

DATE <u>3/20/14</u>	SUSPENSE	ENGINEER <u>MAM</u>	LOGGED IN <u>2/03/2014</u>	TYPE <u>NSL</u>	APP NO. <u>PMAM1403428915</u>
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



7028

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

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication
☒ NSL ☐ NSP ☐ SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
- [D] Other: Specify _____
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
- [B] ☐ Offset Operators, Leaseholders or Surface Owner
- [C] ☐ Application is One Which Requires Published Legal Notice
- [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] ☐ Waivers are Attached
- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **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.

MICHAEL H. FELDEWERT

Print or Type Name

Signature

ATTORNEY

Title

01/31/14

Date

mfeldewert@hollandhart.com

e-mail Address

- NSL
 - EOG Resources
 7377

well
 Hawk 35-454
 30-025 Pending

Pool

- Red Hills
 Upper Bone
 Springs shale
 97901



January 31, 2014

VIA HAND DELIVERY

Jami Bailey
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Hawk 35 Fed 5H Well to be located in Section 26, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico.

Dear Ms. Bailey:

EOG Resources, Inc. (OGRID No. 7377) seeks administrative approval of an unorthodox well location for its **Hawk 35 Fed 5H Well** to be completed within the Red Hills; Upper Bone Spring Shale Pool (Pool Code 97900) underlying Section 26, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico. This well will be drilled from a surface location 500 feet from the North line and 2390 feet from the East line of Section 35, Township 24 South, Range 33 East but completed wholly within Section 26. The upper most perforation will be 50 feet from the South line and 2392 feet from the West line of Section 26 (Unit N) and the lower most perforation will be 330 feet from the North line and 2389 feet from the West line of Section 26 (Unit C). Since this acreage is governed by the Division's statewide rules which provides for wells to be located no closer than 330 feet to the outer boundary of the spacing unit, the completed interval for this well will be unorthodox because it will be closer than 330 feet to the eastern boundary. Approval of the unorthodox completed interval will prevent waste of a productive reservoir and improve well performance.

Exhibit A is the Well Location and Acreage Dedication Plat (Form C-102), which shows that the completed interval of the proposed **Hawk 35 Fed 5H Well** encroaches on the spacing and proration units to the South, Southeast, East and Northeast.

Exhibit B is a land plat for Section 26 and the surrounding sections that shows the proposed **Hawk 35 Fed 5H Well** in relation to adjoining units and existing wells.

HOLLAND & HART^{U.P.}



Devon Energy Corporation is the only affected parties to the Northeast and has been provided notice of this application. EOG is the sole operator and mineral lessee of the federal lease covering Sections 26 and 35 and, therefore, there are no other affected parties. A copy of this application has been provided to the Bureau of Land Management.

Your attention to this matter is appreciated.

Sincerely,

Michael H. Feldewert

ATTORNEY FOR EOG RESOURCES, INC.

cc: Bureau of Land Management
620 E. Green Street
Carlsbad, NM 88220

Enclosures

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., Sante 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.
Sante 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		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name HAWK 35 FED			⁶ Well Number #5H
⁷ OGRID No.		⁸ Operator Name EOG RESOURCES, INC.			⁹ Elevation 3517'

¹⁰Surface Location

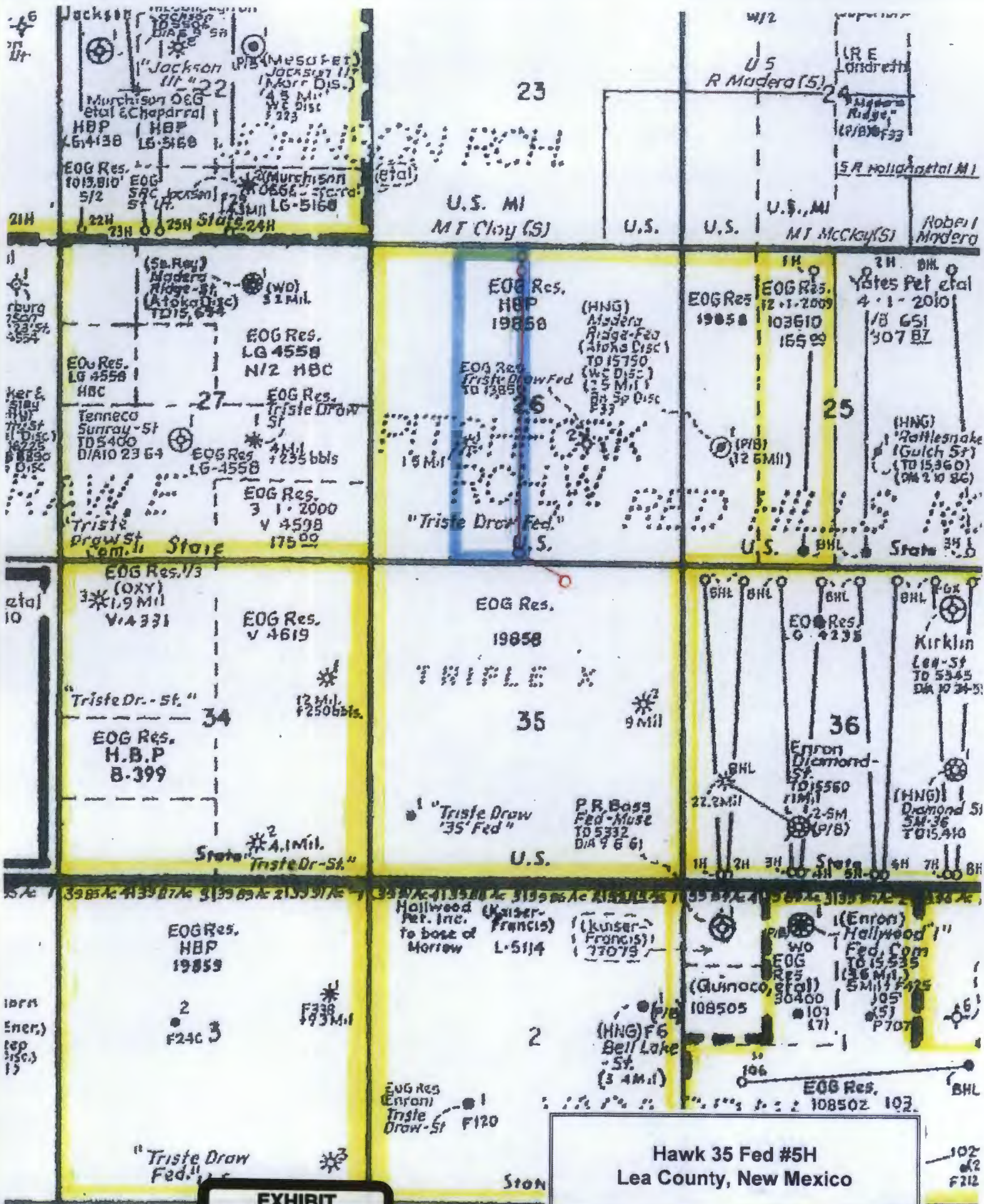
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	35	24-S	33-E	-	500'	NORTH	2390'	EAST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	26	24-S	33-E	-	230'	NORTH	2389'	WEST	LEA

¹² Dedicated Acres	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.

		<p>¹⁷OPERATOR CERTIFICATION</p> <p>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.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p>
<p>¹⁸SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Date of Survey _____ Signature _____</p> <p>10/29/2013 MICHAEL B. BROWN NEW MEXICO 18329 PROFESSIONAL SURVEYOR</p> <p>Certificate Number _____</p>		



EXHIBIT

B

Hollywood Pet. Inc. to 15930 (EOG Res.) Hankamer 19858 (HNG 3)

EOG Res. 19858 (Quinoco, et al) 30400 BHL

HOLLAND & HART LLP



Michael H. Feldewert
Recognized Specialist in the Area of Natural
Resources - oil and gas law - New Mexico
Board of Legal Specialization
mfeldewert@hollandhart.com

January 31, 2014

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Devon Energy Corporation
333 W. Sheridan
Oklahoma City, OK 73102

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Hawk 35 Fed 5H Well to be located in Section 26, Township 24 South, Range 33 East, N.M.P.M., 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:

Dan McCright
EOG Resources, Inc.
T 432-686-3741
F 432-686-3773
dan_mccright@eogresources.com

Sincerely,

Michael H. Feldewert
ATTORNEY FOR EOG RESOURCES, INC.