

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

**APPLICATION OF EOG RESOURCES, INC.  
FOR COMPULSORY POOLING, AND  
TO THE EXTENT NECESSARY,  
APPROVAL OF AN OVERLAPPING SPACING UNIT,  
EDDY COUNTY, NEW MEXICO**

**CASE NO. 26075**

**EOG RESOURCES, INC.'S PRE-HEARING STATEMENT**

EOG Resources, Inc.'s ("EOG") submits this Pre-Hearing Statement for the above-referenced case pursuant to the rules of the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

EOG Resources, Inc.

**ATTORNEY**

Deana M. Bennett  
MODRALL, SPERLING, ROEHL,  
HARRIS & SISK, P.A.  
P. O. Box 2168  
Albuquerque, New Mexico 87103-2168  
(505) 848-1800

**OTHER PARTIES**

None

**ATTORNEY**

**STATEMENT OF CASE**

In Case No. 26075, EOG seeks an order from the Division pooling all uncommitted interests within a 1280-acre, more or less, Wolfcamp horizontal spacing unit comprised of Section 2, Township 26 South, Range 28 East and Section 35, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico, in the Purple Sage Wolfcamp Gas Pool (Code 98220). This spacing unit will be dedicated to the following wells: **Lavash 2 State Com #701H** and **Lavash 2 State Com #721H** wells with proposed surface hole locations in the SW/SE (Unit O) of Section 2, Township 26 South, Range 28 East, and proposed bottom hole locations in the NE/4 NE/4 (Unit A) of Section 35, Township 25 South, Range 28 East; **Lavash 2 State Com #702H** and **Lavash 2 State Com #722H** wells with proposed surface hole locations in the SW/SE (Unit O) of Section

2, Township 26 South, Range 28 East, and proposed bottom hole locations in the NW/4 NE/4 (Unit B) of Section 35, Township 25 South, Range 28 East; **Lavash 2 State Com #703H** and **Lavash 2 State Com #723H** wells with proposed surface hole locations in the SW/SW (Unit M) of Section 2, Township 26 South, Range 28 East, and proposed bottom hole locations in the NE/4 NW/4 (Unit C) of Section 35, Township 25 South, Range 28 East; and **Lavash 2 State Com #704H** and **Lavash 2 State Com #724H** wells with proposed surface hole locations in the SW/SW (Unit M) of Section 2, Township 26 South, Range 28 East, and proposed bottom hole locations in the NW/4 NW/4 (Unit D) of Section 35, Township 25 South, Range 28 East. The first take point and completed laterals for the wells will be standard. The last take points will be non-standard and EOG has applied administratively for approval of the non-standard locations. The completed interval for the **Lavash 2 State Com #723H** well is expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit. This unit will partially overlap: a 320-acre spacing unit dedicated to the Graham Cracker 2 State 1H well (API 30-015-42282), located in the E/2 of Section 2, Township 26 South, Range 28 East, and operated by COG Operating LLC. Also to be considered will be the cost of drilling, completing, and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision while drilling and after completion, designation of EOG Resources, Inc. as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 10.5 miles south of Malaga, New Mexico.

**PROPOSED EVIDENCE**

<b>WITNESS</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Landman: Isabella Sikes	Approx. 10 minutes	Approx. 8
Geologist: Alden Adelaide Griffin	Approx. 10 minutes	Approx. 6

**PROCEDURAL ISSUES**

EOG intends to present this case by affidavit if there is no opposition to this application.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS  
& SISK, P.A.

By: 

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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**

QUESTIONS

Action 580608

**QUESTIONS**

Operator: EOG RESOURCES INC 5509 Champions Drive Midland, TX 79706	OGRID: 7377
	Action Number: 580608
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

**QUESTIONS**

<b>Testimony</b>	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	2
Testimony time (in minutes)	Not answered.