

03/12/2013	SUSPENSE	ENGINEER DB	03/13/13	LOGGED IN	TYPE NSL	PPRG 1307243272
------------	----------	-------------	----------	-----------	----------	-----------------

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM, 87505



Horizontal Well
API Pending
Vaca II Fed Com #1H
EOG Resources

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

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication
☒ NSL ☐ NSP ☐ SD

Check One-Only for [B] or [C]

- [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

- [D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
[B] ☒ Offset Operators, Leaseholders or Surface Owner
[C] ☐ Application is One Which Requires Published Legal Notice
[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
[F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **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.

Adam G. Rankin
Print or Type Name

Signature

Title

Date

Attorney
agrarkin@hollandhart.com
e-mail Address

RECEIVED OOD
13 MAR 12 P 3:37



March 12, 2013

VIA HAND DELIVERY

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

RECEIVED OOD
2013 MAR 12 P 3:37

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Vaca 11 Fed Com 1H Well in the Bone Spring formation in Sections 11 and 14, Township 25 South, Range 33 East, N.M.P.M., Lea County, New Mexico.

Dear Ms. Bailey:

EOG Resources, Inc. (OGRID No. 7377) hereby seeks administrative approval pursuant to the provisions of Division Rule 19.15.15.13 NMAC for an unorthodox well location for its Vaca 11 Fed Com 1H Well to be located in Section 14, Township 25 South, Range 33 East, N.M.P.M., Lea County, New Mexico. The proposed well is to be drilled horizontally at a surface location in Section 11, as requested by the BLM, 170 feet from the South line of Section 11 with a penetration point 330 feet from the North line of Section 14 and 1200 feet from the West line of said Section. The last perforation point in this proposed well will be 330 feet from the South line and 1200 feet from the West line of said Section with the bottom hole location 230 feet from the South line and 1200 feet from the West line of Section 14. A 160-acre project area has been dedicated to this horizontal well comprised of the W/2 W/2 of Section 14.

Exhibit A is a land plat for Section 14 and surrounding sections that shows the proposed non-standard location of the Vaca 11 Fed Com 1H well in relation to adjoining units and existing wells. This location is unorthodox because the formation under this acreage is governed by the Division's statewide rules which provide for wells to be located no closer than 330 feet to the outer boundary of the spacing unit. The location of this well will be unorthodox because the entire completed interval will be closer than 330 feet to the boundary of the project area for engineering reasons, and is, therefore, unorthodox under the Division rules.

Exhibit B is the Well Location and Acreage Dedication Plat (Form C-102), which shows that the proposed Vaca 11 Fed Com 1H well encroaches on the spacing and proration unit to the East, Northeast, and Southeast.



Exhibit C is a list of the affected parties. Pursuant to 19.15.4.12(A)(2)(c) NMAC, affected parties are those toward whom the non-standard location encroaches. Here, the proposed last perforation encroaches on the spacing and proration unit to the East and Southeast. The operator of the spacing and proration units to the East and Southeast is EOG Resources Inc., the applicant for this non-standard location; therefore, the affected parties under the rules are the in the encroached-upon spacing and proration unit to the East and Southeast. In this case, EOG Resources Inc. owns 100 percent of the working interest in the encroached-upon spacing and proration unit to the East and Southeast. The proposed well also encroaches upon the spacing and proration unit to the Northeast in Section 11, where EOG is the operator. Affected parties include working interest owners in that spacing and proration unit. Working interest owners include Roden Associates, LTD, Roden Participants, LTD, Sol West III, The Petroleum Synergy Group, Chevron Midcontinent LP, Sydhan LP, and Yates Petroleum Corporation. A copy of this application and all enclosures has been sent to each of the identified affected parties at the address listed in Exhibit C.

Your attention to this application is appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam G. Rankin".

Adam G. Rankin
ATTORNEY FOR EOG RESOURCES, INC.

MHF

Enclosures

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., Sante 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.
Sante 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 VACA 11 FED COM	⁶ Well Number #1H
⁷ GRID No.	⁸ Operator Name EOG RESOURCES, INC.	⁹ Elevation 3369'

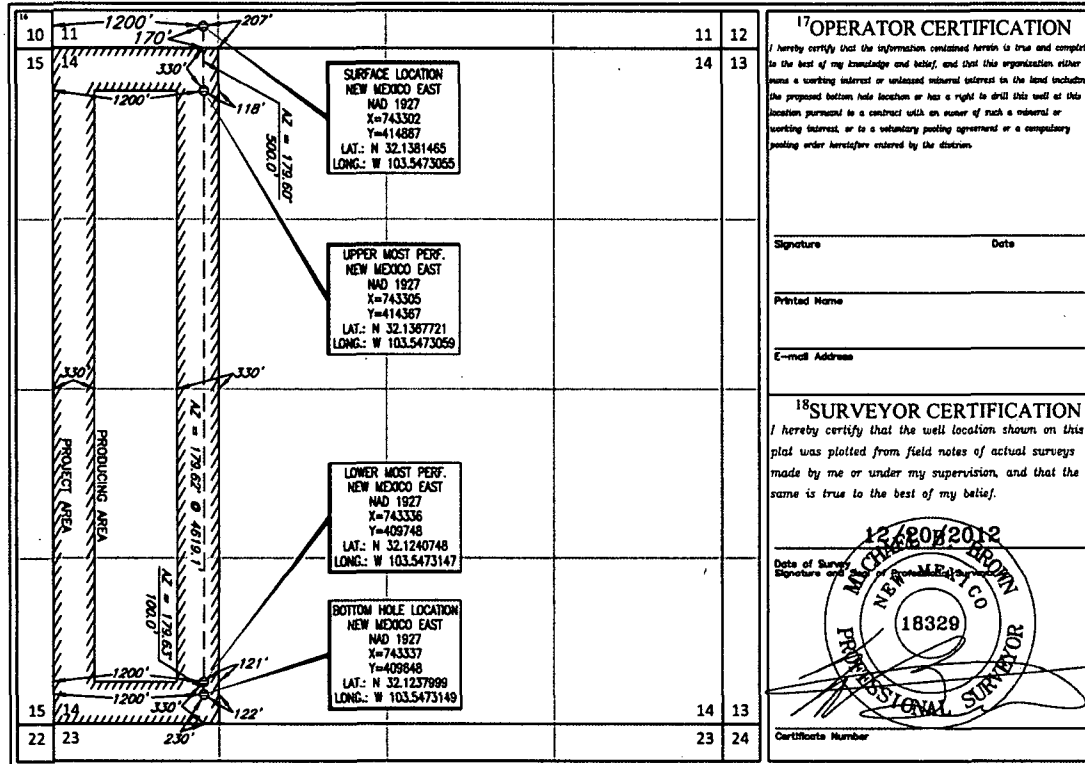
¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	11	25-S	33-E	-	170'	SOUTH	1200'	WEST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	14	25-S	33-E	-	230'	SOUTH	1200'	WEST	LEA

¹¹ Dedicated Acres	¹² Joint or Infill	¹³ Consolidation Code	¹⁴ 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.

¹⁷OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a secondary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____
Printed Name _____
E-mail Address _____

¹⁸SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.

12/20/2012
Date of Survey
Signature and Seal of Surveyor
Professional Surveyor
18329
Certificate Number

EXHIBIT

B

EXHIBIT C

**EOG Resources, Inc. NSL Application
VACA 11 FED COM #1H WELL**

Roden Associates, Ltd.
2603 Augusta Drive, Suite 740
Houston, Texas 77057-5677

Roden Participants, Ltd.
2603 Augusta Drive, Suite 740
Houston, Texas 77057-5677

Sol West III
c/o West Oil Company
40 NE Loop 410, Suite 200
San Antonio, Texas 78216-0000

The Petroleum Synergy Group Inc.
1801 Broadway, Suite 800
Denver, Colorado 80202-0000

Chevron Midcontinent LP
Attn: NOJV Group
Post Office Box 2100
Houston, Texas 77252

Sydhan LP
Post Office Box 92349
Austin, Texas 78709-0000

Yates Petroleum Corporation
Attn: Chuck Moran
105 South Fourth Street
Artesia, New Mexico 88210



March 12, 2013

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 Vaca 11 Fed Com 1H Well in the Bone Spring formation in Sections 11 and 14, Township 25 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 March 12, 2013, by EOG Resources, for an unorthodox well location for its Vaca 11 Fed Com 1H Well to be located in Section 14, Township 25 South, Range 33 East, N.M.P.M., Lea County, New Mexico. The proposed well is to be drilled horizontally at a surface location in Section 11, as requested by the BLM, 170 feet from the South line of Section 11 with a penetration point 330 feet from the North line of Section 14 and 1200 feet from the West line of said Section. The last perforation point in this proposed well will be 330 feet from the South line and 1200 feet from the West line of said Section with the bottom hole location 230 feet from the South line and 1200 feet from the West line of Section 14. A 160-acre project area has been dedicated to this horizontal well comprised of the W/2 W/2 of Section 14.

If you have any questions concerning this application, you may contact Dan McCright at Post Office Box 2267, Midland, Texas 79702-2267 or by telephone at (432) 686-3741, dan_mccright@eogresources.com.

As an owner of an interest that may be affected by the well, you may object to this application. Objections must be filed in writing within twenty days from this date at the Division's Santa Fe office, located at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. If no objection is received within this twenty-day period, this application for an unorthodox well location may be approved.

Sincerely,

Adam G. Rankin
ATTORNEY FOR EOG RESOURCES, INC.

RECEIVED

APR 25 2011

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

HOBBSOCD

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease- 4 Copies
Fee Lease- 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025- 39944	Pool Code 51020	Pool Name Red Hills; Bone Spring
Property Code	Property Name VACA 14 FED. COM	Well Number 5H
OCRID No. 7377	Operator Name EOG RESOURCES, INC.	Elevation 3369.6'

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	14	25 SOUTH	33 EAST, N.M.P.M.		50'	NORTH	330'	WEST	LEA

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
M	14	25 SOUTH	33 EAST, N.M.P.M.		363'	SOUTH	529'	WEST	LEA

Dedicated Acres 160	Joint or Infill	Consolidation Code	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.

40ac

4901.3' IN ALL

GRID AZ = 178°27'

PRODUCING AREA

PROJECT AREA

SURFACE LOCATION
NEW MEXICO EAST
NAD 1927
Y=414642.8
X=742433.3
LAT.: N 32.1375464°
LONG.: W 103.5501163°

UPPER MOST PERF.
NEW MEXICO EAST
NAD 1927
Y=414312.9
X=742442.2
LAT.: N 32.1366395°
LONG.: W 103.5500952°

BOTTOM HOLE LOCATION
NEW MEXICO EAST
NAD 1927
Y=409743.4
X=742566.1
LAT.: N 32.1240766°
LONG.: W 103.5498023°

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Donny G. Glanton 7/14/10
Signature Date

Donny G. Glanton
Printed Name

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was obtained from field notes and actual survey made by me or under my supervision and that the same is true and correct to the best of my belief.

Date of Survey: _____
Signature and Seal of Professional Surveyor: *Donny G. Glanton*
Certificate Number: **15079**