

DATE IN 9/11/2014	SUSPENSE	ENGINEER MAM	LOGGED IN 9/11/2014	TYPE NSL	APP NO PMAM1425458643
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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



**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

- NSL 7166  
- EDG RESOURCES  
7377  
- MANS well  
10 state #503H  
30-025-42039  
Pool  
- Triplex Bone  
Spring  
59900

[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.

GABRIELLE A. GERHOLT	<i>Gabrielle A Gerholt</i>	ATTORNEY	9/11/14
Print or Type Name	Signature	Title	Date
		gagerholt@hollandhart.com	
			e-mail Address



September 11, 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

SEP 11 2014  
10:00 AM  
NEW MEXICO DEPARTMENT OF ENERGY  
MINERALS AND NATURAL RESOURCES  
1220 SOUTH SAINT FRANCIS DRIVE  
SANTA FE, NM 87505

**Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Mars 10 State #503H Well located in Section 3, 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 **Mars 10 State #503H Well** to be completed within the Triple X Bone Spring Pool (Pool Code 59900) underlying Section 3, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico. This well will be drilled from a surface location 325 feet from the North line and 1360 feet from the East line of Section 10, Township 24 South, Range 33 East but completed wholly within Section 3. The upper most perforation will be 330 feet from the South line and 1540 feet from the East line of Section 3 (Unit O) and the lower most perforation will be 330 feet from the North line and 1540 feet from the East line of Section 3 (Unit B). 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. 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 **Mars 10 State #503H Well** encroaches on the spacing and proration units to the Northeast, East and Southeast.

**Exhibit B** is a land plat for Section 3 and the surrounding sections that shows the proposed **Mars 10 State #503H Well** in relation to adjoining units and existing wells.



Devon Energy Production Co., L.P. is the only affected party. A copy of this application with all attachments has been sent by certified mail to Devon advising them that if they have an objection it must be filed in writing with the division within 20 days from the date the division receives this application. A courtesy a copy of this application has also been provided to the State Land Office.

Your attention to this matter is appreciated.

Sincerely,

A handwritten signature in cursive script that reads "Gabrielle A. Gerholt".

Gabrielle A. Gerholt  
**ATTORNEY FOR EOG RESOURCES, INC.**

cc: New Mexico State Land Office  
P.O. Box 1148  
Santa Fe, NM 87501

Devon Energy Production Co., L.P.  
333 West Sheridan  
Oklahoma City, OK 73102

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

HOBBS OCD

FORM C-102

Revised August 1, 2011

AUG 12 2014

Submit one copy to appropriate

District Office

RECEIVED

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-42039		<sup>2</sup> Pool Code 96674 59900		<sup>3</sup> Pool Name Triple X; Bone Spring, West	
<sup>4</sup> Property Code 313581		<sup>5</sup> Property Name MARS 10 STATE			<sup>6</sup> Well Number #503H
<sup>7</sup> OGRID No. 7377		<sup>8</sup> Operator Name EOG RESOURCES, INC.			<sup>9</sup> Elevation 3593'

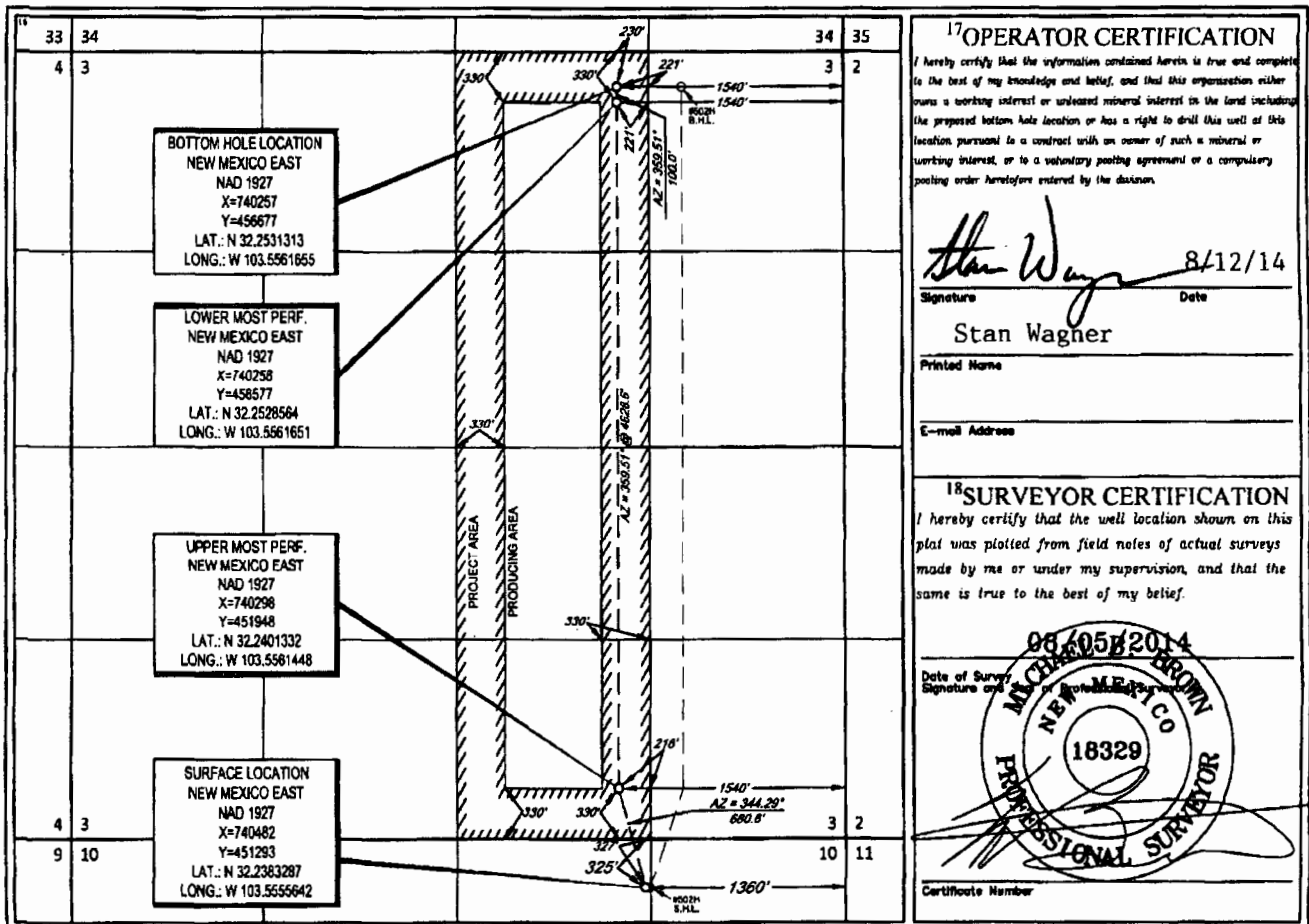
<sup>10</sup>Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	10	24-S	33-E	-	325'	NORTH	1360'	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	3	24-S	33-E	-	230'	NORTH	1540'	EAST	LEA

<sup>11</sup> Dedicated Acres 160.00	<sup>12</sup> Joint or Infill	<sup>13</sup> Consolidation Code	<sup>14</sup> 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.



AUG 12 2014

EOG-Mars 10 State #503H Notice Tracts

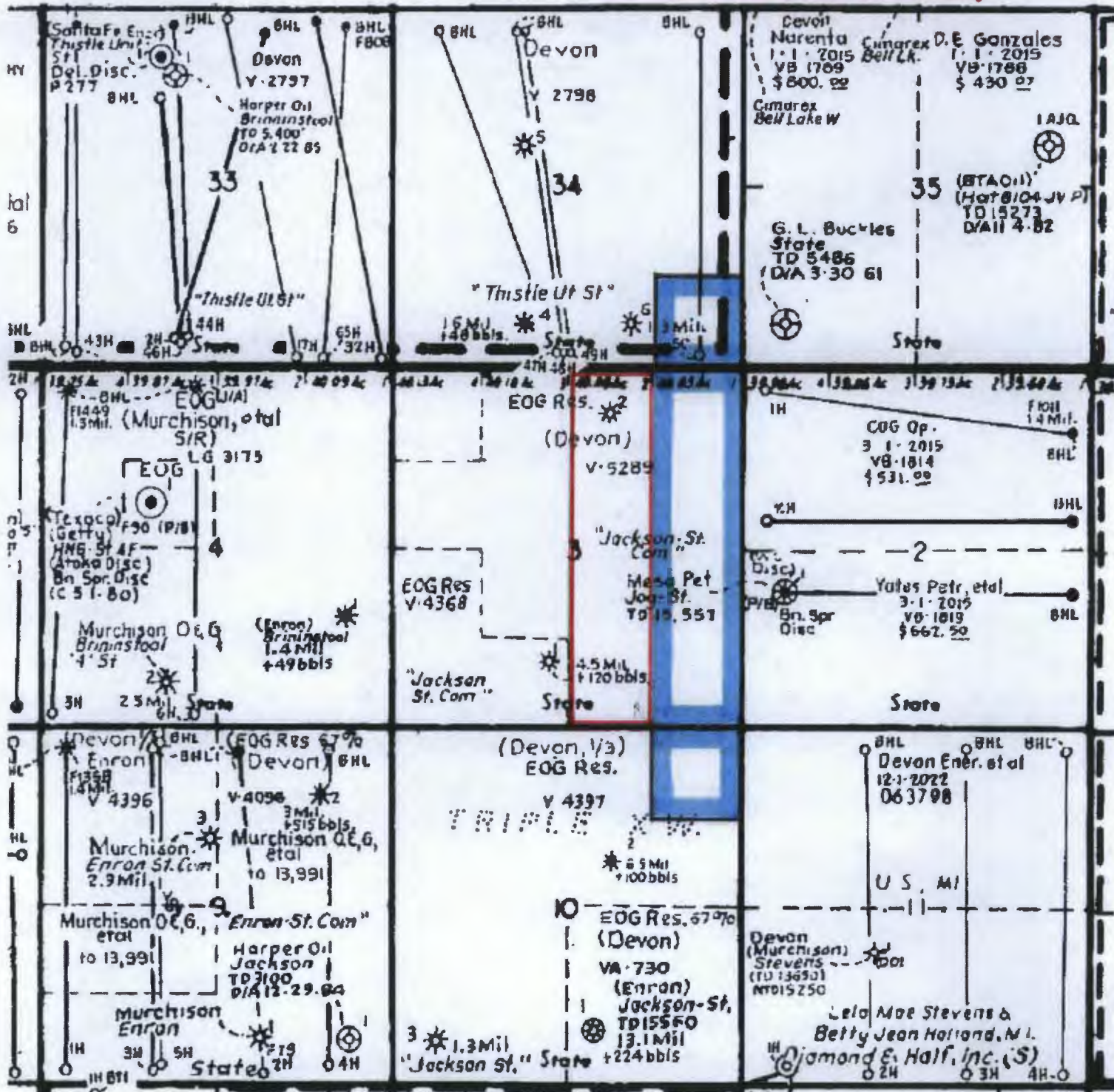


EXHIBIT  
**B**



**Gabrielle A. Gerholt  
Of Counsel**

September 11, 2014

**VIA CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Land Manager: New Mexico Property  
Devon Energy Production Co., L.P.  
333 West Sheridan  
Oklahoma City, OK 73102

**Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Mars 10 State #503H Well located in Section 3, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico.**

To Land Manager:

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:

Matthew C. Phillips  
EOG Resources, Inc.  
T 432-686-3649  
F 432-686-3773  
matthew\_phillips@eogresources.com

Sincerely,

A handwritten signature in cursive script that reads "Gabrielle A. Gerholt".

Gabrielle A. Gerholt  
ATTORNEY FOR EOG RESOURCES, INC.