

DATE 1/14/04	SUSPENSE 2/02/04	ENGINEER DRL	LOGGED IN LR	TYPE DHC	APP NO. PLR0401528749
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NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



JAN 14 2004

CONSERVATION
DIVISION

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]

3234

[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

Stan Wagner
Signature

Regulatory Analyst

Title

1/8/04

Date

stan_wagner@eogresources.com
e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240

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1301 W. Grand Avenue, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
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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
Lease Well No. Unit Letter-Section-Township-Range County
West Corbin Federal 8 C, 17, T-18-S, R-33-E Lea
OGRID No. 7377 Property Code 25586 API No. 025-29783 Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	<i>Correct</i> S. Corbin; BS		S. Corbin; Wolf
Pool Code	13160		13320
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	7140-7184		10720-11360
Method of Production (Flowing or Artificial Lift)	Pump		Pump
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)	1000 psi		1200 psi
Oil Gravity or Gas BTU (Degree API or Gas BTU)	38°		40°
Producing, Shut-In or New Zone	Shut In		Shut In
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: 7/10/90 Rates: <i>600</i> 10/8/110	Date: Rates:	Date: 7/3/90 Rates: <i>600</i> 11/15/3
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil 48 % Gas <i>35</i> % <i>91</i>	Oil % Gas %	Oil 52 % Gas <i>65</i> % <i>91</i>

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 1/8/04
TYPE OR PRINT NAME Stan Wagner TELEPHONE NO. (432) 686 3689
E-MAIL ADDRESS stan_wagner@eogresources.com

WEST CORBIN FEDERAL NO.8 - COMMINGLING APPLICATION

- 1) Pool Codes: Corbin South Wolfcamp - 13320
Corbin South Bone Spring - 13160
- 2) Pay Intervals: Wolfcamp 10720 to 11360
Bone Spring 7140 to 7184
- 3) Type of Production: Wolfcamp – oil
Bone Spring - oil
- 4) Each zone was / is being rod pumped. .
- 5) Estimated BHP: a) Wolfcamp - 1200 psi
Bone Spring- 1000 psi
b) oil zones
- 6) API Gr.: Wolfcamp - 40
Bone Spring - 38
- 7) a)
The Wolfcamp was TA'ed via CIBP @ 10000' on 7/03/90.

The Bone Spring was production tested 7/10/90 and determined to be uneconomic.
b)
EOG Resources acquired this SI wellbore via trade from Burlington Resources. With current oil and gas prices, EOG believes we can now produce both zones effectively at commercial rates by rod pumping below the perforations.
c)
Wolfcamp Production: SI – 7/03/90
11 BOPD / 15 MCFPD / 3 BWPD
d)
The Bone Spring was production tested 7/10/90.
IPP: 10 BOPD / 8 MCFPD / 110 BWPD
Current Production (12/22/03): SI
- 8) The Wolfcamp's production should be held constant from its rate at the time of shut-in as the Wolfcamp's late time production curve is essentially flat compared to the Bone Spring.
- 9) NA
- 10) a) The ownership is common as to the Wolfcamp and Bone Spring

b) NA

c) Offset Operators:

Devon Energy Corp. (sec.8)

Read & Stevens Inc. (sec.21)

Saga Petroleum Limited (sec.9)

Tipton Oil & Gas Acquisitions (sec.9)

- 11) a) Cross-flow will not occur as the well will be rod pumped below the lowest Wolfcamp perforation. The pumping equipment will be designed to keep the well at a pumped-off state.

b) Should cross-flow occur, the formation fluids of both zones are very similar and will not damage or adversely effect the ultimate recovery.
- 12) The East Corbin Delaware Unit utilizes the produced water from offset Bone Spring and Wolfcamp wells for secondary recovery with no unusual effects.
- 13) Commingling production will allow returning this SI wellbore back to production.

* No production curve enclosed for the Bone Spring due to lack of data. *

Offset Operator Notification List

Devon Energy Production Co.
20 North Broadway, Ste. 1500
Oklahoma City, OK 73102

Read & Stevens Inc.
P.O. Box 1518
Roswell, NM 88201

Saga Petroleum LLC
415 West Wall, Ste. 1900
Midland, TX 79701

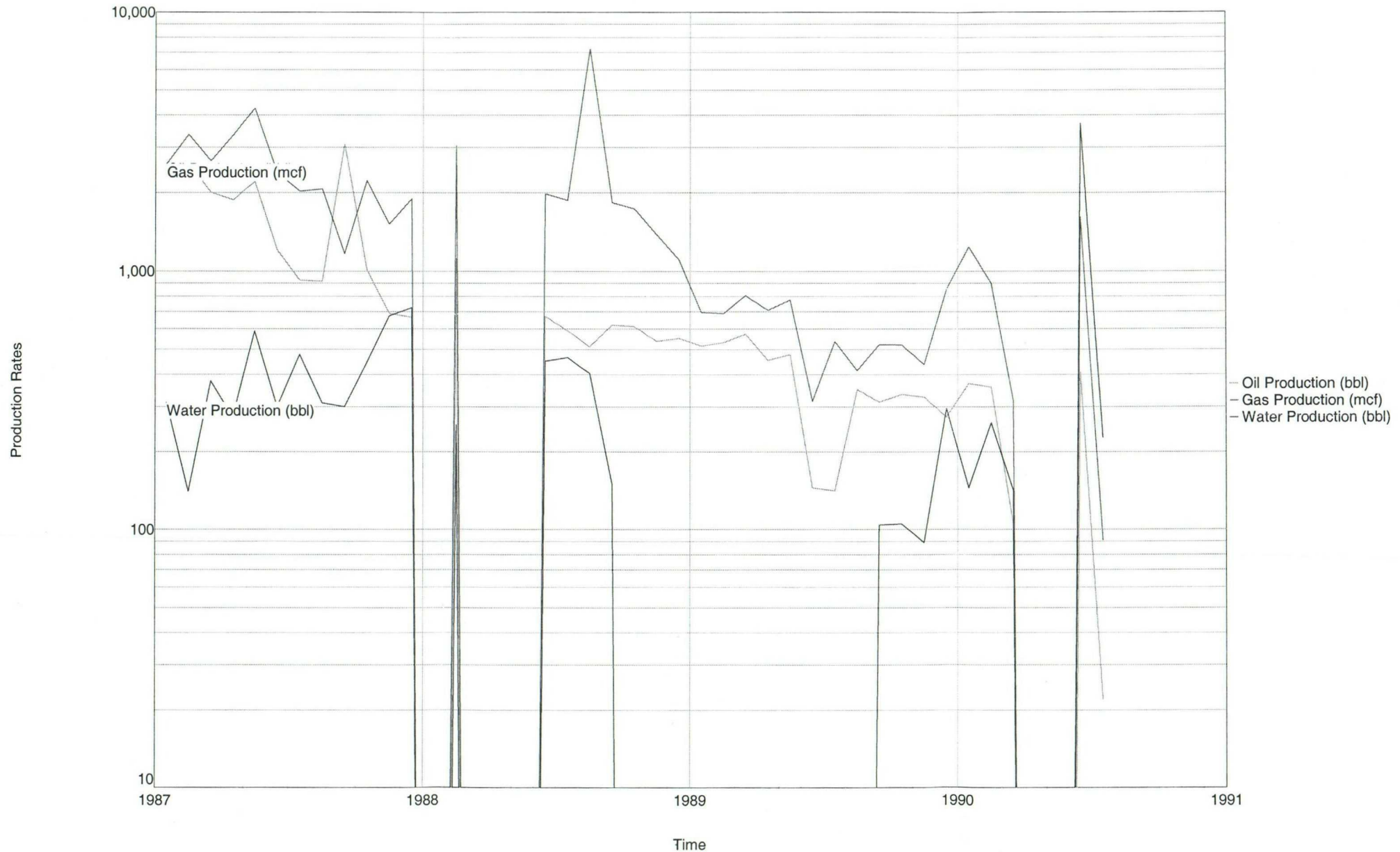
Tipton Oil & Gas Acquisitions, Inc.
P.O. Box 1234
Lovington, NM 88260

Working Interest Notification:

RKC Inc.
7029 E. Briarwood Circle
Englewood, CO 80112

Lease Name: WEST CORBIN FEDERAL
County, State: LEA, NM
Operator: EOG RESOURCES INCORPORATED
Field: CORBIN SOUTH
Reservoir: WOLFCAMP
Location: 17 18S 33E NE NW

WEST CORBIN FEDERAL - CORBIN SOUTH



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OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-29783	² Pool Code 13160	³ Pool Name Corbin; Wolfcamp, South
⁴ Property Code 25586	⁵ Property Name West Corbin Federal	⁶ Well Number 8
⁷ OGRID No. 7377	⁸ Operator Name EOG Resources, Inc.	⁹ Elevation

¹⁰ Surface Location

UL or lot no. C	Section 17	Township 18S	Range 33E	Lot Idn	Feet from the 660	North/South line North	Feet from the 1980	East/West line West	County Lea
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¹¹ 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
¹² Dedicated Acres 80	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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

¹⁶ 	¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i> Signature Stan Wagner Printed Name Regulatory Analyst Title and E-mail Address 1/8/04 Date			
	¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i>			
	Date of Survey Signature and Seal of Professional Surveyor:			
	Certificate Number			

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¹⁰ **Surface Location**

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¹¹ **Bottom Hole Location If Different From Surface**

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¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

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	Date of Survey Signature and Seal of Professional Surveyor:	
	Certificate Number	