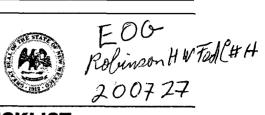
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



		ADMINISTRATIVE APP	PLICATION CHECKLIST			
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[1]	TYPE OF A	PPLICATION - Check Those Which Location - Spacing Unit - Simultan NSL NSP SD				
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	[C]	Injection - Disposal - Pressure Incre WFX PMX SWD	ease - Enhanced Oil Recovery D	ECEIVE		
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	[C]	Application is One Which Red	quires Published Legal Notice			
	[D]	Notification and/or Concurren U.S. Bureau of Land Management - Commission	t Approval by BLM or SLO oner of Public Lands, State Land Office			
	[E]	For all of the above, Proof of I	Notification or Publication is Attached, a	and/or,		
	[F]	Waivers are Attached				
[3]	SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.					
	val is accurate a		mation submitted with this application for edge. I also understand that no action ware submitted to the Division.			
l,	Note	: Statement must be completed by an indivi	dual with managerial and/or supervisory capac	•		
Print o	or Type Name	Signature	Title Kewarbaara hall	10 30 17 Date		
			Kennanbaar @ ball	aulland rain		

e-mail Address



Kristina Martinez

Phone (505) 988-4421 kemartinez@hollandhart.com

October 30, 2007

VIA HAND DELIVERY

David Brooks
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 24, Township 16 South, Range 24 East, N.M.P.M., Eddy County, New Mexico to its proposed Robinson HW Fed Com Well No. 2H and the existing Robinson HW Fed Com Well No. 3H.

Dear Mr. Brooks:

I write in response to your request for proof of notice to "affected persons" in the offset spacing units. In accordance with the Division's policy of providing notice to such persons, I am enclosing two supplemental exhibits to be attached to EOG's original application, filed September 28, 2007.

Exhibit B is a map of offset operators around the spacing unit in Section 24. **Exhibit C** is a list of affected parties as defined by Division Rules. As required by Rule 1210, a copy of the original application (with attachments) and a copy of this letter (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 of this letter. I am also attaching an updated Administrative Application Checklist.

If you need anything else, please let me know. Thank you for your time.

Sincerely,

Kristina Martinez

Attorney for EOG Resources

KEM

Enclosures

offsets in Section <u>24</u>

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Exhibit C

Application of EOG Resources, Inc. Simultaneous Dedication of S/2 of Section 24, Township 16 South, Range 24 East, N.M.P.M. Eddy County, New Mexico

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

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

Twin Montana, Inc. P.O. Box 1210 Graham, TX 76450

Talus, Inc. P.O. Box 1210 Graham, TX 76450

The Allar Company P.O. Box 1567 Graham, TX 76450

EG3, Inc. P.O. Box 1567 Graham, TX 76450

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

SUSPENSE DATE IN

ENGINEER

LOGGED IN

TYPE

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

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		nhole Commingling] [CTB-Lease (_	
	[PC-Pc	ool Commingling] [OLS - Off-Lease	Storage] [OLM-Off-Lease Measureme	ent]	
	-	[WFX-Waterflood Expansion] [PM	X-Pressure Maintenance Expansion]		
		[SWD-Salt Water Disposal] [PI-Injection Pressure Increase]		
	[EOR-Qua	lified Enhanced Oil Recovery Certifi	cation] [PPR-Positive Production Res	ponse]	
£11	TVDE OF A	PPLICATION - Check Those Which	Apply for [A]		
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	[C]	Application is One Which Red	quires Published Legal Notice		
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	[D]	Notification and/or Concurren	t Approval by BLM or SLO		
	. ,	U.S. Bureau of Land Management - Commission	oner of Public Lands, State Land Office		
	[E]	For all of the above. Proof of 1	Notification or Publication is Attached, an	ıd/or.	
	[2]				
	[F]	Waivers are Attached			
	(-)				
[3]	SUBMIT AC	CURATE AND COMPLETE INFO	DRMATION REQUIRED TO PROCE	SS THE TY	PE
		ATION INDICATED ABOVE.	-		
[4]	CERTIFICA	TION: I hereby certify that the infor-	mation submitted with this application for	administrativ	ve
approv	val is accurate a	nd complete to the best of my knowledge.	edge. I also understand that no action wil	ll be taken on	this
		quired information and notifications a			
• •	Notes	Statement must be completed by an indivi	dual with managorial and/or suppositions, conseit		
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			e-mail Address		





Kristina Martinez
Phone (505) 988-4421
kemartinez@hollandhart.com

September 28, 2007

VIA HAND DELIVERY

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 24, Township 16 South, Range 24 East, N.M.P.M., Eddy County, New Mexico to its proposed Robinson HW Fed Com Well No. 2H and the existing Robinson HW Fed Com Well No. 3H.

Dear Mr. Fesmire:

EOG Resources, Inc, ("EOG") is the operator of a standard 320-acre gas spacing unit in the Cottonwood Creek-Wolfcamp West Gas Pool (**Pool Code 75260**) comprised of the S/2 of Section 24, Township 16 South, Range 24 East, N.M.P.M., Eddy County, New Mexico from which its Robinson HW Fed Com Well No. 3H currently produces from the Wolfcamp formation.

Pursuant to Oil Conservation Division Rule 104.D(3), EOG hereby makes application for administrative approval of the simultaneous dedication of this standard 320-acre gas spacing and proration unit to the following two horizontal gas wells:

- A. the existing ROBINSON HW FED COM WELL NO. 3H (API No. 30-015-35812) horizontally drilled from a surface location 1880 feet from the South line and 360 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 24; and
- B. the proposed ROBINSON HW FED COM WELL NO. 2H (API No. 30-015-35811) to be horizontally drilled from a surface location 910 feet from the South line and 510 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 24.



Mark E. Fesmire, P.E. September 28, 2007 Page 2

Both the penetration point and the bottomhole location for the Robinson HW Fed Com Well No. 3H 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 Robinson HW Fed Com 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 24. 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.

The simultaneous dedication of the S/2 of said Section 24 to the Robinson HW Fed Com Well No's. 3H 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 authorized by Division Rule for this spacing unit nor will either well be closer to the outer boundary of the horizontal well project area than permitted by Division Rules. Accordingly, there are no other interest owners who are affected by this application.

Your attention to this application is appreciated.

Sincerely,

Kristina Martinez

Attorney for EOG Resources

KEM Enclosure

District 1 1625 N. French Dr., Hobbs, NM 88240 District II

District III

District IV

1301 W. Grand Avenue, Artesia, NM 88210

1000 Rio Brazos Rd., Aztec, NM 87410

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

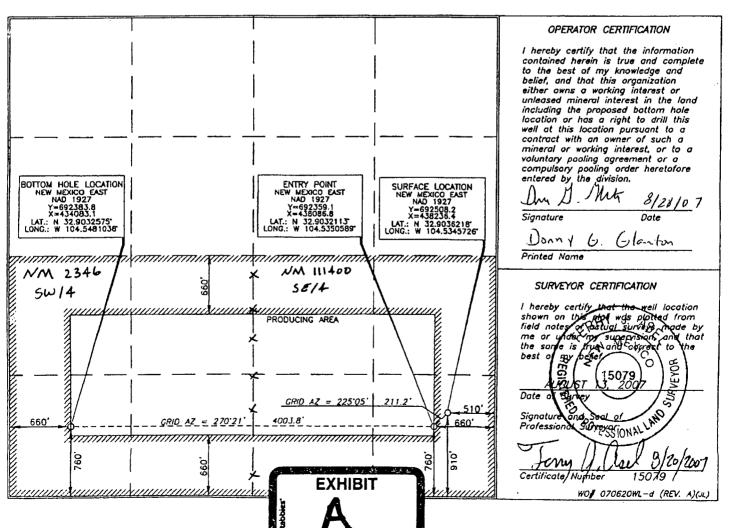
Fee Lease-3 Copies

AMENDED REPORT

1220 S. St. Francis Dr., Santa Fe, NM 87505 WELL LOCATION AND ACREAGE DEDICATION PLAT API Number Pool Code 30-015-35811 Co Honwood Creek; Wolfcamp West 75260 Property Name Property Code Well Number ROBINSON HW FED. COM 2HOperator Name Elevation OCRID No. EOG RESOURCES, INC. 3642 7377 Surface Location Lot Idn Feet from the North/South line Feet from the UL or lot no. Section Township Range East/West line County 16 SOUTH 24 EAST, N.M.P.M. 910' SOUTH EAST **EDDY** 24 510'

Bottom Hole Location If Different From Surface UL or lot no. Section Township Lat Idn | Feet from the North/South line Feet from the East/West line County 16 SOUTH 24 EAST, N.M.P.M. SOUTH WEST **EDDY** 24 760' 660' Consolidation Code Order No. Joint or Infill **Dedicated Acres** 320

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.



Brooks, David K., EMNRD

From: Kristina Martinez [KEMartinez@hollandhart.com]

Sent: Wednesday, November 14, 2007 4:25 PM

To: Brooks, David K., EMNRD

Subject: EOG SD applications

Mr. Brooks.

On October 30, 2008, I provided you with the information requested below for the following simultaneous dedication applications submitted by EOG Resources:

Trinity B 28 State 2H Crusoe BKO Fed Com 2H Robinson HW Fed Com 2H

By my calculations, the objection period ends on November 19th. The spud date for these wells is approaching quickly. I was wondering if it would be possible to have the applications approved on an expedited basis once the objection period runs? Please let me know.

Thank you, Kristina

Kristina Martinez

Holland & Hart LLP P.O. Box 2208 Santa Fe, New Mexico 87504-2208 Phone (505) 988-4421

E-mail: kemartinez@hollandhart.com



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From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]

Sent: Wednesday, October 24, 2007 1:31 PM

To: Kristina Martinez

Subject: EOG Resources: Robinson HW Fed Com Well No. 2H; Eddy County

Kristina

OCD's interpretation is that the completion of a second horizontal well across both quarter sections of a 320-acres gas unit *does* exceed the number of wells authorized by division rules for these units. That is true because Rule 104.C(2) requires that the two wells allowed in a 320-acre unit be in different quarter sections. A horizontal well running across the section is located in *both* quarter sections. This is why we require Simultaneous Dedication approval for such wells.

Rule 1210 does not specify the notice requirements for Simultaneous Dedication applications. Accordingly, Rule

1210.A(9) applies, requiring that the applicant "shall give notice as the division requires." Division policy in this type of case is that we require notice to "affected persons" in all spacing units in the same formation directly or diagonally adjoining the subject unit.

Accordingly, I am coding your application for the referenced unit "returned to operator." I will retain physical possession of the materials submitted, and will re-activate your application upon receipt of proof of notice in accordance with the stated policy.

Thanks

David K. Brooks Legal Examiner 505-476-3450

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