

DO NOT SCAN  
TALK TO CONCORD

Revised March 23, 2017

RECEIVED: 3/15/2018	REVIEWER: MAM	TYPE: OLM	APP NO: 2MAM1807852705
------------------------	------------------	--------------	---------------------------

NEW MEXICO OIL CONSERVATION DIVISION  
- Geological & Engineering Bureau -  
1220 South St. Francis Drive, Santa Fe, NM 87505



### ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: COG OPERATING LLC OGRID Number: 229137  
Well Name: SOMBRERO FEDERAL COM #4H API: 30-025-43286  
Pool: RED HILLS; BONE SPRING, NORTH Pool Code: 96434

### SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

1) **TYPE OF APPLICATION:** Check those which apply for [I] or [II]

A. Location - Spacing Unit - Simultaneous Dedication

☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD

B. Check one only for [I] or [II]

[I] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☒ OLM

[II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

2) **NOTIFICATION REQUIRED TO:** Check those which apply.

- A. ☐ Offset operators or lease holders  
B. ☒ Royalty, overriding royalty owners, revenue owners  
C. ☐ Application requires published notice  
D. ☐ Notification and/or concurrent approval by SLO  
E. ☒ Notification and/or concurrent approval by BLM  
F. ☐ Surface owner  
G. ☐ For all of the above, proof of notification or publication is attached, and/or,  
H. ☐ No notice required

#### FOR OCD ONLY

☐ Notice Complete  
☐ Application Content Complete

- 3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

BOBBIE GOODLOE

Print or Type Name

Signature

3-19-18  
Date

575-748-6952

Phone Number

bgoodloe@concho.com

e-mail Address

## McMillan, Michael, EMNRD

---

**From:** Bobbie Goodloe <BGoodloe@concho.com>  
**Sent:** Monday, March 19, 2018 2:34 PM  
**To:** McMillan, Michael, EMNRD  
**Cc:** Debora Wilbourn  
**Subject:** Application for Admin Approval for OLM - Sombrero Federal Com #4H  
**Attachments:** Sombrero Federal Com #4H - Application for OLM Jal Offload.pdf

Mr. McMillan,

Please find attached the application for OLM for our Sombrero Federal Com #4H well. Please note that this application is for OLM (oil only) to the Jal Offload as a back-up in the event the battery on lease is at capacity or down for repairs. Notifications have been sent to the offset operators and/or lease holders as required. Originals to follow by mail.

Please let me know if you need anything further.

*Thank you,*

*Bobbie Goodloe*

Regulatory Analyst II  
North Delaware Basin Asset Team  
[bgoodloe@concho.com](mailto:bgoodloe@concho.com)  
575.748.6952

Concho West | 2208 W Main St | Artesia, NM | 88210-3720 | 575.748.6940



NOTICE: The information in this email may be confidential and/or privileged. If you are not the intended recipient or an authorized representative of the intended recipient, you are hereby notified that any review, dissemination or copying of this email and its attachments, if any, or the information contained herein, is prohibited. If you have received this email in error, please immediately notify the sender by return email and delete this email from your system. Further, any contract terms proposed or purportedly accepted in this email are not binding and are subject to management's final approval as memorialized in a separate written instrument, excluding electronic correspondence, executed by an authorized representative of COG Operating LLC or its affiliates.



March 19, 2018

Attn: Michael McMillan  
NM Oil Conservation Division  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

Re: Application for Administrative Approval  
Off-lease Measurement – Oil Only

Dear Mr. McMillan,

COG Operating, LLC, respectfully requests approval for Off-lease Measurement for oil only for the following well:

Sombrero Federal Com #4H  
API #30-025-43286  
Red Hills, Red Hills; Bone Spring, North  
SHL 460' FSL 380' FWL, Sec. 13-T24S-R34E  
BHL 2436' FSL 377' FWL, Sec. 12-T24S-R34E  
Lea County


The oil production from this well may be transported by truck to the Jal Offload Station, located in Unit D, Section 4-T26S-R37E, Lea County, in the event the CTB on lease is over capacity or in the case of battery or pipeline repairs. Oil will remain segregated and will be measured by lact meter when offloading at the Jal Station. Notices have been sent to all interest owners as required.

Also, please see the attached Administrative Application Checklist, plats for referenced well, proof of notice to interest owners, diagrams of site facility, map with lease boundaries showing wells and facility locations, last six months production and copies of submitted sundries to the BLM for FMP's.

**\*\*Please note, this request for off-lease measurement is in addition to the request made for oil transport to the Red Hills Offload station approved 1/25/18, Admin Order OLM-129.**

Thank you for your attention to this matter.

Sincerely,

  
Bobbie Goodloe  
Regulatory Analyst

Enclosures

**CORPORATE ADDRESS**

ONE CONCHO CENTER | 600 WEST ILLINOIS AVENUE | MIDLAND, TEXAS 79701  
P432 683.7443 | F432 683.7441

**ARTESIA WEST OFFICE**

2208 MAIN STREET | ARTESIA, NEW MEXICO 88210  
P575 748.6940 | F575 746.2096

DISTRICT I  
1625 N. FRENCH DR., HOBBS, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720

DISTRICT II  
811 S. FIRST ST., ARTESIA, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III  
1000 RIO BRAZOS RD., AZTEC, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV  
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505  
Phone: (505) 476-3480 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number		Pool Code	Pool Name
Property Code	Property Name <b>SOMBRERO FEDERAL COM</b>		Well Number 4H
OGRID No.	Operator Name <b>COG OPERATING, LLC</b>		Elevation 3474.5'

**Surface Location**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	13	24-S	34-E		460	SOUTH	380	WEST	LEA

**Bottom Hole Location If Different From Surface**

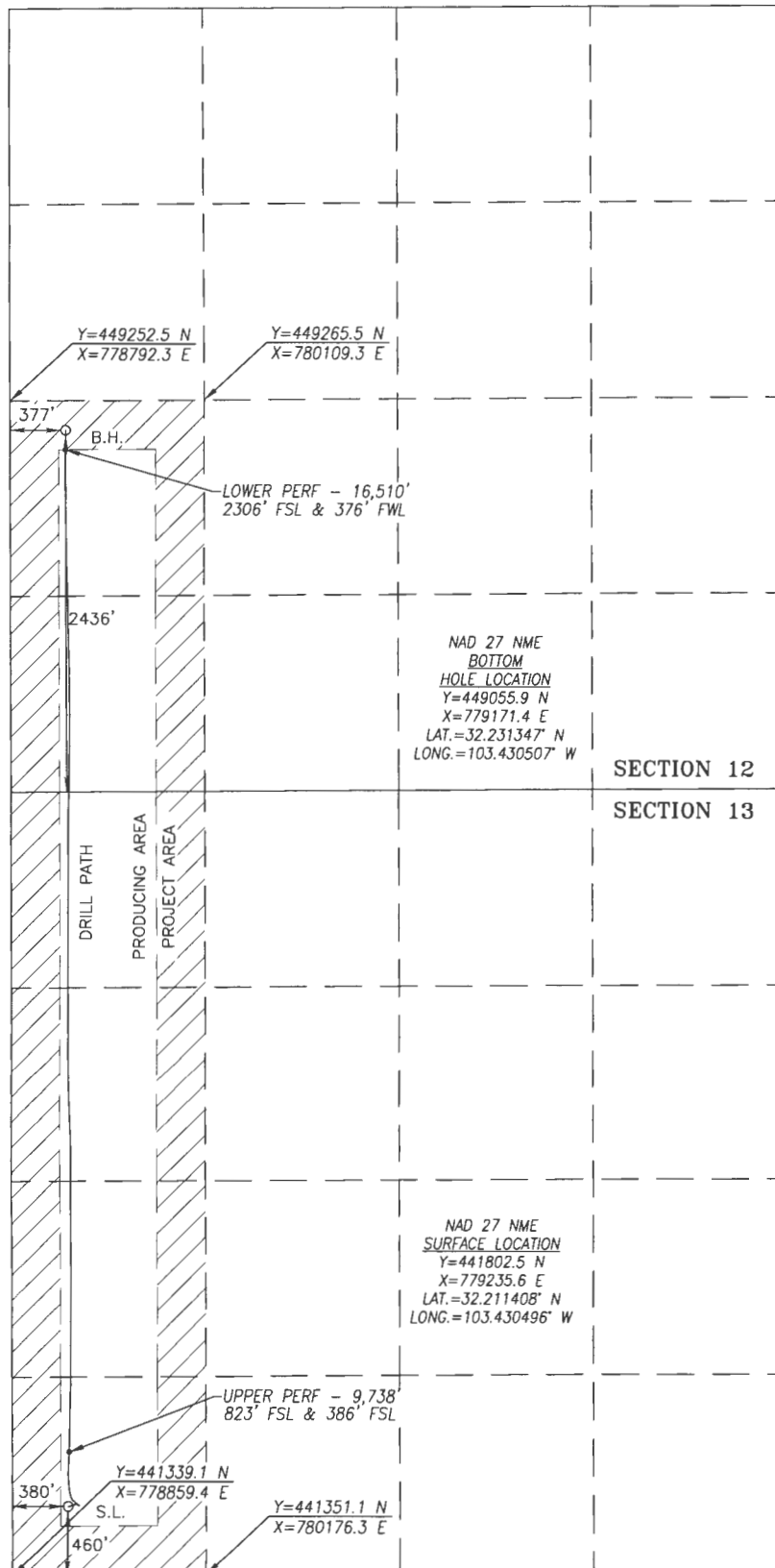
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	12	24-S	34-E		2436	SOUTH	377	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

SEE PAGE 2

Property Code	Property Name <b>SOMBRERO FEDERAL COM</b>	Well Number 4H
OGRID No.	Operator Name <b>COG OPERATING, LLC</b>	Elevation 3474.5'



BOREPATH SHOWN HEREON IS BASED ON DIRECTIONAL SURVEY REPORT PROVIDED BY COG OPERATING FOR THE SOMBRERO FEDERAL COM #4H SUPPLIED TO HARCROW SURVEYING, LLC ON FEBRUARY 9, 2017.

1200 0 1200  
SCALE: 1"=1200'

#### OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: *Bobbie Goodloe* Date: 3-19-18  
Printed Name: Bobbie Goodloe  
E-mail Address: bgoodloe@concho.com

#### SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

DECEMBER 30, 2014/DECEMBER 17, 2016

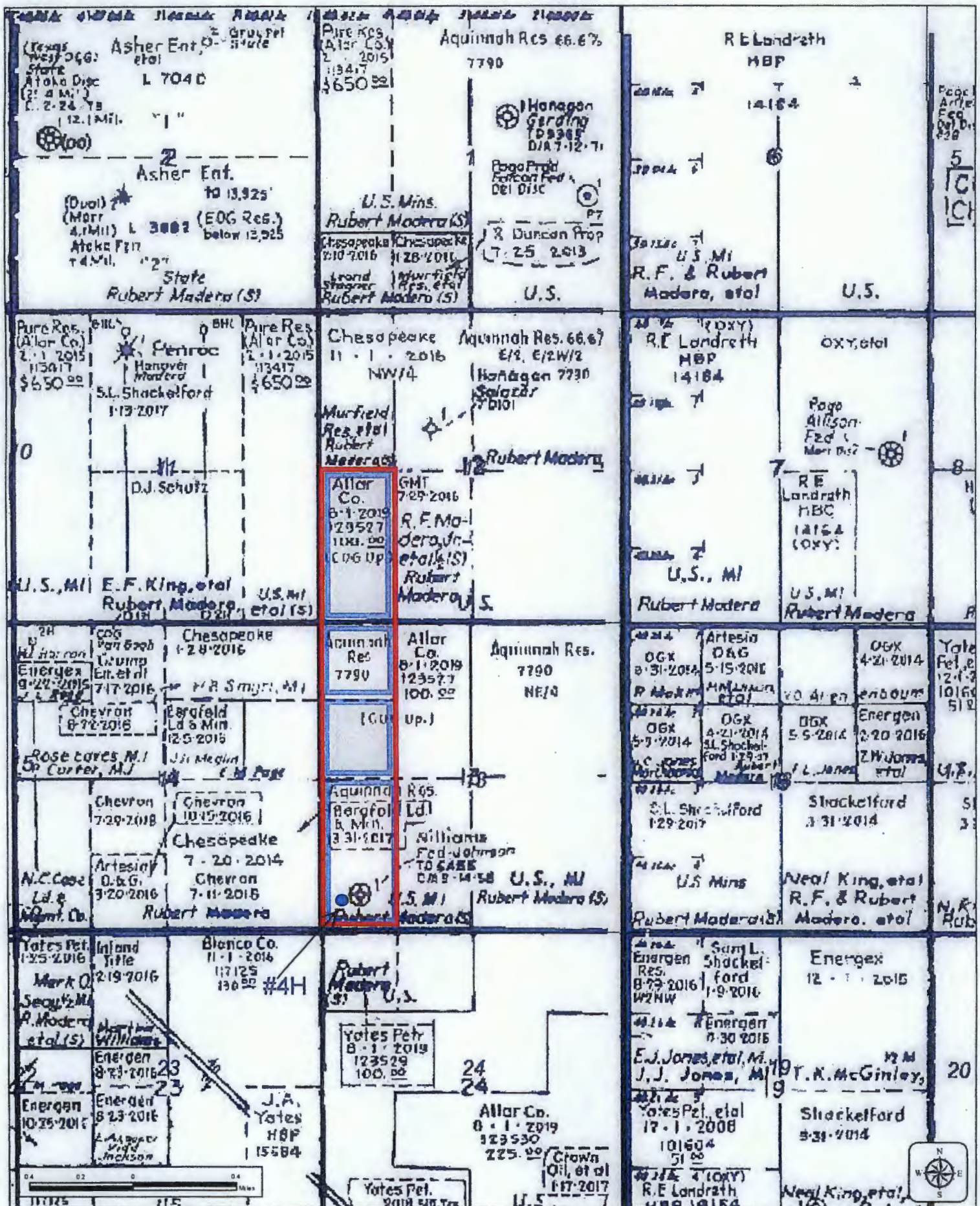
Date of Survey/Date of Geographic Survey

Signature & Seal of Professional Surveyor



Signature: *Chad Harcrow* Date: 2/20/17  
Certificate No. CHAD HARCROW 17777










# Sombrero Fed Com 4H -- SHL

Write a description for your map.

## Legend

-  Sombrero Fed Com 4H -- SHL
-  Sombrero Fed Com 4H Battery
-  Sombrero Fed Com 4H Gas Meter #1611087

Sombrero Fed Com 4H Gas Meter #1611087

Sombrero Fed Com 4H Battery

Sombrero Fed Com 4H -- SHL

Google Earth

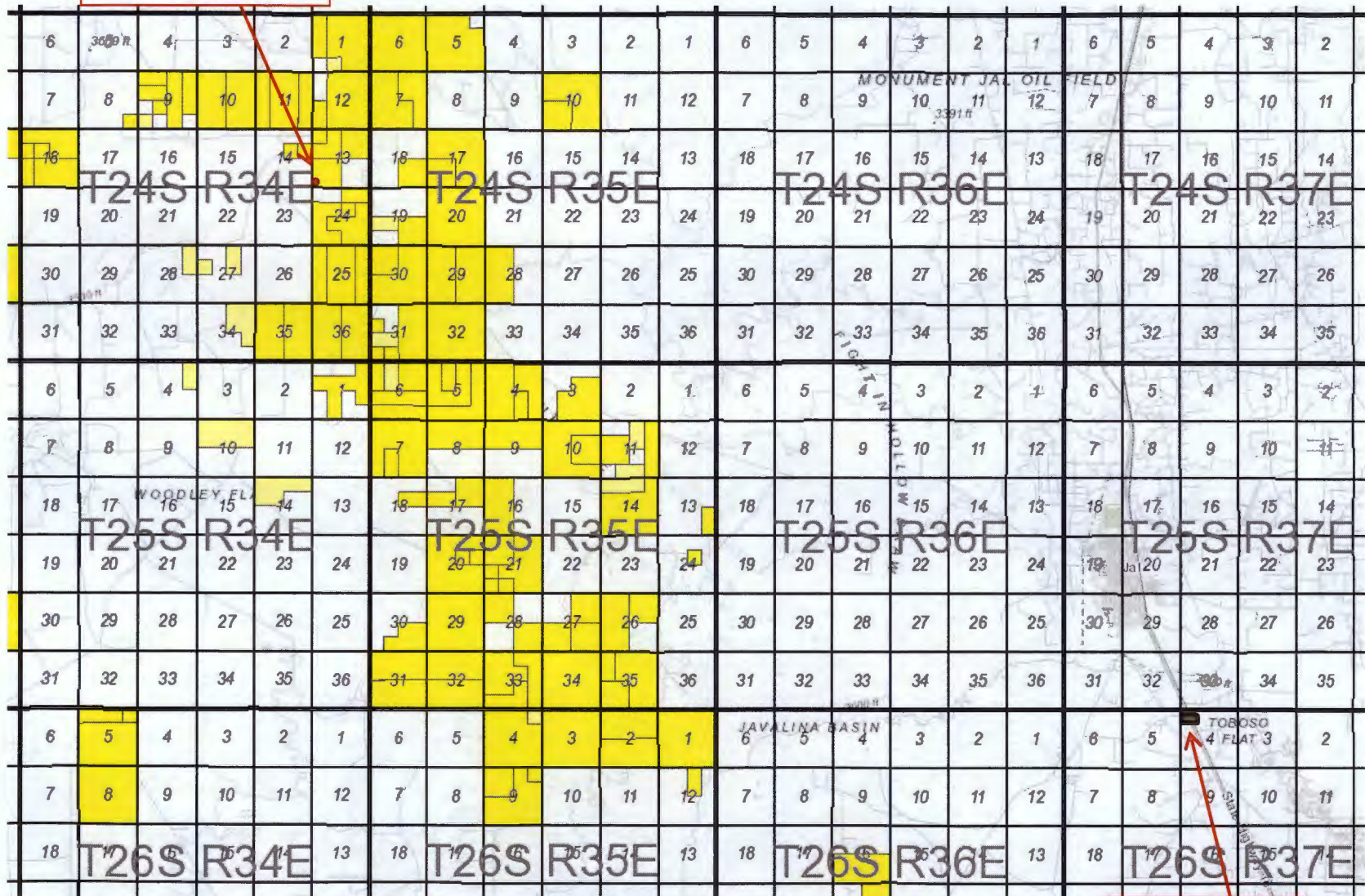
200 ft





# Sombrero Federal Com #4H & Jal Offload Station Map

Sombrero Fed Com #4H  
Lea County



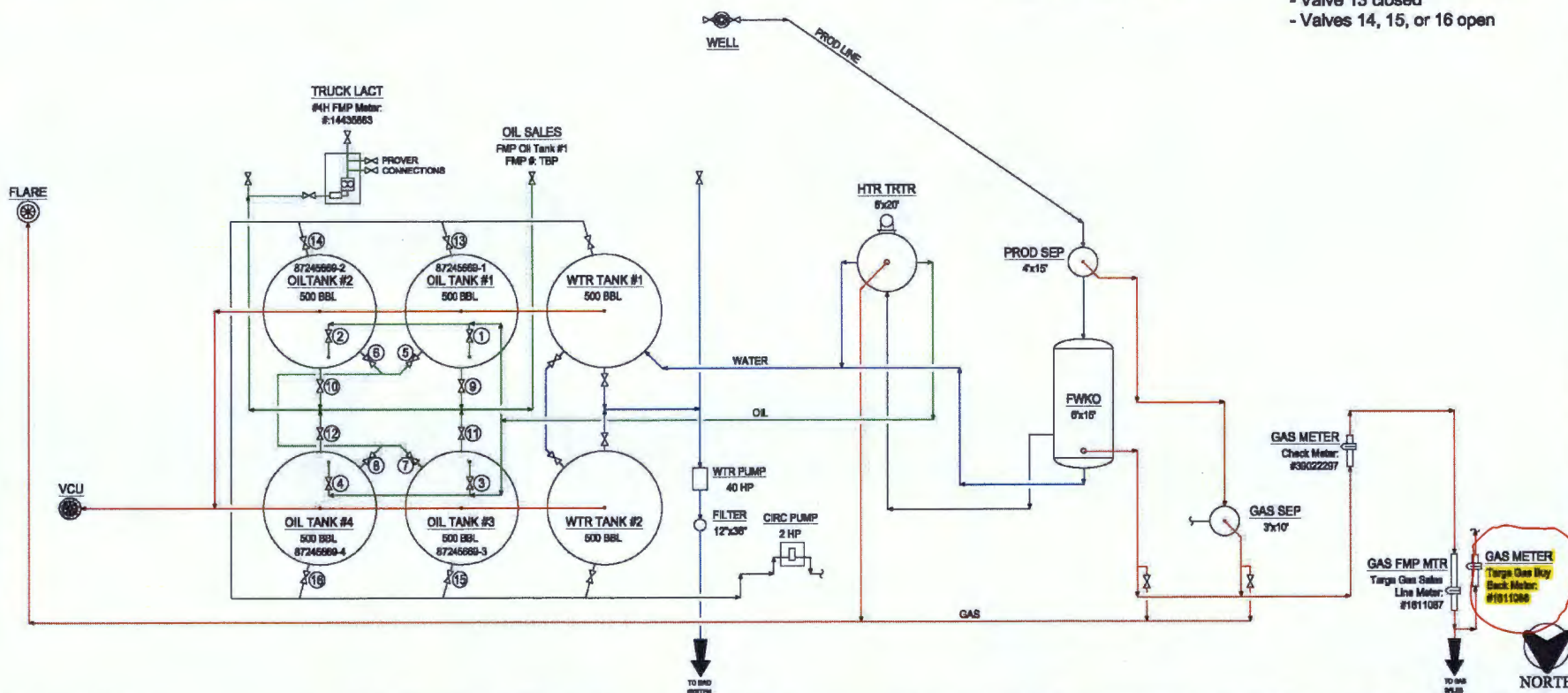
Jal Offload Station  
Lea County



WELLS:  
SOMBRERO FEDERAL COM #004H: 30-025-43286

- Production Phase - Oil Tank #1**
- Valve 1 open
  - Valves 2, 3, and 4 closed
  - Valves 5, 6, 7, and 8 open
  - Valves 9, 10, 11, and 12 closed
  - Valve 13 open
  - Valves 14, 15, and 16 closed

- Sales Phase - Oil Tank #1**
- Valve 1 closed
  - Valves 2, 3, or 4 open
  - Valve 5 closed
  - Valves 6, 7, and 8 open
  - Valve 9 open
  - Valves 10, 11, and 12 closed
  - Valve 13 closed
  - Valves 14, 15, or 16 open



**NOTES:**

Type of Lease: Federal  
Federal Lease SHL #: NMNM 077090  
CA/Agreement #: NMNM 137034  
Property Code: 316278  
OGRID #: 229137

**Ledger for Site Diagram**  
**Produced Fluid:** \_\_\_\_\_  
**Produced Oil:** \_\_\_\_\_  
**Produced Gas:** \_\_\_\_\_  
**Produced Water:** \_\_\_\_\_

CONFIDENTIALITY NOTICE

THIS DRAWING IS PROPERTY OF COG OPERATING LLC AND IS LENT TO THE BORROWER FOR CONFIDENTIAL USE ONLY AND IS SUBJECT TO RETURN UPON REQUEST AND SHALL NOT BE REPRODUCED, COPIED, LENT OR OTHERWISE DISPOSED OF DIRECTLY OR INDIRECTLY, NOR USED FOR ANY PURPOSE OTHER THAN THAT WHICH IT IS SPECIFICALLY FURNISHED.

REFERENCE DRAWINGS	
NO.	TITLE

COG OPERATING LLC SITE SECURITY PLANS LOCATED AT:	ONE CONCHO CENTER 800 WEST ILLINOIS AVENUE WUJ AND, TEXAS 79701
---	---

REVISONS					ENGINEERING RECORD		
NO.	DATE	DESCRIPTION	BY	CHK.	APP.	BY	DATE
A	06/01/12	ISSUE FOR SITE PERMITTING	CRB			CRB	06/01/12
B	10/31/17	UPDATED FOR SCARBOROUGH PG 4H IRTY	CRB			CRB	06/01/12
						CHK:	
						APP:	
						AGE NO:	
						PAUL CRB:	C. BLEEDING
						OPR CRB:	VARIES
						DRILL G:	WONE

 <b>CONCHO</b>	
NORTHERN DELAWARE BASIN ASSET PRODUCTION FACILITIES SITE FACILITY DIAGRAM SOMBRERO FEDERAL COM 4H BATTERY	
LEA COUNTY	NEW MEX
TINSHIP/LAKE LA & Water of	DWG NO. D-1700-81-003

# 30-025-43286 SOMBRERO FEDERAL COM #004H [316278]

## General Well Information

Operator: [220137] COG OPERATING LLC  
 Status: Active Direction: Horizontal  
 Well Type: Oil Multi-Lateral: No  
 Work Type: New Mineral Owner: Federal  
 Surface Owner: Private  
 Surface Location: M-13-24S-34E 460 FSL 380 FWL  
 Lat/Long: 32.21153304, -103.4309694 NAD83  
 GL Elevation: 3475  
 KB Elevation: Sing/Mult Compl: Single  
 DF Elevation: Potash Waiver: False

Earliest Production in OCD Records: 5/2017 Last 1/2018 [Show All Production](#) [Export to Excel](#)

Time Frame	Production				Injection				
	Oil(BBLS)	Gas(MCF)	Water (BBLS)	Days P/I	Water (BBLS)	Co2(MCF)	Gas(MCF)	Other	Pressure

2017

### RED HILLS/BONE SPRING, NORTH

Aug	14542	42176	44531	31	0	0	0	0	0
Sep	12905	38838	36650	30	0	0	0	0	0
Oct	9713	26045	29126	31	0	0	0	0	0
Nov	7788	18241	22436	30	0	0	0	0	0
Dec	6625	14801	17558	31	0	0	0	0	0

2018

### RED HILLS/BONE SPRING, NORTH

Jan	5221	9423	14226	31	0	0	0	0	0
-----	------	------	-------	----	---	---	---	---	---



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0137  
Expires: January 31, 2018

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. SOMBRERO FEDERAL COM 4H
2. Name of Operator COG OPERATING LLC Contact: BOBBIE J GOODLOE E-Mail: bgoodloe@concho.com		9. API Well No. 30-025-43286
3a. Address ONE CONCHO CENTER 600 W ILLINOIS AVE MIDLAND, TX 79701	3b. Phone No. (include area code) Ph: 575-748-6952	10. Field and Pool or Exploratory Area RED HILLS, BONE SPRING, N
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 13 T24S R34E Mer NMP SWSW 460FSL 380FWL		11. County or Parish, State LEA COUNTY, NM

**12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

COG OPERATING LLC RESPECTFULLY REQUESTS DESIGNATION OF GAS FACILITY MEASUREMENT POINTS FOR OUR SOMBRERO FEDERAL COM #4h BATTERY.

GAS FACILITY MEASUREMENT POINTS WILL BE TARGA METER #1611087.

SEE ATTACHED SITE FACILITY DIAGRAM

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #399661 verified by the BLM Well Information System For COG OPERATING LLC, sent to the Hobbs</b>	
Name (Printed/Typed) BOBBIE J GOODLOE	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 01/04/2018

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO. 1004-0137  
Expires: January 31, 2018**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM123527
2. Name of Operator COG OPERATING LLC		6. If Indian, Allottee or Tribe Name
Contact: BOBBIE J GOODLOE E-Mail: bgoodloe@concho.com		7. If Unit or CA/Agreement, Name and/or No.
3a. Address ONE CONCHO CENTER 600 W ILLINOIS AVE MIDLAND, TX 79701	3b. Phone No. (include area code) Ph: 575-748-6952	8. Well Name and No. SOMBRERO FEDERAL COM 4H
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 13 T24S R34E Mer NMP SWSW 460FSL 380FWL		9. API Well No. 30-025-43286
		10. Field and Pool or Exploratory Area RED HILLS, BONE SPRING, N
		11. County or Parish, State LEA COUNTY, NM

**12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

COG OPERATING LLC RESPECTFULLY REQUESTS DESIGNATION OF OIL FACILITY MEASUREMENT POINTS FOR OUR SOMBRERO FEDERAL COM #4h BATTERY.

OIL FACILITY MEASUREMENT POINTS WILL BE METER #14435883 AND TANK #1 AT THE BATTERY.

SEE ATTACHED SITE FACILITY DIAGRAM

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #399669 verified by the BLM Well Information System For COG OPERATING LLC, sent to the Hobbs</b>	
Name (Printed/Typed) BOBBIE J GOODLOE	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 01/04/2018

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***



## Sombrero Federal Com #4H - API #30-025-43286

### Application for Off-lease Measurement - Oil-Jal Offload

#### Notification List

<i>Date Sent</i>	<i>Initials</i>	<i>Sent Certified Return Receipt to:</i>	<i>Receipt No.</i>	<i>Rec'd</i>
03/19/18	bjg	The Allar Company	7017-3040-0000-2540-0104	
03/19/18	bjg	Office of Natural Resources Revenue - Royalty Management Program	7017-3040-0000-2540-0111	
03/19/18	bjg	JM Cox Resources, LP	7017-3040-0000-2540-0128	
03/19/18	bjg	Nestegg Energy Corporation	7017-3040-0000-2540-0135	
03/19/18	bjg	Robert E & Donna P Landreth	7017-3040-0000-2540-0142	
03/19/18	bjg	Oxy USA, Inc	7017-3040-0000-2540-0159	
03/19/18	bjg	EG3, Inc.	7017-3040-0000-2540-0166	
03/19/18	bjg	Chilmark Properties LLC	7017-3040-0000-2540-0173	

Mailed 3/19/2018  
Bobbie Goodloe

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



January 25, 2018

OFF-LEASE MEASUREMENT

**Administrative Order OLM-129**  
**Application Reference No. pMAM1800528683**

COG OPERATING, LLC  
Attention: Ms. Bobbie Goodloe

COG OPERATING, LLC (OGRID 229137) is hereby authorized to transport and measure oil production off-lease, from the following well which produces from the Bone Spring formation – the Red Hills; Bone Spring, North Pool (Pool code: 96434) in Lea County, New Mexico:

Sombrero Federal Com Well No. 4H (API No. 30-025-43286), Unit M, Section 13, Township 24 South, Range 34 East.

The project area for this horizontal well includes the W/2 SW/4 of Section 12, and the W/2 W/2 of Section 13, all in Township 24 South, Range 34 East, NMPM, Lea County, New Mexico.

The oil and gas production from this well shall be measured at, and sold from, Sombrero Federal Com Well No. 4H 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 the Red Hills Offload Station (Red Hills CTB) located in Unit O, Section 4, Township 26 South, Range 32 East, NMPM, Lea County, New Mexico.

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

Production from the subject well shall be determined as follows:

Oil shall remain segregated and measured by a LACT meter at the Red Hills CTB when it is utilized.



OLM-129  
COG Operating, LLC  
January 25, 2018  
Page 2 of 2

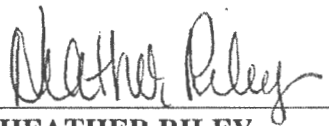
---

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

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.

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

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



**HEATHER RILEY**  
**Director**

HR/mam

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