

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.

 Print or Type Name Signature Title Date

 e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240

RECEIVED

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised June 10, 2003

District II
1301 W. Grand Avenue, Artesia, NM 88210

JUN 14 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE

District III
1000 Rio Brazos Road, Aztec, NM 87410

Single Well

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

OIL CONSERVATION
DIVISION

APPLICATION FOR DOWNHOLE COMMINGLING

Establish Pre-Approved Pools

EXISTING WELLBORE

Yes No

EOG RESOURCES, INC.

P.O. BOX 2267 MIDLAND, TX 79702

Operator Address
GINSENG 27 STATE COM 1 G-27-16S-35E LEA

Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 7377 Property Code API No. 30-025-36441 Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	SHOE BAR; ATOKA (GAS)		SHOE BAR; MORROW, SOUTH (GAS)
Pool Code	85210		85220
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	12430'- 12609'		12738'- 13160'
Method of Production (Flowing or Artificial Lift)	FLOWING		FLOWING
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	4340		6417
Oil Gravity or Gas BTU (Degree API or Gas BTU)	63.2 / 1179		61.5 / 1092
Producing, Shut-In or New Zone	PRODUCING NEW WELL		PRODUCING NEW WELL
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 2/28/04 Rates: 10 BOPD, 310 MCF	Date: Rates:	Date: 1/26/04 Rates: 3 BOPD, 124 MCFPD
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil 77 % Gas 71 %	Oil % Gas %	Oil 23 % Gas 29 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes No
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes No

Are all produced fluids from all commingled zones compatible with each other? Yes No

Will commingling decrease the value of production? Yes No

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes No

NMOCD Reference Case No. applicable to this well: _____

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Stan Wagner TITLE Regulatory Analyst DATE 6/9/04

TYPE OR PRINT NAME Stan Wagner TELEPHONE NO. (432) 686 3689

E-MAIL ADDRESS _____

DATA SHEET FOR NMOCD DOWNHOLE COMMINGLING

Operator: EOG Resources, Inc. 7377
Attn: Stan Wagner
P.O. Box 2267
Midland, TX 79702
432 686 3689

Lease Name and Well Number Ginseng 27 State Com No. 1

- (1) Perforated Pay Intervals: 12430'- 12450', 12480'- 12490', 12551'- 12567',
12600'- 12609', 12738'- 12748', 13151'- 13160'.
- (2) Production History (attach production curve for each zone):
No production history, this is a new well. **Atoka** tested 2/28/04; 10 BOPD 61 BWPD 310 MCFPD
Morrow tested 1/26/04; 3 BOPD 6 BWPD 124 MCFPD
- (3) Are Royalty and Working Interests identical with respect to all proposed combined zones in the well ?
Yes
- (4) Will commingling reduce the value of the total remaining production ?
No
- (5) Will cross flow exist ?
No
- (6) Are all produced fluids from all commingled zones compatible with each other ?
Yes
- (7) Is a copy of this application being provided to either the United States Bureau of Land Management or
New Mexico Commissioner of Public Lands ?
Yes

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-102
Revised August 15, 2000

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

OIL CONSERVATION DIVISION

Submit to Appropriate District Office
State Lease - 4 copies
Fee Lease - 3 copies

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-36441	² Pool Code 85220	³ Pool Name Shoe Bar; Morrow, South (Gas)
⁴ Property Code	⁵ Property Name GINSENG "27" STATE COM	
⁷ OGRID No. 7377	⁸ Operator Name EOG RESOURCES, INC.	⁶ Well Number 1
		⁹ Elevation 3983'

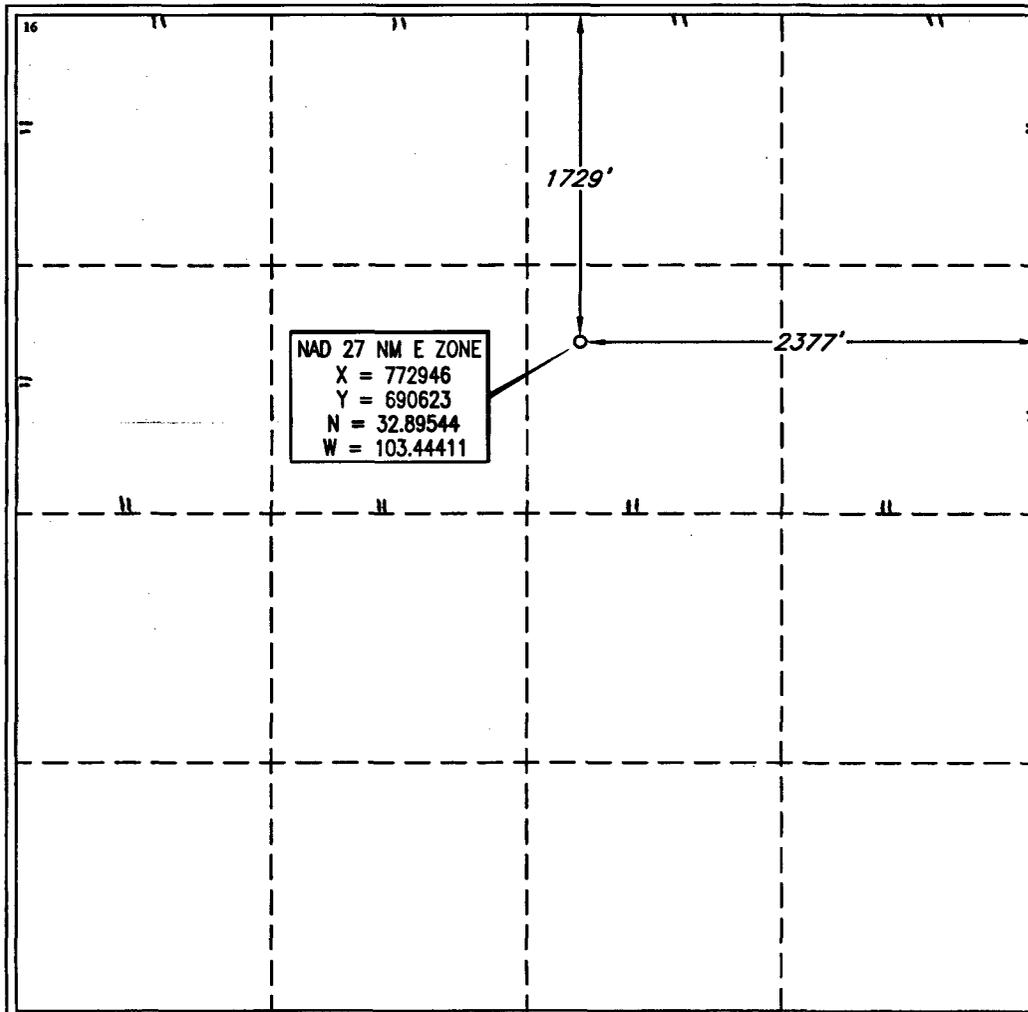
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	27	16 SOUTH	35 EAST, N.M.P.M.		1729'	NORTH	2377'	EAST	LEA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 320		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

NO ALLOWABLE WELL 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.

Stan Wagner
 Signature
 Stan Wagner
 Printed Name
 Regulatory Analyst
 Title
 6/9/04
 Date

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 and correct to the best of my belief.

OCTOBER 1, 2003
 Date of Survey
 Signature and Seal of Professional Surveyor

 V. L. BEZNER R.P.S. #7920
 Certificate Number
 JOB # 90543 / 46 NE / E.U.O.

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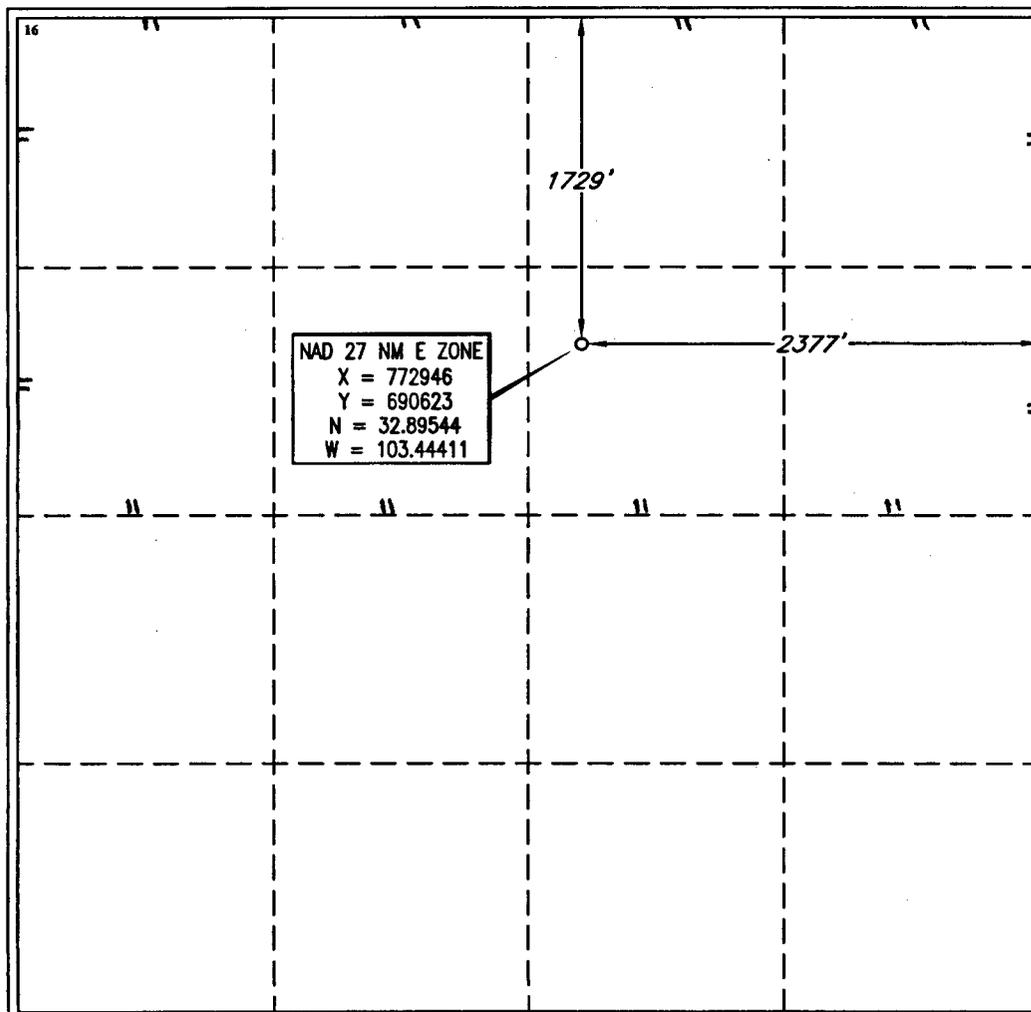
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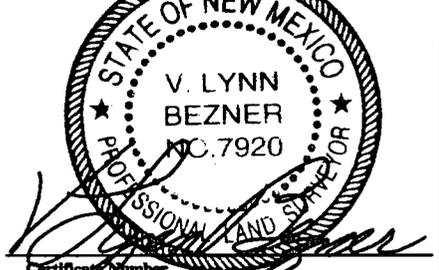
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