

NSL-7765

Revised March 23, 2017

PLEL1829244891

|           |               |           |         |
|-----------|---------------|-----------|---------|
| RECEIVED: | REVIEWER: LRL | TYPE: NSL | APP NO: |
|-----------|---------------|-----------|---------|

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:** Hearns 34 State Com No. 709H Well **API:** 30-025-43859  
**Pool:** Upper Wolfcamp Pool **Pool Code:** 98092

**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.**

Jordan L. Kessler

Print or Type Name

Signature

September 26, 2018

Date

505-988-4421

Phone Number

jlkessler@hollandhart.com

e-mail Address



September 26, 2018

**VIA HAND DELIVERY**

Heather Riley  
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 Hearns 34 State Com No. 709H Well in the W/2 E/2 of Section 27 and the W/2 E/2 of Section 34, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico.**

Dear Ms. Riley:

EOG Resources, Inc. (OGRID No. 7377) seeks administrative approval of an unorthodox well location for its **Hearns 34 State Com No. 709H Well** (API No. 30-025-43859) to be completed within the WC-025 G-09 S143336I; Upper Wolfcamp (Pool Code 98092) underlying the W/2 E/2 of Section 27 and the W/2 E/2 of Section 34, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico. This well will be drilled from a surface location 275 feet from the south line and 2,397 feet from the east line (Unit O) of Section 34. The upper most perforation will be located 330 feet from the south line and 2,382 feet from the east line (Unit O) of Section 34, and the lower most perforation will be 330 feet from the north line and 2,382 feet from the east line (Unit B) of Section 27. 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 project area.

EOG is the 100% working interest owner in the E/2 W/2 of Section 27 and the E/2 W/2 of Section 34, and ownership is identical in said spacing unit to the proposed 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 **Hearns 34 State Com No. 709H** encroaches on the spacing and proration unit to the west.

**Exhibit B** is a land plat for Sections 27 and 34 and the surrounding sections that shows the proposed **Hearns 34 State Com No. 709H** in relation to adjoining units and existing wells.



**Exhibit C** is an affidavit from the landman verifying that ownership in the E/2 W/2 of Section 27 and the E/2 W/2 of Section 34 is identical in said spacing unit to the proposed spacing unit. Accordingly, there are no affected parties in the spacing units to the west of the proposed well.

A copy of this application has been provided to the 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 87504-1148



**Jordan L. Kessler**

**Associate**

**Phone** (505) 954-7286

**Fax** (505) 983-6043

JLKessler@hollandhart.com

September 26, 2018

**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 Hearn's 34 State Com No. 709H Well in the W/2 E/2 of Section 27 and the W/2 E/2 of Section 34, 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 Bassett  
EOG Resources, Inc.  
(432) 686-3720  
Charles\_Bassett@eogresources.com

Sincerely,

Jordan L. Kessler

**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., 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

**HOBBS OCD**  
**MAY 25 2018**  
**RECEIVED**

FORM C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office  
 AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

|   |  |   |  |  |                                   |
|---|--|---|--|--|-----------------------------------|
| <sup>1</sup> API Number<br>30-025-43859 |  | <sup>2</sup> Pool Code<br>98092                   |  | <sup>3</sup> Pool Name<br>WC-025 G-09 S243336I; Upper Wolfcamp |                                   |
| <sup>4</sup> Property Code<br>317561    |  | <sup>5</sup> Property Name<br>HEARNS 34 STATE COM |  |  | <sup>6</sup> Well Number<br>#709H |
| <sup>7</sup> OGRID No.<br>7377          |  | <sup>8</sup> Operator Name<br>EOG RESOURCES, INC. |  |  | <sup>9</sup> Elevation<br>3467'   |

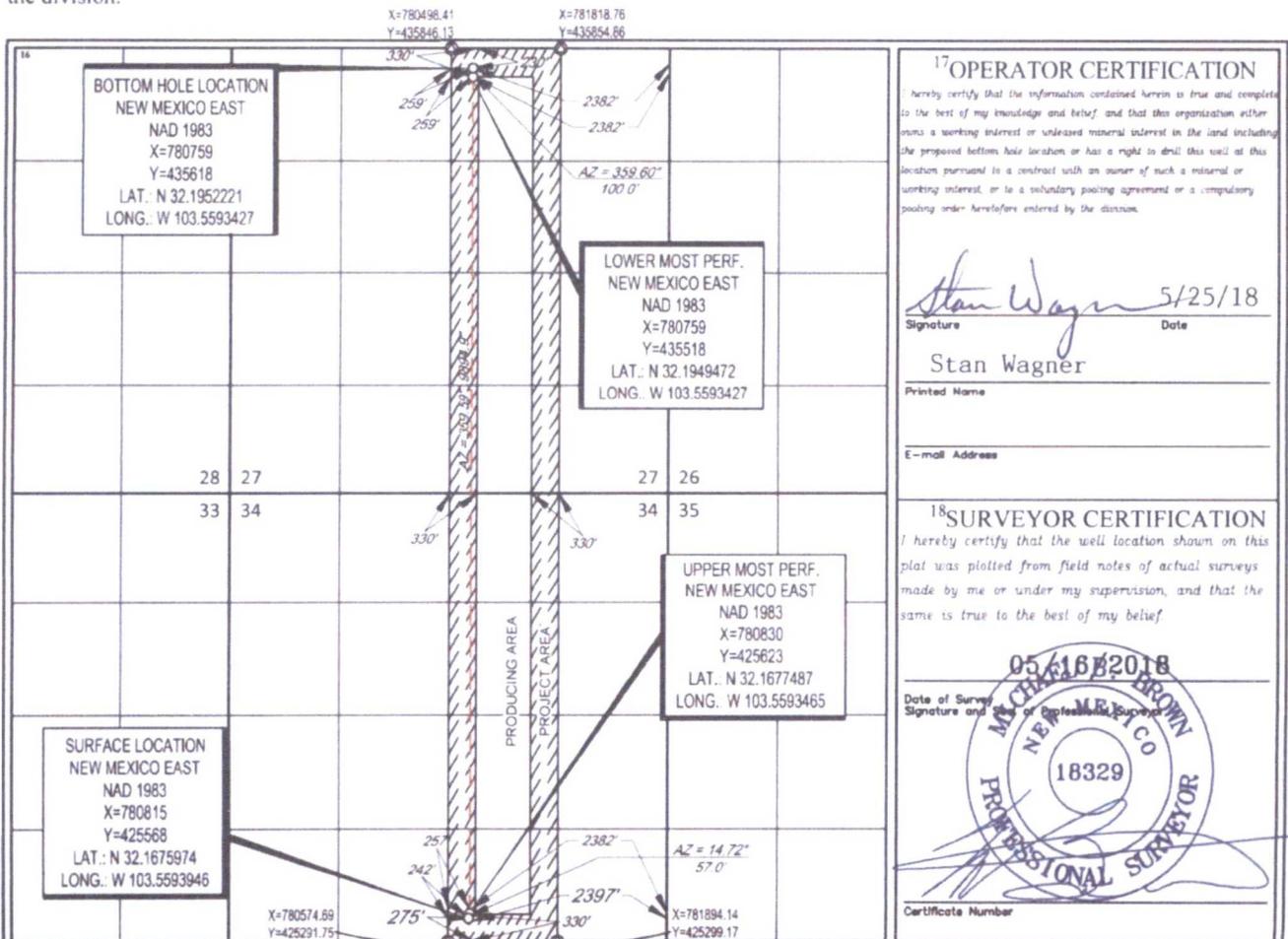
<sup>10</sup>Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| O             | 34      | 24-S     | 33-E  | -       | 275'          | SOUTH            | 2397'         | EAST           | LEA    |

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| B             | 27      | 24-S     | 33-E  | -       | 230'          | NORTH            | 2382'         | EAST           | LEA    |

|   |                               |                                  |                         |
|---|-------------------------------|----------------------------------|-------------------------|
| <sup>12</sup> Dedicated Acres<br>320.00 | <sup>13</sup> Joint or Infill | <sup>14</sup> Consolidation Code | <sup>15</sup> 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.



<sup>17</sup>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 unless material 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 secondary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Stan Wagner* 5/25/18  
Signature Date  
Stan Wagner  
Printed Name  
E-mail Address

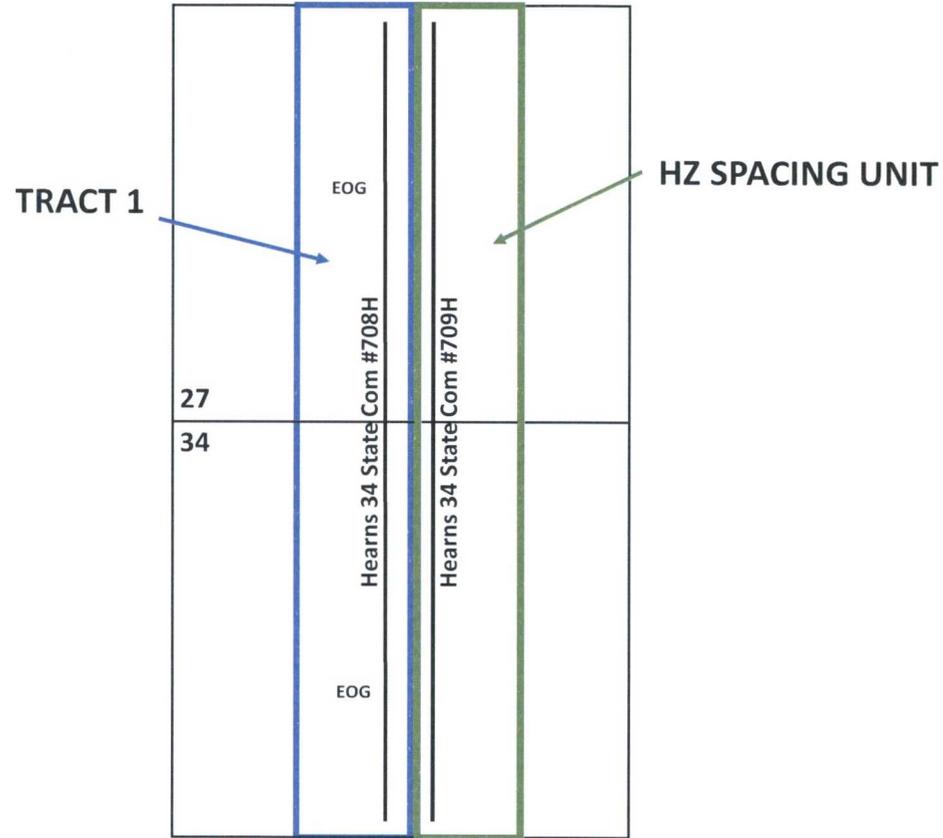
<sup>18</sup>SURVEYOR CERTIFICATION  
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.

05/16/2018  
Date of Survey  
Signature and Seal of Professional Surveyor  
MICHAEL BROWN  
NEW MEXICO  
18329  
PROFESSIONAL SURVEYOR  
Certificate Number

**EXHIBIT**  
**A**

Lea County, New Mexico

T24S-R33E





*EOG Resources, Inc.  
5509 Champions Drive  
Midland, Texas 79706  
(432) 686-3600*

Date: August 27<sup>th</sup>, 2018  
To: State of New Mexico Oil Conservation Division  
Re: Hearn 34 State Com #709H

To whom it may concern:

This letter serves to notice that EOG Resources, Inc. ("EOG") owns 100% Working Interest in the E2W2 of Section 27-T24S-R33E, and the E2W2 of Section 34-T24S-R33E, Lea County, New Mexico.

Sincerely,

EOG Resources, Inc.

By:   
Charles Bassett  
Land Specialist

