

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
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, files this application with the Oil Conservation Division for an order pooling all uncommitted mineral owners in a non-standard 1,280-acre, more or less, horizontal well spacing unit in the Bone Spring formation comprised of the Sections 12 and 13, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico. In support of this application, EOG states:

1. EOG is a working interest owner in the subject acreage and has the right to drill thereon.
2. Applicant seeks to initially dedicate the above-referenced non-standard horizontal well spacing unit to the proposed **Margie 24 Federal Com 501H** and **Margie 24 Federal Com 511H** wells, both to be horizontally drilled from surface locations in the NW/4 NW/4 (Unit D) of Section 24, and bottom hole locations in the NW/4 NW/4 (Unit D) of Section 12; **Margie 24 Federal Com 502H** well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 24, and a bottom hole location in the NW/4 NW/4 (Unit D) of Section 12; **Margie 24 Federal Com 503H** well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 24, and a bottom hole location in the NE/4 NW/4 (Unit C) of Section 12; **Margie 24 Federal Com 504H** well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 24, and a bottom hole location in the NW/4 NE/4 (Unit B) of

Section 12; **Margie 24 Federal Com 505H**, **Margie 24 Federal Com 506H** and **Margie 24 Federal Com 515H** wells, all to be horizontally drilled from surface locations in the NE/4 NE/4 (Unit A) of Section 24, and bottom hole locations in the NE/4 NE/4 (Unit A) of Section 12; **Margie 24 Federal Com 512H** well, to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 24, and a bottom hole location in the NE/4 NW/4 (Unit C) of Section 12; **Margie 24 Federal Com 513H** well, to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 24, and a bottom hole location in the NE/4 NW/4 (Unit C) of Section 12; and **Margie 24 Federal Com 514H** well, to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 24, and a bottom hole location in the NW/4 NE/4 (Unit B) of Section 12.

3. Applicant plans to file a separate administrative application for approval of the non-standard spacing unit.

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

5. The pooling of interests and approval of this spacing unit will allow Applicant to obtain a just and fair share of the oil and gas underlying the subject lands, avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

WHEREFORE, Applicant requests that this matter be set for hearing on October 9, 2025, before an Examiner of the Oil Conservation Division, and, after notice and hearing as required by law, the Division enter an order:

A. Pooling all uncommitted interest owners in the proposed horizontal well spacing unit;

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

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ATTORNEYS FOR EOG RESOURCES, INC.

CASE _____: **Application of EOG Resources, Inc. for Compulsory Pooling, Lea County, New Mexico.** Applicant seeks an order pooling all uncommitted mineral owners in a non-standard 1,280-acre, more or less, horizontal well spacing unit in the Bone Spring formation comprised of the Sections 12 and 13, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico. This spacing unit will be initially dedicated to the **Margie 24 Federal Com 501H** and **Margie 24 Federal Com 511H** wells, both to be horizontally drilled from surface locations in the NW/4 NW/4 (Unit D) of Section 24, and bottom hole locations in the NW/4 NW/4 (Unit D) of Section 12; **Margie 24 Federal Com 502H** well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 24, and a bottom hole location in the NW/4 NW/4 (Unit D) of Section 12; **Margie 24 Federal Com 503H** well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 24, and a bottom hole location in the NE/4 NW/4 (Unit C) of Section 12; **Margie 24 Federal Com 504H** well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 24, and a bottom hole location in the NW/4 NE/4 (Unit B) of Section 12; **Margie 24 Federal Com 505H**, **Margie 24 Federal Com 506H** and **Margie 24 Federal Com 515H** wells, all to be horizontally drilled from surface locations in the NE/4 NE/4 (Unit A) of Section 24, and bottom hole locations in the NE/4 NE/4 (Unit A) of Section 12; **Margie 24 Federal Com 512H** well, to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 24, and a bottom hole location in the NE/4 NW/4 (Unit C) of Section 12; **Margie 24 Federal Com 513H** well, to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 24, and a bottom hole location in the NE/4 NW/4 (Unit C) of Section 12; and **Margie 24 Federal Com 514H** well, to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 24, and a bottom hole location in the NW/4 NE/4 (Unit B) of Section 12. Also, to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof, the operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the wells. Said area is approximately 30 miles northeast of Carlsbad, New Mexico.