

State of New Mexico
Energy, Minerals and Natural Resources Department

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Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-647-A
Administrative Application Reference No. pKSC1709032521

April 25, 2017

COG OPERATING LLC

Attention: Ms. Kanicia Castillo

COG Operating LLC (OGRID 229137) is hereby authorized to surface commingle oil and gas production from Penasco Draw; SA-Yeso (Assoc) Pool (Pool code 50270) from the following diversely owned state leases and wells in Section 36, Township 18 South, Range 25 East, Eddy County, New Mexico:

Lease: Pinto 36 State Com. Well No. 2H Agreement
Description: E/2 W/2 of Section 36, Township 18 South, Range 25 East, NMPM
Well: Pinto 36 State Com. Well No. 2H API 30-015-39969
Pinto 36 State Com. Well No. 6H API 30-015-39971

Lease: Pinto 36 State Com. Well No. 1H Agreement
Description: W/2 W/2 of Section 36, Township 18 South, Range 25 East, NMPM
Well: Pinto 36 State Com. Well No. 1H API 30-015-39781

Lease: Pinto 36 State Com. Well No. 3H Agreement
Description: W/2 E/2 of Section 36, Township 18 South, Range 25 East, NMPM
Well: Pinto 36 State Com. Well No. 3H API 30-015-39782

Lease: Pinto 36 State Com. Well No. 5H Agreement
Description: W/2 W/2 of Section 36, Township 18 South, Range 25 East, NMPM
Well: Pinto 36 State Com. Well No. 5H API 30-015-39970

Lease: Pinto 36 State Com. Well No. 27H Communitization Agreement
Description: S/2 S/2 of Section 36, Township 18 South, Range 25 East, NMPM
Well: Pinto 36 State Com. Well No. 27H API 30-015-43399

The combined project area for these wells include the SE/4 SE/4, W/2 E/2, and W/2 of Section 36, all in Township 18 South, Range 25 East, NMPM, Eddy County, New Mexico.

The oil and gas production from these wells listed as part of this application shall be measured and sold from the Pinto 36 State Com. Well No. 1H Central Tank Battery (CTB), located in Unit M, Section 36, Township 18 South, Range 25 East, NMPM, Eddy County, New Mexico.

Production from the subject wells shall be determined as follows:

The oil and gas production from each of the subject wells shall be determined with a combination of metering and well testing. The Pinto 36 State Com. Well No. 1H, Pinto 36 State Com. Well No. 2H, Pinto 36 State Com. Well No. 3H, Pinto 36 State Com. Well No. 5H, and Pinto 36 State Com. Well No. 6H (Original wells) shall be measured with a combination of well testing and metering, before commingling. Original wells shall be tested for three days at a time, which shall provide for a minimum of two monthly tests. The remaining well, the Pinto 36 State Com. Well No. 27 H shall be continuously metered before commingling with the other wells in this application.

The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2).

Subsequently drilled wells that produce from the subject pool within the project areas approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

This amended surface commingle application supersedes administrative order CTB-647, issued on July 13, 2012 to add the Pinto 36 State Com. Well No. 27 H, and corresponding new project area to the application.

The operator shall notify the Artesia District office of the Division prior to implementation of the commingling operations.

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

Done at Santa Fe, New Mexico, on April 25, 2017.



DAVID R. CATANACH
Director

DRC/mam

cc: Oil Conservation Division – Artesia
New Mexico State Land Office – Oil, Gas, and Minerals