



New Mexico Energy, Minerals and Natural Resources Department

**Bill Richardson**  
Governor

**Joanna Prukop**  
Cabinet Secretary  
**Reese Fullerton**  
Deputy Cabinet Secretary

**Mark Fesmire**  
Division Director  
Oil Conservation Division



August 25, 2008

Ms. Ocean Munds-Dry  
Holland & Hart, LLP  
P.O. Box 2208  
Santa Fe, NM 87504

**Administrative Order SD-200722-A**

Re: EOG Resources, Inc.  
Brazos B 11 Fee Well No. 2H  
API No. 30-015-34482  
Unit P, Section 11, Twsp 16S, Range 24E  
Eddy County

Dear Ms Munds-Dry:

Reference is made to the following:

(a) your application (**administrative SD application reference No. pKVR08-21132411**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on July 28, 2008, on behalf of EOG Resources, Inc. (EOG); and

(b) the Division's records pertinent to EOG's request, including the Division's records pertinent to Administrative Order SD-200722, issued on August 14, 2007.

EOG has requested to simultaneously dedicate the S/2 of Section 11, Township 16 South, Range 24 East in Eddy County, New Mexico, in the Wolfcamp formation, to:

(a) its proposed Brazos B 11 Fee Well No. 2H (API No. 30-015-34482) (the proposed well), a horizontal gas well to be drilled to the Wolfcamp formation from an unorthodox surface location 560 feet from the South line and 200 feet from the East line (Unit P) of Section 11 to an orthodox point of penetration of the Wolfcamp formation, 760 feet from the South line and 660 feet from the East line (Unit P) of said section, and thence orthodox terminus, or bottom-hole location, 760 feet from the South line and 660 feet from the West line (Unit M) of said section; and



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(b) its existing Brazos B 11 Fee Well No. 1H (API No. 30-015-34483) (the existing well), a horizontal gas well drilled to the Wolfcamp formation from an orthodox surface location 1730 feet from the South line and 660 feet from the East line (Unit I) of Section 11 to an orthodox terminus, or bottom-hole location, 1880 feet from the South line and 660 feet from the West line (Unit L) of said section.

The S/2 of Section 11 is a standard 320-acre gas spacing unit in the West Cottonwood Creek-Wolfcamp Gas Pool (75260). Well density in this pool is governed by statewide Rule 104.C(2), which, as applied to this unit, allows two wells to be completed in the unit, but requires that the wells be in different quarter sections. Because the proposed well will be completed within both quarter sections of this 320-acre unit, and the existing well is also completed in both quarter sections, division approval for simultaneous dedication is required.

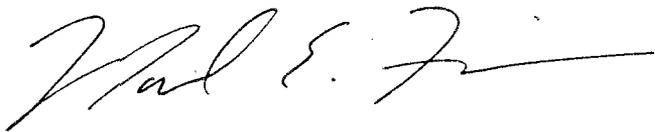
Your application on behalf of EOG has been duly filed under the provisions of Division Rules 104.D(3) and 1210.A(2).

Simultaneous dedication of this unit to the two wells above described was previously approved by Order SD-200722. Nothing has changed except the surface location of the proposed well. Accordingly, no offsetting operator or owner will be affected by issuance of this amended order, and no notice is required.

Pursuant to the authority granted by Rule 104.D(3), the above-described simultaneous dedication is hereby approved.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark E. Fesmire", with a long horizontal flourish extending to the right.

Mark E. Fesmire, P.E.  
Director

MEF/db

cc: New Mexico Oil Conservation Division - Artesia