State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

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Heather Riley, Division Director
Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-866

August 28, 2018

EOG RESOURCES INC.

Attention: Mr. Stan Wagner

EOG Resources Inc. (OGRID 7377) is hereby authorized to surface commingle oil and gas production and off-lease measure from Triste Draw; Bone Spring, East Pool (Pool code 96682) from the following diversely owned state leases and wells located in Township 23 South, Range 33 East, NMPM in Lea County, New Mexico:

Lease: Bandit 29 State Com Well No. 501H Communitization Agreement

Description: E/2 E/2 Section 29, and E/2 NE/4 of Section 32

Wells: Bandit 29 State Com Well No. 501H API No. 30-025-44383

Bandit 29 State Com Well No. 502H API No. 30-025-44384

Lease: Bandit 29 State Com Well No. 503H Communitization Agreement

Description: W/2 E/2 Section 29, and W/2 NE/4 of Section 32

Wells: Bandit 29 State Com Well No. 503H API No. 30-025-44562

Bandit 29 State Com Well No. 504Y API No. 30-025-44626

Lease: Bandit 29 State Com Well No. 505H Communitization Agreement

Description: W/2 Section 29, and NW/4 of Section 32

Wells: Bandit 29 State Com Well No. 505H API No. 30-025-44951

Bandit 29 State Com Well No. 506H API No. 30-025-44952 Bandit 29 State Com Well No. 507H API No. 30-025-44953

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Bandit 29 (CTB), located in Unit F, Section 29, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico.

Production from the subject wells shall be determined as follows:

The oil and gas production from each of the diversely-owned leases shall be measured with allocation meters.

The oil and gas production from each well will flow into a dedicated 3-phase separator. The production stream will be separated into 3 independent streams by the separator and each stream will be measured individually after it exits the separator, before commingling.

The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2) NMAC.

Subsequent wells within leases approved by this order may be added to this administrative surface commingle application with a Sundry notice to the Engineering Bureau.

This installation shall be installed and operated in accordance with the applicable Division Rules. It is the responsibility of the producer to notify the transporter of this commingling authority.

This administrative application is subject to like approval from New Mexico State Land Office.

The operator shall notify the Hobbs District office of the Division prior to implementation of the commingling operations.

HEATHER RILEY

Director

HR/mam

cc: Oil Conservation Division – Hobbs

New Mexico State Land Office – Oil, Gas, and Minerals