

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John Bemis
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



Surface Commingling Order CTB-648

July 13, 2012

COG Operating, LLC
550 West Texas, Suite 100
Midland, Texas 79701

Attention: Kanicia Castillo:

COG Operating, LLC is hereby authorized to surface commingle oil and gas production from Penasco Draw; San Andres-Yeso Associated Pool (**50270**) from the following State Leases and wells.

Wells: Pinto 36 State Com Well No.4H (**API No. Pending**), Unit P, Sect. 36, T-18-S, R-25 E.

Pinto 36 State Com Well No. 7H (**API No. 30-015-39973**), Unit O, Section 36, T-18-S, R-25-E

Pinto 36 State Com Well No. 8H (**API No. Pending**), Unit P, Section 36, T-18-S, R-25-E.

All in NMPM, Eddy County, New Mexico

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Central Tank Battery (CTB), located in Unit P, Section 36, Township 18 South, Range 25 East, NMPM, Eddy County, New Mexico.

The oil and gas production from each well shall be measured with periodic well tests, and production shall be allocated back to each well based on these well tests. The oil and gas production is approved for off-lease measurement and sales.

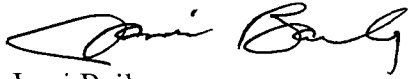
NOTE: This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations. It is the responsibility of the producer to notify the transporter of this commingling authority.

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

This approval is subject to like approval from the State Land Office before commencement of the commingling operations.

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DONE at Santa Fe, New Mexico, on July 13, 2012.

A handwritten signature in black ink, appearing to read "Jami Bailey". The signature is fluid and cursive, with the first name "Jami" and last name "Bailey" clearly distinguishable.

Jami Bailey
Division Director

JB/re

cc: Oil Conservation Division – Artesia
State Land Office – Oil, Gas, and Minerals Division – Santa Fe