



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joaquín Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

March 28, 2007

EOG Resources, Inc.
C/O Ms Ocean Munds-Dry
P.O. Box 2208
Santa Fe, New Mexico 87504-2208



RE: **Existing Columbia 33 Fee Well No. 1H**
API No. 30-015-34487
Surface Location: 660 feet FEL & 1880 feet FSL (Unit I)
Bottomhole Location: 660 feet FWL & 1880 feet FSL (Unit L)

Proposed Columbia 33 Fee Well No. 2H
API No. 30-015-34488
Surface Location: 760 feet FSL & 660 feet FEL (Unit P)
Bottomhole Location: 760 feet FSL & 660 feet FWL (Unit M)

Both in Section 33, Township 16-S, Range 24-E, NMPM
Eddy County, New Mexico

Administrative Order SD-200707

Dear Ms Munds-Dry:

Reference is made to the following:

(a) your application on behalf of EOG Resources, Inc. ("EOG") (**administrative application reference No. pRE0706559495**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on March 6, 2007; and

(b) the Division's records pertinent to EOG's request.

EOG requests approval to simultaneously dedicate the S/2 of Section 33, Township 16 South, Range 24 East, NMPM, Eddy County, New Mexico, in the Eagle Creek-Wolfcamp Gas Pool (**Pool Code 96622**) to the existing Columbia 33 Fee Well No. 1H, drilled at a surface location 660 feet from the East line, and 1880 feet from the South line (Unit I), to a bottomhole location 660 feet from the West line and 1880 feet from the South line (Unit L), and to its proposed Columbia 33 Fee Well No. 2H to be drilled at a

surface location 760 feet from the South line, 660 feet from the East line (Unit P), to a bottomhole location 760 feet from the South line, and 660 feet from the West line (Unit M).

The Eagle Creek-Wolfcamp Gas Pool is currently governed by Division Rule 104.C. Horizontal drilling is governed by Division rule 111. These rules require that horizontal wells be fully contained within the producing area, the producing area being defined as that area within the spacing unit that is located 660 feet or more from the outer boundary of the spacing unit.

It is our understanding that the horizontal producing portion of the wellbore will be fully contained within the producing area.

The applicant provided notice of this application to the operators of all units that offset the S/2 of Section 33.

No offset operator objected to the application.

Pursuant to the authority granted under the provisions of Division Rule 104.D (3), the above-described simultaneous dedication of these wells in the Eagle Creek-Wolfcamp Gas Pool to the S/2 of Section 33 is hereby approved.

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

Sincerely,

Mark E. Fesmire, P.E.
Director

MEF/re

cc: New Mexico Oil Conservation Division - Artesia