

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Secretary

Adrienne Sandoval, Director
Oil Conservation Division



November 1, 2019

OFF-LEASE MEASUREMENT

Administrative Order OLM-174

COG Operating, LLC
Attention: Bobbie Goodloe
2208 W. Main Street, Artesia, NM 88210

Pursuant to your application received on September 11, 2019, COG Operating, LLC ("COG") is hereby authorized to transport and measure oil and gas production off-lease from the wells and associated leases identified in Exhibit A and incorporated by reference into this Order. The wells produce from the Hay Hollow; Bone Spring pool (30215) and are located in Section 19, Township 26 South, Range 28 East, NMPM, Eddy County, New Mexico.

The oil production from the wells shall be measured by a lease automatic custody transfer ("LACT") meter and sold at the respective central tank battery ("CTB") described in Exhibit A, except when the CTB is over capacity or unavailable due to maintenance, or the pipeline is unavailable due to maintenance, in which case 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. When oil is transported to either the Red Hills CTB or Jal CTB, it shall remain segregated and measured by a LACT meter, and COG shall submit a Sundry Notice C-103 to the Engineering Bureau in Santa Fe.

The gas production from the wells shall be measured by an automatic custody transfer meter and sold off lease in Section 20, Township 26 South, Range 28 East, NMPM, Eddy County, New Mexico.

All meters for the wells shall be physically separated from facilities for other wells, so that production from the wells will not be commingled prior to measurement with production from any other well.

This permit does not authorize the surface commingling of this oil and gas production with production from other pools or leases.

This approval is subject to like approval from the New Mexico State Land Office before commencing commingling operations.

COG shall notify the Artesia District Office before commencement of off-lease measurement.

COG shall comply with all Division Rules and Regulations.



Adrienne Sandoval
Director

AS/dm

cc: OCD – Engineering Bureau
 OCD – Artesia District Office
 New Mexico State Land Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Administrative Order: **OLM-174**

Date: **11/01/19**

Operator: **COG Operating, LLC**

Central Tank Battery: **Down South State Com 1H CTB**

Central Tank Battery Location: **Section 19, Township 26 South, Range 28 East**

Pools

Pool Name	Pool Code	Pool Name	Pool Code
HAY HOLLOW; BONE SPRING	30215		

Leases

VO7449-2
VO7472-2

Wells

Well API	Well Name	Pool Code	Location	Train
30-015-41442	Down South State Com 1H	30215	Sec 19-T26S-R28E	