

07/30/2013 DATE IN	SUSPENSE	DB ENGINEER	08/02/2013 LOGGED IN	NSL TYPE	PPRG 1321459199 APP NO
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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
- [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.

Adam G. Rankin
Print or Type Name

[Signature]
Signature

Attorney
Title

7/30/13
Date

agrarkin@hollandhart.com
e-mail Address

2013 JUL 30 P 4: 29
RECEIVED OGD

EOG Resources
Fox 30 State
COM #3H
30-025-41249



July 30, 2013

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

RECEIVED OOD
2013 JUL 30 P 4:29

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its FOX 30 STATE COM 3H Well to be located in Sections 30 and 31, Township 25 South, Range 34 East, N.M.P.M., Lea County, New Mexico.

Dear Ms. Bailey:

EOG Resources, Inc. (OGRID No. 7377) hereby seeks administrative approval pursuant to the provisions of Division Rule 19.15.15.13 NMAC for an unorthodox well location for its **Fox 30 State Com 3H Well** to be located in Sections 30 and 31, Township 25 South, Range 34 East, N.M.P.M., Lea County, New Mexico. The proposed well is to be drilled horizontally at a surface location in 2140 feet from the North line of Section 30 with the first perforation in the completed interval at a location 102 feet south of the north boundary of the project area. The last perforation in this proposed well will be 330 feet from the South line and 360 feet from the West line of said Section 31. A 480-acre project area has been dedicated to this horizontal well comprised of the SE/4 of Section 30 and the E/2 of Section 31.

Exhibit A is a land plat for Sections 30 and 31 and the surrounding sections that show the proposed non-standard location of the **Fox 30 State Com 3H Well** in relation to adjoining units and existing wells. This location is unorthodox because the formation under this acreage is governed by Order No. R-10109-B which provides for wells to be located no closer than 330 feet to the outer boundary of the spacing unit. The location of this well will be unorthodox because the uppermost perforation is 102 feet south of the north boundary line of the project area for engineering reasons, and is, therefore, unorthodox under Order No. R-10109-B.

Exhibit B is the Well Location and Acreage Dedication Plat (Form C-102), which shows that the proposed **Fox 30 State Com 3H Well** encroaches on the spacing and proration units to the North and Northwest.

HOLLAND & HART LLP



Pursuant to 19.15.4.12(A)(2)(c) NMAC, affected parties are those toward whom the non-standard location encroaches. Here, the proposed first perforations encroach on the spacing and proration units to the North and Northwest. The operator of the affected spacing and proration units is EOG Resources Inc., the applicant for this non-standard location. EOG Resources Inc. owns 100 percent of the working interest being encroached upon to the North and Northwest. Accordingly, no other parties require notice under 19.15.4.9.2(b) NMAC.

Your attention to this application is appreciated.

Sincerely,

Adam G. Rankin
ATTORNEY FOR EOG RESOURCES, INC.

Enclosures



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