



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Betty Rivera

Cabinet Secretary

April 3, 2002

Lori Wrotenberg

Director

Oil Conservation Division

EOG Resources, Inc.  
c/o Holland & Hart LLP  
P. O. Box 2208  
Santa Fe, New Mexico 87504-2208

Attention: William F. Carr



**RE:** Administrative application on behalf of EOG Resources, Inc. for a subsurface gas well location exception to the Sand Tank-Morrow Gas Pool and Undesignated Sand Tank-Chester Gas Pool (application reference No. pKRV0-208654751) filed with the New Mexico Oil Conservation Division ("Division") on March 26, 2002 for its Oatmeal "8" Federal Com. Well No. 1 within the E/2 of Section 8, Township 18 South, Range 30 East, NMPM, Eddy County, New Mexico.

Dear Mr. Carr:

The Division is in receipt of an objection from Jo S. Starkweather of Lone Oak, Texas to the subject application, see copy of letter attached.

This application will therefore be set for hearing before a Division Hearing Examiner on the next available docket scheduled for May 2, 2002. I have prepared the following advertisement in this matter:

*"Application of EOG Resources, Inc. for a non-standard subsurface gas well location, Eddy County, New Mexico. Applicant, in accordance with Division Rules 104.F and 111.C (2), seeks approval for a non-standard subsurface gas well location/producing area for both the Sand Tank-Morrow Gas Pool and Undesignated Sand Tank-Chester Gas Pool within a standard 320-acre stand-up gas spacing and proration unit for both intervals comprising the E/2 of Section 8, Township 18 South, Range 30 East, (which is located approximately four miles south of Loco Hills, New Mexico). The applicant seeks to directionally drill its Oatmeal "8" Federal Com. Well No. 1 from a surface location 882 feet from the South line and 2133 feet from the East line (Unit O) of Section 8 to a targeted unorthodox subsurface gas well location 662 feet from the South line and 2133 feet from the East line (Unit O) of Section 8."*

Should you have any questions concerning this matter, please contact me in Santa Fe at (505) 476-3465.

Sincerely,

Michael E. Stogner  
Chief Hearing Officer/Engineer

MES/kv

cc: New Mexico Oil Conservation Division - Artesia  
Jo S. Starkweather - Lone Oak, Texas