

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Secretary

Adrienne Sandoval, Division Director
Oil Conservation Division



Notice of C-104 Denial and Request for Information

OCD denies your C-104 – *Request for Allowable and Authorization to Transport* because it is incomplete or conflicts with other information provided to OCD.

The sale or transport of product without a C-104 approved by OCD violates the Oil and Gas Act and the implementing rules, including 19.15.7.15 and 19.15.16.19 NMAC.

To avoid an enforcement action, you must submit the indicated information no later than 30 days after receipt of this notice.

Test Allowable New Well and Recompleted Well Amend C-104's

- ☐ C-103 (or BLM equivalent) for all casing strings
 - ☐ Spud Notice
 - ☐ Surface Casing
 - ☐ Intermediate Casing (if applicable)
 - ☐ Additional Intermediate Casing (if applicable)
 - ☐ Production Casing or Liner
- ☐ Applicable Order (NSL, NSP, Other _____)
- ☐ Deviation Survey for Vertical Wells
- ☒ Directional Survey *Certified*
 - ☒ C-102 (As-Drilled Plat for Horizontal Well)

New Well and Recompleted Well Only

- ☒ C-103 Completion Sundry (or BLM equivalent) *Approved Copy*
- ☒ C-105 Completion Report (or BLM equivalent) *"ACCEPTED OR APPROVED"*
- ☒ All Logs Run on Well (*if applicable*) *Supply online COPY*

If you have any questions please contact the local OCD District Office

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

State of New Mexico
Energy, Minerals & Natural Resources

Form C-104
Revised August 1, 2011

NOV 14 2019
Oil Conservation Division
1220 South St. Francis Dr.
DISTRICT IV - ARTESIA, NM 87505

Submit one copy to appropriate District Office

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address EOG Resources, Inc. 104 South Fourth Street Artesia, NM 88210		² OGRID Number 7377
		³ Reason for Filing Code/ Effective Date NW
⁴ API Number 30 - 015 - 45661	⁵ Pool Name Loco Hills; Glorieta-Yeso	⁶ Pool Code 96718
⁷ Property Code 324919	⁸ Property Name Kirk Federal Com	⁹ Well Number 2H

II. ¹⁰ Surface Location

UL or lot no. E	Section 12	Township 17S	Range 30E	Lot Idn	Feet from the 2049	North/South Line North	Feet from the 572	East/West line West	County Eddy
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¹¹ Bottom Hole Location

UL or lot no. H	Section 12	Township 17S	Range 30E	Lot Idn	Feet from the 1307	North/South line North	Feet from the 111	East/West line East	County Eddy
¹² Lse Code F	¹³ Producing Method Code P	¹⁴ Gas Connection Date 6/14/19	¹⁵ C-129 Permit Number	¹⁶ C-129 Effective Date	¹⁷ C-129 Expiration Date				

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ O/G/W
36785	DCP Operating Company, LP 5718 Westheimer Road, Suite 1900 Houston, TX 77057	G
015694	Holly Frontier & Marketing Company 10 Desta Drive, Suite 350W Midland, TX 79702	O

IV. Well Completion Data

²¹ Spud Date RH 2/13/19 RT 2/16/19	²² Ready Date 6/13/19	²³ TD 9250'	²⁴ PBDT 9048'	²⁵ Perforations 5504'-9024'	²⁶ DHC, MC
²⁷ Hole Size	²⁸ Casing & Tubing Size	²⁹ Depth Set	³⁰ Sacks Cement		
30"	20" Conductor	118'	Redi-mix with 14 yds to surface		
17-1/2"	13-3/8"	426'	1230 sx (cire)		
12-1/4"	9-5/8"	3495'	1715 sx (cire)		
8-3/4"	7" x 5-1/2"	9045'	1110 sx		
	3-1/2"	4281'			

V. Well Test Data

³¹ Date New Oil 6/14/19	³² Gas Delivery Date 6/14/19	³³ Test Date 7/4/19	³⁴ Test Length 24 hrs	³⁵ Tbg. Pressure NA	³⁶ Csg. Pressure NA
³⁷ Choke Size NA	³⁸ Oil 362	³⁹ Water 915	⁴⁰ Gas 372		⁴¹ Test Method Pumping

⁴² I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature

Printed name:

Tina Huerta

Title:

Regulatory Specialist

E-mail Address:

tina_huerta@eogresources.com

Date:

November 11, 2019

Phone:

575-748-1471

OIL CONSERVATION DIVISION

Approved by

DENIED

Title:

See Attached Cover Sheet

Approval Date

Please see attached
B-104 "RT" was denied as
well 4/15/19. Please review.

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



**NOTICE TO OPERATORS
TEST ALLOWABLE
For Horizontal Wells**

5/15/2017

Operators drilling Horizontal Wells may transport oil or gas encountered during drilling, completion, or recompletion provided the operator has filed and the OCD district office has approved a Form C-104, Request for Allowable and Authorization to Transport, stating REASON FOR FILING CODE as "RT" and specifying the Ready Date of transport or 1st sales for the proposed formation or pool.

All administrative and regulatory approvals for the well must be in place before the division will approve a test allowable; i.e. NSL, NSP, DHC, Drilling Sundries. The operator should review the Conditions of Approval that the Division has noted on the Application for Permit to Drill and comply with special requirements listed by the district office for C-104 approval.

Approval of Test Allowable C-104 grants authorization **not to exceed 90 days after the "Ready Date"** to transport oil or gas during the drilling, completion, or recompletion processes ONLY. Oil and gas volumes produced and sold during these activities are to be designated and submitted in a timely manner on appropriate OCD and BLM forms. The approval of a Test Allowable shall not authorize production in excess of the authorized allowable.

A New Well C-104 marked as "NW" should be submitted and approved before the expiration of the 90-day "Test Allowable" to continue transportation. If all required documents are not received and approved within 90 days, the well may be shut in.

TEST ALLOWABLE REQUIREMENTS:

- 1) Operator shall file and have approved with the appropriate NMOCD district office Form C-104 designating REASON FOR FILING CODE as "RT" prior to transporting. Operator shall review Conditions of Approval on the Application for Permit to Drill before filing the C-104.
- 2) The "Ready Date" of first transport/sale must be specified on the Form C-104. To avoid impacting C-115 reporting, the Ready Date shall not be after the date of first sale.

- 3) For a "Test Allowable" C-104, the operator is not required to complete Section V "Well Test Data" Nos.31-41.
- 4) A copy of the well's deviation and/or directional survey and "As Drilled" C-102, must be provided prior to Test Allowable C-104 approval. It does not have to be a certified copy; an informational copy will suffice. The certified copy should still be submitted at a later date. Directional Surveys should be submitted as required by NMOCD Rule 19.15.16.14 NMAC. If the "As drilled" C-102 is not available at the time of submittal, please contact the appropriate District Office.
- 5) EXTENSIONS to the 90 day "RT" approval period, will be granted ONLY IN EXTRAORDINARY CIRCUMSTANCES and will require Santa Fe approval.
- 6) For wells not requiring a Test Allowable C-104, the operator will comply with Log, Completions and Workover reports; NMOCD Rule 19.15.16.19.A NMAC

PLEASE NOTE: Allow district offices sufficient time to review and approve C-104's prior to the designated Ready Date. If needed, please contact the appropriate District Office for a timeline of submittal and approval processes.

Make sure all information on C-104's & sundry filings is complete and correct.
(If not complete and correct the operator may be asked to amend the forms and resubmit)

C-104 form and instructions are available on the OCD website at:
<http://www.emnrd.state.nm.us/OCD/forms.html>

State of New Mexico
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Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



OIL CONSERVATION DIVISION
NOTICE TO OIL AND GAS OPERATORS

**CHANGES IN DIVISION RULES FOR THE FILING OF COMPLETION REPORTS
AND HYDRAULIC FRACTURE DISCLOSURES**

On August 10, 2017, the New Mexico Oil Conservation Commission approved Order No. R-14353-B which adopted changes to two sections of the New Mexico Administrative Code (NMAC) that involve the reporting requirements to the Division by operators. The changes in NMAC are:

PART 7 FORMS AND REPORTS

19.15.7.16 WELL COMPLETION OR RECOMPLETION REPORT AND LOG (Form C-105)

The Commission approved an increase in the time period for filing the Form C-105 with the appropriate Division District office following the completion or recompletion of a well. This period has increased from 20 days to 45 days. Please remember that the proper filing of a Form C-105 includes all required supplemental documents such as test results and log suites.

PART 16 DRILLING AND PRODUCTION

19.15.16.19 LOG, COMPLETION AND WORKOVER REPORTS

Under this section, the Commission approved changes to the filing date of the completion report and the method of reporting to the Division information detailing the content of the hydraulic fracturing treatment used for the well completion. The filing period is increased to 45 days to conform with the changes in 19.15.7.16 NMAC. Furthermore, the Division will discontinue the use of its own disclosure form and operators must complete and file the FracFocus Chemical Disclosure Registry (<https://fracfocus.org/>) for reporting the content of hydraulic fracture treatments. The operator will be responsible for establishing and maintaining an account with the Registry to comply with this reporting requirement. The filing period for the disclosure will also be 45 days following the completion, recompletion, or additional hydraulic fracturing treatments of the well.

Effective date for these changes is September 26, 2017. Please review the specific content of the changes in these sections of the NMAC as provided in following link: <http://164.64.110.239/nmac/title19/T19C015.htm>. Please contact the appropriate District Supervisor or the Engineering Bureau staff in Santa Fe with any questions regarding these changes.

DAVID R. CATANACH, Director

September 26, 2017