

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTNMOCD
Hobbs
FEB 09 2017
RECEIVEDFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM122622
2. Name of Operator EOG RESOURCES, INC.		6. If Indian, Allottee or Tribe Name
3a. Address P.O. BOX 2267 MIDLAND, TX 79702		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 432-686-3689		8. Well Name and No. OPHELIA 27 FED COM 704H
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 27 T26S R33E Mer NMP SWNW 2470FNL 800FWL		9. API Well No. 30-025-43493
		10. Field and Pool or Exploratory Area WC-025 S263327G UPPER WC
		11. County or Parish, State LEA COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Surface Commingling
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

EOG Resources requests surface pool/lease commingling and off-lease measurement for the Federal Lease # NMNM-122622

Ophelia 27 Fed Com 704H 30-025-43493 (98097) WC-025 S263327G Upper Wolfcamp
Ophelia 27 Fed Com 705H 30-025-43494 (98097) WC-025 S263327G Upper Wolfcamp
Ophelia 27 Fed Com 706H 30-025-43495 (98097) WC-025 S263327G Upper Wolfcamp
Ophelia 27 Fed Com 707H 30-025-43496 (98097) WC-025 S263327G Upper Wolfcamp

Surface Commingling details are attached.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct. Electronic Submission #361313 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Hobbs Committed to AFMS for processing by DEBORAH MCKINNEY on 01/17/2017	
Name (Printed/Typed) STAN WAGNER	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 12/19/2016
THIS SPACE FOR FEDERAL OR STATE OFFICE USE	
Approved By _____	Title _____ Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

KE

APPLICATION FOR SURFACE POOL/LEASE COMMINGLING & OFF LEASE MEASUREMENT

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

	API	WELL NAME	WELL #	LOCATION	POOL CODE/NAME	STATUS	*OIL API/BOPD	*GAS BTU/MCFPD
1	30-025-43493	OPHELIA 27 FED COM	#704H	NW-27-26S-33E	[98097] WC-025 G-09 S263327G; UPPER WOLFCAMP	PERMITTED	46.1/2,100	1,368/4,000
2	30-025-43494	OPHELIA 27 FED COM	#705H	NW-27-26S-33E	[98097] WC-025 G-09 S263327G; UPPER WOLFCAMP	PERMITTED	46.1/2,100	1,368/4,000
3	30-025-43495	OPHELIA 27 FED COM	#706H	NW-27-26S-33E	[98097] WC-025 G-09 S263327G; UPPER WOLFCAMP	PERMITTED	46.1/2,100	1,368/4,000
4	30-025-43496	OPHELIA 27 FED COM	#707H	NW-27-26S-33E	[98097] WC-025 G-09 S263327G; UPPER WOLFCAMP	PERMITTED	46.1/2,100	1,368/4,000

Federal Lease Number: NMNM-122622

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

GENERAL INFORMATION:

- Multiple Fee leases cover 960 acres, being E2SE section 21, S2 section 22, S2SW section 23, W2NW section 26, N2 section 27, E2NE section 28, all in T26S-R33E, Lea County, New Mexico.
- Federal lease NM-122622 covers 1,640 acres, being the NW section 22, E2, N2NW, SWNW, N2SW section 23, E2 section 24, and all section 25, all in T26S-R33E, Lea County, New Mexico and has a base lease royalty of 12.5%.
- W2NW section 22-26S-33E from NMNM-122622 and the W2SW section 22 and W2NW section 27, all in T26S-R33E, from multiple fee leases will be communitized for the Wolfcamp formation. A Fee/Fed form of communitization will be submitted to the Bureau of Land Management for approval.
- E2NW section 22-26S-33E from NMNM-122622 and the E2SW section 22 and E2NW section 27, all in T26S-R33E, from multiple fee leases will be communitized for the Wolfcamp formation. A Fee/Fed form of communitization will be submitted to the Bureau of Land Management for approval.
- The central tank battery to service the subject wells is located on NWNW-27-26S-33E of Fee Leasehold.
- EOG Resources, Inc. and Dorchester Operating, L.P. are the only working interest owners in the subject wells and the other owners of the royalty are the United States of America and various fee mineral owners.
- Ownership between the four wells and their respective project areas is identical.
- The attached notice letter has been mailed to all Working interest, Overriding royalty interest and mineral interest owners in the leases. An application to commingle production from the subject wells is being submitted to the BLM and the NMOCD.
- Enclosed herewith is (1) a map that displays the leases, the location of the subject wells, and the proposed CTB, (2) a process flow diagram, (3) the C-102 plat for each of the wells, and (4) the serial register page for NMNM-122622.

OIL AND GAS METERING AND 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 FED COM #704H gas allocation meter is an Emerson orifice meter (S/N *1111111)
OPHELIA 27 FED COM #705H gas allocation meter is an Emerson orifice meter (S/N *1111111)
OPHELIA 27 FED COM #706H gas allocation meter is an Emerson orifice meter (S/N *1111111)
OPHELIA 27 FED COM #707H 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 FED COM #704H oil allocation meter is a FMC Coriolis meter (S/N *1111111)
OPHELIA 27 FED COM #705H oil allocation meter is a FMC Coriolis meter (S/N *1111111)
OPHELIA 27 FED COM #706H oil allocation meter is a FMC Coriolis meter (S/N *1111111)
OPHELIA 27 FED COM #707H 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) 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 (4) 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 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 (# *1111111) 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 (# *1111111 and # *1111111) 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 (# *1111111). 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.



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

Date: December 15, 2016
To: State of New Mexico Oil Conservation Division
Re: Surface Pool/Lease Commingling Application; Ophelia 27 Fed Com #s
704H, 705H, 706H, 707H

To whom it may concern:

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

	API	WELL NAME	WELL #	LOCATION	POOL CODE/NAME
1	30-025-43493	OPHELIA 27 FED COM	#704H	4-36-26S-33E	[98097] WC-025 G-09 S263327G; UPPER WOLFCAMP
2	30-025-43494	OPHELIA 27 FED COM	#705H	4-36-26S-33E	[98097] WC-025 G-09 S263327G; UPPER WOLFCAMP
3	30-025-43495	OPHELIA 27 FED COM	#706H	3-36-26S-33E	[98097] WC-025 G-09 S263327G; UPPER WOLFCAMP
4	30-025-43496	OPHELIA 27 FED COM	#707H	3-36-26S-33E	[98097] WC-025 G-09 S263327G; UPPER WOLFCAMP

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

EOG Resources, Inc.

By: Gavin Smith

Gavin Smith
Landman

ECONOMIC JUSTIFICATION

Single Well Production

Federal Lease NMNM-122622 Royalty Rate: 12.5%

	Well Name	*Oil BPD	*Gravity	*Value/BBL	*MCFPD	*BTU	*Value/MCF
1	Ophelia 27 Fed Com #704H	2,100	46.1	\$50.42	4,000	1,368	\$3.49
2	Ophelia 27 Fed Com #705H	2,100	46.1	\$50.42	4,000	1,368	\$3.49
3	Ophelia 27 Fed Com #706H	2,100	46.1	\$50.42	4,000	1,368	\$3.49
4	Ophelia 27 Fed Com #707H	2,100	46.1	\$50.42	4,000	1,368	\$3.49

Combined Production

Federal Lease NMNM-122622 Royalty Rate: 12.5%

	Well Name	*Oil BPD	*Gravity	*Value/BBL	*MCFPD	*BTU	*Value/MCF
1	Ophelia 27 West CTB	8,400	46.1	\$50.42	16,000	1,368	\$3.49

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

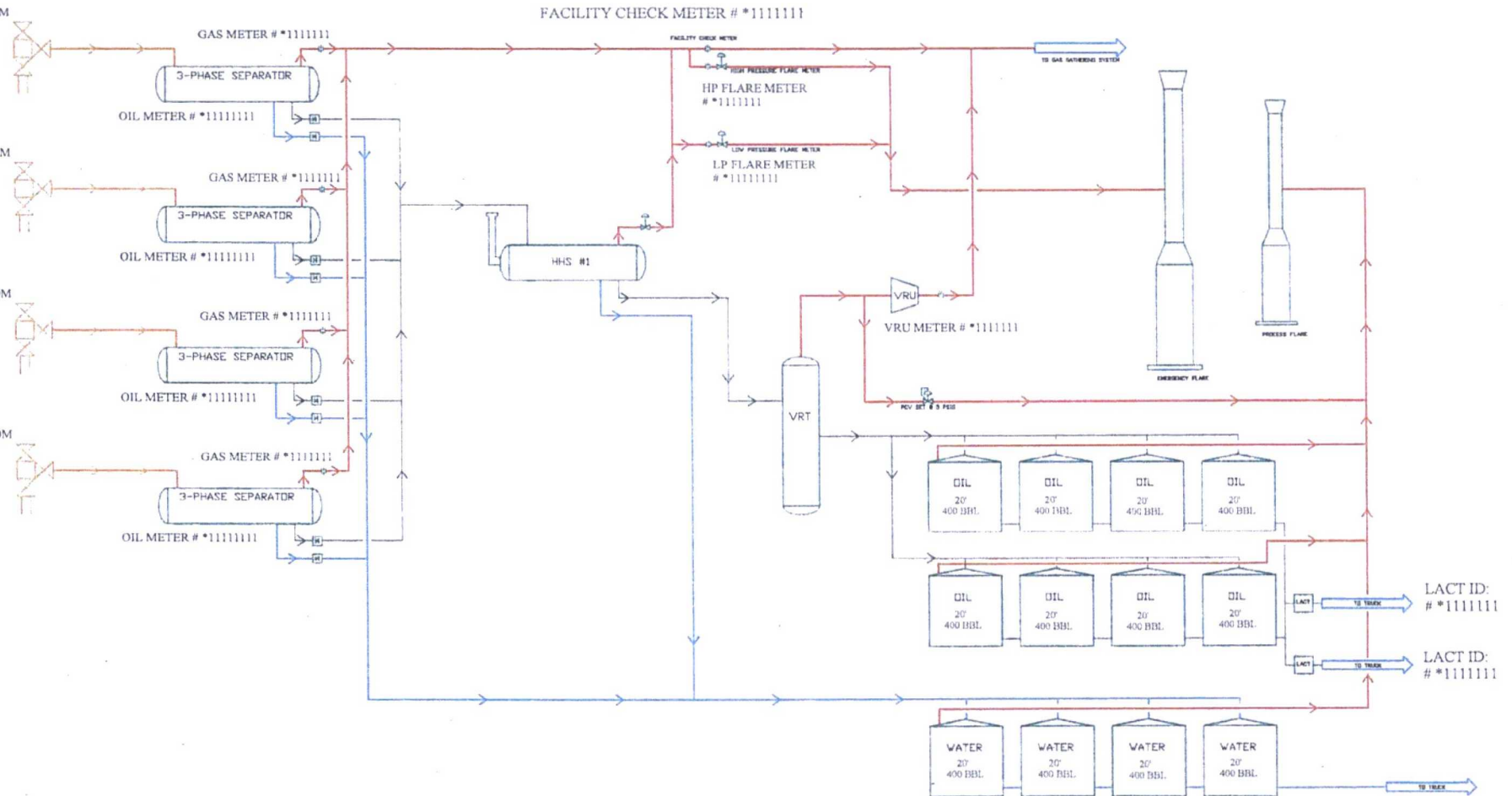
FACILITY NAME: OPHELIA 27 WEST CTB

WELL NAME:
OPHELIA 27 FED COM
#704H
API NUMBER:
30-025-43493

WELL NAME:
OPHELIA 27 FED COM
#705H
API NUMBER:
30-025-43494

WELL NAME:
OPHELIA 27 FED COM
#706H
API NUMBER:
30-025-43495

WELL NAME:
OPHELIA 27 FED COM
#707H
API NUMBER:
30-025-43496



Gas Orifice Meter

Liquid Meter

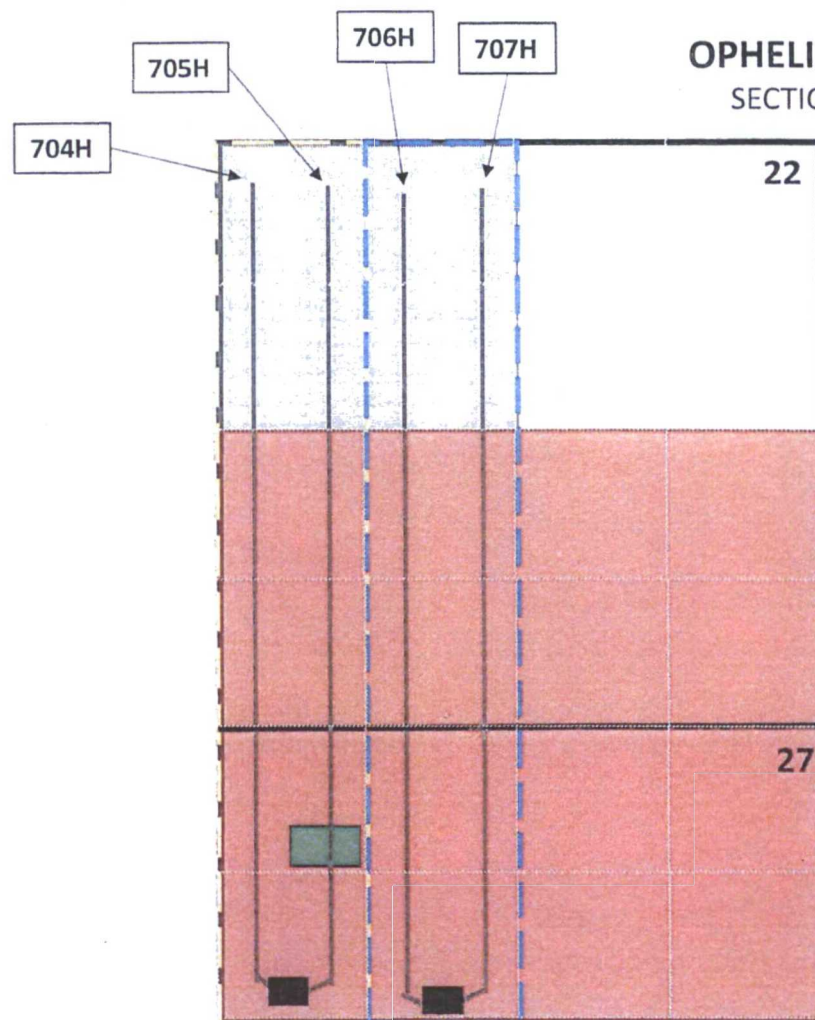
*Test meter numbers will be provided upon installation of meters and completion of the facility.

OPHELIA 27 WEST CTB PROCESS
FLOW

EDG RESOURCES
MIDLAND DIVISION

BY: DWH

rev. 00
12/14/2016



OPHELIA FED COM WELLS & CTB LOCATION

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

- CTB
- NM 122622
- Fee Leases
- *704H/705H comm
- *706H/707H comm

*submitted to
NMSLO and BLM

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
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) 476-3452

State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

HOBBS OGD

FEB 09 2017

RECEIVED

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- 43493		² Pool Code 98097	³ Pool Name WC-025 G-09 S263327G; Upper Wolfcamp
⁴ Property Code 317/44	⁵ Property Name OPHELIA 27 FED COM		⁶ Well Number #704H
⁷ OGRID No. 7377	⁸ Operator Name EOG RESOURCES, INC.		⁹ Elevation 3262'

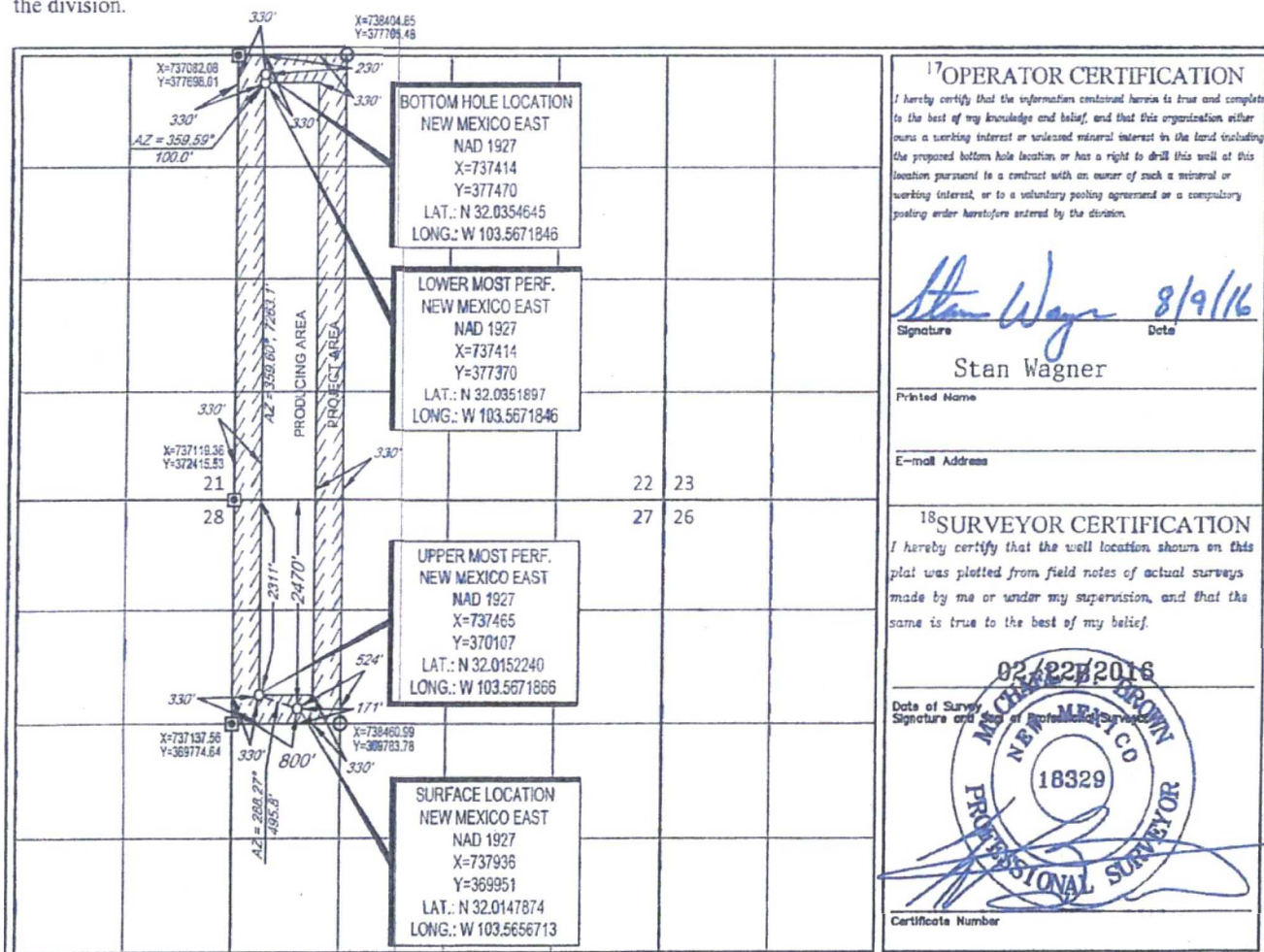
¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	27	26-S	33-E	-	2470'	NORTH	800'	WEST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	22	26-S	33-E	-	230'	NORTH	330'	WEST	LEA

¹¹ Dedicated Acres 240.00	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.



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.

Stan Wagner 8/9/16
Signature Date

Stan Wagner

Printed Name

E-mail Address

¹⁸SURVEYOR CERTIFICATION

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 this same is true to the best of my belief.

02/22/2016
Date of Survey
Signature and Seal of Professional Surveyor
MICHAEL BROWN
NEW MEXICO
18329
PROFESSIONAL SURVEYOR
Certificate Number

District I
1625 N French Dr., Hobbs, NM 88240
Phone: (505) 393-6161 Fax: (505) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (505) 748-1283 Fax: (505) 748-9720
District III
1000 Rio Brazos Road, Artesia, NM 88210
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) 476-3462

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- 43494	² Pool Code 98097	³ Pool Name WC-025 G-09 S263327G; Upper Wolfcamp
⁴ Property Code 317144	⁵ Property Name OPHELIA 27 FED COM	⁶ Well Number #705H
⁷ OGRID No. 7377	⁸ Operator Name EOG RESOURCES, INC.	⁹ Elevation 3262'

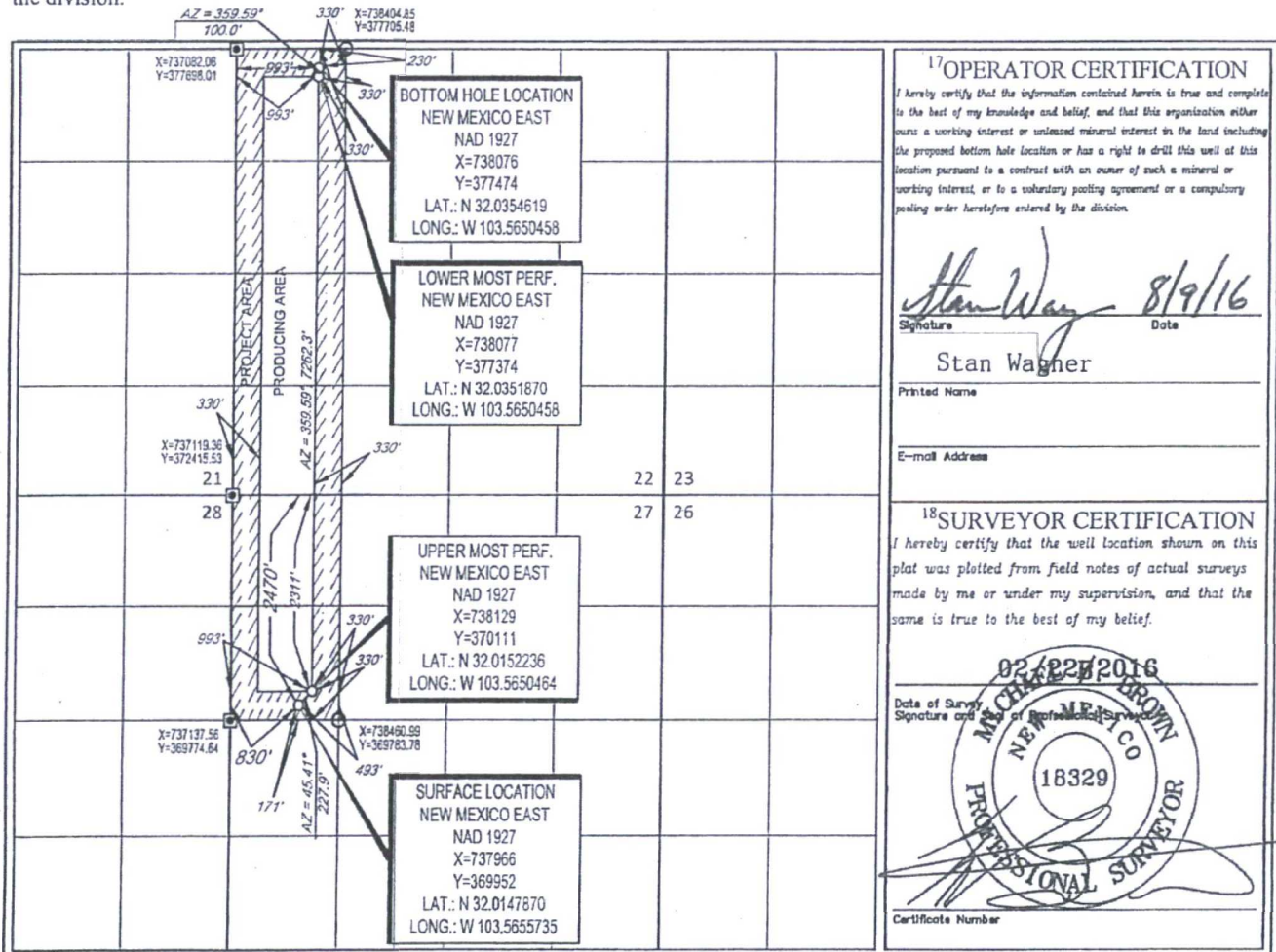
¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	27	26-S	33-E	-	2470'	NORTH	830'	WEST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	22	26-S	33-E	-	230'	NORTH	993'	WEST	LEA

¹² Dedicated Acres 240.00	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.



Y:\SURVEY\EGG_MIDI\ANDOPHELIA 27\FINAL PRODUCTS\O OPHELIA 27\FEDCOM 70SH REV1.DWG 5/13/2016 9:39:52 AM Istewal

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
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District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

HOBBS OCD
FEB 09 2017
RECEIVED

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- 43496	² Pool Code 98097	³ Pool Name WC-025 G-09 S263327G; Upper Wolfcamp
⁴ Property Code 317144	⁵ Property Name OPHELIA 27 FED COM	⁶ Well Number #707H
⁷ OGRID No. 7377	⁸ Operator Name EOG RESOURCES, INC.	⁹ Elevation 3266'

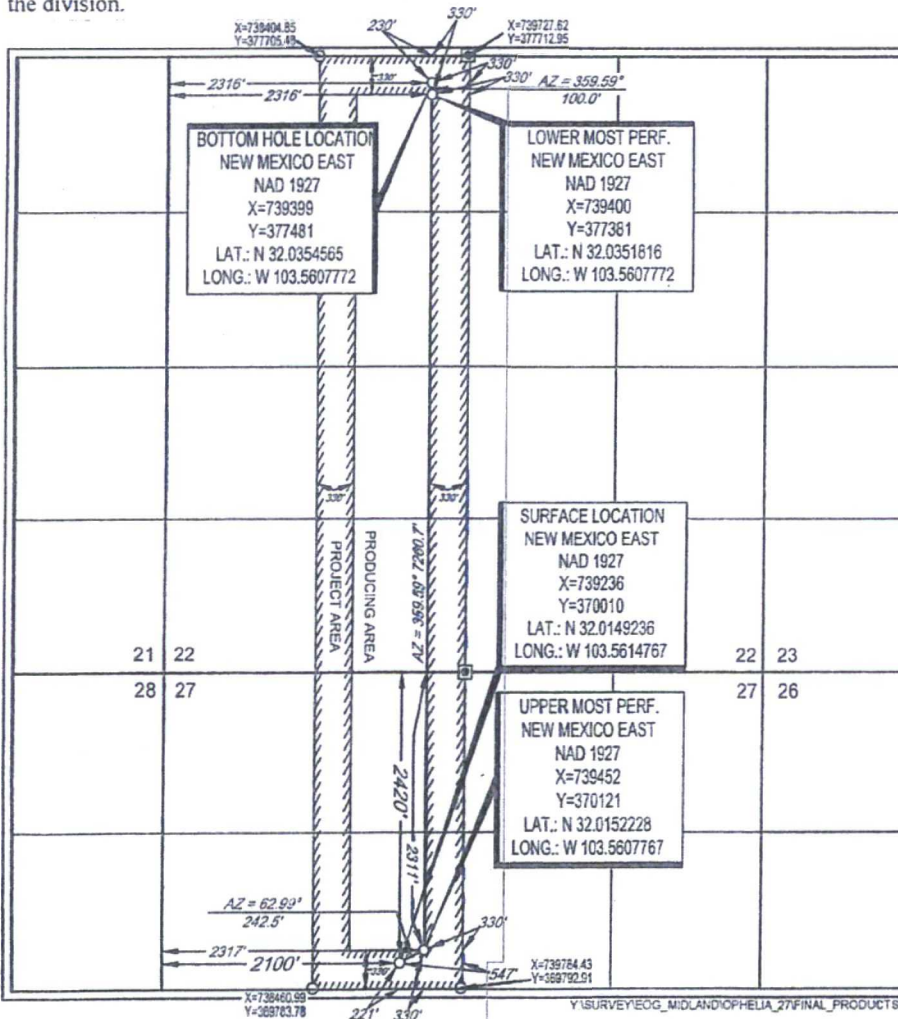
¹⁰Surface Location

UL 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

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	22	26-S	33-E	-	230'	NORTH	2316'	WEST	LEA

¹² Dedicated Acres 240.00	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.



17 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.

Stan Wagner 8/9/16
Signature Date
Stan Wagner
Printed Name
E-mail Address

18 SURVEYOR CERTIFICATION
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 to the best of my belief.

02/22/2016
Date of Survey
Signature and Seal of Professional Surveyor
NEW MEXICO
PROFESSIONAL SURVEYOR
18329
Certificate Number



HOBBS OCD
FEB 09 2017
RECEIVED

5509 Champions Dr., Midland, Texas 79706
Phone: (432) 686-3720 Fax: (432) 686-6961

December 16, 2016

Interest Owners (See Attached)

Re: Application for Surface Lease Comingling
Ophelia 27 Fed Com #704H-#707H
Sections 22 and 27, T26S, R33E
Lea County, New Mexico

Gentlemen,

Please allow this letter to serve as notice that EOG Resources, Inc. ('EOG') is filing an application with the Bureau of Land Management ('BLM') and the New Mexico Oil Conservation Division ('NMOCD') seeking approval for surface lease comingling for the subject wells. The interest owned by the parties on the attached list in each of the subject wells is identical.

A copy of EOG's application submitted to the BLM and NMOCD is attached for your convenience.

Any objections regarding this application must be submitted to the New Mexico Oil Conservation Division Santa Fe office within 20 days from the date of this letter.

Should you have any questions or concerns, please do not hesitate to contact the undersigned by email at gavin_smith@eogresources.com or by phone at 432-686-3720.

Thank you in advance for your early and favorable attention to this matter.

Sincerely,

EOG Resources, Inc.

A handwritten signature in blue ink that reads "Gavin Smith".

Gavin Smith, RPL
Landman

Owner Name	Address	City, State, ZIP	Certified Mail Article Number
Zane Kiehne	1501 Mary St.	Pecos, TX 79772	7016 1970 0001 0518 5111
Lela Ellen Madera	187 George Srait	Canyon Lake, TX 78133	7016 1970 0001 0518 5128
Katherine Ross Madera Sharbutt	P.O. Box 443	Manhattan, MT 59741-0443	7016 1970 0001 0518 5135
Ross E. Easterling, Jr.	711 West Bullock	Artesia, NM 88210	7016 1970 0001 0518 5142
Elizabeth L. Rectenwald	5320 Sandywood Ct.	Carmichael, CA 95608	7016 1970 0001 0518 5159
Oscura Resources, Inc.	P.O. Box 2292	Roswell, NM 88202-2292	7016 1970 0001 0518 5166
Raymond F. Fort	P.O. Box 65043	Lubbock, TX 79464	7016 1970 0001 0518 5173
Debra Kay Primera	P.O. Box 28504	Austin, TX 78755	7016 1970 0001 0518 5180
Robert Mitchell Raindl	P.O. Box 853	Tahoka, TX 79373	7016 1970 0001 0518 5197
Ricky D. Raindl	P.O. Box 142454	Irving, TX 75014-2454	7016 1970 0001 0518 5203
Bennett T. Easterling	P.O. Box 188	Quemado, NM 87829-0188	7016 1970 0001 0518 5210
Lance S. Easterling	522 Harbert Street	Columbus, TX 78934	7016 1970 0001 0518 5227
Susan Swaim	P.O. Box 1014	Truth or Consequences, NM 87901	7016 1970 0001 0518 5234
Nail Bay Royalties, LLC	P.O. Box 671099	Dallas, TX 75367-1099	7016 1970 0001 0518 5241
Dorchester Minerals Operating, LP	3838 Oak Lawn Avenue, Suite 300	Dallas, TX 75219	7016 1970 0001 0518 5258
Maner B. Shaw	310 West Wall St., Suite 305	Midland, TX 79701	7016 1970 0001 0518 5265
James R. Smith and wife, Kendall Smith	P.O. Box 50601	Midland, TX 79710	7016 1970 0001 0518 5272
Transcendent Oil & Gas Properties, L.L.C.	4425 98th St., Suite 200	Lubbock, TX 79427	7016 1970 0001 0518 5289
J&F Investments, L.L.C.	P.O. Box 2702	Roswell, NM 88202	7016 1970 0001 0518 5296
Chad Barbe and wife, Marci Barbe	P.O. Box 2107	Roswell, NM 88202	7016 1970 0001 0518 5302
Kenneth Barbe, Jr., and wife, Teresa Barbe	P.O. Box 2107	Roswell, NM 88202	7016 1970 0001 0518 5319

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

Run Time: 08:52 AM

Page 1 of 2

Run Date: 12/15/2016

01 12-22-1987;101STAT1330;30USC181 ET SE

Total Acres

Serial Number

Case Type 312021: O&G LSE COMP PD -1987

1,640.000

NMNM-- - 122622

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED

Serial Number: NMNM-- - 122622

Name & Address			Int Rel	% Interest
EOG RESOURCES INC	PO BOX 2267	MIDLAND TX 79702	OPERATING RIGHTS	0.000000000
EOG RESOURCES INC	PO BOX 2267	MIDLAND TX 797022267	LESSEE	100.000000000

Serial Number: NMNM-- - 122622

Mer Twp	Rng	Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23	02605	0330E	022	ALIQ	NW;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	02605	0330E	023	ALIQ	E2,N2NW,SWNW,N2SW;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	02605	0330E	024	ALIQ	E2;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	02605	0330E	025	ALL	ENTIRE SECTION	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT

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Act Date	Code	Action	Action Remark	Pending Office
02/26/2009	387	CASE ESTABLISHED	200904033;	
04/07/2009	299	PROTEST FILED	W ENVR LAW CENTER	
04/22/2009	143	BONUS BID PAYMENT RECD	\$3280.00;	
04/22/2009	191	SALE HELD		
04/22/2009	267	BID RECEIVED	\$147600.00;	
05/01/2009	143	BONUS BID PAYMENT RECD	\$144320.00;	
05/08/2009	298	PROTEST DISMISSED	W ENVR LAW CENTER	
05/26/2009	237	LEASE ISSUED		
06/01/2009	496	FUND CODE	05;145003	
06/01/2009	530	RLTY RATE - 12 1/2%		
06/01/2009	868	EFFECTIVE DATE		
06/15/2009	974	AUTOMATED RECORD VERIF	BCO	
12/10/2010	246	LEASE COMMITTED TO CA	NMNM126185;	
01/06/2011	140	ASGN FILED	GONZALES/EOG RESOU;1	
02/18/2011	246	LEASE COMMITTED TO CA	NMNM122622;	
04/08/2011	643	PRODUCTION DETERMINATION	/1/	
04/15/2011	139	ASGN APPROVED	EFF 02/11/11;	
04/15/2011	974	AUTOMATED RECORD VERIF	RAYO/RAYO	
03/01/2013	246	LEASE COMMITTED TO CA	NMNM131814;	
09/01/2013	650	HELD BY PROD - ACTUAL	/2/	
09/01/2013	658	MEMO OF 1ST PROD-ACTUAL	/2/NMNM131814;	
12/01/2013	246	LEASE COMMITTED TO CA	NMNM134620;	
05/27/2014	932	TRF OPER RGTS FILED	EOG RESOU/CONOCOPHI;1	
07/31/2014	933	TRF OPER RGTS APPROVED	EFF 06/01/14;	
07/31/2014	974	AUTOMATED RECORD VERIF	MJD	
09/16/2014	658	MEMO OF 1ST PROD-ACTUAL	/3/NMNM134620;	
09/30/2014	643	PRODUCTION DETERMINATION	/2/	
06/03/2015	643	PRODUCTION DETERMINATION	/3/	
05/10/2016	932	TRF OPER RGTS FILED	CONOCOPHI/EOG RESOU;1	
06/14/2016	933	TRF OPER RGTS APPROVED	EFF 06/01/16;	
06/15/2016	974	AUTOMATED RECORD VERIF	JA	

NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page

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Line Nr	Remarks	Serial Number: NMNM-- - 122622
0002	STIPULATIONS ATTACHED TO LEASE:	
0003	NM-11-LN SPECIAL CULTURAL RESOURCE	
0004	SENM-S-17 SLOPES OR FRAGILE SOILS	
0005	SENM-S-19 PLAYAS AND ALKALI LAKES	
0006	04/15/2011 - RENTAL PAID FOR 2010	
0007	07/31/2014 - CONOCOPHILLIPS CO ES0048 N/W	
0008	06/14/2016 - EOG RESOURCES NM2308 N/W	
0009	SEE OPERATING RIGHTS WORKSHEET;	

**Bureau of Land Management
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

**Condition of Approval
Surface commingling**

1. This approval is subject to like approval by the New Mexico Oil Conservation Division.
2. This agency shall be notified of any spill or discharge as required by NTL-3A.
3. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
4. This approval does not constitute right-of-way approval for any off-lease activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.
5. Approval for combining production from various sources is a privilege which is granted to lessees for the purpose of aiding conservation and extending the economic life of leases. Applicants should be cognizant that failure to operate in accordance with the provisions outlined in the Authorized Officer's conditions of approval and/or subsequent stipulations or modifications will subject such approval to revocation.
6. Gas measurement for allocation must be measured as per Onshore Order #5 for sales meters.
7. All gas and oil subject to royalty shall be measured as per federal regulations and shall be reported to ONRR as required. All gas which is vented, flared or used on lease shall be reported as per NTL-4A to ONRR. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer.
8. This agency shall be notified of any change in sales method or location of sales point.
9. Additional wells and/or leases require additional commingling approvals.
10. Notify this office 24 Hrs. prior to any meter proving to allow time for an inspector to witness.

Four wells being commingled (30-025-43493, 30-025-43494, 30-025-43495 & 30-025-43496) each well has a portion Federal and a portion Fee, thus they will need Com Agreements dividing the interest. All wells are producing from the upper Wolfcamp Formation within the same sections. The one Federal lease is 12.5% and each well has identical proportions of Federal and Fee.

JAM 013017