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|------------------------------|---------------|-----------|------------------------|
| RECEIVED: 01/12/18 2/2/18 | REVIEWER: LRL | TYPE: NSL | APP NO: PLEL1801257336 |
|------------------------------|---------------|-----------|------------------------|

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: Convoy 28 State Com No. 704H Well **API:** 30-025-44258
Pool: Upper Wolfcamp Pool **Pool Code:** 98092

**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 L. Kessler

Print or Type Name

Signature

January 12, 2018

Date

505-988-4421

Phone Number

jlkessler@hollandhart.com

e-mail Address

HOLLAND & HART^{LLP}



Jordan L. Kessler
Associate
Phone (505) 954-7286
Fax (505) 983-6043
JLKessler@hollandhart.com

January 12, 2018

VIA HAND DELIVERY

David Catanach
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

RECEIVED OGD
2018 JAN 12 P 2:31

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Convoy 28 State Com No. 704H Well in the W/2 E/2 of Sections 28 and 33, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico.

Dear Mr. Catanach:

EOG Resources, Inc. (OGRID No. 7377) seeks administrative approval of an unorthodox well location for its **Convoy 28 State Com No. 704H Well** (API No. 30-025-44258) to be completed within the WC-025 G-09 S243336I; Upper Wolfcamp Pool (98092) underlying Sections 28 and 33, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico. This well will be drilled from a surface location 538 feet from the North line and 1635 feet from the East line (Unit B) of Section 28. The upper most perforation will be located 330 feet from North line and 1590 feet from the East line (Unit B) of Section 28 and the lower most perforation will be 330 feet from the South line and 1590 feet from the East line (Unit O) of Section 33. Since this acreage is governed by the Division's statewide rules which provides for wells to be located no closer than 330 feet to the outer boundary of the spacing unit, the completed interval for this well will be unorthodox because it is closer than 330 feet to the eastern, southeastern, and northeastern boundaries of the project area.

EOG will be the operator of three permitted wells in the E/2 E/2 of Sections 28 and 33: the Convoy 28 State Com No. 701H Well, the Convoy 28 State Com No. 702H Well, and the Convoy 28 State Com No. 703H Well. Ownership in the Wolfcamp is identical between the proposed spacing unit and the spacing unit in the E/2 E/2 of Sections 28 and 33. Approval of the unorthodox completed interval will allow EOG to use their preferred well spacing plan for horizontal wells in this area and thereby prevent waste.

Holland & Hart^{LLP}

Phone [505] 988-4421 Fax [505] 983-6043 www.hollandhart.com

110 North Guadalupe Suite 1 Santa Fe, New Mexico 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Boulder Carson City Colorado Springs Denver Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C. ☏



Exhibit A is a draft Well Location and Acreage Dedication Plat (Form C-102), which shows that the completed interval of the proposed **Convoy 28 State Com No. 704H Well** encroaches on the spacing and proration units to the East, Northeast, and Southeast.

Exhibit B is a land plat for Sections 28 and 33 and the surrounding sections that shows the proposed **Convoy 28 State Com No. 704H Well** in relation to adjoining units and existing wells.

Exhibit C is a list of the parties affected by the encroachment to the Northeast and Southeast. As described above, EOG is the operator in the spacing proration unit comprised of the E/2 E/2 of Sections 28 and 33 and ownership is identical to the proposed spacing unit. Accordingly, there are no affected parties in the spacing units to the East of the proposed well. Each of the parties listed on Exhibit C have been provided notice of this application by certified mail. A copy of this application has been provided to the State Land Office.

Exhibit D is an affidavit from the landman verifying that ownership in the E/2 of Sections 28 and 33 is identical.

Your attention to this matter is appreciated.

Sincerely,

Jordan L. Kessler
ATTORNEY FOR EOG RESOURCES, INC.

cc: New Mexico State Land Office

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

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 | ² Pool Code | ³ Pool Name |
| ⁴ Property Code | ⁵ Property Name CONVOY 28 STATE COM | |
| ⁷ OGRID No. | ⁸ Operator Name EOG RESOURCES, INC. | ⁶ Well Number #704H |
| | | ⁹ Elevation 3526' |

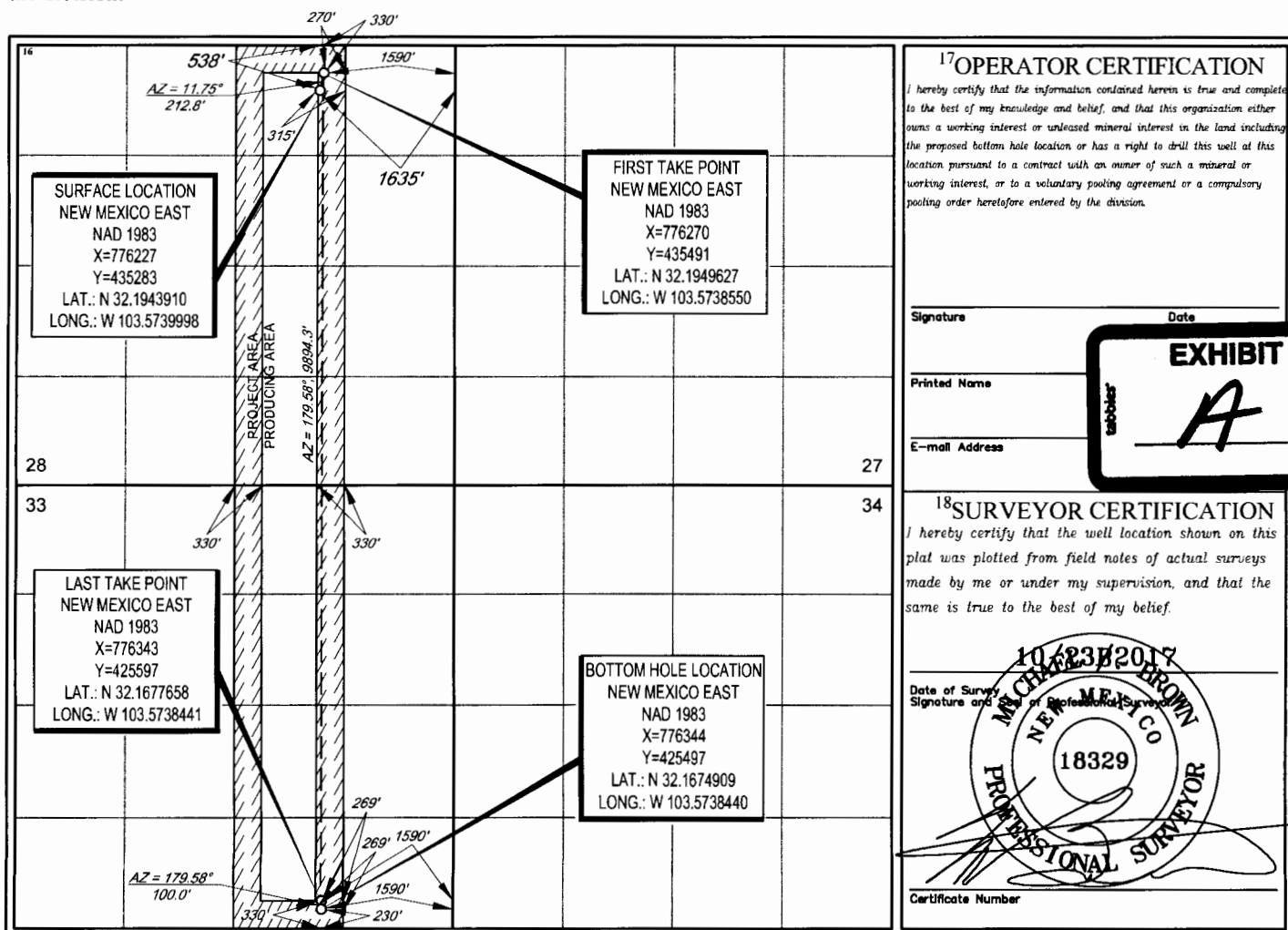
¹⁰Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| B | 28 | 24-S | 33-E | - | 538' | NORTH | 1635' | EAST | LEA |

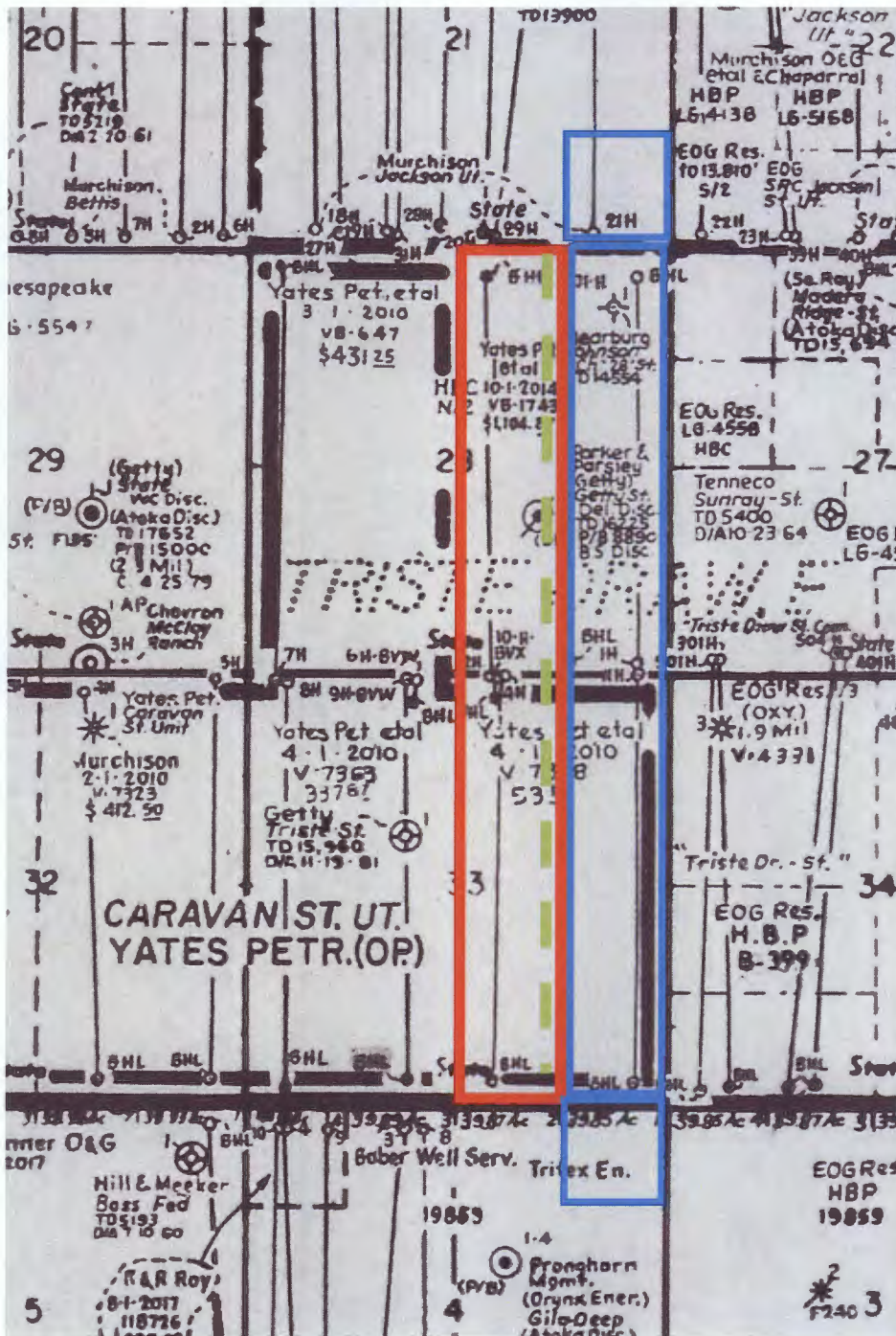
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| 0 | 33 | 24-S | 33-E | - | 230' | SOUTH | 1590' | EAST | LEA |

| | | | |
|--------------------------------------|-------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres 320 | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. |
|--------------------------------------|-------------------------------|----------------------------------|-------------------------|

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.



NSL Application - Convoy 28 State Com #704H
 Township 24 South-Range 33 East, NMPM
 Sec. 28: W/2E/2 & Sec. 33: W/2E/2, Lea County New Mexico



Project area for Convoy 28 State Com #704H – W/2E/2 Sec. 28 and W/2E/2 Sec. 33-T24S-R33E



Convoy 28 State Com #704H



Affected Parties



Exhibit C

Tract 1:

Murchison Oil and Gas
7250 Dallas Parkway, Suite 1400
Plano, TX 75024
70171450000216970651

Tract 3:

Baber Well Servicing Company
P.O. 1772
Hobbs, NM 88241
70171450000216970538

A. G. Hill, acting by and through A. G. Hill Company
1601 Elm Street, Suite 5000
Dallas, TX 75201
70171450000216970545

Endurance Properties, Inc.
15455 Dallas Parkway, Suite 1050
Addison, Texas 75001
70171450000216970552

Occidental Permian Limited Partnership
5 Greenway Plaza, Suite 110
Houston, TX 77046
70171450000216970569

Chester J. Donnally, Jr., as Trustee of the Margaret Hunt Hill - Elisa M. Hill Trust
2101 Cedar Springs Road, Suite 1800
Dallas, TX 75201
70171450000216970576

Chester J. Donnally, Jr., as Trustee of the Margaret Hunt Hill - Heather V. Hill Trust
2101 Cedar Springs Road, Suite 1800
Dallas, TX 75201
70171450000216970583

David Pickett, as Trustee of the Albert Hill Trust
2101 Cedar Springs Road, Suite 1800
Dallas, TX 75201
70171450000216970439



A. Kimbrough Davis, as Trustee of the Margaret Hunt Hill - A.G. Hill, III Trust
2101 Cedar Springs Road, Suite 1800
Dallas, TX 75201
70171450000216970446

Legacy Trust Company, L.T.A., as Trustee of the Margaret Hunt Hill - Michael Bush
Wisembaker, Jr. Trust
2101 Cedar Springs Road, Suite 1800
Dallas, TX 75201
70171450000216970453

Legacy Trust Company, L.T.A., as Trustee of the Margaret Hunt Hill - Wesley Hill Wisembaker
Trust
2101 Cedar Springs Road, Suite 1800
Dallas, TX 75201
70171450000216970460

Legacy Trust Company, L.T.A., as Trustee of the Margaret Hunt Hill - Margretta Hill Wikert
Trust
2101 Cedar Springs Road, Suite 1800
Dallas, TX 75201
70171450000216970477

Legacy Trust Company, L.T.A., as Trustee of the Margaret Hunt Hill - Cody Macarthur Wikert
Trust
2101 Cedar Springs Road, Suite 1800
Dallas, TX 75201
70171450000216970484

Alinda Hill Wikert, individually
2101 Cedar Springs Road, Suite 1800
Dallas, TX 75201
70171450000216970491

Conoco Phillips Company
P.O. Box 2197
Houston, TX 77252-2197
70171450000216970507



5509 Champions Dr., Midland, Texas 79706
Phone: (432) 686-3600 Fax: (432) 686-3773

Date: January 11, 2018

To: State of New Mexico Oil Conservation Division

Re: Convoy 28 State Com #704H – NSL Application

To whom it may concern:

I have reviewed the ownership as to the Wolfcamp Formation of the oil and gas leasehold in the W/2E/2 of Section 28 and W/2E/2 of Section 33, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico, for purposes of the APPLICATION FOR NONSTANDARD LOCATION. The E/2 of Sections 28 and 33 are covered by an operating agreement; accordingly, owners and percent ownership in the proposed spacing unit is identical to the adjacent spacing unit, comprised of the E/2E/2 of Section 33.

EOG Resources, Inc.

A handwritten signature in black ink, appearing to read "Charles Moran", written over a horizontal line.

Charles Moran
Land Advisor



HOLLAND & HART LLP



Jordan L. Kessler

Associate

Phone (505) 954-7286

Fax (505) 983-6043

JLKessler@hollandhart.com

January 12, 2018

VIA CERTIFIED MAIL

RETURN RECEIPT REQUESTED

TO AFFECTED PARTIES

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Convoy 28 State Com No. 704H Well in the W/2 E/2 of Sections 28 and 33, Township 24 South, Range 33 East, N.M.P.M., 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:

Chuck Moran
EOG Resources, Inc.
(432) 686-3684
Charles_Moran@eogresources.com

Sincerely,

Jordan L. Kessler

ATTORNEY FOR EOG RESOURCES, INC.

Holland & Hart LLP

Phone [505] 988-4421 **Fax** [505] 983-6043 **www.hollandhart.com**

110 North Guadalupe Suite 1 Santa Fe, New Mexico 87501 **Mailing Address** P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Boulder Carson City Colorado Springs Denver Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C. ♻

From: [Lowe, Leonard, EMNRD](#)
To: ["Jordan L. Kessler"; "Michael Feldewert"](#)
Cc: [Brown, Maxey G, EMNRD](#); [Kautz, Paul, EMNRD](#); [McMillan, Michael, EMNRD](#); [Goetze, Phillip, EMNRD](#); [Jones, William V, EMNRD](#); ["lisa@rwbyram.com"](#); ["jglover@blm.gov"](#); ["scaffey@blm.gov"](#); ["jstovall@blm.gov"](#)
Subject: APPROVED NSL-7632 & NSL-7633_EOG RESOURCES, INC_Convoy 28 State Com Well No. (703H & 704H)_SEC 28 24S 33E
Date: Wednesday, February 14, 2018 5:42:00 PM
Importance: High

Ms. Jordan L. Kessler,

The following Administrative Orders have been issued, for:

EOG RESOURCES, INC.

POOL: WC-025 G-09S243336I [No. 98092]

NSL-7632

WELL: Convoy 28 State Com Well No. 703H

API NO: 30-025-44257

NSL-7633

WELL: Convoy 28 State Com Well No. 704H

API NO: 30-025-44258

These Orders will soon be available on the Division's web site:

<http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>

Thank you!

Leonard Lowe

Engineering Bureau

Oil Conservation Division

Energy Minerals and Natural Resources Department

1220 South St. Frances

Santa Fe, New Mexico 87004

Office: 505-476-3492

Cell: 505-930-6717

Fax: 505-476-3462

E-mail: leonard.lowe@state.nm.us

Website: <http://www.emnrd.state.nm.us/ocd/>