



# New Mexico Energy, Minerals and Natural Resources Department

**Susana Martinez**  
Governor

**John H. Bemis**  
Cabinet Secretary-Designate

**Brett F. Woods, Ph.D.**  
Deputy Cabinet Secretary

**Jami Bailey**  
Division Director  
Oil Conservation Division



November 30, 2011

## ADMINISTRATIVE NON-STANDARD LOCATION ORDER

EOG Resources, Inc.  
c/o Holland & Hart LLP  
Attn: Mr. Michael H. Feldewert  
P.O. Box 2208  
Santa Fe, NM 87504

**Administrative Order NSL-6509**  
**Administrative Application Reference No. pTWG11-29256545**

**EOG Resources, Inc.**  
OGRID 229137

**Elk Wallow 11 State Well No. 7H**  
**API No. 30-015-39655**

### **Proposed Location:**

	<b>Footages</b>	<b>Unit</b>	<b>Sec.</b>	<b>Township</b>	<b>Range</b>	<b>County</b>
Surface	190 FNL & 1220 FWL	D	11	25S	29E	Eddy
Penetration Point	520 FNL & 1220 FWL	D	11	25S	29E	Eddy
Terminus	330 FSL & 1220 FWL	M	11	22S	29E	Eddy

### **Proposed Project Area:**

<b>Description</b>	<b>Acres</b>	<b>Pool</b>	<b>Pool Code</b>
W/2 W/2 Section 11	160	undesignated East Pierce Crossing Bone Spring	96473



**Elk Wallow 11 State Well No. 8H**  
**API No. 30-015-**

**Proposed Location:**

	<b>Footages</b>	<b>Unit</b>	<b>Sec.</b>	<b>Township</b>	<b>Range</b>	<b>County</b>
Surface	170 FNL & 2640 FEL	B	11	25S	29E	Eddy
Penetration Point	500 FNL & 2633 FEL	B	11	25S	29E	Eddy
Terminus	330 FSL & 2540 FEL	O	11	25S	29E	Eddy

**Proposed Project Area:**

<b>Description</b>	<b>Acres</b>	<b>Pool</b>	<b>Pool Code</b>
W/2 E/2 Section 11	160	East Pierce Crossing Bone Spring	96473

**Elk Wallow 11 State Well No. 9H**  
**API No. 30-015-39648**

**Proposed Location:**

	<b>Footages</b>	<b>Unit</b>	<b>Sec.</b>	<b>Township</b>	<b>Range</b>	<b>County</b>
Surface	435 FSL & 1220 FEL	P	11	25S	29E	Eddy
Penetration Point	765 FSL & 1220 FEL	A	11	25S	29E	Eddy
Terminus	330 FNL & 1220 FEL	A	11	25S	29E	Eddy

**Proposed Project Area:**

<b>Description</b>	<b>Acres</b>	<b>Pool</b>	<b>Pool Code</b>
E/2 E/2 Section 11	160	East Pierce Crossing Bone Spring	96473

Reference is made to your application received on October 19, 2011.

You have requested to drill these horizontal wells at unorthodox oil well locations described above in the referenced pool or formation. These locations are governed by statewide Rule 15.9.A [19.15.15.9.A NMAC], which provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary, and Rule 15.16.14.B(2) [19.15.16.14.B(2) NMAC] concerning directional wells in designated project areas. These locations are unorthodox because portions of the proposed producing intervals are less than 330 feet from outer boundaries of the project areas.

Your application has been duly filed under the provisions of Division Rules 15.13 [19.15.15.13 NMAC] and 4.12.A(2) [19.15.4.12.A(2) NMAC].

It is our understanding that you are seeking these locations to ensure the most efficient and effective fracture stimulations and drainages for the targeted producing zones.

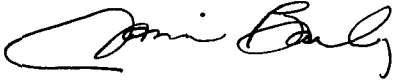
It is also understood that notice to offsetting owners or operators is unnecessary because 100% of the working interest in all spacing units towards which these locations encroach is owned by applicant.

Pursuant to the authority conferred by Division Rule 15.13.B, the above-described unorthodox locations are hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 5.9 [19.15.15.9 NMAC].

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in black ink, appearing to read "Jami Bailey". The signature is fluid and cursive, with the first name "Jami" and last name "Bailey" clearly distinguishable.

Jami Bailey  
Director

JB/db

cc: New Mexico Oil Conservation Division – Artesia  
New Mexico State Land Office