

DATE IN 3/23/2015	SUSPENSE	ENGINEER MAN	LOGGED IN 3/24/2015	TYPE NSL	APP NO. PWAM1508332140
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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.

MICHAEL H. FELDEWERT

Print or Type Name

Signature

ATTORNEY

Title

mfeldewert@hollandhart.com

e-mail Address

3/23/15

Date

- NSL 7257
 - EOG Resources, Inc
 7377
 WCH
 - Nat'l Lys 16 State Com
 7014
 30-025-42286
 2015 MAR 23 P 10:28
 RECEIVED OGD
 POOL
 - W-025 G-09 S2634163
 Upper Workcamp
 98105

March 23, 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 MAR 23 P 10:28

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Nautilus 16 State Com #701H Well to be completed in the Wolfcamp Formation underlying the E/2 E/2 of Section 16, Township 26 South, Range 34 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 **Nautilus 16 State Com #701H Well** to be completed within the WC-025 G-09 A263416B; Upper Wolfcamp Pool (98105) underlying the E/2 E/2 of Section 16, Township 26 South, Range 34 East, N.M.P.M., Lea County, New Mexico. As reflected on the Well Location and Acreage Dedication Plat (Form C-102) enclosed as **Exhibit A**, this well will be drilled from a surface location 230 feet from the North line and 1685 feet from the East line (Unit B) of Section 16. The upper most perforation will be 330 feet from the North line and 1260 feet from the East line (Unit A) and the lower most perforation will be 330 feet from the South line and 1260 feet from the East line (Unit P) of Section 16. Since this pool is governed by the Division's statewide rules for oil wells, the completed interval for this well encroaches on the 40-acre spacing units to the Northwest, West and Southwest. Approval of this unorthodox completed interval will allow for efficient well spacing in Section 16, thereby preventing waste.

Enclosed as **Exhibit B** is a land plat of Section 16 and the surrounding sections that shows the proposed well in relation to adjoining units and existing wells. EOG is the sole operator and mineral lessee of the state lands affected by the encroachment to the West. The parties affected by the encroachment to the Northwest and Southwest are listed on **Exhibit C**. Each of these affected parties has been provided a copy of this application by certified mail and advised that any objection 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 also been provided to the New Mexico State Land Office.

HOLLAND & HART^{LLP}



Your attention to this matter is appreciated.

Sincerely,

Michael H. Feldewert

ATTORNEY FOR EOG RESOURCES, INC.

cc: New Mexico State Land Office
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

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 30-025-42286	² Pool Code 98105	³ Pool Name WC-025 G-09 A263416B; Upper Wolfcamp
⁴ Property Code 40383	⁵ Property Name NAUTILUS 16 STATE COM	⁶ Well Number #701H
⁷ GRID No. 7377	⁸ Operator Name EOG RESOURCES, INC.	⁹ Elevation 3375'

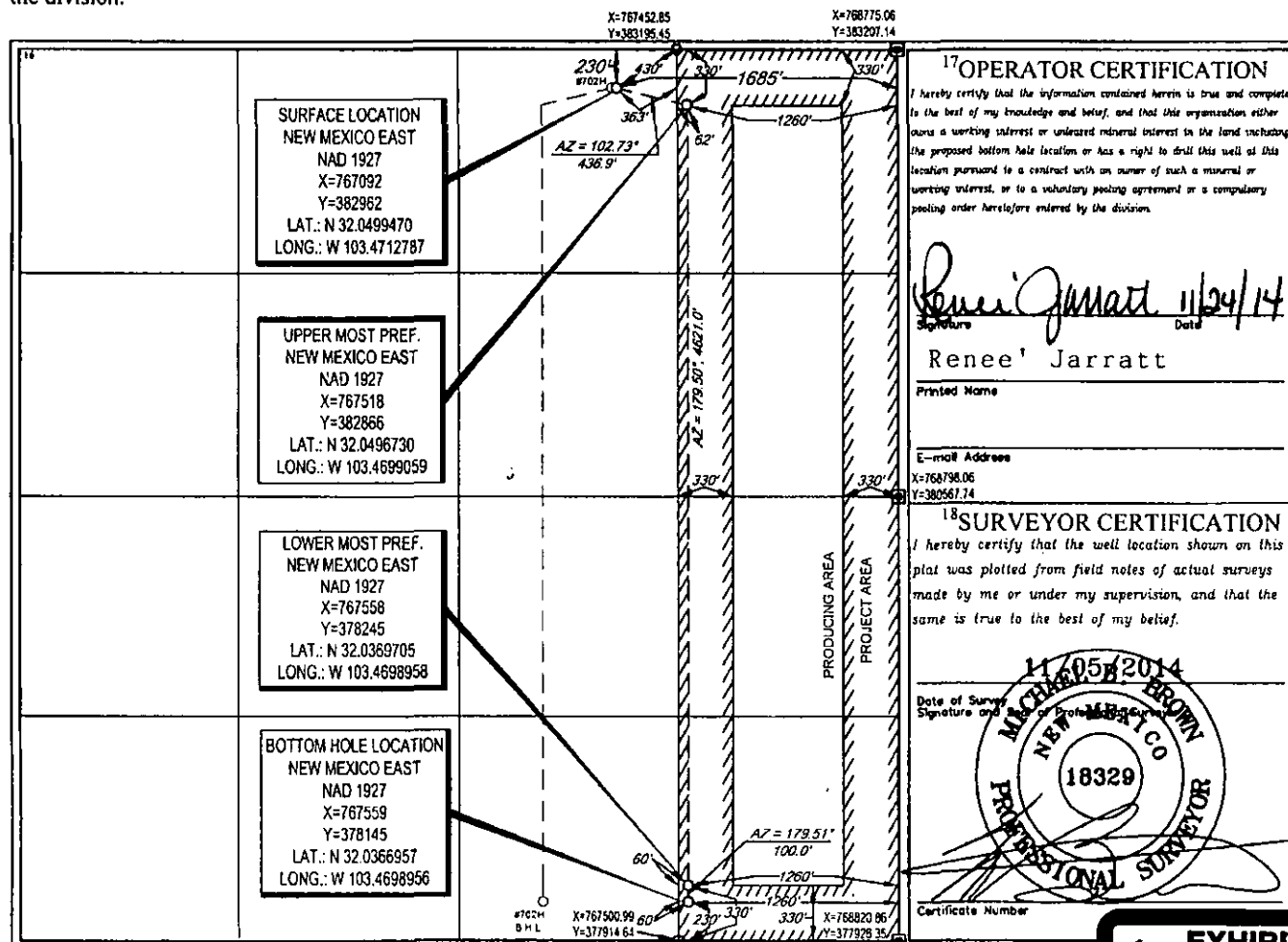
¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	16	26-S	34-E	-	230'	NORTH	1685'	EAST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	16	26-S	34-E	-	230'	SOUTH	1260'	EAST	LEA

¹¹ Dedicated Acres 160.00	¹² Joint or Infill	¹³ Consolidation Code	¹⁴ Order No.
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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 voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Renee Jarratt 11/24/14
Signature Date

Renee Jarratt
Printed Name

E-mail Address
X=768798.06
Y=380561.74

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.

11/20/2014
Date of Survey
Signature and Seal of Professional Surveyor

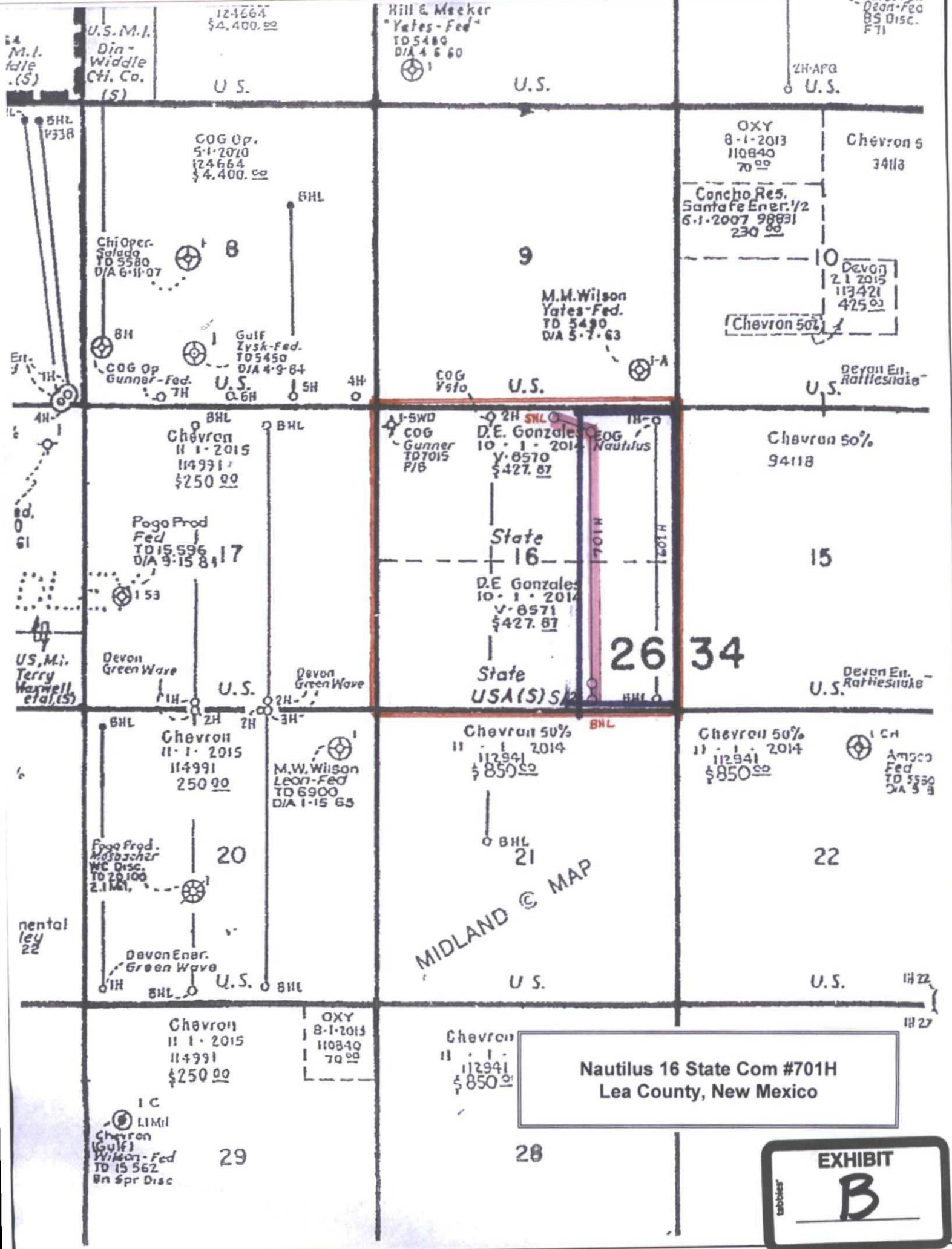
MICHAEL BROWN
NEW MEXICO
18329
PROFESSIONAL SURVEYOR

Certificate Number

S:\SURVEY\EOG_MIDLAND\NAUTILUS_16_STATE_COM\FINAL_PRODUCTS\LO_NAUTILUS16STATECOM_701H_REV

EXHIBIT

A



Nautilus 16 State Com #701H
Lea County, New Mexico

EXHIBIT
B

EXHIBIT C

ABO Petroleum Corporation
105 S. Fourth Street
Artesia, NM 88210

MYCO Industries Inc.
105 S. Fourth Street
Artesia, NM 88210

OXY Y-1 Company
P.O. Box 25750
Houston, TX 77227

Yates Petroleum Corporation
105 S. Fourth Street
Artesia, NM 88210

Chevron U.S.A., Inc.
ATTN: Permian Land Manager
1400 Smith Street
Houston, TX 77002

Devon Energy Production Company LP
ATTN: Permian Land Manager
333 W. Sheridan Ave.
Oklahoma City, OK 73102

HOLLAND & HART^{LLP}



Michael H. Feldewert
Recognized Specialist in the Area of
Natural Resources - oil and gas law - New
Mexico Board of Legal Specialization
mfeldewert@hollandhart.com

March 23, 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 Nautilus 16 State Com #701H Well to be completed in the Wolfcamp Formation underlying the E/2 E/2 of Section 16, Township 26 South, Range 34 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:

Dan McCright
EOG Resources, Inc.
T (432) 686-3741
dan_mccright@eogresources.com

Sincerely,

Michael H. Feldewert
ATTORNEY FOR EOG RESOURCES, INC.

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. ☏