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

APPLICATION OF EOG RESOURCES, INC. FOR A NON-STANDARD SPACING AND PRORATION UNIT, AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 15174

70114

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PRE-HEARING STATEMENT

This pre-hearing statement in submitted by EOG Resources, Inc. ("EOG") as

required by the Oil Conservation Division Rule 19.15.4.13.B.

APPEARANCES

APPLICANT

EOG Resources, Inc. 5509 Champions Dr. Midland, TX 79706

APPLICANT'S ATTORNEY

Michael H. Feldewert Gabrielle A. Gerholt Holland & Hart, LLP Post Office Box 2208 Santa Fe, New Mexico 87504-2208 (505) 988-4421 (505) 983-6043 Facsimile

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 10, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico; and (2) pooling all mineral interests in the Bone Spring formation (Red Hills; Upper Bone Spring Shale Pool (Code 97900)) underlying this acreage. EOG proposes to dedicate the above-referenced spacing and proration unit as the project area for its proposed **Osprey 10 #1H** (API No. 30-025-41816), which will be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) to a bottom hole location in NW/4NW/4 (Unit D) of Section 10. The completed interval for this well will commence and remain within the 330-foot standard offset required by the statewide rules.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Matthew Phillips, Petroleum Landman	Approx. 10 minutes	Approx. 5
John Lock, Petroleum Geologist	Approx. 10 minutes	Approx. 4

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART, LLP

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