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



November 1, 2019

CENTRAL TANK BATTERY

Administrative Order CTB-920

EOG Resources, Inc. Attention: Sarah Mitchell P.O. Box 2267 Midland, Texas 79702

Pursuant to your application received on October 23, 2019, EOG Resources, Inc. ("EOG") is hereby authorized to surface commingle oil and gas production and off-lease measure from the wells and associated leases identified in Exhibit A and incorporated by reference into this Order. The wells produce from the RED TANK; BONE SPRING, EAST pool (51687) and are located in Section 16, Township 22 South, Range 33 East, NMPM, Lea County, New Mexico.

Production from the wells shall be determined as follows:

The oil and gas production from each well shall flow into its own dedicated 3-phase separator. The production stream shall be separated into 3 independent streams and each stream shall be measured individually before commingling. Additional gas gathered from process equipment after commingling shall be measured and allocated to each well based on the individual well's production.

The commingled oil production from the wells shall be measured by a lease automatic custody transfer ("LACT") meter and sold at the respective central tank battery ("CTB") described in Exhibit A.

The commingled gas production from the wells shall be measured at the CTB using a custody transfer meter except when the gas pipeline is experiencing problems at which time the commingled gas production from the wells shall be measured using the appropriate meters.

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.

EOG may add subsequently drilled wells that produce from the approved pools within the project areas by submitting a Sundry Notice C-103 to the Engineering Bureau in Santa Fe.

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

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

EOG shall notify the Hobbs District Office before commingling oil and gas production.

EOG shall comply with all Division Rules and Regulations.

Adrienne Sandoval

Director

AS/dm

cc: OCD – Engineering Bureau

OCD – Hobbs District Office New Mexico State Land Office

State of New Mexico

Energy, Minerals and Natural Resources Department

Exhibit A

Administative Order: CTB-920

Date: 11/01/19

Operator: EOG Resources, Inc.
Central Tank Battery: Speedy 16 SC CTB

Central Tank Battery Location: Section 16, Township 22 South, Range 33 East

Pools

Pool Name

Pool Code

Pool Name

Pool Code

RED TANK; BONE SPRING, EAST 51687

Leases

ST NM VB-2098-0001 ST NM EO-1932-0001

Wells				
Well API	Well Name	Pool Code	Location	Train
30-025-45325	Speedy 16 State Com 201H	51687	Sec 16-T22S-R33E	
30-025-45326	Speedy 16 State Com 202H	51687	Sec 16-T22S-R33E	
30-025-45327	Speedy 16 State Com 203H	51687	Sec 16-T22S-R33E	
30-025-45328	Speedy 16 State Com 301H	51687	Sec 16-T22S-R33E	
30-025-43586	Speedy 16 State Com 501H	51687	Sec 16-T22S-R33E	