

DATE IN 2/7/07	SUSPENSE	ENGINEER D. BROOK	LOGGED IN 2/8/07	TYPE NSL SD	APP NO. PTDS0703860570 PTDS0703860705
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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



EOG
SeineCB Fee No. 2H
NSL 5569 SD 200701

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.

Ocean Munds-Dry Ocean Munds-Dry Attorney 1-25-07
Print or Type Name Signature Title Date
omunds.dry@hollingsworth.com
e-mail Address

January 25, 2007

HAND-DELIVERED

Mark E. Fesmire, P. E.
Director
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 and the simultaneous dedication of the S/2 of Section 6, Township 16 South, Range 25 East, N.M.P.M., Eddy County, New Mexico to its proposed Seine C 6 Fee Well No. 1H and the existing Seine C 6 Fee Well No. 2H.

Dear Mr. Fesmire:

EOG Resources, Inc. is the operator of a standard 320-acre spacing unit in the Cottonwood Creek-Wolfcamp West Gas Pool (**Pool Code 75260**) comprised of the S/2 of Section 6, Township 16 South, Range 25 East, N.M.P.M., Eddy County, New Mexico. This spacing unit is dedicated to EOG's Seine C 6 Fee Well No. 2H which has been horizontally drilled and produces from the Wolfcamp formation.

EOG seeks administrative approval of the simultaneous dedication of this standard 320-acre gas spacing unit to the following two horizontal gas wells:

- A. the existing **Seine C 6 Fee Well No. 2H (API No. 30-015-34800)** horizontally drilled from a surface location 2,440 feet from the South line and 215 feet from the East line to an end point or bottom hole location 1,880 feet from the South line and 660 feet from the West line of said Section 6; and
- B. the proposed **Seine C 6 Fee Well No. 1H (API No. 30-015 -34801)** to be horizontally drilled from a surface location 265 feet from the South line and 200 feet from the East line to a proposed end point or bottomhole location 760 feet from the South line and 660 feet from the West line of said Section 6.

HOLLAND & HART

The wellbore directional survey of the Seine C 6 Fee Well No. 2H shows the path of the wellbore within the Wolfcamp formation to be standard pursuant to Division Rules 104.C (2) (a) and 111.A (7). EOG now intends to horizontally drill and complete its proposed Seine C 6 Fee Well No. 1H to be drilled to the targeted subsurface end-point or bottomhole location, 760 feet from the South line and 660 feet from the West line (Unit M) of Section 6. EOG proposes to drill this well in compliance with the set-back requirements of Division Rules 104.C(2) 9b) and 111.A(7) for deep gas wells in southeast New Mexico.

The proposed well is unorthodox pursuant to Division Rules 104.C(2)(b) and Division Rule 111 because the surface location is outside the producing area. This location is required due to a compromise to reduce the impact on existing farming operations by the surface owner as the proposed location is irrigated cultivation.

Attached hereto as **Exhibit A** is a copy of Division Form C-102 for this well that shows the proposed surface and bottomhole location of the well. **Exhibit B** is EOG's Directional Survey for the 2H Well that confirms the projected wellbore deviation.

Exhibit C is a map of offset operators around the spacing unit in Section 6. **Exhibit D** is a list of affected parties as defined by Division Rules. As required by Rule 1210, a copy of this application (with attachments) has been sent to those affected parties in accordance with Rule 1207(A)(5) and they have been advised that if they have an objection to this application it must be filed in writing with the Division's Santa Fe office within twenty days from the date this notice was sent.

The simultaneous dedication of the S/2 of said Section 6 to the Seine C 6 Fee Well Nos. 1H and 2H will afford EOG the opportunity to efficiently produce the Wolfcamp formation under this spacing unit. EOG's proposed simultaneous dedication of these wells does not exceed the number of wells allowed by Division Rule for this spacing unit.

Your attention to this application is appreciated.

Sincerely,

Ocean Munds-Dry
Attorney for EOG Resources, Inc.

Enclosures

HOLLAND & HART



**Ocean Munds-Dry
Associate**
omundsdry@hollandhart.com

January 25, 2007

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

AFFECTED INTEREST OWNERS

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location and the simultaneous dedication of the S/2 of Section 6, Township 16 South, Range 25 East, N.M.P.M., Eddy County, New Mexico to its proposed Seine C 6 Fee Well No. 1H and the existing Seine C 6 Fee Well No. 2H.

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 by EOG Resources, Inc. for administrative approval of simultaneous dedication of and approval of an unorthodox well location for the Seine C 6 Fee Well No. 1H and the existing Seine C 6 Fee Well No. 2H to the S/2 of said Section 6.

As an owner of an interest that may be affected by the proposed well, you may object to this application. Objections must be filed in writing within twenty days from this date at the Division's Santa Fe office that is located at 1220 South Saint Francis Drive, Santa Fe, New Mexico. 87505. If no objection is received within this twenty-day period, this application for an unorthodox well location may be approved.

Very truly yours,

Ocean Munds-Dry
Ocean Munds-Dry

ATTORNEY FOR EOG RESOURCES, INC.

Enclosures

Holland & Hart LLP

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

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

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

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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 October 12, 2005
Submit to Appropriate District Office
State Lease-4 Copies
Fee Lease-3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-34801	Pool Code 75260	Pool Name Cottonwood Creek; We West (Gas)
Property Code 35613	Property Name SEINE C 6 FEE	Well Number 1H
OGRD No.	Operator Name EOG RESOURCES, INC.	Elevation 3512'

Surface Location

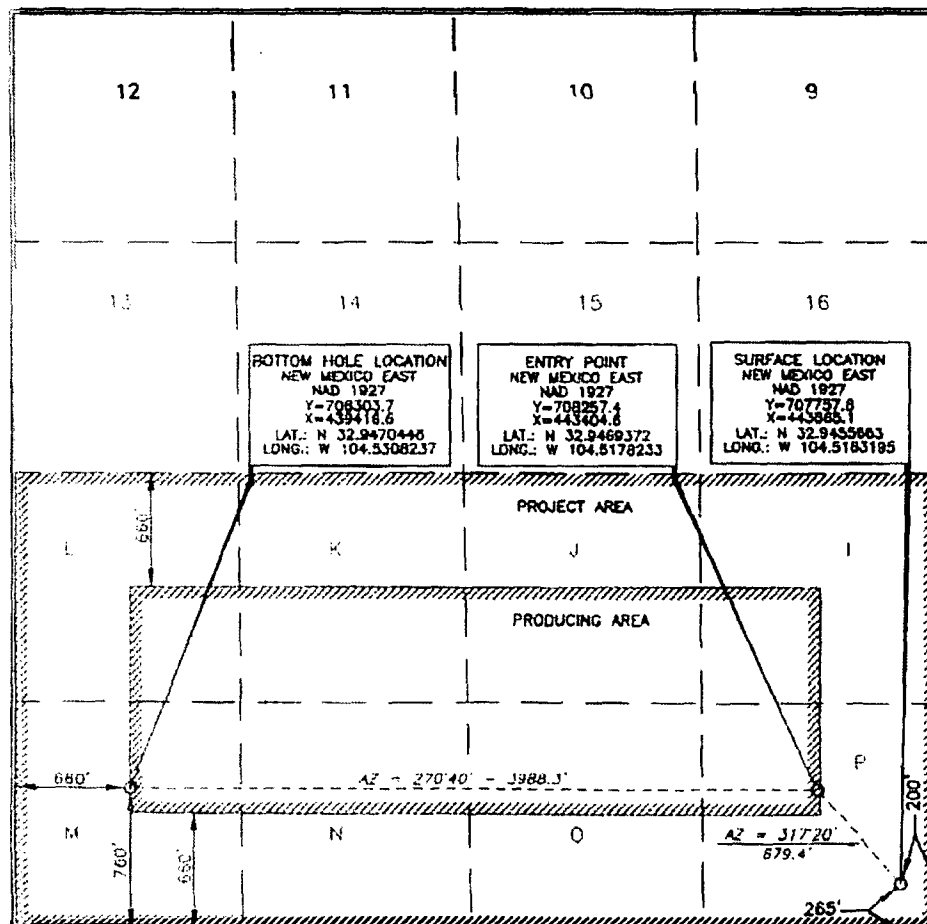
UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
P	6	16 SOUTH	25 EAST, N.M.P.M.		265	SOUTH	200	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
M	6	16 SOUTH	25 EAST, N.M.P.M.		760	SOUTH	660	WEST	EDDY

Dedicated Acres 320	Joint or Infill	Consolidation Code	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.



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 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.

Donny G. Glanton 4/17/06
Signature Date

Donny G. Glanton
Printed Name

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 and correct to the best of my belief.

15079
Date of Survey
March 30, 2006

Signature and Seal of Professional Surveyor

Tommy A. Paul
Certificate Number 15079

WOL 080330NL-e (006)

EXHIBIT A

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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 October 12, 2005
Submit to Appropriate District Office
State Lease- 4 Copies
Fee Lease- 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-34300	Pool Code 75260	Pool Name Cottonwood Creek WC, West (Gas)
Property Code 35613	Property Name SEINE C 6 FEE	Well Number 2H
OCRD No. 7377	Operator Name EOG RESOURCES, INC.	Elevation 3518'

Surface Location

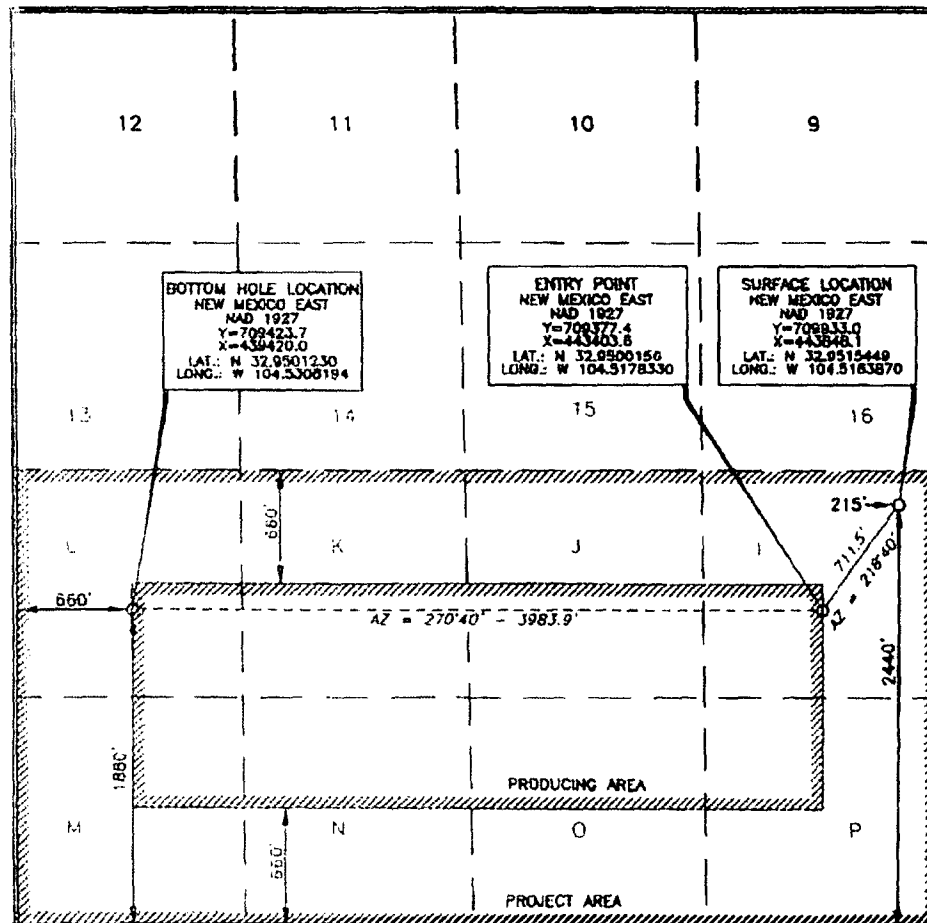
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	6	16 SOUTH	25 EAST, N.M.P.M.		2440	SOUTH	215	EAST	EDDY

Bottom Hole Location if Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	6	16 SOUTH	25 EAST, N.M.P.M.		1880	SOUTH	660	WEST	EDDY

Dedicated Acres 319.52	Joint or Infill	Consolidation Code	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.



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 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.

Donny G. Glanton 4/17/06
Signature Date

Donny G. Glanton
Printed Name

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was located from field notes of a professional survey made by me or under my supervision, and that the same is true and correct to the best of my belief.

MARCH 30, 2006
Date of Survey

Signature and Seal of Professional Surveyor

Terry J. Asch
Certificate Number 15079

NOF 080330ML-d (200)

Seine C 6 Fee #2H Final Surveys.txt

~Version Information

VERS. 2.00: PATHFINDER ENERGY SERVICES LAS - Version 2.00
WRAP. NO: One line per depth step

~well information

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STRT.FT      3947.9985:
STOP.FT      8830.0000:
STEP.FT      0.0000:
NULL.        -999.25:
COMP.        EOG RESOURCES INC.: COMPANY
"WELL.       SEINE "C" 6 FEE 2H: WELL"
FLD .        COTTONWOOD CREEK (WEST): FLD
SRVC.        Pathfinder Energy Services: SERVICE COMPANY
LOC .        : LOCATION
DATE.        06-Aug-06: LOG DATE
UWI .        30-015-34800: API NUMBER
APD .FT      22.00: ELEVATION ABOVE PERMANENT DATUM
CNTY.        EDDY CO.: COUNTY
CTRY.        USA: COUNTRY
DMF .        ROTARY TABLE: DRILLING-LOG MEASURED FROM
EPD .FT      3518.00: ELEVATION OF PERMANENT DATUM
FL1 .        2440' FSL 215' FEL: WELL LOCATION 1
PDAM.        GROUND LEVEL - MEAN SEA LEVEL: ELEVATION OF PERMANENT DATUM REF
PDAT.        GROUND LEVEL: PERMANENT DATUM
RANG.        25E: RANGE
SECT.        6: SECTION
STAT.        NM: STATE
TOWN.        16S: TOWNSHIP

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~Curve Information

DEPT.FT	: MWD Tool Measurement Depth
MTTV.FT	: MWD Tool Measurement TVD
INC .DEG	: Inclination
AZI .DEG	: Azimuth
SECT.FT	: Section
RCN .FT	: Rectangular Co-ordinates North
RCE .FT	: Rectangular Co-ordinates East
DLSE.DG/H	: Dog-leg Severity

#	DEPT	MTTV	INC	AZI	SECT	RCN	RCE	DLSE
#	FT	FT	DEG	DEG	FT	FT	FT	DG/H
#	Re log Number	0	0	0	0	0	0	0
#								

~ASCII Data

4000.00	3995.92	0.88	130.67	67.68	-98.87	-56.76	-999.25
4030.00	4025.91	2.46	218.37	67.98	-99.53	-56.99	8.60
4062.00	4057.82	5.72	234.54	69.86	-100.99	-58.71	10.69
4094.00	4089.53	9.67	237.00	73.67	-103.38	-62.26	12.41
4126.00	4120.86	13.63	237.44	79.47	-106.87	-67.70	12.37
4157.00	4150.76	16.97	236.91	86.80	-111.31	-74.57	10.79
4189.00	4181.18	19.17	238.23	95.73	-116.63	-82.95	6.99
4221.00	4211.21	21.28	237.88	105.72	-122.48	-92.34	6.61
4253.00	4240.80	23.48	238.32	116.74	-128.92	-102.68	6.89
4285.00	4269.81	26.38	237.53	128.90	-136.08	-114.11	9.13
4316.00	4297.15	29.81	236.74	141.99	-144.01	-126.36	11.13
4348.00	4324.61	32.01	235.95	156.62	-153.12	-140.04	6.99
4380.00	4351.26	35.17	235.33	172.27	-163.11	-154.65	9.95
4412.00	4377.36	35.53	235.07	188.58	-173.68	-169.85	1.20
4443.00	4402.31	37.28	234.28	204.71	-184.32	-184.86	5.87
4475.00	4427.24	40.36	233.84	222.19	-196.10	-201.10	9.66
4507.00	4451.02	43.62	234.01	240.81	-208.70	-218.40	10.17
4539.00	4473.58	46.69	234.28	260.60	-221.99	-236.79	9.63
4570.00	4494.48	48.54	234.28	280.59	-235.35	-255.38	5.96
4602.00	4515.35	50.03	234.54	301.80	-249.47	-275.10	4.71
4634.00	4535.49	51.97	234.19	323.53	-263.96	-295.31	6.11

Seine C 6 Fee #2H Final Surveys.txt							
4665.00	4554.08	54.34	234.01	345.16	-278.51	-315.41	7.67
4697.00	4572.19	56.72	232.87	368.00	-294.22	-336.59	7.98
4729.00	4589.06	59.62	232.34	391.34	-310.73	-358.19	9.18
4761.00	4604.17	64.02	232.17	415.47	-327.99	-380.49	13.75
4800.00	4619.54	69.56	232.70	446.18	-349.84	-408.89	14.26
4831.00	4629.54	72.81	233.14	471.45	-367.53	-432.29	10.58
4863.00	4638.57	74.39	233.49	498.00	-385.87	-456.91	5.06
4895.00	4646.83	75.71	234.01	524.86	-404.15	-481.84	4.42
4927.00	4653.94	78.61	234.36	552.08	-422.40	-507.14	9.13
4958.00	4659.12	82.13	235.42	578.92	-439.97	-532.14	11.83
4990.00	4663.02	83.89	235.24	606.94	-458.04	-558.26	5.52
5022.00	4666.45	83.80	235.42	635.00	-476.14	-584.43	0.61
5054.00	4669.76	84.33	236.21	663.20	-494.02	-610.76	2.96
5086.00	4672.01	87.58	239.02	691.93	-511.11	-637.71	13.42
5117.00	4672.80	89.52	240.60	720.32	-526.69	-664.50	8.06
5149.00	4673.36	88.46	241.57	749.91	-542.16	-692.50	4.47
5181.00	4674.39	87.85	242.28	779.66	-557.21	-720.72	2.92
5213.00	4675.25	89.08	244.03	809.66	-571.66	-749.26	6.70
5276.00	4674.62	92.07	246.76	869.55	-597.88	-806.53	6.42
5308.00	4673.59	91.63	246.76	900.19	-610.50	-835.91	1.37
5340.00	4672.78	91.28	247.81	930.91	-622.85	-865.42	3.47
5372.00	4672.02	91.45	250.54	961.91	-634.23	-895.32	8.53
5403.00	4671.38	90.92	253.17	992.27	-643.88	-924.77	8.67
5435.00	4670.91	90.75	256.34	1023.90	-652.29	-955.64	9.90
5467.00	4669.93	92.77	259.77	1055.74	-658.91	-986.92	12.43
5499.00	4668.78	91.36	262.75	1087.69	-663.77	-1018.53	10.32
5594.00	4670.60	86.44	266.45	1182.61	-672.71	-1113.04	6.48
5626.00	4672.37	87.23	266.80	1214.51	-674.59	-1144.94	2.71
5658.00	4673.79	87.67	267.06	1246.42	-676.30	-1176.86	1.60
5689.00	4674.60	89.34	268.20	1277.32	-677.58	-1207.82	6.53
5753.00	4674.01	91.71	269.79	1341.01	-678.70	-1271.80	4.46
5785.00	4673.08	91.63	269.61	1372.81	-678.87	-1303.79	0.61
5849.00	4672.78	88.90	270.14	1436.40	-679.02	-1367.78	4.34
5912.00	4674.09	88.72	270.49	1498.93	-678.67	-1430.76	0.62
5976.00	4675.12	89.43	270.31	1562.45	-678.23	-1494.75	1.13
6039.00	4675.02	90.75	272.42	1624.84	-676.72	-1557.73	3.95
6103.00	4674.14	90.84	272.25	1688.07	-674.12	-1621.67	0.31
6166.00	4673.46	90.40	272.33	1750.31	-671.60	-1684.62	0.71
6198.00	4673.22	90.48	272.86	1781.91	-670.15	-1716.58	1.67
6259.00	4671.95	91.89	273.21	1842.04	-666.92	-1777.48	2.38
6386.00	4668.25	91.45	273.21	1967.14	-659.80	-1904.23	0.35
6448.00	4667.63	89.69	270.84	2028.44	-657.61	-1966.18	4.76
6510.00	4667.11	91.28	271.28	2089.88	-656.46	-2028.17	2.65
6573.00	4665.17	92.24	271.28	2152.27	-655.06	-2091.12	1.54
6635.00	4663.13	91.54	270.75	2213.69	-653.96	-2153.08	1.42
6698.00	4661.39	91.63	270.22	2276.19	-653.42	-2216.05	0.85
6760.00	4659.20	92.42	271.89	2337.60	-652.28	-2278.00	2.98
6823.00	4656.54	92.42	272.25	2399.83	-650.00	-2340.90	0.56
6885.00	4653.83	92.59	272.33	2461.04	-647.53	-2402.79	0.31
6947.00	4651.03	92.59	272.33	2522.23	-645.01	-2464.68	0.01
7010.00	4650.11	89.08	271.10	2584.55	-643.12	-2527.63	5.91
7072.00	4649.97	91.19	272.16	2645.92	-641.36	-2589.60	3.81
7135.00	4648.66	91.19	273.04	2708.10	-638.50	-2652.52	1.40
7197.00	4647.90	90.22	273.48	2769.19	-634.98	-2714.42	1.71
7260.00	4647.37	90.75	274.18	2831.15	-630.77	-2777.27	1.40
7291.00	4647.11	90.22	274.09	2861.61	-628.54	-2808.19	1.73
7354.00	4646.33	91.19	274.09	2923.52	-624.05	-2871.03	1.54
7479.00	4644.80	90.22	272.77	3046.61	-616.56	-2995.79	1.31
7542.00	4644.56	90.22	272.86	3108.77	-613.47	-3058.71	0.14
7604.00	4644.03	90.75	272.86	3169.93	-610.37	-3120.63	0.85
7666.00	4642.51	92.07	272.77	3231.08	-607.33	-3182.54	2.13
7729.00	4640.53	91.54	272.77	3293.22	-604.28	-3245.43	0.84
7792.00	4639.08	91.10	272.77	3355.37	-601.23	-3308.34	0.70

Seine C 6 Fee #2H Final Surveys.txt							
7855.00	4638.55	89.87	273.04	3417.51	-598.04	-3371.26	2.00
7917.00	4639.21	88.90	272.95	3478.64	-594.80	-3433.17	1.57
7947.00	4639.56	89.78	272.69	3508.24	-593.33	-3463.13	3.06
7979.00	4639.44	90.66	272.86	3539.81	-591.78	-3495.09	2.80
8041.00	4638.58	90.92	272.95	3600.96	-588.64	-3557.00	0.45
8104.00	4637.57	90.92	272.86	3663.10	-585.45	-3619.92	0.14
8167.00	4636.74	90.57	272.60	3725.27	-582.45	-3682.84	0.70
8229.00	4635.89	91.01	272.60	3786.47	-579.64	-3744.77	0.71
8291.00	4634.46	91.63	272.69	3847.66	-576.78	-3806.69	1.00
8354.00	4632.77	91.45	272.86	3909.80	-573.73	-3869.59	0.39
8416.00	4631.15	91.54	272.42	3970.98	-570.87	-3931.50	0.72
8479.00	4629.85	90.84	272.07	4033.22	-568.41	-3994.44	1.25
8542.00	4628.83	91.01	272.16	4095.50	-566.08	-4057.39	0.31
8604.00	4628.12	90.31	271.89	4156.80	-563.89	-4119.35	1.21
8667.00	4627.92	90.04	271.72	4219.13	-561.90	-4182.31	0.50
8730.00	4628.41	89.08	271.19	4281.51	-560.30	-4245.29	1.75
8761.00	4628.93	88.99	271.45	4312.21	-559.59	-4276.28	0.90
8825.00	4630.06	88.99	271.45	4375.58	-557.97	-4340.25	0.01

002

Seine C 6 Fee #2H Gyro.txt

«
° S C I E N T I F I C D R I L L I N G C O N T R O L S °
»

KEEPER GYRO SURVEY
Directional Survey Report

for
UAAA;
1 E.O.G. 3
3
AAAU

Well Number : SEINE C 6 FEE #2H
Well Location : EDDY, COUNTY, NEW MEXICO
Job Number : 32K0706582
Location Latitude : 32.952
Survey Date : 22-JUL-2006
S.D.C. Personnel : ANGEL MADRID
Length Units : Feet
North Reference : GRID North
Grid Correction : 0.10 Degrees
Survey Depth Zero : RKB
Proposal Direction : 263.00
Calculation Method : Minimum Curvature

Remarks : The INRUN Survey will be called definitive

«
° S C I E N T I F I C D R I L L I N G C O N T R O L S °
»

Inrun Survey
for
E.O.G.

Page 1

Well No.: SEINE C 6 FEE #2H Date : 22-JUL-2006
Job No. : 32K0706582 Proposal : 263.00
Depth T.V.D. V.S. Inc GRID Azimuth Latitude Departure D-leg
(Feet) (Feet) (Feet) Deg. Deg. (Feet) (Feet) /100
Page 1

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Seine C 6 Fee #2H Gyro.txt
#####

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The Horizontal Displacement (in Feet) at
Measured Depth 4547.00 is 116.56 in a Direction of 204.12 Degrees

Exhibit D
Application of EOG Resources, Inc.
Simultaneous Dedication of
S/2 of Section 6, Township 16 South, Range 25 East, NMPM
Eddy County, New Mexico

✓ Capstone Oil & Gas Company
P.O. Box 10187
Midland, Texas 79702

✓ Parallel Petroleum
Post Office Box 10587
Midland, TX 79702

✓ Elger Exploration, Inc.
P.O. Box 2623
Midland, Texas 79702-2623

✓ CMW Interests, Inc.
24 Smith Road, Suite 405
Midland, Texas 79705

✓ LCX Energy, LLC
101 N. Marenfeld Suite 200
Midland, Texas 79701

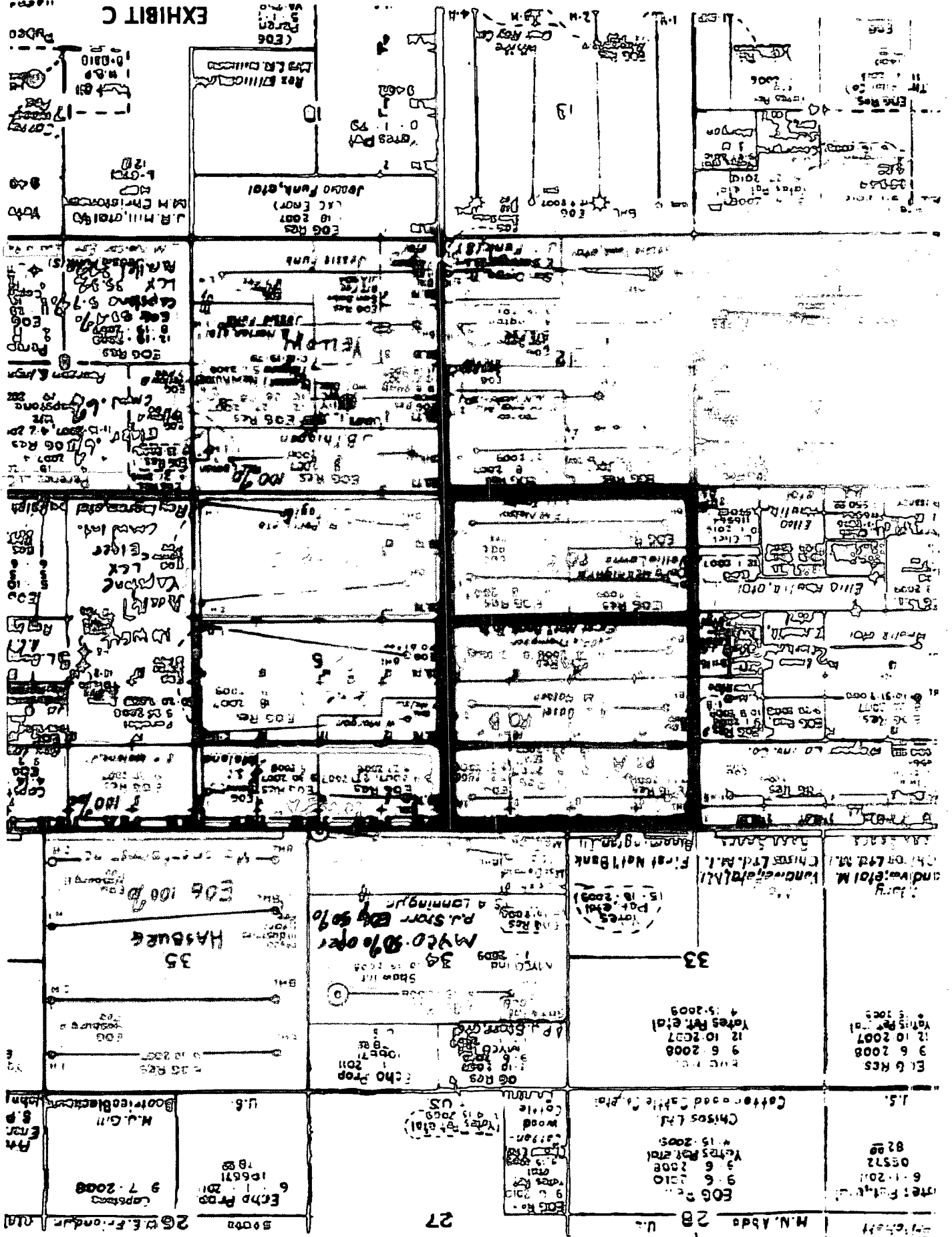


EXHIBIT C

J. R. MILLER
J. R. MILLER & CO.

H. N. ABDO

26 U.S.

H. N. ABDO 28 U.S.



February 7, 2007

2007 FEB 7 AM 9 51

HAND DELIVERY

Mr. Richard Ezeanyim
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 and the simultaneous dedication of the S/2 of Section 6, Township 16 South, Range 25 East, N.M.P.M., Eddy County, New Mexico to its proposed Seine C 6 Fee Well No. 1H and the existing Seine C 6 Fee Well No. 2H.

Dear Mr. Ezeanyim:

As we discussed in our meeting on Friday, February 2, 2007, EOG Resources, Inc. was ready to produce the Seine C 6 Fee Well No. 1 H that day. We agreed to seek waivers from the affected parties identified in the application for simultaneous dedication of the Seine C 6 Fee Well Nos. 1H & 2H so that immediate approval could be given by the Division.

As promised, attached to this letter are signed waivers from all the affected parties including LCX Energy, LLC, CMW Interests, Inc., Parallel Petroleum Corporation, Capstone Oil & Gas Company, L.P., and Elger Exploration, Inc. We respectfully request that approval be given of the above-referenced application at your earliest opportunity.

Please let me know if you have any questions. We would also appreciate being notified when this application is approved so that we may pick it up from the Division. Thank you for your attention to this matter.

Sincerely,


Ocean Munds-Dry
ATTORNEY FOR EOG RESOURCES, INC.

Enclosures



February 5, 2007

EOG Resources, Inc.
P.O. Box 2267
Midland, TX 79702
(432) 686-3600

VIA FACSIMILE/EMAIL
432/682-3088/

Mr. John P. Usrey
LCX Energy, LLC
110 North Marienfeld, Suite 200
Midland, Texas 79701

Re: Seine C 6 Fee Well No. 1H
Section 6, Township 16, South, Range 25 East
Eddy County, New Mexico

Dear Mr. Usrey:

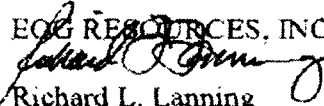
EOG Resources, Inc. has submitted an application to the Oil Conservation Division for an unorthodox well location and simultaneous dedication of EOG's Seine C 6 Fee Well Nos. 1H & 2H to a standard 320-acre spacing unit in the S/2 of Section 6, Township 16 South, Range 25 East, N.M.P.M., Eddy County, New Mexico. EOG originally sent you notice of this application on January 25, 2007, as you are a working interest owner in the offsetting spacing unit in Section 5 to which EOG holds a leasehold interest.

The Seine C 6 Fee Well No. 1 H has been drilled and is ready to be put on production. OCD Rules provide a 20-day notice period before an application will be approved unless the applicant obtains waivers from affected parties. We therefore urgently request your waiver of objection to EOG's application. We respectfully request you that you sign this letter and either return by e-mail (rick_lanning@eogresources.com), fax (432/686/3773) or overnight delivery as soon as possible.

Thank you for your consideration of this matter. Should you wish to discuss please feel free to call me at 432/686-3730.

Sincerely,

EOG RESOURCES, INC.


Richard L. Lanning
Land Specialist

LCX Energy, LLC, agrees to waive objection to EOG's application for an unorthodox well location and simultaneous dedication of the Seine C 6 Fee Well Nos. 1H & 2H.

By: 

Name & Title

Autrey C. Stephens - Sole Member

Date:

2-6-07

EOG RESOURCES

February 5, 2007

EOG Resources, Inc.
10000 E. 10th Avenue, Suite 1000
Denver, CO 80231

VIA FACSIMILE/EMAIL
203/693-2375

Mr. Mark Wuebelger
EOG Resources, Inc.
10000 E. 10th Avenue, Suite 1000
Denver, CO 80231

Section 9 Township 16 South Range 25 East
T.16S. R.25E. N.M.P.M. Eddy
County, New Mexico

Dear Mr. Wuebelger:

EOG Resources, Inc. has submitted an application to the Oil Conservation Division for an unorthodox well location. The application is for location of EOG's Saigne 1-6 Edge Well Nos. 1H & 2H to a standard 1/4 section location in the Section 9 Township 16 South Range 25 East, N.M.P.M., Eddy County, New Mexico. EOG originally sent you notice of this application on January 25, 2007, as you are a working interest owner in the offsetting spacing unit in Section 9 to which EOG holds a leasehold interest.

The Saigne 1-6 Edge Well Nos. 1H & 2H has been drilled and is ready to be put on production. OGD Rules require a 60-day notice period before an application will be approved unless the applicant obtains waivers from affected parties. We therefore urgently request your waiver of objection to EOG's application. We respectfully request you that you sign this letter and either return by e-mail richard.lanning@eog.com, fax (432-686-1773) or overnight delivery as soon as possible.

I will keep you apprised of this matter. Should you wish to discuss please feel free to call me at (203) 693-2375.

Sincerely,

Richard Lanning
Richard Lanning
Richard Lanning
Land Operations

EOG Resources, Inc. agrees to waive objection to EOG's application for an unorthodox well location and application for location of the Saigne 1-6 Edge Well Nos. 1H & 2H.

By *C. Mack Wuebelger*
C. MACK WUEBELGER - PRESIDENT
Date *2/6/07*



February 5, 2007

EOG Resources, Inc.
P.O. Box 2000
Midland, TX 79702
432/686-3730

VIA FACSIMILE/EMAIL
432/684-3905/mgray@ppll.com

Mr. Mike Gray
Parallel Petroleum Corporation
1004N. Big Spring Suite 400
Midland, Texas 79701

Re: Seismic Fee Well No. 1H
Section 6, Township 16, South, Range 25 East
Eddy County, New Mexico

Dear Mr. Gray:


EOG Resources, Inc. has submitted an application to the Oil Conservation Division for an unorthodox well location and simultaneous dedication of EOG's Seismic Fee Well Nos. 1H & 2H to a standard 20-acre spacing unit in the S2 of Section 6, Township 16 South, Range 25 East, N.M.P.M., Eddy County, New Mexico. EOG originally sent you notice of this application on January 25, 2007, as you are a working interest owner in the offsetting spacing unit in Section 5 to which EOG holds a leasehold interest.

The Seismic Fee Well No. 1H has been drilled and is ready to be put on production. OGD Rules provide a 20-day notice period before an application will be approved unless the applicant obtains waivers from affected parties. We therefore urgently request your waiver of objection to EOG's application. We respectfully request you that you sign this letter and either return by e-mail (ljanning@eogresources.com), fax (432/686/3773) or overnight delivery as soon as possible.

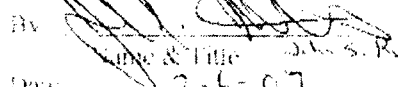
Thank you for your consideration of this matter. Should you wish to discuss please feel free to call me at 432/686-3730.

Sincerely,

EOG RESOURCES, INC.


Richard L. Lanning
Land Specialist

Parallel Petroleum Corporation agrees to waive objection to EOG's application for an unorthodox well location and simultaneous dedication of the Seismic Fee Well Nos. 1H & 2H.

By  Vice President
Name & Title John S. Rusher
Date 2-6-07



February 5, 2007

EOG Resources, Inc.
P.O. Box 2287
Midland, TX 79702
(432) 686-3600

VIA FACSIMILE/EMAIL

432/682-4498/dale@capstoneoil.com

Mr. Dale Douglas
Capstone Oil & Gas Company, L.P.
203 West Wall Street, Suite 1201
Midland, Texas 79701

Re: Seine C 6 Fee Well No. 1H
Section 6, Township 16, South, Range 25 East
Eddy County, New Mexico


Dear Mr. Douglas

EOG Resources, Inc. has submitted an application to the Oil Conservation Division for an unorthodox well location and simultaneous dedication of EOG's Seine C 6 Fee Well Nos. 1H & 2H to a standard 320-acre spacing unit in the S/2 of Section 6, Township 16 South, Range 25 East, N.M.P.M., Eddy County, New Mexico. EOG originally sent you notice of this application on January 25, 2007, as you are a working interest owner in the offsetting spacing unit in Section 5 to which EOG holds a leasehold interest.


The Seine C 6 Fee Well No. 1 H has been drilled and is ready to be put on production. OCD Rules provide a 20-day notice period before an application will be approved unless the applicant obtains waivers from affected parties. We therefore urgently request your waiver of objection to EOG's application. We respectfully request you that you sign this letter and either return by e-mail (rick.lanning@eogresources.com), fax (432/686/3773) or overnight delivery as soon as possible.

Thank you for your consideration of this matter. Should you wish to discuss please feel free to call me at 432/686-3730.

Sincerely,

EOG RESOURCES, INC.

Richard L. Lanning
Land Specialist

Capstone Oil & Gas Company, L.P. agrees to waive objection to EOG's application for an unorthodox well location and simultaneous dedication of the Seine C 6 Fee Well Nos. 1H & 2H.

By:  Dale Douglas, President of
Capstone Investments, Inc. its
General Partner
Name & Title
Date: 2/5/07

energy opportunity growth



February 5, 2007

EOG Resources, Inc.
P.O. Box 4287
Midland, TX 79702
(432) 686-3000

VIA FACSIMILE/EMAIL
432/687-0337/jelger4@yahoo.com

Mr. Jerry B. Elger
Elger Exploration, Inc.
P. O. Box 2623
Midland, Texas 79702

Re: Seine C 6 Fee Well No. 1H
Section 6, Township 16, South, Range 25 East
Eddy County, New Mexico

Dear Mr. Elger:


EOG Resources, Inc. has submitted an application to the Oil Conservation Division for an unorthodox well location and simultaneous dedication of EOG's Seine C 6 Fee Well Nos. 1H & 2H to a standard 320-acre spacing unit in the S/2 of Section 6, Township 16 South, Range 25 East, N.M.P.M., Eddy County, New Mexico. EOG originally sent you notice of this application on January 25, 2007, as you are a working interest owner in the offsetting spacing unit in Section 5 to which EOG holds a leasehold interest.

The Seine C 6 Fee Well No. 1 H has been drilled and is ready to be put on production. OCD Rules provide a 20-day notice period before an application will be approved unless the applicant obtains waivers from affected parties. We therefore urgently request your waiver of objection to EOG's application. We respectfully request you that you sign this letter and either return by e-mail (rick.lanning@eogresources.com), fax (432/686/3773) or overnight delivery as soon as possible.

Thank you for your consideration of this matter. Should you wish to discuss please feel free to call me at 432/686-3730.


Sincerely,

EOG RESOURCES, INC.


Richard L. Lanning
Land Specialist

Elger Exploration, Inc. agrees to waive objection to EOG's application for an unorthodox well location and simultaneous dedication of the Seine C 6 Fee Well Nos. 1H & 2H.

By:

 President
Name & Title

Date: 2-6-07

energy opportunity growth

HOLLAND & HART^{LLP}



Ocean Munds-Dry
Associate
omundsdry@hollandhart.com

2007 FEB 7 AM 9 51

February 7, 2007

HAND DELIVERY

Mr. Richard Ezeanyim
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 and the simultaneous dedication of the S/2 of Section 6, Township 16 South, Range 25 East, N.M.P.M., Eddy County, New Mexico to its proposed Seine C 6 Fee Well No. 1H and the existing Seine C 6 Fee Well No. 2H.

Dear Mr. Ezeanyim:

As we discussed in our meeting on Friday, February 2, 2007, EOG Resources, Inc. was ready to produce the Seine C 6 Fee Well No. 1 H that day. We agreed to seek waivers from the affected parties identified in the application for simultaneous dedication of the Seine C 6 Fee Well Nos. 1H & 2H so that immediate approval could be given by the Division.

As promised, attached to this letter are signed waivers from all the affected parties including LCX Energy, LLC, CMW Interests, Inc., Parallel Petroleum Corporation, Capstone Oil & Gas Company, L.P., and Elger Exploration, Inc. We respectfully request that approval be given of the above-referenced application at your earliest opportunity.

Please let me know if you have any questions. We would also appreciate being notified when this application is approved so that we may pick it up from the Division. Thank you for your attention to this matter.

Sincerely,

Ocean Munds-Dry
ATTORNEY FOR EOG RESOURCES, INC.

Enclosures

Holland & Hart^{LLP}

Phone [505] 988-4421 Fax [505] 983-6043 www.hollandhart.com

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

Aspen Billings Boise Boulder Cheyenne Colorado Springs Denver Denver Tech Center Jackson Hole Salt Lake City Santa Fe Washington, D.C. ☺



February 5, 2007

EOG Resources, Inc.
P.O. Box 2267
Midland, TX 79702
(432) 686-3600

VIA FACSIMILE/EMAIL**432/682-3088/**

Mr. John P. Usrey
LCX Energy, LLC
110 North Marienfeld, Suite 200
Midland, Texas 79701

Re: Seine C 6 Fee Well No. 1H
Section 6, Township 16, South, Range 25 East
Eddy County, New Mexico

Dear Mr. Usrey:

EOG Resources, Inc. has submitted an application to the Oil Conservation Division for an unorthodox well location and simultaneous dedication of EOG's Seine C 6 Fee Well Nos. 1H & 2H to a standard 320-acre spacing unit in the S/2 of Section 6, Township 16 South, Range 25 East, N.M.P.M., Eddy County, New Mexico. EOG originally sent you notice of this application on January 25, 2007, as you are a working interest owner in the offsetting spacing unit in Section 5 to which EOG holds a leasehold interest.

The Seine C 6 Fee Well No. 1 H has been drilled and is ready to be put on production. OCD Rules provide a 20-day notice period before an application will be approved unless the applicant obtains waivers from affected parties. We therefore urgently request your waiver of objection to EOG's application. We respectfully request you that you sign this letter and either return by e-mail (rick_lanning@eogresources.com), fax (432/686/3773) or overnight delivery as soon as possible.

Thank you for your consideration of this matter. Should you wish to discuss please feel free to call me at 432/686-3730.

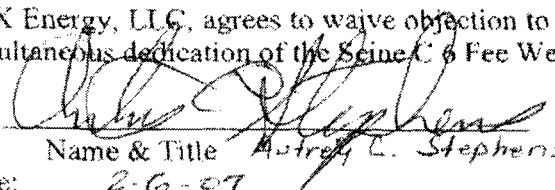
Sincerely,

EOG RESOURCES, INC.



Richard L. Lanning
Land Specialist

LCX Energy, LLC, agrees to waive objection to EOG's application for an unorthodox well location and simultaneous dedication of the Seine C 6 Fee Well Nos. 1H & 2H.

By: 
Name & Title Audrey L. Stephens - Sole Member
Date: 2-6-07



January 3, 2007

Geog Resources, Inc.
P.O. Box 100
Midland, TX 79702
Phone: 432-686-1773

VIA FACSIMILE/EMAIL

202/693-2375/

Mr. Mark Wheeler
CNMV, Intergate, Inc.
31 Roubidoux Blvd. #400
Midland, Texas 79702

Re: Seismicity Near Well Nos. 1H & 2H
Section 8, Township 16 South, Range 25 East
El Paso County, New Mexico

Dear Mr. Wheeler:

Geog Resources, Inc. has submitted an application to the Oil Conservation Division for an unorthodox well location and orientation as depicted on EOG's Seismicity Near Well Nos. 1H & 2H to a standard vertical spacing unit in the S 2 of Section 8, Township 16 South, Range 25 East, N.M.P.M., El Paso County, New Mexico. EOG originally sent you notice of this application on January 25, 2007, as you are a working interest owner in the offsetting spacing unit in Section 8 to which EOG holds a leasehold interest.

The Seismicity Near Well Nos. 1H & 2H has been drilled and is ready to be put on production. OGD Rules provide a thirty (30) day notice period before an application will be approved unless the applicant obtains waivers from affected parties. We therefore urgently request your waiver of objection to EOG's application. We respectfully request you that you sign this letter and either return by e-mail (geogresources@geogresources.com), fax (432-686-1773) or overnight delivery as soon as possible.


Thank you for your consideration of this matter. Should you wish to discuss please feel free to call me at 202/693-2375.

Sincerely,

Richard L. Lattimore


Richard L. Lattimore
Land Specialist

CNMV Intergate, Inc. agrees to waive objection to EOG's application for an unorthodox well location and orientation as depicted on the Seismicity Near Well Nos. 1H & 2H.

By: 
Name & Title: C. MARK WHEELER - PRESIDENT
Date: 2/6/07



February 5, 2007

EOG Resources, Inc.
 10000 E. 10th Avenue
 Suite 1000
 Denver, CO 80231

VIA FACSIMILE/EMAIL
432/684-3905/mgray@pill.com

Mr. Mike Gray
 Parallel Petroleum Corporation
 1004N. Big Spring Suite 400
 Midland, Texas 79701

Re: Seine C 6 Fee Well No. 1H
 Section 6, Township 16, South, Range 25 East
 Eddy County, New Mexico

Dear Mr. Gray:

EOG Resources, Inc. has submitted an application to the Oil Conservation Division for an unorthodox well location and simultaneous dedication of EOG's Seine C 6 Fee Well Nos. 1H & 2H to a standard 320-acre spacing unit in the S/2 of Section 6, Township 16 South, Range 25 East, N.M.P.M., Eddy County, New Mexico. EOG originally sent you notice of this application on January 25, 2007, as you are a working interest owner in the offsetting spacing unit in Section 5 to which EOG holds a leasehold interest.

The Seine C 6 Fee Well No. 1H has been drilled and is ready to be put on production. OCD Rules provide a 20-day notice period before an application will be approved unless the applicant obtains waivers from affected parties. We therefore urgently request your waiver of objection to EOG's application. We respectfully request you that you sign this letter and either return by e-mail (rich_lanning@eogresources.com), fax (432/686/3773) or overnight delivery as soon as possible.

Thank you for your consideration of this matter. Should you wish to discuss please feel free to call me at 432/686-3730.

Sincerely,

EOG RESOURCES, INC.

Richard L. Lanning
 Land Specialist

Parallel Petroleum Corporation agrees to waive objection to EOG's application for an unorthodox well location and simultaneous dedication of the Seine C 6 Fee Well Nos. 1H & 2H.

By
 Name & Title John S. Rutherford Vice President
 Date 2-6-07



February 5, 2007

EOG Resources, Inc.
P.O. Box 2267
Midland, TX 79702
(432) 686-3600

VIA FACSIMILE/EMAIL

432/682-4498/dale@capstoneoil.com

Mr. Dale Douglas
Capstone Oil & Gas Company, L.P.
203 West Wall Street, Suite 1201
Midland, Texas 79701

Re: Seine C 6 Fee Well No. 1H
Section 6, Township 16, South, Range 25 East
Eddy County, New Mexico


Dear Mr. Douglas

EOG Resources, Inc. has submitted an application to the Oil Conservation Division for an unorthodox well location and simultaneous dedication of EOG's Seine C 6 Fee Well Nos. 1H & 2H to a standard 320-acre spacing unit in the S/2 of Section 6, Township 16 South, Range 25 East, N.M.P.M., Eddy County, New Mexico. EOG originally sent you notice of this application on January 25, 2007, as you are a working interest owner in the offsetting spacing unit in Section 5 to which EOG holds a leasehold interest.

The Seine C 6 Fee Well No. 1 H has been drilled and is ready to be put on production. OCD Rules provide a 20-day notice period before an application will be approved unless the applicant obtains waivers from affected parties. We therefore urgently request your waiver of objection to EOG's application. We respectfully request you that you sign this letter and either return by e-mail (rick.lanning@eogresources.com), fax (432/686/3773) or overnight delivery as soon as possible.

Thank you for your consideration of this matter. Should you wish to discuss please feel free to call me at 432/686-3730.

Sincerely,

EOG RESOURCES, INC.

Richard L. Lanning
Land Specialist

Capstone Oil & Gas Company, L.P. agrees to waive objection to EOG's application for an unorthodox well location and simultaneous dedication of the Seine C 6 Fee Well Nos. 1H & 2H.

By: 

Dale Douglas, President of
Capstone Investments, Inc. its
General Partner

Name & Title

Date: 2/5/07



February 5, 2007

EOG Resources, Inc.
P.O. Box 2257
Midland, TX 79702
(432) 686-3600

VIA FACSIMILE/EMAIL

432/687-0337/jelger4@yahoo.com

Mr. Jerry B. Elger
Elger Exploration, Inc.
P. O. Box 2623
Midland, Texas 79702

Re: Seine C 6 Fee Well No. 1H
Section 6, Township 16, South, Range 25 East
Eddy County, New Mexico

Dear Mr. Elger:


EOG Resources, Inc. has submitted an application to the Oil Conservation Division for an unorthodox well location and simultaneous dedication of EOG's Seine C 6 Fee Well Nos. 1H & 2H to a standard 320-acre spacing unit in the S/2 of Section 6, Township 16 South, Range 25 East, N.M.P.M., Eddy County, New Mexico. EOG originally sent you notice of this application on January 25, 2007, as you are a working interest owner in the offsetting spacing unit in Section 5 to which EOG holds a leasehold interest.

The Seine C 6 Fee Well No. 1 H has been drilled and is ready to be put on production. OCD Rules provide a 20-day notice period before an application will be approved unless the applicant obtains waivers from affected parties. We therefore urgently request your waiver of objection to EOG's application. We respectfully request you that you sign this letter and either return by e-mail (rick.lanning@eogresources.com), fax (432/686/3773) or overnight delivery as soon as possible.

Thank you for your consideration of this matter. Should you wish to discuss please feel free to call me at 432/686-3730.

Sincerely,

EOG RESOURCES, INC.


Richard L. Lanning
Land Specialist

Elger Exploration, Inc. agrees to waive objection to EOG's application for an unorthodox well location and simultaneous dedication of the Seine C 6 Fee Well Nos. 1H & 2H.

By:  President
Name & Title

Date: 2-6-07