From: Lowe, Leonard, EMNRD

To: <u>Jordan Kessler</u>

Subject: RE: [EXTERNAL] Withdraw of NSL application Date: Wednesday, April 13, 2022 2:16:00 PM

Attachments: <u>image001.png</u>

Ms. Jordan Kessler,

The OCD will withdraw your NSL application, as requested.

Thank you,

Leonard R. Lowe

Engineering Bureau OCD - EMNRD 5200 Oakland Ave. NE Albuquerque, N.M. 87113 C: 505-930-6717

http://www.emnrd.state.nm.us/ocd/

From: Jordan Kessler < Jordan_Kessler@eogresources.com>

Sent: Wednesday, April 13, 2022 1:35 PM

To: Lowe, Leonard, EMNRD < Leonard.Lowe@state.nm.us>; Engineer, OCD, EMNRD

<OCD.Engineer@state.nm.us>

Subject: [EXTERNAL] Withdraw of NSL application

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Hi Leonard,

EOG would like to request that the NSL application for the Ruthless 509H be withdrawn. The Action ID is 90673, and the reference ID is PLEL 2207730853. The application was submitted on 3/16/22 and on modified 3/18/22.

Please let me know if you have any additional questions.

Thanks! Jordan

Jordan Kessler

Senior Regulatory Advisor



125 Lincoln Avenue, Suite 213

Santa Fe, NM 87501 Mobile: (432) 488-6108 Office: (575) 748-4158

jordan kessler@eogresources.com

03/16/22

REVIEWER:

LRL

APP NO:

pLEL2207730853

NEW MEXICO OIL CONSERVATION DIVISION

- Geological & Engineering Bureau -



1220 South St. Francis Drive, Sc	anta Fe, NM 87505
ADMINISTRATIVE APPLIC	ATION CHECKLIST
THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE API REGULATIONS WHICH REQUIRE PROCESSING A Applicant: EOG Resources Inc.	PLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND
Well Name: Ruthless 11 Fed Com 509H	API: 30-025-47722
Pool: WC-025 G-08 S253235G; Lower Bone Spring	Pool Code: 97903
SUBMIT ACCURATE AND COMPLETE INFORMATION REGINDICATED B	QUIRED TO PROCESS THE TYPE OF APPLICATION
1) TYPE OF APPLICATION: Check those which apply for A. Location – Spacing Unit – Simultaneous Dedication – Spacing Unit – Simultaneous Dedication – NSL NSP (PROJECT AREA)	
[II] Injection – Disposal – Pressure Increase – E	FOR OCD ONLY PPR Poply. Notice Complete
C. Application requires published notice D. Notification and/or concurrent approval b E. Notification and/or concurrent approval b F. Surface owner G. For all of the above, proof of notification of H. No notice required	y SLO y BLM Content Complete
3) CERTIFICATION: I hereby certify that the information administrative approval is accurate and complete understand that no action will be taken on this app notifications are submitted to the Division.	to the best of my knowledge. I also
Note: Statement must be completed by an individual	with managerial and/or supervisory capacity.
	03/16/2022 Date
Jordan L Kessler	Baile
Print or Type Name	Hone Number
Signature	jordan_kessler@eogresources.com e-mail Address



Jordan Lee Kessler Phone: (432) 488-6108 Email: jordan kessler@eogresources.com

March 16, 2022

VIA ONLINE FILING

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

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Ruthless 11 Fed Com No. 509H well in the E/2E/2 of Sections 11 and 14, Township 25 South, Range 32 East, NMPM, Lea County, New Mexico.

Dear Director Sandoval,

EOG Resources, Inc. (OGRID No. 7377) seeks administrative approval of an unorthodox well location for its Ruthless 11 Fed Com No. 509H well (API No. 30-025-47722). This well has been drilled but not yet completed. The spacing unit dedicated to the well is comprised of the E/2E/2 of Sections 11 and 14, Township 25 South, Range 32 East, Lea County, New Mexico and is within the WC-025 G-08 S253235G; Lower Bone Spring pool (97903). The horizontal spacing unit for the well is approximately 640 acres, which includes proximity tracts. The defining well for the spacing unit is the Ruthless 11 Fed Com No. 507H well (API No. 30-025-47720).

The well has been drilled and is proposed to be completed as follows:

- The <u>surface location</u> is located 951 feet from the North line, 706 feet from the East line (Unit A) of Section 11,
- The <u>bottom hole location</u>, as drilled, is located 109 feet from the South line, 320 feet from the East line (Unit P) of Section 14,
- The <u>first take point</u> is located 100 feet from the North line, 365 feet from the East line (Unit A) of Section 11,
- The <u>last take point</u> is located 109 feet from the South line, 320 feet from the East line (Unit P) of Section 14.

The acreage is governed by the Division's statewide rules. Accordingly, the proposed completed interval is unorthodox because, as drilled, it is closer than the 330 feet to the eastern boundary. It encroaches on the spacing units in the W/2W/2 of Sections 12 and 13. Approval of the unorthodox

location will allow EOG to use its preferred well spacing plan for horizontal wells, which will prevent waste, and reflects the as-drilled location of the well.

Exhibit A shows the location of the as-drilled well, including the proposed unorthodox completed interval, of the Ruthless 11 Fed Com No. 509H well. The proposed completed interval encroaches on the spacing unit/tracts to the east.

Exhibit B is the Form C-102 filed with the Division.

Exhibit C is a plat that shows the Ruthless 11 Fed Com No. 509H well in relation to the adjoining spacing units/tracts to the east.

EOG is the operator of the two spacing units to the east, however, ownership is diverse between the subject spacing unit and the affected spacing unit/tracts to the east. **Exhibit D** is a certification from the landman indicating that he has reviewed the tracts affected by this request. Exhibit D includes a list of the affected parties and proof that a copy of this application with all attachments has been sent by certified mail to each affected party. This notice advises affected parties that any objection must be filed in writing with the Division within 20 days from the date the Division receives the application.

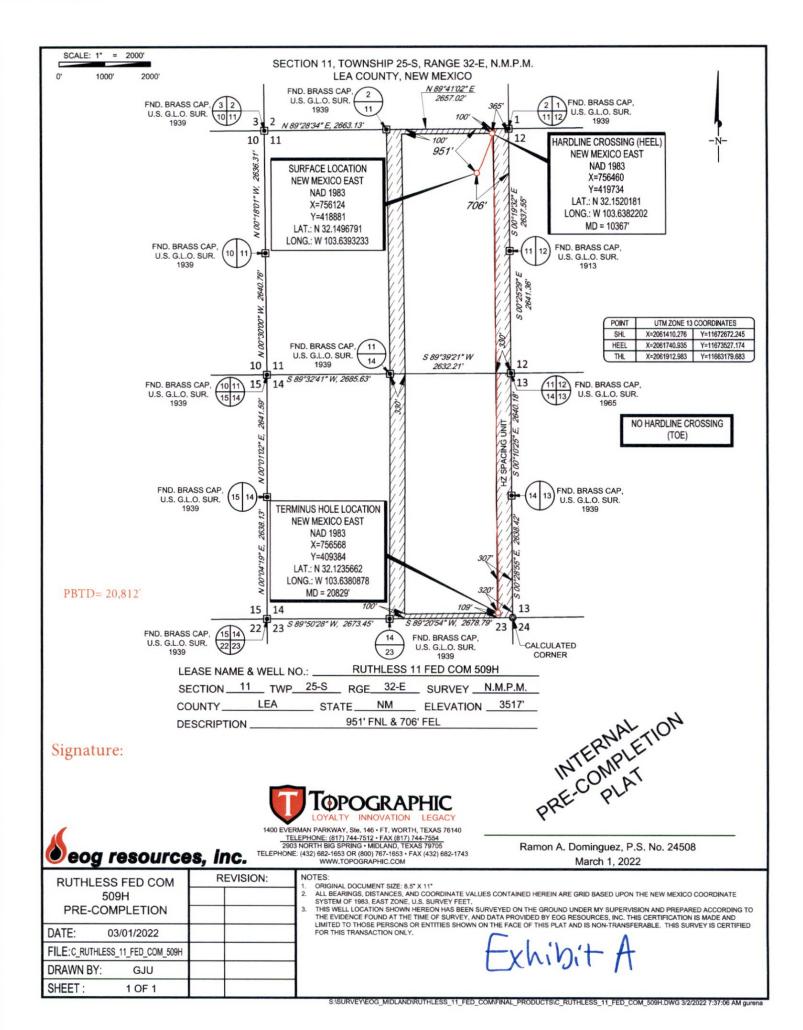
Exhibit E is a statement from a petroleum engineer providing justification for the requested non-standard location.

Thank you for your attention to this matter.

Very truly yours,

Jordan Kessler

Senior Regulatory Advisor



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. OCD - HOBE

Santa Fe, NM 87505

OCD – HOBBS 09/03/2020 RECEIVED

AMENDED REPORT

Revised August 1, 2011

Submit one copy to appropriate

FORM C-102

District Office

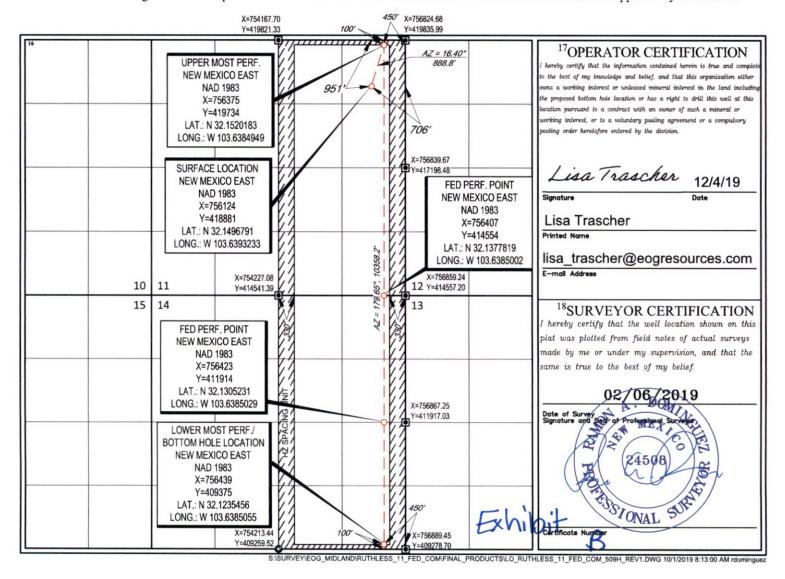
WELL LOCATION AND ACREAGE DEDICATION PLAT

30-025- 30-025	5-47722 97903		WC-025 G-08 S253235G; LOWER BONE SPRING		
⁴ Property Code 329701	•	SProperty Name RUTHLESS 11 FED COM	Well Number 509H		
⁷ OGRID №. 7377		*Operator Name EOG RESOURCES, INC.	°Elevation 3517'		

¹⁰Surface Location

A	11	25-S	32-E	_ Lot Idn	951'	NORTH	706'	EAST	LEA
	¹¹ 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	East/West line	County
P	14	25-S	32-E	-	100'	SOUTH	450'	EAST	LEA
¹² Dedicated Acres 640.00	¹³ Joint or 1	Infill 14Co	onsolidation Co	de ¹⁵ Ord	er 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.



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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 API Number Well Number ⁴Property Code Property Name RUTHLESS 11 FED COM 509H Operator Name OGRID No. ⁹Elevation EOG RESOURCES, INC. 3517 ¹⁰Surface Location UL or lot no. Feet from the North/South line East/West line Section Township Range Lot Idn Feet from the County 951 11 25-S 32-E NORTH 706' EAST LEA A

¹¹Bottom Hole Location If Different From Surface UL or lot no. Township Range Feet from the North/South line Feet from the East/West lin Section P 25-S 32-E 100' SOUTH **450**' 14 EAST LEA ²Dedicated Acres ¹³Joint or Infill ⁴Consolidation Code Order No. 640.00

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.

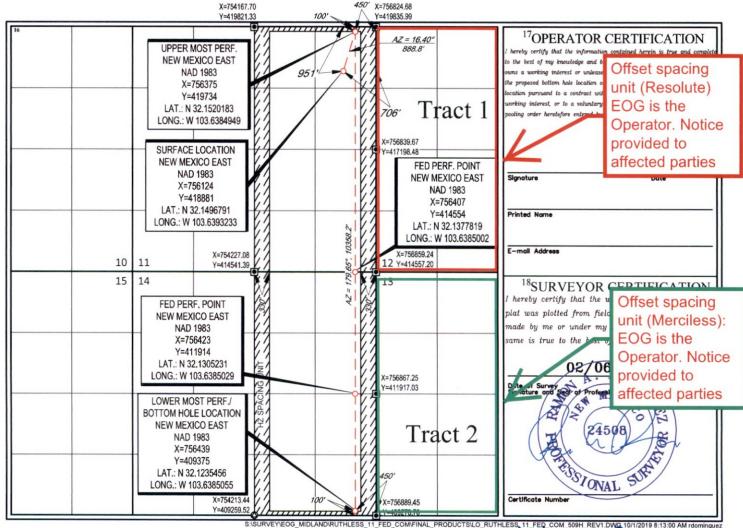


Exhibit C



March 10, 2022

Certification of Ownership

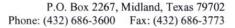
I have reviewed the ownership of the oil and gas leasehold in Sections 12 & 13 -25S-32E, Lea County, New Mexico, for purposes of the unorthodox location for EOG's Ruthless 11 Fed Com #509H well located in the E/2E/2 of Sections 11 & 14-25S-32E. As of the date of this letter, the affected parties are:

Tract 1:

- BUREAU OF LAND MANAGEMENT (ROYALTY OWNER) 301 DINOSAUR TR. SANTA FE, NM 87508
- MCCLELLAN OIL CORPORATION (WORKING INTEREST OWNER) P O BOX 730 ROSWELL,NM 88202-0730
- 3. DAVID PETROLEUM CORPORATION (WORKING INTEREST OWNER) 116 WEST FIRST STREET ROSWELL,NM 88201-0000
- TOLES COMPANY (WORKING INTEREST OWNER) P O BOX 1300 ROSWELL,NM 88202-1300
- EOG RESOURCES INC (WORKING INTEREST OWNER)
 5509 CHAMPIONS DR.
 MIDLAND, TX 79706
- SHARBRO ENERGY LLC (WORKING INTEREST OWNER) P O BOX 840 ARTESIA,NM 88211-0840

Tract 2:

1. BUREAU OF LAND MANAGEMENT (ROYALTY OWNER)
301 DINOSAUR TR.
SANTA FE, NM 87508





 MCCLELLAN OIL CORPORATION (WORKING INTEREST OWNER) P O BOX 730 ROSWELL,NM 88202-0730

- 3. DAVID PETROLEUM CORPORATION (WORKING INTEREST OWNER) 116 WEST FIRST STREET ROSWELL,NM 88201-0000
- TOLES COMPANY (WORKING INTEREST OWNER) P O BOX 1300 ROSWELL,NM 88202-1300
- XTO ENERGY INC. AN EXXONMOBIL SUBSIDIARY (WORKING INTEREST OWNER)
 22777 SPRINGWOODS VILLAGE PKWAY, #115 SPRING, TX 77389
- SHARBRO ENERGY LLC (WORKING INTEREST OWNER) P O BOX 840 ARTESIA,NM 88211-0840
- EOG RESOURCES, INC. (WORKING INTEREST OWNER) 5509 CHAMPIONS DR. MIDLAND, TX 79706

Sincerely,

EOG Resources, Inc.

Matthew Gray

Matthew Gray Landman



Jordan Lee Kessler Phone: (432) 488-6108 Email: jordan kessler@eogresources.com

March 16, 2022

VIA CERTIFIED MAIL

TO: ALL AFFECTED PERSONS

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Ruthless 11 Fed Com No. 509H well in the E/2E/2 of Sections 11 and 14, Township 25 South, Range 32 East, NMPM, 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) 686-3633
Matthew gray@eogresources.com

Jordan Kessler

Very truly yours,

Senior Regulatory Advisor



March 11, 2022

Re: EOG Resources, Inc. NSL Application

Ruthless 11 Fed Com #509H (Well)

E/2 E/2 Section 11 & E/2 E/2 Section 14, T25S-R32E

Lea County, New Mexico

To Whom it may concern:

Considering the distance between wells in the development plan for the Second Bone Spring formation in Sections 11 & 14, T25S-R32E, EOG believes the non-standard location is necessary to develop the Second Bone Spring resource in an economic fashion. The non-standard location also reflects the as-drilled location of the well. Based on analog Second Bone Spring 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

Exhibit E