

RECEIVED: <u>5/10/2017</u>	REVIEWER: <u>LRL</u>	TYPE: <u>NSL</u>	APP NO: <u>PLEL1713054808</u>
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

↳ Suspended 5/10/17

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: <u>EOG Resources, Inc.</u>	OGRID Number: <u>-7377</u>
Well Name: <u>Hound 30 Fed No. 702H Well</u>	API: <u>Pending</u>
Pool: <u>Upper Wolfcamp underlying Section 30 and 31, Township 25 South Range 34 East NMPM</u>	Pool Code: <u>98094</u>

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

NSL-7377

- 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.

Jordan L. Kessler

Print or Type Name

Jordan L. Kessler
Signature

5/10/2017
Date

505-988-4421
Phone Number

jlkessler@hollandhart.com
e-mail Address

HOLLAND & HART^{LLP}



Jordan L. Kessler

Associate

Phone (505) 954-7286

Fax (505) 983-6043

JLKessler@hollandhart.com

May 10, 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
MAY 10 2017

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Hound 30 Fed No. 702H Well in the W/2 W/2 of Section 31 and the W/2 SW/4 of Section 30, Township 25 South, Range 34 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 **Hound 30 Fed No. 702H Well** to be completed within the WC-025 G-09 S253336D; Upper Wolfcamp (Pool Code 98094) underlying Section 30 and 31, Township 25 South, Range 34 East, N.M.P.M., Lea County, New Mexico. While drilling, the wellbore deviated from the projected course as permitted in its initial C-102. The completed interval will therefore be unorthodox, as set forth below.

This well was drilled from a surface location 2,191 feet from the South line and 674 feet from the West line (Unit L) of Section 30. The upper most perforation will be located 2,308 feet from South line and 1,012 feet from the West line (Lot 3) of Section 30 and the lower most perforation will be 444 feet from the South line and 1,011 feet from the West line (Lot 4) of Section 31. As illustrated on Exhibit A, the completed interval is outside of the producing area, and is therefore unorthodox. 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 eastern and northeastern boundaries of the project area.

EOG owns the leasehold in two federal leases covering the W/2 of Sections 30 and 31. Ownership is **identical** throughout the W/2 of Section 30 and 31. EOG is the operator of two wells dedicated to the E/2 W/2 of Sections 31 and the E/2 SW/4 of Section 30: the Hound 30 Fed No. 703H Well and the Hound 30 Fed No. 704H Well. Both wells have been drilled but not yet completed. The location of this well is unorthodox due to the course of the wellbore having

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. ☐



deviated during drilling; however, 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 an as-drilled Well Location and Acreage Dedication Plat (Form C-102), which shows that the completed interval of the **Hound 30 Fed No. 702H Well** encroaches on the spacing and proration units to the East and Northeast.

Exhibit B is a land plat for Sections 30 and 31 and the surrounding sections that shows the proposed **Hound 30 Fed No. 702H Well** in relation to adjoining units and existing wells.

Because ownership is identical in the W/2 of Sections 30 and 31, there are no parties affected by the encroachment to the East and the Northeast. A copy of this application has been provided to the New Mexico State Land Office and the Bureau of Land Management-Carlsbad Office.

Your attention to this matter is appreciated.

Sincerely,

Jordan L. Kessler
ATTORNEY FOR EOG RESOURCES, INC.

cc: Bureau of Land Management
620 E. Green Street
Carlsbad, NM 88220

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 30-025-43575	² Pool Code 98094	³ Pool Name WC-025 G-09 S253336D; Upper Wolfcamp
⁴ Property Code 317385	⁵ Property Name HOUND 30 FED	
⁷ OGRID No. 7377	⁸ Operator Name EOG RESOURCES, INC.	⁶ Well Number #702H
		⁹ Elevation 3317'

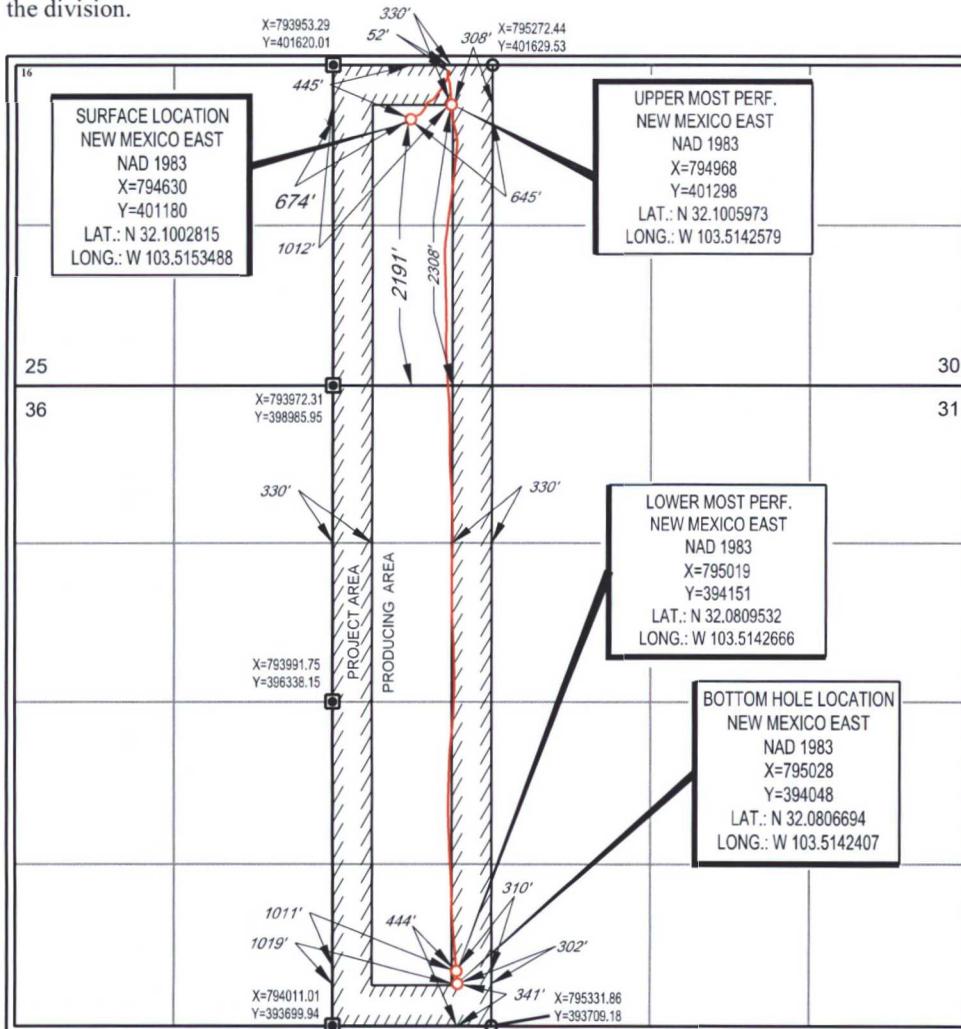
¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
3	30	25-S	34-E	-	2191'	SOUTH	674'	WEST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	31	25-S	34-E	-	341'	SOUTH	1019'	WEST	LEA

¹² Dedicated Acres 240.00	¹³ Joint or Infill 239.42	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.

Paul Boland 5/12/17
Signature Date

Paul Boland
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.

05/10/2016
Date of Survey
Signature and Seal of Professional Surveyor
MICHAEL BROWN
NEW MEXICO
18329
PROFESSIONAL SURVEYOR

Certificate Number

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Wednesday, May 10, 2017 3:39 PM
To: 'Jordan Kessler'
Subject: NSL Application suspended.

Importance: High

Ms. Jordan Kessler,

Your NSL application submittal for WELL: Hound 30 Fed No. 702H was received at the OCD Santa Fe office.

Your application is suspended.

There is no C-102 within your submittal. Your Exhibit A can be used as an extension of a C-102.

Please submit.

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/oed/>

[Wells](#) [Operators](#) [Operator Data](#) [OCD Review](#) [OCD Only](#) [Administration](#)

OCD Permitting

[Home](#) [Land Searches](#) [Land Details](#)

Section : 30-25S-34E

Type: Normal

Total Acres: 639.28

County: Lea (25)

D (1) Federal ¹ Federal ² (25) 39.8	C (C) Federal ¹ Federal ² (25) 40	B (B) State ¹ State ² (25) 40	A (A) State ¹ State ² (25) 40
E (2) Federal ¹ Federal ² (25) 39.82	F (F) Federal ¹ Federal ² (25) 40	G (G) State ¹ State ² (25) 40	H (H) State ¹ State ² (25) 40
L (3) Federal ¹ Federal ² (25) 39.82	K (K) Federal ¹ Federal ² (25) 40	J (J) State ¹ State ² (25) 40	I (I) State ¹ State ² (25) 40
M (4) Federal ¹ Federal ² (25) 39.84	N (N) Federal ¹ Federal ² (25) 40	O (O) State ¹ State ² (25) 40	P (P) State ¹ State ² (25) 40

Note¹ = Surface Owner Rights

Note² = Sub-Surface Mineral Rights

Land Restrictions

No land restrictions found for this section.

[Return to Search](#)

OCD Permitting

Home Land Searches Land Details

Section : 31-25S-34E

Type: Normal

Total Acres: 639.76

County: Lea (25)

D (1) Federal ¹ Federal ² (25) 39.86	C (C) Federal ¹ Federal ² (25) 40	B (B) Federal ¹ Federal ² (25) 40	A (A) Federal ¹ Federal ² (25) 40
E (2) Federal ¹ Federal ² (25) 39.92	F (F) Federal ¹ Federal ² (25) 40	G (G) Federal ¹ Federal ² (25) 40	H (H) Federal ¹ Federal ² (25) 40
L (3) Federal ¹ Federal ² (25) 39.96	K (K) Federal ¹ Federal ² (25) 40	J (J) Federal ¹ Federal ² (25) 40	I (I) Federal ¹ Federal ² (25) 40
M (4) Federal ¹ Federal ² (25) 40.02	N (N) Federal ¹ Federal ² (25) 40	O (O) Federal ¹ Federal ² (25) 40	P (P) Federal ¹ Federal ² (25) 40

Note ¹ = Surface Owner Rights

Note ² = Sub-Surface Mineral Rights

Land Restrictions

No land restrictions found for this section.

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