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-249

<u>ORDER</u>

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 store and measure oil and gas production off-lease from the pools, leases, and wells identified in Exhibit A at a central tank battery described 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.

- 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 of this matter and reserves the right to modify or revoke this Order as it deems necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION



DATE: 8/12/2021

ADRIENNE SANDOVAL DIRECTOR

State of New Mexico Energy, Minerals and Natural Resources Department

Exhibit A

Order: OLM-249 Operator: COG Operating, LLC (229137) Central Tank Battery: Screwdriver 24 Federal Com 2H Central Tank Battery Location: Unit P, Section 24, Township 19 South, Range 31 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 Title Transfer Meter Location:

Pools

Pool Name LUSK; BONE SPRING, WEST		Pool Code 41480	
Leases as defined in 19.15.1	2.7(C) NMAC		
Lease	UL or Q/Q	S-T-R	
CA Bone Spring NMNM 135103	S/2 S/2	24-19S-31E	
Wells			
Well Name	UL or Q/Q	S-T-R	Pool
Screwdriver 24 Federal Com #2H	S/2 S/2	24-19S-31E	41480
	LUSK; BONE Leases as defined in 19.15.1 Lease CA Bone Spring NMNM 135103 Wells Well Name	LUSK; BONE SPRING, WEST Leases as defined in 19.15.12.7(C) NMAC Lease UL or Q/Q CA Bone Spring NMNM 135103 S/2 S/2 Wells Well Name UL or Q/Q	LUSK; BONE SPRING, WEST41480Lease as defined in 19.15.12.7(C) NMACLeaseUL or Q/QS-T-RCA Bone Spring NMNM 135103S/2 S/2WellsWell NameUL or Q/QS-T-R