

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



Administrative Order CTB-665  
Application No. pDKB123555589

December 20, 2012

COG Operating LLC  
600 W. Illinois  
Midland, TX 79701

Attention: Brian Moriano:

COG Operating LLC ("COG") is hereby authorized to surface commingle oil and gas production from the Grayburg Jackson; Seven Rivers-Queen-Grayburg San Andres Pool (**28509**), and from the following State of New Mexico leases and wells:

Hogan State Com. Well No. 1H (API No. 30-015-40413), Unit I, Section 2-17 South-29 East  
Hogan State Com. Well No. 2H (API No. 30-015-40442), Unit I, Section 2-17 South-29 East  
Hogan State Com. Well No. 3H (API No. 30-015-40414), Unit P, Section 2-17 South-29 East  
Hogan State Com. Well No. 4H (API No. 30-015-40415), Unit P, Section 2-17 South-29 East

**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 at the Hogan State Com. Well No. 4H in Unit I, Section 2 Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico.

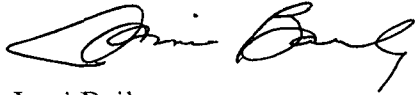
The oil and gas production from each well shall be allocated between the communitized units that include the Hogan State Com. Wells Nos. 1 and 2, and the Hogan State Com. Wells Nos. 3 and 4, respectively, based on monthly well tests.

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 the commingling operations.

**This approval is subject to like approval from the New Mexico State Land Office (SLO) before commencing the commingling operations.**

DONE at Santa Fe, New Mexico, on December 20, 2012.

A handwritten signature in black ink, appearing to read "Jami Bailey". The signature is fluid and cursive, with the first name "Jami" written in a larger, more prominent script than the last name "Bailey".

Jami Bailey  
Division Director

JB/re

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