

Revised March 23, 2017

RECEIVED:	REVIEWER:	TYPE:	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & 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

Applicant: EOG Resources, Inc. **OGRID Number:** 7377
Well Name: Nucleus BGN Federal Com 1H & Focus BDB Federal 1H **API:** 30-015-39241 & 30-015-39421
Pool: Parkway; Bone Spring **Pool Code:** 49622

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
- A. Location – Spacing Unit – Simultaneous Dedication
☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD
- B. Check one only for [I] or [II]
- [I] Commingling – Storage – Measurement
☐ DHC ☒ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
- [II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
- A. ☐ Offset operators or lease holders
 B. ☒ Royalty, overriding royalty owners, revenue owners
 C. ☐ Application requires published notice
 D. ☒ Notification and/or concurrent approval by SLO
 E. ☒ Notification and/or concurrent approval by BLM
 F. ☐ Surface owner
 G. ☐ For all of the above, proof of notification or publication is attached, and/or,
 H. ☐ No notice required

FOR OCD ONLY

- ☐ Notice Complete
- ☐ Application Content Complete

- 3) **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.

2/2/2021

Date

432-247-6331

Phone Number

lisa_trascher@eogresources.com

e-mail Address

Lisa Trascher

Print or Type Name

Lisa Trascher

Signature

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: EOG Resources, Inc.
OPERATOR ADDRESS: P.O. Box 2267 Midland, Texas 79702
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

- (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: Lisa Trascher TITLE: Regulatory Specialist DATE: 2/2/2021

TYPE OR PRINT NAME Lisa Trascher TELEPHONE NO.: 432-247-6331

E-MAIL ADDRESS: lisa_trascher@eogresources.com

APPLICATION FOR SURFACE POOL/LEASE COMMINGLING

EOG Resources, Inc. ("EOG") respectfully requests approval to surface pool/lease commingle oil & gas from all existing and future wells in N/2 of Section 31 in Township 19 South, Range 30 East within the Bone Spring pool listed below, for Leases NM NM 085909, NM NM 062210, NMNM062211 and NM NM 089049. These spacing units are initially dedicated to the following wells:

Well Name	Location	API #	Pool
NUCLEUS BGN FEDERAL COM #1H	E-31-19S-30E	30-015-39241	[49622] PARKWAY; BONE SPRING
FOCUS BDB FEDERAL #1H	D-31-19S-30E	30-015-39421	[49622] PARKWAY; BONE SPRING

GENERAL INFORMATION :

- Federal lease NM NM 085909 covers 160 acres Section 31 in Township 19 South, Range 30 East, Eddy County, New Mexico.
- Federal lease NM NM 062210 covers 80 acres Section 31 in Township 19 South, Range 30 East, Eddy County, New Mexico.
- Federal lease NM NM 062211 covers 40 acres Section 31 in Township 19 South, Range 30 East, Eddy County, New Mexico.
- Federal lease NM NM 089049 covers 40 acres Section 31 in Township 19 South, Range 30 East, Eddy County, New Mexico.
- Communitization Agreement NM NM 136051 covers 320 acres Section 31 in Township 19 South, Range 30 East, Eddy County, New Mexico
- The central tank battery to service the subject wells is located in the SWNW of Section 31 in Township 19 South, Range 30 East, Eddy County, New Mexico on Federal lease NM NM 062210.
- An application to commingle production from the subject wells is being submitted to the NMOCD and the BLM.
- Enclosed herewith is (1) a map that displays the leases, the location of the subject wells, and the proposed CTB, (2) a process flow diagram, (3) and the C-102 plat for each of the wells.

FUTURE ADDITIONS

Pursuant to Statewide rule 19.15.12.10 (C)(4)(g) EOG Resources, Inc. respectfully requests the option to include additional pools or leases within the following parameters:

- EOG may add additional production from the Bone Spring Pool (Parkway; Bone Spring [49622]), from Lease's NM NM 085909, NM NM 062210, NM NM 062211 and NM NM 089049 and from Communitization Agreement NM NM 136051.

EOG respectfully requests authority to add additional wells contained within the spacing units identified and approved in this application by filing a Sundry Notice C-103 and C-102 Plats to the Engineering Bureau in Santa Fe for Federal and filing an Amendment with the NMOCD. Notice to owners shall not be required when amending the application to add wells contained within spacing units previously approved for commingling authority.

PROCESS AND FLOW DESCRIPTIONS:

The production from each well will flow into a dedicated 3-phase separator. The production stream will be separated into 3 independent streams (gas, oil, and water) by the separator and each stream will be measured individually after it exits the separator.

The gas will be measured using a senior orifice meter and used to allocate total volume measured at the facility check meter, high pressure flare meter, and individual well flare meter. The gas from the heated separator also flows into this header. The gas flows through the header to a custody transfer orifice meter (#14209) that serves as our lease production meter. If the pipeline is experiencing problems and cannot take any gas, the gas will flow through the high pressure flare meter (#90187088) to the flare.

The oil from the separators will be measured using an oil meter. The oil from each separator will be combined into a common header and flow into a heated vertical separator (HTRT) to aid separation of water entrained in the oil, and then the oil flows into (3) 500 barrel tanks. Guided wave radar is used to measure water and oil volumes in these tanks.

The water will be measured using a water meter. The water from each separator is combined in a common header and flows into (2) 500 barrel tanks. Guided wave radar is used to measure water volumes in these tanks. Water from the heated separator also flows into the common water header connected to the (2) 500 barrel water tanks. The water is then pumped and/or trucked to a salt water disposal well.

	Gas Meter #	Oil Meter #
FOCUS BDB FEDERAL #001H	90181225	443282
NUCLEUS BGN FEDERAL COM #001H	90181226	429453

*Meter numbers will be provided upon installation of meters and completion of the facility.



P.O. Box 2267, Midland, Texas 79702
Phone: (432) 848-9133

Certified Mail-Return Receipt

Date: February 2, 2021

Re: Surface Lease Commingling Application; Nucleus BGN Federal Com #1H &
Focus BDB Federal #1H

Dear Sir/Madam:

Enclosed please find EOG Resources, Inc.'s application to commingle production at its Nucleus BGN Fed Com Central Tank Battery located in Eddy County, New Mexico, filed this date with the New Mexico Oil Conservation Division (NMOCD) and the Bureau of Land Management (BLM).

Any objections or requests for a hearing regarding this application must be submitted to the New Mexico Oil Conservation Division Santa Fe Office within 20 Days from the date the Division received this application.

Pursuant to Statewide rule 19.15.12.10 (C)(4)(g) EOG Resources, Inc. respectfully requests the option to include additional pools or leases within the following parameters:

- EOG may add additional production from the Bone Spring Pool (Parkway; Bone Spring [49622]), from Lease's NM NM 085909, NM NM 062210, NM NM 062211 and NM NM 089049 and from Communitization Agreement NM NM 136051.

EOG respectfully requests authority to add additional wells contained within the spacing units identified and approved in this application by filing a Sundry Notice C-103 and C-102 Plats to the Engineering Bureau in Santa Fe for Federal and filing an Amendment with the NMOCD. Notice to owners shall not be required when amending the application to add wells contained within spacing units previously approved for commingling authority.

For questions regarding this application, please contact me at 432-247-6331 or lisa_trascher@eogresources.com

Kind regards,

EOG Resources, Inc.

By: Lisa Trascher
Lisa Trascher
Regulatory Specialist



P.O. Box 2267, Midland, Texas 79702
Phone: (432) 686-3684 Fax: (432) 686-3773

Date: February 2, 2021

To: New Mexico State Land Office
State of New Mexico Oil Conservation Division

Re: Surface Lease Commingling Application Nucleus BGN Federal Com #1H & Focus BDB
Federal #1H

To whom it may concern

This letter serves to notice you that the ownership in the production of the following wells is Diverse as defined in 19.15.12.7 A. NMAC:

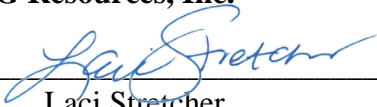
API	Well Name	Well#	Location	Pool Code/name	Status
30-015-39241	NUCLEUS BGN FEDERAL COM	1H	E-31-19S-30E	[49622] PARKWAY; BONE SPRING	PRODUCING
30-015-39421	FOCUS BDB FEDERAL	1H	D-31-19S-30E	[49622] PARKWAY; BONE SPRING	PRODUCING

The royalty, overrides and working interest are diverse on a well by well basis. All owners are listed on Exhibit A, attached hereto. I certify that this information is true and correct to the best of my knowledge.

Sincerely,

EOG Resources, Inc.

By: _____


Laci Stretcher
Senior Landman

Commingling Application for Nucleus BGN Fed Com CTB
EOG Resources, Inc.
EXHIBIT A- Notice List

New Mexico Oil Conservation Division
Attn: Mr. Dean McClure
1220 South St. Francis Drive
Santa Fe, NM 87505
Via OCD Online

New Mexico Oil Conservation Division
Attn: Mr. Paul Kautz
1625 N. French Drive
Hobbs, New Mexico 88240
Via OCD Online

Bureau of Land Management
Attn: Mr. Jonathon Shepard
620 E. Green Street
Carlsbad, NM 88220
Via BLM WIS

DAVID PETROLEUM CORPORATION
116 WEST FIRST STREET
ROSWELL, NM 88201-0000
7019 1640 0001 1667 5679

OXY Y 1 Company
PO Box 27570
Houston, TX 77227-7570
7019 1640 0001 1667 5686

AXIS ENERGY CORPORATION
PO Box 2107
ROSWELL, NM 88202-2107
7019 1640 0001 1667 5693

BRIAN T GROOMS
PMB 21600 STE 300
11201 N TATUM BLVD
PHOENIX, AZ 85028-6039
7019 1640 0001 1667 5709

CHALCAM EXPLORATION LLC
403 TIERRA BERRENDA
ROSWELL, NM 88201-0000
7019 1640 0001 1667 5716

FIRST ROSWELL COMPANY
PO BOX 1797
ROSWELL, NM 88202-1797
7019 1640 0001 1667 5723

HANAGAN INVESTMENTS LLC
PO BOX 1737
ROSWELL, NM 88202-1737
7019 1640 0001 1667 5730

HANAGAN PETROLEUM CORPORATION
PO BOX 1737
ROSWELL, NM 88202-1737
7019 1640 0001 1667 5747

JOSE R PEREZ
PO BOX 3091
CORPUS CHRISTI, TX 78463-3091
7019 1640 0001 1667 5754

MORRIS E SCHERTZ
PO DRAWER 2588
ROSWELL, NM 88202-2588
7019 1640 0001 1667 5761

NATALIE V HANAGAN
1922 18TH AVE W
WILLISTON, ND 58801-0000
7019 1640 0001 1667 5778

NUEVO SEIS L P
PO BOX 2588
ROSWELL, NM 88202-2588
7019 1640 0001 1667 5785

OXY Y 1 COMPANY
PO BOX 841803
DALLAS, TX 75284-1803
7019 1640 0001 1667 5792

PENASCO PETROLEUM LLC
PO BOX 2292
ROSWELL, NM 88202-2292
7019 1640 0001 1667 5808

ROLLA R HINKLE III
PO BOX 2292
ROSWELL, NM 88202-2292
7019 1640 0001 1667 5815

THOMAS R NICKOLOFF
PO BOX 51807
MIDLAND, TX 79710-1807
7019 1640 0001 1667 5822

WILLIAM B OWEN
116 WEST FIRST
ROSWELL, NM 88203-0000
7019 1640 0001 1667 5839

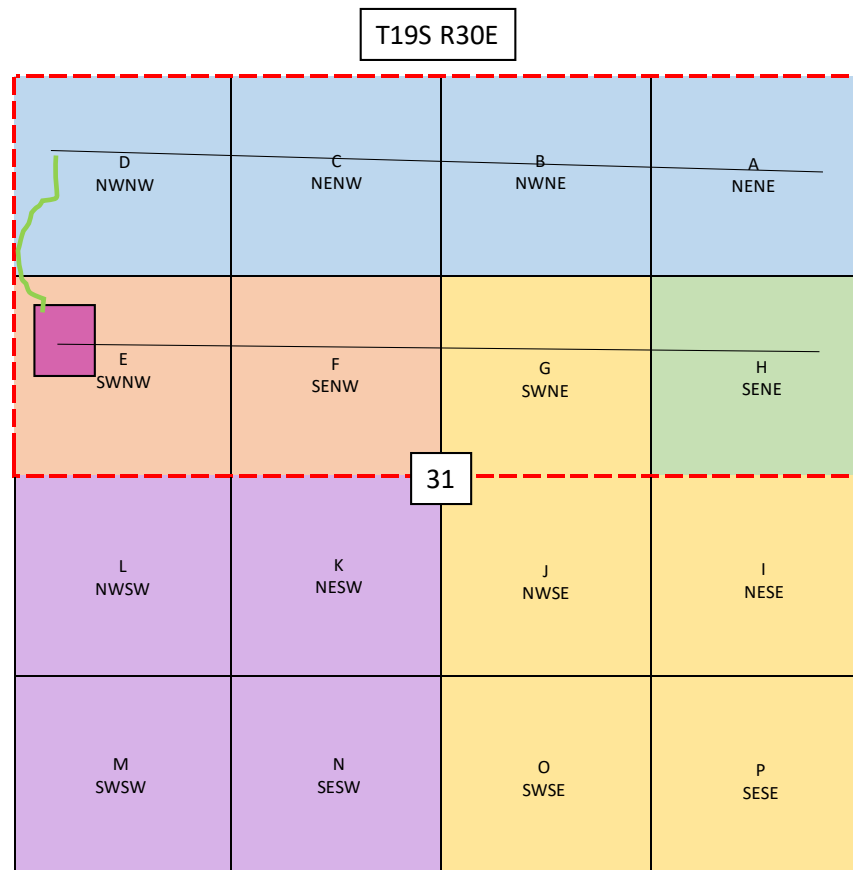
EOG Resources Inc.
PO Box 4362
Houston, TX 77210-4362

Copies of this application were mailed to the following individuals, companies, and organizations
on or before February 2nd, 2021.



Lisa Trascher
EOG Resources, Inc.

NUCLEUS BGN FEDERAL COM SURFACE COMMINGLING PLAT



LEASE



USA NMNM-085909



USA NMNM-062210



USA NMNM-062211



USA NMNM-089049



USA NMNM-058815

SPACING UNIT

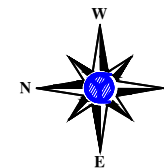


USA NMNM-136051


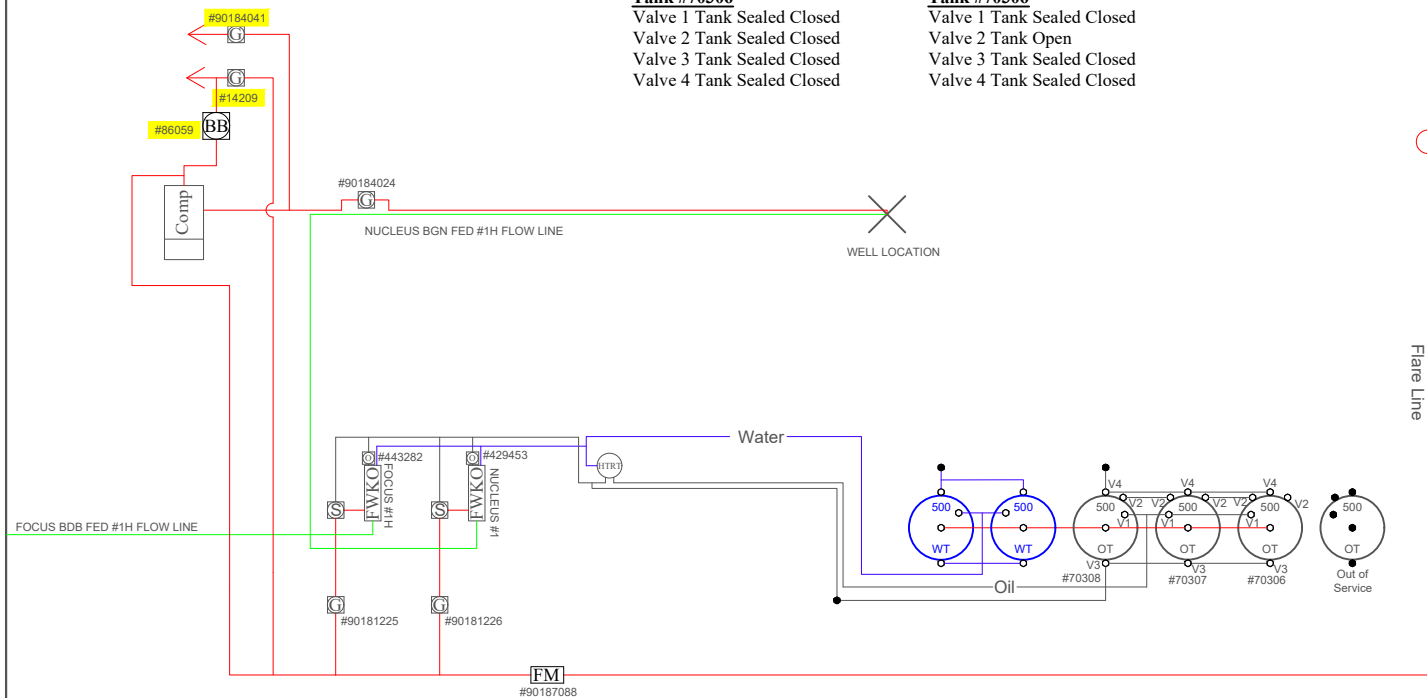
NUCLEUS BGN
FEDERAL COM CTB

API	WELL NAME
30-015-39241	NUCLEUS BGN COM FEDERAL #1H
30-015-39421	FOCUS BDB FEDERAL #1H

API - 3001539241



Valve 1 Tank Sealed Closed
Valve 2 Tank Open
Valve 3 Tank Sealed Closed
Valve 4 Tank Sealed Closed

 = BuyBack Meter

APPLICATION FOR, COMMINGLING AT A COMMON CENTRAL TANK BATTERY

Proposal for Nucleus BGN Fed Com CTB

EOG Resources, Inc. is requesting approval to commingle the following wells in a common central tank battery:

Federal Lease NM NM 136051

Well Name	Location	API #	Pool	Oil BPD	Gravities	MSCFPD	BTU
NUCLEUS BGN FEDERAL COM #001H	E-31-19S-30E	30-015-39241	[49622] PARKWAY;BONE SPRING	12	40	45	1300
FOCUS BDB FEDERAL #001H	D-31-19S-30E	30-015-39421	[49622] PARKWAY;BONE SPRING	18	40	111	1300

*Estimated numbers for these wells; will provide actual numbers once these wells are producing.

Production Summary Report API: 30-015-39241 NUCLEUS BGN FEDERAL COM #001H Printed On: Wednesday, February 03 2021											
		Production					Injection				
Year	Pool	Month	Oil(BBLS)	Gas(MCF)	Water(BBLS)	Days P/I	Water(BBLS)	Co2(MCF)	Gas(MCF)	Other	Pressure
2020	[49622] PARKWAY;BONE SPRING	Jan	658	2167	2175	31	0	0	0	0	0
2020	[49622] PARKWAY;BONE SPRING	Feb	404	686	1162	29	0	0	0	0	0
2020	[49622] PARKWAY;BONE SPRING	Mar	105	917	284	31	0	0	0	0	0
2020	[49622] PARKWAY;BONE SPRING	Apr	118	689	265	26	0	0	0	0	0
2020	[49622] PARKWAY;BONE SPRING	May	0	0	0	0	0	0	0	0	0
2020	[49622] PARKWAY;BONE SPRING	Jun	0	0	0	0	0	0	0	0	0
2020	[49622] PARKWAY;BONE SPRING	Jul	0	0	0	0	0	0	0	0	0
2020	[49622] PARKWAY;BONE SPRING	Aug	0	2	0	2	0	0	0	0	0
2020	[49622] PARKWAY;BONE SPRING	Sep	0	0	0	0	0	0	0	0	0
2020	[49622] PARKWAY;BONE SPRING	Oct	0	0	0	0	0	0	0	0	0
2020	[49622] PARKWAY;BONE SPRING	Nov	0	0	0	0	0	0	0	0	0

Production Summary Report API: 30-015-39421 FOCUS BDB FEDERAL #001H Printed On: Wednesday, February 03 2021											
		Production					Injection				
Year	Pool	Month	Oil(BBLS)	Gas(MCF)	Water(BBLS)	Days P/I	Water(BBLS)	Co2(MCF)	Gas(MCF)	Other	Pressure
2020	[49622] PARKWAY;BONE SPRING	Jun	0	0	0	0	0	0	0	0	0
2020	[49622] PARKWAY;BONE SPRING	Jul	1329	7869	3153	31	0	0	0	0	0
2020	[49622] PARKWAY;BONE SPRING	Aug	1188	7718	3762	31	0	0	0	0	0
2020	[49622] PARKWAY;BONE SPRING	Sep	1140	7194	3691	30	0	0	0	0	0
2020	[49622] PARKWAY;BONE SPRING	Oct	1113	6664	3404	31	0	0	0	0	0
2020	[49622] PARKWAY;BONE SPRING	Nov	983	6075	2785	30	0	0	0	0	0

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
ARTESIA DISTRICT
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

SEP 09 2014

RECEIVED

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

As Drilled

¹ API Number 30-015-39421	² Pool Code 49622	³ Pool Name Parkway; Bone Spring
⁴ Property Code 38825	⁵ Property Name Focus BDB Federal	⁶ Well Number 1H
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	⁹ Elevation 3,332' GR

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	31	19S	30E		560	North	330	West	Eddy

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	31	19S	30E		653	North	269	East	Eddy

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

¹⁶ N 560' 330' SL				¹⁶ N 653' 269' BHL	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature: <u>Laura Watts</u> Date: <u>9/8/14</u> Printed Name: <u>Laura Watts</u> E-mail Address: <u>laura@yatespetroleum.com</u>
	Completion Interval: 569' FNL & 759' FWL (Surf) 643' FNL & 424' FEL (BHL)				Producing Area

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-39241	² Pool Code 49622	³ Pool Name Parkway; Bone Spring
⁴ Property Code 38725	⁵ Property Name Nucleus BGN Federal Com	⁶ Well Number 1H
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	⁹ Elevation 3,333' GR

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	31	19S	30E		1750	North	330	West	Eddy

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	31	19S	30E		1738	North	278	East	Eddy

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
--------------------------------------	-------------------------------	----------------------------------	-------------------------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

¹⁶ 	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or released mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.	
	Signature: <u>Laura Watts</u> Date: <u>9/8/14</u> Printed Name: <u>Laura Watts</u> E-mail Address: <u>laura@yatespetroleum.com</u>	
Completion Interval: 1753' FNL & 874' FWL (Surf) 1738' FNL & 430' FEL (BHL)	Producing Area	
¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.		
Date of Survey Signature and Seal of Professional Surveyor:		
Certificate Number		

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

Run Date/Time: 9/15/2020 8:59 AM

Page 1 Of 2

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

Total Acres:
159.280Serial Number
NMNM 136051

Case Type 318310: O&G COMMUNITIZATION AGRMT

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED

Case File Juris: CARLSBAD FIELD OFFICE

						Serial Number: NMNM-- - 136051	
Name & Address						Int Rel	% Interest
BLM CARLSBAD FO	620 E GREENE ST	CARLSBAD	NM	88220	OFFICE OF RECORD		0.000000000
EOG Y RESOURCES INC	105 S 4TH ST	ARTESIA	NM	882102177	OPERATOR		100.000000000

							Serial Number: NMNM-- - 136051	
Mer	Twp	Rng	Sec	S	Type	Nr	Suff	Subdivision
							District/ Field Office	County
							Mgmt Agency	
23	0190S	0300E	031	ALIQ		S2N2;	CARLSBAD FIELD OFFICE	EDDY
							BUREAU OF LAND MGMT	

Relinquished/Withdrawn Lands

Serial Number: NMNM-- - 136051

				Serial Number: NMNM-- - 136051	
Act Date	Act Code	Action Txt	Action Remarks	Pending Off	
04/21/2014	387	CASE ESTABLISHED			
04/21/2014	516	FORMATION	BONE SPRING		
04/21/2014	526	ACRES-FED INT 100%	159.28;100%		
04/21/2014	868	EFFECTIVE DATE	/A/		
08/22/2014	654	AGRMT PRODUCING	/1/		
08/22/2014	658	MEMO OF 1ST PROD-ACTUAL	/1/30-015-39241		
07/25/2016	334	AGRMT APPROVED			
07/25/2016	643	PRODUCTION DETERMINATION	/1/		
11/01/2016	672	SUCCESSOR OPERATOR	/B/ YATES/EOG Y		

		Serial Number: NMNM-- - 136051		
Line Number	Remark Text			
0001	/A/ RECAPITULATION EFFECTIVE 04/21/2014			
0002	TRACT # LEASE SERIAL # AC COMMITTED PCT INT			
0003	1 NMNM62210 79.28 49.772			
0004	2 NMNM62211 40.00 25.114			
0005	3 NMNM89049 40.00 25.114			
0006	TOAL 159.28 100.000			
0007	/B/ NAME CHANGE YATES TO EOG Y EFFECTIVE 11/1/16			
0008	APRVD BY BLM STATE OFF LTR DATED 12/1/16 BY GBACA			

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 Date/Time: 9/15/2020 8:59 AM

Page 2 Of 2

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

Well Name	Well Number	US Well Number	Lease Number	Case Number	Operator
FOCUS BDB	1H	300153942100S1	NMNM85909	NMNM85909	EOG
NUCLEUS BGN	1H	300153924100S1	NMNM89049	NMNM136051	EOG

Type of Submission: Notice of Intent

Type of Action Commingling (Surface)

Date Sundry Submitted: 01/29/2021

Time Sundry Submitted: 01:23

Date proposed operation will begin: 01/31/2021

Procedure Description: EOG Resources, Inc. ("EOG") respectfully requests approval to surface lease commingle gas from all existing and future wells in Section 31 in Township 19 South, Range 30 East within the Bone Spring pool listed below, for Leases NM NM 085909, NM NM 062210, NM NM 062211 and NM NM 089049 and Communitization Agreement NM NM 136051. This Commingle and Allocation Approval (CAA) will not negatively affect the royalty of the federal government. Any allocation meters (non-FMPs) will meet API measurement standard 14.1. All leases, unit PAs, or CAs in the proposed CAA are capable of production in paying quantities, defined as 1 bbl/day of oil or 10 MCF/day of gas. Gas analysis is not required because we are applying under 3173.13(a)(1). The location of the FMP is on the lease. There is no new surface disturbance included as part of the proposed CAA. These spacing units are initially dedicated to the wells attached.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

Nucleus_FedApplication_20210129132239.pdf

Conditions of Approval

Specialist Review

Surface_Comingling_COA_20210129154036.docx

Well Name	Well Number	US Well Number	Lease Number	Case Number	Operator
FOCUS BDB	1H	300153942100S1	NMNM85909	NMNM85909	EOG
NUCLEUS BGN	1H	300153924100S1	NMNM89049	NMNM136051	EOG

Noting that the foregoing is true and correct, Title 18, Chapter 1001, and Title 18, Chapter 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. Electronic submission of Sundry Notices through this system satisfies regulations requiring a submission of Form 3160-5 or a Sundry Notice.

Operator Electronic Signature: TRASCHER

Signed on: JAN 29, 2021 01:22 PM

Name: EOG RESOURCES INCORPORATED

Title: Regulatory Specialist

Street Address: NOT ENTERED

City: NOT ENTERED

State: NOT ENTERED

Phone: (432) 686-3600

Email address: NOT ENTERED

Field Representative

Representative Name: Lisa Trascher

Street Address:

City:

State:

Zip:

Phone: (432)241-1259

Email address: lisa_trascher@eogresources.com

BLM Point of Contact

BLM POC Name: Jonathon W Shepard

BLM POC Phone: 5752345972

Disposition: Approved

Signature: Jonathon Shepard

BLM POC Title: Petroleum Engineer

BLM POC Email Address: jshepard@blm.gov

Disposition Date: 01/29/2021

From: [Engineer, OCD, EMNRD](#)
To: [Lisa Trascher](#)
Cc: [McClure, Dean, EMNRD](#); [Bratcher, Mike, EMNRD](#); [Powell, Brandon, EMNRD](#); lisa@rwbyram.com; [Glover, James; kparadis@blm.gov](#); [Walls, Christopher](#)
Subject: Approved Administrative Order CTB-980
Date: Wednesday, March 31, 2021 3:26:14 PM
Attachments: [CTB980 Order.pdf](#)

NMOCD has issued Administrative Order CTB-980 which authorizes EOG Resources, Inc. (7377) to surface commingle or off-lease measure, as applicable, the following wells:

Well API	Well Name	Location (NMPPM)	Pool Code
30-015-39241	Nucleus BGN Federal Com #1H	E-31-19S-30E	49622
30-015-39421	Focus BDB Federal #1H	D-31-19S-30E	49622

The administrative order is attached to this email and can also be found online at OCD Imaging.

Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

State of New Mexico
Energy, Minerals and Natural Resources Department

Notice

Order: CTB-980

Operator: EOG Resources, Inc. (7377)

Publication Date:

Date Sent: 2/2/2021

Noticed Persons

Date	Person	Certified Tracking Number	Status
	OCD	Online	
	BLM	Online	
2/8/2021	DAVID PETROLEUM CORPORATION	7019 1640 0001 1667 5679	Delivered
2/10/2021	OXY Y 1 Company	7019 1640 0001 1667 5686	Delivered
2/8/2021	AXIS ENERGY CORPORATION	7019 1640 0001 1667 5693	Delivered
2/9/2021	BRIAN T GROOMS	7019 1640 0001 1667 5709	Delivered
2/6/2021	CHALCAM EXPLORATION LLC	7019 1640 0001 1667 5716	Delivered
2/8/2021	FIRST ROSWELL COMPANY	7019 1640 0001 1667 5723	Delivered
2/11/2021	HANAGAN INVESTMENTS LLC	7019 1640 0001 1667 5730	Delivered
2/11/2021	HANAGAN PETROLEUM CORPORATION	7019 1640 0001 1667 5747	Delivered
2/8/2021	JOSE R PEREZ	7019 1640 0001 1667 5754	Delivered
2/8/2021	MORRIS E SCHERTZ	7019 1640 0001 1667 5761	Delivered
2/8/2021	NATALIE V HANAGAN	7019 1640 0001 1667 5778	Delivered
2/8/2021	NUEVO SEIS L P	7019 1640 0001 1667 5785	Delivered
2/10/2021	OXY Y 1 COMPANY	7019 1640 0001 1667 5792	In-Transit
2/8/2021	PENASCO PETROLEUM LLC	7019 1640 0001 1667 5808	Delivered
2/8/2021	ROLLA R HINKLE III	7019 1640 0001 1667 5815	Delivered
2/8/2021	THOMAS R NICKOLOFF	7019 1640 0001 1667 5822	Delivered
2/8/2021	WILLIAM B OWEN	7019 1640 0001 1667 5839	Delivered

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

**APPLICATION FOR SURFACE COMMINGLING
SUBMITTED BY EOG RESOURCES, INC.**

ORDER NO. CTB-980

ORDER

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

FINDINGS OF FACT

1. EOG Resources, Inc. (“Applicant”) submitted a complete application to surface commingle and off-lease measure the oil and gas production ("Application") from the pools, leases, and wells identified in Exhibit A.
2. To the extent that ownership is identical, Applicant submitted a certification by a licensed attorney or qualified petroleum landman that the ownership in the pools, leases, and wells to be commingled is identical as defined in 19.15.12.7(B) NMAC.
3. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
4. To the extent that ownership is diverse, Applicant provided notice of the Application to all persons owning an interest in the oil and gas production to be commingled, including the owners of royalty and overriding royalty interests, regardless of whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
5. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.
6. Applicant in the notice for the Application stated that it sought authorization to add additional pools, leases, and wells and identified the parameters to make such additions.
7. Applicant stated that it sought authorization to surface commingle and off-lease measure, as applicable, oil and gas production from an infill well which produces from a pool and spacing unit dedicated to a well identified in Exhibit A.

CONCLUSIONS OF LAW

8. 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, 70-2-16, and 70-2-17, and 19.15.12 NMAC.
9. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10(A)(2), (C)(4)(c), and (C)(4)(e) NMAC, as applicable.

10. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10(B)(1) or (C)(1) NMAC, as applicable.
11. Commingling of oil and gas production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10(B)(3) and (C)(4)(h) NMAC.
12. Applicant satisfied the notice requirements for the subsequent addition of pools, leases, and wells in the notice for the Application, in accordance with 19.15.12.10(C)(4)(g) NMAC. Subsequent additions of pools, leases, and wells within Applicant's defined parameters, as modified herein, will not, in reasonable probability, reduce the commingled production's value or otherwise adversely affect the interest owners in the production to be added.
13. 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 surface commingle and off-lease measure oil and gas production from the pools, leases, and wells identified in Exhibit A.

Applicant is authorized to surface commingle and off-lease measure, as applicable, oil and gas production from an infill well producing from the same pool and spacing unit dedicated to a well identified in Exhibit A.

2. This Order supersedes Order CTB-726.
3. The allocation of oil and gas production to an infill well shall be determined in the same manner as oil and gas production to the well dedicated to the pool and spacing unit.
4. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling.
5. 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.
6. Applicant shall measure the commingled gas at a central delivery point or central tank battery described in Exhibit A in accordance with 19.15.19.9 NMAC, provided however that if the gas is flared, and regardless of 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.
7. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10(C)(2) NMAC.
8. Applicant may submit an application to amend this Order to add pools, leases, and subsequently drilled wells with spacing units adjacent to or within the tracts commingled by this Order by submitting a Form C-107-B via the OCD Fee Portal in accordance with 19.15.12.10(C)(4)(g) NMAC.

9. Applicant shall submit Forms C-102 and C-103 to the OCD Engineering Bureau identifying an infill well prior to commingling and off-lease measuring, as applicable, oil and gas production from an infill well with the production from another well.
10. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
11. OCD retains jurisdiction and reserves the right to modify or revoke this Order as it deems necessary to prevent waste or protect correlative rights, public health, or the environment.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



**ADRIENNE SANDOVAL
DIRECTOR**

AS/dm

DATE: 3/31/2021

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: CTB-980

Operator: EOG Resources, Inc. (7377)

Central Tank Battery: Nucleus BGN Federal Com Central Tank Battery

Central Tank Battery Location (NMPM): Unit E, Section 31, Township 19 South, Range 30 East

Gas Custody Transfer Meter Location (NMPM): Unit E, Section 31, Township 19 South, Range 30 East

Pools

Pool Name	Pool Code
PARKWAY; BONE SPRING	49622

Leases as defined in 19.15.12.7(C) NMAC

Lease	Location (NMPM)
CA BS NMNM 136051	S/2 N/2
NMNM 85909	N/2 N/2

Wells

Well API	Well Name	Location (NMPM)	Pool Code	Train
30-015-39241	Nucleus BGN Federal Com #1H	E-31-19S-30E	49622	
30-015-39421	Focus BDB Federal #1H	D-31-19S-30E	49622	

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 17030

CONDITIONS OF APPROVAL

Operator: EOG RESOURCES INC P.O. Box 2267 Midland, TX79702			OGRID: 7377	Action Number: 17030	Action Type: C-107B
OCD Reviewer	Condition				
dmcclure	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval.				