

State of New Mexico
Energy, Minerals and Natural Resources Department

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Governor

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Cabinet Secretary

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Deputy Cabinet Secretary

Heather Riley, Division Director
Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-860

July 6, 2018

COG Operating LLC
Attention: Ms. Bobbie Goodloe

COG Operating LLC (OGRID 229137) is hereby authorized to surface commingle oil production and off-lease measure oil and gas production from the Cottonwood Draw; Bone Spring (O) Pool (Pool code 97494) from the following diversely owned federal leases located in Township 25 South, Range 26 East, Eddy County, New Mexico:

Lease:	Federal Communitization Agreement NMNM 137210	
Description:	E/2 E/2 of Section 24, and E/2 E/2 of Section 25, all in Township 25 South, Range 26 East	
Wells:	Road Runner Federal Com Well No. 1H	API 30-015-43133
	Road Runner Federal Com Well No. 11H	API 30-015-43900
Lease:	Federal Communitization Agreement NMNM 137958	
Description:	W/2 E/2 of Section 24, and W/2 E/2 of Section 25, all in Township 25 South, Range 26 East	
Wells:	Road Runner Federal Com Well No. 2H	API 30-015-44147
	Road Runner Federal Com Well No. 12H	API 30-015-44148

Production from the subject wells shall be determined as follows:

The oil production from the Road Runner Federal Com Well No. 1H and Road Runner Federal Com Well No. 11H shall be measured separately at, and sold from, Road Runner Federal Com Well No. 1H and Road Runner Federal Com Well No. 11H Central Tank Battery (Road Runner Federal Com Well No. 1H CTB) located in Unit O, Section 25, Township 25 South, Range 26 East, NMPM, Eddy County, New Mexico, except when the CTB is over capacity, CTB is in repair, or the pipeline is in repair.

The oil production from the Road Runner Federal Com Well No. 2H and Road Runner Federal Com Well No. 12H shall be measured separately at, and sold from, Road Runner Federal Com Well No. 2H and Road Runner Federal Com Well No. 12H Central Tank Battery (Road Runner Federal Com Well No. 2H CTB) located in Unit O, Section 25, Township 25 South, Range 26

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 Road Runner Federal Com Well No. 1H and Road Runner Federal Com Well No. 11H shall be measured separately at the Road Runner Federal Com Well No. 1 CTB before commingling at the gatherer's meter. Gas production from the Road Runner Federal Com Well No. 2H and Road Runner Federal Com Well No. 12H shall be measured separately at the Road Runner Federal Com Well No. 2 CTB before commingling at the gatherer's meter. The gatherer's meter is located in O, Section 25, Township 25 South, Range 26 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.

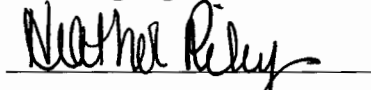
The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2) NMAC.

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 supersedes Administrative Order OLM-133, issued on February 14, 2018. This order approves commingling of two leases.

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