

DATE IN 9/9/16	SUSPENSE	ENGINEER LRL	LOGGED IN 9/12/16	TYPE NSL	APP NO. PK8C1625634414
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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

RECEIVED COO
2016 SEP - 9 P 3:57

NSL-7468
 EOG Resources, Inc
 (7377)
 Della 29 FED Com # 602H
 Lea; Bono Spring, Santa
 (37580)
 API # 30-025-43054

[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

9/9/2016
 Date

jlkessler@hollandhart.com
 e-mail Address

HOLLAND & HART^{LLP}



Jordan L. Kessler

Associate

Phone (505) 988-4421

Fax (505) 983-6043

jlkessler@hollandhart.com

September 9, 2016

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

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Della 29 Fed Com No. 602H Well in the E/2 E/2 of Section 29, Township 20 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 **Della 29 Fed Com No. 602H Well** to be completed within the Lea; Bone Spring (South) Pool (Pool Code 37580) underlying Section 29, Township 20 South, Range 34 East, N.M.P.M., Lea County, New Mexico. This well was drilled from a surface location 250 feet from the South line and 1,300 feet from the East line (Unit P) of Section 29. The upper most perforation is located 455 feet from South line and 1,214 feet from the East line (Unit P) and the lower most perforation will be 330 feet from the North line and 1,194 feet from the East line (Unit A) of Section 29. 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 because it is closer than 330 feet to the northwestern and western boundaries of the project area. Approval of the unorthodox completed interval will allow for efficient spacing of horizontal wells and thereby prevent waste.

Exhibit A is an as-drilled plat for the **Della 29 Fed Com No. 602H Well** which shows that the completed interval encroaches on the spacing and proration unit to the Northwest and West.

Exhibit B is a land plat for Sections 29 and the surrounding sections that shows the **Della 29 Fed Com No. 602H Well** in relation to adjoining units and existing wells.

Exhibit C is spreadsheet showing the parties affected by the encroachment to the Northwest and West. Each of these parties has been provided notice of this application by certified mail. A courtesy copy of this application has been sent to the Bureau of Land Management—Carlsbad Field Office.

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. ☐



Your attention to this matter is appreciated.

Sincerely,

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

Jordan L. Kessler
ATTORNEY FOR EOG RESOURCES, INC.

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

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., Santa 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.
Santa 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 025-43054	² Pool Code 37580	³ Pool Name Lea, BS, Santa
⁴ Property Code	⁵ Property Name DELLA 29 FED COM?	⁶ Well Number #602H
⁷ OGRID No.	⁸ Operator Name EOG RESOURCES, INC.	⁹ Elevation 3714'

¹⁰Surface Location

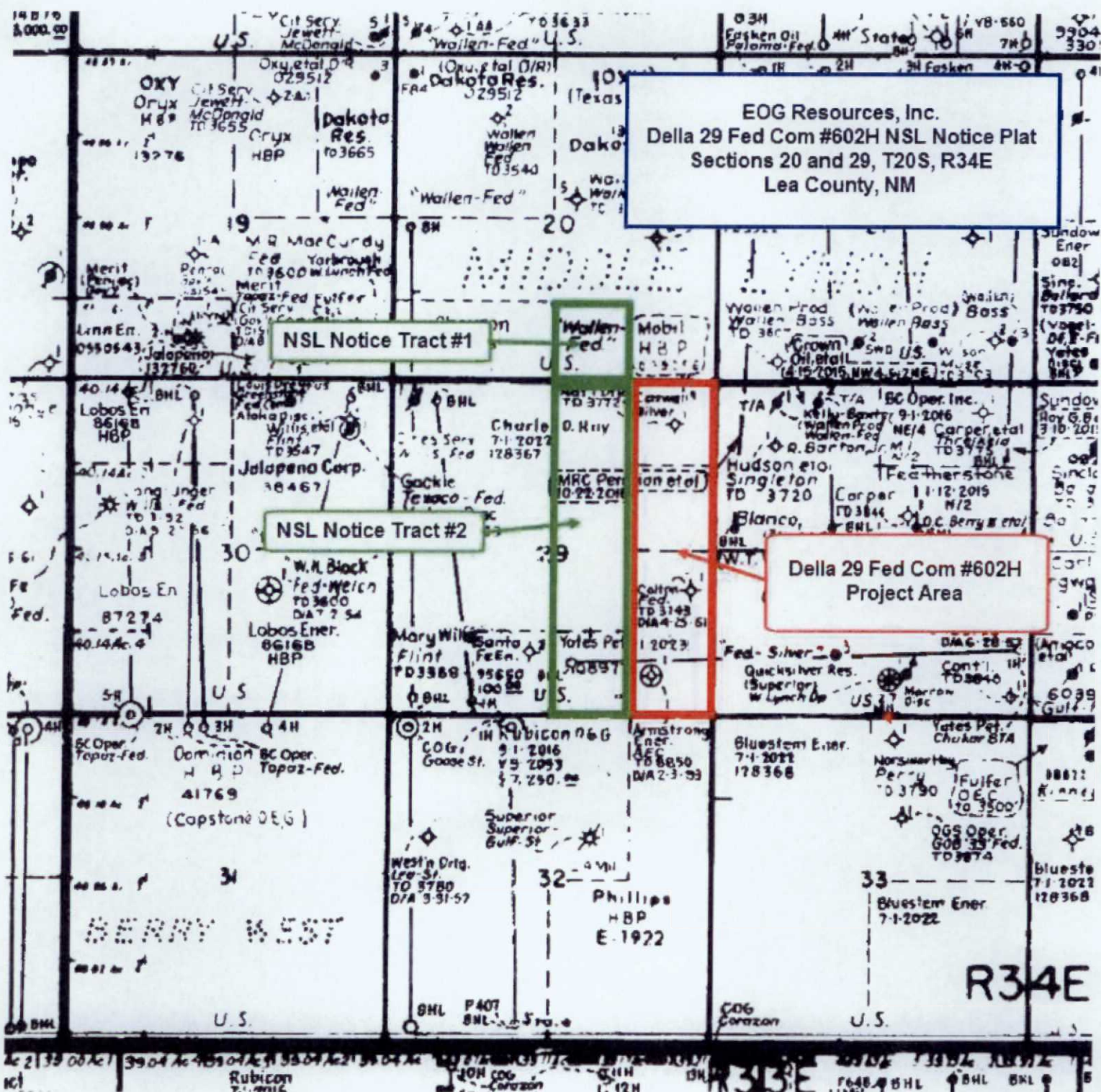
UL or lot no. P	Section 29	Township 20-S	Range 34-E	Lot Idn -	Feet from the 250'	North/South line SOUTH	Feet from the 1300'	East/West line EAST	County LEA
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UL or lot no. A	Section 29	Township 20-S	Range 34-E	Lot Idn -	Feet from the 230'	North/South line NORTH	Feet from the 1193'	East/West line EAST	County LEA
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¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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.

<div><p>¹⁶</p><p>BOTTOM HOLE LOCATION NEW MEXICO EAST NAD 1927 X=732979 Y=564860 LAT.: N 32.5506356 LONG.: W 103.5772316 MD= 16058'</p><p>HARDLINE CROSSING (TOE) NEW MEXICO EAST NAD 1927 X=732978 Y=564761 LAT.: N 32.5503617 LONG.: W 103.5772358 MD = 15959'</p><p>HARDLINE CROSSING (HEEL) NEW MEXICO EAST NAD 1927 X=732997 Y=560258 LAT.: N 32.5379853 LONG.: W 103.5772791 MD = 11453'</p><p>SURFACE LOCATION NEW MEXICO EAST NAD 1927 X=732913 Y=560053 LAT.: N 32.5374226 LONG.: W 103.5775565</p></div> <div></div> <div><p>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 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.</p><p>Signature _____ Date _____</p><p>Printed Name _____</p><p>E-mail Address _____</p><p>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.</p><p>02/11/2016</p><p>Date of Survey Signature and Seal of Professional Surveyor</p><div><p>EXHIBIT</p><p>A</p></div><p>Certificate Number _____</p></div>
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EXHIBIT

B

	Interest Owner	Tract Number	Tracking Number
	OXY USA WTP LP Partnership 5 Greenway Plaza, Suite 110 Houston, TX 77043-0521	1	7016 0340 0000 0203 0321
	Doyle Hartman and wife, Margaret 500 N. Main Midland, TX 7970	1	7016 0340 0000 0203 0338
	James A. Davidson P.O. Box 494 Midland, TX 79702	1	7016 0340 0000 0203 0239
	Larry A. Nermyr 110 North Marienfield, Ste. 400 Midland, TX 79701	1	7016 0340 0000 0203 0222
	James E. Burr and wife, Laveta P.O. Box 8050 Midland, TX 79708	1	7016 0340 0000 0203 0215
	Jack Fletcher and wife, Delphia 4800 Oakwood Dr. Odessa, TX 79761	1	7016 0340 0000 0203 0208
	Ruth Sutton 2826 Moss Midland, TX 79702	1	7016 0340 0000 0203 0192
	Ronnie H. Westbrook and wife, Karen P.O. Box 3171 Midland, TX 79702	1	7016 0340 0000 0203 0185
	Michael L. Klein and wife, Jeanne 500 West Texas Ave., Ste. 1230 Midland, TX 79701	1	7016 0340 0000 0203 0178
	John H. Hendrix Corporation P.O. Box 3040 Midland, TX 79702	1	7016 0340 0000 0203 0161
	Legado Investments, LLC 6001 W. Industrial Ave. Midland, TX 79706 Attn: Paul Anderson	2	7016 0340 0000 0203 0154
	Transrepublic Resources, Ltd. P.O. Box 3638 Midland, TX 79702 Attn: Greg Baiano	2	7016 0340 0000 0203 0147
	Lucy Montgomery Lindsay P.O. Box 2690 San Angelo, TX 76902 Attn: Marshall Brown	2	7016 0340 0000 0203 0130



	Interest Owner	Tract Number	Tracking Number
	TX WizKidd, LLC 801 S. Abe St. San Angelo, TX 76903 Attn: Scott Wisniewski	2	7016 0340 0000 0203 0123
	Phoenix Hydrocarbons, LLLP P.O. Box 2802 Midland, TX 79702 Attn: C. Randy Bailey	2	7016 0340 0000 0203 0116
	PD III Exploration, Ltd. P.O. Box 871 Midland, TX 79707 Attn: Paul L. Davis III	2	7016 0340 0000 0203 0109
	Spring Bone, LLC 737 N. Michigan Ave., Ste. 1570 Chicago, IL 60611 Attn: Mark Egan	2	7016 0340 0000 0203 0093
	Stillwater Investments 6403 Sequoia Dr. Midland, TX 79707 Attn: Jack Erwin	2	7016 0340 0000 0203 0086
	Antelope Energy Company, LLC 1801 Broadway, Suite 1550 Denver, CO 80202 Attn: Reed Gilmore, Jr.	2	7016 0340 0000 0203 0079
	Buckhorn Energy, LLC 1801 Broadway, Suite 1550 Denver, CO 80202 Attn: Reed Gilmore, Jr.	2	7016 0340 0000 0203 0062
	Sharktooth Resources, Ltd. 1801 Broadway, Suite 1550 Denver, CO 80202 Attn: Reed Gilmore, Jr.	2	7016 0340 0000 0203 0055
	Luke Morrow and wife, Lori Morrow P.O. Box 61447 Midland, TX 79711	2	7016 0340 0000 0203 0048
	Paul Morrow and Katherine Morrow P.O. Box 61447 Midland, TX 79711	2	7016 0340 0000 0202 9769
	TLM2, Ltd. 808 W. Wall St. Midland, TX 79701	2	7016 0340 0000 0202 9752
	Pipkin & Gray, Ltd. P.O. Box 4129 Horseshoe Bay, TX 78657 Attn: Chad Pipkin	2	7016 0340 0000 0202 9745

	Interest Owner	Tract Number	Tracking Number
	Valentine Ventures LLC 1590 Highway 49 Columbiana, AL 35051 Attn: Terry Valentine	2	7016 0340 0000 0202 9738
	Black Oak Energy LLC 101 N. Robinson Ave., Suite 800 Oklahoma City, OK 73102 Attn: Buddie Livingston	2	7016 0340 0000 0202 9721
	C4J&M LP 3801 Saint Andrews Ct. Midland, TX 79707	2	7016 0340 0000 0202 9714
	Louellen Mays 3108 Preston Drive Midland, TX 79707	2	7016 0340 0000 0202 9707
	Williamson O&G, LLC 303 Veterans Airpark Ln., Suite 1100 Midland, TX 79705	2	7016 0340 0000 0202 9691
	JS&AL Family Ltd. Partnership 303 Veterans Airpark Ln., Suite 1100 Midland, TX 79705	2	7016 0340 0000 0202 9684
	Charles D. Ray P.O. Box 51608 Midland, TX 79710	2	7016 0340 0000 0202 9677

HOLLAND & HART



Jordan L. Kessler

Associate

Phone (505) 988-4421

Fax (505) 983-6043

jlkessler@hollandhart.com

September 9, 2016

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 Della 29 Fed Com No. 602H Well in the E/2 E/2 of Section 29, Township 20 South, Range 34 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 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.
(432) 686-3649
Matthew_Phillips@eogresources.com

Sincerely,

Jordan L. Kessler

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. ☐

Lowe, Leonard, EMNRD

From: Jordan L. Kessler <JLKessler@hollandhart.com>
Sent: Tuesday, October 11, 2016 3:47 PM
To: Lowe, Leonard, EMNRD
Cc: Jones, William V, EMNRD
Subject: RE: NSL application for Della 29 Federal Com Well No. 602H
Attachments: 3754_001.pdf

Hi Leonard,

As an initial matter, ownership throughout Section 29 is identical—all of the parties noticed in the W/2 E/2 have identical ownership in the E/2 E/2. While EOG does not currently have a well scheduled to be drilled in the W/2 E/2, they plan to drill this well and will evaluate the W/2 E/2. EOG has informed me that it would be a logical next drilling place. EOG spaced this well off of an existing horizontal well in the W/2 W/2 of Section 28 and believes that this is the most efficient spacing for wells in the area. The BLM has approved this permit, including the surface location, pending approval by the Division. They have also been provided notice of this request.

Best,
Jordan

From: Lowe, Leonard, EMNRD [mailto:Leonard.Lowe@state.nm.us]
Sent: Tuesday, October 11, 2016 3:11 PM
To: Jordan L. Kessler
Subject: NSL application for Della 29 Federal Com Well No. 602H

Ms. Jordan Kessler,

Your NSL Application for Della 29 Federal Com Well No. 602H

OCD has a few questions on your application.

1. What are EOG's plans for the W/2 E/2 area?
2. Why is the well being drilled so close to W/2 E/2?
3. Does the BLM approve of your drilling location? BLM approved surface location and permit—pending NSL approval from Division

Leonard Lowe
Engineering Bureau
Oil Conservation Division
Energy Minerals and Natural Resources Department
1220 South St. Frances
Santa Fe, New Mexico 87004
Office: 505-476-3492
Cell: 505-930-6717
Fax: 505-476-3462
E-mail: leonard.lowe@state.nm.us
Website: <http://www.emnrd.state.nm.us/oecd/>

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Thursday, October 13, 2016 7:32 AM
To: 'Jordan L. Kessler'
Cc: Brown, Maxey G, EMNRD; Kautz, Paul, EMNRD; McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD; Jones, William V, EMNRD; 'lisa@rwbyram.com'; 'jglover@blm.gov'; 'scaffey@blm.gov'; 'jstovall@blm.gov'
Subject: NSL-7468_Della 29 Federal Com Well No. 602H, Lea County_SEC 29 20S 34E
Importance: High

Ms. Jordan Kessler

The following permit has been issued and will soon be available on the Division's web site:
<http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>.

NSP-7468

EOG Resources, Inc.

API #: 30-025-43054

WELL: Della 29 Federal Com Well No. 602H, Lea County

Leonard Lowe

Engineering Bureau

Oil Conservation Division

Energy Minerals and Natural Resources Department

1220 South St. Frances

Santa Fe, New Mexico 87004

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E-mail: leonard.lowe@state.nm.us

Website: <http://www.emnrd.state.nm.us/ocd/>