

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

**APPLICATION OF EOG RESOURCES, INC.  
FOR APPROVAL OF 1,000-ACRE NON-STANDARD  
SPACING UNITS IN THE BONE SPRING & WOLFCAMP  
FORMATIONS COMPRISED OF ACREAGE SUBJECT  
TO A PROPOSED COMMUNITIZATION AGREEMENT,  
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, for an order approving 1,000-acre, more or less, non-standard spacing units in the Bone Spring and Wolfcamp formations to match the corresponding proposed Communitization Agreement for the acreage underlying all of Section 10, and the N/2 and the NW/4 SW/4 of Section 15, Township 24 South, Range 32 East, NMPM, Lea County, New Mexico. In support of its application, EOG states:

1. EOG owns all of the working interest in the Bone Spring and Wolfcamp formations and seeks approval of 1,000-acre non-standard spacing units to match the corresponding proposed Communitization Agreements for the federal acreage underlying all of said Section 10, and the N/2 and the NW/4 SW/4 of said Section 15.

2. The Triste Draw; Bone Spring Pool (Pool Code 96603) is the only pool within the Bone Spring formation underlying the proposed non-standard spacing unit.

3. Within the proposed non-standard spacing unit, EOG intends to drill or has drilled the following wells within the Triste Draw; Bone Spring Pool:

- **Modelo 10 Federal Com #201H well** (API No. 30-025-44616) (EOG intends to file a sundry reflecting the well name will be changed to the **Modelo 10 Federal Com #501H well**).
- **Modelo 10 Federal Com #202H-#210H wells** (API No. 30-025-pending)
- **Modelo 10 Federal Com #301H-#308H wells** (API No. 30-025-pending)
- **Modelo 10 Federal Com #502H-#511H wells** (API No. 30-025-pending)
- **Modelo 10 Federal Com #581H-#586H wells** (API No. 30-025-pending)
- **Modelo 10 Federal Com #601H-#605H wells** (API No. 30-025-pending)

4. EOG's drilling program for this area will develop the Bone Spring formation underlying each of the 40-acre tracts comprising the proposed non-standard spacing unit.

5. The WC-025 G-08 S243213C; Wolfcamp Pool (Pool Code 98309) is the only pool within the Wolfcamp formation underlying the proposed non-standard spacing unit.

6. Within the proposed non-standard spacing unit, EOG intends to drill or has drilled the following wells in the WC-025 G-08 S243213C; Wolfcamp Pool:

- **Modelo 10 Federal Com #701H-#710H wells** (API No. 30-025-pending)
- **Modelo 10 Federal Com #751H-#756H wells** (API No. 30-025-pending)

7. EOG's drilling program for this area will develop the Wolfcamp formation underlying each of the 40-acre tracts comprising the proposed non-standard spacing unit.

8. EOG seeks to minimize surface disturbance by consolidating facilities and commingling production from existing and future wells in the proposed non-standard spacing unit.

9. EOG understands that the Bureau of Land Management will approve a Communitization Agreement for the Bone Spring and Wolfcamp formations underlying the

acreage comprising the proposed non-standard spacing units once the Division issues approvals of the proposed non-standard spacing units.

10. To allow the existing and permitted wells to be dedicated to the acreage subject to the desired Communitization Agreement, EOG requires approval of corresponding non-standard spacing units in the Bone Spring and Wolfcamp formations.

11. Division Rules contemplate and encourage oil and gas development, where possible, in enlarged areas of common ownership to minimize surface disturbance and to promote efficient well spacing. *See, e.g.*, 19.15.16.7.P NMAC; 19.15.16.15.B(8) NMAC; 19.15.16.15.C(7) NMAC.

12. Approval of this application will allow EOG to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks and pipelines, and promote effective well spacing.

13. Notice of this application will be provided as required by Division rules.

14. Approval of this application is in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, EOG requests that this application be set for hearing before an Examiner of the Oil Conservation Division on July 1, 2021, and that after notice and hearing as required by law, the Division enter an order granting this application.

Respectfully submitted,

HOLLAND & HART LLP



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