ceived by OCD: 9/15/2 ID NO. 143851	022 3:10:28 PM	NSL - 8440	Page Revised March 23, 2017
RECEIVED:	REVIEWER:	TYPE:	APP NO: pLEL2225931919
	- Geolog	CO OIL CONSERVATIO gical & Engineering Bur Francis Drive, Santa Fe	N DIVISION eau –
	ADMINIS	TRATIVE APPLICATION (CHECKLIST
THIS		ALL ADMINISTRATIVE APPLICATIONS REQUIRE PROCESSING AT THE DIVISION	FOR EXCEPTIONS TO DIVISION RULES AND DN LEVEL IN SANTA FE
Applicant: EOG Res			OGRID Number: 7377
Well Name: Driver			API: 30-025-49026
Pool: Brinninstool; Bon	e Spring and Bell Lake; Bone Spr	ring North	Pool Code: 96682 and 5150
	ATE AND COMPLETE IN	INDICATED BELOW	O PROCESS THE TYPE OF APPLICATION
A. Location	ı – Spacing Uni <u>t</u> – Simı		ATION UNIT) SD
[1] Com [II] Inject 2) NOTIFICATION	<u> </u>	PLC □PC □OLS sure Increase – Enhance SWD □IPI □EOR k those which apply.	□OLM d Oil Recovery □ PPR FOR OCD ONLY □ Notice Complete
B. ■ Roya C. Appli D. Notifi	ity, overriding royalty ocation requires publistication and/or concur	owners, revenue owners	Application Content Complete
F. ☐ Surfa G. ■ For al	ce owner		ition is attached, and/or,
administrative understand the	e approval is accurate	e and complete to the baken on this application	ed with this application for est of my knowledge. I also until the required information and
N	ote: Statement must be comp	oleted by an individual with mana	gerial and/or supervisory capacity.
		9	/15/22
Jordan Kessler			ate
Print or Type Name			32 488 6108
		– F	hone Number

jordan_kessler@eogresources.com

e-mail Address

Digitally signed by Jordan Kessler Date: 2022.09.15 15:04:20 -06'00'

Jordan Kessler

Signature



Jordan Lee Kessler Phone: (432) 488-6108 Email: jordan kessler@eogresources.com

September 14, 2022

VIA CERTIFIED MAIL

FEDEX St

TO: AFFECTED PARTIES

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Driver 14 Fed Com No. 101H well in the E/2W/2 and the W/2E/2 of Sections 11 and 14, Township 23 South, Range 33 East, NMPM, 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) 686-3660
Chloe Sawtelle@eogresources.com

Very truly yours,

Jordan Kessler

Senior Regulatory Advisor



Jordan Lee Kessler Phone: (432) 488-6108 Email: jordan kessler@eogresources.com

September 14, 2022

VIA ONLINE FILING

Adrienne Sandoval, Director Oil Conservation Division New Mexico Department of Energy, Minerals, and Natural Resources 1220 South St. 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 No. 101H well in the E/2W/2 and the W/2E/2 of Sections 11 and 14, Township 23 South, Range 33 East, NMPM, Lea County, New Mexico.

Dear Director Sandoval.

EOG Resources, Inc. (OGRID No. 7377) seeks administrative approval of an unorthodox well location for its Driver 14 Fed Com No. 101H well (API No. 30-025-49026; sundry approval pending). The spacing unit dedicated to the well is comprised of the E/2W/2 and W/2E/2 of Sections 11 and 14, Township 23 South, Range 33 East, Lea County, New Mexico and is within the Brinninstool; Bone Spring pool (96682) and the Bell Lake; Bone Spring North pool (5150). The horizontal spacing unit for the well is approximately 640 acres, which includes proximity tracts. The defining well for the spacing unit is the Driver 14 Fed Com No. 504H well (API No. 30-025-48821).

This well has not yet been drilled. It is proposed to be drilled as follows:

- The <u>surface location</u> is located 918 feet from the South line, 2329 feet from the West line (Unit N) of Section 14.
- The <u>bottom hole location</u> is located 100 feet from the North line, 1360 feet from the West line (Unit C) of Section 11,
- The <u>first take point</u> is located 100 feet from the South line, 1360 feet from the West line (Unit N) of Section 14,
- The <u>last take point</u> is located 100 feet from the North line, 1360 feet from the West line (Unit C) of Section 11.

The acreage is governed by the Division's statewide rules. Accordingly, the proposed completed interval is unorthodox because, as drilled, it is closer than the 330 feet to the western boundary. It

encroaches on the spacing units in the W/2W/2 of Sections 11 and 14. Approval of the unorthodox location will allow EOG to use its preferred well spacing plan for horizontal wells, which will prevent waste, and reflects the as-drilled location of the well.

Exhibit A is the draft Form C-102 showing the location of the proposed well, including the proposed unorthodox completed interval. This sundry is pending approval by the BLM. Exhibit A also includes the approved C-102, reflecting the pool and API number for the well. The proposed completed interval encroaches on the spacing unit/tracts to the west.

Exhibit B is a plat that shows the Driver 14 Fed Com No. 101H well in relation to the adjoining spacing units/tracts to the west.

EOG is the operator of the spacing units to the west, however, overriding royalty interest ownership is diverse between the subject spacing unit and the affected spacing unit/tracts to the west. **Exhibit C** is a certification from the landman indicating that she has reviewed the tracts affected by this request. Exhibit C includes a list of the affected parties and proof that a copy of this application, including exhibits, was mailed to each affected party. This notice advises affected parties that any objection 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 requested non-standard location.

Exhibit E is the C-102 for the defining well for the spacing unit, which is the Driver 14 Fed Com No. 504H well (API No. 30-025-48821).

Thank you for your attention to this matter.

Very truly yours,

Jordan Kessler

Senior Regulatory Advisor

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

²Dedicated Acres

640

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

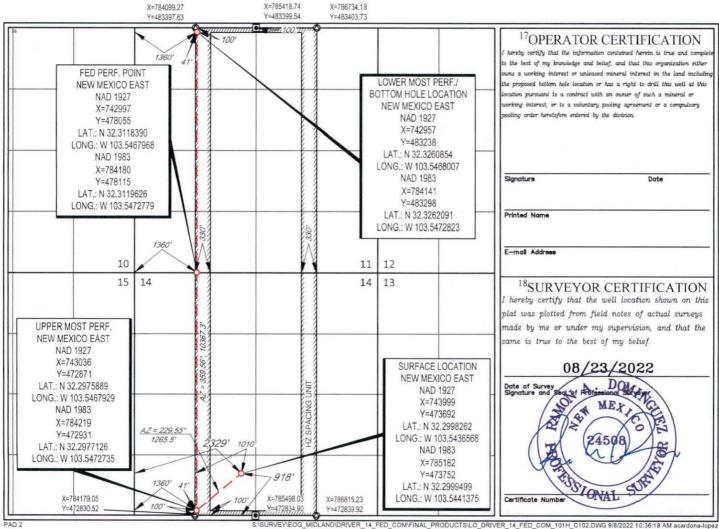
WELL LOCATION AND ACREAGE DEDICATION PLAT

3	API Number			² Pool Code		³ Pool Name				
⁴ Property	⁴ Property Code DRIVER 14 FED COM						1.000	⁶ Well Number 101H		
⁷ OGRID 737				EO	SOperator Na			⁹ Elevation 3669'		
					10 Surface Lo	cation		•		
UL or lot no.	Section 14	Township 23-S	33-E	Lot Idn	Feet from the 918'	North/South line SOUTH	Feet from the 2329'	East/West line WEST	LEA County	
			¹¹ B	ottom Hol	e Location If Di	fferent From Surf	ace	*		
UL or lot no.	Section 11	Township 23-S	Range 33-E	Lot Idn	Feet from the 100'	North/South line NORTH	Feet from the 1360'	East/West line WEST	LEA County	

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.

Order No

Consolidation Code



ExhibitA

Section Township

00

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

UL or lot no.

320.00

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	² Pool Code	³ Pool	Name	
30-025-49026	96682	Brinninstool; Bone Spring		
⁴ Property Code	5Pr	operty Name	⁶ Well Number	
331169	DRIVER	14 FED COM	203H	
OGRID No.	⁸ O _J	perator Name	⁹ Elevation	
7377	EOG RES	OURCES, INC.	3677'	
	10 0	and I neation		

¹⁰Surface Location

Feet from the

Lot Idn

Range

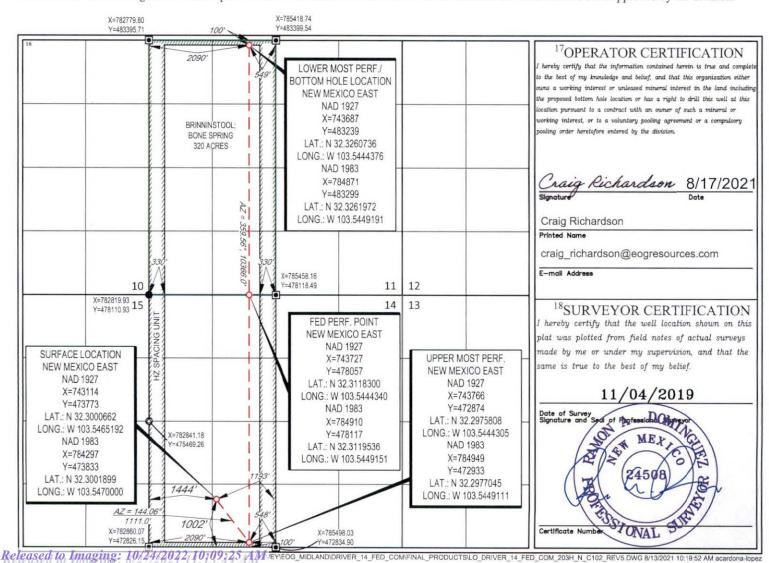
N	14	23-S	33-E	-	1002	SOUTH	1444	WEST	LEA
			¹¹ B	ottom Hole	Location If Di	fferent From Surf	ace		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	11	23-S	33-E		100'	NORTH	2090'	WEST	LEA

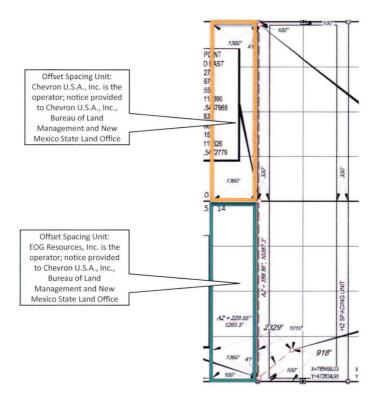
North/South line

Feet from the

East/West line

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.





ExhibitB



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 #101H 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

September 12, 2022

Exhibit C

energy opportunity growth

Received by OCD: 9/15/2022 3:10:28 PM

Well Name	Date NSL Sent	Owners NSL Sent to	FedEx Tracking No.
Driver 14 Fed Com #101H	9/15/2022	New Mexico State Land Office	278023056740
Driver 14 Fed Com #302H		Bureau of Land Management	278023095909
		Chevron U.S.A., Inc.	278023129370



Driver 14 State Com #101H

A non-standard location is necessary to develop the Avalon Shale in this section efficiently and in an economic manner. A non-standard location optimizes package drainage area location as it relates to regions of pressure depletion created by existing producing wells. A non-standard location also reduces interference the other targets in this proposed pattern. Overall, a non-standard location is expected to yield a higher ultimate recovery than a standard location, thereby preventing waste and protecting correlative rights.

EOG Resources

David Carlos Sonka

Reservoir Engineer

Exhibit D

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

640.00

State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

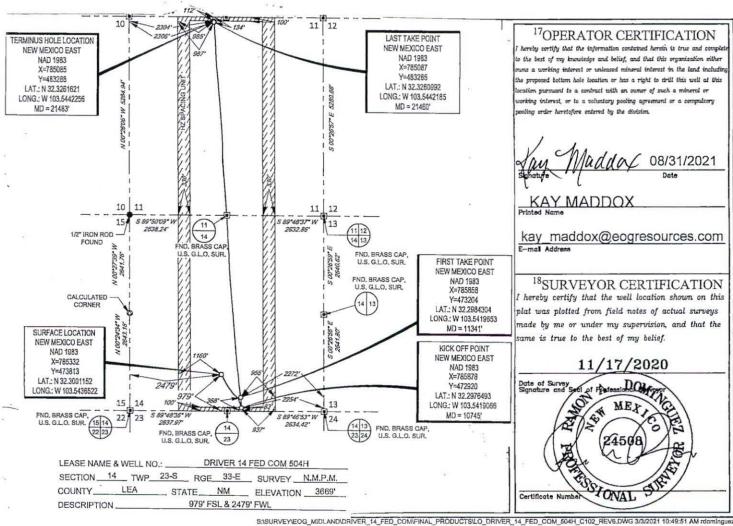
FORM C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

	¹ API Numbe		² Pool Code			³ Pool Name				
3	10-025	- 48821	5	150	BE	ELL LAKE; BO	ONE SPRING	G, NORTH		
⁴ Property	Code				⁵ Property Na				ll Number	
331169			DR	DRIVER 14 FED COM				04H		
737				*Operator Name EOG RESOURCES, INC.				1	⁹ Elevation 3669'	
					10 Surface Loc	ation				
UL or lot no.	Section 14	Township 23-S	33-E	Lot Idn	Feet from the 979	North/South line SOUTH	Feet from the 2479'	East/West line WEST	LEA	
	-	(*)	11B	ottom Hole	Location If Di	fferent From Surf	ace			
UL or lot no.	Section 11	Township 23-S	Range 33-E	Lot Idn	Feet from the	North/South line NORTH	Feet from the 2304	East/West line WEST	County LEA	
² Dedicated Acres	13 Joint or	Infill 14Co	insolidation Code	15Order l	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.



10/14/22 Updated 1/5 Pages

Lowe, Leonard, EMNRD

From: Jordan Kessler < Jordan Kessler@eogresources.com>

Sent: Friday, October 14, 2022 12:57 PM

To: Lowe, Leonard, EMNRD

Subject: Re: [EXTERNAL] FW: Clarification on NSL application for Driver 14 Federal Com Well No. 101H

Yes sir.

Sent from my iPhone

On Oct 14, 2022, at 12:54 PM, Lowe, Leonard, EMNRD < Leonard. Lowe@emnrd.nm.gov> wrote:

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

So this is for both NSL applications, correct?

- 1 Driver 14 Federal Com Well No. 101H
- 2 Driver 14 Federal Com Well No. 302H

Leonard R. Lowe

Engineering Bureau
OCD - EMNRD
5200 Oakland Ave. NE
Albuquerque, N.M. 87113
C: 505-930-6717
http://www.emnrd.state.nm.us/ocd/

From: Jordan Kessler < Jordan Kessler@eogresources.com>

Sent: Friday, October 14, 2022 12:15 PM

To: Lowe, Leonard, EMNRD < Leonard.Lowe@emnrd.nm.gov>

Subject: [EXTERNAL] FW: Clarification on NSL application for Driver 14 Federal Com Well No. 101H

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Hi Leonard, apparently since I submitted the NSL applications and last spoke with Paul, the spacing unit has been designated into one pool instead of two, the BELL LAKE; BONE SPRING, NORTH [5150] (please see attached email from Paul Kautz). Do you want me to still submit a C-102 showing the pool? Since the Division changed it, I'm not sure where this leaves us.

Thanks, Jordan

From: Lowe, Leonard, EMNRD < Leonard.Lowe@emnrd.nm.gov>

Sent: Thursday, October 13, 2022 2:20 PM

From: Kautz, Paul, EMNRD

To: Jordan Kessler

Cc: Lowe, Leonard, EMNRD

Subject: RE: [EXTERNAL] Pool question

Date: Friday, October 14, 2022 11:36:00 AM

Attachments: <u>image001.png</u>

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hi Jordan,

Since our last communication on this area due to some other problems, I had to rearrange the pool boundaries and now all of Sections 11 and 14 are now in the same pool. This pool is the BELL LAKE; BONE SPRING, NORTH [5150]. I hope this simplifies everything.

Paul Kautz
Petroleum Specialist
Hobbs Field Office Geologist
Energy Minerals Natural Resources Dept.
Oil Conservation Division
1625 N. French Dr.
Hobbs, NM 88240
Cell # 575-602-4493

From: Jordan Kessler < Jordan_Kessler@eogresources.com>

Sent: Friday, October 14, 2022 10:26 AM

To: Kautz, Paul, EMNRD <paul.kautz@emnrd.nm.gov>

Cc: Lowe, Leonard, EMNRD < Leonard.Lowe@emnrd.nm.gov>

Subject: RE: [EXTERNAL] Pool question

Hi Paul, following up on the email below because Leonard had asked me to draw where the pools are for an NSL that we're working on. You say that both pools are in all of Section 14. Was that a typo? Could you put the description of where each of those two pools is one more time?

Thanks! Jordan

From: Kautz, Paul, EMNRD < <u>paul.kautz@state.nm.us</u>>

Sent: Tuesday, September 13, 2022 3:47 PM

To: Jordan Kessler < <u>Jordan Kessler@eogresources.com</u>>; Star Harrell

<<u>Star_Harrell@eogresources.com</u>> **Subject:** FW: [EXTERNAL] Pool question

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When I typed the pool description, I got it backwards.

Bell Lake; Bone Spring, North pool Sec 14: All, Sec 11: E/2

Brinninstool; Bone Spring pool Sec 14: All

From: Kautz, Paul, EMNRD

Sent: Tuesday, September 13, 2022 3:33 PM

To: Jordan Kessler < <u>Jordan_Kessler@eogresources.com</u>>

Subject: RE: [EXTERNAL] Pool question

Hi Jordan,

Here is the situation:

Bell Lake; Bone Spring, North pool Sec 11: All, Sec 14: E/2

Brinninstool; Bone Spring pool Sec 14: W/2

30-025-48821 Driver 14 Fed Com was originally approved as Bell Lake; Bone Spring, North with E/2 of Sec 14 and E/2 Sec 11 dedicated to the well. On Completion EOG submitted a C-102 as drilled with E/2W/2 and W/2E/2 of sections 11 and 14 dedicated to the well. The OCD person approving the C-104 did not realize that the pool area and changed the dedicated acreage in the system.

30-025-49026 is correctly DHC in two different pools.

Paul Kautz
Petroleum Specialist
Hobbs Field Office Geologist
Energy Minerals Natural Resources Dept.
Oil Conservation Division
1625 N. French Dr.
Hobbs, NM 88240
Cell # 575-602-4493

From: Jordan Kessler < <u>Jordan Kessler@eogresources.com</u>>

Sent: Tuesday, September 13, 2022 2:52 PM

To: Kautz, Paul, EMNRD < <u>paul.kautz@state.nm.us</u>> **Cc:** Star Harrell < <u>Star Harrell@eogresources.com</u>>

Subject: [EXTERNAL] Pool question

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Hi Paul,

Following up on our call, I'm trying to ascertain why these two wells (same spacing unit) were assigned to different pools:

Driver 14 Fed Com 504H (30-025-48821) [5150] BELL LAKE; BONE SPRING, NORTH Driver 14 Fed Com 203H (30-025-49026) Brinninstool, Bone Spring

Thanks! Jordan

Jordan Kessler

Senior Regulatory Advisor



Santa Fe, NM 87501

125 Lincoln Avenue, Suite 213

Mobile: (432) 488-6108 Office: (575) 748-4158

jordan_kessler@eogresources.com

From: <u>Jordan Kessler</u>

To: Lowe, Leonard, EMNRD

Subject: [EXTERNAL] FW: Clarification on NSL application for Driver 14 Federal Com Well No. 101H

Date: Friday, October 14, 2022 12:15:08 PM
Attachments: RE EXTERNAL Pool guestion.msq

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Hi Leonard, apparently since I submitted the NSL applications and last spoke with Paul, the spacing unit has been designated into one pool instead of two, the BELL LAKE; BONE SPRING, NORTH [5150] (please see attached email from Paul Kautz). Do you want me to still submit a C-102 showing the pool? Since the Division changed it, I'm not sure where this leaves us.

Thanks, Jordan

From: Lowe, Leonard, EMNRD < Leonard.Lowe@emnrd.nm.gov>

Sent: Thursday, October 13, 2022 2:20 PM

To: Jordan Kessler < Jordan_Kessler@eogresources.com>

Subject: Clarification on NSL application for Driver 14 Federal Com Well No. 101H

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Ms. Kessler.

Per our conversation on this topic. Could EOG send me the following for this Well's NSL application.

- 1. A new C-102, as noted in the application. Distinguish the specific location of the well's Horizontal Spacing Unit in reference to the different pool/formation it wants to produce from.
- 2. Exhibit B, no worries. I know we talked about this. Don't worry about it.

Do you know where this well is in the C-103 update?

Leonard R. Lowe

Engineering Bureau OCD - EMNRD 5200 Oakland Ave. NE Albuquerque, N.M. 87113

C: 505-930-6717

http://www.emnrd.state.nm.us/ocd/

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

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**

COMMENTS

Action 143851

COMMENTS

Operator:	OGRID:
EOG RESOURCES INC	7377
P.O. Box 2267	Action Number:
Midland, TX 79702	143851
	Action Type:
	[UF-NSL] Non-Standard Location (NSL)

COMMENTS

Crea By	Comment Comment	Comment Date
llo	Change of plans to change well name from No. 203H to No. 101H (09/15/22)	9/16/2022

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

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 143851

CONDITIONS

Operator:	OGRID:
EOG RESOURCES INC	7377
P.O. Box 2267	Action Number:
Midland, TX 79702	143851
	Action Type:
	[UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Creat By		Condition Date
llow	NSL - 8440 is approved. The approved Order can be retrieved at the following OCD website link. https://ocdimage.emnrd.nm.gov/imaging/AEOrderCriteria.aspx	9/16/2022