



Approved

CTB

Order

Approved: 07/02/19

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Secretary

Adrienne Sandoval, Director
Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-903

July 2, 2019

EOG RESOURCES INC.
Attention: Ms. Sarah Mitchell

EOG Resources Inc. (OGRID 7377) is hereby authorized to surface commingle oil and gas production and off-lease measure from diversely owned leases and wells identified in Attachment A and made part of this order. These wells and leases produce from Wildcat; Upper Wolfcamp (Oil) Pool (Pool code 98135) and are located on State leases located in Section 32, Township 23 South, Range 33 East, Lea County, New Mexico:

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

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

For future additions of wells and leases to this commingling operation, notice shall only be given to those interest owners in the wells and leases to be added, in accordance with Division Rule 19.15.12.10 C (4) (g) 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.

Administrative Order CTB-903

EOG Resources Inc.

July 2, 2019

Page 2 of 2

This approval is subject to like approval from New Mexico State Land Office before commencing commingling operations.

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



Adrienne Sandoval
Director

AS/mam

cc: Oil Conservation Division – Hobbs
New Mexico State Land Office – Oil, Gas, and Minerals

Attachment A: Hemlock 32 State Wells

| Well | API | Horizontal Spacing Unit |
|------------------------|--------------|-------------------------|
| Hemlock 32 State #701H | 30-025-44343 | W/2 W/2 of Section 32 |
| Hemlock 32 State #702H | 30-025-44344 | W/2 W/2 of Section 32 |
| Hemlock 32 State #703H | 30-025-45523 | E/2 W/2 of Section 32 |
| Hemlock 32 State #704H | 30-025-45516 | E/2 W/2 of Section 32 |
| Yarrow 32 State #701H | 30-025-45269 | E/2 of Section 32 |
| Yarrow 32 State #702H | 30-025-45270 | E/2 of Section 32 |
| Yarrow 32 State #703H | 30-025-45271 | E/2 of Section 32 |
| Yarrow 32 State #704H | 30-025-45272 | E/2 of Section 32 |