

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

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**IN THE MATTER OF THE APPLICATION
OF EOG RESOURCES, INC. FOR
CREATION OF NON-STANDARD
SPACING AND PRORATION UNITS IN
THE BONE SPRINGS FORMATION AND
COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO.**

CASE NO. 15126

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by EOG Resources, Inc. ("EOG") as required by the Oil Conservation Division Rule 19.15.4.13.B.

APPEARANCES

APPLICANT

EOG Resources, Inc.

APPLICANT'S ATTORNEY

Michael H. Feldewert
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APPLICANT'S STATEMENT OF CASE

EOG seeks an order (1) creating a 160-acre spacing and proration unit comprised of the W/2W/2 of Section 21, Township 26 South, Range 33 East, NMPM, Lea County, New Mexico and for an order (1) creating a non-standard 160-acre spacing and proration unit comprised of the E/2 SE/4 of Section 22 and the E/2 NE/4 of Section 27,

Township 26 South, Range 33 East, for all formations and/or pools developed on 40-acre and 80-acre spacing from the surface to the base of the Bone Spring formation, which includes the Red Hills; Upper Bone Spring Shale Pool (Pool Code 97900) and Red Hills; Lower Bone Spring Pool (Pool Code 97903); (2) pooling all uncommitted mineral interests in these non-standard spacing units; and (3) pooling all uncommitted mineral interests in the SE/4 of Section 22 and the NE/4 of Section 27, Township 26 South, Range 33 East, to form a standard 320-acre gas spacing and proration unit in the Wolfcamp formation and the Salado Draw Wolfcamp Gas Pool (Pool Code 84410) in Lea County, New Mexico. The proposed Ophelia 27 No. 701H Well will be horizontally drilled from a surface location in the SE/4NE/4 (Unit H) of Section 27 to a bottom hole location in NE/4SE/4 (Unit I) of Section 22. The completed interval for this well will commence in SE/4NE/4 (Unit H) of Section 27 and remain within the 660-foot standard offset required by the Statewide Rules set forth in 19.15.15 NMAC for gas wells and the 330-foot setbacks required by the Statewide Rules for oil wells.

APPLICANT'S PROPOSED EVIDENCE


WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Dan McCright, Petroleum Landman	Approx. 15 mins.	Approx. 4
Matt Garrison, Petroleum Geologist	Approx. 15 mins.	Approx. 4

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART, LLP



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