STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

APPLICATION FOR OFF-LEASE MEASUREMENT SUBMITTED BY COG PRODUCTION, LLC

ORDER NO. OLM-195

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having considered the application and the recommendation of the Engineering Bureau, issues the following Order.

FINDINGS OF FACT

- 1. COG Production, LLC ("Applicant") submitted a complete application to off-lease measure the oil and gas production ("Application") from the wells, pool, and lease identified in Exhibit A.
- 2. Applicant provided notice of the Application to all persons owning a working interest in the oil and gas production to be off-lease measured in accordance with 19.15.23.9(A)(5) NMAC, and those persons either submitted a written waiver or did not file an objection to the Application.
- 3. Applicant provided notice of the Application to the Bureau of Land Management or New Mexico State Land Office, as applicable.

CONCLUSIONS OF LAW

- 4. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, and 19.15.23 NMAC.
- 5. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9(A)(5) NMAC.
- 6. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

ORDER

- 1. Applicant is authorized to off-lease measure oil and gas production from the wells, pool, and lease identified in Exhibit A.
- 2. The oil and gas production from the wells identified in Exhibit A shall be physically separated from the oil and gas production from other wells and no commingling of production from different leases shall occur in accordance with 19.15.23.9(A)(3) NMAC and 19.15.23.9(A)(4) NMAC.
- 3. Applicant shall measure the commingled oil at a central tank battery described in Exhibit A in accordance with 19.15.18.15 NMAC or 19.15.23.8 NMAC.

- 4. Applicant shall measure the commingled gas at a central delivery point described in Exhibit A in accordance with 19.15.19.9 NMAC, provided however that if the gas is flared, regardless whether OCD has granted an exception pursuant to 19.15.18.12(B) NMAC, Applicant shall report the gas in accordance with 19.15.18.12(F) NMAC.
- 5. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10(C)(2) NMAC.
- 6. OCD retains jurisdiction and reserves the right to modify or revoke this Order if it is deemed necessary to prevent waste or protect correlative rights, public health, or the environment.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL
DIRECTOR

DATE: 6/29/2020

State of New Mexico Energy, Minerals and Natural Resources Department

Exhibit A

Order: OLM-195

Operator: COG Production, LLC (217955)

Central Tank Battery: Azores Federal 29M Central Tank Battery

Central Tank Battery Location (NMPM): Unit M, Section 29, Township 24 South, Range 32 East

Central Tank Battery: Red Hills Offload Station

Central Tank Battery Location (NMPM): Unit O, Section 4, Township 26 South, Range 32 East

Central Tank Battery: Jal Offload Station

Central Tank Battery Location (NMPM): Unit D, Section 4, Township 26 South, Range 37 East Gas Custody Transfer Meter Location (NMPM): Unit M, Section 29, Township 24 South, Range 32 East

Pools

Pool Name	Pool Code
WC-025 G-06 S253206M; BONE SPRING	97899

Leases as defined in 19.15.12.7(C) NMAC

Lease	Location (NMI	PM)
NMNM 12090B	W/2 W/2, W/2 E/2	Sec 29-T24S-R32E

·	Wel	ls		
Well API	Well Name	Location (NMPM)	Pool Code	Train
30-025-43845	Azores Federal 6H	O-29-24S-32E	97899	
30-025-43758	Azores Federal 9H	M-29-24S-32E	97899	