

ID NO. 349563

NSL - 8766

Revised March 23, 2017

RECEIVED: 05/30/24	REVIEWER:	TYPE:	APP NO: pLEL2415728753
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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: Neptune 10 State Com 706H **API:** 30-025-52983
Pool: WC-025 G-09 S243310P; Upper Wolfcamp **Pool Code:** 98135

**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.

Lisa Youngblood

Print or Type Name

05/31/2024

Date

432-247-6331

Phone Number

lisa_youngblood@eogresources.com

e-mail Address

Lisa Youngblood

Signature



Lisa Youngblood
Phone: (432) 247-6331
Email: lisa_youngblood@eogresources.com

May 31, 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 Neptune 10 State Com 706H well dedicated to the E2 of Section 10 and E2 of Section 3, Township 24 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 Neptune 10 State Com 706H well (API No. 30-025-52983). The spacing unit dedicated to the well is comprised of the E2 of Section 10 and E2 Section 3, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico and is within the WC-025 G-09 S243310P: Upper Wolfcamp (98135). The horizontal spacing unit for the well is approximately 640.13 acres and 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 1640 feet from the South line, 1501 feet from the East line (Unit J) of Section 10,
- The bottom hole location is located 100 feet from the North line, 2400 feet from the East line (Lot 2) of Section 3,
- The first take point is located 100 feet from the South line, 2400 feet from the East line (Unit O) of Section 10,
- The last take point is located 100 feet from the North line, 2400 feet from the East line (Lot 2) of Section 3.

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 eastern boundary. It encroaches on the spacing units in the W2 of Section 10 and W2 of Section 3. 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 proposed well, including the proposed unorthodox, completed interval. The proposed completed interval encroaches on the spacing unit/tracts to the west.

Exhibit B is a plat that shows the Neptune 10 State Com 706H well in relation to the adjoining spacing units/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 **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,

A handwritten signature in black ink that reads "Lisa Youngblood". The signature is written in a cursive, flowing style.

Lisa Youngblood
Regulatory Specialist

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office
☐ AMENDED REPORT

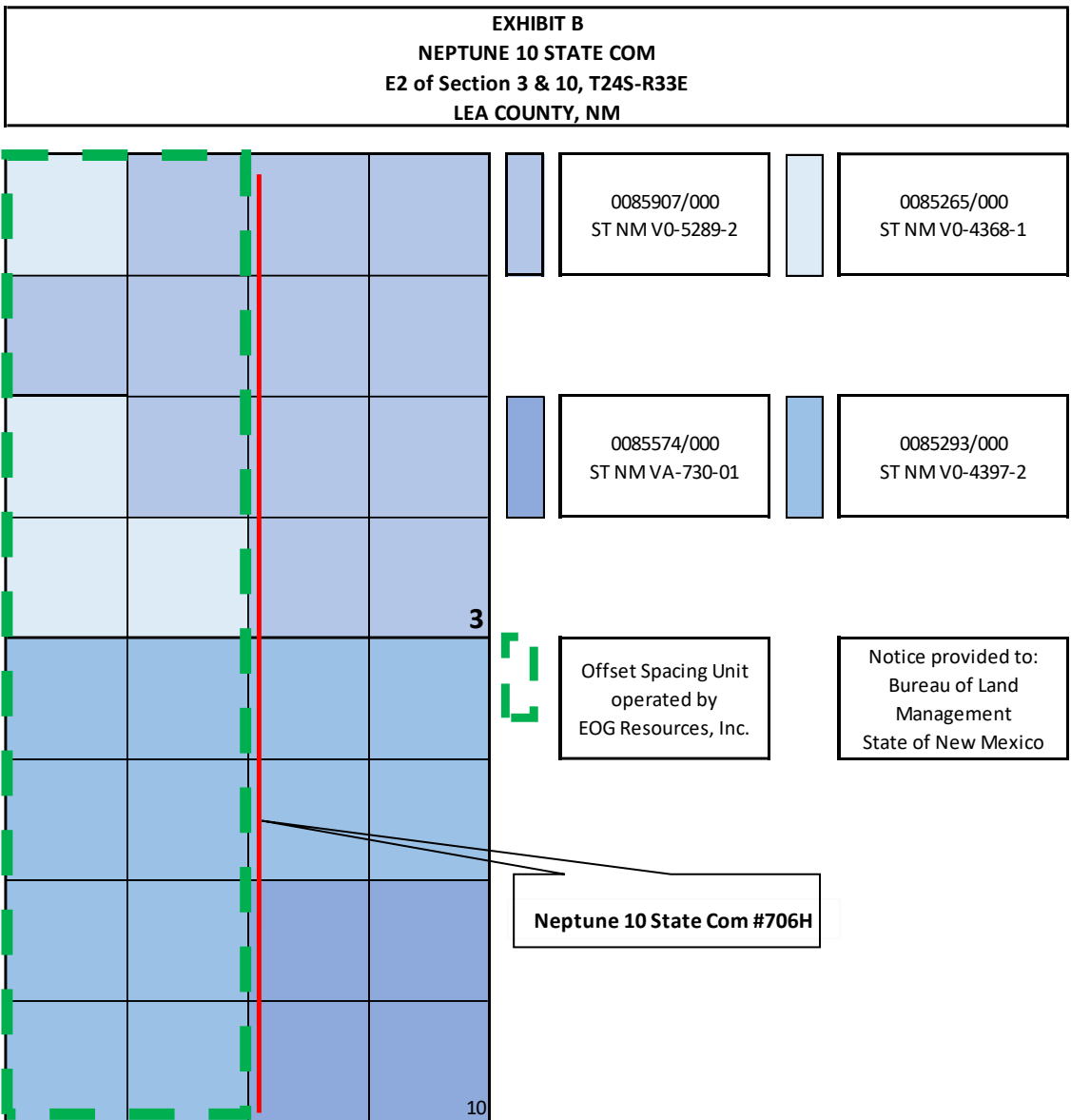


Exhibit B



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

May 28, 2024

Certification of Ownership

I have reviewed the ownership of the oil and gas leasehold in Section 3 & 10, Township 24 South, Range 33 East, Lea County, New Mexico, for purposes of the unorthodox location for EOG's Neptune 10 State Com #706H well located in the E/2 of Section 3 & E2 of Section 10 Township 24 South, Range 33 East. As of the date of this letter, the affected parties are:

1. EOG Resources, Inc.
5509 Champions Dr.
Midland, TX 79706
2. Devon Energy Production Company, LP
333 West Sheridan Avenue
Oklahoma City, OK 73102
3. New Mexico State Land Office
P.O Box 1148
Sante Fe, NM 87504

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 Neptune 10 State Com Non-Standard Location
EOG Resources, Inc.
Notice List

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

New Mexico State Land Office
Attn: Baylen Lamkin
PO Box 1148
Santa Fe, NM 87504-1148
9589 0710 5270 0345 2806 07

EOG Resources, Inc.
5509 Champions Dr.
Midland, TX 79706

Devon Energy Production Company LP
333 West Sheridan Avenue
Oklahoma City, OK 73102
9589 0710 527 0345 2805 91

Exhibit D



Lisa Youngblood
Phone: (432) 247-6331
Email: lisa_youngblood@eogresources.com

April 23, 2024

VIA CERTIFIED MAIL

TO: AFFECTED PARTIES

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Neptune 10 State Com 706H well dedicated to the E2 of Section 10 and E2 of Section 3, Township 24 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

Very truly yours,

A handwritten signature in black ink that reads "Lisa Youngblood".

Lisa Youngblood
Regulatory Specialist



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

P.O. Box 2267
Midland, TX 79702

May 29, 2024

RE: EOG Resources NSL Application
Neptune 10 State Com #706H

To Whom It May Concern:

A non-standard location is necessary to develop the Wolfcamp Clastics 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

COMMENTS

Action 349563

COMMENTS

Operator: EOG RESOURCES INC 5509 Champions Drive Midland, TX 79706	OGRID: 7377
	Action Number: 349563
	Action Type: [UF-NSL] Non-Standard Location (NSL)

COMMENTS

Created By	Comment	Comment Date
llowe	an NSP may be required. Larger HSU is being sought. 06/11/24	6/11/2024

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 349563

CONDITIONS

Operator: EOG RESOURCES INC 5509 Champions Drive Midland, TX 79706	OGRID: 7377
	Action Number: 349563
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	6/3/2024