

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

David R. Catanach Division Director
Oil Conservation Division



Administrative Order DHC 4816
Order Date June 14 2017

COG Operating LLC
600 West Illinois Ave
Midland Tx 79701

Attention Ms Kanicia Castillo

Burch Keely Unit Well No 363
API No 30 015 32992
Lot 3 (NW/4 SW/4 equivalent) of Irregular Section 19 Township 17 South Range
30 East NMPM
Eddy County New Mexico

| | | | |
|-------|---------------------------------|-----|---------|
| Pool | GRAYBURG JACKSON SR-Q G SA | Oil | (28509) |
| Names | BURCH KEELY GLORIETA UPPER YESO | Oil | (97918) |

Reference is made to your recent application for an exception to Division Rule 19 15 12 9A NMAC of the Division Rules and Regulations to permit the above described well to commingle production from the subject pools in the wellbore

It appears that the subject well qualifies for approval for such exception pursuant to the provisions of Division Rule 19 15 12 11A NMAC and since reservoir damage or waste will not result from such downhole commingling and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion or otherwise required separation of the zones is hereby placed in abeyance

In accordance with Division Rule 19 15 12 11A (6) NMAC the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool

As per the application the assignment of allowable and allocation of production from the subject well for the Grayburg Jackson SR Q G SA and Burch Keely Glorieta Upper Yeso Pools shall be based on established production from both pools in the subject well

Assignment of allowable and allocation of production from the well shall be as follows

| | | |
|--------------------------------------|------------|------------|
| GRAYBURG JACKSON SR Q G SA Pool | Pct Oil 80 | Pct Gas 51 |
| BURCH KEELY GLORIETA-UPPER YESO Pool | Pct Oil 20 | Pct Gas 49 |

It is also understood that notice of this application pursuant to Division Rule 19 15 4 12 A (6) is not required since the interest ownership between the zones to be commingled is common throughout

REMARKS The operator shall notify the Artesia District office prior to implementation of the commingling operations

This Order is subject to like approval from the Bureau of Land Management

Pursuant to Division Rule 19 15 12 11B NMAC the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling



David R Catanach
Director

DRC/mam

cc Oil Conservation Division – Artesia District Office
Bureau of Land Management Carlsbad
Well File – 30 015-32992