

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

Form C-103
Revised July 18, 2013

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

SUNDRY NOTICES AND REPORTS ON WELLS (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. 30-025-43129
1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐		5. Indicate Type of Lease STATE ☒ FEE ☐
2. Name of Operator EOG Resources, Inc.		6. State Oil & Gas Lease No.
3. Address of Operator P.O. Box 2267 Midland, TX 79702		7. Lease Name or Unit Agreement Name Nautilus 16 State Com
4. Well Location Unit Letter D : 439 feet from the North line and 751 feet from the West line Section 16 Township 26S Range 34E NMPM County Lea		8. Well Number 703H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3341' GR		9. OGRID Number 7377
		10. Pool name or Wildcat *WC-025 G-09 S263416B; Upper Wolfcamp

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	P AND A ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL. ☐	CASING/CEMENT JOB ☐	
DOWNHOLE COMMINGLE ☐			
CLOSED-LOOP SYSTEM ☐			
OTHER: ☐	Surface Commingle ☒	OTHER: ☐	

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 requests permission to surface pool/lease commingle production from the wells listed below and future wells within the same pools at a central tank battery.

Nautilus 16 State Com 703H 30-025-43129 WC-025 G-09 S263416B Upper Wolfcamp (98105)
Nautilus 16 State Com 704H 30-025-43130 WC-025 G-09 S263416B Upper Wolfcamp (98105)
Nautilus 16 State Com 710H 30-025-43899 WC-025 G-09 S263416B Upper Wolfcamp (98105)
Nautilus 16 State Com 711H 30-025-43900 WC-025 G-09 S263416B Upper Wolfcamp (98105)

Identical ownership, 2 COMS, 2 State leases, same pools.
Detailed information is attached.
Concurrent approval from NMSLO is being requested.

Spud Date:

Rig Release Date:

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 8/01/2017
Type or print name Stan Wagner E-mail address: _____ PHONE: 432-686-3689
For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____
Conditions of Approval (if any):

Michael McMillan



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

Date: July 25, 2017
To: State of New Mexico Oil Conservation Division
Re: Surface Pool/Lease Commingling Application; Nautilus 16 State Com
#703H, #704H, #710H, #711H

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 #	LOCATION	POOL CODE/NAME	STATUS
1	30-025-43129	NAUTILUS 16 STATE COM	#703H	D-16-26S-34E	[98105] WC-025 G-09 S263416B; UPPER WOLFCAMP	Producing
2	30-025-43130	NAUTILUS 16 STATE COM	#704H	D-16-26S-34E	[98105] WC-025 G-09 S263416B; UPPER WOLFCAMP	Producing
3	30-025-43899	NAUTILUS 16 STATE COM	#710H	C-16-26S-34E	[98105] WC-025 G-09 S263416B; UPPER WOLFCAMP	Permitted
4	30-025-43900	NAUTILUS 16 STATE COM	#711H	C-16-26S-34E	[98105] WC-025 G-09 S263416B; UPPER WOLFCAMP	Permitted

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

EOG Resources, Inc.

By: Paul Boland
Paul Boland
Sr. Landman

APPLICATION FOR SURFACE POOL/LEASE COMMINGLING

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

	API	WELL NAME	WELL #	LOCATION	POOL CODE/NAME	STATUS	OIL API	GAS BTU
1	30-025-43129	NAUTILUS 16 STATE COM	#703H	D-16-26S-34E	[98105] WC-025 G-09 S263416B; UPPER WOLFCAMP	Producing	44	1333/cft
2	30-025-43130	NAUTILUS 16 STATE COM	#704H	D-16-26S-34E	[98105] WC-025 G-09 S263416B; UPPER WOLFCAMP	Producing	44	1333/cft
3	30-025-43899	NAUTILUS 16 STATE COM	#710H	C-16-26S-34E	[98105] WC-025 G-09 S263416B; UPPER WOLFCAMP	Permitted	44*	1333/cft*
4	30-025-43900	NAUTILUS 16 STATE COM	#711H	C-16-26S-34E	[98105] WC-025 G-09 S263416B; UPPER WOLFCAMP	Permitted	44*	1333/cft*

* projected, pending completion

GENERAL INFORMATION:

- State lease NM V0-8570-1 covers 320 acres, being the N2-16-26S-34E Lea County, New Mexico.
- State lease NM V0-8571-1 covers 320 acres, being the S2-16-26S-34E Lea County, New Mexico.
- The W2W2 of section 16 has been consolidated for the Wolfcamp formation by consolidation agreement dated May 1, 2016.
- The E2W2 of section 16 will be consolidated for the Wolfcamp formation. A state form of consolidation agreement will be submitted to the New Mexico State Land Office for approval.
- The central tank battery that will service the subject wells is located on unit letter A of section 16.
- Ownership of the wells is identical (see landman statement attached).
- The Nautilus 16 State Com #710H is scheduled to spud on 8-2-17 and the Nautilus 16 State Com #711H is scheduled to spud on 8-22-17.
- Attached is (1) a map that displays the location of the subject wells and the proposed CTB, (2) a process flow diagram, and (3) the C-102 plat for each of the wells.

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.

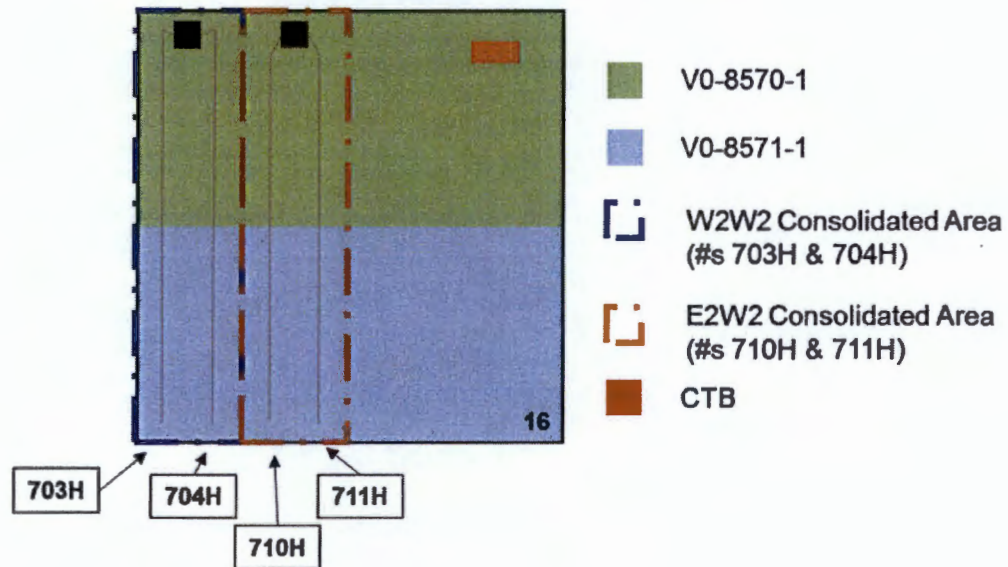
The gas will be measured using a senior orifice meter used to allocate total volume measured at the facility check meter, high pressure flare meter, and low pressure flare meter.

The oil from the separators will be measured using Coriolis meters.

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 horizontal separator (HHS) 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 (VRT) 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 Emerson orifice meter that serves as our lease production meter. If the pipeline is experiencing problems and cannot take any gas, the gas will flow through the high pressure and low pressure flare meters to the flare. The overhead gas from the vapor recovery tower is compressed by a vapor recovery compressor and then measured by a custody transfer Emerson 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.

**Nautilus 16 State Com #703H, #704H, #710H, & #711H
Section 16-26S-34E, Lea County, NM
Well Layout and CTB location**

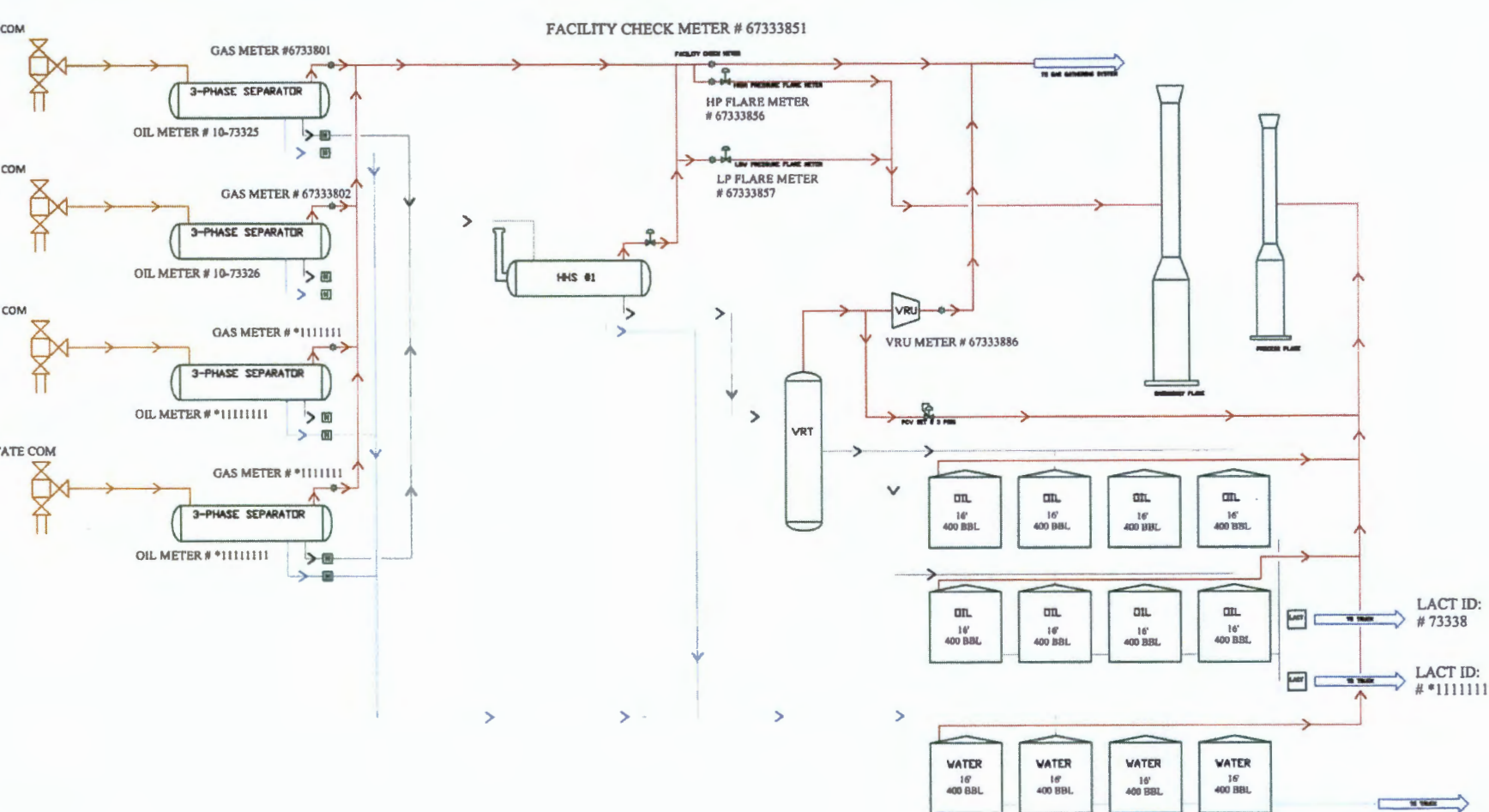


WELL NAME:
NAUTILUS 16 STATE COM
#703H
API NUMBER:
10-025-43129

WELL NAME:
NAUTILUS 16 STATE COM
#704H
API NUMBER:
30-025-43130

WELL NAME:
NAUTILUS 16 STATE COM
#710H
API NUMBER:

WELL NAME:
NAUTILUS 16 STATE COM
#711H
API NUMBER:



Gas Orifice Meter

M Liquid Meter

*Test meter numbers will be provided upon installation of meters and completion of the facility.

NAUTILUS 16 NORTH CTB PROCESS
FLOW

EDG RESOURCES
MIDLAND DIVISION

BY: BKM

rev. 00
7/18/20

S:\SURVEY\CO. INDIAN\NAUTILUS 16 STATE CONFIDENTIAL PRODUCTS\LO NAUTILUS\STATECOM 710H.DWG 7/17/2017 11:51:43 AM User: [redacted]

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1625 N. French Dr., Hobbs, NM 88240
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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

API Number 30-025-43900	Pool Code 98105	Pool Name WC-025 G-09 S263416B; Upper Wolfcamp
Property Code 40383	Property Name NAUTILUS 16 STATE COM	Well Number #711H
GRID No. 7377	Operator Name EOG RESOURCES, INC.	Elevation 3330'

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
C	16	26-S	34-E	-	186'	NORTH	1762'	WEST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	16	26-S	34-E	-	230'	SOUTH	2319'	WEST	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.

