





March 24, 2008

**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 north 320 acres of Irregular Section 3, Township 16 South, Range 25 East, N.M.P.M., Eddy County, New Mexico to its proposed Yangtze B 3 Fee Well No. 2H and the existing Yangtze B 3 Fee Well No. 1H.

Dear Mr. Fesmire:

EOG Resources, Inc. is the operator of a standard 320-acre spacing unit in the Cottonwood Creek-Wolfcamp Gas Pool (**Pool Code 75250**) comprised of the north 320 acres of Irregular Section 3, Township 16 South, Range 25 East, N.M.P.M., Eddy County, New Mexico. This spacing unit is dedicated to EOG's Yangtze B 3 Fee Well 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 **Yangtze B 3 Fee Well No. 1H (API No. 30-015-35327)** horizontally drilled from a surface location 2830 feet from the North line and 240 feet from the East line to a proposed end point or bottomhole location 2596 feet from the North line and 660 feet from the West line of said Section 3; and
- B. the proposed **Yangtze B 3 Fee Well No. 2H (API No. 30-015 -35668)** to be horizontally drilled from a surface location 3400 feet from the South line and 230 feet from the East line to a proposed end point or bottomhole location 3400 feet from the South line and 660 feet from the West line of said Section 3.

Both the penetration point and the bottomhole location for the Yangtze B 3 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 Yangtze B 3 Fee Well No. 2H to be drilled to the targeted subsurface end-point or bottomhole location 3400 feet from the South line and 660 feet from the West line (Lot 13) of Section 3. 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 3. EOG is the only offset operator around the spacing unit and working interest ownership is common. Therefore, there are no affected parties as defined by Division Rules.

The simultaneous dedication of the north 320 acres of said Section 3 to the Yangtze B 3 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,

  
Ocean Munds-Dry  
Attorney for EOG Resources, Inc.

Enclosures

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 & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised October 12, 2005  
Submit to Appropriate District Office  
State Lease- 4 Copies  
Fee Lease- 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30-015-35668</b>	Pool Code <b>75250</b>	Pool Name <b>COTTONWOOD CREEK; WOLFCAMP (GAS)</b>
Property Code <b>36223</b>	Property Name <b>YANGTZE "B" 3 FEE</b>	Well Number <b>2H</b>
OGRID No. <b>7377</b>	Operator Name <b>EOG RESOURCES, INC.</b>	Elevation <b>3450'</b>

Surface Location

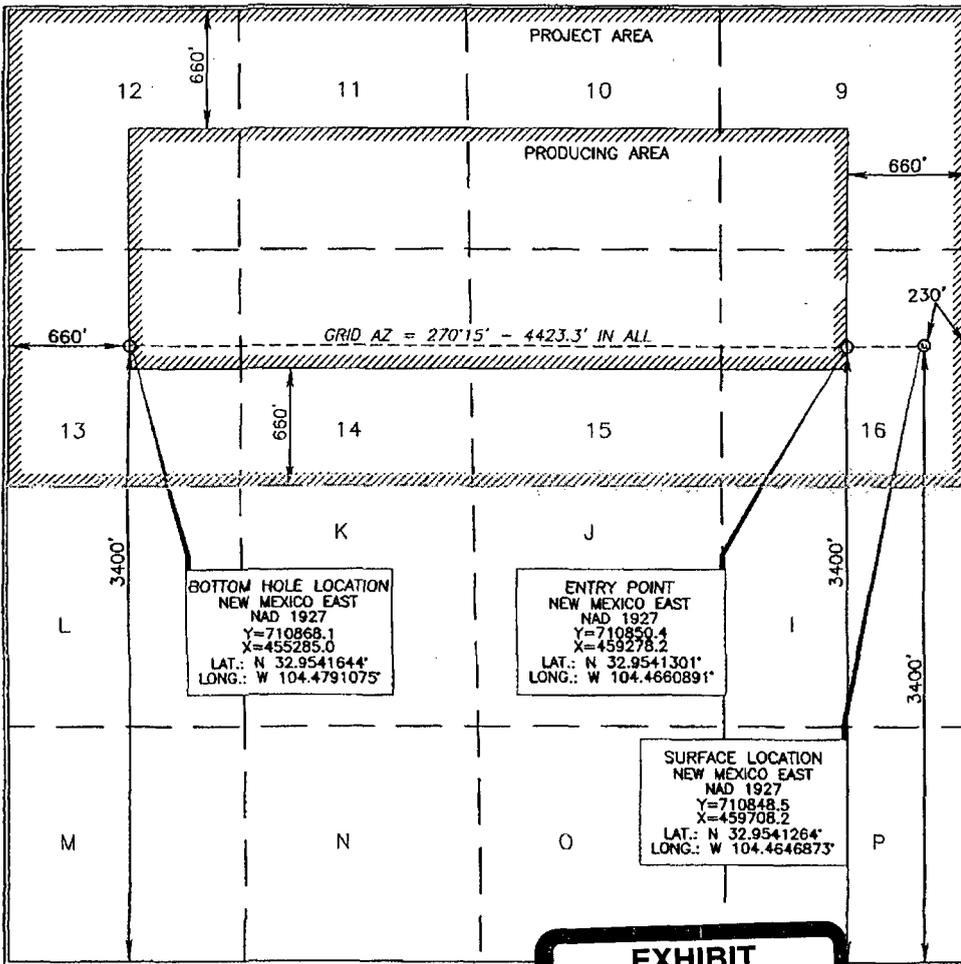
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
16	3	16 SOUTH	25 EAST, N.M.P.M.		3400'	SOUTH	230'	EAST	EDDY

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
13	3	16 SOUTH	25 EAST, N.M.P.M.		3400'	SOUTH	660'	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			

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.



OPERATOR 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.

*Donny G. Glanton* 6/14/07  
Signature Date

Donny G. Glanton  
Printed Name

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 and correct to the best of my belief.

*Jerry A. Noel*  
Date of Survey  
Professional Surveyor Seal: 15079, MAY 21, 2007

*Jerry A. Noel*  
Signature and Seal of Professional Surveyor  
Certificate Number 15079 / 5/23/2007

WO# 070521WL-b(JL)



District I  
1625 N. French Dr., Hobbs, NM 88240  
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Submit to Appropriate District Office  
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Fee Lease- 3 Copies  
 AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-35327	Pool Code 75250	Pool Name Cottonwood Creek; Wolfcamp (Gas)
Property Code 36223	Property Name YANGTZE "B" 3 FEE	Well Number 1H
OGRID No. 7377	Operator Name EOG RESOURCES, INC.	Elevation 3454'

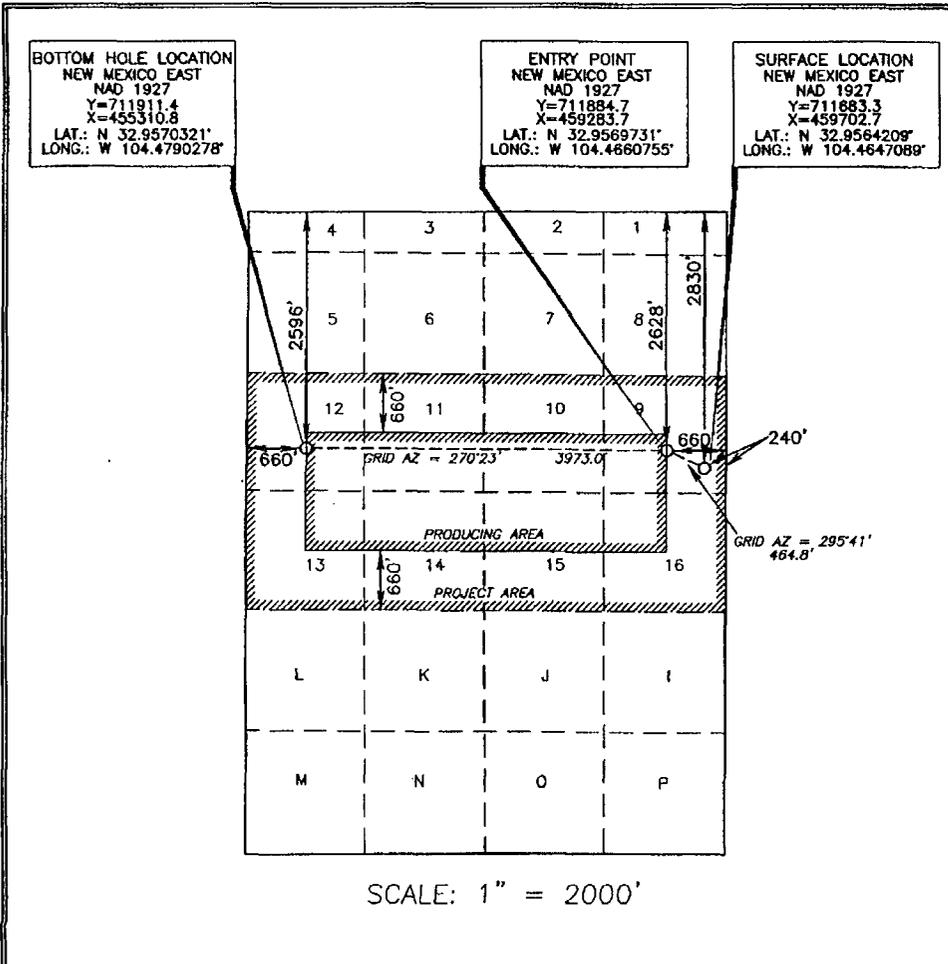
Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
9	3	16 SOUTH	25 EAST, N.M.P.M.		2830'	NORTH	240'	EAST	EDDY

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
12	3	16 SOUTH	25 EAST, N.M.P.M.		2596'	NORTH	660'	WEST	EDDY
Dedicated Acres 320		Joint or Infill	Consolidation Code	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.



SCALE: 1" = 2000'

OPERATOR 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.

*Don J. Helt* 6/14/07  
Signature Date

Donny G. Glanton  
Printed Name

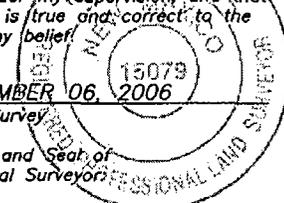
SURVEYOR CERTIFICATION

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 and correct to the best of my belief.

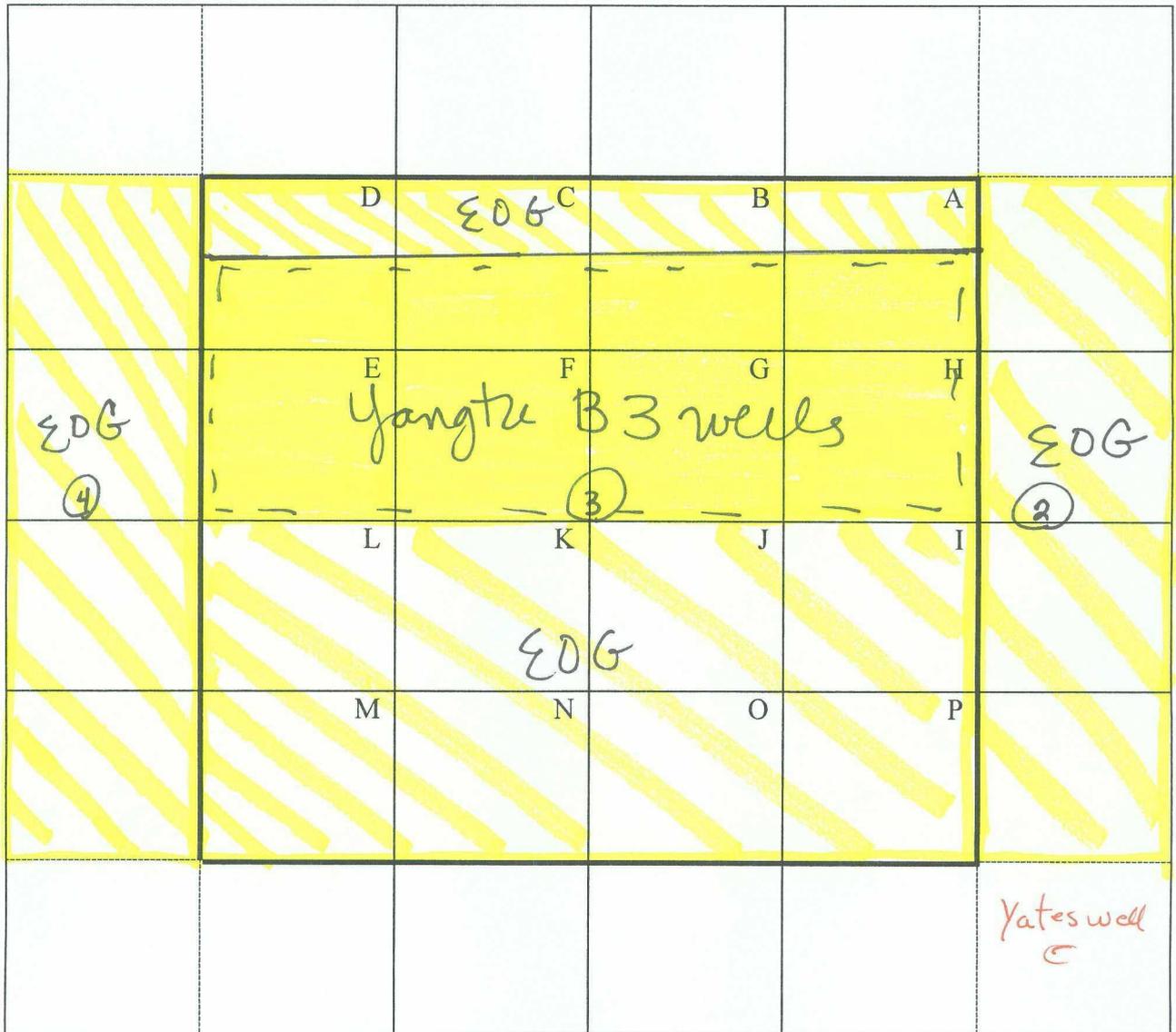
DECEMBER 06, 2006  
Date of Survey

Signature and Seal of Professional Surveyor

*Terry A. Paul* 12/11/2006  
Certificate Number 15079



OFFSETS IN SECTION 3

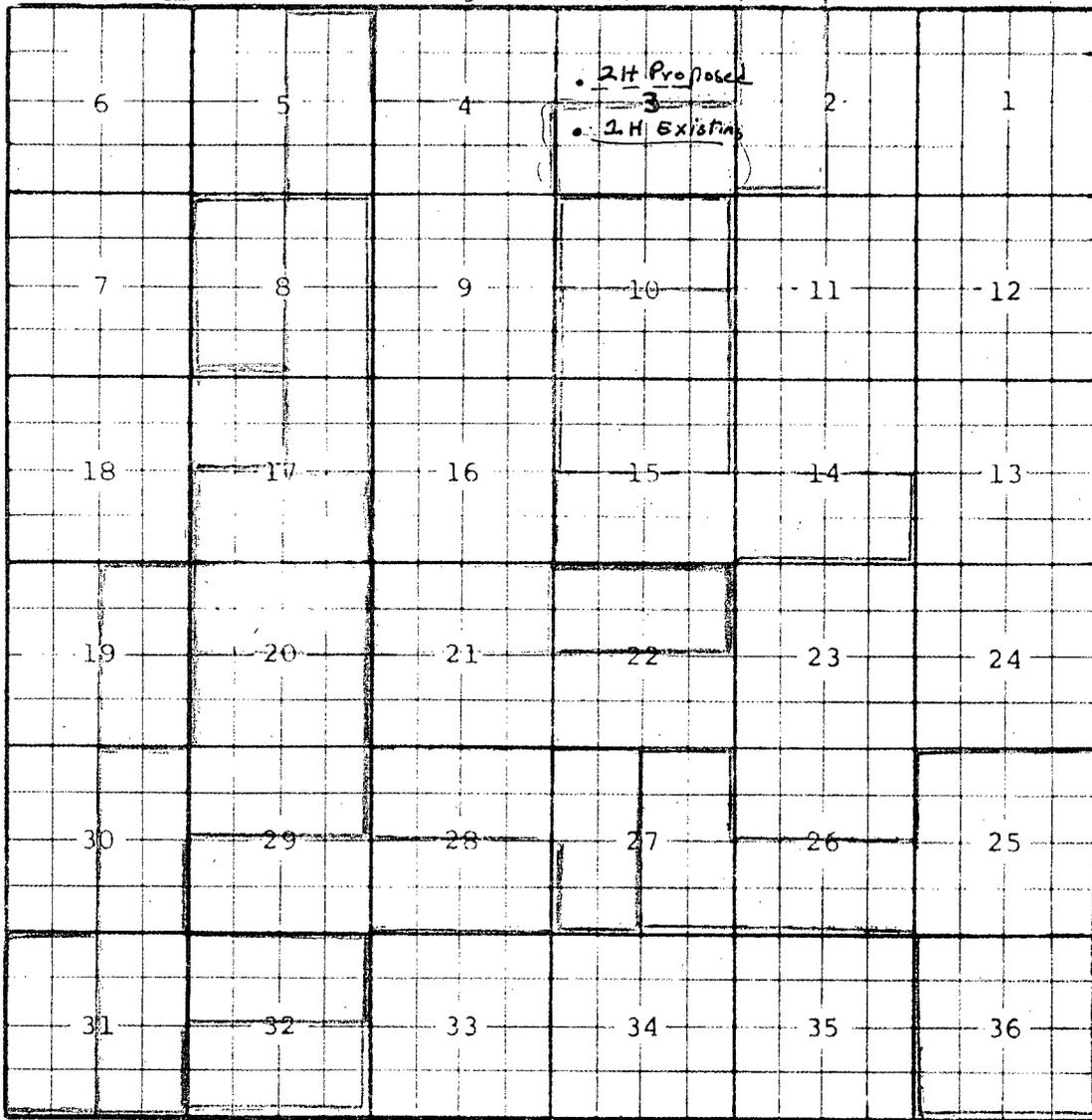


County Eddy Pool Cottonwood Creek - Wolfcamp Gas

TOWNSHIP 16 South

Range 25 East

NMPM



White Books A-Z

Description:  $\frac{1}{2}$  Sec. 21 (R-5609, 1-1-78)

Ext:  $\frac{1}{2}$  Sec. 17,  $\frac{1}{2}$  Sec. 20 (R-10787, 4-9-97) Delete  $\frac{1}{2}$  Sec. 17,  $\frac{1}{2}$  Sec. 20 (R-10844, 7-16-97)

Ext: All Sec. 20,  $\frac{1}{2}$  Sec. 29,  $\frac{1}{2}$  Sec. 30,  $\frac{1}{2}$  Sec. 31,  $\frac{1}{2}$  Sec. 32 (R-12448, 10-27-05)

Ext:  $\frac{1}{2}$  Sec. 27,  $\frac{1}{2}$  Sec. 28 (R-12530, 3-30-06) Ext:  $\frac{1}{2}$  Sec. 22,  $\frac{1}{2}$  Sec. 31 (R-12548, 5-8-06)

Ext:  $\frac{1}{2}$  Sec. 14,  $\frac{1}{2}$  Sec. 15,  $\frac{1}{2}$  Sec. 32 (R-12619, 8-22-06) Ext:  $\frac{1}{2}$  Sec. 10,  $\frac{1}{2}$  Sec. 15 (R-12638, 9-20-06)

Ext:  $\frac{1}{2}$  Sec. 8,  $\frac{1}{4}$  and  $\frac{3}{4}$  Sec. 17 (R-12675, 12-4-06) Ext:  $\frac{1}{2}$  Sec. 8,  $\frac{1}{2}$  Sec. 10, All Sec. 25,  $\frac{1}{2}$  Sec. 26,

$\frac{1}{2}$  Sec. 27,  $\frac{1}{2}$  Sec. 28,  $\frac{1}{2}$  Sec. 29, All Sec. 31 (R-12732, 3-6-07)

Ext:  $\frac{1}{2}$  Sec. 4, Lots 9, 10, 15, 16 and Units I, J, O and P Sec. 5, All Sec. 9, All Sec. 16 (R-12766, 6-13-07)

Ext: Lots 3 thru 6, Lots 11 thru 14, and Unit Letters K, L, M and N Sec. 2,  $\frac{1}{2}$  Sec. 3,  $\frac{1}{2}$  Sec. 19 (R-12831, 10-22-07)

Sec : 03 Twp : 16S Rng : 25E Section Type : NORMAL

12 40.00 Fee owned <i>D</i>	4 16.61 <i>BHL</i>	5 40.00	11 40.00 Fee owned <i>C</i>	3 16.86	6 40.00	10 40.00 Fee owned <i>B</i>	2 17.12	7 40.00	1 17.37 Fee owned A A	8 40.00 <i>A</i>	9 40.00
13 40.00 Fee owned <i>L</i>	<i>BHL</i>	14 40.00 Fee owned	15 40.00 Fee owned <i>B3 Fee # 24 (Proposed)</i>			16 40.00 Fee owned A			<i>entire Surface</i>		
↑ ↓ 40.00 Fee owned <i>L</i>	<i>BHL</i>	40.00 Fee owned	40.00 Fee owned <i>K</i>			40.00 Fee owned <i>J</i>			40.00 Fee owned A	<i>entry surface</i>	
40.00 Fee owned <i>M</i>		40.00 Fee owned	40.00 Fee owned <i>N</i>			40.00 Fee owned <i>O</i>			40.00 Fee owned A		

# Well Selection Criteria Quick Print

(CNTY = 15 and WH\_SEC = 3 and WH\_TWPN = 16 and WH\_RNGN = 25 and WELL\_TYP\_Like 'G' and PoolNo = 75250)

API Well #	Well Name and No.	Operator Name	Typ	Stat	County	Surf	UL	Sec	Twp	Rng	Ft N/S	Ft E/W	UICPrmt	Lst Insp Dt
30-015-35383-00-00	YANGTZE A 3 FEE <u>Existing</u> 001H	EOG RESOURCES INC	G	N	Eddy	P	A	3	16 S	25 E	934 N	660 E		
30-015-35327-00-00	YANGTZE B 3 FEE <u>Existing</u> 001H	EOG RESOURCES INC	G	N	Eddy	P	A	3	16 S	25 E	2830 N	240 E		
30-015-35668-00-00	YANGTZE B 3 FEE <u>Proposed</u> 002H	EOG RESOURCES INC	G	N	Eddy	P	H	3	16 S	25 E	3400 S	230 E		
30-015-35667-00-00	YANGTZE C 3 FEE <u>Existing</u> 001H	EOG RESOURCES INC	G	A	Eddy	P	I	3	16 S	25 E	2450 S	225 E		11/6/2007
30-015-35328-00-00	YANGTZE C 3 FEE <u>Existing</u> 002H	EOG RESOURCES INC	G	A	Eddy	P	P	3	16 S	25 E	560 S	200 E		11/27/2007

↑

All are horizontal wells.

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## land details

\* Section:  \* Township:  \* Range:

Example: 33                      09S                      26E

16 Records found.

No Links

Unit Letter	Lot	Tract	Qtr/Qtr	Surface Owner	Sub Surface Owner	Acreeage	Lease Number	Lease Type	County	Land Restriction	Land Remarks
A	1			Federal	Fee	17.37	--	--	Eddy		
B	10			Federal	Fee	40.00	--	--	Eddy		
C	11			Federal	Fee	40.00	--	--	Eddy		
D	12			Federal	Fee	40.00	--	--	Eddy		
E	13			Federal	Fee	40.00	--	--	Eddy		
F	14			Federal	Fee	40.00	--	--	Eddy		
G	15			Federal	Fee	40.00	--	--	Eddy		
H	16			Federal	Fee	40.00	--	--	Eddy		
I			NE4SE4	Fee	Fee	40.00	--	--	Eddy		
J			NW4SE4	Fee	Fee	40.00	--	--	Eddy		
K			NE4SW4	Fee	Fee	40.00	--	--	Eddy		
L			NW4SW4	Fee	Fee	40.00	--	--	Eddy		
M			SW4SW4	Fee	Fee	40.00	--	--	Eddy		
N			SE4SW4	Fee	Fee	40.00	--	--	Eddy		
O			SW4SE4	Fee	Fee	40.00	--	--	Eddy		
P			SE4SE4	Fee	Fee	40.00	--	--	Eddy		

If you have any questions about the data or this site please contact Joe Mraz ([jmraz@slo.state.nm.us](mailto:jmraz@slo.state.nm.us)) of the State Land Office.

Site maintained by the PRRC, [webmaster\\_gotech\\_prcc@yahoo.com](mailto:webmaster_gotech_prcc@yahoo.com)