

DATE IN 5/07/2015	SUSPENSE	ENGINEER MAM	LOGGED IN 5/08/2015	TYPE NSP	APP NO DMAM1512847362
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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 Non-standard project area

[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]
 Signature

Attorney
 Title

jlkessler@hollandhart.com
 e-mail Address

5/7/15
 Date

Handwritten notes:
 - NSP 2032
 - NSL 7377
 - EOG Resources, Inc.
 7377
 - well
 - 4444 13 Fed Com #14
 30-025 pending
 2015 MAY - 7 P 4:46
 RECEIVED OGD
 Pool
 - Red Hills Upper Bowe
 Spring Shale
 97900

HOLLAND & HART^{LLP}



Jordan L. Kessler
Associate

Phone (505) 954-7286

Fax (505) 983-6043

JLKessler@hollandhart.com

May 7, 2015

VIA HAND DELIVERY

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

**Re: Application of EOG Resources Inc. for administrative approval of a 200-acre non-standard project area in the Red Hills; Upper Bone Spring Shale Pool (97900) and approval of an unorthodox location, Sections 12 and 13, Township 25 South, Range 33 East, NMPM, Lea County, New Mexico.
Lucky 13 Fed Com No. 1H Well**

Dear Mr. Catanach:

EOG Resources, Inc. ("EOG") (OGRID 7377) seeks administrative approval of a non-standard project area and an unorthodox location for its **Lucky 13 Fed Com No. 1H Well** (API number pending) to be completed in the Red Hills; Upper Bone Spring Shale Pool (Pool Code 97900) underlying portions of Sections 12 and 13, Township 25 South, Range 33 East, NMPM, Lea County, New Mexico. This well will be drilled from a surface location 2099 feet from the South line, 690 feet from the West line (Unit L) of Section 13. The upper most perforation will be located 2591 feet from the North line, 504 feet from the West line (Unit E) of Section 13 and the lower most perforation will be 1650 feet from the North line, 503 feet from the West line (Unit E) of Section 12. Since 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 completed interval for this well will be unorthodox because it is closer than 330 feet to the southern boundary of the project area. Accordingly, the well encroaches on the spacing unit to the South of the 200-acre project area.

In addition, EOG seeks approval of a 200 acre non-standard project area comprised of the W/2 NW/4 of Section 13 (Units D and E) and the W/2 SW/4 and SW/4 NW/4 of Section 12 (Units E, L, M). Since this proposed project area excludes the NW/4 NW/4 (Unit D) of Section 12, it is a non-standard project area pursuant to NMAC 19.15.16.7(M). EOG plans to develop the NW/4 NW/4 of Section 12 with a 1.25 mile length horizontal well that will extend into the W/2 W/2 of Section 1 to the North. Approval of the unorthodox completed interval and the non-standard project area will allow efficient length and spacing of horizontal wells, thereby preventing waste.

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

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RECEIVED OGD
MAY - 7 P 4:46



As support for this application, EOG provides the following additional information and exhibits:

Exhibit A is the Well Location and Acreage Dedication Plat (Form C-102), which shows the proposed non-standard project area and the non-standard location of the Lucky 13 Fed Com No. 1H Well.

Exhibit B is a land plat for Sections 12 and 13 and the surrounding sections that shows the Lucky 13 Fed Com No. 1H Well in relation to the adjoining units and existing wells.

Exhibit C is a list of the parties affected by EOG's request for a non-standard project area and an unorthodox location. Each of these parties 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. In addition, a courtesy copy of this application has been provided to the Bureau of Land Management-Carlsbad.

Your attention to this application is appreciated

Sincerely,

Jordan L. Kessler

ATTORNEY FOR EOG RESOURCES, INC.

cc: Bureau of Land Management- Carlsbad
620 E. Green Street
Carlsbad, NM 88220

A

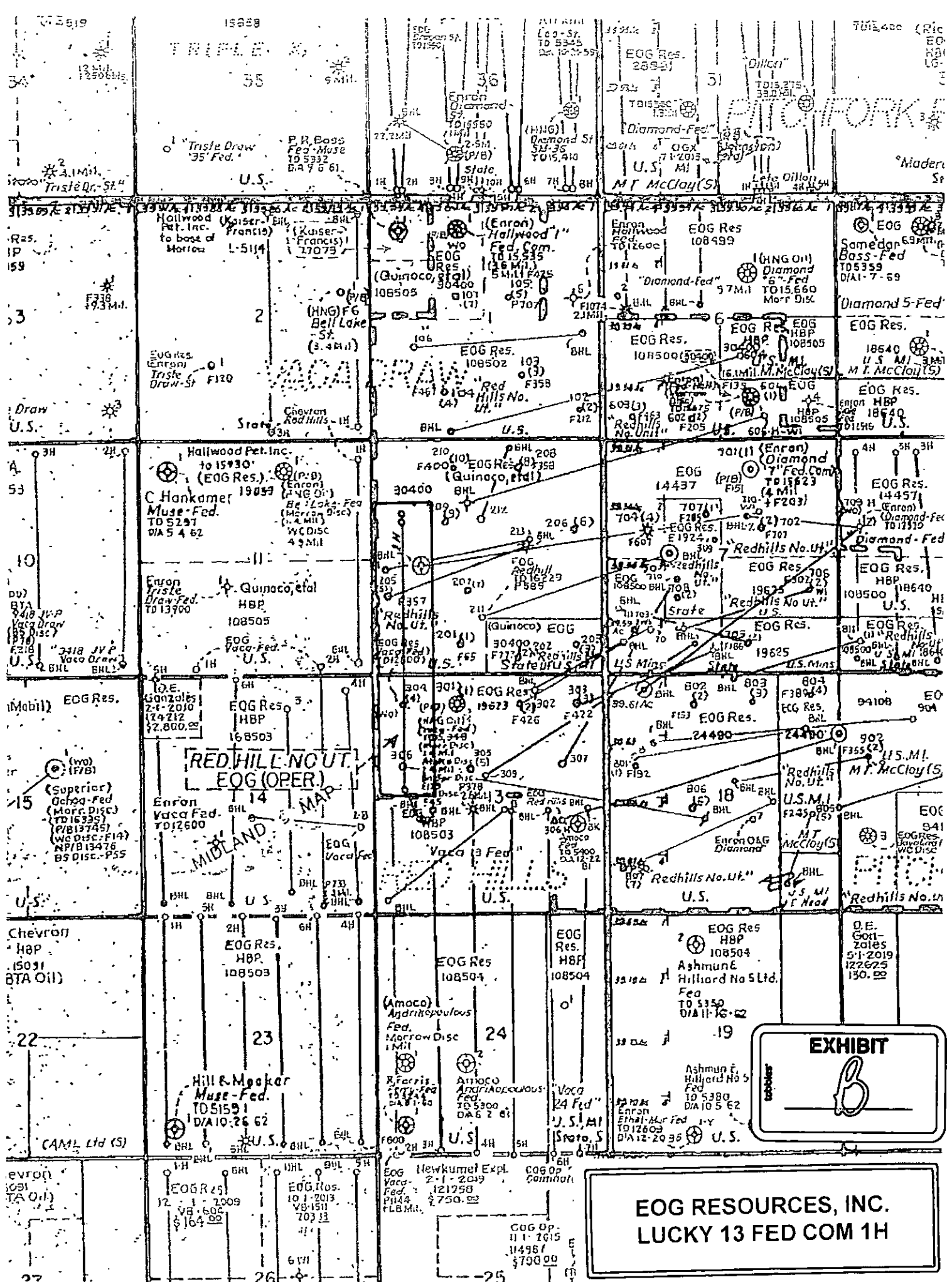


Exhibit C

Non-standard location:

Yates Petroleum Corporation
ATTN: Land Manager
105 S. Fourth Street
Artesia, NM 88210

Non-standard project area:

Chevron Mid-Continent, LP
ATTN: NOJV Group
P.O. Box 2100
Houston, TX 77252

Roden Associates, LTD
ATTN: Ben Kinney
2603 Augusta Drive, STE. 740
Houston, TX 77057

Roden Participants, LTD
ATTN: Ben Kinney
2603 Augusta Drive, STE. 740
Houston, TX 77057

Sydhan, LP
111 Congress Ave., Suite 1050
Austin, TX 78701

Judith A. West
P.O. Box 1948
Cullman, AL 35056

HOLLAND & HART^{LLP}



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Associate

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jlkessler@hollandhart.com

May 7, 2015

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: AFFECTED PARTIES

Re: Application of EOG Resources Inc. for administrative approval of a 200-acre non-standard project area in the Red Hills; Upper Bone Spring Shale Pool (97900) and approval of an unorthodox location, Sections 12 and 13, Township 25 South, Range 33 East, NMPM, Lea County, New Mexico.
Lucky 13 Fed Com No. 1H Well

Ladies and Gentleman:

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.
(432) 686-3741
Dan_McCright@eogresources.com

Sincerely,

Jordan L. Kessler

ATTORNEY FOR EOG RESOURCES, INC.

Holland & Hart ^{LLP}

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