

2/8/2017 DATE IN	SUSPENSE	MAM ENGINEER	2/8/2017 LOGGED IN	PLC TYPE	PKSC1703940985 APP NO.
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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

Print or Type Name

*Stan Wagner*  
 Signature

Regulatory Analyst

Title

2/8/17

Date

Stan.Wagner@eogresources.com  
 e-mail Address

District I  
1625 N. French Drive, Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St Francis Dr, Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107-B  
Revised August 1, 2011

**OIL CONSERVATION DIVISION**  
1220 S. St Francis Drive  
Santa Fe, New Mexico 87505

Submit the original  
application to the Santa Fe  
office with one copy to the  
appropriate District Office.

**APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)**

OPERATOR NAME: EOG Resources, Inc.

OPERATOR ADDRESS: P.O. Box 2267, Midland, TX 79702

APPLICATION TYPE:

☐ Pool Commingling ☐ Lease Commingling ☒ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☒ State ☐ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No.

Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling

☒ Yes ☐ No SLO

**(A) POOL COMMINGLING**

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Calculated Value of Commingled Production	Volumes
(59900) Triple X; Bone Spring	OG 44.0 / BTU 1,271			
(98135) WC-025 S243310P Upper WC	Waiting on completion			

(2) Are any wells producing at top allowables? ☐ Yes ☒ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No

(4) Measurement type: ☒ Metering ☐ Other (Specify)

(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved

**(B) LEASE COMMINGLING**

Please attach sheets with the following information

(1) Pool Name and Code.

(2) Is all production from same source of supply? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No

(4) Measurement type: ☐ Metering ☐ Other (Specify)

**(C) POOL and LEASE COMMINGLING**

Please attach sheets with the following information

(1) Complete Sections A and E.

**(D) OFF-LEASE STORAGE and MEASUREMENT**

Please attached sheets with the following information

(1) Is all production from same source of supply? ☐ Yes ☐ No

(2) Include proof of notice to all interest owners.

**(E) ADDITIONAL INFORMATION (for all application types)**

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.

(3) Lease Names, Lease and Well Numbers, and API Numbers.

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

SIGNATURE: Stan Wagner TITLE: Regulatory Specialist DATE: 2/8/17

TYPE OR PRINT NAME Stan Wagner TELEPHONE NO: 432-686-3689

E-MAIL ADDRESS:

## APPLICATION FOR SURFACE POOL AND LEASE COMMINGLING

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

	WELL NAME	LOCATION	API	POOL CODE/NAME	STATUS
1	NEPTUNE 10 STATE COM #501H	P-10-24S-33E	30-025-42322	[59900] TRIPLE X; BONE SPRING	PRODUCING
2	NEPTUNE 10 STATE COM #502H	P-10-24S-33E	30-025-42323	[59900] TRIPLE X; BONE SPRING	PRODUCING
3	NEPTUNE 10 STATE COM #503H	N-10-24S-33E	30-025-43454	[59900] TRIPLE X; BONE SPRING	DRILLED
4	NEPTUNE 10 STATE COM #504H	N-10-24S-33E	30-025-43455	[59900] TRIPLE X; BONE SPRING	DRILLED
5	NEPTUNE 10 STATE COM #505H	M-10-24S-33E	30-025-43456	[59900] TRIPLE X; BONE SPRING	DRILLED
6	NEPTUNE 10 STATE COM #701H	M-10-24S-33E	30-025-43457	[98135] WC-025-G-09 S243310P; UPPER WOLFCAMP	DRILLED

Pursuant to NMAC 19.15.12.7(C), EOG Resources, Inc. ('EOG') seeks authority to surface commingle production from leases with diverse ownership. Record ownership is identical between all wells; however, not all elections are identical. Ownership is common and elections are identical between the following five wells:

- Neptune 10 State Com No. 501H;
- Neptune 10 State Com No. 502H;
- Neptune 10 State Com No. 503H;
- Neptune 10 State Com No. 504H;
- Neptune 10 State Com No. 505H.

The Neptune 10 State Com No. 701H well has diverse ownership, because a party to the governing operating agreement elected not to participate in the proposed well. For this reason, EOG requests approval to commingle production from leases with diverse ownership.

State lease NM VA-730 covers 160.00 acres, being the SE/4 Section 10, T24S, R33E, Lea County, NM. State lease NM V0-4397 covers 4800.00 acres, being the N/2 & SW/4 Section 10, T24S, R33E, Lea County, NM. State lease NM V-4368 covers 160.13 acres, being the Lot 4, NW/4SW/4 & S/2SW/4 Section 3, T24S, R33E, Lea County, New Mexico. State Lease NM VO-5289 covers 480.23 acres, being Lots 1, 2, 3, S/2N/2, NE/4SW/4 & SE/4 Section 3, T24S, R33E, Lea County, NM. The central tank battery for the aforementioned wells is located entirely within the boundary of State lease NM VA-730.

Attached please find EOG's C-107B, a process flow diagram of the central tank battery, and C-102 plats for each of the wells.

✓ V0-4397.

## **OIL AND GAS METERING**

Neptune 10 State Com #501H production is measured at its dedicated separator which includes: Coriolis meter for oil, senior orifice meter for gas, and vortex meter for water.

Neptune 10 State Com #502H production is measured at its dedicated separator which includes: Coriolis meter for oil, senior orifice meter for gas, and vortex meter for water.

Neptune 10 State Com #503H production is measured at its dedicated separator which includes: Coriolis meter for oil, senior orifice meter for gas, and vortex meter for water.

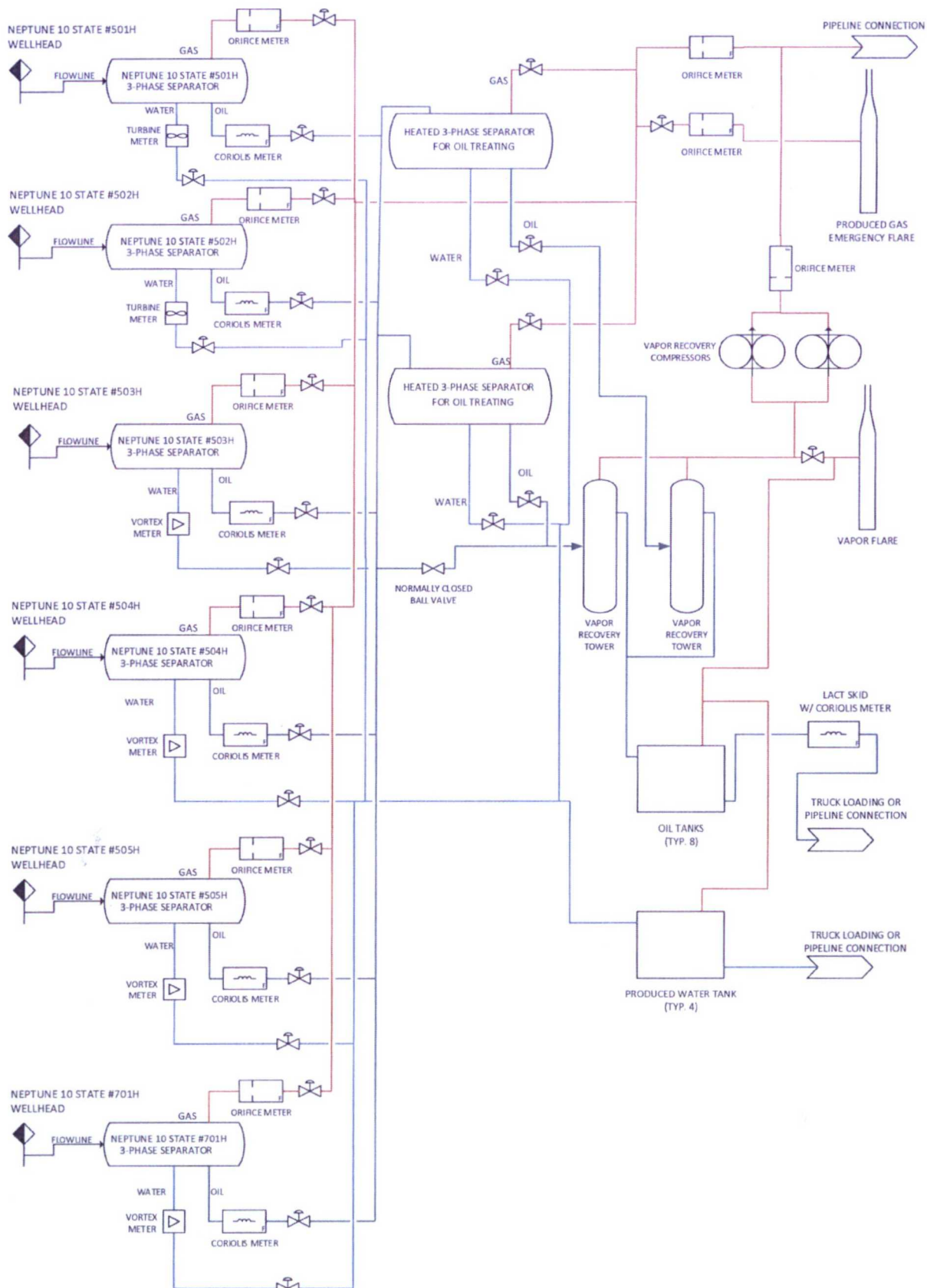
Neptune 10 State Com #504H production is measured at its dedicated separator which includes: Coriolis meter for oil, senior orifice meter for gas, and vortex meter for water.

Neptune 10 State Com #505H production is measured at its dedicated separator which includes: Coriolis meter for oil, senior orifice meter for gas, and vortex meter for water.

Neptune 10 State Com #701H production is measured at its dedicated separator which includes: Coriolis meter for oil, senior orifice meter for gas, and vortex 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 vortex 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.



CENTRAL TANK BATTERY PROCESS FLOW  
DIAGRAM FOR NEPTUNE CTB

PROJECT: NEPTUNE 10 CTB	1/10/2017
DRAWN BY: RJM	REV: B



P.O. Box 2267, Midland, Texas 79702  
Phone: (432) 686-3600 Fax: (432) 686-3773

January 23, 2017

Devon Energy Production Company, L.P.  
333 West Sheridan Ave.  
Oklahoma City, OK 73102-8260  
Attn: Ms. Carol Glass

Re: Application for Surface Pool and Lease Commingling  
Neptune 10 State Com #501H - #505H  
Neptune 10 State Com #701H  
Sections 3 and 10, T24S, R33E  
Lea County, New Mexico

Ms. Glass,

Please allow this letter to serve as notice that EOG Resources, Inc. ('EOG') is filing an application with the New Mexico State Land Office ('NMSLO') and the New Mexico Oil Conservation Division ('NMOCD') seeking approval for surface pool commingling for the subject wells. A copy of EOG's application is attached for your convenience.

Please indicate Devon's consent to the surface pool and lease commingling by signing the space below and returning the original by mail to the letterhead address.

Thank you in advance for your early and favorable attention to this matter.

Sincerely,  
EOG Resources, Inc.

*Matthew C. Phillips*  
Matthew C. Phillips, RPL  
Landman II

Devon Energy Production Company, L.P.  
Agreed and accepted this 7 day of February, 2017

By: [Signature]  
Title: Land Supervisor



Devon Energy Corporation  
333 West Sheridan Ave.  
Oklahoma City, OK 73102-8260

405 235 3611 Phone  
[www.devonenergy.com](http://www.devonenergy.com)

February 7, 2017

EOG Resources, Inc.  
P. O. Box 2267  
Midland, TX 79702  
Attn: Mr. Matthew C. Phillips

RE: EOG's Application for Surface Pool and Lease Commingling  
Neptune 10 State Com. #501H, #502H, #503H, #504H, #505H  
Neptune 10 State Com #701H  
Sections 3 and 10, T24S-R33E  
Lea County, New Mexico

Mr. Phillips:

Reference is made to your letter dated January 23, 2017 and the enclosed application EOG Resources, Inc. ("EOG") is filing with the New Mexico Oil Conservation Division seeking approval for surface pool commingling for the captioned wells. Please be advised Devon Energy Production Company, L. P. consents to EOG's application as set forth in the attached application.

If anything further is needed at this time, please contact me at 405.552.6160 or [Carol.Glass@devn.com](mailto:Carol.Glass@devn.com).

Sincerely,

Devon Energy Production Company, L.P.

Carol Glass  
Landman

Enclosures

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., Santa 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.  
Santa Fe, NM 87505

FORM C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name	
<sup>4</sup> Property Code		<sup>5</sup> Property Name NEPTUNE 10 STATE COM			<sup>6</sup> Well Number 501H
<sup>7</sup> OGRID No.		<sup>8</sup> Operator Name EOG RESOURCES, INC.			<sup>9</sup> Elevation 3609'

<sup>10</sup>Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	10	24-S	33-E	-	251'	SOUTH	1090'	EAST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	10	24-S	33-E	-	230'	NORTH	380'	EAST	LEA

<sup>11</sup> Dedicated Acres 160.00	<sup>12</sup> Joint or Infill	<sup>13</sup> Consolidation Code	<sup>14</sup> 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.

<sup>16</sup> 	<b>BOTTOM HOLE LOCATION</b> NEW MEXICO EAST NAD 1927 X=741461 Y=451387 LAT.: N 32.2385680 LONG.: W 103.5523939	<sup>17</sup> 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 _____ Date _____  Printed Name _____  E-mail Address _____ X=741852.09 Y=446998.38	
	<b>LOWER MOST PERF.</b> NEW MEXICO EAST NAD 1927 X=741462 Y=451287 LAT.: N 32.2382931 LONG.: W 103.5523942		<sup>18</sup> 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 _____ Signature _____ Certificate Number _____ X=741813.33 Y=446558.81
	<b>UPPER MOST PERF.</b> NEW MEXICO EAST NAD 1927 X=741491 Y=446686 LAT.: N 32.2256455 LONG.: W 103.5524098		
	<b>SURFACE LOCATION</b> NEW MEXICO EAST NAD 1927 X=740761 Y=446603 LAT.: N 32.2254314 LONG.: W 103.5547054		



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1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
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State of New Mexico  
Energy, Minerals & Natural Resources  
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OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

FORM C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

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WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name	
<sup>4</sup> Property Code		<sup>5</sup> Property Name NEPTUNE 10 STATE COM			<sup>6</sup> Well Number 502H
<sup>7</sup> OGRID No.		<sup>8</sup> Operator Name EOG RESOURCES, INC.			<sup>9</sup> Elevation 3610'

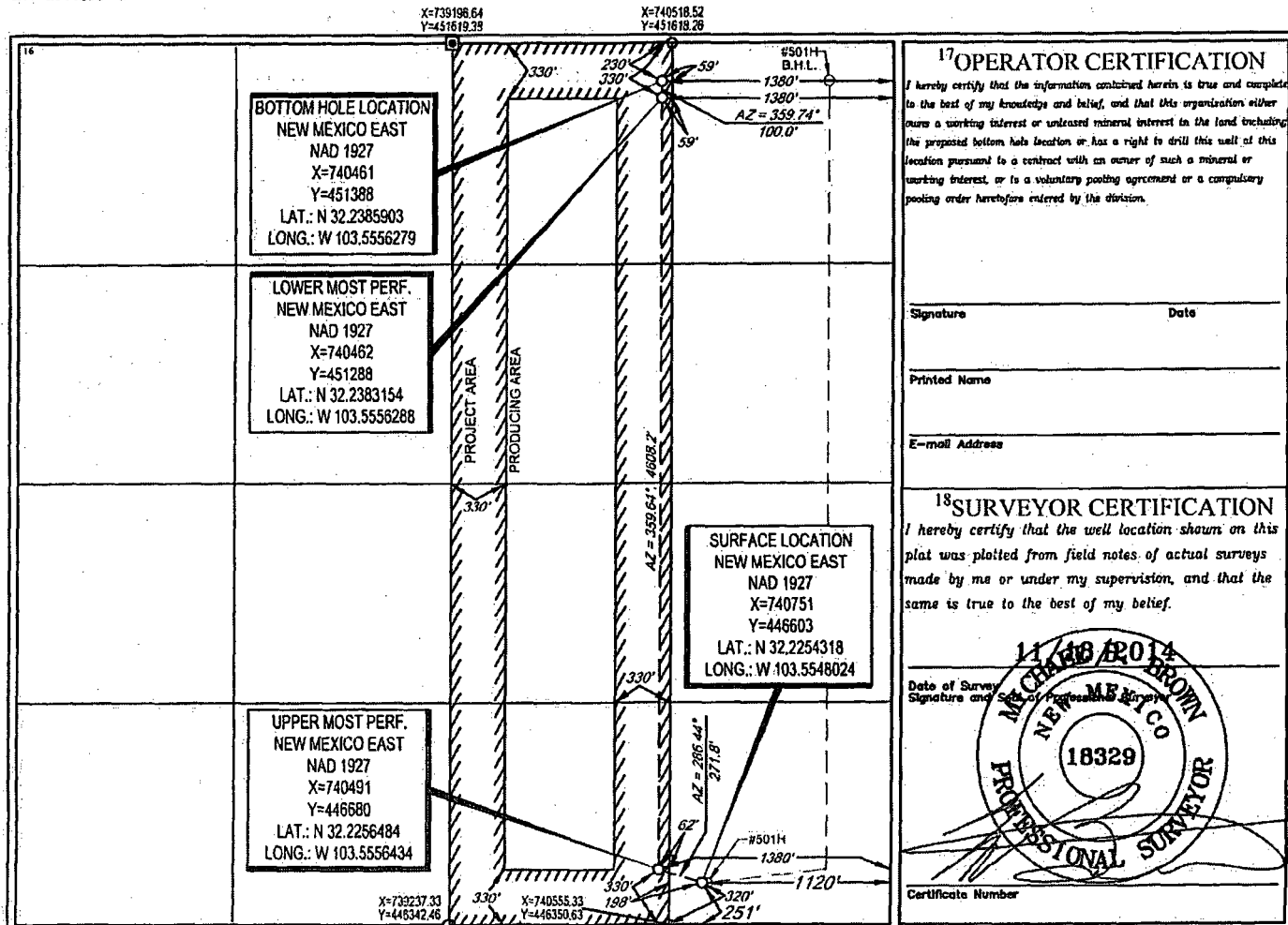
<sup>10</sup>Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	10	24-S	33-E	-	251'	SOUTH	1120'	EAST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	10	24-S	33-E	-	230'	NORTH	1380'	EAST	LEA

<sup>12</sup> Dedicated Acres 160.00	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.



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<sup>1</sup> API Number		<sup>2</sup> Pool Code	<sup>3</sup> Pool Name
<sup>4</sup> Property Code	<sup>5</sup> Property Name NEPTUNE 10 STATE COM		<sup>6</sup> Well Number 503H
<sup>7</sup> OGRID No.	<sup>8</sup> Operator Name EOG RESOURCES, INC.		<sup>9</sup> Elevation 3609'

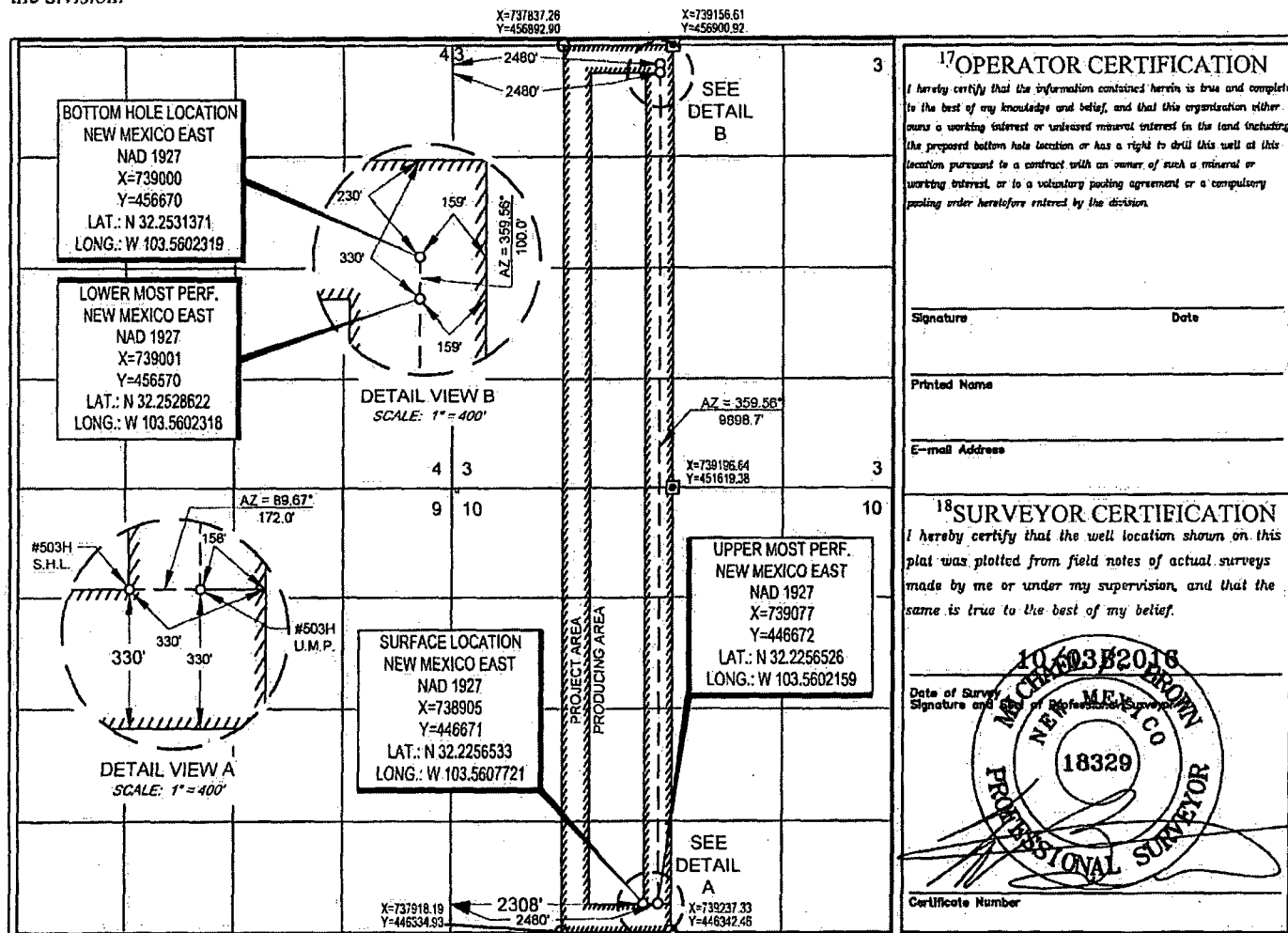
<sup>10</sup>Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	10	24-S	33-E	-	330'	SOUTH	2308'	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	3	24-S	33-E	-	230'	NORTH	2480'	WEST	LEA

<sup>11</sup> Dedicated Acres 320	<sup>12</sup> Joint or Infill	<sup>13</sup> Consolidation Code	<sup>14</sup> 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.



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WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name
<sup>4</sup> Property Code	<sup>5</sup> Property Name NEPTUNE 10 STATE COM	<sup>6</sup> Well Number 504H
<sup>7</sup> GRID No.	<sup>8</sup> Operator Name EOG RESOURCES, INC.	<sup>9</sup> Elevation 3610'

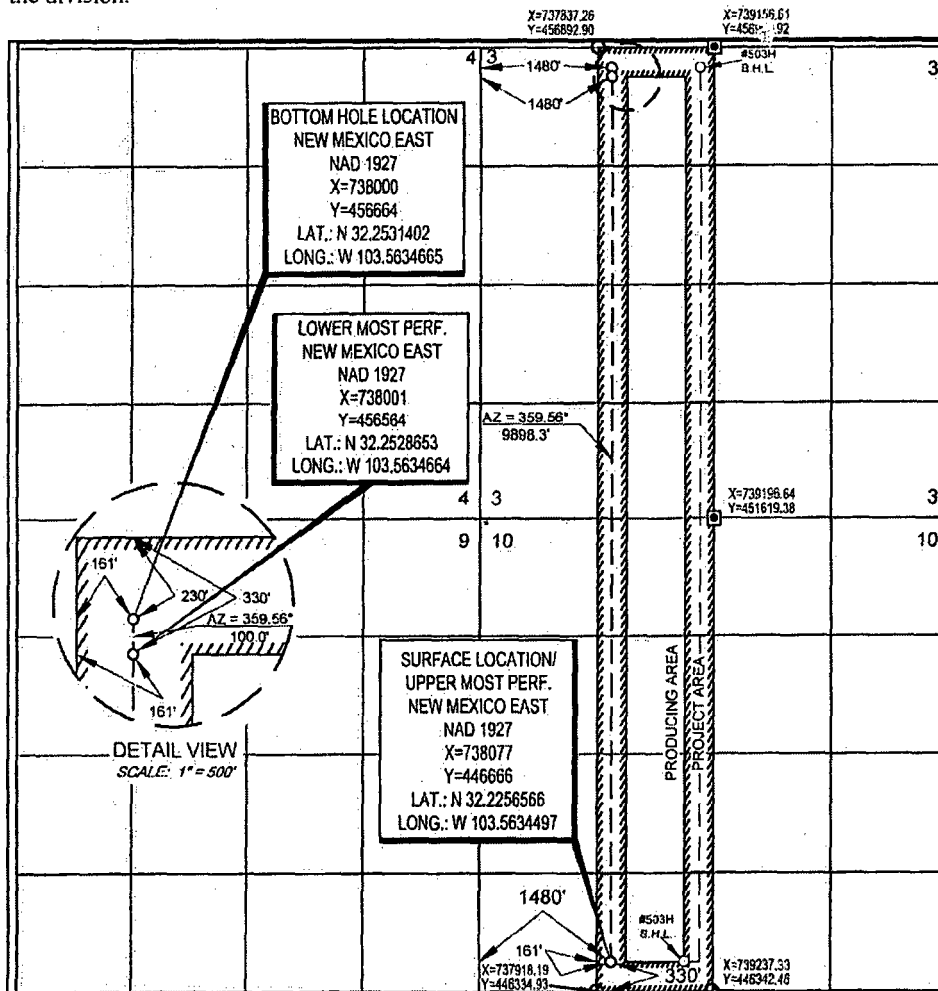
<sup>10</sup>Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	10	24-S	33-E	-	330'	SOUTH	1480'	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	3	24-S	33-E	-	230'	NORTH	1480'	WEST	LEA

<sup>12</sup> Dedicated Acres 320	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.



<sup>17</sup>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 voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Printed Name \_\_\_\_\_

E-mail Address \_\_\_\_\_

<sup>18</sup>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 \_\_\_\_\_ Signature \_\_\_\_\_

10/03/2016  
NEW MEXICO  
18329  
PROFESSIONAL SURVEYOR

Certificate Number \_\_\_\_\_

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WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code		Pool Name	
Property Code		Property Name <b>NEPTUNE 10 STATE COM</b>			Well Number <b>505H</b>
OGRID No.		Operator Name <b>EOG RESOURCES, INC.</b>			Elevation <b>3615'</b>

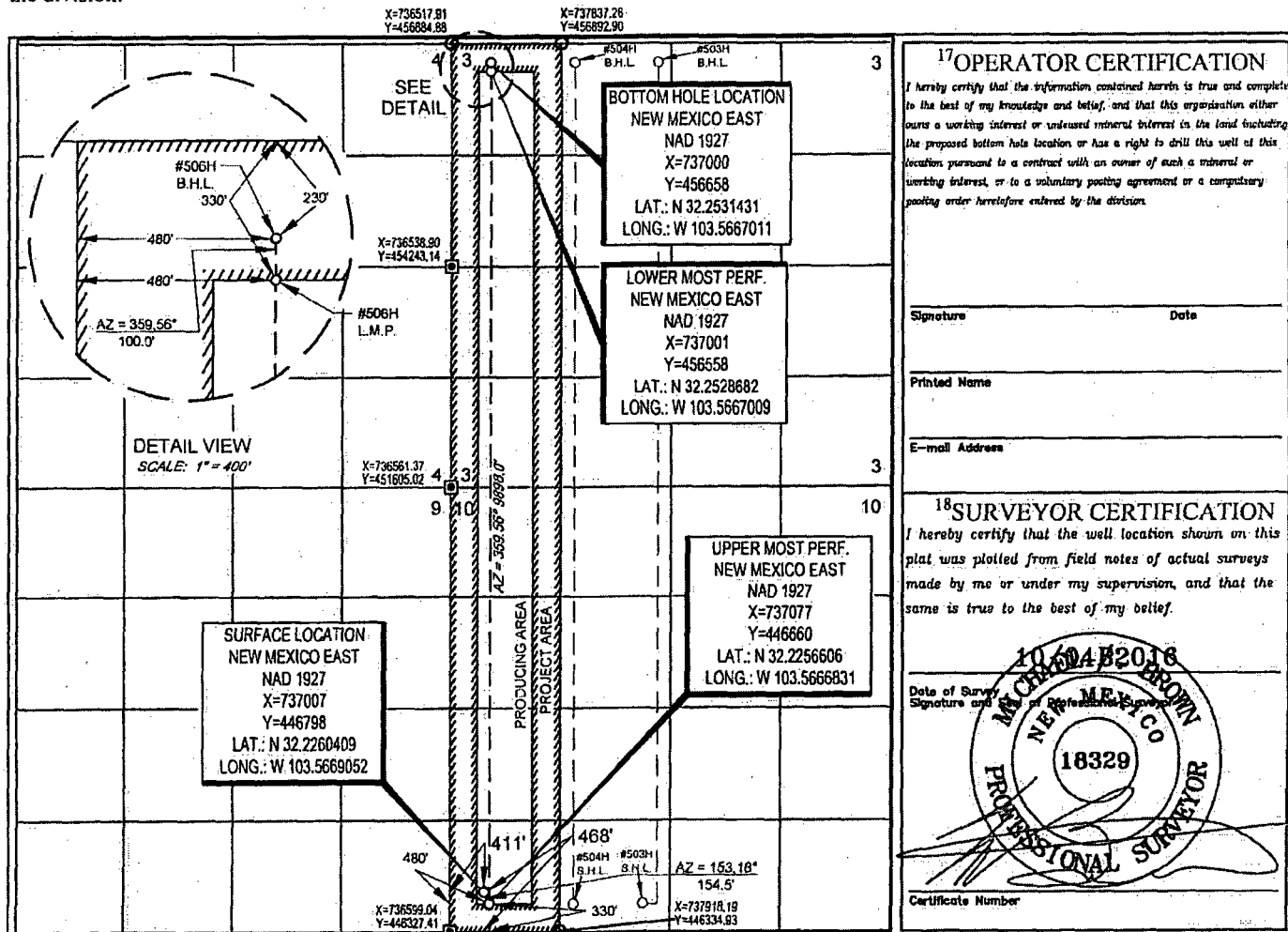
10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>M</b>	<b>10</b>	<b>24-S</b>	<b>33-E</b>	<b>-</b>	<b>468'</b>	<b>SOUTH</b>	<b>411'</b>	<b>WEST</b>	<b>LEA</b>

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>D</b>	<b>3</b>	<b>24-S</b>	<b>33-E</b>	<b>-</b>	<b>230'</b>	<b>NORTH</b>	<b>480'</b>	<b>WEST</b>	<b>LEA</b>

Dedicated Acres <b>320</b>	Joint or Infill	Consolidation Code	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.



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) 748-0720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa 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.  
Santa Fe, NM 87505

FORM C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name	
<sup>4</sup> Property Code		<sup>5</sup> Property Name NEPTUNE 10 STATE COM			<sup>6</sup> Well Number 701H
<sup>7</sup> OGRID No.		<sup>8</sup> Operator Name EOG RESOURCES, INC.			<sup>9</sup> Elevation 3616'

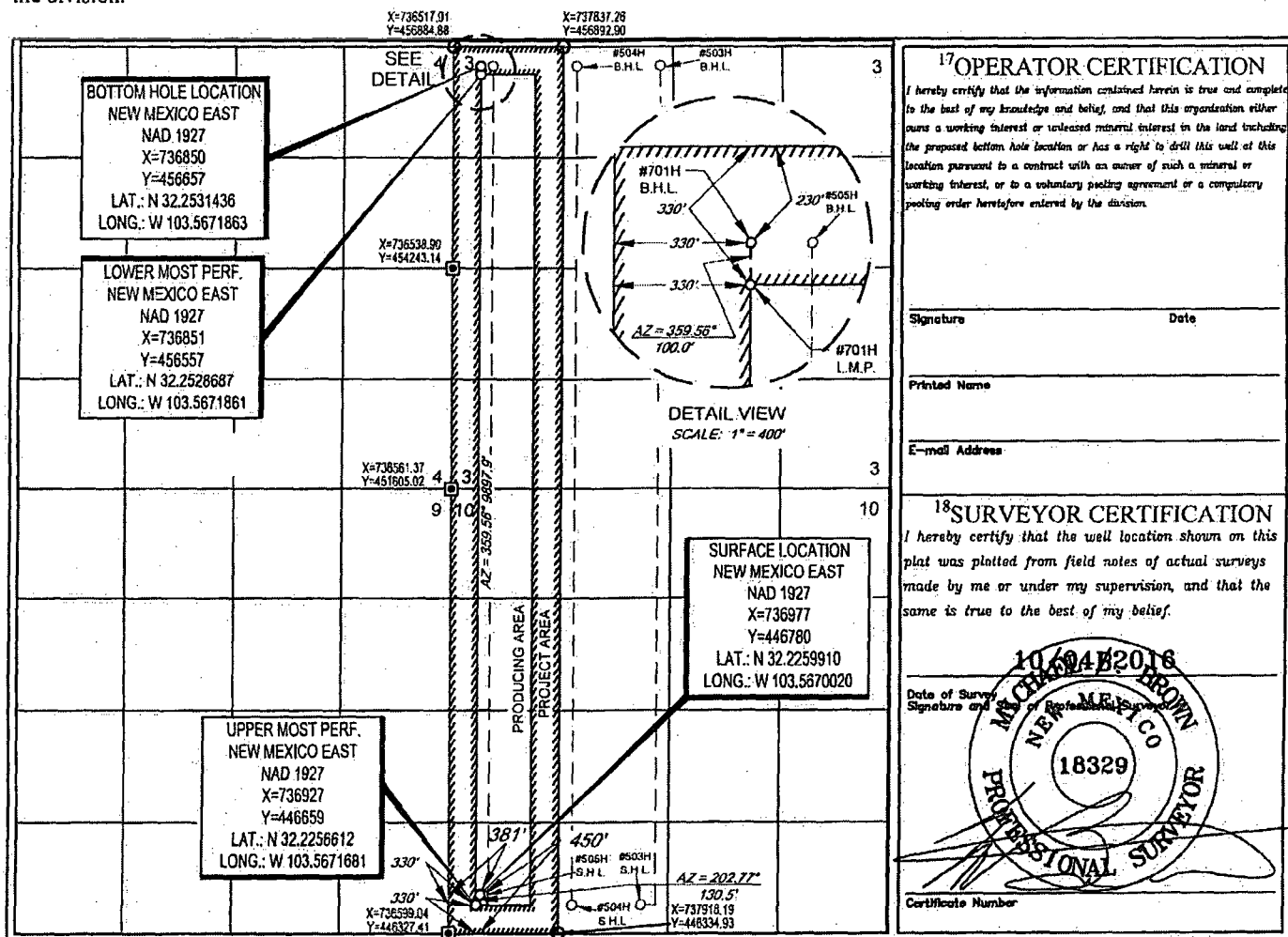
<sup>10</sup>Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	10	24-S	33-E	-	450'	SOUTH	381'	WEST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	3	24-S	33-E	-	230'	NORTH	330'	WEST	LEA

<sup>11</sup> Dedicated Acres 320	<sup>12</sup> Joint or Infill	<sup>13</sup> Consolidation Code	<sup>14</sup> 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.



**Production Summary Report**

API: 30-025-42322

NEPTUNE 10 STATE COM #501H

Printed On: Thursday, January 19 2017

		Production					Injection				
Year	Pool	Month	Oil(BBLS)	Gas(MCF)	Water(BBLS)	Days P/I	Water(BBLS)	Co2(MCF)	Gas(MCF)	Other	Pressure
2015	[96674] TRIPLE X;BONE SPRING, WEST	Jul	16498	18970	40193	31	0	0	0	0	0
2015	[96674] TRIPLE X;BONE SPRING, WEST	Aug	46205	54389	81802	31	0	0	0	0	0
2015	[96674] TRIPLE X;BONE SPRING, WEST	Sep	27815	33264	47218	30	0	0	0	0	0
2015	[96674] TRIPLE X;BONE SPRING, WEST	Oct	23545	19161	42128	31	0	0	0	0	0
2015	[96674] TRIPLE X;BONE SPRING, WEST	Nov	20220	22569	34226	30	0	0	0	0	0
2015	[96674] TRIPLE X;BONE SPRING, WEST	Dec	16029	16158	27261	31	0	0	0	0	0
2016	[96674] TRIPLE X;BONE SPRING, WEST	Jan	16639	18499	27035	31	0	0	0	0	0
2016	[96674] TRIPLE X;BONE SPRING, WEST	Feb	13087	14655	21411	29	0	0	0	0	0
2016	[96674] TRIPLE X;BONE SPRING, WEST	Mar	13444	13593	21806	31	0	0	0	0	0
2016	[96674] TRIPLE X;BONE SPRING, WEST	Apr	11411	14000	18717	30	0	0	0	0	0
2016	[96674] TRIPLE X;BONE SPRING, WEST	May	11152	14048	17660	31	0	0	0	0	0
2016	[96674] TRIPLE X;BONE SPRING, WEST	Jun	10623	15114	16284	30	0	0	0	0	0
2016	[96674] TRIPLE X;BONE SPRING, WEST	Jul	8864	10927	14091	31	0	0	0	0	0
2016	[96674] TRIPLE X;BONE SPRING, WEST	Aug	9463	12389	14675	31	0	0	0	0	0
2016	[96674] TRIPLE X;BONE SPRING, WEST	Sep	9010	10188	14261	30	0	0	0	0	0
2016	[96674] TRIPLE X;BONE SPRING, WEST	Oct	6829	10737	10857	31	0	0	0	0	0
2016	[96674] TRIPLE X;BONE SPRING, WEST	Nov	4265	1053	6931	30	0	0	0	0	0

Production Summary Report  
API: 30-025-42323  
NEPTUNE 10 STATE COM #502H  
Printed On: Thursday, January 19 2017

		Production					Injection				
Year	Pool	Month	Oil(BBLS)	Gas(MCF)	Water(BBLS)	Days P/I	Water(BBLS)	Co2(MCF)	Gas(MCF)	Other	Pressure
2015	[96674] TRIPLE X;BONE SPRING, WEST	Jul	12553	15758	38626	31	0	0	0	0	0
2015	[96674] TRIPLE X;BONE SPRING, WEST	Aug	40698	49088	66725	31	0	0	0	0	0
2015	[96674] TRIPLE X;BONE SPRING, WEST	Sep	25654	29576	36451	30	0	0	0	0	0
2015	[96674] TRIPLE X;BONE SPRING, WEST	Oct	21846	18380	29866	30	0	0	0	0	0
2015	[96674] TRIPLE X;BONE SPRING, WEST	Nov	18746	21529	27239	30	0	0	0	0	0
2015	[96674] TRIPLE X;BONE SPRING, WEST	Dec	15712	18081	21415	31	0	0	0	0	0
2016	[96674] TRIPLE X;BONE SPRING, WEST	Jan	15603	18269	21681	31	0	0	0	0	0
2016	[96674] TRIPLE X;BONE SPRING, WEST	Feb	13441	16662	20046	29	0	0	0	0	0
2016	[96674] TRIPLE X;BONE SPRING, WEST	Mar	13012	17593	19012	31	0	0	0	0	0
2016	[96674] TRIPLE X;BONE SPRING, WEST	Apr	10939	12504	15974	30	0	0	0	0	0
2016	[96674] TRIPLE X;BONE SPRING, WEST	May	10996	14137	16429	31	0	0	0	0	0
2016	[96674] TRIPLE X;BONE SPRING, WEST	Jun	10148	15287	15279	30	0	0	0	0	0
2016	[96674] TRIPLE X;BONE SPRING, WEST	Jul	8620	10233	11610	31	0	0	0	0	0
2016	[96674] TRIPLE X;BONE SPRING, WEST	Aug	8862	11370	12638	31	0	0	0	0	0
2016	[96674] TRIPLE X;BONE SPRING, WEST	Sep	8223	8873	12494	30	0	0	0	0	0
2016	[96674] TRIPLE X;BONE SPRING, WEST	Oct	8155	12555	12257	31	0	0	0	0	0
2016	[96674] TRIPLE X;BONE SPRING, WEST	Nov	6810	1111	10457	30	0	0	0	0	0

## McMillan, Michael, EMNRD

---

**From:** Matthew Phillips <Matthew\_Phillips@eogresources.com>  
**Sent:** Wednesday, February 8, 2017 9:49 AM  
**To:** McMillan, Michael, EMNRD  
**Cc:** Stan Wagner  
**Subject:** Re: Surface Commingling Application - Neptune 10 State Com

Mike,

EOG and Devon are the only working interest and royalty interest owners apart from the State of New Mexico.

If you have any other questions, please let me know.

Thank you,  
Matt Phillips

On Feb 8, 2017, at 10:47 AM, McMillan, Michael, EMNRD <[Michael.McMillan@state.nm.us](mailto:Michael.McMillan@state.nm.us)> wrote:

**\*\*External email. Use caution.\*\***

Are EOG and Devon the only two working interest parties?

How about royalty interest owners?

Mike

---

**From:** Stan Wagner [[mailto:Stan\\_Wagner@eogresources.com](mailto:Stan_Wagner@eogresources.com)]  
**Sent:** Wednesday, February 8, 2017 9:34 AM  
**To:** McMillan, Michael, EMNRD <[Michael.McMillan@state.nm.us](mailto:Michael.McMillan@state.nm.us)>  
**Cc:** Matthew Phillips <[Matthew\\_Phillips@eogresources.com](mailto:Matthew_Phillips@eogresources.com)>  
**Subject:** Surface Commingling Application - Neptune 10 State Com

Good morning Mike,

Please find attached a surface commingling application for the Neptune 10 State Com lease. Let me know if you need additional information.

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



## McMillan, Michael, EMNRD

---

**From:** Stan Wagner <Stan\_Wagner@eogresources.com>  
**Sent:** Wednesday, February 8, 2017 1:43 PM  
**To:** McMillan, Michael, EMNRD  
**Subject:** RE: Amended Surface Commingle - Endurance 36 State Com

NE/4 of SW/4 Section 10

---

**From:** McMillan, Michael, EMNRD [mailto:Michael.McMillan@state.nm.us]  
**Sent:** Wednesday, February 08, 2017 2:23 PM  
**To:** Stan Wagner  
**Subject:** RE: Amended Surface Commingle - Endurance 36 State Com

\*\*External email. Use caution.\*\*

I am working on the Neptune-sorry  
Mike

---

**From:** Stan Wagner [mailto:Stan\_Wagner@eogresources.com]  
**Sent:** Wednesday, February 8, 2017 1:22 PM  
**To:** McMillan, Michael, EMNRD <Michael.McMillan@state.nm.us>  
**Subject:** RE: Amended Surface Commingle - Endurance 36 State Com

Section 10 ? is this Neptune ?

---

**From:** McMillan, Michael, EMNRD [mailto:Michael.McMillan@state.nm.us]  
**Sent:** Wednesday, February 08, 2017 2:08 PM  
**To:** Stan Wagner  
**Cc:** Gavin Smith  
**Subject:** RE: Amended Surface Commingle - Endurance 36 State Com

\*\*External email. Use caution.\*\*

Where is the battery located in Section 10

---

**From:** McMillan, Michael, EMNRD  
**Sent:** Wednesday, February 8, 2017 1:06 PM  
**To:** 'Stan Wagner' <Stan\_Wagner@eogresources.com>  
**Cc:** Gavin Smith <Gavin\_Smith@eogresources.com>  
**Subject:** RE: Amended Surface Commingle - Endurance 36 State Com

Do the wells with identical ownership have the same com agreement

---

**From:** Stan Wagner [mailto:Stan\_Wagner@eogresources.com]  
**Sent:** Wednesday, February 8, 2017 9:48 AM  
**To:** McMillan, Michael, EMNRD <Michael.McMillan@state.nm.us>  
**Cc:** Gavin Smith <Gavin\_Smith@eogresources.com>  
**Subject:** Amended Surface Commingle - Endurance 36 State Com

Mike,

## **McMillan, Michael, EMNRD**

---

**From:** Kautz, Paul, EMNRD  
**Sent:** Thursday, February 9, 2017 10:52 AM  
**To:** McMillan, Michael, EMNRD  
**Subject:** RE: Pool designation EOG Resources Neptune 10 State Com Well No. 503H ,Neptune 10 State Com Well No. 504H and Neptune 10 State Com Well No. 505H

Hi Michael,

The EOG Resources Neptune 10 State Com Well No. 505H API 30-025-43456 and 503H API 30-025-43454 have been corrected to TRIPLE X;BONE SPRING, WEST Pool code 96674

Paul Kautz  
Hobbs District Geologist  
Energy Minerals Natural Resources Dept.  
Oil Conservation Division  
1625 N. French Dr.  
Hobbs, NM 88240  
575-393-6161 ext. 104

---

**From:** McMillan, Michael, EMNRD  
**Sent:** Thursday, February 9, 2017 9:58 AM  
**To:** Kautz, Paul, EMNRD <paul.kautz@state.nm.us>  
**Subject:** Pool designation EOG Resources Neptune 10 State Com Well No. 503H ,Neptune 10 State Com Well No. 504H and Neptune 10 State Com Well No. 505H

Paul:

Here are the three wells in question. The Neptune 10 State Com Well No. 503H and 504H have the same project area. The 505H is located one project area to the west.

Can you check the pool designation for the EOG Resources Neptune 10 State Com Well No. 503H API 30-025-43454, it is designated to the TRIPLE X;BONE SPRING Pool code 5990.

The EOG Resources Neptune 10 State Com Well No. 504H API 30-025-43455, it is designated to the TRIPLE X;BONE SPRING, WEST Pool code 96674

The EOG Resources Neptune 10 State Com Well No. 505H API 30-025-43456, it is designated to the TRIPLE X;BONE SPRING, WEST Pool code 59900

Also, The Neptune 10 State Com Well No. 501H API 30-025-42322 and Neptune 10 State Com Well No. 502H API 30-025-42323 are in the Triple X; Bone Spring, West pool. The wells have project area in the E/2 of Section 10.

Thanks  
Mike

**MICHAEL A. MCMILLAN**

Engineering Bureau, Oil Conservation Division  
1220 south St. Francis Dr., Santa Fe NM 87505  
O: 505.476.3448  
[Michael.McMillan@state.nm.us](mailto:Michael.McMillan@state.nm.us)

Submit 1 Copy To Appropriate District Office  
District I - (575) 393-6161  
1625 N. French Dr., Hobbs, NM 88240  
District II - (575) 748-1283  
811 S. First St., Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV - (505) 476-3460  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-103  
Revised July 18, 2013

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. <b>30-025-42322</b>
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator <b>EOG Resources, Inc.</b>		6. State Oil & Gas Lease No.
3. Address of Operator <b>P.O. Box 2267 Midland, TX 79702</b>		7. Lease Name or Unit Agreement Name <b>Neptune 10 State Com</b>
4. Well Location Unit Letter <b>P</b> <b>251</b> feet from the <b>South</b> line and <b>1090</b> feet from the <b>East</b> line Section <b>10</b> Township <b>24S</b> Range <b>33E</b> NMPM County <b>Lea</b>		8. Well Number <b>501H</b>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <b>3609' GR</b>		9. OGRID Number <b>7377</b>
		10. Pool name or Wildcat <b>Triple X; Bone Spring, West</b>

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <b>Surface Commingling C TB-759</b> <input checked="" type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

EOG Resources proposes to surface commingle, pools from the same lease (separate Com) as follows:

Neptune 10 State Com #501H 30-025-42322 (96674) Triple X; Bone Spring, West  
Neptune 10 State Com #502H 30-025-42323 (96674) Triple X; Bone Spring, West

Surface commingling details attached.  
Representative oil gravity is 42.0 for the Bone Spring  
Representative BTU content attached.

NMSLO is being notified concurrently with the filing of this application.

Spud Date:

Rig Release Date:

I recommend Approval. Subject LTR Approval. Amended  
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

*Stan Wagner*  
Stan Wagner

TITLE

Regulatory Analyst

DATE

08/06/2015

Type or print name

E-mail address:

PHONE:

432-686-3689

For State Use Only

APPROVED BY:

*David R. Catano*

TITLE

Division Director

DATE

8/10/15

Conditions of Approval (if any):