

DATE IN 3/16/2017	SUSPENSE	ENGINEER LW	LOGGED IN 3/16/2017	TYPE PL	APP NO. PMAM1707557087
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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 _____

- PL 1304
 - EOG Resources, Inc
 7377
 well
 - Ophelia 27# 7084
 30-025-43128
 - Ophelia 7084
 30-025-43396
 - Ophelia 5034
 30-025-43496

[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

Pod
 - Bradley,
 Bonc Spring
 7280
 - WLC-025
 G-095263270
 UPNCH WOLF Spring
 98057

[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.

Stan Wagner

Print or Type Name

Stan Wagner
 Signature

Regulatory Analyst

Title

3/16/17

Date

Stan Wagner@eogresources.com
 e-mail Address

APPLICATION FOR SURFACE POOL COMMINGLING

EOG Resources, Inc. ("EOG") respectfully requests approval to surface pool commingle oil & gas from the following wells:

	API	WELL NAME	LOCATION	POOL CODE/NAME	OIL BPD	GRAVITIES	MSCFPD	BTU
1	30-025-43128	OPHELIA 27 #708H	SWNE-27-26S-33E	[98097] WC-025 G-09 S263327G; UPPER WOLFCAMP	497	46.35	937	1368
2	30-025-43396	OPHELIA 27 #709H	SENE-27-26S-33E	[98097] WC-025 G-09 S253327G; UPPER WOLFCAMP	632	46.35	1053	1368
3	30-025-43496	OPHELIA 27 #503H	SENW-27-26S-33E	[7280] Bradley; Bone Spring	2100*	46.35*	4000*	1368*

*Current values are estimated. EOG will provide actual Gravities, Oil BOPD, BTU, and MSCFPD upon completion of the wells.

GENERAL INFORMATION:

- Multiple Fee Leases cover 960.00 acres, being described as:

Township 26 South, Range 33 East, N.M.P.M.

Section 21: E2SE
Section 22: S2
Section 23: S2SW
Section 26: W2NW
Section 27: N2
Section 28: E2NE

- The central tank battery to service the subject wells is located on SWNE-27-26S-33E in Lea County, New Mexico.
- EOG Resources, Inc. is the only working interest owner in the subject wells.
- The attached map shows the Fee Leases and well locations in Section 27 and Section 22, T26S, R33E, Lea County, New Mexico.

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 low pressure flare meter.

OPHELIA 27 #708H gas allocation meter is an Emerson orifice meter (S/N 67325901)

OPHELIA 27 #709H gas allocation meter is an Emerson orifice meter (S/N 67333202)

OPHELIA 27 #503H gas allocation meter is an Emerson orifice meter (S/N *1111111)

The oil from the separators will be measured using a Coriolis meter.

OPHELIA 27 #708H oil allocation meter is a FMC Coriolis meter (S/N 10-72279)

OPHELIA 27 #709H oil allocation meter is a FMC Coriolis meter (S/N 10-72879)

OPHELIA 27 #503H oil allocation meter is a FMC Coriolis meter (S/N *1111111)

The water will be measured using a turbine meter. The water from each separator is combined in a common header and flows into (4) 500 barrel coated steel tanks. Guided wave radar is used to measure water volumes in these tanks. The oil from each separator will be combined into a common header and flow into a heated horizontal separator (HHS) to aid separation of water entrained in the oil. Water from the heated separator flows into the common water header connected to the (4) 500 barrel water tanks. The water is then pumped and/or trucked to a salt water disposal well. The oil from the heated separator flows through a vapor recovery tower (VRT) where gas is allowed to breakout at a lower pressure, and then the oil flows into (8) 400 barrel coated steel tanks. Guided wave radar is used to measure water and oil volumes in these tanks. Oil is pumped out of the tanks through a Coriolis meter into a truck or a pipeline. Every tank utilizes a guided wave radar to determine the volume of product in each. After the gas from each separator is measured it is combined into a common header. The gas from the heated separator also flows into this header. The gas flows through the header to a custody transfer Emerson orifice meter (# 67333251) 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 and low pressure flare meters (# 67333256 and # 67333257) to the flare. The overhead gas from the vapor recovery tower is compressed by a vapor recovery compressor and then measured by a custody transfer Emerson orifice meter (# 67333286). The gas from the vapor recovery system combines with the gas from the lease production meter and flows into our gas gathering pipeline system.

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

ECONOMIC JUSTIFICATION

Single Well Production

	Well Name	Oil BPD	Gravity	Value/BBL	MCFPD	BTU	Value/MCF
1	Ophelia 27 #708H	497	46.35	\$48.69	937	1368	\$3.01
2	Ophelia 27 #709H	632	46.35	\$48.69	1053	1368	\$3.01
3	Ophelia 27 #503H	2100*	46.35*	\$48.69	4000*	1368*	\$3.01

Combined Production

	Well Name	Oil BPD	Gravity	Value/BBL	MCFPD	BTU	Value/MCF
1	Ophelia 27 East CTB	3229*	46.35*	\$48.69*	5990*	1368*	\$3.01*

*Current values are estimates. EOG will provide actual Gravities, Oil BOPD, BTU, and MCFPD upon completion of the wells.



EOG Resources, Inc.
5509 Champions Drive
Midland, Texas 79706
(432) 686-3600

Date: March 13, 2017
To: State of New Mexico Oil Conservation Division
Re: Surface Pool Commingling Application; Ophelia 27 #708H, #709H, and #503H

To whom it may concern:

This letter serves to notice you that the ownership of the following wells is identical in working interest and royalty interest percentages:

	API	WELL NAME	LOCATION	POOL CODE/NAME
1	30-025-43128	OPHELIA 27 #708H	SWNE-27-26S-33E	[98097] WC-025 G-09 S263327G; UPPER WOLFCAMP
2	30-025-43396	OPHELIA 27 #709H	SENE-27-26S-33E	[98097] WC-025 G-09 S253327G; UPPER WOLFCAMP
3	30-025-43496	OPHELIA 27 #503H	SENW-27-26S-33E	[7280] Bradley; Bone Spring

I certify that this information is true and correct to the best of my knowledge.

EOG Resources, Inc.

By: Gavin Smith

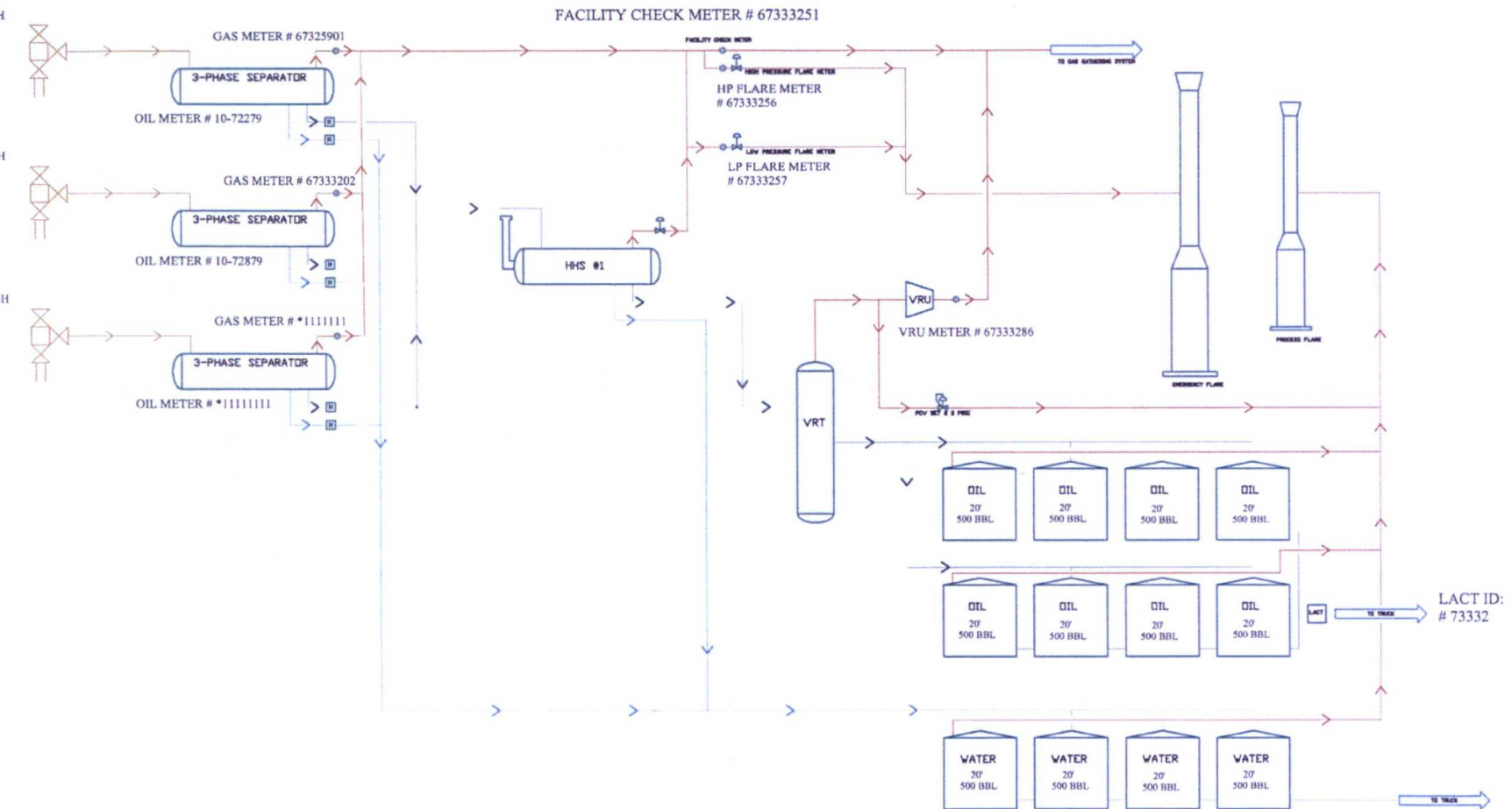
Gavin Smith
Landman

FACILITY NAME: OPHELIA 27 EAST CTB

WELL NAME:
OPHELIA 27 #708H
API NUMBER:
30-025-43128

WELL NAME:
OPHELIA 27 #709H
API NUMBER:
30-025-43396

WELL NAME:
OPHELIA 27 #503H
API NUMBER:
30-025-43496



Gas Orifice Meter






Liquid Meter

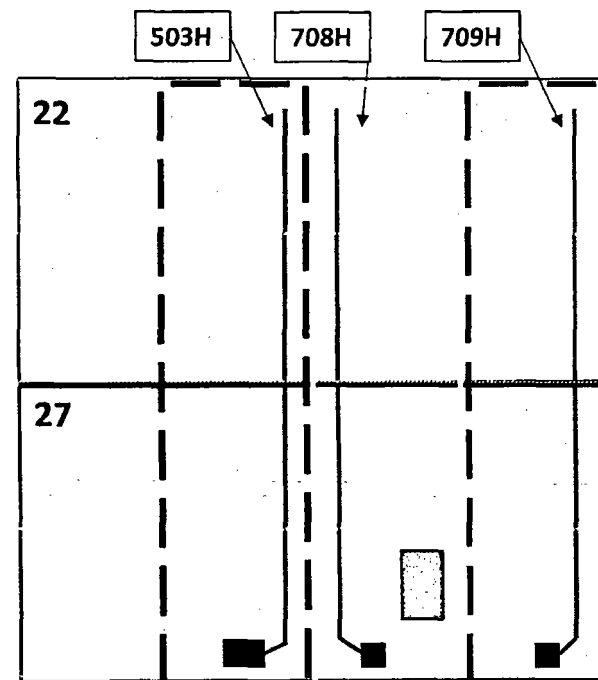
*Test meter numbers will be provided upon installation of meters and completion of the facility.

OPHELIA 27 EAST CTB PROCESS FLOW		
EDG RESOURCES MIDLAND DIVISION	BY: BKM	rev. 00 3/9/2017

OPHELIA 27 WELLS & EAST CTB LOCATION

SECTIONS 22 & 27, T26S, R33E, LEA
COUNTY, NM

-  CTB
-  Fee Lands
-  503H Project Area
-  708H Project Area
-  709H Project Area



District I
1625 N. French Dr., Hobbs, NM 88240
Phone (575) 393-6161 Fax (575) 391-1179
District II
311 S. First St., Artesia, NM 88203
Phone (575) 748-1283 Fax (505) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87414
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) 476-1460

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 30-025- 43396	² Pool Code 98097	³ Pool Name Wc-025 G-09 S263327G; Upper Wolfcamp
⁴ Property Code 39814	⁵ Property Name OPHELIA 27	⁶ Well Number #709H
⁷ OGRID No. 7377	⁸ Operator Name EOG RESOURCES, INC.	⁹ Elevation 3294'

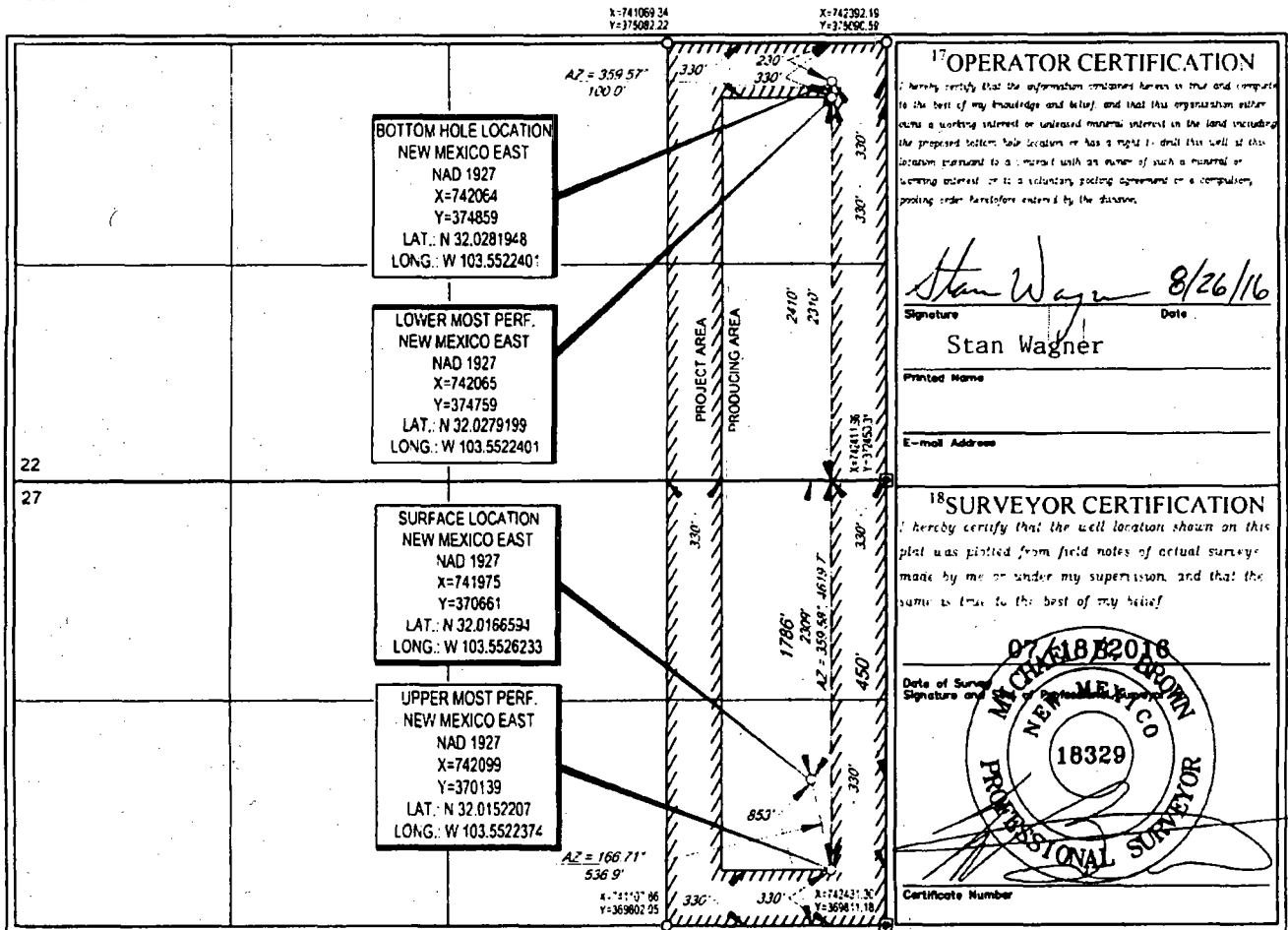
¹⁰Surface Location

U.I. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	27	26-S	33-E	-	1786'	NORTH	450'	EAST	LEA

U.I. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	22	26-S	33-E	-	2426	SOUTH	333	EAST	LEA

¹¹ Dedicated Acres 160.00	¹² Joint or Infill	¹³ Consolidation Code	¹⁴ Order No.
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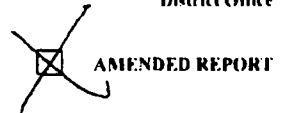
No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



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
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WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-42925 4347A		Pool Code 7280	Pool Name Bradley; Bone Spring
Property Code 39814	Property Name OPHELIA 27		Well Number #503H
OGRID No. 7377	Operator Name EOG RESOURCES, INC.		Elevation 3286'

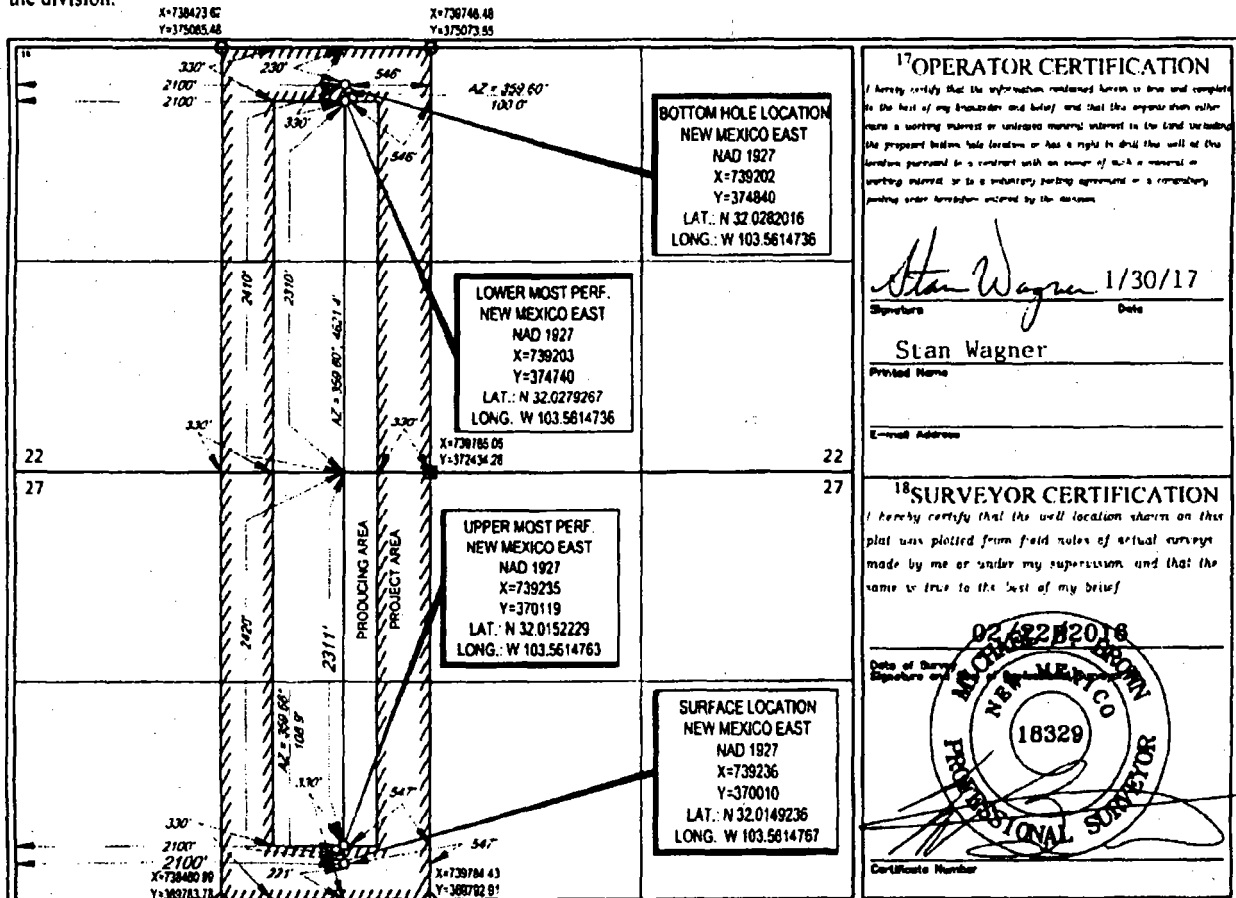
¹⁰Surface Location

U/L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	27	26-S	33-E	-	2420	NORTH	2100'	WEST	LEA

U/L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	22	26-S	33-E	-	2410'	SOUTH	2100'	WEST	LEA

Dedicated Acres 160.00	Joint or Infill	Consolidation Code	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.



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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-	² Pool Code 98097	³ Pool Name WC-025 G-09 S263327G; Upper Wolfcamp
⁴ Property Code 39814	⁵ Property Name OPHELIA 27	⁶ Well Number #708H
⁷ GRID No. 7377	⁸ Operator Name EOG RESOURCES, INC.	⁹ Elevation 3277'

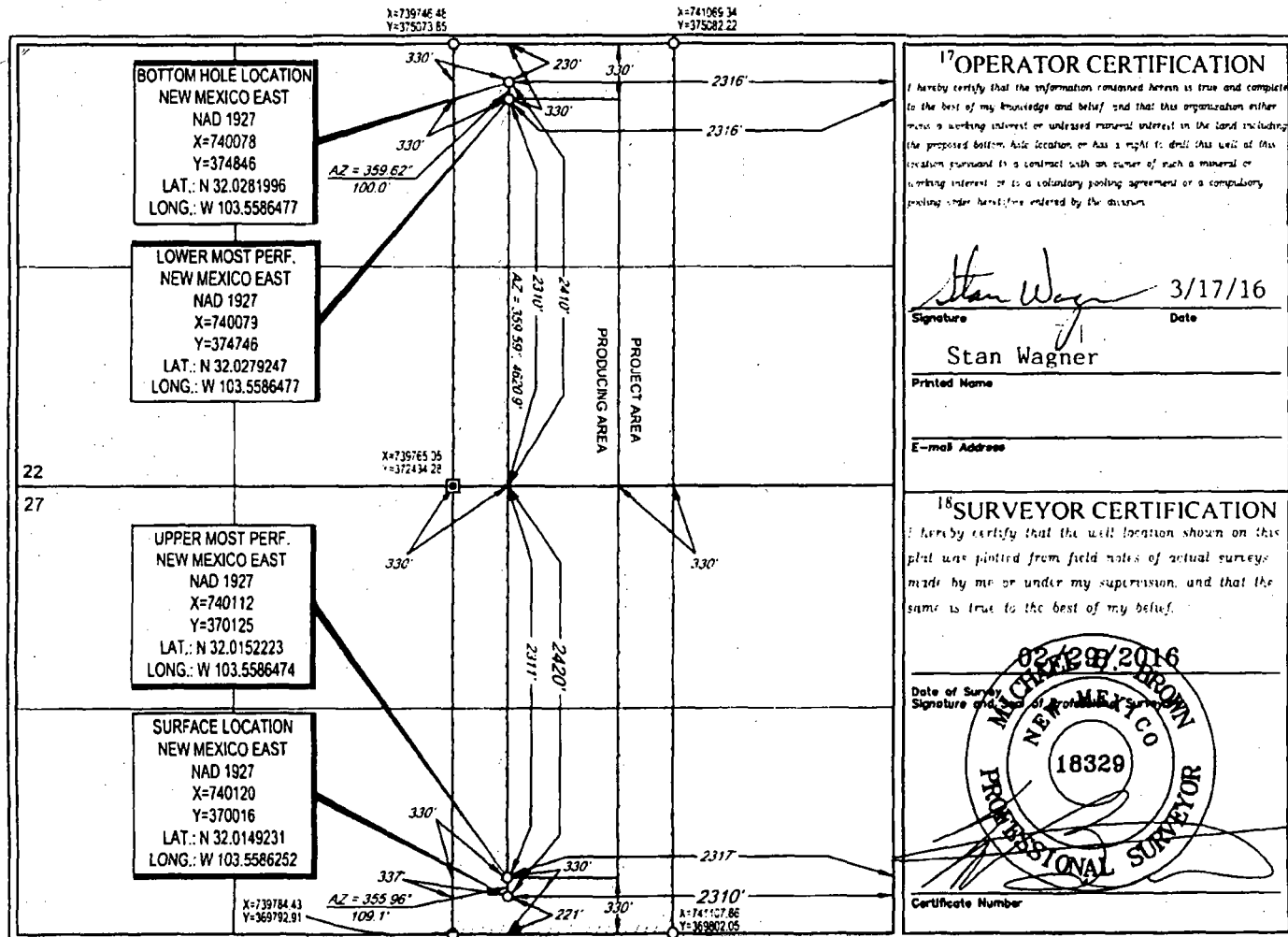
¹⁰Surface Location

¹¹ L. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	27	26-S	33-E	-	2420'	NORTH	2310'	EAST	LEA

¹¹ L. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	22	26-S	33-E	-	2410'	SOUTH	2290	EAST	LEA

¹² Dedicated Acres 160.00	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.



¹⁷OPERATOR 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 undivided 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: *Stan Wagner* Date: 3/17/16
Printed Name: Stan Wagner

E-mail Address

¹⁸SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual survey made by me or under my supervision, and that the same is true to the best of my belief.

Date of Survey: 02/28/2016
Signature: *Michael Brown*
Certificate Number: 18329
Professional Surveyor