

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] TYPE OF APPLICATION - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD
 Check One Only for [B] or [C]
 [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
 [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR
 [D] Other: Specify _____
- [2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply
- [A] Working, Royalty or Overriding Royalty Interest Owners
 [B] Offset Operators, Leaseholders or Surface Owner
 [C] Application is One Which Requires Published Legal Notice
 [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] Waivers are Attached
- [3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.
- [4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Stan Wagner see C-103 _____ _____
 Print or Type Name Signature Title Date

_____ _____
 e-mail Address

APPLICATION FOR SURFACE POOL COMMINGLING

EOG Resources, Inc. respectfully requests administrative approval to surface pool commingle oil & gas from the following wells:

	API	WELL NAME	WELL NUMBER	LOCATION	POOL CODE/NAME	STATUS
1	30-025-42154	BROWN BEAR 36 STATE	#502H	D-36-25S-33E	[97741] WC-025 G-09 S253335K; BONE SPRING	PRODUCING
2	30-025-42153	BROWN BEAR 36 STATE	#701H	D-36-25S-33E	[98094] WC-025 G-09 S253336D; UPPER WOLFCAMP	PRODUCING
3	30-025-42538	BROWN BEAR 36 STATE	#702H	N-36-25S-33E	[98094] WC-025 G-09 S253336D; UPPER WOLFCAMP	PERMITTED
4	30-025-42539	BROWN BEAR 36 STATE	#703H	N-36-25S-33E	[98094] WC-025 G-09 S253336D; UPPER WOLFCAMP	PERMITTED

State lease NM VB-15130000 covers 320 acres, being the W/2 of section 36 T25S R33E Lea County, NM. The proposed central tank battery is located entirely within the boundary of the lease. Ownership of the wells is identical (see landman statement attached). The Brown Bear 36 State #702H is scheduled to spud on 5/21/2015 and the Brown Bear 36 State #703H is scheduled to spud on 6/19/2015.

Attached is (1) a map that displays the location of the wells and the proposed CTB, (2) a process flow diagram, and (3) the C-102 plats for each of the wells.

Oil and Gas Metering:

The Brown Bear 36 State #502H production is measured at its dedicated separator which includes: Coriolis meter for oil, senior orifice meter for gas, and turbine meter for water.

The Brown Bear 36 State #701H production is measured at its dedicated separator which includes: Coriolis meter for oil, senior orifice meter for gas, and turbine meter for water.

The Brown Bear 36 State #702H production will be measured at its dedicated separator which includes: Coriolis meter for oil, senior orifice meter for gas, and turbine meter for water.

The Brown Bear 36 State #703H production will be measured at its dedicated separator which includes: Coriolis meter for oil, senior orifice meter for gas, and turbine meter for water.

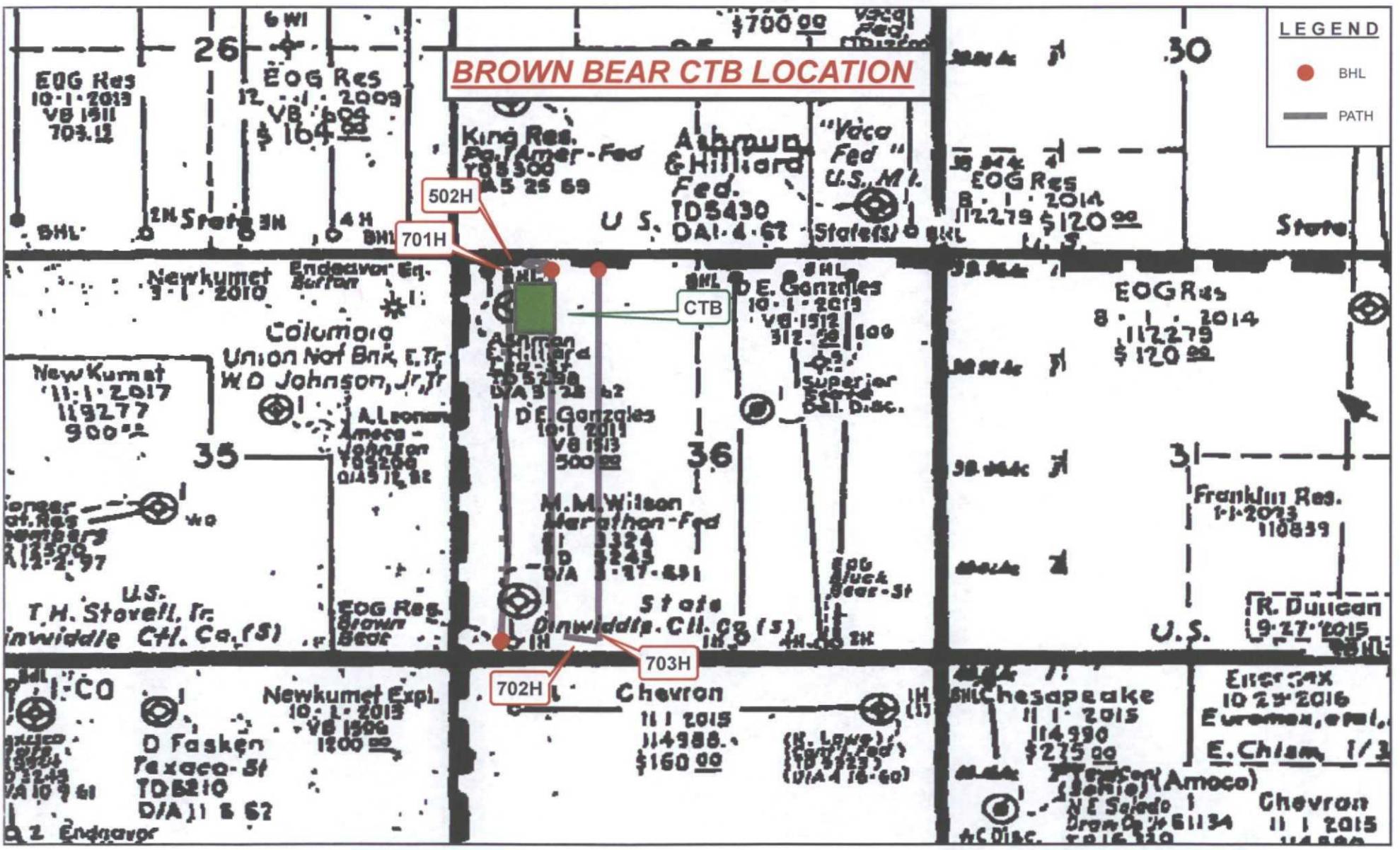
Process and Flow Descriptions:

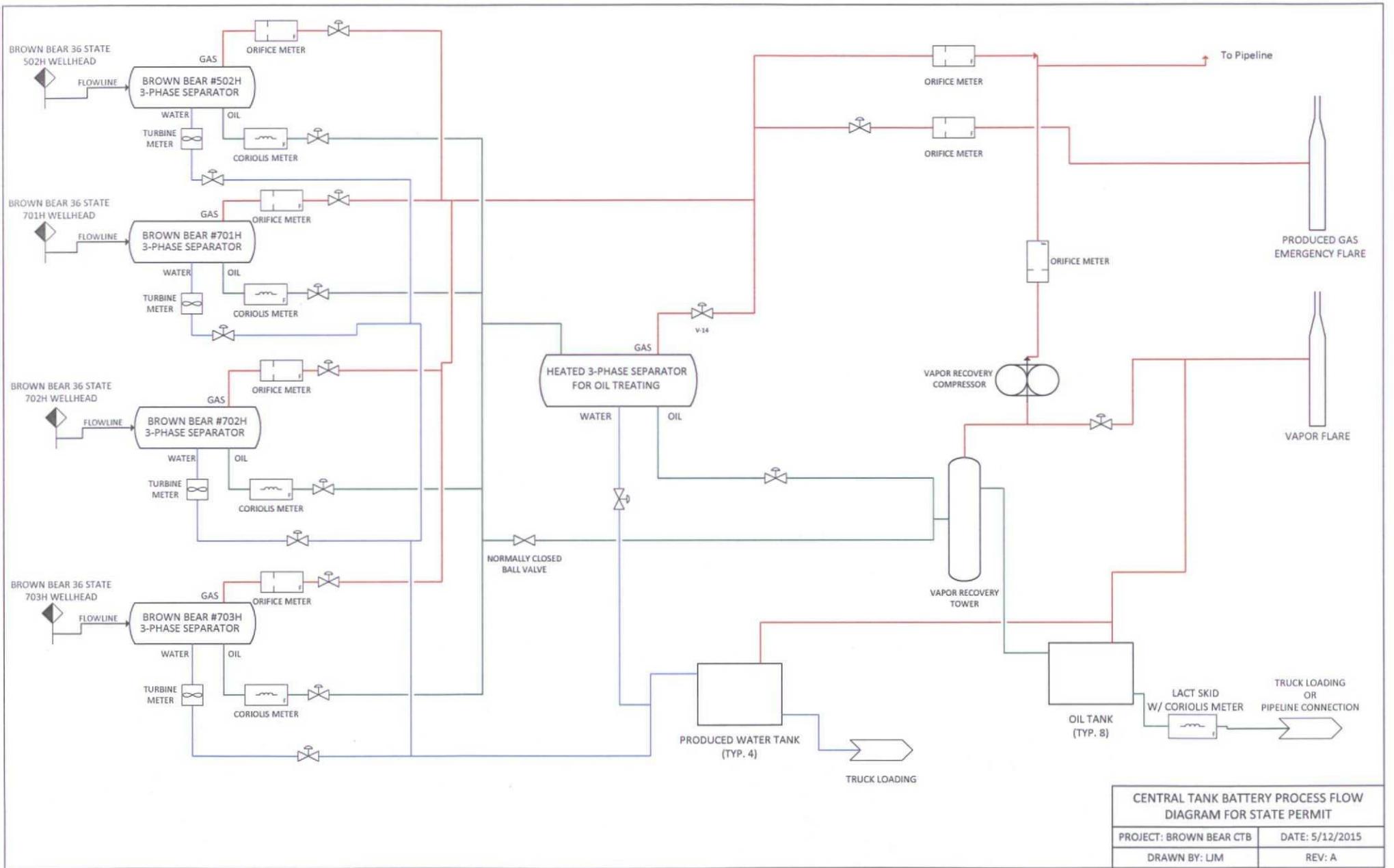
The production from each well will flow into a dedicated 3-phase separator. The production stream will be separated into 3 independent streams (gas, oil, and water) by the separator and each stream will be measured individually after it exits the separator. The gas will be measured using a senior orifice meter. The oil will be measured using a Coriolis meter, and the water will be measured using a turbine meter. The water from each separator is combined in a common header and flows into (4) 500 barrel coated steel tanks. Guided wave radar is used to measure water volumes in these tanks. The oil from each separator will be combined into a common header and flow into a heated separator to aid separation of water entrained in the oil. Water from the heated separator flows into the common water header connected to the (4) 500 barrel water tanks. The water is then pumped and/or trucked to a salt water disposal well. The oil from the heated separator flows through a vapor recovery tower where gas is allowed to breakout at a lower pressure, and then the oil flows into (8) 500 barrel coated steel tanks. Guided wave radar is used to measure water and oil volumes in these tanks. Oil is pumped out of the tanks through a Coriolis meter into a truck or a pipeline. Every tank utilizes a guided wave radar to determine the volume of product in each. After the gas from each separator is measured it is combined into a common header. The gas from the heated separator also flows into this header. The gas flows through the header to a custody transfer orifice meter that serves as our lease production meter. The overhead gas from the vapor recovery tower is compressed by a vapor recovery compressor and then measured by a custody transfer orifice meter. The gas from the vapor recovery system combines with the gas from the lease production meter and flows into our gas gathering pipeline system.

BROWN BEAR CTB LOCATION

LEGEND

- BHL
- PATH





CENTRAL TANK BATTERY PROCESS FLOW DIAGRAM FOR STATE PERMIT	
PROJECT: BROWN BEAR CTB	DATE: 5/12/2015
DRAWN BY: LJM	REV: A

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Sante Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Sante Fe, NM 87505

FORM C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

AMENDED REPORT

HOBBS OCD
MAY 05 2015

RECEIVED

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-42154		² Pool Code 97741		³ Pool Name Wildcat; Bone Spring	
⁴ Property Code 38961		⁵ Property Name BROWN BEAR 36 STATE			⁶ Well Number #502H
⁷ OGRID No. 7377		⁸ Operator Name EOG RESOURCES, INC.			⁹ Elevation 3335'

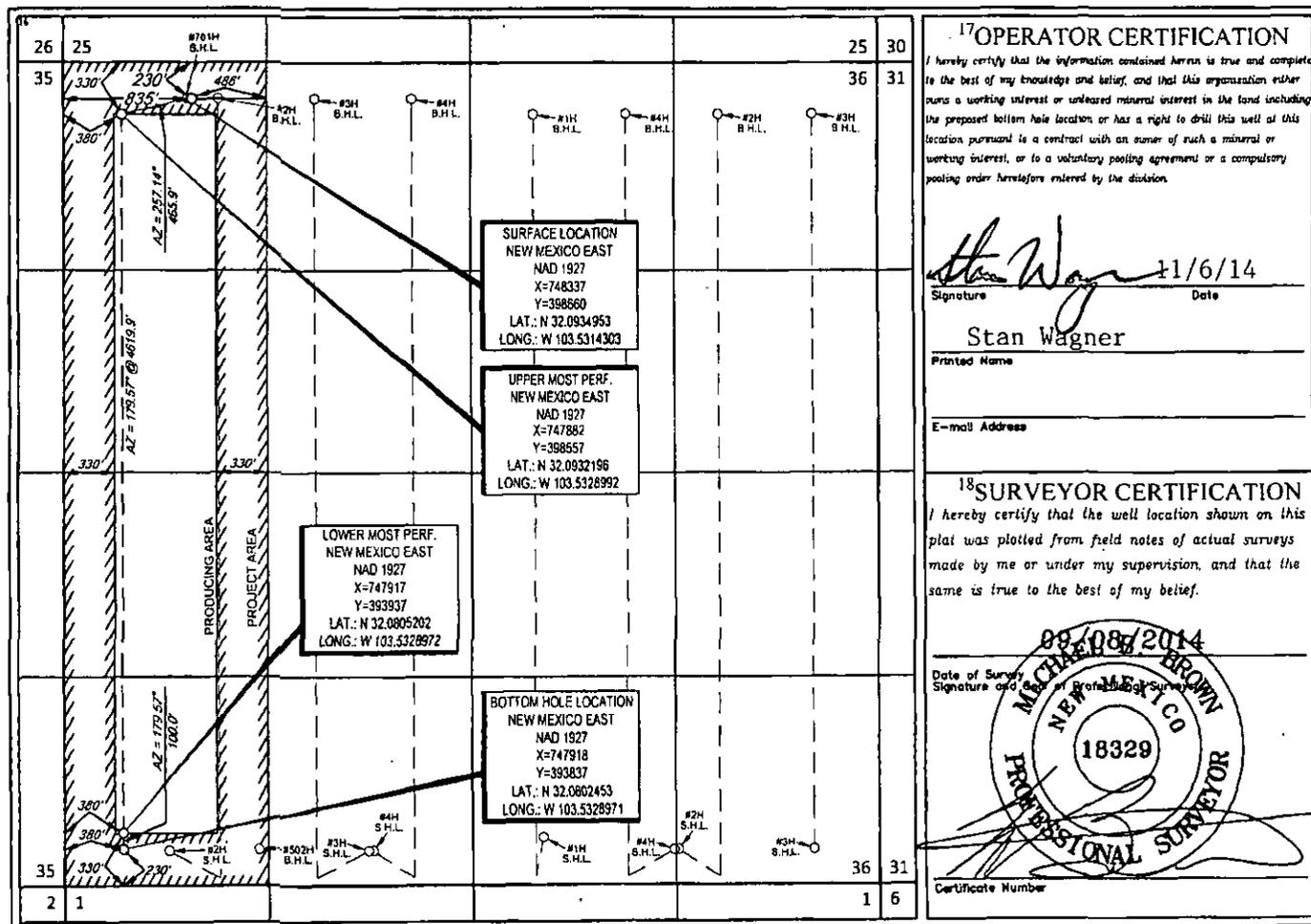
¹⁰Surface Location

UL. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	36	25-S	33-E	-	230'	NORTH	835'	WEST	LEA

UL. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	36	25-S	33-E	-	230'	SOUTH	366	WEST	LEA

¹¹ Dedicated Acres 160.00	¹² Joint or Infill	¹³ Consolidation Code	¹⁴ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



MAY 12 2015

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FORM C-102
Revised August 1, 2011
Submit one copy to appropriate
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-42153	² Pool Code 98094	³ Pool Name WC-025 G-09 5253336D; UPPER WC
⁴ Property Code 38961	⁵ Property Name BROWN BEAR 36 STATE	
⁶ OCRID No. 7377	⁷ Operator Name EOG RESOURCES, INC.	⁸ Well Number 701H
		⁹ Elevation 3335'

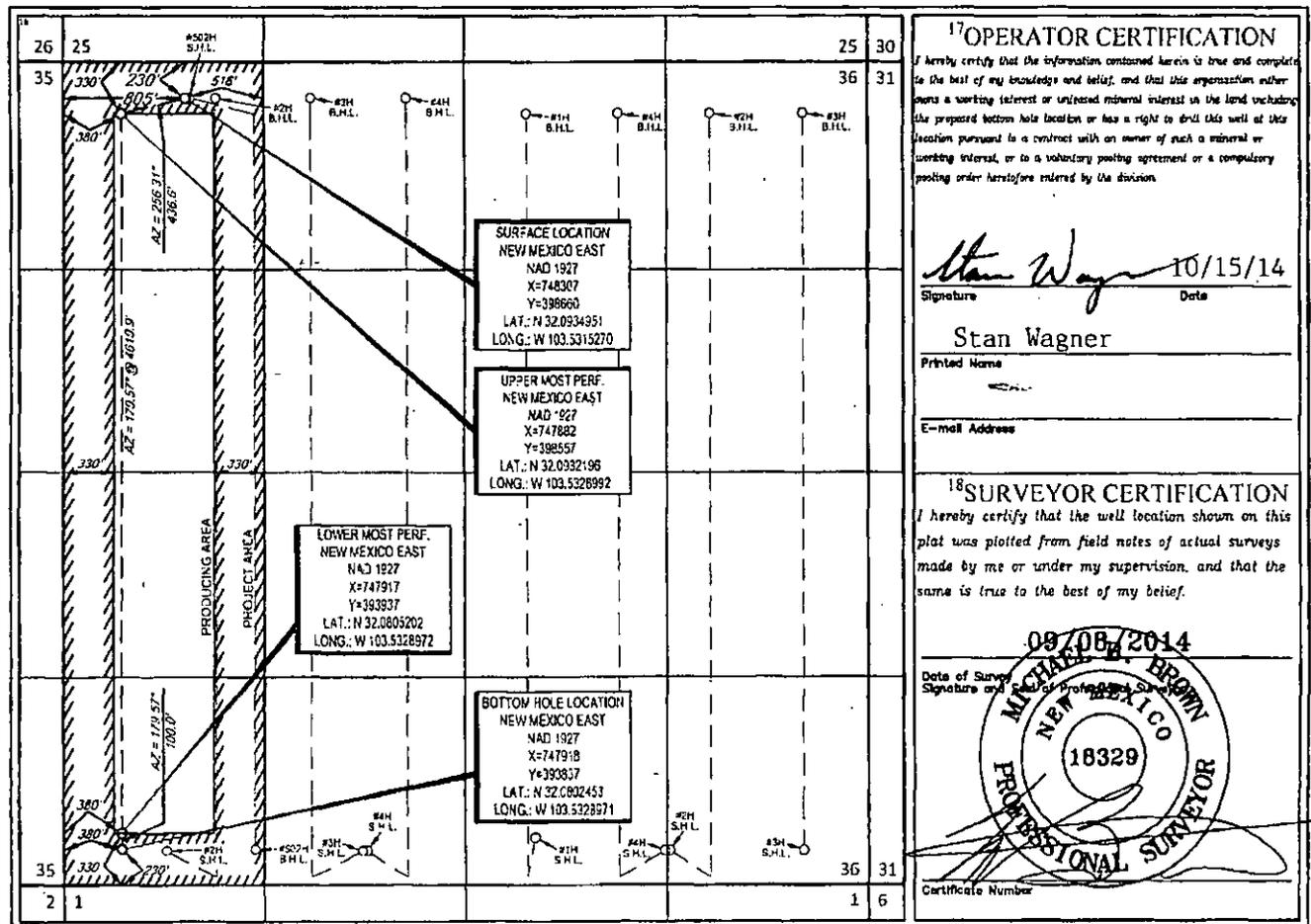
¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	36	25-S	33-E	-	230'	NORTH	805'	WEST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	36	25-S	33-E	-	230'	SOUTH	380'	WEST	LEA

¹¹ Dedicated Acres 160.00	¹² Joint or Infill	¹³ Consolidation Code	¹⁴ Order No.
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SLANDZY BHL
? TVD

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Energy, Minerals & Natural Resources
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OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

HOBBS OCD
MAY 08 2015

WELL LOCATION AND ACREAGE DEDICATION PLAT RECEIVED

API Number 30-025-42538		Pool Code 98094		Pool Name WC-025 G-09 S253336D; Upper Wolfcamp					
Property Code 38961		Property Name BROWN BEAR 36 STATE			Well Number #702H				
OGRID No. 7377		Operator Name EOG RESOURCES, INC.			Elevation 3319'				
10 Surface Location									
UL or lot no. N	Section 36	Township 25-S	Range 33-E	Lot Idn -	Feet from the 244'	North/South line SOUTH	Feet from the 1379'	East/West line WEST	County LEA
UL or lot no. D	Section 36	Township 25-S	Range 33-E	Lot Idn -	Feet from the 230'	North/South line NORTH	Feet from the 887'	East/West line WEST	County LEA
Dedicated Acres 160.00		Joint or Infill		Consolidation Code		Order No.			

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

17 OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a customary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: *Stan Wagner* Date: 5/8/15
Printed Name: Stan Wagner
E-mail Address:

18 SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.

Date of Survey: 05/08/2015
Signature of Surveyor: *[Signature]*
Professional Surveyor
Certificate Number: 18329

BOTTOM HOLE LOCATION
NEW MEXICO EAST
NAD 1927
X=748389
Y=398661
LAT.: N 32.0634953
LONG.: W 103.5312622

LOWER MOST PERF.
NEW MEXICO EAST
NAD 1927
X=748389
Y=398561
LAT.: N 32.0632204
LONG.: W 103.5312622

UPPER MOST PERF.
NEW MEXICO EAST
NAD 1927
X=748424
Y=393941
LAT.: N 32.0605201
LONG.: W 103.5312603

SURFACE LOCATION
NEW MEXICO EAST
NAD 1927
X=748917
Y=393859
LAT.: N 32.0602350
LONG.: W 103.5296711

S:\SURVEY\EOG_MIDLAND\BROWN_BEAR_36_BYATE\INAL_PRODUCT\BLO_BROWNBEAR36STATE_702H_REV1.DWG 5/7/2015 10:24:40 AM ccaan

MAY 08 2015

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Energy, Minerals & Natural Resources
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OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

SUMMARY BHL
HOBBS OGD & TWD

MAY 08 2015

RECEIVED

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-42539	² Pool Code 98094	³ Pool Name WC-025 G-09 S253336D; Upper Wolfcamp
⁴ Property Code 98094	⁵ Property Name BROWN BEAR 36 STATE	
⁶ OGRID No. 7377	⁷ Operator Name EOG RESOURCES, INC.	⁸ Well Number #703H ⁹ Elevation 3318'

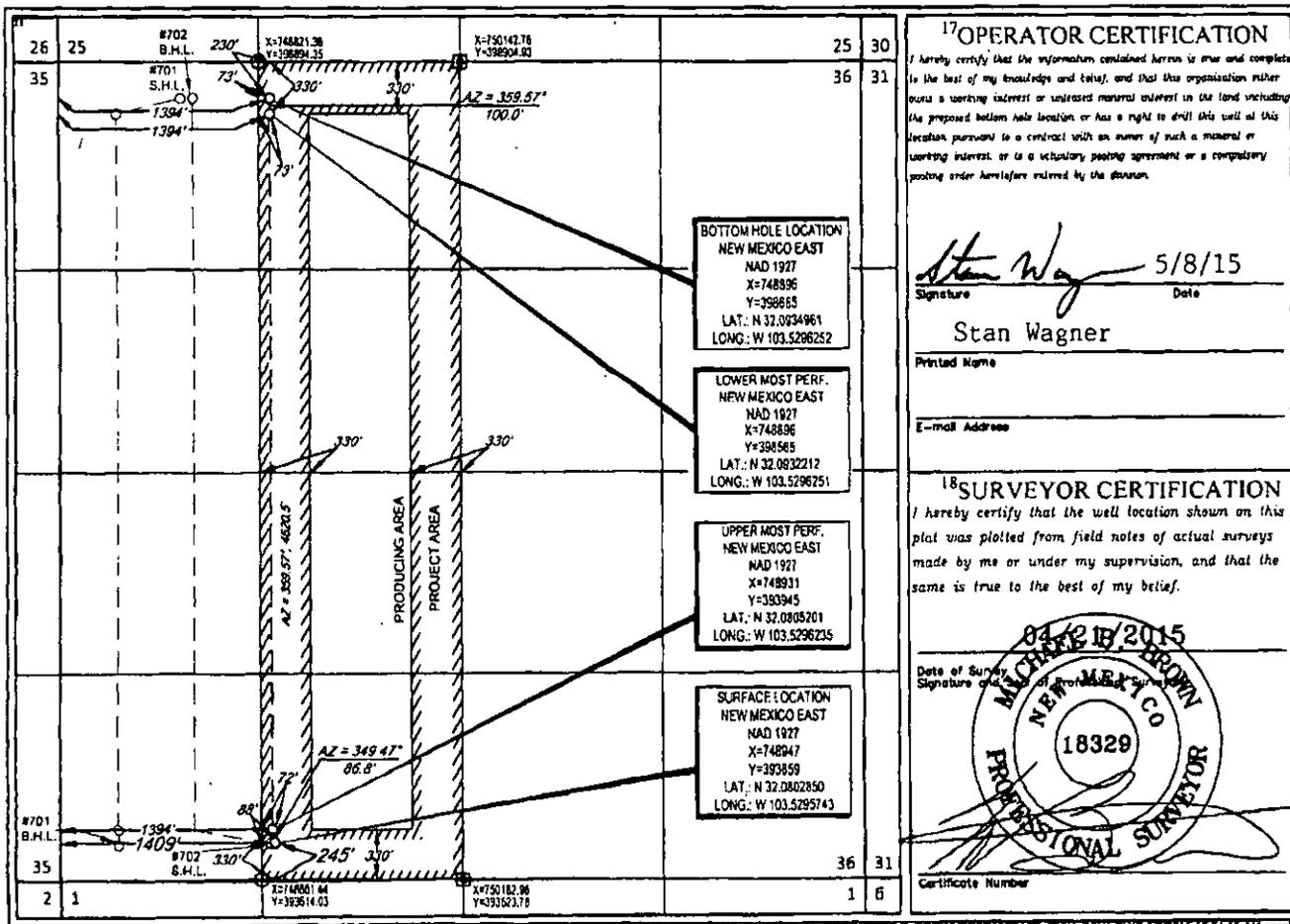
¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	36	25-S	33-E	-	245'	SOUTH	1409'	WEST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	36	25-S	33-E	-	230'	NORTH	1394'	WEST	LEA

¹¹ Dedicated Acres 160.00	¹² Joint or Infill	¹³ Consolidation Code	¹⁴ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



17 OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or is a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: *Stan Wagner* Date: 5/8/15
Printed Name: Stan Wagner
E-mail Address:

18 SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.

Date of Survey: 04/28/2015
Signature of Surveyor: *Michael Brown*
Professional Surveyor
Certificate Number: 18329

MAY 08 2015



EOG Resources, Inc.
5509 Champions Drive
Midland, Texas 79706
(432) 686-3600

Date: May 14, 2015
To: State of New Mexico Oil Conservation Division
Re: Surface Pool Commingling Application; Brown Bear 36 State #s 502H, 701H, 702H, and 703H

To whom it may concern:

This letter serves to notice you that the ownership of the following wells is identical in working, royalty, and overriding royalty interest and percentages:

	API	WELL NAME	WELL NUMBER	LOCATION	POOL CODE/NAME	STATUS
1	30-025-42154	BROWN BEAR 36 STATE	#502H	D-36-25S-33E	[97741] WC-025 G-09 S253335K; BONE SPRING	PRODUCING
2	30-025-42153	BROWN BEAR 36 STATE	#701H	D-36-25S-33E	[98094] WC-025 G-09 S253336D; UPPER WOLFCAMP	PRODUCING
3	30-025-42538	BROWN BEAR 36 STATE	#702H	N-36-25S-33E	[98094] WC-025 G-09 S253336D; UPPER WOLFCAMP	PERMITTED
4	30-025-42539	BROWN BEAR 36 STATE	#703H	N-36-25S-33E	[98094] WC-025 G-09 S253336D; UPPER WOLFCAMP	PERMITTED

I certify that this information is true and correct to the best of my knowledge.

EOG Resources, Inc.

By: 
Paul Boland
Sr. Landman

Well	Production Pool(s)	Oil Prod	Gas Prod	Wtr Prod
Brown Bear 36 #701H	WC-025 G-09 S253335K;BONE SPRING+WC-025 G-09 S253336D;UPPER WOLFCAMP	813	168	203
Brown Bear 36 #502H	WC-025 G-09 S253335K;BONE SPRING	764	399	546

Jones, William V, EMNRD

From: Stan Wagner <Stan_Wagner@eogresources.com>
Sent: Friday, May 22, 2015 10:21 AM
To: Jones, William V, EMNRD
Subject: Surface Commingling Info - Brown Bear 36 State
Attachments: Brown Bear 36 St #502 and #701 Gas Analysis.pdf

Good morning Will,

Attached is the BTU information for the Brown Bear 36 State Surface Commingling Application.
Also API oil gravity for the Bone Spring is 46.0 and the Wolfcamp is 47.0.

Thanks,

Stan Wagner
EOG Resources – Midland Regulatory
432-686-3689

From: Shane Brannan
Sent: Friday, May 22, 2015 10:56 AM
To: Stan Wagner
Subject: Brown Bear Gas

Stan,

Please see the attached gas report for this well. This gas sample comes from the flow check, so it combines both the #502H and #701H into a single stream, so I think this is very representative of what you will see going to sales form this CTB. They list the BTU content under several conditions, please see below:

REAL BTU/CU.FT.	
At 14.65 DRY	1309.8
At 14.65 WET	1286.9
At 14.696 DRY	1313.8
At 14.696 WET	1291.5
At 14.73 DRY	1316.8
At 14.73 Wet	1294.1

Thank you,



LABORATORY

Natural Gas Analysis

www.permianls.com

575.397.3713 2609 W Marland Hobbs NM 88240

For: EOG Resources Inc.
Attention: Tyler Cox
5626 Tatum Hwy
Lovington, New Mexico 88260

Sample: Sta. # 60389006 (NM)
Identification: Brown Bear 36 502&703 FC
Company: EOG Resources
Lease:
Plant:

Sample Data: Date Sampled 4/7/2015 10:00 AM
Analysis Date 4/9/2015
Pressure-PSIA 106
Sample Temp F 95
Atmos Temp F
Sampled by: Casey Ragsdale
Analysis by: Vicki McDaniel

H2S = 0 Press. Base: 14.73

Component Analysis

		Mol Percent	GPM
Hydrogen Sulfide	H2S	0.000	
Nitrogen	N2	1.328	
Carbon Dioxide	CO2	1.333	
Methane	C1	72.019	
Ethane	C2	13.866	3.699
Propane	C3	7.297	2.005
I-Butane	IC4	0.824	0.269
N-Butane	NC4	1.959	0.616
I-Pentane	IC5	0.392	0.143
N-Pentane	NC5	0.422	0.153
Hexanes Plus	C6+	<u>0.560</u>	<u>0.242</u>
		100.000	7.127

REAL BTU/CU.FT.
At 14.65 DRY 1309.8
At 14.65 WET 1286.9
At 14.696 DRY 1313.8
At 14.696 WET 1291.5
At 14.73 DRY 1316.8
At 14.73 Wet 1294.1

Specific Gravity
Calculated 0.7812

Molecular Weight 22.6260

*✓ New "89" G@
enter in all related mths 4/16*