

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

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

ORDER NO. PLC-966

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 the oil and gas production from the pools, leases, and wells as described in Exhibit A (“Application”).
2. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
3. 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.
4. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.
5. Applicant certified the commingling of oil and gas production from the pools, leases, and wells will not in reasonable probability reduce the value of the oil and gas production to less than if it had remained segregated.
6. Applicant in the notice for the Application stated that it sought authorization to prospectively include additional pools, leases, and wells in accordance with 19.15.12.10 C.(4)(g) NMAC.
7. Applicant stated that it sought authorization to surface commingle and off-lease measure, as applicable, oil and gas production from wells which have not yet been approved to be drilled, but will produce from a pool and lease as described 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, 19.15.12. NMAC, and 19.15.23. NMAC.

9. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10 A.(2) NMAC, 19.15.12.10 C.(4)(c) NMAC, and 19.15.12.10 C.(4)(e) NMAC, as applicable.
10. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9 A.(5) NMAC and 19.15.23.9 A.(6) NMAC, as applicable.
11. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10 B.(1) NMAC or 19.15.12.10 C.(1) NMAC, as applicable.
12. 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) NMAC and 19.15.12.10 C.(4)(h) NMAC.
13. Applicant did not give adequate notice that it sought authorization to prospectively include additional pools, leases, or wells as required by 19.15.12.10 C.(4)(g) NMAC.
14. 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 oil and gas production from the pools, leases, and wells as described in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease from the pools, leases, and wells as described in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

Applicant is authorized to surface commingle oil and gas production from wells not included in Exhibit A but that produce from a pool and lease as described in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease from wells not included in Exhibit A but that produce from a pool and lease as described in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

2. The allocation of oil and gas production to wells not included in Exhibit A but that produce from a pool and lease as described in Exhibit A shall be determined in the same manner as to wells identified in Exhibit A that produce from that pool and lease, provided that if more than one allocation method is being used or if there are no wells identified in Exhibit A that produce from the pool and lease, then allocation of oil and gas production to each well not included in Exhibit A shall be determined by OCD prior to commingling production from it with the production from another well.

3. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling it with production from another well.
4. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15. NMAC or 19.15.23.8. NMAC.
5. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9. NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8 B. NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8 E. NMAC.
6. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10 C.(2) NMAC.
7. If the commingling of oil and gas production from any pool, lease, or well reduces the value of the commingled oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil and gas production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.
8. Applicant's request for authorization to add pools, leases, and wells prospectively pursuant to 19.15.12.10 C.(4)(g) NMAC is denied.
9. If a well is not included in Exhibit A but produces from a pool and lease as described in Exhibit A, then Applicant shall submit Forms C-102 and C-103 to the OCD Engineering Bureau after the well has been approved to be drilled and prior to off-lease measuring or commingling oil or gas production from it with the production from another well. The Form C-103 shall reference this Order and identify the well, proposed method to determine the allocation of oil and gas production to it, and the location(s) that commingling of its production will occur.
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. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).

12. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**

A handwritten signature in blue ink, appearing to read "G. Razatos", is written over a horizontal line.

**GERASIMOS RAZATOS
DIRECTOR (ACTING)**

DATE: 4/23/2025

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: PLC-966

Operator: EOG Resources, Inc (7377)

Central Tank Battery: Deep Elem 4 Federal Com Central Tank Battery

Central Tank Battery Location: UL O, Section 4, Township 26 South, Range 31 East

Gas Title Transfer Meter Location:

Pools

Pool Name	Pool Code
PURPLE SAGE;WOLFCAMP (GAS)	98220
JENNINGS;BONE SPRING, WEST	97860

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
CA Bone Spring NMNM 105824784	All	09-26S-31E
	All	16-26S-31E
CA Wolfcamp NMNM 105737596 (143621)	All	09-26S-31E
	All	16-26S-31E
CA Bone Spring SLO 204571 PUN 1398842	All	09-26S-31E
	All	16-26S-31E
CA Wolfcamp SLO 204284 PUN 1392450	All	09-26S-31E
	All	16-26S-31E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-015-48911	DEEP ELEM 4 FEDERAL COM #770H	All	09-26S-31E	98220
		All	16-26S-31E	
30-015-48909	DEEP ELEM 4 FEDERAL COM #779H	All	09-26S-31E	98220
		All	16-26S-31E	
30-015-48907	DEEP ELEM 4 FEDERAL COM #751H	All	09-26S-31E	98220
		All	16-26S-31E	
30-015-48905	DEEP ELEM 4 FEDERAL COM #760H	All	09-26S-31E	98220
		All	16-26S-31E	
30-015-48584	DEEP ELEM 4 FEDERAL COM #706H	All	09-26S-31E	98220
		All	16-26S-31E	
30-015-48583	DEEP ELEM 4 FEDERAL COM #704H	All	09-26S-31E	98220
		All	16-26S-31E	
30-015-48555	DEEP ELEM 4 FEDERAL COM #727H	All	09-26S-31E	98220
		All	16-26S-31E	
30-015-48261	DEEP ELEM 4 FEDERAL COM #716H	All	09-26S-31E	98220
		All	16-26S-31E	
30-015-48259	DEEP ELEM 4 FEDERAL COM #733H	All	09-26S-31E	98220
		All	16-26S-31E	

30-015-48258	DEEP ELEM 4 FEDERAL COM #712H	All	09-26S-31E	98220
		All	16-26S-31E	
30-015-48257	DEEP ELEM 4 FEDERAL COM #731H	All	09-26S-31E	98220
		All	16-26S-31E	
30-015-48256	DEEP ELEM 4 FEDERAL COM #710H	All	09-26S-31E	98220
		All	16-26S-31E	
30-015-48043	DEEP ELEM 4 FEDERAL COM #737H	All	09-26S-31E	98220
		All	16-26S-31E	
30-015-47997	DEEP ELEM 4 FEDERAL COM #702H	All	09-26S-31E	98220
		All	16-26S-31E	
30-015-47940	DEEP ELEM 4 FEDERAL COM #591H	All	09-26S-31E	97860
		All	16-26S-31E	
30-015-47938	DEEP ELEM 4 FEDERAL COM #582H	All	09-26S-31E	97860
		All	16-26S-31E	
30-015-47937	DEEP ELEM 4 FEDERAL COM #590H	All	09-26S-31E	97860
		All	16-26S-31E	
30-015-47936	DEEP ELEM 4 FEDERAL COM #750H	All	09-26S-31E	98220
		All	16-26S-31E	
30-015-47926	DEEP ELEM 4 FEDERAL COM #721H	All	09-26S-31E	98220
		All	16-26S-31E	
30-015-47925	DEEP ELEM 4 FEDERAL COM #723H	All	09-26S-31E	98220
		All	16-26S-31E	
30-015-47924	DEEP ELEM 4 FEDERAL COM #725H	All	09-26S-31E	98220
		All	16-26S-31E	

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/contact-us>

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

CONDITIONS

Action 455274

CONDITIONS

Operator: EOG RESOURCES INC 5509 Champions Drive Midland, TX 79706	OGRID: 7377
	Action Number: 455274
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
sarah.clelland	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.	4/24/2025