

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



June 20, 2018

SCANNED OFF-LEASE MEASUREMENT

Administrative Order OLM-103-A

COG OPERATING LLC
Attention: Ms. Bobbie Goodloe

COG Operating LLC (OGRID 229137) is hereby authorized to transport and measure oil and gas production off-lease, from the following well which produce from the Wolfcamp formation, the Purple Sage; Wolfcamp (Gas) Pool (pool code 98220) in Eddy County, New Mexico:

Admiral Federal Com Well No. 2H (API No. 30-015-42820), Unit O, Section 28, Township 25 South, Range 29 East.

The gas production from this well shall be measured at, and sold from, Big Papi Federal Com. Well No. 1 H Central Tank Battery located in Unit B of Section 4, Township 25 South, Range 29 East, NMPM, Eddy 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.

The oil production from this well shall be measured at, and sold from, Admiral Federal Com Well No. 2H Central Tank Battery (CTB) located in Unit O, Section 2, Section 28, Township 25 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, 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 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 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.

This administrative order supersedes Administrative Order OLM-103, issued on May 17, 2016, by allowing off-lease measurement for oil production at either the Red Hills CTB or the Jal CTB.

The operator shall notify the Artesia 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 – Artesia District Office
Bureau of Land Management - Carlsbad