

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

*- PLC 403
 - COG OPERATING
 229137*

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD
 Patton 5 Fee 1H 30-015-39814
 Patton 5 Fee 2H 30-015-39815
 Patton 5 Fee 3H 30-015-41723
 Patton 5 Fee 4 30-015-39842
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
*229137 COG OPER. PLC
 Pool 3250*
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR
*Atoka: Glometa-yes
 PE Rasco draw is a yes
 50290*
- [D] Other: Specify _____

- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Kancia Castillo		Lead Regulatory Analyst	06/25/14
Print or Type Name	Signature	Title	Date
		kcastillo@concho.com	
		e-mail Address	



November 5, 2014

New Mexico Oil Conservation Division
Michael McMillan
1220 S St. Francis Drive
Santa Fe, New Mexico 87505

Re: Surface Lease Commingle

Patton 5 Fee #1H
Eddy County, NM
Surface: 380' FNL & 330' FWL, Sec. 5
T19S, R26E, Unit 4
Atoka;Glorieta-Yeso
API# 30-015-39814

Patton 5 Fee #2H
Eddy County, NM
Surface: 1040' FNL & 330' FWL, Sec 5
T19S, R26E, Unit 4
Atoka;Glorieta-Yeso
API# 30-015-39640

Patton 5 Fee #3H
Eddy County, NM
Surface: 1410' FNL & 230' FWL, Sec. 5
T19S, R26E, Unit E
Atoka;Glorieta-Yeso
API# 30-015-41723

Patton 5 Fee #4
Eddy County, NM
Surface: 2310' FNL & 235' FWL, Sec. 5
T19S, R26E, Unit E
Penasco Draw; San Andres-Yeso
API# 30-015-39842

Mr. McMillan,

COG Operating LLC respectfully request to commingle Patton 5 Fee #2H Battery using the below methods:

We would like to meter the #1H by itself and the #2H by itself. The #3H and #4H wells do not have common ownership but the #4H well is a marginal well, so we would like to meter and test these wells together using a test separator.

Please contact me at 432-685-4332 should you have any questions.

Sincerely,

Kanicia Castillo
Lead Regulatory Analyst
COG Operating, LLC

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

DISTRICT II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-39842	Pool Code 50270	Pool Name Penasco Draw; San Andres-Yeso
Property Code 38945	Property Name PATTON 5 FEE	Well Number 4
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3368'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	5	19-S	26-E		2310	NORTH	235	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40.0			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p style="text-align: center;">GEODETC COORDINATES NAD 27 NME</p> <p style="text-align: center;">SURFACE LOCATION Y=614892.2 N X=475942.2 E LAT.=32.690413° N LONG.=104.411532° W</p>	<p>OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p style="text-align: right;">11/19/12 Date</p> <p>Signature _____ Date</p> <p>Printed Name bmaiorino@concho.com E-mail Address</p> <p>SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p style="text-align: center;">NOVEMBER 9, 2011 Date of Survey</p> <p>Signature & Seal of Professional Surveyor:</p> <div style="text-align: center;"> </div> <p>Certificate Number Gary G. Eidson 12641 Rochelle Eidson 3239</p> <p>DSR Ref. No. 2011-136 (N) W.C.O.: 12.13.1368</p>
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DISTRICT I
1425 N. Pecos Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

DISTRICT II
811 E First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III
1000 Rio Brazos Road, Artesia, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 E. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-39815	Pool Code 3250	Pool Name ATOKA; GLORIETA-YESO
Property Code 38945	Property Name PATTON 5 FEE	Well Number 2H
DGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3379'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	5	19-S	26-E		1040	NORTH	330	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	5	19-S	26-E		1069	NORTH	346	EAST	EDDY

Dedicated Acres 156.92	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or substantial mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Chasity Jackson</i> 6/18/12 Signature Date</p> <p>Chasity Jackson Printed Name</p> <p>cjackson@concho.com E-mail Address</p>
	<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>NOVEMBER 10, 2011 Date of Survey</p> <p><i>Harold J. Edson</i> Signature of Professional Surveyor</p> <p>NEW MEXICO 3239 Harold J. Edson Certification Number 12641 J. Edson 3239</p> <p>AF JWSC W O. 11.11.1364</p>

CORNER COORDINATES TABLE

- Ⓐ - Y=617200.0 N, X=475694.4 E
- Ⓑ - Y=617232.9 N, X=480973.6 E
- Ⓒ - Y=615893.1 N, X=475705.6 E
- Ⓓ - Y=615918.3 N, X=480980.0 E

GEODETIC COORDINATES
NAD 27 NME

SURFACE LOCATION
Y=616162.4 N
X=476030.1 E

LAT.=32.693905° N
LONG.=104.411249° W

BOTTOM HOLE LOCATION

Y=616191.2 N
X=480648.7 E

DISTRICT I
1625 N. Francis Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

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DISTRICT IV
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OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

□ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-39814	Pool Code 3250	Pool Name Atoka; Glorieta-Yeso
Property Code 38945	Property Name PATTON 5 FEE	Well Number 1H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3381'

Surface Location

UL or lot No.	Section	Township	Range	Lot Ids	Feet from the	North/South line	Feet from the	East/West line	County
4	5	19-S	26-E		380	NORTH	330	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Ids	Feet from the	North/South line	Feet from the	East/West line	County
1	5	19-S	26-E		401	NORTH	342	EAST	EDDY

Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.
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	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Chasity Jackson</i> 9/9/13 Signature Date</p> <p>Chasity Jackson Printed Name</p> <p>cjackson@concho.com E-mail Address</p>
	<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>NOVEMBER 10, 2011 Date of Survey</p> <p><i>Raymond J. Eidson</i> Signature of Registered Surveyor</p> <p> 12/31/2011 Certification No. 12641 Raymond J. Eidson 3239</p> <p>AP TWSC W.O.: 11.11.1343</p>
<p>CORNER COORDINATES TABLE</p> <p>Ⓐ - Y=617200.0 N, X=475694.4 E Ⓑ - Y=617232.9 N, X=480973.6 E Ⓒ - Y=615893.1 N, X=475705.6 E Ⓓ - Y=615918.3 N, X=480980.0 E</p>	<p>GEODETIC COORDINATES NAD 27 NME</p> <p>SURFACE LOCATION Y=616822.2 N X=476026.5 E</p> <p>LAT.= 32.695718° N LONG.= 104.411263° W</p> <p>BOTTOM HOLE LOCATION Y=616851.0 N X=480645.5 E</p>

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District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: COG Operating LLC
OPERATOR ADDRESS: One Concho Center, 600 West Illinois Ave, Midland, Texas 79701
APPLICATION TYPE:

Pool Commingling Lease Commingling Pool and Lease Commingling Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: Fee State Federal

Is this an Amendment to existing Order? Yes No If "Yes", please include the appropriate Order No. PC-1251
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
 Yes No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
N/A					

- (2) Are any wells producing at top allowables? Yes No
(3) Has all interest owners been notified by certified mail of the proposed commingling? Yes No.
(4) Measurement type: Metering Other (Specify) Monthly Well Tests
(5) Will commingling decrease the value of production? Yes No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

- (1) Pool Name and Code. Atoka;Glorieta-Yeso, 3250 - Penasco Draw, San Andres-Yeso, 50270
(2) Is all production from same source of supply? Yes No
(3) Has all interest owners been notified by certified mail of the proposed commingling? Yes No
(4) Measurement type: Metering Other (Specify) Subtraction Method

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

- (1) Is all production from same source of supply? Yes No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

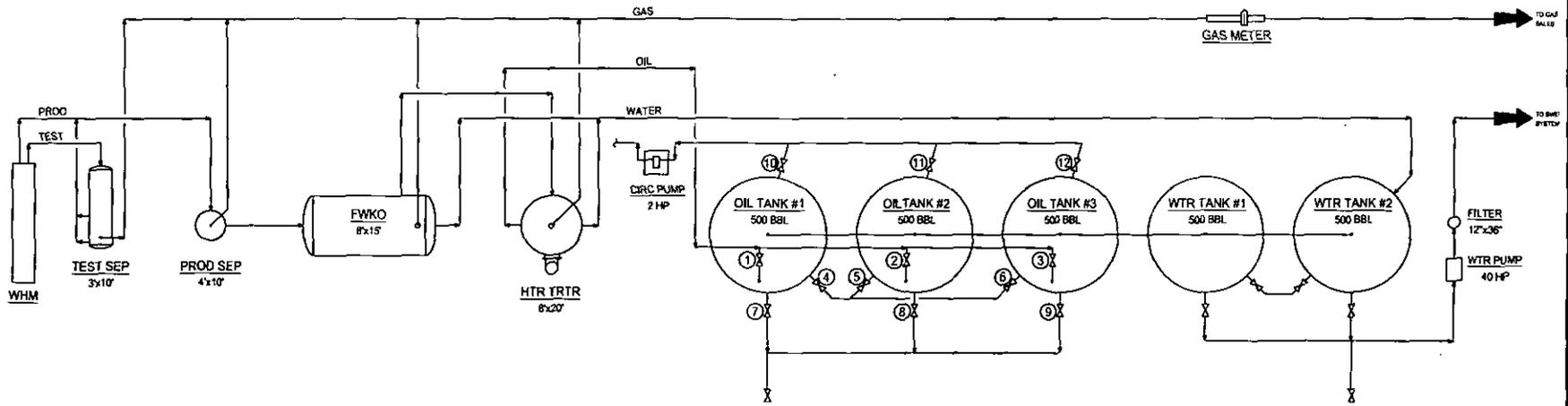
SIGNATURE:  TITLE: Lead Regulatory Analyst DATE: 7/3/14

TYPE OR PRINT NAME Kanicia Castillo TELEPHONE NO.: 432-685-4332

E-MAIL ADDRESS: kcastillo@concho.com

PATTON 5 FEE 2H BATTERY
SECTION 5, T19S, R26E, UNIT D
EDDY COUNTY, NM

WELLS:
PATTON 5 FEE #001H: 30-015-39814
PATTON 5 FEE #002H: 30-015-39815
PATTON 5 FEE #003H: 30-015-41723
PATTON 5 FEE #004H: 30-015-39842



- Production Phase - Oil Tank #1**
- Valve 1 open
 - Valves 2 and 3 closed
 - Valves 4, 5, and 6 open
 - Valves 7, 8, and 9 closed
 - Valves 10, 11, and 12 closed

- Sales Phase - Oil Tank #1**
- Valve 1 closed
 - Valves 2 or 3 open
 - Valve 4 closed
 - Valves 5 and 6 open
 - Valve 7 open
 - Valves 8 and 9 closed
 - Valves 10, 11, and 12 closed

COG Operating LLC
Site Security Plans Located At:
One Concho Center
600 W. Illinois Ave.
Midland, TX 79701

NOTES:

CONFIDENTIALITY NOTICE

THIS DRAWING IS PROPERTY OF COG OPERATING LLC AND IS LOANED TO THE BORROWER FOR CONFIDENTIAL USE ONLY AND IS SUBJECT TO RETURN UPON REQUEST AND SHALL NOT BE REPRODUCED, COPIED, LENT OR OTHERWISE DISPOSED OF DIRECTLY OR INDIRECTLY, NOR USED FOR ANY PURPOSE OTHER THAN THAT SPECIFICALLY AUTHORIZED BY COG OPERATING LLC.

REFERENCE DRAWINGS

NO.	TITLE

COG OPERATING LLC
600 WEST ILLINOIS AVENUE
MIDLAND, TEXAS 79701

REVISIONS

NO.	DATE	DESCRIPTION	BY	CHK.	APP.
A	08/01/12	ISSUE FOR SITE POSITIONING	CNS		

ENGINEERING RECORD

BY	DATE
DRN: CNS	08/01/12
DES: CNS	08/01/12
CHK:	
APP:	
FILE NO:	
FILE TMR: C. BEEDORF	
OPER ENGR: VANDES	
SCALE: NONE	

NEW MEXICO SHIELD ASSET
PRODUCTION FACILITIES
SITE FACILITY DIAGRAM
STANDARD TANK BATTERY "A"

EDDY COUNTY
TOWNSHIP/RANGE
MULTIPLE

DWG NO. D-1700-81-005

REV A



October 27, 2014

New Mexico Energy, Minerals and
Natural Resources Department
1220 South St. Francis Drive
Santa Fe, NM 87505
Attn: Mr. Michael McMillan

RE: Rescindment of Affidavit of Fact
Patton 5 Fee #1H and #2H
T19S - R26E - Section 5: N2N2
Eddy County, New Mexico

Dear Mr. McMillan:

Reference is made to the Affidavit of Fact dated October 9, 2014 confirming common ownership of the Patton 5 Fee No. 1H (API 30-015-39814) and the Patton 5 Fee No. 2H (API 30-015-39815). COG Operating LLC (COG) respectfully requests to rescind the Affidavit.

The Patton 5 Fee #1H and #2H were drilled with common ownership; they were spud March 11, 2013 and March 5, 2012, respectively. Recently, COG and Yates Petroleum Corporation (YPC) entered into an agreement whereby COG is obligated to assign to YPC a leasehold interest in the Patton 5 Fee #1H and an overriding royalty interest in the Patton 5 Fee #2H effective January 1, 2012. Although the wells were drilled with common ownership, assignments will be filed of record to show diverse ownership retroactive to before the spud date of each well.

COG rescinds the Affidavit of Fact dated October 9, 2014 for the Patton 5 Fee No. 1H and the Patton 5 Fee No. 2H. Please accept our apologies for any inconvenience this may have caused.

Yours Truly,

COG Operating LLC

Stuart A. Dirks, CPL
Senior Landman
432-685-4354
sdirks@concho.com

LEGAL NOTICE

COG Operating, LLC is applying for an amendment to add wells to the current pool commingle, PC-1251, and surface commingle four oil wells to a central tank battery in Eddy County, New Mexico. The central tank battery is located at the Patton 5 Fee #2H well. The four wells, details, and locations are the following:

Patton 5 Fee #1H, located in the northwest quarter of section 5, T19S, R26E, Unit 4, 380'FNL & 330'FWL, Atoka; Glorieta - Yeso.

Patton 5 Fee #2H, located in the northwest quarter of section 5, T19S, R26E, Unit 4, 1040'FNL 330'FWL, Atoka; Glorieta - Yeso.

Patton 5 Fee #3H, located in the northwest quarter of section 5, T19S, R26E, Unit E, 1410'FNL & 230'FWL, Atoka; Glorieta - Yeso.

Patton 5 Fee #4, located in the northwest quarter of section 5, T19S, R26E, Unit E, 2310'FNL & 235'FWL, Penasco Draw; San Andres, Yeso.

Interested parties must file objections or requests for hearing with the New Mexico Oil Conservation Division, 1220 South Saint Francis Dr., Santa Fe, NM 87505 within 20 days. Additional information can be obtained by contacting Kanicia Castillo, COG Operating LLC, One Concho Center, 600 W Illinois Ave, Midland, TX 79701. Phone number is 432-685-4332.

Published in the Artesia Daily Press, Artesia, N.M., June 11 2014 Legal No. 23022.

Patton 5 Fee 1H
Production

Daily Prod Entity Name	Prod Date	Oil Volume	Gas Volume	Water Volume
PATTON 5 FEE #1H	04/30/2014	143.9800	208.9700	351.1500
PATTON 5 FEE #1H	04/29/2014	115.1800	194.0000	295.7900
PATTON 5 FEE #1H	04/28/2014	148.3700	231.7600	380.4200
PATTON 5 FEE #1H	04/27/2014	132.2900	224.6000	359.8500
PATTON 5 FEE #1H	04/26/2014	133.2900	211.5800	300.5400
PATTON 5 FEE #1H	04/25/2014	142.0600	185.5400	320.3100
PATTON 5 FEE #1H	04/24/2014	165.9400	215.4800	351.1500
PATTON 5 FEE #1H	04/23/2014	141.5400	210.2800	376.4600
PATTON 5 FEE #1H	04/22/2014	95.2000	167.3100	274.4400
PATTON 5 FEE #1H	04/21/2014	148.4200	203.1100	340.0800
PATTON 5 FEE #1H	04/20/2014	181.5900	234.3600	404.1400
PATTON 5 FEE #1H	04/19/2014	148.3700	208.9700	349.5700
PATTON 5 FEE #1H	04/18/2014	125.4300	188.7900	323.4700
PATTON 5 FEE #1H	04/17/2014	151.3100	214.1800	379.6200
PATTON 5 FEE #1H	04/16/2014	136.7100	192.0500	321.8900
PATTON 5 FEE #1H	04/15/2014	167.9000	203.1100	374.8800
PATTON 5 FEE #1H	04/14/2014	148.4000	186.1900	338.5000
PATTON 5 FEE #1H	04/13/2014	134.7400	203.7700	355.1100
PATTON 5 FEE #1H	04/12/2014	153.2500	200.5100	368.5500
PATTON 5 FEE #1H	04/11/2014	96.6800	173.1700	321.8900
PATTON 5 FEE #1H	04/10/2014	182.1200	202.4600	352.7300
PATTON 5 FEE #1H	04/09/2014	144.4600	186.8400	351.9400
PATTON 5 FEE #1H	04/08/2014	154.7100	179.0300	345.6200
PATTON 5 FEE #1H	04/07/2014	144.4600	137.3600	311.6100
PATTON 5 FEE #1H	04/06/2014	130.8500	175.1200	285.5100
PATTON 5 FEE #1H	04/05/2014	149.2200	173.0600	321.0800
PATTON 5 FEE #1H	04/04/2014	143.0300	158.2800	326.1700
PATTON 5 FEE #1H	04/03/2014	124.8000	175.8700	293.6600
PATTON 5 FEE #1H	04/02/2014	110.5200	176.6500	290.9500
PATTON 5 FEE #1H	04/01/2014	157.8500	181.2300	326.4200
	Monthly Averages:	141.7557	193.4543	336.4500
PATTON 5 FEE #1H	03/31/2014	118.8800	168.8400	283.9500
PATTON 5 FEE #1H	03/30/2014	140.4500	179.9000	321.7100
PATTON 5 FEE #1H	03/29/2014	144.0400	177.4400	302.8300
PATTON 5 FEE #1H	03/28/2014	142.2400	185.4200	328.0100
PATTON 5 FEE #1H	03/27/2014	135.9700	183.5800	307.7200
PATTON 5 FEE #1H	03/26/2014	122.4900	165.1600	279.0500
PATTON 5 FEE #1H	03/25/2014	168.3600	174.9800	303.5300
PATTON 5 FEE #1H	03/24/2014	135.9400	190.9500	353.8800
PATTON 5 FEE #1H	03/23/2014	152.6500	178.0500	326.6100
PATTON 5 FEE #1H	03/22/2014	149.5700	179.3500	304.9400
PATTON 5 FEE #1H	03/21/2014	105.8700	170.7400	299.9900
PATTON 5 FEE #1H	03/20/2014	143.5200	175.2600	328.6900
PATTON 5 FEE #1H	03/19/2014	140.9200	182.2200	299.3100
PATTON 5 FEE #1H	03/18/2014	147.7700	175.2100	302.6100
PATTON 5 FEE #1H	03/17/2014	146.7500	201.7300	344.2500
PATTON 5 FEE #1H	03/16/2014	151.0600	187.2700	322.7200
PATTON 5 FEE #1H	03/15/2014	136.6700	155.0800	299.4000
PATTON 5 FEE #1H	03/14/2014	210.0800	173.1100	328.9300
PATTON 5 FEE #1H	03/13/2014	180.8000	167.1000	325.4900
PATTON 5 FEE #1H	03/12/2014	153.6500	155.6800	300.0900
PATTON 5 FEE #1H	03/11/2014	140.0500	167.7000	303.5200
PATTON 5 FEE #1H	03/10/2014	172.2500	144.8600	324.1200
PATTON 5 FEE #1H	03/09/2014	176.1900	158.0800	326.1800
PATTON 5 FEE #1H	03/08/2014	124.8500	138.8500	302.1500
PATTON 5 FEE #1H	03/07/2014	178.5400	126.8300	355.0200
PATTON 5 FEE #1H	03/06/2014	198.8000	173.7100	324.1200
PATTON 5 FEE #1H	03/05/2014	149.6600	142.4600	271.2400
PATTON 5 FEE #1H	03/04/2014	149.0900	142.4600	247.2100

Patton 5 Fee 1H
Production

PATTON 5 FEE #1H	03/03/2014	143.4400	137.6500	268.5000
PATTON 5 FEE #1H	03/02/2014	188.6900	161.6900	297.3400
PATTON 5 FEE #1H	03/01/2014	133.4800	165.2800	309.3600
	Monthly Averages:	151.0555	167.3110	309.4345

Patton 5 Fee 2H
Production

Daily Prod Entity Name	Prod Date	Oil Volume	Gas Volume	Water Volume
PATTON 5 FEE #2H	04/30/2014	60.2400	112.0300	92.8500
PATTON 5 FEE #2H	04/29/2014	48.1900	104.0000	78.2100
PATTON 5 FEE #2H	04/28/2014	62.0800	124.2400	100.5800
PATTON 5 FEE #2H	04/27/2014	55.3600	120.4000	95.1500
PATTON 5 FEE #2H	04/26/2014	55.7700	113.4200	79.4600
PATTON 5 FEE #2H	04/25/2014	59.4400	99.4600	84.6900
PATTON 5 FEE #2H	04/24/2014	69.4300	115.5200	92.8500
PATTON 5 FEE #2H	04/23/2014	59.2200	112.7200	99.5400
PATTON 5 FEE #2H	04/22/2014	39.8400	89.6900	72.5600
PATTON 5 FEE #2H	04/21/2014	62.1100	108.8900	89.9200
PATTON 5 FEE #2H	04/20/2014	75.9900	125.6400	106.8600
PATTON 5 FEE #2H	04/19/2014	62.0800	112.0300	92.4300
PATTON 5 FEE #2H	04/18/2014	52.4900	101.2100	85.5300
PATTON 5 FEE #2H	04/17/2014	63.3100	114.8200	100.3800
PATTON 5 FEE #2H	04/16/2014	57.2000	102.9500	85.1100
PATTON 5 FEE #2H	04/15/2014	70.2600	108.8900	99.1200
PATTON 5 FEE #2H	04/14/2014	62.0900	99.8100	89.5000
PATTON 5 FEE #2H	04/13/2014	56.3800	109.2300	93.8900
PATTON 5 FEE #2H	04/12/2014	64.1200	107.4900	97.4500
PATTON 5 FEE #2H	04/11/2014	40.4600	92.8300	85.1100
PATTON 5 FEE #2H	04/10/2014	76.2000	108.5400	93.2700
PATTON 5 FEE #2H	04/09/2014	60.4500	100.1600	93.0600
PATTON 5 FEE #2H	04/08/2014	64.7400	95.9700	91.3800
PATTON 5 FEE #2H	04/07/2014	60.4500	73.6400	82.3900
PATTON 5 FEE #2H	04/06/2014	54.7500	93.8800	75.4900
PATTON 5 FEE #2H	04/05/2014	61.3800	74.9400	72.9200
PATTON 5 FEE #2H	04/04/2014	73.0300	129.7200	123.8300
PATTON 5 FEE #2H	04/03/2014	69.0400	115.1300	143.3400
PATTON 5 FEE #2H	04/02/2014	65.3100	107.3500	148.0500
PATTON 5 FEE #2H	04/01/2014	83.7600	125.7700	141.5800
Monthly Averages:		61.5057	106.6790	96.2167
PATTON 5 FEE #2H	03/31/2014	63.9500	106.1600	122.0500
PATTON 5 FEE #2H	03/30/2014	75.5600	113.1000	138.2900
PATTON 5 FEE #2H	03/29/2014	77.4800	111.5600	130.1700
PATTON 5 FEE #2H	03/28/2014	76.5200	116.5800	140.9900
PATTON 5 FEE #2H	03/27/2014	73.1500	115.4200	132.2800
PATTON 5 FEE #2H	03/26/2014	65.8900	103.8400	119.9500
PATTON 5 FEE #2H	03/25/2014	90.5700	110.0200	130.4700
PATTON 5 FEE #2H	03/24/2014	73.1300	120.0500	152.1200
PATTON 5 FEE #2H	03/23/2014	82.1100	111.9500	140.3900
PATTON 5 FEE #2H	03/22/2014	81.0200	111.6500	133.0600
PATTON 5 FEE #2H	03/21/2014	60.2700	105.2600	138.0100
PATTON 5 FEE #2H	03/20/2014	79.3900	110.7400	144.3100
PATTON 5 FEE #2H	03/19/2014	70.9100	103.7800	134.6900
PATTON 5 FEE #2H	03/18/2014	72.4500	99.7900	132.3900
PATTON 5 FEE #2H	03/17/2014	77.6300	111.2700	166.7500
PATTON 5 FEE #2H	03/16/2014	76.0100	95.7300	151.2800
PATTON 5 FEE #2H	03/15/2014	30.8600	102.9200	136.6000
PATTON 5 FEE #2H	03/14/2014	47.4400	114.8900	150.0700
PATTON 5 FEE #2H	03/13/2014	40.8200	110.9000	148.5100
PATTON 5 FEE #2H	03/12/2014	34.7000	103.3200	136.9100
PATTON 5 FEE #2H	03/11/2014	31.6300	111.3000	138.4800
PATTON 5 FEE #2H	03/10/2014	38.8900	96.1400	147.8800
PATTON 5 FEE #2H	03/09/2014	39.7900	104.9200	148.8200
PATTON 5 FEE #2H	03/08/2014	28.1900	92.1500	137.8500
PATTON 5 FEE #2H	03/07/2014	40.3100	84.1700	161.9800
PATTON 5 FEE #2H	03/06/2014	44.8900	115.2900	147.8800
PATTON 5 FEE #2H	03/05/2014	33.7900	94.5400	123.7600
PATTON 5 FEE #2H	03/04/2014	33.6700	94.5400	112.7900

Patton 5 Fee 2H

Production

PATTON 5 FEE #2H	03/03/2014	32.3900	91.3500	122.5000
PATTON 5 FEE #2H	03/02/2014	42.6100	107.3100	135.6600
PATTON 5 FEE #2H	03/01/2014	61.1400	86.7200	126.6400
	Monthly Averages:	57.3277	105.0761	138.1784

Patton 5 Fee 4
Production

PATTON 5 FEE #4H	03/03/2014	HOLE IN TUBING	0.0000	0.0000	0.0000
PATTON 5 FEE #4H	03/02/2014	HOLE IN TUBING	0.0000	0.0000	0.0000
PATTON 5 FEE #4H	03/01/2014	HOLE IN TUBING	0.0000	0.0000	0.0000

Well_Name: PATTON 5 | API: 3001539842
Location: E-5-19.0S-26E 2310 FNL 235 FWL
Operator: N COG OPER/ County: Eddy
Land Type: Private Well Type: Oil
Elevation G 3368 Depth TVD 5065

Year: 2012

Pool Name: PENASCO DRAW;SA-YESO (ASSOC)

Month	Oil(BBLS)	Gas(MCF)	Water(BBLS)	Days Produced
December	2	8	1181	28

Year: 2013

Pool Name: PENASCO DRAW;SA-YESO (ASSOC)

Month	Oil(BBLS)	Gas(MCF)	Water(BBLS)	Days Produced
January	0	1	206	25
February	0	39	146	28
March	0	42	157	31
April	0	29	250	30
May	0	30	210	31
June	0	38	198	30
July	0	15	119	18
August	0	0	0	0
September	0	0	0	0
October	0	0	0	0
November	0	0	0	0
December	0	0	0	0

Year: 2014

Pool Name: PENASCO DRAW;SA-YESO (ASSOC)

Month	Oil(BBLS)	Gas(MCF)	Water(BBLS)	Days Produced
January	0	0	0	0
February	0	0	0	0
March	0	0	0	0
April	0	0	0	0
May	0	0	0	0
June	0	0	0	0
July	0	0	0	0
August	0	0	0	0
September	0	0	0	0
October	0	0	0	0
November	0	0	0	0
December	0	0	0	0
CUM	2	202		

Lakewood Area

Tank Battery Operational Description

Test Method Allocation

Summary

The following is a description of the facility operations at a standard tank battery installed in the Lakewood area. The plan of development for this area includes the installation of one tank battery per half section. Each battery will be equipped to handle 4 producing wells from that half section.

Operational Description

- Flowlines from producing wells terminate into the test/production header which serves as the inlet to the tank battery. From the header, one well can be put in test while the remaining wells are combined in the production header for separation and storage of produced fluids. The test/production header is illustrated in Figure 1 below. In this diagram, the shaded valves indicate a closed position. Therefore, this illustration shows well "1H" to be in test while the remaining wells are routed to the 2-Phase Separator. Using the valves in the header, any single well can be isolated from the remaining wells and placed into test.

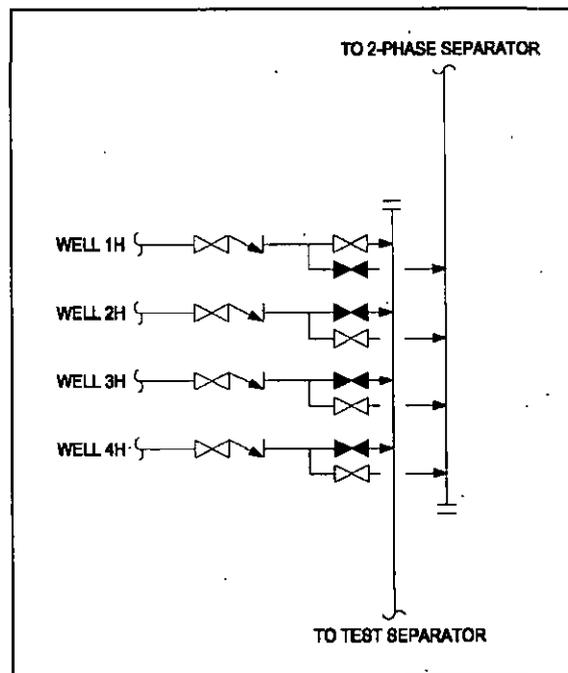


Figure 1: Test/Production Header Diagram

- The test separator is a 3-phase horizontal separator used for measuring produced fluids from a given well. Separate meters are used for measuring oil, water, and gas from the production well. Turbine meters are used for measuring oil and water flow while an orifice meter is used

for measuring gas flow. Once the produced fluids have been metered, all three phases are recombined and routed to the 2-phase separator where the well is tied in with the bulk fluids from other wells. A diagram of the test separator is shown in Figure 2 below.

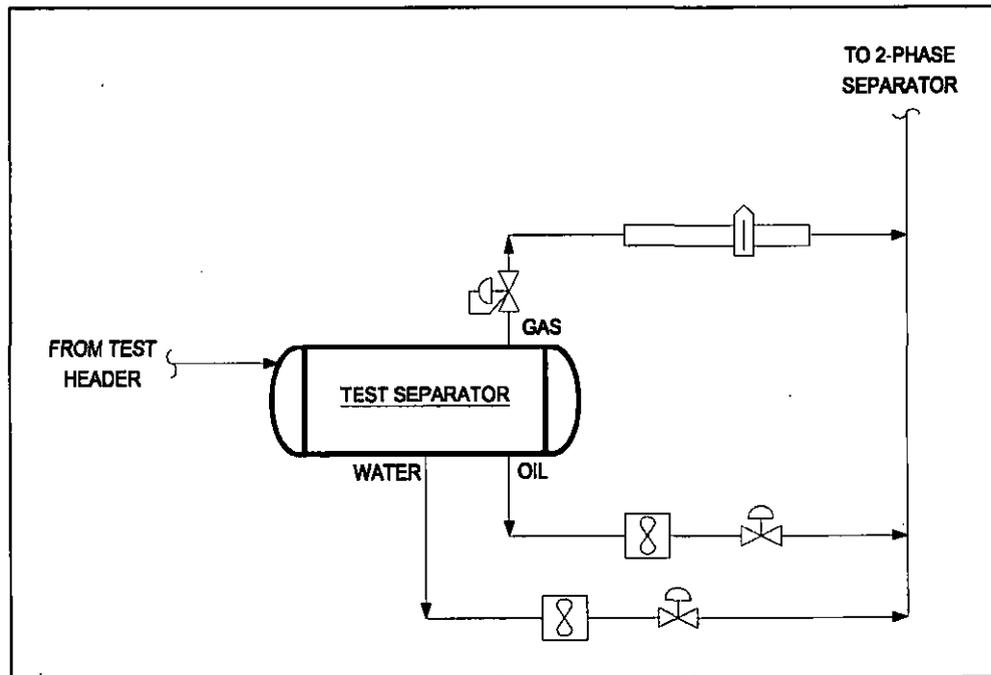


Figure 2: Test Separator with 3-Phase Metering

3. The test separator and associated metering devices have been sized for the expected range of fluid rates from the production wells. The sizing and calibration of this equipment ensures accurate measurement of produced fluids from a well in test. When a well is placed in test, it will remain in test for a minimum of 3 days. This allows adequate time for the well to level out and accurate daily production rates to be measured. Each well will be placed in test once a month at a minimum. Given the number of wells and the duration of well tests, it is likely that each well could be tested as often as 2-3 times per month. Allocation of co-mingled production will be based on average well tests taken during the previous month.
4. Fluids from the production header are routed to the 2-Phase Separator where gas and liquids are separated. Gas is sent directly to the gas sales system and liquids are sent to the FWKO for further separation. In addition to providing a means of bulk gas/liquid separation, this vessel also helps to alleviate slugs of fluid which enter the system and would otherwise disrupt the separation process.
5. Liquids from the 2-Phase Separator are sent to the Free Water Knock Out (FWKO). The primary function of this vessel is to provide sufficient retention time for oil and water to separate. Water from the FWKO is sent to water storage tanks. Oil from the FWKO is sent to the Heater-Treater for a final stage of polishing and water removal. Any gas that flashes off in this stage of separation is tied directly into the gas sales system.
6. Oil from the FWKO is routed to the Heater-Treater wherein heat is applied to help break any remaining emulsions and remove water from the oil stream. Oil from the Heater-Treater is sent

to the oil storage tanks. Water from the Heater-Treater is tied into the water line from the FWKO going to the storage tanks. Any gas that flashes off in this stage of separation is tied directly into the gas sales system.

7. Oil from the Heater-Treater is sent to 500 BBL oil tanks located on site. These tanks allow for storage of oil prior to sales through a pipeline LACT or trucking. Valves are installed on each tank to provide the ability to isolate a tank for sales or to further treat the fluids by circulating back through the separation process. Oil tanks are connected together with a common overflow line that serves to prevent spills caused by over running a single tank.
8. Water from the FWKO and Heater Treater is sent to 500 BBL water tanks located on site. These tanks provide water storage prior to being pumped into the salt water disposal (SWD) system. One water tank is used as the primary tank for water handling while the second tank provides overflow protection and operational flexibility. A transfer pump is connected to the water tanks and is operated automatically by the facility PLC based on the level of water in the tanks. This pump discharges into the SWD system which gathers and disposes of produced water.

Attachments

- Process Flow Diagram: Lakewood Area Standard Tank Battery

McMillan, Michael, EMNRD

From: Kanicia Castillo <kcastillo@concho.com>
Sent: Thursday, October 09, 2014 2:32 PM
To: McMillan, Michael, EMNRD
Subject: Patton 2H Commingle

Mike,

The #4 does not have some ownership, our landman was mistaken. Could you approve the #4 to be metered continuously please. The #1 and #2 do have common ownership.

Thanks,

Kanicia Castillo

Lead Regulatory Analyst

COG OPERATING LLC

One Concho Center

600 W. Illinois Avenue

Midland, TX 79701

P.432.685.4332

F.432.221.0858



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Patton 2H Battery
Notification List

Name & Address	Certified Article Number
B & G ROYALTIES PO BOX 376 ARTESIA, NM 88211	91 7199 9991 7033 9275 6516
BRADY LYNN RAINDL 4206 133RD ST LUBBOCK, TX 79423	91 7199 9991 7033 9275 6523
BRANDI RAINDL 4015 124TH STREET LUBBOCK, TX 79423	91 7199 9991 7033 2439 9033
BRENT M. RAINDL 3315 LANCELOT DR DALLAS, TX 75229	91 7199 9991 7033 2439 9026
DEBRA KAY PRIMERA PO BOX 28504 AUSTIN, TX 78755	91 7199 9991 7033 2439 9019
MADISON M HINKLE & SUSAN M HINKLE P O BOX 2292 ROSWELL, NM 88202-2292	91 7199 9991 7033 2439 9064
MADISON M. HINKLE SSP P. O. BOX 2292 ROSWELL, NM 88202	91 7199 9991 7033 2439 9057
R F FORT P O BOX 65043 LUBBOCK, TX 79464	91 7199 9991 7033 2439 9040
RICKY D RAINDL PO BOX 142454 IRVING, TX 75014	91 7199 9991 7033 2439 9088
ROBERT MITCHELL RAINDL PO BOX 853 TAHOKA, TX 79373	91 7199 9991 7033 2439 9071
ROLLA R HINKLE III & ROSEMARY H HINKLE P O BOX 2292 ROSWELL, NM 88202-2292	91 7199 9991 7033 2439 9125
ROSS DUNCAN PROPERTIES LLC PO BOX 647 ARTESIA, NM 88211	91 7199 9991 733 2439 9118
Randall R. Fort, Remainderman, 9716 Admiral Emerson Ave., NE Albuquerque, NM 87111	91 7199 9991 7033 2439 9101

Patton 2H Battery
Notification List

Tommy L. Fort, Remainderman,
PO Box 5856
Midland, TX 79704-5356

91 7199 9991 7033 2439 9095

Margi Fort Bruns, Remainderman,
10316 Country Manor Pl, NW
Albuquerque, NM 87114

91 7199 9991 7033 2439 9132

McMillan, Michael, EMNRD

From: Kanicia Castillo <kcastillo@concho.com>
Sent: Thursday, October 09, 2014 3:29 PM
To: McMillan, Michael, EMNRD
Subject: RE: Patton 5 Fee PLC

Yes, sir.

Kanicia Castillo

Lead Regulatory Analyst

COG OPERATING LLC

One Concho Center

600 W. Illinois Avenue

Midland, TX 79701

P.432.685.4332

F.432.221.0858



From: McMillan, Michael, EMNRD [<mailto:Michael.McMillan@state.nm.us>]
Sent: Thursday, October 09, 2014 3:46 PM
To: Kanicia Castillo
Subject: RE: Patton 5 Fee PLC

Kanicia:

Are these gravity values still applicable to this application?

Michael McMillan

From: Kanicia Castillo [<mailto:kcastillo@concho.com>]
Sent: Wednesday, August 27, 2014 7:36 AM
To: McMillan, Michael, EMNRD
Subject: RE: Patton 5 Fee PLC

Mr. McMillan,

Below are the API gravities that you have requested. Please let me know if you need additional information.

Patton 2H Battery Gravities:

#1 39.6

#2 38.0

#3 38.8

Sunray #2 (SA pool) 36.4

Calculated commingled gravity 38.9

Thank you!!

Affidavit of Fact

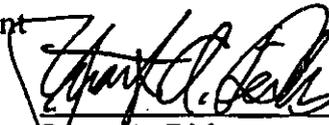
STATE OF TEXAS §

COUNTY OF MIDLAND §

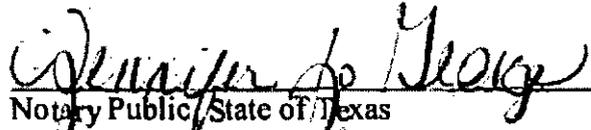
Affiant on oath swears that the following statements are true:

My name is Stuart Dirks. I am a Landman for COG Operating LLC. I am familiar with the ownership of the Patton 5 Fee No. 1H (API 30-015-39814) and the Patton 5 Fee No. 2H (API 30-015-39815), both of which are situated in Section 5, Township 19 South, Range 26 East, Eddy County, New Mexico. I hereby confirm that the working interests and royalty interests in these wells are common.

Affiant


Stuart A. Dirks

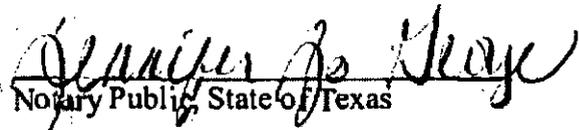
SUBSCRIBED AND SWORN TO before me on the 9th day of October, 2014.


Notary Public, State of Texas

STATE OF TEXAS §

COUNTY OF MIDLAND §

This instrument was acknowledged before me on this 9th day of October, 2014 by Jennifer Jo George, Notary Public for the State of Texas.


Notary Public, State of Texas

