

State of New Mexico
Energy, Minerals and Natural Resources Department

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Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-831
Administrative Application Reference No. pMAM1723553853

September 13, 2017

COG Operating LLC
Attention: Ms. Bobbie Goodloe

COG Operating LLC (OGRID 229137) is hereby authorized to surface commingle gas production from the Lusk; Bone Spring Pool (Pool code: 41440) from the following diversely owned federal leases located in Section 30, Township 19 South, Range 32 East, Lea County, New Mexico:

Lease: Federal Communitization Agreement NMNM 126956
Description: W/2 E/2 of Section 30
Well: SL East 30 Federal Com Well No. 1H API 30-025-40154

Lease: Federal Communitization Agreement NMNM 135900
Description: E/2 E/2 of Section 30
Well: SL East 30 Federal Com Well No. 2H API 30-025-42524

The combined project area for these wells includes the E/2 of Section 30, 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 SL East 30 30 BS2 Federal Com Well No. 1H Central Tank Battery (CTB), located in Unit O of Section 30, Township 19 South, Range 32 East, NMPM, Lea County, New Mexico.

Production from the subject wells shall be determined as follows:

The gas production from each of the diversely-owned leases shall be measured with allocation meters. The oil and gas production from each well will flow into a dedicated 3-phase separator. The production stream will be separated into 3 independent streams by the separator and each stream will be measured individually after it exits the separator, before commingling.

The oil production from each of the diversely-owned leases shall be measured with allocation meters at each well pad. This is important because an off-lease measurement measurement as part of this application for oil production is administratively approved, since the surface location of the

of this application for oil production is administratively approved, since the surface location of the SL East 30 Federal Com Well No. 2H is located in Unit P, Section 19, Township 19 South, Range 32 East.

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.

This administrative order is subject to like approval from the Bureau of Land Management.

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

Done at Santa Fe, New Mexico, on September 13, 2017.



DAVID R. CATANACH
Director

DRC/mam

cc: Oil Conservation Division – Hobbs
Bureau of Land Management - Carlsbad