

NSL

Initial

Application

RECEIVED: 09/15/21	REVIEWER: LRL	TYPE: NSL	APP NO: pLEL2125854082
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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: Merciless 13 Fed Com #744H well **API:** 30-025-48884
Pool: WC-025 G-09 S253309P;UPR WOLFCAMP Pool **Pool Code:** 98180

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.

Kaitlyn A. Luck

Print or Type Name

Signature

9/10/2021

Date

505-954-7286

Phone Number

kaluck@hollandhart.com

e-mail Address



September 10, 2021

VIA ONLINE FILING

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

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Merciless 13 Fed Com #744H well in the E/2 of Section 13 and the NE/4 of Section 24, Township 25 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

Dear Ms. Sandoval:

EOG Resources, Inc. (OGRID No. 7377) seeks administrative approval of an unorthodox well location for its **Merciless 13 Fed Com #744H well** (API No. 30-025- 48884) to be completed within the WC-025 G-09 S253309P;UPR WOLFCAMP Pool [98180], in a 480-acre, more or less, spacing unit underlying the E/2 of Section 13 and the NE/4 of Section 24, Township 25 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

This well is drilled and is to be completed as follows:

- the surface location is located 200 feet from the north line and 2,228 feet from the west line (Unit C) of Section 13,
- the bottom hole location is located 2,541 feet from the north line and 2,590 feet from the east line (Unit G) of Section 24,
- the first take point is located 100 feet from the north line and 2,590 feet from the east line (Unit B) of Section 13 and
- the last take point is located 2,541 feet from the north line and 2,590 feet from the east line (Unit G) of Section 24.

Since this acreage is governed by the Division's statewide rules, the completed interval for this well will be unorthodox because it is closer than the standard offsets to the western boundary of the spacing unit and encroaches on the E/2 W/2 of Section 13, and the E/2 NW/4 of Section 24.

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.

Exhibit A is a Form C-102 showing the completed interval of the proposed **Merciless 13 Fed Com #744H well** encroaches on the spacing unit/tracts to the west in Sections 13 and 24. Also included with Exhibit A is a Form C-102 for the **Merciless 13 Fed Com #707H well**, which is the defining well for the enlarged spacing unit encompassing the **Merciless 13 Fed Com #744H well**.

Exhibit B is a plat for Sections 13 and 24 that shows the proposed **Merciless 13 Fed Com #744H well** in relation to adjoining spacing unit/tracts to the west.

Ownership is diverse between the subject spacing unit and the affected spacing unit to the west. **Exhibit C** includes the tracking information that reflects the “affected parties” were sent a copy of this application with all attachments by certified mail advising that any objections must be filed in writing with the Division within 20 days from the date the Division receives the application. The following are the affected parties:

Type	Affected Party	Location	Date Sent
Operator/ Working Interest	EOG RESOURCES, INC.	W/2 of Section 13, and the NW/4 of Section 24	N/A
Working Interest	DAVID PETROLEUM CORPORATION	W/2 of Section 13, and the NW/4 of Section 24	9/9/21
Working Interest	MCCLELLAN OIL CORPORATION	W/2 of Section 13, and the NW/4 of Section 24	9/9/21
Working Interest	MOBIL PRODUCING TX & NM INC	W/2 of Section 13, and the NW/4 of Section 24	9/9/21
Working Interest	SHARBRO ENERGY LLC	W/2 of Section 13, and the NW/4 of Section 24	9/9/21
Working Interest	TOLES COMPANY	W/2 of Section 13, and the NW/4 of Section 24	9/9/21

Royalty Interest	BUREAU OF LAND MANAGEMENT	W/2 of Section 13, and the NW/4 of Section 24	
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Exhibit D is a statement from a petroleum engineer providing justification for the needed exception.

Your attention to this matter is appreciated.

Sincerely,



Kaitlyn A. Luck
ATTORNEY FOR EOG RESOURCES, INC.

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 MERCILESS 13 FED COM		⁶ Well Number 707H
⁷ OGRID No.	⁸ Operator Name EOG RESOURCES, INC.		⁹ Elevation 3496'

¹⁰Surface Location

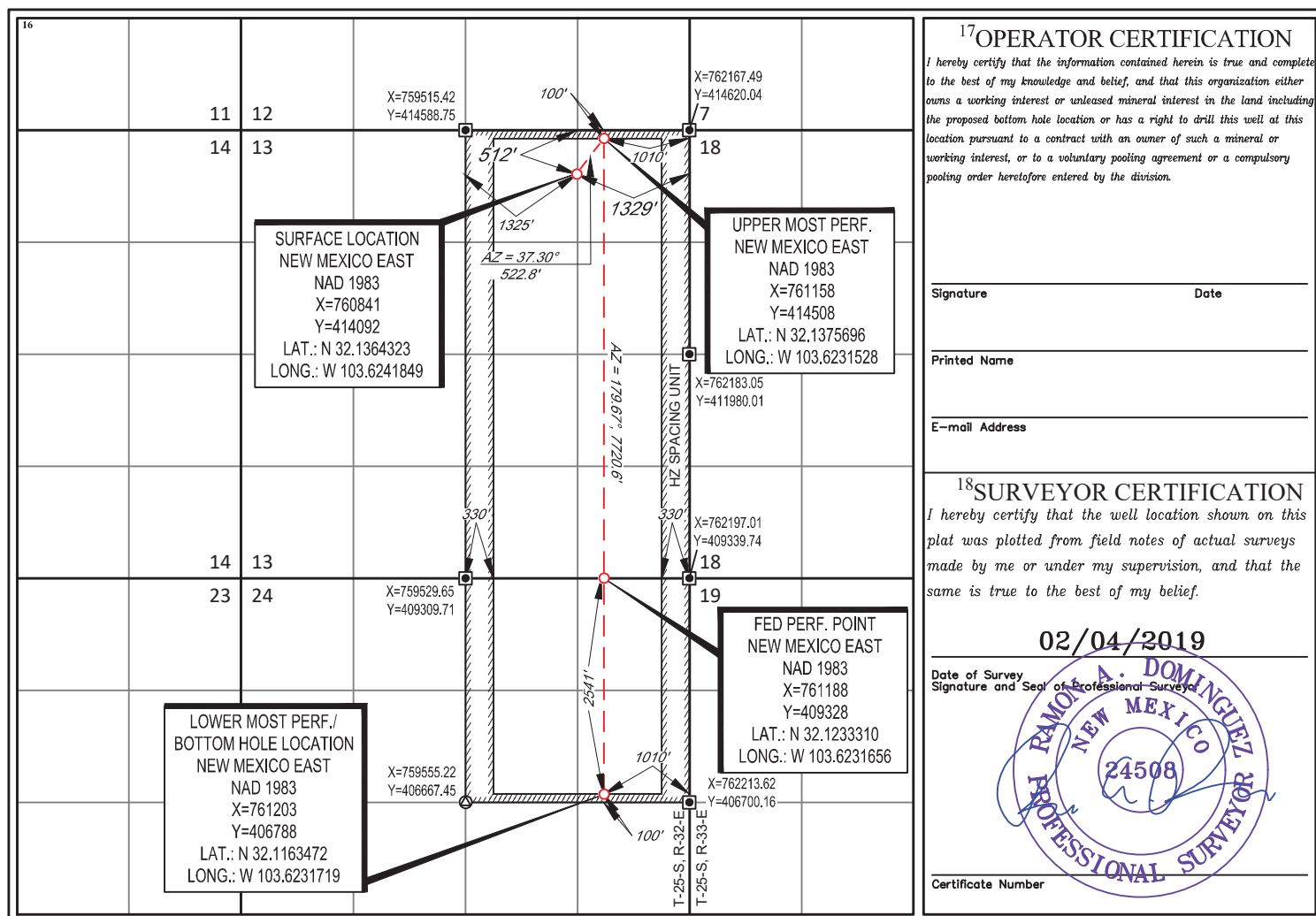
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	13	25-S	32-E	-	512'	NORTH	1329'	EAST	LEA

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	24	25-S	32-E	-	2541'	NORTH	1010'	EAST	LEA

¹² Dedicated Acres 480.00	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.



State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Revised August 1, 2011

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-		² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name MERCILESS 13 FED COM		⁶ Well Number 744H
⁷ OGRID No. 7377	⁸ Operator Name EOG RESOURCES, INC.		⁹ Elevation 3500'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	13	25-S	32-E	-	200'	NORTH	2228'	WEST	LEA

¹¹Bottom Hole Location If Different From Surface

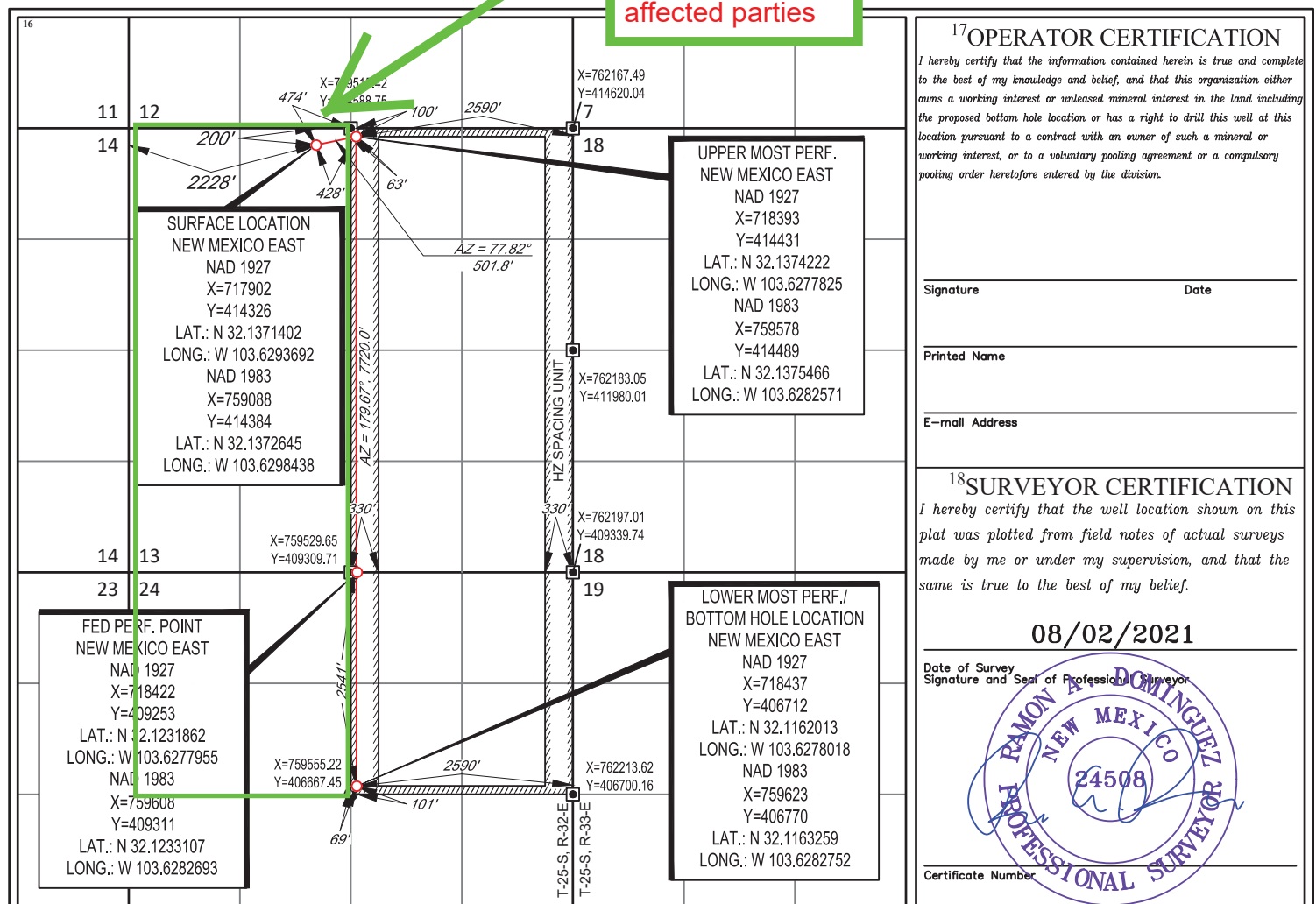
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	24	25-S	32-E	-	2541'	NORTH	2590'	EAST	LEA

¹² Dedicated Acres 480.00	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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Offset spacing unit: EOG is the operator. Notice provided to affected parties

No allowable will be assigned to this completion until all interests have

standard unit has been approved by the division.



September 3, 2021

Certification of Ownership

I have reviewed the ownership of the oil and gas leasehold in Sections 13 & 24 -25S-32E, Lea County, New Mexico, for purposes of the unorthodox location for EOG's Merciless 13 Fed Com #744H well located in the W/2E/2 of Section 13 & W/2 NE/4 Section 24 - 25S-32E. As of the date of this letter, the affected parties are:

See Attached EXHIBIT "A"

Sincerely,

EOG Resources, Inc.

Matthew Gray

Matthew Gray
Landman

EXHIBIT “A”

	Name	Address	Interest Type
1	DAVID PETROLEUM CORPORATION	116 WEST FIRST STREET ROSWELL,NM 88201-0000	Working Interest
2	EOG RESOURCES INC	P O BOX 840321 DALLAS,TX 75284-0321	Working Interest
3	MCCLELLAN OIL CORPORATION	P O BOX 730 ROSWELL,NM 88202-0730	Working Interest
4	MOBIL PRODUCING TX & NM INC	C/O XTO ENERGY INC P O BOX 840780 DALLAS,TX 75284-0780	Working Interest
5	SHARBRO ENERGY LLC	POA ELIZABETH BAKER P O BOX 840 ARTESIA,NM 88211-0840	Working Interest
6	TOLES COMPANY	P O BOX 1300 ROSWELL,NM 88202-1300	Working Interest
7	BUREAU OF LAND MANAGEMENT	301 DINOSAUR TR. SANTA FE, NM 87508	Royalty Interest



September 10, 2021

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PERSONS

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Merciless 13 Fed Com #744H well in the E/2 of Section 13 and the NE/4 of Section 24, Township 25 South, Range 32 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:

Matthew Gray
EOG Resources, Inc.
(432) 686-3600
Matthew_Gray@eogresources.com

Sincerely,

Kaitlyn A. Luck
ATTORNEY FOR EOG RESOURCES, INC.

Parent ID	Mail Date	Company	DeliveryAddress	City	ST	Zip	MailClass	TrackingNo	Well
31309	09/10/2021	DAVID PETROLEUM CORPORATION	116 W 1st St	Roswell	NM	88203-4702	Certified with Return Receipt (Signature)	9414811898765854591944	71002 - EOG_Merciless 744H notice list - 1
31309	09/10/2021	MCCLELLAN OIL CORPORATION	PO Box 840321	Roswell	NM	88202	Certified with Return Receipt (Signature)	9414811898765854591982	71002 - EOG_Merciless 744H notice list - 2
31309	09/10/2021	MOBIL PRODUCING TX & NM INC C-O XTO ENERGY INC	PO Box 840780	Dallas	TX	75284-0780	Certified with Return Receipt (Signature)	9414811898765854591937	71002 - EOG_Merciless 744H notice list - 3
31309	09/10/2021	SHARBRO ENERGY LLC POA ELIZABETH BAKER	PO Box 840	Artesia	NM	88211-0840	Certified with Return Receipt (Signature)	9414811898765854591975	71002 - EOG_Merciless 744H notice list - 4
31309	09/10/2021	TOLES COMPANY	PO Box 1300	Roswell	NM	88202-1300	Certified with Return Receipt (Signature)	9414811898765854591616	71002 - EOG_Merciless 744H notice list - 5
31309	09/10/2021	BUREAU OF LAND MANAGEMENT	301 Dinosaur Trl	Santa Fe	NM	87508-1560	Certified with Return Receipt (Signature)	9414811898765854591654	71002 - EOG_Merciless 744H notice list - 6



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

September 1st, 2021

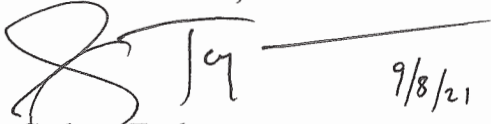
Re: EOG Resources, Inc. NSL Application
Merciless 13 Fed Com #744H (Well)
W/2 E/2 Section 13 & W/2 NE/4 Section 24, T25S-R32E
Lea County, New Mexico

To Whom it may concern:

Considering the distance between wells in the development plan for the Wolfcamp formation in Sections 13&24, T25S-R32E, EOG believes the non-standard location is necessary to develop the Wolfcamp resource in an economic fashion. Based on analog Wolfcamp wells along with geologic analysis, EOG believes placing the well at this location maintains optimal spacing to continue development of resources in the formation. Granting the exception will allow for more total production from the section and more efficient development of the asset therefore protecting correlative rights.

Sincerely

EOG Resources, Inc.


Graham Taylor
Reservoir Engineer II