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# United States Department of the Interior



BUREAU OF LAND MANAGEMENT  
Wyoming State Office Reservoir Management Group  
2987 Prospector Drive  
Casper, WY 82604-2968

In Reply Refer To:  
3181  
Ford Unit  
NMNM143283X

MAY 06 2021

EOG Resources, Inc.  
Attn: Andrea Felix  
104 South 4th Street  
Artesia, NM 88210

Dear Ms. Felix:

Your application of April 26, 2021, filed with the Chief, Reservoir Management Group requests the designation of 18,978.54 acres, more or less, in Sandoval County, New Mexico, as logically subject to exploration and development under unitization provisions of the Mineral Leasing Act, as amended.

Pursuant to unit plan regulations 43 CFR 3180, the land requested, as outlined on your plat marked "Exhibit 'A', Ford Unit", is hereby designated as a logical unit area. The unit agreement submitted for the area designation should provide for the drilling of the following test well:

**Name:** Bullitt 06 Fed 605H

**Surface Location:** SW $\frac{1}{4}$  SW $\frac{1}{4}$  Section 6, T21N, R04W, N.M. PM.

**Formation and Depth:** Horizontal lateral drilled to test the "Gallup" Sandstone with a lateral of at least one mile (the top of the "Gallup" Sandstone occurs at 5,000 feet measured depth as shown on the gamma ray and resistivity logs in the Firerock Federal 1-3 well located in the NW $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 3, T21N-R05W, NM P.M.) has tested said target.

The use of the Form of Agreement for Unproven Areas (43 CFR 3186.1, as revised April 1994), modified as shown in your application, will be accepted. If conditions are such that further modification of said standard form is deemed necessary, two copies of the proposed modifications with appropriate justification must be submitted for preliminary approval.

In the absence of any other type of land requiring special provisions or of any objections not now apparent, a duly executed agreement identical with said form, modified as outlined above, will be approved if submitted in approvable status within a reasonable period of time. However, notice is hereby given that the right is reserved to deny approval of any executed agreement

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submitted which, in our opinion, does not have the full commitment of sufficient lands to afford effective control of operations in the unit area.

If a well is commenced and penetrates the geologic formation specified in Section 9 of the unit agreement prior to final unit approval, it cannot be considered as the unit obligation well. In such event the unit obligation well still must be drilled. If you elect to initiate drilling of the obligation well prior to final unit approval, please be advised that the agreement must be filed in time to permit it to be processed in the normal sequence of events without priority consideration because of a well drilling in the unit area.

To help prevent delay in the commencement of drilling the obligation well or subsequent wells, please review all Federal leases within the unit area as to restrictive stipulations which protect wildlife and other resources. Also, contact the Rio Puerco Field Office for any additional Conditions of Approval that may be incorporated in the approval of the Application for Permit to Drill (APD) that may delay commencement of the unit wells.

To ensure the timely handling of units submitted for final approval, proponent must show 100 percent commitment of all lessees of record, basic royalty owners, and working interest owners, or evidence that every such owner of interest in the unit has been given an opportunity to join the unit agreement. If any owner fails or refuses to join, evidence of reasonable effort to obtain a joinder should be submitted, together with a copy of each refusal by an operator giving the reasons for nonjoinder. If a refusal letter cannot be obtained, unit proponent should provide, in writing, a record of the attempts made to obtain joinder.

When the executed agreement is transmitted to the Chief, Reservoir Management Group for approval, include the latest status of all acreage. In preparation of Exhibits "A" and "B", follow closely the format of the sample exhibits attached to the aforementioned form.

For land questions, please contact Sandy Blackburn, Land Law Examiner, at (307) 261-7632, for all other questions please contact Louis Niglio, Geologist, at (307) 261-7760.

Sincerely,

**/S/ J. David Chase**

J. David Chase  
Chief, Reservoir Management Group

cc: NMSO – Kyle Paradis  
Rio Puerco Field Office w/application  
New Mexico State Land Office, Scott Dawson  
New Mexico Oil Conservation Division, Leonard Lowe  
FIMO Director