

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**APPLICATION FOR SURFACE COMMINGLING
SUBMITTED BY EOG RESOURCES, INC.**

ORDER NO. PC-1297-A

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having considered the application, issues the following Order.

FINDINGS OF FACT

1. EOG Resources, Inc. (“Applicant”) submitted a complete application to surface commingle and off-lease measure the oil and gas production (“Application”) from the pools, leases, and wells identified in Exhibit A.
2. To the extent that ownership is identical, Applicant submitted a certification by a licensed attorney or qualified petroleum landman that the ownership in the pools, leases, and wells to be commingled is identical as defined in 19.15.12.7(B) NMAC.
3. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
4. To the extent that ownership is diverse, Applicant provided notice of the Application to all persons owning an interest in the oil and gas production to be commingled, including the owners of royalty and overriding royalty interests, regardless whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
5. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.
6. Applicant in the notice for the Application stated that it sought authorization to add additional pools, leases, and wells and identified the parameters to make such additions.

CONCLUSIONS OF LAW

7. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, 70-2-16, and 70-2-17, and 19.15.12 NMAC.
8. To the extent that ownership is diverse, Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10(A)(2), (C)(4)(c), and (C)(4)(e) NMAC.
9. Applicant’s proposed method of allocation, as modified herein, complies with 19.15.12.10(B)(1) or (C)(1) NMAC, as applicable.

10. Commingling involving state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10(B)(3) and (C)(4)(h) NMAC.
11. Pools, leases, and wells cannot be added because Applicant did not give adequate notice that it sought such authorization, in accordance with 19.15.12.10(C)(4)(g) NMAC.
12. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

ORDER

1. Effective April 8, 2020, Applicant is authorized to surface commingle and off-lease measure oil and gas production from the pools, leases, and wells identified in Exhibit A.
2. This Order supersedes Order PC-1297-A.
3. The oil and gas production from each well shall be separated and metered prior to commingling.
4. Applicant shall measure the commingled oil at a central tank battery described in Exhibit A in accordance with 19.15.18.15 NMAC or 19.15.23.8 NMAC.
5. Applicant shall measure the commingled gas at the central delivery point described in Exhibit A in accordance with 19.15.19.9 NMAC, provided however that if the gas is flared, regardless whether OCD has granted an exception pursuant to 19.15.18.12(B) NMAC, Applicant shall report the gas in accordance with 19.15.18.12(F) NMAC.
6. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10(C)(2) NMAC.
7. OCD will not approve an application to amend this Order to add pools, leases, and wells.
8. Applicant shall not commence commingling involving state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
9. OCD retains jurisdiction and reserves the right to modify or revoke this Order if it determines that the Application did not accurately describe any action affecting or related to the commingling of oil and gas production, or as deemed necessary to prevent waste or protect correlative rights, public health, or the environment.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



**ADRIENNE SANDOVAL
DIRECTOR**

DATE: 4/07/2020

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: PC-1297-A

Operator: EOG Resources, Inc. (7377)

Central Tank Battery: Hawk 35 Fed Central Tank Battery

Central Tank Battery Location (NMPM): NE/4 Section 26, Township 24 South, Range 33 East

Gas Custody Transfer Meter Location (NMPM): NE/4 Section 26, Township 24 South, Range 33 East

Pools

Pool Name	Pool Code
RED HILLS; UPPER BONE SPRING SHALE	97900
WC-025 G-09 S243336I; UPPER WOLFCAMP	98092

Leases as defined in 19.15.12.7(C) NMAC

Lease	Location (NMPM)
NMNM 19858	All Sec 26, All Sec 35
	T24S-R33E

Wells

Well API	Well Name	Location (NMPM)	Pool Code	Train
30-025-42410	Hawk 35 Fed 7H	B-35-24S-33E	97900	
30-025-42411	Hawk 35 Fed 8H	B-35-24S-33E	97900	
30-025-42412	Hawk 35 Fed 9H	A-35-24S-33E	97900	
30-025-42413	Hawk 35 Fed 10H	A-35-24S-33E	97900	
30-025-42402	Hawk 26 Fed 709H	P-26-24S-33E	98092	
30-025-42406	Hawk 35 Fed 3H	C-35-24S-33E	97900	
30-025-42407	Hawk 35 Fed 4H	C-35-24S-33E	97900	
30-025-42408	Hawk 35 Fed 5H	B-35-24S-33E	97900	
30-025-42409	Hawk 35 Fed 6H	B-35-24S-33E	97900	
30-025-42394	Hawk 26 Fed 701H	M-26-24S-33E	98092	
30-025-42395	Hawk 26 Fed 702H	M-26-24S-33E	98092	
30-025-42404	Hawk 35 Fed 701H	D-35-24S-33E	98092	
30-025-42405	Hawk 35 Fed 702H	D-35-24S-33E	98092	
30-025-42396	Hawk 26 Fed 703H	N-26-24S-33E	98092	
30-025-42397	Hawk 26 Fed 704H	N-26-24S-33E	98092	
30-025-42398	Hawk 26 Fed 705H	O-26-24S-33E	98092	
30-025-42399	Hawk 26 Fed 706H	O-26-24S-33E	98092	
30-025-46843	Hawk 35 Fed 703H	C-35-24S-33E	98092	
30-025-46844	Hawk 35 Fed 704H	C-35-24S-33E	98092	
30-025-46839	Hawk 35 Fed 705H	B-35-24S-33E	98092	
30-025-46840	Hawk 35 Fed 706H	B-35-24S-33E	98092	
30-025-46841	Hawk 35 Fed 707H	A-35-24S-33E	98092	
30-025-46842	Hawk 35 Fed 708H	A-35-24S-33E	98092	