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

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

ORDER NO. OLM-244

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 Production, 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.

Order No. OLM-244 Page 1 of 2

- 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.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

DATE: 5/27/2021

ADRIENNE SANDOVAL DIRECTOR AS/dm

Order No. OLM-244 Page 2 of 2

State of New Mexico Energy, Minerals and Natural Resources Department

Exhibit A

Order: OLM-244

Operator: COG Production, LLC (217955)

Central Tank Battery: Pintail 3 Federal 1H Battery

Central Tank Battery Location: Unit O, Section 3, Township 26 South, Range 32 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

JENNINGS; UPPER BONE SPRING SHALE

97838

Leases as defined in 19.15.12.7(C) NMAC

Lease

UL or Q/Q

S-T-R

NMNM 120910

E/2 3-26S-32E

| Wells | | | | |
|--------------|-----------------------|-----------|-----------|------------------|
| Well API | Well Name | UL or Q/Q | S-T-R | Pool Code |
| 30-025-40684 | Pintail 3 Federal #1H | W/2 E/2 | 3-26S-32E | 97838 |
| 30-025-40685 | Pintail 3 Federal #2H | E/2 E/2 | 3-26S-32E | 97838 |