

RECEIVED: 07/26/22	REVIEWER: LRL	TYPE: NSL	APP NO: pLEL2220940954
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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: Ruthless 11 Fed Com No. 722H **API:** 30-025-47727 (08/17/22) 30-025-50462
Pool: WC-025 G-09 S253309P; Upr Wolfcamp **Pool Code:** 98180

**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

- ☐ Notice Complete
☐ 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 Kessler

Print or Type Name

Signature

7/22/22

Date

432 488 6108

Phone Number

jordan_kessler@eogresources.com

e-mail Address



Jordan Lee Kessler
Phone: (432) 488-6108
Email: jordan_kessler@eogresources.com

July 22, 2022

VIA ONLINE FILING

Adrienne Sandoval, Director
Oil Conservation Division
New Mexico Department of Energy, Minerals, and Natural Resources
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Ruthless 11 Fed Com No. 722H well in the W/2 of Sections 11 and 14, Township 25 South, Range 32 East, NMPM, Lea County, New Mexico.

Dear Director Sandoval,

30-025-50462

EOG Resources, Inc. (OGRID No. 7377) seeks administrative approval of an unorthodox well location for its **Ruthless 11 Fed Com No. 722H** well (API No. 30-025-~~47727~~). This well has not yet been drilled. The spacing unit dedicated to the well is comprised of the W/2 of Sections 11 and 14, Township 25 South, Range 32 East, NMPM, Lea County, New Mexico and is within the WC-025 G-09 S253309P; Upr Wolfcamp. The horizontal spacing unit for the well is approximately 640 acres and includes proximity tracts. The defining well for the spacing unit is the Ruthless 11 Fed Com No. 743H (API. No. pending).

The well will be drilled as follows:

- The surface location is located 562 feet from the North line, 1614 feet from the West line (Unit C) of Section 11,
- The bottom hole location is located 100 feet from the South line, 2590 feet from the West line (Unit N) of Section 14,
- The first take point is located 100 feet from the North line, 2590 feet from the East line (Unit C) of Section 11,
- The last take point is located 100 feet from the South line, 2590 feet from the East line (Unit N) of Section 14.

The acreage is governed by the Division's statewide rules. Accordingly, the proposed completed interval is unorthodox because, as drilled, it is closer than the 330 feet to the eastern boundary. It encroaches on the spacing units in the E/2 of Sections 11 and 14. Approval of the unorthodox

location will allow EOG to use its preferred well spacing plan for horizontal wells, which will prevent waste, and reflects the as-drilled location of the well.

Exhibit A is the Form C-102 filed with the Division, showing the proposed unorthodox completed interval of the **Ruthless 11 Fed Com No. 722H** well. The proposed completed interval encroaches on the spacing unit/tracts to the east.

Exhibit B is a plat that shows the **Ruthless 11 Fed Com No. 722H** well in relation to the adjoining spacing units/tracts to the east.

EOG is the operator of the spacing unit to the east, however, ownership is diverse between the subject spacing unit and the affected spacing unit/tracts to the east. **Exhibit C** is a certification from the landman indicating that he has reviewed the tracts affected by this request. Exhibit C includes a list of the affected parties and proof that a copy of this application, along with all attachments, was sent to the affected interest. This notice advises affected parties that any objection must be filed in writing with the Division within 20 days from the date the Division receives the application.

Exhibit D is a statement from a petroleum engineer providing justification for the requested non-standard location.

Exhibit E is the draft C-102 for the defining well for the spacing unit. The APD is pending with the BLM.

Thank you for your attention to this matter.

Very truly yours,



Jordan Kessler
Senior Regulatory Advisor

State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

FORM C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

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., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

50462

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-47727	² Pool Code 98180	³ Pool Name WC-025 G-09 S253309P; Upr Wolfcamp
⁴ Property Code 329701	⁵ Property Name RUTHLESS 11 FED COM	⁶ Well Number 722H
⁷ OGRID No. 7377	⁸ Operator Name EOG RESOURCES, INC.	⁹ Elevation 3500'

¹⁰Surface Location

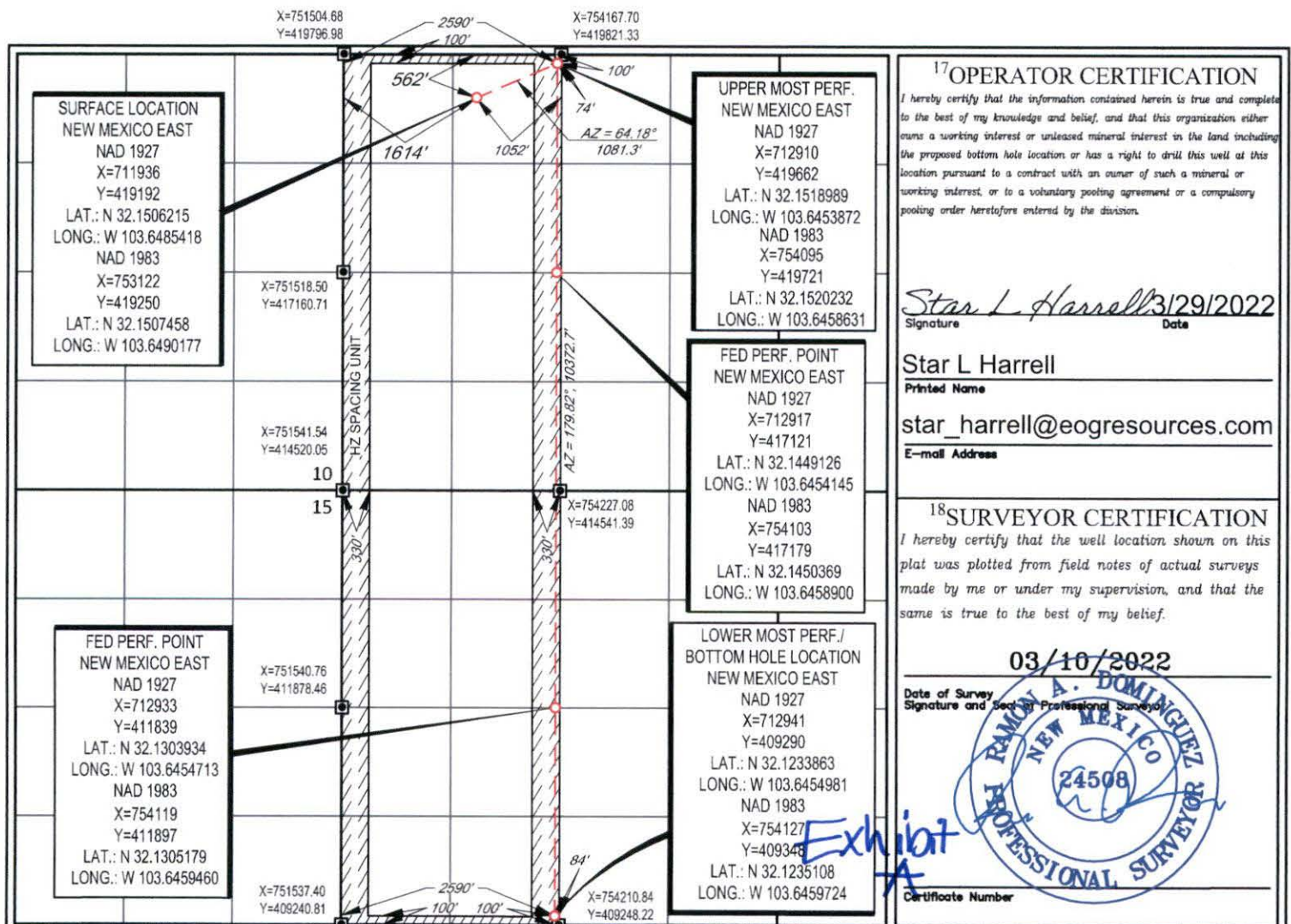
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	11	25-S	32-E	-	562'	NORTH	1614'	WEST	LEA

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	14	25-S	32-E	-	100'	SOUTH	2590'	WEST	LEA

¹² Dedicated Acres 640.00	¹³ Joint or Infill	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.



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State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa 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-		² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name RUTHLESS 11 FED COM		⁶ Well Number 722H
⁷ OGRID No. 7377	⁸ Operator Name EOG RESOURCES, INC.		⁹ Elevation 3500'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	11	25-S	32-E	-	562'	NORTH	1614'	WEST	LEA

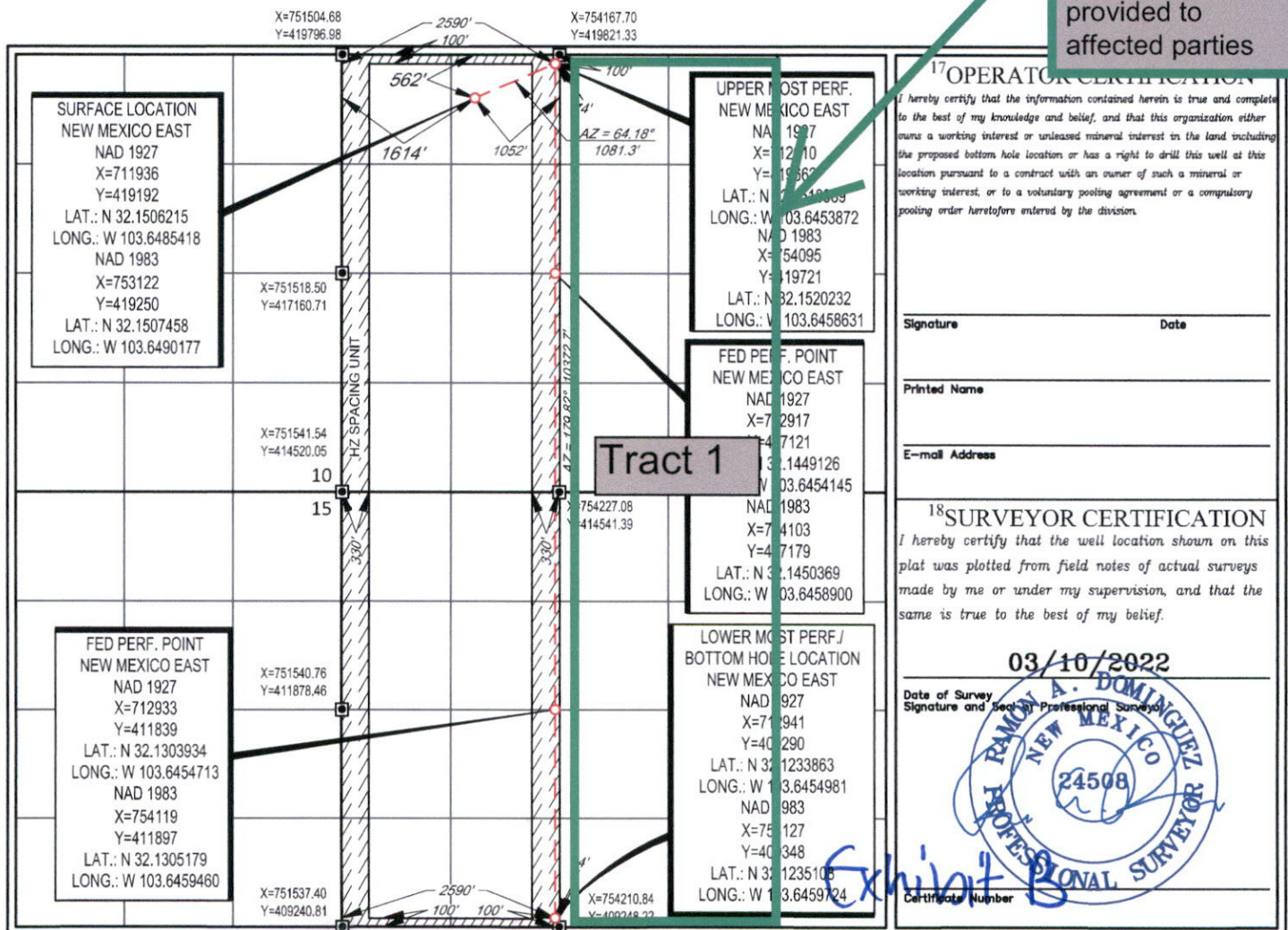
¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	14	25-S	32-E	-	100'	SOUTH	2590'	WEST	LEA

¹² Dedicated Acres 640.00	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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Offset spacing unit (Ruthless) EOG is the Operator. Notice provided to affected parties

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved.



PAD B S:\SURVEY\EOG_MIDLAND\RUTHLESS_11_FED_COM\FINAL_PRODUCTS\LO_RUTHLESS_11_FED_COM_722H-C-102.DWG 3/10/2022 3:21:33 PM bzollinger



P.O. Box 2267, Midland, Texas 79702
Phone: (432) 686-3600 Fax: (432) 686-3773

July 18, 2022

Certification of Ownership

I have reviewed the ownership of the oil and gas leasehold in Sections 11 & 14 -25S-32E, Lea County, New Mexico, for purposes of the unorthodox location for EOG's Ruthless 11 Fed Com #722 well located in the E/2W/2 of Sections 11 & 14-25S-32E. As of the date of this letter, the affected parties are:

Tract 1:

1. BUREAU OF LAND MANAGEMENT (ROYALTY OWNER)
301 DINOSAUR TR.
SANTA FE, NM 87508
2. MCCLELLAN OIL CORPORATION (WORKING INTEREST OWNER)
P O BOX 730
ROSWELL, NM 88202-0730
3. DAVID PETROLEUM CORPORATION (WORKING INTEREST OWNER)
116 WEST FIRST STREET
ROSWELL, NM 88201-0000
4. TOLES COMPANY (WORKING INTEREST OWNER)
P O BOX 1300
ROSWELL, NM 88202-1300
5. XTO ENERGY INC. AN EXXONMOBIL SUBSIDIARY (WORKING INTEREST OWNER)
22777 SPRINGWOODS VILLAGE PKWAY, #115
SPRING, TX 77389
6. SHARBRO ENERGY LLC (WORKING INTEREST OWNER)
P O BOX 840
ARTESIA, NM 88211-0840
7. EOG RESOURCES, INC. (WORKING INTEREST OWNER)
5509 CHAMPIONS DR.
MIDLAND, TX 79706

Exhibit C



P.O. Box 2267, Midland, Texas 79702
Phone: (432) 686-3600 Fax: (432) 686-3773

8. MAGNUM HUNTER PRODUCTION INC
4031 SOLUTIONS CENTER
CHICAGO, IL 60677

Sincerely,

EOG Resources, Inc.

Matthew Gray

Matthew Gray
Landman



Jordan Lee Kessler
Phone: (432) 488-6108
Email: jordan_kessler@eogresources.com

July 22, 2022

VIA CERTIFIED MAIL

TO: AFFECTED PARTIES

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Ruthless 11 Fed Com No. 722H well in the W/2 of Sections 11 and 14, Township 25 South, Range 32 East, NMPM, 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:

Matthew Gray
EOG Resources, Inc.
(432) 686-3633
Matthew_gray@eogresources.com

Very truly yours,

A handwritten signature in blue ink, appearing to read "J. Kessler", written over a horizontal line.

Jordan Kessler
Senior Regulatory Advisor

Well Name	Date NSL Sent	Owners NSL Sent to
Ruthless 11 Fed Com 722H	7/22/2022	Bureau of Land Management McClellan Oil Corp. David Petroleum Corporation Toles Company XTO Energy, Inc. Sharbro Energy, LLC Magnum Hunter Production, Inc.

Certified Mail Tracking

7020 3160 0000 1249 5172

7020 3160 0000 1249 5189

7020 3160 0000 1249 5196

7020 3160 0000 1249 5202

7020 3160 0000 1249 5219

7020 3160 0000 1249 5226

7020 3160 0000 1249 5233



July 18, 2022

Re: EOG Resources, Inc. NSL Application
Ruthless 11 Fed Com #722H (Well)
E/2 W/2 Section 11 & E/2 W/2 Section 14, T25S-R32E
Lea County, New Mexico

To Whom it may concern:

Considering the distance between wells in the development plan for the Wolfcamp formation in Sections 11 & 14, T25S-R32E, EOG believes the non-standard location is necessary to develop the Wolfcamp resource in an economic fashion. The non-standard location also reflects the as-drilled location of the well. Based on analog Wolfcamp wells along with economic and geologic analysis, EOG believes placing the well at this location maintains optimal spacing to continue development of resources in the formation. Granting the exception will allow for more total production from the section and more efficient development of the asset therefore protecting correlative rights.

Sincerely

EOG Resources, Inc.

A handwritten signature in black ink, appearing to read "G Taylor", with a horizontal line extending to the right.

Graham Taylor
Reservoir Engineer II

7/18/22

Exhibit D

District I
1625 N. French Dr., Hobbs, NM 88240
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State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa 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-		² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name RUTHLESS 11 FED COM		⁶ Well Number 743H
⁷ OGRID No. 7377	⁸ Operator Name EOG RESOURCES, INC.		⁹ Elevation 3488'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	11	25-S	32-E	-	660'	NORTH	567'	WEST	LEA

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	14	25-S	32-E	-	100'	SOUTH	1440'	WEST	LEA

¹² Dedicated Acres 640.00	¹³ Joint or Infill	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.

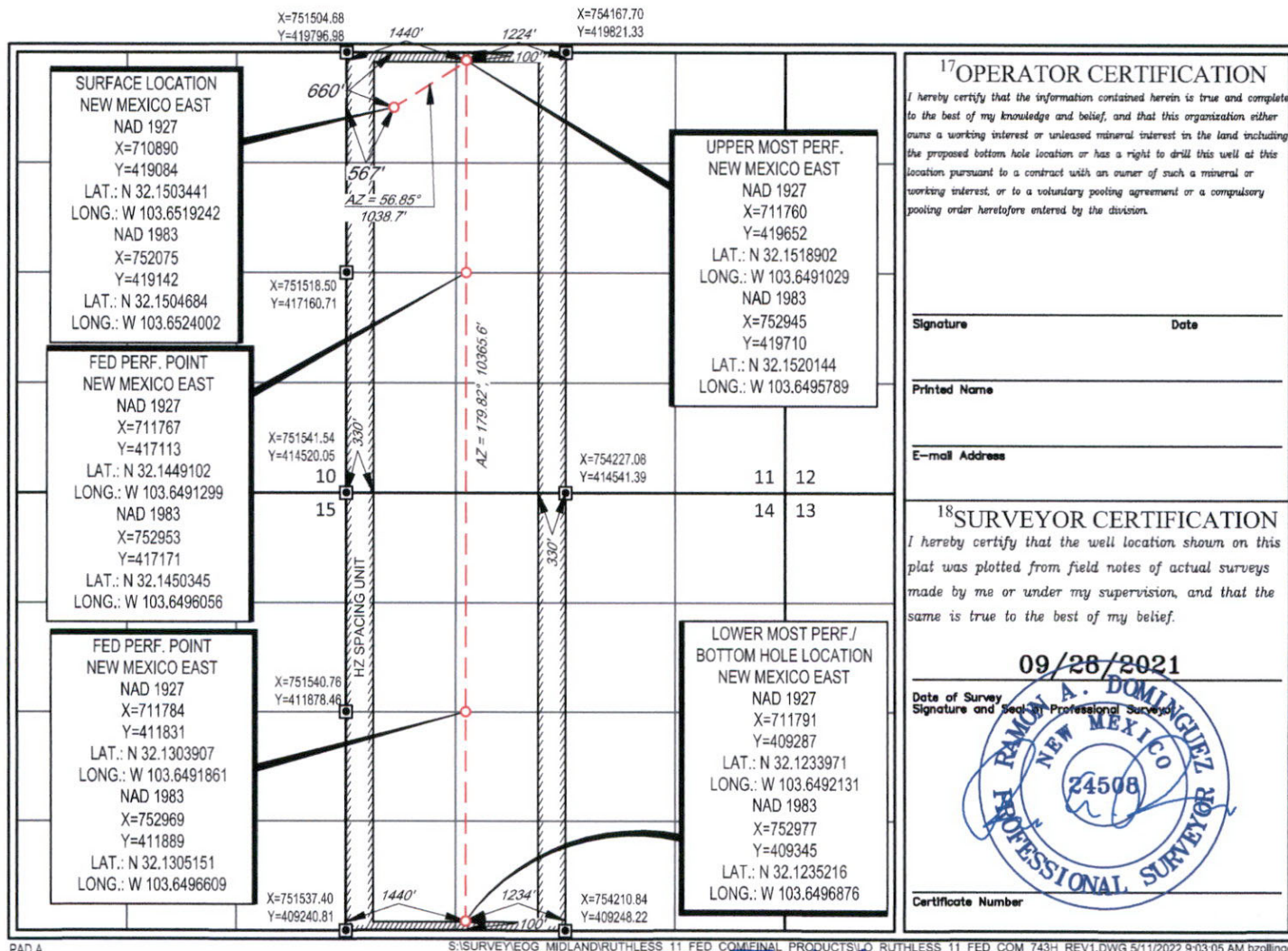


Exhibit E

From: [Jordan Kessler](#)
To: [Lowe, Leonard, EMNRD](#)
Subject: [EXTERNAL] Minor change to pending NSL application
Date: Wednesday, August 17, 2022 10:55:46 AM
Attachments: [image001.png](#)
[RUTHLESS 11 FED COM 722H 30-025-50462.pdf](#)
[Ruthless 11 Fed Com 722H NSL for filing.pdf](#)

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Dear Mr. Lowe,

EOG has a pending NSL application that I submitted on July 26 (submission ID 128734; reference pLEL2220940954) (application attached). The NSL request is for the Ruthless 11 Fed Com 722H well (API No. 30-025-**47727**). In commencing work on the vertical portion of the well, EOG encountered problems with a cellar/conductor pipe failure. Accordingly, after close coordination with the BLM and OCD, EOG is substituting out a pending APD to be drilled at the non-standard location previously requested for the 722H well. The well name will continue to be the Ruthless 11 Fed Com No. 722H. The BLM and OCD have approved a new API number for the well, which is 30-025-**50462**.

The surface hole location is slightly changed because of the existence of the original well that failed. However, the proposed completed interval is identical and everything else remains the same. Accordingly, I believe it is appropriate to substitute the API number for the existing (pending application), but please let me know if you think otherwise. Please feel free to give me a call if you'd like to talk this one through.

Thanks!

Jordan

Jordan Kessler

Senior Regulatory Advisor



125 Lincoln Avenue, Suite 213

Santa Fe, NM 87501

Mobile: (432) 488-6108

Office: (575) 748-4158

jordan_kessler@eogresources.com

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 128734

CONDITIONS

Operator: EOG RESOURCES INC P.O. Box 2267 Midland, TX 79702	OGRID: 7377
	Action Number: 128734
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
Ilowe	NSL - 8411 is approved. The approved Order can be retrieved at the following OCD website link. https://ocdimage.emnrd.nm.gov/imaging/AEOrderCriteria.aspx	7/28/2022