### NSL

## Initial

# Application

09/15/21	REVIEWER: LRL	TYPE: NSL	pLEL2125854082

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

### **NEW MEXICO OIL CONSERVATION DIVISION**

- Geological & Engineering Bureau -



1220 South St. Francis Drive, Santa Fe	e, NM 87505
ADMINISTRATIVE APPLICATION	CHECKLIST
THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISI	s for exceptions to division rules and
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 INDICATED BELOW	TO PROCESS THE TYPE OF APPLICATION
1) TYPE OF APPLICATION: Check those which apply for [A] A. Location – Spacing Unit – Simultaneous Dedication  NSL NSP(PROJECT AREA) NSP(PROJECT AREA)  B. Check one only for [1] or [1]  [1] Commingling – Storage – Measurement  DHC CTB PLC PC OLS  [11] Injection – Disposal – Pressure Increase – Enhance  WFX PMX SWD IPI EOR	□olm
2) NOTIFICATION REQUIRED TO: Check those which apply.	FOR OCD ONLY  Notice Complete
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	
<ul> <li>E. Notification and/or concurrent approval by BLM</li> <li>F. Surface owner</li> <li>G. For all of the above, proof of notification or publication.</li> <li>H. No notice required</li> </ul>	ation is attached, and/or,
3) <b>CERTIFICATION:</b> I hereby certify that the information submit administrative approval is <b>accurate</b> and <b>complete</b> to the bunderstand that <b>no action</b> will be taken on this application	pest of my knowledge. I also

notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

	9/10/2021	
Kaitlyn A. Luck	Date	
Print or Type Name		
	505-954-7286	
Annhull	Phone Number	
	kaluck@hollandhart.com	
Signature	e-mail Address	



**Kaitlyn A. Luck Phone** (505) 954-7286 kaluck@hollandhart.com

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 <u>surface location</u> is located 200 feet from the north line and 2,228 feet from the west line (Unit C) of Section 13,
- the <u>bottom hole location</u> is located 2,541 feet from the north line and 2,590 feet from the east line (Unit G) of Section 24,
- the <u>first take point</u> is located 100 feet from the north line and 2,590 feet from the east line (Unit B) of Section 13 and
- the <u>last take point</u> 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/	EOG RESOURCES, INC.	W/2 of	N/A
Working		Section 13,	
Interest		and the NW/4	
		of Section 24	
Working	DAVID PETROLEUM	W/2 of	9/9/21
Interest	CORPORATION	Section 13,	
		and the NW/4	
		of Section 24	
Working	MCCLELLAN OIL CORPORATION	W/2 of	9/9/21
Interest		Section 13,	
		and the NW/4	
		of Section 24	
Working	MOBIL PRODUCING TX & NM INC	W/2 of	9/9/21
Interest		Section 13,	
		and the NW/4	
		of Section 24	
Working	SHARBRO ENERGY LLC	W/2 of	9/9/21
Interest		Section 13,	
		and the NW/4	
		of Section 24	
Working	TOLES COMPANY	W/2 of	9/9/21
Interest		Section 13,	
		and the NW/4	
		of Section 24	

Royalty	BUREAU OF LAND MANAGEMENT	W/2 of	
Interest		Section 13,	
		and the NW/4	
		of Section 24	

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.

**EXHIBIT - A** 

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 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 1220 S. St. Francis Dr., Santa Fe, NM 87505

Phone: (505) 476-3460 Fax: (505) 476-3462

480.00

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

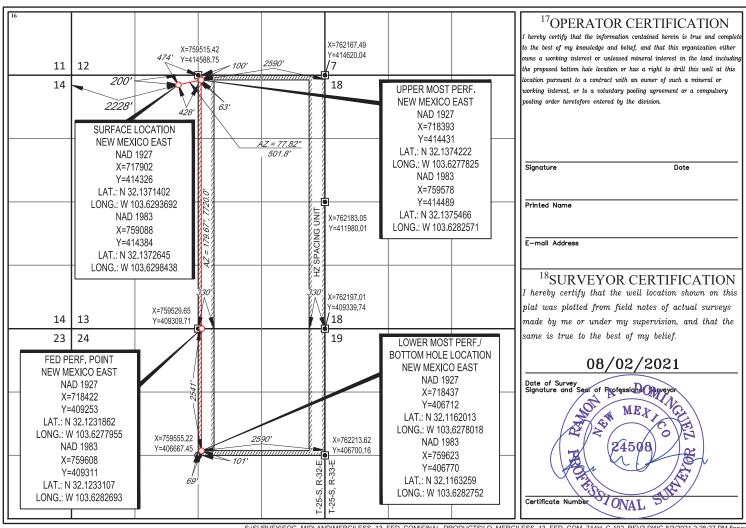
**FORM C-102** Revised August 1, 2011 Submit one copy to appropriate **District Office** 

AMENDED REPORT

### WELL LOCATION AND ACREAGE DEDICATION PLAT

	<sup>1</sup> API Number	r		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name							
3	0-025-	_											
<sup>4</sup> Property (	Code				<sup>5</sup> Property N	ame			6V	<sup>6</sup> Well Number			
MERCILESS 13 FED COM									744H				
<sup>7</sup> OGRID !	No.				<sup>8</sup> Operator N	lame			<sup>9</sup> Elevation				
7377	7			EO	G RESOUR	CES, INC.				3500'			
					<sup>10</sup> Surface Lo	ocation							
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	Ea	st/West line	County			
С	13	25-S	32-E	-	200'	NORTH	2228'	WE	ST	LEA			
<sup>11</sup> Bottom Hole Location If Different From Surface													
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	Ea	st/West line	County			
G	24	25-S	32-E	-	2541'	NORTH	2590'	EAS	ST	LEA			
12Dedicated Acres	<sup>13</sup> Joint or l	Infill 14Co	nsolidation Code	e <sup>15</sup> 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.



S:\SURVEY\EOG\_MIDLAND\MERCILESS\_13\_FED\_COM\FINAL\_PRODUCTS\LO\_MERCILESS\_13\_FED\_COM\_744H\_C-102\_REV3.DWG 8/3/2021 2:26:27 PM flope

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

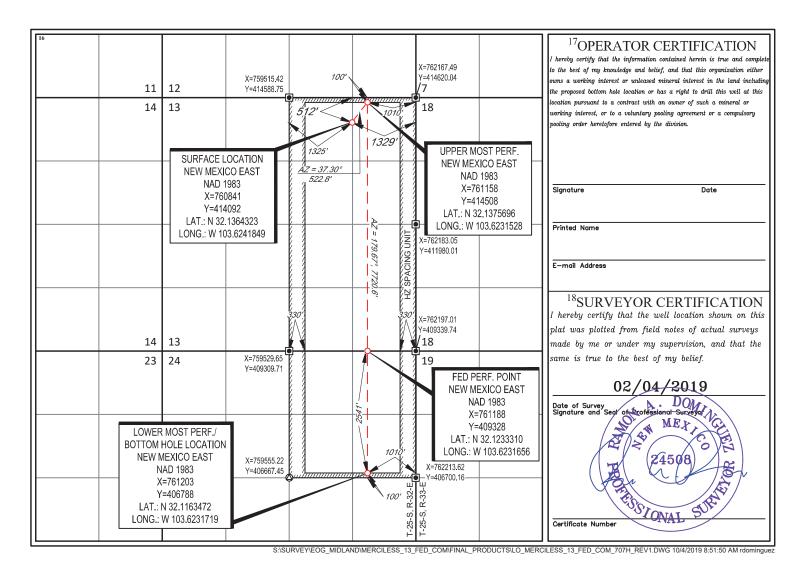
FORM C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

### WELL LOCATION AND ACREAGE DEDICATION PLAT

1			<sup>2</sup> Pool Code			<sup>3</sup> Pool Na	ame				
<sup>4</sup> Property Code <sup>5</sup> Property Name									<sup>6</sup> Well Number		
MERCILESS 13 FED COM									707H		
<sup>7</sup> OGRID N	No.				<sup>8</sup> Operator	Name			<sup>9</sup> Elevation		
				EC	G RESOUF	CES, INC.			3496'		
	<sup>10</sup> Surface Location										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West lin	ne County		
В	13	25-S	32-E	_	512'	NORTH	1329'	EAST	LEA		
			11]	Bottom Ho	le Location If	Different From Su	rface		•		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West li	ne County		
G	24	25-S	$5-S \mid 32-E \mid - \mid 2541' \mid NORTH \mid 1010' \mid EAST \mid LEAST \mid LEAS$								
<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or I	nfill <sup>14</sup> Co	<sup>14</sup> Consolidation Code   <sup>15</sup> Order No.								
480.00											

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.



**EXHIBIT - B** 

<u>District I</u> 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

LONG.: W 103.6282693

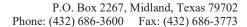
State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

**FORM C-102** Revised August 1, 2011 Submit one copy to appropriate **District Office** 

RT

1220 S. St. Francis De Phone: (505) 476-346					Saı	nta Fe, N	IM 87505			l	AM	ENDED REPOI
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3	30-025			r oor Coue					I ooi ivai	пе		
<sup>4</sup> Property						<sup>5</sup> Property N	lame				<sup>6</sup> We	ll Number
				ME	RCII		FED COM	<b>A</b>				44H
<sup>7</sup> OGRID	No.					<sup>8</sup> Operator N				-		levation
737	7			E	OG I	RESOUR	CES, INC.				3	500'
					10	Surface Lo	ocation					
UL or lot no.	Section	Township	Range	Lot Idn		Feet from the	North/South	line	Feet from the	Eas	t/West line	County
С	13	25-S	32-E	_	;	200'	NORTH		2228'	WES	ST	LEA
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UL or lot no.	Section	Township	Range			Feet from the	North/South		Feet from the	Eas	st/West line	County
G G	24	25-S	32-E	_	ı	541	NORTH		2590'	EAS		LEA
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LONG.: W 103.6282752





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



**Kaitlyn A. Luck Phone** (505) 954-7286 kaluck@hollandhart.com

September 10, 2021

### <u>VIA CERTIFIED MAIL</u> 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	Mail	Company	DeliveryAddress	City	ST	Zip	MailClass	TrackingNo	Well
ID	Date								
31309	09/10/	DAVID PETROLEUM	116 W 1st St	Roswell	NM	88203-	Certified with Return	941481189876	71002 - EOG_Merciless
	2021	CORPORATION				4702	Receipt (Signature)	5854591944	744H notice list - 1
31309	09/10/	MCCLELLAN OIL	PO Box 840321	Roswell	NM	88202	Certified with Return	941481189876	71002 - EOG_Merciless
	2021	CORPORATION					Receipt (Signature)	5854591982	744H notice list - 2
31309	09/10/	MOBIL PRODUCING TX &	PO Box 840780	Dallas	TX	75284-	Certified with Return	941481189876	71002 - EOG_Merciless
	2021	NM INC C-O XTO ENERGY				0780	Receipt (Signature)	5854591937	744H notice list - 3
		INC							
31309	09/10/	SHARBRO ENERGY LLC	PO Box 840	Artesia	NM	88211-	Certified with Return	941481189876	71002 - EOG_Merciless
	2021	POA ELIZABETH BAKER				0840	Receipt (Signature)	5854591975	744H notice list - 4
31309	09/10/	TOLES COMPANY	PO Box 1300	Roswell	NM	88202-	Certified with Return	941481189876	71002 - EOG_Merciless
	2021					1300	Receipt (Signature)	5854591616	744H notice list - 5
31309	09/10/	BUREAU OF LAND	301 Dinosaur Trl	Santa Fe	NM	87508-	Certified with Return	941481189876	71002 - EOG_Merciless
	2021	MANAGEMENT				1560	Receipt (Signature)	5854591654	744H notice list - 6

Phone: (432) 686-3600 Fax: (432) 686-3773

September 1<sup>st</sup>, 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

9/8/21

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