## BUREAU OF LAND MANAGEMENT

M APPROVED NO. 1004-0137 Expires: January 31, 2018 UNITED STATES
DEPARTMENT OF THE INTERIOR Carlsbad Field C

SUNDRY Do not use thi abandoned wel	NOTICES AND REPO is form for proposals to II. Use form 3160-3 (AP TRIPLICATE - Other ins	RTS ON WE drill or to re- D) for such p	ELLS enter an proposas BB	OCT	MMNM118726  6. If Indian, Allottee or	Tribe Name
SUBMIT IN T	TRIPLICATE - Other ins	tructions on	page 2 AUG	01 2017	7. If Unit or CA/Agreen	ment, Name and/or No.
Type of Well			DE	CEIVE	Well Name and No. MultipleSee Attac	ched
2. Name of Operator EOG RESOURCES INCORPO	Contact:	STAN WAGN ner@eogresour	IER		9. API Well No. MultipleSee Att	ached
3a. Address MIDLAND, TX 79702		3b. Phone No Ph: 432-68	. (include area code) 6-3689		10. Field and Pool or E WC025G09S253	Exploratory Area B509D-UPPER WC
4. Location of Well (Footage, Sec., T	R. M., or Survey Description	1)			11. County or Parish, S	state
MultipleSee Attached					LEA COUNTY, N	NM
12. CHECK THE AF	PROPRIATE BOX(ES)	TO INDICA	TE NATURE OF	NOTICE,	REPORT, OR OTH	ER DATA
TYPE OF SUBMISSION			TYPE OF	ACTION		
S Nation of Intent	☐ Acidize	☐ Dee	pen	☐ Product	ion (Start/Resume)	☐ Water Shut-Off
■ Notice of Intent	☐ Alter Casing	☐ Hyd	raulic Fracturing	☐ Reclam	ation	■ Well Integrity
☐ Subsequent Report	☐ Casing Repair	□ Nev	Construction	☐ Recomp	olete	Other
☐ Final Abandonment Notice	☐ Change Plans	□ Plug	g and Abandon			Surface Commingling
	☐ Convert to Injection	Plug	g Back	☐ Water I	Disposal	
13. Describe Proposed or Completed Ope If the proposal is to deepen direction: Attach the Bond under which the wor following completion of the involved testing has been completed. Final Attach the steep is ready for following completed is ready for following that the site is ready for following we would be steep in and gas from the following we would be steep in a formation of the steep in the proposed in the pro	ally or recomplete horizontally rk will be performed or provide operations. If the operation repandonment Notices must be friend inspection.  mission to surface pool/lells:  0-025-43477 S253309A 0-025-43478 S253309A 0-025-43479 S253309A 0-025-43480 S253309A	, give subsurface e the Bond No. or esults in a multipi led only after all ease comming WC Wolfcam WC Wolfcam WC Wolfcam WC Wolfcam	locations and measure file with BLM/BIA let completion or recorrequirements, including let and off lease representation (98180) projection (98180) projection (98180) projection (98180)	ed and true vo Required su mpletion in a ng reclamatio	ertical depths of all perting bsequent reports must be new interval, a Form 3160 n, have been completed an	ent markers and zones. filed within 30 days 0-4 must be filed once
14. I hereby certify that the foregoing is	true and correct.					
Comm	Electronic Submission f For EOG RESO itted to AFMSS for proces	URCES INCOR	PORATED, sent t	o the Hobbs	5	
Name (Printed/Typed) STAN WA				ATORY AN	,	
Signature (Electronic S	Submission)		Date 05/02/20	)17		
	THIS SPACE F	OR FEDERA	L OR STATE	OFFICE U	SE	
Approved By  Conditions of approval, if any, are attache certify that the applicant holds legal or equ			Title 74	ET		Date 20/17
which would entitle the applicant to condu		e subject lease	Office C	0		

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

### Additional data for EC transaction #374759 that would not fit on the form

#### Wells/Facilities, continued

Agreement NMNM118726	Lease NMNM118726	Well/Fac Name, Number ANTIETAM 9 FED COM 701H	<b>API Number</b> 30-025-43477-00-X1	Location Sec 9 T25S R33E NWNW 59FNL 348FWL 32.152195 N Lat. 103.584641 W Lon
NMNM118726	NMNM118726	ANTIETAM 9 FED COM 703H	30-025-43479-00-X1	Sec 9 T25S R33E NENW 164FNL 2003FWL 32.151901 N Lat. 103.579292 W Lon
NMNM118726	NMNM118726	ANTIETAM 9 FED COM 704H	30-025-43480-00-X1	Sec 9 T25S R33E NENW 164FNL 2033FWL 32.151901 N Lat. 103.579193 W Lon
NMNM118726	NMNM118726	ANTIETAM 9 FED COM 702H	30-025-43478-00-X1	Sec 9 T25S R33E NWNW 59FNL 378FWL 32.152195 N Lat, 103.584541 W Lon

#### APPLICATION FOR SURFACE POOL/LEASE COMMINGLING & OFF LEASE MEASUREMENT

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

	API	WELL NAME	WELL#	LOCATION	POOL CODE/NAME	STATUS	*OIL API/BOPD	*GAS BTU/MCFPD
1	30-025-43477	ANTIETAM 9 FEDERAL COM	#701H	D-9-25S-33E	[98180] WC-025 G-09 S253309A; UPPER WOLFCAMP	PERMITTED	45.8/3,000	1,122/4,500
2	30-025-43478	ANTIETAM 9 FEDERAL COM	#702H	D-9-25S-33E	[98180] WC-025 G-09 S253309A; UPPER WOLFCAMP	PERMITTED	45.8/3,000	1,122/4,500
3	30-025-43479	ANTIETAM 9 FEDERAL COM	#703H	C-9-25S-33E	[98180] WC-025 G-09 S253309A; UPPER WOLFCAMP	PERMITTED	45.8/3,000	1,122/4,500
4	30-025-43480	ANTIETAM 9 FEDERAL COM	#704H	C-9-25S-33E	[98180] WC-025 G-09 S253309A; UPPER WOLF.CAMP	PERMITTED	45.8/3,000	1,122/4,500

#### Federal Lease Number: NMNM 118726

\* current values are estimated. EOG will provide actual Gravities, Oil BOPD, BTU, and MCFPD upon completion of the wells.

#### GENERAL INFORMATION:

- State lease NM V0-4422-2 covers 640.00 acres, being lots all of section 16-25S-33E, Lea County, New Mexico and has a base lease royalty of 1/6.
- Federal lease NM 118726 covers 1,319.75 acres, being the all of sections 5 & 9 and lot 4 of section 4, all in 25S-33E, Lea County, New Mexico and has a base lease royalty of 1/8.
- W2W2 section 9-25S-33E from NM 118726 and the W2NW section 16-25S-33E will be communitized for the Wolfcamp formation. A State/Fed form of communitization will be submitted to both the New Mexico State Land Office and Bureau of Land Management for approval.
- E2W2 section 9-25S-33E from NM 118726 and the E2NW section 16-25S-33E will be communitized for the Wolfcamp formation. A State/Fed form of communitization will be submitted to both the New Mexico State Land Office and Bureau of Land Management for approval.
- The central tank battery to service the subject wells is located in the NENE 9-25S-33E on NM 118726.
- Ownership is identical in each of the subject wells.
- No third party notice is warranted, other than an application and subsequent approval from the NMSLO, BLM, and NMOCD. An application to commingle production from the subject wells is being submitted to the NMSLO. BLM and the NMOCD.
- Enclosed herewith is (1) a map that displays the leases, the location of the subject wells, and the proposed CTB. (2) a process flow diagram. (3) the C-102 plat for each of the wells, and (4) the serial register page for NMNM 118726.

#### OIL AND GAS METERING AND PROCESS AND FLOW DESCRIPTIONS:

#### 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.

ANTIETAM 9 FEDERAL COM #701H gas allocation meter is an Emerson orifice meter (S/N \*1111111)

ANTIETAM 9 FEDERAL COM #702H gas allocation meter is an Emerson orifice meter (S/N \*1111111)

ANTIETAM 9 FEDERAL COM #703H gas allocation meter is an Emerson orifice meter (S/N \*1111111)

ANTIETAM 9 FEDERAL COM #704H gas allocation meter is an Emerson orifice meter (S/N \*1111111)

The oil from the separators will be measured using a Coriolis meter.

ANTIETAM 9 FEDERAL COM #701H oil allocation meter is a FMC Coriolis meter (S/N \*1111111)

ANTIETAM 9 FEDERAL COM #702H oil allocation meter is a FMC Coriolis meter (S/N \*1111111)

ANTIETAM 9 FEDERAL COM #703H oil allocation meter is a FMC Coriolis meter (S/N \*11111111

ANTIETAM 9 FEDERAL COM #704H oil allocation meter is a FMC Coriolis meter (S/N \*11111111)

The water will be measured using a turbine meter. The water from each separator is combined in a common header and flows into (4) 400 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) 400 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) 400 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 (S/N \*11111111) 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 (S/N \*1111111) and (S/N \*11111111) 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 (S/N \*1111111). The gas from the vapor recovery system combines with the gas from the lease production meter and flows into our gas gathering pipeline system.

<sup>\*</sup>Meter numbers will be provided upon installation of meters and completion of the facility.

#### **ECONOMIC JUSTIFICATION**

#### Single Well Production

Federal Lease NMNM 118726 Royalty Rate: 12.5%

	Well Name	*Oil BPD	*Gravity	*Value/BBL	*MCFPD	*BTU	*Value/MCF
1	Antietam 9 Fed Com #701H	3,000	45.8	\$48.40	4,500	1,122	\$2.31
2	Antietam 9 Fed Com #701H	3,000	45.8	\$48.40	4,500	1,122	\$2.31
3	Antietam 9 Fed Com #701H	3,000	45.8	\$48.40	4,500	1,122	\$2.31
4	Antietam 9 Fed Com #701H	3,000	45.8	\$48.40	4,500	1,122	\$2.31

#### Combined Production

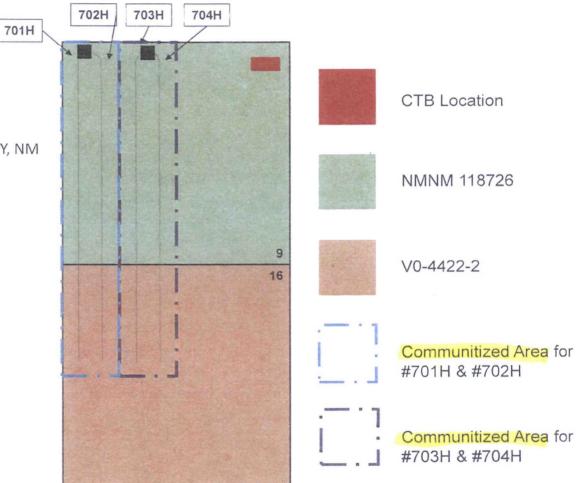
Federal Lease NMNM 118726 Royalty Rate: 12.5%

	Well Name	*Oil BPD	*Gravity	*Value/BBL	*MCFPD	*BTU	*Value/MCF
1	Antietam 9 Fed Com CTB	12,000	45.8	\$48.40	18,000	1,122	\$2.31

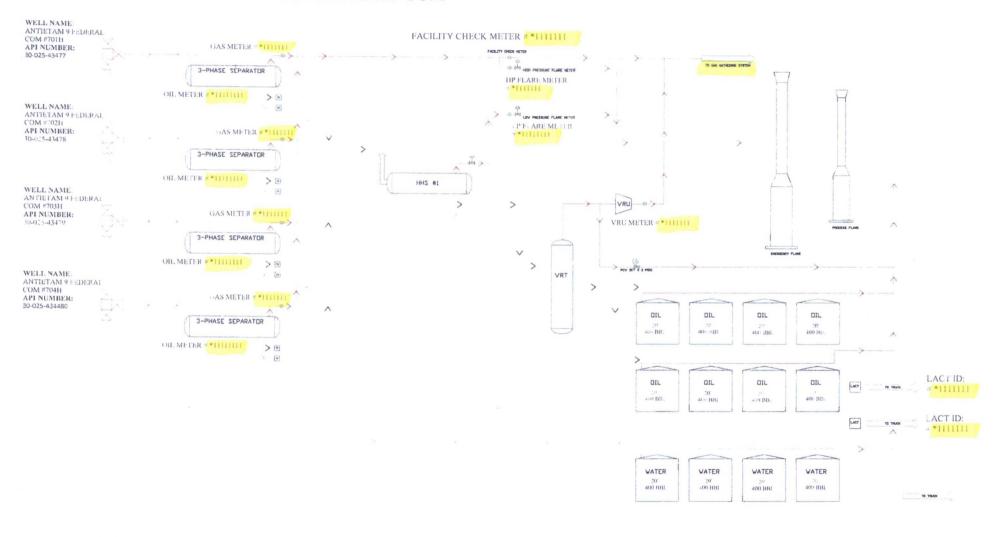
<sup>\*</sup>Current values are estimates. EOG will provide actual Gravities, Oil BOPD, BTU, and MCFPD upon completion of the wells.

# ANTIETAM 9 FED COM WELLS & CTB LOCATION

SECTIONS 9 & 16, T25S, R33E, LEA COUNTY, NM



## FACILITY NAME: ANTIETAM 9 FEDERAL COM



Gas Orlfice Meter

M Liquid Meter

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

ANTIETAM 9 FEDE PROCESS FLOW	ERAL COM CT	В
EDG RESDURCES	BY: BKM	rev. 00

#### DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT** CASE RECORDATION

Run Time: 07:50 PM

Page 1 of 2

Run Date:

04/27/2017

(MASS) Serial Register Page

01 12-22-1987;101STAT1330;30USC181 ET SE

Case Type 312021: O&G LSE COMP PD -1987

Commodity 459: OIL & GAS Case Disposition: AUTHORIZED

**Total Acres** 1,319.750

Serial Number NMNM-- - 118726

Serial Number: NMNM -- - 118726

Name & Address			Int Rel	% Interest
EOG RESOURCES INC	PO BOX 2267	MIDLAND TX 79702	OPERATING RIGHTS	0.000000000
EOG RESOURCES INC	PO BOX 2267	MIDLAND TX 79702	LESSEE	0.000000000
MERCED GLENDALE LLC	601 CARLSON PKWY STE 200	MINNETONKA MN 553055207	LESSEE	0.000000000
MICKEY RESOURCES LLC	500 N SHORELINE BLVD STE 322	CORPUS CHRISTI TX 784010313	OPERATING RIGHTS	0.000000000
R & R ROYALTY LTD	500 N SHORELINE BLVD STE 322	CORPUS CHRISTI TX 78401	LESSEE	0.000000000

Serial Number: NMNM-- - 118726

MGMT
MGMT
MGMT
MGMT

Serial Number: NMNM-- - 118726

Act Date	Code	Action	Action Remark	Pending Office
05/25/2007	387	CASE ESTABLISHED	200707066;	
07/03/2007	199	PROTEST FILED	Forest Guardians etal	
07/18/2007	143	BONUS BID PAYMENT RECL	\$2640.00:	
07/18/2007	191	SALE HELD		
07/18/2007	267	EID RECEIVED	\$330000.00;	
07/26/2007	143	BONUS BID FAYMENT RECT	\$327360.00;	
08/30/2007	298	PROTEST DISMISSED		
08/31/2007	237	LEASE ISSUED		
08/31/2007	974	AUTOMATED RECORD VERIF	BTM	
09/01/2007	496	FUND CODE	05;145003	
09/01/2007	530	RLTY RATE - 12 1/2%		
09/01/2007	868	EFFECTIVE DATE		
06/12/2014	140	ASGN FILED	RAR ROYAL/ROADRUNNE;	
06/12/2014	932	TRF OPER RGTS FILED	R&R ROYAL/ROADRUNNE;	
08/12/2014	932	TRF OPER RGTS FILED	R & R ROY'MICKEY RE; 1	
09/05/2014	139	ASGN APPROVED	EFF 07 (1/14;	
09/05/2014	933	TRF OPER RGTS APPROVED	MFF 07/01/14;	
09/05/2014	974	AUTOMATED RECORD VER.F	08.1	
10/02/2014	933	TRE OPER RGTS APPROVED	EFF 09/01/14;	
10/02/2014	974	AUTOMATED RECORD VERIF	EMR	
03/10/2015	899	TRE OF ORE FILED	1	
05/04/2015	899	TRF OF ORE FILED	1	
08/17/2015	899	TRE OF ORR FILED	1	
08/17/2015	899	TRE OF ORR FILED	ž.	
09/23/2015	140	ASGN FILED	ROADRUNNE/EQG RESOU;	
09/23/2015	932	TRE OPER RGTS FILED	ROADRUNNE/EOG RESOU;	
10/15/2015	139	ASGN APPROVED	EFF 10/15/15;	
10/15/2015	933	TRF OPER RGTS APPROVED	EPF 10/15/15;	
10/15/2015	974	AUTOMATED RECORD VERIF	JA	

## DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT CASE RECORDATION

Run Time: 07:50 PM

Page 2 of 2

Run Date:	04/27/2017	(MASS) Se	erial Register Page
11/01/2015	246	LEASE COMMITTED TO CA	NMNM135942;
05/18/2016	650	HELD BY PROD ACTUAL	/1/#3H MONET;
05/18/2016	658	MEMO OF 1ST PROD-ACTUAL	/1/NMDM1+5942;
06/16/2016	643	PRODUCTION DETERMINATION	/1/
08/02/2016	140	ASGN FILED	R&R ROYAL/MERCED GL; 1
12/27/2016	139	ASGN APPROVED	EFF 09/01/16;
12/27/2016	974	AUTOMATED RECORD VERIF	DME
Line Nr	Remar	ke	Serial Number: NMNM 118726
0002		LATIONS ATTACHED TO LEASE:	
0003		-LN SPECIAL CULTURAL RESOURCE	
0004		S-22 PRAIRIE CHICKENS	
0005	RECOR	TITLE HOLDERS: INTEREST ASGI	N)
0006	7258.	R33E., SEC. (4: LOT 4	
0007	R&R R	DYALTY LTD 1 00%	
0008	MERCE	GLENDALE LLC 99 00%	
0009	T258.	REBE., SEC. (5:LOTS 1-4,82N2.5)	2
0010	T258.	R33E., SEC. 79: ALL	
0011	EOG R	ESOURCES INC 99.00%	
0012	R&R R	PALTY LTL 1.00%	
0013	RENTA	. PAID FROM 09/01/2014 THRU 68.	/-1/2016
0014	10/15	2015 - RENTAL PAID 09/01/2015	- 08/31/2016;
0015	12/27	2016 R&R BOYALTY BONDED NMB600	07;9 SW

District 1 1625 N. Jacobs Dr. 116315 N.M 88244 Phone (\$751.193-6164 Tax (\$751.76) 72 District II 811 S. First St. Artesia (SM 88215) Phone (575) 748 1283 Las (575) 748

District III 1000 Rio I tazos Rio I Agree SM 8341-Phone (505) 334-6178 Lac (505) 334-61

District IV 1220 S. St. Francis, Dr. Sante Fe. SM 8.5 S. Phone (505) 476-3460 Fax (505) 476-3467

Township

25-S

33-E

9

I'L or lot no

D

HOBBSnOC State of New Mexico
Hinerals & Natural Resources Department

NOV 2 8/2016 ONSERVATION DIVISION 1220 South St. Francis Dr.

RECEIVED ante Fe. NM 87505

Lot ldp

FORM C-102

Revised August 1, 2011 Submit one copy to appropriate

District Office

AMENDED REPORT

LEA

East/West lin

WEST

	WE	LL LOCATION AND	ACREAGE DEDICATION PLAT			
API Numbe		Pool Code	<sup>3</sup> Pool Name			
30-025-43477		98180	WC-025 G-09 S253309A; Upper	Wolfcamp		
Property Code	,,,,,,	Property Name				
317131		ANTIETA	M 9 FED COM	#701H		
OGRID No.		*0	perator Name	Flevation		
7377		EOG RES	SOURCES, INC.	3438'		
		10 Sur	face Location			

North/South line

NORTH

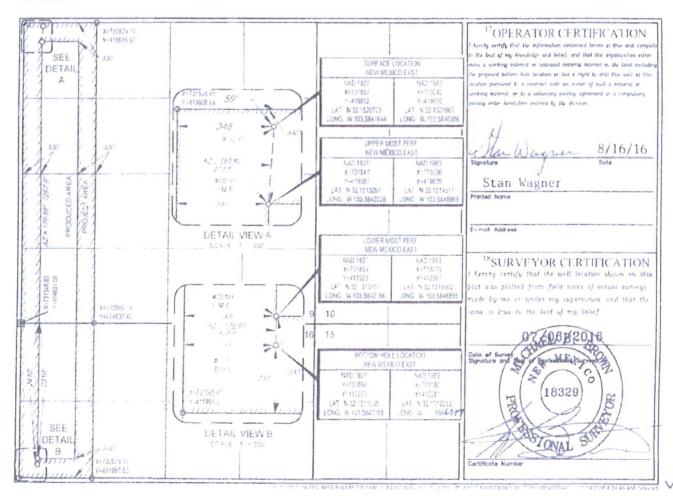
348'

		1	1						~
E E	Section 16	Township 25-S	33-E	1 ot ldn	Veet from the 2410'	North/South line NORTH	Free from the	WEST Inc	LEA
Dedicated Arres 240.00	1) Joint or	Infill C	onsolidation Cod	de BOrde	r %0				

Feet from the

59'

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



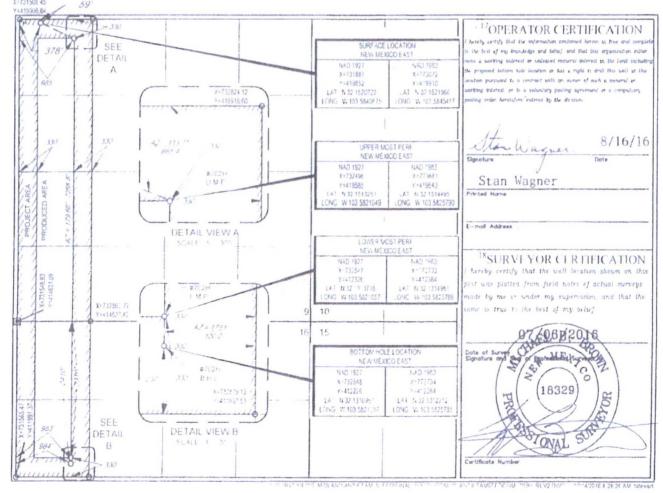
WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Poul Name			
30-025- 434	78 98180	WC-025 G-09 S253309A; Upper W	olfcamp		
Property Code	-	Well Number			
31713	ANTIET	#702H			
OGRID No.		<sup>9</sup> Elevation			
7377	EOG RE	SOURCES, INC.	3438'		

10 Surface Location Feet from the East/West lin Feet from the North/South Lie UL or lot no Township Lot Id 59' 378 WEST 9 25-S 33-E NORTH LEA D

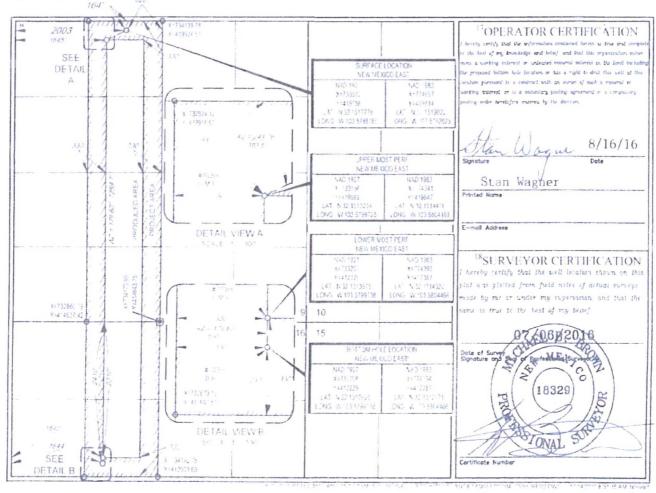
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
E	16	25-S	33-E	-	2410'	NORTH	984'	WEST	LEA
<sup>12</sup> Dedicated Acres 240.00	13 Jaint or 1	nfill "Co	nsolidation Code	is Orde	r No.				

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.



District IV 1220 S. St. Trancis Dr. Sente Fe. NM 8750 **RECEIVED** Thuse (505) 470-3400 Tax AMENDED REPORT WELL LOCATION AND ACREAGE DEDICATION PLAT API Numbe 30-025-476 98180 WC-025 G-09 S253309A; Upper Wolfcamp Property Code Property Name Well Number 31713 ANTIETAM 9 FED COM #703H OGRID No Operator Name Elevation 7377 EOG RESOURCES, INC. 3440' 10 Surface Location East/West lin I'l or let no Feet from the Feet from the Lot Ide North South li 164' C 9 25-S 33-E NORTH 2003' WEST LEA East/West line Ul. or lot no North/South Is Leet from th 2410' 25-S 1644' F 16 33-E NORTH WEST LEA Dedicated Acres 240.00

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



State of New Mexico
Energy, Minerals & Natural Resources
District III
District IV
District **FORM C-102** Revised August 1, 2011 Submit one copy to appropriate District Office NOV 28 2016 District IV 1220 S St. Francis Dr., Sante Fe, NM 87505 Phone (505) 476-3460 Fax (505) 476-3462 AMENDED REPORT Sante Fe, NM 87505 ATION AND ACREAGE DEDICATION PLAT WC-025 G-09 S253309A; Upper Wolfcamp 98180 30-025-Property Name Well Number Property Code 713 ANTIETAM 9 FED COM #704H Operator Name Elevation OGRID No. EOG RESOURCES, INC. 3440' 7377 <sup>10</sup>Surface Location East/West line Feet from the North/South lin Feet from the UL or lot no. Section Township Range 2033' 9 25-S 33-E 164' NORTH WEST LEA C East/West line UL or lot no. Section Township Range Lot Idn Feet from th North/South lin Feet from the 2297' 33-E 2410' WEST 16 25-S NORTH LEA F Dedicated Acres Joint or Infill Consolidation Code Order No 240.00 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. X=732824.12 Y=419916.60 2033' <sup>17</sup>OPERATOR CERTIFICATION SURFACE LOCATION hereby certify that the information contained herein is true and com-NEW MEXICO EAST SEE the best of my knowledge and belief, and that this organization either NAD 1927 DETAIL X=733542 ed bottom hele location or has a right to drill this well at this Α Y=419757 on pursuant to a contract with an owner of such a mineral or riving interest, or to a voluntary pooling agreement or a compulsors LAT: N 32 1517777 rder herotofore entered by the devia LONG.: W 103.5787216 Y=419924 57 330 UPPER MOST PERF. NEW MEXICO EAST #704H NAD 1927 X=733812 Stan Wagner Y=419593 LAT.: N 32.1513217 RODUCED LONG.: W 103.5778546 E-mail Address LOWER MOST PERF DETAIL VIEW A NEW MEXICO EAST SCALE NAD 1927 18 SURVEYOR CERTIFICATION X=733860 hereby certify that the well location shown on this X=734173.99 Y=414643.75 Y=412332 plat was plotted from field notes of actual surveys LAT N 32.1313633 LONG: W 103.5778624 made by me or under my supervision, and that the X=732860.79 same is true to the best of my belief. 10 Y=414837 41 AZ = 179 59' 330 BOTTOM HOLE LOCATION **NEW MEXICO EAST** #704H NAD 1927 X=733861 18329 X=734192.78 Y=412232 Y=412003 69 LAT. N 32,1310884 LONG, W 103.5778624 SEE DETAIL VIEW B ETAIL SCALE 1' = 300

ISURVENEDG MIDLANDIANTIETAM 9 FEDIFINAL PRODUCTSILO ANTIETAM9FEDCOM 704H REVI DWG 7/26/2016 10:33:26 AM IN

X=732679.13

Bureau of Land Management Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Antietam 9 Federal Com 701H, 3002543477, Antietam 9 Federal Com 702H, 3002543478 Antietam 9 Federal Com 703H, 3002543479, Antietam 9 Federal Com 704H, 3002543480

Lease NMNM 118726, CAs NMNM(not yet assigned) & NMNM(not yet assigned)

EOG Resources, Inc.

July 20, 2017

Condition of Approval

Surface commingling and off CA storage, measurement and sales

- 1. This approval is subject to like approval by the New Mexico Oil Conservation Division.
- 2. This agency shall be notified of any spill or discharge as required by NTL-3A.
- 3. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments or product accountability.
- 4. This approval does not constitute right-of-way approval for any off-lease activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.
- 5. Approval for combining production from various sources is a privilege which is granted to lessees for the purpose of aiding conservation and extending the economic life of leases. Applicants should be cognizant that failure to operate in accordance with the provisions outlined in the Authorized Officer's conditions of approval and/or subsequent stipulations or modifications will subject such approval to revocation.
- 6. Gas measurement for allocation must be measured as per Federal Regulations, AGA and API requirements for sales meters.
- 7. All gas and oil subject to royalty shall be measured as per federal regulations and shall be reported to ONRR as required. All gas which is vented, flared or used on lease shall be reported as per 43 CFR 3178 & 3179 to ONRR. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer.
- 8. This agency shall be notified of any change in sales method or location of sales point.
- 9. Additional wells and/or leases require additional commingling approvals.
- 10. Submit meter numbers upon installation of meters and also provide updated facility diagram with meters numbers.
- 11. Notify this office 24 Hrs. prior to any meter calibration/proving to allow time for an inspector to witness.