

DATE IN 7/8/15 SUSPENSE ENGINEER MAM LOGGED IN 7/9/15 TYPE NSL APP NO. NSD 7/8/15 19038127 8274

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 non-standard project area

[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.

Jordan L. Kessler
Print or Type Name

Signature

Attorney
Title

Date

jlkessler@hollandhart.com
e-mail Address

7/8/15

RECEIVED OGD
JUL - 8 2015

NSP 2035
NSL 7324
Pool: Red Hills, Upper BS Shale
97900
operator: EOG Resources
Well: Lucky 15 Fed 8H
API: 30-025-42613

NSD
ALSU
HGH, 9H



July 8, 2015

VIA HAND DELIVERY

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

RECEIVED OCD
2015 JUL - 8 P 5:02

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Lucky 13 Fed Com No. 8H Well in the E/2 NE/4 of Section 13 and the E/2 SE/4 and SE/4 NE/4 of Section 12, Township 25 South, Range 33 East, N.M.P.M., Lea County, New Mexico.

Dear Mr. Catanach:

EOG Resources, Inc. (OGRID No. 7377) seeks administrative approval of an unorthodox well location for its **Lucky 13 Fed Com No. 8H Well** (API number pending) to be completed within the Red Hills; Upper Bone Spring Shale Pool (Pool Code 97900) underlying Sections 12 and 13, Township 25 South, Range 33 East, N.M.P.M., Lea County, New Mexico.¹ This well will be drilled from a surface location 2274 feet from the South line and 410 feet from the East line (Unit I) of Section 13. The upper most perforation will be located 2587 feet from North line and 1188 feet from the East line (Unit H) of Section 13 and the lower most perforation will be 1650 feet from the North line and 1194 feet from the East line of Section 12 (Unit H). 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 is closer than 330 feet to the southern and southwestern boundary of the project area. Approval of the unorthodox completed interval will allow for efficient spacing of horizontal wells and thereby prevent waste.

As support for this application, EOG provides the following additional information and exhibits:

Exhibit A is the Well Location and Acreage Dedication Plat (Form C-102), which shows the proposed non-standard location of the **Lucky 13 Fed Com No. 8H Well**.

¹ By separate application, EOG has sought administrative approval of the non-standard 200-acre project area to be dedicated to the proposed **Lucky 13 Fed Com No. 8H Well** and the **Lucky 13 Fed Com No. 9H Well**.



Exhibit B is a land plat for Sections 12 and 13 and the surrounding sections that shows the **Lucky 13 Fed Com No. 8H Well** in relation to the adjoining units and existing wells.

Exhibit C is a list of the parties affected by EOG's request for an unorthodox location. Each of these parties has been provided a copy of this application and all attachments by certified mail, and has been advised 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. In addition, a courtesy copy of this application has been provided to the Bureau of Land Management-Carlsbad.

Your attention to this application is appreciated.

Sincerely,

Jordan L. Kessler

ATTORNEY FOR EOG RESOURCES, INC.

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

July 8, 2015

VIA HAND DELIVERY

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

RECEIVED OCD
2015 JUL - 8 P-5:03

Re: Application of EOG Resources, Inc. for administrative approval of a 200-acre non-standard project area in the Red Hills; Upper Bone Spring Shale Pool (97900), Sections 12 and 13, Township 25 South, Range 33 East, N.M.P.M., Lea County, New Mexico.

Dear Mr. Catanach:

EOG Resources, Inc. (OGRID No. 7377) seeks administrative approval of a non-standard project area located within the Red Hills; Upper Bone Spring Shale Pool (Pool Code 97900) underlying Sections 12 and 13, Township 25 South, Range 33 East, N.M.P.M., Lea County, New Mexico.¹ The proposed non-standard project area is comprised of the E/2 NE/4 of Section 13 (Units A and H) and the E/2 SE/4 and SE/4 NE/4 of Section 12 (Units H, I, P). Since this proposed project area excludes the NE/4 NE/4 (Unit A) of Section 12, it is a non-standard project area pursuant to NMAC 19.15.16.7(M). EOG plans to develop the NE/4 NE/4 of Section 12 with a 1.25 mile length horizontal well that will extend into the NE/4 NE/4 of Section 12 from Section 1. Approval of the non-standard project area will allow efficient length and spacing of horizontal wells, thereby preventing waste.

As support for this application, EOG provides the following additional information and exhibits:

Exhibit A and A1 are the Well Location and Acreage Dedication Plats (Form C-102), which show the proposed non-standard project area. The non-standard project area will be developed by the Lucky 13 Fed Com No. 8H Well and the Lucky 13 Fed Com No. 9H Well.

Exhibit B is a land plat for Sections 12 and 13 and the surrounding sections that shows the non-standard project area in relation to the adjoining units and existing wells.

¹ By separate application, EOG has sought administrative approval of unorthodox well locations for the two wells to be dedicated to the proposed non-standard project area: the Lucky 13 Fed Com No. 8H Well and the Lucky 13 Fed Com No. 9H Well.



Exhibit C is a list of the parties affected by EOG's request for a non-standard project area. Each of these parties has been provided a copy of this application and all attachments by certified mail, and has been advised 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. In addition, a courtesy copy of this application has been provided to the Bureau of Land Management-Carlsbad.

Your attention to this application is appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "J. L. Kessler".

Jordan L. Kessler

ATTORNEY FOR EOG RESOURCES, INC.

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

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., 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, 1911
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-42613		² Pool Code 97900	³ Pool Name RED HILLS; UPPER BONE SPRING SHALE
⁴ Property Code	⁵ Property Name LUCKY 13 FED COM		⁶ Well Number #8H
⁷ OGRID No. 7377	⁸ Operator Name EOG RESOURCES, INC.		⁹ Elevation 3347'

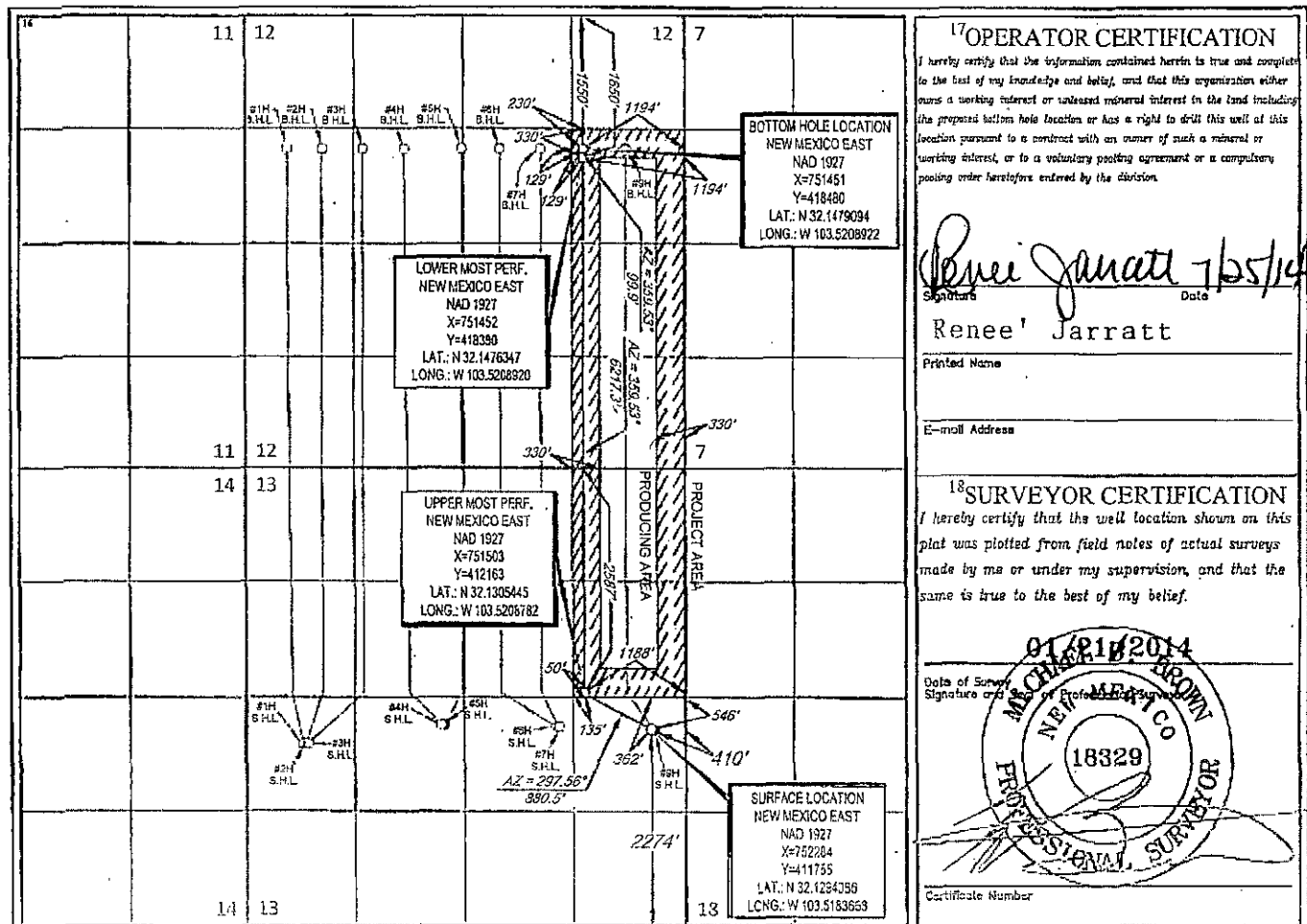
¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	13	25-S	33-E	-	2274'	SOUTH	410'	EAST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	12	25-S	33-E	-	1550'	NORTH	1194'	EAST	LEA

¹² Dedicated Acres 200.00	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.



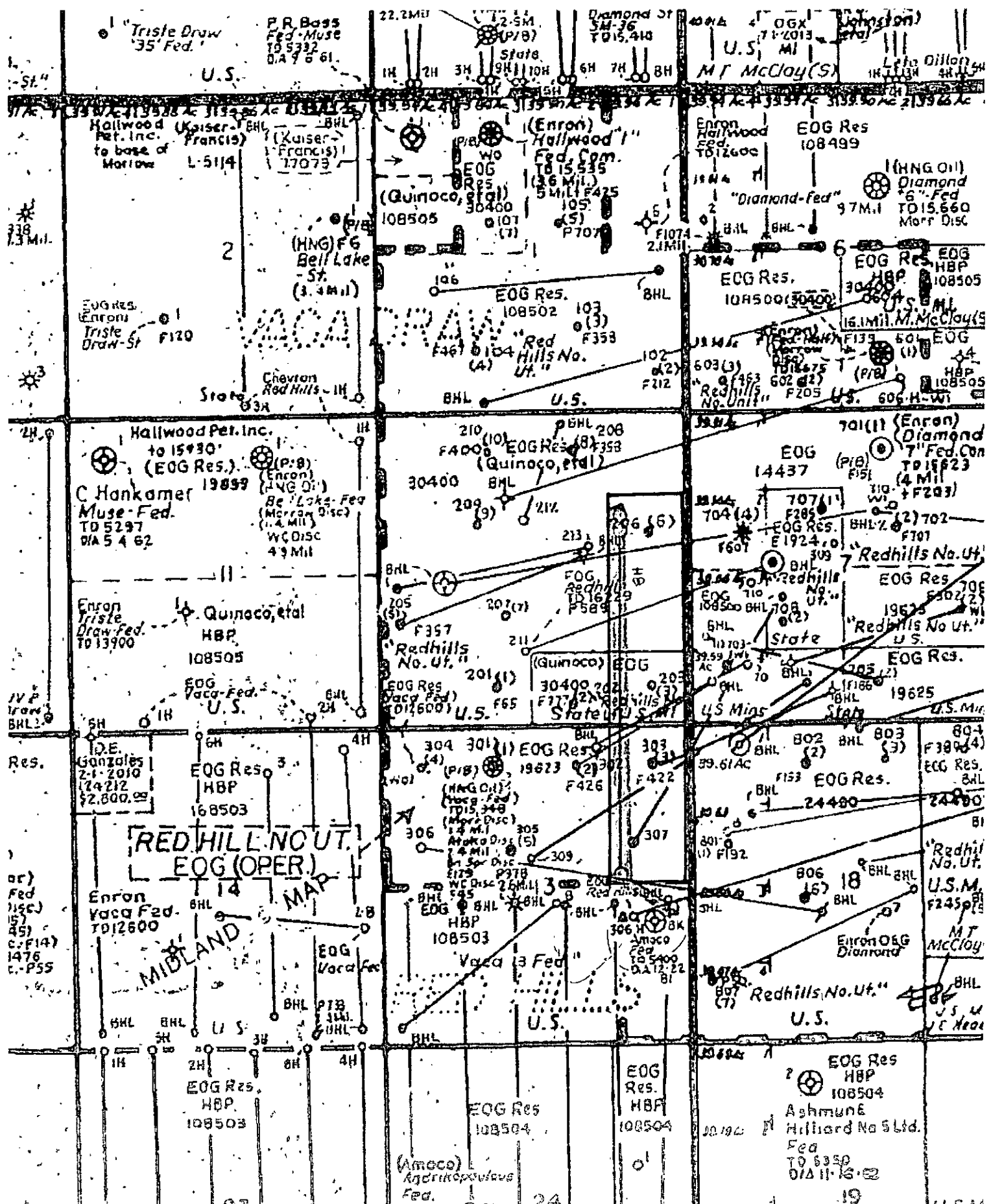


Exhibit C

Chevron Mid-Continent, LP
ATTN: NOJV Group
P.O. Box 2100
Houston, TX 77252

Roden Associates, LTD
ATTN: Ben Kinney
2603 Augusta Drive, STE. 740
Houston, TX 77057

Roden Participants, LTD
ATTN: Ben Kinney
2603 Augusta Drive, STE. 740
Houston, TX 77057

Sydhan, LP
P.O. Box 92349
Austin, TX 78709

Judith A. West
P.O. Box 1948
Cullman, AL 35056

HOLLAND & HART



Jordan L. Kessler
Associate
Phone (505) 988-4421
Fax (505) 983-6043
jlkessler@hollandhart.com

July 8, 2015

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO AFFECTED PARTIES

Re: Application of EOG Resources, Inc. for administrative approval of a 200-acre non-standard project area in the Red Hills; Upper Bone Spring Shale Pool (97900), Sections 12 and 13, Township 25 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.
(432) 686-3741
Dan_McCright@eogresources.com

Sincerely,

Jordan L. Kessler
ATTORNEY FOR EOG RESOURCES, INC.

Holland & Hart LLP

Phone (505) 988-4421 **Fax** (505) 983-6043 **www.hollandhart.com**

110 North Guadalupe Suite 1 Santa Fe, New Mexico 87501 **Mailing Address** P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Boulder Carson City Colorado Springs Denver Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C. ☐

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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 30-025-	² Pool Code 97900	³ Pool Name RED HILLS; UPPER BONE SPRING SHALE
⁴ Property Code	⁵ Property Name LUCKY 13 FED COM	⁶ Well Number #8H
⁷ GRID No. 7377	⁸ Operator Name EOG RESOURCES, INC.	⁹ Elevation 3347'

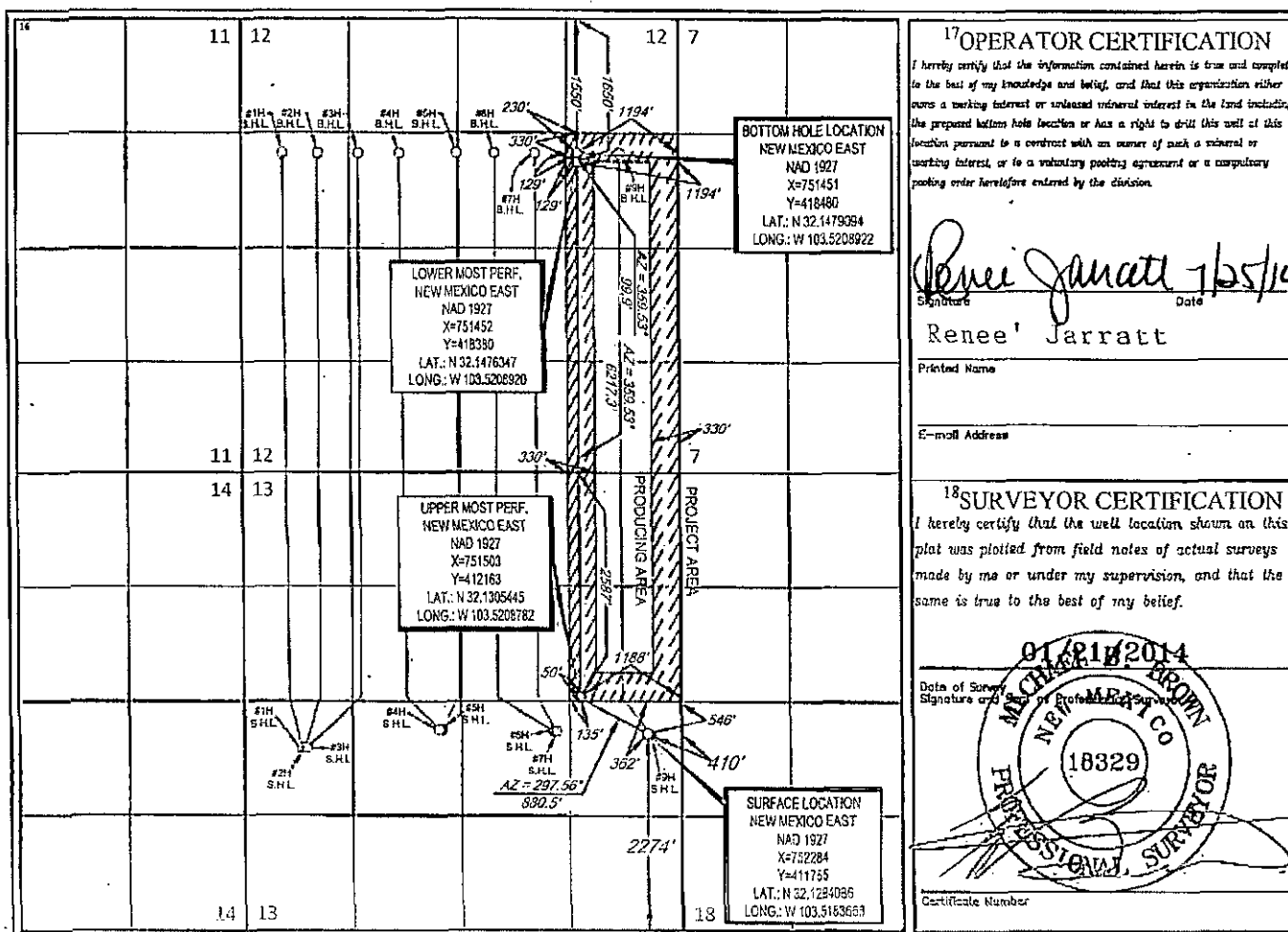
¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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¹² Dedicated Acres 200.00	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.



¹⁷OPERATOR 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 to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

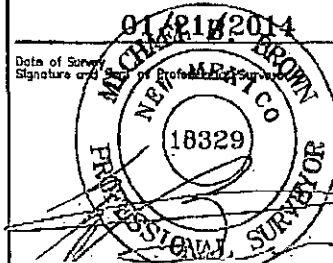
Renee Jarratt 7/25/14
Signature Date

Renee Jarratt
Printed Name

E-mail Address

¹⁸SURVEYOR 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.



Certificate Number

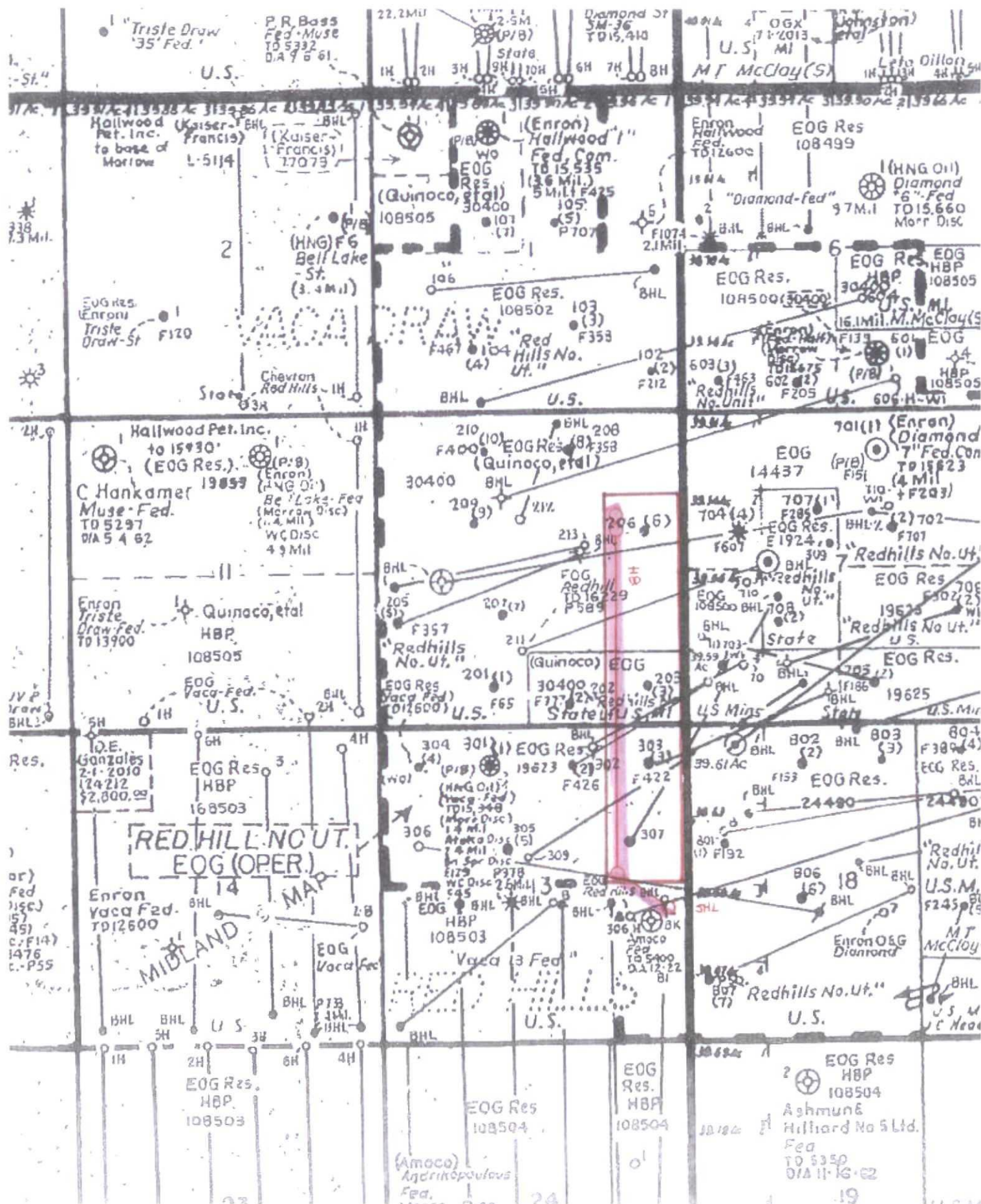


Exhibit C

Yates Petroleum Corporation
ATTN: Land Manager
105 S. Fourth Street
Artesia, NM 88210

Chevron Mid-Continent, LP
ATTN: NOJV Group
P.O. Box 2100
Houston, TX 77252

Roden Associates, LTD
ATTN: Ben Kinney
2603 Augusta Drive, STE. 740
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Sydhon, LP
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jlkessler@hollandhart.com

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