Revised March 23, 2017



#### **Ownership Statement**

December 6, 2017

Re: VB-2037 Township 22 South, Range 35 East, NMPM Section 20: W/2, W/2E/2, E/2SE/4, SE/4NE/4 Lea County, New Mexico.

The owners and type of interest owned are set forth in the table below:

Name	Type of Interest
EOG Resources, Inc.	Working Interest
EOG Y Resources, Inc.	Overriding Royalty Interest
EOG A Resources, Inc.	Overriding Royalty Interest
EOG M Resources, Inc.	Overriding Royalty Interest
New Mexico State Land Office	Royalty

Each owner's interest is uniform in all depths of the lease meeting the definition of "Identical ownership" as required by 19.15.12.7(B) NMAC. The above captioned lease is committed to the unapproved Bridge State Unit.

I, Charles Moran, am employed by EOG Resources, Inc. as a Land Advisor and certify this information is current and correct as of the date above.

EOG Resources, Inc.

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Charles Moran Land Advisor.

# APPLICATION FOR SURFACE POOL AND LEASE COMMINGLING

EOG Resources, Inc. respectfully request administrative approval to surface pool and lease commingle oil and gas from the following wells:

	Well Name	Surface Location	API	Pool Code/Name	Status
1.	Bridge State Unit #301H	M-20-22S-35E	30-025-43928	Rock Lake; Bone Spring / 52766	Producing
3	Bridge State Unit #701H	M-20-22S35E	30-025-42859	Rock Lake; Wolfcamp / 52767	Producing

#### LEASE INFORMATION

We plan to surface commingle production from on the wells on the following lease:

 State Lease VB-2037 covers 600.00 acres, being the W/2, W/2E/2, E/2SE/4, SE/4NE/4 of Section 20, Township 22 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Ownership common in the Bone Spring and Wolfcamp formations.

The central tank battery for the aforementioned wells will be located entirely within the boundary of State Lease VB-2037.

### OIL AND GAS METERING / PROCESS AND DESCRIPTION

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.

- 1. Bridge State Unit #301H gas allocation meter is an Emerson orifice meter (S/N 72081005)
- 2. Bridge State Unit #701H gas allocation meter is an Emerson orifice meter (S/N 72081004)

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

- 1. Bridge State Unit #301H oil allocation meter is a FMC Coriolis meter (S/N 10-74359)
- 2. Bridge State Unit #701H oil allocation meter is a FMC Coriolis meter (S/N 10-73163)

The water will be measured using a vortex meter. The water from each separator is combined in a common header and flows into (2) 400 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 (2) 400 barrel water tanks. The water is then pumped and/or trucked to a salt water disposal well. The oil from the heated separator flows into (2) 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 (# 72083007) that serves as our lease production meter. If the pipeline is experiencing problems and cannot take any gas, the gas will flow through the flare meter (# 72087004) to the flare.

## ATTACHEMENTS"

Please find attached a process flow diagram of the central tank battery, a C-102 plat for each of the wells, a landman's statement certifying the ownership of the wells and a plat of wells with surface facilities.

Dittlet I 1625 M. French Dr., Hobbs, NM 88240 Phone, (375) 339-6161 Fas: (375) 393-0720 District II 811 S. Fins St., Artesla, NM 88210 Phone: (375) 748-1283 Fas: (375) 748-9720 District III 1000 NLO Brazon Roed, Arteo, NM 87410 Phone: (305) 334-6178 Fas: (305) 334-6170 District IV 22008, S. Francis Dr., Santo Fd., NAI 87503 Phone: (305) 476-3460 Fas: (305) 476-3462 State of New Mexico Energy, Minerals & Natural Reports Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Sante Fe, NM 87505 CATION ANT

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

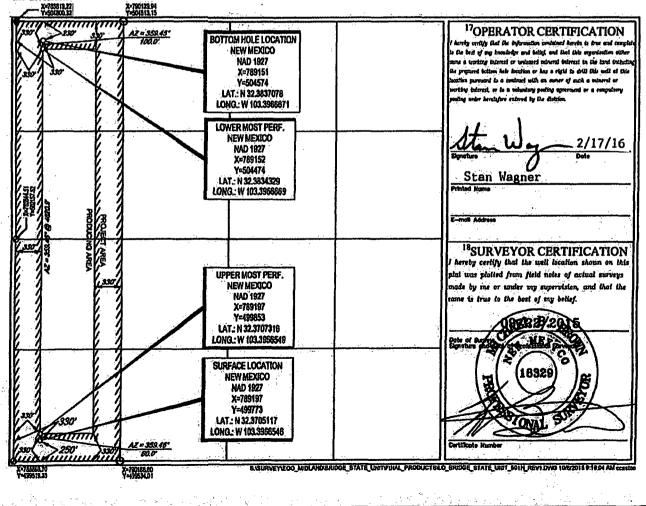
AMENDED REPORT

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#### WELL LOCATION AND ACREAGE DEDICATION PLAT API Number Pool Code Poul Name 30-025-42859 52767 Rock Lake; Wolfcamp Property Name Property Code Well Number 315308 BRIDGE STATE UNIT #701H OGRID No. Operator Name Elevation EOG RESOURCES, INC. 3573' 7377 <sup>10</sup>Surface Location FastAVest lis UL or lot so. Lot Ida Feet from the North/South lin Feet from the County Sectio Towaship Ring 250' SOUTH 330' WEST 20 22-S 35-E LEA M ·----

UL or lat no.	Section	Township	Range	Lot Ida	Feet from the	1	Feet from the	East/West line	County
D	20	22-S	35-E	· <b>-</b> · · · · · · · · ·	230'	NORTH	335	WEST	LEA
<sup>13</sup> Dedicated Acres 160.00	<sup>D</sup> Jolat or 1	nia) <sup>14</sup> Cu	nselidation Co	de BOyd	er 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.



District 1 1623 M. French Dz., Hobbs, NM 85240 Home (775) 393-6161 Part: (575) 393-0720 <u>District 11</u> 811 S. Fient S., Ariesia, NM 82210 Phone: (575) 768-1223 Far: (575) 748-9720 <u>District 111</u> 1000 Rho Brenom Band, Arice, NM 87410 Brown: (503) 214-6112 Far: (503) 14-6120

District 111 1000 Rio Bruros Road, Azica, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

Distin IV 1210 & & Francis Dr., Santo Fo, NA 87503 Phone: (505) 476-3460 Fox: (505) 476-3463

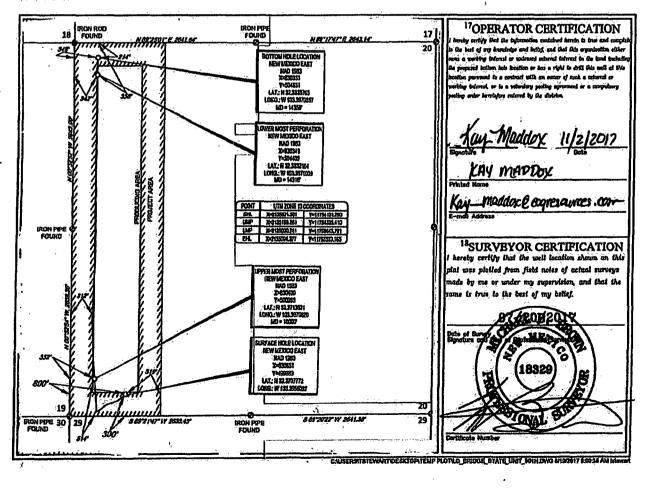
# State of New Mexico HOBBS OCD Energy, Minerals & Natural Resources Department NOV 07 2017 OIL CONSERVATION DIVISION Department 1220 South St. Francis Dr. RECEIVED Sante Fe, NM 87505

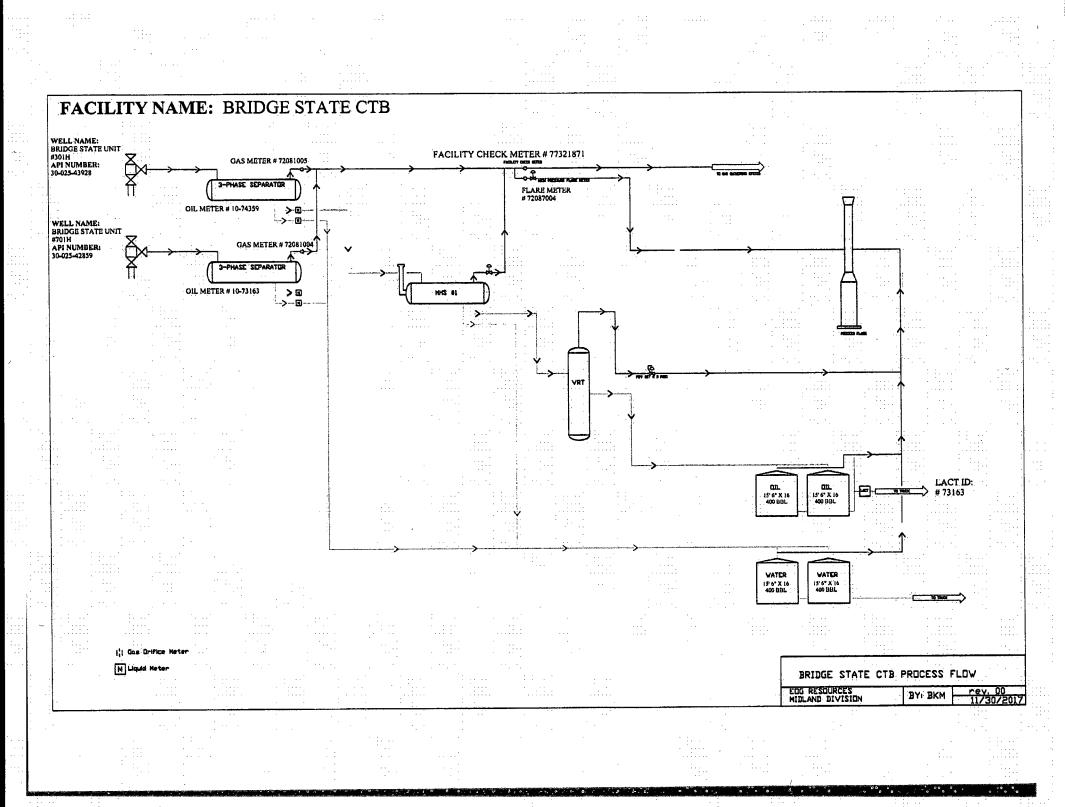
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П AMENDED REPORT

			VELL LO	CATION	AND ACRI	EAGE DEDICA	TION PLAT	<u> </u>	
	5- 43			Pool Code	5	Look Lake	Pool Nan	Spring .	
Property C 31738	Code			BF	Property No RIDGE STAT		- <u></u>		ell Number 1301H
'OGRID 1 7377	Yo.			EOG	Operator Na RESOURC		· · ·		Elevation 3585'
					<sup>10</sup> Surface Lo	cation			
UL or fat na. M	Section 20	Township 22-S	Bange 35-E	Lot Ida —	Feet from the 300"	North/South line SOUTH	Feet from the 800°	East/West Une WEST	County LEA
VL er lot as. D	Section 20	Township 22-S	Range 35-E	Loi Ida	Veet from the 214	North/South line NORTH	Feet from the 348	Rast/West line WEST	County
Dedicated Acres 160.00	<sup>13</sup> Jolat or 1	aun ho	onsolidation Code	"Order ]	ło. **				

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Production Summary Report API: 30-025-42859										
										BRIDGE STATE UNIT #701H
		Production								
Year	Pool	Month	Oil(BBLS)	Gas(MCF)	Water(BBLS)	Days P/I				
2017	[52767] ROCK LAKE;WOLFCAMP	Apr	4207	5003	4343	30				
2017	[52767] ROCK LAKE;WOLFCAMP	May	3935	5717	4433	31				
2017	[52767] ROCK LAKE;WOLFCAMP	Jun	3526	5064	3501	30				
2017	[52767] ROCK LAKE;WOLFCAMP	Jul	3351	4880	3485	31				
2017	[52767] ROCK LAKE;WOLFCAMP	Aug	3209	4830	2923	31				
2017	[52767] ROCK LAKE;WOLFCAMP	Sep	2853	4791	2745	30				
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