

State of New Mexico
Energy, Minerals and Natural Resources Department

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Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-770-A

August 17, 2018

COG Operating LLC
Attention: Ms. Kanicia Castillo

COG Operating LLC (OGRID 229137) is hereby authorized to surface commingle oil production and off-lease measure oil and gas production from the N. Seven Rivers; Glorieta-Yeso Pool (Pool code 97565) from the following diversely owned fee leases located in Township 20 South, Range 25 East, Eddy County, New Mexico:

Lease: Bone Yard 11 Fee Well No. 11H Lease
Description: W/2 W/2 of Section 11, Township 20 South, Range 25 East
Wells: Bone Yard 11 Fee Well No. 11H API 30-015-43417

Lease: Bone Yard 11 Fee Well No. 12H Lease
Description: E/2 W/2 of Section 11, Township 20 South, Range 25 East
Wells: Bone Yard 11 Fee Well No. 12H API 30-015-43305

Lease: Bone Yard 11 Fee Well No. 16H Lease
Description: E/2 SW/4 of Section 2, and E/2 W/2 of Section 11, all in Township 20 South, Range 25 East
Wells: Bone Yard 11 Fee Well No. 16H API 30-015-43999

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Bone Yard 11 Fee Well No. 16H (CTB), located in Unit K, Section 2, Township 20 South, Range 25 East, NMPM, Eddy County, New Mexico.

Production from the subject wells shall be determined as follows:

The oil and gas production from each of the diversely-owned leases shall be measured with combination of metering and subtraction method. Two of the wells shall be continuously metered, and the third well production shall be measured based on the subtraction method. Each well shall be tested at least once a month for oil and gas production through the three-phase test separator.

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.

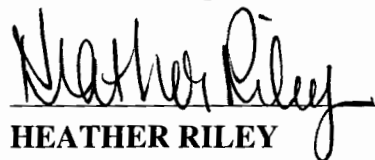
It is also understood that you have given due notice of this application to all owners in the mineral interest estate ("affected parties") as defined in Rule 19.15.12.10.C (4) NMAC. Sheehan Family et.al., initially objected to this administrative application; however, it later withdrew its objection.

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 CTB-770, issued on November 10, 2015. This administrative order removes the Grave Digger State Com Well No. 8H, adds the Bone Yard 11 Fee Well No. 16H, and lastly allows for a combination of metering and subtraction method.

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