Additional

Information

Corrected



July 17, 2019

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

Re: Application for Administrative Approval of Pool/Lease Commingle and CTB

Dear Mr. McMillan,

COG Operating LLC, respectfully requests approval for off-lease measurement and lease/pool commingling for the following wells:

Boone 16 State Com #1H API #30-025-41200 WC-025 G-08 S213304D; Bone Spring Sec. 16-T21S-R33E, SHL 190' FSL, 330' FEL Sec. 16-T21S-R33E, BHL 341' FNL, 394' FEL Lea County, NM

Boone 16 State Com #3H API #30-025-43553 WC-025 G-10 S213328O; Wolfcamp Sec. 21-T21S-R33E, SHL 350' FNL, 2120' FWL Sec. 09-T21S-R33E, BHL 202' FNL, 2128' FWL Lea County, NM

Corazon State Unit #1H API #30-025-40741 WC-025 G-08 S213304D; Bone Spring Sec. 3-T21S-R33E, SHL 100' FSL, 330' FEL Sec. 3-T21S-R33E, BHL 7563' FSL, 509' FEL Lea County, NM

Corazon State Unit #3H
API #30-025-40946
WC-025 G-08 S213304D; Bone Spring
Sec. 3-T21S-R33E, SHL 100' FSL, 1980' FWL
Sec. 3-T21S-R33E, BHL 1541' FSL, 1915' FWL
Lea County, NM

Corazon State Unit #6H
API #30-025-40948
WC-025 G-08 S213304D; Bone Spring
Sec. 10-T21S-R33E, SHL 100' FNL, 330' FWL
Sec. 10-T21S-R33E, BHL 341' FSL, 447' FWL
Lea County, NM

Boone 16 State Com #2H API #30-025-41049 WC-025 G-08 S213304D; Bone Spring Sec. 16-T21S-R33E, SHL 190' FSL, 1980' FEL Sec. 16-T21S-R33E, BHL 4945' FSL, 2045' FEL Lea County, NM

Boone 16 State Com #4H API #30-025-45599 WC-025 G-08 S213304D; Bone Spring Sec. 21-T21S-R33E, SHL 400' FNL, 660' FWL Sec. 09-T21S-R33E, BHL 50' FNL, 660' FWL Lea County, NM

Corazon State Unit #2H
API #30-025-40945
WC-025 G-08 S213304D; Bone Spring
Sec. 3-T21S-R33E, SHL 100' FSL, 1980' FEL
Sec. 3-T21S-R33E, BHL 540' FNL, 2052' FEL
Lea County, NM

Corazon State Unit #5H
API #30-025-40947
WC-025 G-08 S213304D; Bone Spring
Sec. 3-T21S-R33E, SHL 100' FSL, 330' FWL
Sec. 3-T21S-R33E, BHL 344' FNL, 685' FWL
Lea County, NM

Corazon State Unit #7H
API #30-025-40949
WC-025 G-08 S213304D; Bone Spring
Sec. 10-T21S-R33E, SHL 100' FNL, 1980' FWL
Sec. 10-T21S-R33E, BHL 360' FSL, 2015' FWL
Lea County, NM

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Corazon State Unit #8H API #30-025-40950 WC-025 G-08 S213304D; Bone Spring Sec. 10-T21S-R33E, SHL 100' FNL, 1980' FEL Sec. 10-T21S-R33E, BHL 4945' FNL, 1903' FEL Lea County, NM

Warbler State Com #4H
API #30-025-43310
WC-025 G-08 S213304D; Bone Spring
Sec. 16-T21S-R33E, SHL 120' FSL, 530' FEL
Sec. 28-T21S-R33E, BHL 204' FSL, 343' FEL
Lea County, NM

Corazon State Unit #9H
API #30-025-40951
WC-025 G-08 S213304D; Bone Spring
Sec. 10-T21S-R33E, SHL 100' FNL, 330' FEL
Sec. 10-T21S-R33E, BHL 343' FSL, 363' FEL
Lea County, NM

Oil Production:

Boone Lease

Boone 16 St Com #1H – Oil is stored and sold **off-lease** at the **#2H Battery** located in UL O. Boone 16 St Com #2H – Oil is stored and sold **on-lease** at the **#2H Battery**.

Boone 16 St Com #3H & #4H – Oil is stored and sold **off-lease** at the **16O CTB** located in UL O.

Corazon Lease

Corazon St Unit #1H, #2H, #3H & #5H – Oil is stored and sold **on-lease** at the **Sec. 3 CTB** located in UL N. Corazon St Unit #6H, #7H, #8H & #9H – Oil is stored and sold **on-lease** at the **Sec. 10 CTB** located in UL C.

Warbler Lease

Warbler St Com #4H - Oil is stored and sold off-lease at the #2H Battery located in UL O.

Gas Production:

Boone Lease

Boone 16 St Com #1H, #2H, #3H & #4H

Gas is metered and sold **off-lease** at either the DCP meter #15793 located in UL P of Sec. 3-T21S-R33E or the ETC meter # 68868-01(A) located in UL D of Sec. 22 T21S-R33E.

Corazon Lease

Corazon St Unit #1H, #2H, #3H & #5H

Gas is metered and sold on-lease at the DCP meter #15793 located in UL P of Sec. 3-T21S-R33E or off-lease at the ETC meter # 68868-01(A) located in UL D of Sec. 22 T21S-R33E.

Corazon St Unit #6H. #7H. #8H & #9H

Gas is metered and sold off-lease at either the DCP meter #15793 located in UL P of Sec. 3-T21S-R33E or the ETC meter # 68868-01(A) located in UL D of Sec. 22 T21S-R33E.

Warbler Lease

Warbler St Com #4H

Gas is metered and sold off-lease at either the DCP meter #15793 located in UL P of Sec. 3-T21S-R33E or the ETC meter # 68868-01(A) located in UL D of Sec. 22 T21S-R33E.

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The oil production from all wells will be measured separately on-lease by allocation meter prior to being commingled at the Central Tank. In addition, oil production from all wells may also be transported by truck to either the Red Hills Offload Station, located in Unit O, Section 4-T26S-R32E, or 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. In this case the oil will remain segregated and will be measured by lact meter when offloading at said stations.

All owners of interest have been notified by certified mail that should they have an objection to this off-lease measurement and surface commingling, they must file a formal protest with the NMOCD within 20 days of the date of this application. Proof of owner notification is enclosed.

Please see the enclosed Administrative Application Checklist, C-107B Application for Surface Commingling, plats for referenced wells, site facility diagrams, maps with lease boundaries showing wells and facility locations as well as prior month's production.

Thank you for your attention to this matter.

Sincerely,

Bobbie J Goodloe

Regulatory Analyst

Enclosures

xc: Artesia OCD

McMillan, Michael, EMNRD

From: Bobbie Goodloe <BGoodloe@concho.com>

Sent: Tuesday, August 6, 2019 10:22 AM **To:** McMillan, Michael, EMNRD

Subject: RE: Boone 16 State Com Well No. 1H Surface commingle

Attachments: Boone State 16O SFD - updated 8-6-19.pdf; Boone 16 St #2H Battery SFD - updated 8-6-19.pdf;

Boone-Corazon-Warbler Area Lease Map.pdf

Well dang it! I'm having a heck of a day.... Let's try this again.

I hope I have now sent you the requested information:

The Boone SFD's attached to this email include all Boone wells, split into 2 separate diagrams, the Boone St 16O CTB includes the Boone 16 St Com #3H & #4H, and the Boone 16 St Com #2H Battery includes the Boone 16 St Com #1H, #2H and the Warbler St Com #4H. I have also corrected the labeling of the diagrams to show the appropriate name and location of each.

I updated the letter to include the unit letters of gas meter locations, and have stated that the oil & gas from all wells will be metered separately prior to commingling and forwarded it to you yesterday.

I previously sent you and Excel spreadsheet showing the names, API #'s, horizontal spacing and the Pool Name and Pool Code of each as requested.

I'm praying that this will fix all the prior issues.... Fingers crossed!

From: McMillan, Michael, EMNRD < Michael. McMillan@state.nm.us>

Sent: Tuesday, August 6, 2019 8:37 AM

To: Bobbie Goodloe <BGoodloe@concho.com> **Cc:** Debora Wilbourn <DWilbourn@concho.com>

Subject: [External] RE: Boone 16 State Com Well No. 1H Surface commingle

Your facility diagram does not show the 4H well

Michael McMillan 1220 South St. Francis Santa Fe, New Mexico 505-476-3448

Michael.mcmillan@state.nm.us

From: Bobbie Goodloe <BGoodloe@concho.com>

Sent: Tuesday, August 6, 2019 8:05 AM

To: McMillan, Michael, EMNRD < Michael. McMillan@state.nm.us>

Cc: Debora Wilbourn < <u>DWilbourn@concho.com</u>>

Subject: RE: Boone 16 State Com Well No. 1H Surface commingle

Good Morning Mike,

You were correct, the diagram was mislabeled. The Boone 16 St Com #3H Battery is located in UL O of Sec. 16. The lat/longs are correct. I have attached an updated SFD as well as an updated lease map.

Hopefully this will be all you need...sorry for all the confusion.

Bobbie

From: Bobbie Goodloe

Sent: Tuesday, August 6, 2019 7:44 AM

To: McMillan, Michael, EMNRD < <u>Michael.McMillan@state.nm.us</u>> **Subject:** RE: Boone 16 State Com Well No. 1H Surface commingle

I will get back with you on this...

From: McMillan, Michael, EMNRD < Michael. McMillan@state.nm.us>

Sent: Monday, August 5, 2019 4:36 PM

To: Bobbie Goodloe < <u>BGoodloe@concho.com</u>> **Cc:** Debora Wilbourn < DWilbourn@concho.com>

Subject: [External] RE: Boone 16 State Com Well No. 1H Surface commingle

If these are correct, then the Boone 16 State Com #3H Battery diagram is mislabeled

Mike

Michael McMillan 1220 South St. Francis Santa Fe, New Mexico 505-476-3448 Michael.mcmillan@state.nm.us

From: McMillan, Michael, EMNRD Sent: Monday, August 5, 2019 4:34 PM

To: 'Bobbie Goodloe' < <u>BGoodloe@concho.com</u>> **Cc:** Debora Wilbourn < <u>DWilbourn@concho.com</u>>

Subject: RE: Boone 16 State Com Well No. 1H Surface commingle

Boone 16 State Com 2H Battery is located in Unit O Section

16

160 Battery is located in Unit O of Section 16 Boone 16 State Com 3H Battery is located in Unit C Section 16

Section 3 CTB is located in Unit N, Section 3 Section 10 CTB is located in Unit C, Section 10

Are these the correct locations for the batteries?

Mike

Michael McMillan 1220 South St. Francis Santa Fe, New Mexico 505-476-3448 Michael.mcmillan@state.nm.us From: Bobbie Goodloe < BGoodloe@concho.com >

Sent: Monday, August 5, 2019 2:42 PM

To: McMillan, Michael, EMNRD < Michael. McMillan@state.nm.us>

Cc: Debora Wilbourn < DWilbourn@concho.com >

Subject: RE: Boone 16 State Com Well No. 1H Surface commingle

Here you go Mike! Let me know if you need anything additional!

From: Bobbie Goodloe

Sent: Monday, August 5, 2019 1:06 PM

To: McMillan, Michael, EMNRD < Michael. McMillan@state.nm.us>

Cc: Debora Wilbourn < DWilbourn@concho.com>

Subject: RE: Boone 16 State Com Well No. 1H Surface commingle

Mike,

Please find the attached updated letter with the missing information added (Unit letter of gas meters and verification of separate measurement). Sorry about that. Also, I have attached updated Site Diagrams with all wells shown as requested.

Please let me know if you need anything else.!

Thanks, Bobbie

From: Bobbie Goodloe

Sent: Monday, August 5, 2019 8:23 AM

To: McMillan, Michael, EMNRD < Michael. McMillan@state.nm.us >

Cc: Debora Wilbourn < DWilbourn@concho.com>

Subject: RE: Boone 16 State Com Well No. 1H Surface commingle

Good morning Mike,

I will get the updated site diagram and the requested information to you as soon as possible!

Thank you, Bobbie

From: McMillan, Michael, EMNRD < Michael. McMillan@state.nm.us>

Sent: Friday, August 2, 2019 11:55 AM

To: Bobbie Goodloe < <u>BGoodloe@concho.com</u>> **Cc:** Debora Wilbourn < DWilbourn@concho.com>

Subject: [External] Boone 16 State Com Well No. 1H Surface commingle

**** External email. Use caution. ****

Bobbie:

I need the following information

2H battery

Boone 160 CTB needs to show the 3H, must also show theH

Unit letter of the gas meters.

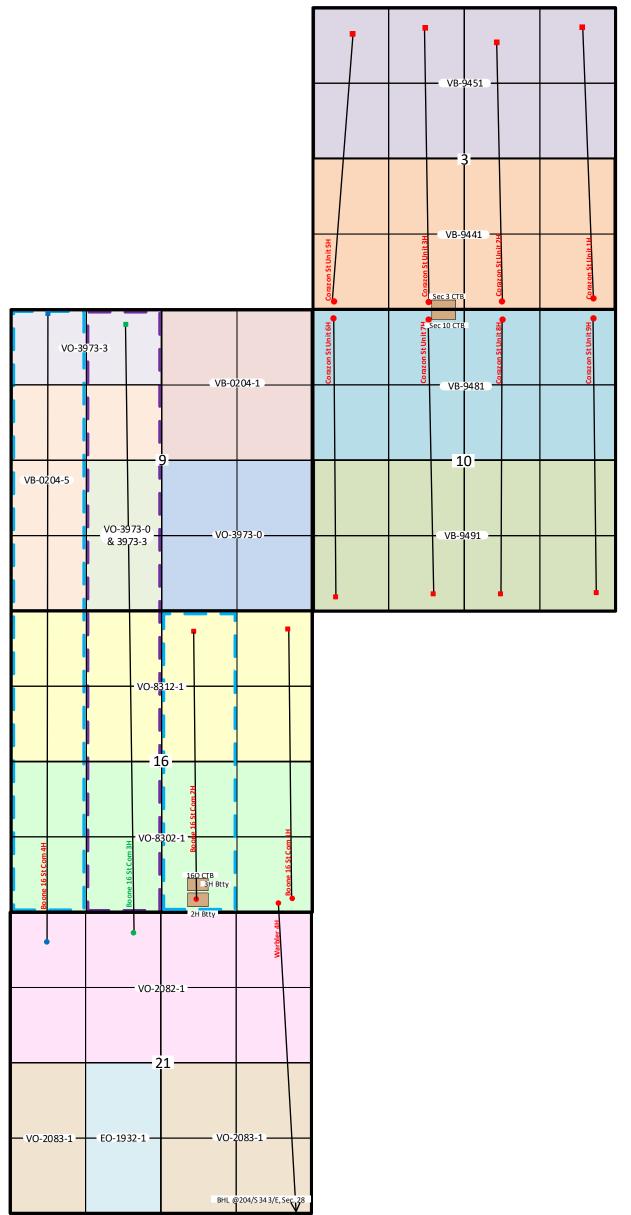
Will each well be measured separately.

Mike

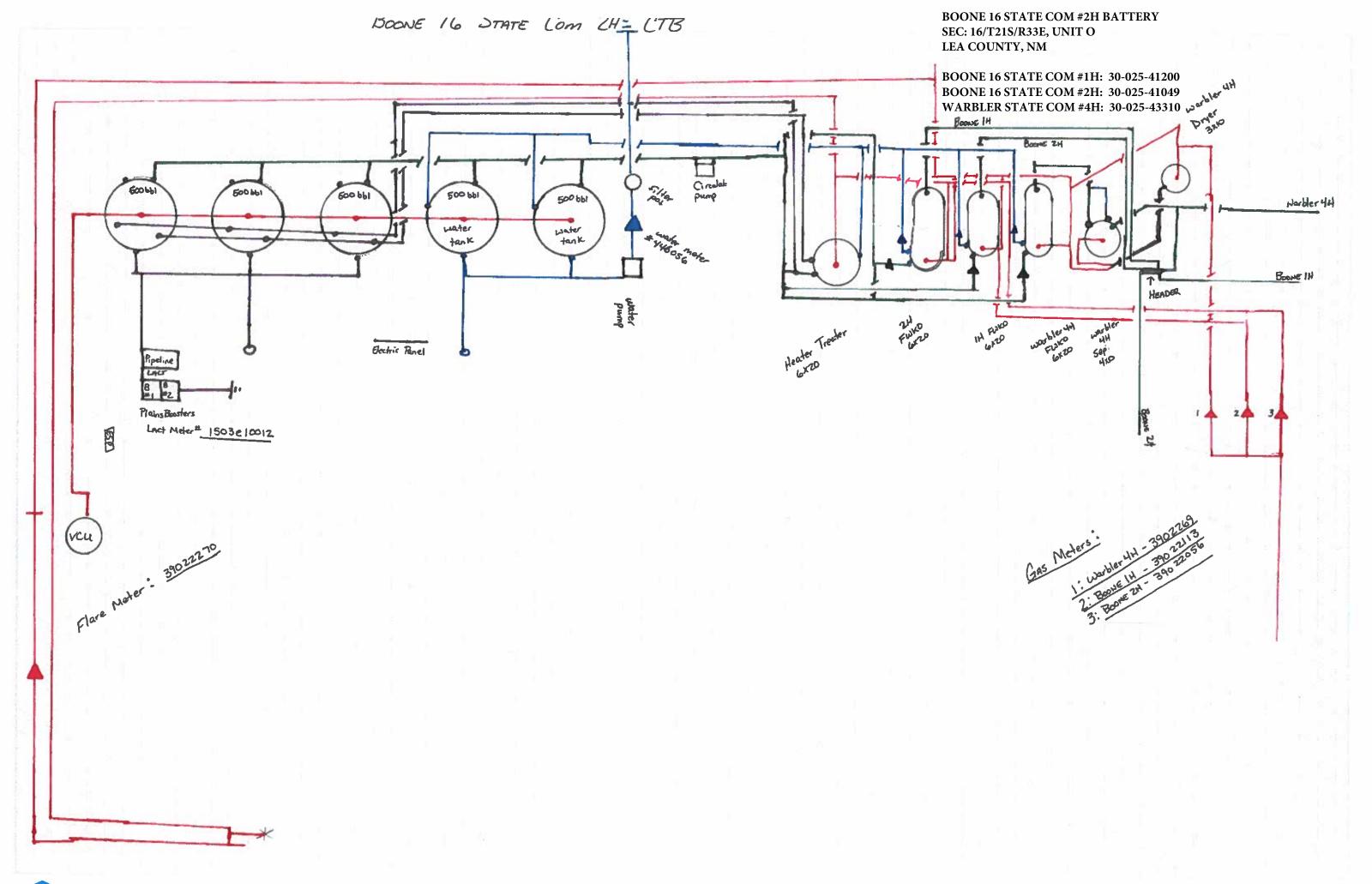
Michael McMillan 1220 South St. Francis Santa Fe, New Mexico 505-476-3448 Michael.mcmillan@state.nm.us

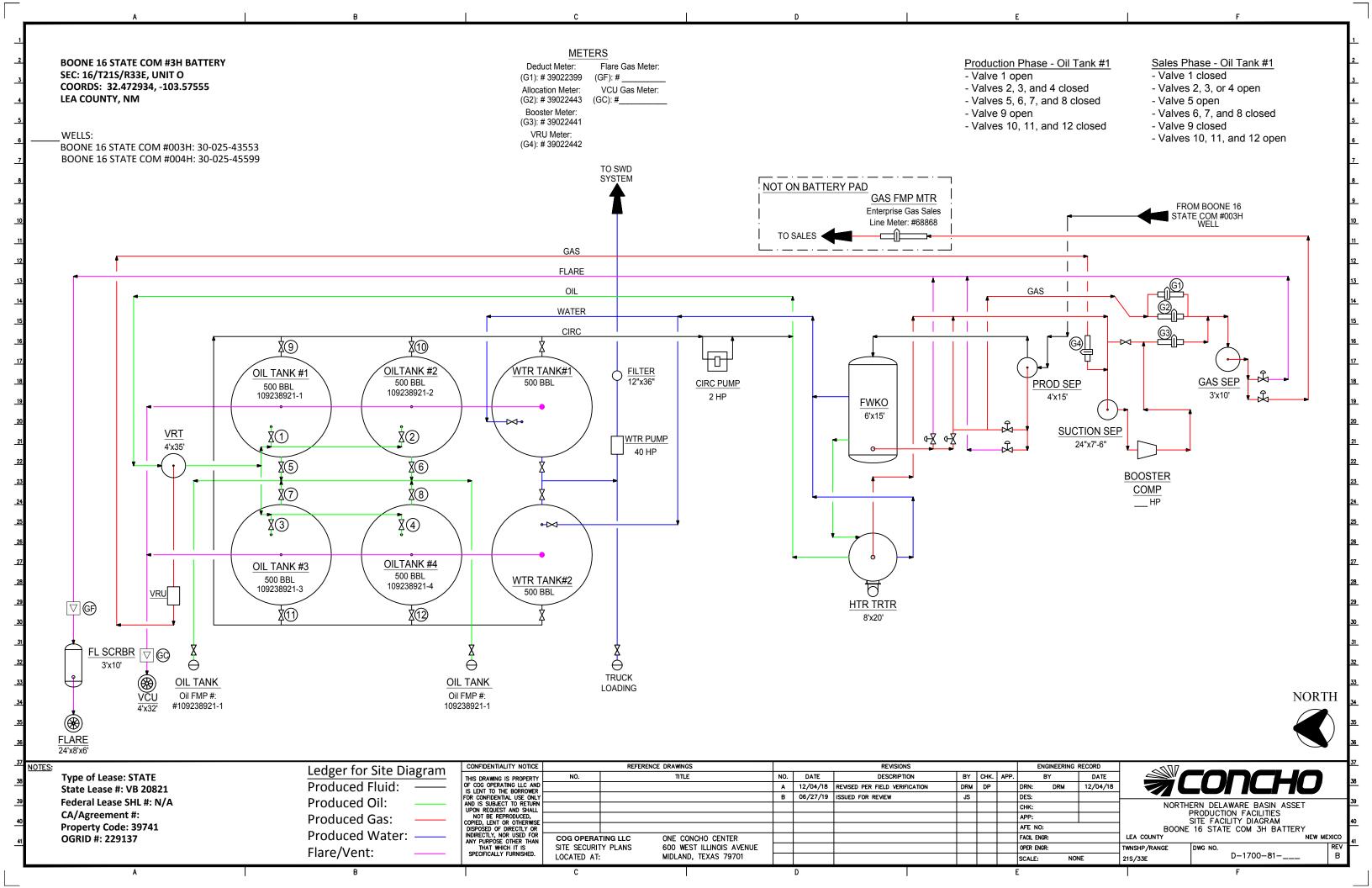
Wolfcamp SHL
 Wolfcamp BHL
 Bone Spring SHL
 Bone Spring BHL
 Proposed Bone Spring SHL
 Proposed Bone Spring BHL
 Bone Spring CAs

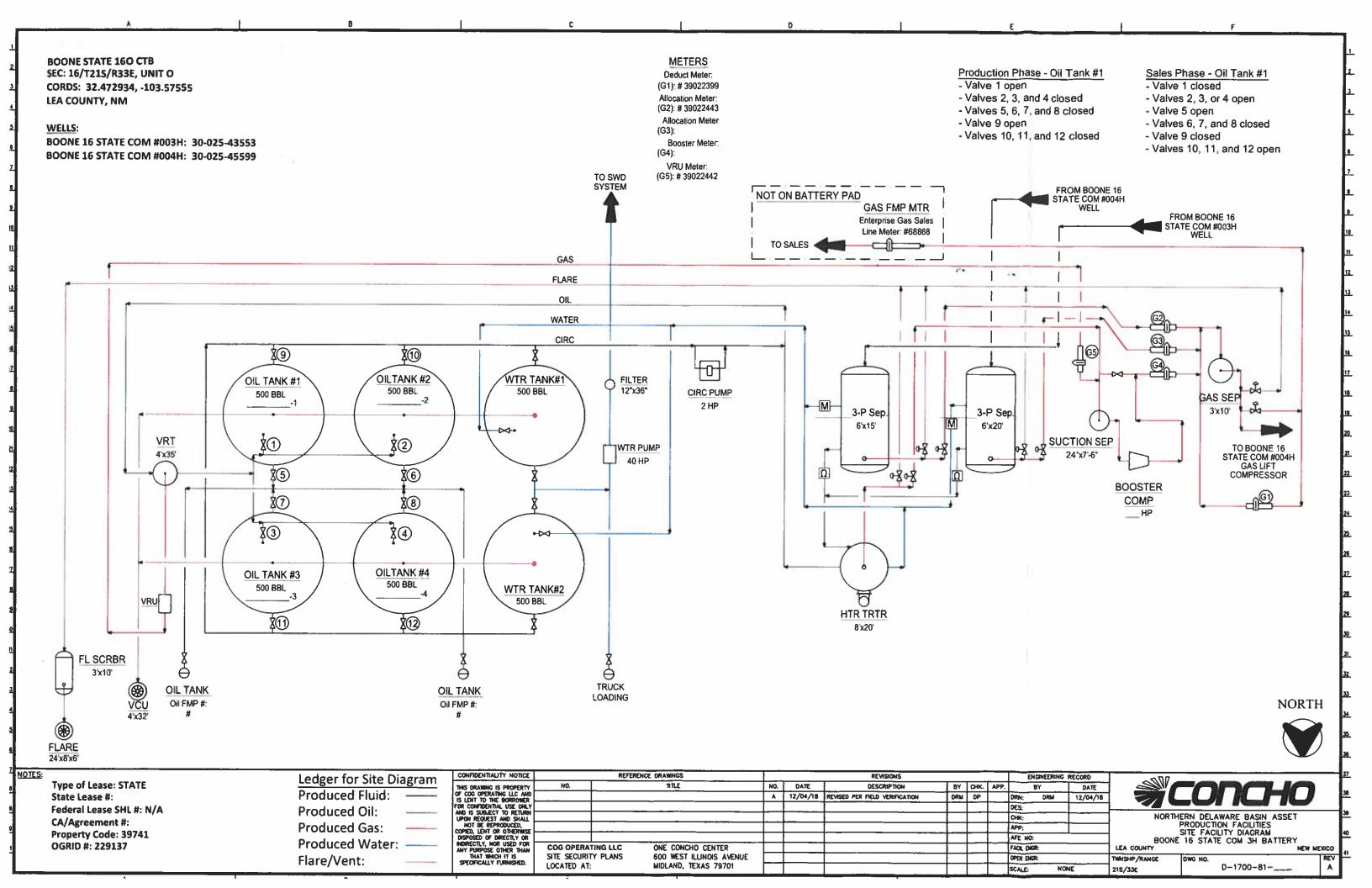
Wolfcamp CAs



Sec. 3, 9, 10, 16, 21-T21S-R33E Lea County, NM







on Grazow 3H Pad

*

Test Meters:

011: 11282763107

water: 443534

gas: 390 22069

Flare is offsite

LORAZON Section 3 CTB

CORAZON SEC. 3 CTB SEC: 3/T21S/R33E, UNIT N LEA COUNTY, NM

CORAZON STATE UNIT #1H: 30-025-40741 CORAZON STATE UNIT #2H: 30-025-40945 CORAZON STATE UNIT #3H: 30-025-40946 CORAZON STATE UNIT #5H: 30-025-40947

