

DATE IN <u>6/29/15</u>	SUSPENSE	ENGINEER <u>MAM</u>	LOGGED IN <u>6/29/15</u>	TYPE <u>CTB</u>	APP NO. <u>PSAG/1518059292</u>
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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]

[1]

**TYPE OF APPLICATION - Check Those Which Apply for [A]**

- [A] Location - Spacing Unit - Simultaneous Dedication  
 NSL  NSP  SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement  
 DHC  CTB  PLC  PC  OLS  OLM 1, 2, 3, 4

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX  PMX  SWD  IPI  EOR  PPR API: 30-015-42826

- [D] Other: Specify \_\_\_\_\_

*CTB*  
*Operator: LOG Operating LLC*  
*Pool: Welch Bone Springs*  
*Well: Screech Owl Federal*  
*73*

[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.

Melanie J. Wilson

*Melanie J. Wilson*

Regulatory Analyst

06/22/2015

Print or Type Name

Signature

Title

Date

mwilson@concho.com  
 e-mail Address



June 22, 2015

New Mexico Oil Conservation Division  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

Attention: Mr. Michael McMillan

Re: Application for Off Lease Measurement  
Screech Owl Federal #1H      API No. 30-015-42825  
Screech Owl Federal #2H      API No. 30-015-42826  
Screech Owl Federal #3H      API No. 30-015-42827  
Screech Owl Federal #4H      API No. 30-015-42828  
Producing from Sections 19 and 30, T26S, R27E  
Tank Battery with Measurement in Section 18, T26S, R27E  
Eddy County, New Mexico

Dear Mr. McMillan:

Pursuant to Division Rule 19.15.15.13, COG Operating LLC (COG) respectfully requests administrative approval of off lease measurement for its Screech Owl Federal #1H, 2H, 3H and 4H wells. An off lease tank battery was approved by BLM to accommodate these wells in order to minimize surface damage while leaving surface area available for future development. The facility site will have four completely separate batteries, one of which will service the wells listed above. No other wells will produce to this battery.

COG Operating LLC is the only working interest owner in the producing lease. BTA Oil Producers LLC is the only overriding royalty owner and has been furnished a copy of this application. BLM is being furnished a copy of this application and is the only royalty interest owner.

Thank you for your consideration of this application. Should you have questions or require further information, please contact me at 575-748-6952 or by email at [mwilson@concho.com](mailto:mwilson@concho.com).

Sincerely,

Melanie J. Wilson  
Lead Regulatory Analyst

cc: OCD Artesia

District I  
1625 N. French Drive, Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
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: 2208 W. Main Street, Artesia, NM 88210

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. \_\_\_\_\_

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

(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)

(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.

(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)

**(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.

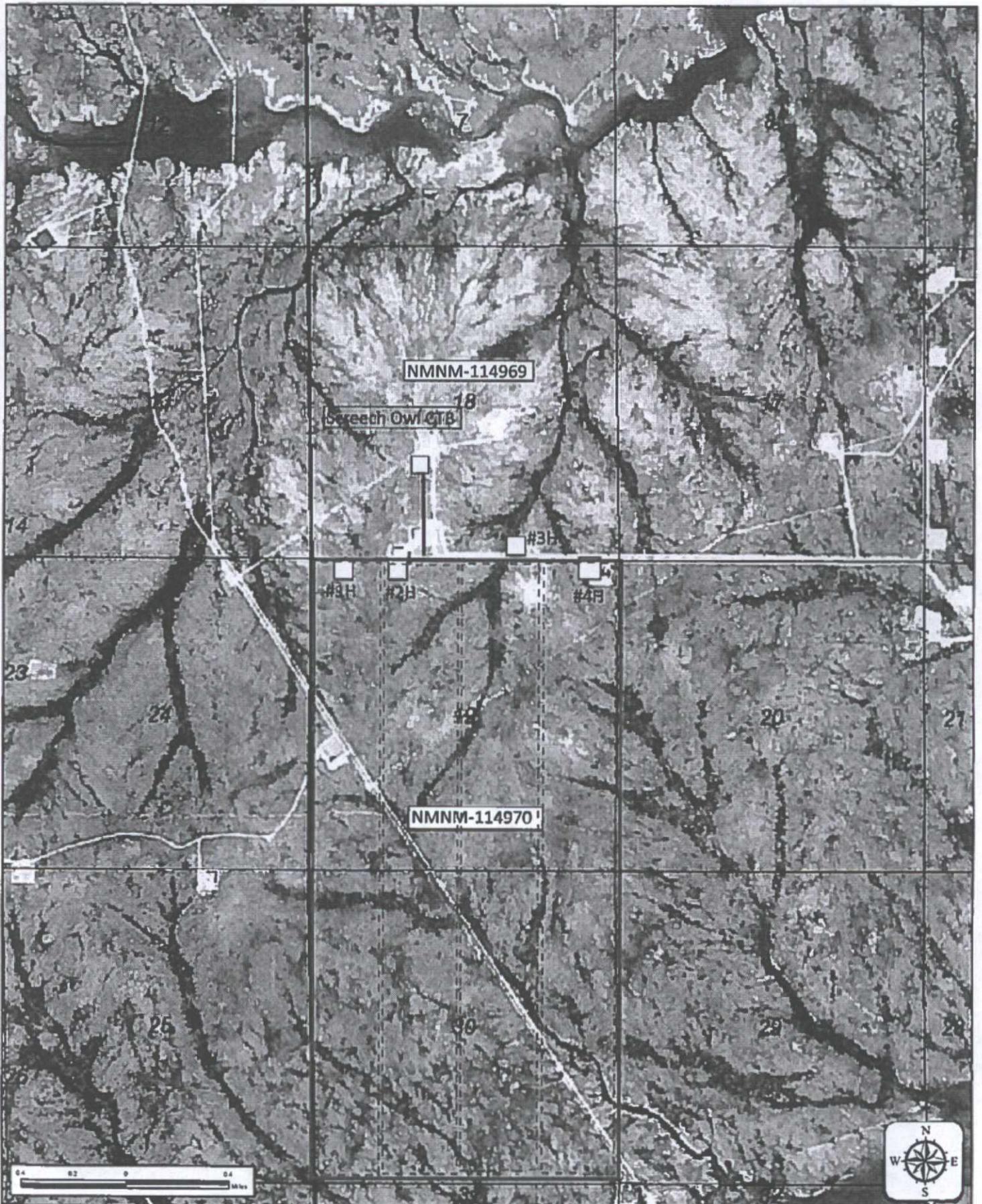
SIGNATURE: Melanie J. Wilson TITLE: Regulatory Analyst

DATE: 06/22/2015

TYPE OR PRINT NAME Melanie J. Wilson

TELEPHONE NO.: 575-748-6952

mwilson@concho.com





Road



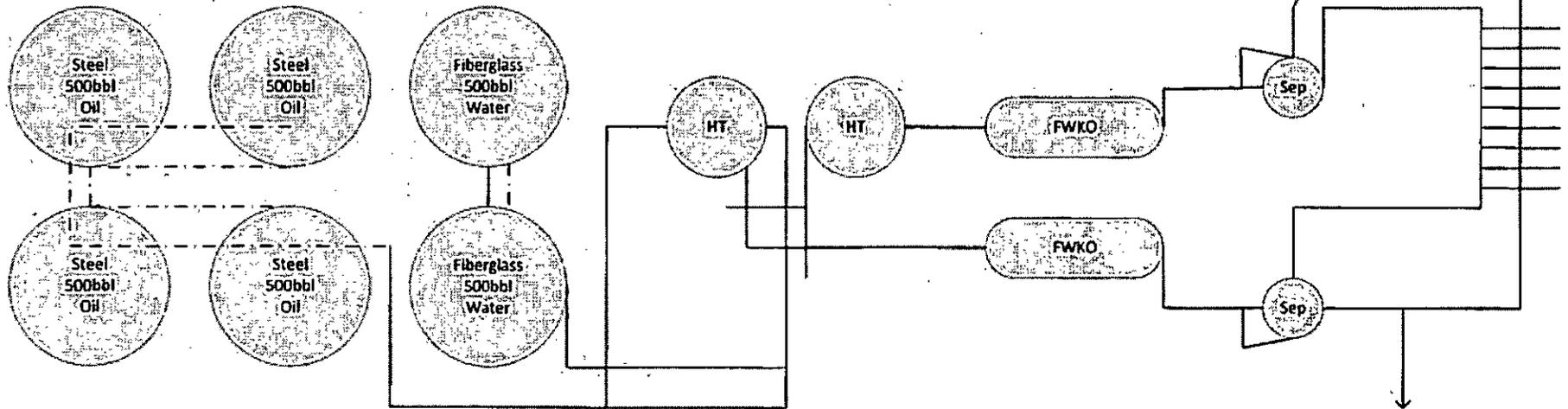
COG Operating LLC.  
2208 W Main St.  
Artesia, NM 88210

Screech Owl CTB

18/26S/27E

Lat: 32.039458

Long: -104.231814





June 22, 2015

**Certified Mail – Return Receipt Requested**  
**7013 3020 0000 8749 6848**

BTA Oil Producers LLC  
104 South Pecos  
Midland, TX 79701

Re: Application for Off Lease Measurement  
Screech Owl Federal #1H API No. 30-015-42825  
Screech Owl Federal #2H API No. 30-015-42826  
Screech Owl Federal #3H API No. 30-015-42827  
Screech Owl Federal #4H API No. 30-015-42828  
Producing from Sections 19 and 30, T26S, R27E  
Tank Battery with Measurement in Section 18, T26S, R27E  
Eddy County, New Mexico

Gentlemen:

Attached is a copy of COG's Application for Off Lease Measurement. You are being sent a copy of this Application per OCD's requirement to notify the overriding royalty owner. If you have any objection to this Application, notification should be given to OCD within 20 days of receipt of this letter. If you have no objection, please indicate same by signing the statement below.

If you have any questions regarding this Application, please contact me at 575-748-6952 or by email at mwilson@concho.com.

Sincerely,

Melanie J. Wilson  
Lead Regulatory Analyst

Enclosure

**BTA Oil Producers LLC has no objection to COG Operating LLC's Application for Off Lease Measurement of the Screech Owl Federal #1H, 2H, 3H and 4H wells.**

By: \_\_\_\_\_

Date: 06/29/2015

Printed Name: Ben Grimes

Title: Operations Mgr.

DISTRICT I  
1625 N. FRANCE DR., HOBBY, NM 88240  
Phone: (575) 392-6101 Fax: (575) 393-6720

DISTRICT II  
511 S. FIRST ST., ARTESIA, NM 88210  
Phone: (575) 748-1883 Fax: (575) 748-0720

DISTRICT III  
1900 RIO BRAZOS RD., AZTEC, NM 87410  
Phone: (505) 334-6176 Fax: (505) 334-6170

DISTRICT IV  
1220 S. ST. FRANCIS DR., SANTA FE, NM 87503  
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 30-015-42825	Pool Code 64010	Pool Name Welch; Bone Spring
Property Code 313961	Property Name SCREECH OWL FEDERAL	Well Number 1H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3342.5'

**Surface Location**

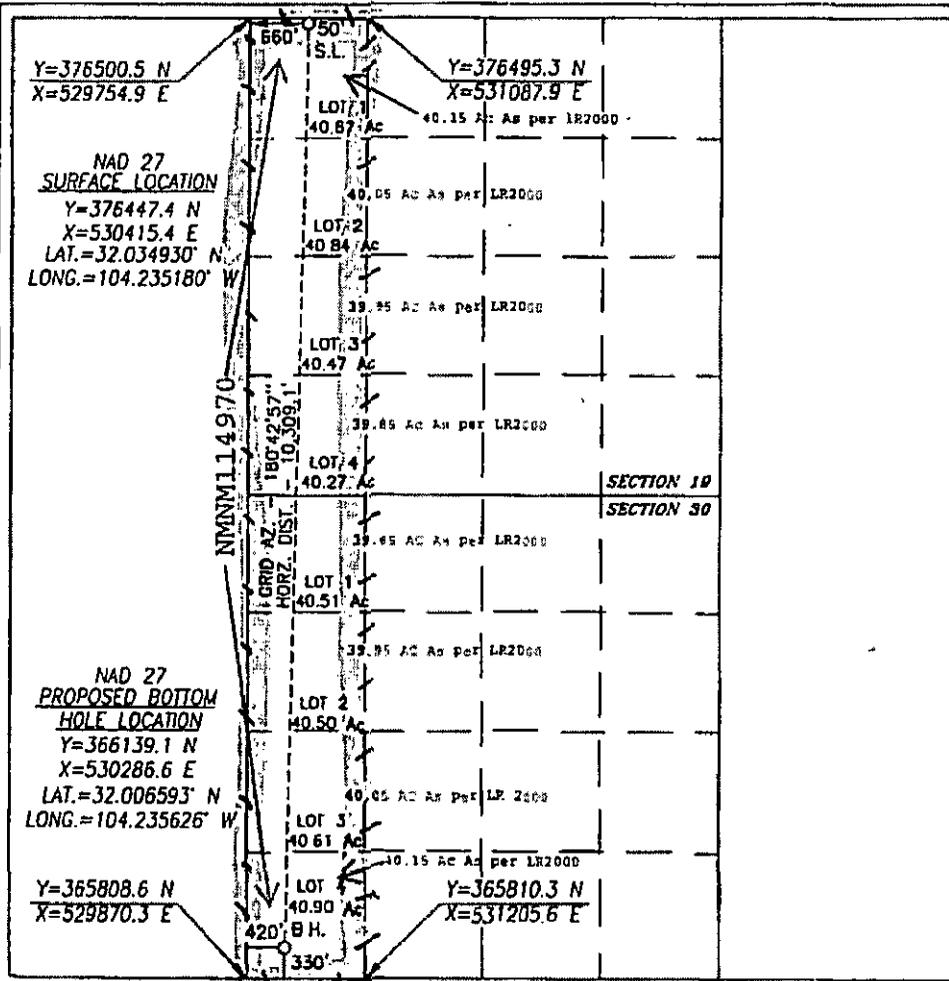
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	19	26-S	27-E		50	NORTH	660	WEST	EDDY

**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
4	30	26-S	27-E		330	SOUTH	420	WEST	EDDY

Dedicated Acres 320	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



**OPERATOR CERTIFICATION**  
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.

Signature: *Melanie J Parker* Date: 5/12/14  
Printed Name: Melanie J Parker  
E-mail Address: mparker@concho.com

**SURVEYOR CERTIFICATION**  
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.

AUGUST 28, 2013  
Date of Survey

Signature & Seal of Professional Surveyor  
*Chad L. Harcrow* 5/19/14  
Certificate No. CHAD HARCROW 17777  
W.O. # 14-369 DRAWN BY: TL

DISTRICT I  
1620 N. FRENCH DR., BOBBS, NM 86240  
Phone: (575) 950-6161 Fax: (575) 950-0780

DISTRICT II  
611 S. FIRST ST., ARTESIA, NM 86210  
Phone: (575) 741-1800 Fax: (575) 744-9720

DISTRICT III  
1000 RIO BRAZOS RD., 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) 476-3482

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 30-015-42826	Pool Code 64010	Pool Name Welch; Bone Spring
Property Code 313961	Property Name SCREECH OWL FEDERAL	Well Number 2H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3340.0'

Surface Location

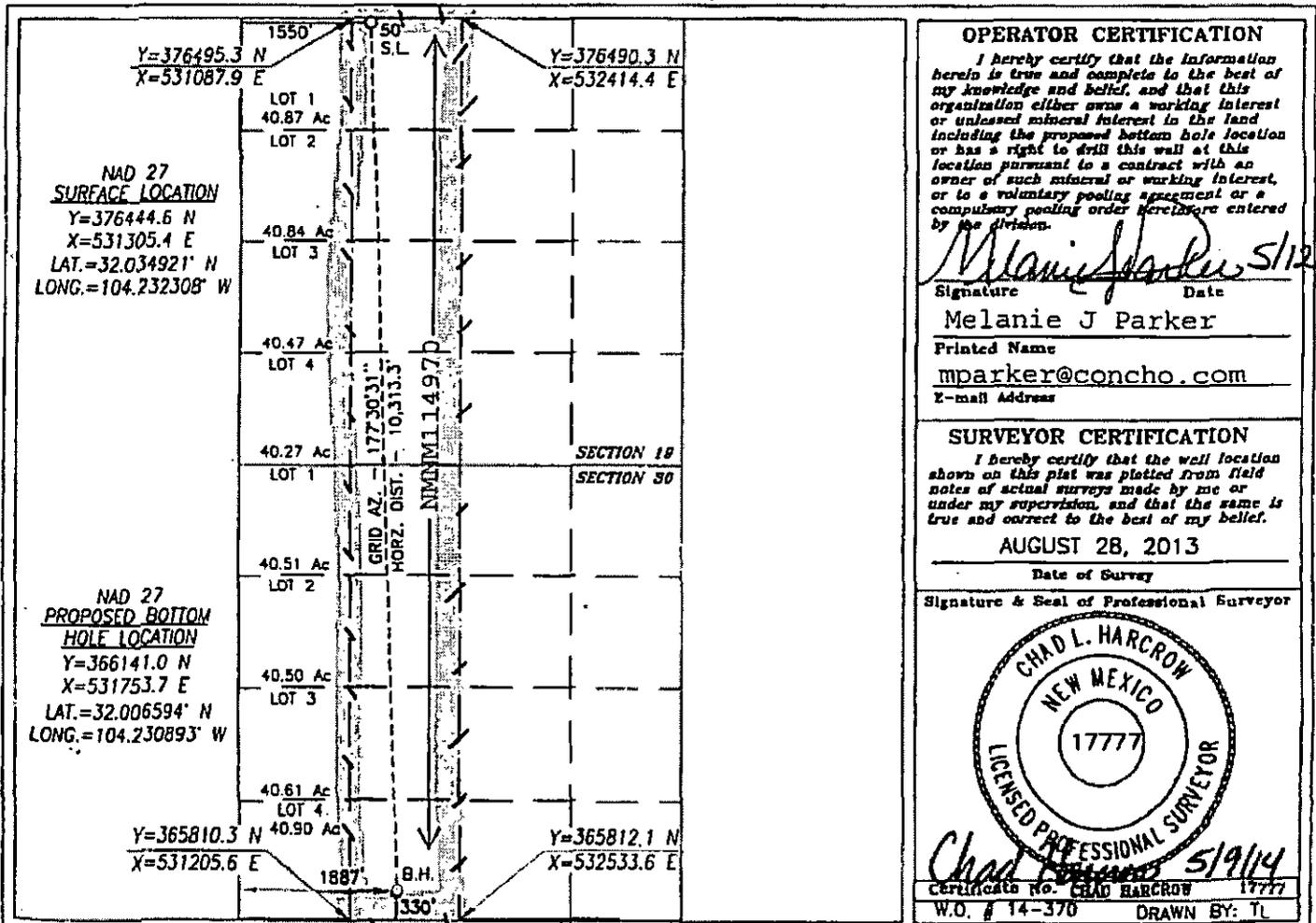
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	19	26-S	27-E		50	NORTH	1550	WEST	EDDY

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
N	30	26-S	27-E		330	SOUTH	1887	WEST	EDDY

Dedicated Acres 320	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



**OPERATOR CERTIFICATION**

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.

Signature: *Melanie J Parker* Date: 5/12/14  
Printed Name: Melanie J Parker  
E-mail Address: mparker@concho.com

**SURVEYOR CERTIFICATION**

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.

AUGUST 28, 2013  
Date of Survey

Signature & Seal of Professional Surveyor

*Chad L. Harcrow* 5/19/14  
Certificate No. CHAD HARCROW 17777  
W.O. # 14-370 DRAWN BY: TL

DISTRICT I  
1625 N. FRENCH DR., BOERS, NM 87410  
Phone: (505) 363-6161 Fax: (505) 363-6729

DISTRICT II  
811 S. FIRST ST., ARTESIA, NM 88210  
Phone: (505) 748-1283 Fax: (505) 748-9780

DISTRICT III  
1000 RIO BRAZOS RD., AZTEC, NM 87410  
Phone: (505) 334-6176 Fax: (505) 334-6170

DISTRICT IV  
1280 S. ST. FRANCIS DR., SANTA FE, NM 87505  
Phone: (505) 470-3465 Fax: (505) 476-3162

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 30-015-42827	Pool Code 64010	Pool Name Welch; Bone Spring
Property Code 313961	Property Name SCREECH OWL FEDERAL	Well Number 3H
OCRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3297.3

**Surface Location**

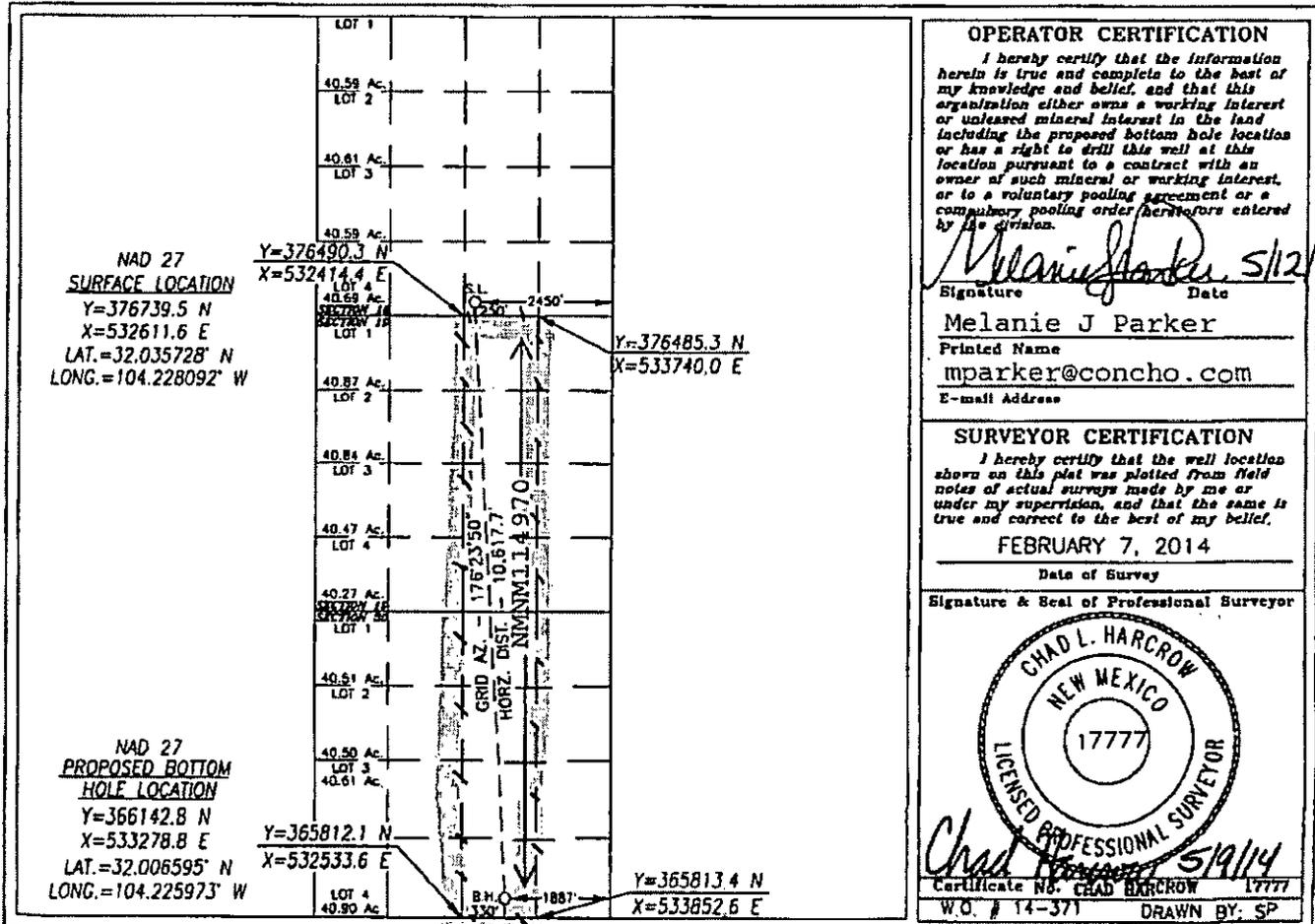
UL or lot No.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
0	18	26-S	27-E		250	SOUTH	2450	EAST	EDDY

**Bottom Hole Location If Different From Surface**

UL or lot No.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
0	30	26-S	27-E		330	SOUTH	1887	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			

**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**



DISTRICT I  
1625 N. FRENCH DR., HOHES, NM 86240  
Phone: (575) 243-4191 Fax: (575) 233-8770

DISTRICT II  
611 S. FIRST ST., ARTESIA, NM 86210  
Phone: (575) 748-1283 Fax: (575) 748-8720

DISTRICT III  
1000 RIO BRAZOS RD., AZTEC, NM 87410  
Phone: (505) 334-8178 Fax: (505) 334-8170

DISTRICT IV  
1820 S. ST. FRANCIS DR., SANTA FE, NM 87503  
Phone: (505) 476-3480 Fax: (505) 476-3482

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 30-015-42828	Pool Code 64010	Pool Name Welch; Bone Spring
Property Code 313961	Property Name SCREECH OWL FEDERAL	Well Number 4H
OCRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3316.2'

Surface Location

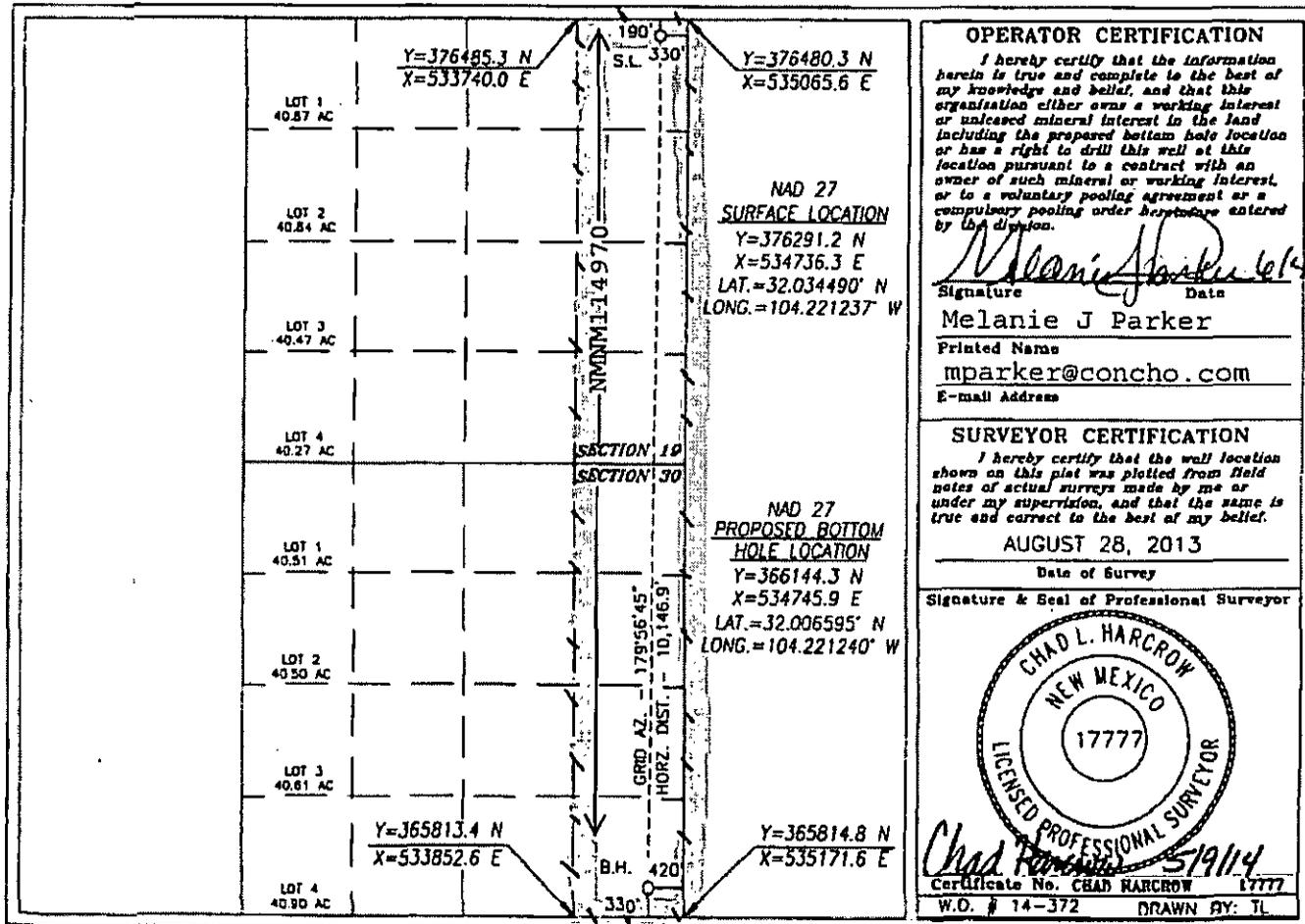
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	19	26-S	27-E		190	NORTH	330	EAST	EDDY

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
P	30	26-S	27-E		330	SOUTH	420	EAST	EDDY

Dedicated Acres 320	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





June 30, 2015

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Re: **Permission for Off Lease Measurement**  
Screech Owl Federal #1H, #2H, #3H, #4H  
Township 26 South, Range 27 East N.M.P.M.  
Sections 19 & 30  
Eddy County, New Mexico

Dear Sir or Madam:

As requested in response to COG Operating LLC's application for permission for off lease measurement, hereby is notification that the Screech Owl Federal #1H, #2H, #3H and #4H wells located in Sections 19 and 30 of Township 26 South, Range 27 East, have or are planning to be drilled on Lease USA NM-114970, and therefore have identical ownership.

If you have any questions, please feel free to contact me by phone at 432-688-6602 or by email at [aneagle@concho.com](mailto:aneagle@concho.com).

Sincerely,

**COG Operating LLC**

A handwritten signature in black ink that reads "Amanda Neagle".

Amanda Neagle  
Senior Landman  
Delaware Basin – South NM