

RECEIVED: 10/2/17	REVIEWER: LRL	TYPE: NSL	APP NO: PLEL 1727642263
-------------------	---------------	-----------	-------------------------

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & 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

Applicant: EOG Resources **OGRID Number:** 7377
Well Name: Audacious BTL 19 Fed Com No. 3H Well **API:** 30-025-43864
Pool: WC-025 G-09 S253309P; Upper Wolfcamp Pool **Pool Code:** 98180

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

NSL-7602

1) **TYPE OF APPLICATION:** Check those which apply for [A]

A. Location - Spacing Unit - Simultaneous Dedication

☒ NSL☐ NSP (PROJECT AREA)☐ NSP (PRORATION UNIT)☐ SD

B. Check one only for [I] or [II]

[I] Commingling - Storage - Measurement

☐ DHC☐ CTB☐ PLC☐ PC☐ OLS☐ OLM

[II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX☐ PMX☐ SWD☐ IPI☐ EOR☐ PPR2) **NOTIFICATION REQUIRED TO:** Check those which apply.A. ☒ Offset operators or lease holdersB. ☐ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☐ Notification and/or concurrent approval by SLOE. ☒ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☒ For all of the above, proof of notification or publication is attached, and/or,H. ☐ No notice required**FOR OCD ONLY**

☒ Notice Complete
☒ Application Content Complete

3) **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

JL Kessler
 Signature

October 2, 2017

Date

505-988-4421

Phone Number

jlkessler@hollandhart.com

e-mail Address

HOLLAND & HART^{LLP}



Jordan L. Kessler
Associate

Phone (505) 954-7286

Fax (505) 983-6043

JLKessler@hollandhart.com

October 2, 2017

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 Audacious BTL 19 Fed Com No. 3H Well in the W/2 E/2 of Section 30 and the W/2 SE/4 of Section 19, Township 25 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 **Audacious BTL 19 Fed Com No. 3H Well** (API No. 30-025-43864) to be completed within the WC-025 G-09 S253309P; Upper Wolfcamp Pool (98180) underlying Sections 19 and 30, Township 25 South, Range 33 East, N.M.P.M., Lea County, New Mexico. This well will be drilled from a surface location 2590 feet from the South line and 990 feet from the East line (Unit I) of Section 19. The upper most perforation will be located 2,310 feet from South line and 1,484 feet from the East line (Unit J) of Section 19 and the lower most perforation will be 330 feet from the South line and 1,484 feet from the East line (Unit O) of Section 30. 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 eastern, southeastern, and northeastern boundaries of the project area.

EOG will be the operator of two permitted wells: the Audacious BTL 19 Fed Com No. 4H Well and the Audacious BTL 19 Fed Com No. 5H Well in the E/2 E/2 of Section 30 and the E/2 SE/4 of Section 9. Ownership is identical in the E/2 of Section 30 and the SE/4 of Section 19. Approval of the unorthodox completed interval will allow EOG to use their preferred well spacing plan for horizontal wells in this area and thereby prevent 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

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. ☐



Exhibit A is a draft Well Location and Acreage Dedication Plat (Form C-102), which shows that the completed interval of the proposed **Audacious BTL 19 Fed Com No. 3H Well** encroaches on the spacing and proration units to the East, Northeast, and Southeast.

Exhibit B is a land plat for Sections 19 and 30 and the surrounding sections that shows the proposed **Audacious BTL 19 Fed Com No. 3H Well** in relation to adjoining units and existing wells.

Exhibit C is a list of the parties affected by the encroachment to the Southeast. As described above, EOG is the operator in the spacing proration unit comprised of the E/2 E/2 of Section 30 and the E/2 SE/4 of Section 19 and ownership is identical to the proposed spacing unit. Accordingly, there are no affected parties in the spacing units to the East of the proposed well. In addition, EOG is the 100 percent working interest owner of the forty-acre tract to the Northeast. Accordingly, there are no affected parties in the spacing unit to the Northeast. Each of the parties listed on Exhibit C have been provided notice of this application by certified mail. A copy of this application has been provided to the Bureau of Land Management—Carlsbad Office.

Exhibit D is an affidavit from the landman verifying that ownership in the E/2 of Section 30 and the SE/4 of Section 19 is identical.

Your attention to this matter is appreciated.

Sincerely,

Jordan L. Kessler

ATTORNEY FOR EOG RESOURCES, INC.

cc: Bureau of Land Management—Carlsbad

HOLLAND & HART ^{LLP}



Jordan L. Kessler
Associate

Phone (505) 954-7286

Fax (505) 983-6043

JLKessler@hollandhart.com

October 2, 2017

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 Audacious BTL 19 Fed Com No. 3H Well in the W/2 E/2 of Section 30 and the W/2 SE/4 of Section 19, 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 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:

Chuck Moran
EOG Resources, Inc.
(432) 686-3684
Charles_Moran@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. ☐

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) 748-0720
District III
1000 Rio Bravo Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1230 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 30-025- 43864	² Pool Code 98180	³ Pool Name WC-025 G-09 S253309P; Upper Wolfcamp
⁴ Property Code 718084	⁵ Property Name AUDACIOUS BTL 19 FED COM	
⁶ OGRIID No. 7377	⁷ Operator Name EOG RESOURCES, INC.	⁸ Well Number #3H
		⁹ Elevation 3437'

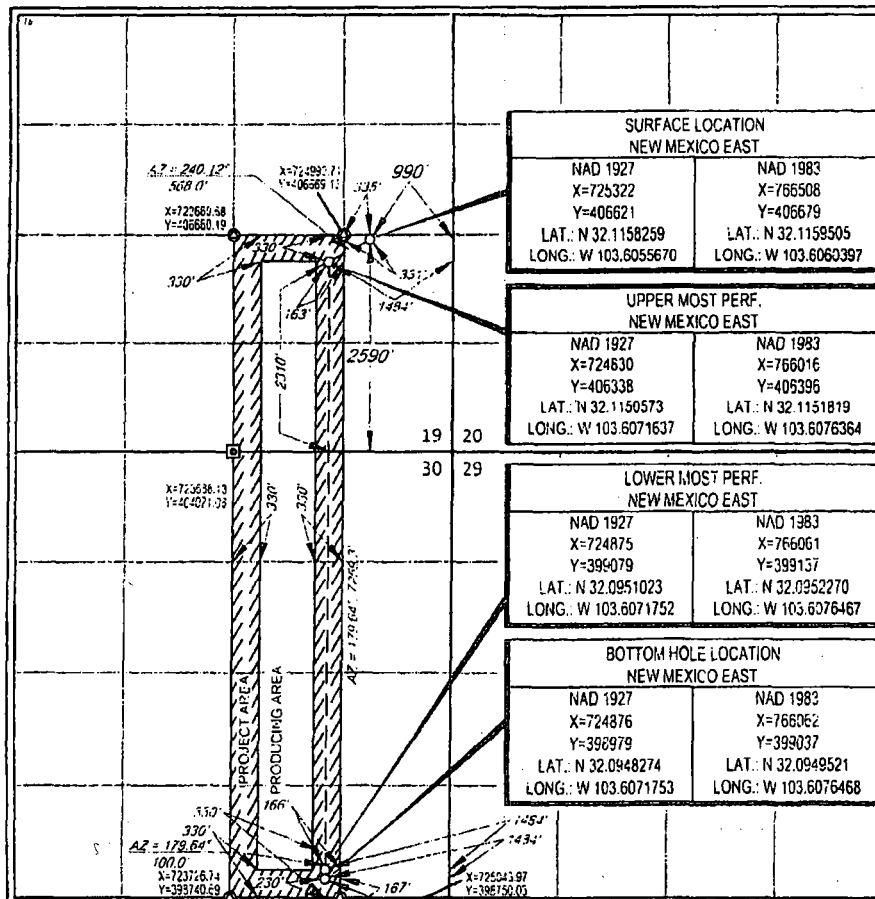
¹⁰Surface Location

U.L. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	19	25-S	33-E	-	2590'	SOUTH	990'	EAST	LEA

U.L. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	30	25-S	33-E	-	230'	SOUTH	1484'	EAST	LEA

¹¹ Dedicated Acres 240.00	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 in a voluntary pooling agreement or a compulsory pooling under heretofore entered by the division.	
 Date: 1/25/17 Stan Wagner 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.	
Date of Survey: 12/21/2016 Signature and Seal of Professional Surveyor: Certificate Number:	

EXHIBIT

A

FORM C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025- 43864		Pool Code 98180	Pool Name WC-025 G-09 S253309P; Upper Wolfcamp	
Property Code 318084	Property Name AUDACIOUS BTL 19 FED COM			Well Number #3H
OGRIID No. 7377	Operator Name EOG RESOURCES, INC.			Elevation 3437'

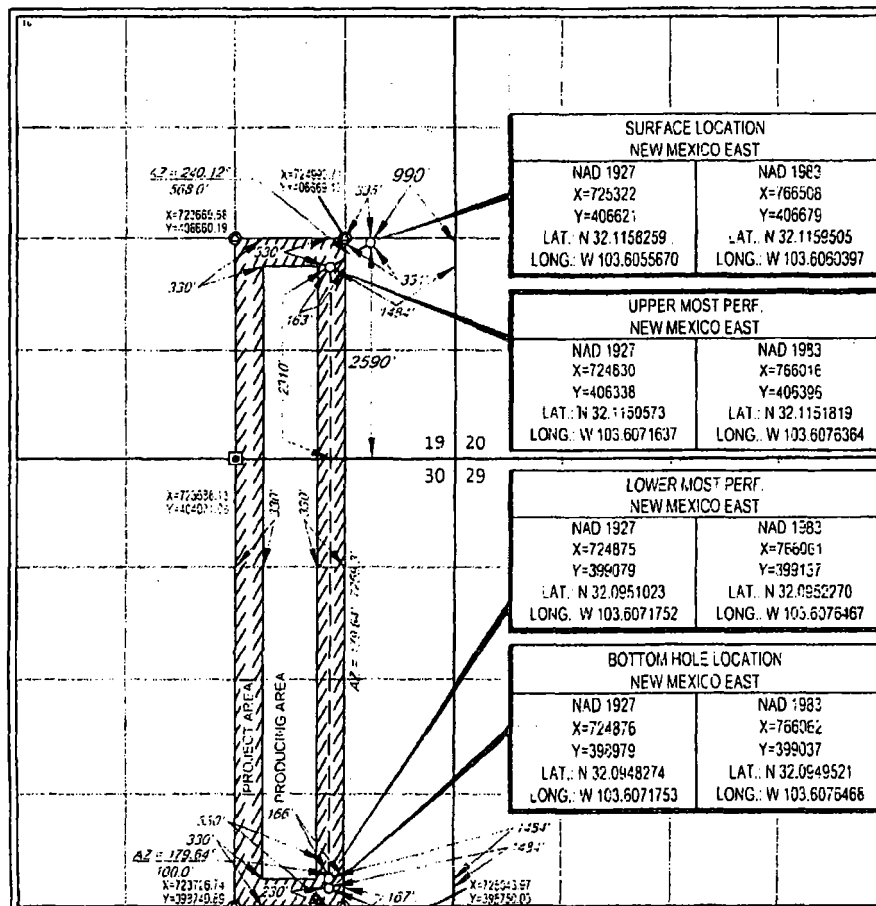
¹⁰Surface Location

U.I. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	19	25-S	33-E	-	2590'	SOUTH	990'	EAST	LEA

U/L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	30	25-S	33-E	-	230'	SOUTH	1484'	EAST	LEA

¹² Dedicated Acres 240.00	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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 unleased mineral interest in the land including the proposed bottom; has 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.

Stan Wagner 1/25/17

Stan Wagner

Printed Name _____

E-mail Address

¹⁸ SURVEYOR 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.

12-21-2018
Date of Survey
Signature and Title of Professional Surveyor
18329
Professional Surveyor
Certificate Number

Certificate Number

**AUDACIOUS BTL FED COM #3H UNORTHODOX LOCATION NOTICE TRACT PLAT
TOWNSHIP 25 SOUTH RANGE 33 EAST, LEA COUNTY, NM**

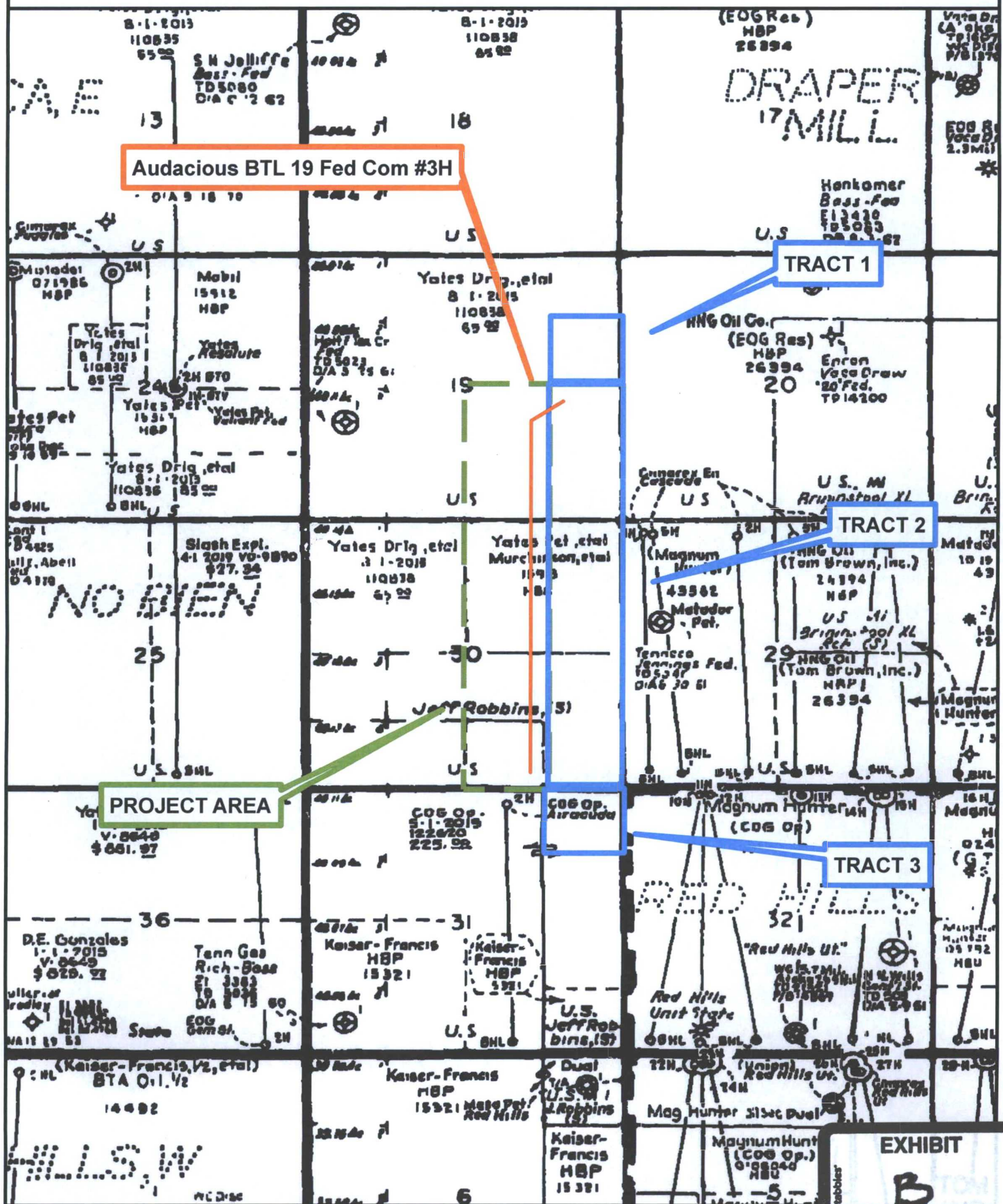


Exhibit C

Tract 3:

COG Operating, LLC
One Concho Center
600 W. Illinois Avenue
Midland, TX 79701
7017145000083775175

Concho Oil & Gas LLC
One Concho Center
600 W. Illinois Ave.
Midland, TX 79701-4882
7017145000083775151



**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

Administrative Application for EOG's Audacious BTL 19 Fed Com No. 3H Well

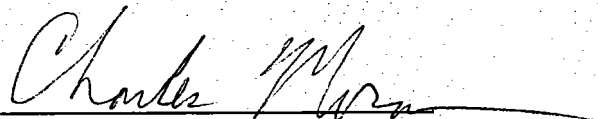
AFFIDAVIT OF CHARLES MORAN

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

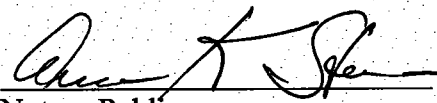
Charles Moran, being first duly sworn on oath, states as follows:

1. My name is Charles Moran and I am employed by EOG Resources Inc. ("EOG") in Midland, Texas, as a petroleum landman.
2. I have been employed by EOG since 2016. I have been employed as a petroleum landman for 25 years.
3. For the past 25 years, I have worked in the Permian Basin.
4. I am familiar with the administrative application for a non-standard location filed for the Audacious BTL 19 Fed Com No. 3H Well. I am familiar with the land and ownership in the E/2 of Section 30 and the SE/4 of Section 19, Township 25 South, Range 33 East, NMPM, Lea County, New Mexico.
5. The ownership throughout the E/2 of Section 30 and the SE/4 of Section 19 is identical is working, royalty, and overriding royalty interest and percentages.

FURTHER AFFIANT SAYETH NOT.


Charles Moran

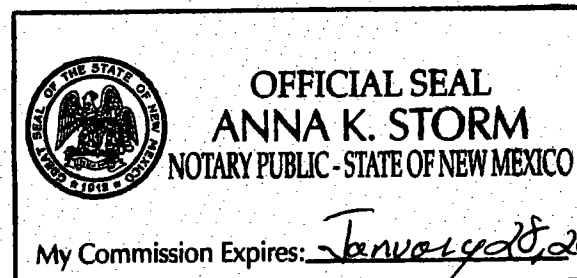
SUBSCRIBED AND SWORN before me on this 2nd day of October, 2017.


Notary Public

My Commission Expires:

January 25, 2019

AFFIDAVIT -- PAGE 1



Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Thursday, October 26, 2017 10:24 AM
To: 'Jordan L. Kessler'
Cc: Brown, Maxey G, EMNRD; Kautz, Paul, EMNRD; Sharp, Karen, EMNRD; Jones, William V, EMNRD; Goetze, Phillip, EMNRD; McMillan, Michael, EMNRD; 'lisa@rwbyram.com'; 'jglover@blm.gov'; 'scaffey@blm.gov'; 'jstovall@blm.gov'
Subject: APPROVED NSL-7602_EOG RESOURCES INC._Audacious BTL 19 Federal Com No. 3H_SEC 19 25S 33E
Importance: High

Ms. Jordan L. Kessler,

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

NSL-7602

EOG RESOURCES INC.

WELL: Audacious BTL 19 Federal Com Well No. 3H, [API #: 30-025-43864]

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/ocd/>