

ConocoPhillips 2208 West Main Street Artesia, New Mexico 88210 www.conocophillips.com

December 7, 2021

Attn: Dean McClure NM Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

Re:

Application for Administrative Approval Off-lease Measurement – Oil Only

Dear Mr. McClure,

COG Operating LLC respectfully requests approval for off-lease measurement – Oil only for the following wells:

Columbus Federal Com 21H API# 30-025-43689 Wildcat; Wolfcamp Ut. A, Sec. 34-T25S-R33E Lea County, NM Columbus Federal Com 22H API# 30-025-43693 Wildcat; Wolfcamp Ut. B, Sec. 34-T25S-R33E Lea County, NM

### Oil Production:

The oil production from these wells may be transported by truck to either the Red Hills Offload Station, located in Unit O, Section 4-T26S-R32E, or the Jal Offload Station, located in Unit D, Section 4-T26S-R37E, Lea County in the event the CTB on lease is over capacity or in the case of battery or pipeline repairs. Oil will remain segregated and will be measured by lact meter when offloading at the Offload Stations.

Notifications have been sent to all working interest owners

Please see the enclosed Administrative Application Checklist, C-107-B Application for Off Lease Measurement, plats for referenced wells, site facility diagram, maps with lease boundaries showing wells and facility locations and communization agreement application.

Thank you for your attention to this matter. If you have questions or need further information, please email me at <a href="mailto:jeanette.barron@conocophillips.com">jeanette.barron@conocophillips.com</a> or call 575.748.6974.

Sincerely,

Jeanette Barron Regulatory Coordinator

Revised March 23, 2017

RECEIVED:	REVIEWER:	TYPE:	APP NO:
		ABOVE THIS TABLE FOR OCD D CO OIL CONSERV Cal & Engineering	ATION DIVISION
	<b>~</b>	ancis Drive, Sant	- \ \ \ → B I /
THIS C	HECKLIST IS MANDATORY FOR A	RATIVE APPLICATI	ATIONS FOR EXCEPTIONS TO DIVISION RULES AND
A I! COC Once		EQUIRE PROCESSING AT THE	OGRID Number: 229137
Applicant: COG Oper	aung, LLC		API: 30-025-43689 / 30-025-43693
Well Name: Columb Pool: Wildcat; Wolfcam;	us regeral Com 2111 & 2211		Pool Code: 98094
		FORMATION REQU	IRED TO PROCESS THE TYPE OF APPLICATION DW
	CATION: Check those  - Spacing Unit - Simu  ISL	Itaneous Dedicatio	
[1] Comi [ [11] Injec	ne only for [1] or [11] mingling – Storage – N DHC [CTB [15] tion – Disposal – Press WFX [PMX [15]	PLC $\square$ PC $\square$ (sure Increase – Enh	OLS OLM lanced Oil Recovery EOR PPR FOR OCD ONLY
A. Offset B. Royal C. Applic D. Notific E. Notific F. Surfac	operators or lease ho ty, overriding royalty of cation requires publish cation and/or concur- cation and/or concur- ce owner	olders owners, revenue o ned notice rent approval by S rent approval by E	y. Notice Complete wners Application Content Complete
H. No not not not not not not not not not no	otice required  N: I hereby certify that eapproval is accurate	t the information s a and <b>complete</b> to aken on this applic	ubmitted with this application for the best of my knowledge. I also cation until the required information and
N	ote: Statement must be comp	oleted by an individual wi	th managerial and/or supervisory capacity.
Jeanette Barron			13/07/21 Date
Print or Type Name			575-746-6974 Phone Number
Jeante De	MARA		jeanette.barron@conocophillips.com e-mail Address

District 1
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM

87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B Revised August 1, 2011

# OIL CONSERVATION DIVISION

1220 S. St Francis Drive Santa Fe, New Mexico 87505 Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

APPLICATION F	OR SURFACE O	COMMINGLING	(DIVERSE	OWNERSHIP)			
OPERATOR NAME: COG Ope	rating LLC						
OPERATOR ADDRESS: 2208 W M	Aain Street, Artesia, No	ew Mexico 88210					
APPLICATION TYPE:							
☐ Pool Commingling ☐ Lease Comminglin	g ☐Pool and Lease Con	nmingling 🛮 🖾 Off-Lease S	Storage and Measure	ement (Only if not Surface	Commingled)		
LEASE TYPE:	State	al					
Is this an Amendment to existing Order	Yes No If	"Yes", please include t	he appropriate O	rder No.			
Have the Bureau of Land Management	(BLM) and State Land	office (SLO) been not	ified in writing o	f the proposed commi	ingling		
Yes No							
		L COMMINGLING s with the following ir					
	Gravities / BTU of	Calculated Gravities /		Calculated Value of			
(1) Pool Names and Codes	Non-Commingled	BTU of Commingled Production		Commingled Production	Volumes		
	Production	Production		PIOGECTION			
		_					
<ul><li>(2) Are any wells producing at top allowa</li><li>(3) Has all interest owners been notified b</li></ul>		anagad aamminalina9	□Yes □No.				
(3) Has all interest owners been notified by (4) Measurement type: ☐ Metering		oposed comminging:					
(5) Will commingling decrease the value	of production?	☐No If "yes", descri	ibe why commingl	ing should be approved			
	(5) Will commingling decrease the value of production? Yes No If "yes", describe why commingling should be approved						
(B) LEASE COMMINCLING							
(B) LEASE COMMINGLING  Please attach sheets with the following information							
(1) Pool Name and Code.							
(2) Is all production from same source of	supply?  Yes N						
(3) Has all interest owners been notified by		posed commingling?	☐Yes ☐N	o			
(4) Measurement type; Metering	] Other (Specify)						
	(C) POOL and	LEASE COMMIN	CLING				
		ts with the following i					
(1) Complete Sections A and E.							
	,	TORAGE and MEA					
		ets with the following	information				
(1) Is all production from same source of		10					
(2) Include proof of notice to all interest	owners.						
(E) A	DDITIONAL INFO	DRMATION (for al	Lanolication t	vnes)			
		ts with the following i		/ I <sup></sup> /			
(1) A schematic diagram of facility, inclu	iding legal location.						
(2) A plat with lease boundaries showing		tions. Include lease numb	ers if Federal or St	ate lands are involved.			
(3) Lease Names, Lease and Well Number	ers, and API Numbers.						
I hereby certify that the information above	is true and complete to th	e best of my knowledge a	nd belief.				
11 11 11				DATE: B	lonlai		
SIGNATURE: Jeanette Bonnette Rosson		TTLE: Regulatory Coordi	inator	DATE: 21	v ya ·		
TYPE OR PRINT NAME Jeanette Barron	TELEPHONE NO.:	<u> 575.748.6974</u>					

E-MAIL ADDRESS: jeanette.barron@conocophillips.com

DISTRICT I 1825 N. French Dr., Hobbs, NM 86240 Phone (575) 393-6161 Fex: (575) 593-6720 DISTRICT II 811 S. First St., Artesia, NM 88210 Phone (575) 740-1263 Fax: (575) 740-9720 DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone (608) 334-6176 Fax: (508) 334-6170

DISTRICT IV 1220 S. St. Francis Br., Santa Fe, NM 67505 Phone (505) 476-3460 Fax: (505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-102 Revised August 1, 2011

Submit one copy to appropriate District Office

## OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

Santa Fe, New Mexico 87505

# WELL LOCATION AND ACREAGE DEDICATION PLAT

□ AMENDED REPORT

API Number 30-025-43689	Pool Code 98094	Pool Name Wildcat; Wolfcamp
Property Code 317530	Property Name COLUMBUS FEDERAL COM	Well Number 21H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3324'

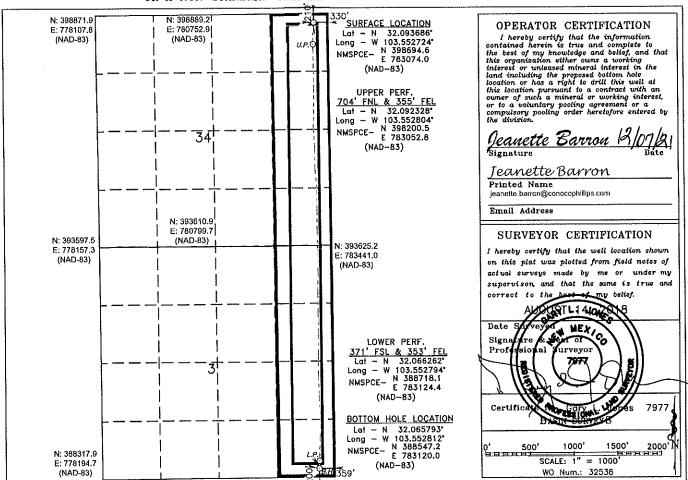
### Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Α	34	25 S	33 E		210	NORTH	330	EAST	LEA

# Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Renge	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Р	3	26 S	33 E		200	SOUTH	359	EAST	LEA
Dedicated Acre	Joint o	r Infili Co	nsolidation	Code Ore	der No.				

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

District IV. 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax; (505) 476-3462

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

> ☐ AMENDED REPORT (As Drilled)

# WELL LOCATION AND ACREAGE DEDICATION PLAT

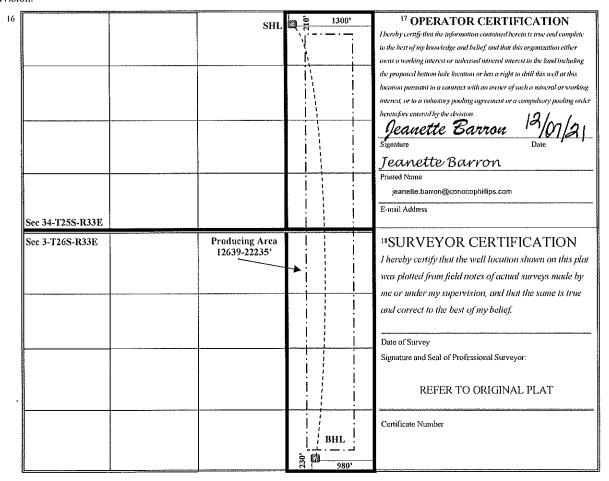
API Number	<sup>2</sup> Pool Code			
30-025-43693	98094 Bobcat Draw; Upper Wolfcamp			
<sup>4</sup> Property Code	<sup>5</sup> Property 7	Nam e	<sup>6</sup> Well Number	
317530	Columbus Fee	22H		
<sup>7</sup> OGRID No.	8 Operator	<sup>9</sup> Elevation		
229137	COG Operating LLC 3325'			
•	<sup>10</sup> Surface	Location		

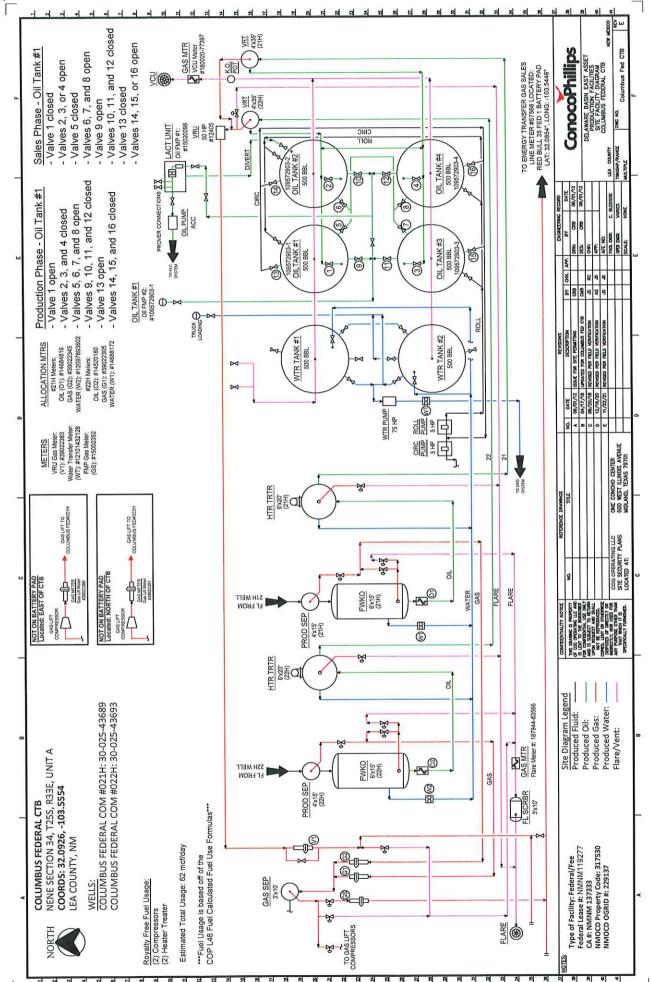
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	l
A	34	25S	33E		210	North	1300	East	Lea	
11 D. 44 H. L. L L. D. C C C										

<sup>11</sup> Bottom Hole Location If Different From Surface

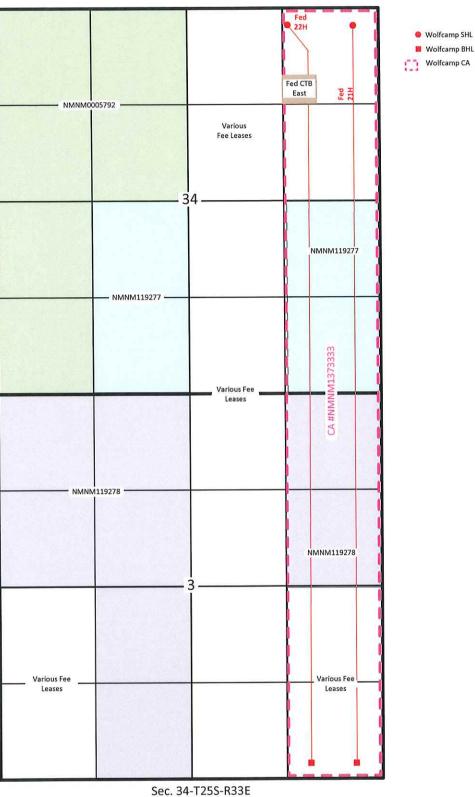
					,					
-	UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	P	3	268	33E		230	South	980	East	Lea
	12 Dedicated Acres	13 Joint of	r Infill 14 C	Consolidation	Code 15 Or	der No.	•			
	320	1								
		1			1					

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.





# Columbus Area Wells

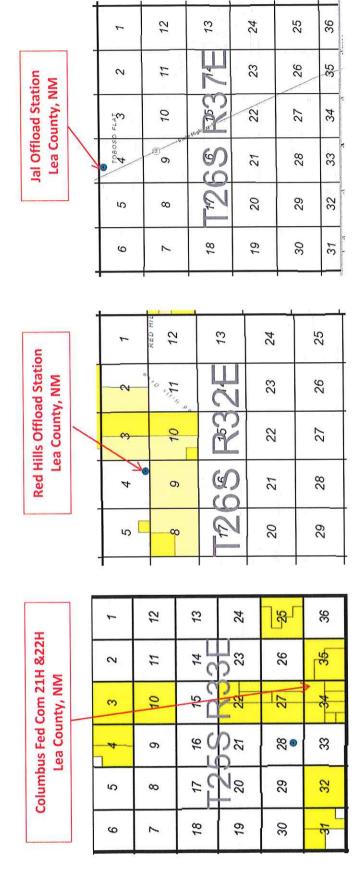


Sec. 34-T25S-R33E Sec. 03-T26S-R33E Lea County, NM

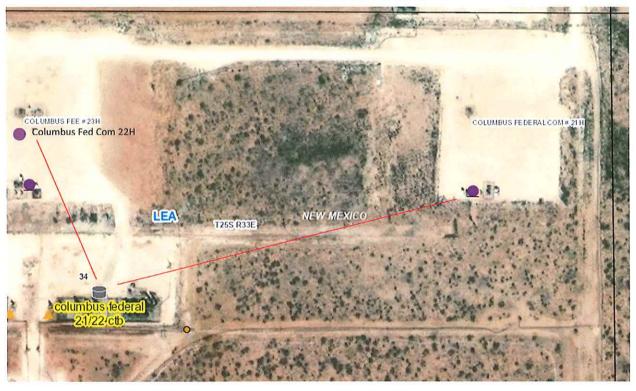
# Columbus Fed Com 21H & 22H

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Red Hills and Jal Offload Station Map



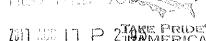
# Columbus Federal Com 21H & 22H



			Columbus Fed Com 21H & 22H	od Com	21H & 22H				
Date Sent	Initials	Name	Address	Address2	City	State	ZipCode	Certified Return Receipt No.	Delivered
12.07.21	ar Br	AHUJA HOLDINGS LLP	500 N SHORELINE	STE 501	STE 501 CORPUS CHRISTI TX	¥	78401	7020 1810 0000 1413 2260	
12.07.21	JB	RSC RESOURCES LP	PO BOX 8329		HORSESHOE BAY TX	¥	78657	7020 1810 0000 1413 2217	
12.07.21	BL	MRC PERMIAN COMPANY	S400 LYNDON B JOHNSON FWY STE 1500 DALLAS	STE 1500	DALLAS	Ϋ́	75240-1017	75240-1017 7020 1810 0000 1413 2284	
12.07.21	BL BL	MECO IV LLC	1200 17TH ST	STE 975 DENVER	DENVER	9	80202	7020 1810 0000 1413 2291	
12.07.21	ВĽ	SAGEBRUSH INTEREST LLC 2450 FONDREN RD	2450 FONDREN RD	STE 112	HOUSTON	X	77063	7020 1810 0000 1413 2307	
12.07.21	BL.	MULESHOE CRUDE LP	101 BLACKBERRY COURT		MIDLAND	X	79705	7020 1810 0000 1413 2314	
12.07.21	JB	BLM	414 W Taylor	Hobbs	Hobbs	ΣN	NM 88240	7020 1810 0000 1413 2321	



# United States Department of the Interior



BUREAU OF LAND MANAGEMENT Pecos District Carlsbad Field Office 620 E. Greene Carlsbad, New Mexico 88220-6292 www.blm.gov/nm

30-025-43689 30-025-43693

IN REPLY REFER TO: NM137333 3105.2 (P0220)

Reference:

Communitization Agreement Columbus Fed Com 21H & 22H T. 25 S., R. 33 E.,

Sec. 34: E2E2 T. 26 S., R. 33 E. Sec. 3: E2E2 Lea County, NM 08/02/2017

COG Operating, LLC 600 West Illinois Avenue Midland, TX 79701

### Gentlemen:

Enclosed is an approved copy of Communitization Agreement NM137333 involving 80 acres of Federal land in lease NMNM119277, 80 acres of Federal land in lease NMNM119278 and 160 acres of Fee land, Lea County, New Mexico, which comprises a 320 acre well spacing unit.

The agreement communitizes all rights to all producible hydrocarbons from the Wolfcamp formation beneath Sec.34, E2E2, T. 25 S., R. 33 E. and Sec. 3, E2E2, T. 26 S., R. 33 E., NMPM, and is effective 03/01/2017. Approval of this agreement does not warrant or certify that the operator, thereof and other working interest owners hold legal or equitable title to the leases which are committed hereto.

Approval of this agreement does not constitute an adjudication of any state, local government, or private interests, and does not constitute a warranty or certification that the information supplied by the party submitting this agreement regarding any private, state, or local government interests is accurate.

Copies of this approval letter are being distributed to the appropriate Federal agencies. You are requested to furnish all interested parties with the appropriate evidence of this approval. Any production royalties that are due must be reported and paid according to regulations set up by the Office of Natural Resources Revenue at 1-800-525-9167 or 303-231-3504.

If you have any questions regarding this approval, please contact Chris Walls at (575) 234-2234 or Deborah Ham at (575) 234-5965.

Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,

Il lafter Cody R. Layton

Assistant Field Manager, Lands and Minerals

1 Enclosure:

1 - Communitization Agreement

cc:

ONRR, Denver NM Taxation & Revenue Dept. (Revenue Processing Div.) **NMOCD** Commissioner of Public Lands NM (9200) NM (P0220-CFO, File Room)

# Determination - Approval - Certification

Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine that the Federal lease or leases as to the lands committed to the attached agreement cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located, and that consummation and approval of the agreement will be in the public interest. Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.
- B. Approve the attached Communitization Agreement covering Sec. 34: E2E2, T. 25 S., R. 33 E. and Sec. 3: E2E2, T. 26 S., R. 33 E., NMPM, as to all producible hydrocarbons from the Wolfcamp formation. This approval will become invalid if the public interest requirements under section 3105.2-3 (c) are not met.
  - Approval also requires operator to submit copies of sundries or any other documentation regarding activity with this well to the Bureau of Land Management (BLM), Carlsbad Field Office pursuant to Item 9 of the approved Communitization Agreement.
- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the agreement.

Approved: 08/02/2017

Assistant Field Manager,

Lands and Minerals

Effective: 03/01/2017

Contract No.: Com. Agr. NM137333

From: Engineer, OCD, EMNRD

To: Barron, Jeanette

Cc: McClure, Dean, EMNRD; Kautz, Paul, EMNRD; Hawkins, James, EMNRD; Powell, Brandon, EMNRD; lisa@rwbyram.com;

Glover, James; Paradis, Kyle O; Walls, Christopher

Subject: Approved Administrative Order OLM-254

Date:Wednesday, February 23, 2022 5:26:19 PMAttachments:OLM254 Order.pdf

NMOCD has issued Administrative Order OLM-254 which authorizes COG Operating, LLC (229137) to surface commingle or off-lease measure, as applicable, the following wells:

Well API	Well Name	UL or Q/Q	S-T-R	Pool Code
20.025.42600	C-1	E/2 E/2	34-25S-33E	00004
30-025-43689	Columbus Federal Com #21H	E/2 E/2	3-26S-33E	98094
20.025.42602	Columbus Federal Com #22H	E/2 E/2	34-25S-33E	98094
30-025-43693	Columbus Federal Com #22H	E/2 E/2	3-26S-33E	98094

The administrative order is attached to this email and can also be found online at OCD Imaging.

Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

# STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

# APPLICATION FOR OFF-LEASE MEASUREMENT SUBMITTED BY COG OPERATING, LLC

**ORDER NO. OLM-254** 

# **ORDER**

The Director of the New Mexico Oil Conservation Division ("OCD"), having considered the application and the recommendation of the Engineering Bureau, issues the following Order.

# **FINDINGS OF FACT**

- 1. COG Operating, LLC ("Applicant") submitted a complete application to off-lease measure the oil production ("Application") from the wells, pool, and lease identified in Exhibit A.
- 2. Applicant provided notice of the Application to all persons owning a working interest in the oil production to be off-lease measured in accordance with 19.15.23.9(A)(5) NMAC, and those persons either submitted a written waiver or did not file an objection to the Application.
- 3. Applicant provided notice of the Application to the Bureau of Land Management or New Mexico State Land Office, as applicable.

# **CONCLUSIONS OF LAW**

- 4. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, and 19.15.23 NMAC.
- 5. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9(A)(5) NMAC.
- 6. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

# **ORDER**

- 1. Applicant is authorized to store and measure oil production off-lease from the pools, leases, and wells identified in Exhibit A at a central tank battery described in Exhibit A.
- 2. The oil production from the wells identified in Exhibit A shall be physically separated from the oil production from other wells and no commingling of production from different leases shall occur in accordance with 19.15.23.9(A)(3) NMAC and 19.15.23.9(A)(4) NMAC, except as otherwise provided in order(s) issued by OCD.
- 3. Applicant shall measure and market the commingled gas at a central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9 NMAC, provided however that if the gas is vented or flared, and regardless

Order No. OLM-254 Page 1 of 2

- of the reason or authorization pursuant to 19.15.28.8(B) NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8(E) NMAC.
- 4. Applicant shall calibrate the meters used to measure or allocate oil production in accordance with 19.15.12.10(C)(2) NMAC.
- 5. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

Woul	DATE: 2/23/2022
ADRIENNE SANDOVAL	
DIRECTOR	

Order No. OLM-254 Page 2 of 2

# State of New Mexico Energy, Minerals and Natural Resources Department

# Exhibit A

Order: OLM-254

**Operator: COG Operating, LLC (229137)** 

Central Tank Battery: Columbus Federal Central Tank Battery

Central Tank Battery Location: Unit A, Section 34, Township 25 South, Range 33 East

**Central Tank Battery: Red Hills Offload Station** 

Central Tank Battery Location: Unit O, Section 4, Township 26 South, Range 32 East

**Central Tank Battery: Jal Offload Station** 

Central Tank Battery Location: Unit D, Section 4, Township 26 South, Range 37 East

**Gas Title Transfer Meter Location:** 

# **Pools**

Pool Name Pool Code BOBCAT DRAW; UPPER WOLFCAMP 98094

# Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
CA Wolfcamp NMNM 137333	E/2 E/2	34-25S-33E
CA Wollcamp NWINW 137333	E/2 E/2	3-26S-33E

# Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-43689	Columbus Federal Com #21H	E/2 E/2	34-25S-33E	98094
30-023-43009		E/2 E/2	3-26S-33E	
30-025-43693	Columbus Federal Com #22H	E/2 E/2	34-25S-33E	98094
30-023-43073		E/2 E/2	3-26S-33E	

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division** 1220 S. St Francis Dr. **Santa Fe, NM 87505** 

CONDITIONS

Action 65370

# **CONDITIONS**

Operator:	OGRID:
COG OPERATING LLC	229137
600 W Illinois Ave	Action Number:
Midland, TX 79701	65370
	Action Type:
	[C-107] Surface Commingle or Off-Lease (C-107B)

### CONDITIONS

Created By	Condition	Condition Date
dmcclure	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.	2/23/2022