

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
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Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

Heather Riley, Division Director
Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-849
Administrative Application Reference No. pMAM1803758554

March 1, 2018

COG Production, LLC
Attention: Ms. Deborah Wilbourn

COG Production, LLC (OGRID 217955) is hereby authorized to surface commingle oil production and off-lease measure oil and gas production from the Purple Sage; Wolfcamp (Gas) Pool (Pool code 98220) from the following diversely owned federal leases located in Township 26 South, Range 29 East, Eddy County, New Mexico:

Lease:	Federal Communitization Agreement NMNM136878	
Description:	E/2 E/2 of Section 30, and Lot 7 and NE/4 NE/4 (E/2 NE/4 equivalent) of Section 31, Township 26 South, Range 29 East	
Well:	Copperhead 31 Federal Com Well No. 3H	API 30-015-43924
Lease:	Federal Communitization Agreement NMNM137596	
Description:	E/2 of Section 30, and Lot 6, Lot 7, and N/2 NE/4 (E/2 equivalent) of Section 31, Township 26 South, Range 29 East	
Well:	Copperhead 31 Federal Com Well No. 21H	API 30-015-44118

Production from the subject wells shall be determined as follows:

The oil production from the Copperhead 31 Federal Com Well No. 3H and Copperhead 31 Federal Com Well No. 21H shall be measured separately at, and sold from, Copperhead 31 Federal Com Well No. 3H Central Tank Battery (Copperhead 31 Federal Com Well No. 3H CTB) located in Unit A, Section 30, Township 26 South, Range 29 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, Eddy County, New Mexico, or the Jal Offload Station (Jal CTB) located in Unit D, Section 4, Township 26 South, Range 37 East, NMPM, Eddy County, New Mexico. Further, the oil production from either of these leases shall not be commingled with production from any other lease or pool, when either the Red Hills CTB or Jal CTB is utilized.

Gas production from the Copperhead 31 Federal Com Well No. 3H and Copperhead 31 Federal Com Well No. 21H shall be measured separately at the Copperhead 31 Federal Com Well No. 3H CTB before commingling at the gatherer's meter located in Lot 1/ Unit E, Section 32, Township 26 South, Range 29 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.

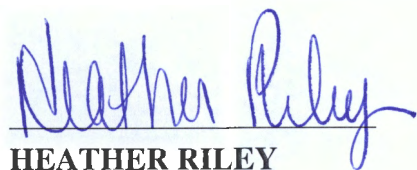
It is also understood that you have given due notice of this application to all owners in the mineral interest estate ("affected parties") as defined in Rule 19.15.12.10.C (4) NMAC.

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

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.



HEATHER RILEY
Director

HR/mam

cc: Oil Conservation Division – Artesia
Bureau of Land Management - Carlsbad