



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

June 6, 2022

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:

Graham Cracker 2 State 1H
API# 30-015-42282
Purple Sage; Wolfcamp (Gas)
Ut. P, Sec. 2-T26S-R28E
Eddy 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.

Thank you for your attention to this matter. If you have questions or need further information, please email me at jeanette.barron@conocophillips.com or call 575.748.6974.

Sincerely,

A handwritten signature in black ink that reads "Jeanette Barron".

Jeanette Barron
Regulatory Coordinator

Revised March 23, 2017

RECEIVED:	REVIEWER:	TYPE:	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

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



ADMINISTRATIVE APPLICATION CHECKLIST

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

Applicant: COG Operating, LLC	OGRID Number: 229137
Well Name: Graham Cracker 2 State 1H	API: 30-015-42282
Pool: Purple Sage; Wolfcamp (Gas)	Pool Code: 98220

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
- A. Location – Spacing Unit – Simultaneous Dedication
 NSL NSP (PROJECT AREA) NSP (PRORATION UNIT) SD
- B. Check one only for [I] or [II]
- [I] Commingling – Storage – Measurement
 DHC CTB PLC PC OLS OLM
- [II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

FOR OCD ONLY	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
- A. Offset operators or lease holders
 B. Royalty, overriding royalty owners, revenue owners
 C. Application requires published notice
 D. Notification and/or concurrent approval by SLO
 E. Notification and/or concurrent approval by BLM
 F. Surface owner
 G. For all of the above, proof of notification or publication is attached, and/or,
 H. No notice required

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

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

Jeanette Barron

 Print or Type Name

Jeanette Barron

 Signature

6/6/22

 Date

575-746-6974

 Phone Number

jeanette.barron@conocophillips.com

 e-mail Address

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

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

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

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: COG Operating LLC
OPERATOR ADDRESS: 2208 W Main Street, Artesia, New Mexico 88210
APPLICATION TYPE:

Pool Commingling Lease Commingling Pool and Lease Commingling Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: Fee State Federal

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

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

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

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

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

- (1) Pool Name and Code.
- (2) Is all production from same source of supply? Yes No
- (3) Has all interest owners been notified by certified mail of the proposed commingling? Yes No
- (4) Measurement type: Metering Other (Specify)

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

- (1) Complete Sections A and E.

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

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

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

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

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Jeanette Barron TITLE: Regulatory Technician II DATE: 6/6/22

TYPE OR PRINT NAME Jeanette Barron TELEPHONE NO.: 575.748.6974

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

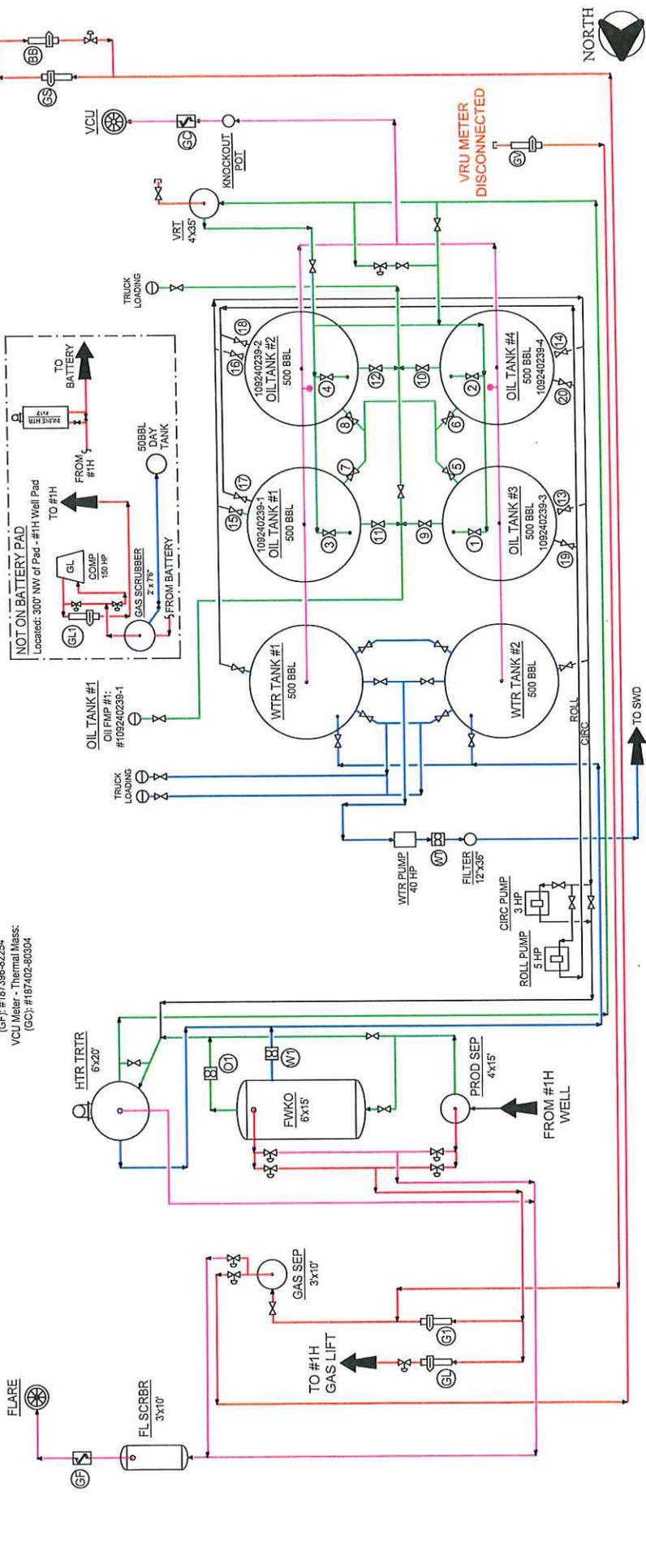
GRAHAM CRACKER 2 STATE #1H CTB
 SECTION 2, T26S, R28E, UNIT P
 COORDS: 32.065396°, -104.050518°
 EDDY COUNTY, NM

WELLS:
 GRAHAM CRACKER 2 STATE #001H: 30-015-42283

- GAS METERS**
 Sales Gas Meter: (GS): #97562
 Buy Back Gas Meter: (BB): #72562
 #1H Gas LMT Meter: (GL): #8852325
 (G): #8852327
 #1H Gas Allocation Meter: (GA): #8852324
 VRU Meter (Out of Service): (GV): #8852310
 Flare Meter - Thermal Mass: (GF): #187395-82254
 VCU Meter - Thermal Mass: (GC): #187402-80304
- LIQUID METERS**
 #1H Water Allocation Meter: (W1): #45783
 #1H Oil Allocation Meter: (O1): #12101097508
 Water Transfer Meter: (WT): #451213

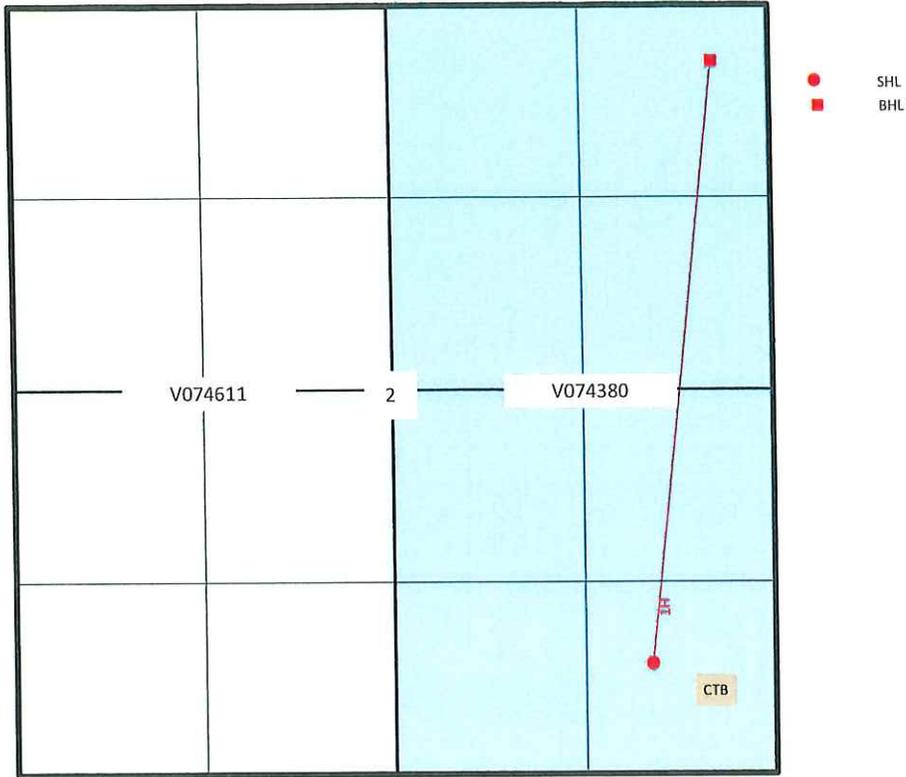
- Production Phase - Oil Tank #3**
 - Valve 1 open
 - Valves 2, 3, and 4 sealed closed
 - Valves 5, 6, 7, and 8 open
 - Valves 9, 10, 11, and 12 sealed closed
 - Valve 13 open
 - Valves 14, 15, and 16 sealed closed
 - Valves 17-20 sealed closed

- Sales Phase - Oil Tank #3**
 - Valve 1 sealed closed
 - Valves 2, 3, or 4 open
 - Valve 5 sealed closed
 - Valves 6, 7, and 8 open
 - Valve 9 open
 - Valves 10, 11, and 12 sealed closed
 - Valve 13 sealed closed
 - Valves 14, 15, or 16 open
 - Valves 17-20 sealed closed



NOTES		REFERENCE DRAWINGS		REVISIONS		ENGINEERING RECORD	
Type of Facility: State		NO.		NO.		NO.	
State Lease #: V074380		TITLE		DESCRIPTION		BY	
CA #: N/A		ONE CONCHO CENTER		A		CHK. APP.	
NIMCOCD Property Code: 40A90		600 WEST ILLINOIS AVENUE		B		DRN. REV.	
NIMCOCD OGRID #: 229137		MIDLAND, TEXAS 79701		C		DIS. DES.	
		LOCATED AT:		D		CHK. CHK.	
				E		APP. APP.	
				F		DATE DATE	
				G		05/25/18 05/27/18	
				H		03/23/21 03/23/21	
				I		10/14/21 10/14/21	
				J			
				K			
				L			
				M			
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				IP			

Graham Cracker 2 State 1H



Section 2 T-26S R-28E
Eddy NM

GRAHAM CRACKER 2 STATE 1H



Graham Cracker 2 State 1H

&

Red Hills and Jal Offload Station Map

Graham Cracker 2 State 1H

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Red Hills Offload Station
Lea County, NM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Jal Offload Station
Lea County, NM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

GRAHAM CRACKER 2 STATE 1H									
Date Sent	Initials	Name	Address	City	State	ZipCode	Certified Return Receipt No.	Delivered	
06.06.22	JB	THE ALLAR COMPANY	P O BOX 1567	GRAHAM	TX	76450	7017 3040 0000 1206 1752		
06.06.22	JB	OXY Y1 COMPANY	5 GREENWAY PLAZA, SUITE 110	HOUSTON	TX	77046	7017 3040 0000 1205 9278		
06.06.22	JB	COMMISSIONER OF PUBLIC LANDS	PO BOX 1148	SANTA FE	NM	87504	7017 3040 0000 1205 2149		

From: [McClure, Dean, EMNRD](#) on behalf of [Engineer, OCD, EMNRD](#)
To: [Barron, Jeanette](#)
Cc: [McClure, Dean, EMNRD](#); [Rikala, Ward, EMNRD](#); [Wrinkle, Justin, EMNRD](#); [Powell, Brandon, EMNRD](#); [Lamkin, Baylen, EMNRD](#); [Dawson, Scott](#)
Subject: Approved Administrative Order OLM-272
Date: Tuesday, October 10, 2023 3:40:08 PM
Attachments: [OLM272 Order.pdf](#)

NMOCD has issued Administrative Order OLM-272 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
30-015-42282	Graham Cracker 2 State #1H	E/2	2-26S-28E	98220

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-272

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 oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15 NMAC or 19.15.23.8 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**



**DYLAN M. FUGE
DIRECTOR**

DATE: 10/9/23

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: OLM-272

Operator: COG Operating, LLC (229137)

Central Tank Battery: Graham Cracker 2 State 1H Central Tank Battery

Central Tank Battery Location: UL P, Section 2, Township 26 South, Range 28 East

Central Tank Battery: Red Hills Offload Station

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

Central Tank Battery: Jal Offload Station

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

Gas Title Transfer Meter Location:

Pools

Pool Name	Pool Code
PURPLE SAGE; WOLFCAMP (GAS)	98220

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
VB 0676 0000	E/2	2-26S-28E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-015-42282	Graham Cracker 2 State #1H	E/2	2-26S-28E	98220

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

District IV
 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 114132

CONDITIONS

Operator: COG OPERATING LLC 600 W Illinois Ave Midland, TX 79701	OGRID: 229137
	Action Number: 114132
	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.	10/10/2023