

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-835
Administrative Application Reference No. pMAM1727952765

October 27, 2017

CIMAREX ENERGY CO. OF COLORADO

Attention: Ms. Amithy Crawford

Cimarex Energy Co. of Colorado (OGRID 162683) is hereby authorized to surface commingle oil production from the Cottonwood Draw; Bone Spring (O) Pool (Pool code: 97494) from the following diversely owned federal leases in the form of a federal lease and federal communization agreements located in Section 13, Township 25 South, Range 26 East, Eddy County, New Mexico:

Lease: Federal Communitization Agreement CANMNM 136959
Description: W/2 E/2 of Section 13, Township 25 South, Range 26 East
Well: Federal 13 Com Well No. 8H API 30-015-42777

Lease: Federal lease NMNM 041645
Description: E/2 W/2 of Section 13, Township 25 South, Range 26 East
Well: Federal 13 Com Well No. 9H API 30-015-42778

Lease: Federal Communitization Agreement CANMNM 135720
Description: W/2 W/2 of Section 13, Township 25 South, Range 26 East
Well: Federal 13 Com Well No. 10H API 30-015-42665

The combined project area for these wells includes the W/2 E/2 and W/2 of Section 13, Township 25 South, Range 26 East, NMPM, Eddy County, New Mexico.

The commingled oil production from the wells detailed above shall be measured and sold at the Federal 13 Central Tank Battery (CTB), located in Unit D of Section 13, Township 25 South, Range 26 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 diversely-owned leases shall be measured with allocation meters. The oil and gas production from each well will flow into a dedicated 3-phase

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separator. The production stream will be separated into 3 independent streams by the separator and each stream will be measured individually after it exits the separator, before commingling. The CTB is a central delivery point for oil production only, because the CTB is the lone custody transfer point. Gas production is not commingled, because each well is its own custody transfer point.

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

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 installation shall be installed and operated in accordance with the applicable Division Rules. It is the responsibility of the producer to notify the transporter of this commingling authority.

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

Done at Santa Fe, New Mexico, on October 27, 2017.



DAVID R. CATANACH
Director

DRC/mam

cc: Oil Conservation Division – Artesia
Bureau of Land Management - Carlsbad