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|--------------------|----------|--------------------|----------------------|-------------|---------------------------|
| DATE IN 5/15/08 | SUSPENSE | ENGINEER RROOKS | LOGGED IN 5/15/08 | TYPE NSL | APP NO. PKVR0813653735 |
|--------------------|----------|--------------------|----------------------|-------------|---------------------------|

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



EOG Resources INC
Ulysses 21 state
#1

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]

5852

[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 5-15-08
Print or Type Name Signature Title Date
omundsdry@hollandhart.com
e-mail Address

RECEIVED
2008 MAY 15 PM 12 12
5/15/08



May 15, 2008

HAND DELIVERY

Mr. Mark Fesmire, 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. ("EOG"), Inc., for administrative approval of an unorthodox well location for its Ulysses 21 State Well No. 1, to be drilled to the Devonian formation at a location 1980 feet from the North line and 2200 feet from the West line of Section 21, Township 10 South, Range 36 East, N.M.P.M., Lea County, New Mexico.

Dear Mr. Fesmire:

← 103.2615, 33.4328 by Tatum/WM.
long lat.

EOG Resources, Inc. ("EOG") hereby seeks administrative approval pursuant to the provisions of Division Rule 104 F (2)-(4) of an unorthodox well location for its Ulysses 21 State Well No. 1, in the Devonian formation, to be drilled 1980 feet from the North line and 2200 feet from the West line of Section 21, Township 10 South, Range 36 East, N.M.P.M., Lea County, New Mexico.

This proposed location in the Devonian formation is unorthodox because it is governed by the Special Rules and Regulations for the South Crossroads Devonian Pool which provides for wells to be located within 150 feet of the center of the quarter-quarter section. The proposed location is 220 feet from the center of the quarter-quarter section. A standard 80-acre spacing unit comprised of the S/2 NW/4 of Section 21 will be dedicated to the well.

This location is needed for geologic reasons. Attached as Exhibit A is a copy of a Devonian Structure map showing the proposed location. This location will test the Devonian formation at the optimum structural position. A standard location carries more risk because a well at that location would penetrate the Devonian lower on the structure and be closer to the fault where seismic imaging is less certain.



This location encroaches on the spacing unit to the east which is operated by EOG and all underlying mineral interests are common in both spacing units. Therefore there are no affected parties as defined by Division rules and no notice is required.

Your attention to this application is appreciated.

Sincerely,

Ocean Munds-Dry
Ocean Munds-Dry
ATTORNEY FOR EOG RESOURCES, INC.

Enclosures

cc: Doug Hurlbut
Oil Conservation Division – Hobbs/Artesia

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-402
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 | Pool Code | Pool Name |
| Property Code | Property Name ULYSSES 21 STATE | Well Number 1 |
| OGRID No. | Operator Name EOG RESOURCES INC. | Elevation 4022.9' |

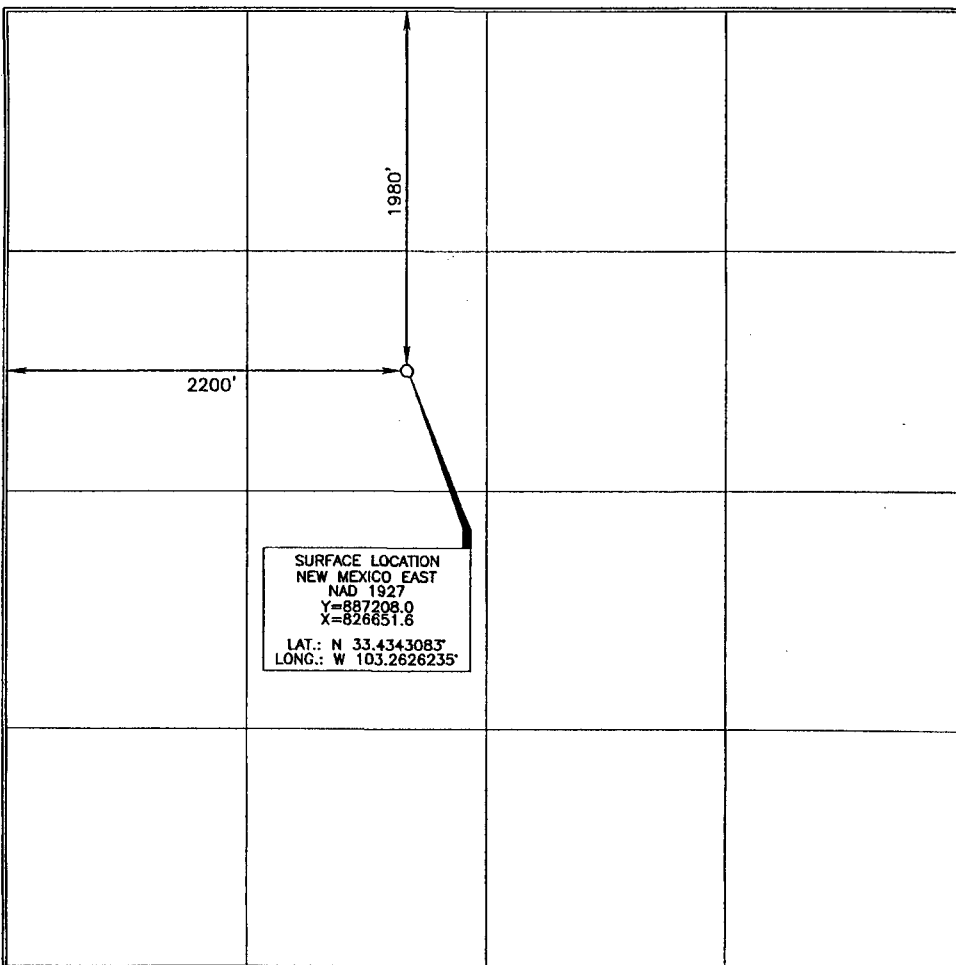
Surface Location

| | | | | | | | | | |
|---------------------------|----------------------|-----------------------------|-----------------------------------|---------|-------------------------------|----------------------------------|-------------------------------|-------------------------------|----------------------|
| UL or lot no. F | Section 21 | Township 10 SOUTH | Range 36 EAST, N.M.P.M. | Lot Idn | Feet from the 1980' | North/South line NORTH | Feet from the 2200' | East/West line WEST | County LEA |
|---------------------------|----------------------|-----------------------------|-----------------------------------|---------|-------------------------------|----------------------------------|-------------------------------|-------------------------------|----------------------|

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 |
| Dedicated Acres | | 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.



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.

Signature _____ Date _____

Printed Name _____

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of a duly surveyed line by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey **JUNE 17, 2008**

Signature and Seal of Professional Surveyor

Terry G. Abel 6/18/08
Certificate Number **15079**

WO# 080617WL (KA)

Exhibit A'