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

## APPLICATION OF EOG RESOURCES, INC. FOR AMENDMENT OF DIVISION ORDER NO. R-11433 FOR APPROVAL OF AN UNORTHODOX WELL LOCATION, EDDY COUNTY, NEW MEXICO.

CASE NO. 12543

#### **AFFIDAVIT**

STATE OF NEW MEXICO ) ) ss. COUNTY OF SANTA FE )

William F. Carr, attorney in fact and authorized representative of EOG Resources, Inc., the applicant herein, being first duly sworn, upon oath, states that notice has been given to all interested parties entitled to receive notice of this application under Oil Conservation Division rules, and that notice has been given at the addresses shown on Exhibit "A" attached hereto.

SUBSCRIBED AND SWORN to before this 14th day of November, 2000 by William F. Carr.

Notary Public

My Commission Expires: 102 - 6, 203

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Case No. <u>12543</u> Exhibit No. 4 Submitted by: <u>EOG Resources, Inc.</u> Hearing Date: November 16, 2000

# EXHIBIT A

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Mewbourne Oil Company Post Office Box 7698 Tyler, Texas 75711

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Attention: Paul Hayden

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#### CAMPBELL, CARR, BERGE

& SHERIDAN, P.A.

MICHAEL B. CAMPBELL WILLIAM F. CARR BRADFORD C. BERGE MARK F. SHERIDAN MICHAEL H. FELDEWERT TANYA M. TRUJILLO JACK M. CAMPBELL

1916-1999

JEFFERSON PLACE SUITE I - IIO NORTH GUADALUPE POST OFFICE BOX 2208 SANTA FE, NEW MEXICO 87504-2208 TELEPHONE: (505) 988-4421 FACSIMILE: (505) 983-6043 E-MAIL: law@westofpecos.com

October 26, 2000

### <u>CERTIFIED MAIL</u> <u>RETURN RECEIPT REQUESTED</u>

Mewbourne Oil Company Post Office Box 7698 Tyler, Texas 75711

Attention: Paul Hayden

Re: Application of EOG Resources, Inc. for amendment of Division Order No. R-11433 for approval of an unorthodox well location, Eddy County, New Mexico.

Dear Mr. Hayden:

This letter is to advise you that EOG Resources, Inc. has filed the enclosed application with the New Mexico Oil Conservation Division seeking amendment of Order No. R-11433 which force pooled all mineral interests from a depth of 3100 feet through the top 100 feet of the Mississippian Chester formation underlying the N/2 of Section 7, Township 17 South, Range 29 East, NMPM. EOG seeks to amend this order to correct and approve an unorthodox well location for its proposed Warp Speed "7" Federal Com Well No. 1 to be drilled 2280 feet from the North line and 1930 feet from the West line of said Section 7.

This application has been set for hearing before a Division Examiner on November 16, 2000. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Notification Letter October 22, 2000 Page 2

Parties appearing in cases are required by Division Rule 1208.B to file a Prehearing Statement three days in advance of a scheduled hearing. This statement must include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

Very truly yours,

Sillian A.C

William F. Carr ATTORNEY FOR EOG RESOURCES, INC.

Enc.

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

## IN THE MATTER OF THE APPLICATION OF EOG RESOURCES, INC. FOR AMENDMENT OF DIVISION ORDER NO. R-11433, FOR APPROVAL OF AN UNORTHODOX WELL LOCATION, EDDY COUNTY, NEW MEXICO.

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CASE NO. \_\_\_\_\_

### **APPLICATION**

EOG RESOURCES, INC. ("EOG"), through its undersigned attorneys, hereby makes application for amendment of Division Order No. R-11433 to correctly identify and approve an unorthodox location for its proposed Warp Speed "7" Federal Com Well No. 1 which EOG proposed to drill at a point 2280 feet from the North line and 1930 feet from West line in the NW/4 of Section 7, Township 17 South, Range 29 East, NMPM, and in support hereof states:

1. By Order No. R-11433, dated August 3, 2000, the Division granted the application of EOG for compulsory pooling of all mineral interests in the following two non-standard spacing and proration units in the N/2 of said Section 7:

N/2 to form a non-standard 292.32-acre gas spacing and proration unit for formations and/or pools developed on 320-acre spacing within that vertical extent, including but not limited to the Undesignated South Empire-Morrow Gas Pool, Aid-Morrow Gas Pool and Undesignated North Empire-Atoka Gas Pool; and

B. The NW/4 to form a non-standard 132.32-acre gas spacing and proration unit for formations and/or pools developed on 160-acre spacing within that vertical extent.

Pursuant to Order No. 11433, these spacing and proration units were to be dedicated to EOG's proposed Warp Speed "7" Federal Com Well No. 1 to be drilled and completed at a standard location 1980 feet from the North line and 800 feet from the West line of said Section 7.

2. Subsequent to the entry of Division Order No. R-11433, EOG further refined its interpretation of the data on the subject acreage and concluded that moving the well to the proposed unorthodox location would best enable EOG to recover the reserves under this acreage. Furthermore, since the original hearing on this application, the BLM has required EOG move the well for surface reasons.

3. EOG therefore requests that Division Order R-11433 be amended to authorize the drilling of the Warp Speed "7" Federal Com Well No. 1 at an unorthodox location 2280 feet from the North line and 1930 feet from the West line of said Section 7.

4. Amendment of this order to approve the unorthodox well location for the Warp Speed "7" Federal Com Well No. 1 will be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, EOG Resources, Inc. requests that this application be set for hearing before an Examiner of the Oil Conservation Division on November 16, 2000 and, after notice APPLICATION, Page 2

and hearing as required by law, the Division amend Order No. R-11433 to approve an unorthodox well location for the Warp Speed "7" Federal Com Well No. 1 at an unorthodox well location 2280 feet from the North line and 1930 feet from the West line of Section 7, Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico.

Respectfully submitted,

CAMPBELL, CARR, BERGE, AND SHERIDAN, P.A.

By: Th

WILLIAM F. CARR Post Office Box 2208 Santa Fe, New Mexico 87504 Telephone: (505) 988-4421

ATTORNEYS FOR EOG RESOURCES, INC.

APPLICATION, Page 3