

State of New Mexico
Energy, Minerals and Natural Resources Department

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Oil Conservation Division



March 26, 2019

OFF-LEASE MEASUREMENT

Administrative Order OLM-164

COG OPERATING, LLC
Attention: Ms. Bobbie Goodloe

COG OPERATING, LLC (OGRID 229137) is hereby authorized to transport and measure oil and gas production off-lease, from the following wells which produce from the Bone Spring formation, the Wildcat; Bone Spring (Oil) Pool (pool code 97818) in Eddy County, New Mexico:

Craig State Well No. 13H (API No. 30-015-43045), Unit B, Section 36, Township 25 South, Range 26 East.

Craig State Well No. 14H (API No. 30-015-43046), Unit B, Section 36, Township 25 South, Range 26 East.

Craig State Well No. 15H (API No. 30-015-43047), Unit B, Section 36, Township 25 South, Range 26 East.

The oil production from this well shall be measured at, and sold from, Craig State 36B Central Tank Battery (CTB) located in Unit C, Section 36, Township 25 South, Range 26 East, NMPM, Eddy County, New Mexico, except when the CTB is over capacity, CTB is in repair, or the pipeline is in repair.

In any of these scenarios, the oil shall be transported to either the Red Hills Offload Station (Red Hills CTB) located in Unit O, Section 4, Township 26 South, Range 32 East, NMPM, Lea County, New Mexico, or the Jal Offload Station (Jal CTB) located in Unit D, Section 4, Township 26 South, Range 37 East, NMPM, Lea County, New Mexico.

Oil shall remain segregated and measured by a LACT meter at the Red Hills CTB or the Jal CTB when it is utilized. Further, the Applicant shall provide the Engineering Bureau with a Sundry Notice C-103 when the Red Hills CTB or Jal CTB is being utilized.

Gas production from this well shall be measured at the gatherer's meter located in Unit C, Section 36, Township 25 South, Range 26 East (not located at CTB), NMPM, Eddy County, New Mexico.

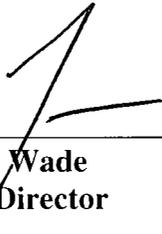
All meters for the above-referenced well shall be physically separated from facilities for other wells, so that production from the above-referenced wells will not be commingled prior to measurement with production from any other well.

This permit does not authorize the surface commingling of this oil and gas production with oil and gas production from other pools or leases.

It is also understood that you have given due notice of this application to all working interest owners who are "affected persons," as defined in Division Rule 19.15.23.9 (A) NMAC.

The approval is subject to like approval by the New Mexico State Land Office.

The operator shall notify the Artesia District Office of the Division before commencement of Off-Lease Measurement.



Gabriel Wade
Acting Director

GW/mam

cc: Oil Conservation Division – Artesia District Office
New Mexico State Land Office - Oil, Gas, and Minerals