

ID NO. 328556

NSL - 8747

Revised March 23, 2017

RECEIVED: 04/01/24	REVIEWER:	TYPE:	APP NO: pLEL2410055422
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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:** Red Hills North Unit 581H **API:** 30-025-  
**Pool:** Red Hills; Lower Bone Spring **Pool Code:** 51020

**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.**

04/01/2024

Date

Jordan Kessler

Print or Type Name

432-488-6108

Phone Number

*Jordan Kessler*  
 Signature

jordan\_kessler@eogresources.com

e-mail Address



Jordan Kessler  
Phone: (432) 488-6108  
Email: Jordan\_kessler@eogresources.com

April 1, 2024

**VIA ONLINE FILING**

Dylan Fuge, OCD 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 Red Hills North Unit 581H well, dedicated to the NENW (Lot 3), SENW, E2 of SW4 of Section 1, E2W2 of Section 12, and E2 of NW4 of Section 13, Township 25 South, Range 33 East, NMPM, Lea County, New Mexico.**

Dear Director Fuge,

EOG Resources, Inc. (OGRID No. 7377) seeks administrative approval of an unorthodox well location for its Red Hills North Unit 581H well (API No. not yet assigned). The spacing unit dedicated to the well is comprised of the NENW (Lot 3), SENW, the E2 of the SW4 of Section 1, the E2W2 of Section 12, and the E2 of the NW4 of Section 13, Township 25 South, Range 33 East, NMPM, Lea County, New Mexico and is within the Red Hills; Lower Bone Spring (51020). The horizontal spacing unit for the well is approximately 399.89 acres and does not include proximity tracts.

This well has not yet been drilled nor approved. It is proposed to be drilled as follows:

- The surface location is located 968 feet from the North line, 271 feet from the East line (Lot 1) of Section 2,
- The bottom hole location is located 100 feet from the South line, 1370 feet from the West line (Unit F) of Section 13,
- The first take point is located 100 feet from the North line, 1370 feet from the West line (Lot 3) of Section 1,
- The last take point is located 100 feet from the South line, 1370 feet from the West line (Unit F) of Section 13.

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 Red Hills North Unit Boundary in the W2 of the NW4 in Section 1. 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 pending C-102 in the APD showing the designated pool and horizontal lateral.. This plat also shows the location of the proposed well, including the proposed unorthodox, completed interval. The proposed completed interval encroaches on the Red Hills North Unit Boundary in the W2 of the NW4 in Section 1.

**Exhibit B** is a plat that shows the Red Hills North Unit 581H well in relation to the adjoining Red Hills North Unit Boundary 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 **Exhibit D** provides 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 E** 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,



Jordan Kessler  
Sr. 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 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) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 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 30-025-		Pool Code 51020		Pool Name Red Hills; Lower Bone Spring					
Property Code		Property Name RED HILLS NORTH UNIT						Well Number 581H	
OGRID No. 7377		Operator Name EOG RESOURCES, INC.						Elevation 3482'	

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	2	25-S	33-E	-	968'	NORTH	271'	EAST	LEA

Bottom 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
F	13	25-S	33-E	-	100'	SOUTH	1370'	WEST	LEA

Dedicated Acres 399.89	Joint or Infill	Consolidated Code	Order No. NMNM- 105475850
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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.

**SURFACE LOCATION (SHL)**

NEW MEXICO EAST  
NAD 1983  
X=788231 Y=424371  
LAT.: N 32.1641579  
LONG.: W 103.5345494

NAD 1927  
X=747045 Y=424313  
LAT.: N 32.1640335  
LONG.: W 103.5349859  
968' FNL 271' FEL

**NON-PRODUCING LEASE  
REFERENCE POINT**

NEW MEXICO EAST  
NAD 1983  
X=788501 Y=424524  
LAT.: N 32.1645734  
LONG.: W 103.5345834

NAD 1927  
X=747315 Y=424466  
LAT.: N 32.1644490  
LONG.: W 103.5341098  
816' FNL 0' FEL

**KICK OFF POINT (KOP)**

NEW MEXICO EAST  
NAD 1983  
X=789866 Y=425299  
LAT.: N 32.1666750  
LONG.: W 103.5301515

NAD 1927  
X=748681 Y=425241  
LAT.: N 32.1665506  
LONG.: W 103.5296780  
50' FNL 1370' FWL

**UPPER MOST PERF. (UMP)**

NEW MEXICO EAST  
NAD 1983  
X=789867 Y=425249  
LAT.: N 32.1665375  
LONG.: W 103.5301518

NAD 1927  
X=748681 Y=425191  
LAT.: N 32.1664132  
LONG.: W 103.5296783  
100' FNL 1370' FWL

**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 voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Lisa Youngblood* 4/1/2024

Signature Date

Lisa Youngblood

Print Name

lisa\_youngblood@eogresources.com

E-mail Address

Exhibit A

**FED PERF. POINT (FPP1)**

NEW MEXICO EAST  
NAD 1983  
X=789884 Y=422713  
LAT.: N 32.1595663  
LONG.: W 103.5301575

NAD 1927  
X=748698 Y=422655  
LAT.: N 32.1594419  
LONG.: W 103.5296844  
2640' FSL 1374' FWL

**FED PERF. POINT (FPP2)**

NEW MEXICO EAST  
NAD 1983  
X=789902 Y=420073  
LAT.: N 32.1523100  
LONG.: W 103.5301634

NAD 1927  
X=748716 Y=420015  
LAT.: N 32.1521855  
LONG.: W 103.5296908  
±0' FNL 1377' FWL

**FED PERF. POINT (FPP3)**

NEW MEXICO EAST  
NAD 1983  
X=789937 Y=414794  
LAT.: N 32.1377998  
LONG.: W 103.5301751

NAD 1927  
X=748752 Y=414736  
LAT.: N 32.1376753  
LONG.: W 103.5297035  
±0' FNL 1373' FWL

**LOWER MOST PERF. (LMP)  
BOTTOM HOLE LOCATION (BHL)**

NEW MEXICO EAST  
NAD 1983  
X=789955 Y=412253  
LAT.: N 32.1308159  
LONG.: W 103.5301808

NAD 1927  
X=748769 Y=412196  
LAT.: N 32.1306913  
LONG.: W 103.5297095  
2541' FNL 1370' FWL

**SURVEYORS 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 and correct to the best of my belief.

03/11/2024

Date of Survey

Signature and Seal of Professional Surveyor:

*Ramon Dominguez*

24508

PROFESSIONAL SURVEYOR

3/21/2024 4:12:26 PM

USA NMNM 077079

USA NMNM 030400

USA NMNM 108502

USA NMNM 030400

USA NMNM 019823

EXHIBIT B

Red Hills North Unit

Section 1, 12 & N2 of Section 13, T25S-R33E

LEA COUNTY, NM

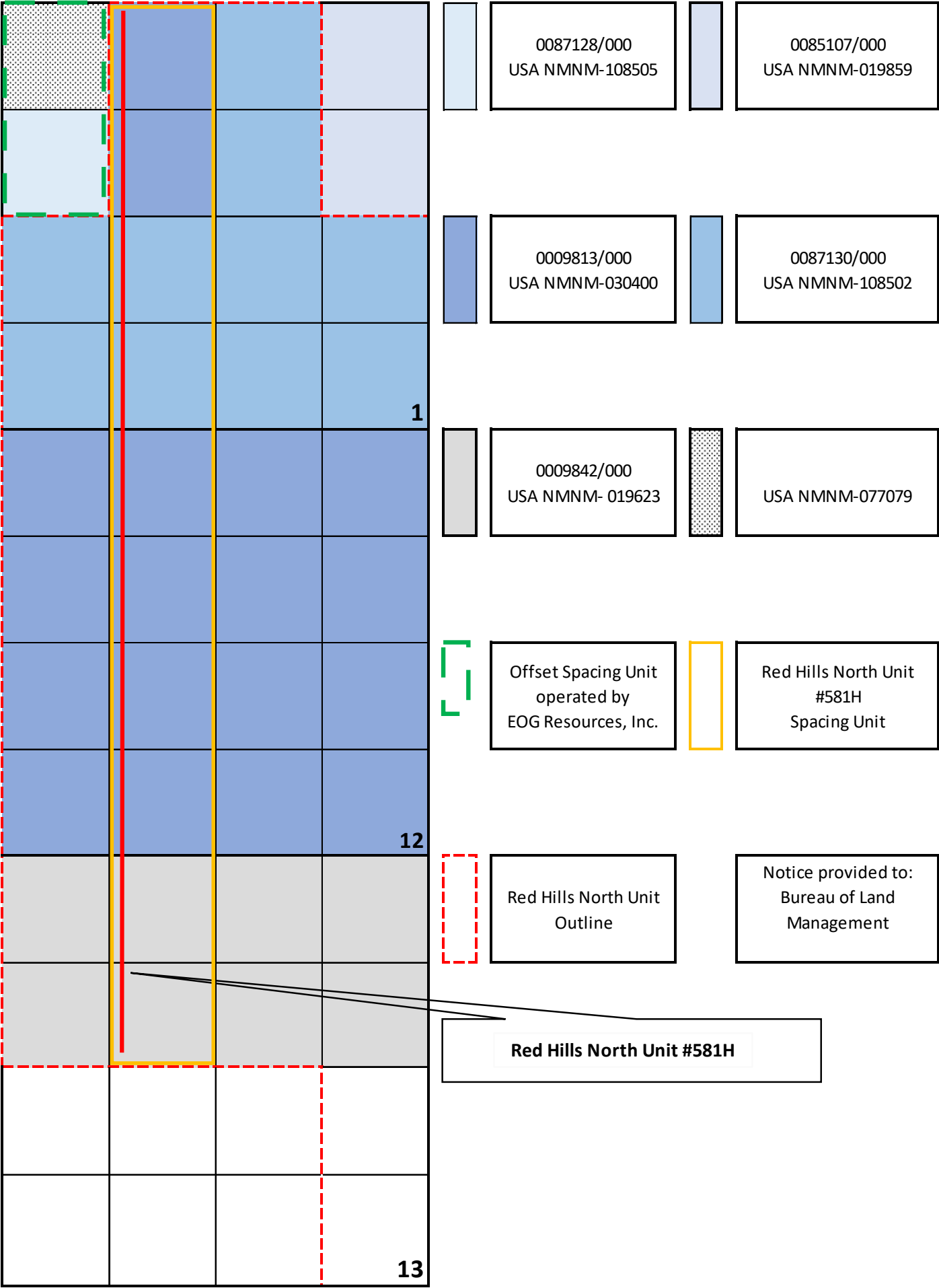


Exhibit B



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

March 22, 2024

### **Certification of Ownership**

I have reviewed the ownership of the oil and gas leasehold in Section 1, 12 & 13, Township 25 South, Range 33 East, Lea County, New Mexico, for purposes of the unorthodox location for EOG's Red Hills North Unit #581H well located in the E2W2 of Section 1 & 12 and the E2NW4 of Section 13, Township 25 South, Range 33 East. As of the date of this letter, the affected parties are:

1. EOG Resources, Inc.  
5509 Champions Dr.  
Midland, Texas 79706
2. Bureau of Land Management  
301 Dinosaur Tr.  
Santa Fe, New Mexico 87508
3. Kaiser-Francis Oil Company  
P.O. Box 21468  
Tulsa, Oklahoma 74121
4. Chevron U.S.A. Inc.  
1400 Smith Street  
Houston, Texas 77002
5. Endeavor Energy Resources, L.P.  
110 N. Marienfeld, Suite 200  
Midland, Texas 79701

Sincerely,

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

Daniel Koury  
Senior Landman

**Exhibit C**

Notice List for Red Hills North Unit Non-Standard Location  
EOG Resources, Inc.  
Notice List

Application Notice:

New Mexico Oil Conservation Division  
Attn: Mr. Leonard Lowe  
1220 South St. Francis Drive  
Santa Fe, NM 87505  
Via NMOCD Online

Bureau of Land Management  
Attn: Mr. Jonathon Shepard  
620 E. Green Street  
Carlsbad, NM 88220  
7021 2720 0000 6696 7722

EOG Resources  
5509 Champions Dr  
Midland, TX 79706

Chevron U.S.A. Inc.  
1400 Smith Street  
Houston, Texas 77002  
7021 2720 0000 6696 7739

Endeavor Energy Resources, L.P.  
110 N. Marienfeld, Suite 200  
Midland, Texas 79701  
7021 2720 0000 6696 7746

Kaiser-Francis Oil Company  
P.O. Box 21468  
Tulsa, Oklahoma 74121  
7021 2720 0000 6696 7807

Exhibit D



Jordan Kessler  
Phone: (432) 488-6108  
Email: [Jordan\\_kessler@eogresources.com](mailto:Jordan_kessler@eogresources.com)

April 1, 2024

**VIA CERTIFIED MAIL**

**TO: AFFECTED PARTIES**

**Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Red Hills North Unit 581H well dedicated to the NENW (Lot 3), SENW, E2 of SW4 of Section 1, E2W2 of Section 12, and E2 of NW4 of Section 13, Township 25 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:

Daniel Koury  
EOG Resources, Inc.  
(432) 686-3713  
[Daniel\\_Koury@eogresources.com](mailto:Daniel_Koury@eogresources.com)

Very truly yours,

A handwritten signature in black ink that reads "Jordan Kessler".

Jordan Kessler  
Sr. Regulatory Advisor





**EOG Resources, Inc.**  
5509 Champions Drive  
Midland, TX 79706  
(432) 686-3600

P.O. Box 2267  
Midland, TX 79702

March 13, 2024

RE: EOG Resources NSL Application  
Red Hills North Unit #581H

To Whom It May Concern:

A non-standard location is necessary to develop the Third Bone Spring 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,

**EOG Resources, Inc.**

*Anthony Small*

Anthony Small  
Reservoir Engineer

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 328556

CONDITIONS

Operator: EOG RESOURCES INC 5509 Champions Drive Midland, TX 79706	OGRID: 7377
	Action Number: 328556
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	4/9/2024