

DATE IN Y31/2014	SUSPENSE	ENGINEER MAM	LOGGED IN Y31/2014	TYPE NSL	APP NO. PMAM1403159864
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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



70216

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]

NSL
- EOG Reserves
7377
- Have 35 Fath
30-025-Pending
Pool

[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 _____

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[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

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

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2014 JAN 31 PM 3:33

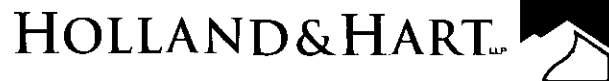
Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Hawk 35 Fed 1H Well to be located in Section 26, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico.

Dear Ms. Bailey:

EOG Resources, Inc. (OGRID No. 7377) seeks administrative approval of an unorthodox well location for its **Hawk 35 Fed 1H 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 656 feet from the West 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 380 feet from the West line of Section 26 (Unit M) and the lower most perforation will be 330 feet from the North line and 380 feet from the West line of Section 26 (Unit D). 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 upper most perforation for this well will be unorthodox, but the remaining portion of the completed interval will comply with the Division's setback requirements. 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 1H Well** encroaches on the spacing and proration units to the South and Southeast.

Exhibit B is a land plat for Section 26 and the surrounding sections that shows the proposed **Hawk 35 Fed 1H Well** in relation to adjoining units and existing wells.



Oxy USA, Inc. is the only party affected by the encroachment to the Southwest and has been provided notice of this application by certified mail. EOG is the sole operator and mineral lessee of the federal lease covering Sections 26 and 35. Nonetheless, a copy of this application has been provided to the Bureau of Land Management and the New Mexico State Land Office.

Your attention to this matter is appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael H. Feldewert".

Michael H. Feldewert
ATTORNEY FOR EOG RESOURCES, INC.

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

New Mexico State Land Office
P.O. Box 1148
Santa Fe, NM 87504

District I
625 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., 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, 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 #1H
⁷ GRID No.		⁸ Operator Name EOG RESOURCES, INC.			⁹ Elevation 3508'

¹⁰Surface Location

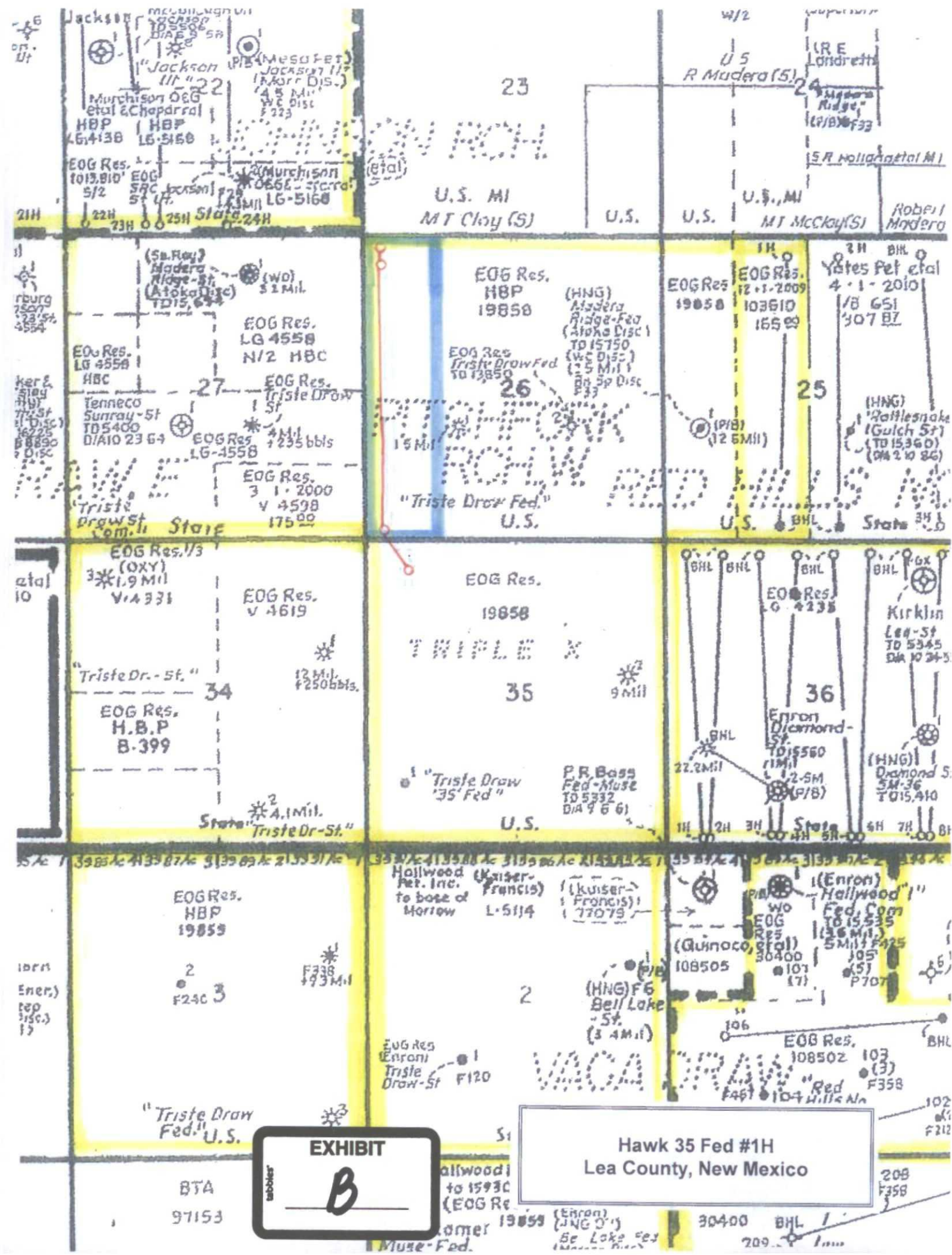
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	35	24-S	33-E	-	500'	NORTH	656'	WEST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	26	24-S	33-E	-	230'	NORTH	380'	WEST	LEA

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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.

<p>LOWER MOST PERF. NEW MEXICO EAST NAD 1927 X=742337 Y=435478 LAT.: N 32.1948189 LONG.: W 103.5499385</p>		<p>BOTTOM HOLE LOCATION NEW MEXICO EAST NAD 1927 X=742336 Y=435578 LAT.: N 32.1950938 LONG.: W 103.5499384</p>		<p>17 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 undivided 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 is a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p>	
<p>UPPER MOST PERF. NEW MEXICO EAST NAD 1927 X=742364 Y=430582 LAT.: N 32.1813607 LONG.: W 103.5499656</p>		<p>18 SURVEYOR 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 to the best of my belief.</p>		<p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p>	
<p>SURFACE LOCATION NEW MEXICO EAST NAD 1927 X=742645 Y=430034 LAT.: N 32.1798481 LONG.: W 103.5490689</p>		<p>EXHIBIT A</p>		<p>10/29/2013 Date of Survey Signature and Seal of Professional Surveyor MICHAEL BROWN NEW MEXICO 18329 PROFESSIONAL SURVEYOR</p>	





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

Oxy USA, Inc.
5 Greenway Plaza, Suite 110
Houston, TX 77227

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Hawk 35 Fed 1H well 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,

A handwritten signature in black ink, appearing to read "Michael H. Feldewert".

Michael H. Feldewert
ATTORNEY FOR EOG RESOURCES, INC.