

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 PLC-368
March 1, 2013

COG Operating LLC
One Concho Center
600 W. Illinois Ave
Midland, TX 79701

Attention: Brian Maiorino:

You have applied on behalf of COG Operating LLC to surface commingle oil and casing head gas production from multiple pools and diversely owned horizontal wells, all located on federal lands in Sections 10 and 11 of Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico.

The proposed wells and pools to be included in this commingle are listed as follows:

Submarine 10 Federal Com Well No. 1H (30-015-) SHL: Unit A of Sec 10 (DHC-4566)
Submarine 10 Federal Com Well No. 2H (30-015-40358) SHL: Unit A of Sec 10 (DHC-4565)
Both within 160-acre Spacing Unit: N/2 N/2 of Section 10
Unit letters A, B, C Dodd; Glorieta-Upper Yeso Pool (97917)
Unit letter D East Empire; Glorieta-Yeso Pool (96610)

Submarine 10 Federal Com Well No. 3H (30-015-40543) SHL: Unit H of Sec 10 (DHC-4564)
Submarine 10 Federal Com Well No. 4H (30-015-40545) SHL: Unit H of Sec 10 (DHC-4567)
Both within 160-acre Spacing Unit: S/2 N/2 of Section 10
Unit letters H, G, F Dodd; Glorieta-Upper Yeso Pool (97917)
Unit letter E East Empire; Glorieta-Yeso Pool (96610)

Submarine 11 Federal Com Well No. 1H (30-015-NA) SHL: Unit D of Sec 11
Submarine 11 Federal Com Well No. 2H (30-015-40359) SHL: Unit D of Sec 11
Both within 160-acre Spacing Unit: N/2 N/2 of Section 11
Unit letters D, C, B, A Dodd; Glorieta-Upper Yeso Pool (97917)

Submarine 11 Federal Com Well No. 3H (30-015-40546) SHL: Unit E of Sec 11
Submarine 11 Federal Com Well No. 4H (30-015-40360) SHL: Unit E of Sec 11
Both within 160-acre Spacing Unit: S/2 N/2 of Section 11
Unit letters E, F, G, H Dodd; Glorieta-Upper Yeso Pool (97917)

It is our understanding that these 8 wells consist of two groups, between which ownership is not identical; but ownership within each group is identical. The operator shall continuously meter

oil and gas production for each identically owned group of wells prior to commingling for sales. Within each identically owned group of wells, periodic well testing is approved for allocation of production and sales.

It is our understanding that proper notice has been provided in this application and no protest has been received.

The location for oil and gas sales shall be as stated in the application, within Unit letter H of Section 10.

As allowed in 19.15.12.10 NMAC, this application for surface commingling, on the terms outlined above, is hereby approved.

The operator shall notify all transporters of this commingling authority and the District office of the Division upon commencement of any off-lease measurement and sales. This approval is subject to like approval from the U.S. Bureau of Land Management.



JAMI BAILEY
Division Director

JB/wvjj

cc: Oil Conservation Division – Artesia
Bureau of Land Management – Carlsbad Field Office