State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Tony Delfin Acting Cabinet Secretary David R. Catanach, Division Director Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-797 Administrative Application Reference No. pMAM1619059749

July 29, 2016

COG Operating, LLC

Attention: Ms. Kanicia Castillo

COG Operating, LLC (OGRID 229137) is hereby authorized to surface commingle oil and gas production from Penasco Draw; SA-Yeso (Associated) Pool (Pool code 50270) from the following leases and wells:

Lease:

Clydesdale 1 Fee Well No. 5H lease

Description:

N/2 S/2 of Section 1, Township 19 South, Range 25 East, NMPM

Wells:

Clydesdale 1 Fee Well No. 5H

Clydesdale 1 Fee Well No. 6H

Lease:

Clydesdale1 Fee 7H lease

Description:

S/2 S/2 of Section 1, Township 19 South, Range 25 East, NMPM

Well:

Clydesdale 1 Fee Well No. 7H Clydesdale 1 Fee Well No. 8H

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Clydesdale 1 Fee Well No. 6H central tank battery (CTB), located in Unit I, of Section 1, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico.

The oil and gas production from the Clydesdale 1 Fee Well No. 5H and the Clydesdale 1 Fee Well No. 6H which have identical ownership shall be measured with a combination of metering and testing. The Clydesdale 1 Fee Well No. 7H and Clydesdale 1 Fee Well No. 8H, which have identical ownership shall be shall be measured with a combination of metering and testing.

The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2) NMAC.

Subsequently drilled wells that produce from the subject pool within the project areas approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

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

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

Done at Santa Fe, New Mexico, on July 29, 2016.

DAVID R. CATANACH

Director

DRC/mam

cc: Oil Conservation Division – Artesia