

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Secretary

Adrienne Sandoval, Director
Oil Conservation Division



Coterra Energy Inc.
c/o Brittany Gordon
E-mail: Brittany.Gordon@coterra.com

RE: Request for a Temporary Variance from Ordering Paragraph 2 of Order CTB-936

Ms. Gordon,

The Oil Conservation Division (OCD) has reviewed your request, received on October 19, 2022, to grant a temporary variance from Ordering Paragraph 2 of Order CTB-936 for the Chief 30 State No. 8H well (30-025-44908) ("the Well") for a period of thirty (30) days while maintenance is conducted on the facilities associated with Order CTB-936.

Granting of this temporary variance will remove the stipulation that the Well be separated from other trains at the Chief 30 State Central Tank Battery and allow Coterra Energy Inc. (Coterra) to commingle the production from the Well with the production from Train 1 prior to measurement via a meter while this variance is in effect.

The OCD finds that the granting of this temporary variance is in the interest of conservation, will prevent waste, and will protect the environment. Therefore, Coterra is granted a temporary variance from Ordering Paragraph 2 of Order CTB-936 for the Well for a period of thirty (30) days with the following conditions:

1. Coterra shall conduct a well test meeting the criteria detailed in Order CTB-936 on the Well every two weeks that it is commingled with the production from Train 1 prior to measurement via a meter.
2. Coterra may request a further extension to this temporary variance if more time is required for its maintenance of the facilities associated with Order CTB-936 to be concluded.

ADRIENNE SANDOVAL
Director

DATE: 10/31/2022

cc: Admin File pDM2005836651
New Mexico State Land Office



Coterra Energy Inc.
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Midland, TX 79701

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Chief 30 State Central Tank Battery

Cimarex Energy Co. requests temporary variance to the original order CTB 936 specifically for the Chief 30 State 8H for a period of approximately 30 days for the purpose of mitigating any spill risk that could originate from the current flow line.

Attached is a write up regarding the proposed temporary allocation method.

[JTG-30d Var Chief 30 State Commingle Write Up.pdf](#)

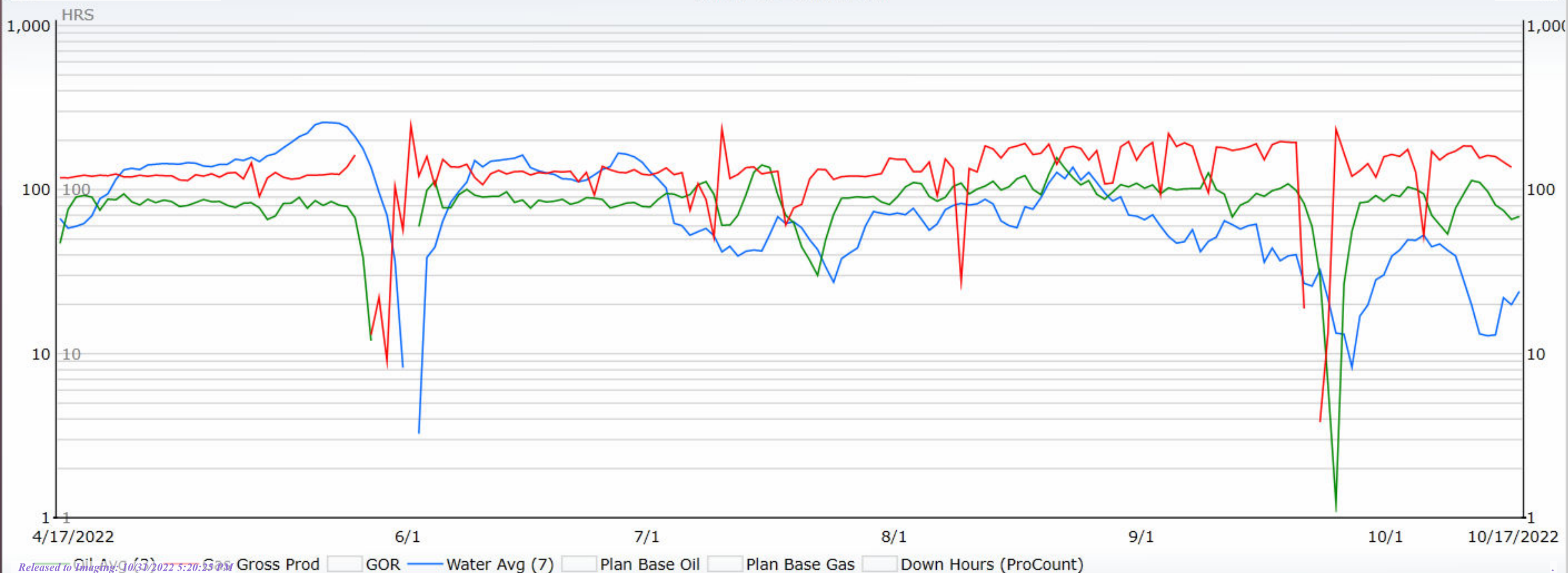
Brittany Gordon

Regulatory Analyst

432-620-1960

brittany.gordon@coterra.com

Coterra Energy Inc. is the result of the merger of Cimarex Energy Co. and Cabot Oil & Gas Corporation on October 1, 2021.



Application for Surface Commingle**Oil Production & Allocation:**

Production from the Chief 30 State wells 1H, 2H, 3H, 4H, 5, 6, 8H & 7H flow into a production header and then flow through a common 3-Phase Separator at this facility, followed by a Coriolis oil meter then a heater treater prior to being routed to tanks for sales and storage. Production from the 1H, 2H, 3H, 4H, 5, 6 & 7H will flow through a 3-phase separator to allocate oil production. For our 30d production variance we will use the most recent production from the Chief 30 State 8H to allocate the production to the well.

Coriolis meter information:

Chief 30 State #1H-7H TEST: XXXXXXXXXP

Chief 30 State #1H-7H Production: XXXXXXXXXP

The Coriolis meters will be used to allocate oil production.

Production from the Chief 30 State 9H wells will flow into a dedicated three-phase separator for each well, followed by a Coriolis oil meter then a heater treater prior to being routed to tanks for sales and storage.

Chief 30 State #9H: XXXXXXXXXP

Oil production from all of the wells is commingled at this facility.

Gas Production & Allocation:

Production from the Chief 30 State wells 1H, 2H, 3H, 4H, 5, 6, 8H & 7H flow into a production header and then flow through a common 3-Phase Separator at this facility, followed by a Gas Orifice meter prior to being sent to sales. Production from the 1H, 2H, 3H, 4H, 5, 6 & 7H will flow through a 3-phase separator to allocate gas production. Recent production of the Chief 30 State 8H during this 30d variance will allocate gas production.

Orifice meter information:

Chief 30 State #1H-7H TEST: XXXXXXXXX

Chief 30 State #1H-7H Production: XXXXXXXXX

The Orifice meters will be used to allocate gas production.

Production from the Chief 30 State 9H wells will flow into a dedicated three-phase separator, followed by a Orifice meter where it is measured for each well.

Chief 30 State #9H: XXXXXXXXX

Commingled gas production flows to the DCP gas sales meter 742644. Gas production and sales will be allocated back to each well based upon the daily metered volume from the well-head meter or test separator. Sales will be allocated back to each well based upon the monthly metered volume from the well head or test separator and the total sales volume from the DCP sales meter. The well-head meters and gas sales meter will be calibrated on a regular basis per API and NMOCD specifications.

The NMOCD will be notified of any changes to the facilities.

Cimarex understands the requested approval will not constitute the granting of any right-of-way or construction rights.

District I

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District II

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District III

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District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 155084

CONDITIONS

Operator: CIMAREX ENERGY CO. OF COLORADO 600 N. Marienfeld Street Midland, TX 79701	OGRID: 162683
	Action Number: 155084
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
dmcclure	1. Coterra shall conduct a well test meeting the criteria detailed in Order CTB-936 on the Well every two weeks that it is commingled with the production from Train 1 prior to measurement via a meter.	10/31/2022
dmcclure	2. Coterra may request a further extension to this temporary variance if more time is required for its maintenance of the facilities associated with Order CTB-936 to be concluded.	10/31/2022