

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Susana Martinez**  
Governor

**Ken McQueen**  
Cabinet Secretary

**Matthias Sayer**  
Deputy Cabinet Secretary

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



June 7, 2018

OFF-LEASE MEASUREMENT

**Administrative Order OLM-148**

**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 wells which produce from the Bone Spring formation, the Red Hills; Upper Bone Spring Shale Pool (pool code 97900) in Lea County, New Mexico:

Monet Federal Com Well No. 3H (API No. 30-025-42763), Lot 3/Unit C, Section 4, Township 25 South, Range 33 East.

Monet Federal Com Well No. 8H (API No. 30-025-42765), Lot 3/Unit C, Section 4, Township 25 South, Range 33 East.

Monet Federal Com Well No. 9H (API No. 30-025-42766), Lot 4/Unit D, Section 4, Township 25 South, Range 33 East.

Monet Federal Com Well No. 10H (API No. 30-025-42767), Lot 4/Unit D, Section 4, Township 25 South, Range 33 East.

The oil and gas production from this well shall be measured at, and sold from, Monet Federal Com Well No. 3H Central Tank Battery (CTB) located in Lot 3/Unit C, Section 4, Township 25 South, Range 33 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) located in Unit O, Section 4, Township 26 South, Range 32 East, NMPM, Lea County, New Mexico, or the Jal Offload Station (Jal CTB) located in Unit D, Section 4, Township 26 South, Range 37 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.

Production from the subject wells shall be determined as follows:

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

**This permit does not authorize the surface commingling of this oil production with oil 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 Bureau of Land Management

  
**HEATHER RILEY**  
Director

HR/mam

cc: Oil Conservation Division – Hobbs  
bureau Of Land Management – Carlsbad