State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary David R. Catanach, Division Director Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-813 Administrative Application Reference No. pMAM1703258353

March 2, 2017

COG OPERATING, LLC

Attention: Ms. Amanda Avery

COG Operating, LLC (OGRID 229137) is hereby authorized to surface commingle gas production from Lusk; Bone Spring, North Pool (Pool code 41450) from the following diversely owned federal leases and wells in Lea County, New Mexico:

Lease:

Federal Com. Agreement NMNM 134754

Description:

W/2 W/2 of Section 8, Township 19 South, Range 32 East, NMPM

Well:

King Air 8 Federal Com. Well No. 4H

API 30-025-42200

Lease:

Pending King Air 8 Federal Com. Well No. 3H Federal Com. Agreement

Description:

E/2 SW/4 of Section 5, and E/2 W/2 of Section 8, Township 19 South, Range 32

East, NMPM

Well:

King Air 8 Federal Com. Well No. 3H

API 30-025-41476

The combined project area for these wells include the E/2 SW/4 of Section 5 and W/2 of Section 8, Township 19 South, Range 32 East, NMPM, Lea County, New Mexico.

The commingled gas production from the wells detailed above shall be measured and sold at the TBM Federal Com. Well No. 1 Central Tank Battery (CTB), located in Unit C, Section 8, Township 19 South, Range 32 East, NMPM, Lea County, New Mexico.

Production from the subject wells shall be determined as follows:

Each well shall be metered separately using allocation meters at the well pad prior to commingling at the CTB.

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

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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.

The affected parties subject to Division Rule 19.15.12.10.C (4) had waived objection or did not oppose this application within the required 20-day wait period.

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

This approval is subject to like approval from Bureau of Land Management before commencing commingling operations.

Done at Santa Fe, New Mexico, on March 2, 2017.

DAVID R. CATANACH

Director

DRC/mam

cc: Oil Conservation Division – Hobbs

Bureau of Land Management - Carlsbad