

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



January 23, 2018

OFF-LEASE MEASUREMENT

**Administrative Order OLM-127**  
**Application Reference No. pMAM1735457533**

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 well which produces from the Wolfbone Formation – currently called the WC-025 G-09 S243532M; Wolfbone Pool (98098) in Lea County, New Mexico:

Fascinator Fee Well No. 24H (API No. 30-025-43855), Unit J, Section 19, Township 24 South, Range 35 East.

The project area for this horizontal well includes the W/2 SE/4 of Section 19, and the W/2 E/2 of Section 30, all in Township 24 South, Range 35 East, NMPM, Lea County, New Mexico.

The oil and gas production from this well shall be measured at, and sold from, Fascinator Fee Well No. 24H Central Tank Battery (CTB) located in Unit J, Section 19, 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 well shall be physically separated from facilities for other wells, so that production from the above-referenced well will not be commingled prior to measurement with production from any other well.

Production from the subject well shall be determined as follows:

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

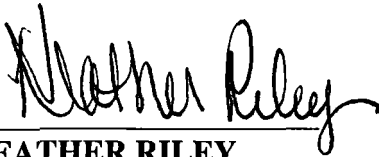
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**This permit does not authorize the surface commingling of this oil production with oil production from other pools or diversely owned lands.**

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.

A handwritten signature in black ink, appearing to read "Heather Riley", is written over a horizontal line.

**HEATHER RILEY**  
**Director**

HR/mam

cc: Oil Conservation Division – Hobbs