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Revised March 23, 2017

MM 3/19/2018 MM 3/04/2018

Signature

REVIEWER: MAM

TYPE:

DL

THIS TARLE FOR OCT DIVISION LISE

APP NO: PMAM1806547447

NEW MEXICO OIL CONSERVATION DIVISION

- Geological & Engineering Bureau – 1220 South St. Francis Drive, Santa Fe, NM 87505



1220 SOUTH ST. FIGHER DIVE, SC	allid Fe, NW 67303
ADMINISTRATIVE APPLICA	
THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APP REGULATIONS WHICH REQUIRE PROCESSING AT	
Applicant: EOG Resources, Inc. P.O. Box 2267 Midland, TX 79702	OGRID Number: 7377
Well Name: Convoy 28 State Com 701H and others	API: 30-025-44255
Pool: Triste Draw; Bone Spring East & WC-025 S2433361; Upper Wolfcamp	Pool Code: 96682 & 98092
SUBMIT ACCURATE AND COMPLETE INFORMATION REGINDICATED BI	ELOW 49
1) TYPE OF APPLICATION: Check those which apply for A. Location – Spacing Unit – Simultaneous Dedica NSL NSP(PROJECT AREA)	
[II] Injection – Disposal – Pressure Increase – Er	OLS OLM Chanced Oil Recovery EOR PPR FOR OCD ONLY
 2) NOTIFICATION REQUIRED TO: Check those which apply the control of the	owners OSLO BLM Notice Complete Application Content Complete
3) CERTIFICATION: I hereby certify that the information administrative approval is accurate and complete to understand that no action will be taken on this applia notifications are submitted to the Division.	o the best of my knowledge. I also
Note: Statement must be completed by an Individual v	with managerial and/or supervisory capacity.
	03/00/2018
Stan Wagner	03/09/2018 Date
Print or Type Name	432-686-3689
	Phone Number
Stan Way	stan wagner@eogresources.com

e-mail Address

District I

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

811 S. First St., Artesia, NM 88210

<u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410 <u>District IV</u> 1220 S. St Francis Dr, Santa Fe, NM 87505

E-MAIL ADDRESS:

State of New Mexico Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

1220 S. St Francis Drive Santa Fe, New Mexico 87505

Form C-107-B Revised August 1, 2011

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

APPLICATION 1	FOR SURFACE (COMMINGLING	(DIVERSE	OWNERSHIP)	
OPERATOR NAME: EOG Res	ources, Inc.				
OPERATOR ADDRESS: P.O. Box	2267, Midland, TX 7	79702			
APPLICATION TYPE:					
☐ Pool Commingling ☐ Lease Commingling	g Pool and Lease Cor	mmingling Off-Lease	Storage and Measur	ement (Only if not Surface	Commingled)
LEASE TYPE:	State Feder	ral			
Is this an Amendment to existing Order					
Have the Bureau of Land Management	(BLM) and State Land	office (SLO) been not	ified in writing o	f the proposed comm	ingling
⊠Yes □No SLO			~		
		L COMMINGLINGS with the following in			
(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
(96682) Triste Draw; Bone Spring East	OG 46.0 / BTU 1,335				o1800/g5500
(98092) WC-025 S243336I Upper WC	OG 46.0 / BTU 1,335	1			WO Compl
(3) Has all interest owners been notified b (4) Measurement type: ☑Metering [(5) Will commingling decrease the value of	Other (Specify)			ng should be approved	
		SE COMMINGLINGS with the following in			
(1) Pool Name and Code. (2) Is all production from same source of (3) Has all interest owners been notified by (4) Measurement type: Metering	certified mail of the prop		∐Yes ∐No	0	
		LEASE COMMIN			
	Please attach sheet	s with the following in	nformation		
(1) Complete Sections A and E.					
I)	O) OFF-LEASE ST	ORAGE and MEA	SUREMENT		
		ets with the following	information		
(1) Is all production from same source of		0			
(2) Include proof of notice to all interest of	wners.				
(E) AI	DITIONAL INFO	RMATION (for all	application ty	mes)	
(E) AI		s with the following in		F)	
 (1) A schematic diagram of facility, included (2) A plat with lease boundaries showing (3) Lease Names, Lease and Well Numbe 	ding legal location. all well and facility locati			te lands are involved.	
				<u>8</u>	
I hereby certify that the information above is	s true and complete to the				and the second
SIGNATURE: Stan Way		TLE: Regulator	ry Speciali	$_{\text{DATE:}}$ $_{\text{DATE:}}$ 3/1	19/18 -686-3689
TYPE OR PRINT NAME Stan Was	gner		TEL	EPHONE NO.: 432-	-086-3689
E MAIL ADDRESS. Stan Wagner	r@eogresources	.com			



5509 Champions Dr., Midland, Texas 79706 Phone: (432) 686-3600 Fax: (432) 686-3773

APPLICATION FOR SURFACE POOL AND LEASE COMMINGLING

Pursuant to discussions with the New Mexico Oil Conservation Division, EOG Resources, Inc. respectfully request administrative approval to add a separate CTB facility by a second amendment to CTB Administrative Order 817 to surface pool and lease commingle the oil and gas from the following wells:

	Well Name	Surface Location	API	Pool Code/Name	Status
1	Convoy 28 State Com	B-28-24S-33E	30-0025-44257	98092 / WC-	Drilling
	#703H			025 G-09	
				S243336I;	
				Upper	
				Wolfcamp	
2	Convoy 28 State Com	B-28-24S-33E	30-025-44258	98092 / WC-	Drilling
	#704H			025 G-09	
				S243336I;	
				Upper	
				Wolfcamp	
3	Convoy 28 State Com	A-28-24S-33E	30-025-44260	96682 / Triste	Drilling
	#601H			Draw; Bone	
				Spring, East	
4	Convoy 28 State Com	A-28-24S-33E	30-025-44261	96682 / Triste	Drilling
	#602H			Draw; Bone	
		,		Spring, East	

This CTB facility shall be referred to at the Convoy Central CTB.

LEASEHOLD:

We plan to surface commingle production from the following leases:

- 1. State Lease VB-1743 covers 320.00 acres, being the E/2 of Section 28, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico.
- 2. State Lease V0-7378 covers 320.00 acres, being the E/2 of Section 33, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico.

The central tank batter for the aforementioned wells will be located entirely within the boundary of State Lease VB-1743.

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. Convoy 28 State Com #703H gas allocation meter is an Emerson orifice meter (S/N *11111111)
- 2. Convoy 28 State Com #704H gas allocation meter is an Emerson orifice meter (S/N *111111111)
- 3. Convoy 28 State Com #601H gas allocation meter is an Emerson orifice meter (S/N *111111111)
- 4. Convoy 28 State Com #602H gas allocation meter is an Emerson orifice meter (S/N *111111111)

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

- 1. Convoy 28 State Com #703H oil allocation meter is a FMC Coriolis meter (S/N *11111111)
- 2. Convoy 28 State Com #704H oil allocation meter is a FMC Coriolis meter (S/N *11111111)
- 3. Convoy 28 State Com #601H oil allocation meter is a FMC Coriolis meter (S/N *11111111)
- 4. Convoy 28 State Com #602H oil allocation meter is a FMC Coriolis meter (S/N *111111111)

The water will be measured using a vortex 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 orifice meter (#*11111111) 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 meter (#*111111111) to flare. If an individual well needed to be flared for any operation reason it will be manually routed through the individual well flare meter (#*11111111) 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 (#*11111111). 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.

ADDITIONA INFORMATION

Attached is the following supplemental information:

- 1. A landman's statement certify the ownership of the wells.
- 2. A plat of the communitized lands and leased based wells.
- 3. A process flow diagram of the central tank battery.
- 4. Oil gravities.
- 5. C-102 plats for each of the wells.



5509 Champions Dr., Midland, Texas 79706 Phone: (432) 686-3600 Fax: (432) 686-3773

Certification of Ownership

I have reviewed the ownership of the wells listed below and the ownership of the oil and gas leasehold in Sections 28 and 33, T24S-R33E, Lea County, New Mexico, for purposes of the APPLICATION FOR SURFACE POOL AND LEASE COMMINGLING. As of this date below, the ownership in the production from the following wells is Diverse ownership as defined in 19.15.12.7 A. NMAC:

	Well Name	Surface Location	API	Pool Code/Name	Status
1	Convoy 28 State Com #703H	B-28-24S-33E	30-0025-44257	98092 / WC- 025 G-09 S243336I; Upper	Drilling
				Wolfcamp	
2	Convoy 28 State Com #704H	B-28-24S-33E	30-025-44258	98092 / WC- 025 G-09 S243336I; Upper Wolfcamp	Drilling
3	Convoy 28 State Com #601H	A-28-24S-33E	30-025-44260	96682 / Triste Draw; Bone Spring, East	Drilling
4	Convoy 28 State Com #602H	A-28-24S-33E	30-025-44261	96682 / Triste Draw; Bone Spring, East	Drilling

The royalty, overrides and working interest are different on a well by well analysis. All owners are listed on Exhibit A, attached hereto.

EOG_Resources, Inc.

Charles Moran Land Advisor March 14, 2018

Exhibit A

List of Owners of either Working Interest, Royalty, or Overriding Royalty for the Convoy Central CTB in Sections 28 and 33, Township 24 South, Range 33 East, Lea County, New Mexico

EOG Y Resources, Inc. Attn: Land Manager P. O. Box 2267 Midland, TX 79702

EOG A Resources, Inc. Attn: Land Manager P. O. Box 2267 Midland, TX 79702

EOG M Resources, Inc. Attn: Land Manager P. O. Box 2267 Midland, TX 79702

EOG Resources Assets LLC Attn: Land Manager P. O. Box 2267 Midland, TX 79702

John A. Yates Attn: Jim Ball P. O. Box 100 Artesia, NM 88211-0900

Sharbro Energy, LLC Attn: Land Manager P. O. Box 840 Artesia, NM 88211-0840

Murchison Oil and Gas, Inc. Attn: Eric Buddenbohn, Land Manager 7520 Dallas Parkway, Suite 1400 Dallas, TX 75024

Highland (Texas) Energy Company Attn: Steve Burr 7557 Rambler Road, Suite 918 Dallas, TX 75231

VEI Partners, L.P. Attn: Austin Adams P. O. Box 470788 Forth Worth, TX 76147-0788 MEC Petroleum Corp. Attn: Marion Causey P. O. Box 11265 Midland, TX 79702

New Mexico State Land Office Attn: Commissioner of Public Lands P. O. Box 1148 Santa Fe, NM 87504

Saguaro Resources, Inc. 5705 Pinehurst Farmington, NM 87402

Tap Rock Resources, LLC Attn: Land Manager 602 Park Point Drive, Sutie 200 Golden, Colorado 80401

CEMOF AIV, L.P. Attn: Arleen Spangler 520 Madison Avenue, 38th Floor Newe York, NY 10022

CEMOF-A AIV, L.P. Attn: Arleen Spangler 520 Madison Avenue, 38th Floor Newe York, NY 10022

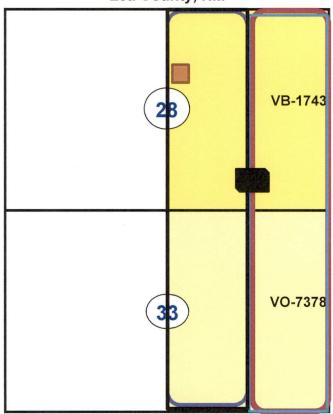
Carlyle Energy Mezzanine Opportunities Fund-Q, L.P. Attn: Arleen Spangler 520 Madison Avenue, 38th Floor Newe York, NY 10022

CEMOF Coinvestment, L.P. Attn: Arleen Spangler 520 Madison Avenue, 38th Floor Newe York, NY 10022

Note: Oxy Y-1 Company is listed as owner in the first amendment, but does not own an interest in these wells. Oxy Y-1 Company
Attn: Land Manager - Permian Basin
P. O. Box 4294
Houston, TX 77210-4294

Commingling Application EOG Resources, Inc. March 14, 2018

T24S-R33E Lea County, NM





Communitized Area - Bone Spring Formation - W/2E/2 Sec 28 and W/2E/2 Sec 33

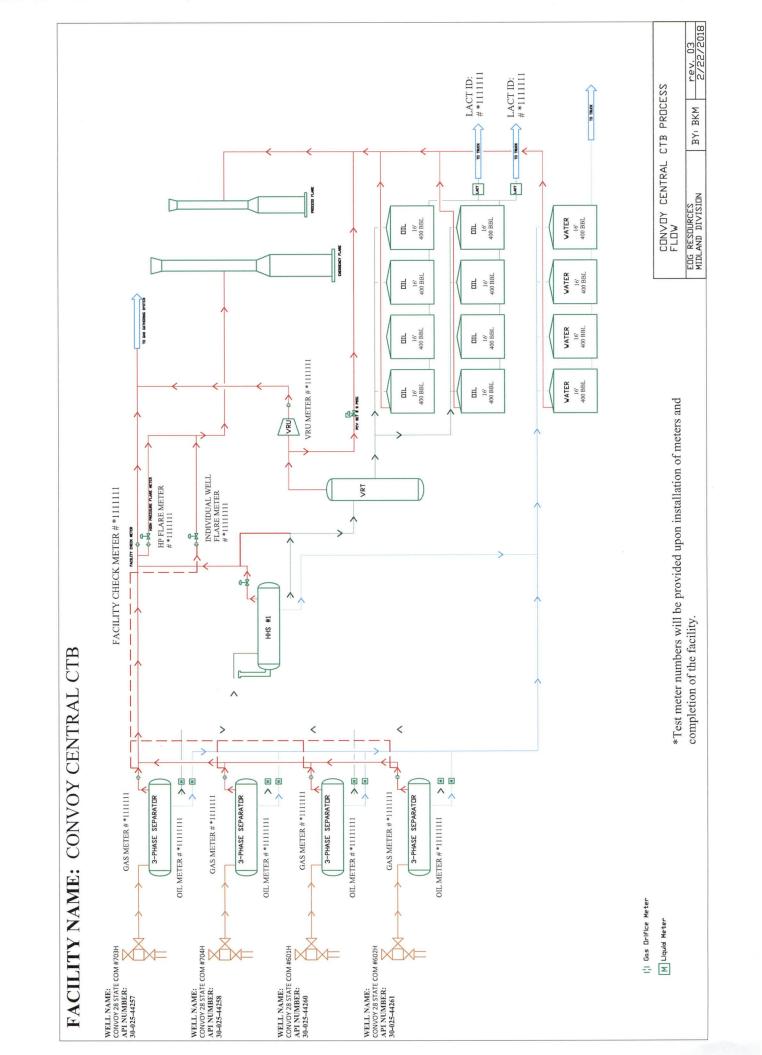
1. Convoy 28 State Com #602H

Communitized Area - Wolfcamp Formation - W/2E/2 Sec 28 and W/2E/2 Sec 33

1. Convoy 28 State Com #703H

Convoy Central CTB

Convoy CTB - Administrative Order CTB 817



APPLICATION FOR, COMMINGLING AT A COMMON CENTRAL TANK BATTERY Proposal for CONVOY CENTRAL CTB:

EOG Resources, Inc. is requesting approval to commingle the following wells in a common central tank battery:

Well Name	Location	API#	Pool	Oil BPD	Gravities	MSCFPD	BTU
CONVOY 28 STATE COM #703H		30-025-44257		*725	*44	*414	*1333
CONVOY 28 STATE COM #704H		30-025-44258		*725	*44	*414	*1333
CONVOY 28 STATE COM #601H		30-025-44260		*725	*44	*414	*1333
CONVOY 28 STATE COM #602H		30-025-44261		*725	*44	*414	*1333

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., Sante Fe, NM 87505 Phone (505) 476-3460 Fax (505) 476-3462 State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION DIVISION DIVISION Submit one copy to appropriate
1220 South St. Francis Dr.
Sante Fe, NM 87505

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

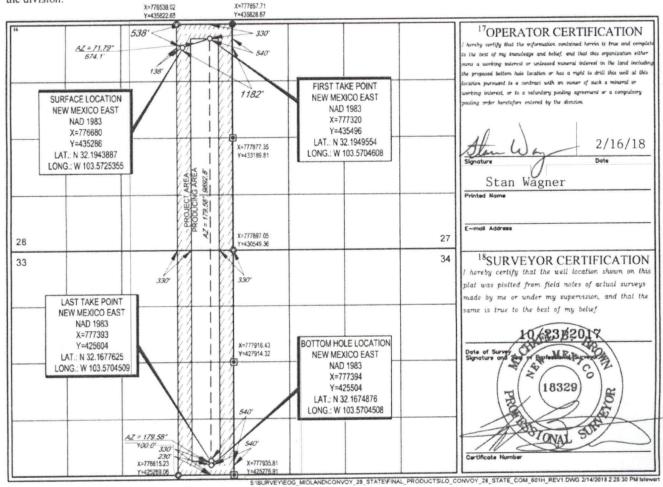
WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	² Pool Code	Pool Name	
30-025-44260	96682	Triste Draw; Bone Spring, East	
⁴ Property Code	5p.	roperty Name	⁶ Well Number
317294	CONVOY	28 STATE COM	#601H
OGRID No.	*0	perator Name	⁹ Elevation
7377	EOG RES	SOURCES, INC.	3525'

					Surface Lo	cation			
UL or lot no.	Section 28	Township 24-S	33-E	Lot Idn —	Feet from the 538'	North/South line NORTH	Feet from the 1182'	Enst/West line EAST	LEA

UL or lot no.	Section 33	Township 24-S	Range 33-E	Lot Ida	Feet from the 230'	North/South line SOUTH	Feet from the 540'	East/West line EAST	LEA
¹³ Dedicated Acres 320	¹³ Joint or l	nfill ¹⁴ Co	esolidation Cod	e 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.



District I 1625 N. French Dr., Hobbs, NM 88240 Phone (575) 393-6161 Fax (575) 393-0720 District II 811 S First St., Ariesia, 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 1220 S. St. Francis Dr., Sante Fe, NM 87505 Phone (505) 476-3460 Fax (505) 476-3462

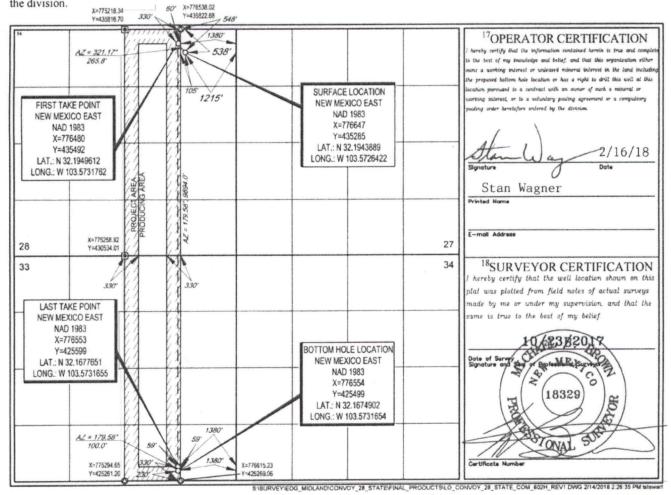
The state of the s Energy, Minerals & Natural Resources

WELL LOCATION AND ACREAGE DEDICATION PLAT API Number 96682 30-025-44261 Triste Draw; Bone Spring, East Property Code Property Name Well Number CONVOY 28 STATE COM #602H 317294 Operator Name OGRID No. Elevation 3525' EOG RESOURCES, INC. 7377

¹⁰Surface Location East/West line County Feet from the UL or lot no. Section Township Lot Idn Feet from the North/South lin EAST 538' NORTH 1215' LEA 28 24-S 33-E A

UL or lot no.	Section 33	Township 24-S	_{Range} 33-Е	Lot Ids	Feet from the 230'	North/South line SOUTH	Feet from the 1380'	East/West line EAST	LEA
¹² Dedicated Acres 320	¹³ Joint or I	nfill 14Ce	onsolidation Cod	e ¹⁸ 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.



District 1 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 <u>District II</u> 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., Sante Fe, NM 87505 Phone: (505) 476-3460 Fax (505) 476-3462 State of New Mexico Energy, Minerals & Natural Resources

OCD - HOBBS Department
12/06/2017 Department

RECEIVED Sante Fe, NM 87505

FORM C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

AMENDED REPORT

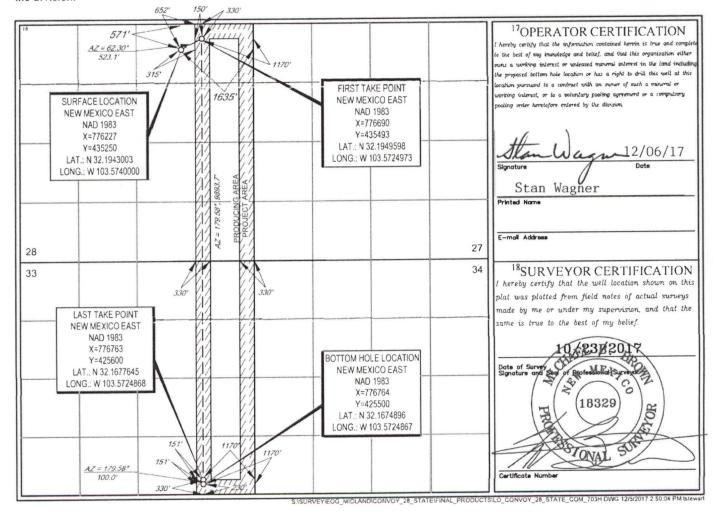
WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	² Pool Code	³ Pool Name	
30-025-44257	98092	WC-025 G-09 S243336I; Upper Wo	lfcamp
Property Code	•	SProperty Name	⁶ Well Number
314294	CONVOY	28 STATE COM	#703H
OGRID No.		⁸ Operator Name	⁹ Elevation
7377	EOG R	ESOURCES, INC.	3526'

¹⁰Surface Location East/West line County Feet from the North/South line Feet from the UL or lot no Section Township Range Lot Id 1635 EAST LEA 33-E 571 NORTH 28 24-S B

UL or lot no.	Section 33	Township 24-S	33-E	Lot Idn	Feet from the 230'	North/South line SOUTH	Feet from the 1170'	East/West line EAST	LEA
¹² Dedicated Acres 320	13 Joint or 1	nfill 14Co	onsolidation Cod	le ¹⁵ Orde	r 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.



State of New Mexico OCD – HOBBS
12/06/2017
PECELVED

Energy, Minerals & Natural Resources
Department

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

District II 811 S. First St., Ariesia, NM 88210

Phone: (575) 393-6161 Fax: (575) 393-0720

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District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 RECEIVED Revised August 1, 2011
Submit one copy to appropriate

OIL CONSERVATION DIVISION 1220 South St. Francis Dr. District Office

Sante Fe, NM 87505

AMENDED REPORT

FORM C-102

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	² Pool Code	³ Pool Name	
30-025-44258	98092	WC-025 G-09 S243336I; Upper W	olfcamp
⁴ Property Code 317294	CONVO	Property Name Y 28 STATE COM	Well Number #704H
OGRID No. 7377	EOG I	*Operator Name RESOURCES, INC.	Elevation 3526'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
В	00	24-S	33-E	-	538'	NORTH	1635'	EAST	LEA

UL or lot no.	Section 33	Township 24-S	33-E	Lot Idn	Feet from the 230'	North/South line SOUTH	Feet from the 1590'	East/West line EAST	LEA County
12 Dedicated Acres 320	¹³ Joint or 1	nfill 14Co	nsolidation Cod	le 15Orde	r 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.

