

RECEIVED:	REVIEWER:	TYPE:	APP NO:
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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 No. 302H **API:** Pending
Pool: ~~Brimmstool, Bone Spring and~~ Bell Lake; Bone Spring North **Pool Code:** ~~96682~~ and 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.

Jordan Kessler

Print or Type Name

Jordan Kessler

Signature

Digitally signed by Jordan Kessler
Date: 2022.07.22 10:38:56 -06'00'

9/15/22

Date

432 488 6108

Phone Number

jordan_kessler@eogresources.com

e-mail Address



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. 302H well in the W/2W/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. 302H well (API No. pending). The spacing unit dedicated to the well is comprised of the W/2W/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 320 acres, which does not include proximity tracts.

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

- The surface location is located 942 feet from the South line, 1303 feet from the West line (Unit M) of Section 14,
- The bottom hole location is located 100 feet from the North line, 1210 feet from the West line (Unit D) of Section 11,
- The first take point is located 100 feet from the South line, 1210 feet from the West line (Unit M) of Section 14,
- The last take point is located 100 feet from the North line, 1210 feet from the West line (Unit D) 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 eastern boundary. It encroaches on the spacing units in the E/2W/2 and W/2E/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 APD is pending approval by the BLM. The proposed completed interval encroaches on the spacing unit/tracts to the east.

Exhibit B is a plat that shows the Driver 14 Fed Com No. 302H well in relation to the adjoining spacing units/tracts to the east.

EOG is the operator of the spacing units to the east, 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.

Thank you for your attention to this matter.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'J. Kessler', is written over the typed name.

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

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 Number 30-025-	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name DRIVER 14 FED COM	⁶ Well Number 302H
⁷ OGRID No. 7377	⁸ Operator Name EOG RESOURCES, INC.	⁹ Elevation 3681'

¹⁰Surface Location

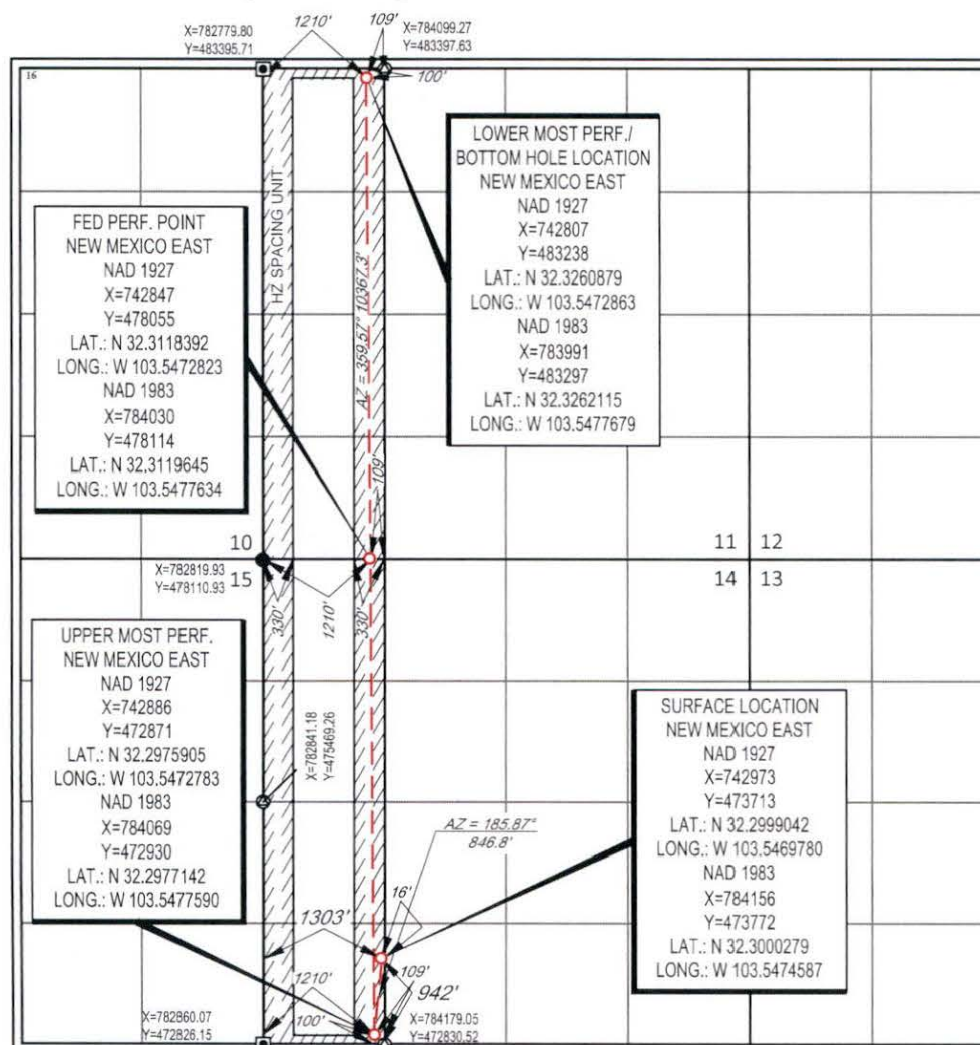
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	14	23-S	33-E	-	942'	SOUTH	1303'	WEST	LEA

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	11	23-S	33-E	-	100	NORTH	1210'	WEST	LEA

¹² Dedicated Acres 320.00	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.

¹⁷OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or released mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

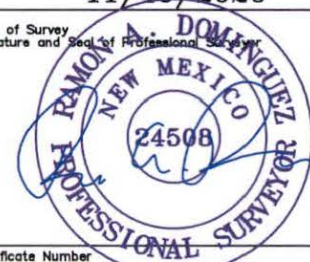
Printed Name _____

E-mail Address _____

¹⁸SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.

11/19/2020

Date of Survey
Signature and Seal of Professional Surveyor

Certificate Number _____

PAD 1

S:\SURVEY\EOG_MIDLAND\DRIVER_14_FED_COM\FINAL_PRODUCT\SILO_DRIVER_14_FED_COM_302H_C102.DWG 9/8/2022 10:35:17 AM acardona-lopez

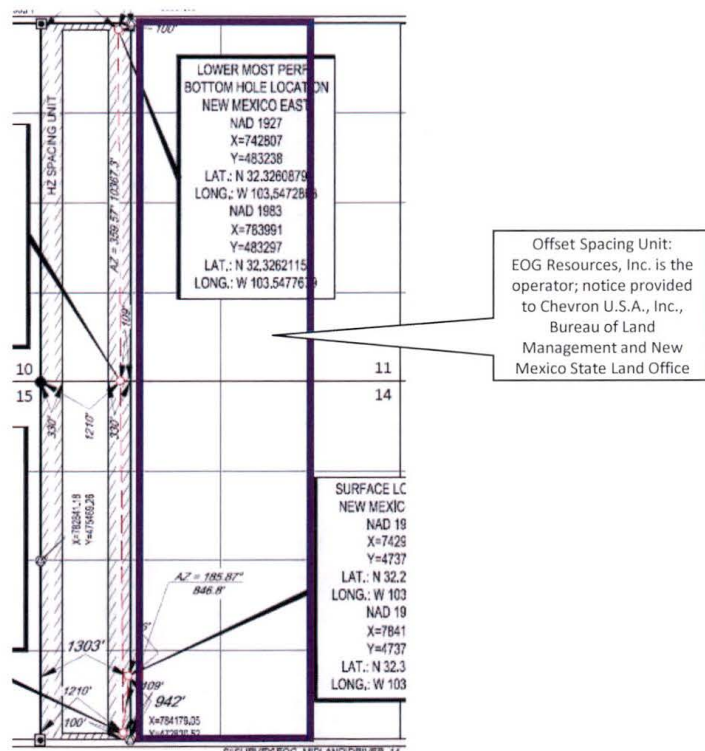


Exhibit B



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 #302H Well in the W/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



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

September 14, 2022

FedEx st
VIA CERTIFIED MAIL

TO: AFFECTED PARTIES

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Driver 14 Fed Com No. 302H well in the W/2W/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,

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

Jordan Kessler
Senior Regulatory Advisor

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



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

Driver 14 State Com #302H

A non-standard location is necessary to develop the First Bone Spring Sand 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.

A handwritten signature in black ink, appearing to read "David Carlos Sonka".

EOG Resources
David Carlos Sonka
Reservoir Engineer

Exhibit D

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: [image001.png](#)

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 <paul.kautz@state.nm.us>
Sent: Tuesday, September 13, 2022 3:47 PM
To: Jordan Kessler <Jordan_Kessler@eogresources.com>; Star Harrell <Star_Harrell@eogresources.com>
Subject: FW: [EXTERNAL] Pool question

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.

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 <Jordan_Kessler@eogresources.com>
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 <Jordan_Kessler@eogresources.com>
Sent: Tuesday, September 13, 2022 2:52 PM
To: Kautz, Paul, EMNRD <paul.kautz@state.nm.us>
Cc: Star Harrell <Star_Harrell@eogresources.com>
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

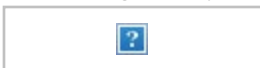
Driver 14 Fed Com 203H (30-025-49026) Brinninstool, Bone Spring

Thanks!

Jordan

Jordan Kessler

Senior Regulatory Advisor



125 Lincoln Avenue, Suite 213

Santa Fe, NM 87501

Mobile: (432) 488-6108

Office: (575) 748-4158

jordan_kessler@eogresources.com

From: [Jordan Kessler](#)
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 question.msg](#)

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/oecd/>

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
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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 143874

CONDITIONS

Operator: EOG RESOURCES INC P.O. Box 2267 Midland, TX 79702	OGRID: 7377
	Action Number: 143874
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
Ilowe	NSL - 8441 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