

**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. _____

APPLICATION

EOG Resources, Inc. (“EOG” or “Applicant”) (OGRID No. 7377) through its undersigned attorneys, files this application with the Oil Conservation Division for an order pooling a non-standard 1,920-acre, more or less, horizontal well spacing unit in the Wolfcamp formation comprised of the Sections 20, 29, and 32, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico pooling all uncommitted mineral owners in this acreage. In support of this application, EOG states:

1. EOG is a working interest owner in the subject acreage and has the right to drill thereon.
2. Applicant seeks to initially dedicate the above-referenced non-standard horizontal well spacing unit to the proposed **Pretty Good 20 Fed Com #701H** and **Pretty Good 20 Fed Com #702H** wells, both to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 20, with a first take point in the NE/4 NE/4 (Unit A) of Section 20, and the last take point in the SE/4 SE/4 (Unit P) of Section 32; **Pretty Good 20 Fed Com #703H** and **Pretty Good 20 Fed Com #704H** wells, both to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 20, with a first take point in the NW/4 NE/4 (Unit B) of Section 20, and the last take point in the SW/4 SE/4 (Unit O) of Section 32; **Pretty Good 20 Fed Com #705H**, **Pretty Good 20 Fed Com #713H**, **Pretty Good 20 Fed Com #743H** wells, all to be horizontally drilled

from a surface location in the NW/4 NE/4 (Unit B) of Section 20, with a first take point in the NE/4 NW/4 (Unit C) of Section 20, and the last take point in the SE/4 SW/4 (Unit N) of Section 32; and **Pretty Good 20 Fed Com #707H, Pretty Good 20 Fed Com #714H, Pretty Good 20 Fed Com #715H, and Pretty Good 20 Fed Com #744H** wells, all to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 20, with a first take point in the NW/4 NW/4 (Unit D) of Section 20, and the last take point in the SW/4 SW/4 (Unit M) of Section 32.

3. EOG proposes to drill certain initial wells within one year of the issuance of a pooling order and drill the remaining additional initial wells within two years of the issuance of a pooling order.

4. Applicant filed a separate administrative application for approval of the non-standard spacing unit.

5. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all mineral interest owners in the subject spacing unit.

6. The pooling of interests and approval of this spacing unit will allow Applicant to obtain a just and fair share of the oil and gas underlying the subject lands, avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

WHEREFORE, Applicant requests that this matter be set for hearing on June 13, 2024, before an Examiner of the Oil Conservation Division, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interest owners in the proposed horizontal well spacing unit;
- B. Designating Applicant as operator of this horizontal spacing unit and the horizontal wells to be drilled thereon;

- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the wells;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP

By: 

Michael H. Feldewert
Adam G. Rankin
Paula Vance
Post Office Box 2208
Santa Fe, NM 87504
505-988-4421
505-983-6043 Facsimile
mfeldewert@hollandhart.com
agrarkin@hollandhart.com
pmvance@hollandhart.com

ATTORNEYS FOR EOG RESOURCES, INC.

CASE _____: **Application of EOG Resources, Inc. for Compulsory Pooling, Lea County, New Mexico.** Applicant seeks an order pooling a non-standard 1,920-acre, more or less, horizontal well spacing unit in the Wolfcamp formation comprised of the Sections 20, 29, and 32, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico pooling all uncommitted mineral owners in this acreage. This spacing unit will be initially dedicated to the **Pretty Good 20 Fed Com #701H** and **Pretty Good 20 Fed Com #702H** wells, both to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 20, with a first take point in the NE/4 NE/4 (Unit A) of Section 20, and the last take point in the SE/4 SE/4 (Unit P) of Section 32; **Pretty Good 20 Fed Com #703H** and **Pretty Good 20 Fed Com #704H** wells, both to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 20, with a first take point in the NW/4 NE/4 (Unit B) of Section 20, and the last take point in the SW/4 SE/4 (Unit O) of Section 32; **Pretty Good 20 Fed Com #705H**, **Pretty Good 20 Fed Com #713H**, **Pretty Good 20 Fed Com #743H** wells, all to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 20, with a first take point in the NE/4 NW/4 (Unit C) of Section 20, and the last take point in the SE/4 SW/4 (Unit N) of Section 32; and **Pretty Good 20 Fed Com #707H**, **Pretty Good 20 Fed Com #714H**, **Pretty Good 20 Fed Com #715H**, and **Pretty Good 20 Fed Com #744H** wells, all to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 20, with a first take point in the NW/4 NW/4 (Unit D) of Section 20, and the last take point in the SW/4 SW/4 (Unit M) of Section 32. Also, to be considered will be the cost of drilling and completing the wells, the timing of development for initial wells, and the allocation of the costs thereof, operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the wells. Said area is approximately 34 miles northwest of Jal, New Mexico.