

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Susana Martinez**  
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Cabinet Secretary

**Matthias Sayer**  
Deputy Cabinet Secretary

**Heather Riley, Division Director**  
Oil Conservation Division



April 12, 2018

COG OPERATING, LLC  
Attention: Ms. Bobbie Goodloe

OFF-LEASE MEASUREMENT

**Administrative Order OLM-129-A**  
**Application Reference No. pMAM1807852709**

Reference your application received March 15, 2018

The Oil Conservation Division (Division) authorizes COG OPERATING, LLC (OGRID 229137) (COG) to transport and measure oil production off-lease from the following well which produces from the Red Hills; Bone Spring, North pool (pool code 96434) in Lea County, New Mexico.

Sombrero Federal Com Well No. 004H (API No. 30-025-43286), Unit M, Section 13, Township 24 South, Range 34 East.

The oil and gas production from this well shall be measured at and sold from Sombrero Federal Com Well No. 004H Central Tank Battery (CTB) located in Unit M, Section 13, Township 24 South, Range 34 East, NMPM, Lea 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) in O-4-26S-32E or the Jal Offload Station (Jal CTB) in D-4-26S-37E

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.

Production from the subject wells shall be determined as follows.

1. Oil shall remain segregated and measured by a LACT meter at the Red Hills CTB or the Jal CTB when it is used.

**This permit does not authorize the surface commingling of this oil production with oil production from other pools or leases.**

The Division understands COG has given notice of this application to all working interest owners who are "affected persons," per Subsection A of 19.15.23.9 NMAC.

This administrative order supersedes Administrative Order OLM-129, issued on January 25, 2018, by allowing off-lease measurement at either the Red Hills CTB or the Jal CTB.

COG shall notify the Hobbs District Office of the Division before starting off-lease measurement.



**HEATHER RILEY**  
**Director**

HR/mam/rbb

cc: Oil Conservation Division – Hobbs District Office  
Bureau of Land Management - Carlsbad