

25 April 07 DATE IN	5/15/07 SUSPENSE	D. Catenach ENGINEER	27 April 07 LOGGED IN	SD TYPE	PCLP0711741331 APP NO.
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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



2007/5

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.

Ocean Munds-Dry Ocean Munds-Dry Attorney 4-24-07
 Print or Type Name Signature Title Date
 omundsdry@hollandhart.com
 e-mail Address

2007 APR 25 PM 2 31

West

April 25, 2007

HAND-DELIVERED

Mark E. Fesmire, P. E.
Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

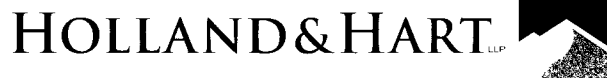
Re: Application of EOG Resources, Inc. for Administrative Approval of the Simultaneous Dedication of the N/2 of Section 11, Township 16 South, Range 24 East, N.M.P.M., Eddy County, New Mexico to its proposed Brazos "A" 11 Fee Well No. 2H and the existing Brazos "A" 11 Fee Well No. 1H.

Dear Mr. Fesmire:

EOG Resources, Inc. is the operator of a standard 320-acre spacing unit in the West Cottonwood Creek-Wolfcamp Gas Pool (**Pool Code 75260**) comprised of the N/2 of Section 11, Township 16 South, Range 24 East, N.M.P.M., Eddy County, New Mexico. This spacing unit is dedicated to EOG's Brazos "A" 11 Fee No. 1H which has been horizontally drilled and produces from the Wolfcamp formation.

EOG seeks administrative approval of the simultaneous dedication of this standard 320-acre gas spacing unit to the following two horizontal gas wells:

- A. the existing Brazos A 11 Fee Well No. 1H (API No. 30-015-34481) horizontally drilled from a surface location 892 feet from the North line and 130 feet from the East line to a proposed end point or bottomhole location 760 feet from the North line and 660 feet from the West line of said Section 11; and
- B. the proposed Brazos A 11 Fee Well No. 2H (API No. 30-015-34484) to be horizontally drilled from a surface location 1880 feet from the North line and 467 feet from the East line to a proposed end point or bottomhole location 1880 feet from the North line and 660 feet from the West line of said Section 11.



Both the penetration point and the bottomhole location for the Brazos A 11 Fee Well No. 1H are at a standard location in the Wolfcamp formation pursuant to Division Rules 104.C (2) (a) and 111.A (7). EOG now intends to horizontally drill and complete its proposed Brazos A 11 Fee Well No. 2H to be drilled to the targeted subsurface end-point or bottomhole location 1880 feet from the North line and 660 feet from the West line (Unit E) of Section 11. EOG proposes to drill this well in compliance with the set-back requirements of Division Rules 104.C(2)(b) and 111.A(7) for deep gas wells in southeast New Mexico.

Attached hereto as **Exhibit A** is a copy of Division Form C-102 for this well that shows the proposed surface and bottomhole location of the well.

Exhibit B is a map of offset operators around the spacing unit in Section 11. **Exhibit C** is a list of affected parties as defined by Division Rules. As required by Rule 1210, a copy of this application (with attachments) has been sent to those affected parties in accordance with Rule 1207(A)(5) and they have been advised that if they have an objection to this application it must be filed in writing with the Division's Santa Fe office within twenty days from the date this notice was sent.

The simultaneous dedication of the N/2 of said Section 11 to the Brazos A 11 Fee Well Nos. 1H and 2H will afford EOG the opportunity to efficiently produce the Wolfcamp formation under this spacing unit. EOG's proposed simultaneous dedication of these wells does not exceed the number of wells allowed by Division Rule for this spacing unit.

Your attention to this application is appreciated.

Sincerely,

A handwritten signature in cursive script that reads "Ocean Munds-Dry".

Ocean Munds-Dry
Attorney for EOG Resources, Inc.

Enclosures



April 25, 2007

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

AFFECTED INTEREST OWNERS

Re: Application of EOG Resources, Inc., for simultaneous dedication,
Eddy County, New Mexico.

Ladies and Gentlemen:

This letter is to advise you that EOG Resources, Inc. has filed the enclosed application with the New Mexico Oil Conservation Division seeking the simultaneous dedication of the proposed Brazos A 11 Fee Well No. 2H and the existing Brazos A 11 Fee Well No. 1H to the N/2 of Section 11, Township 16 South, Range 24 East, NMPM, Eddy County, New Mexico.

As an owner of an interest that may be affected by the proposed well, you may object to this application. Objections must be filed in writing within twenty days from this date at the Division's Santa Fe office that is located at 1220 South Saint Francis Drive, Santa Fe, New Mexico. 87505. If no objection is received within this twenty-day period, this application for an unorthodox well location may be approved.

Very truly yours,

Ocean Munds-Dry
ATTORNEY FOR EOG RESOURCES, INC.

Enclosures

Exhibit C

**Application of EOG Resources, Inc.
Simultaneous Dedication of
N/2 of Section 11, Township 16 South, Range 24 East, NMPM
Eddy County, New Mexico**

David H. Arrington Oil & Gas
214 West Texas, Suite 400
Midland, TX 79701

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1600 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1228 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals, and Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Month - Year
MAR 15 2007
OCD - ARTESIA, NM

C-102
Revised January 15, 2000
Submit to Appropriate Office
State - 1 copy
Fee - 100 copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-34481	Pool Code 75260	Pool Name Cottonwood Creek; WC, West (GAS)
Property Code 35317	Property Name BRAZOS "A" 11 FEE	Well Number 1H
OGRID No. 7377	Operator Name BOG RESOURCES, INC.	Elevation 3500'

Surface Location

UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
A	11	16 SOUTH	24 EAST, N.M.P.M.		682'	NORTH	130'	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
D	11	16 SOUTH	24 EAST, N.M.P.M.		760'	NORTH	660'	WEST	EDDY

¹³ Dedicated Acres 320	¹⁴ Joint or InRM	¹⁵ Consolidation Code	¹⁶ Order No.
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NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

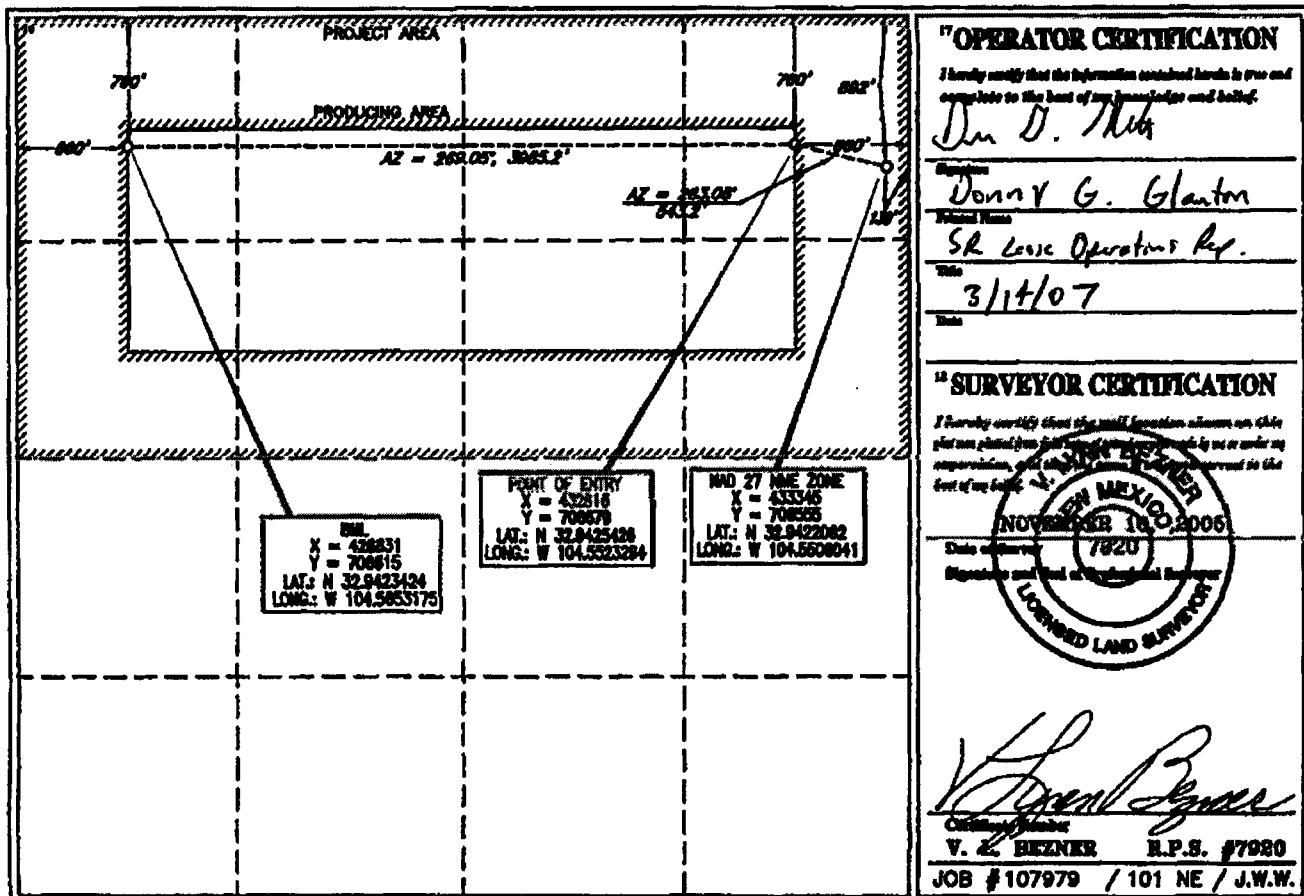


EXHIBIT A

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy, Minerals, and Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, New Mexico 87505

Form C-102

Revised August 15, 2000

Submit to Appropriate District Office

State Lease - 4 copies

Fee Lease - 3 copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-34484	Pool Code 75260	Pool Name Cottonwood Creek; WC, West (Gas)
Property Code 35317	Property Name BRAZOS "A" 11 FEE	
OGRID No.	Operator Name EOG RESOURCES, INC.	Well Number 2H
		Elevation 3550'

11 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	11	16 SOUTH	24 EAST, N.M.P.M.		1880'	NORTH	467'	EAST	EDDY

12 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	11	16 SOUTH	24 EAST, N.M.P.M.		1880'	NORTH	680'	WEST	EDDY

13 Dedicated Acres 320	14 Joint or Infill	15 Consolidation Code	16 Order No.
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NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>PROJECT AREA</p> <p>PRODUCING AREA</p> <p>BHL X = 428825 Y = 705494 LAT: N 32.9382632 LONG: W 104.5653291</p> <p>POINT OF ENTRY X = 432911 Y = 705559 LAT: N 32.9384634 LONG: W 104.5623388</p> <p>NAD 27 NME ZONE X = 433004 Y = 705582 LAT: N 32.9384730 LONG: W 104.5517086</p>	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Donny G. Glanton</i> Signature Donny G. Glanton Printed Name Agent Title 3/19/07 Date</p> <p>18 SURVEYOR CERTIFICATION</p> <p>I hereby certify that I am a duly Licensed Surveyor in the State of New Mexico and that I am duly qualified to perform the duties of a Surveyor.</p> <p>NOVEMBER 9 2005 Date of Survey <i>V. L. Bezner</i> Signature of Surveyor V. L. BEZNER Certification Number R.P.S. #7020 JOB #107980 / 101 NE / J.W.W.</p>
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OFFSETS IN SECTION 11

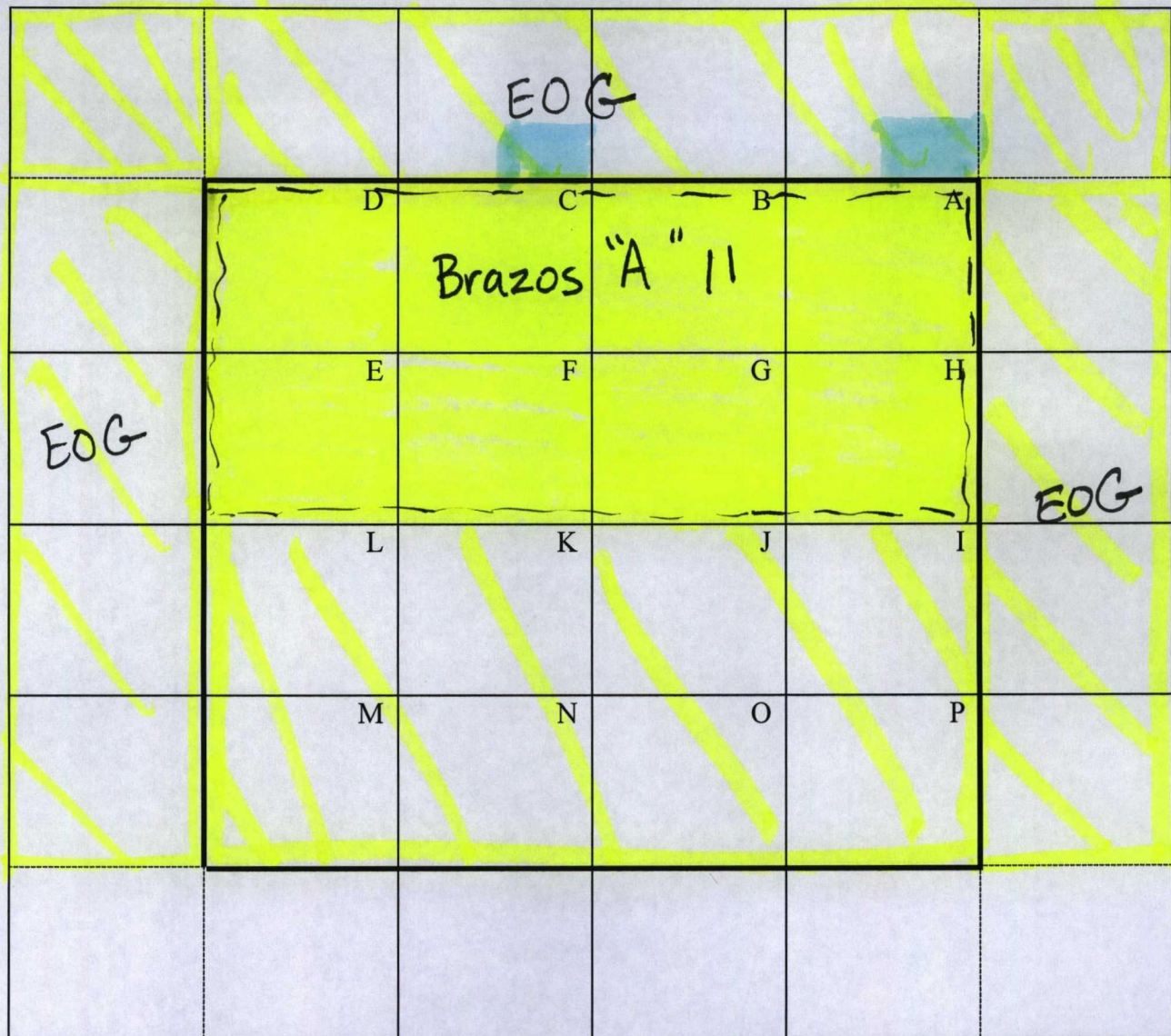


EXHIBIT B