well on said land or on lands with which said land or any portion thereof has been pooled, capable of producing oil or gas, and all such wells are shut-in, this lease shall, nevertheless, continue in force as though operations were being conducted on said land for so long as said wells are shut-in, and thereafter this lease may be continued in force as if no shut-in had occurred

(d) Lessee covenants and agrees to use reasonable diligence to produce, utilize, or market the minerals capable of being produced from said wells, but in the exercise of such diligence, Lessee shall not be obligated to install or furnish facilities other than well facilities and ordinary lease facilities of flow lines, separator, and lease tank, and shall not be required to settle labor trouble or to market gas upon terms unacceptable to Lessee.

(e) If at any time or times after the expiration of the primary term, all such wells are shut-in for a period of ninety consecutive days, and during such time there are no operations on said land, then at or before the expiration of said ninety day period, lessee shall pay or tender, by check of lessee, as royalty, the sum of \$ 1,200.00 per well. Lessee shall make like payments or tenders at or before the end of each anniversary of the expiration of said ninety day period if upon such anniversary this lease is being continued in force solely by reason of the provisions of this paragraph. Each such payment or tender shall be made to the parties who at the time of payment would be entitled to receive the royalties which would be paid under this lease if the wells were producing. Nothing herein shall impair lessee's right to release as provided in paragraph 5 hereof. In the event of assignment of this lease in whole or in part, liability for payment hereunder shall rest exclusively on the then owner or owners of this lease, severally as to acreage owned by each.

(f) All royalties not taken in kind shall be paid to the Commissioner of the General Land Office at Austin, Texas, in the following manner:

Royalty on oil is due and must be received in the General Land Office on or before the 5th day of the second month succeeding the month of production, and royalty on gas is due and must be received in the General Land Office on or before the 15th day of the second month succeeding the month of production, accompanied by the affidavit of the owner, manager, or other authorized agent, completed in the form and manner prescribed by the General Land Office and showing the gross amount and disposition of all oil and gas produced and the market value of the oil and gas, together with a copy of all documents, records or reports confirming the gross production, disposition and market value including gas meter readings, pipeline receipts, gas line receipts and other checks or memoranda of amount produced and put into pipelines, tanks, or pools and gas lines or gas storage, and any other reports or records which the General Land Office may require to verify the gross production, disposition and market value. In all cases the authority of a manager or agent to act for the Lessee herein must be filed in the General Land Office. Each royalty payment shall be accompanied by a check stub, schedule, summary or other remittance advice showing by the assigned General Land Office lease number the amount of royalty being paid on each lease. If Lessee pays his royalty on or before thirty (30) days after the royalty payment was due, the Lessee owes a penalty of 5% on the royalty or \$25.00, whichever is greater. A royalty payment which is over thirty (30) days late shall accrue a penalty of 10% of the royalty due or \$25.00, whichever is greater. In addition to a penalty, royalties shall accrue interest at a rate of 12% per year; such interest will begin accruing when the royalty is sixty (60) days overdue. Affidavits and supporting documents which are not filed when due shall incur a penalty in an amount set by the General Land Office administrative rule which is effective on the date when the affidavits or supporting documents were due. The Lessee shall bear all responsibility for paying or causing royalties to be paid as prescribed by the due date provided herein. Payment of the delinquency penalty shall in no way operate to prohibit the State's right of forfeiture as provided by law nor act to postpone the date on which royalties were originally due. The above penalty provisions shall not apply in cases of title dispute as to the State's portion of the royalty or to that portion of the royalty in dispute as to fair market value. The State shall have first lien upon all oil and gas produced from the area covered by this lease to secure the payment of all unpaid royalty and other sums of money that may become due to the State hereunder.

4. POOLING: (a) Lessee is hereby granted the right, at its option, to pool or unitize any land covered by this lease with any other land covered by this lease, and/or with any other land, lease, or leases, as to any or all minerals or horizons. Units pooled for oil hereunder shall not exceed 160 acres each in area, and units pooled for gas hereunder shall not exceed in area 640 acres each plus a tolerance often percent (10%) thereof, unless oil or gas units of a greater size are allowed under or prescribed by rules of the Railroad Commission of Texas. A unit established hereunder shall be valid

and effective for all purposes of this lease even though there may be mineral, royalty, or leasehold interests in lands within the unit, which are not effectively pooled or unitized. Any operations conducted on any part of such unitized land shall be considered, for all purposes, except the payment of royalty, as operations conducted upon said land under this lease. There shall be allocated to the land covered by this lease within each such unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) the proportion of the total production of unitized minerals from the unit, after deducting any used in lease or unit operations, which the number of surface acres in such land (or in each such separate tract) covered by this lease within the unit bears to the total number of surface acres in the unit, and the production so allocated shall be considered for all purposes, including payment or delivery of royalty, overriding royalty and any other payments out of production, to be the entire production of unitized minerals from the land to which allocated in the same manner as though produced there from under the terms of this lease. The owner of the reversionary estate of any term royalty or mineral estate agrees that the accrual of royalties pursuant to this paragraph or of shut-in royalties from a well on the unit shall satisfy any limitation of term requiring production of oil or gas. The formation of any unit hereunder which includes land not covered by this lease shall not have the effect of exchanging or transferring any interest under this lease (including, without limitation, any shut-in royalty which may become payable under this lease) between parties owning interests in land covered by this lease and parties owning interests in land not covered by this lease. Neither shall it impair the right of Lessee to release as provided in paragraph 5 hereof, except that Lessee may not so release as to lands within a unit while there are operations thereon for unitized minerals unless all pooled leases are released as to lands within the unit. At any time while this lease is in force Lessee may dissolve any unit established hereunder by filing for record in the public office where this lease is recorded a declaration to that effect, if at that time no operations are being conducted thereon for unitized minerals. Subject to the provisions of this paragraph 4, a unit once established hereunder shall remain in force for so long as any lease subject thereto shall remain in force. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool or unitize as provided in this paragraph 4 with consequent allocation of production as herein provided. As used in this paragraph 4, the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises.

(b) Neither unit production of oil or gas, nor unit operations, nor payment of shut-in royalties from a unit gas well, shall serve to hold the lease in force as to any area outside the unit, regardless of whether the production, maintenance of a shut-in gas well, or operations are actually located on the State tract or not.

(c) Lessee agrees to file with the General Land Office a copy of any unit designation, which this lease is included within ninety (90) days of such designation.

5. RELEASE: Lessee may relinquish the rights granted hereunder to the State at any time by recording the relinquishment in the county where this area is situated and filing the recorded relinquishment or certified copy of same in the General Land Office within ninety (90) days after its execution accompanied by the prescribed filing fee. Such relinquishment will not have the effect of releasing Lessee from any liability theretofore accrued in favor of the State.

6. REWORK: If at any time or times during the primary term operations are conducted on said land and if all operations are discontinued, this lease shall thereafter terminate at the end of the primary term or on the ninetieth day after discontinuance of all operations, whichever is the later date, unless on such later date either (1) Lessee is conducting operations or (2) the shut-in well provisions of paragraph 3 or the provisions of paragraph 9 are applicable. Whenever used in this lease the word "operations" shall mean operations for and any of the following: drilling, testing, completing, reworking, recompleting, deepening, plugging back or repairing of a well in search for or in an endeavor to obtain production of oil or gas, or production of oil or gas in paying quantities.

7. MINERAL USE: Lessee shall have the use, free from royalty, of oil and gas produced from said land in all operations hereunder.

8. NOTICE: In the event Lessor considers that Lessee has not complied with all its obligations hereunder, both express and implied, Lessor shall notify Lessee in writing, setting out specifically in what respects Lessee has breached this contract. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all

or any part of the breaches alleged by Lessor. The service of said notice shall be precedent to the bringing of any action by Lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on Lessee. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform all its obligations hereunder. If this lease is canceled for any cause, it shall nevertheless remain in force and effect as to (1) sufficient acreage around each well as to which there are operations to constitute a drilling or maximum allowable unit under applicable governmental regulations, (but in no event less than forty acres), such acreage to be designated by Lessee as nearly as practicable in the form of a square centered at the well, or in such shape as then existing spacing rules require; and (2) any part of said land included in a pooled unit on which there are operations.

9. FORCE MAJEURE: If, while this lease is in force, at, or after the expiration of the primary term hereof, it is not being continued in force by reason of the shut-in well provisions of paragraph 3 hereof, and Lessee is not conducting operations on said land by reason of (1) any law, order, rule or regulation, (whether or not subsequently determined to be invalid) or (2) any other cause, whether similar or dissimilar, (except financial) beyond the reasonable control of Lessee, the primary term shall be extended until the first anniversary date hereof occurring ninety (90) or more days following the removal of such delaying cause, and this lease may be extended thereafter by operations as if such delay had not occurred.

10. LESSER ESTATE CLAUSE: If this lease covers a less interest in the oil or gas in all or any part of said land than the entire and undivided fee simple estate (whether lessors interest is herein specified or not), or no interest therein, then the royalties, and other monies 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.

11. ASSIGNMENTS: This lease may be transferred at any time. All transfers must reference the lease by file number and must be recorded in the county where the land covered hereby is located, and the recorded transfer or a copy certified to by the County Clerk of the county where the transfer is recorded must be filed in the General Land Office within ninety (90) days of the execution date, as provided by N.R.C. Section 52.026, accompanied by the prescribed filing fee. Every transferee shall succeed to all rights and be subject to all obligations, liabilities, and penalties owed to the State by the original Lessee or any prior transferee of the lease, including any liabilities to the State for unpaid royalties.

12. WELL INFORMATION: Lessee agrees to forthwith furnish Lessor, upon written request, with copies of all drilling logs, electrical logs, cores and core records and other information pertaining to all wells drilled by lessee either on the leased premises or acreage pooled therewith, when requested to do so. Said information shall remain confidential as required by statute.

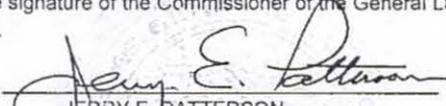
13. SURFACE: Notwithstanding anything herein to the contrary, it is agreed that Lessee will not conduct any exploration or drilling on the surface of the leased premises or use the surface in the exercise of any rights herein granted. Any development of said land shall be by means of a directional well located off the leased premises, or by pooling of said land with other land, lease or leases as hereinabove provided.

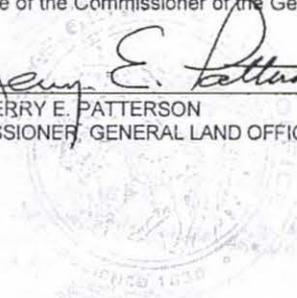
14. COMPENSATORY ROYALTY: Lessee shall pay a compensatory royalty if this lease is not being held by production on the leased premises, by production from a pooled unit, or by payment of shut-in royalties in accordance with the terms of this lease, and if oil or gas is sold or delivered in paying quantities from a well located within 2,500 feet of the leased premises and completed in a producible reservoir underlying the area leased hereunder or in any case in which drainage is occurring. Such compensatory royalty shall be paid at the royalty rate provided in this lease based on the value of production from the well as provided in the lease on which such well is located. The compensatory royalty shall be paid in the same proportion that the acreage of this lease has to the acreage of the proration unit surrounding the draining well plus the acreage of this lease. The compensatory royalty shall be paid monthly to the Commissioner of the General Land Office on or before the last day of the month after the month in which the oil or gas is sold and delivered from the well causing the drainage or from the well located within 2500 feet of the leased premises and completed in a producible reservoir under this lease. Notwithstanding anything herein to the contrary, compensatory royalty payable hereunder shall

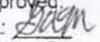
be no less than an amount equal to double the shut-in, and shall maintain this lease in effect for so long as such payments are made as provided herein.

15. **FORFEITURE:** If Lessee shall fail or refuse to make payment of any sum within thirty (30) days after it becomes due, or if Lessee or an authorized agent should knowingly make any false return or false report concerning production or drilling, or if Lessee shall fail or refuse to drill any offset well or wells in good faith as required by law and the rules and regulations adopted by the Commissioner of the General Land Office, or if Lessee should fail to file reports in the manner required by law or fail to comply with rules and regulations promulgated by the General Land Office, or refuse the proper authority access to the records pertaining to operations, or if Lessee or an authorized agent should knowingly fail or refuse to give correct information to the proper authority, or knowingly fail or refuse to furnish the General Land Office a correct log of any well, or if this lease is pooled or assigned and the unit designation or assignment is not filed in the General Land Office as required by law, the rights acquired under this lease shall be subject to forfeiture by the Commissioner, and he shall forfeit same when sufficiently informed of the facts which authorize a forfeiture, and when forfeited the area shall again be subject to lease. However, nothing herein shall be construed as waiving the automatic termination of this lease by operations of law or by reason of any special limitation arising hereunder. Forfeitures may be set aside and this lease and all rights there under reinstated before the rights of another intervene upon satisfactory evidence to the Commissioner of the General Land Office of future compliance with the provisions of the law and of this lease and the rules and regulations that may be adopted relative hereto.

IN TESTIMONY WHEREOF, witness the signature of the Commissioner of the General Land Office of the State of Texas under the seal of the General Land Office.

  
JERRY E. PATTERSON  
COMMISSIONER, GENERAL LAND OFFICE



Approved:  
ML:   
DC:   
CC: 

**LUCHINI & MERTZ**  
Land Surveying Co.  
P.O. BOX 1963  
MIDLAND, TEXAS 79702

April 18, 2011

**METES AND BOUNDS DESCRIPTION OF**

*An Approximate 4.9 Acre Tract out of  
Section 40, Block 32, T-4-S,  
T. & P. RR. Co.,  
Glasscock County, Texas*

*Beginning at a point on the calculated south line of Section 40, Block 32, T-4-S, T. & P. RR. Co. and in the west right-of-way of Highway 158 for the southwest corner of this tract, from which the calculated southwest corner of said Section 40 bears S 75°26'42" W 1006.49 feet;*

*Thence N 46°32'09" W, with the west right-of-way fence of Highway 158, 162.99 feet to a point in the west right-of-way fence of Highway 158 at the beginning of a curve to the left;*

*Thence northwesterly along said curve, having a radius of 5669.58 feet and a central angle of 9°26'00", a distance of 933.46 feet to a point in the west right-of-way fence of Highway 158.*

*Thence N 55°48'58" W, with the west right-of-way fence of Highway 158, 563.57 feet to a point on the calculated west line of said Section 40 and in the west right-of-way fence of Highway 158 for the most northerly southwest corner of this tract;*

*Thence N 14°21'20" W, with the calculated west line of said Section 40, 183.19 feet to a point on the calculated west line of said Section 40 and in the east right-of-way fence of Highway 158 for the most northerly corner of this tract;*

*Thence S 55°42'35" E, with the east right-of-way fence of Highway 158, 702.66 feet to a point in the east right-of-way fence of Highway 158 at the beginning of a curve to the right;*

*Thence southeasterly along said curve, having a radius of 5789.58 feet and a central angle of 9°26'00", a distance of 953.21 feet to a point in the east right-of-way fence of Highway 158.*

*Thence S 45°55'12" E, with the east right-of-way fence of Highway 158, 234.23 feet to a point in the east right-of-way fence and on the calculated south line of said Section 40 for the southeast corner of this tract;*

*Thence S 75°26'42" W, with the calculated south line of said Section 40, 138.48 feet to the point of beginning.*

**LUCHINI & MERTZ**  
Land Surveying Co.  
P.O. BOX 1963  
MIDLAND, TEXAS 79702

April 18, 2011

**METES AND BOUNDS DESCRIPTION of**  
*An approximate 16.3 Acre Tract out of*  
**Section 45, Block 32, T-4-S,**  
**T. & P. RR. Co.,**  
**Glasscock County, Texas**

*Beginning at a point on the calculated north line of Section 45, Block 32, T-4-S, T. & P. RR. Co. and in the west right-of-way fence of Highway 158 for the most northwesterly corner of this tract, from which the calculated northwest corner of said Section 45 bears S 75°26'42" W 1006.49 feet;*

*Thence N 75°26'42" E, with the calculated north line of said Section 45, 138.48 feet to a point on the calculated north line of said Section 45 and in the east right-of-way fence of Highway 158 for the most northerly northeast corner of this tract;*

*Thence S 46°37'12" E, with the east right-of-way fence of Highway 158, 2224.88 feet;*

*Thence S 46°14'50" E, with the east right-of-way fence of Highway 158, 259.68 feet;*

*Thence S 49°13'42" E, with the east right-of-way fence of Highway 158, 325.02 feet to a point in the east right-of-way fence of Highway 158 at the beginning of a curve to the left;*

*Thence southeasterly along said curve, having a radius of 2804.79 feet and a central angle of 36°00'00", a distance of 1762.30 feet to a point in the northeast right-of-way of Highway 158;*

*Thence S 82°25'01" E, with the northeast right-of-way fence of Highway 158, 1318.10 feet to a point on the calculated east line of said Section 45, an in the northeast right-of-way fence of Highway 158 for the most southerly northeast corner of this tract;*

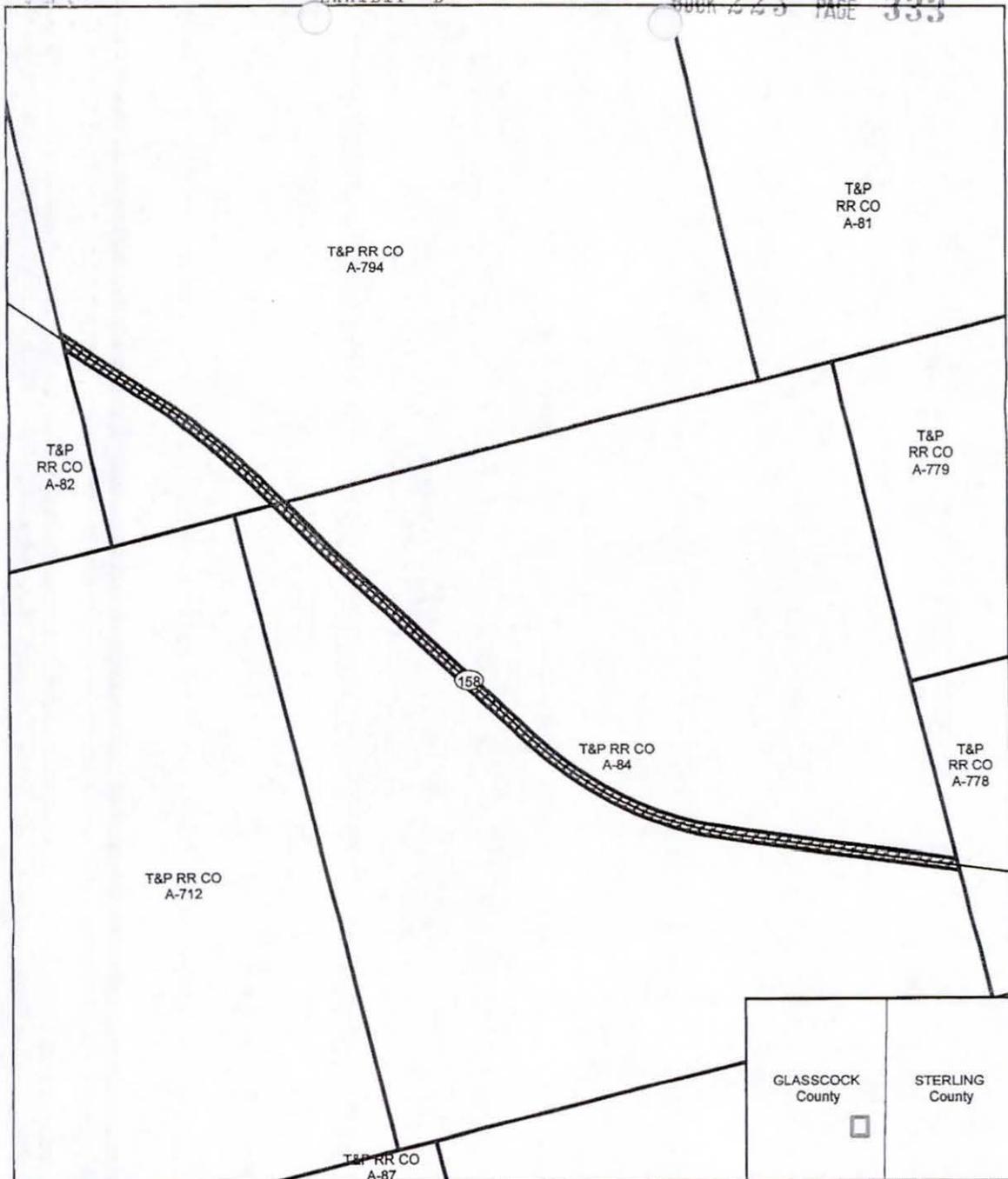
*Thence S 14°21'20" E, with the calculated east line of said Section 45, 129.54 feet to a point on the calculated east line of said Section 45 and in the southwest right-of-way of Highway 158, for the most southerly corner of this tract;*

*Thence N 82°24'23" W, with the southwest right-of-way of Highway 158, 1361.84 feet to a point in the southwest right-of-way fence of Highway 158 at the beginning of a curve to the right;*

*Thence northwesterly along said curve, having a radius of 2924.79 feet and a central angle of 36°00'00", a distance of 1837.70 feet to a point in the west right-of-way fence of Highway 158;*

*Thence N 47°09'02" W, with the west right-of-way fence of Highway 158, 1369.77 feet to a point in the west right-of-way fence of Highway 158;*

*Thence N 46°32'21" W, with the west right-of-way fence of Highway 158, 1517.28 feet to the point of beginning.*



Highway Right-of-Way  
 Plat of SH 158  
 MF114851  
 21.2 acres  
 Glasscock County, Texas



The Texas General Land Office makes no representations or warranties regarding the accuracy or completeness of the information depicted on this map or the data from which it was produced. This map IS NOT suitable for navigational purposes and does not purport to depict or establish boundaries between private and public land.



Map Generated by:  
 Zeiss Gullen  
 IS/BASGIS  
 March 2013

FILED  
AT 10:00 O'CLOCK A M  
ON THE 9 DAY OF JULY  
A.D., 2013  
INS. NO. 131845

Rebecca Badla  
COUNTY CLERK, GLASSCOCK COUNTY, TEXAS  
BY July 9, 2013 DEPUTY

STATE OF TEXAS  
COUNTY OF GLASSCOCK

I do hereby certify that this instrument was FILED on the date and at the time stamped hereon by me and was duly RECORDED in the Volume and Page of the named RECORDS of Glasscock County, Texas, as stamped hereon by me.



Rebecca Badla  
County Clerk, Glasscock County, Texas

OFFICIAL PUBLIC RECORDS  
VOL 203 PAGE 326  
RECORDED JULY 9, 2013

#132638

PARTIAL ASSIGNMENT OF OIL AND GAS LEASE

STATE OF TEXAS                   §  
   §       KNOW ALL MEN BY THESE PRESENTS THAT:  
 COUNTY OF GLASSCOCK       §

The undersigned, **COG OPERATING LLC**, a Delaware limited liability company, successor by merger to Henry Petroleum LP, whose mailing address is 550 West Texas Avenue Suite 100, Midland, TX 79701, herein called "Assignor", in consideration of the sum of Ten Dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby **assign, transfer and convey** unto the Assignees listed below the undivided interests opposite each Assignee in and to the oil and gas lease described on Exhibit "A" attached hereto together with the rights incident thereto, insofar and only insofar as said lease cover the lands described on said Exhibit "A":

<b>Tekar Tech, LP</b> P. O. Box 81131 Midland, Texas 79708	<b>0.00125000</b>
<b>Baqash Resources LP</b> 4816 Rangewood Court Midland, Texas 79707	<b>0.00100000</b>
<b>Kathrin A. Lewis</b> 1003 Stanolind Avenue Midland, Texas 79705	<b>0.00100000</b>
<b>Sharon F. Temple</b> 3809 Crestline Avenue Midland, TX 79707	<b>0.00187500</b>
Total	<b><u>0.00512500</u></b>

TO HAVE AND TO HOLD the same unto Assignee, Assignee's successors and assigns forever, subject to the terms and provisions contained in said leases, and all contracts and assignments relating thereto, all of which Assignee hereby assumes insofar as the same are applicable to the interest hereby assigned and further subject to the following terms and conditions:

1. This Assignment of Oil and Gas Lease (this "Assignment") is made and accepted without representation or warranty of title, express or implied, except by, through and under Assignor.
2. All of the terms, conditions and provisions hereof shall inure to and be binding upon the parties hereto, their respective heirs, executors, administrators, assigns and successors.
3. Concerning the lands described therein, this Assignment is subject to the terms and conditions of that certain unrecorded Joint Operating Agreement dated effective February 7, 2005.

PARTIAL ASSIGNMENT OF OIL AND GAS LEASE  
COG Operating LLC to Employees  
Glass 2 (East Area) Prospect  
Glasscock County, TX

IN WITNESS WHEREOF, this Assignment is effective as of the date of the Oil and Gas Lease shown on the attached Exhibit "A".

ASSIGNOR:

COG OPERATING LLC

By: Mona D. Ables  
Mona D. Ables  
Vice President of Land *MSD* 1500

STATE OF TEXAS §

COUNTY OF MIDLAND §

This instrument was acknowledged before me this 13<sup>th</sup> day of September 2013, by **MONA D. ABLES**, as Vice President of Land of **COG Operating LLC**, a Delaware limited liability company, on behalf of said limited liability company.

Romae J. Bell  
Notary Public in and for the State of Texas



PARTIAL ASSIGNMENT OF OIL AND GAS LEASE  
COG Operating LLC to Employees  
Class 2 (East Area) Prospect  
Glasscock County, Texas

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT CERTAIN PARTIAL ASSIGNMENT OF  
OIL AND GAS LEASE BETWEEN COG OPERATING LLC, AS ASSIGNOR, AND TEKAR  
TECH LP, ET AL., AS ASSIGNEES.

OIL AND GAS LEASE:

DATE: April 3, 2013  
LESSOR: Commissioner of the General Land Office of the State of Texas  
(MF 114851)  
LESSEE: COG Operating LLC  
DESCRIPTION: 21.2 acres in State Highway #158 Right-of-Way out of Sections  
40 and 45, Block 32, T-4-S, T&P Ry. Co. Survey, Glasscock  
County, Texas  
RECORDED: Volume 223, page 326 of the Official Public Records of  
Glasscock County, Texas

FILED  
AT 10:00 O'CLOCK A M  
ON THE 26 DAY OF Sept.  
A.D., 2013  
INS. NO. 132638

Rebecca Barla  
COUNTY CLERK, GLASSCOCK COUNTY, TEXAS

BY Angie Wilton DEPUTY

STATE OF TEXAS  
COUNTY OF GLASSCOCK

I hereby certify that this instrument was FILED on the  
date and at the time stamped hereon by me and was duly  
RECORDED in the Volume and Page of the named  
RECORDS of Glasscock County, Texas, as stamped  
hereon by me.



Rebecca Barla  
County Clerk, Glasscock County, Texas

OFFICIAL PUBLIC RECORDS

VOL. 229 PAGE 656  
RECORDED Sept. 26, 2013

End of Exhibit "A" Partial Assignment of Oil and Gas Lease



PARTIAL ASSIGNMENT OF OIL AND GAS LEASE  
COG Operating LLC to Chevron Midcontinent, L. P.  
Glass 2 (East Area) Prospect  
Glasscock County, Texas

STATE OF TEXAS §  
COUNTY OF MIDLAND §

This instrument was acknowledged before me this 13<sup>th</sup> day of September 2013,  
by **MONA D. ABLES**, as Vice President of Land for **COG OPERATING LLC**, a Delaware  
limited liability company, on behalf of said limited liability company.

Romae J. Bell  
Notary Public in and for the State of Texas



**FILED**  
AT 10:00 O'CLOCK A M  
ON THE 26 DAY OF Sept.  
A.D., 2013  
INS. NO. 123639

Rebecca Badla  
COUNTY CLERK, GLASSCOCK COUNTY, TEXAS  
BY Angie Wilby DEPUTY

STATE OF TEXAS  
COUNTY OF GLASSCOCK

I hereby certify that this instrument was FILED on the  
date and at the time stamped hereon by me and was duly  
RECORDED in the Volume and Page of the named  
RECORDS of Glasscock County, Texas, as stamped  
hereon by me.



Rebecca Badla  
County Clerk, Glasscock County, Texas

OFFICIAL PUBLIC RECORDS  
VOL 229 PAGE 659  
RECORDED Sept. 26, 2013

**From:** Karin Parker <kparker@concho.com>  
**To:** Mary.Barnstone@GLO.TEXAS.GOV  
**CC:** MGibbs@concho.com; MArguello@concho.com; rbell@concho.com; jdutton@conch...  
**Date:** 9/3/2015 1:12 PM  
**Subject:** CURRIE A STATE 4508 - MF 114851 API #42-173-36253 Now called Currie a State #4508  
**Attachments:** CURRIE A STATE MF-114851.pdf; CURRIE A STATE #4508 - GLO DO 4-7-14.pdf; CURRIE A STATE 4508 DESIGNATION OF POOLED UNIT.pdf; CURRIE A STATE 4508 HWY R OF W UNIT DESIGNATION FORM.pdf; FW: New Currie Leases: Currie AD State ##4508 and Currie EA State #3007

Ms. Barnstone:

Please see the attachment and the below email that was sent to Mark Adams, 4/07/2014 concerning the copy of the State lease MF-114851 on the Currie A State #4508, Designation of Pooled Unit for the Currie A State 4505 and Highway Right -of-Way Unit Declaration form.

Karin Parker  
Sr. Division Order Analyst  
COG OPERATING LLC  
One Concho Center  
600 W. Illinois Avenue  
Midland, Texas 79701  
Ph 432.686.3086  
Fx 432.687-8024  
Email: kparker@concho.com<mailto:tcompton@conchoresources.com>  
[cid:image004.jpg@01D0BD71.40596960]

From: Karin Parker Sent: Monday, April 07, 2014 4:26 PM  
To: mark.adams@glo.texas.gov  
Cc: Marylyn Gibbs; Marcus Arguello  
Subject: CURRIE A STATE 4508 - MF 114851  
Importance: High

General Land Office

Mark Adams

PO Box 128973

Austin, TX 78711-2873

RE: Currie A State #4508 - 114851, Glasscock County, TX

Mark:

Please see scanned Division Orders and copy of the State lease MF-114851 on the Currie A State #4508, Designation of Pooled Unit for the Currie A State 4505 and Highway Right -of-Way Unit Declaration form.

Please let me know if there is anything else I need to send or if I need to direct this email to another individual.

Respectfully,

Karin Parker  
Sr. Division Order Analyst  
COG OPERATING LLC  
One Concho Center  
600 W. Illinois Avenue  
Midland, Texas 79701  
Ph 432.686.3086  
Fx 432.687-8024  
Email: [kparker@concho.com](mailto:kparker@concho.com)<<mailto:tcompton@conchoresources.com>>  
[Description: concho\_logo.jpg]

CONFIDENTIALITY NOTICE: The information in this email may be confidential and/or privileged. If you are not the intended recipient or an authorized representative of the intended recipient, you are hereby notified that any review, dissemination or copying of this email and its attachments, if any, or the information contained herein, is prohibited. If you have received this email in error, please immediately notify the sender by return email and delete this email from your system. Thank you.

**From:** Marylyn Gibbs <MGibbs@concho.com>  
**To:** Joe Dutton <jdutton@concho.com>, Romae Bell <rbell@concho.com>  
**CC:** Karin Parker <kparker@concho.com>, Marcus Arguello <MArguello@concho.com>  
**Date:** 9/3/2015 12:19 PM  
**Subject:** FW: New Currie Leases: Currie AD State ##4508 and Currie EA State #3007

This email came after Karin had left for lunch. Will you please let us know the status of the HROW unit designation forms? I am assuming these documents are needed by the State to get its files set up and will not change COG's current DOI's for these wells.

New Well Name: Currie AD State #4508

Old Well Name: Currie A State #4508

Currie EA State #3007

Currie E State #3007

Marylyn Gibbs

Lead Division Order Analyst

COG OPERATING LLC

600 W. Illinois Avenue, Suite 100

Midland, Texas 79701

p.432.685.4370

f.432.685.4399

concho\_logo.jpg

From: Marcus Arguello  
Sent: Thursday, September 03, 2015 11:29 AM  
To: Karin Parker; Marylyn Gibbs  
Subject: FW: New Currie Leases

Morning,

Can you ladies please take care of this or pass this along to the correct person in land to get the GLO the proper information so we can get the leases set up? If you need anything else from me to assist in this matter please let me know.

Thanks,

Marcus Arguello

Two Concho Center |600 W. Illinois Ave.|Midland, Texas 79701

Office 432-221-0348 |Email: marguello@concho.com<mailto:marguello@concho.com>

cid:image001.jpg@01D05B0A.3F7D9620

From: Susan Wauer [mailto:Susan.Wauer@GLO.TEXAS.GOV]

Sent: Thursday, September 03, 2015 11:17 AM

To: Marcus Arguello

Subject: Re: New Leases

Good morning, Marcus.

Your land department will need to file DPU, all amendments and corrections, legible plat with State acreage highlighted and HROW Unit designation form:

[http://www.glo.texas.gov/what-we-do/energy-and-minerals/\\_documents/oil-gas/permitting-leasing/highway-right-of-way/information-hrow-unit-declaration.pdf](http://www.glo.texas.gov/what-we-do/energy-and-minerals/_documents/oil-gas/permitting-leasing/highway-right-of-way/information-hrow-unit-declaration.pdf) in order to get the Currie State 4508 and Currie State 3007 setup.

4217336253 - operator needs to file HROW unit designation form, etc for MF114851

4217336236 - operator needs to file HROW unit designation form, etc for MF112153

Have them send the information to Mary Beth Barnstone at [mary.barnstone@glo.texas.gov](mailto:mary.barnstone@glo.texas.gov)<mailto:mary.barnstone@glo.texas.gov> unless they are in the Eagle Ford, then they would go to Joy McCauley at [joy.mccauley@glo.texas.gov](mailto:joy.mccauley@glo.texas.gov)<mailto:joy.mccauley@glo.texas.gov>.

Tegards,

Susan

Susan Wauer

Texas General Land Office

512-463-3889

RRAC Team email: glo123@glo.texas.gov<mailto:glo123@glo.texas.gov>

susan.wauer@glo.texas.gov<mailto:susan.wauer@glo.texas.gov>

>>> Marcus Arguello <MArguello@concho.com<mailto:MArguello@concho.com>> 9/2/2015 8:29 AM  
>>>

Morning Susan,

Can you provide me with the Unit setups and lease #'s for all the leases listed below please?

Thank you,

Currie State 4508     173-36253

Currie State 3007     173-36236

Marcus Arguello

Revenue Accountant

COG OPERATING LLC

Two Concho Center |600 W. Illinois Ave.|Midland, Texas 79701

Office 432-221-0348 |Email: marguello@concho.com<mailto:marguello@concho.com>

cid:image001.jpg@01D05B0A.3F7D9620

CONFIDENTIALITY NOTICE: The information in this email may be confidential and/or privileged. If you are not the intended recipient or an authorized representative of the intended recipient, you are hereby notified that any review, dissemination or copying of this email and its attachments, if any, or the information contained herein, is prohibited. If you have received this email in error, please immediately notify the sender by return email and delete this email from your system. Thank you.

File No. MF 114851

Glasscock County

Unit 7653 Agreement/attachments

Date Filed: 9/3/15

George P. Bush, Commissioner

By M Barnstone

#131845

# The State of Texas



Austin, Texas

PAID-UP  
OIL AND GAS LEASE NO. (MF 114851)  
GENERAL LAND OFFICE  
AUSTIN, TEXAS

THIS AGREEMENT made and entered into by and between the Commissioner of the General Land Office of the State of Texas, whose address is Stephen F. Austin Building, 1700 North Congress, Austin, Texas, 78701, hereinafter called "Lessor", hereunto authorized by the School Land Board, pursuant to the provisions of Chapters 32 and 52 of the Natural Resources Code (hereinafter called N.R.C.), and amendments thereto, and all applicable rules promulgated by the School Land Board and **COG Operating, LLC**, whose address is **600 West Illinois Ave., Midland, TX 79701** hereinafter called "Lessee".

1. Lessor, in consideration of **Six Thousand Three Hundred Sixty and 00/100 (\$ 6,360.00)**, receipt of which is hereby acknowledged, and of the covenants and agreements of Lessee hereinafter contained, does hereby grant, lease, and let unto Lessee the land covered hereby for the purposes and with the exclusive right of exploring, drilling, mining and operating for, producing and owning oil, gas, and all other hydrocarbons, produced from the land covered hereby. The land covered hereby, herein called "said land" is located in the County of **Glasscock**, State of Texas, and is described as follows:

**21.2 acres** of land, more or less, known as, situated in said **Glasscock** County, Texas, more particularly described in Exhibit "A" attached hereto and made a part hereof together with a plat, attached hereto as Exhibit "B", depicting said right-of-way and surrounding area for purposes of illustration only.

For the purpose of determining the amount of any bonus or other payment hereunder, said land shall be deemed to contain **21.2 acres** whether actually containing more or less, and the above recital of acreage shall be deemed to be the true acreage thereof. Lessor accepts the bonus as lump sum consideration for this lease and all rights and options hereunder.

2. **PRIMARY TERM:** This lease, which is a "paid up" lease requiring no rentals, shall remain in force for a term of **three years**, from **April 3rd, 2013** hereinafter called "primary term", and as long thereafter as operations, as hereinafter defined, are conducted upon said land with no cessation for more than ninety (90) consecutive days.

3. **ROYALTIES:** As royalty Lessee covenants and agrees:

(a) To deliver to the credit of Lessor, in the pipe line to which Lessee may connect its well, the equal **1/4** part of all oil produced and saved by Lessee from said land, or from time to time, at the option of Lessee, to pay Lessor the average posted market price of such **1/4** part of such oil at the wells as of the day it is run to the pipe line or storage tanks, Lessor's interest, in either case, to bear none of the cost of treating oil to render it marketable pipe line oil;



(b) To pay Lessor on gas and casing head gas produced from said land (1) when sold by lessee 1/4 of the amount realized by Lessee, computed at the mouth of the well, or (2) when used by Lessee off said land or in the manufacture of gasoline or other products, the market value, at the mouth of the well, of 1/4 of such gas and casing head gas.

(c) If, at the expiration of the primary term or at any time or times thereafter, there is any well on said land or on lands with which said land or any portion thereof has been pooled, capable of producing oil or gas, and all such wells are shut-in, this lease shall, nevertheless, continue in force as though operations were being conducted on said land for so long as said wells are shut-in, and thereafter this lease may be continued in force as if no shut-in had occurred

(d) Lessee covenants and agrees to use reasonable diligence to produce, utilize, or market the minerals capable of being produced from said wells, but in the exercise of such diligence, Lessee shall not be obligated to install or furnish facilities other than well facilities and ordinary lease facilities of flow lines, separator, and lease tank, and shall not be required to settle labor trouble or to market gas upon terms unacceptable to Lessee.

(e) If at any time or times after the expiration of the primary term, all such wells are shut-in for a period of ninety consecutive days, and during such time there are no operations on said land, then at or before the expiration of said ninety day period, lessee shall pay or tender, by check of lessee, as royalty, the sum of **\$ 1,200.00 per well**. Lessee shall make like payments or tenders at or before the end of each anniversary of the expiration of said ninety day period if upon such anniversary this lease is being continued in force solely by reason of the provisions of this paragraph. Each such payment or tender shall be made to the parties who at the time of payment would be entitled to receive the royalties which would be paid under this lease if the wells were producing. Nothing herein shall impair lessee's right to release as provided in paragraph 5 hereof. In the event of assignment of this lease in whole or in part, liability for payment hereunder shall rest exclusively on the then owner or owners of this lease, severally as to acreage owned by each.

(f) All royalties not taken in kind shall be paid to the Commissioner of the General Land Office at Austin, Texas, in the following manner:

Royalty on oil is due and must be received in the General Land Office on or before the 5th day of the second month succeeding the month of production, and royalty on gas is due and must be received in the General Land Office on or before the 15th day of the second month succeeding the month of production, accompanied by the affidavit of the owner, manager, or other authorized agent, completed in the form and manner prescribed by the General Land Office and showing the gross amount and disposition of all oil and gas produced and the market value of the oil and gas, together with a copy of all documents, records or reports confirming the gross production, disposition and market value including gas meter readings, pipeline receipts, gas line receipts and other checks or memoranda of amount produced and put into pipelines, tanks, or pools and gas lines or gas storage, and any other reports or records which the General Land Office may require to verify the gross production, disposition and market value. In all cases the authority of a manager or agent to act for the Lessee herein must be filed in the General Land Office. Each royalty payment shall be accompanied by a check stub, schedule, summary or other remittance advice showing by the assigned General Land Office lease number the amount of royalty being paid on each lease. If Lessee pays his royalty on or before thirty (30) days after the royalty payment was due, the Lessee owes a penalty of 5% on the royalty or \$25.00, whichever is greater. A royalty payment which is over thirty (30) days late shall accrue a penalty of 10% of the royalty due or \$25.00, whichever is greater. In addition to a penalty, royalties shall accrue interest at a rate of 12% per year; such interest will begin accruing when the royalty is sixty (60) days overdue. Affidavits and supporting documents which are not filed when due shall incur a penalty in an amount set by the General Land Office administrative rule which is effective on the date when the affidavits or supporting documents were due. The Lessee shall bear all responsibility for paying or causing royalties to be paid as prescribed by the due date provided herein. Payment of the delinquency penalty shall in no way operate to prohibit the State's right of forfeiture as provided by law nor act to postpone the date on which royalties were originally due. The above penalty provisions shall not apply in cases of title dispute as to the State's portion of the royalty or to that portion of the royalty in dispute as to fair market value. The State shall have first lien upon all oil and gas produced from the area covered by this lease to secure the payment of all unpaid royalty and other sums of money that may become due to the State hereunder.

4. POOLING: (a) Lessee is hereby granted the right, at its option, to pool or unitize any land covered by this lease with any other land covered by this lease, and/or with any other land, lease, or leases, as to any or all minerals or horizons. Units pooled for oil hereunder shall not exceed 160 acres each in area, and units pooled for gas hereunder shall not exceed in area 640 acres each plus a tolerance often percent (10%) thereof, unless oil or gas units of a greater size are allowed under or prescribed by rules of the Railroad Commission of Texas. A unit established hereunder shall be valid



and effective for all purposes of this lease even though there may be mineral, royalty, or leasehold interests in lands within the unit, which are not effectively pooled or unitized. Any operations conducted on any part of such unitized land shall be considered, for all purposes, except the payment of royalty, as operations conducted upon said land under this lease. There shall be allocated to the land covered by this lease within each such unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) the proportion of the total production of unitized minerals from the unit, after deducting any used in lease or unit operations, which the number of surface acres in such land (or in each such separate tract) covered by this lease within the unit bears to the total number of surface acres in the unit, and the production so allocated shall be considered for all purposes, including payment or delivery of royalty, overriding royalty and any other payments out of production, to be the entire production of unitized minerals from the land to which allocated in the same manner as though produced there from under the terms of this lease. The owner of the reversionary estate of any term royalty or mineral estate agrees that the accrual of royalties pursuant to this paragraph or of shut-in royalties from a well on the unit shall satisfy any limitation of term requiring production of oil or gas. The formation of any unit hereunder which includes land not covered by this lease shall not have the effect of exchanging or transferring any interest under this lease (including, without limitation, any shut-in royalty which may become payable under this lease) between parties owning interests in land covered by this lease and parties owning interests in land not covered by this lease. Neither shall it impair the right of Lessee to release as provided in paragraph 5 hereof, except that Lessee may not so release as to lands within a unit while there are operations thereon for unitized minerals unless all pooled leases are released as to lands within the unit. At any time while this lease is in force Lessee may dissolve any unit established hereunder by filing for record in the public office where this lease is recorded a declaration to that effect, if at that time no operations are being conducted thereon for unitized minerals. Subject to the provisions of this paragraph 4, a unit once established hereunder shall remain in force for so long as any lease subject thereto shall remain in force. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool or unitize as provided in this paragraph 4 with consequent allocation of production as herein provided. As used in this paragraph 4, the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises.

(b) Neither unit production of oil or gas, nor unit operations, nor payment of shut-in royalties from a unit gas well, shall serve to hold the lease in force as to any area outside the unit, regardless of whether the production, maintenance of a shut-in gas well, or operations are actually located on the State tract or not.

(c) Lessee agrees to file with the General Land Office a copy of any unit designation, which this lease is included within ninety (90) days of such designation.

5. RELEASE: Lessee may relinquish the rights granted hereunder to the State at any time by recording the relinquishment in the county where this area is situated and filing the recorded relinquishment or certified copy of same in the General Land Office within ninety (90) days after its execution accompanied by the prescribed filing fee. Such relinquishment will not have the effect of releasing Lessee from any liability theretofore accrued in favor of the State.

6. REWORK: If at any time or times during the primary term operations are conducted on said land and if all operations are discontinued, this lease shall thereafter terminate at the end of the primary term or on the ninetieth day after discontinuance of all operations, whichever is the later date, unless on such later date either (1) Lessee is conducting operations or (2) the shut-in well provisions of paragraph 3 or the provisions of paragraph 9 are applicable. Whenever used in this lease the word "operations" shall mean operations for and any of the following: drilling, testing, completing, reworking, recompleting, deepening, plugging back or repairing of a well in search for or in an endeavor to obtain production of oil or gas, or production of oil or gas in paying quantities.

7. MINERAL USE: Lessee shall have the use, free from royalty, of oil and gas produced from said land in all operations hereunder.

8. NOTICE: In the event Lessor considers that Lessee has not complied with all its obligations hereunder, both express and implied, Lessor shall notify Lessee in writing, setting out specifically in what respects Lessee has breached this contract. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all



or any part of the breaches alleged by Lessor. The service of said notice shall be precedent to the bringing of any action by Lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on Lessee. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform all its obligations hereunder. If this lease is canceled for any cause, it shall nevertheless remain in force and effect as to (1) sufficient acreage around each well as to which there are operations to constitute a drilling or maximum allowable unit under applicable governmental regulations, (but in no event less than forty acres), such acreage to be designated by Lessee as nearly as practicable in the form of a square centered at the well, or in such shape as then existing spacing rules require; and (2) any part of said land included in a pooled unit on which there are operations.

9. FORCE MAJEURE: If, while this lease is in force, at, or after the expiration of the primary term hereof, it is not being continued in force by reason of the shut-in well provisions of paragraph 3 hereof, and Lessee is not conducting operations on said land by reason of (1) any law, order, rule or regulation, (whether or not subsequently determined to be invalid) or (2) any other cause, whether similar or dissimilar, (except financial) beyond the reasonable control of Lessee, the primary term shall be extended until the first anniversary date hereof occurring ninety (90) or more days following the removal of such delaying cause, and this lease may be extended thereafter by operations as if such delay had not occurred.

10. LESSER ESTATE CLAUSE: If this lease covers a less interest in the oil or gas in all or any part of said land than the entire and undivided fee simple estate (whether lessors interest is herein specified or not), or no interest therein, then the royalties, and other monies 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.

11. ASSIGNMENTS: This lease may be transferred at any time. All transfers must reference the lease by file number and must be recorded in the county where the land covered hereby is located, and the recorded transfer or a copy certified to by the County Clerk of the county where the transfer is recorded must be filed in the General Land Office within ninety (90) days of the execution date, as provided by N.R.C. Section 52.026, accompanied by the prescribed filing fee. Every transferee shall succeed to all rights and be subject to all obligations, liabilities, and penalties owed to the State by the original Lessee or any prior transferee of the lease, including any liabilities to the State for unpaid royalties.

12. WELL INFORMATION: Lessee agrees to forthwith furnish Lessor, upon written request, with copies of all drilling logs, electrical logs, cores and core records and other information pertaining to all wells drilled by lessee either on the leased premises or acreage pooled therewith, when requested to do so. Said information shall remain confidential as required by statute.

13. SURFACE: Notwithstanding anything herein to the contrary, it is agreed that Lessee will not conduct any exploration or drilling on the surface of the leased premises or use the surface in the exercise of any rights herein granted. Any development of said land shall be by means of a directional well located off the leased premises, or by pooling of said land with other land, lease or leases as hereinabove provided.

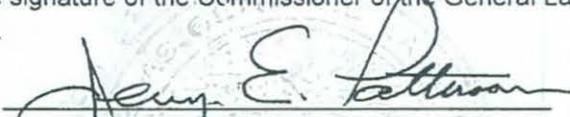
14. COMPENSATORY ROYALTY: Lessee shall pay a compensatory royalty if this lease is not being held by production on the leased premises, by production from a pooled unit, or by payment of shut-in royalties in accordance with the terms of this lease, and if oil or gas is sold or delivered in paying quantities from a well located within 2,500 feet of the leased premises and completed in a producible reservoir underlying the area leased hereunder or in any case in which drainage is occurring. Such compensatory royalty shall be paid at the royalty rate provided in this lease based on the value of production from the well as provided in the lease on which such well is located. The compensatory royalty shall be paid in the same proportion that the acreage of this lease has to the acreage of the proration unit surrounding the draining well plus the acreage of this lease. The compensatory royalty shall be paid monthly to the Commissioner of the General Land Office on or before the last day of the month after the month in which the oil or gas is sold and delivered from the well causing the drainage or from the well located within 2500 feet of the leased premises and completed in a producible reservoir under this lease. Notwithstanding anything herein to the contrary, compensatory royalty payable hereunder shall



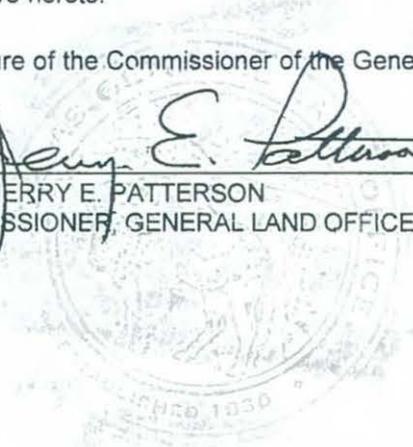
be no less than an amount equal to double the shut-in, and shall maintain this lease in effect for so long as such payments are made as provided herein.

15. FORFEITURE: If Lessee shall fail or refuse to make payment of any sum within thirty (30) days after it becomes due, or if Lessee or an authorized agent should knowingly make any false return or false report concerning production or drilling, or if Lessee shall fail or refuse to drill any offset well or wells in good faith as required by law and the rules and regulations adopted by the Commissioner of the General Land Office, or if Lessee should fail to file reports in the manner required by law or fail to comply with rules and regulations promulgated by the General Land Office, or refuse the proper authority access to the records pertaining to operations, or if Lessee or an authorized agent should knowingly fail or refuse to give correct information to the proper authority, or knowingly fail or refuse to furnish the General Land Office a correct log of any well, or if this lease is pooled or assigned and the unit designation or assignment is not filed in the General Land Office as required by law, the rights acquired under this lease shall be subject to forfeiture by the Commissioner, and he shall forfeit same when sufficiently informed of the facts which authorize a forfeiture, and when forfeited the area shall again be subject to lease. However, nothing herein shall be construed as waiving the automatic termination of this lease by operations of law or by reason of any special limitation arising hereunder. Forfeitures may be set aside and this lease and all rights there under reinstated before the rights of another intervene upon satisfactory evidence to the Commissioner of the General Land Office of future compliance with the provisions of the law and of this lease and the rules and regulations that may be adopted relative hereto.

IN TESTIMONY WHEREOF, witness the signature of the Commissioner of the General Land Office of the State of Texas under the seal of the General Land Office.

  
JERRY E. PATTERSON  
COMMISSIONER, GENERAL LAND OFFICE

Approved:  
ML:   
DC:   
CC: 



TELEPHONE (432) 684-6728  
FAX (432) 686-1845

EXHIBIT "A"

B 223 PAGE 331

STEVEN L. PREWITT  
REGISTERED PROFESSIONAL  
LAND SURVEYOR NO. 5106

**LUCHINI & MERTZ**  
*Land Surveying Co.*  
P.O. BOX 1963  
MIDLAND, TEXAS 79702

*April 18, 2011*

**METES AND BOUNDS DESCRIPTION OF**  
*An Approximate 4.9 Acre Tract out of*  
*Section 40, Block 32, T-4-S,*  
*T. & P. RR. Co.,*  
*Glasscock County, Texas*

*Beginning at a point on the calculated south line of Section 40, Block 32, T-4-S, T. & P. RR. Co. and in the west right-of-way of Highway 158 for the southwest corner of this tract, from which the calculated southwest corner of said Section 40 bears S 75°26'42" W 1006.49 feet;*

*Thence N 46°32'09" W, with the west right-of-way fence of Highway 158, 162.99 feet to a point in the west right-of-way fence of Highway 158 at the beginning of a curve to the left;*

*Thence northwesterly along said curve, having a radius of 5669.58 feet and a central angle of 9°26'00", a distance of 933.46 feet to a point in the west right-of-way fence of Highway 158.*

*Thence N 55°48'58" W, with the west right-of-way fence of Highway 158, 563.57 feet to a point on the calculated west line of said Section 40 and in the west right-of-way fence of Highway 158 for the most northerly southwest corner of this tract;*

*Thence N 14°21'20" W, with the calculated west line of said Section 40, 183.19 feet to a point on the calculated west line of said Section 40 and in the east right-of-way fence of Highway 158 for the most northerly corner of this tract;*

*Thence S 55°42'35" E, with the east right-of-way fence of Highway 158, 702.66 feet to a point in the east right-of-way fence of Highway 158 at the beginning of a curve to the right;*

*Thence southeasterly along said curve, having a radius of 5789.58 feet and a central angle of 9°26'00", a distance of 953.21 feet to a point in the east right-of-way fence of Highway 158.*

*Thence S 45°55'12" E, with the east right-of-way fence of Highway 158, 234.23 feet to a point in the east right-of-way fence and on the calculated south line of said Section 40 for the southeast corner of this tract;*

*Thence S 75°26'42" W, with the calculated south line of said Section 40, 138.48 feet to the point of beginning.*



TELEPHONE (432) 684-6728  
FAX (432) 686-1845

EXHIBIT "A"

BOOK 223 PAGE 332

STEVEN L. PREWITT  
REGISTERED PROFESSIONAL  
LAND SURVEYOR NO. 5106

**LUCHINI & MERTZ**  
Land Surveying Co.  
P.O. BOX 1963  
MIDLAND, TEXAS 79702

April 18, 2011

**METES AND BOUNDS DESCRIPTION of**  
*An approximate 16.3 Acre Tract out of*  
*Section 45, Block 32, T-4-S,*  
*T. & P. RR. Co.,*  
*Glasscock County, Texas*

*Beginning at a point on the calculated north line of Section 45, Block 32, T-4-S, T. & P. RR. Co. and in the west right-of-way fence of Highway 158 for the most northwesterly corner of this tract, from which the calculated northwest corner of said Section 45 bears S 75°26'42" W 1006.49 feet;*

*Thence N 75°26'42" E, with the calculated north line of said Section 45, 138.48 feet to a point on the calculated north line of said Section 45 and in the east right-of-way fence of Highway 158 for the most northerly northeast corner of this tract;*

*Thence S 46°37'12" E, with the east right-of-way fence of Highway 158, 2224.88 feet;*

*Thence S 46°14'50" E, with the east right-of-way fence of Highway 158, 259.68 feet;*

*Thence S 49°13'42" E, with the east right-of-way fence of Highway 158, 325.02 feet to a point in the east right-of-way fence of Highway 158 at the beginning of a curve to the left;*

*Thence southeasterly along said curve, having a radius of 2804.79 feet and a central angle of 36°00'00", a distance of 1762.30 feet to a point in the northeast right-of-way of Highway 158;*

*Thence S 82°25'01" E, with the northeast right-of-way fence of Highway 158, 1318.10 feet to a point on the calculated east line of said Section 45, an in the northeast right-of-way fence of Highway 158 for the most southerly northeast corner of this tract;*

*Thence S 14°21'20" E, with the calculated east line of said Section 45, 129.54 feet to a point on the calculated east line of said Section 45 and in the southwest right-of-way of Highway 158, for the most southerly corner of this tract;*

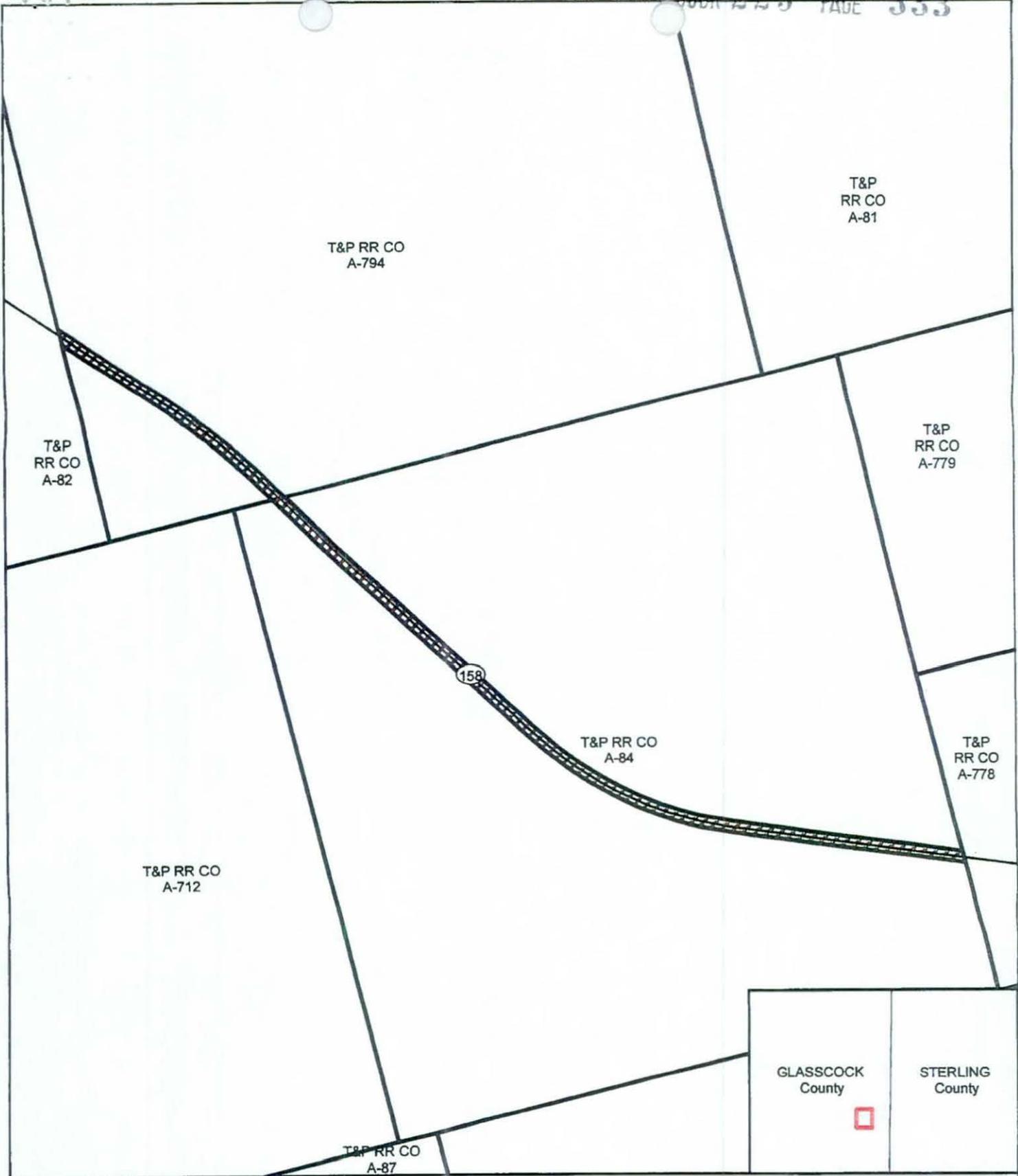
*Thence N 82°24'23" W, with the southwest right-of-way of Highway 158, 1361.84 feet to a point in the southwest right-of-way fence of Highway 158 at the beginning of a curve to the right;*

*Thence northwesterly along said curve, having a radius of 2924.79 feet and a central angle of 36°00'00", a distance of 1837.70 feet to a point in the west right-of-way fence of Highway 158;*

*Thence N 47°09'02" W, with the west right-of-way fence of Highway 158, 1369.77 feet to a point in the west right-of-way fence of Highway 158;*

*Thence N 46°32'21" W, with the west right-of-way fence of Highway 158, 1517.28 feet to the point of beginning.*

41073



Highway Right-of-Way  
 Plat of SH 158  
 MF114851  
 21.2 acres  
 Glasscock County, Texas

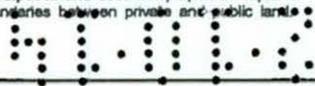
1,000 500 0 1,000 Feet



The Texas General Land Office makes no representations or warranties regarding the accuracy or completeness of the information depicted on this map or the data from which it was produced. This map IS NOT suitable for navigational purposes and does not purport to depict or establish boundaries between private and public lands.



Map Generated by:  
 Zeke Guillen  
 IS/BAS/GIS  
 March 2013



FILED  
AT 10:00 O'CLOCK A M  
ON THE 9 DAY OF JULY  
A.D., 2013  
INS. NO. 131845

*Rebecca Badla*

COUNTY CLERK, GLASSCOCK COUNTY, TEXAS

BY July 9, 2013 DEPUTY

STATE OF TEXAS  
COUNTY OF GLASSCOCK

I hereby certify that this instrument was FILED on the  
date and at the time stamped hereon by me and was duly  
RECORDED in the Volume and Page of the named  
RECORDS of Glasscock County, Texas, as stamped  
hereon by me.



*Rebecca Badla*

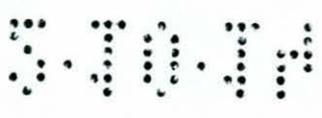
County Clerk, Glasscock County, Texas

OFFICIAL PUBLIC RECORDS

VOL. 203 PAGE 326  
RECORDED JULY 9, 2013

4703

File No. MF 114851  
Recorded Oil + Gas  
Lease  
 Date Filed: 10-27-15  
 Jerry E. Patterson, Commissioner  
 By VH



# GAS ONLY DIVISION ORDER

**KEEP THIS COPY FOR YOUR RECORDS**

114851  
Unit 6B15

Property Number: 424207.4510.1 Date Prepared: 4/14/2014  
Property Name: CURRIE "A" STATE 4510 MF114851 Effective Date: Date of First Sales  
Operator: COG OPERATING LLC  
County/State: Glasscock, TX  
Property Description: NW/4 OF NE/4 SEC 45, BLK 32, T-4-S T&P RR SVY  
Production: Oil \_\_\_ Gas  Other \_\_\_

Owner Name:	TEXAS GENERAL LAND OFFICE	Owner Number:	001523
Address:	1700 N. CONGRESS AVENUE STE 935	Type of Interest:	RI
	AUSTIN, TX 78701-1495		
Phone #:	512-463-5001	Interest:	0.01230032

The undersigned certifies the ownership of their decimal in production or proceeds as described above payable by (Payor).

COG OPERATING LLC

Payor shall be notified, in writing, of any change in ownership, decimal interest, or payment address. All such changes shall be effective the first day of the month following receipt of such notice.

Payor is authorized to withhold payment pending resolution of a title dispute or adverse claim asserted regarding the interest in production claimed herein by the undersigned.

The undersigned agrees to indemnify and reimburse Payor any amount attributable to an interest to which the undersigned is not entitled.

Payor may accrue proceeds until the total amount equals \$ 25.00, or pay annually, whichever occurs first, or as required by applicable state statutes.

This Division Order does not amend any lease or operating agreement between the undersigned and the lessee or operator or any other contracts for the purchase of oil or gas.

In addition to the terms and conditions of this Division Order, the undersigned and Payor may have certain statutory rights under the laws of the state in which the property is located.

Special Clauses:

Owner(s) Signature: _____	Witness: _____
Owner(s) Printed Name & Title _____	_____
Owner(s) Tax ID/SS No.: _____	
Owner(s) Daytime Telephone No: _____	
Owner(s) FAX Telephone No.: _____	

**IMPORTANT: TO AVOID DELAY IN PAYMENT, YOUR SOCIAL SECURITY NUMBER OR TAX IDENTIFICATION NUMBER MUST BE SHOWN ABOVE. FEDERAL LAW REQUIRES YOU TO FURNISH YOUR SOCIAL SECURITY OR TAXPAYER IDENTIFICATION NUMBER. FAILURE TO COMPLY WILL RESULT IN TAX WITHHOLDING IN ACCORDANCE WITH FEDERAL LAW, WHICH WILL NOT BE REFUNDABLE BY PAYOR.**

TO/KP

4755

# OIL AND GAS DIVISION ORDER

**PLEASE SIGN AND RETURN**

Property Number: 424207.4508.1  
Property Name: CURRIE "A" STATE 4508 MF114851

Date Prepared: 4/7/2014  
Effective Date: Date of First Sales or date of Last Settlement as Applicable

Operator: COG OPERATING LLC  
County/State: Glasscock, TX  
Property Description: SE/4 SE/4 SECTION 45, BLK 32, T-4-S, T&P RR SURVEY  
Production: Oil  Gas  Other

114851

Owner Name:	TEXAS GENERAL LAND OFFICE	Owner Number:	001523
Address:	1700 N. CONGRESS AVENUE STE 935	Type of Interest:	RI
	AUSTIN, TX 78701-1495		
Phone #:	512-463-5001	Interest:	0.01273074

The undersigned certifies the ownership of their decimal in production or proceeds as described above payable by (Payor).

COG OPERATING LLC

Payor shall be notified, in writing, of any change in ownership, decimal interest, or payment address. All such changes shall be effective the first day of the month following receipt of such notice.

Payor is authorized to withhold payment pending resolution of a title dispute or adverse claim asserted regarding the interest in production claimed herein by the undersigned.

The undersigned agrees to indemnify and reimburse Payor any amount attributable to an interest to which the undersigned is not entitled.

Payor may accrue proceeds until the total amount equals \$ 25.00, or pay annually, whichever occurs first, or as required by applicable state statutes.

This Division Order does not amend any lease or operating agreement between the undersigned and the lessee or operator or any other contracts for the purchase of oil or gas.

In addition to the terms and conditions of this Division Order, the undersigned and Payor may have certain statutory rights under the laws of the state in which the property is located.

Special Clauses:

Owner(s) Signature:	_____	Witness:	_____
Owner(s) Printed Name & Title	_____		_____
Owner(s) Tax ID/SS No.:	_____		
Owner(s) Daytime Telephone No:	_____		
Owner(s) FAX Telephone No.:	_____		

**IMPORTANT: TO AVOID DELAY IN PAYMENT, YOUR SOCIAL SECURITY NUMBER OR TAX IDENTIFICATION NUMBER MUST BE SHOWN ABOVE. FEDERAL LAW REQUIRES YOU TO FURNISH YOUR SOCIAL SECURITY OR TAXPAYER IDENTIFICATION NUMBER. FAILURE TO COMPLY WILL RESULT IN TAX WITHHOLDING IN ACCORDANCE WITH FEDERAL LAW, WHICH WILL NOT BE REFUNDABLE BY PAYOR.**

**TO/KP**

# GAS ONLY DIVISION ORDER

**KEEP THIS COPY FOR YOUR RECORDS**

Property Number: 424207.4505.1 Date Prepared: 3/25/2014  
Property Name: CURRIE "A" STATE 4505 mf-114851 Effective Date: Date of First Sales  
Operator: COG OPERATING LLC  
County/State: Glasscock, TX  
Property Description: SE/4 OF NE/4 SEC 45, BLK 32, T-4-S T&P RR SVY  
Production: Oil \_\_\_ Gas  Other \_\_\_

Owner Name:	TEXAS GENERAL LAND OFFICE	Owner Number:	001523
Address:	1700 N. CONGRESS AVENUE STE 935	Type of Interest:	RI
	AUSTIN, TX 78701-1495		
Phone #:	512-463-5001	Interest:	0.00095456

The undersigned certifies the ownership of their decimal in production or proceeds as described above payable by (Payor).

COG OPERATING LLC

Payor shall be notified, in writing, of any change in ownership, decimal interest, or payment address. All such changes shall be effective the first day of the month following receipt of such notice.

Payor is authorized to withhold payment pending resolution of a title dispute or adverse claim asserted regarding the interest in production claimed herein by the undersigned.

The undersigned agrees to indemnify and reimburse Payor any amount attributable to an interest to which the undersigned is not entitled.

Payor may accrue proceeds until the total amount equals \$ 25.00, or pay annually, whichever occurs first, or as required by applicable state statutes.

This Division Order does not amend any lease or operating agreement between the undersigned and the lessee or operator or any other contracts for the purchase of oil or gas.

In addition to the terms and conditions of this Division Order, the undersigned and Payor may have certain statutory rights under the laws of the state in which the property is located.

Special Clauses:

Witness:

Owner(s) Signature: _____	_____
Owner(s) Printed Name & Title _____	_____
Owner(s) Tax ID/SS No.: _____	_____
Owner(s) Daytime Telephone No: _____	_____
Owner(s) FAX Telephone No.: _____	_____

**IMPORTANT: TO AVOID DELAY IN PAYMENT, YOUR SOCIAL SECURITY NUMBER OR TAX IDENTIFICATION NUMBER MUST BE SHOWN ABOVE. FEDERAL LAW REQUIRES YOU TO FURNISH YOUR SOCIAL SECURITY OR TAXPAYER IDENTIFICATION NUMBER. FAILURE TO COMPLY WILL RESULT IN TAX WITHHOLDING IN ACCORDANCE WITH FEDERAL LAW, WHICH WILL NOT BE REFUNDABLE BY PAYOR.**

**TO/KP**

File No. MF 114851

DIVISION ORDER

Date Filed: 5-20-16

Jerry E. Patterson, Commissioner

By VH

3.31.14



VICKIE L GOTCHER  
Regulatory Analyst

October 5, 2015

Certified Mail – 91 7199 9991 7035 2751 8934

Matthew T. Scott  
Texas General Land Office  
P. O. Box 12873  
Austin, TX 78711-2873

RE: Permission to Surface Commingle Production from HROW MF114851, GLO Unit No. 7653 (Currie AD State Lease) with the Currie 'A' Lease a Non-GLO lease

Dear Mr. Scott:

Please find enclosed the data required for COG Operating LLC to obtain permission to Surface Commingle HROW MF114851, Unit No. 7653 (Currie AD State Lease) with the Currie 'A' lease.

The wells involved in this commingle are as follows:

Currie 'A' #402, #408, #410, #412, #4503 – RRC# 41205

Currie AD State #4508 – RRC# 46750

6959

If you have any questions, please contact me at (432) 818-2249; e-mail at [vgotcher@concho.com](mailto:vgotcher@concho.com) or Terry Burkes at (432) 818-2204; e-mail [tburkes@concho.com](mailto:tburkes@concho.com).

Sincerely,

Vickie L Gotcher  
COG Operating LLC

vg/enclosures

<input type="checkbox"/> New <input checked="" type="checkbox"/> Amended Existing Permit No. <u>6959</u> Effective Month/Year of Requested Exception: <u>07 / 2015</u>	<b>RAILROAD COMMISSION OF TEXAS</b> <b>OIL AND GAS DIVISION</b> <b>APPLICATION FOR EXCEPTION TO STATEWIDE RULES (SWR) 26 AND/OR 27</b> <u>CURRIE A SEC 4</u>	DBC0308 <b>FORM P-17</b> Eff 01/2008 \$150 FILING FEE District <u>08</u> County <u>GLASSCOCK</u>
---	---	---

**SECTION 1. OPERATOR INFORMATION (See instructions under "Who Files")**

Operator Name (as shown on P-5): COG OPERATING LLC Operator P-5 No. 166150

Operator Address: 600 W. ILLINOIS AVE. City, State, Zip: MIDLAND TX 79701

**SECTION 2. GATHERER (of oil or condensate) INFORMATION (not required if 3b is checked)**

Gatherer Name (as shown on P-5): PLAINS MARKETING, L.P. Gatherer P-5 No. 667883

Gatherer Address: PO BOX 4648 City, State, Zip: HOUSTON TX 77210-4648

Gatherer E-mail Address: \_\_\_\_\_  
 (Optional – If provided, e-mail address will become part of this public record.)

**SECTION 3. APPLICATION APPLIES TO (CHECK ALL THAT APPLY):**  OIL  CASINGHEAD GAS  GAS WELL GAS  CONDENSATE

a.  Gas well full well stream into common separation and storage facility with liquids reported on Form PR.  
 b.  Gas well full well stream into a gasoline plant/common separation and storage facility with liquids reported on Form R-3 Serial # \_\_\_\_\_ (If full well stream is checked, the results of periodic tests to determine the number of stock tank barrels of liquid hydrocarbons recovered per 1,000 standard cubic feet of gas must be reported on Form G-10 in accordance with SWR 55. Attach an explanation of any exceptions to SWR 55.)  
 c.  Condensate and low-pressure Gas Well Gas are commingled into low-pressure separation and storage facilities.  
 d.  This request is for off lease:  storage  separation  metering.  
 e.  This exception is for common storage.  
 f.  This exception is for common separation.  
 g.  This exception is for casinghead gas metering by:  deduct metering  allocation by well test  other \_\_\_\_\_  
 h.  This exception is for gas well gas metering by:  deduct metering  allocation by well test  other \_\_\_\_\_  
 i.  This request is an exception to measure liquid with a: (check one below)  
 a Turbine Meter or  a Coriolis Meter (an additional \$150.00 and a letter of explanation is required for each exception.)

**SECTION 4. NOTICE REQUIREMENTS AND ALLOCATION METHOD. (CHECK ALL THAT APPLY)** The following questions determine if 21-day notice is required and applies to all wells proposed for commingling:

a.  The production is measured separately from all leases or individual wells before commingling. (Notice not required; Skip to Section 5)  
 b.  The royalty interests and working interests are the same with respect to identity and percentage. (Notice not required)  
 c.  The royalty interests and working interests are not the same with respect to identity and percentage. (Notice required)  
 If b. or c. checked, production will be allocated by:  W-10 (oil)  W-2 retest (oil)  PD Meter (oil & condensate)  G-10 (gas)  
 d.  The wells produce from multiple reservoirs. (Notice required unless 4e. or 4f. apply; see instructions for additional requirements)  
 e.  The wells produce from multiple reservoirs and have SWR10 exceptions. (Notice not required)  
 f.  The wells produce from multiple reservoirs and are measured separately from each reservoir. (Notice not required)  
 g.  Any one of the wells proposed for commingling produces from a Commission-designated reservoir for which special field rules have been adopted. (Notice required)

**SECTION 5.**  Wells proposed for commingling have an operator's name other than the applicant listed in SECTION 1. (See instructions)

**SECTION 6.**  For oil production, the production from all oil wells on each oil lease is to be commingled. (See instructions)

**SECTION 7. IDENTIFY LEASES AS SHOWN ON COMMISSION RECORDS (attach additional pages as needed)**

DISTRICT	RRC IDENTIFIER	ACTION	LEASE AND FIELD NAME	WELL NO.
08	41205	<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Add <input type="checkbox"/> Delete	CURRIE "A" Garden City, S. (Wolfcamp)	ALL
08	44645	<input type="checkbox"/> Existing <input type="checkbox"/> Add <input checked="" type="checkbox"/> Delete	CURRIE "A" STATE Garden City, S. (Wolfcamp)	4508
08	46750	<input type="checkbox"/> Existing <input checked="" type="checkbox"/> Add <input type="checkbox"/> Delete	CURRIE AD State Garden City, S. (Wolfcamp)	4508
		<input type="checkbox"/> Existing <input type="checkbox"/> Add <input type="checkbox"/> Delete		

**ATTACH ADDITIONAL PAGES AS NEEDED.**  No additional pages  Additional pages \_\_\_\_\_ (# of additional pages)

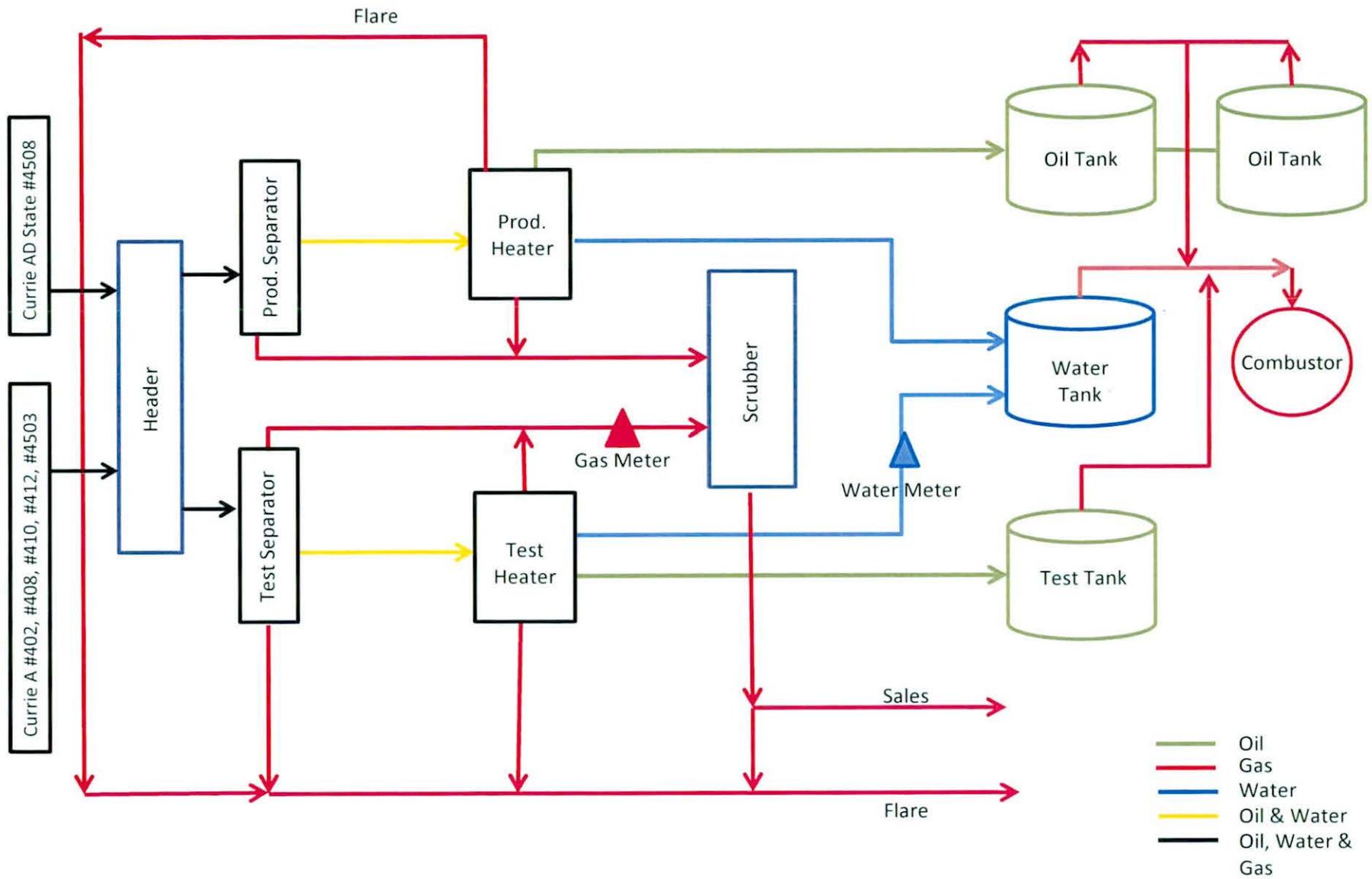
**CERTIFICATE:** I declare under penalties in Sec. 91.143, Texas Natural Resources Code, that I am authorized to file this application, that this application was prepared by me or under my supervision and direction, and that the data and facts stated therein are true, correct, and complete to be the best of my knowledge. I certify that all requests for related required approvals from other affected State Agencies have been submitted and that I understand that any authorization granted by Commission approval of this application is contingent upon the approvals from other affected State Agencies being obtained.

Signature Vickie L. Gotcher Title Vickie Gotcher -Reg. Analyst Date 09/29/2015  
 Operator E-mail Address: VGOTCHER@CONCHO.COM Operator Phone No. (432)683-7443  
 (Optional – If provided, e-mail address will become part of this public record.)

**RRC USE ONLY**

Commingling Permit No. \_\_\_\_\_ Approval date: \_\_\_\_\_ Approved by: \_\_\_\_\_

# CURRIE A SEC. 4 TANK BATTERY



## Currie A Sec. 4 TB

Currie 'A' #402  
Currie 'A' #408  
Currie 'A' #410  
Currie 'A' #412  
Currie 'A' #4503  
Currie AD State #4508

## Process Flow Narrative

Oil, gas and water from individual wells will be produced to the Header. From there, individual well streams can be diverted to either the 2-phase Test Separator or to the Production Separator..

For test purposes, after separation in the 2-phase Test Separator, gas will flow through the gas meter to be measured and then to the 2-phase Gas Scrubber. After the 2-phase Gas Scrubber, the gas will flow to the gas sales meter for sales and measurement or to the flare line. Oil and water will go to the Test Heater for separation. After separation, any remaining gas will flow through the gas meter to the 2-phase Gas Scrubber and then to the sales meter for measurement and sales or to the flare line. The oil is sent to the oil tanks where it will be gauged and measured. The water will be metered and sent to the water tank. Any production vapors that accumulate in the oil and water tanks will go to the Combuster

For wells not in test, they will flow to the Production Separator. Gas will be sent to the 2-phase Gas Scrubber and then on to the sales or flare line. Oil is then sent to the oil tanks and the water is sent to the water tanks.

## Allocation Method

Oil, gas and water production will be allocated daily to individual wells based on well tests. Individual well test values for oil, gas and water, along with daily oil and water tank straps and gas sales meter volumes will be entered into our in-house production management software. The software will then allocate the total battery oil, gas and water volumes back to the well level based on the last well test from each well. Monthly oil and gas sales will be allocated based on the sum of daily allocated well production.



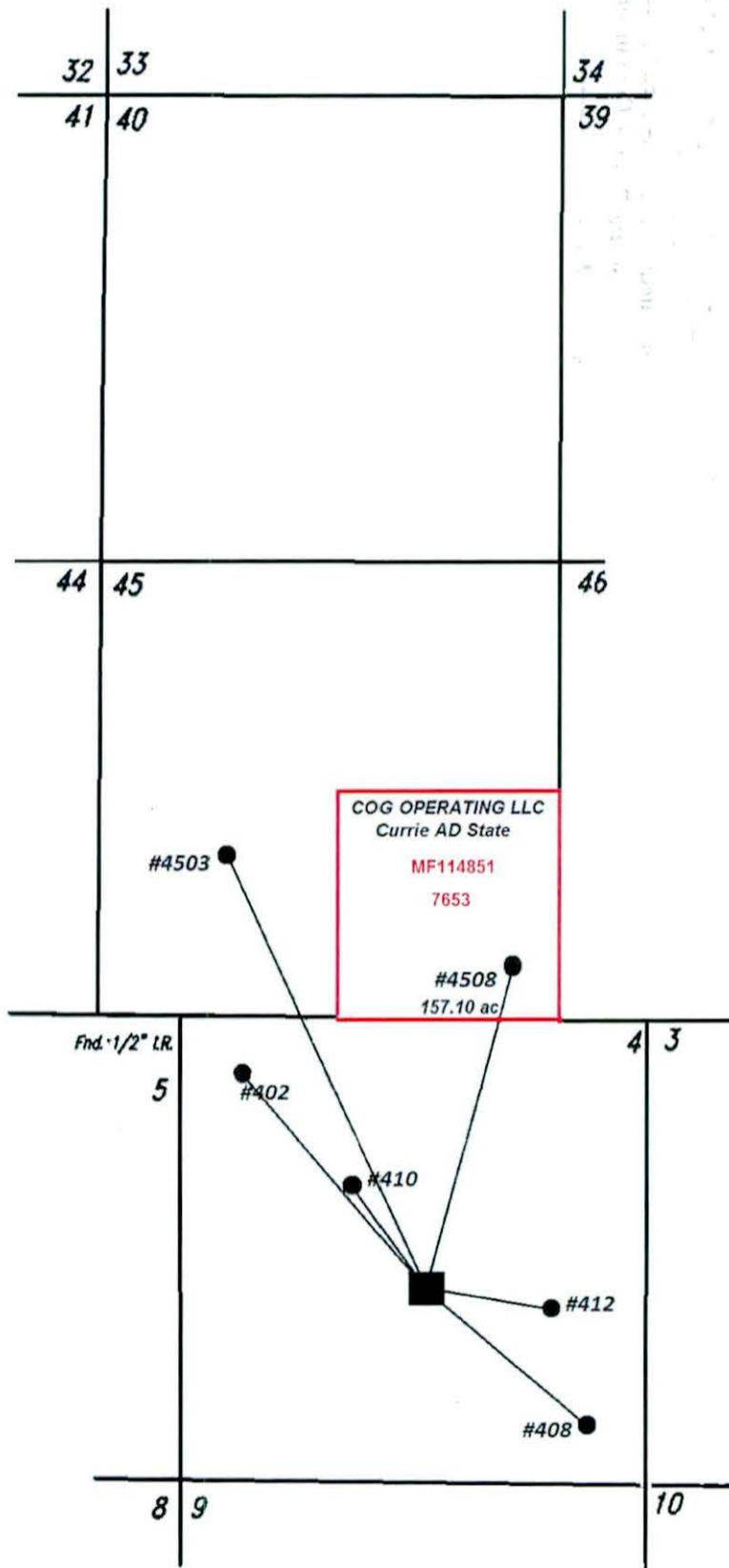


Commingle Permit Applicant: COG OPERATING LLC  
 RRC District: 08  
 RRC Form P-17 Permit No.: 6959  
 RRC P-17 Application Date: 09/30/2015

REPORTS OIL PRODUCTION ON FORM PR; HOWEVER, ALL STATE LEASES ARE NOT EQUIPPED WITH AN OIL AND GAS SEPARATOR WITH OIL AND GAS SEPARATELY METERED BEFORE COMMINGLING WITH OTHER LEASES.

P-17 RRC Request Status	Lease Commingle Facility Name	RRC Field Name	RRC Lease Name	RRC Well No.	SEE NOTE 3			RRC Lease Form P4 Operator	RRC Lease Type (Oil/Gas)	Gas Production MCF/Month	Oil Production STB/Month	RRC Production Month	RRC Production Source	RRC Well Status	SEE NOTE 1		SEE NOTE 2
					RRC Lease/ID No.	Wellbore 10 Digit API No.									State Mineral Lease No.	GLO or Private Unit Name (If Unitized)	GLO Unit No.
Pend	Currie A Sec 4 TB	Garden City, S. (Wolfcamp)	Currie A	402	41205	42-173-33838	COG	Oil	2230	107	Jul-15	RRC PR-Alloc	Active				
Pend	Currie A Sec 4 TB	Garden City, S. (Wolfcamp)	Currie A	408	41205	42-173-35779	COG	Oil	2676	1355	Jul-15	RRC PR-Alloc	Active				
Pend	Currie A Sec 4 TB	Garden City, S. (Wolfcamp)	Currie A	410	41205	42-173-35345	COG	Oil	1896	135	Jul-15	RRC PR-Alloc	Active				
Pend	Currie A Sec 4 TB	Garden City, S. (Wolfcamp)	Currie A	412	41205	42-173-34580	COG	Oil	1673	107	Jul-15	RRC PR-Alloc	Active				
Pend	Currie A Sec 4 TB	Garden City, S. (Wolfcamp)	Currie A	4503	41205	42-173-35122	COG	Oil	2676	229	Jul-15	RRC PR-Alloc	Active				
Pend	Currie A Sec 4 TB	Garden City, S. (Wolfcamp)	Currie AD State	4508	46750	42-173-36253	COG	Oil	2029	334	Jul-15	RRC PR-Alloc	Active	MF114851		7653	0.01273074

- NOTES:
1. ENTER THE STATE MINERAL LEASE NUMBER WHERE THE PRODUCTIVE FIELD INTERVAL OF THE WELL IS LOCATED WITHIN THE PHYSICAL BOUNDARY OF THE LEASE.  
 IF, DUE TO DEPTH LIMITATIONS, SEVERAL LEASES EXIST WITHIN A COMMON WELLBORE, THEN ENTER THE MINERAL LEASE NUMBER FOR THE PRODUCING FIELD INTERVAL.  
 IF THE WELLBORE OF A HORIZONTAL WELL OR DIRECTIONAL WELL TRAVERSES MULTIPLE STATE MINERAL LEASES THEN ENTER EACH STATE MINERAL LEASE ASSOCIATED WITH THE PRODUCING FIELD INTERVAL IN ORDER FROM THE HEAL (FIRST TAKE POINT) TO THE TOE (LAST TAKE POINT) OF THE WELL AND ENTER THE GLO UNIT NAME, NUMBER, AND UNIT NRI IN THE APPROPRIATE COLUMNS.
  2. ENTER THE STATE MINERAL LEASE INTEREST UNLESS THE WELL IS ASSOCIATED WITH A GLO POOLED UNIT THEN ENTER THE POOLED UNIT NET ROYALTY INTEREST.
  3. IF RRC LEASE ID PENDING ASSIGNMENT THEN ENTER "DP" FOLLOWED BY THE RRC DRILLING PERMIT NO. FOR THE COMPLETED INTERVAL.



**COG OPERATING LLC**  
**Currie A Sec 4 TB**  
 Sec 4, Blk 32, T-5-S  
 T & P RR Co  
 Glasscock County, Texas



210 01

22

File No. MF114851

GLASSCOCK County

UNIT 7653  
REQUEST TO COMMINGLE  
~~UNITS~~

Date Filed: 8/24/2016

George P. Bush, Commissioner

By MTSCOTT



VICKIE L GOTCHER

October 6, 2015

Certified Mail – 91 7199 9991 7035 2751 8927

Matthew T. Scott  
Texas General Land Office  
P. O. Box 12873  
Austin, TX 78711-2873

RE: Permission to Surface Commingle Production from HROW MF114851, with the Currie 'A' Lease a Non-GLO lease

Dear Mr. Scott:

Please find enclosed the data required for COG Operating LLC to obtain permission to Surface Commingle HROW MF114851, with the Currie 'A' lease.

The wells involved in this commingle are as follows:

Currie 'A' North #4005, #4008, #4009 – RRC# 42865

Currie AA State #4003 – RRC# 46747, GLO Unit #6814

Currie AB State #4510 – RRC# 46748, GLO Unit #6815

Currie AC State #4505 – RRC# 46749, GLO Unit #6785

6835

If you have any questions, please contact me at (432) 818-2249; e-mail at [vgotcher@concho.com](mailto:vgotcher@concho.com) or Terry Burkes at (432) 818-2204; e-mail [tburkes@concho.com](mailto:tburkes@concho.com).

Sincerely,

Vickie L Gotcher  
COG Operating LLC

vg/enclosures

P

F

New  
 Amended  
 Existing Permit No. 6835

RAILROAD COMMISSION OF TEXAS  
 OIL AND GAS DIVISION

DBC0308

FORM P-17  
 Eff 01/2008  
 \$150 FILING FEE

APPLICATION FOR EXCEPTION TO  
 STATEWIDE RULES (SWR) 26 AND/OR 27

Effective Month/Year of Requested  
 Exception: 07 / 2015

District 08  
 County GLASSCOCK

SECTION 1. OPERATOR INFORMATION (See instructions under "Who Files")

Operator Name (as shown on P-5): COG OPERATING LLC Operator P-5 No. 166150  
 Operator Address: 600 W ILLINOIS AVE City, State, Zip: MIDLAND TX 79701

SECTION 2. GATHERER (of oil or condensate) INFORMATION (not required if 3b is checked)

Gatherer Name (as shown on P-5): PLAINS MARKETING, LP Gatherer P-5 No. 667883  
 Gatherer Address: P O BOX 4648 City, State, Zip: HOUSTON TX 77210  
 Gatherer E-mail Address: bajenkins@paalp.com  
 (Optional - If provided, e-mail address will become part of this public record.)

SECTION 3. APPLICATION APPLIES TO (CHECK ALL THAT APPLY):  OIL  CASINGHEAD GAS  GAS WELL GAS  CONDENSATE

- a.  Gas well full well stream into common separation and storage facility with liquids reported on Form PR.
- b.  Gas well full well stream into a gasoline plant/common separation and storage facility with liquids reported on Form R-3 Serial # \_\_\_\_\_ (If full well stream is checked, the results of periodic tests to determine the number of stock tank barrels of liquid hydrocarbons recovered per 1,000 standard cubic feet of gas must be reported on Form G-10 in accordance with SWR 55. Attach an explanation of any exceptions to SWR 55.)
- c.  Condensate and low-pressure Gas Well Gas are commingled into low-pressure separation and storage facilities.
- d.  This request is for off lease:  storage  separation  metering.
- e.  This exception is for common storage.
- f.  This exception is for common separation.
- g.  This exception is for casinghead gas metering by:  deduct metering  allocation by well test  other \_\_\_\_\_.
- h.  This exception is for gas well gas metering by:  deduct metering  allocation by well test  other \_\_\_\_\_.
- i.  This request is an exception to measure liquid with a: (check one below)  
 a Turbine Meter or  a Coriolis Meter (an additional \$150.00 and a letter of explanation is required for each exception.)

SECTION 4. NOTICE REQUIREMENTS AND ALLOCATION METHOD. (CHECK ALL THAT APPLY) The following questions determine if 21-day notice is required and applies to all wells proposed for commingling:

- a.  The production is measured separately from all leases or individual wells before commingling. (Notice not required; Skip to Section 5)
- b.  The royalty interests and working interests are the same with respect to identity and percentage. (Notice not required)
- c.  The royalty interests and working interests are not the same with respect to identity and percentage. (Notice required)  
 If b. or c. checked, production will be allocated by:  W-10 (oil)  W-2 retest (oil)  PD Meter (oil & condensate)  G-10 (gas)
- d.  The wells produce from multiple reservoirs. (Notice required unless 4e. or 4f. apply; see instructions for additional requirements)
- e.  The wells produce from multiple reservoirs and have SWR10 exceptions. (Notice not required)
- f.  The wells produce from multiple reservoirs and are measured separately from each reservoir. (Notice not required)
- g.  Any one of the wells proposed for commingling produces from a Commission-designated reservoir for which special field rules have been adopted. (Notice required)

SECTION 5.  Wells proposed for commingling have an operator's name other than the applicant listed in SECTION 1. (See instructions)

SECTION 6.  For oil production, the production from all oil wells on each oil lease is to be commingled. (See instructions)

SECTION 7. IDENTIFY LEASES AS SHOWN ON COMMISSION RECORDS (attach additional pages as needed)

DISTRICT	RRC IDENTIFIER	ACTION			LEASE AND FIELD NAME		WELL NO.
08	42865	<input checked="" type="checkbox"/> Existing	<input type="checkbox"/> Add	<input type="checkbox"/> Delete	Currie "A" North	Garden City, S. (Wolfcamp)	ALL
08	44645	<input type="checkbox"/> Existing	<input type="checkbox"/> Add	<input checked="" type="checkbox"/> Delete	Currie "A" State	Garden City, S. (Wolfcamp)	4003
08	44645	<input type="checkbox"/> Existing	<input type="checkbox"/> Add	<input checked="" type="checkbox"/> Delete	Currie "A" State	Garden City, S. (Wolfcamp)	4505
08	44645	<input type="checkbox"/> Existing	<input type="checkbox"/> Add	<input checked="" type="checkbox"/> Delete	Currie "A" State	Garden City, S. (Wolfcamp)	4510

ATTACH ADDITIONAL PAGES AS NEEDED.  No additional pages  Additional pages \_\_\_\_\_ (# of additional pages)

CERTIFICATE: I declare under penalties in Sec. 91.143, Texas Natural Resources Code, that I am authorized to file this application, that this application was prepared by me or under my supervision and direction, and that the data and facts stated therein are true, correct, and complete to be the best of my knowledge. I certify that all requests for related required approvals from other affected State Agencies have been submitted and that I understand that any authorization granted by Commission approval of this application is contingent upon the approvals from other affected State Agencies being obtained.

Signature Vickie L. Gotcher Title Vickie Gotcher - Reg. Analyst Date 09/29/2015  
 Operator E-mail Address: vgotcher@concho.com Operator Phone No. (432)683-7443  
 (Optional - If provided, e-mail address will become part of this public record.)

RRC USE ONLY

Commingling Permit No. \_\_\_\_\_ Approval date: \_\_\_\_\_ Approved by: \_\_\_\_\_





## **Currie A North Sec. 40 TB**

Currie AA State #4003  
Currie AC State #4505  
Currie AB State #4510  
Currie 'A' North #4005  
Currie 'A' North #4008  
Currie 'A' North #4009

### **Process Flow Narrative**

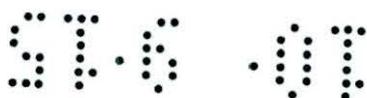
Oil, gas and water from individual wells will be produced to the Header. From there, individual well streams can be diverted to either the Test Separator or to the Production Separator.

For test purposes, after separation in the Test Separator, gas will be metered through the gas meter, flow through the 2-phase Gas Scrubber and sent to the gas sales meter for measurement and sales. Oil and water will then go to the Test Heater for separation. After separation, any remaining gas will flow through the gas meter and then to the 2-phase Gas Scrubber. The oil will flow through to the Hi-Tower and then to the Test Tank to be gauged and measured. Any remaining gas will flow from the Hi-Tower to the VRU and then on to sales. Water will be metered and sent to the water tanks. Any production vapors that accumulate in the oil and water tanks will go to the Combuster.

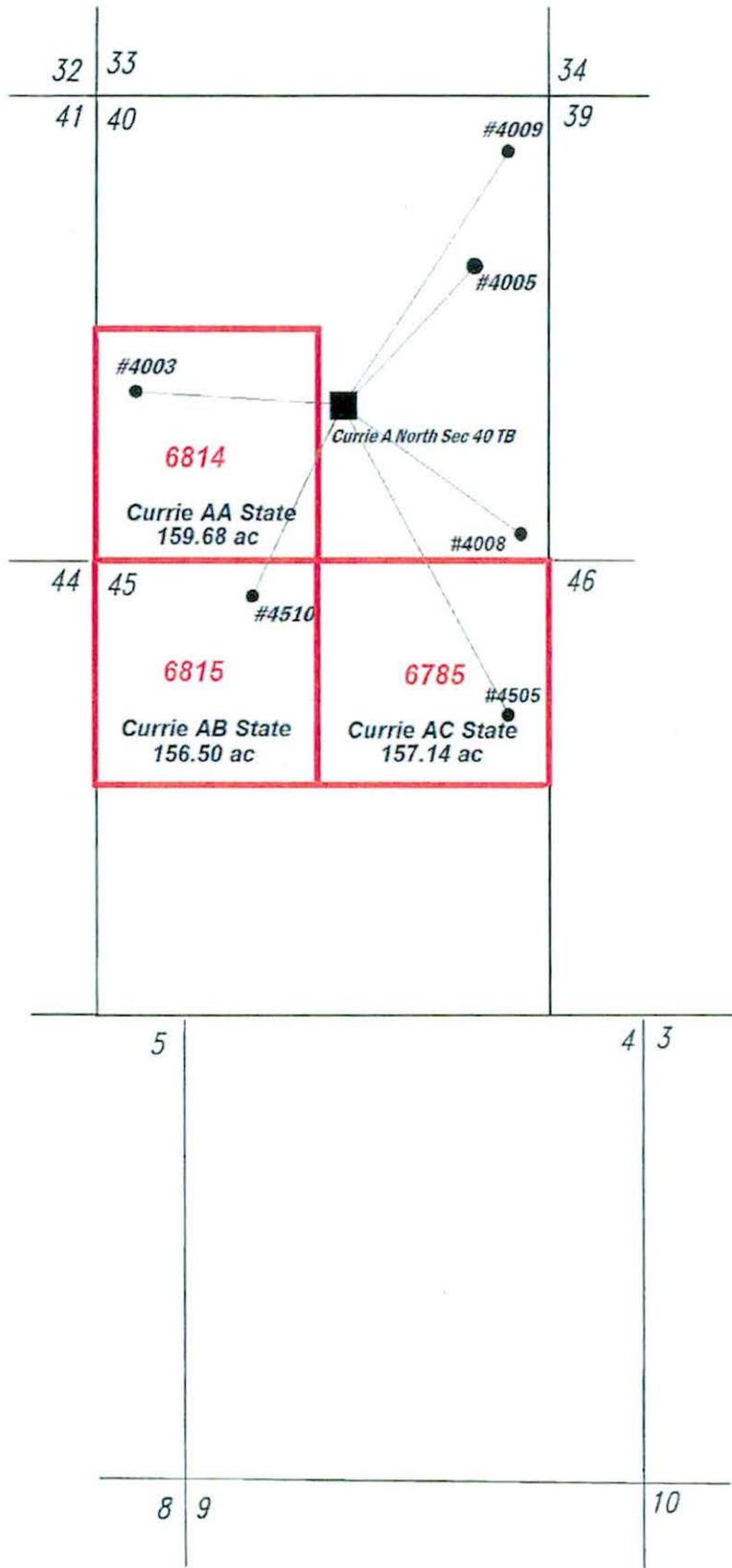
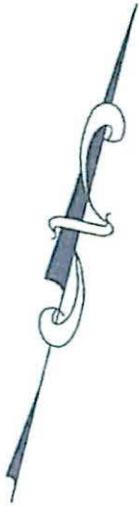
For wells not in test, after separation, they will flow to the Production Separator where the well stream is separated. Gas will be sent to the 2-phase Gas Scrubber and then on to the gas sales meter for measurement and sales. The oil is then sent to the oil tanks and the water is sent to the water tanks.

### **Allocation Method**

Oil, gas and water production will be allocated daily to individual wells based on well tests. Individual well test values for oil, gas and water, along with daily oil and water tank straps and gas sales meter volumes will be entered into our in-house production management software. The software will then allocate the total battery oil, gas and water volumes back to the well level based on the last well test from each well. Monthly oil and gas sales will be allocated based on the sum of daily allocated well production.



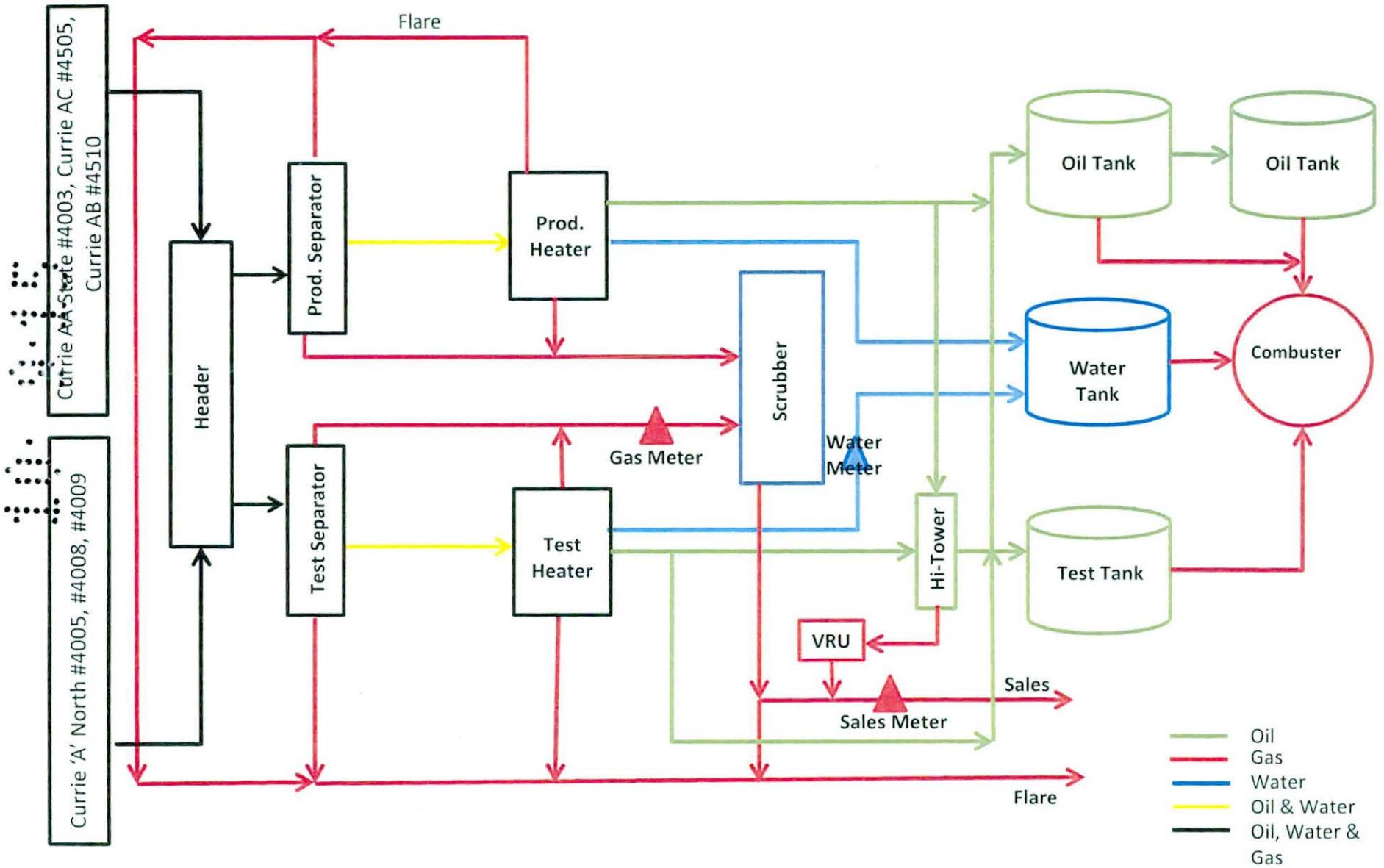
10.9.15



**COG OPERATING LLC**  
 Currie A North Sec 40 TB  
 Sec 40, Blk 32, T-4-S  
 T & P RR Co  
 Glasscock County, TX

3.7.6

# CURRIE A NORTH SEC 40 TANK BATTERY





File No. ME114851

GLASS COCK County  
REQUEST TO COMMINGLE  
UNITS 68146815 AND 6785

Date Filed: 3/24/2016  
George P. Bush, Commissioner

By M T S C S T I

2016

2016

**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:

VICKIE L. GOTCHER  
 COG OPERATING LLC  
 ONE CONCHO CENTER  
 600 WEST ILLINOIS AVE  
 MIDLAND TX 79701

2. Article Number

(Transfer from service label)

7011 1150 0001 2416 6992

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X


 Agent Addressee

B. Received by (Printed Name)

EMILY AURINGER

C. Date of Delivery

11/9/15

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.

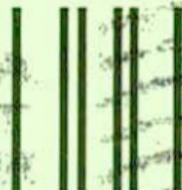
4. Restricted Delivery? (Extra Fee)

 Yes

UNITED STATES POSTAL SERVICE ADDRESS

TX 78711

NOV 13 2015 PM



First-Class Mail  
Postage & Fees Paid  
USPS  
Permit No. G-10

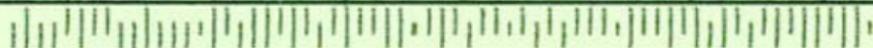
- Sender: Please print your name, address, and ZIP+4 in this box •

MATTHEW SCOTT  
TEXAS GENERAL LAND OFFICE  
PO BOX 12873  
AUSTIN TX 78711-2873

RECEIVED

NOV 13 2015

General Land Office





TEXAS GENERAL LAND OFFICE  
GEORGE P. BUSH, COMMISSIONER

November 3, 2015

Certified Mail: 7011 1150 0001 2416 6992

Ms. Vickie L. Gotcher  
COG Operating LLC  
One Concho Center  
600 West Illinois Avenue  
Midland, Texas 79701

Subject: Review of Application Requesting Permission to Commingle State of Texas Mineral Leases, HROW MF114851, GLO Units 6814,6815,6785 and 7653, Currie State, District 08, Glasscock County, Texas.

Dear Ms. Gotcher:

Your letters dated October 5 and 6, 2015 requested permission to surface commingle production from the Currie AA State (RRC Lease ID 46747), GLO Unit 6814, Currie AB State (RRC Lease ID 46748), GLO Unit 6815, Currie AC State (RRC Lease ID 46749), GLO Unit 6785, RRC P-17 6835, and the Currie AD State (RRC Lease ID 46750), GLO Unit 7653, RRC P-17 6959, into common storage and separation with other private leases at the respective tank batteries operated by COG Operating LLC.

Please be advised that the subject application is approved **subject to the following conditions.**

1. All oil production royalties shall be due based on the proportionate share of the total oil production allocated to each RRC lease determined by the performance of periodic (monthly) well tests. In this specific case the Lessee may pay monthly oil royalties per Texas Administrative Code (TAC) Title 31, Part 1, Chapter 9, Subchapter D, Rule §9.51.
2. All gas production royalties shall be due based on the proportionate share of the total gas production volumes (adjusted to MMBTUs) allocated to each RRC lease determined by the performance of monthly well tests. The gas BTU content shall be obtained by gas sample chromatographic analysis or other industry-accepted practices.
3. Retain, for lease audit purposes, all meter and test records, volume statements/reports, oil and gas analyses reports, and shrinkage/flash gas calculation records for all state and private lease or unit wells in the scope of the commingle permit for a period of at least seven (7) years after creation of each report or record.

Ms. Vickie L. Gotcher  
COG Operating LLC  
November 3, 2015  
Page 2 of 2

4. Any changes to the flow process, metering scheme, or the addition of any wells that are not currently processed at the commingle facility shall require the Lessee to obtain permission from the GLO prior to making said changes
5. Please provide me a copy of the RRC Form P-17 permit within ten days of its approval by RRC staff.

If you have questions, please contact me at (512) 475-2230, or by FAX at (512) 475-1543. My e-mail address is [matthew.scott@glo.texas.gov](mailto:matthew.scott@glo.texas.gov).

Sincerely,



Matthew T. Scott, P.E.  
Petroleum Engineer  
Energy Resources/Mineral Leasing

cc: Robert Hatter, Deputy Director Mineral Leasing  
Dale Sump, Manager Minerals Audit

File No. MF114851

GLASSCOCK County  
AGREE TO COMMINGLED UNITS  
6814, 6815, 6785 AND 7653

Date Filed: 3/24/2016

George P. Bush, Commissioner

MT SCOTT