

NSL Initial Application

RECEIVED: 03/25/21	REVIEWER: LRL	TYPE: NSL	APP NO: pLEL2108440386
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Geological & 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

Applicant: EOG Resources, Inc. **OGRID Number:** 7377
Well Name: Driver 14 Fed Com #503H Well **API:** 30-025-pending
Pool: Bell Lake; Bone Spring, North **Pool Code:** 5150

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

1) TYPE OF APPLICATION: Check those which apply for [A]

A. Location – Spacing Unit – Simultaneous Dedication

☒ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD

B. Check one only for [I] or [II]

[I] Commingling – Storage – Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

2) NOTIFICATION REQUIRED TO: Check those which apply.

- A. ☒ Offset operators or lease holders
 B. ☐ Royalty, overriding royalty owners, revenue owners
 C. ☐ Application requires published notice
 D. ☒ Notification and/or concurrent approval by SLO
 E. ☒ Notification and/or concurrent approval by BLM
 F. ☐ Surface owner
 G. ☒ For all of the above, proof of notification or publication is attached, and/or,
 H. ☐ No notice required

FOR OCD ONLY

- ☐ Notice Complete
☐ Application Content Complete

3) 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.

Kaitlyn A. Luck

Print or Type Name

Signature

3/25/2021

Date

505-954-7286

Phone Number

kaluck@hollandhart.com

e-mail Address



Kaitlyn A. Luck
Phone (505) 954-7286
kaluck@hollandhart.com

March 25, 2021

VIA ONLINE FILING

Adrienne Sandoval
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Driver 14 Fed Com #503H well in the E/2 W/2 and the W/2 E/2 of Sections 11 and 14, Township 23 South, Range 33 East, N.M.P.M., Lea County, New Mexico.

Dear Ms. Sandoval:

EOG Resources, Inc. (OGRID No. 7377) seeks administrative approval of an unorthodox well location for its **Driver 14 Fed Com #503H well** (API No. 30-025-pending) to be completed within the Bell Lake; Bone Spring, North Pool [5150s], underlying the E/2 W/2 and the W/2 E/2 of Sections 11 and 14, Township 23 South, Range 33 East, N.M.P.M., Lea County, New Mexico.

This well is to be drilled and completed at a surface location 979 feet from the south line and 2,464 feet from the west line (Unit N) of Section 14. The first take point is located 100 feet from the south line and 1,950 feet from the west line (Unit N) of Section 14, and the last take point is located 100 feet from the north line and 1,335 feet from the west line (Unit C) of Section 11.

Since this acreage is governed by the Division's statewide rules, the completed interval for this well will be unorthodox because it is closer than the standard offsets to the western boundary of the spacing unit. Approval of the unorthodox completed interval will allow EOG to use their preferred well spacing plan for horizontal wells in this area and thereby prevent waste.

Exhibit A is a Form C-102 showing the completed interval of the proposed **Driver 14 Fed Com #503H well** encroaches on the spacing unit/tracts to the west in the W/2 W/2 of said Sections 11 and 14.

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
www.hollandhart.com

Alaska
Colorado
Idaho

Montana
Nevada
New Mexico

Utah
Washington, D.C.
Wyoming

Exhibit B is a plat for Sections 11 and 14 that shows the proposed **Driver 14 Fed Com #503H well** in relation to adjoining spacing unit/tracts to the west.

Ownership is diverse between the subject spacing unit and the affected spacing unit/tracts to the west. **Exhibit C** is a list of the “affected parties” to this application and proof that a copy of this application with all attachments has been sent by certified mail to each affected party advising that any objections must be filed in writing with the Division within 20 days from the date the Division receives the application.

Exhibit D is a statement from a petroleum engineer providing justification for the needed exception.

Your attention to this matter is appreciated.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Kaitlyn Luck', written over a horizontal line.

Kaitlyn A. Luck
ATTORNEY FOR EOG RESOURCES, INC.

☐ **AMENDED REPORT**

SEC. 11 & 14, T-23-S, R-33-E, LEA COUNTY

UNORTHODOX LOCATION APPLICATION

DRIVER 14 FED COM # 503H

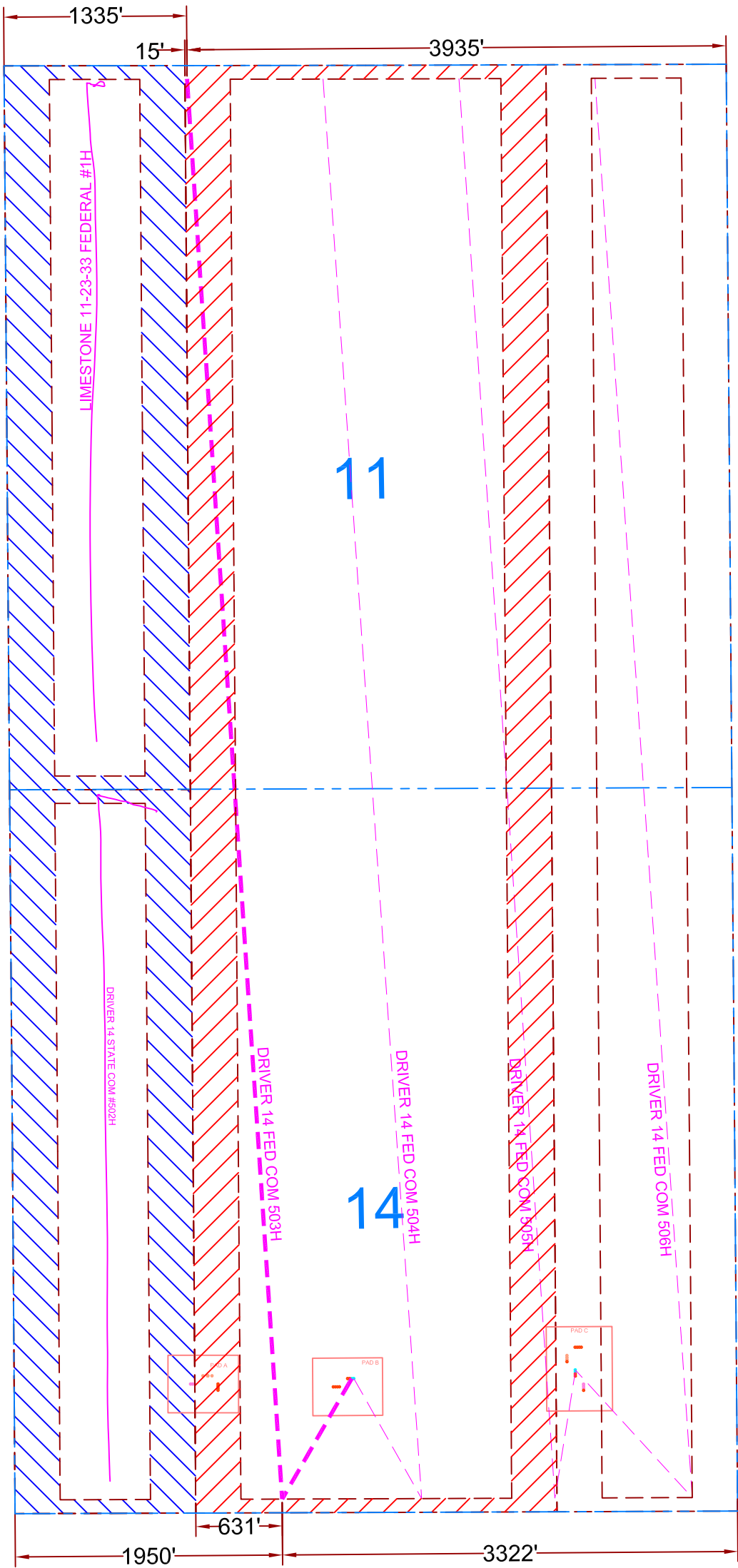
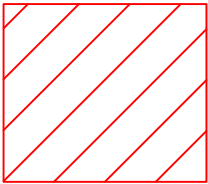
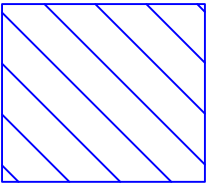


EXHIBIT B

HZ SPACING UNIT
FOR PROPOSED WELL



AFFECTED PARTIES



BONE SPRING
PROPOSED WELL
EXISTING WELL



5509 Champions Dr., Midland, Texas 79706
Phone: (432) 686-3600 Fax: (432) 686-3773

Certification of Ownership

I have reviewed the ownership of the oil and gas leasehold in Sections 11 & 14, T23S-R33E, Lea County, New Mexico, for purposes of the unorthodox location for EOG Resources, Inc.'s Driver 14 Fed Com #503H Well in the E/2 W/2 of Sections 11 & 14. The affected parties are:

EOG Resources, Inc. 5509 Champions Drive Midland, Texas 79706
Chevron U.S.A. Inc. 1400 Smith Street Houston, Texas 77002
Bureau of Land Management 301 Dinosaur Trail Santa Fe, New Mexico 87508
New Mexico State Land Office P. O. Box 1148 Santa Fe, New Mexico 87504

EOG Resources, Inc.

Chloe Sawtelle
Sr. Landman
March 22, 2021

EXHIBIT C

energy opportunity growth



Kaitlyn A. Luck
Phone (505) 954-7286
kaluck@hollandhart.com

March 24, 2021

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PERSONS

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Driver 14 Fed Com #503H well in the E/2 W/2 and the W/2 E/2 of Sections 11 and 14, Township 23 South, Range 33 East, N.M.P.M., Lea County, New Mexico.

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date with the applicant and the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Chloe Sawtelle
EOG Resources, Inc.
(432) 208-2391
chloe_sawtelle@eogresources.com

Sincerely,

A handwritten signature in blue ink, appearing to read "Kaitlyn Luck", written over a horizontal line.

Kaitlyn A. Luck
ATTORNEY FOR EOG RESOURCES, INC.



Shipment Confirmation Acceptance Notice

A. Mailer Action

Note to Mailer: The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

EOG - Driver 503H & 505H NSL

Shipment Date: 03/24/2021

Shipped From:

Name: HOLLAND & HART LLP (1)

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

Type of Mail	Volume
Priority Mail Express®*	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	3
Total	3

*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

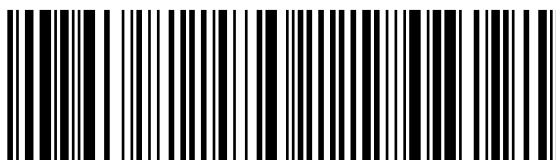
B. USPS Action

Note to RSS Clerk:

1. Home screen > Mailing/Shipping > More
2. Select Shipment Confirm
3. Scan or enter the barcode/label number from PS Form 5630
4. Confirm the volume count message by selecting Yes or No
5. Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail.
Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0027 8199 74

Name and Address of Sender HOLLAND & HART LLP (1) 110 N GUADALUPE ST # 1 SANTA FE NM 87501		Check type of mail or service <input type="checkbox"/> Adult Signature Required <input type="checkbox"/> Priority Mail Express <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery (COD) <input type="checkbox"/> Signature Confirmation <input type="checkbox"/> Insured Mail <input type="checkbox"/> Signature Confirmation Restricted Delivery <input type="checkbox"/> Priority Mail		Affix Stamp Here <i>(for additional copies of this receipt).</i> Postmark with Date of Receipt.												
USPS Tracking/Article Number		Addressee (Name, Street, City, State, & ZIP Code™)		Postage	(Extra Service) Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender if COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	SCRD Fee	SH Fee
1.	9214 8901 9403 8335 7877 22	Chevron U S A Inc 1400 Smith St Houston TX 77002		0.51	3.60	Handling Charge - if Registered and over \$50,000 in value							1.75			
2.	9214 8901 9403 8335 7877 39	Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508		0.51	3.60	Handling Charge - if Registered and over \$50,000 in value							1.75			
3.	9214 8901 9403 8335 7877 46	New Mexico State Land Office PO BOX 1148 Santa Fe NM 87504		0.51	3.60	Handling Charge - if Registered and over \$50,000 in value							1.75			
						Handling Charge - if Registered and over \$50,000 in value				Adult Signature Required	Adult Signature Restricted Delivery	Restricted Delivery	Return Receipt	Signature Confirmation	Signature Confirmation Restricted Delivery	Special Handling
						Handling Charge - if Registered and over \$50,000 in value									Signature Confirmation	
						Handling Charge - if Registered and over \$50,000 in value									Signature Confirmation	
						Handling Charge - if Registered and over \$50,000 in value										
Total Number of Pieces Listed by Sender	Total Number of Pieces Received at Post Office	Postmaster, Per (Name of receiving employee)														
3																



5509 Champions Dr., Midland, Texas 79706
Phone: (432) 686-3600 Fax: (432) 686-3773

Driver 14 Fed Com #503H

A non-standard location is necessary to develop the Second Bone Spring Sand in this section efficiently and in an economic manner. A non-standard location optimizes drainage area location as it relates to regions of pressure depletion created by existing production. Orientation increases the angle between the wellbore and the maximum horizontal stress within the earth, which improves stimulation effectiveness. Overall, a non-standard location is expected to yield a higher ultimate recovery than a standard location, thereby preventing waste and protecting correlative rights.

A handwritten signature in black ink that reads "David Carlos Sonka".

EOG Resources
David Carlos Sonka
Reservoir Engineer

EXHIBIT D

energy **opportunity** growth

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 Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 21942

CONDITIONS OF APPROVAL

Operator:	EOG RESOURCES INC	P.O. Box 2267	Midland, TX79702	OGRID:	7377	Action Number:	21942	Action Type:	NSL
OCD Reviewer									Condition
Ilowe									None