5/16/2014

NSL

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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -1220 South St. Francis Drive, Santa Fe, NM 87505



Bcm + State

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 -1U5L **Application Acronyms:** -*120G*-[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication] Resources [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] well [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase] [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response] [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A] Pool Location - Spacing Unit - Simultaneous Dedication nedHillk NSL NSP 4Prek Bonc Check One Only for [B] or [C] Commingling - Storage - Measurement \square DHC \square CTB \square PLC \square PC \square OLS [C]Injection - Disposal - Pressure Increase - Enhanced Oil Recovery $\mathbb{C} \mathbb{O}$ □ WFX □ PMX □ SWD □ IPI □ EOR □ PPR [D] Other: Specify [2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or (Does Not Apply Working, Royalty or Overriding Royalty Interest Owners [A][B] Offset Operators, Leaseholders or Surface Owner [C] Application is One Which Requires Published Legal Notice [D] Notification and/or Concurrent Approval by BLM or SLO U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office [E] For all of the above, Proof of Notification or Publication is Attached, and/or, [F] Waivers are Attached [3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE. **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. MICHAEL H. FELDEWERT ATTORNEY 05/15/14 Print or Type Name Title Signature Date mfeldewert@hollandhart.com

e-mail Address



Michael H. Feldewert Recognized Specialist in the Area of Natural Resources - oil and gas law - New Mexico Board of Legal Specialization mfeldewert@hollandhart.com

May 15, 2014

VIA HAND DELIVERY

Jami Bailey
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Hawk 26 Fed 1H Well to be located in Section 35, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico.

Dear Ms. Bailey:

EOG Resources, Inc. (OGRID No. 7377) seeks administrative approval of an unorthodox well location for its **Hawk 26 Fed 1H Well** to be completed within the Red Hills; Upper Bone Spring Shale Pool (Pool Code 97900) underlying Section 35, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico. This well will be drilled from a surface location 500 feet from the South line and 685 feet from the West line of Section 26, Township 24 South, Range 33 East but completed wholly within Section 35. The upper most perforation will be 10 feet from the North line and 391 feet from the West line of Section 35 (Unit D) and the lower most perforation will be 330 feet from the South line and 380 feet from the West line of Section 35 (Unit M). Since this acreage is governed by the Division's statewide rules which provides for wells to be located no closer than 330 feet to the outer boundary of the spacing unit, the upper most perforation for this well will be unorthodox, but the remaining portion of the completed interval will comply with the Division's setback requirements. Approval of the unorthodox completed interval will prevent waste of a productive reservoir and improve well performance.

Exhibit A is the Well Location and Acreage Dedication Plat (Form C-102), which shows that the completed interval of the proposed **Hawk 26 Fed 1H Well** encroaches on the spacing and proration units to the North and Northwest.

Exhibit B is a land plat for Section 26 and the surrounding sections that shows the proposed **Hawk 26 Fed 1H Well** in relation to adjoining units and existing wells.



EOG is the sole operator and mineral lessee of the federal lease covering Section 26 and the sole operator and mineral lessee of the state lease covering the S/2 of Section 27. Accordingly, there are no affected parties. Nonetheless, a copy of this application has been provided to the Bureau of Land Management and the New Mexico State Land Office.

Your attention to this matter is appreciated.

Sincerely,

Michael H. Feldewert

ATTORNEY FOR EOG RESOURCES, INC.

cc: Bureau of Land Management 620 E. Green Street

Carlsbad, NM 88220

New Mexico State Land Office

P.O. Box 1148

Santa Fe, NM 87504

Diamet 1
1655 N. French Dr., Hobbs, NM 88249
Phone (575) 393-0161. Fax (575) 393-0720
Dismet II
811.8. First St., Artesta, NM 88210
Phone (575) 748-1283. Fax: (575) 748-0736
Dismet III
1000 Rio Brazos Road, Aztec, NM 87440
Phone (565) 344-6178. Fax: (505) 354-6170
Dismet IV
1220 S. St. Francis Dr., Same Fe, NM 87805
Phone (505) 476-3400. Fax: (505) 476-3462.

State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Sante Fe, NM 87505

FORM C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

¹ API Number				² Pool Code		³ Pool Name				
¹ Property Code ⁷ OGRID No.		Property Name HAWK 26 FED							"Well Number #1H "Elevation 3513'	
		*Operator Name EOG RESOURCES, INC.						1		
					¹⁰ Surface Loc	ation				
L L or lot no.	Section 26	Township 24-S	Range 33-E	Lot Ida	Feet from the 500'	North/South line	Feet from the 685'	East/West line WEST	County LEA	
VL or lot no.	Section	Township	Range	Lot Idu	Feet from the	North/South line	Feet from the	East/West line	Count	
M	35	24-S	33-E		230'	SOUTH	380'	WEST	LEA	

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.



