

Application

Received: 10/30/2019

This application is placed in file for record. It MAY or MAY NOT have been reviewed to be determined Administratively Complete

| | | | |
|--------------------|--------------|-----------|-----------------------|
| RECEIVED: 10/30/19 | REVIEWER: DM | TYPE: OLM | APP NO: pDM1931238838 |
|--------------------|--------------|-----------|-----------------------|

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND
 REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: COG OPERATING, LLC **OGRID Number:** 229137
Well Name: BOBWHITE STATE COM #1H **API:** 30-025-40701
Pool: BERRY; BONE SPRING, NORTH **Pool Code:** 5535

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION
 INDICATED BELOW**

1) TYPE OF APPLICATION: Check those which apply for [A]

A. Location - Spacing Unit - Simultaneous Dedication

☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD

B. Check one only for [I] or [II]

[I] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☒ OLM

[II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
2) NOTIFICATION REQUIRED TO: Check those which apply.

- A. ☐ Offset operators or lease holders
 B. ☒ Royalty, overriding royalty owners, revenue owners
 C. ☐ Application requires published notice
 D. ☒ Notification and/or concurrent approval by SLO
 E. ☐ Notification and/or concurrent approval by BLM
 F. ☐ Surface owner
 G. ☒ For all of the above, proof of notification or publication is attached, and/or,
 H. ☐ No notice required

FOR OCD ONLY

- ☐ Notice Complete
☐ Application
 Content
 Complete

- 3) CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

BOBBIE J GOODLOE

Print or Type Name

October 30, 2019

Date

575-748-6952

Phone Number

bgoodloe@concho.com

e-mail Address

Signature



October 30, 2019

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

Re: Application for Administrative Approval of Off-Lease Measurement, oil only.

Dear Mr. McClure,

COG Operating, LLC, respectfully requests approval for off-lease measurement for oil only for the following well:

Bobwhite 12 State #1H
API #30-025-40701
Berry; Bone Spring, North
Sec. 12-T21S-R33, SHL 275' FNL, 1491' FWL
Sec. 12-T21S-R33E, BHL 4885' FNL, 2074' FWL
Lea County, NM

Oil Production:

The oil production from this well will be measured and sold at the battery on-lease. In addition to the on-lease measurement, the oil production from this well 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's on lease are 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, they must file a formal protest with the NMOCD within 20 days of the date of this application. Proof of owner notification and copy of Public Notice is enclosed.

Please see the enclosed Administrative Application Checklist, plats for referenced wells, site facility diagram, maps with lease boundaries showing wells and facility locations and prior month's production.

Thank you for your attention to this matter.

Sincerely,


Bobbie J Goodloe
Regulatory Analyst

Enclosures

CORPORATE ADDRESS

ONE CONCHO CENTER | 600 WEST ILLINOIS AVENUE | MIDLAND, TEXAS 79701
P 432.683.7443 | F 432.683.7441

ARTESIA WEST OFFICE

2208 MAIN STREET | ARTESIA, NEW MEXICO 88210
P 575.748.6940 | F 575.746.2096

Received by OCD: 10/30/2019 1:08:50 PM

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr. Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: COG Operating LLC

OPERATOR ADDRESS: 2208 W. Main Street, Artesia, NM 88210

APPLICATION TYPE:

☐ Pool Commingling ☐ Lease Commingling ☐ Pool and Lease Commingling ☒ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☒ State ☐ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____

Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling

☒ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

| (1) Pool Names and Codes | Gravities / BTU of Non-Commingled Production | Calculated Gravities / BTU of Commingled Production | | Calculated Value of Commingled Production | Volumes |
|--------------------------|--|---|--|---|---------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

(2) Are any wells producing at top allowables? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No

(4) Measurement type: ☐ Metering ☐ Other (Specify)

(5) Will commingling decrease the value of production? ☐ Yes ☐ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

(1) Pool Name and Code.

(2) Is all production from same source of supply? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No

(4) Measurement type: ☐ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

(1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

(1) Is all production from same source of supply? ☒ Yes ☐ No

(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.

(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Bobbie Goodloe TITLE: Regulatory Analyst DATE: 10/30/19

TYPE OR PRINT NAME Bobbie Goodloe TELEPHONE NO.: 575-748-6952

E-MAIL ADDRESS bgoodloe@concho.com

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|--|--|---|
| ¹ API Number 30-025-40701 | ² Pool Code 5535 | ³ Pool Name BERRY; BONE SPRING NORTH |
| ⁴ Property Code 313680 | ⁵ Property Name BOBWHITE 12 STATE COM | |
| ⁷ OGRID No. 229137 | ⁶ Operator Name COG OPERATING, LLC | ⁸ Well Number 1H |
| | | ⁹ Elevation 3777.2' |

¹⁰ Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | 12 | 21S | 33E | | 275 | NORTH | 1491 | WEST | LEA |

¹¹ Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | 12 | 21S | 33E | | 4885 | NORTH | 2074 | WEST | LEA |

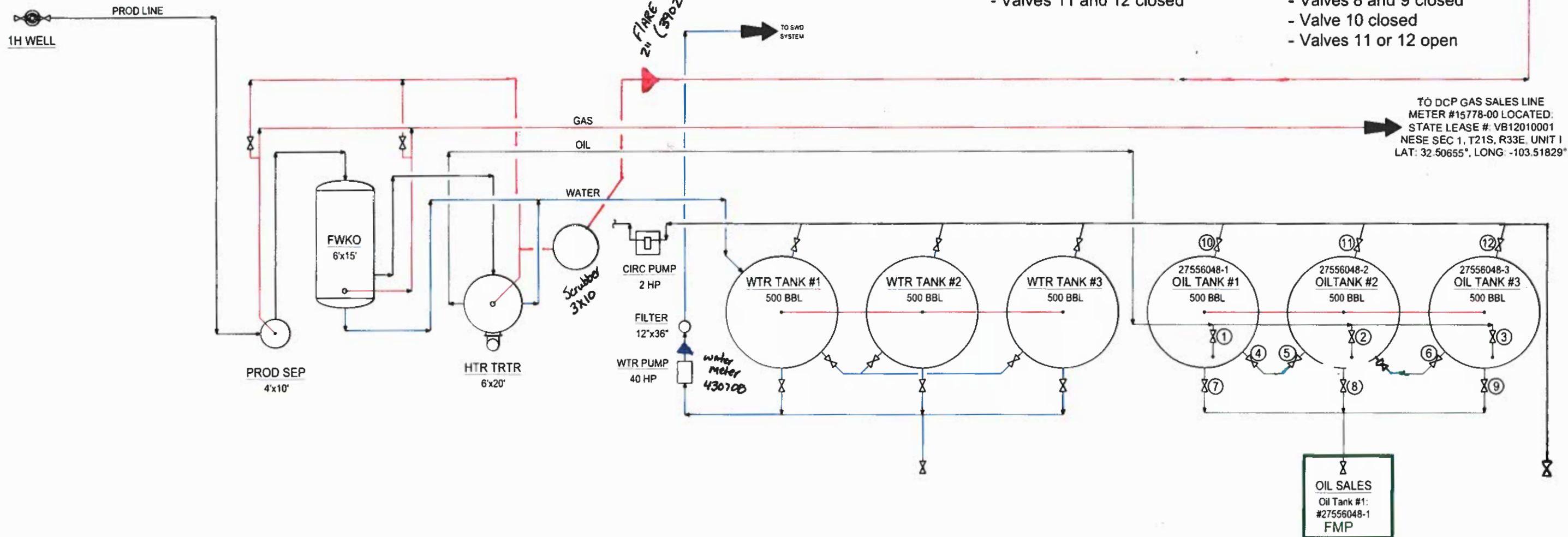
| | | | |
|---|-------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres 160 | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. |
|---|-------------------------------|----------------------------------|-------------------------|

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

| | |
|--|---|
| | <p>¹⁶ OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>[Signature]</i> October 30, 2019 Signature Date</p> <p>BOBBIE J GOODLOE Printed Name</p> <p>bgoodloe@concho.com E-mail Address</p> |
| | <p>¹⁷ SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p>REFER TO ORIGINAL PLAT</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> |
| | <p>Certificate Number</p> |
| | |

State
BOBWHITE 12 1H BATTERY
NENW SECTION 12, T21S, R33E, UNIT C
LEA COUNTY, NM
GPS Coord

State
WELLS:
BOBWHITE 12 #001H: 30-025-40701



NOTES:

Type of Lease: State
State Lease #: VB13920004
Property Code: 313680
OGRID #: 229137

Ledger for Site Diagram

Produced Fluid: —
Produced Oil: —
Produced Gas: —
Produced Water: —

CONFIDENTIALITY NOTICE

THIS DRAWING IS PROPERTY OF COG OPERATING LLC AND IS LOANED TO THE BORROWER FOR CONFIDENTIAL USE ONLY AND IS SUBJECT TO RETURN UPON REQUEST AND SHALL NOT BE REPRODUCED, COPIED, LENT OR OTHERWISE DISPOSED OF DIRECTLY OR INDIRECTLY, NOR USED FOR ANY PURPOSE OTHER THAN THAT WHICH IT IS SPECIFICALLY FURNISHED.

REFERENCE DRAWINGS

| NO. | TITLE |
|-----|---|
| 1 | ONE CONCHO CENTER 600 WEST ILLINOIS AVENUE MIDLAND, TEXAS 79701 |

REVISIONS

| NO. | DATE | DESCRIPTION | BY | CHK. | APP. |
|-----|----------|-----------------------------|-----|------|------|
| A | 06/01/12 | ISSUE FOR SITE PERMITTING | CRB | | |
| B | 05/15/18 | UPDATED: BOBWHITE 12 1H BTY | CMB | | |

ENGINEERING RECORD

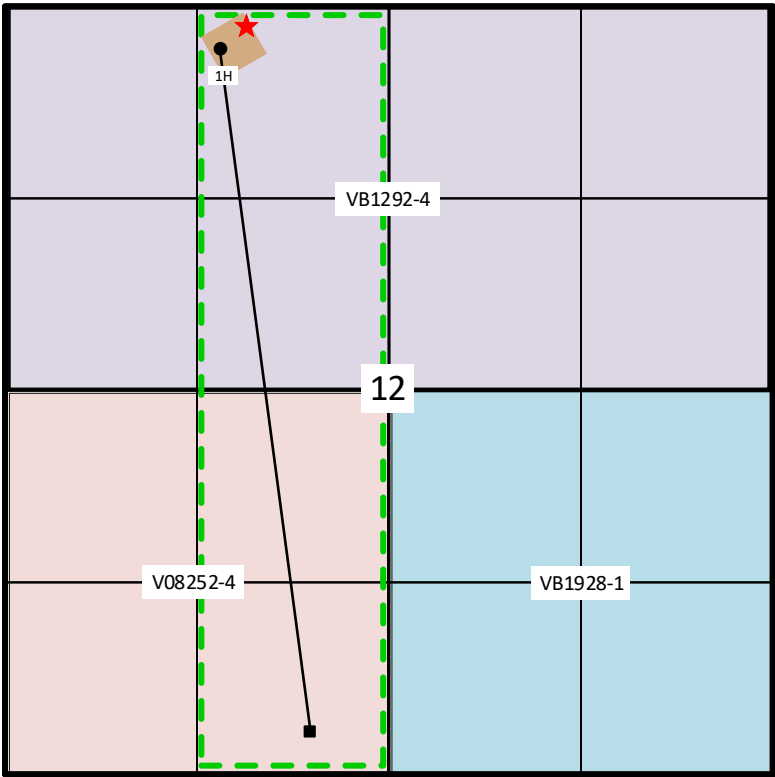
| BY | DATE |
|------------|------------|
| DRN: CRB | 06/01/12 |
| DES: CRB | 06/01/12 |
| CHK: | |
| APP: | |
| AFE NO: | |
| FACE ENGR: | C. BLEDSOE |
| OPER ENGR: | VARIES |
| SCALE: | NONE |



NORTHERN DELAWARE BASIN ASSET
PRODUCTION FACILITIES
SITE FACILITY DIAGRAM
BOBWHITE 12 1H BATTERY

| | |
|----------------|---------------|
| LEA COUNTY | NEW MEXICO |
| TOWNSHIP/RANGE | D-1700-81-005 |
| DWG NO. | REV B |

Bobwhite State #1H





- Existing SHL
- Existing BHL
- Bone Spring CA
- ★ Gas Meter
- Tank Battery

Sec. 12-T21S-R33E
Lea County, NM

Bobwhite 12 St #1H

Sec 12 - T21S - R33E
Lea County, NM

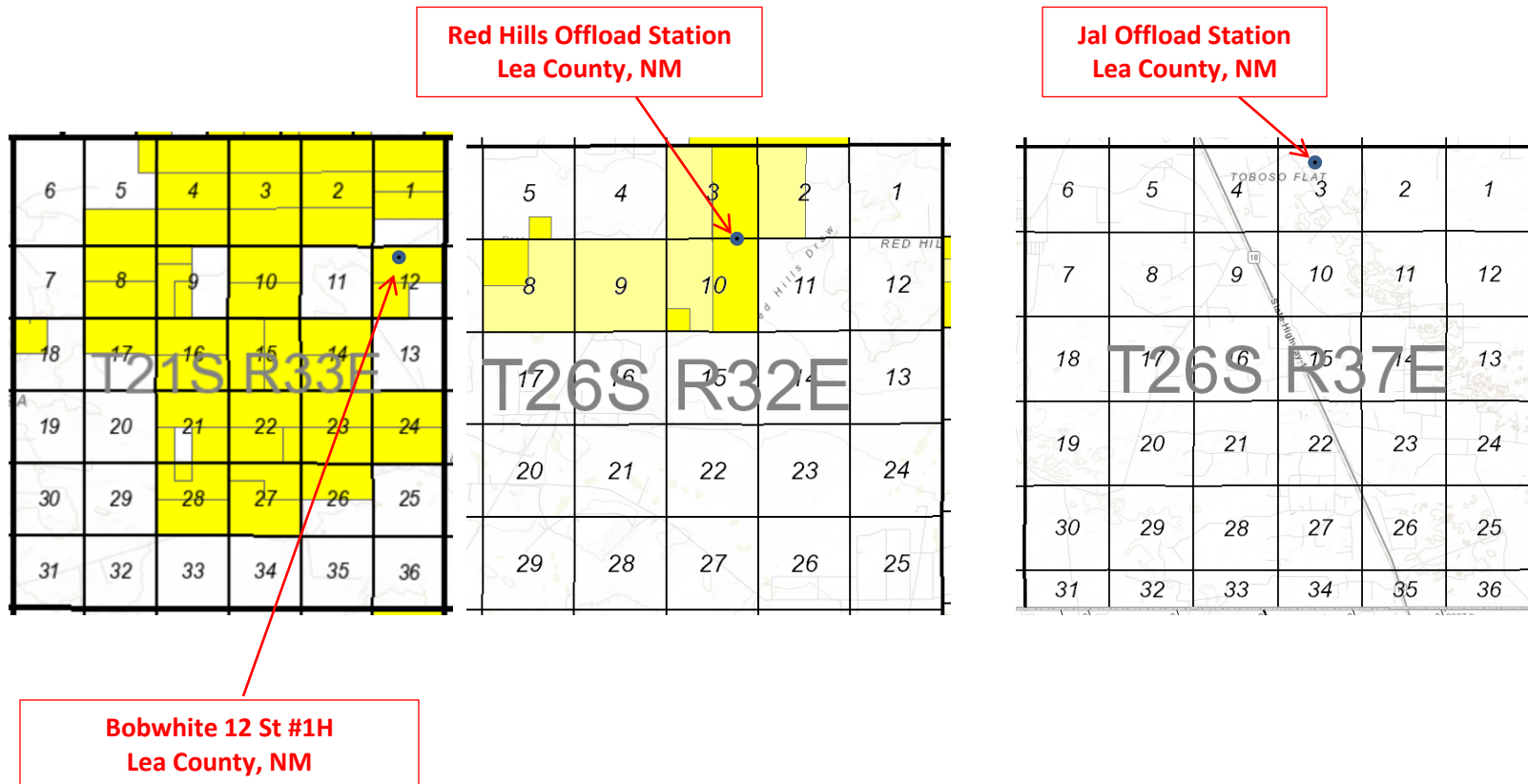
Legend

-  Bobwhite 12 St Battery
-  Bobwhite SHL's

Bobwhite 12 St #1H - Battery

Bobwhite 12 Com #1H - SHL

Bobwhite 12 State #1H & Red Hills and Jal Offload Station Map



30-025-40701 BOBWHITE 12 #001H [313680]

General Well Information

Operator:

[229137] COG OPERATING LLC

Status:

Active

Well Type:

Oil

Work Type:

New

Surface Location:

C-12-21S-33E 275 FNL 1491 FWL

Lat/Long:

32.4997635,-103.5297775 NAD83

GL Elevation:

3777

KB Elevation:

DF Elevation:

Direction:

Horizontal

Multi-Lateral:

No

Mineral Owner:

State

Surface Owner:

Sing/Mult Compl:

Single

Potash Waiver:

False

[5535] BERRY; BONE SPRING, NORTH

Status:

Active

Bottomhole Location:

N-12-21S-33E 395 FSL 2074 FWL

Lat/Long:

Acreage:

160 12-21S-33E Units: C F K N

DHC:

No


Last Produced:

06/01/2019

Consolidation Code:

Production Method:

Pumping

Earliest Production in OCD Records: 4/2013 Last 6/2019 [Show All Production](#)  [Export to Excel](#)

| | Production | | | | Injection | | | | |
|------------|------------|----------|--------------|----------|--------------|----------|----------|-------|----------|
| Time Frame | Oil(BBLS) | Gas(MCF) | Water (BBLS) | Days P/I | Water (BBLS) | Co2(MCF) | Gas(MCF) | Other | Pressure |

 2019

BERRY;BONE SPRING, NORTH

| | | | | | | | | | |
|-----|------|------|------|----|---|---|---|---|---|
| Jan | 1906 | 2225 | 1508 | 31 | 0 | 0 | 0 | 0 | 0 |
| Feb | 1646 | 2006 | 1261 | 28 | 0 | 0 | 0 | 0 | 0 |
| Mar | 1467 | 1915 | 1146 | 30 | 0 | 0 | 0 | 0 | 0 |
| Apr | 871 | 797 | 643 | 16 | 0 | 0 | 0 | 0 | 0 |
| May | 1502 | 1940 | 1497 | 31 | 0 | 0 | 0 | 0 | 0 |
| Jun | 1103 | 1447 | 807 | 26 | 0 | 0 | 0 | 0 | 0 |
| Jul | 1167 | 1289 | 905 | 22 | 0 | 0 | 0 | 0 | 0 |
| Aug | 1492 | 1864 | 1151 | 31 | 0 | 0 | 0 | 0 | 0 |

Bobwhite 12 State #1H 30-025-40701
Application for Off Lease Measurement - Red Hills - Jal Offloads
Notification List

| Date Sent | Initials | Name | Address | City | State | ZipCode | Certified Return Receipt No. | Delivered |
|------------------|-----------------|------------------------------------|----------------------------|-------------|--------------|----------------|-------------------------------------|------------------|
| 10/30/19 | bg | THE ALLAR COMPANY | P O BOX 1567 | GRAHAM | TX | 76450-7567 | 7017-3040-0000-1205-3511 | |
| 10/30/19 | bg | EOG RESOURCES INC | P O BOX 840321 | DALLAS | TX | 75284-321 | 7017-3040-0000-1205-3528 | |
| 10/30/19 | bg | PETRO-QUEST OIL & GAS LP | P O BOX 294151 | KERRVILLE | TX | 78029 | 7017-3040-0000-1205-3535 | |
| 10/30/19 | bg | COMMISSIONER OF PUBLIC LANDS | PO BOX 2308 | SANTA FE | NM | 87501 | 7017-3040-0000-1205-3542 | |
| 10/30/19 | bg | OXY Y-1 COMPANY | P O BOX 27570 | HOUSTON | TX | 77227 | 7017-3040-0000-1205-3559 | |
| 10/30/19 | bg | GAMBLE PRODUCTION PARTNERS LLC | PO BOX 11354 | MIDLAND | TX | 79702 | 7017-3040-0000-1205-3566 | |
| 10/30/19 | bg | HOFFMANN PARTNERSHIP, LTD | 265 SAINT MARKS PATH | KERRVILLE | TX | 78028 | 7017-3040-0000-1205-3573 | |
| 10/30/19 | bg | CENTENNIAL RESOURCE PRODUCTION LLC | 1001 17TH STREET STE 1800 | DENVER | CO | 80202 | 7017-3040-0000-1205-3580 | |
| 10/30/19 | bg | FOUNDATION ENERGY FUND V-A, LP | P O BOX 650002, DEPT D8041 | DALLAS | TX | 75265-0002 | 7017-3040-0000-1205-3597 | |
| 10/30/19 | bg | FOUNDATION ENERGY FUND V-B | P O BOX 650002, DEPT D8041 | DALLAS | TX | 75265-0002 | 7017-3040-0000-1205-3603 | |

EXAMPLE OF LETTER SENT TO INTEREST OWNERS

October 30, 2019

**Certified Mail – Return Receipt Requested
#7017-3040-0000-1205-3511**

THE ALLAR COMPANY
P O BOX 1567
GRAHAM, TX 76450-7567

Re: Off-Lease Measurement application to O.C.D.

COG Operating, LLC, respectfully requests approval for off-lease measurement, oil only, for the following well:

Bobwhite 12 State #1H
API #30-025-40701
Berry; Bone Spring, North
Sec. 12-T21S-R33, SHL 275' FNL, 1491' FWL
Sec. 12-T21S-R33E, BHL 4885' FNL, 2074' FWL
Lea County, NM

Gentlemen:

Attached is a copy of COG Operating LLC's application for off-lease measurement of oil production for our Bobwhite 12 St #1H well. This well is located in Section 12-T21S-R33E, Lea County, NM.

The oil production from this well will be measured and sold at the battery on-lease. In addition to the on-lease measurement, the oil production from this well 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's on lease are 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.

You are receiving this information per NMOCD's requirement to notify all parties owning an interest in the minerals affected by this application. Any objections to these proposals should be registered with the NMOCD within 20 days of the date of this letter.

If you have any questions regarding this application, please contact me at 575-748-6952 or by email at bgoodloe@concho.com.

Sincerely,

Bobbie J Goodloe
Regulatory Analyst
Enclosures