

NSL-7905

Revised March 23, 2017

PLEL 1917060551

RECEIVED: 6/10/19	REVIEWER: LRL	TYPE: NSL	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

JUN 10 2019 PM 12:05

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: Fearless 23 Fed Com 505H Well	API: 30-025-45185
Pool: WC-025 S253235G LWR BS	Pool Code: 97903

**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**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

June 10, 2019

Date

505-988-4421

Phone Number

agrakin@hollandhart.com

e-mail Address



Adam G. Rankin

Associate

Phone (505) 954-7286

Fax (505) 983-6043

agrarkin@hollandhart.com

June 10, 2019

VIA HAND DELIVERY

Adrienne Sandoval
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 Fearless 23 Fed Com 505H Well in the E/2 W/2 of Sections 23 and 26, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico.

Dear Ms. Sandoval:

EOG Resources, Inc. (OGRID No. 7377) seeks administrative approval of an unorthodox well location for its **Fearless 23 Fed Com 505H Well** (API No. 30-025-45185) to be completed within the WC-025 S253235G LWR BS (Pool Code 97903) underlying the E/2 W/2 of Sections 23 and 26, Township 25 South, Range 32 East, N.M.P.M., Lea County, New Mexico. This well will be drilled from a surface location 647 feet from the north line and 2,042 feet from the west line (Unit C). The upper most perforation will be located 100 feet from the north line and 2,430 feet from the west line (Unit C) of Section 23, and the lower most perforation will be 100 feet from the south line and 2,430 feet from the west line (Unit N) of Section 26. Since this acreage is governed by the Division's statewide rules, the completed interval for this well will be unorthodox because it is closer than the standard offsets to the eastern boundary of the spacing unit. 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.

Exhibit A is a Well Location and Acreage Dedication Plat (Form C-102), which shows that the completed interval of the proposed **Fearless 23 Fed Com 505H Well** encroaches on the tracts to the east.

Exhibit B is a land plat for Sections 23 and 26 and the surrounding sections that shows the proposed **Fearless 23 Fed Com 505H Well** in relation to adjoining units and existing wells.

Exhibit C is a list of the parties affected by the encroachment to the east. 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 U.S. Bureau of Land Management.



Exhibit D is statement from a petroleum engineer providing justification for the needed exception.

Your attention to this matter is appreciated.

Sincerely,

A handwritten signature in black ink, consisting of a large, stylized 'A' followed by a horizontal line and a small flourish.

Adam G. Rankin
ATTORNEY FOR EOG RESOURCES, INC.

HOLLAND & HART^{LLP}



Adam G. Rankin

Associate

Phone (505) 954-7286

Fax (505) 983-6043

agrankin@hollandhart.com

June 10, 2019

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 Fearless 23 Fed Com 505H Well in the ~~E~~/2 W/2 of Sections 23 and 26, Township 24 South, Range 33 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:

Charles Moran
EOG Resources, Inc.
(432) 686-3720
Charles_Moran@eogresources.com

Sincerely,

Adam G. Rankin
ATTORNEY FOR EOG RESOURCES, INC.

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., Santa 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.
Santa 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 FEARLESS 23 FED COM		⁶ Well Number #505H
⁷ OGRID No.	⁸ Operator Name EOG RESOURCES, INC.		⁹ Elevation 3429'

¹⁰Surface Location

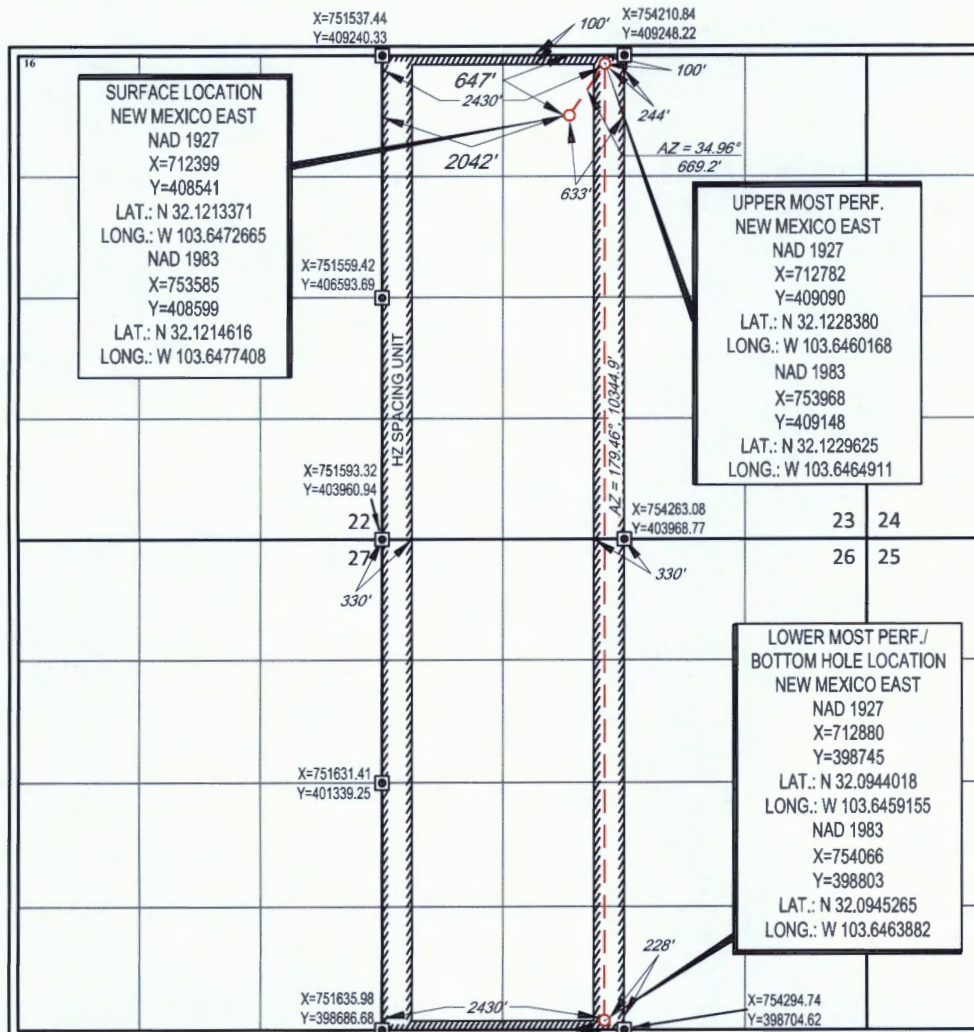
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	23	25-S	32-E	-	647'	NORTH	2042'	WEST	LEA

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	26	25-S	32-E	-	100'	SOUTH	2430'	WEST	LEA

¹² Dedicated Acres 640.00	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 unleased 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 _____ Date _____

Printed Name _____

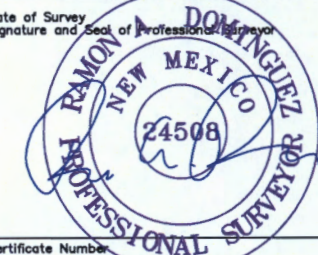
E-mail Address _____

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.

08/31/2017

Date of Survey
Signature and Seal of Professional Surveyor



Certificate Number _____

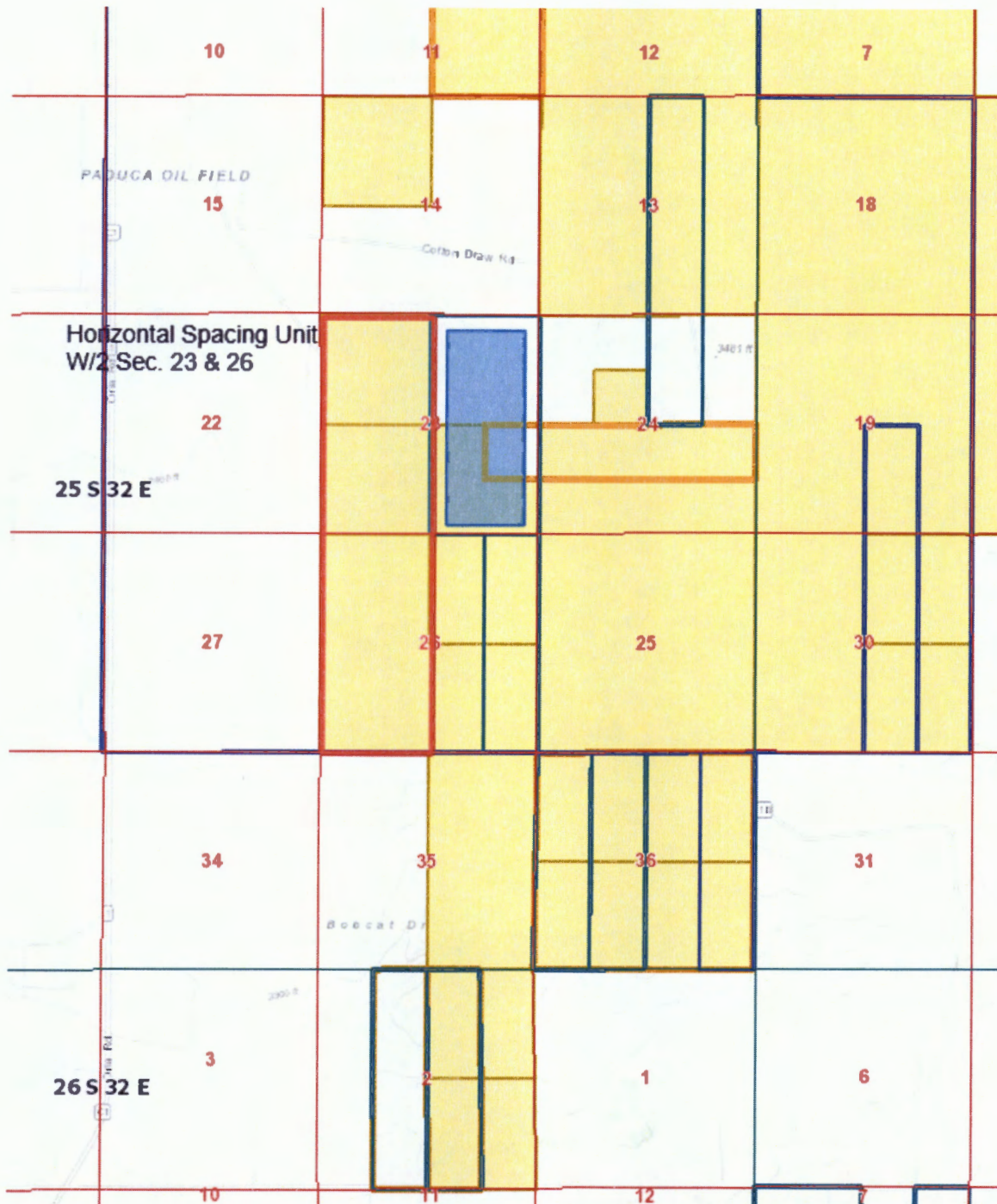


EXHIBIT B

Exhibit C

XTO Holdings
Murchison Oil & Gas, LLC
MEC Petroleum Corp.
Griffin Oilfield Developers, LLC
LRE Operating, LLC
Blackstone Minerals Company, LP
OXY Y-1 Company
West Texas Gas, Inc. dba WTG Exploration, Inc.
Chevron USA, Inc.
Toles Com Ltd., Attn: J. Penrod Toles
Mark & Kristy Kundysek Family Investments, LP
K & C Production Co.
McClellan Oil Corp
McClellan Oil Corp
David Petroleum Corp
Carlyle Exploration, Inc.
Sharbro Energy, LLC
U.S. BLM



Shipment Confirmation Acceptance Notice

A. Mailer Action

Note to Mailer: The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

EOG/Fearless 23
Fed Com 503H
44497.0001

Shipment Date: 06/10/2019

Shipped From:

Name: HOLLAND & HART LLP

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

Type of Mail	Volume
Priority Mail Express®	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	22
Total	22

*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

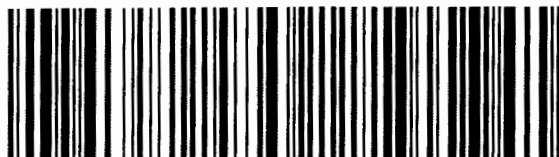
B. USPS Action

Note to RSS Clerk:

1. Home screen > Mailing/Shipping > More
2. Select Shipment Confirm
3. Scan or enter the barcode/label number from PS Form 5630
4. Confirm the volume count message by selecting Yes or No
5. Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail.
Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0014 9749 90



Firm Mailing Book For Accountable Mail

Name and Address of Sender		Check type of mail or service										Affix Stamp Here (if issued as an international certificate of mailing or for additional copies of this receipt). Postmark with Date of Receipt.									
		☐ Adult Signature Required ☐ Priority Mail Express ☐ Adult Signature Restricted Delivery ☐ Registered Mail ☒ Certified Mail ☐ Return Receipt for Merchandise ☐ Certified Mail Restricted Delivery ☐ Signature Confirmation ☐ Collect on Delivery (COD) ☐ Signature Confirmation ☐ Insured Mail ☐ Signature Confirmation ☐ Priority Mail ☐ Restricted Delivery																			
USPS Tracking/Article Number		Addressee (Name, Street, City, State, & ZIP Code™)																			
1.	9214 8901 9403 8384 4769 81	XTO Holdings 22777 Springwoods Village Pkwy Spring TX 77389																			
2.	9214 8901 9403 8384 4769 98	Murchison Oil & Gas LLC 7250 Dallas Parkway Suite 1400 Plano TX 75024																			
3.	9214 8901 9403 8384 4770 01	MEC Petroleum Corp 414 West Texas Street Suite 410 Midland TX 79702																			
4.	9214 8901 9403 8384 4770 18	MEC Petroleum Corp PO BOX 11265 Midland TX 77902																			
5.	9214 8901 9403 8384 4770 25	Griffin Oilfield Developers LLC 2025 Mardstone Road Upper St Clair PA 15241																			
6.	9214 8901 9403 8384 4770 32	LRE Operating LLC 1111 Bagby Street Suite 4600 Houston TX 77002																			
7.	9214 8901 9403 8384 4770 49	Blackstone Minerals Company LP 1001 Fannin Street Suite 2020 Houston TX 77002																			
8.	9214 8901 9403 8384 4770 56	OXY Y-1 Company 5 Greenway Plaza Suite 110 Houston TX 77046																			
Total Number of Pieces Listed by Sender		22		Total Number of Pieces Received at Post Office				Postmaster, Per (Name of receiving employee)													



Firm Mailing Book For Accountable Mail

Name and Address of Sender Holland & Hart LLP 110 N Guadalupe St # 1 Santa Fe NM 87501		Check type of mail or service ☐ Adult Signature Required ☐ Adult Signature Restricted Delivery ☒ Certified Mail ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery (COD) ☐ Insured Mail ☐ Priority Mail ☐ Priority Mail Express ☐ Registered Mail ☐ Return Receipt for Merchandise ☐ Signature Confirmation ☐ Signature Confirmation Restricted Delivery										Affix Stamp Here (if issued as an international certificate of mailing or for additional copies of this receipt). Postmark with Date of Receipt.												
USPS Tracking/Article Number		Addressee (Name, Street, City, State, & ZIP Code™)										Postage	(Extra Service) Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender if COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	SCRD Fee	SH Fee
9. 9214 8901 9403 8384 4770 63		West Texas Gas Inc dba WTG Exploration Inc 401 W Wadley Avenue Midland TX 79705										0.50	3.50							1.60				
10. 9214 8901 9403 8384 4770 70		Chevron USA Inc 1111 Bagby Houston TX 77002										0.50	3.50							1.60				
11. 9214 8901 9403 8384 4770 87		Land Dept PO BOX 4538 Houston TX 77210										0.50	3.50							1.60				
12. 9214 8901 9403 8384 4770 94		Toles Com Ltd Attn: J Pennod Toles PO BOX 1300 Roswell NM 88202										0.50	3.50							1.60				
13. 9214 8901 9403 8384 4771 00		Mark & Kristy Kudysek Family Investments LP PO BOX 202092 Arlington TX 76006										0.50	3.50							1.60				
14. 9214 8901 9403 8384 4771 17		Mark & Kristy Kudysek Family Investments LP 3028 Shadow Drive W Arlington TX 76006										0.50	3.50							1.60				
15. 9214 8901 9403 8384 4771 24		K & C Production Co 118 W 1st Street Roswell NM 88201										0.50	3.50							1.60				
16. 9214 8901 9403 8384 4771 31		McClellan Oil Corp PO BOX 730 Roswell NM 88202										0.50	3.50							1.60				
Total Number of Pieces Listed by Sender 22		Postmaster, Per (Name of receiving employee)																						



UNITED STATES
POSTAL SERVICE®

Firm Mailing Book For Accountable Mail

Name and Address of Sender		Check type of mail or service		Affix Stamp Here (if issued as an international certificate of mailing or for additional copies of this receipt). Postmark with Date of Receipt.														
		☐ Adult Signature Required ☐ Adult Signature Restricted Delivery ☒ Certified Mail ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery (COD) ☐ Insured Mail ☐ Priority Mail		☐ Priority Mail Express ☐ Registered Mail ☐ Return Receipt for Merchandise ☐ Signature Confirmation ☐ Signature Confirmation Restricted Delivery		Postage	(Extra Service) Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender if COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	SCRD Fee	SH Fee
USPS Tracking/Article Number		Addressee (Name, Street, City, State, & ZIP Code™)																
17.	9214 8901 9403 8384 4771 48	McClellan Oil Corp 105 West 3rd Street Roswell NM 88201																
18.	9214 8901 9403 8384 4771 55	David Petroleum Corp 116 West First Street Roswell NM 88203																
19.	9214 8901 9403 8384 4771 62	Carlyle Exploration Inc PO BOX 136355 Fort Worth TX 76136																
20.	9214 8901 9403 8384 4771 79	Carlyle Exploration Inc 6301 Silver Rock Lane Fort Worth TX 76135																
21.	9214 8901 9403 8384 4771 86	Shatbro Energy LLC PO BOX 840 Artesia NM 88211																
22.	9214 8901 9403 8384 4771 93	United States Department of the Interior Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508																
Total Number of Pieces Listed by Sender		Total Number of Pieces Received at Post Office																
22		22																
Postmaster, Per (Name of receiving employee)																		



June 6, 2019

Re: EOG Resources, Inc. NSL Application
Fearless 23 Federal Com #505H (Well)
E/2W/2 Secs. 23 & 26, T25S-R32E
Lea County, New Mexico

To Whom it may concern:

Considering the distance between wells in the 2 mile development plan for the Bone Spring formation as well as the location of the existing well in Section 26-T25S-R32E, EOG believes the non-standard location is necessary to develop the 2nd Bone Spring resource in an economic fashion. Based on current 2nd Bone Spring well in Section 26-T25S-R32E, placing the well at this location prevents completion energy distribution to be skewed into a region of lower pressure caused by offset depletion for the wells we have planned, negatively impacting well's production. Granting the exception will allow for more total production and more efficient development of the asset.

Sincerely

EOG Resources, Inc.

A handwritten signature in black ink, appearing to read "Matt Mason", is written over a horizontal line.

Matt Mason
Reservoir Engineer II

energy opportunity growth

EXHIBIT D

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Monday, July 1, 2019 3:53 PM
To: 'Adam Rankin'
Cc: 'Kaitlyn A. Luck'
Subject: NSL_EOG Resources_30-025-45185 FEARLESS 23 FEDERAL COM #505H

Adam,

I have an NSL application for EOG Resources for the above Subject Well.

The Application calls for 320 Acreage Horizontal Spacing Unit (HSU).

The Pool you are seeking is a Wildcat Pool [97903]: A=40 Acres, S.B.=330feet

The NSL request a 640 HSU. Accordingly, you are not allowed to seek acreage greater than the 40 acre building blocks.

Please update.

Leonard Lowe

Engineering Bureau

Oil Conservation Division

Energy Minerals and Natural Resources Department

1220 South St. Francis

Santa Fe, New Mexico 87505

Office: 505-476-3492

Cell: 505-930-6717

Fax: 505-476-3462

E-mail: leonard.lowe@state.nm.us

Website: <http://www.emnrd.state.nm.us/ocd/>

Lowe, Leonard, EMNRD

From: Kaitlyn A. Luck <KALuck@hollandhart.com>
Sent: Thursday, June 20, 2019 5:55 PM
To: Lowe, Leonard, EMNRD
Cc: Adam Rankin
Subject: [EXT] NSL - EOG Fearless 23 Fed Com 505H

Leonard,

Thanks for your call earlier today about the spacing unit for this NSL. The 640-acre spacing unit for this well is comprised of the W/2 of Sections 23 and 26. EOG intends to file a sundry to that effect.

Please let us know if you have any other questions!

Best,

Kaitlyn

Kaitlyn A. Luck
Associate, Holland & Hart LLP
110 N. Guadalupe Street, Suite 1, Santa Fe, NM 87501
T 505.954.7286 F 505.819.5579 M 361.648.1973

HOLLAND & HART 



CONFIDENTIALITY NOTICE: This message is confidential and may be privileged. If you believe that this email has been sent to you in error, please reply to the sender that you received the message in error; then please delete this e-mail.