



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Jim Noel
Cabinet Secretary

Karen W. Garcia
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



Administrative Order DHC-4304

Order Date: 7/30/2010

Application Reference Number: pTGW1020251606

COG OPERATING LLC
550 W TEXAS, SUITE 1300
MIDLAND, TX 79701

Attention: Kanicia Carrillo

SCHLEY FEDERAL Well No. 016
API No: 30-015-34888
Unit F, Section 29, Township 17 South, Range 29 East, NMPM
Eddy County, New Mexico

Pool:	EMPIRE; GLORIETA-YESO, EAST	Oil 96610
Names:	GRAYBURG JACKSON;SR-Q-G-SA	Oil 28509

Reference is made to your recent application for an exception to Rule 12.9A. of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 12.11A., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with Division 12.11A.(6), the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

The production allocation percentages of oil and gas between these pools shall be supplied to the Division's Santa Fe office within 60 days following completion of this workover.

REMARKS: The operator shall notify the Division's district office upon implementation of commingling operations.



Pursuant to Rule 12.11B., the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.



MARK E. FESMIRE, P.E.
Acting Director

MEF/wvj

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