

FEDERAL ABSTRACT COMPANY



STATE * FEDERAL *** INDIAN LANDS**
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WEEKLY REPORT OF THE OIL AND GAS LEASING ACTIVITIES IN THE STATE OF NEW MEXICO, TEXAS, OKLAHOMA AND KANSAS AS TAKEN FROM THE RECORDS IN THE UNITED STATES DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT, STATE OFFICE, AND THE NEW MEXICO STATE LAND OFFICE, IN SANTA FE, NEW MEXICO.

Report No. 2711

May 20, 2016 thru May 27, 2016

The following Assignments of Record Title were approved effective by the Commissioner of Public Lands:

- V-9908-1 Energex to Continental Land Resources LLC
T. 10 S. – R. 33 E.
Section 3 – Lots 1, 2, 3, 4, S2N2
Lea County, NM
319.20 Acres

- V-9908-2 Continental Land Resources LLC to Pedregosa Partners LLC
T. 10 S. – R. 33 E.
Section 3 – Lots 1, 2, 3, 4, S2N2
Lea County, NM
319.20 Acres

- VB-2643-1 Continental Land Resources LLC to Pedregosa Partners LLC
T. 9 S. – R. 33 E.
Section 18 – E2
Lea County, NM
320.00 Acres

- VB-2647-1 Continental Land Resources LLC to Pedregosa Partners LLC
T. 8 S. – R. 34 E.
Section 16 – N2
Roosevelt County, NM
320.00 Acres

- VB-2650-1 Continental Land Resources LLC to Pedregosa Partners LLC
T. 9 S. – R. 33 E.
Section 18 – Lots 1, 2, 3, 4, E2W2
Lea County, NM
316.73 Acres

- VB-2653-1 Continental Land Resources LLC to Pedregosa Partners LLC
T. 8 S. – R. 34 E.
Section 16 – S2
Roosevelt County, NM
320.00 Acres

- VB-2673-1 Continental Land Resources LLC to Pedregosa Partners LLC
T. 8 S. – R. 34 E.
Section 36 – W2
Roosevelt County, NM
320.00 Acres

- VB-2674-1 Continental Land Resources LLC to Pedregosa Partners LLC
T. 9 S. – R. 34 E.
Section 2 – Lots 3, 4, S2NW4, SW4
Lea County, NM
320.52 Acres
- VB-2680-1 Continental Land Resources LLC to Pedregosa Partners LLC
T. 9 S. – R. 33 E.
Section 7 – Lots 3, 4, E2SW4
Lea County, NM
158.17 Acres
- VB-2681-1 Continental Land Resources LLC to Pedregosa Partners LLC
T. 9 S. – R. 34 E.
Section 2 – Lots 1, 2, S2NE4, SE4
Lea County, NM
320.28 Acres
- VB 1888-2 Devon Energy Production Company to COG Operating LLC
T. 18 S. – R. 34 E.
Section 21 – W2
Lea County, NM
320.00 Acres
- E-2523-1 Jack Markham Estate to JR Cone Operating, LLC
T. 21 S. – R. 36 E.
Section 36 – E2SE4
Lea County, NM
80.00 Acres

The following Assignments of Record Title have been approved effective by the BLM:

- OKNM 97232 The Blanco Company to Blue Ox Partners, 1123 South Huron Street, Unit V, Denver, CO
80223 (100%)
T. 25 N. – R. 17 W., I.M.
Section 4 - Accretion and riparian to Lot 4; lying in Section 9, Accretion and riparian to Lots
6, 7, as described by metes and bounds
Woods & Woodward Counties, OK
25.270 Acres
- OKNM 97245 The Blanco Company to Blue Ox Partners, 1123 South Huron Street, Unit V, Denver, CO
80223 (100%)
T. 26 N. – R. 19 W., I.M.
Section 2 - SWNE
Woodward County, OK
40.000 Acres

OKNM 98653 Harding & Shelton Inc. to Lighthouse Oil & Gas Title Agent Inc., a Delaware Corporation as nominee for Lighthouse Oil & Gas LP, 4005 NW Expressway, Suite 400E, Oklahoma City, OK 73116 (37.5%)
T. 16 N. – R. 19 W., I.M.
Section 5 - Accretion and riparian to Lot 4 lying within Section 32
Section 6 - Accretion and riparian to Lot 4 lying within Section 32
Section 32 - Accretion and riparian within Sections 5, 6, 31, 32
Section 32 - Lot 4
Dewey County, OK
145.040 Acres

OKNM 99083 Cabot Oil & Gas Corporation to Lime Rock Resources II-A, LP, 1111 Bagby Street, 46th Floor, Houston, TX 77002 (73.68415%)
T. 11 N. – R. 9 W., I.M.
Section 9 - Lot 2, plus Accretion and riparian rights to Lot 2
Canadian County, OK
27.270 Acres

OKNM 99084 Harding & Shelton Inc. to Lighthouse Oil & Gas Title Agent Inc., a Delaware Corporation as nominee for Lighthouse Oil & Gas LP, 4005 NW Expressway, Suite 400E, Oklahoma City, OK 73116 (40%)
T. 16 N. – R. 19 W., I.M.
Section 10 - Accretion and riparian rights to Lot 5
Dewey County, OK
10.850 Acres

OKNM 106927 The Blanco Company to Blue Ox Partners, 1123 South Huron Street, Unit V, Denver, CO 80223 (100%)
T. 25 N. – R. 18 W., I.M.
Section 4 - Lot 3, SWNE, SENW
Woodward County, OK
119.520 Acres

OKNM 108842 Chaparral Energy, LLC to SandRidge Exploration and Production, LLC, 123 Robert S. Kerr Avenue, Oklahoma City, OK 73102 (100%)
T. 28 N. – R. 15 W., I.M.
Section 17 - SESE
Section 21 - NWNW, SW
Woods County, OK
240.000 Acres

OKNM 108843 Chaparral Energy, LLC to SandRidge Exploration and Production, LLC, 123 Robert S. Kerr Avenue, Oklahoma City, OK 73102 (100%)
T. 28 N. – R. 15 W., I.M.
Section 18 - Lots 2, 3, NWSE, S2SE
Woods County, OK
193.560 Acres

OKNM 109437 Harding & Shelton Inc. to Lighthouse Oil & Gas Title Agent Inc., a Delaware Corporation as nominee for Lighthouse Oil & Gas LP, 4005 NW Expressway, Suite 400E, Oklahoma City, OK 73116 (40%)
T. 16 N. – R. 19 W., I.M.
Section 12 - Accretion and riparian rights to Lots 1, 2, 3 and 4
Dewey County, OK
123.030 Acres

OKNM 112284 The Blanco Company to Blue Ox Partners, 1123 South Huron Street, Unit V, Denver,
CO 80223 (100%)
T. 24 N. – R. 16 W., I.M.
Section 9 - SESE
Woods County, OK
40.000 Acres

OKNM 118148 Amerind Oil Company, Ltd. to Jal Draw Oil Company, Ltd., 415 West Wall Street, Suite
1411, Midland, TX 79701 (50%)
T. 12 N. – R. 11 W., I.M.
Section 2 - Lots 2A, 2B, 2C and 4
Caddo County, OK
58.580 Acres

OKNM 118184 The Blanco Company to Blue Ox Partners, 1123 South Huron Street, Unit V, Denver,
CO 80223 (100%)
T. 21 N. – R. 25 W., I.M.
Section 6 - SWSE
Ellis County, OK
40.000 Acres

The NMOCD held a hearing on May 10, 2016 to essentially extend its Emergency Order suspending APDs in the Roswell Artesian Basin.

Several operators, IPANM, the State Engineer and the Pecos Valley Conservancy District appeared through counsel. Paul Kautz, district geologist testified for the Division.

Mr. Kautz explained that the order was put in place after the OSE and Pecos Conservancy raised concern about water well contamination and approved APDs in the area not having adequate casing and cementing to protect fresh water.

A hearing on the merits will be held June 15th. At that time, the OCD and interested parties may present testimony/evidence.

Mr. Kautz generally outlined what the Division will seek in special pool rules which will include:

1. Conductor Pipe - Due to the concern that conductor pipe could be a conduit to fresh water, if running conductor pipe, operator must cement and report. Paul testified that he thought most conductor pipe went down about 20-40 feet in this area.
2. Surface casing - Should be set between 425-450 feet to protect the upper aquifer. Cement must circulate to surface.
3. Intermediate casing - Will require be set at 1300 feet. Cement must circulate to surface or provide cement bond log or temp survey.
4. Must cement 500 feet above intermediate casing shoe.
5. Hole size will remain 2 inches greater than the outer diameter of the coupling string.

Please contact Federal Abstract Company for a copy of the Emergency Order.