

**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 all uncommitted mineral owners in a standard 640-acre, more or less, horizontal spacing well unit in the Lower Bone Spring formation (Red Hills; Lower Bone Spring Shale Pool [Pool Code 51020]) comprised of the W/2 of Sections 13 and 24, Township 25 South, Range 33 East, NMPM, Lea County, New Mexico. 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 standard horizontal well spacing unit to the proposed initial following wells:
  - **Vaca 24 Fed Com 221H, Vaca 24 Fed Com 311H, Vaca 24 Fed Com 411H, Vaca 24 Fed Com 412H, Vaca 24 Fed Com 511H, Vaca 24 Fed Com 521H, Vaca 24 Fed Com 522H, and Vaca 24 Fed Com 581H wells**, to be horizontally drilled from surface locations in the SW/4 SW/4 (Unit M) of Section 24, with first take points in the SW/4 SW/4 (Unit M) of Section 24 and last take points in the NW/4 NW/4 (Unit D) of Section 13;
  - **Vaca 24 Fed Com 222H, Vaca 24 Fed Com 312H, Vaca 24 Fed Com 413H, Vaca 24 Fed Com 512H, Vaca 24 Fed Com 523H, and Vaca 24 Fed Com 591H**

**wells**, to be horizontally drilled from surface locations in the SE/4 SW/4 (Unit N) of Section 24, with first take points in the SE/4 SW/4 (Unit N) of Section 24 and last take points in the NE/4 NW/4 (Unit C) of Section 13; and

- **Vaca 24 Fed Com 582H well**, to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 24, with a first take point in the SE/4 SW/4 (Unit N) of Section 24 and a last take point in the NE/4 NW/4 (Unit C) of Section 13.

3. The completed interval for each well is expected to comply with the statewide setback requirements for the Bone Spring formation.

4. 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.

5. The pooling of mineral interest owners 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 May 8, 2025, 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,

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By: \_\_\_\_\_



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**ATTORNEYS FOR EOG RESOURCES, INC.**

CASE \_\_\_\_\_: **Application of EOG Resources, Inc. for Compulsory Pooling, Lea County, New Mexico.** Applicant seeks an order pooling all uncommitted mineral owners in a standard 640-acre, more or less, horizontal spacing well unit in the Lower Bone Spring formation (Red Hills; Lower Bone Spring Shale Pool [Pool Code 51020]) comprised of the W/2 of Sections 13 and 24, Township 25 South, Range 33 East, NMPM, Lea County, New Mexico. This spacing unit will be initially dedicated to the **Vaca 24 Fed Com 221H, Vaca 24 Fed Com 311H, Vaca 24 Fed Com 411H, Vaca 24 Fed Com 412H, Vaca 24 Fed Com 511H, Vaca 24 Fed Com 521H, Vaca 24 Fed Com 522H, and Vaca 24 Fed Com 581H wells**, to be horizontally drilled from surface locations in the SW/4 SW/4 (Unit M) of Section 24, with first take points in the SW/4 SW/4 (Unit M) of Section 24 and last take points in the NW/4 NW/4 (Unit D) of Section 1; the **Vaca 24 Fed Com 222H, Vaca 24 Fed Com 312H, Vaca 24 Fed Com 413H, Vaca 24 Fed Com 512H, Vaca 24 Fed Com 523H, and Vaca 24 Fed Com 591H wells**, to be horizontally drilled from surface locations in the SE/4 SW/4 (Unit N) of Section 24, with first take points in the SE/4 SW/4 (Unit N) of Section 24 and last take points in the NE/4 NW/4 (Unit C) of Section 13; and the **Vaca 24 Fed Com 582H well**, to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 24, with a first take point in the SE/4 SW/4 (Unit N) of Section 24 and a last take point in the NE/4 NW/4 (Unit C) of Section 13. Also, to be considered will be the cost of drilling and completing the 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 21 miles west of Jal, New Mexico.