

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

**APPLICATION TO AMEND
SURFACE COMMINGLING ORDER
SUBMITTED BY EOG RESOURCES, INC.**

ORDER NO. PLC-620-A

ORDER

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

FINDINGS OF FACT

1. EOG Resources, Inc. (“Applicant”) submitted a complete application to amend Order PLC-620 (“Application”) to surface commingle and off-lease measure the oil and gas production from the pools, leases, and horizontal wells identified in Exhibit A.
2. Applicant provided notice of the Application to all persons owning an interest in the new oil and gas production to be commingled, including the owners of royalty and overriding royalty interests, regardless whether they have a right or option to take their interests in kind, in accordance with 19.15.12.10(C)(4)(e) NMAC and 19.15.12.10(C)(4)(g) NMAC, and those persons either submitted a written waiver or did not file an objection to the Application.
3. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable, in accordance with 19.15.12.10(A)(2) NMAC.
4. Applicant in the notice for the original application stated that it sought authorization to add additional pools and leases and identified the parameters to make such additions, in accordance with 19.15.12.10(C)(4)(g) NMAC.

CONCLUSIONS OF LAW

5. 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.
6. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10(C)(4)(e) NMAC and 19.15.12.10(C)(4)(g) NMAC.
7. Subsequent additions of pools and leases 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, in accordance with 19.15.12.10(C)(4)(g) NMAC.

8. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

ORDER

1. Effective March 27, 2020, Applicant is authorized to surface commingle and off-lease measure oil and gas production from the pools, leases, and horizontal wells identified in Exhibit A.
2. This Order supersedes Order PLC-620.
3. The oil and gas production from each well shall be separated and metered prior to commingling.
4. Applicant shall measure the commingled oil at the central tank battery described in Exhibit A in accordance with 19.15.18.15 NMAC or 19.15.23.8 NMAC.
5. Applicant shall measure the commingled gas at the central delivery point described in Exhibit A in accordance with 19.15.19.9 NMAC, provided however that if the gas is flared, regardless 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.
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. Applicant may submit an application to amend this Order to add 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 and providing notice of the application to all owners of interest in the production to be added, in accordance with 19.15.12.10(C)(4)(g) NMAC.
8. Applicant shall not commence commingling involving state, federal, or tribal leases unless or until approved by the BLM or NMSLO, as applicable. *See* 19.15.12.10(B)(3) and (C)(4)(h) NMAC.
9. OCD retains jurisdiction and reserves the right to modify or revoke this Order if it determines that the Application did not accurately describe any action affecting or related to the commingling of oil and gas production, or as deemed necessary to prevent waste or protect correlative rights, public health, or the environment.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



**ADRIENNE SANDOVAL
DIRECTOR**

DATE: 3/26/2020

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: PLC-620-A

Operator: EOG Resources, Inc. (7377)

Central Tank Battery: Hemlock 32 State Central Tank Battery

Central Tank Battery Location (NMPM): Section 32, Township 23 South, Range 33 East

Gas Custody Transfer Meter Location (NMPM): Section 32, Township 23 South, Range 33 East

Pools

Pool Name	Pool Code
WC-025 G-09 S243310P; UPPER WOLFCAMP	98135
TRIPLE X; BONE SPRING	59900

Leases as defined in 19.15.12.7(C) NMAC

Lease	Location (NMPM)	
VB 1169-0001	W/2	Sec 32-T23S-R33E
VO 6276-0001	E/2	Sec 32-T23S-R33E

Wells

Well API	Well Name	Location (NMPM)	Pool Code	Train
30-025-44343	Hemlock 32 State 701H	M-32-23S-33E	98135	
30-025-44344	Hemlock 32 State 702H	M-32-23S-33E	98135	
30-025-45523	Hemlock 32 State 703H	N-32-23S-33E	98135	
30-025-45516	Hemlock 32 State 704H	N-32-23S-33E	98135	
30-025-45269	Yarrow 32 State 701H	P-32-23S-33E	98135	
30-025-45270	Yarrow 32 State 702H	P-32-23S-33E	98135	
30-025-45271	Yarrow 32 State 703H	O-32-23S-33E	98135	
30-025-45272	Yarrow 32 State 704H	O-32-23S-33E	98135	
30-025-46272	Yarrow 32 State 201H	P-32-23S-33E	59900	
30-025-46273	Yarrow 32 State 202H	P-32-23S-33E	59900	
30-025-46274	Yarrow 32 State 203H	O-32-23S-33E	59900	
30-025-46275	Yarrow 32 State 204H	O-32-23S-33E	59900	
30-025-46752	Hemlock 32 State 201H	M-32-23S-33E	59900	
30-025-46753	Hemlock 32 State 202H	M-32-23S-33E	59900	
30-025-46754	Hemlock 32 State 203H	N-32-23S-33E	59900	
30-025-46755	Hemlock 32 State 204H	N-32-23S-33E	59900	
30-025-46756	Hemlock 32 State 503H	M-32-23S-33E	59900	
30-025-45273	Yarrow 32 State 705H	O-32-23S-33E	98135	