

RECEIVED: 2/16/2018	REVIEWER: MAM	TYPE: NSL	APP NO: PMAM 805337274
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505

**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

Applicant: EOG Resources, Inc. **OGRID Number:** 7377
Well Name: Gem 36 State Com No. 707H Well **API:** 30-025-44265
Pool: Upper Wolfcamp Pool **Pool Code:** 98158

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION
 INDICATED BELOW**

1) TYPE OF APPLICATION: Check those which apply for [A]

A. Location - Spacing Unit - Simultaneous Dedication

☒ NSL☐ NSP (PROJECT AREA)☐ NSP (PRORATION UNIT)☐ SD

B. Check one only for [I] or [II]

[I] Commingling - Storage - Measurement

☐ DHC☐ CTB☐ PLC☐ PC☐ OLS☐ OLM

[II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX☐ PMX☐ SWD☐ IPI☐ EOR☐ PPR

FEB 16 2018 PM03:59

2) NOTIFICATION REQUIRED TO: Check those which apply.A. ☒ Offset operators or lease holdersB. ☐ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☒ Notification and/or concurrent approval by SLOE. ☐ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☒ For all of the above, proof of notification or publication is attached, and/or,H. ☐ No notice required**FOR OCD ONLY**☐

Notice Complete

☐Application
Content
Complete

3) 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.

Adam G. Rankin

Print or Type Name

Signature

February 16, 2018

Date

505-988-4421

Phone Number

agrarkin@hollandhart.com

e-mail Address



Adam G. Rankin
Associate
Phone (505) 954-7294
Fax (505) 983-6043
AGRankin@hollandhart.com

February 16, 2018

VIA HAND DELIVERY

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

FEB 16 2018 PM 04:00

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Gem 36 State Com No. 707H Well in the E/2 W/2 of Section 36, Township 25 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

Dear Ms. Riley:

EOG Resources, Inc. (OGRID No. 7377) seeks administrative approval of an unorthodox well location for its **Gem 36 State Com No. 707H Well** (API No. 30-025-44265) to be completed within the WC-025 G-09 S253236A; Upper Wolfcamp Pool (98158) underlying Section 36, Township 25 South, Range 32 East, N.M.P.M., Lea County, New Mexico. This well will be drilled from a surface location 220 feet from the south line and 1259 feet from the west line (Unit M). The upper most perforation will be located 330 feet from south line and 1414 feet from the west line (Unit N) and the lower most perforation will be 330 feet from the north line and 1400 feet from the west line (Unit C) of Section 36. 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 completed interval for this well will be unorthodox because it is closer than 330 feet to the western, southwestern, and northwestern boundaries of the project area.

Ownership in the Wolfcamp is identical between the proposed spacing unit and the spacing unit in the W/2 W/2 of Section 36. EOG's affiliate, EOG Y Resources, Inc., is the operator of the spacing unit in SW/4 SW/4 of Section 25. Approval of the unorthodox completed interval will allow EOG to use their preferred well spacing plan for horizontal wells in this area and thereby prevent waste.

Holland & Hart LLP

Phone [505] 988-4421 Fax [505] 983-6043 www.hollandhart.com

110 North Guadalupe Suite 1 Santa Fe, New Mexico 87501 **Mailing Address** P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Boulder Carson City Colorado Springs Denver Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C. ☎

HOLLAND & HART^{LLP}



Exhibit A is a draft Well Location and Acreage Dedication Plat (Form C-102), which shows that the completed interval of the proposed **Gem 36 State Com No. 707H Well** encroaches on the spacing and proration units to the west, southwest, and northwest.

Exhibit B is a land plat for Section 36 and the surrounding sections that shows the proposed **Gem 36 State Com No. 707H Well** in relation to adjoining units and existing wells.

Exhibit C is a list of the parties affected by the encroachment to the southwest. As described above, EOG is the operator in the spacing and proration unit comprised of the W/2 W/2 of Section 36 and ownership is identical to the proposed spacing unit and EOG's affiliate is the operator in the spacing and proration unit comprised of the SW/4 SW/4 of Section 25. Accordingly, there are no affected parties in the spacing units to the west and northwest of the proposed well. The only affected parties are in the spacing unit to the southwest. Each of the parties listed on Exhibit C have been provided notice of this application by certified mail. A copy of this application has been provided to the State Land Office.

Exhibit D is an affidavit from the landman verifying that ownership in the W/2 W/2 of Section 36 and the subject spacing unit is identical.

Your attention to this matter is appreciated.

Sincerely,

Adam G. Rankin
ATTORNEY FOR EOG RESOURCES, INC.

cc: New Mexico State Land Office
P.O. Box 1148
Santa Fe, NM 87504-1148
70172620000113601751

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Sante Fe, NM 87505
Phone: (505) 476-3460 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

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name GEM 36 STATE COM			
⁷ GRID No.		⁸ Operator Name EOG RESOURCES, INC.			
		⁶ Well Number #707H			
		⁹ Elevation 3349'			

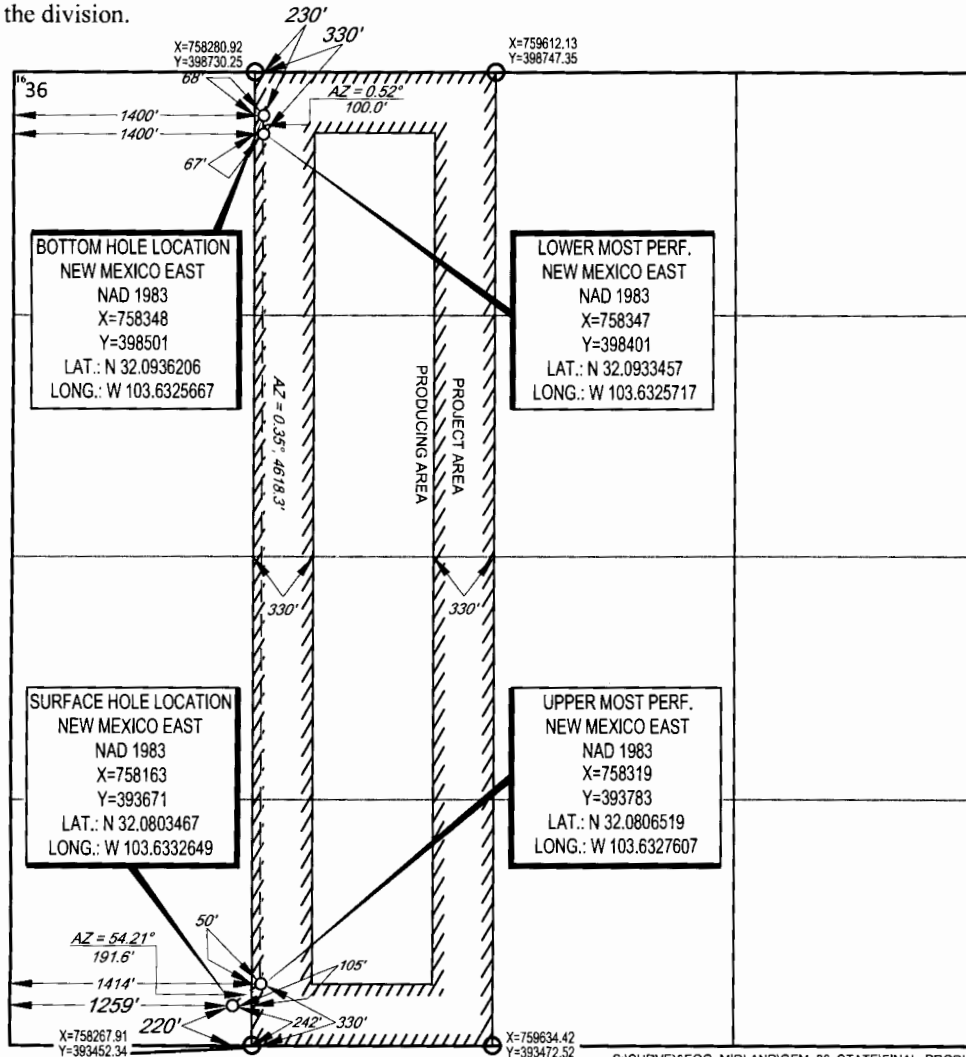
¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	36	25-S	32-E	-	220'	SOUTH	1259'	WEST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	36	25-S	32-E	-	230'	NORTH	1400'	WEST	LEA

¹² Dedicated Acres 163.39	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.



¹⁷OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature

Printed Name

E-mail Address

EXHIBIT

A

¹⁸SURVEYOR CERTIFICATION

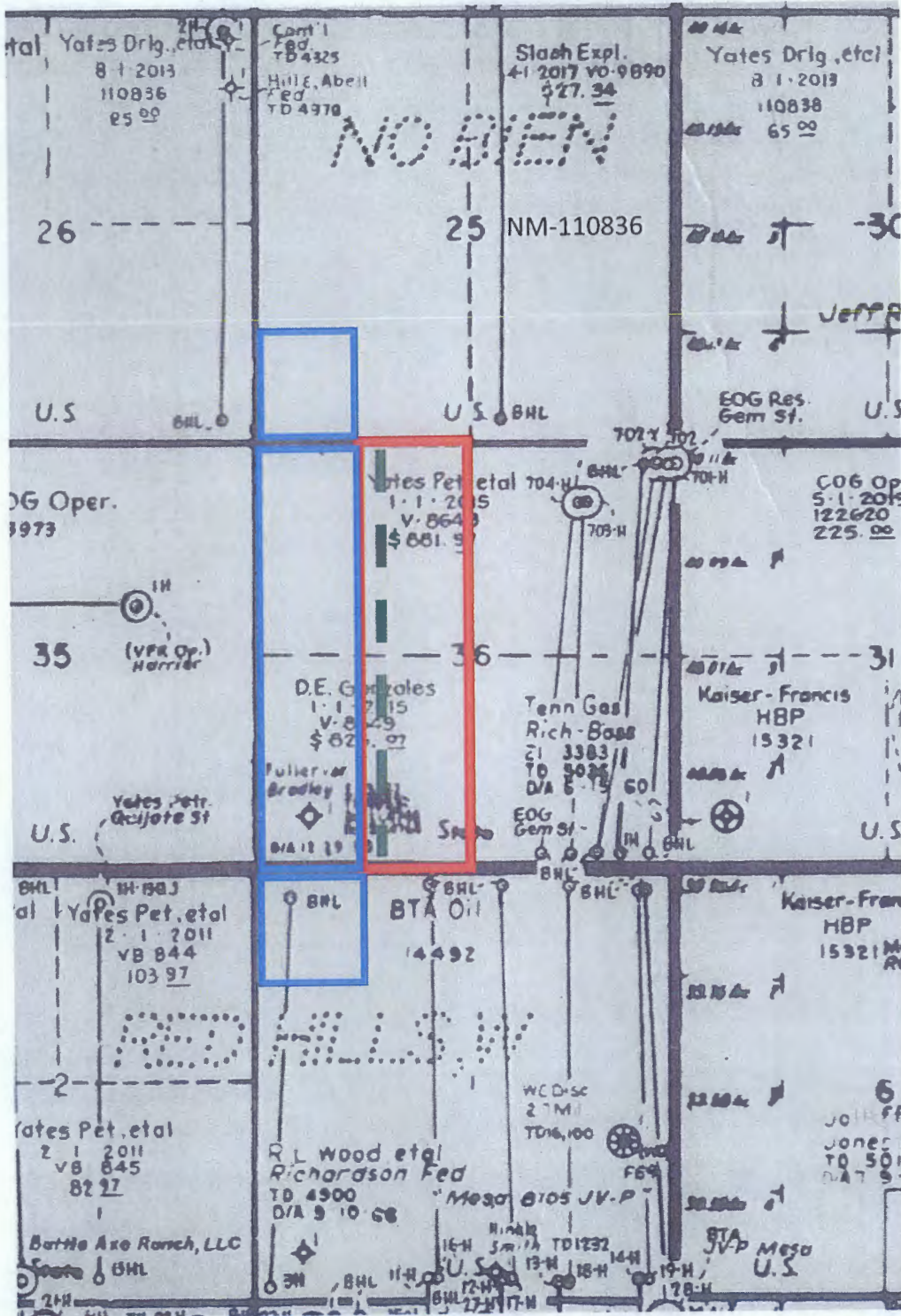
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.

11/15/2017
Date of Survey
Signature and Seal of Professional Surveyor

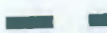
MICHAEL B. BROWN
NEW MEXICO
18329
PROFESSIONAL SURVEYOR

Certificate Number

Sec. 36: E/2W/2, Lea County New Mexico



Project area: E/2W/2 Sec. 36-T25S-R32E, Lea County, New Mexico



Wellbore



Affected Parties.

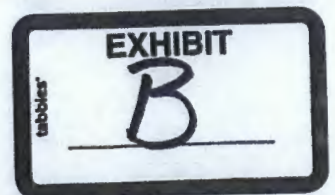


Exhibit C

BTA Oil Producers, LLC
Attention: Willis Price
104 South Pecos
Midland, TX 79701
70172620000113601768





5509 Champions Dr., Midland, Texas 79706
Phone: (432) 686-3600 Fax: (432) 686-3773

Certification of Ownership

I have reviewed the ownership of the oil and gas leasehold in Section 36, T25S-R32E, Lea County, New Mexico, for purposes of the Application for Nonstandard Location for the wells identified below. The W/2W/2 and the E/2W/2 of Section 36-T25S-R32E are covered by an operating agreement; accordingly, owners and percent ownership in the proposed spacing units are identical to the adjacent spacing units in Section 36. As of this date below, the ownership in the east and west offset spacing unit/project area to each of the wells is identical ownership as defined in 19.15.12.7 B. NMAC:

	Well Name	Surface Location	API	Pool Code/Name	Status
1	Gem 36 State Com #707H	N-36-25S-32E	30-25-44265	Anticipate: WC-025 G-09 S253236A; Upper Wolfcamp	TBD, spud 2/2018

EOG Resources, Inc.

Charles Moran
Land Advisor
February 14, 2018



HOLLAND & HART^{LLP}



Adam G. Rankin
Associate
Phone (505) 954-7294
Fax (505) 983-6043
AGRankin@hollandhart.com

February 16, 2018

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO AFFECTED PARTIES

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Gem 36 State Com No. 707H Well in the E/2 W/2 of Section 36, Township 25 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date with the applicant and the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Chuck Moran
EOG Resources, Inc.
(432) 686-3684
Charles_Moran@eogresources.com

Sincerely,

Adam G. Rankin
ATTORNEY FOR EOG RESOURCES, INC.