

DATE IN: 2/9/17	SUSPENSE	ENGINEER: LRL	LOGGED IN: 2/9/17	TYPE: NSL	APP NO: PLEL1704057050
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2/28/17

ABOVE THIS LINE FOR DIVISION USE ONLY

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



NSL-7507

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

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
- [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]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

EOG RESOURCES INC.

7377

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD

WELL: NERVOSA 24 STATE COM NO. 502

API: 30-025-43601

POOL: BERRY; B.S. NORTH POOL [#5535]

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

- [D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

- [A] Working, Royalty or Overriding Royalty Interest Owners
- [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

RECEIVED OGD
2017 FEB -7 P 4:17

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] 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.

Jordan L. Kessler
 Print or Type Name

JL Kessler
 Signature

Attorney
 Title

2/7/17
 Date

jlkessler@hollandhart.com
 e-mail Address

HOLLAND & HART LLP

Jordan L. Kessler
Associate

Phone (505) 954-7286

Fax (505) 983-6043

JLKessler@hollandhart.com

February 7, 2017

VIA HAND DELIVERY

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

RECEIVED
 2017 FEB - 7 PM 04:17

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Nervosa 24 State Com No. 502H Well in the E/2 E/2 of Section 13 and the E/2 NE/4 of Section 24, Township 21 South, Range 33 East, N.M.P.M., Lea County, New Mexico.

Dear Mr. Catanach:

EOG Resources, Inc. (OGRID No. 7377) seeks administrative approval of an unorthodox well location for its **Nervosa 24 State Com No. 502H Well** to be completed within the Berry; Bone Spring, North Pool (Pool Code 5535) underlying Sections 13 and 24 Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico. This well will be drilled from a surface location 2,394 feet from the North line and 504 feet from the East line (Unit H) of Section 24. The upper most perforation will be located 2,310 feet from North line and 1,118 feet from the East line (Unit H) of Section 24 and the lower most perforation will be 330 feet from the North line and 1,118 feet from the East line of Section 13 (Unit A). 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. EOG is the operator of the Nervosa 24 State Com No. 503H Well, located in the adjacent spacing units to the West of the subject well. 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 draft Well Location and Acreage Dedication Plat (Form C-102), which shows that the completed interval of the proposed **Nervosa 24 State Com No. 502H Well** encroaches on the spacing and proration units to the West, Northwest, and Southwest.

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 B is a land plat for Section 13 and Section 24 and the surrounding sections that shows the proposed **Nervosa 24 State Com No. 502H Well** in relation to adjoining units and existing wells.

Exhibit C is a development plan showing EOG's proposed and drilled wells in the subject area.

Exhibit D is a list of the parties affected by the encroachment to the Northwest, West, and Southwest. As described above, EOG is the operator in the spacing unit in the W/2 E/2 of Section 13 and the W/2 NE/4 of Section 24, dedicated to the Nervosa 24 State Com No. 503H Well. Parties affected by the unorthodox location are located in the spacing units to the Northwest and the Southwest. Each of these parties have been provided notice of this application by certified mail. Nonetheless, a copy of this application has been provided to the New Mexico State Land Office.

Your attention to this matter is appreciated.

Sincerely,

Jordan L. Kessler

ATTORNEY FOR EOG RESOURCES, INC.

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

OCD

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, Artes, 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

API Number 30-025-	Pool Code 5535	Pool Name Berry; Bone Spring, North
Property Code	Property Name NERVOSA 24 STATE COM	Well Number #502H
GRID No. 7377	Operator Name EOG RESOURCES, INC.	Elevation 3764'

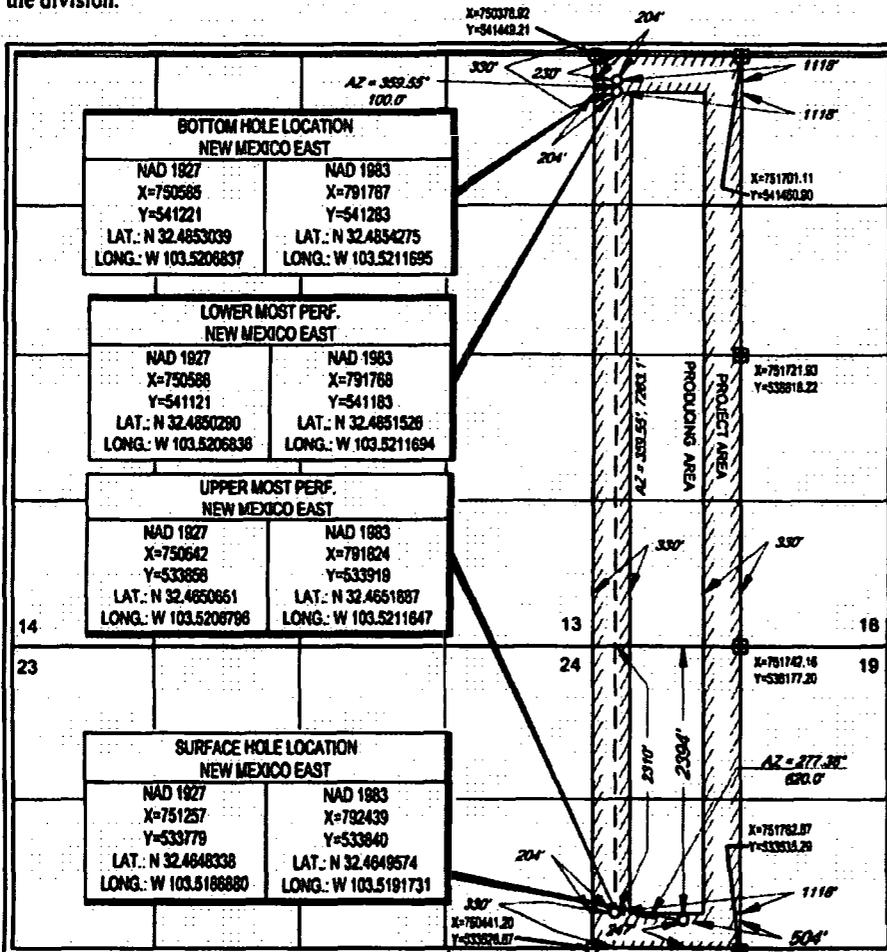
¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	24	21-S	33-E	-	2394'	NORTH	504'	EAST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	13	21-S	33-E	-	230'	NORTH	1118'	EAST	LEA

Dedicated Acres 240.00	Joint or Infill	Consolidation Code	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 a non-owned mineral interest in the land including the proposed bottom hole location or has a right to drill this well of 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.

Stan Wagner 2/7/17
Signature Date

Stan Wagner
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.

12/27/2016
Date of Survey
Signature
MICHAEL BROWN
NEW MEXICO
18329
PROFESSIONAL SURVEYOR

Certificate Number

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 NERVOSA 24 STATE COM			⁶ Well Number #502H	
⁷ OGRID No.		⁸ Operator Name EOG RESOURCES, INC.			⁹ Elevation 3764'	

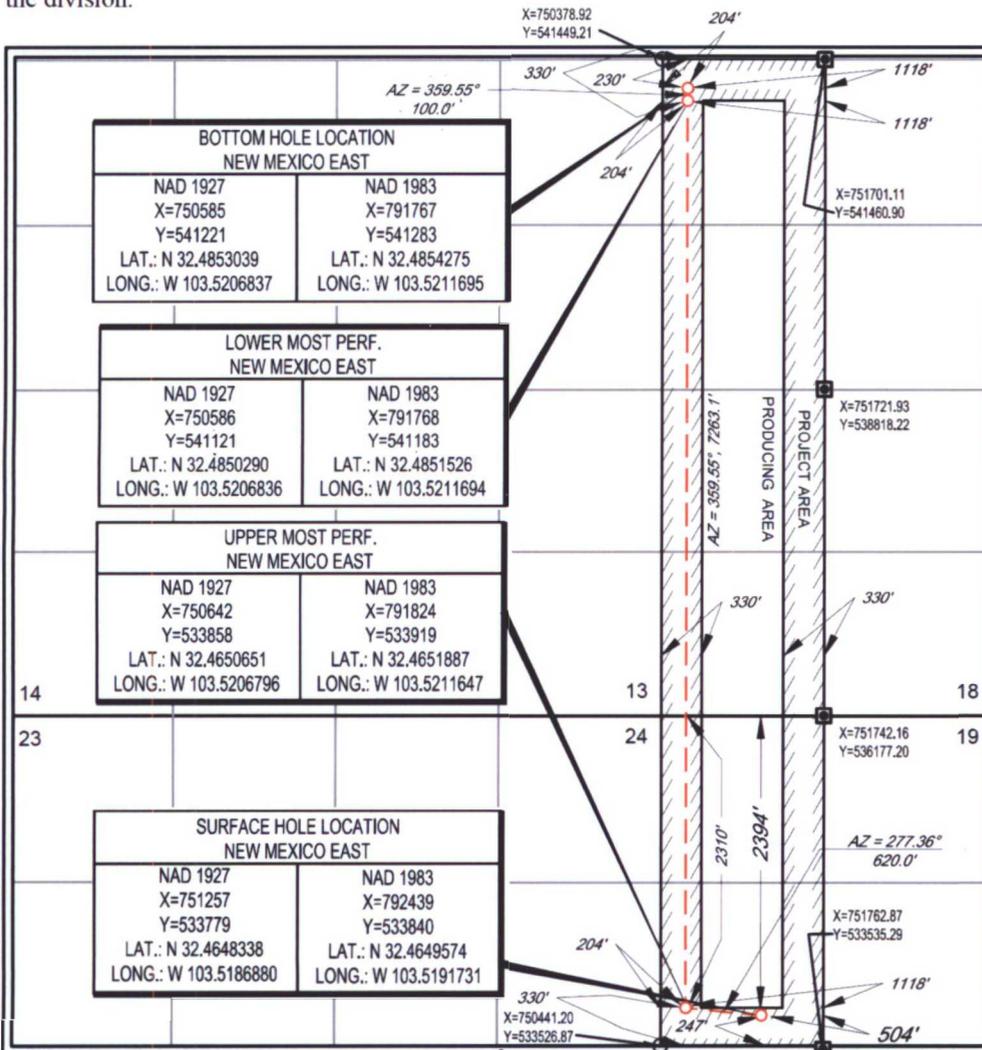
¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	24	21-S	33-E	-	2394'	NORTH	504'	EAST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	13	21-S	33-E	-	230'	NORTH	1118'	EAST	LEA

¹² Dedicated Acres 240.00	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.



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 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 _____

EXHIBIT A

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.

Date of Survey 12/27/2016
Signature and Seal of Professional Surveyor

MICHAEL BROWN
NEW MEXICO
18329
PROFESSIONAL SURVEYOR

Certificate Number _____

Exhibit D

Tract 1:

COG Operating, LLC
a Delaware limited liability company
600 W. Illinois Ave.
Midland, TX 79701
7015 1520 0002 0438 5054

Tract 2:

Oxy Y-1 Company
P.O. Box 4294
Houston, TX 77210
7015 1520 0002 0438 5115

John A. Yates
P.O. Box 900
Artesia, NM 88211
7015 1520 0002 0438 5108

Tract 3:

The Allar Company
735 Elm Street
Graham, TX 76450
7015 1520 0002 0438 5092

GMT Exploration Company LLC
1560 Broadway Suite 2000
Denver, CO 80202
7015 1520 0002 0438 5122

COG Operating LLC
600 W. Illinois Avenue
Midland, TX 79701
DUPLICATE

HOLLAND & HART



Jordan L. Kessler
Associate
Phone (505) 954-7286
Fax (505) 983-6043
JKessler@hollandhart.com

February 7, 2017

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 Nervosa 24 State Com No. 502H Well in the E/2 E/2 of Section 13 and the E/2 NE/4 of Section 24, Township 21 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:

Paul Boland
EOG Resources, Inc.
(432) 686-3666
Paul_Boland@eogresources.com

Sincerely,

Jordan L. Kessler
ATTORNEY FOR EOG RESOURCES, INC.

Holland & Hart LLP

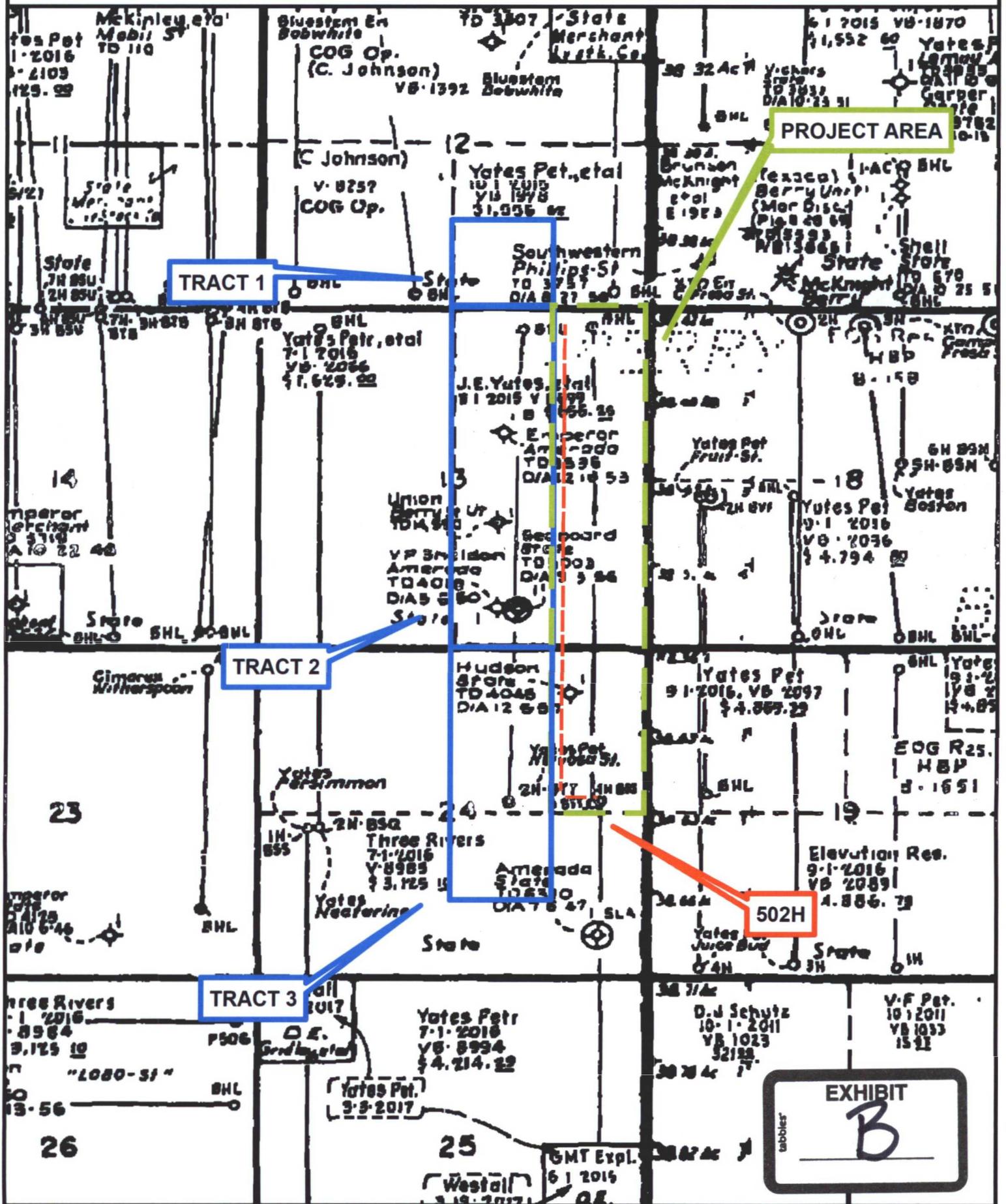
Phone (505) 988-4421 Fax (505) 983-6043 www.hollandhart.com

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. ♻️

EOG RESOURCES, INC.

NERVOSA 24 STATE COM #502H UNORTHODOX LOCATION NOTICE TRACT PLAT
TOWNSHIP 21 SOUTH RANGE 33 EAST, LEA COUNTY, NM



Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Monday, March 6, 2017 1:25 PM
To: 'Jordan Kessler'
Cc: Brown, Maxey G, EMNRD; Kautz, Paul, EMNRD; McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD; Jones, William V, EMNRD; Martin, Ed; Holm, Anchor E.
Subject: APPROVED NSL-7507_EOG RESOURCES INC._Nervosa 24 State Com No. 502H, Lea County
Importance: High

Ms. Jordan Kessler,

The following administrative orders have been issued and will soon be available on the Division's web site: <http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>

NSL-7507

EOG Resources, Inc.

API #: 30-025-43601

WELL: Nervosa 24 State Com No. 502H, Lea County

Leonard Lowe

Engineering Bureau

Oil Conservation Division

Energy Minerals and Natural Resources Department

1220 South St. Frances

Santa Fe, New Mexico 87004

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/>