State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Ken McQueen Cabinet Secretary

Matthias Saver Deputy Cabinet Secretary David R. Catanach, Division Director Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-843 Administrative Application Reference No. pMAM1733859237

December 26, 2017

COG Operating LLC

Attention: Ms. Kanicia Castilo

COG Operating LLC (OGRID 229137) is hereby authorized to surface commingle oil and gas production from the Empire; Glorieta-Yeso Pool (Pool code: 96210) from the following diversely owned federal leases located in Township 17 South, Range 28 East, Eddy County, New Mexico:

Lease:

Federal lease O315712

Description:

SW/4 SW/4 of Section 14, Township 17 South, Range 28 East

Wells:

Tumak Federal Well No. 2

API 30-015-40464

Tumak Federal Well No. 3

API 30-015-40459

Lease:

Federal Communitization Agreement 315712

Description: E/2 W/2 of Section 23, Township 17 South, Range 28East

Well:

Malco 23 Federal Com Well No. 13H

API 30-015-44297

The combined project area for these wells includes the SW/4 SW/4 and of Section 14, and the E/2 W/2 of Section 23, all in Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico.

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Tumak Federal Well No. 3 Central Tank Battery (CTB), located in Unit M of Section 14, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico.

Your application has been duly filed under the provisions of Division Rules 19.15.12.10.C NMAC and 19.15.4.12.A (8) NMAC.

Production from the subject wells shall be determined as follows:

The oil and gas production from the Tumak Federal Well No. 2 and Tumak Federal Well No. 2, which have identical ownership, shall be measured with a combination of metering and well testing. The oil and gas production from the Malco 23 Federal Com Well No. 13H shall be measured separately before commingling.

The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2) NMAC.

Subsequently drilled wells that produce from the subject pool within the project areas approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

This installation shall be installed and operated in accordance with the applicable Division Rules. It is the responsibility of the producer to notify the transporter of this commingling authority.

This administrative order is subject to like approval from the Bureau of Land Management.

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

Done at Santa Fe, New Mexico, on December 26, 2017.

DAVID R. CATANACH

Director

DRC/mam

cc: Oil Conservation Division – Artesia

Bureau of Land Management - Carlsbad