



July 17, 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

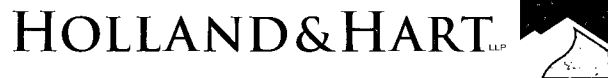
Re: Application of EOG Resources, Inc. for Administrative Approval of the Simultaneous Dedication of the S/2 of Section 11, Township 16 South, Range 24 East, N.M.P.M., Eddy County, New Mexico to its proposed Brazos "B" 11 Fee Well No. 2H and the existing Brazos "B" 11 Fee Well No. 1H.

Dear Mr. Fesmire:

EOG Resources, Inc. is the operator of a standard 320-acre spacing unit in the West Cottonwood Creek-Wolfcamp Gas Pool (**Pool Code 75260**) comprised of the S/2 of Section 11, Township 16 South, Range 24 East, N.M.P.M., Eddy County, New Mexico. This spacing unit is dedicated to EOG's Brazos "B" 11 Fee No. 1H 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 **Brazos B 11 Fee Well No. 1H (API No. 30-015-34483)** horizontally drilled from a surface location 1730 feet from the South line and 660 feet from the East line to a proposed end point or bottomhole location 1880 feet from the South line and 660 feet from the West line of said Section 11; and
- B. the proposed **Brazos B 11 Fee Well No. 2H (API No. 30-015 -34482)** to be horizontally drilled from a surface location 660 feet from the South line and 660 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 11.



Both the penetration point and the bottomhole location for the Brazos B 11 Fee Well No. 1H are at a standard location in the Wolfcamp formation pursuant to Division Rules 104.C (2) (a) and 111.A (7). EOG now intends to horizontally drill and complete its proposed Brazos B 11 Fee Well No. 2H 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 11. EOG proposes to drill this well in compliance with the set-back requirements of Division Rules 104.C(2)(b) and 111.A(7) for deep gas wells in southeast New Mexico.

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 a map of offset operators around the spacing unit in Section 11. **Exhibit C** 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 11 to the Brazos B 11 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,

A handwritten signature in black ink that reads "Ocean Munds-Dry".

Ocean Munds-Dry
Attorney for EOG Resources, Inc.

Enclosures

Form C-102
Revised August 15, 2000
Submit to Appropriate District Office
State Lease - 4 copies
Fee Lease - 3 copies

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

**1220 South St. Francis Dr.
Santa Fe, New Mexico 87505**

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-34482		Pool Code 75260	Pool Name Cottonwood Creek; WC, West (Gas)	
Property Code 35318	Property Name BRAZOS "B" 11 FEE			Well Number 2H
OGRID No. 7377	Operator Name EOG RESOURCES, INC.			Elevation 3573'

19 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	11	16 SOUTH	24 EAST, N.M.P.M.		660'	SOUTH	660'	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 11a	Feet from the	North/South line	Feet from the	East/West line	County
M	11	18 SOUTH	24 EAST, N.M.P.M.		760'	SOUTH	660'	WEST	EDDY

12 Dedicated Acres 320	13 Joint or Infill	14 Consolidation Code	15 Order No.
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NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16

17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Donny G. Glanton

Signature
Donny G. Glanton
Printed Name

Sr. Lease Operator Rep.
Title

3/19/07
Date

18 SURVEYOR CERTIFICATION

I hereby certify that the field surveying shown on this plat was planned and made in accordance with the laws of the State of Texas, and that the same is true and correct to the best of my belief.

7920
NOVEMBER 8, 2005

Date of Survey
Signature of Surveyor
V. A. BEZNER
Printed Name

660'

700'

AZ = 370.38° 5967.7'

660'

V. A. Bezner

Certification Number
V. A. BEZNER
Printed Name

R.P.S. 57920
JOB # 107982 / 101 NE / J.W.W.

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, and Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, New Mexico 87505

Form C-102

Revised August 15, 2000

Submit to Appropriate District Office

State Lease - 4 copies

Fee Lease - 3 copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-34483	Pool Code 75260	Pool Name Cottonwood Creek; W. West (Cons)
Property Code 35318	Property Name BRAZOS "B" 11	Well Number 1H
OGRID No. 7377	Operator Name EOG RESOURCES, INC.	Elevation 3562'

Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
I	11	16 SOUTH	24 EAST, N.M.P.M.		1730'	SOUTH	660'	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
L	11	16 SOUTH	24 EAST, N.M.P.M.		1880'	SOUTH	660'	WEST	EDDY

Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>16</p> <p>BHL X = 428817 Y = 703874 LAT.: N 32.9350836 LONG.: W 104.5653449</p> <p>NAD 27 NME ZONE X = 432802 Y = 703878 LAT.: N 32.9348441 LONG.: W 104.5623562</p> <p>PROJECT AREA</p> <p>PRODUCING AREA</p> <p>660'</p> <p>1730'</p> <p>1880'</p> <p>AZ = 271.25° 3986.0'</p>	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Signature Donny G. Glatton</p> <p>Printed Name Sr. Lease Operations Rep</p> <p>Title 7/12/2007</p> <p>Date</p> <p>18 SURVEYOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Signature V. L. BEZNER</p> <p>Date of Survey NOVEMBER 9, 2006</p> <p>Signature of Professional Surveyor V. L. BEZNER</p> <p>Job # 107981 / 101 NE / J.W.W.</p>
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OFFSETS IN SECTION 11

	D	C	B	A	
EOG	E	EOG F	G	H	EOG
	L	K	J	I	
	Brazos B 11				
	M	N	O	P	
LCX	EOG		Yates	EOG	

Exhibit C

**Application of EOG Resources, Inc.
Simultaneous Dedication of
S/2 of Section 11, Township 16 South, Range 24 East, NMPM
Eddy County, New Mexico**

Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210

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



July 17, 2007

CERTIFIED MAIL
RETURN RECEIPT REQUESTED**AFFECTED INTEREST OWNERS**

Re: Application of EOG Resources, Inc., for simultaneous dedication,
Eddy County, New Mexico.

Ladies and Gentlemen:

This letter is to advise you that EOG Resources, Inc. has filed the enclosed application with the New Mexico Oil Conservation Division seeking the simultaneous dedication of the proposed Brazos B 11 Fee Well No. 2H and the existing Brazos B 11 Fee Well No. 1H to the S/2 of Section 11, Township 16 South, Range 24 East, NMPM, Eddy County, New Mexico.

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
ATTORNEY FOR EOG RESOURCES, INC.

Enclosures