

ID NO. 158074

NSL - 8476

Revised March 23, 2017

RECEIVED:	REVIEWER:	TYPE:	APP NO: pLEL2231931249
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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: Merciless 13 Fed Com No. 512H **API:** Pending
Pool: WC-025 G-08 S253235G; Lwr Bone Spring pool **Pool Code:** 97903

**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: 2022.11.11 09:10:02 -0700

11/11/2022

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

November 11, 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 Merciless 13 Fed Com No. 512H well dedicated to the E/2 of Section 13 and the NE/4 of Section 24, Township 25 South, Range 32 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 Merciless 13 Fed Com No. 512H well (API No. pending). The spacing unit dedicated to the well is comprised of the E/2 of Section 13 and the NE/4 of Section 24, Township 25 South, Range 32 East, Lea County, New Mexico and is within the WC-025 G-08 S253235G; Lwr Bone Spring pool (97903). The horizontal spacing unit for the well is approximately 480 acres, which includes proximity tracts. The defining well for the spacing unit is the Merciless 13 Fed Com No. 513H well (API No. pending).

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

- The surface location is located 310 feet from the North line, 547 feet from the East line (Unit A) of Section 13,
- The bottom hole location is located 2540 feet from the North line, 90 feet from the East line (Unit H) of Section 24,
- The first take point is located 100 feet from the North line, 90 feet from the East line (Unit A) of Section 13,
- The last take point is located 100 feet from the North line, 90 feet from the East line (Unit H) of Section 24.

The acreage is governed by Statewide Rules for oil wells. Accordingly, the proposed completed interval is unorthodox because it will be closer than 330 feet to the eastern boundary of the spacing

unit. It encroaches on the spacing unit in the W/2W/2 of Section 18 and the W/2NW/4 of Section 19. Approval of the unorthodox location will allow EOG to use its preferred well spacing plan for horizontal wells, which will prevent waste.

Exhibit A is the draft C-102. The application for permit to drill (APD) is currently pending approval with the BLM. This plat shows the location of the proposed well, including the proposed unorthodox completed interval. The proposed completed interval encroaches on the spacing unit/tracts to the east.

Exhibit B is a plat that shows the Merciless 13 Fed Com No. 512H well in relation to the adjoining spacing units/tracts to the east. EOG is the operator of the spacing unit to the east, however, the working interest ownership is diverse. Accordingly, EOG has provided notice to the affected parties in the spacing unit to the east.

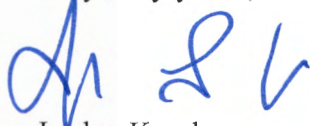
Exhibit C is a certification from the landman indicating that she has reviewed the tracts affected by this request. Exhibit C includes a list of the affected parties and proof that a copy of this application, including exhibits, was mailed to each affected party. This notice advises affected parties 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 Merciless 13 Fed Co No. 513H well (API No. pending).

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

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 MERCILESS 13 FED COM				⁶ Well Number 512H			
⁷ OGRID No. 7377		⁸ Operator Name EOG RESOURCES, INC.				⁹ Elevation 3494'			
¹⁰ Surface Location									
UL or lot no. A	Section 13	Township 25-S	Range 32-E	Lot Idn -	Feet from the 310'	North/South line NORTH	Feet from the 547'	East/West line EAST	County LEA
¹¹ Bottom Hole Location If Different From Surface									
UL or lot no. H	Section 24	Township 25-S	Range 32-E	Lot Idn -	Feet from the 2540'	North/South line NORTH	Feet from the 90'	East/West line EAST	County LEA
¹² Dedicated Acres 480.00		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order 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.

¹⁶ <p>SURFACE LOCATION NEW MEXICO EAST NAD 1927 X=720437 Y=414245 LAT.: N 32.1368730 LONG.: W 103.6211817 NAD 1983 X=761623 Y=414303 LAT.: N 32.1369974 LONG.: W 103.6216561</p> <p>UPPER MOST PERF. NEW MEXICO EAST NAD 1927 X=720892 Y=414461 LAT.: N 32.1374580 LONG.: W 103.6197063 NAD 1983 X=762078 Y=414519 LAT.: N 32.1375824 LONG.: W 103.6201806</p> <p>FED PERF. POINT NEW MEXICO EAST NAD 1927 X=720922 Y=409281 LAT.: N 32.1232184 LONG.: W 103.6197205 NAD 1983 X=762108 Y=409339 LAT.: N 32.1233429 LONG.: W 103.6201940</p> <p>LOWER MOST PERF./ BOTTOM HOLE LOCATION NEW MEXICO EAST NAD 1927 X=720937 Y=406741 LAT.: N 32.1162370 LONG.: W 103.6197274 NAD 1983 X=762123 Y=406799 LAT.: N 32.1163615 LONG.: W 103.6202005</p>						¹⁷ OPERATOR 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 unleased 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 _____	
¹⁸ SURVEYOR 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. 04/08/2022 Date of Survey Signature and Seal of Professional Surveyor Certificate Number _____							

S:\SURVEY\EOG_MIDLAND\MERCILESS_13_FED_COM\FINAL_PRODUCTS\ILO_MERCILESS_13_FED_COM_512H_C100_REV1.DWG 10/19/2022 4:03:06 PM tgriffin

Exhibit A

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 MERCILESS 13 FED COM	⁶ Well Number 512H
⁷ GRID No. 7377	⁸ Operator Name EOG RESOURCES, INC.	⁹ Elevation 3494'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	13	25-S	32-E	-	310'	NORTH	547'	EAST	LEA

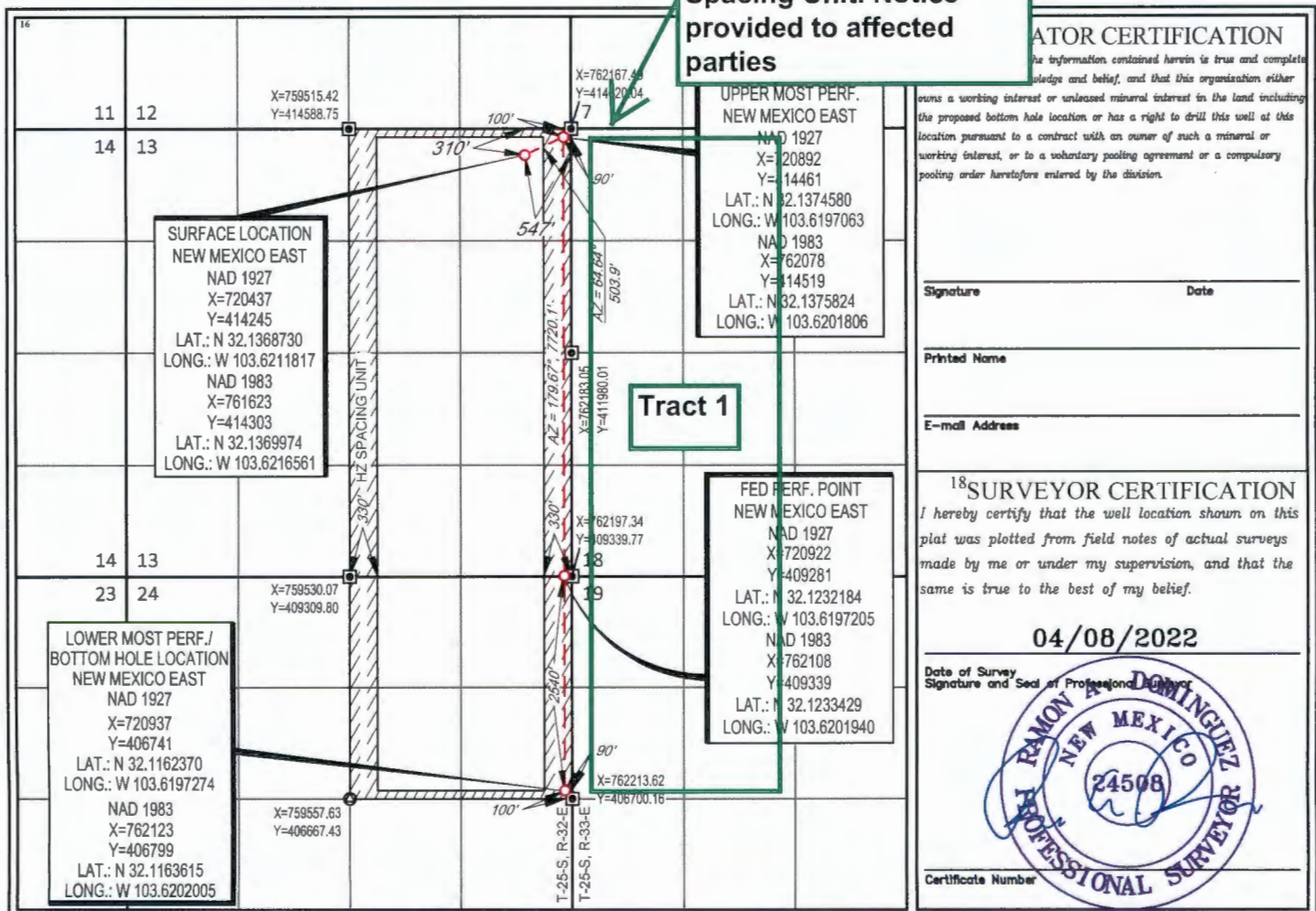
¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	24	25-S	32-E	-	2540'	NORTH	90'	EAST	LEA

¹² Dedicated Acres 480.00	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.

EOG Operated Icy Spacing Unit. Notice provided to affected parties



S:\SURVEY\EOG_MIDLAND\MERCILESS_13_FED_COM\FINAL_PRODUCTS\ILO_MERCILESS_13_FED_COM_512H_C102_REV1.DWG 10/19/2022 4:03:06 PM tgriffin



P.O. Box 2267, Midland, Texas 79702
Phone: (432) 686-3600 Fax: (432) 686-3773

October 26, 2022

Certification of Ownership

I have reviewed the ownership of the oil and gas leasehold in Sections 18 & 19 -25S-32E, Lea County, New Mexico, for purposes of the unorthodox location for EOG's Merciless 13 Fed Com #512H well located in the E/2E/2 of Section 13 & E/2NE/4 Section 24 -25S-32E. As of the date of this letter, the affected parties are:

See Attached EXHIBIT "A"

Sincerely,

EOG Resources, Inc.

Matthew Gray

Matthew Gray
Landman

Exhibit C



P.O. Box 2267, Midland, Texas 79702
Phone: (432) 686-3600 Fax: (432) 686-3773

EXHIBIT "A"

Tract 1

	Name	Address	Interest Type
1	EOG RESOURCES INC	P O BOX 840321 DALLAS.TX 75284-0321	Working Interest
2	SHARBRO ENERGY LLC	POA ELIZABETH BAKER P O BOX 840 ARTESIA.NM 88211-0840	Working Interest
3	BUREAU OF LAND MANAGEMENT	301 DINOSAUR TR. SANTA FE. NM 87508	Royalty Interest



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

November 11, 2022

VIA CERTIFIED MAIL

TO: AFFECTED PARTIES

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Merciless 13 Fed Com No. 512H well dedicated to the E/2 of Section 13 and the NE/4 of Section 24, Township 25 South, Range 32 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:

Matt Gray
EOG Resources, Inc.
(432) 686-3633
Matthew_Gray@eogresources.com

Very truly yours,

A handwritten signature in blue ink, appearing to read "JKL", written over a light gray rectangular background.

Jordan Kessler
Senior Regulatory Advisor

Merciless #512 NSL

Owner	Tracting Number	Date Sent
Sharbro Energy PO Box 840 Artestia, NM 88211-0840	7020 3160 0000 1249 6001	11/11/2022
BLM 301 Dinosaur Trail Santa Fe. NM 87508	7020 3160 0000 1249 6018	11/11/2022



October 20th, 2022

Re: EOG Resources, Inc. NSL Application
Merciless 13 Fed Com #512H (Well)
W/2 W/2 of Section 13 & E/2 NE/4 of Section 24 T25S-R32E
Lea County, New Mexico

To Whom it may concern:

Considering the distance between wells in the development plan for the Lower Bone Spring formation in Sections 13&24, T25S-R32E, EOG believes the non-standard location is necessary to develop the Lower Bone Spring resource in an economic fashion. Based on analog Lower Bone Spring wells along with geologic analysis, EOG believes placing the well at this location maintains optimal spacing to continue development of resources in the formation. Granting the exception will allow for more total production from the section and more efficient development of the asset therefore protecting correlative rights.

Sincerely

EOG Resources, Inc.

A handwritten signature in black ink, appearing to read "Matthew Williamson", is written over the printed name.

Matthew Williamson
Sr. Reservoir Engineer

Exhibit D

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
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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 MERCILESS 13 FED COM	⁶ Well Number 513H
⁷ OGRID No. 7377	⁸ Operator Name EOG RESOURCES, INC.	⁹ Elevation 3494'

¹⁰Surface Location

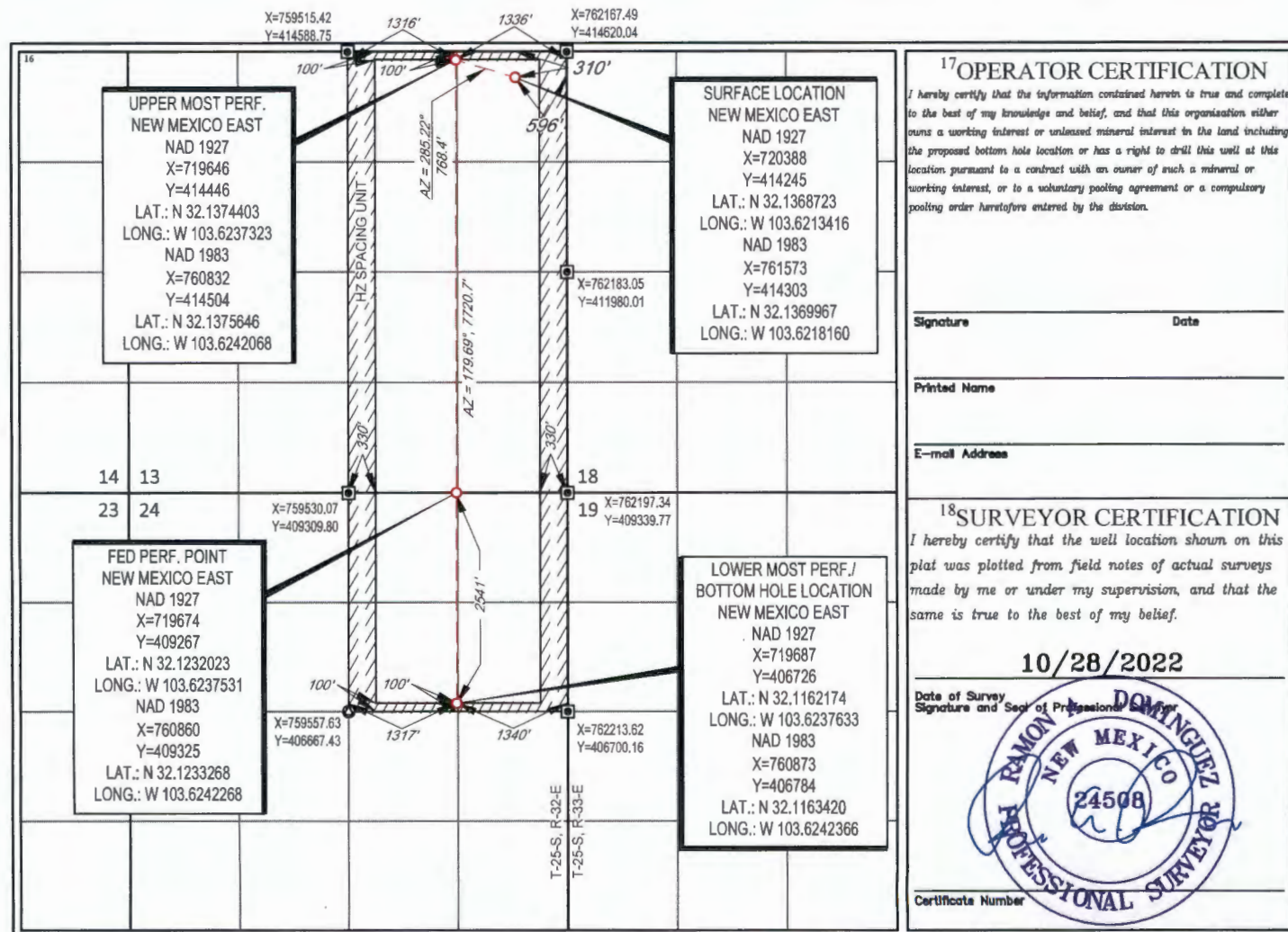
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	13	25-S	32-E	-	310'	NORTH	596'	EAST	LEA

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
G	24	25-S	32-E	-	2541'	NORTH	1340'	EAST	LEA

¹² Dedicated Acres 480	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 unleased 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.

10/28/2022

Date of Survey _____ Signature and Seal of Professional Surveyor _____

Certificate Number _____

Exhibit E

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 158074

CONDITIONS

Operator: EOG RESOURCES INC P.O. Box 2267 Midland, TX 79702	OGRID: 7377
	Action Number: 158074
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	NSL - 8476 is approved. The approved Order can be retrieved at the following OCD website link. https://ocdimage.emnrd.nm.gov/imaging/AEOrderCriteria.aspx	11/15/2022