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August 12, 2003

**HAND-DELIVERED**

Lori Wrotenbery, Director  
Oil Conservation Division  
New Mexico Energy, Minerals  
and Natural Resources Department  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87504

**RECEIVED**

AUG 12 2003

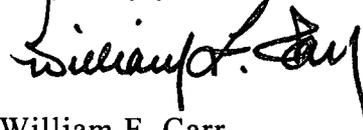
Case 13141 Oil Conservation Division

Re: Application of EOG Resources, Inc., for re-instatement of Division Order No. R-10183 which promulgated Special Pool Rules and Regulations for the Diamond-Strawn Pool including provisions for 80-acre spacing and special well location requirements, Lea County, New Mexico.

Dear Ms Wrotenbery:

Enclosed in duplicate is the application of EOG Resources, Inc. in the above-referenced case as well as a copy of a legal advertisement. EOG Resources, Inc. requests that this application be placed on the docket for the September 4, 2003 Examiner hearing.

Very truly yours,



William F. Carr

WFC/keh  
Enclosures

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

IN THE MATTER OF THE APPLICATION  
OF EOG RESOURCES, INC. FOR RE-INSTATEMENT  
OF DIVISION ORDER NO. R- 10183 WHICH  
PROMULGATED SPECIAL POOL RULES  
AND REGULATIONS FOR THE DIAMOND-  
STRAWN POOL INCLUDING PROVISIONS  
FOR 80-ACRE SPACING AND SPECIAL  
WELL LOCATION REQUIREMENTS,  
LEA COUNTY, NEW MEXICO.

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Oil Conservation Division

CASE NO. 13141

**APPLICATION**

EOG RESOURCES, INC. ("EOG"), by its undersigned attorneys, hereby makes application to the Oil Conservation Division for an order re-instating Division Order No. R-10183 that promulgated Temporary Special Pool Rules and Regulations for the Diamond-Strawn Pool including provisions for 80-acre spacing and proration units and special well location requirements with wells located within 150 feet of the center of a quarter-quarter section, and in support of its application states:

1. The Diamond-Strawn Pool was established by Division Order No. R-10183, dated September 1, 1994, and has been extended from time to time to include the following acreage in Lea County, New Mexico:

**Township 16 South, Range 36 East, N.M.P.M.**

Section 15: SW/4

Section 16: SE/4

2. Division Order No. R-10183 (Case 11041) also granted the application of PG&E Resources and promulgated Temporary Special Pool Rules and Regulations for the Diamond-

APPLICATION

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Strawn Pool that provided for 80-acre spacing and proration units and special well location requirements that required wells be located within 150 feet of the center of a quarter-quarter section.

3. This case was reopened in September 1996 and by Order No. R-10183-A, entered on September 16, 1996, the Division rescinded these Temporary Special Pool Rules and Regulations.

4. EOG has recently drilled and completed its Purple Humpie "15" Well No. 1 in the Diamond-Strawn Pool at a surface location 851 feet from the North line and 758 feet from the West line and a bottomhole location 396 feet from the North line and 1964 feet from the West line of Section 15, Township 16 South, Range 36 East, NMPM. This well will drain in excess of the 40-acre spacing unit dedicated to it comprised of the NW/4 NE/4 of Section 15, and therefore requests that the Division re-instate and adopt on a permanent basis Order No. R-10183 and the rules adopted therein for the Diamond-Strawn Pool.

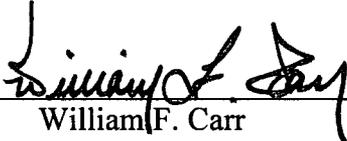
5. Notice of this application has been provided to all operators in the pool and to all operators of Strawn wells within one mile of the pool boundaries unless located within another Strawn pool.

6. Approval of this application will prevent waste, protect correlative rights and otherwise be in the best interest of conservation.

WHEREFORE, EOG Resources, Inc. requests that this application be set for hearing before an Examiner of the Oil Conservation Division on September 4, 2003, that notice be given as required by law and the rules of the Division, and that the application be approved.

Respectfully submitted,

HOLLAND & HART LLP

By:  \_\_\_\_\_

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ATTORNEY FOR EOG RESOURCES,  
INC.