

ABOVE THIS LINE FOR DIVISION USE ONLY

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



Ref Well: 30-025-34733-00-00
+ 42 additional wells
COG operating LLC

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

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR
- [D] Other: Specify _____
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached
- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **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.

Brian Maiorino

Regulatory Analyst

1/31/13

Print or Type Name

Signature

Title

Date

bmaiorino@concho.com
e-mail Address

OLM-72



February 11, 2013

COG Operating, LLC
Brian Maiorino
One Concho Center
600 W. Illinois Avenue
Midland, Texas 79701

New Mexico Oil Conservation Division
Richard Ezeanyim
1220 S St. Francis Drive
Santa Fe, New Mexico 87505

Dear Mr. Ezeanyim,

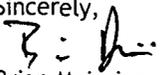
COG Operating LLC respectfully requests approval for Off Lease measurement of gas for the following central tank batteries:

BC Federal CTB 1 Lea County, NM Surface: NENW, Sec 20, T17S, R32E	BC Federal CTB 10 Lea County, NM Surface: SENW, Sec 19, T17S, R32E
BC Federal CTB 42 Lea County, NM Surface: SWNW, Sec 20, T17S, R32E	

Gas production from BC Federal lease NMLC029405A to be measured at BC/GC compressor station (SWSW, Section 19, T17S, R32E) on federal lease NMLC029405B, gas production for each lease will be kept separate using a dedicated meter for each lease.

I have attached proof of notice to all of our working interest owners, a diagram of our compressor facility, a list of wells producing to each CTB, and a map with lease boundaries showing CTB locations.

Please contact me at 432-221-0467 should you have any questions.

Sincerely,

Brian Maiorino
Regulatory Analyst
COG Operating LLC

2013 FEB 13 P 2:02

RECEIVED OGD

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: One Concho Center, 600 W. Illinois Avenue, Midland, TX 79701

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: Brian Maiorino TITLE: Regulatory Analyst DATE: 1/31/13
TYPE OR PRINT NAME Brian Maiorino TELEPHONE NO.: 432-221-0467
E-MAIL ADDRESS: bmaiorino@concho.com

COG Operating, LLC is Requesting approval of offlease measurement of gas for the following formation and tank batteries

On Federal Lease No. NMLC029405A to be measured at Compressor station on lease No. NMLC029405B

<u>CTB Name</u>	<u>Loc: 1/4-1/4 Sec. Twp. Rng. UL</u>	<u>Formation</u>	<u>BOPD</u>	<u>Oil Gravity</u>	<u>MCFPD</u>	<u>BTU</u>
BC Federal #1	NENW, 20, 17S, 32E, C	Maljamar; Yeso-West	270	37.0/@60°	2500	1400
BC Federal #10	SEnw, 19, 17S, 32E, F	Maljamar; Yeso-West	250	37.0/@60°	1000	1400
BC Federal #42	SWNW, 20, 17S, 32E, E	Maljamar; Yeso-West	200	37.0/@60°	1200	1400

The measuring facility for gas is located off lease at SWSW, Sec 19, T17S, R32E, lease No. NMLC029405B, Lea County, NM
BC Gas Allocation Meter # T130204008

BLM will be notified if there is any future change in the facility location
Allocation of production based on individual gas meters.

January 31, 2013

ConocoPhillips Company
PO Box 2197, WL3
Houston, TX 77251

Certified Mail Article Number: 91 7199 9991 7030 4044 9234

Re: Notice of off lease gas measurement

Attn: Beverly Wander

This letter will serve as notice under Rule 104.F (3) that COG Operating LLC has requested administrative approval from the Oil Conservation Division in Santa Fe, NM for Off Lease Measurement of gas for the following central tank batteries:

Gas production from BC Federal lease NMLC029405A to be measured at BC/GC compressor station (SWSW, Section 19, T17S, R32E) on federal lease NMLC029405B

BC Federal CTB 1 Lea County, NM Surface: NENW, Sec 20, T17S, R32E, UL C	BC Federal CTB 10 Lea County, NM Surface: SENW, Sec 19, T17S, R32E, UL F
BC Federal CTB 42 Lea County, NM Surface: SWNW, Sec 20, T17S, R32E, UL E	

Should your company have any objection, it must be filed in writing within twenty (20) days from the date of this notice. The Division Director may approve the off lease measurement if no objection has been made within the 20 days after the application has been received.

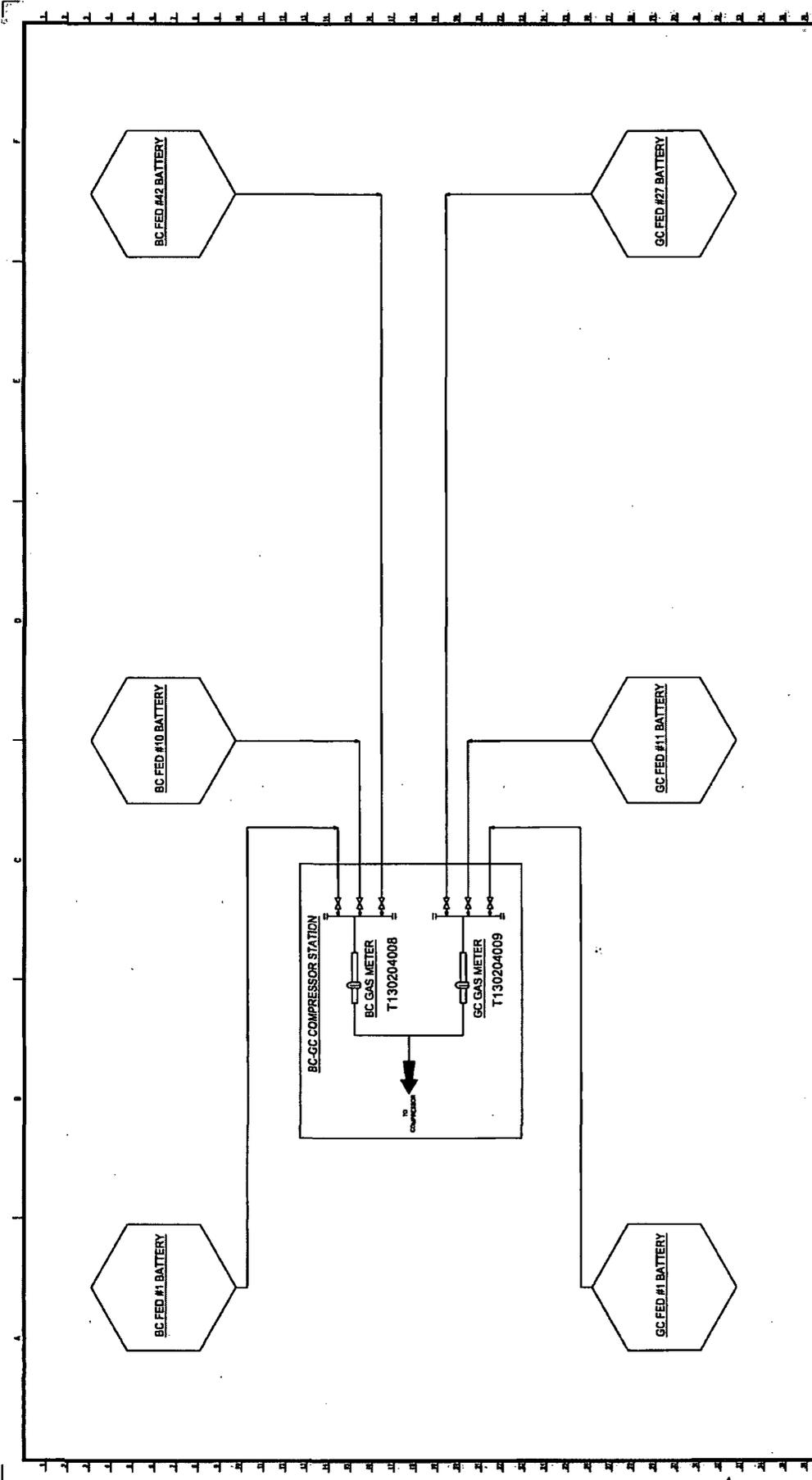
Please contact me at 432-221-0467 should you have any questions.

Sincerely,

Brian Maiorino
Regulatory Analyst
COG Operating LLC

Attachments: 1 production diagram

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee B. Received by (Printed Name) _____ Date of Delivery <u>2/9/13</u> C. Is delivery address different from item 1? <input checked="" type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No
1. Article Addressed to: Attn: Beverly Wander ConocoPhillips Company PO Box 2197, WL3 Houston, TX 77251	3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.
2. Article Number 91 7199 9991 7030 4044 9234	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes



CONCHO NEW MEXICO SURF ASSET PRODUCTION FACILITIES GAS GATHERING DIAGRAM BC & GC FEDERAL LIQUIDS		DATE: 07/27/13 BY: CFB CHECKED: CFB SCALE: NONE
COMPANY: CONCHO PROJECT: BC & GC FEDERAL LIQUIDS LOCATION: LSA COUNTY, TEXAS DRAWING NO: D-1732-81-006 REV: A		DATE: 07/27/13 BY: CFB CHECKED: CFB SCALE: NONE
TITLE: BC-GC COMPRESSOR STATION NO. 1 ISSUE FOR APPROVAL:		DATE: 07/27/13 BY: CFB CHECKED: CFB SCALE: NONE
COMPANY: CONCHO PROJECT: BC & GC FEDERAL LIQUIDS LOCATION: LSA COUNTY, TEXAS DRAWING NO: D-1732-81-006 REV: A		DATE: 07/27/13 BY: CFB CHECKED: CFB SCALE: NONE
COMPANY: CONCHO PROJECT: BC & GC FEDERAL LIQUIDS LOCATION: LSA COUNTY, TEXAS DRAWING NO: D-1732-81-006 REV: A		DATE: 07/27/13 BY: CFB CHECKED: CFB SCALE: NONE

NOTES

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMLC029405A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
BC FEDERAL 1

9. API Well No.
30-025-34733

10. Field and Pool, or Exploratory
MALJAMAR;YESO-WEST

11. County or Parish, and State
LEA COUNTY, NM

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
COG OPERATING LLC
Contact: BRIAN MAIORINO
E-Mail: bmaiorino@concho.com

3a. Address
ONE CONCHO CENTER 600 W. ILLINOIS AVE.
MIDLAND, TX 79701

3b. Phone No. (include area code)
Ph: 432-221-0467

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 20 T17S R32E NENW 330FNL 1575FWL

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Off-Lease Measuremen t
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

COG Operating LLC respectfully request to off lease measure gas production from the following central tank batteries.

BC Federal CTB 1
NENW, Sec 20, T17S, R32E, UL C
Lea County, NM

BC Federal CTB 10
SENW, Sec 19, T17S, R32E, UL F
Lea County, NM

BC Federal CTB 42

14. I hereby certify that the foregoing is true and correct.
**Electronic Submission #191966 verified by the BLM Well Information System
For COG OPERATING LLC, sent to the Carlsbad**

Name (Printed/Typed) BRIAN MAIORINO	Title AUTHORIZED REPRESENTATIVE
Signature (Electronic Submission)	Date 01/29/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Additional data for EC transaction #191966 that would not fit on the form

32. Additional remarks, continued

SWNW, Sec 20, T17S, R32E, UL E
Lea County, NM

All three central tank batteries are located on lease NMLC029405A, gas will be measured on Lease NMLC029405B at the BC/GC Compressor Station (SWSW, Sec 19, T17S, R32E) with BC Allocation Meter #T130204008

Notice has been given to all interest owners.

*Please see attachments.

Wells Producing to Central Tank Batteries

BC Federal CTB #1

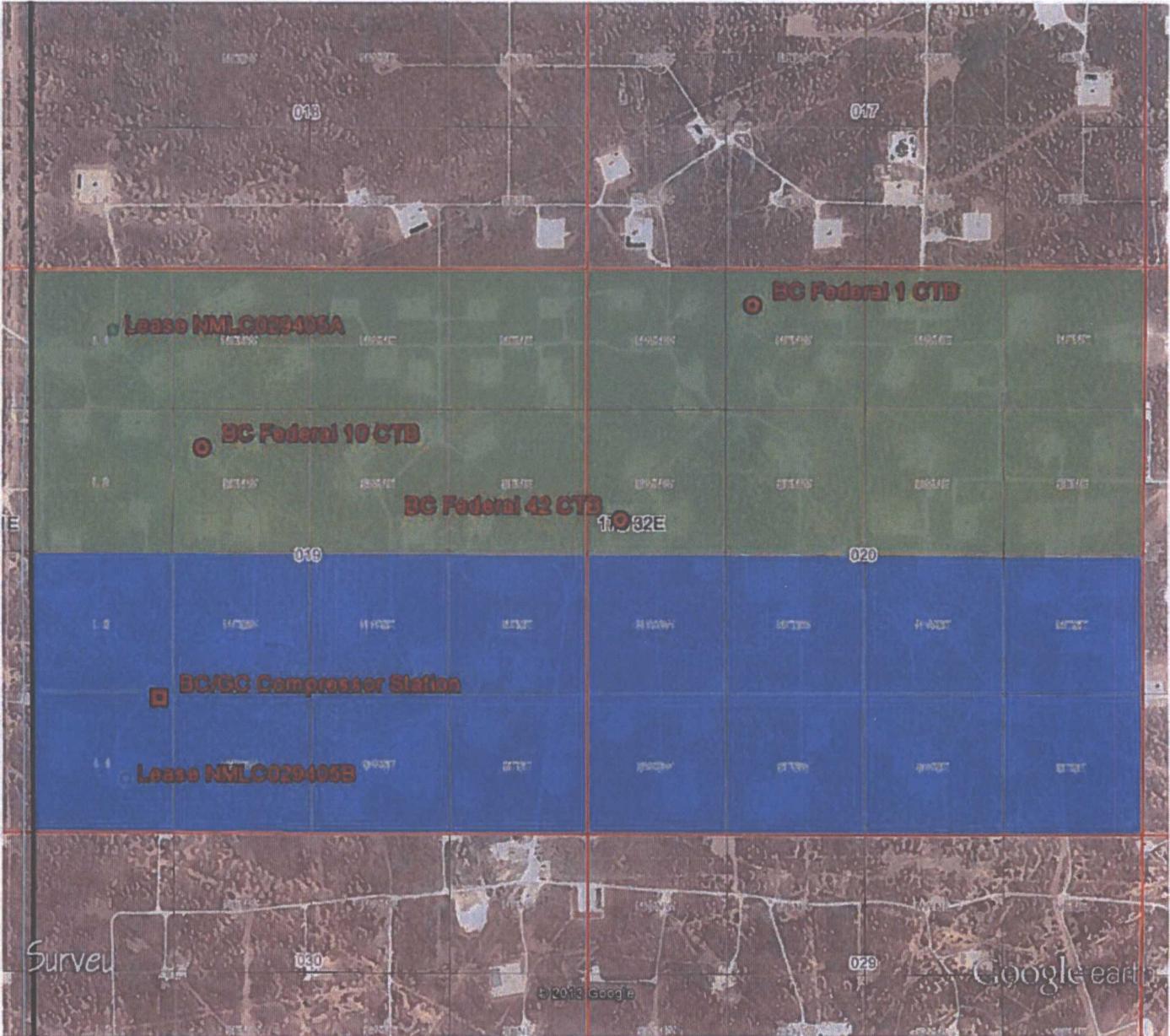
Well	API#
BC Federal 1	30-025-34733
BC Federal 2	30-025-34713
BC Federal 3	30-025-34932
BC Federal 4	30-025-35481
BC Federal 8	30-025-36194
BC Federal 15	30-025-38539
BC Federal 25	30-025-38744
BC Federal 27	30-025-38727
BC Federal 28	30-025-38746
BC Federal 33	30-025-38714
BC Federal 40	30-025-39414
BC Federal 41	30-025-39415
BC Federal 46	30-025-39611

BC Federal CTB #42

Well	API#
BC Federal 6	30-025-35652
BC Federal 7	30-025-35813
BC Federal 14	30-025-38366
BC Federal 22	30-025-38741
BC Federal 24	30-025-38743
BC Federal 26	30-025-38745
BC Federal 29	30-025-38814
BC Federal 31	30-025-38713
BC Federal 32	30-025-38829
BC Federal 36	30-025-38992
BC Federal 42	30-025-39416
BC Federal 43	30-025-39417
BC Federal 44	30-025-39418
BC Federal 50	30-025-39468

BC Federal CTB #10

Well	API#
BC Federal 9	30-025-36769
BC Federal 10	30-025-37021
BC Federal 11	30-025-36998
BC Federal 12	30-025-37869
BC Federal 13	30-025-38164
BC Federal 16	30-025-38724
BC Federal 18	30-025-38725
BC Federal 19	30-025-38837
BC Federal 20	30-025-38904
BC Federal 21	30-025-38726
BC Federal 34	30-025-39358
BC Federal 35	30-025-39021
BC Federal 37	30-025-39358
BC Federal 38	30-025-39299
BC Federal 39	30-025-39290
BC Federal 45	30-025-39419



Google earth

