Application

Received: <u>09/17/2019</u>

| | The second secon | | | |
|---------|--|-----------|---------|----------------|
| 9/17/19 | REVIEWER: DM | TYPE: OLM | APP NO: | pLEL1927737766 |

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

| NEW MEXICO OIL CON - Geological & Engine 1220 South St. Francis Drive, | eering Bureau – |
|--|--|
| ADMINISTRATIVE APPL | ICATION CHECKLIST |
| THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE REGULATIONS WHICH REQUIRE PROCESSING | APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND |
| Applicant: COG Operating, LLC Well Name: Myox 32 State 1H/Myox 32 State 3H | OGRID Number: 299137 API: 30-015-41641/30-015-41642 |
| Pool: Delaware River: Bone Springs | Pool Code: 16800 |
| SUBMIT ACCURATE AND COMPLETE INFORMATION I | REQUIRED TO PROCESS THE TYPE OF APPLICATION |
| 1) TYPE OF APPLICATION: Check those which apply A. Location – Spacing Unit – Simultaneous Dedi NSL NSP (PROJECT AREA) | • • |
| B. Check one only for [1] or [1] [1] Commingling - Storage - Measurement DHC CTB PLC PC [11] Injection - Disposal - Pressure Increase - WFX PMX SWD IPI 2) NOTIFICATION REQUIRED TO: Check those which and a complete of the committee of the commi | FOR OCD ONLY apply. Je owners by SLO by BLM or publication is attached, and/or, on submitted with this application for the best of my knowledge. I also |
| understand that no action will be taken on this appropriate to the Division. | oplication until the required information and |
| Note: Statement must be completed by an individu | ual with managerial and/or supervisory capacity. |
| | 9//7//9 Date |
| Print or Type Name | 575-746-6974 Phone Number |
| Signature Basson | jbarron@concho.com e-mail Address |



September 17, 2019

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

Re: Application for Administrative Approval of Off lease measurement

Dear Mr. McMillan,

COG Operating LLC respectfully requests approval for off lease measurement for the following well:

Myox 32 State 1H API# 30-015-41641 Delaware River; Bone Springs Ut D, Sec. 32-T25S-R28E Eddy County, NM Myox 32 State 3H
API# 30-015-41642
Delaware River; Bone Springs
Ut D, Sec. 32-T25S-R28E
Eddy County, NM

Oil Production:

The oil production from Myox 32 State 1H & 3H will be measured at the Central Tank Battery located in Ut. O, Sec. 32-T25S-R28E. In addition to the on-lease measurement, the oil production from these wells may also 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. In this case the oil will remain segregated and will be measured by lact meter when offloading at said stations.

Gas Production:

The gas production from Myox 32 State 1H & 3H will be measured at the Central Tank Battery located in Ut. O, Sec. 32-T25S-R28E.

All owners of interest have been notified by certified mail that should they have an objection, they must file a formal protest with the NMOCD within 20 days of the date of this application. Proof of owner notification is enclosed.

Please see the enclosed Administrative Application Checklist, C-103 Application for off lease measurement, plats for referenced wells, site facility diagram, maps with lease boundaries showing wells and facility locations and prior six month's production.



Thank you for your attention to this matter.

Sincerely,

Jeanette Barron

Regulatory Technician II

Enclosures

xc: Artesia OCD

| Submit 1 Copy To Appropriate District Office | State of New Mexico | Form C-103 |
|---|---|--|
| <u>District I</u> = (575) 393-6161 1625 N. French Dr., Hobbs, NM 88240 | Energy, Minerals and Natural Resources | Revised July 18, 2013 WELL API NO. |
| District II - (575) 748-1283 | OIL CONSERVATION DIVISION | 30-015-41642 |
| 811 S. First St., Artesia, NM 88210 <u>District III</u> – (505) 334-6178 | 1220 South St. Francis Dr. | 5. Indicate Type of Lease |
| 1000 Rio Brazos Rd., Aztec, NM 87410 <u>District IV</u> – (505) 476-3460 | Santa Fe, NM 87505 | STATE FEE 6. State Oil & Gas Lease No. |
| 1220 S. St. Francis Dr., Santa Fe, NM 87505 | , | VB5751 |
| SUNDRY NOT | CES AND REPORTS ON WELLS | 7. Lease Name or Unit Agreement Name |
| | SALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A CATION FOR PERMIT" (FORM C-101) FOR SUCH | MYOX 32 STATE |
| PROPOSALS.) | _ | 8. Well Number 3H |
| Type of Well: Oil Well Name of Operator | Gas Well Other SWD | 9. OGRID Number |
| COG OPERATING LLC | | 229137 |
| 3. Address of Operator 2208 W Main St. Artesia, NM 882 | 10 | 10. Pool name or Wildcat DALAWARE RIVER; BONESPRINGS |
| 4. Well Location | | |
| Unit Letter _D:190 | | feet from the WESTline |
| Section 32 | | MPM County EDDY, NM |
| | 11. Elevation (Show whether DR, RKB, RT, GR, etc., | |
| | | |
| 12. Check A | Appropriate Box to Indicate Nature of Notice, | Report or Other Data |
| NOTICE OF IN | _ | SEQUENT REPORT OF: |
| PERFORM REMEDIAL WORK ☐ TEMPORARILY ABANDON ☐ | PLUG AND ABANDON REMEDIAL WOR CHANGE PLANS COMMENCE DRI | |
| PULL OR ALTER CASING | MULTIPLE COMPL CASING/CEMEN | _ |
| DOWNHOLE COMMINGLE | | |
| CLOSED-LOOP SYSTEM | Surface Consistents M. OTUED. | |
| OTHER: 13. Describe proposed or comp | Surface Commingle OTHER: leted operations. (Clearly state all pertinent details, and | d give pertinent dates, including estimated date |
| | ork). SEE RULE 19.15.7.14 NMAC. For Multiple Con | |
| proposed completion or rec | | |
| I hereby certify that the information | above is true and complete to the best of my knowledg | e and belief. |
| COG Operating, LLC would like to | request approval to Surface Commingle production on | shared well pad. |
| | | |
| MYOX 32 STATE 1H SEC. 32, T25 MYOX 32 STATE 3H SEC. 32, T25 | | |
| WI OX 32 317112 311 82 6. 32, 12. | 35-R26L 30-013-41042 | |
| Please see attached detailed commin | gling information, diagram and maps. | |
| | | |
| | | |
| | | |
| | | |
| 1 | | |
| SIGNATURE CARACTE KO | MOO TITLE Regulatory Technician II | DATE 00 17 10 |
| SIGNATURE Jeants Bo | TITLE Regulatory Technician II | DATE <u>09.17,19</u> |
| V | ddress: <u>jbarron@concho.com</u> PHONE: <u>575-748-</u> | .6974 |
| For State Use Only | 1 HONE. 375-740 | <u> </u> |
| APPROVED BY: | TITLE | DATE |
| Conditions of Approval (if any): | IIIDE | DAIL |

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) T48-1283 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

30-015-41641

⁴ Property Code

7OGRID No.

40111

¹ API Number

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

Well Number

⁹ Elevation

1H

3003' GR

WELL LOCATION AND ACREAGE DEDICATION PLAT

* Property Name

Operator Name

MYOX 32 STATE

COG Operating, LLC

Delaware River; Bone Springs

Certificate Number

² Pool Code

16800

| | | | | | * S | urface | Location | | | | |
|-------------------------------------|-------------------------|-----------------|---------------|----------|------------------|-----------|---------------------------|----------------|--|---|---|
| UL or lat no. | Section | Township | Range | Lot Idn | Feet from | n the | North/South line | Feet fi | om the | East/West line | County |
| 0 | 32 | 258 | 28E | | 190 | | SOUTH | 198 | 0 | EAST | EDDY |
| | | | " Bo | ttom H | lole Loc | ation If | Different Fr | om St | ırface | | |
| UL or lot no. B | Section 32 | Township 25S | Range 28E | Lot Idn | Feet from 346 | n the | North/South line NORTH | Feet fr 194 | om the | East/West line EAST | County |
| ¹⁷ Dedicated Acre 160 | s ¹³ Joint o | or Infill 14 | Consolidation | Code | 15 Order No. | | | | | | |
| No allowable division. | will be as | signed to t | this comple | tion unt | til all intere | ests have | e been consolidat | ted or a | non-stan | dard unit has bee | n approved by the |
| | | | | | 346' | | 1943 | | li | | RTIFICATION ned herein is true and complete to the |
| SZÁ | | | <u>.</u> | E | 3HL | | | | best of my kn working inter bottom hole is a contract wit voluntary por by the fairlisis Signature Segularie Printed Nam | nowledge and belief, and that it rest or unlessed mineral interest or unlessed mineral interest occasion or has a right to drill the nowner of such a mineral diing agreement or a computs on the Barron the Barron ne n@concho.com | his organization either owns a at in the land including the proposed this well at this location pursuant to |
| | | | | | | | | | I hereby of plotted from my supervi- best of my REFER TO Date of Sur | ertify that the well locat imfield notes of actual s ision, and that the same belief. DORIGINAL PLAT | RTIFICATION ion shown on this plat was surveys made by me or under is true and correct to the urveyor: |
| | | | | | 4 6 2 7 | SHL | 1980' | | | | |

District.1
1625 N. French Dr., Hobbs, NM 88240
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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

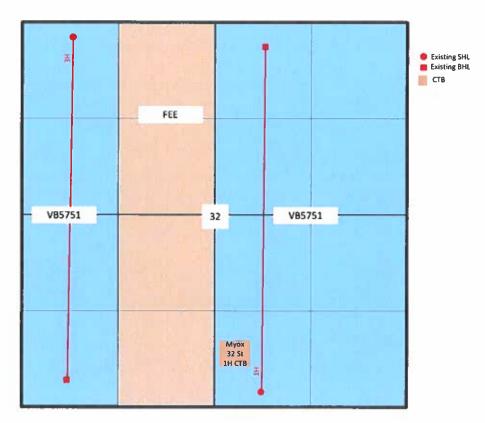
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

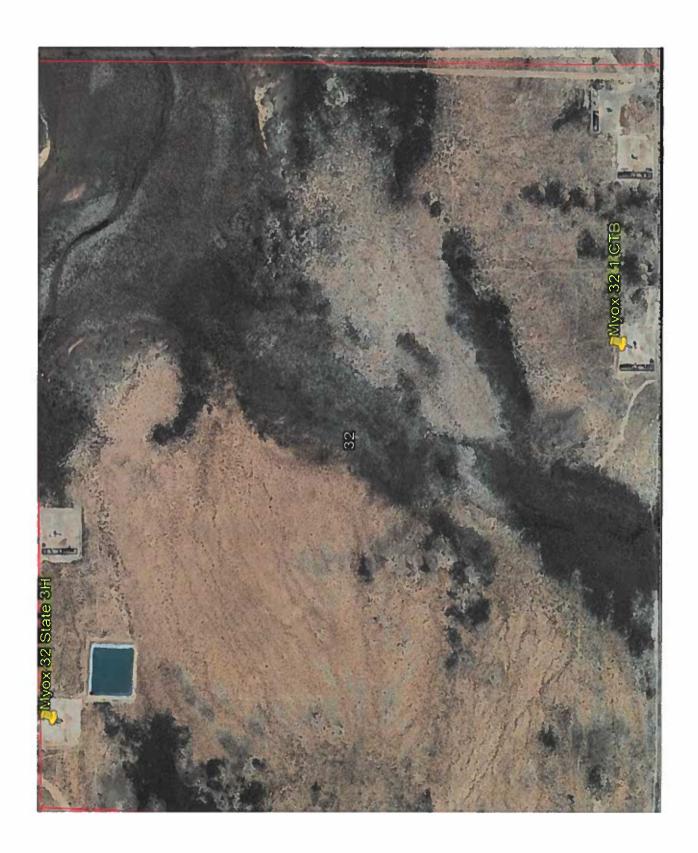
| | ¹ API Numbe 5-41642 | yr . | 1 | ² Pool Co 6800 | de | C | ³ Pod elaware River; | Name Bone Springs | ··· |
|---------------------------|-----------------------------------|-----------------|------------------|------------------------------|---------------------|---------------------------|-------------------------|------------------------|--------------------------|
| ⁴ Property | y Code | | <u> </u> | | ⁵ Proper | ty Name | | | ⁶ Well Number |
| 40111 | | | | N | MYOX 32 STA | TE | | | 3H |
| 'OGRIC 229137 | | | | | Operati | | | | * Elevation 2989' GR |
| | | | | | * Surface | e Location | | | |
| UL or lot no. | Section | Township | p Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| D | 32 | 258 | 28E | | 190 | NORTH | 660 | WEST | EDDY |
| | | | " Во | ttom Ho | le Location | If Different Fr | om Surface | | |
| UL or lot no. M | Section 32 | Township 25S | | Lot Idn | Feet from the 340 | North/South line SOUTH | Feet from the 636 | East/West line WEST | County |
| 12 Dedicated Acr 160 | es 13 Joint o | r Infill | 14 Consolidation | Code 15 C | Prder No. | | <u> </u> | | <u>, </u> |
| No allowable division. | will be as | signed to | o this comple | etion until | all interests ha | ve been consolidat | ed or a non-sta | ndard unit has b | peen approved by the |
| | 190 | | | | · <u> </u> | | ll l | OPERATOR (| ERTIFICATION |

| | 190 | | | "OPERATOR CERTIFICATION |
|------|-------------|---|---|---|
| | - 315 | | | I hereby certify that the information contained herein is true and complete to the |
| 660' | -o shl | | | best of my knowledge and belief, and that this organization either owns a |
| i | | |] | working interest or unleased mineral interest in the land including the proposed |
| | ; | | | bottom hale location or has a right to drill this well at this location pursuant to |
| | ; | | | a contract with an owner of such a mineral or working interest, or to a |
| ļ | - | | | voluntary pooling agreement or a compulsory pooling order heretofore entered |
| | | , | | Glanth Barran 9/17/19 |
| | : | | | Jeanette Barron Printed Name |
| | | | | |
| | | | | jbarron@concho.com E-mail Address |
| l | - | | | *SURVEYOR CERTIFICATION |
| | : | | | I hereby certify that the well location shown on this plat was |
| | : | | | plotted from field notes of actual surveys made by me or under |
| | | | | my supervision, and that the same is true and correct to the |
| | ; | | | best of my belief. |
| | 1 | | | REFER TO ORIGINAL PLAT |
| - | | | | Date of Survey |
| ī | | | | Signature and Seaf of Professional Surveyor: |
| | | | | |
| | , , , | | | |
| 636' | BHL | | | |
| | 340 | | | Certificate Number |

Myox 32 State 1H & 3H



Sec 32 T-25S R-28E Eddy County, NM

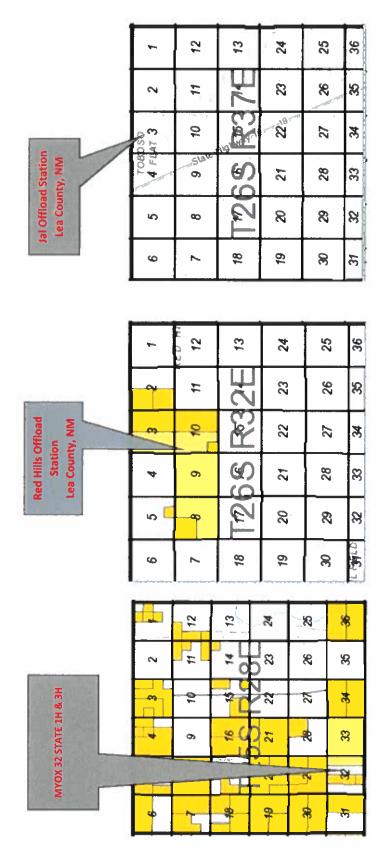




MYOX 32 STATE 1H & 3H

8

Red Hills and Jal Offload Station Map





August 2, 2019

RE: Commingling Certification

Myox 32 State 1H & 3H

Township 26 South, Range 28 East

To Whom It May Concern,

COG herein certifies that the Myox 32 State 1H and the Myox 32 State 3H share identical ownership as to Working interest and Revenue Interest owners.

The revenue owners are identical. As defined in NMAC 19.15.12.7.8, identical ownership means leases or pools have the same working, royalty and overriding royalty owners in exactly the same percentages.

Thanks,

Travis Macha Landman

| | Days Up | 2 | 14 | 31 | 30 | 31 | 30 | 31 | 28 | 31 | 6 | 31 | 30 |
|--------------|-------------------|----------------------------|-----------------------------|----------------------------|----------------------------|-----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| | Gas Prod | 477 | 4686 | 9053 | 6594 | 9179 | 7,145 | 4849 | 4962 | 3877 | 783 | 3857 | 3.056 |
| Water | Prod | 114 | 1069 | 2786 | 1951 | 2945 | 2,163 | 1348 | 1664 | 1207 | 237 | 1266 | 941 |
| Oil Prod | Adj | 44 | 523 | 1099 | 998 | 1002 | 089 | 447 | 554 | 464 | 102 | 415 | 286 |
| | Property | 9886678 | 9886678 | 9886678 | 9886678 | 9886678 | 9886678 | 8072846 | 8072846 | 8072846 | 8072846 | 8072846 | 8072846 |
| | Well # | 001H | 001H | 001H | 001H | 001H | 001H | HE00 | HE00 | HE00 | 003H | HE00 | 003H |
| | Lease Name | MYOX 32 STATE | MYOX 32 STATE | MYOX 32 STATE | MYOX 32 STATE | MYOX 32 STATE | MYOX 32 STATE | MYOX 32 STATE | MYOX 32 STATE | MYOX 32 STATE | MYOX 32 STATE | MYOX 32 STATE | MYOX 32 STATE |
| | Lease # | 040111 | 040111 | 040111 | 040111 | 040111 | 040111 | 040111 | 040111 | 040111 | 040111 | 040111 | 040111 |
| | Field Name | Delaware River;Bone Spring | Delaware River, Bone Spring | Delaware River;Bone Spring | Delaware River;Bone Spring | Delaware River, Bone Spring | Delaware River;Bone Spring | Delaware River:Bone Spring |
| | Field # | 16800 | | 16800 | 16800 | 16800 | | 16800 | | 16800 | | 16800 | |
| | Prod Date Field # | 01/2019 | 02/2019 16800 | 03/2019 | 04/2019 16800 | 05/2019 | 06/2019 16800 | 01/2019 | 02/2019 16800 | 03/2019 | 04/2019 16800 | 05/2019 | 06/2019 16800 |
| EDI API Well | Number | 3001541641 | 3001541641 | 3001541641 | 3001541641 | 3001541641 | 3001541641 | 3001541642 | 3001541642 | 3001541642 | 3001541642 | 3001541642 | 3001541642 |

| | | | MYOX 32 STATE 1H | į | | | | |
|-----------|-------------------------|------------------------------|----------------------|----------|-------|------------|---|-----------|
| | 000 | | MYOX 32 STATE 3H | | | | i. | |
| | | | | | State | | | |
| Date Sent | Date Sent Initials Name | Name | Address | City | | ZipCode | ZipCode Certified Return Receipt No. | Delivered |
| | J.B | EOG RESOURCES INC | | DALLAS | ř | 75284-0321 | 75284-0321 9414 8149 0246 9822 0296 15 | |
| | 91 | COMMISSIONER OF PUBLIC LANDS | PO BOX 2308 | SANTA FE | ΣZ | NM 87501 | 9414 8149 0246 9822 0296 22 | |
| | 1B | OXY Y-1 COMPANY | P O BOX 841803 | DALLAS | ¥ | 75284 | 9414 8149 0246 9822 0296 39 | |
| | 91 | NESTEGG ENERGY CORP | 2308 SIERRA VISTA RD | ARTESIA | ΣN | 88210-9409 | NM 88210-9409 9414 8149 0246 9822 0344 66 | |