

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



June 6, 2013

ADMINISTRATIVE POOL/LEASE COMMINGLING ORDER

Administrative Order PLC-375
Administrative Application Reference No. pPRG1314034825

COG Production LLC
Attn: Mr. Brian Maiorino

Pursuant to your application received on May 17, 2013, COG Production LLC (OGRID 217955) is hereby authorized to surface commingle oil and gas from the following pools:

Delaware River; Bone Spring (16800)
Wildcat; Bone Spring (97876)

and from the following diversely owned wells located on federal leases in Township 26 South, Range 29 East, NMPM, Eddy County, New Mexico:

Copperhead 31 Federal Com. Well No. 1H (API No. 30-015-38532), SHL 480 FSL & 480 FEL, (Lot 7) Section 31; BHL 2037 FNL & 350 FEL, (Unit H) of Section 30 (189.5-acre oil, horizontal well project area comprising SE/4 NE/4 and E/2 SE/4 of Section 30 and the E/2 E/2 equivalent of Section 31)

Copperhead 31 Federal Com. Well No. 2H (API No. 30-015-39791), SHL 480 FSL & 2140 FEL, (Lot 6) Section 31; BHL 1615 FNL & 2175 FEL, (Unit G) of Section 30 (186.27-acre oil, horizontal well project area comprising SW/4 NE/4 and W/2 SE/4 of Section 30 and the W/2 E/2 equivalent of Section 31)

Each well produces from only one pool. No downhole commingling is authorized.

Each well will be equipped with individual gas meters for allocation purposes. **Allocation of gas production by the subtraction method is NOT authorized.** Meters will be calibrated as required by Rule 19.15.12.10.C(2)(b) NMAC.

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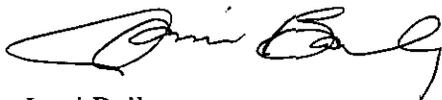
Oil production may be measured, stored and sold at the Copperhead Federal Com #1H Central Battery in Lot 7 of Section 31. Oil production only from Copperhead Federal Com. Well No. 1H may be calculated by the subtraction method using the sales meter at the central tank battery and a check meter at the wellhead of the Copperhead Federal Com Well No. 2H.

The operator shall notify the transporter of this commingling authority.

The operator shall notify the Artesia district office of the Division upon commencement of commingling operations.

This approval is subject to like approval from the United States Bureau of Land Management before commencement of the commingling operations.

Sincerely,

A handwritten signature in black ink, appearing to read "Jami Bailey", written in a cursive style.

Jami Bailey
Division Director

JB/db

cc: Oil Conservation Division District Office – Artesia
United States Bureau of Land Management