

DATE IN 8/2/07	SUSPENSE	W. Jones ENGINEER	LOGGED IN 8/2/07	TYPE DHC 3126	APP NO. P TD 50721451834
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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 _____

[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

[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

Signature

Regulatory Analyst

Title

7/30/07

Date

 e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Arice, 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-107A
Revised June 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE
☒ Single Well
Establish Pre-Approved Pools
EXISTING WELLBORE
☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

EOG Resources, Inc. P.O. Box 2267 Midland, TX 79702
Operator Address
Burnett Oil 24 Fed Com No. 3 K-24-T17S-R30E Eddy
Lease Well No. Unit Letter-Section-Township-Range County
OGRID No. 7377 Property Code 36301 API No. 30-015-35418 Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name Loco Hills	Loco Hills:Atoka		Cedar Lake Morrow
Pool Code	80316		74560
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	10750 - 10755		11116 - 11156
Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	3300 psi est		5200 psi est
Oil Gravity or Gas BTU (Degree API or Gas BTU)	62.4		56.0 est
Producing, Shut-In or New Zone	producing		producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 7/28/07 o/g/w Rates: 64/0/3	Date: Rates:	Date: 7/28/07 o/g/w Rates: 0/2819/0
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas 100 % 0 %	Oil Gas % %	Oil Gas 0 % 100 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes ☒ No ☐
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes ☐ No ☐
Are all produced fluids from all commingled zones compatible with each other? Yes ☒ No ☐
Will commingling decrease the value of production? Yes ☐ No ☒
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands
or the United States Bureau of Land Management been notified in writing of this application? Yes ☒ No ☐
NMOCD Reference Case No. applicable to this well: _____

Attachments:

C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
Production curve for each zone for at least one year. (If not available, attach explanation.)
For zones with no production history, estimated production rates and supporting data.
Data to support allocation method or formula.
Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools
List of all operators within the proposed Pre-Approved Pools
Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Stan Wagner TITLE Regulatory Analyst DATE 7/30/07
TYPE OR PRINT NAME Stan Wagner TELEPHONE NO. (432) 686 3689
E-MAIL ADDRESS _____

DATA SHEET FOR NMOCD DOWNHOLE COMMINGLING

Operator: EOG Resources, Inc. 7377
Attn: Stan Wagner
P.O. Box 2267
Midland, TX 79702
432 686 3689

Lease Name and Well Number Burnett Oil 24 Fed Com 3

- (1) Names and codes of Pools to be commingled:
Undesignated Loco Hills; Atoka (Gas) 80316
Cedar Lake; Morrow (Gas) 74560
- (2) Perforated Pay Intervals:
Atoka 10750' - 10755'
Morrow 11116' - 11156'
- (3) Type of Production:
Atoka - gas
Morrow - gas
- (4) How is each zone being produced ?
New Completions - Plan to flow all zones up common tubing string
- (5) Estimated BHP:
Atoka - 3300 psi **Morrow - 5200 psi**
- (6) API Gravity of each zone:
Atoka - 62.4 **Morrow - 56**
- (7) Production History (attach production curve for each zone):
New Well - No History
- (8) Are Royalty and Working Interests identical with respect to all proposed combined zones in the well ?
Yes
- (9) Will commingling reduce the value of the total remaining production ?
No
- (10) Will cross flow exist ?
No
- (11) Are all produced fluids from all commingled zones compatible with each other ?
Yes
- (12) Is a copy of this application being provided to either the United States Bureau of Land Management or New Mexico Commissioner of Public Lands ?
Yes. BLM

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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 October 12, 2005
Submit to Appropriate District Office
State Lease- 4 Copies
Fee Lease- 3 Copies

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-35418	Pool Code 74560	Pool Name CEDAR LAKE MORROW, Gas
Property Code 36301	Property Name BURNETT OIL 24 FED. COM	Well Number 3
OGRIID No. 7377	Operator Name EOG RESOURCES INC.	Elevation 3690'

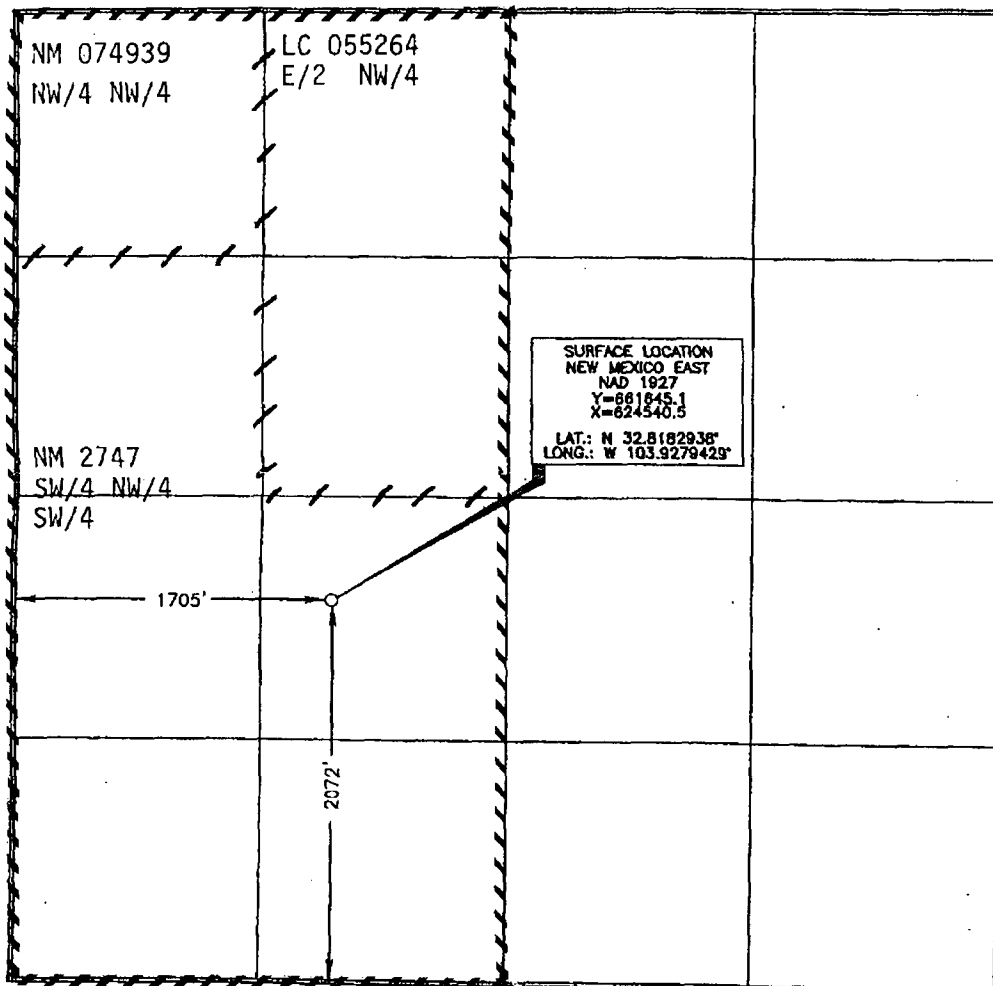
Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	24	17 SOUTH	30 EAST, N.M.P.M.		2072'	SOUTH	1705'	WEST	EDDY

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
Dedicated Acres 320		Joint or Infill	Consolidation Code	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.



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.

Donny G. Glanton 2/9/07
Signature Date
Donny G. Glanton
Printed Name

SURVEYOR CERTIFICATION

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

FEBRUARY 09, 2007
Date of Survey
Signature and Seal of Professional Surveyor
Terry G. Paul 2/9/2007
Certificate Number 15079

WO# 070206WL-a (UL)

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Form C-102
Revised October 12, 2005
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☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-35418	Pool Code 80316	Pool Name Loco Hills; Atoka (Gas)
Property Code 36301	Property Name BURNETT OIL 24 FED. COM	Well Number 3
OGRID No. 7377	Operator Name EOG RESOURCES INC.	Elevation 3690'

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	24	17 SOUTH	30 EAST, N.M.P.M.		2072'	SOUTH	1705'	WEST	EDDY

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

Dedicated Acres 320	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.

<p>NM 074939 NW/4 NW/4</p> <p>NM 2747 SW/4 NW/4 SW/4</p> <p>1705'</p> <p>2072'</p>	<p>LC 055264 E/2 NW/4</p>	<p>SURFACE LOCATION NEW MEXICO EAST NAD 1987 Y=861845.1 X=624340.3 LAT.: N 32.8182938° LONG.: W 103.9279429°</p>	<p>OPERATOR CERTIFICATION</p> <p>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.</p> <p><i>Donny G. Glanton</i> 2/9/07 Signature Date</p> <p>Donny G. Glanton Printed Name</p>
	<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of a legal survey made by me or under my supervision and that the same is true and correct to the best of my belief.</p> <p>FEBRUARY 09, 2007 Date of Survey</p> <p><i>Terry G. Reed</i> 2/9/2007 Signature and Seal of Professional Surveyor</p> <p>Certificate Number 15079</p>		