

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

APPLICATION OF EOG RESOURCES, INC.
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

CASE NO. 13947

AFFIDAVIT OF RICHARD L. LANNING

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

I, Richard L. Lanning, being first duly sworn on oath, states as follows:

1. My name is Richard L. Lanning. I reside in Midland County, Texas. I am the Landman employed by EOG Resources, Inc. ("EOG") who is familiar with the status of the lands in Irregular Section 5, Township 16 South, Range 25 East, NMPM, Eddy County, New Mexico.

2. EOG seeks an order pooling certain interest owners in the N/2 of Irregular Section 5 in the Wolfcamp formation, to form a 222-acre project area for a horizontal well. This non-standard spacing unit was approved by Administrative Order NSP-1917.

3. EOG owns a working interest in the N/2 of Section 5 and has dedicated this proposed project area to its Tiber A 5 Fee Well No. 1H (API 30-015-34483) to be drilled from a surface location 377 feet from the North line and 351 feet from the West line (Unit D) to a depth of approximately 5,200 feet and a bottomhole location 912 feet from the North line and 660 feet from the East line (Unit A) of said Section 5. Attachment A is a plat of the subject lands showing the proposed project area, the producing area and the well location.

4. The proposed project area consists of three leases. Attachment B lists the nature and percentage of the ownership interests in the subject project area.

5. All mineral owners in the project area have voluntarily agreed to pool their interests. This application has been instituted solely to pool the interests of a working interest owner who has not been found.

6. EOG has conducted a diligent search to locate H.M. Brewster.

a. After a search of county records, EOG discovered that Mr. Brewster acquired a full mineral interest in the south 60 acres of

Lots 7 and 8 by mineral deed in 1920. The only address on the deed is Cook County, Illinois. There are no other records regarding this interest in county records.

- b. EOG also performed an internet search for information on Mr. Brewster;
- c. EOG searched probate records in Cook County since 1920. Although several H.M. Brewster's were identified, no specific records were identified that contained an inventory of this property.
- d. EOG conducted a telephone search of Brewsters in the Chicago area but no one could identify this particular H.M. Brewster.

7. EOG requests that H.M. Brewster be pooled and EOG be designated operator of the well and the project area.

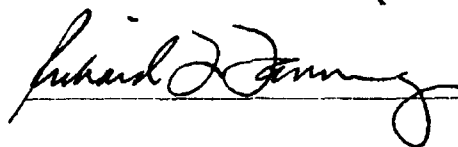
8. EOG proposes overhead charges (combined fixed rates) of \$4,500.00 per month while drilling and \$450.00 per month while producing.

9. Attachment C is a copy of the authorization for expenditure (AFE) for this well.

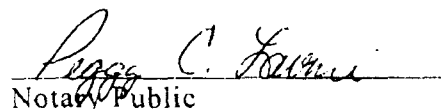
14. Attachment D is an affidavit of publication.

15. Approval of this application will avoid the drilling of unnecessary wells, will prevent waste, will protect correlative rights, and allow EOG and the other interest owners in the N/2 of Section 5 an opportunity to obtain their just and fair share of the oil and gas under the subject lands.

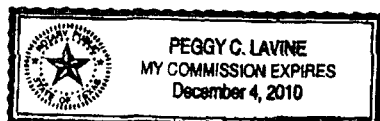
FURTHER AFFIANT SAYETH NOT.



SUBSCRIBED AND SWORN before me on this 9th day of July 2007.


Notary Public

My Commission Expires:



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	Pool Code	Pool Name
Property Code	Property Name TIBER "A" 5 FEE	Well Number 1H
CGRD No.	Operator Name EOG RESOURCES, INC.	Elevation 3511'

Surface Location

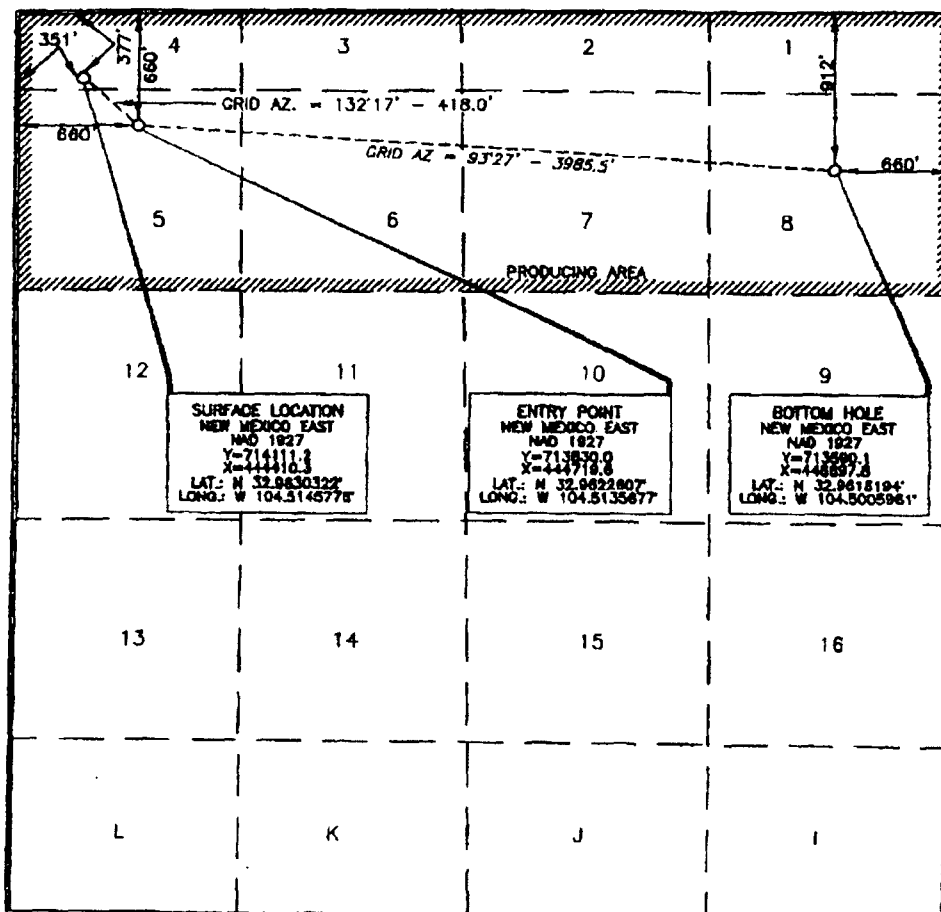
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	5	16 SOUTH	25 EAST, N.M.P.M.		377'	NORTH	351'	WEST	EDDY

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
8	5	16 SOUTH	25 EAST, N.M.P.M.		912'	NORTH	660'	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	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

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 or other surveys made by me or under my supervision and that the same is true and correct to the best of my belief.

JANUARY 30, 2007
Date of Survey

Signature and Seal of Professional Land Surveyor

Jerry J. Deel 2/20/07
Certificate Number 15079

WOF 070118W (A)

SECTION 5-16S-25E
Eddy County, NM

4 ↙	3 ↘	2 ↙	1 ↘
5 ↘	6 ↙	7 ↘	8 ↙
12 ↙	11 ↘	10 ↙	9 ↘
13 ↘	14 ↙	15 ↘	16 ↙

TRACT 1 - 51.3 acres 1/2 MI leased to EOG Resources
 1/2 MI leased to LCX, Capstone, Elger, CMW

TRACT 2 - 60 acres H. M. Brewster - Unleased Mineral Owner

TRACT 3 - 110.7 acres 100% MI leased to EOG Resources

222 acres

**ATTACHMENT
B**



MIDLAND		Printed: 07/05/2007
AFE No.	103460	Total Afe
Property No.	042953-000	
EOG W.I.(BCP)	100%	(ACP) 100%
EOG AFE Amt:	(Drig)	\$1,147,500
	(Completion)	\$837,900
	Total Cost	\$1,985,400

AFE Type : DEVELOPMENT DRILLING	AFE Name : TIBER A 5 FEE #1H D&C	AFE Date : 01/03/2006	Budget Year : 2007
Reg. Lease No. :	Prospect Name : THAMES	TVD / MD : 0 / 0	Begin Date :
Location : Section 5-T16S-R25E, 377 FNL & 381 FWL BH(LATERAL #1): Section 5-T16S-R25E, #12 FNL & #60 FEL		Formation :	DD&A Field :
Operator : EOG RESOURCES, INC	County & State : EDDY NEW MEXICO	Field : COTTONWOOD CREEK	Water Depth :
AFE Description : Tiber A 5 Fee #1H		Product : GAS	Days : 0 / 0

DESCRIPTION	SUB ACT	DRILLING	COMPLETION	TOTAL
ACCESS LOCATION,ROADS & SURVEY	401	165,000	2,500	167,500
RIG MOVE	402	85,000	0	85,000
DAY WORK COST 14/2 DAYS @ \$18,500 / \$18,500	404	258,000	37,000	295,000
BITS & BHA	405	65,000	6,000	71,000
FUEL 1/2 DAYS @ \$2,200	406	30,800	4,400	35,200
WATER	407	20,000	32,000	52,000
MUD & CHEMICALS	408	75,000	0	75,000
CEMENTING & SERVICE	409	55,000	65,000	120,000
OPEN HOLE LOGGING & TESTING	411	20,000	11,500	31,500
MUD LOGGING 13 DAYS @ \$950	412	12,400	0	12,400
COMP-PERFORATING	413	0	50,000	50,000
COMP-STIMULATION	414	0	235,000	235,000
TRANSPORTATION	415	15,000	15,000	30,000
DRILLING OVERHEAD	416	4,000	2,000	6,000
EQUIPMENT RENTAL	417	100,000	25,000	125,000
COMP-COMPLETION RIG	418	0	24,500	24,500
OTHER DRILLING EXPENSE	419	16,000	20,000	36,000
ENVIRONMENTAL & SAFETY CHARGES	421	4,000	1,500	5,500
DIRECTIONAL DRILLING	422	94,500	0	94,500
SUPERVISION 1/15 DAYS @ \$1,000	424	23,400	15,000	38,400
COMMUNICATIONS 18 DAYS @ \$150	431	2,400	0	2,400
TUBULAR INSPECTION/HANDLING	436	25,000	0	25,000
COMP-SPECIALTY SERVICES	441	0	25,000	25,000
WIRESERVICE	442	10,000	5,500	15,500
DISPOSAL COSTS	447	20,000	20,000	40,000
TITLE OPINION-DRILL SITE	453	10,000	5,000	15,000
TOTAL INTANGIBLES		\$1,111,500	\$501,900	\$1,713,400

	UOM	QTY	SIZE	GRADE	RATE			
SURFACE CASING	FEET	1,000	8.625	J-55	24.00	102	24,000	0
COMP-PRODUCTION CASING	FEET	9,000	5.5	N-80	14.00	104	0	126,000
COMP-TUBING			2.375	L-80		106	0	30,000
WELLHEAD EQUIPMENT						107	12,000	12,000
COMP-FLOW LINES						109	0	25,000
COMP-VALVES & FITTINGS						110	0	10,000
COMP-OTHER EQUIPMENT						116	0	23,000
COMP-CONSTRUCTION COST						122	0	10,000
TOTAL TANGIBLES							\$38,000	\$238,000
TOTAL COST							\$1,147,500	\$837,900
								\$1,985,400

By <i>Paul L. Rott</i>	Date 7-5-07	By	Date
By	Date	By	Date
JOINT OPERATOR APPROVAL			
Firm	By	Title	Date

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

IN THE MATTER OF THE APPLICATION OF
EOG COMPULSORY POOLING
EDDY, COUNTY, NEW MEXICO.

CASE NO. 13947

AFFIDAVIT

STATE OF NEW MEXICO)
)ss.
COUNTY OF SANTA FE)

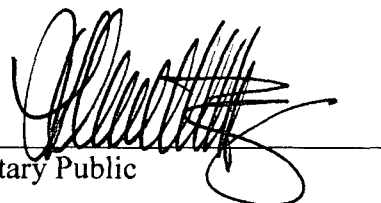
Ocean Munds-Dry, attorney in fact and authorized representative of EOG Resources Inc., the Applicant herein, states that notice of the above-referenced Application was mailed to the interested parties shown on Exhibit "A" attached hereto in accordance with Oil Conservation Division Rules, and that true and correct copies of the notice letter and proof of notice are attached hereto.


Ocean Munds-Dry

SUBSCRIBED AND SWORN to before me this 11th day of July 2007 by Ocean Munds-Dry.



OFFICIAL SEAL
LISAMARIE ORTIZ
NOTARY PUBLIC-STATE OF NEW MEXICO
My commission expires 01/14/11


Notary Public

My Commission Expires: 01/14/11

Affidavit of Publication

NO. 19783

STATE OF NEW MEXICO

County of Eddy:

Gary D. Scott being duly

sworn, says: That he is the Publisher of The

Artesia Daily Press, a daily newspaper of general circulation, published in English at Artesia, said county and county and state, and that the here to attached

Legal Notice

was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for

1 Consecutive week/days on the same day as follows:

First Publication June 13 2007

Second Publication

Third Publication

Fourth Publication

Fifth Publication

Subscribed and sworn to before me this

15th Day June 2007

Amanda K. Lamb

Notary Public, Eddy County, New Mexico

My Commission expires April 5, 2011

Copy of Publication:

LEGAL NOTICE

the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

CASE 13947: Application of EOG Resources, Inc. for compulsory pooling, Eddy County, New Mexico.

To: H.M. Brewster or his successors, heirs or devisees. Applicant in the above-styled cause seeks an order pooling all mineral interests in the Wolfcamp formation in the N/2 of Irregular Section 5, Township 16 South, Range 25 East, N.M.P.M., Eddy County, New Mexico to form a 222-acre project area for a horizontal well. Said unit is to be dedicated to its Tiber A 5 Fee Well No. 1H to be horizontally drilled from a surface location 377 feet from the North line and 351 feet from the West line to a bottomhole location 912 feet from the North line and 660 feet from the East line of said Section 5. 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 EOG Resources, Inc. as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 6 miles northwest of Artesia, New Mexico.

Given under the Seal of the State of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this 11th day of June 2007.

STATE OF NEW MEXICO

OIL CONSERVATION DIVISION

Mark E. Fesmire, P.E., Director

Published in the Artesia Daily Press, Artesia, N.M. June 13, 2007.

Legal 19783

NOTICE OF PUBLICATION STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION SANTA FE, NEW MEXICO

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on July 12th, 2007, in the Oil Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appointed for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779, by July 2nd, 2007. Public documents including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed.

STATE OF NEW MEXICO TO:

All named parties and persons having any right, title, interest or claim in the following cases and notice to