STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

APPLICATION FOR OFF-LEASE MEASUREMENT SUBMITTED BY COG OPERATING, LLC

ORDER NO. OLM-240

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having considered the application and the recommendation of the Engineering Bureau, issues the following Order.

FINDINGS OF FACT

- 1. COG Operating, LLC ("Applicant") submitted a complete application to off-lease measure the oil production ("Application") from the wells, pool, and lease identified in Exhibit A.
- 2. Applicant provided notice of the Application to all persons owning a working interest in the oil production to be off-lease measured in accordance with 19.15.23.9(A)(5) NMAC, and those persons either submitted a written waiver or did not file an objection to the Application.
- 3. Applicant provided notice of the Application to the Bureau of Land Management or New Mexico State Land Office, as applicable.

CONCLUSIONS OF LAW

- 4. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, and 19.15.23 NMAC.
- 5. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9(A)(5) NMAC.
- 6. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

ORDER

- 1. Applicant is authorized to off-lease measure oil production from the wells, pool, and lease identified in Exhibit A.
- 2. The oil production from the wells identified in Exhibit A shall be physically separated from the oil production from other wells and no commingling of production from different leases shall occur in accordance with 19.15.23.9(A)(3) NMAC and 19.15.23.9(A)(4) NMAC, except as otherwise provided in order(s) issued by OCD.
- 3. Applicant shall measure the commingled oil at a central tank battery described in Exhibit A in accordance with 19.15.18.15 NMAC or 19.15.23.8 NMAC.

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- 4. Applicant shall calibrate the meters used to measure or allocate oil production in accordance with 19.15.12.10(C)(2) NMAC.
- 5. OCD retains jurisdiction and reserves the right to modify or revoke this Order if it is deemed necessary to prevent waste or protect correlative rights, public health, or the environment.

DATE: <u>5/19/2021</u>

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL

DIRECTOR

AS/dm

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State of New Mexico Energy, Minerals and Natural Resources Department

Exhibit A

Order: OLM-240

Operator: COG Operating, LLC (229137)

Central Tank Battery: Deerstalker Federal 5 C Central Tank Battery

Central Tank Battery Location: Unit C, Section 5, Township 25 South, Range 35 East

Central Tank Battery: Red Hills Offload Station

Central Tank Battery Location: Unit O, Section 4, Township 26 South, Range 32 East

Central Tank Battery: Jal Offload Station

Central Tank Battery Location: Unit D, Section 4, Township 26 South, Range 37 East

Gas Custody Transfer Meter Location:

Pools

Pool Name Pool Code

WC-025 G-09 S243532M; WOLFBONE 98098

Leases as defined in 19.15.12.7(C) NMAC

 Lease
 UL or Q/Q
 S-T-R

 CA Wolfbone BLM
 W/2
 5-25S-35E

 W/2
 8-25S-35E

Walls

wells				
Well API	Well Name	UL or Q/Q	S-T-R	Pool Code
30-025-47204	Deerstalker Federal Com #606H	W/2	5-25S-35E	98098
		W/2	8-25S-35E	
30-025-47206	Deerstalker Federal Com #705H	W/2	5-25S-35E	98098
		W/2	8-25S-35E	