

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

Heather Riley, Division Director
Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-875

November 14, 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 oil and gas production from the WC-025 G-09 S243310P; Upper Wolfcamp Pool (Pool code 98135) from the following diversely owned state leases located in Section 32, Township 23 South, Range 33 East, Lea County, New Mexico:

Lease:	Hemlock 32 State Well No. 701H Lease	
Description:	W/2 W/2 of Section 32	
Well:	Hemlock 32 State Well No. 701H	API 30-025-44343

Lease:	Hemlock 32 State Well No. 702H Lease	
Description:	W/2 W/2 of Section 32	
Well:	Hemlock 32 State Well No. 702H	API 30-025-44344

Lease:	Yarrow 32 State Well No. 701H Lease	
Description:	E/2 of Section 32	
Well:	Yarrow 32 State Well No. 701H	API 30-025-45269

Lease:	Yarrow 32 State Well No. 702H Lease	
Description:	E/2 of Section 32	
Well:	Yarrow 32 State Well No. 702H	API 30-025-45270

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Hemlock 32 State Central Tank Battery (CTB), located in Unit N, Section 32, Township 23 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.

Your application has been duly filed under the provisions of Division Rules 19.15.12.10.C NMAC and 19.15.4.12.A (8) NMAC.

It is also understood that you have given due notice of this application to all owners in the mineral interest estate ("affected parties") as defined in Rule 19.15.12.10.C (4) NMAC.

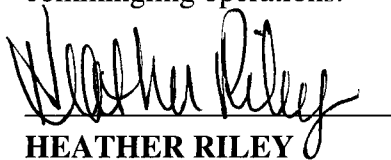
The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2) NMAC.

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 order is subject to like approval from the 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