

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

FROM:

Michael E. Stogner, Engineer M. \leq

DATE:

November 3, 2005

SUBJECT:

EOG Resources, Inc.'s ("EOG") proposed Nile "22" State Com. Well No. 2 and Jordan "22" Fee Com. Well No. 1 to be drilled as horizontal infill wells within existing 320-acre project areas in Section 22, Township 17 South, Range 24 East, NMPM, Collins Ranch-Wolfcamp Gas Pool (75010), Eddy County, New Mexico.

Mr. William F. Carr, Legal Counsel for EOG, and I met this afternoon in the Division's record room at about 3:30 p.m. to discuss Division Rules 104.C (2) and 111 and how they apply to EOG's existing and proposed Wolfcamp development within Section 22. The similarities of EOG's intentions in Section 22 with their previous application and the provisions of Division Administrative Order SD-05-02 dated August 24, 2005, were also discussed.

From this discussion, I informed Mr. Carr that I could work with the information that he had provided me at our meeting and the Division's records to approval EOG's requests.

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DISTRICT I 1625 N. French Dr., Hobbs, NM	Stat	e of New Mexi	ico			rm C−10
1625 N. French Dr., Hobbs, NM	nergy, Minerals, an	d Natural Res	ources Depo	artment Rev	ised August	15, 200
DISTRICT II 1301 W. Grand Avenue, Artesia,	NM 88210 OIL CONS	SERVATION [NOISIVIC	Submit to Appr	ropriate Vist ate Lease -	rict Offic - 4 copie
DISTRICT III		outh St. Franc			Fee Lease -	•
1000 Rio Brazos Rd., Aztec, NM	87410					
DISTRICT_IV_	Santa re	e, New Mexico	8/505	Г	T AMENINE	D REPOR
1220 S. St. Francis Dr., Santa F	·	·	·		ן אמבייטכ	D REPUR
	L LOCATION AN	D ACREAGE				
API Number	² Pool Code	Wildon	Wolfcamp).	ool Name		
Property Code	L	Property Name	(MOTICALLE	<u> </u>	Well No	imber
	JORDAN	7 "22" FEE C	.ом мо:		11	H
OGRID No. 7377	PAC E	Operator Name			Eleva	
/3//	TOU I	resources, ii	NC.		372	.9
	Surf	ace Location				
UL or lot no. Section Township	_		he North/South	1 1	•	1 -
P 22 17 SOUTH	24 EAST, N.M.P.M.	860'	SOUTH	760'	EAST	EDDY
9	Bot¥om Hole Locatio	on If Different	From Surfe	ace		
UL or lot no. Section Township	1 - 1	t Idn Feet from the	1	,	Eost/West line	1 .
A 22 17 SOUTH	24 EAST, N.M.P.M.	Order No.	NORTH	760'	EAST	EDDY
¹² Dedicated Acres ¹³ Joint or Infill 320	Consolication Code	yrdar No.				
Project Are	• •	77316 4442 2.82638	3965.9'	Date of Say O	CERTIFIC well location should be true and co	ATION
		127318 160476 32,81551 104,58991	760'		i layer	#7920 / E.U.O.

PAGE 02/13 Page 1 of 4

<u>District II</u> 1301 W. Grand Ave., Artesia, NM 88210 Phone:(505) 748-1283 Pax:(505) 748-9720

State of New Mexico

Porm C-101 Permit 17285

Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

		1. C EC	perator Name OG RESOUI PO Box Midland, T	and Address RCES INC 2267				2, OGRID 73 3. API 1	77
4.	Property Code 34749			JOR	5. Property Nam DAN 22 FEE				6. Well No. 002H
-				7. 5	urface Loc	ation		·	
UL - Lot O	Section 22	Township	Range 24E	Lot Idn	Feet From	N/S Line S	Feet From 1880	E/W Line	e County EDDY
	<u></u>	·		O 10	1 - 1 T- F	_4:			
OLLINS I	RANCH;W(OLFCAME	(GAS)	0. 1	ool Inform	ation			7501
<u> </u>	<u> </u>	<u> </u>	(0.10)	A 3 3'4'					, , , , ,
0.197t	Tues	10 37/-11	T		nal Well Int Cable/Rotary	Ormation		1 12 6	round Level Elevation
9. Work New W	- · · · · · · · · · · · · · · · · · · ·	10, Well GA		11.0	rapie/Koraty		12. Lease Type State	13.0	3738
14. M	ultiple	15. Propo	sed Depth	J	6. Pormation		17. Contractor		18. Spud Date
1	Ŋ	54	00	•	Wolfcamp				11/20/2005
Dept	h to Ground wa	ater		Distance	from nearest fres > 1000	h water well		Distance	to nearest surface water 300
	Synthetic 🔀 Loop System	12	mils thick	Clay∐ Pit V	olume: <u>7000</u>		ng Method: Water 🔀 Brine 🔲	Diesel/Oil-b	ased Gas/Air G
					asing and				
	Hole Size	Casing 7	ype	Casing Weigh	nt/ft Set	ting Depth	Sacks of C	ement	Estimated TOC 0
Surf Prod	9.875 6.125	4.5		26 11.3		900 87 93	750		0
.,,,,,	0.120								
•			Casing	/Cement I	rogram: Ac	пиципа	Comments		
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	Туре		Work	ing Pressure			Pressure	 	Manufacturer
Do	ubleRam			3000			3000	1	
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	uno: Electro			rancis	Title				
						oved Date:		Expiration	n Date:
itle: ROV									
Fitle: ROV Email Add Date: 10/2	iress: mike		gresources. Phone: 432						

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505

State of New Mexico

Form C-102 Permit 17285

Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe. NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code 75010	COLLINS RA	3. Pool Name ANCH;WOLFCAMP (GAS)
4, Property Code	5. Proper	•	6. Well No.
34749	JORDAN 22		002H
7. OGRID No.	8. Operati		9. Elevation
7377	BOG RESOU		3738

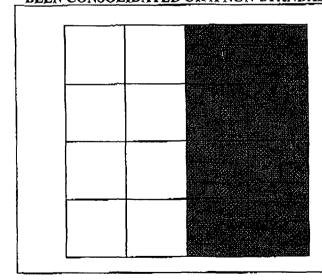
10. Surface Location

ŀ	UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County	ĺ
	0	22	178	24E	0	660	S	1880	E	EDDY	

11. Bottom Hole Location If Different From Surface

UL - Lot B	Section 22	Township 175	Range 24E	Lot Idn	Feet From 660	N/S Line	e Feet From 1880	E/W Line E	County EDDY
	cated Acres	13, 1	joint or Infill	Ī	4. Consolidation (Code		15. Order No.	

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



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

E-Signed By: Mike Francis

Title: ROW Agent Date: 10/21/2005

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 and correct to the best of my belief.

Surveyed By: V.L. Bezner
Date of Survey: 9/30/2005
Certificate Number: 7920

Permit Conditions of Approval

Operator: EOG RESOURCES INC, 7377 Well: JORDAN 22 FEE COM #002H

API:

OCD Reviewer	Condition
BArrant	Will require a directional survey with the C-104
BArrant	Will require administrative order for non-standard specing unit
BArrant	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines

Permit Comments

Operator: EOG RESOURCES INC, 7377 Well: JORDAN 22 FEE COM #002H

API:

Created By	Comment	Comment Date
MFRANCIS	Plat, Casing, Cement, Mud Program and Drilling Plan along with H2S letter will be mailed.	10/19/2005
BArrant	IN SAME PROATION UNIT, ANOTHER WELL IS PROJECTED TO PRODUCE FROM SAME FORMATION, AN ADMINISTRATIVE ORDER IS REQUIRED FOR APPROVAL (IN PART) OF APD.	10/25/2005

DISTRICT I 1625 N. French Dr., Hobbs, NM 88240 State of New Mexico

Form C-102 Revised August 15, 2000

Energy, Minerals, and Natural Resources Department

Submit to Appropriate District Office

DISTRICT II 1301 W. Grand Avenue, Artesia, NM 88210

1220 S. St. Francis Dr., Santa Fe, NM 87505

State Lease - 4 copies

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410 OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

Fee Lease - 3 copies

DISTRICT IV

Santa Fe, New Mexico 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

MPI Number	² Pool Code	Pool Name	
Property Code		Property Name 1 "22" FEE COM	6 Well Number 2H
OGRID Ne.		Operator Name BSOURCES, INC.	*Ekvatioq 3738'

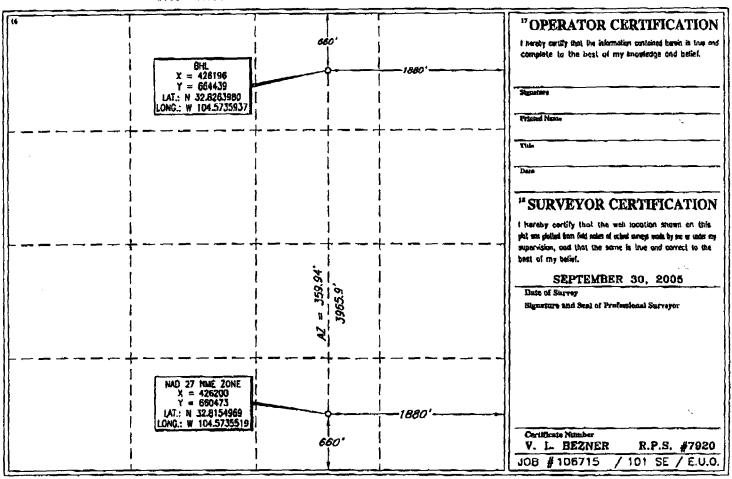
Surface Location

-	UL or lot Do.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West Hoc	County	
	0	22	17 SOUTH	24 EAST, N.M.P.M.		660'	SOUTH	1880'	EAST	EDDY	

Bottom Hole Location If Different From Surface

			POSTORIO PERESE DO CONTRA						
UL or lot no.	Section	Township	Range	Lot Ida	Fost from the	North/South Upe	Feet from the	East/West line	County
В	22	17 SOUTH	24 EAST, N.M.P.M.		660'	NORTH	1880'	EAST	EDDY
12 Dedicated Acre	13 30	int or Infill	14 Consolidation Code	15 Order N	0.	<u> </u>			
		_							

VO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



Pool Collins Ranch - Wolfcamp 695 County Eddy 24 E 175 Range NMPM 2-9 -10 ----11--12 -17 --16 -15 -14 --13-18 -- 20 -- 21-19 --23-- 24 -- 29 -- 28 -- 26 --30 -25 -- 31-- 32 -- 36 -Desc. N/2 sec 35 (R-6724, 7-16-81) EXT: E/2 sec 34 (R-8827, 12-22-88) EXT: W/2 Sec 34 (R-8969, 8-1-89) EXT: N/2 SEC 33 (R-9096, 1-1-90) Ext: 4/2 Sec. 22, 4/2 Sec. 27 (R-12357,5-25-05)

CMD : OG5SECT

. ONGARD INQUIRE LAND BY SECTION

11/04/05 13::11:49 OGOMES -TQNK PAGE NO: 1

Sec : 22 Twp : 17S Rng : 24E Section Type : NORMAL

	- Control of the party of the p			
	Fee owned C A	Fee owned C	V07123 0000 CAPSTONE OIL & GA C 08/01/09 A	V07123 0000 CAPSTONE OIL & GA C 08/01/09
	P 40.00	0 40.00	N 40.00	M 40.00
GZ 09	I 40.00 CS V07123 0000 CAPSTONE OIL & GA C 08/01/09	40.00 CS V07123 0000 CAPSTONE OIL & GA C 08/01/09	K 40.00 CS V07123 0000 CAPSTONE OIL & GA C 08/01/09	L 40.00 CS V07123 0000 CAPSTONE OIL & GA C 08/01/09
	Federal owned C	Federal owned	Federal owned	Federal owned C
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m vincendamen van referense i derene mende der met.	Federal owned C	Federal owned C	Federal owned C	Federal owned C
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