

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

Heather Riley, Division Director
Oil Conservation Division



February 28, 2018

OFF-LEASE MEASUREMENT

Administrative Order OLM-136
Application Reference No. pMAM1803139830

COG OPERATING, LLC
Attention: Ms. Amanda Avery

COG OPERATING, LLC (OGRID 229137) is hereby authorized to transport and measure gas production off-lease, from the following wells which produce from the Bone Spring formation, from the Cruz; Bone Spring Pool (pool code 14865) in Lea County, New Mexico:

Jazzmaster 17 State Well No. 3H (API No. 30-025-41426), Unit B, Section 17, Township 23 South, Range 33 East.

Jazzmaster 17 State Well No. 4H (API No. 30-025-41329), Unit A, Section 17, Township 23 South, Range 33 East.

The oil production from these wells shall be measured at, and sold from, Jazzmaster 17 State Well No. 4H Central Tank Battery (CTB) located in Unit A, Section 17, Township 23 South, Range 33 East, NMPM, Lea County, New Mexico.

Gas production from these two wells shall be measured at the gatherer's meter located in Unit E, Section 17, or the gatherer's meter located in Unit P, Section 18, all in Township 23 South, Range 33 East, NMPM, Lea County, New Mexico.

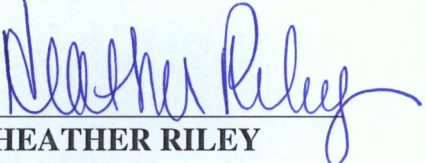
All meters for the above-referenced wells shall be physically separated from facilities for other wells, so that production from the above-referenced wells will not be commingled prior to measurement with production from any other well.

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

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



HEATHER RILEY
Director

HR/mam

cc: Oil Conservation Division – Hobbs district office
New Mexico State Land Office – Oil, Gas, and Minerals