

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

Carlsbad Field Office

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.**

<b>SUBMIT IN TRIPLICATE - Other instructions on reverse side.</b>		5. Lease Serial No. Multiple--See Attached
1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
2. Name of Operator COG PRODUCTION LLC Contact: MAYTE X REYES E-Mail: mreyes1@concho.com		7. If Unit or CA/Agreement, Name and/or No. Multiple--See Attached
3a. Address 2208 W MAIN STREET ARTESIA, NM 88210	3b. Phone No. (include area code) Ph: 575.748.6945	8. Well Name and No. Multiple--See Attached
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Multiple--See Attached		9. API Well No. Multiple--See Attached
		10. Field and Pool, or Exploratory Multiple--See Attached
		11. County or Parish, and State EDDY COUNTY, NM

## 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Surface Commingling
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

COG Production LLC, respectfully requests approval to Surface Pool/Lease Commingle and Off Lease  
Sales gas only the following wells:

Cottonmouth 24 Federal Com #1H  
SHL: 105? FSL & 745? FWL  
Section 24. T26S. R28E.  
Tecolote Peak; Delaware [59170]  
API 30-015-38507  
Federal Lease No. NMNM12559  
CA NM134285

Ridge Nose Federal Com #1H

**NM OIL CONSERVATION**  
ARTESIA DISTRICT

JUL 29 2016

RECEIVED

14. I hereby certify that the foregoing is true and correct. Electronic Submission #340437 verified by the BLM Well Information System For COG PRODUCTION LLC, sent to the Carlsbad Committed to AFMSS for processing by PRISCILLA PEREZ on 05/31/2016 (16PP1321SE)	
Name (Printed/Typed) MAYTE X REYES	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 05/26/2016

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>DUNCAN WHITLOCK</u>	Title <u>TECHNICAL LPET</u>	Date <u>07/26/2016</u>
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office Carlsbad

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***

**Additional data for EC transaction #340437 that would not fit on the form**

**5. Lease Serial No., continued**

NMNM121474  
NMNM12559

**7. If Unit or CA/Agreement, Name and No., continued**

NMNM134285  
NMNM134623

**Wells/Facilities, continued**

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM134285	NMNM12559	COTTONMOUTH 24 FEDERAL COM	30-015-38507-00-S1	Sec 24 T26S R28E SWSW 105FSL 745FWL
NMNM134623	NMNM121474	RIDGE NOSE FEDERAL COM 1H	30-015-42391-00-S1	Sec 31 T26S R29E SWNE 200FSL 2310FEL 32.000509 N Lat, 104.022282 W Lon

**10. Field and Pool, continued**

UNKNOWN

**32. Additional remarks, continued**

SHL: 200? FSL & 2310? FEL  
Section 31. T26S. R29E  
Brushy Draw; Delaware [8080]  
API 30-015-42391  
Federal Lease No. NMNM121474  
CA NM134623

The commingled gas production will be sold at the Anadarko sales meter #1605351 located in UL "E"  
SWNW Section 32. T26S. T29E.

Diversified ownership. All owners have been notified.

See attached.

# APPLICATION FOR SURFACE POOL/LEASE COMMINGLE & OFF-LEASE-SALES GAS ONLY

## Proposal for Cottonmouth 24 Federal Com #1H and Ridge Nose Federal Com #1H:

COG Production LLC respectfully requests approval for Surface Pool/Lease Commingle and Off-Lease Sales gas only for the following wells:

**Federal Lease NMNM121474      Royalty Rate 12.5%      CA# NM134623**

Well Name	Location	API #	Pool [8080]	Oil BOPD	Gravities	MCFPD	BTU
Ridge Nose Fed Com #1H	Sec. 31-T26S-R29E	30-015-42391	Brushy Draw; Delaware	-	-	1050	1242.308

**Federal Lease NMNM12559      Royalty Rate 12.5%      CA# NM134285**

Well Name	Location	API #	Pool [59170]	Oil BOPD	Gravities	MCFPD	BTU
Cottonmouth 24 Fed Com #1H	Sec. 24-T26S-R28E	30-015-38507	Tecolote Peak; Delaware	-	-	500	1244.468

An attached map shows the federal leases and well locations in Section 24-T26S-R28E, and Section 31-T26S-R29E. Working, royalty, and overriding interest owners have been notified of this proposal via certified mail (see attached).

### Gas metering:

Each well is equipped with a gas allocation meter that will continuously meter gas production prior to commingling and these measurements shall be used to allocate production/sales to the wells. Allocation Meter #88522116 belongs to the Cottonmouth 24 Federal Com #1H, allocation meter #88522229 belongs to the Ridge Nose Federal Com #1H. These meters will be the Federal measurement points which production will be reported for sales of produced gas. Both wells will utilize the Anadarko sales meter #1605351 which is located at the SWNW Unit Letter E Section 32. T26S. R29E.

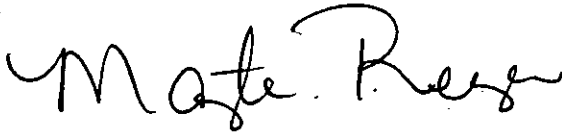
The BLM's interest in both wells is as follows: Federal Lease #NMNM12559 and NMNM121474 both has a royalty rate of 12.5%. The Cottonmouth 24 Fed Com #1H is under CA# NM134285 which has 120 acres Federal land and 40 acres of Fee land. The Ridge Nose Fed Com #1H is under CA# NM134623 which has 26.27 acres Federal land and 200 acres Fee land. Waste is not induced and no correlative rights are impaired. These meters will be calibrated on a regular basis per API, NMOC and BLM specifications. The BLM and OCD will be notified of any future changes in the facilities.

The commingling of production is in the interest of conservation and will result in the most effective, economic means of producing the reserves in place from the affected wells and will not result in reduced royalty or improper measurement of production. The proposed commingling will reduce the surface facility footprint and overall emissions.

COG will use allocation gas meters to measure the gas prior to commingling. These meters will meet all measurement requirements of API Federal regulations for gas sales meters. COG requests this type of commingle application due to economics. It is not economical to install a gas sales meter run and meter at the cost of \$65,000.00, these equipment and maintenance would have an uneconomical pay out for an installation of this type. COG feels it is not in the best interest of the American public to have the operator plug the wells at this time, there are still recoverable minerals.

COG understands the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.

Signed:

A handwritten signature in black ink, appearing to read "Mayte Reyes". The signature is fluid and cursive, with the first name "Mayte" and last name "Reyes" clearly distinguishable.

Printed Name: Mayte Reyes

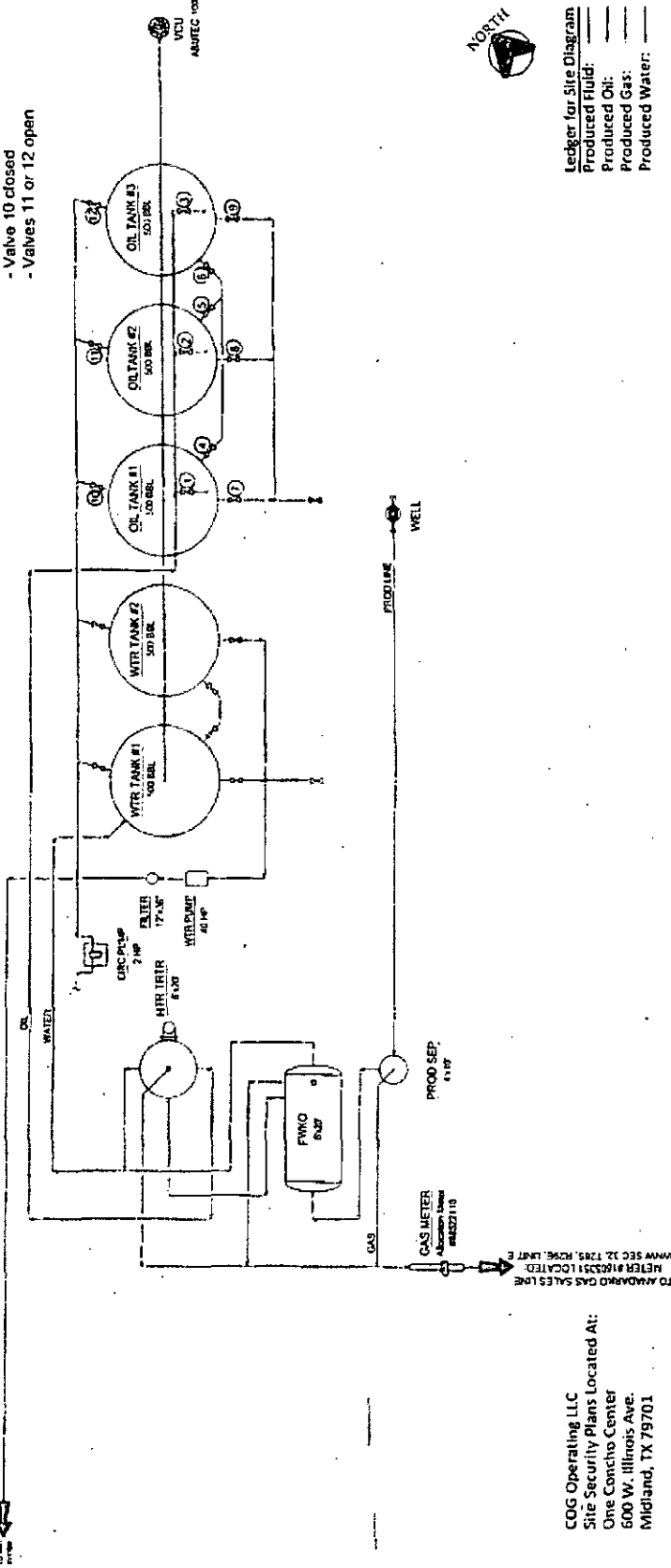
Title: Regulatory Analyst

Date: \_\_\_\_\_ 7-26-16

COTTONMOUTH 24 FEDERAL COM 1H BATTERY  
SWSW SECTION 24, T26S, R28E, UNIT M  
EDDY COUNTY, NM

WELLS:  
COTTONMOUTH 24 FEDERAL COM #001H: 30-015-38507

- Production Phase - Oil Tank #1**
- Valve 1 open
  - Valves 2 and 3 closed
  - Valves 4, 5, and 6 open
  - Valves 7, 8, and 9 closed
  - Valve 10 open
  - Valves 11 and 12 closed
- Sales Phase - Oil Tank #1**
- Valve 1 closed
  - Valves 2 or 3 open
  - Valve 4 closed
  - Valves 5 and 6 open
  - Valve 7 open
  - Valves 8 and 9 closed
  - Valve 10 closed
  - Valves 11 or 12 open



COG Operating LLC  
Site Security Plans Located At:  
One Concho Center  
600 W. Illinois Ave.  
Midland, TX 79701

Ledger for Site Diagram  
Produced Fluid: \_\_\_\_\_  
Produced Oil: \_\_\_\_\_  
Produced Gas: \_\_\_\_\_  
Produced Water: \_\_\_\_\_

Type of Lease: Federal  
Federal Lease #: NMNM - 012559  
Property Code: 38514  
OGRID #: 217955

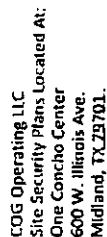
DATE	TIME	WELL	VALVE	STATUS	REMARKS
8/27/74	10:00	WTR TANK #1	1	OPEN	STARTED
8/27/74	10:05	WTR TANK #1	2	CLOSED	STOPPED
8/27/74	10:10	WTR TANK #1	3	OPEN	STARTED
8/27/74	10:15	WTR TANK #1	4	CLOSED	STOPPED
8/27/74	10:20	WTR TANK #1	5	OPEN	STARTED
8/27/74	10:25	WTR TANK #1	6	CLOSED	STOPPED
8/27/74	10:30	WTR TANK #1	7	OPEN	STARTED
8/27/74	10:35	WTR TANK #1	8	CLOSED	STOPPED
8/27/74	10:40	WTR TANK #1	9	OPEN	STARTED
8/27/74	10:45	WTR TANK #1	10	CLOSED	STOPPED
8/27/74	10:50	WTR TANK #1	11	OPEN	STARTED
8/27/74	10:55	WTR TANK #1	12	CLOSED	STOPPED

**CONCHO**  
NEW MEXICO BASIN ASSET  
PROPERTY # 38514  
COTTONMOUTH 24 FEDERAL COM 1H BATTERY  
EDDY COUNTY, NM  
DATE: 8/27/74  
TIME: 10:00  
WELL: WTR TANK #1  
VALVE: 1  
STATUS: OPEN  
REMARKS: STARTED

**WELLS:**  
**TIDJENOSE FEDERAL COM #001H: 30-015-42391**

- Valve 1 closed
- Valves 2, 3, or 4 open
- Valve 5 closed
- Valves 6, 7, and 8 open
- Valve 9 open
- Valves 10, 11, and 12 closed
- Valve 13 closed
- Valves 14, 15, or 16 open

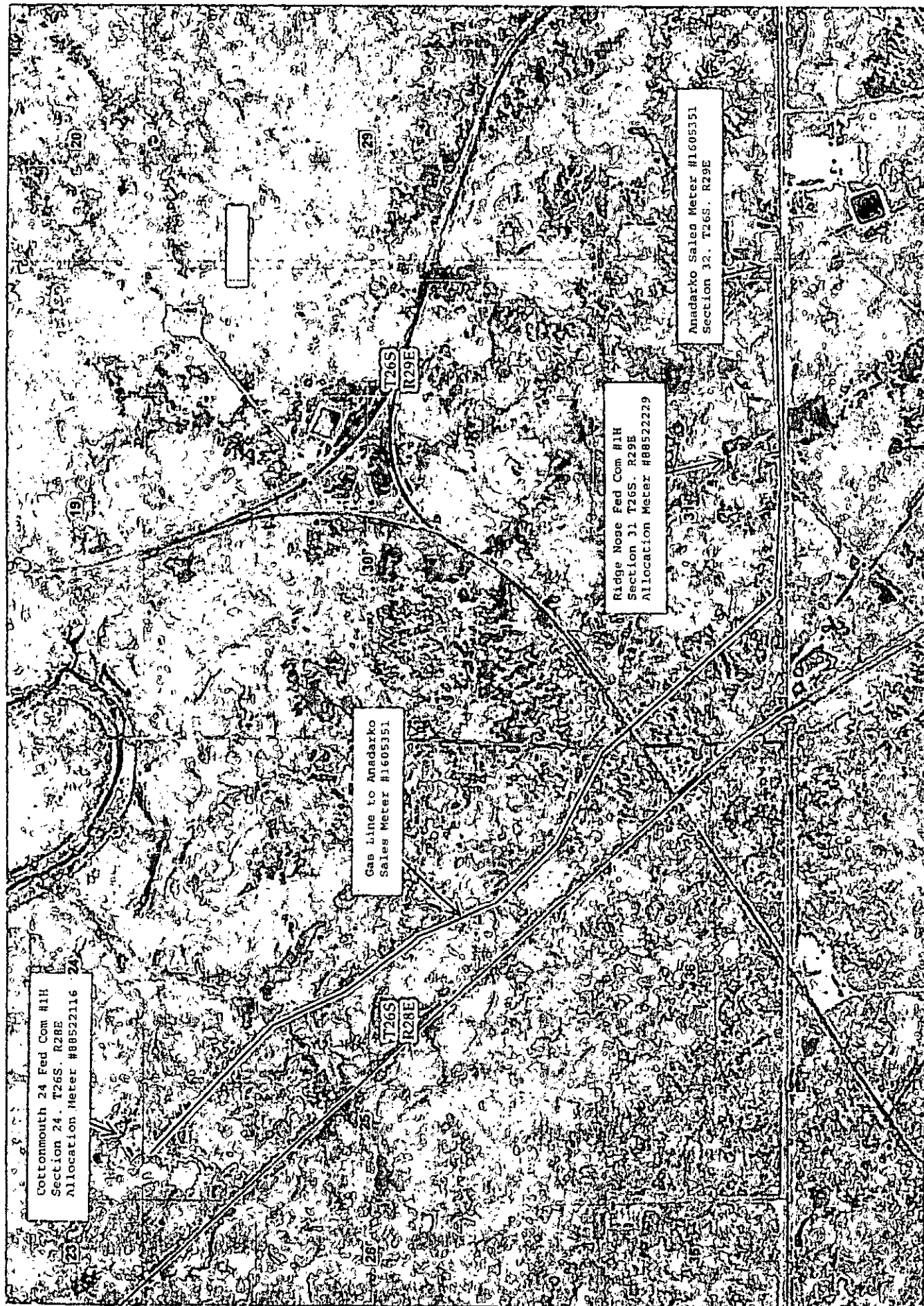
- Valve 1 open
- Valves 2, 3, and 4 closed
- Valves 5, 6, 7, and 8 open
- Valves 9, 10, 11, and 12 closed
- Valve 13 open
- Valves 14, 15, and 16 closed



**Ledger for Site Diagram**

Produced Fluid:	---
Produced Oil:	---
Produced Gas:	---
Produced Water:	---

[illegible]



LEASE MAP

13 NMNM 012559 BHL

23 NMNM 012559 SHL T26S R28E

24 NMNM 012559

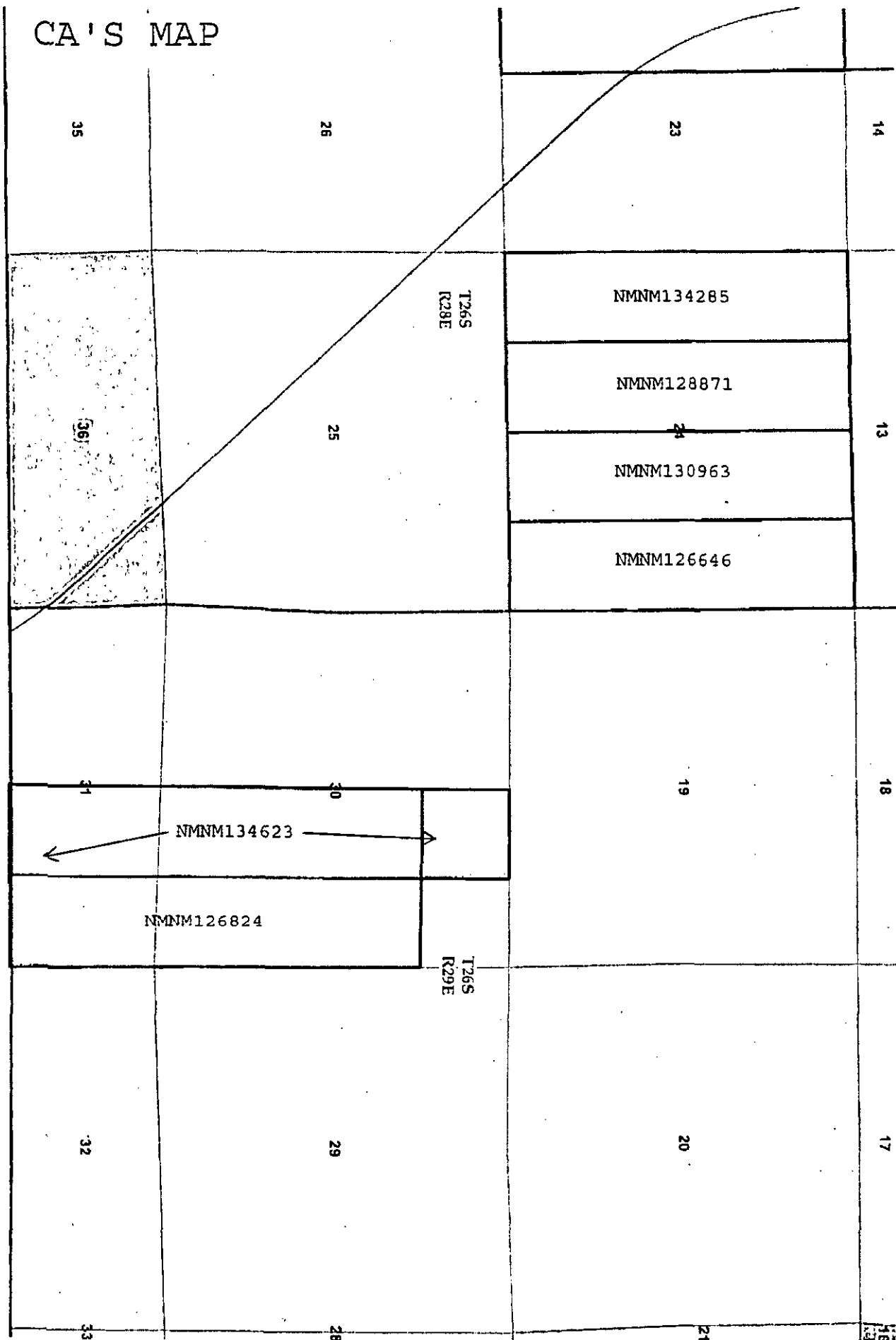
25 Cottonmouth 24 Fed Com #1H

31 Ridge Nose Fed Com #1H SHL NMNM 121474

36 (36)



# CA'S MAP



**DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
CASE RECORDATION  
(MASS) Serial Register Page**

Run Time: 01:24 PM

Page 1 of 2

Run Date: 05/16/2016

01 02-25-1920;041STAT0437;30USC181ETSEQ

Total Acres

Serial Number

Case Type 311211: O&G LSE SIMO PUBLIC LAND

1,400.000

NMNM-- - 012559

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED

Serial Number: NMNM-- - 012559

Name & Address	Int Rel	% Interest
COG PRODUCTION LLC 600 W ILLINOIS AVE, ONE CONCHO CEN MIDLAND TX 79701	OPERATING RIGHTS	0.000000000
OXY USA INC PO BOX 27570 HOUSTON TX 772277570	LESSEE	100.000000000
OXY USA INC PO BOX 27570 HOUSTON TX 772277570	OPERATING RIGHTS	0.000000000
OXY USA INC 5 GREENWAY PLZ #110 HOUSTON TX 770460521	OPERATING RIGHTS	0.000000000

Serial Number: NMNM-- - 012559

Mer Twp Rng Sec	SType	SNr Suffix	Subdivision	District/Field Office	County	Mgmt Agency
23 02605 0280E 001	ALIQ		SENE,NESE;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23 02605 0280E 012	ALIQ		NE,E2SE,SWSE,	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23 02605 0280E 013	ALIQ		SWNE,S2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23 02605 0280E 023	ALIQ		W2NE,NW,SWSW,NWSE;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23 02605 0280E 024	ALIQ		E2NE,S2NW,SW,SWSE,	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 012559

Act Date	Code	Action	Action Remark	Pending Office
09/27/1970	387	CASE ESTABLISHED	SPAR38;	
09/28/1970	688	DRAWING HELD		
10/13/1970	237	LEASE ISSUED		
11/01/1970	496	FUND CODE	05;145703	
11/01/1970	530	RLTY RATE - 12 1/2%		
11/01/1970	868	EFFECTIVE DATE		
10/21/1977	817	MERGER RECOGNIZED	DALCO OIL/SABINE PROD	
10/21/1977	817	MERGER RECOGNIZED	PLANET OIL/DALCO OIL	
07/24/1978	909	BOND ACCEPTED	EFF 07/24/78;WYC405	
01/21/1981	235	EXTENDED	THRU 10/31/82;	
07/03/1982	650	HELD BY PROD - ACTUAL		
07/03/1982	658	MEMO OF 1ST PROD-ACTUAL		
09/03/1982	500	GEOGRAPHIC NAME	UNDEFINED FLD;	
08/03/1982	510	KMA CLASSIFIED		
03/22/1983	315	RENTAL RATE DET/ADJ	\$2.00;	
09/18/1987	974	AUTOMATED RECORD VERIF	KAT/CB	
10/05/1988	963	CASE MICROFILMED/SCANNED	CNUM 103,201	
05/01/2008	140	ASGN FILED	POGO PRODUC/OXY USA;1	
05/01/2008	932	TRF OPER RGTS FILED	POGO PRODUC/OXY USA;1	
06/12/2008	139	ASGN APPROVED	EFF 06/01/08;	
06/13/2008	933	TRF OPER RGTS APPROVED	EFF 06/01/08;	
06/13/2008	974	AUTOMATED RECORD VERIF	LR	
01/08/2009	140	ASGN FILED	POGO PRODUC/OXY USA;1	
01/08/2009	932	TRF OPER RGTS FILED	POGO PRODUC/OXY USA;1	
03/25/2009	139	ASGN APPROVED	EFF 02/01/09;	
03/25/2009	933	TRF OPER RGTS APPROVED	EFF 02/01/09;	
03/25/2009	974	AUTOMATED RECORD VERIF	ANN	
05/01/2011	246	LEASE COMMITTED TO CA	NMNM126646;	
08/03/2011	658	MEMO OF 1ST PROD-ACTUAL	/1/NMNM126646;	

NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM

**DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
CASE RECORDATION  
(MASS) Serial Register Page**

Run Time: 01:25 PM

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Run Date: 05/16/2016

01 12-22-1987;101STAT1330;30USC181 ET SE

Case Type 312021: O&G LSE COMP PD -1987

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED

Total Acres

51.870

Serial Number

NMNM-- - 121474

Serial Number: NMNM-- - 121474

Name & Address	Int Rel	% Interest
COG PRODUCTION LLC OXY USA INC	LESSEE OPERATING RIGHTS	100 000000000 0 000000000

Serial Number: NMNM-- - 121474

Mer Twp Rng Sec	SType	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23 02605 0290E 031	LOTS		6.7;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 121474

Act Date	Code	Action	Action Remark	Pending Office
09/04/2008	387	CASE ESTABLISHED	200810007;	
10/07/2008	299	PROTEST FILED	WILD EARTH GUARD	
10/07/2008	299	PROTEST FILED	WSTRN ENVIR LAW CNTR	
10/22/2008	191	SALE HELD		
10/22/2008	267	BID RECEIVED	\$33800.00;	
12/10/2008	298	PROTEST DISMISSED	WILD EARTH GUARD	
12/22/2008	217	LEASE ISSUED		
12/22/2008	974	AUTOMATED RECORD VERIF	MJD	
12/30/2008	298	PROTEST DISMISSED	WSTRN ENVIR LAW CNTR	
01/01/2009	496	FUND CODE	05;145003	
01/01/2009	530	RLTY RATE - 12 1/2%		
01/01/2009	868	EFFECTIVE DATE		
05/01/2011	246	LEASE COMMITTED TO CA	/1/ NM126824;	
08/29/2011	643	PRODUCTION DETERMINATION	/1/ NM126824;	
08/29/2011	650	HELD BY PROD - ACTUAL	/1/ NM126824;	
08/29/2011	658	MEMO OF 1ST PROD-ACTUAL	/1/ NM126824;	
09/19/2011	899	TRF OF ORR FILED	1	
10/11/2011	932	TRF OPER RGTS FILED	OXY USA/OGX RESOURC;1	
11/16/2011	940	NAME CHANGE RECOGNIZED	OGX AC FUND LP/COG AC	
11/16/2011	940	NAME CHANGE RECOGNIZED	OGX RES LLC/COG PROD	
11/25/2011	933	TRF OPER RGTS APPROVED	EFF 11/01/11;	
11/25/2011	974	AUTOMATED RECORD VERIF	LBO	
01/20/2012	246	LEASE COMMITTED TO CA	CA NM129196	
02/01/2015	246	LEASE COMMITTED TO CA	NMNM134623;	
05/04/2015	658	MEMO OF 1ST PROD-ACTUAL	/2/NMNM134623;	
06/04/2015	643	PRODUCTION DETERMINATION	/2/	

Serial Number: NMNM-- - 121474

Line Nr	Remarks
02	STIPULATIONS ATTACHED TO LEASE:
03	NM-11-LN SPECIAL CULTURAL RESOURCE
04	SENM-LN-1 CAVE - KARST OCCURENCE AREA
05	SENM-S-17 SLOPES OR FRAGILE SOILS
06	SENM-S-19 PLAYAS AND ALKALI LAKES
07	SENM-S-21 CAVES AND KARST

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**DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
CASE RECORDATION  
(MASS) Serial Register Page**

Run Time: 11:18 AM

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Run Date: 05/18/2016

01 02-25-1920;041STAT0437;30USC181

Total Acres  
226.270

Serial Number  
NMNM-- - 134623

Case Type 318310: O&G COMMUNITIZATION AGRMT

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED

Serial Number: NMNM-- - 134623

Name & Address	Int Rel	% Interest
BLM CARLSBAD FO	620 E GREENE ST	CARLSBAD NM 88220
COG OPERATING LLC	600 W ILLINOIS AVE	MIDLAND TX 797014882
	OFFICE OF RECORD	0.000000000
	OPERATOR	100.000000000

Serial Number: NMNM-- - 134623

Mer Twp Rng Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23 02605 0290E 030	ALIQ		W2E2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23 02605 0290E 031	ALIQ		NWNE;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23 02605 0290E 031	LOTS		6;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 134623

Act Date	Code	Action	Action Remark	Pending Office
02/01/2015	387	CASE ESTABLISHED		
02/01/2015	516	FORMATION	DELAWARE	
02/01/2015	525	ACRES- NONFEDERAL	200; 88.39%	
02/01/2015	526	ACRES-FED INT 100%	26.27; 11.61%	
02/01/2015	868	EFFECTIVE DATE	30-015-42391	
05/04/2015	654	AGRMT PRODUCING	/1/	
05/04/2015	658	MEMO OF 1ST PROD-ACTUAL	/1/ 30-015-42391	
06/04/2015	643	PRODUCTION DETERMINATION	/1/	

Serial Number: NMNM-- - 134623

Line Nr	Remarks
0001	RECAPITULATION EFFECTIVE 02/01/2015
0002	TRACT # LEASE SERIAL # AC COMMITTED % INT
0003	1 FEE 80.00 35.36
0004	2 FEE 80.00 35.36
0005	3 FEE 40.00 17.67
0006	4 NM121474 26.27 11.61
0007	TOTAL 226.27 100.00

**DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
CASE RECORDATION  
(MASS) Serial Register Page**

Run Time: 11:17 AM

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Run Date: 05/18/2016

01 02-25-1920;041STAT0437;30USC181

Total Acres

Serial Number

Case Type 318310: O&G COMMUNITIZATION AGRMT

160.000

NMNM-- - 134285

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED

Serial Number: NMNM-- - 134285

Name & Address	Int Rel	% Interest
BLM CARLSBAD FO	CARLSBAD NM 88220	OFFICE OF RECORD
COG OPERATING LLC	ARTESIA NM 882110960	OPERATOR

Serial Number: NMNM-- - 134285

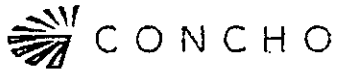
Mer Twp Rng Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23 0260S 0280E 024	ALIQ		W2W2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 134285

Act Date	Code	Action	Action Remark	Pending Office
06/05/2013	387	CASE ESTABLISHED		
06/05/2013	516	FORMATION	DELAWARE	
06/05/2013	525	ACRES-NONFEDERAL	25% FEE	
06/05/2013	526	ACRES-FED INT 100%	75% FEDERAL	
06/05/2013	868	EFFECTIVE DATE	30-015-38507	
02/28/2014	654	AGRMT PRODUCING	/1/	
03/30/2015	643	PRODUCTION DETERMINATION	/1/	
03/30/2015	658	MEMO OF 1ST PROD-ACTUAL	/1/ 30-015-38507	

Serial Number: NMNM-- - 134285

Line Nr	Remarks
0001	RECAPITULATION EFFECTIVE JUNE 05, 2013
0002	TRACT # LEASE SERIAL # AC COMMITTED PCT INT
0003	1 FEE 40.00 25.00
0004	2 RMNM012559 120.00 75.00
0005	TOTAL 160.00 100.00



May 25, 2016

**RE: Surface Pool/Lease Commingle and Off Lease Sales Gas Only  
Cottonmouth 24 Fed Com #1H, Ridge Nose Fed Com #1H**

Dear Interest Owner:

This is to advise you that COG Production LLC, is filing an application with the New Mexico Oil Conservation Division ("NMOCD"), Bureau of Land Management (BLM) and State Land Office (SLO) seeking approval for a Surface Pool/Lease Commingle and Off Lease Sales Gas Only for the above mentioned wells.

A copy of our application submitted to the Division is attached.

Any objections or requests that a hearing should be held regarding this application must be submitted in writing to the New Mexico Oil Conservation Division Santa Fe office within 20 days from the date of this letter. The Division Director may approve this application if no objection has been made within the 20 days after the application has been received.

If you have any questions regarding this Application, please contact me at 575-748-6945 or email me at [mreyes1@concho.com](mailto:mreyes1@concho.com), or Melanie Wilson at 575-748-6952 email [mwilson@concho.com](mailto:mwilson@concho.com).

Sincerely,

Mayte Reyes  
Regulatory Analyst  
COG Production LLC  
2208 W. Main Street  
Artesia, NM 88210  
575.748.6945

Enclosure

## CERTIFIED MAILING LIST

**Wells, Leases and CA's: Cottonmouth 24 Federal Com #1H (NMNM12559,  
NMNM134285) Ridge Nose Federal Com #1H (NMNM121474, NMNM134623)**

<u>Owner Name/Address</u>	<u>Certified Mailing Number</u>
Office of Natural Resources Revenue Royalty Management Program P O Box 5760 Denver, CO 80217-5760	7013 3020 0000 8748 7129
Rolla R Hinkle III & Rosemary H Hinkle P O Box 2292 Roswell, NM 88202-2292	7013 3020 0000 8748 7464
Madison M Hinkle & Susan M Hinkle P O Box 2292 Roswell, NM 88202-2292	7013 3020 0000 8748 7457
Delaware Ranch In 1304 W. Riverside Dr. Carlsbad, NM 88220-0000	7013 3020 0000 8748 7440
Frank Blow Fowlkes 316 Granada Ave El Paso, TX 79912-0000	7013 3020 0000 8748 7433
Kathleen Fowlkes Moller P O Box 516 Springville, UT 84663	7013 3020 0000 8748 7426
J.M. Fowlkes Jr. 1801 Madison Street Pecos, TX 79772-0000	7013 3020 0000 8748 7419.
Nancy Fowlkes Donley 2506 Wilderness Hill Dr. San Antonio, TX 78231-0000	7013 3020 0000 8748 7402
CARMEX INC P O BOX 1718 CARLSBAD, NM 88221	7013 3020 0000 8750 1603

**Owner Name/Address****Certified Mailing Number**

Maco Stewart Fowlkes  
7915 Fairdale Lane  
Houston, TX 77063-0000

7013 3020 0000 8748 7396

John M. Fowlkes  
P O Box 1470  
Marfa, TX 79843-1470

7013 3020 0000 8748 7389

Preston L. Fowlkes  
P O Box 966  
Marfa, TX 79843-0966

7013 3020 0000 8748 7372

Patrick K Fowlkes  
P O Box 658  
Marfa, TX 79843

7013 3020 0000 8748 7365

Douglas C. Koch  
P O Box 540244  
Houston, TX 77254-0244

7013 3020 0000 8748 7358

Wayne A. Bissett  
P O Box 2101  
Midland, TX 79702-0000

7013 3020 0000 8748 7341

Trey Edwin H Fowlkes  
P O Box 23416  
Waco, TX 76702-0000

7013 3020 0000 8748 7334

Janet Renee Fowlkes Murrey  
P O Box 417  
Eddy, TX 76524-0000

7013 3020 0000 8748 7327

R F Fort  
P O Box 65043  
Lubbock, TX 79464

7013 3020 0000 8748 7310

Joan M Madrid Revocable Trust  
327 Harlan Street  
Lakewood, CO 80226

7013 3020 0000 8748 7303

Debra Kay Primera  
P O Box 28504  
Austin, TX 78755

7013 3020 0000 8748 7297



**Owner Name/Address****Certified Mailing Number**

Robert Mitchell Raindl  
P O Box 853  
Tahoka, TX 79373

7013 3020 0000 8748 7280

Ricky S Raindl  
P O Box 142454  
Irving, TX 75014

7013 3020 0000 8748 7273

Steven S. Madrid Trust  
327 Harlan Street  
Lakewood, CO 80226

7013 3020 0000 8748 7211

Suzanne B. Koch  
P O Box 270475  
Houston, TX 77277

7013 3020 0000 8748 7204

NVMR Trust No 1  
Nancy A. Donley, Trustee  
2506 Wildrness Hill  
San Antonio, TX 78231

7013 3020 0000 8748 7198

Chevron U.S.A., Inc.  
P.O. Box 730121  
Dallas, TX 75373-0121

7013 3020 0000 8750 1672

OXY USA Inc  
P O Box 841803  
Dallas, TX 75284

7013 3020 0000 8750 1528

Christine S Fowlkes  
404 Glenosa  
El Paso, TX 79928

7013 3020 0000 8748 7181

Christopher C Fowlkes, SSP  
404 Glenosa  
El Paso, TX 79928

7013 3020 0000 8748 7174

George Poage III  
P O Box 369  
Marble Falls, TX 78654

7013 3020 0000 8748 7266

**Owner Name/Address****Certified Mailing Number**

Kemp Smith, LLP  
ATTN: Ken Slavin  
221 N Kansas, STE 1700  
El Paso, TX 79901

7013 3020 0000 8748 7259

David Kerby  
16704 County Road 1440  
Wolfforth TX 79382

7013 3020 0000 8748 7242

RICHARD HULETT  
14525 HIGHWAY 6  
EASTLAND, TX 76448

7011 1570 0000 7781 4568

SANDRA HULETT MELTON  
3618 60TH STREET  
LUBBOCK, TX 79413

7013 3020 0000 8750 1610

MARY LOUISE FERGUSON  
P O BOX 626  
EASTLAND, TX 76448

7013 3020 0000 8750 1627

MARSHALYN MCGAHEY  
Lynn Dee McGahey Smith-Nienhaus, POA  
EDWARD JONES TRUST COMPANY  
PO BOX 66503  
ST LOUIS, MO 63166

7013 3020 0000 8750 1634

FRANKLIN TERRY PERKINS JR  
& SUSAN PERKINS  
1921 AUTUMN DRIVE  
KELLER, TX 76262

7013 3020 0000 8750 1641

George Thompson  
4619 94th Street  
Lubbock, TX 79424

7013 3020 0000 8748 7235

Camie Wade  
5825 102nd Street  
Lubbock, TX 79424

7013 3020 0000 8748 7228

CAROL LEONARD & GARY C LEONARD  
202 N CONCHO AVE  
SONORA, TX 76950

7013 3020 0000 8750 1658

**Owner Name/Address****Certified Mailing Number**

COG Production LLC  
600 W. Illinois Ave  
Midland, TX 9701

7013 3020 0000 8748 7518

COG Acreage LP  
600 W. Illinois Ave  
Midland, TX 79701

7013 3020 0000 8748 7525

COG Operating LLC  
600 W Illinois Ave  
Midland, TX 79701

7013 3020 0000 8748 7549

Concho Oil & Gas LLC  
600 W. Illinois Ave -  
Midland, TX 79701

7013 3020 0000 8748 7532

WEST PENN CONSULTING LLC  
PO BOX 11373 REVENUE  
MIDLAND, TX 79702

7013 3020 0000 8750 1665

MALAGA ROYALTY LLC  
P O BOX 2064  
MIDLAND, TX 79702

7013 3020 0000 8750 1689

OGX ROYALTY FUND LP  
PO BOX 2064  
MIDLAND, TX 79702

7013 3020 0000 8750 1696

CHARLES R. WIGGINS  
P. O. BOX 10862  
MIDLAND, TX 79702

7013 3020 0000 8750 1535

STEVEN SCOTT BAZE  
HC 67 BOX 280  
RATTAN, OK 74562

7013 3020 0000 8750 1542

RUSSELL JOE BAZEP  
P O BOX 207  
RATTAN, OK 74562

7013 3020 0000 8750 1559

ROBBY GENE BAZE  
HC 67 BOX 260  
RATTAN, OK 74562

7013 3020 0000 8750 1566

**Owner Name/Address****Certified Mailing Number**

MARK RANDALL BAZE  
P.O. 313  
RATTAN, OK 74562

7013 3020 0000 8750 1573

JOHNNY WAYNE BAZE  
HC 67 BOX 1090  
RATTAN, OK 74562

7013 3020 0000 8750 1580

MARY ELIZABETH VANDERHIDER  
5214 WEST RIDGE PLACE  
HOUSTON, TX 77041

7013 3020 0000 8750 1597

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION  
1220 SOUTH ST. FRANCIS DRIVE  
SANTA FE, NM 87505

7013 3020 0000 8750 1719

NEW MEXICO STATE LAND OFFICE  
310 OLD SANTA FE TRAIL  
SANTA FE, NM 87501

7013 3020 0000 8750 1702

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO
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ABOVE THIS LINE FOR DIVISION USE ONLY

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



### ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

#### Application Acronyms:

**[NSL-Non-Standard Location]** **[NSP-Non-Standard Proration Unit]** **[SD-Simultaneous Dedication]**  
**[DHC-Downhole Commingling]** **[CTB-Lease Commingling]** **[PLC-Pool/Lease Commingling]**  
**[PC-Pool Commingling]** **[OLS - Off-Lease Storage]** **[OLM-Off-Lease Measurement]**  
**[WFX-Waterflood Expansion]** **[PMX-Pressure Maintenance Expansion]**  
**[SWD-Salt Water Disposal]** **[IPI-Injection Pressure Increase]**  
**[EOR-Qualified Enhanced Oil Recovery Certification]** **[PPR-Positive Production Response]**

#### [1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication  
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement  
☐ DHC ☐ CTB ☒ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify \_\_\_\_\_

#### [2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

[A] ☒ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☒ Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

#### [3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Mavie Reyes  
 Print or Type Name

Signature

Regulatory Analyst  
 Title

5-25-16  
 Date

mreyes1@concho.com  
 e-mail Address

District I  
1625 N. French Drive, Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St Francis Dr, Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107-B  
Revised August 1, 2011

**OIL CONSERVATION DIVISION**  
1220 S. St Francis Drive  
Santa Fe, New Mexico 87505

Submit the original  
application to the Santa Fe  
office with one copy to the  
appropriate District Office.

**APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)**

OPERATOR NAME: COG Production LLC

OPERATOR ADDRESS: 2208 W. Main Street, Artesia, NM 88210

APPLICATION TYPE:

☐ Pool Commingling ☐ Lease Commingling ☒ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. \_\_\_\_\_

Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling

☒ Yes ☐ No

**(A) POOL COMMINGLING**

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Calculated Value of Commingled Production	Volumes
Tecolote Peak, Delaware [59170]	BTU: 1244.468			
Brushy Draw, Delaware [8080]	BTU: 1242.308			

(2) Are any wells producing at top allowables? ☒ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No

(4) Measurement type: ☒ Metering ☐ Other (Specify)

(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved

**(B) LEASE COMMINGLING**

Please attach sheets with the following information

(1) Pool Name and Code

(2) Is all production from same source of supply? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No

(4) Measurement type: ☐ Metering ☐ Other (Specify)

**(C) POOL and LEASE COMMINGLING**

Please attach sheets with the following information

(1) Complete Sections A and E.

**(D) OFF-LEASE STORAGE and MEASUREMENT**

Please attached sheets with the following information

(1) Is all production from same source of supply? ☐ Yes ☐ No

(2) Include proof of notice to all interest owners.

**(E) ADDITIONAL INFORMATION (for all application types)**

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved

(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Mayte Reyes TITLE: Regulatory Analyst

DATE: 5-25-16

TYPE OR PRINT NAME Mayte Reyes TELEPHONE NO. 505-748-6945 E-MAIL ADDRESS mreyes1@concho.com

**Bureau of Land Management  
Carlsbad Field Office  
620 East Greene Street  
Carlsbad, New Mexico 88220  
575-234-5972**

**Ridge Nose Federal Com 1H 3001542391 Lease- NM121474 & CA-NM134623, Cottonmouth 24 Federal Com 1H  
3001538507 Lease-NM12559 & CA NM134285**

**COG Production LLC**

July 26, 2016

**Condition of Approval**

**Commingling of lease Gas production and off lease Sales of Gas only**

1. This approval is subject to like approval by the New Mexico Oil Conservation Division.
2. This agency shall be notified of any spill or discharge as required by NTL-3A.
3. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
4. This approval does not constitute right-of-way approval for any off-lease activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.
5. Approval for combining production from various sources is a privilege which is granted to lessees for the purpose of aiding conservation and extending the economic life of leases. Applicants should be cognizant that failure to operate in accordance with the provisions outlined in the Authorized Officer's conditions of approval and/or subsequent stipulations or modifications will subject such approval to revocation.
6. Gas measurement for allocation must be measured as per Onshore Order #5 and API requirements for sales meters.
7. All gas and oil subject to royalty shall be measured as per federal regulations and shall be reported to ONRR as required. All gas which is vented, flared or used on lease shall be reported as per NTL-4A to ONRR. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer.
8. This agency shall be notified of any change in sales method or location of sales point.
9. Additional wells and/or leases require additional commingling approvals.
10. Notify this office 24 Hrs. prior to any meter proving to allow time for an inspector to witness.