

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

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**IN THE MATTER OF THE APPLICATION  
OF EOG RESOURCES INC.  
FOR COMPULSORY POOLING  
AND AN UNORTHODOX GAS WELL  
LOCATION, LEA COUNTY, NEW MEXICO.**

**CASE NO. 12749**

**APPLICATION**

EOG RESOURCES, INC. ("EOG"), through its undersigned attorneys, hereby makes application pursuant to the provisions of N.M.Stat. Ann. § 70-2-17, (1978), for an order pooling all mineral interests in all formations from the surface through the base of the Morrow in the following described spacing and proration units located in Section 13, Township 18 South, Range 32 East, NMPM, Lea County, New Mexico: the E/2 for all formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the Undesignated South Corbin-Morrow Gas Pool; the SE/4 for all formations and/or pools developed on 160-acre spacing; the N/2 SE/4 for all formations and/or pools developed on 80-acre spacing which includes but is not necessarily limited to the Undesignated South Corbin-Wolfcamp Pool and the NE/4 SE/4 for all formations and/or pools developed on 40-acre spacing which includes but is not necessarily limited to the Undesignated Querecho Palins-Upper Bone Spring Pool, to be dedicated to a well to be drilled at an unorthodox gas well location in all formations developed on 320-acre and 160-

acre and 80-acre spacing at a point 2306 feet from the South line and 936 feet from the East line of said Section 13, and in support of its application states:

1. EOG is a working interest owner in said Section 13, on which it proposes to drill its Mantaray "13" Federal Com Well No. 1 at a well location 2306 feet from the South line and 936 feet from the East line (Unit I) which will be standard in all formations developed on 40-acre spacing but unorthodox in all other formations. Said well is to be drilled to a depth sufficient to test any and all formations from the surface through the Morrow formation.

2. EOG has sought and been unable to obtain either a voluntary agreement for pooling or a farmout from certain interest owners in the E/2 of Said Section 13.

3. Said pooling of interests will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

4. In order to permit EOG to obtain its just and fair share of the oil and gas underlying the subject lands, all mineral interests should be pooled, and EOG should be designated the operator of the well.

WHEREFORE, EOG Resources, Inc. requests that this application be set for hearing before an Examiner of the Oil Conservation Division on November 1, 2001, and, after notice and hearing as required by law, the Division enter its order:

- A. pooling all mineral interests in the subject spacing and proration units,
- B. approving an unorthodox gas well location for the Mantaray "13"

Federal Com Well No. 1 at a point 2306 feet from the South line and 936 feet from

the East line of said Section 13,

C. designating EOG Resources, Inc. operator of the unit and the well to be drilled thereon,

D. authorizing EOG to recover its costs of drilling, equipping and completing the well,

E. approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures, and

F. imposing a 200% penalty for the risk assumed by the EOG in drilling and completing the well against any working interest owner who does not voluntarily participate in the well.

Respectfully submitted,

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AND  
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ATTORNEYS FOR EOG RESOURCES, INC.

CASE 12749

Application of EOG Resources, Inc. for compulsory pooling and an unorthodox gas well location, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all mineral interests in all formations from the surface through the base of the Morrow in the following described spacing and proration units located in Section 13, Township 18 South, Range 32 East, NMPM, Lea County, New Mexico: the E/2 for all formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the Undesignated South Corbin-Morrow Gas Pool; the SE/4 for all formations and/or pools developed on 160-acre spacing; the N/2 SE/4 for all formations and/or pools developed on 80-acre spacing which includes but is not necessarily limited to the Undesignated South Corbin-Wolfcamp Pool and the NE/4 SE/4 for all formations and/or pools developed on 40-acre spacing which includes but is not necessarily limited to the Undesignated Querecho Plains-Upper Bone Spring Pool, to be dedicated to the Mantaray "13" federal Com Well No. 1 to be drilled at an unorthodox gas well location in all formations developed on 320-acre and 160-acre and 80-acre spacing at a point 2306 feet from the South line and 936 feet from the East line of said Section 13. 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 applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 15 miles southeast of Loco Hills, New Mexico.