

Application

Received: 10/30/2019

This application is placed in file for record. It MAY or MAY NOT have been reviewed to be determined Administratively Complete

| | | | |
|--------------------|--------------|-----------|-----------------------|
| RECEIVED: 10/30/19 | REVIEWER: DM | TYPE: CTB | APP NO: pDM1931239366 |
|--------------------|--------------|-----------|-----------------------|

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: SRO STATE COM 30H & SRO STATE 53H | API: 30-015-44196/30-015-41532 |
| Pool: HAY HOLLOW BONE SPRING | Pool Code: 30215 |

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

- 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

FOR OCD ONLY

- ☐ Notice Complete
☐ Application Content Complete

- 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

Date

10/30/19

575-746-6974

Phone Number

jbarron@concho.com

e-mail Address



October 30, 2019

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

Re: Application for Administrative Approval of Lease Commingle and CTB

Dear Mr. McClure,

COG Operating LLC respectfully requests approval for lease commingling for the following wells:

SRO State Com 30H
API# 30-015-44196
Hay Hollow; Bone Springs
Ut. P, Sec. 9 -T26S-R28E
Eddy County, NM

SRO State 53H
API# 30-015-41532
Hay Hollow; Bone Springs
Ut. A, Sec. 16 -T26S-R28E
Eddy County, NM

Oil Production:

The oil production from all wells will be measured separately on-lease by allocation meter prior to being commingled at the Central Tank Battery located off-lease in Ut. A, Sec. 16-T26S-R28E. In addition, 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 all wells will be measured separately on-lease by allocation meter prior to being commingled at the Central Tank Battery located off-lease in Ut. A, Sec. 16 -T26S-R28E.

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

CORPORATE ADDRESS

ONE CONCHO CENTER | 600 WEST ILLINOIS AVENUE | MIDLAND, TEXAS 79701
P 432.683.7443 | F 432.683.7441

ARTESIA WEST OFFICE

2208 MAIN STREET | ARTESIA, NEW MEXICO 88210
P 575.748.6940 | F 575.746.2096

Received by OCD: 10/30/2019 2:08:33 PM



Please see the enclosed Administrative Application Checklist, C-107B Application for Surface Commingling, 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,

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

Jeanette Barron
Regulatory Technician II

Enclosures

xc: Artesia OCD

CORPORATE ADDRESS

ONE CONCHO CENTER | 600 WEST ILLINOIS AVENUE | MIDLAND, TEXAS 79701
P 432.683.7443 | F 432.683.7441

ARTESIA WEST OFFICE

2208 MAIN STREET | ARTESIA, NEW MEXICO 88210
P 575.748.6940 | F 575.746.2096

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. 30215 Hay Hollow; Bone Spring

(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: 10/30/19

TYPE OR PRINT NAME Jeanette Barron TELEPHONE NO.: 575.748.6974

E-MAIL ADDRESS: jbarron@concho.com

[illegible]

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 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

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|---|---|--|
| ¹ API Number 30-015-41532 | ² Pool Code 30215 | ³ Pool Name HAYHOLLOW; BONE SPRING |
| ⁴ Property Code 40128 | ⁵ Property Name SRO STATE | ⁶ Well Number 53H |
| ⁷ OGRID No. 229137 | ⁸ Operator Name COG OPERATING LLC | ⁹ Elevation 3038' |

" Surface Location

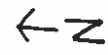
| | | | | | | | | | |
|--------------------|---------------|-----------------|--------------|---------|----------------------|---------------------------|----------------------|------------------------|----------------|
| UL or lot no. A | Section 16 | Township 26S | Range 28E | Lot Idn | Feet from the 190 | North/South line NORTH | Feet from the 560 | East/West line EAST | County EDDY |
|--------------------|---------------|-----------------|--------------|---------|----------------------|---------------------------|----------------------|------------------------|----------------|

" Bottom Hole Location If Different From Surface

| | | | | | | | | | |
|--------------------------------------|-------------------------------|----------------------------------|-------------------------|---------|----------------------|---------------------------|----------------------|------------------------|----------------|
| UL or lot no. P | Section 16 | Township 26S | Range 28E | Lot Idn | Feet from the 330 | North/South line SOUTH | Feet from the 560 | East/West line EAST | County EDDY |
| ¹⁰ Dedicated Acres 160 | ¹¹ Joint or Infill | ¹² Consolidation Code | ¹³ Order 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.

| | | | | | |
|--|--|--|------|------|--|
| | | | 190' | | <p>" OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole 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 voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Jeanette Barron</i> 10/30/19 Signature Date Jeanette Barron Printed Name jbarron@concho.com E-mail Address</p> |
| | | | SHL | 560' | |
| | | | | | <p>"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.</p> <p>REFER TO ORIGINAL PLAT</p> <p>Date of Survey Signature and Seal of Professional Surveyor:</p> |
| | | | BHL | 560' | |
| | | | 330' | | Certificate Number |



SRO STATE Unit #53H CTB
32.0491905, -104.0857773

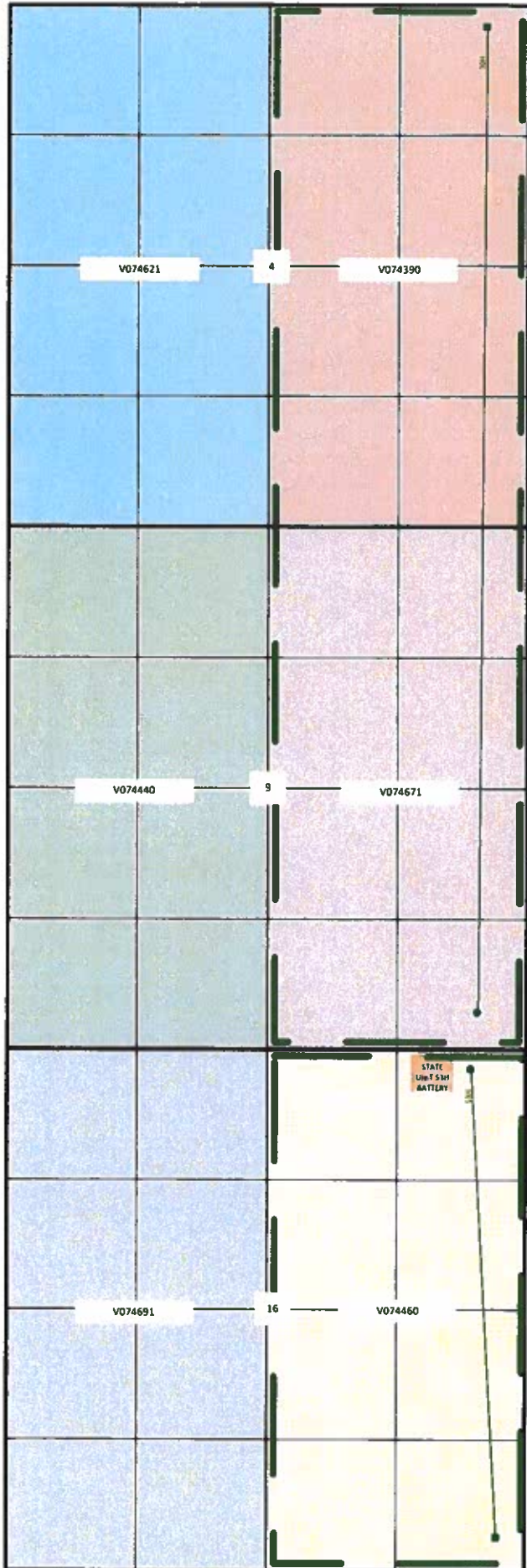
meters G_1 - 885 22292
 G_2 - 885 22291
 O_1 - 12094692001
 O_2 - 14707363
 ω_1 - 452133
 ω_2 - 423487

TANKS
1- 14076177-1
2- 141776177-2
3- 141776177-3



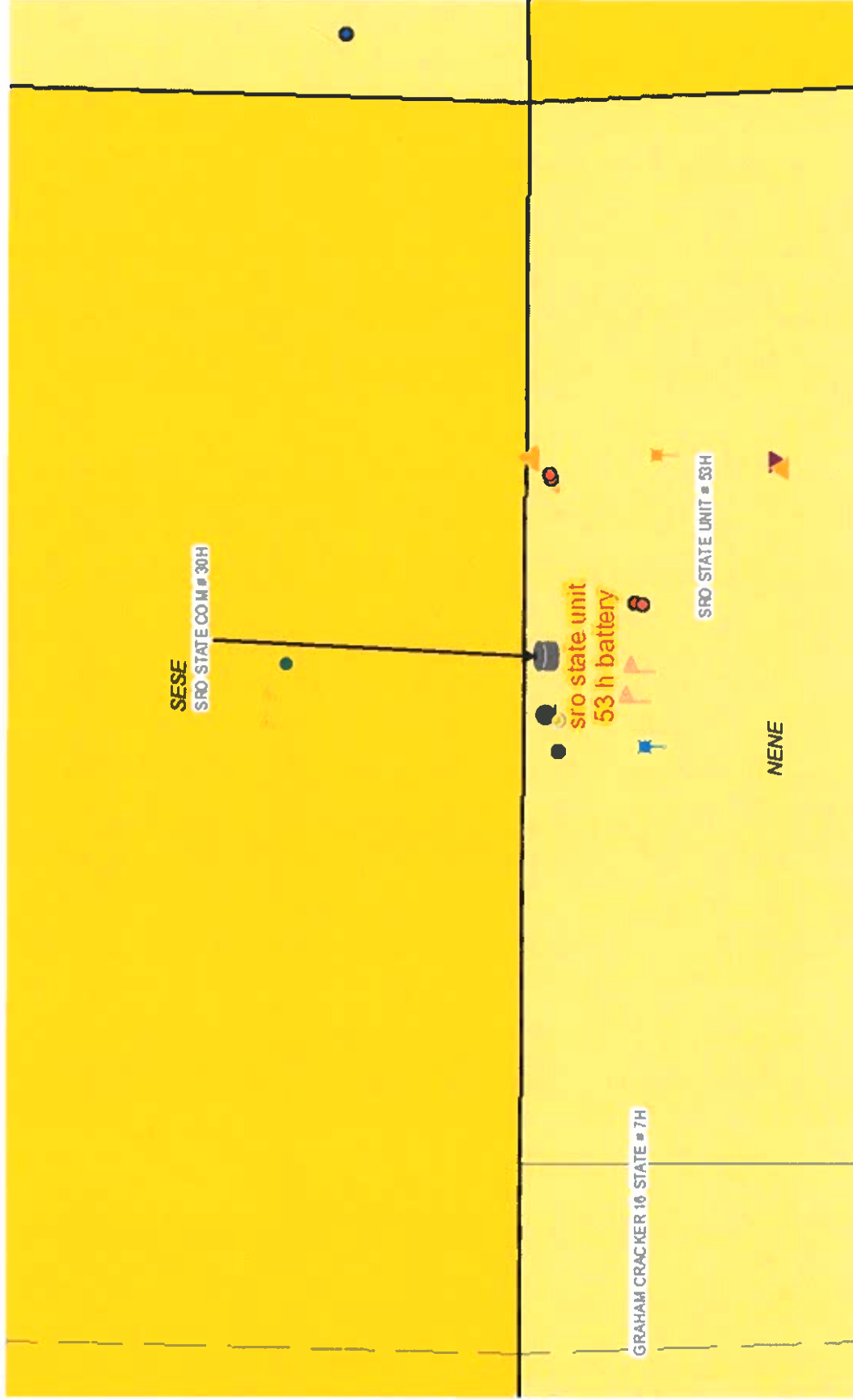
NATIONAL BUREAU OF STANDARDS
DEPARTMENT OF COMMERCE

SRO STATE 53H BATTERY



- BONE SPRINGS SHL
- BONE SPRINGS BHL
- WOLF CAMP CA NNMN137692
- BATTERY

SEC 4, 9, 16 T26S-R28E
EDDY COUNTY, NM



SRO STATE 53H BATTERY 32.0491905,-104.0857773

SRO STATE COM 30H 32.050653,-104.085535

SRO STATE COM 30H & SRO STATE 53H

&

Red Hills and Jal Offload Station Map

SRO State Com 30H &
SRO State 53H

| | | | | | |
|----|----|----|----|----|----|
| 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 |

SRO STATE COM 30H

SRO STATE 53H

| Date Sent | Initials | Name | Address | City | State | ZipCode | Certified Return Receipt No. | Delivered |
|-----------|----------|------------------------------|----------------------|----------|-------|------------|------------------------------|-----------|
| 10.30.19 | JB | CHEVRON USA INC | P O BOX 730436 | Dallas | TX | 75373-0436 | 9414 8149 0246 9822 0420 72 | |
| 10.30.19 | JB | COMMISSIONER OF PUBLIC LANDS | PO BOX 2308 | SANTA FE | NM | 87501 | 9414 8149 0246 9822 0420 89 | |
| 10.30.19 | JB | CORNERSTONE FAMILY TRUST | PO BOX 558 | PEYTON | CO | 80831-0558 | 9414 8149 0246 9822 0420 96 | |
| 10.30.19 | JB | CROWNROCK MINERALS LP | P.O. BOX 51933 | MIDLAND | TX | 79710 | 9414 8149 0246 9822 0421 02 | |
| 10.30.19 | JB | EG3 INC | P O BOX 1567 | GRAHAM | TX | 76450-0000 | 9414 8149 0246 9822 0421 19 | |
| 10.30.19 | JB | EOG RESOURCES INC | P O BOX 840321 | DALLAS | TX | 75284-0321 | 9414 8149 0246 9822 0421 26 | |
| 10.30.19 | JB | NEARBURG EXPLORATION CO LLC | PO BOX 823085 | DALLAS | TX | 75382-3085 | 9414 8149 0246 9822 0421 33 | |
| 10.30.19 | JB | NESTEGG ENERGY CORP | 2308 SIERRA VISTA RD | ARTESIA | NM | 88210-9409 | 9414 8149 0246 9822 0421 40 | |
| 10.30.19 | JB | OXY Y-1 COMPANY | P O BOX 841803 | DALLAS | TX | 75284 | 9414 8149 0246 9822 0421 57 | |
| 10.30.19 | JB | SRO3 LLC | 600 W ILLINOIS AVE | MIDLAND | TX | 79701 | 9414 8149 0246 9822 0421 64 | |
| 10.30.19 | JB | THE ALLAR COMPANY | P O BOX 1567 | GRAHAM | TX | 76450-7567 | 9414 8149 0246 9822 0421 71 | |
| 10.30.19 | JB | BLM | 620 E. GREEN ST | CARLSBAD | NM | 88220 | 9414 8149 0246 9822 0422 01 | |



October 30, 2019

Commissioner of Public Lands
NM State Land Office
P. O. Box 1148
Santa Fe, NM 87504-1148

RE: Application for CTB and Lease Commingle

SRO State Com 30H
API# 30-015-44196
Hay Hollow; Bone Springs
Ut. P, Sec. 9 -T26S-R28E
Eddy County, NM

SRO State 53H
API# 30-015-41532
Hay Hollow; Bone Springs
Ut. A, Sec. 16 -T26S-R28E
Eddy County, NM

To Whom it May Concern:

Please find enclosed check in the amount of \$150.00, which constitutes payment of the required fee for the referenced Lease Commingling application.

If you have any questions, please do not hesitate to contact me at jbarron@concho.com or 575-748-6974.

Sincerely,

A handwritten signature in black ink that reads "Jeanette Barron". The signature is fluid and cursive, with the first name "Jeanette" written in a larger, more prominent script than the last name "Barron".

Jeanette Barron
Regulatory Technician II

CORPORATE ADDRESS

ONE CONCHO CENTER | 600 WEST ILLINOIS AVENUE | MIDLAND, TEXAS 79701
P 432.683.7443 | F 432.683.7441

ARTESIA WEST OFFICE

2208 MAIN STREET | ARTESIA, NEW MEXICO 88210
P 575.748.6940 | F 575.746.2096

**NEW MEXICO
STATE
LAND OFFICE**

**APPLICATION FOR
COMMINGLING AND OFF-LEASE STORAGE
ON STATE TRUST LANDS**



This application form is required for all commingling applications requiring approval by the Commissioner of Public Lands.

Applicant: COG OPERATING, LLC

OGRID #: 229137

Well Name: SRO STATE COM 30H

API #: 30-015-44196

Pool: HAY HOLLOW;BONE SPRINGS

OPERATOR NAME: COG OPERATING, LLC

OPERATOR ADDRESS: 2208 W. MAIN STREET, ARTESIA, NEW MEXICO

APPLICATION REQUIREMENTS – SUBMIT:

1. New Mexico Oil Conservation Division (NMOCD) application packet (or equivalent information if no application is required by NMOCD),
2. Commingling application fee of \$150.

CERTIFICATION: To the best of my knowledge,

- All business leases and rights-of-way necessary for conducting the proposed operation on State Trust lands have been applied for or obtained,
- The information submitted with this application is **accurate** and **complete**, and
- No loss will accrue to the state of New Mexico as a result of the proposed operation.

I also understand that **no action** will be taken on this application until the required information and fee are submitted to the State Land Office.

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

Jeanette Barron

Print or Type Name

Jeanette Barron

Signature

Date

10/30/19

575.748.6974

Phone Number

jbarron@concho.com

e-mail Address

Submit application to:
Commissioner of Public Lands
Attn: Commingling Manager
PO Box 1148
Santa Fe, NM 87504-1148

Questions?
Contact the Commingling Manager:
505.827.5791

Upon approval, the requesting organization will receive an acknowledgment letter from the Commissioner of Public Lands.



**APPLICATION FOR
COMMINGLING AND OFF-LEASE STORAGE
ON STATE TRUST LANDS**



This application form is required for all commingling applications requiring approval by the Commissioner of Public Lands.

Applicant: COG OPERATING, LLC
Well Name: SRO STATE 53H
Pool: HAYHOLLOW;BONE SPRINGS

OGRID #: 229137
API #: 30-015-41532

OPERATOR NAME: COG OPERATING, LLC
OPERATOR ADDRESS: 2208 W. MAIN STREET, ARTESIA, NEW MEXICO

APPLICATION REQUIREMENTS – SUBMIT:

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

Jeanette Barron

Print or Type Name

Jeanette Barron

Signature

10/30/19

Date

575.748.6974

Phone Number

jbarron@concho.com

e-mail Address

Submit application to:
Commissioner of Public Lands
Attn: Commingling Manager
PO Box 1148
Santa Fe, NM 87504-1148

Questions?
Contact the Commingling Manager:
505.827.5791

Upon approval, the requesting organization will receive an acknowledgment letter from the Commissioner of Public Lands.