

Revised March 23, 2017

ID NO. 166746

NSL - 8512

RECEIVED:	REVIEWER:	TYPE:	APP NO: pLEL2234847838
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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: Shiprock 5 Fed Com No. 716H **API:** 30-025-50771
Pool: Bobcat Draw; Upper Wolfcamp **Pool Code:** 98094

**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 holdersB. ☒ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☐ Notification and/or concurrent approval by SLOE. ☒ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☒ 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: 2022.12.14 08:03:58 -0700

12/12/2022

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

December 12, 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 Shiprock 5 Fed Com No. 716H well in the E/2 of Section 5 and the NE/4 of Section 8, Township 25 South, Range 34 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 Shiprock 5 Fed Com No. 716H well (API No. 30-025-50771). The spacing unit dedicated to the well is comprised of the E/2 of Section 5 and the NE/4 of Section 8, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico. The Division has designated the pool as the Bobcat Draw; Upper Wolfcamp pool (98094). The horizontal spacing unit for the well is approximately 480.04 acres, which includes proximity tracts. The defining well for the spacing unit is the Shiprock 5 Fed Com No. 715H well (API No. 30-025-50769).

The well has not yet been drilled. The proposed location is as follows:

- The surface location is located 240 feet from the North line, 2077 feet from the East line (Lot 2) of Section 5,
- The bottom hole location is located 2540 feet from the North line, 2304 feet from the East line (Unit G) of Section 8,
- The first take point is located 100 feet from the North line, 2308 feet from the East line (Lot 2) of Section 5,
- The last take point is located 2540 feet from the North line, 2304 feet from the East line (Unit G) of Section 8.

The acreage is governed by the Division's statewide rules. The proposed completed interval is unorthodox because it will be closer than 330 feet to the western boundary. It encroaches on the spacing units in the W/2 of Section 5 and the NW/4 of Section 8. 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 C-102 showing the location of the well, including the proposed unorthodox completed interval. The completed interval encroaches on the spacing unit/tracts to the west.

Exhibit B is a plat that shows the Shiprock 5 Fed Com No. 716H well in relation to the adjoining spacing units/tracts to the west.

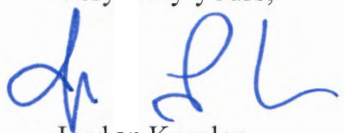
EOG is the operator of the spacing units to the west, however, ownership between the overriding royalty interest owners is diverse between the subject spacing unit and the affected spacing unit/tracts to the west. **Exhibit C** is a certification from the landman indicating that he has reviewed the tracts 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 a C-102 for the defining well for the horizontal spacing unit, the Shiprock 5 Fed Com No. 715H well (API No. 30-025-50769).

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 30-025-50771	² Pool Code 98094	³ Pool Name Bobcat Draw; Upper Wolfcamp
⁴ Property Code 331512	⁵ Property Name SHIPROCK 5 FED COM	⁶ Well Number 716H
⁷ GRID No. 7377	⁸ Operator Name EOG RESOURCES, INC.	⁹ Elevation 3416'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
2	5	25-S	34-E	-	240'	NORTH	2077'	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	8	25-S	34-E	-	2540'	NORTH	2304'	EAST	LEA

¹² Dedicated Acres 480.04	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.

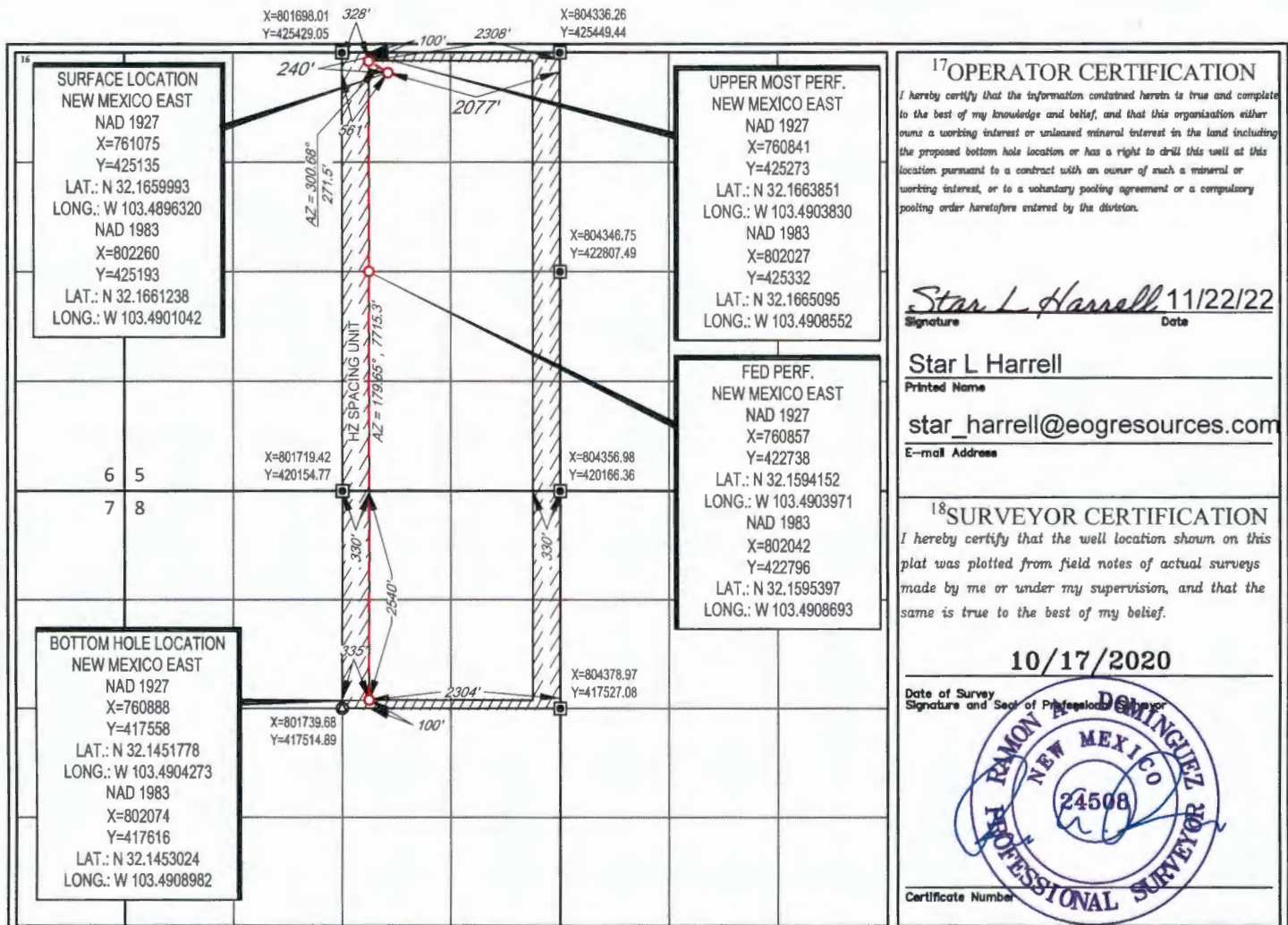
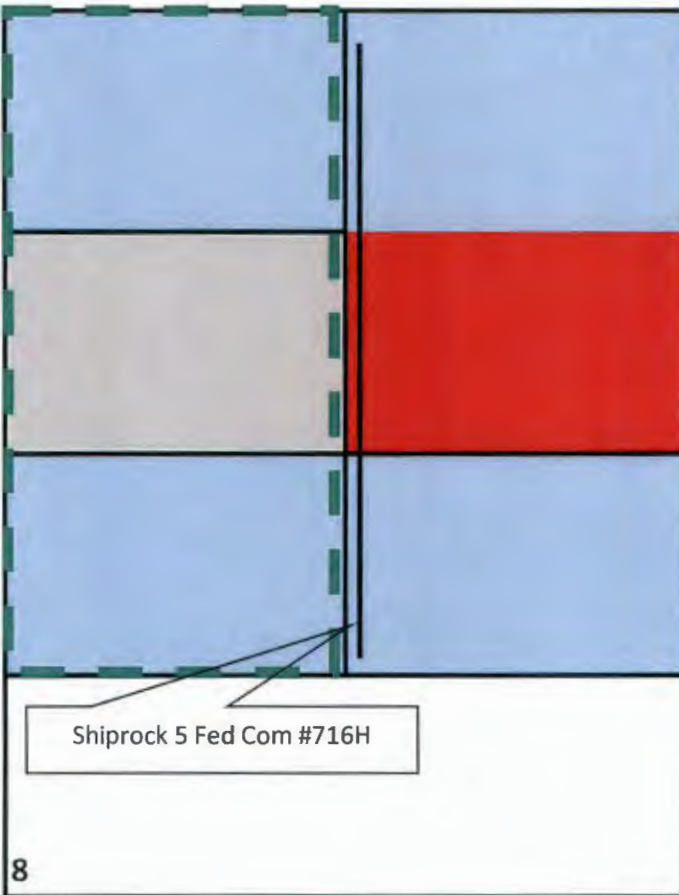


EXHIBIT B
SHIPROCK 5 FED COM
All of Section 5 & N/2 Section 8, T25S-R34E
LEA COUNTY, NM



Offset Spacing Unit operated by
EOG Resources, Inc.

Notice provided to:
Fortuna III Permian, LLC
NHPP Permian, LLC
FR Energy, LLC
Bureau of Land Management



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

December 12, 2022

VIA FEDEX

TO: AFFECTED PARTIES

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Shiprock 5 Fed Com No. 716H well in the E/2 of Section 5 and the NE/4 of Section 8, Township 25 South, Range 34 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:

Daniel Koury
EOG Resources, Inc.
(432) 686-3713
Daniel_Koury@eogresources.com

Very truly yours,

A handwritten signature in blue ink, appearing to read "J. Kessler", written over the words "Very truly yours,".

Jordan Kessler
Senior Regulatory Advisor

Well Name	Date NSL Sent	Owners NSL Sent to	Mail Tracking #
Shiprock 5 Fed Com #716H	12/12/2022	Fortuna Resources III, LLC	FedEx 392069655120
Shiprock 5 Fed Com #717H		NHPP Permian, LLC	
		FR Energy, LLC	
	12/13/2022	Bureau of Land Management	FedEx 392096640679

EXHIBIT C



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

December 8, 2022

Certification of Ownership

I have reviewed the ownership of the oil and gas leasehold in All of Section 5: All and in the N/2 of Section 8, T25S-R34E, Lea County, New Mexico, for purposes of the unorthodox location for EOG's Shiprock 5 Fed Com #716H well located in the NE/4 of Section 5, T25S-R34E, Lea County, New Mexico. As of the date of this letter, the affected parties are:

1. EOG Resources, Inc.
5509 Champions Dr.
Midland, TX 79706
2. Fortuna III Permian, LLC
55 Waugh Dr., Ste 1200
Houston, TX 77007
3. NHPP Permian, LLC
55 Waugh Dr., Ste 1200
Houston, TX 77007
4. FR Energy, LLC
55 Waugh Dr., Ste 1200
Houston, TX 77007
5. Bureau of Land Management
301 Dinosaur Tr.
Santa Fe, NM 87504

Sincerely,

EOG Resources, Inc.

A handwritten signature in blue ink, appearing to read "Daniel Koury", is written over a light blue rectangular background.

Daniel Koury
Landman II

EXHIBIT D



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

December 8, 2022

Re: EOG Resources NSL Application
Shiprock 5 Fed Com #716H

To whom it may concern:

A non-standard location is necessary to develop the Wolfcamp formation in this section efficiently and in an economic manner. A non-standard location optimizes pressures related to the completion and production drawdown of the wells and is expected to yield a higher ultimate recovery than a standard location, thereby preventing waste and protecting correlative rights.

Sincerely,

A handwritten signature in black ink, appearing to be "ZZ" or a stylized representation of the name Tony Tran.

EOG Resources
Tony Tran
Reservoir Engineer

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
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State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
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FORM C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

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⁴ Property Code 331512	⁵ Property Name SHIPROCK 5 FED COM	⁶ Well Number 715H
⁷ OGRID No. 7377	⁸ Operator Name EOG RESOURCES, INC.	⁹ Elevation 3411'

¹⁰Surface Location

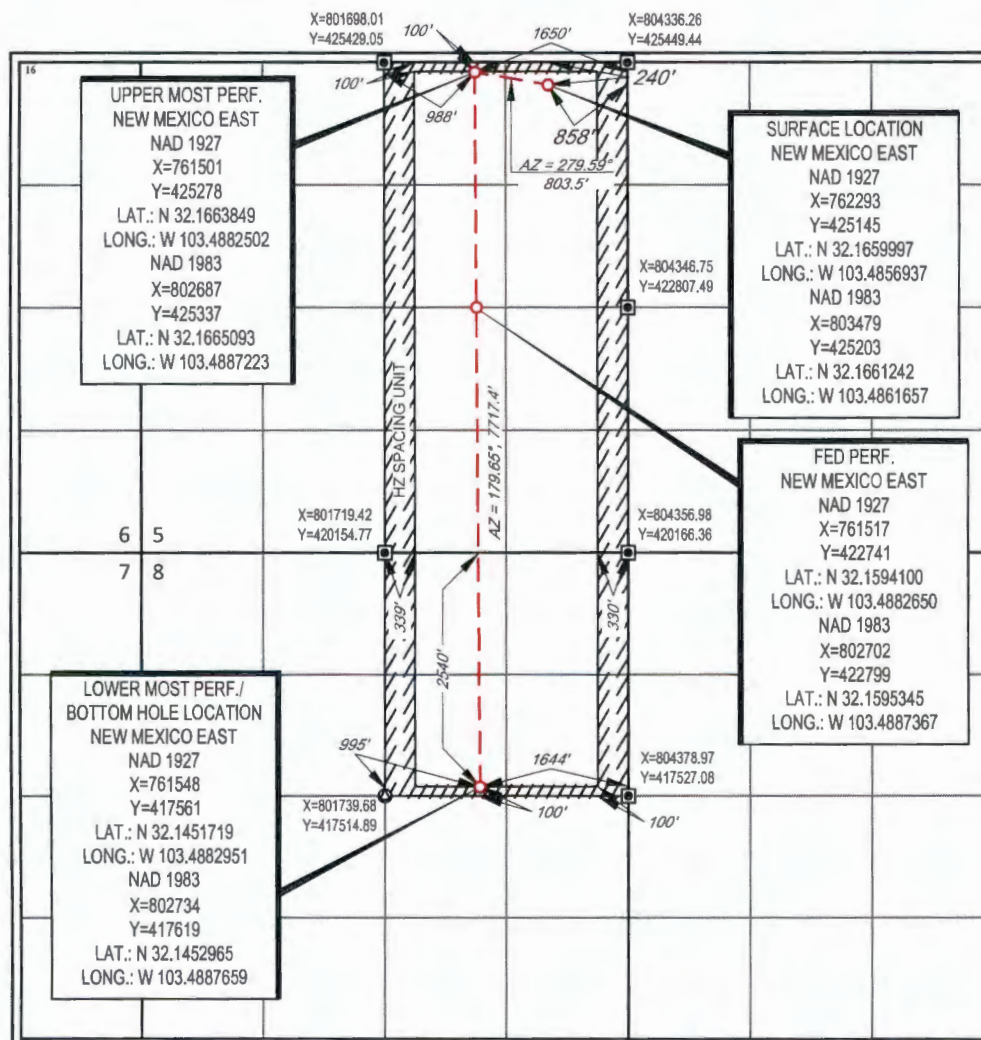
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	5	25-S	34-E	-	240'	NORTH	858'	EAST	LEA

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	8	25-S	34-E	-	2540'	NORTH	1644'	EAST	LEA

¹² Dedicated Acres 480.04	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 undivided 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.

Star L Harrell 11/22/22
Signature Date

Star L Harrell

Printed Name

star_harrell@eogresources.com

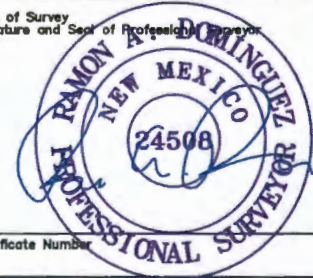
E-mail Address

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.

10/22/2020

Date of Survey
Signature and Seal of Professional Surveyor



Certificate Number

S:\SURVEY\EOG_MIDLAND\SHIPROCK_5_FED_COM\FINAL_PRODUCTS\SILO_SHIPROCK_5_FC_715H_C102.DWG 11/18/2022 11:19:16 AM adisabella

District I
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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 166746

CONDITIONS

Operator: EOG RESOURCES INC P.O. Box 2267 Midland, TX 79702	OGRID: 7377
	Action Number: 166746
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	1/13/2023