

DATE IN 2/19/2015	SUSPENSE	ENGINEER uam	LOGGED IN 2/20/2015	TYPE NSL	APP NO PMA156430831
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- 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

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.

Jordan L. Kessler
 Print or Type Name

Signature

Attorney

Title

jlkessler@hollandhart.com
 e-mail Address

Date

2/1/15

RECEIVED OGC
 2015 FEB -9 P 14:21

ucll
 - Frazier 34 State Com
 #5024
 30-026-42387
 P001
 - Triste Draw,
 Bone Spring, East
 96682

- NSL 7241
 - EOG Resources, Inc
 7377

HOLLAND & HART^{LLP}



Jordan L. Kessler
Associate

Phone (505) 988-4421

Fax (505) 983-6043

JLKessler@hollandhart.com

February 9, 2015

VIA HAND DELIVERY

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

RECEIVED OGD
2015 FEB -9 P 11:21

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Frazier 34 State Com #502H Well to be completed in Section 27, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico.

Dear Mr. Catanach:

EOG Resources, Inc. (OGRID No. 7377) seeks administrative approval of an unorthodox well location for its **Frazier 34 State Com #502H Well** to be completed within the Triste Draw; Bone Spring, East Pool (96682) underlying Section 27, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico. This well will be drilled from a surface location 250 feet from the North line and 865 feet from the East line (Unit A) of Section 34. The upper most perforation will be 330 feet from the South line and 1025 feet from the East line of Section 27 (Unit P) and the lower most perforation will be 330 feet from the North line and 1025 feet from the East line of Section 27 (Unit A). Since this acreage is governed by the Division's statewide rules which provides for wells to be located no closer than 330 feet to the outer boundary of the spacing unit, the completed interval for this well will be unorthodox. Approval of the unorthodox completed interval will allow for efficient well spacing in Section 27, prevent waste of a productive reservoir and improve well performance.

Exhibit A is the Well Location and Acreage Dedication Plat (Form C-102), which shows that the completed interval of the proposed **Frazier 34 State Com #502H Well** encroaches on the spacing and proration unit to the Northwest, West and Southwest.

Exhibit B is a land plat for Section 27 and the surrounding sections that shows the proposed **Frazier 34 State Com #502H Well** in relation to adjoining units and existing wells.

Holland & Hart^{LLP}

Phone [505] 988-4421 **Fax** [505] 983-6043 **www.hollandhart.com**

110 North Guadalupe Suite 1 Santa Fe, New Mexico 87501 **Mailing Address** P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Boulder Carson City Colorado Springs Denver Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C. ☐



EOG is the sole operator of the spacing units affected by the encroachment to the West and Southwest. Murchison Oil & Gas, Inc. is the only party affected by the encroachment to the Northwest. Murchison Oil & Gas has been provided a copy of this application and all attachments by certified mail, and has been advised that if they have an objection it must be filed in writing with the division within 20 days from the date the division receives this application. A courtesy copy of this application has been provided to the New Mexico State Land Office.

Your attention to this matter is appreciated.

Sincerely,

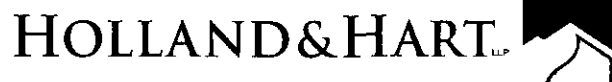
A handwritten signature in black ink, appearing to read "Jordan L. Kessler".

Jordan L. Kessler

ATTORNEY FOR EOG RESOURCES, INC.

cc: New Mexico State Land Office
P.O. Box 1148
Santa Fe, NM 87501

Murchison Oil & Gas, Inc.
Legacy Tower One
7520 Dallas Parkway, Suite 1400
Plano, TX 75024



Jordan L. Kessler
Associate
Phone (505) 988-4421
Fax (505) 983-6043
JLKessler@hollandhart.com

February 9, 2015

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 Frazier 34 State Com #502H Well to be completed in Section 27, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico.

To Whom It May Concern:

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 Phillips
EOG Resources, Inc.
T (432) 686-3649
Matthew_Phillips@eogresources.com

Sincerely,

A handwritten signature in black ink, appearing to read "Jordan L. Kessler".

Jordan L. Kessler
ATTORNEY FOR EOG RESOURCES, INC.