

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Michelle Lujan Grisham**  
Governor

**Sarah Cottrell Propst**  
Cabinet Secretary

**Todd E. Leahy, JD, PhD**  
Deputy Secretary

**Adrienne Sandoval, Director**  
Oil Conservation Division



December 16, 2019

**OFF-LEASE MEASUREMENT**

**Administrative Order OLM-176**

COG Operating, LLC  
Attention: Jeanette Barron  
2208 W. Main Street, Artesia, NM 88210

Pursuant to your application received on September 17, 2019, COG Operating, LLC ("Operator") is hereby authorized to transport and measure oil and gas production off-lease from the wells and associated leases identified in Exhibit A and incorporated by reference into this Order. The wells are located in Section 4, Township 26 South, Range 29 East, NMPM, Eddy County, New Mexico.

The commingled oil production from the wells shall be measured either by a lease automatic custody transfer ("LACT") meter or by a run ticket mutually agreed upon by Operator and the oil transporter. The measurement and sell of the commingled oil production shall occur at the respective central tank battery ("CTB") described in Exhibit A, except when the CTB is over capacity or unavailable due to maintenance, or the pipeline is unavailable due to maintenance, in which case the oil shall be transported to either the Red Hills Offload Station (Red Hills CTB) located in Unit O, Section 4, Township 26 South, Range 32 East, NMPM, Lea County, New Mexico, or the Jal Offload Station (Jal CTB) located in Unit D, Section 4, Township 26 South, Range 37 East, NMPM, Lea County, New Mexico. When oil is transported to either the Red Hills CTB or Jal CTB, it shall remain segregated and measured by a LACT meter, and Operator shall submit a Sundry Notice C-103 to the Engineering Bureau in Santa Fe at [OCD.engineer@state.nm.us](mailto:OCD.engineer@state.nm.us).

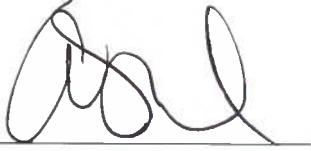
The gas production from the wells shall be measured by an automatic custody transfer meter and sold at the respective CTB described in Exhibit A.

All meters for the wells shall be physically separated from facilities for other wells, so that production from the wells will not be commingled prior to measurement with production from any other well.

This permit does not authorize the surface commingling of this oil and gas production with production from other pools or leases.

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This approval is subject to like approval from the Bureau of Land Management.



Adrienne Sandoval  
Director

AS/dm

cc:   OCD – Engineering Bureau  
      OCD – Artesia District Office  
      Bureau of Land Management

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## Exhibit A

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Administrative Order: **OLM-176**

Date: **12/16/19**

Operator: **COG Operating, LLC**

Central Tank Battery: **Big Papi Fed Com 12H Battery**

Central Tank Battery Location: **Section 4, Township 26 South, Range 29 East**

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### Pools

Pool Name	Pool Code	Pool Name	Pool Code
<b>CORRAL CANYON; BONE SPRING, SOUTH</b>	<b>13354</b>		

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### Leases

**BS CA (W/2 E/2 Sec 4 and W/2 E/2 Sec 9, T26S-R29E)**

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### Wells

Well API	Well Name	Pool Code	Location	Train
<b>30-015-43779</b>	<b>Big Papi Federal Com 12H</b>	<b>13354</b>	<b>Sec 4-T26S-R29E</b>	