

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Susana Martinez**  
Governor

**Ken McQueen**  
Cabinet Secretary

**Matthias Sayer**  
Deputy Cabinet Secretary

**Heather Riley, Division Director**  
Oil Conservation Division



April 12, 2018

COG Operating LLC  
Attention: Ms. Amanda Avery

CENTRAL TANK BATTERY

Administrative Order CTB-853  
Administrative Application Reference No. pMAM1809349333

Reference your application received March 15, 2018

The Oil Conservation Division (Division) authorizes COG Operating LLC (OGRID 229137) (COG) to surface commingle gas production and off-lease measure oil production from the Hay Hollow; Bone Spring pool (pool code 30215) from the following diversely owned federal and state leases in Township 26 South, Range 28 East, Eddy County, New Mexico.

Lease:	Federal Communitization Agreement NMNM 137953	
Description:	E/2 W/2 of Section 28, and Lot 2 and NE/4 NW/4 (E/2 NW/4 equivalent) of Section 33, Township 26 South, Range 28 East	
Well:	Graham Nash Federal Com Well No. 007H	API No. 30-015-43811
Lease:	Graham Nash State Com Well No. 8H State Communitization Agreement	
Description:	W/2 W/2 of Section 28, and Lot 1 and NW/4 NW/4 (W/2 NW/4 equivalent) of Section 33, Township 26 South, Range 28 East	
Wells:	Graham Nash State Com Well No. 008H	API No. 30-015-42203

Production from the subject wells shall be determined as follows.

1. The oil production from the Graham Nash State Com Well No. 008H shall be measured at, and sold from, Graham Nash State Com Well No. 008H Central Tank Battery (Graham Nash State Com Well No. 008H CTB) in D-28-26S-28E.
2. Gas production from Graham Nash State Com Well No. 008H shall be measured separately at the Graham Nash State Com Well No. 008H CTB before commingling at the gatherer's meter located at the same battery.

3. The oil production from the Graham Nash Federal Com Well No. 007H shall be measured at, and sold from, Graham Nash Federal Com Well No. 007H Central Tank Battery (Graham Nash Federal Com Well No. 007H CTB) in M-21-26S-28E.
4. Gas production from the Graham Nash Federal Com Well No. 007H shall be measured separately at the Graham Nash Federal Com Well No. 007H CTB before commingling at the gatherer's meter located at the Graham Nash State Com Well No. 008H CTB.
5. The allocation meters shall be calibrated quarterly per Paragraph (2) of Subsection C of 19.15.12.10 NMAC.

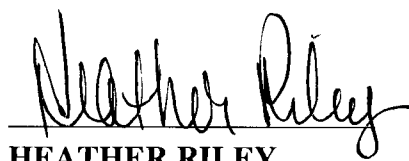
Your application has been filed per Subsection C of 19.15.12.10 NMAC and Paragraph (8) of Subsection A of 19.15.4.12 NMAC.

COG has given notice of this application to all owners in the mineral interest estate ("affected parties") per Paragraph (4) of Subsection C of 19.15.12.10 NMAC.

COG shall install and operate these facilities per Division rules. COG shall notify the transporter of this commingling authority.

This administrative order is subject to like approval from the Bureau of Land Management and New Mexico State Land Office.

COG shall notify the Artesia District Office of the Division prior to starting the commingling operations.



**HEATHER RILEY**  
**Director**

HR/mam/rbb

cc: Oil Conservation Division – Artesia  
Bureau of Land Management - Carlsbad  
New Mexico State Land Office – Oil, Gas, and Minerals