

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

**APPLICATION OF EOG RESOURCES, INC.
FOR APPROVAL OF 1,000-ACRE NON-STANDARD
SPACING UNIT IN THE DELAWARE FORMATION
COMPRISED OF ACREAGE SUBJECT TO A
PROPOSED COMMUNITIZATION AGREEMENT,
LEA COUNTY, NEW MEXICO.**

CASE NO. _____

APPLICATION

EOG Resources, Inc. ("EOG" or "Applicant") (OGRID No. 7377) through its undersigned attorneys, hereby files this application with the Oil Conservation Division, for an order approving 1,000-acre, more or less, non-standard spacing unit in the Delaware formation to match the corresponding proposed Communitization Agreement for the acreage underlying all of Section 10, and the N/2 and the NW/4 SW/4 of Section 15, Township 24 South, Range 32 East, NMPM, Lea County, New Mexico. In support of its application, EOG states:

1. EOG owns all of the working interest in the Delaware formation and seeks approval of 1,000-acre non-standard spacing unit to match the corresponding proposed Communitization Agreement for the federal acreage underlying all of said Section 10, and the N/2 and the NW/4 SW/4 of said Section 15.
2. The Triste Draw; Delaware Pool (Pool Code 59930) is the only pool within the Delaware formation underlying the proposed non-standard spacing unit.
3. Within the proposed non-standard spacing unit, EOG intends to drill the following wells within the Triste Draw; Delaware Pool:

- **Modelo 10 Federal Com #1H-#4H wells** (API No. 30-025-pending)

2. EOG's drilling program for this area will develop the Delaware formation underlying each of the 40-acre tracts comprising the proposed non-standard spacing unit.

3. EOG seeks to minimize surface disturbance by consolidating facilities and commingling production from wells in the proposed non-standard spacing unit.

4. EOG understands that the Bureau of Land Management will approve a Communitization Agreement for the Delaware formation underlying the acreage comprising the proposed non-standard spacing units once the Division issues approvals of the proposed non-standard spacing unit.

5. To allow the wells to be dedicated to the acreage subject to the desired Communitization Agreement, EOG requires approval of corresponding non-standard spacing units in the Delaware formation.

6. Division Rules contemplate and encourage oil and gas development, where possible, in enlarged areas of common ownership to minimize surface disturbance and to promote efficient well spacing. *See, e.g.*, 19.15.16.7.P NMAC; 19.15.16.15.B(8) NMAC; 19.15.16.15.C(7) NMAC.

7. Approval of this application will allow EOG to lower operating costs, efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks and pipelines, and promote effective well spacing.

8. Notice of this application will be provided as required by Division rules.

9. Approval of this application is in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, EOG requests that this application be set for hearing before an

Examiner of the Oil Conservation Division on April 7, 2022, and that after notice and hearing as required by law, the Division enter an order granting this application.

Respectfully submitted,

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