

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT**Carlsbad Field Office**  
**OCD Artesia**FORM APPROVED  
BMP NO. 1004-0137  
January 31, 2018**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.**5. Lease Serial No.  
C069033

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
Multiple--See Attached9. API Well No.  
Multiple--See Attached10. Field and Pool or Exploratory Area  
LUSK-MORROW WEST (GAS)11. County or Parish, State  
EDDY COUNTY, NM**SUBMIT IN TRIPLICATE - Other instructions on page 2**

## 1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator  
COG OPERATING LLCContact: AMANDA AVERY  
E-Mail: aavery@concho.com3a. Address  
600 W ILLINOIS AVENUE  
MIDLAND, TX 797013b. Phone No. (include area code)  
Ph: 575.748.69404. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Multiple--See Attached

## 12. CHECK THE 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"/> Hydraulic Fracturing	<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 recompleat 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must 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 Operating LLC respectfully requests approval of a Surface Commingle and Off Lease Sales gas only for the following wells:

Blue Thunder 5 Fed Com #1  
SHL: 1980 ft FNL & 660 ft FEL  
Sec 5 T19S R31E  
Lusk; Morrow, West (GAS)  
API#: 30-015-34991  
CA #NMNM117664

Blue Thunder 5 Fed Com #3  
SHL: 1800 ft FSL & 1980 ft FEL

*AC 8-10-17*  
Accepted for record - NMOC**NM OIL CONSERVATION**  
ARTESIA DISTRICT

AUG 09 2017

RECEIVED

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #357495 verified by the BLM Well Information System  
For COG OPERATING LLC, sent to the Carlsbad  
Committed to AFMSS for processing by DEBORAH MCKINNEY on 11/14/2016 (17DLM0249SE)

Name (Printed/Typed) AMANDA AVERY

Title AUTHORIZED REPRESENTATIVE

Signature (Electronic Submission)

Date 11/09/2016

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By

*J.D.W. Hittler*  
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.

Title

Office CFU

Date

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.

(Instructions on page 2)

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

**Additional data for EC transaction #357495 that would not fit on the form**

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

NMNM117664  
NMNM119027

**Wells/Facilities, continued**

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM117664	NMLC069033	BLUE THUNDER 5 FEDERAL COM	30-015-34991-00-S1	Sec 5 T19S R31E SENE 1980FNL 660FEL
NMNM119027	NMLC069033	BLUE THUNDER 5 FEDERAL COM	30-015-35544-00-S1	Sec 5 T19S R31E NWSE 1800FSL 1980FEL

**32. Additional remarks, continued**

Sec 5 T19S R31E  
Lusk; Morrow, West (Gas)  
API#: 30-015-35544  
CA #NMNM119027

The commingled gas production will be sold at the DCP sales meter #726922 located at the Blue Thunder 5 Federal #4H. Sec 5 T19S R31E.

## APPLICATION FOR SURFACE LEASE COMMINGLE & OFF LEASE SALES GAS ONLY

Proposal for the Blue Thunder 5 Federal Com #1 and the Blue Thunder 5 Federal Com #3:  
COG Operating LLC respectfully requests approval for Surface Commingle, gas only for the  
following wells:

Federal Lease NMNM117664 Royalty Rate 12.5%

Well Name	Location	API#	Pool	BOPD	Oil Gravities	MCFPD	BTU
Blue Thunder 5 Fed Com #1	Sec 5 T19S R31E	30-015-34991	Lusk Morrow; West	1	38	58	1194

Federal Lease NMNM119027 Royalty Rate 12.5%

Well Name	Location	API#	Pool	BOPD	Oil Gravities	MCFPD	BTU
Blue Thunder 5 Fed Com #3	Sec 5 T19S R31E	30-015-35544	Lusk Morrow; West	0	38	3	1189

An attached map shows the Federal leases and well locations in Section 5 T19S R31E. 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 #67722012 belongs to the Blue Thunder Federal Com #3 allocation meter #67722011 belongs to the Blue Thunder Federal Com #1. These meters will be the Federal measurement points which production will be reported for sales of produced gas. Both wells will utilize the DCP sales meter #726922 which is located at the Blue Thunder 5 Federal #4H located in the SESE Unit P Sec 5 T19S R31E.

The BLM's interest in both wells is associated with CA #NMNM119027 (Blue Thunder 5 Federal #3) and CA #NMNM117664 (Blue Thunder 5 Federal #1) Both leases have a royalty rate of 12.5%. Waste is not induced and no correlative rights are impaired. These meters will be calibrated on a regular basis per API, NMOCD 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 request this type of commingle application due to economics. It is not economical to install a gas sales meter run at the cost of \$65,000.00 this 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 as 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: *Amanda Avery*

Printed Name: Amanda Avery  
Title: Regulatory Tech  
Date 10/08/16

# Economic Justification Work Sheet

## Blue Thunder 5 Federal Com #1

## Blue Thunder 5 Federal Com #3

Commingling proposal for leases: CA #NMNM117664 and CA #NMNM119027

CA #NMNM117664 Royalty Rate 12.5%

Name	BOPD	Well Oil Gravity	Value/bbl	MCFPD	Dry BTU	Value/mcf
Blue Thunder 5	1	38	54.79	58	1194	2.52
Fed Com #1						

CA #NMNM119027 Royalty Rate 12.5%

Name	BOPD	Well Oil Gravity	Value/bbl	MCFPD	Dry BTU	Value/mcf
Blue Thunder 5	0		54.79	3	1189	2.52
Fed Com #3						

Economic combined production

CA #NMNM117664

CA #NMNM119027

Name	BOPD	Well Oil Gravity	Value/bbl	MCFPD	Dry BTU	Value/mcf
Blue Thunder 5	1	38	54.79	61	1193	2.52
Fed Com 1&3						

Signed: *Amanda Avery*

Printed Name: Amanda Avery

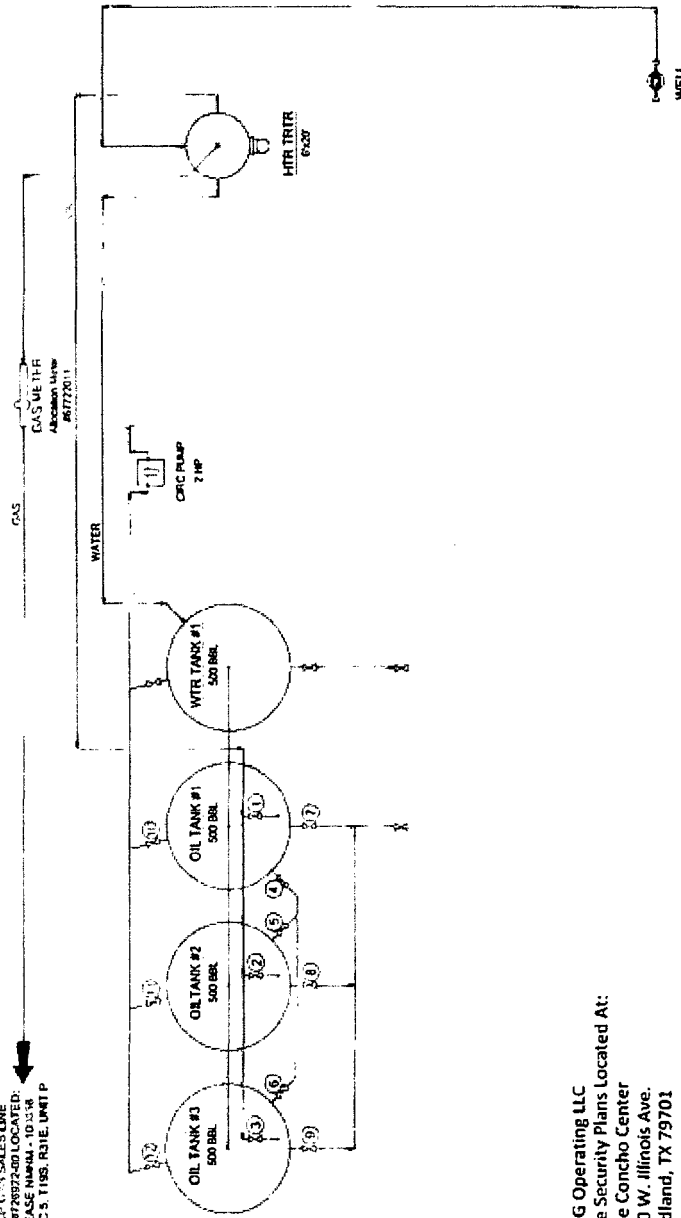
Title: Regulatory Tech

Date: 11/09/16

BLUE THUNDER 5 FEDERAL COM 1 BATTERY  
SENE SECTION 5, T19S, R31E, UNIT H  
EDDY COUNTY, NM

WELLS:  
BLUE THUNDER 5 FEDERAL COM #001: 30-015-34991

TO DCP GAS SALES LINE  
METER #726922-00 LOCATED:  
FED LEASE N400M - 10 1/2" R  
SENE SEC 5, T19S, R31E, UNIT P



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

Type of Lease: Federal  
Federal Lease #: NML C - 069033  
Property Code: 35819  
OGRID #: 229137

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



Ledger for Site Diagram  
Produced Fluid: —  
Produced Oil: —  
Produced Gas: —  
Produced Water: —

NOTES:

NO.	DATE	DESCRIPTION	BY	DATE	DESCRIPTION	BY
1	10/1/11	WTR TANK #1	10/1/11	10/1/11	WTR TANK #1	10/1/11
2	10/1/11	WTR TANK #1	10/1/11	10/1/11	WTR TANK #1	10/1/11
3	10/1/11	WTR TANK #1	10/1/11	10/1/11	WTR TANK #1	10/1/11
4	10/1/11	WTR TANK #1	10/1/11	10/1/11	WTR TANK #1	10/1/11
5	10/1/11	WTR TANK #1	10/1/11	10/1/11	WTR TANK #1	10/1/11
6	10/1/11	WTR TANK #1	10/1/11	10/1/11	WTR TANK #1	10/1/11
7	10/1/11	WTR TANK #1	10/1/11	10/1/11	WTR TANK #1	10/1/11
8	10/1/11	WTR TANK #1	10/1/11	10/1/11	WTR TANK #1	10/1/11
9	10/1/11	WTR TANK #1	10/1/11	10/1/11	WTR TANK #1	10/1/11
10	10/1/11	WTR TANK #1	10/1/11	10/1/11	WTR TANK #1	10/1/11
11	10/1/11	WTR TANK #1	10/1/11	10/1/11	WTR TANK #1	10/1/11
12	10/1/11	WTR TANK #1	10/1/11	10/1/11	WTR TANK #1	10/1/11

**CONCHO**  
NEW LEASED BASIN ASSET  
SITE FACILITY DIAGRAM  
BLUE THUNDER 5 FEDERAL COM 1 BATTERY  
EDDY COUNTY, NM  
DATE: 10/1/11  
D-1700-81-005

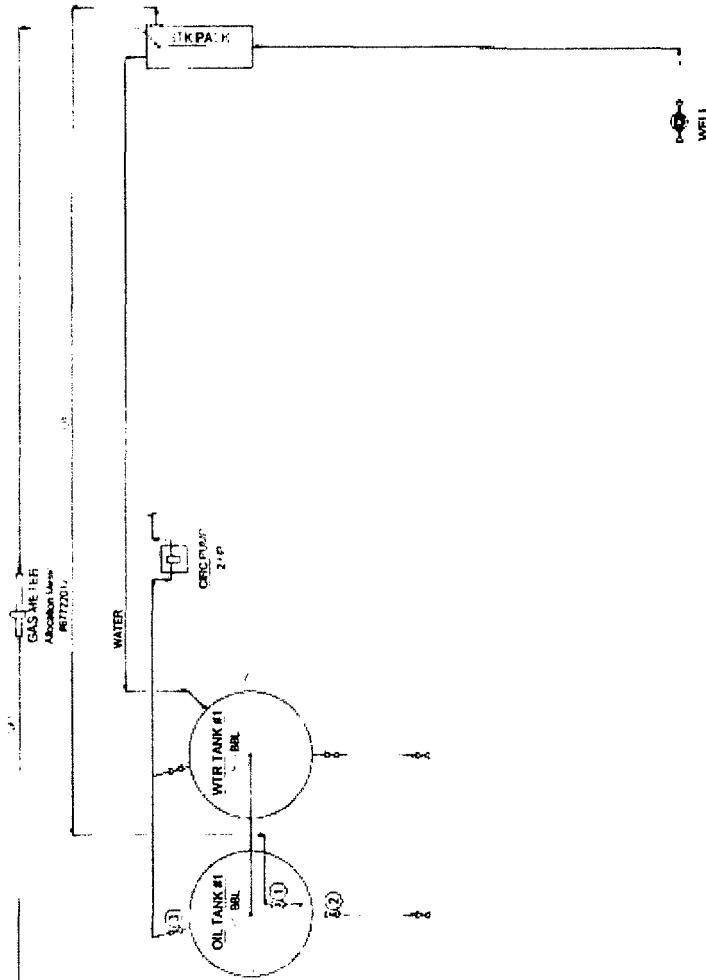
BLUE THUNDER 5 FEDERAL COM 3 BATTERY  
NWSE SECTION 5, T19S, R31E, UNIT J  
EDDY COUNTY, NM

WELLS:  
BLUE THUNDER 5 FEDERAL COM #003: 30-015-35544

TO DCP GAS SALES LINE  
WELL HEADS TO BE LOCATED  
FED LEASE MAP 10-11-11  
SESE SEC 6, T19S, R31E, UNIT J

Production Phase - Oil Tank #1  
- Valve 1 open  
- Valve 2 closed  
- Valve 3 open

Sales Phase - Oil Tank #1  
- Valve 1 closed  
- Valve 2 open  
- Valve 3 closed



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

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

<p>COG OPERATING LLC 800 WEST ELMERS AVENUE MIDLAND, TEXAS 79701</p>		<p>CONCHO NEW MEXICO BASIN ASSET PRODUCTION FACILITIES BLUE THUNDER 5 FEDERAL COM 3 BATTERY PROPERTY # 229137</p>		<p>DATE: 0-1700-81-003 REV: 0</p>	
DATE	DATE	DATE	DATE	DATE	DATE
1	2	3	4	5	6
7	8	9	10	11	12
13	14	15	16	17	18
19	20	21	22	23	24
25	26	27	28	29	30
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271	272	273	274	275	276
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289	290	291	292	293	294
295	296	297	298	299	300

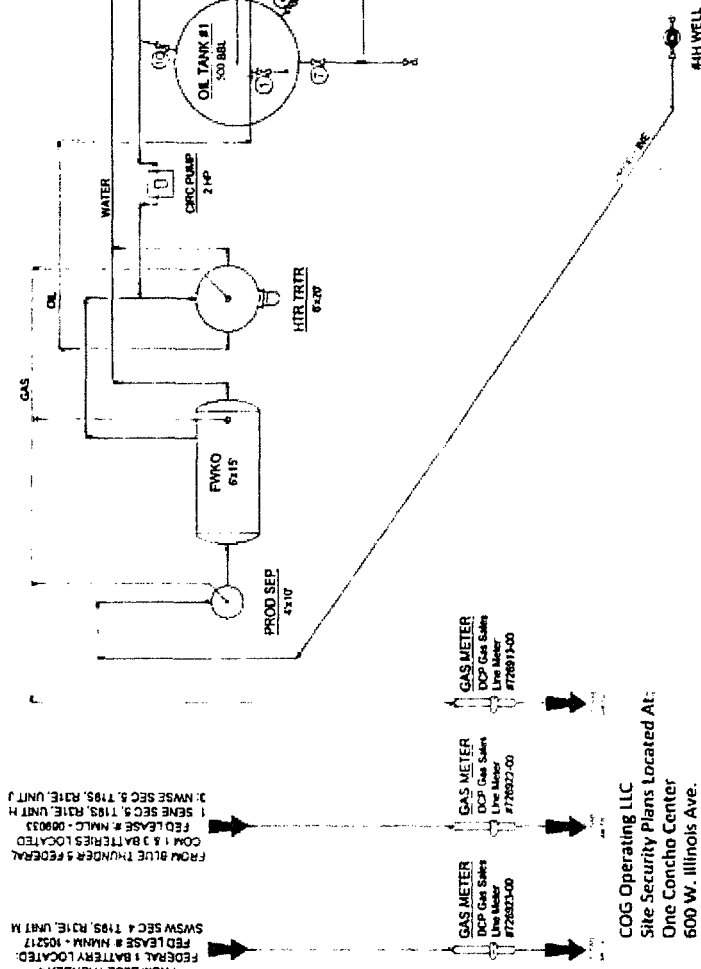
WELLS:  
BLUE THUNDER 5 FEDERAL #004H: 30-015-38477

**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:	_____



## NOTES

Type of Lease: Federal  
Federal Lease #: NMNM - 100858  
Property Code: 3847  
OGRID #: 229137

[illegible]

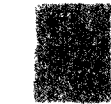
NEW MEXICO BASIN ASSET  
PRODUCTION FACILITIES  
SITE FACILITY DIAGRAM  
BLUE THUNDER 3 FEDERAL 4H BATTERY  
NEW MEXICO

8	COO-18-0041-0	Ref
9	any case	Ident/ass

NMNM 0560352

031 NMNM 0560354

032



033

NMNM 012211

NMNM 100858

NMNM 0009003B

NMNM 066437

NMLC 0069033

NMLC 006904

NMLC 0064433

NMNM 044593

**NMNM117664**

Blue Thunder 5  
Fed Com #1

005

006

004

NMLC 0069033

Blue Thunder 5  
Fed Com #3

NMNM 100858

NMNM 105217

NMLC 006903

**NMNM119027**

NMNM 0560355

NMLC 0065244A

DCP Meter  
#726922



NMNM 054112

007

NMNM 124660

008

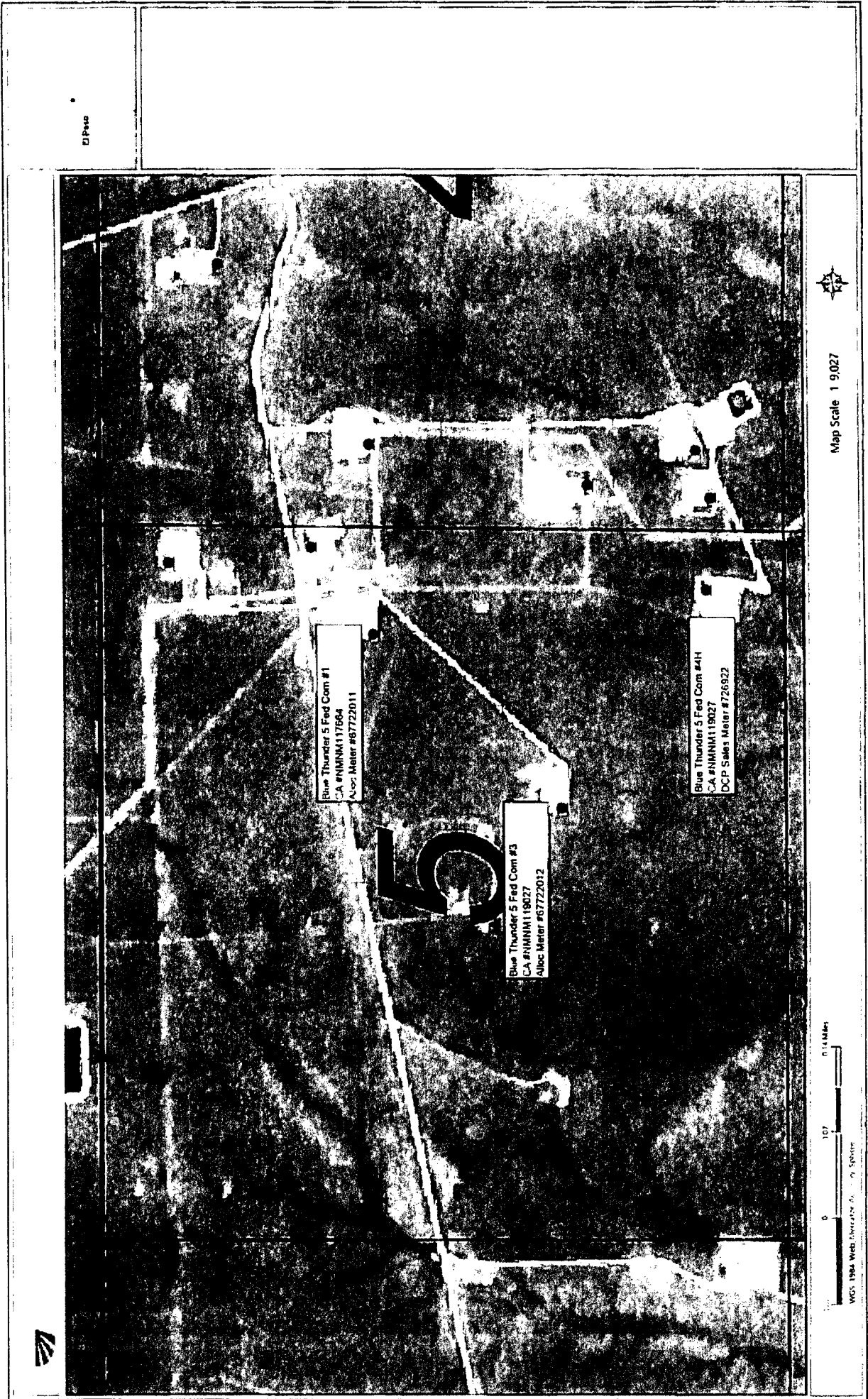
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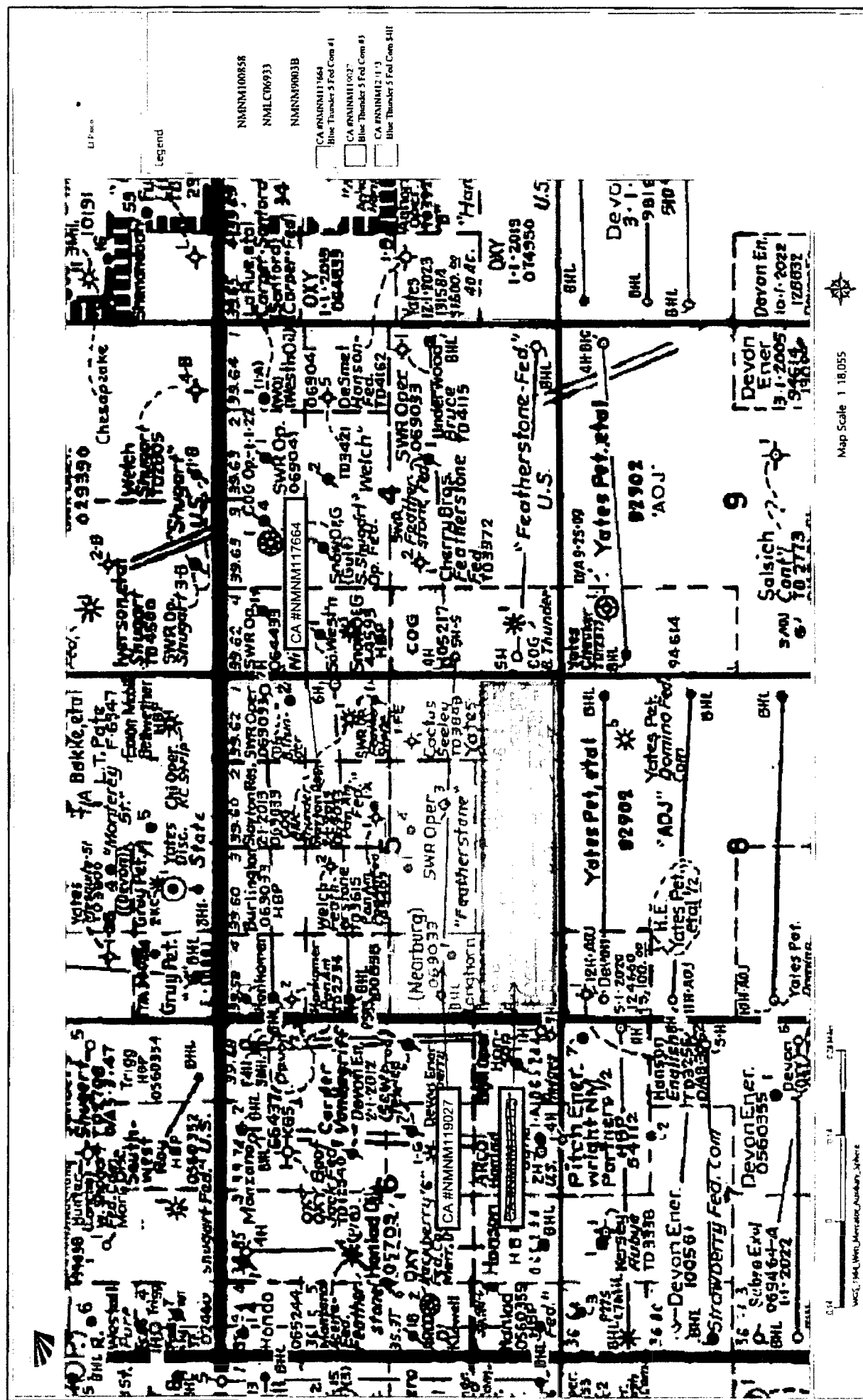
NMNM 094614

009

NMNM 0829







Blue Thunder S Fed Com #1

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

Run Time: 01:40 PM

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Run Date: 10/10/2016

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

Total Acres

Serial Number

Case Type 318310: O&amp;G COMMUNITIZATION AGRMT

318.400

NMNM-- - 117664

Commodity 410: NATURAL GAS

Case Disposition: AUTHORIZED

Serial Number: NMNM-- - 117664

Name & Address	Int Rel	% Interest
BLM ROSWELL FO 2909 W 2ND ST ROSWELL NM 88201	OFFICE OF RECORD	0 000000000
COG OPERATING LLC 600 W ILLINOIS AVE MIDLAND TX 797014882	OPERATOR	100 000000000

Serial Number: NMNM-- - 117664

Mer Twp Rng Sec	STyp	S'Nr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23 0190S 0310E 00S	ALIQ		S2N2,	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23 0190S 0310E 00S	LOTS		1,2,3,4,	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 117664

Act Date	Code	Action	Action Remark	Pending Office
10/20/2006	387	CASE ESTABLISHED		
10/20/2006	516	FORMATION	ATOK;ATOKA	
10/20/2006	516	FORMATION	MRRW06;MORROW	
10/20/2006	526	ACRES-FED INT 100%	318.40;100.00%	
10/20/2006	868	EFFECTIVE DATE	/A/	
11/30/2006	654	AGRMT PRODUCING	NMLC069033;1 BLUE THU	
11/30/2006	690	AGRMT VALIDATED		
01/24/2007	580	PROPOSAL RECEIVED		
01/25/2007	334	AGRMT APPROVED		
01/25/2007	974	AUTOMATED RECORD VERIF	ERG	

Serial Number: NMNM-- - 117664

Line Nr	Remarks
0001	/A/ RECAPITULATION EFFECTIVE 10.1. 2006
0002	TR# LEASE SERIAL NO AC COMMITTED % INTEREST
0003	1 NMNM 100858 79 58 24.9937 - R.R. 12.5%
0004	2 NMLC 0 69033 159.22 50.0063 - R.R. 12.5%
0005	3 NMNM 0 80038 79 60 25.0000 - R.R. 12.5%
0006	TOTAL 100 00 100.0000

Blue Thunder 5 Fed Com #3

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

Run Time: 01:42 PM

Page 1 of 1

Run Date: 10/10/2016

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

Total Acres

Serial Number

Case Type 318310: O&amp;G COMMUNITIZATION AGRMT

320.000

NMNM-- - 119027

Commodity 410: NATURAL GAS

Case Disposition: AUTHORIZED

Serial Number: NMNM-- - 119027

Name & Address	Int Rel	% Interest
BLM ROSWELL FO 2909 W 2ND ST ROSWELL NM 88201	OFFICE OF RECORD	0 000000000
COG OPERATING LLC 600 W ILLINOIS AVE MIDLAND TX 797014882	OPERATOR	100 000000000

Serial Number: NMNM-- - 119027

Mer Twp Rng Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23 01905 0310E 005	ALIQ		S2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 119027

Act Date	Code	Action	Action Remark	Pending Office
01/27/2007	654	AGRMT PRODUCING	3-BLUE THUNDER 5 FED	
08/01/2007	387	CASE ESTABLISHED		
08/01/2007	516	FORMATION	ATOK;ATOKA	
08/01/2007	516	FORMATION	MRRW06;MORROW	
08/01/2007	516	FORMATION	STRN06;STRAWN	
08/01/2007	526	ACRES-FED INT 100%	320.00;100.00%	
08/01/2007	868	EFFECTIVE DATE	/A/	
08/29/2007	580	PROPOSAL RECEIVED	CA RECD	
08/30/2007	334	AGRMT APPROVED		
09/04/2007	974	AUTOMATED RECORD VERIF	LA	
06/11/2008	690	AGRMT VALIDATED		

Serial Number: NMNM-- - 119027

Line Nr	Remarks
0002	/A/RECAPITULATION EFFECTIVE 8/1/2007
0003	TR# LEASE SERIAL NO AC COMMITTED % INTEREST
0004	1 MMLC 0 59025 240 00 75.0000 - R.R. 12.5%
0005	2 MMLC 100855 80 00 25.0000 R.R. 12.5%
0006	3 TOTAL 320.00 100 0000

**BUREAU OF LAND MANAGEMENT  
CASE RECORDATION  
(LIVE) SERIAL REGISTER PAGE**

Run Date/Time: 08/09/17 05:57 AM

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**01 02-25-1920;041STAT0437;30USC226**

**Total Acres  
639.220**

**Serial Number  
NMLC-- 0 069033**

**Case Type 311111: O&G LSE NONCOMP PUB LAND**

**Commodity 459: OIL & GAS**

**Case Disposition: AUTHORIZED Case File Juris:**

**Serial Number: NMLC-- 0 069033**

Name & Address			Int Rel	%Interest
COG OPERATING LLC	600 W ILLINOIS AVE	MIDLAND TX 797014882	OPERATING RIGHTS	0.000000000
LOTHIAN OIL INC	303 W WALL #500	MIDLAND TX 79701	OPERATING RIGHTS	0.000000000
MCCOMBS ENERGY LTD	5599 SAN FELIPE ST # 1220	HOUSTON TX 770562724	OPERATING RIGHTS	0.000000000
SLAYTON PAUL	BOX 2035	ROSWELL NM 882022035	LESSEE	100.000000000
SOUTHWEST RESERVES	200 CRESCENT CT 1310	DALLAS TX 75201	OPERATING RIGHTS	0.000000000
SOUTHWEST ROYALTIES INC	6 DESTA DR STE 3700	MIDLAND TX 797055516	OPERATING RIGHTS	0.000000000
TRINITY RESOURCES LLC	200 W 1ST ST	ROSWELL NM 88201	OPERATING RIGHTS	0.000000000
WW OIL INC	BOX 427	LOVINGTON NM 88260	OPERATING RIGHTS	0.000000000

**Serial Number: NMLC-- 0 069033**

Mer Twp	Rng	Sec	SType	Nr Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23	0190S	0310E	004	ALIQ	SE,E2SW;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0190S	0310E	005	ALIQ	SENE,SENW,W2SE,SW;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0190S	0310E	005	LOTS	1,3;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

**Serial Number: NMLC 0069033**

**Relinquished/Withdrawn Lands**

23	0190S	0310E	709	FF	E2NW,SW,W2SE,ASGN;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
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**Serial Number: NMLC-- 0 069033**

Act Date	Code	Action	Action Remarks	Pending Office
10/01/1948	124	APLN RECD		
10/03/1951	237	LEASE ISSUED		
12/01/1951	496	FUND CODE	05;145003	
12/01/1951	530	RLTY RATE - 12 1/2		
12/01/1951	868	EFFECTIVE DATE		
03/16/1954	140	ASGN FILED	WG HODGES/F BEZONI	
05/27/1954	570	CASE SEGREGATED BY ASGN	INTO NMLC069033-A;	
04/19/1957	235	EXTENDED	THRU 11/30/61;	
12/14/1959	643	PRODUCTION DETERMINATION	/1/	
12/14/1959	650	HELD BY PROD - ACTUAL	/1/	
12/14/1959	658	MEMO OF 1ST PROD-ACTUAL	/1/	
03/11/1960	102	NOTICE SENT-PROD STATUS		
09/27/1978	932	TRF OPER RGTS FILED	(1)	
09/27/1978	932	TRF OPER RGTS FILED	(2)	
10/27/1981	232	LEASE COMMITTED TO UNIT	;SOUTH SHUGART DEEP	
10/27/1981	501	REFERENCE NUMBER	UA-1408000119570;	
11/17/1981	932	TRF OPER RGTS FILED		
04/01/1983	336	UNIT AGRMT TERMINATED	;SOUTH SHUGART DEEP	
04/09/1983	933	TRF OPER RGTS APPROVED	(1)EFF 10/01/78;	
04/09/1983	933	TRF OPER RGTS APPROVED	(2)EFF 10/01/78;	
07/05/1983	933	TRF OPER RGTS APPROVED	EFF 10/01/81;	
12/31/1984	932	TRF OPER RGTS FILED	(1)	
12/31/1984	932	TRF OPER RGTS FILED	(2)	
01/28/1985	932	TRF OPER RGTS FILED		
03/18/1985	932	TRF OPER RGTS FILED	(1)	

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

**BUREAU OF LAND MANAGEMENT  
CASE RECORDATION  
(LIVE) SERIAL REGISTER PAGE**

Run Date/Time: 08/09/17 06:03 AM

Page 1 of 2

**01 12-22-1987;101STAT1330;30USC181 ET SEQ**

**Total Acres**

**Serial Number**

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

**159.580**

**NMNM-- - 100858**

**Commodity 459: OIL & GAS**

**Case Disposition: AUTHORIZED Case File Juris:**

**Serial Number: NMNM-- - 100858**

Name & Address			Int Rel	%Interest
COG OPERATING LLC	600 W ILLINOIS AVE	MIDLAND TX 797014882	OPERATING RIGHTS	0.000000000
DEVON ENERGY PROD CO LP	333 W SHERIDAN AVE	OKLAHOMA CITY OK 731025010	LESSEE	50.000000000
EOG A RESOURCES INC	105 S 4TH ST	ARTESIA NM 882102177	LESSEE	10.000000000
EOG M RESOURCES INC	105 S 4TH ST	ARTESIA NM 882102177	LESSEE	10.000000000
EOG Y RESOURCES INC	105 S 4TH ST	ARTESIA NM 882102177	LESSEE	20.000000000
OXY Y-1 COMPANY	PO BOX 27570	HOUSTON TX 772277570	LESSEE	10.000000000

**Serial Number: NMNM-- - 100858**

Mer Twp	Rng	Sec	SType	Nr Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23	0190S	0310E	005	ALIQ	SWNW,E2SE;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0190S	0310E	005	LOTS	4;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

**Serial Number: NMNM-- - 100858**

Act Date	Code	Action	Action Remarks	Pending Office
04/21/1998	387	CASE ESTABLISHED	9804129	
04/22/1998	191	SALE HELD		
04/22/1998	267	BID RECEIVED	\$102400.00;	
04/22/1998	392	MONIES RECEIVED	\$102400.00;	
05/12/1998	237	LEASE ISSUED		
05/12/1998	974	AUTOMATED RECORD VERIF	BCO	
05/20/1998	084	RENTAL RECEIVED BY ONRR	\$240.00;21/MULTIPLE	
06/01/1998	496	FUND CODE	05;145003	
06/01/1998	530	RLTY RATE - 12 1/2-		
06/01/1998	868	EFFECTIVE DATE		
07/16/1998	140	ASGN FILED	YATES ETAL/SF ENE	
07/30/1998	139	ASGN APPROVED	EFF 08/01/98;	
07/30/1998	974	AUTOMATED RECORD VERIF	JLV	
08/12/1998	963	CASE MICROFILMED/SCANNED		
04/15/1999	084	RENTAL RECEIVED BY ONRR	\$240.00;21/0000000867	
07/01/1999	940	NAME CHANGE RECOGNIZED	SF ENE RES/SF SNYDER	
07/01/1999	974	AUTOMATED RECORD VERIF	JLV	
04/18/2000	084	RENTAL RECEIVED BY ONRR	\$240.00;21/930	
10/11/2000	940	NAME CHANGE RECOGNIZED	SANTA FE/DEVON SFS	
10/11/2000	974	AUTOMATED RECORD VERIF	AT	
04/16/2001	084	RENTAL RECEIVED BY ONRR	\$240.00;21/993	
12/12/2002	817	MERGER RECOGNIZED	DEVONSFS/DEVONENEPD	
10/20/2006	246	LEASE COMMITTED TO CA	NMNM117664;	
11/30/2006	660	MEMO OF 1ST PROD-ALLOC	/1/NMNM117664;	
01/25/2007	643	PRODUCTION DETERMINATION	/1/	
08/01/2007	246	LEASE COMMITTED TO CA	NMNM119027	
06/11/2008	643	PRODUCTION DETERMINATION	/2/	
06/11/2008	660	MEMO OF 1ST PROD-ALLOC	/2/NMNM 119027;	

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

**BUREAU OF LAND MANAGEMENT  
CASE RECORDATION  
(LIVE) SERIAL REGISTER PAGE**

Run Date/Time: 08/09/17 06:07 AM

Page 1 of 2

**01 02-25-1920;041STAT0437;30USC226**

**Total Acres**

**Serial Number**  
**NMNM-- 0 009003B**

**Case Type 311111: O&G LSE NONCOMP PUB LAND**

**79.600**

**Commodity 459: OIL & GAS**

**Case Disposition: AUTHORIZED Case File Juris:**

**Serial Number: NMNM-- 0 009003B**

Name & Address	Int Rel	%Interest
COG OPERATING LLC 600 W ILLINOIS AVE MIDLAND TX 797014882	OPERATING RIGHTS	0.00000000
MCCOMBS ENERGY LTD 5599 SAN FELIPE ST # 1220 HOUSTON TX 770562724	OPERATING RIGHTS	0.00000000
SLAYTON PAUL BOX 2035 ROSWELL NM 882022035	OPERATING RIGHTS	0.00000000
SLAYTON RESOURCES INC PO BOX 2035 ROSWELL NM 88202	LESSEE	100.00000000
SOUTHWEST RESERVES 200 CRESCENT CT 1310 DALLAS TX 75201	OPERATING RIGHTS	0.00000000
SOUTHWEST ROYALTIES INC 6 DESTA DR STE 3700 MIDLAND TX 797055516	OPERATING RIGHTS	0.00000000
TRINITY RESOURCES LLC 200 W 1ST ST ROSWELL NM 88201	OPERATING RIGHTS	0.00000000

**Serial Number: NMNM-- 0 009003B**

Mer Twp	Rng	Sec	SType	Nr Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23	0190S	0310E	005	ALIQ	SWNE;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0190S	0310E	005	LOTS	2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

**Serial Number: NMNM-- 0 009003B**

Act Date	Code	Action	Action Remarks	Pending Office
09/02/1952	387	CASE ESTABLISHED		
04/01/1953	496	FUND CODE	05;145003	
04/01/1953	530	RLTY RATE - 12 1/2%		
04/01/1953	868	EFFECTIVE DATE		
05/05/1954	235	EXTENDED	THRU 03/31/63;	
12/19/1956	139	ASGN APPROVED	EFF 12/01/56;	
12/19/1956	553	CASE CREATED BY ASGN	OUT OF NMNM09003;	
08/03/1961	650	HELD BY PROD - ACTUAL		
08/03/1961	658	MEMO OF 1ST PROD-ACTUAL		
09/21/1965	102	NOTICE SENT-PROD STATUS		
03/19/1971	940	NAME CHANGE RECOGNIZED	PAN AMER PETRO/AMOCO	
10/27/1982	232	LEASE COMMITTED TO UNIT	;SOUTH SHUGART DEEP	
04/01/1983	336	UNIT AGRMT TERMINATED	;SOUTH SHUGART DEEP	
12/31/1984	932	TRF OPER RGTS FILED	JA	
03/18/1985	932	TRF OPER RGTS FILED	KG	
04/12/1985	932	TRF OPER RGTS FILED	JA	
05/01/1985	932	TRF OPER RGTS FILED	KG	
07/29/1985	932	TRF OPER RGTS FILED	MLO	
08/04/1986	933	TRF OPER RGTS APPROVED	EFF 01/01/85;	
08/04/1986	933	TRF OPER RGTS APPROVED	EFF 04/01/85;	
08/04/1986	933	TRF OPER RGTS APPROVED	EFF 05/01/85;	
08/04/1986	933	TRF OPER RGTS APPROVED	EFF 06/01/85;	
08/04/1986	933	TRF OPER RGTS APPROVED	EFF 08/01/85;	
08/13/1986	963	CASE MICROFILMED/SCANNED	CNUM 100,245 AD	
02/09/1988	974	AUTOMATED RECORD VERIF	JAM/VG	
05/23/1991	932	TRF OPER RGTS FILED	POINT PETRO/SW RLTYs	
08/01/1991	933	TRF OPER RGTS APPROVED	EFF 06/01/91;	

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

Operator Name: COG Operating LLC

Well Name: Blue Thunder 5 Federal Com #1 API # 30-015-34991		
Location Sec 5 T19S R31E 1980 FNL & 660 FEL		
Pool Name: Lusk; Morrow, West (Gas)		
Month	Oil(BBLS)	Gas(MCF)
3/1/2016	93	3650
4/1/2016	11	2131
5/1/2016	0	2406
6/1/2016	16	2026
7/1/2016	43	2241
8/1/2016	31	1736
Cumulative	194	10540

Well Name: Blue Thunder 5 Federal Com #3 API# 30-015-35544		
Location Sec 5 T19S R31E 1800 FSL & 1980 FEL		
Pool Name: Lusk; Morrow, West (Gas)		
Month	Oil(BBLS)	Gas(MCF)
3/1/2016	0	169
4/1/2016	0	98
5/1/2016	0	104
6/1/2016	0	85
7/1/2016	0	86
8/1/2016	0	63
Cumulative	0	605





November 9, 2016

RE: Surface Commingle/ Off Lease Sales - Gas Only - Blue Thunder 5 Federal Com #1 and the Blue Thunder 5 Federal Com #3.

Dear Interest Owner:

This is to advise you the COG Operating LLC is filing an application with the New Mexico Oil Conservation Division (NMOCD) and the Bureau of Land Management (BLM) seeking approval for a Surface Commingle and Off Lease Sales gas only for the above mentioned wells.

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

Any objections or request 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 the application, please contact me at 575-748-6940 or email me a @ [aavery@concho.com](mailto:aavery@concho.com).

Sincerely,

Amanda Avery  
Regulatory Tech

Enclosure

Date Sent	Initials	Document Type	Well Name	Sent Certified Return Receipt to:	Receipt No.
11/8/2016	aa	OLM/ Surface Comm	Blue Thunder 5 Federal Com #1 & 3	Abo Petroleum Corp PO Box 900 Artesia, NM 88210	70160910000026545491
11/8/2016	aa	OLM/ Surface Comm	Blue Thunder 5 Federal Com #1 & 3	Devon Energy PO Box 843559 Dallas, TX 7253559	70160910000026545538
11/8/2016	aa	OLM/ Surface Comm	Blue Thunder 5 Federal Com #1 & 3	J & L Exploration LLC PO Box 51067 Midland, TX 79710	70160910000026545545
11/8/2016	aa	OLM/ Surface Comm	Blue Thunder 5 Federal Com #1 & 3	Occidental Permian LTD PO Box 841803 Dallas, TX 75284	70160910000026545569
11/8/2016	aa	OLM/ Surface Comm	Blue Thunder 5 Federal Com #1 & 3	Paul and Patricia Slayton PO Box 2035 Roswell, NM 88202	70160910000026545576
11/8/2016	aa	OLM/ Surface Comm	Blue Thunder 5 Federal Com #1 & 3	ACTS 409 FM 1750 Abilene, TX 79602	70160910000026545583
11/8/2016	aa	OLM/ Surface Comm	Blue Thunder 5 Federal Com #1 & 3	McCombs Energy LTD 5599 San Felipe Ste 1200 Houston, TX 77056	70160910000026545590
11/8/2016	aa	OLM/ Surface Comm	Blue Thunder 5 Federal Com #1 & 3	OXY PO Box 841803 Dallas TX 75284	70160910000026545606
11/8/2016	aa	OLM/ Surface Comm	Blue Thunder 5 Federal Com #1 & 3	Fawn Alcorn Pierce 502 Carter Dr Roswell, NM 88203	70160910000026545613



# Atchafalaya Measurement, Inc.

Report Date **10/17/16 9:42 AM**

Collection Time **10/17/16 9:54 AM**

Device ID **67722011**  
 Location **Blue Thunder 5 Fed Com 1**  
 Unit  Township **19S**  
 Section **5** Range **31E**  
 Lease #   
 GPS Cord N **32.691187** W **-103.885656**

System **BASIN**  
 State **NEW MEXICO**  
 Producer **C.O.G. OPERATING**  
 Purchaser **DCP**  
 A.P.I. # **30-015-34991**  
 F.M.P. #

Check ☐ Allocation ☒ Test ☐  
 Monthly ☐ Quarterly ☐ Semi-Annual ☒

Lift Gas ☐ Other ☐  
 Annual ☐ Spot ☐

Current Plate Size	0.5	Tap Type	Flange	Specific Gravity	0.693
Previous Plate Size	0.75	SP Tap Location	Up Stream	Temperature Base	60
YMcF	29.495	Atmos. Pressure	13.2	Recorder Model	Totalflow 6213
Pipe Size	3.068	Pressure Base	14.73	Serial Number	T103233394
Pipe Serial Number	10632071				

	Yes	No		Yes	No		Yes	No
Plate Inspected?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Nicked?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Leak Test Performed?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Edges Sharp?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Warped?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Leaks Repaired?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Seal Ring Damaged?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Pitted?	<input type="checkbox"/>	<input checked="" type="checkbox"/>			
Dirty?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Plate Mid'd?	<input checked="" type="checkbox"/>	<input type="checkbox"/>			
Bevel Downstream?	<input checked="" type="checkbox"/>	<input type="checkbox"/>						

DIFFERENTIAL				STATIC PRESSURE				TEMPERATURE			
FOUND		LEFT		FOUND		LEFT		FOUND		LEFT	
Test	Meter	Test	Meter	Test	Meter	Test	Meter	Test	Meter	Test	Meter
0.00	0.00	0.00	0.00	12.87	12.89	12.87	12.89	86.80	86.80	86.80	86.80
125.00	125.09	125.00	125.09	62.87	62.92	62.87	62.92				
250.00	250.10	250.00	250.10	112.87	112.99	112.87	112.99				
175.00	175.09	175.00	175.09	37.87	37.94	37.87	37.94				
25.00	25.04	25.00	25.04								
0.00	0.00	0.00	0.00								

DP check with pressure on SP			
FOUND		LEFT	
DP	SP	DP	SP
2.19	38.37	0.00	12.93
0.00	38.46	1.80	38.55
0.00	12.93	8.08	39.24

Cal. Range		
DP	SP	Temp.
0	0	0
250	113	150

Gas Sample Taken ☐ Yes ☒ No  
 H2S analysis done ☐ Yes ☒ No  
 PPM or % **NOT DUE**  
 H2O Analysis Done ☐ Yes ☒ No

## REMARKS

NO CORRECTIONS. \*\*CHANGED ORIFICE SIZE FROM .750 TO .500.

Calibrated by	Mike Dunn	10/17/2016
Witness	Yolanda Jordan (BLM)	



# Atchafalaya Measurement, Inc.

Report Date 10/17/16 9:17 AM

Collection Time 10/17/16 9:27 AM

Device ID	67722012			System	BASIN		
Location	Blue Thunder 5 Fed Com 3			State	NEW MEXICO		
Unit		Township	19S	Producer	C.O.G. OPERATING		
Section	5	Range	31E	Purchaser	DCP		
Lease #				A.P.I. #	30-015-35544		
GPS Cord N	32.687100		W	F.M.P. #			
Check	<input type="checkbox"/>	Allocation	<input checked="" type="checkbox"/>	Test	<input type="checkbox"/>	Lift Gas	<input type="checkbox"/>
Monthly	<input type="checkbox"/>	Quarterly	<input type="checkbox"/>	Semi-Annual	<input checked="" type="checkbox"/>	Annual	<input type="checkbox"/>
						Other	<input type="checkbox"/>
						Spot	<input type="checkbox"/>

Current Plate Size	0.5	Tap Type	Flange	Specific Gravity	0.685
Previous Plate Size	0.5	SP Tap Location	Up Stream	Temperature Base	60
YMCF	2.842	Atmos. Pressure	13.2	Recorder Model	Totalflow 6213
Pipe Size	3.068	Pressure Base	14.73	Serial Number	T113460554
Pipe Serial Number	6032047				

	Yes	No		Yes	No		Yes	No
Plate Inspected?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Nicked?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Leak Test Performed?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Edges Sharp?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Warped?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Leaks Repaired?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Seal Ring Damaged?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Pitted?	<input type="checkbox"/>	<input checked="" type="checkbox"/>			
Dirty?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Plate Mid'd?	<input checked="" type="checkbox"/>	<input type="checkbox"/>			
Bevel Downstream?	<input checked="" type="checkbox"/>	<input type="checkbox"/>						

DIFFERENTIAL				STATIC PRESSURE				TEMPERATURE			
FOUND		LEFT		FOUND		LEFT		FOUND		LEFT	
Test	Meter	Test	Meter	Test	Meter	Test	Meter	Test	Meter	Test	Meter
0.00	-0.09	125.00	125.00	12.87	12.82	12.87	12.82	82.90	82.92	82.90	82.92
125.00	124.87	250.00	250.03	62.87	62.85	62.87	62.85				
250.00	249.83	175.00	175.00	112.87	112.87	112.87	112.87				
175.00	174.85	25.00	25.01	37.87	37.85	37.87	37.85				
25.00	24.92	0.00	0.00								
0.00	-0.07										

DP check with pressure on SP			
FOUND		LEFT	
DP	SP	DP	SP
-0.10	37.87	0.00	12.82
-0.09	37.95	0.00	38.21
-0.09	12.82		

Cal. Range		
DP	SP	Temp.
0	0	0
250	113	150

Gas Sample Taken ☐ Yes ☒ No

H2S analysis done ☐ Yes ☒ No

PPM or % **NO FLOW**

H2O Analysis Done ☐ Yes ☒ No

## REMARKS

CORRECTED DIFF.

Calibrated by	Mike Dunn	10/17/2016
Witness	Yolanda Jordan (BLM)	

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.

Amanda Avery  
 Print or Type Name

*Amanda Avery*  
 Signature

Regulatory Tech  
 Title

11/08/2016  
 Date

aavery@concho.com  
 e-mail Address

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

**Blue Thunder 5 Federal Com #1, 3001534991 & Blue Thunder 5 Federal Com #3, 3001535544**

**COG Operating LLC**

August 9, 2017

**Condition of Approval**

**Surface Commingling and off CA measurement and sales of gas**

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 or product accountability.
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 Federal Regulations, AGA 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 43 CFR 3178 & 3179 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 calibration/proving to allow time for an inspector to witness.