

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

**APPLICATION OF EOG RESOURCES, INC.
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 22948

EOG RESOURCES, INC.'S PRE-HEARING STATEMENT

EOG Resources, Inc. ("EOG") submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

EOG Resources, Inc.

ATTORNEY

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OTHER PARTIES

Cimarex Energy Co.

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APPLICANT'S STATEMENT OF CASE

EOG seeks an order from the Division pooling all uncommitted interests in the Bone Spring formation from the top of the 2nd Bone Spring interval to the top of the Wolfcamp formation underlying a standard 320-acre horizontal spacing unit comprised of the W/2 of Section 21, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico. EOG proposes to dedicate the following initial wells to the spacing unit:

- **Galleon 21 Fed 501H** and **Galleon 21 Fed 502H**, to be drilled from the SW/4 SW/4 (Unit M) to a bottomhole location in the NW/4 NW/4 (Unit D) of Section 21; and
- **Galleon 21 Fed 503H** and **Galleon 21 Fed 504H**, to be drilled from the SE/4 SW/4 (Unit N) to a bottomhole location in the NE/4 NW/4 (Unit C) of Section 21.

The completed interval of the Galleon 21 Fed 503H well is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under NMAC 19.15.16.15.B(1)(b).

An existing Joint Operating Agreement covers the subject acreage but is limited in depth to the 1st Bone Spring interval of the Bone Spring formation. Accordingly, EOG seeks to pool from the top of the 2nd Bone Spring interval of the Bone Spring formation to the top of the Wolfcamp formation, being the stratigraphic equivalent of 10,449 feet to 12,030 feet subsurface, as found in the Vaca Ridge 21 Fed Com #1 (API:30-025-28641), located in the SW/4SE/4 of Section 21, Township 24 South, Range 34 East, Lea County, New Mexico.

Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all interest owners in the proposed spacing unit. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, will

protect correlative rights, and allow Applicant to obtain a just and fair share of the oil and gas underlying the subject lands.

APPLICANT'S PROPOSED EVIDENCE


WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Laci Stretcher, Landman	Affidavit	Approx. 5
Terra George, Geology	Affidavit	Approx. 3

PROCEDURAL MATTERS

If uncontested at the hearing, EOG intends to present this case by affidavit.

Respectfully submitted,

HOLLAND & HART LLP

By:  _____

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ATTORNEYS FOR EOG RESOURCES, INC.

CERTIFICATE OF SERVICE

I hereby certify that on July 28, 2022, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
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QUESTIONS

Action 129581

QUESTIONS

Operator: EOG RESOURCES INC P.O. Box 2267 Midland, TX 79702	OGRID: 7377
	Action Number: 129581
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	<i>Not answered.</i>
Testimony time (in minutes)	<i>Not answered.</i>