

# NSL - 8512

ID NO. 166746

RECEIVED:	REVIEWER:	TYPE:	APP NO: <b>pLEL2234847838</b>
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Geological & Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



## ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Applicant:** EOG Resources Inc. **OGRID Number:** 7377  
**Well Name:** Shiprock 5 Fed Com No. 716H **API:** 30-025-50771  
**Pool:** Bobcat Draw; Upper Wolfcamp **Pool Code:** 98094

### SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
- A. Location – Spacing Unit – Simultaneous Dedication  
 NSL       NSP (PROJECT AREA)       NSP (PRORATION UNIT)       SD
- B. Check one only for [ I ] or [ II ]
- [ I ] Commingling – Storage – Measurement  
 DHC    CTB    PLC    PC    OLS    OLM
- [ II ] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery  
 WFX    PMX    SWD    IPI    EOR    PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
- A.  Offset operators or lease holders  
 B.  Royalty, overriding royalty owners, revenue owners  
 C.  Application requires published notice  
 D.  Notification and/or concurrent approval by SLO  
 E.  Notification and/or concurrent approval by BLM  
 F.  Surface owner  
 G.  For all of the above, proof of notification or publication is attached, and/or,  
 H.  No notice required

<u>FOR OCD ONLY</u>	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note: Statement must be completed by an individual with managerial and/or supervisory capacity.**

Jordan Kessler

Print or Type Name

12/12/2022  
Date

432 488 6108  
Phone Number

Jordan Kessler

Signature

Digitally signed by Jordan Kessler  
Date: 2022.12.14 08:03:58 -0700

jordan\_kessler@eogresources.com  
e-mail Address



Jordan Lee Kessler  
Phone: (432) 488-6108  
Email: jordan\_kessler@eogresources.com

December 12, 2022

**VIA ONLINE FILING**

Adrienne Sandoval, Director  
Oil Conservation Division  
New Mexico Department of Energy, Minerals, and Natural Resources  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

**Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Shiprock 5 Fed Com No. 716H well in the E/2 of Section 5 and the NE/4 of Section 8, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico.**

Dear Director Sandoval,

EOG Resources, Inc. (OGRID No. 7377) seeks administrative approval of an unorthodox well location for its Shiprock 5 Fed Com No. 716H well (API No. 30-025-50771). The spacing unit dedicated to the well is comprised of the E/2 of Section 5 and the NE/4 of Section 8, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico. The Division has designated the pool as the Bobcat Draw; Upper Wolfcamp pool (98094). The horizontal spacing unit for the well is approximately 480.04 acres, which includes proximity tracts. The defining well for the spacing unit is the Shiprock 5 Fed Com No. 715H well (API No. 30-025-50769).

The well has not yet been drilled. The proposed location is as follows:

- The surface location is located 240 feet from the North line, 2077 feet from the East line (Lot 2) of Section 5,
- The bottom hole location is located 2540 feet from the North line, 2304 feet from the East line (Unit G) of Section 8,
- The first take point is located 100 feet from the North line, 2308 feet from the East line (Lot 2) of Section 5,
- The last take point is located 2540 feet from the North line, 2304 feet from the East line (Unit G) of Section 8.

The acreage is governed by the Division's statewide rules. The proposed completed interval is unorthodox because it will be closer than 330 feet to the western boundary. It encroaches on the spacing units in the W/2 of Section 5 and the NW/4 of Section 8. Approval of the unorthodox

location will allow EOG to use its preferred well spacing plan for horizontal wells, which will prevent waste.

**Exhibit A** is the C-102 showing the location of the well, including the proposed unorthodox completed interval. The completed interval encroaches on the spacing unit/tracts to the west.

**Exhibit B** is a plat that shows the Shiprock 5 Fed Com No. 716H well in relation to the adjoining spacing units/tracts to the west.

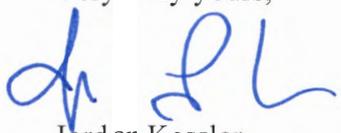
EOG is the operator of the spacing units to the west, however, ownership between the overriding royalty interest owners is diverse between the subject spacing unit and the affected spacing unit/tracts to the west. **Exhibit C** is a certification from the landman indicating that he has reviewed the tracts affected by this request. Exhibit C includes a list of the affected parties and proof that a copy of this application, including exhibits, was mailed to each affected party. This notice advises affected parties that any objection must be filed in writing with the Division within 20 days from the date the Division receives the application.

**Exhibit D** is a statement from a petroleum engineer providing justification for the requested non-standard location.

**Exhibit E** is a C-102 for the defining well for the horizontal spacing unit, the Shiprock 5 Fed Com No. 715H well (API No. 30-025-50769).

Thank you for your attention to this matter.

Very truly yours,



Jordan Kessler  
Senior Regulatory Advisor

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

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 August 1, 2011  
Submit one copy to appropriate  
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-025-50771</b>		<sup>2</sup> Pool Code <b>98094</b>		<sup>3</sup> Pool Name <b>Bobcat Draw; Upper Wolfcamp</b>	
<sup>4</sup> Property Code <b>331512</b>		<sup>5</sup> Property Name <b>SHIPROCK 5 FED COM</b>			<sup>6</sup> Well Number <b>716H</b>
<sup>7</sup> OGRID No. <b>7377</b>		<sup>8</sup> Operator Name <b>EOG RESOURCES, INC.</b>			<sup>9</sup> Elevation <b>3416'</b>

<sup>10</sup>Surface Location

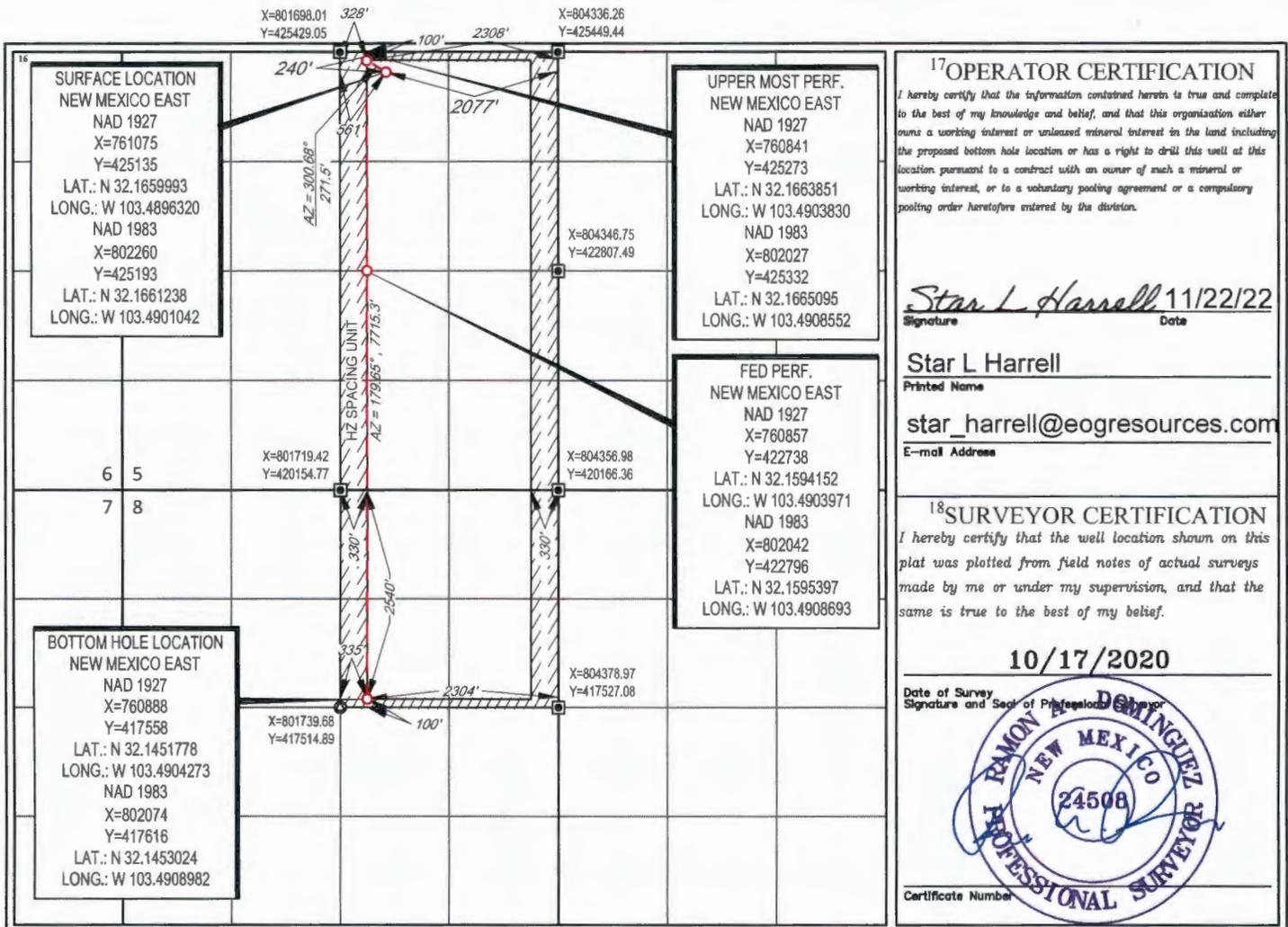
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>2</b>	<b>5</b>	<b>25-S</b>	<b>34-E</b>	<b>-</b>	<b>240'</b>	<b>NORTH</b>	<b>2077'</b>	<b>EAST</b>	<b>LEA</b>

<sup>11</sup>Bottom Hole Location If Different From Surface

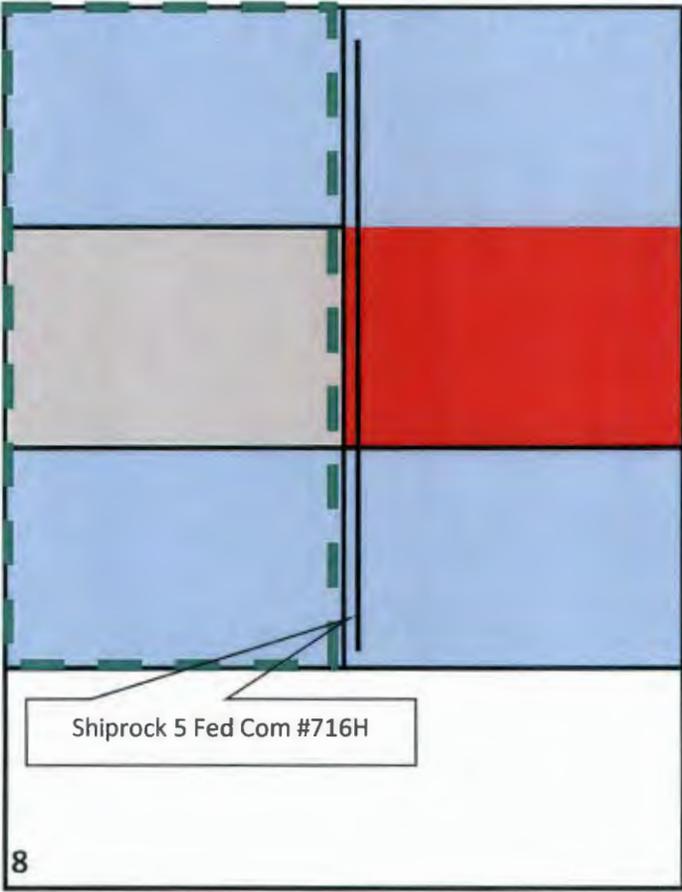
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>G</b>	<b>8</b>	<b>25-S</b>	<b>34-E</b>	<b>-</b>	<b>2540'</b>	<b>NORTH</b>	<b>2304'</b>	<b>EAST</b>	<b>LEA</b>

<sup>12</sup> Dedicated Acres <b>480.04</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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.



**EXHIBIT B**  
**SHIPROCK 5 FED COM**  
All of Section 5 & N/2 Section 8, T25S-R34E  
LEA COUNTY, NM



Offset Spacing Unit operated by  
EOG Resources, Inc.

Notice provided to:  
Fortuna III Permian, LLC  
NHPP Permian, LLC  
FR Energy, LLC  
Bureau of Land Management



Jordan Lee Kessler  
Phone: (432) 488-6108  
Email: [jordan\\_kessler@eogresources.com](mailto:jordan_kessler@eogresources.com)

December 12, 2022

**VIA FEDEX**

**TO: AFFECTED PARTIES**

**Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Shiprock 5 Fed Com No. 716H well in the E/2 of Section 5 and the NE/4 of Section 8, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico.**

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date with the applicant and the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Daniel Koury  
EOG Resources, Inc.  
(432) 686-3713  
[Daniel\\_Koury@eogresources.com](mailto:Daniel_Koury@eogresources.com)

Very truly yours,

A handwritten signature in blue ink, appearing to read "JK", written over the typed name.

Jordan Kessler  
Senior Regulatory Advisor

Well Name	Date NSL Sent	Owners NSL Sent to	Mail Tracking #
Shiprock 5 Fed Com #716H	12/12/2022	Fortuna Resources III, LLC	FedEx 392069655120
Shiprock 5 Fed Com #717H		NHPP Permian, LLC FR Energy, LLC	
	12/13/2022	Bureau of Land Management	FedEx 392096640679

EXHIBIT C



P.O. Box 2267, Midland, Texas 79702  
Phone: (432) 686-3600 Fax: (432) 686-3773

December 8, 2022

**Certification of Ownership**

I have reviewed the ownership of the oil and gas leasehold in All of Section 5: All and in the N/2 of Section 8, T25S-R34E, Lea County, New Mexico, for purposes of the unorthodox location for EOG's Shiprock 5 Fed Com #716H well located in the NE/4 of Section 5, T25S-R34E, Lea County, New Mexico. As of the date of this letter, the affected parties are:

1. EOG Resources, Inc.  
5509 Champions Dr.  
Midland, TX 79706
2. Fortuna III Permian, LLC  
55 Waugh Dr., Ste 1200  
Houston, TX 77007
3. NHPP Permian, LLC  
55 Waugh Dr., Ste 1200  
Houston, TX 77007
4. FR Energy, LLC  
55 Waugh Dr., Ste 1200  
Houston, TX 77007
5. Bureau of Land Management  
301 Dinosaur Tr.  
Santa Fe, NM 87504

Sincerely,

**EOG Resources, Inc.**

A handwritten signature in blue ink, appearing to read "Daniel Koury", written over a light blue rectangular background.

Daniel Koury  
Landman II

EXHIBIT D



P.O. Box 2267, Midland, Texas 79702  
Phone: (432) 686-3600 Fax: (432) 686-3773

December 8, 2022

Re: EOG Resources NSL Application  
Shiprock 5 Fed Com #716H

To whom it may concern:

A non-standard location is necessary to develop the Wolfcamp formation in this section efficiently and in an economic manner. A non-standard location optimizes pressures related to the completion and production drawdown of the wells and is expected to yield a higher ultimate recovery than a standard location, thereby preventing waste and protecting correlative rights.

Sincerely,

A handwritten signature in black ink, appearing to be "TZ", written over a horizontal line.

EOG Resources  
Tony Tran  
Reservoir Engineer

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
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**District IV**  
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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 August 1, 2011  
Submit one copy to appropriate  
District Office

AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number <b>30-025-50769</b>		<sup>2</sup> Pool Code <b>98094</b>		<sup>3</sup> Pool Name <b>Bobcat Draw; Upper Wolfcamp</b>	
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<sup>7</sup> OGRID No. <b>7377</b>		<sup>8</sup> Operator Name <b>EOG RESOURCES, INC.</b>			<sup>9</sup> Elevation <b>3411'</b>

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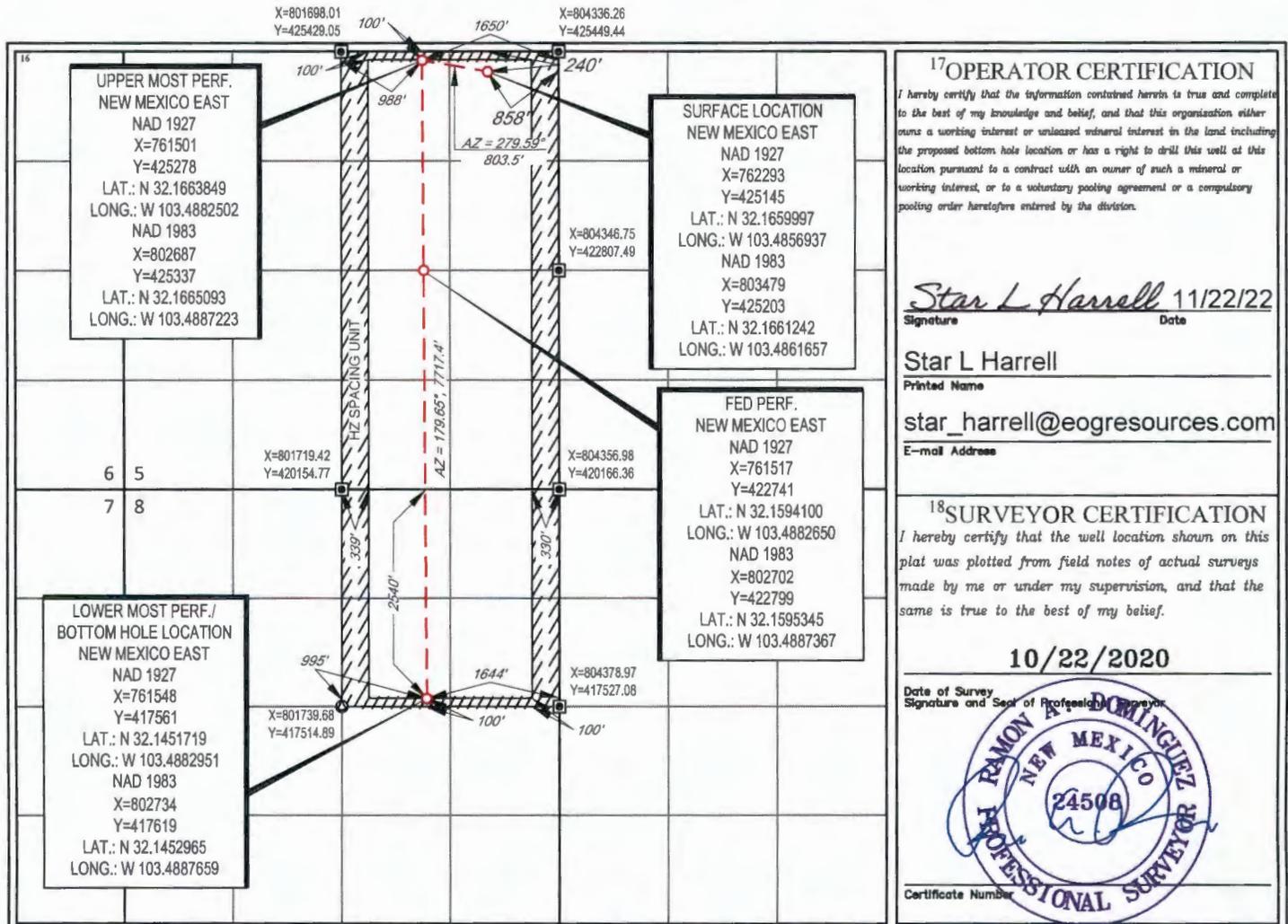
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<sup>11</sup>Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>G</b>	<b>8</b>	<b>25-S</b>	<b>34-E</b>	<b>-</b>	<b>2540'</b>	<b>NORTH</b>	<b>1644'</b>	<b>EAST</b>	<b>LEA</b>

<sup>12</sup> Dedicated Acres <b>480.04</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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 Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

CONDITIONS

Action 166746

**CONDITIONS**

Operator: EOG RESOURCES INC P.O. Box 2267 Midland, TX 79702	OGRID: 7377
	Action Number: 166746
	Action Type: [UF-NSL] Non-Standard Location (NSL)

**CONDITIONS**

Created By	Condition	Condition Date
llowe	None	1/13/2023