

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

2006 MAR 14 AM 8 03
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APPLICATION OF DAVID H. ARRINGTON
OIL AND GAS, INC. FOR COMPULSORY
POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 13659

EOG RESOURCES, INC.
MOTION FOR CONTINUANCE

EOG RESOURCES, INC. ("EOG"), moves the Division for an order continuing the hearing in Case 13659 from March 16, 2006 to the examiner hearing docket scheduled for March 30, 2006, and in support of its motion states:

1. EOG is the owner of 50% of the working interest in the E/2 of Section 17, Township 17 South, Range 24 East, NMPM, Eddy County, New Mexico.

2. EOG has drilled a number of horizontal wells in this area and as part of this horizontal well drilling program, EOG has filed and obtained approved Applications for Permits to Drill the following two horizontal wells in the E/2 of Section 17 :

The Joliba 17 Fee Well No. 1H to be horizontally drill from a surface location 660 feet from the South line and 1815 feet from the East line to a bottomhole location 660 feet from the Norht line and 1880 feet from the East line of said Section 17.

The Joliba 17 Fee Well No. 2H to be horizontally drilled from a surface location 660 feet from the South line and 760 feet from the East line to a bottomhole location 660 feet from the North line and 760 feet from the East line of said Section 17.

3. Each of the APD's for these wells was approved on December 27, 2005 and will not expire until December 27, 2006. Copies of these approved APD's are attached to this motion as Exhibits A and B.

4. After EOG obtained its APD's for these wells, David H. Arrington Oil and Gas, Inc. proposed its Wonder Bunny Well No. 1-H to be horizontally drilled from a surface location 660 feet from the South line and 1880 feet from the East line to a bottomhole location 660 feet from the North line and 1880 feet from the East line in Section 17. Arrington has proposed to dedicate the E/2 of Section 17 to the well.

4. On or before February 13, 2006, David H. Arrington filed an application to compulsory pool the E/2 of Section 17 for its Wonder Bunny Well No. 1-H and seeks to be designated operator of the spacing unit. The hearing on this application is set for hearing on March 16, 2006.

5. Arrington notified EOG of this pooling application by letter dated February 13, 2006.

6. On February 24, EOG filed a competing compulsory pooling application with the Division seeking the pooling of the E/2 of Section 17 and dedicating this acreage to its Joliba Fee

Well No. 1H. EOG seeks to be named operator of the spacing unit. This application is set for hearing on March 30, 2006 as Case No. 13681.

7. EOG has requested that Arrington agree to a continuance of its application until the March 30th examiner hearing docket so both of the competing applications can be heard at the same time, but Arrington has refused to do so. Neither party has a lease expiration that could be impacted by the requested two week continuance.

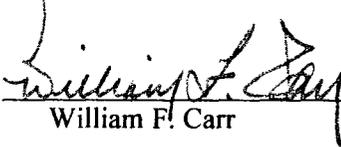
8. EOG therefore moves the Division for an order continuing the examiner hearing in Case No. 13659 to the March 30, 2006 examiner hearing docket so both competing applications can be heard at the same time. The requested continuance is more efficient for it will result in one consolidated hearing on these applications instead of separate hearings before different examiners.

9. If Case 13659 is not continued, EOG will appear on March 16th, receive copies of the Arrington exhibits, and then request that no order be entered until it presents its case on March 30, 2006.

WHEREFORE, EOG Resources, Inc. moves the Division for an order continuing the hearing in Case No. 13659 to the March 30, 2006 examiner hearing docket.

Respectfully submitted,

HOLLAND & HART, LLP

By: 
William F. Carr

Post Office Box 2088
110 North Guadalupe Street
Santa Fe, New Mexico 87501

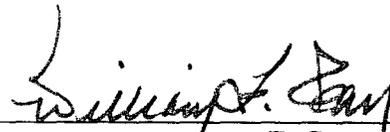
ATTORNEYS FOR EOG RESOURCES, INC.

CERTIFICATE OF SERVICE

I hereby certify that a copy of this Motion for Continuance was served upon the following counsel of record this 14th day of March 2006 by Hand Delivery and/or by Facsimile:

Gail MacQuesten, Esq.
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505
**By Hand Delivery
And Facsimile (505) 476-3462**

J. Scott Hall, Esq.
Miller Stratvert P.A.
Post Office Box 1986
Santa Fe, New Mexico 87504
Phone: (505) 989-9857
Attorney for David H. Arrington Oil and Gas, Inc.
By Facsimile: (505) 989-9857



William F. Carr

State of New Mexico
 Energy, Minerals and Natural Resources

Oil Conservation Division
 1220 S. St Francis Dr.
 Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address EOG RESOURCES INC PO BOX 2267 MIDLAND, TX 79702		2. OORID Number 7377
		3. API Number 30-015-34491
4. Property Code 35322	5. Property Name JOLIBA 17 FEE	6. Well No. 001H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
0	17	17S	24E	0	660	S	1815	E	EDDY

8. Pool Information

COLLINS RANCH, WOLFCAMP (GAS)	75010
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Additional Well Information

9. Well Type New Well	10. Well Type GAS	11. Cable/ Rotary	12. Lease Type Private	13. Ground Level Elevation 3812
14. Multiple N	15. Proposed Depth 5200	16. Formation Wolfcamp	17. Contractor	18. Spud Date
Depth to Ground water 100		Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12" mils thick Clay <input type="checkbox"/> Pit Volume: 10300 bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input checked="" type="checkbox"/> Gas/Air <input type="checkbox"/>				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	9.875	7	26	900	500	0
Prod	6.125	4.5	11.6	8904	750	0

Casing/Cement Program: Additional Comments

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Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCB guidelines <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> , or on (attached) alternative OCB-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION	
	Approved By: Bryan Arrant	
	Title: Geologist	
	Approved Date: 12/27/2005	Expiration Date: 12/27/2006
	Conditions of Approval Attached	

Printed Name: Electronically filed by Mike Francis	
Title: ROW Agent	
Email Address: mike_francis@egoresources.com	
Date: 12/21/2005	Phone: 4326863714

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(505) 393-6161 Fax:(505) 393-0720

District II
 1301 W. Grand Ave., Artesia, NM 88210
 Phone:(505) 748-1283 Fax:(505) 748-9720

District III
 1000 Rio Hondo Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
 1220 S. St Francis Dr., Santa Fe, NM 87503
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources

Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-102
 Permit 20408

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-34491	2. Pool Code 75010	3. Pool Name COLLINS RANCH;WOLFCAMP (GAS)
4. Property Code 35322	5. Property Name JOLIBA 17 FEE	
6. Well No. 001H	7. Operator Name EOG RESOURCES INC	
8. OGRID No. 7377	9. Elevation 3812	

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
O	17	17S	24E		660	S	1815	E	EDDY

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
B	17	17S	24E	B	660	N	1880	E	EDDY

12. Dedicated Acres 320.34	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

	OPERATOR CERTIFICATION		
	<p><i>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(s) 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.</i></p>		
	<p>E-Signed By: Mike Francis Title: ROW Agent Date: 12/21/2005</p>		
	SURVEYOR CERTIFICATION		
<p><i>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.</i></p>			
<p>Surveyed By: Terry Asel Date of Survey: 12/17/2005 Certificate Number: 15079</p>			

State of New Mexico
 Energy, Minerals and Natural Resources

Oil Conservation Division
 1220 S. St Francis Dr.
 Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address EOG RESOURCES INC PO BOX 2267 MIDLAND, TX 79702		2. OORID Number 7377
		3. API Number 30-015-34490
4. Property Code 35322	5. Property Name JOLIBA 17 FEE	6. Well No. 002H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
P	17	17S	24E	P	660	S	760	E	EDDY

8. Pool Information

COLLINS RANCH,WOLFCAMP (GAS)	75010
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Additional Well Information

9. Well Type New Well	10. Well Type GAS	11. Casing/Rotary	12. Lease Type Private	13. Ground Level Elevation 3804
14. Multiple N	15. Proposed Depth 5200	16. Formation Wolfcamp	17. Contractor	18. Spud Date
Depth to Ground water 100		Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000
Pk: Liner: Synthetic <input checked="" type="checkbox"/> 12 _____ miles thick Clay <input type="checkbox"/> Pk Volume: 10300 bbls Drilling Method: Closed Loop System _____ Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input checked="" type="checkbox"/> Gas/Air <input type="checkbox"/>				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	9.875	7	26	900	500	0
Prod	6.125	4.5	11.6	8904	750	0

Casing/Cement Program: Additional Comments

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Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> , or an (attached) alternative OCB-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION	
	Approved By: Bryan Arant	
	Title: Geologist	
	Approved Date: 12/27/2005	Expiration Date: 12/27/2006
	Conditions of Approval Attached	

Printed Name: Electronically filed by Mike Francis
Title: ROW Agent
Email Address: mike_francis@eogresources.com
Date: 12/21/2005
Phone: 4326863714

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 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources

Form C-102
 Permit 20410

Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-34490	2. Pool Code 75010	3. Pool Name COLLINS RANCH;WOLFCAMP (GAS)
4. Property Code 35322	5. Property Name JOLIBA 17 FEE	
7. OGRID No. 7377	8. Operator Name EOG RESOURCES INC	9. Elevation 3804

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
P	17	17S	24E		660	S	760	E	EDDY

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	17	17S	24E	A	660	N	760	E	EDDY
12. Dedicated Acres 320.34		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

	OPERATOR CERTIFICATION	
	<p><i>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(s) 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.</i></p>	
	<p>E-Signed By: Mike Francis Title: ROW Agent Date: 12/21/2005</p>	
	SURVEYOR CERTIFICATION	
<p><i>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.</i></p>		
<p>Surveyed By: Terry Asel Date of Survey: 12/17/2005 Certificate Number: 15079</p>		

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

IN THE MATTER OF THE APPLICATION OF
DAVID H. ARRINGTON OIL AND GAS, INC.
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO

CASE No. 13659

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Miller Stratvert P.A. (J. Scott Hall) on behalf of David H. Arrington Oil and Gas, Inc., as required by the Oil Conservation Division.

APPEARANCES

APPLICANT'S ATTORNEY

J. Scott Hall, Esq.
Miller Stratvert P.A.
150 Washington Ave., Suite 300
Post Office Box 1986
Santa Fe, New Mexico 87504
(505) 989-9614

APPLICANT

David H. Arrington Oil & Gas, Inc.

OPPONENT'S ATTORNEY

William F. Carr, Esq.
Holland & Hart LLP
Post Office Box 2208
Santa Fe, New Mexico 87504

OPPONENT

EOG Resources, Inc.

OTHER PARTY'S ATTORNEY

OTHER PARTY

2006 MAR 9 PM 4 45

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the E/2 of Section 17, Township 17 South, Range 24 East, NMPM, Eddy County, New Mexico, to form a standard 320-acre gas spacing and proration unit for any and all formations and or pools developed on 320-acres, including but not necessarily limited to the Wolfcamp formation, undesignated Cottonwood Creek Wolfcamp Pool. Said units are to be dedicated to Applicant’s proposed Wonder Bunny 1-H Well to be drilled from a surface location 1880’ from the East line and 660’ from the South line to a bottom hole location 1880’ from the East line and 660’ from the North line of said Section 17. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of David H. Arrington Oil and Gas, Inc. or its designee as operator of the well and a charge for risk involved in drilling said well.

OPPOSITION OR OTHER PARTY

EOG Resources, Inc.

PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST. TIME	NO. OF EXHIBITS
Jamey Lucas (Landman)	20 Minutes	4
Jim Woods (Geologist)	10 Minutes	1

OPPOSITION

WITNESSES	EST. TIME	NO. OF EXHIBITS
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PROCEDURAL MATTERS

EOG's counsel has indicted an Application to force pool the same lands will be filed on behalf of EOG.

MILLER STRATVERT P.A.

By: J. Scott Hall

J. Scott Hall, Esq.
Post Office Box 1986
Santa Fe, New Mexico 87504
(505) 989-9614
Attorneys for David H. Arrington Oil
and Gas, Inc.

Certificate of Mailing

I hereby certify that a true and correct copy of the foregoing was delivered to counsel of record on the 9th day of March, 2006, as follows:

Gayle MacQuesten, Esq.
New Mexico Oil Conservation Division
1220 St. Francis Dr.
Santa Fe, New Mexico
(505) 476-3462/Facsimile

William F. Carr, Esq.
Holland & Hart LLP
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 983-6043/Facsimile

J. Scott Hall

J. Scott Hall