

**STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES  
OIL CONSERVATION DIVISION**

**APPLICATION OF EOG RESOURCES, INC.  
FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.**

CASE NO. \_\_\_\_\_

**APPLICATION**

EOG Resources, Inc. (“EOG” or “Applicant”) (OGRID No. 7377), through its undersigned attorneys, hereby files this application with the Oil Conservation Division, pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the E/2 of Sections 24 and 25, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico. In support of its application, EOG states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.

2. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the following proposed wells:

- The **Red Raider 25 State Com #501H well** to be drilled from a surface hole location in SE/4 SE/4 (Unit P) of said Section 25 to a bottom hole location in the NW/4 NE/4 (Unit B) of said Section 24; and
- The **Red Raider 25 State Com #502H well** and the **Red Raider 25 State Com #503H well**, to be drilled from a common surface hole location in SE/4 SE/4 (Unit P) of said Section 25 to bottom hole locations in the NE/4 NE/4 (Unit A) of said Section 24.

3. The completed interval for the proposed **Red Raider 25 State Com #502H well** will remain within 330 feet of the quarter-quarter line separating the E/2 E/2 from the W/2 E/2 of Sections 24 and 25 to allow inclusion of this acreage into a standard 640-acre horizontal well spacing unit.

4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all the interest owners in the subject spacing unit.

5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled and Applicant should be designated the operator of the proposed horizontal well spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on January 7, 2021, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit;
- B. Approving the initial wells in the horizontal spacing unit;
- C. Designating Applicant as the operator of this spacing unit and the horizontal wells to be drilled thereon;
- D. Authorizing Applicant to recover its costs of drilling, equipping, and completing the wells;
- E. Approving the actual operating charges and costs of supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and

- F. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP



By: \_\_\_\_\_

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**ATTORNEYS FOR EOG RESOURCES, INC.**

CASE \_\_\_\_\_ : **Application of EOG Resources, Inc. for compulsory pooling, Lea County, New Mexico.** Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the E/2 of Sections 24 and 25, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the to the following proposed wells:

- The **Red Raider 25 State Com #501H well** to be drilled from a surface hole location in SE/4 SE/4 (Unit P) of said Section 25 to a bottom hole location in the NW/4 NE/4 (Unit B) of said Section 24; and
- The **Red Raider 25 State Com #502H well** and the **Red Raider 25 State Com #503H well**, to be drilled from a common surface hole location in SE/4 SE/4 (Unit P) of said Section 25 to bottom hole locations in the NE/4 NE/4 (Unit A) of said Section 24.

The completed interval for the proposed **Red Raider 25 State Com #502H well** will remain within 330 feet of the quarter-quarter line separating the E/2 E/2 from the W/2 E/2 of Sections 24 and 25 to allow inclusion of this acreage into a standard 640-acre horizontal well spacing unit. Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and the imposition of 200% charge for risk involved in drilling and completing each well. Said area is located approximately 15 miles west of Jal, New Mexico.



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December \_\_, 2020

**VIA CERTIFIED MAIL**  
**CERTIFIED RECEIPT REQUESTED**

**TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS**

**Re: Application of EOG Resources, Inc. for Compulsory Pooling, Lea County,  
New Mexico.  
Red Raider 25 State Com #501H-#503H wells**

Ladies & Gentlemen:

This letter is to advise you that EOG Resources, Inc. has filed the enclosed application with the New Mexico Oil Conservation Division.

**During the COVID-19 Pubic Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on January 7, 2021 beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <http://www.emnrd.state.nm.us/OCD/announcements.html>.**

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Reece Cook, at (432) 848-9216 or [Reece\\_Cook@eogresources.com](mailto:Reece_Cook@eogresources.com).

Sincerely,

Kaitlyn A. Luck  
**ATTORNEY FOR EOG RESOURCES INC.**