

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

Heather Riley, Division Director
Oil Conservation Division



January 23, 2018

OFF-LEASE MEASUREMENT

Administrative Order OLM-126
Application Reference No. pMAM1734559856

COG OPERATING, LLC
Attention: Ms. Bobbie Goodloe

COG OPERATING, LLC (OGRID 229137) is hereby authorized to transport and measure oil production off-lease, from the following wells which produce from the Wolfbone formation, currently called the WC-025 G-09 S243532M; Wolfbone Pool (pool code 98098) in Lea County, New Mexico:

Viking Helmet State Com Well No. 1H (API No. 30-025-42782), Unit A, Section 29, Township 24 South, Range 35 East.

Viking Helmet State Com Well No. 2H (API No. 30-025-42783), Unit B, Section 29, Township 24 South, Range 35 East.

The combined project area for these wells includes the E/2 of Section 29 and the NE/4 of Section 32, all in Township 24 South, Range 35 East, NMPM, Lea County, New Mexico.

The oil and gas production from these wells shall be measured at, and sold from, Viking Helmet State Com Well No. 2 H Central Tank Battery (CTB) located in Unit B, Section 29, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico, except when the CTB is over capacity, CTB is in repair, or the pipeline is in repair.

In any of these scenarios, the oil shall be transported to the Red Hills Offload Station (Red Hills CTB) located in Unit O, Section 4, Township 26 South, Range 32 East, NMPM, Lea County, New Mexico.

All meters for the above-referenced wells shall be physically separated from facilities for other wells, so that production from the above-referenced wells will not be commingled prior to measurement with production from any other well.

Production from the subject wells shall be determined as follows:

Oil shall remain segregated and measured by a LACT meter at the Red Hills CTB when it is utilized.

This permit does not authorize the surface commingling of this oil production with oil production from other pools or leases.

It is also understood that you have given due notice of this application to all working interest owners who are "affected persons," as defined in Division Rule 19.15.23.9 (A) NMAC.

The operator shall notify the Hobbs District Office of the Division before commencement of Off-Lease Measurement.

The approval is subject to like approval by the New Mexico State Land Office.



HEATHER RILEY
Director

HR/mam

cc: Oil Conservation Division – Hobbs district office
New Mexico State Land Office – Oil, Gas, and Minerals Division