

NSL Initial Application

Received: 09/06/19

This application is placed in file for record. It MAY or MAY NOT have been reviewed to be determined Administratively Complete

RECEIVED: 09/06/19	REVIEWER: LRL	TYPE: NSL	APP NO: pLEL1925249228
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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: Savage 2 State Com #722H Well	API: 30-025-45466
Pool: WC-025 G-09 S253309P;UPR WOLFCAMP	Pool Code: 98180

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 holders
 B. Royalty, overriding royalty owners, revenue owners
 C. Application requires published notice
 D. Notification and/or concurrent approval by SLO
 E. Notification and/or concurrent approval by BLM
 F. Surface owner
 G. For all of the above, proof of notification or publication is attached, and/or,
 H. No notice required

FOR OCD ONLY	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	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.

Kaitlyn A. Luck _____

Print or Type Name

Signature

09/06/2019

 Date

505-954-7286

 Phone Number

kaluck@hollandhart.com

 e-mail Address

September 6, 2019

VIA ONLINE FILING

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 Savage 2 State Com #722H Well in the E/2 of Section 2, Township 25 South, Range 32 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 **Savage 2 State Com #722H Well** (API No. pending) to be completed within the WC-025 G-09 S253309P;UPR WOLFCAMP (98180) underlying the E/2 of Section 2, Township 25 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

This well will be drilled from a surface location 277 feet from the north line and 2,272 feet from the east line (Lot 2). The *first take point* will be located 194 feet from the north line and 2,465 feet from the east line (Lot 2) of Section 2, and the *last take point* will be 100 feet from the south line and 2,465 feet from the east line (Unit N) of Section 2. 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 western 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 **Savage 2 State Com #722H Well** encroaches on the tracts to the west.

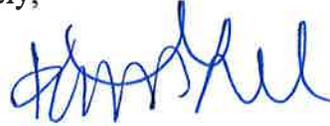
Exhibit B is a land plat for Section 2 and the surrounding spacing units that shows the proposed **Savage 2 State Com #722H Well** in relation to adjoining units and existing wells.

Exhibit C is a list of the parties affected by the encroachment to the west. 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 New Mexico State Land Office.

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 blue ink, appearing to read "Kaitlyn A. Luck". The signature is fluid and cursive, with the first name being the most prominent.

Kaitlyn A. Luck
ATTORNEY FOR EOG RESOURCES, INC.



September 6, 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 Savage 2 State Com #722H Well in the E/2 of Section 2, 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:

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

Sincerely,

Kaitlyn A. Luck
ATTORNEY FOR EOG RESOURCES, INC.

13511580_v1

13511611_v1

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

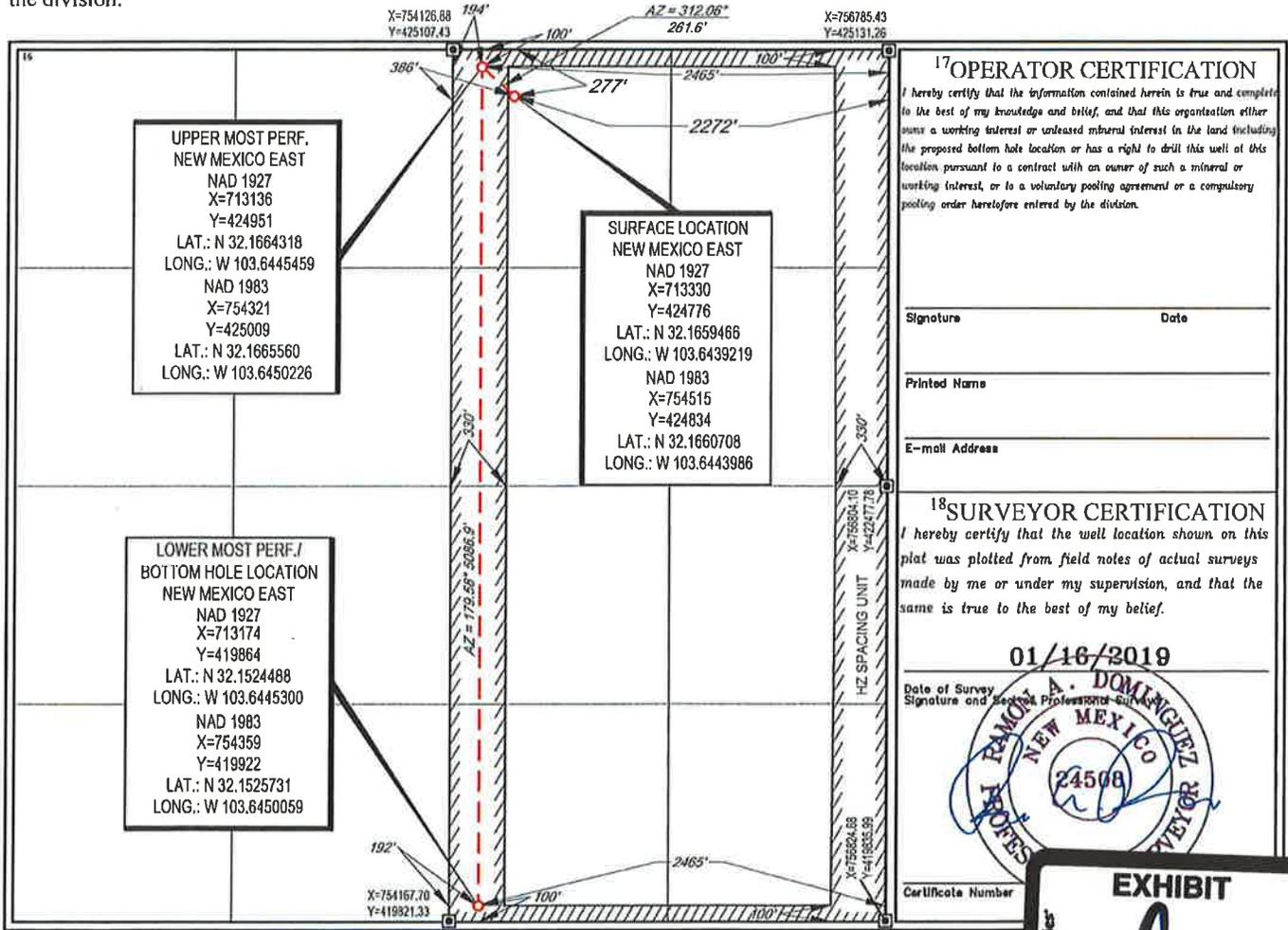
¹ API Number		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name SAVAGE 2 STATE COM			⁶ Well Number 722H
⁷ OGRID No.		⁸ Operator Name EOG RESOURCES, INC.			⁹ Elevation 3529'

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
2	2	25-S	32-E	-	277'	NORTH	2272'	EAST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	2	25-S	32-E	-	100'	SOUTH	2465'	EAST	LEA

¹² Dedicated Acres 322.76	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.



17 OPERATOR 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 _____ Date _____
Printed Name _____
E-mail Address _____

18 SURVEYOR 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.

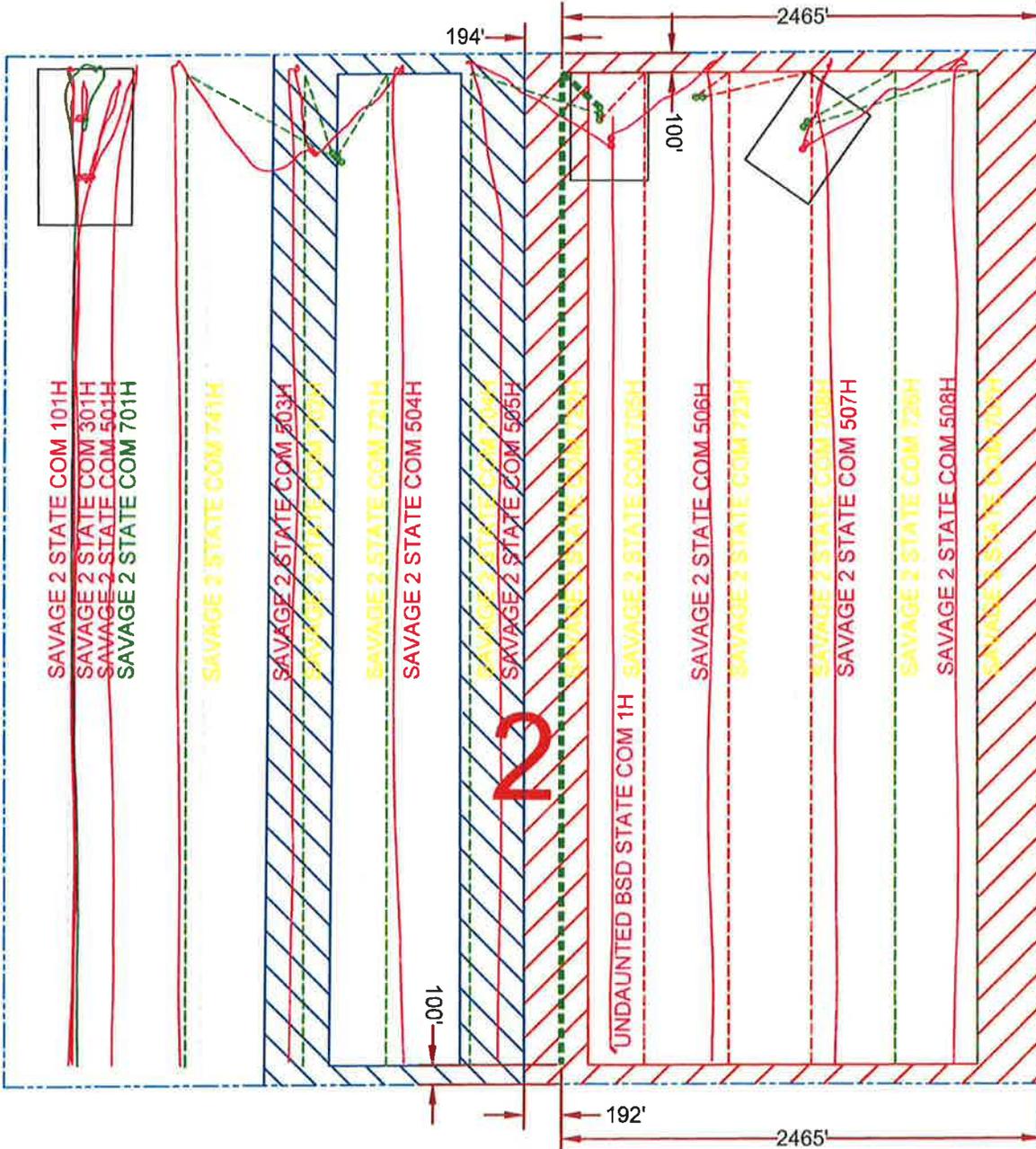
01/16/2019
Date of Survey
Signature and Seal of Professional Surveyor
Ramon A. Dominguez
NEW MEXICO
24508
PROFES
SURVEYOR

Certificate Number
EXHIBIT
A

T-25-S, R-32-E, LEA COUNTY

UNORTHODOX LOCATION APPLICATION

SAVAGE 2 STATE COM # 722H



HZ SPACING UNIT
FOR PROPOSED WELL



AFFECTED PARTIES

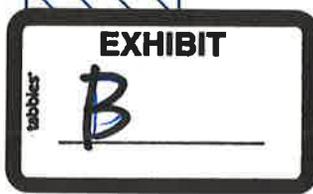


WOLFCAMP

PROPOSED WELL
EXISTING WELL

BONE SPRING

PROPOSED WELL
EXISTING WELL



Certification of Ownership

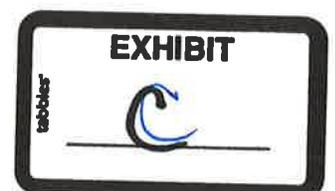
I have reviewed the ownership of the oil and gas leasehold in Section 2, T25S-R32E, Lea County, New Mexico, for purposes of the unorthodox locations for EOG Resources, Inc.'s Savage 2 State Com #702H, 704H wells in the E/2W/2 of Section 2-T25S-R32E and the Savage 2 State Com #722H well in the E/2 of Section 2-T25S-R32E. As of this date below, the affected parties are:

EOG Resources, Inc. 5509 Champions Drive Midland, Texas 79706
Oxy Y-1 Company Attn: Permian Land Manager – New Mexico P. O. Box 4294 Houston, Texas 77210-4294
New Mexico State Land Office P. O. Box 1148 Santa Fe, New Mexico 87504

EOG Resources, Inc.



Charles Moran
Land Advisor
September 4, 2019





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.

Shipment Date: 09/06/2019

Shipped From:

Name: HOLLAND & HART LLP

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

EOG/NSL - 44497.0001

Savage 2 State Com 702H, 704H, 722H

Type of Mail	Volume
Priority Mail Express®*	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	2
Total	2

*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 0016 8552 66



Firm Mailing Book For Accountable Mail

Name and Address of Sender

Holland & Hart LLP
 110 N Guadalupe St # 1
 Santa Fe NM 87501

Affix Stamp Here
 (if issued as an international
 certificate of mailing or for
 additional copies of this receipt).
Postmark with Date of Receipt.

- 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

Addressee (Name, Street, City, State, & ZIP Code™)

1. 9214 8901 9403 8389 4141 93
 OXY Y-1 Company Attn: Permian Land Manager - New Mexico PO BOX
 4294 Houston TX 77210-4294

2. 9214 8901 9403 8389 4142 09
 New Mexico State Land Office PO BOX 1148 Santa Fe NM 87504

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
0.65	3.50								1.60			
0.65	3.50	Handling Charge - if Registered and over \$50,000 in value				Adult Signature Required	Adult Signature Restricted Delivery	Restricted Delivery	Return Receipt	Signature Confirmation	Signature Confirmation Restricted Delivery	Special Handling

Postmaster, Per (Name of receiving employee)

Total Number of Pieces Listed by Sender: 2
 Total Number of Pieces Received at Post Office: 2

September 4, 2019

Re: EOG Resources, Inc. NSL Application
Savage 2 State Com #722H (Well)
E/2 Sec. 2, T25S-R32E
Lea County, New Mexico

To Whom it may concern:

Considering the distance between wells in the development plan for the Wolfcamp formation as well as the location of the existing well in Section 2-T25S-R32E, EOG believes the non-standard location is necessary to develop the Wolfcamp resource in an economic fashion. Based on current Wolfcamp well in Section 2-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, negatively impacting well's production. Granting the exception will allow for more total production from the section and more efficient development of the asset therefore protecting correlative rights.

Sincerely

EOG Resources, Inc.



Matt Mason
Reservoir Engineer II

