

# APPLICATION FOR SURFACE POOL/LEASE COMMINGLE & OFF-LEASE-SALES GAS ONLY

**Proposal for Momba 24 Fed Com #1H, Momba 24 Fed Com #3H and Cottonmouth 13 Fed Com #1H:**  
COG Production LLC respectfully request approval for Surface Pool/Lease Commingle and Off-Lease Sales gas only for the following wells:

Federal Lease NMNM12559 Royalty Rate 12.5% CA# NM126646				Oil			
Well Name	Location	API #	Pool [16800]	BOPD	Gravities	MCFPD	BTU
Momba 24 Fed Com #1H	Sec. 24-T26S-R28E	30-015-37049	Delaware River Bone Spring	-	-	50	1123.110

Federal Lease NMNM12559 Royalty Rate 12.5% CA# NM130963				Oil			
Well Name	Location	API #	Pool [30215]	BOPD	Gravities	MCFPD	BTU
Momba 24 Fed Com #3H	Sec. 24-T26S-R28E	30-015-40946	Hay Hollow; Bone Spring	-	-	110	1277.989

Federal Lease NMNM12559 Royalty Rate 12.5% CA# NM128871				Oil			
Well Name	Location	API #	Pool [51010]	BOPD	Gravities	MCFPD	BTU
Cottonmouth 13 Fed Com #1H	Sec. 13-T26S-R28E	30-015-39734	Red Bluff; Bone Spring, South	-	-	500	1118.931

An attached map shows the federal leases and well locations in Section 13, 24-T26S-R28E. Working, royalty, and overriding interest owners have been notified of this proposal via certified mail (see attached).

## Gas metering:

Each well is equipped with a gas allocation meter that will continuously meter gas production prior to commingling and these measurements shall be used to allocate production/sales to the wells. Allocation Meter #88522021 belongs to the Cottonmouth 13 Federal Com #1H, allocation meter #88522019 belongs to the Momba 24 Federal Com #1H, and allocation meter #88522020 belongs to the Momba 24 Federal Com #3H. These meters will be the Federal measurement points which production will be reported for sales of produced gas. All three wells will utilize the Southern Union sales meter #57308 which is located at the SWSE Unit Letter O Section 12, T26S, R28E.

The BLM's interest in all three wells are associated with Federal Lease #NMNM12559 which has a royalty rate of 12.5%. The Momba 24 Fed Com #1H is under CA NM126646 which has 80 acres Federal land and 80 acres of Fee land. The Momba 24 Fed Com #3H is under CA NM130963 which has 40 acres Federal land and 120 acres of Fee land. The Cottonmouth 13 Fed Com #1H is under CA NM128871 which has 120 acres Federal land and 40 acres Fee land. Waste is not induced and no correlative rights are impaired. These meters will be calibrated on a regular basis per API, NMOCD and BLM specifications. The BLM and OCD will be notified of any future changes in the facilities.

The commingling of production is in the interest of conservation and will result in the most effective, economic means of producing the reserves in place from the affected wells and will not result in reduced royalty or improper measurement of production. The proposed commingling will reduce the surface facility footprint and overall emissions.

COG will use allocation gas meters to measure the gas prior to commingling. These meters will meet all measurement requirements of API Federal regulations for gas sales meters. COG requests this type of commingle application due to economics. It is not economical to install a gas sales meter run and meter at the cost of \$65,000.00, these equipment and maintenance would have an uneconomical pay out for an installation of this type. COG feels it is not in the best interest of the American public to have the operator plug the wells at this time, there are still recoverable minerals.

COG understands the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.

Signed:

A handwritten signature in black ink, appearing to read "Mayte Reyes". The signature is fluid and cursive, with the first name "Mayte" written in a larger, more prominent script than the last name "Reyes".

Printed Name: Mayte Reyes

Title: Regulatory Analyst

Date: 5-13-16

Southern Union Sales Meter#57308

Southern Union  
Sales Meter #57308  
SWSE Sec 12. T26S. R28E  
-  
Cottonmouth 13 Fed Com #1H  
SESW Sec 13. T26S. R28E  
Allocation Meter #88522019  
-  
Momba 24 Fed Com #1H  
NENE Sec 24. T26S. R28E  
Allocation Meter #88522019  
-  
Momba 24 Fed Com #3H  
NWNE Sec 24. T26S. R28E  
Allocation Meter #88522020

Gas Line

Sec 13. T26S. R28E

Allocation Meter #88522021

Cottonmouth 13 Fed Com #1H

Allocation Meter #88522020

Momba 24 Fed Com #3H

Momba 24 Fed Com #1H

Allocation Meter #88522019

Sec 24. T26S. R28E




WELLS:  
MOMBA 24 FEDERAL #001H: 30-015-37049

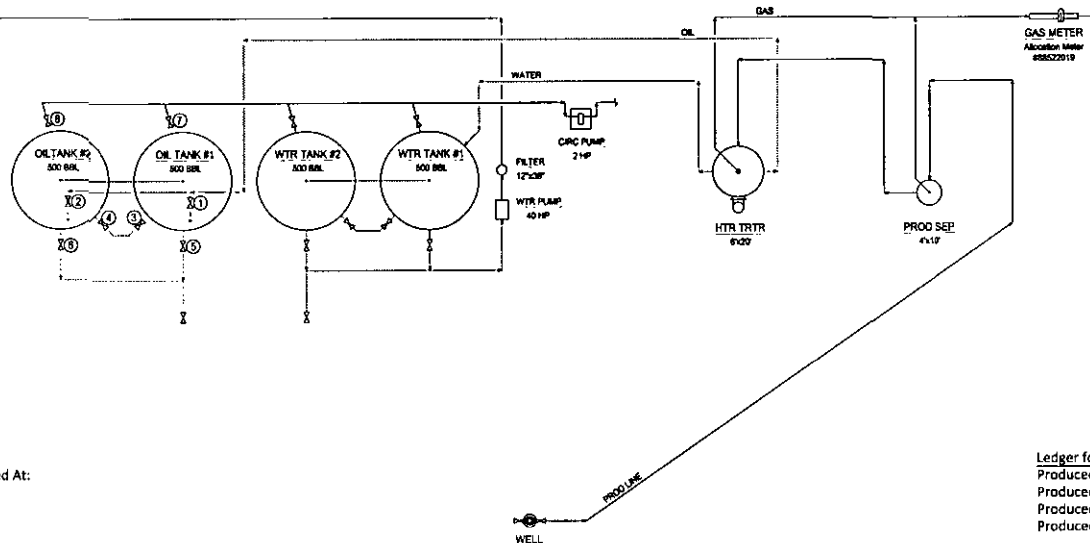
**Production Phase - Oil Tank #1**

- Valve 1 open
- Valve 2 closed
- Valves 3 and 4 open
- Valves 5 and 6 closed
- Valves 7 and 8 closed

**Sales Phase - Oil Tank #1**

- Valve 1 closed
- Valve 2 open
- Valves 3 and 4 closed
- Valve 5 open
- Valve 6 closed
- Valves 7 and 8 closed

TO ENERGY TRANSFER GAS SALES  
LINE METER #57308 LOCATED:   
SWSE SECTION 12, T26S, R28E, UNIT 0




COG Operating LLC  
Site Security Plans Located At:  
One Concho Center  
600 W. Illinois Ave.  
Midland, TX 79701

NORTH

**Ledger for Site Diagram**

Produced Fluid:	_____
Produced Oil:	_____
Produced Gas:	_____
Produced Water:	_____

NOTES		CONFIDENTIALITY NOTICE		REFERENCE CHANGES				REVISIONS				DOCUMENT RECORD					
Type of Lease: Federal Federal Lease #: NNMN - 012559 Property Code: 37875 OGRID #: 217955		Not available in PROPERTY OF CONCHO LEASE AND IS SUBJECT TO THE PROVISIONS OF THE CONCHO LEASE AND IS SUBJECT TO RETURN (SPIN) EITHER AND SHALL NOT BE REPRODUCED. CONCHO LEASE IS NOT A CONTRACT. CONCHO LEASE IS NOT A CONTRACT. CONCHO LEASE IS NOT A CONTRACT.		ALL	FILE	REV	DATE	DESCRIPTION	BY	CHK.	APP.	DATE	DATE	DATE	DATE	DATE	DATE
				1	06/20/06	REPL. FOR 816 FORM	CHS			06/20/06							
				2	06/20/06	UPDATED FOR 816 FORM	CHS			06/20/06							
				3	06/20/06	UPDATED FOR 816 FORM	CHS			06/20/06							
				4	06/20/06	UPDATED FOR 816 FORM	CHS			06/20/06							
		CONCHO OPERATIONS LLC 400 WEST ELM STREET MIDLAND, TEXAS 79701														NEW MEXICO SHELF ASSET PRODUCTION FACILITIES SITE FACILITY DIAGRAM NUMBER 24 FEDERAL 11 BATTERY	
																NEW MEXICO SHELF ASSET PRODUCTION FACILITIES SITE FACILITY DIAGRAM NUMBER 24 FEDERAL 11 BATTERY	

NMNM 107374

018

014

013

Cottonmouth 13 Fed Com 1H

NMNM 012559

Momba 24 Fed Com 3H

Momba 24 Fed Com 1H

NMNM 012559

019

023

024

NMNM 012559

NMNM 117119

025

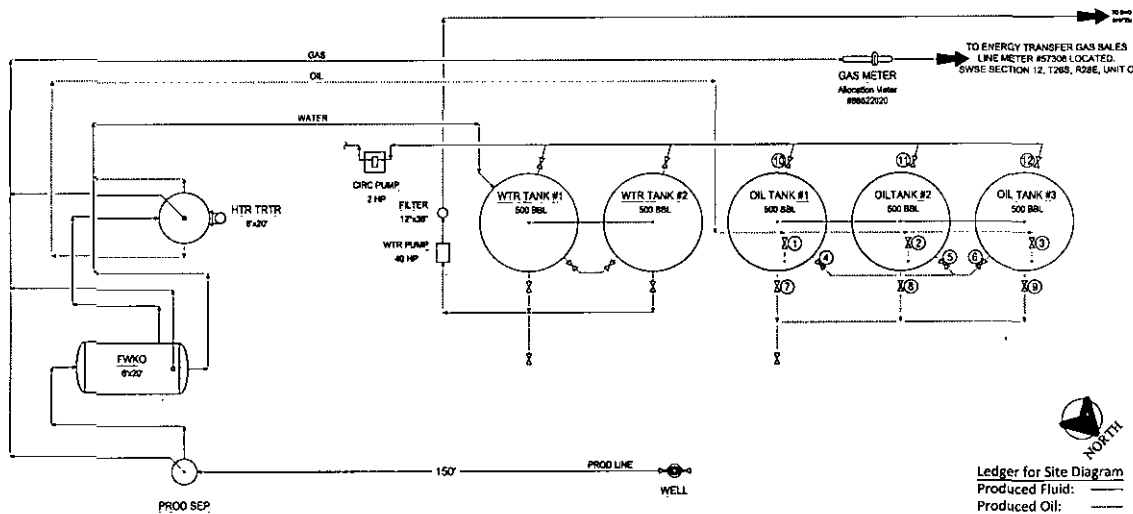
030

026

WELLS:  
MOMBA 24 FEDERAL COM #003H: 30-015-40946

- Production Phase - Oil Tank #1**
- Valve 1 open
  - Valves 2 and 3 closed
  - Valves 4, 5, and 6 open
  - Valves 7, 8, and 9 closed
  - Valves 10, 11, and 12 closed

- Sales Phase - Oil Tank #1**
- Valve 1 closed
  - Valves 2 or 3 open
  - Valve 4 closed
  - Valves 5 and 6 open
  - Valve 7 open
  - Valves 8 and 9 closed
  - Valves 10, 11, and 12 closed



**COG Operating LLC  
Site Security Plans Located At:  
One Concho Center  
600 W. Illinois Ave.  
Midland, TX 79701**

**Ledger for Site Diagram**  
 Produced Fluid: \_\_\_\_\_  
 Produced Oil: \_\_\_\_\_  
 Produced Gas: \_\_\_\_\_  
 Produced Water: \_\_\_\_\_

[illegible]