

NSL - 8440

RECEIVED:	REVIEWER:	TYPE:	APP NO: pL	EL2225931919
	- Geologi	ABOVE THIS TABLE FOR OCD DIV CO OIL CONSERVA Cal & Engineering ancis Drive, Santa	TION DIVISION Bureau –	NEW OF NEW WORK
		RATIVE APPLICATIO		
THIS	CHECKLIST IS MANDATORY FOR A REGULATIONS WHICH RE	LL Administrative Applica Quire processing at the I		
Applicant: EOG Res				D Number: <u>7377</u>
Vell Name: Driver	14 Fed Com No. 101H			-025-49026
ool: <u>Brinninstool; Bon</u>	e Spring and Bell Lake; Bone Sprin	g North	Pool (Code: 96682 and 5150
SUBMIT ACCUR	ATE AND COMPLETE INI	FORMATION REQUIN		THE TYPE OF APPLICATION
A. Location	CATION: Check those – Spacing Unit – Simul NSL		ו 	SD
[I] Com [[II] Injec	ne only for [1] or [1] mingling – Storage – M] DHC □CTB □P ction – Disposal – Pressu] WFX □PMX □S	LC PC O Ire Increase – Enha	nced Oil Recove	ry FOR OCD ONLY
A. Offset B. Royal C. Applie D. Notifie E. Notifie F. Surfac G. For al	A REQUIRED TO: Check operators or lease hol ty, overriding royalty or cation requires publish- cation and/or concurre cation and/or concurre ce owner l of the above, proof o otice required	ders wners, revenue own ed notice ent approval by SLC ent approval by BLN	ners D M	Notice Complete Application Content Complete
administrative understand th	N: I hereby certify that approval is accurate at no action will be tak are submitted to the Div	and complete to th ken on this applica	ne best of my kno	wledge. I also
N	ote: Statement must be comple	eted by an individual with i	managerial and/or sup	ervisory capacity.
			9/15/22	
Jordan Kessler			Date	
Print or Type Name			432 488 6108	

Phone Number

Jordan Kessler

Signature

Digitally signed by Jordan Kessler Date: 2022.09.15 15:04:20 -06'00'

jordan_kessler@eogresources.com e-mail Address

.



Jordan Lee Kessler Phone: (432) 488-6108 Email: jordan_kessler@eogresources.com

September 14, 2022

VIA CERTIFIED MAIL

FEDEX St

TO: AFFECTED PARTIES

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Driver 14 Fed Com No. 101H well in the E/2W/2 and the W/2E/2 of Sections 11 and 14, Township 23 South, Range 33 East, NMPM, Lea County, New Mexico.

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date with the applicant and the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Chloe Sawtelle EOG Resources, Inc. (432) 686-3660 Chloe_Sawtelle@eogresources.com

Very truly yours,

Jordan Kessler Senior Regulatory Advisor



Jordan Lee Kessler Phone: (432) 488-6108 Email: jordan_kessler@eogresources.com

September 14, 2022

VIA ONLINE FILING

Adrienne Sandoval, Director Oil Conservation Division New Mexico Department of Energy, Minerals, and Natural Resources 1220 South St. Francis Drive Santa Fe, New Mexico 87505

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Driver 14 Fed Com No. 101H well in the E/2W/2 and the W/2E/2 of Sections 11 and 14, Township 23 South, Range 33 East, NMPM, Lea County, New Mexico.

Dear Director Sandoval,

EOG Resources, Inc. (OGRID No. 7377) seeks administrative approval of an unorthodox well location for its Driver 14 Fed Com No. 101H well (API No. 30-025-49026; sundry approval pending). The spacing unit dedicated to the well is comprised of the E/2W/2 and W/2E/2 of Sections 11 and 14, Township 23 South, Range 33 East, Lea County, New Mexico and is within the Brinninstool; Bone Spring pool (96682) and the Bell Lake; Bone Spring North pool (5150). The horizontal spacing unit for the well is approximately 640 acres, which includes proximity tracts. The defining well for the spacing unit is the Driver 14 Fed Com No. 504H well (API No. 30-025-48821).

This well has not yet been drilled. It is proposed to be drilled as follows:

- The <u>surface location</u> is located 918 feet from the South line, 2329 feet from the West line (Unit N) of Section 14,
- The bottom hole location is located 100 feet from the North line, 1360 feet from the West line (Unit C) of Section 11,
- The first take point is located 100 feet from the South line, 1360 feet from the West line (Unit N) of Section 14,
- The last take point is located 100 feet from the North line, 1360 feet from the West line (Unit C) of Section 11.

The acreage is governed by the Division's statewide rules. Accordingly, the proposed completed interval is unorthodox because, as drilled, it is closer than the 330 feet to the western boundary. It

encroaches on the spacing units in the W/2W/2 of Sections 11 and 14. Approval of the unorthodox location will allow EOG to use its preferred well spacing plan for horizontal wells, which will prevent waste, and reflects the as-drilled location of the well.

Exhibit A is the draft Form C-102 showing the location of the proposed well, including the proposed unorthodox completed interval. This sundry is pending approval by the BLM. Exhibit A also includes the approved C-102, reflecting the pool and API number for the well. The proposed completed interval encroaches on the spacing unit/tracts to the west.

Exhibit B is a plat that shows the Driver 14 Fed Com No. 101H well in relation to the adjoining spacing units/tracts to the west.

EOG is the operator of the spacing units to the west, however, overriding royalty interest ownership is diverse between the subject spacing unit and the affected spacing unit/tracts to the west. **Exhibit C** is a certification from the landman indicating that she has reviewed the tracts affected by this request. Exhibit C includes a list of the affected parties and proof that a copy of this application, including exhibits, was mailed to each affected party. This notice advises affected parties that any objection must be filed in writing with the Division within 20 days from the date the Division receives the application.

Exhibit D is a statement from a petroleum engineer providing justification for the requested non-standard location.

Exhibit E is the C-102 for the defining well for the spacing unit, which is the Driver 14 Fed Com No. 504H well (API No. 30-025-48821).

Thank you for your attention to this matter.

Very truly yours,

Mrdan Kessler Senior Regulatory Advisor

District I 1625 N. French Dr., Hobbs, NM 88240

District II

District III

District IV

Phone: (575) 393-6161 Fax: (575) 393-0720

811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

1220 S. St. Francis Dr., Santa Fe, NM 87505

Phone: (505) 476-3460 Fax: (505) 476-3462

FORM C-102

Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT ¹API Number ²Pool Code ³Pool Name 30 - 025 -⁴Property Code Property Name Well Number DRIVER 14 FED COM 101H ⁸Operator Name ⁹Elevation OGRID No. 7377 EOG RESOURCES, INC. 3669 ¹⁰Surface Location UL or lot no. Feet from the North/South line Feet from the East/West line County Section Township Range Lot Idr 23-S 33-E 918 SOUTH 2329 WEST N 14 LEA ¹¹Bottom Hole Location If Different From Surface UL or lot no. Rang East/West lin Sectio Township Lot Idr Feet from the North/South lin Feet from the County 100' 23-S NORTH 1360' С 11 33-E WEST LEA ¹²Dedicated Acres ³Joint or Infill ⁴Consolidation Code ⁵Order No. 640

State of New Mexico

Energy, Minerals & Natural Resources

Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

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.



Released to Imaging: 10/24/2022 10:09:25 AM

ExhibitA

Received by OCD: 9/15/2022 3:10:28 RM

District I

 1625 N. French Dr., Hobbs, NM 88240

 Phone: (575) 393-6161 Fax: (575) 393-0720

 <u>District III</u>

 811 S. First St., Artesia, NM 88210

 Phone: (575) 748-1283 Fax: (575) 748-9720

 District III

 1000 Rio Brazos Road, Aztec, NM 87410

Phone: (505) 334-6178 Fax: (505) 334-6170 District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Page 6 of 18

FORM C-102 Revised August 1, 2011 Submit one copy to appropriate

District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

30	API Number	5		² Pool Code			³ Pool Nam	e		
30-	025-490)26	96	682		Brinninstool; Bone Spring				
⁴ Property C				DE		roperty Name ⁶ Well Number 14 FED COM 203H				
3311				Dr		and the second s			and the state and the	
⁷ OGRID 1 7377	No.		⁸ Operator Name ⁹ Elevation EOG RESOURCES, INC. 3677'							
					¹⁰ Surface Lo	cation		4		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
N	14	23-S	33-E	-	1002'	SOUTH	1444'	WEST	LEA	
			¹¹ B	ottom Hole	e Location If Di	fferent From Surf	ace			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
С	11	23-S	33-E	-	100'	NORTH	2090'	WEST	LEA	
² Dedicated Acres 320.00	¹³ Joint or I	nfill ¹⁴ Co	nsolidation Code	¹⁵ Order	·No.	I				

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.



Released to Imaging: 10/24/2022 10:09:25 AM VEYEOG MIDLANDIDRIVER 14_FED_COMIFINAL_PRODUCTSILO_DRIVER_14_FED_COM_203H_N_C102_REV5.DWG 8/13/2021 10:19:52 AM acardona-lopez



Exhibit B

Released to Imaging: 10/24/2022 10:09:25 AM



Certification of Ownership

I have reviewed the ownership of the oil and gas leasehold in Sections 11 & 14, T23S-R33E, Lea County, New Mexico, for purposes of the unorthodox location for EOG Resources, Inc.'s Driver 14 Fed Com #101H Well in the E/2 W/2 of Sections 11 & 14. The affected parties are:

EOG Resources, Inc. 5509 Champions Drive Midland, Texas 79706

Chevron U.S.A. Inc. 1400 Smith Street Houston, Texas 77002

Bureau of Land Management 301 Dinosaur Trail Santa Fe, New Mexico 87508

New Mexico State Land Office P. O. Box 1148 Santa Fe, New Mexico 87504

EOG Resources, Inc.

Chloe Sawtelle Sr. Landman September 12, 2022



energy opportunity growth

•

Well Name	Date NSL Sent	Owners NSL Sent to	FedEx Tracking No.
Driver 14 Fed Com #101H	9/15/2022	New Mexico State Land Office	278023056740
Driver 14 Fed Com #302H		Bureau of Land Management	278023095909
		Chevron U.S.A., Inc.	278023129370

Received by OCD: 9/15/2022 3:10:28 PM



Driver 14 State Com #101H

A non-standard location is necessary to develop the Avalon Shale in this section efficiently and in an economic manner. A non-standard location optimizes package drainage area location as it relates to regions of pressure depletion created by existing producing wells. A non-standard location also reduces interference the other targets in this proposed pattern. Overall, a non-standard location is expected to yield a higher ultimate recovery than a standard location, thereby preventing waste and protecting correlative rights.

(Davio

EOG Resources David Carlos Sonka Reservoir Engineer



energy opportunity growth

State of New Mexico	FORM C-102
	Revised August 1, 2011
Department	Submit one copy to appropriate
OIL CONSERVATION DIVISION	District Office
1220 South St. Francis Dr.	AMENDED REPORT
	OIL CONSERVATION DIVISION

Phone: (505) 476-3460 Fax: (505) 476-3462

Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT ¹API Number ²Pool Code Pool Name 30-025-48821 5150 BELL LAKE; BONE SPRING, NORTH ⁴Property Code Well Number Property Name 504H DRIVER 14 FED COM 331169 OGRID No. ⁸Operator Name ⁹Elevation 7377 EOG RESOURCES, INC. 3669' ¹⁰Surface Location Feet from the North/South line Feet from the East/West line County UL or lot no. Section Township Range Lot Idn 979' SOUTH 2479' LEA 23 - S33-E WEST N 14 ¹¹Bottom Hole Location If Different From Surface Feet from the North/South line East/West lin County UL or lot no. Township Rang Lot Idn Feet from the Section 112' 2304 23-SNORTH WEST LEA C 33-E 11 ²Dedicated Acres Joint or Infill Consolidation Code ⁵Order No. 640.00

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.



10/14/22 Updated 1/5 Pages

Lowe, Leonard, EMNRD

From:	Jordan Kessler <jordan_kessler@eogresources.com></jordan_kessler@eogresources.com>
Sent:	Friday, October 14, 2022 12:57 PM
То:	Lowe, Leonard, EMNRD
Subject:	Re: [EXTERNAL] FW: Clarification on NSL application for Driver 14 Federal Com Well No. 101H

Yes sir.

Sent from my iPhone

On Oct 14, 2022, at 12:54 PM, Lowe, Leonard, EMNRD <Leonard.Lowe@emnrd.nm.gov> wrote:

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

So this is for both NSL applications, correct?

1 – Driver 14 Federal Com Well No. 101H

2 - Driver 14 Federal Com Well No. 302H

Leonard R. Lowe

Engineering Bureau OCD - EMNRD 5200 Oakland Ave. NE Albuquerque, N.M. 87113 C: 505-930-6717 http://www.emnrd.state.nm.us/ocd/

From: Jordan Kessler <Jordan_Kessler@eogresources.com>
Sent: Friday, October 14, 2022 12:15 PM
To: Lowe, Leonard, EMNRD <Leonard.Lowe@emnrd.nm.gov>
Subject: [EXTERNAL] FW: Clarification on NSL application for Driver 14 Federal Com Well No. 101H

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Hi Leonard, apparently since I submitted the NSL applications and last spoke with Paul, the spacing unit has been designated into one pool instead of two, the BELL LAKE; BONE SPRING, NORTH [5150] (please see attached email from Paul Kautz). Do you want me to still submit a C-102 showing the pool? Since the Division changed it, I'm not sure where this leaves us.

Thanks, Jordan

From: Lowe, Leonard, EMNRD <<u>Leonard.Lowe@emnrd.nm.gov</u>> Sent: Thursday, October 13, 2022 2:20 PM

Kautz, Paul, EMNRD
Jordan Kessler
Lowe, Leonard, EMNRD
RE: [EXTERNAL] Pool question
Friday, October 14, 2022 11:36:00 AM
image001.png

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hi Jordan,

Since our last communication on this area due to some other problems, I had to rearrange the pool boundaries and now all of Sections 11 and 14 are now in the same pool. This pool is the BELL LAKE; BONE SPRING, NORTH [5150]. I hope this simplifies everything.

Paul Kautz Petroleum Specialist Hobbs Field Office Geologist Energy Minerals Natural Resources Dept. Oil Conservation Division 1625 N. French Dr. Hobbs, NM 88240 Cell # 575-602-4493

From: Jordan Kessler <Jordan_Kessler@eogresources.com>
Sent: Friday, October 14, 2022 10:26 AM
To: Kautz, Paul, EMNRD <paul.kautz@emnrd.nm.gov>
Cc: Lowe, Leonard, EMNRD <Leonard.Lowe@emnrd.nm.gov>
Subject: RE: [EXTERNAL] Pool question

Hi Paul, following up on the email below because Leonard had asked me to draw where the pools are for an NSL that we're working on. You say that both pools are in all of Section 14. Was that a typo? Could you put the description of where each of those two pools is one more time?

Thanks! Jordan

From: Kautz, Paul, EMNRD paul.kautz@state.nm.us
Sent: Tuesday, September 13, 2022 3:47 PM
To: Jordan Kessler <<u>Jordan_Kessler@eogresources.com</u>>; Star Harrell
<<u>Star_Harrell@eogresources.com</u>>
Subject: FW: [EXTERNAL] Pool question

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

When I typed the pool description, I got it backwards.

Bell Lake;Bone Spring, North pool Sec 14: All, Sec 11: E/2

Brinninstool;Bone Spring pool Sec 14: All

From: Kautz, Paul, EMNRD
Sent: Tuesday, September 13, 2022 3:33 PM
To: Jordan Kessler <<u>Jordan_Kessler@eogresources.com</u>>
Subject: RE: [EXTERNAL] Pool question

Hi Jordan,

Here is the situation:

Bell Lake; Bone Spring, North pool Sec 11: All, Sec 14: E/2

Brinninstool;Bone Spring pool Sec 14: W/2

30-025-48821 Driver 14 Fed Com was originally approved as Bell Lake;Bone Spring, North with E/2 of Sec 14 and E/2 Sec 11 dedicated to the well. On Completion EOG submitted a C-102 as drilled with E/2W/2 and W/2E/2 of sections 11 and 14 dedicated to the well. The OCD person approving the C-104 did not realize that the pool area and changed the dedicated acreage in the system.

30-025-49026 is correctly DHC in two different pools.

Paul Kautz Petroleum Specialist Hobbs Field Office Geologist Energy Minerals Natural Resources Dept. Oil Conservation Division 1625 N. French Dr. Hobbs, NM 88240 Cell # 575-602-4493

From: Jordan Kessler <<u>Jordan_Kessler@eogresources.com</u>>
Sent: Tuesday, September 13, 2022 2:52 PM
To: Kautz, Paul, EMNRD <<u>paul.kautz@state.nm.us</u>>
Cc: Star Harrell <<u>Star_Harrell@eogresources.com</u>>
Subject: [EXTERNAL] Pool question

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Hi Paul,

Following up on our call, I'm trying to ascertain why these two wells (same spacing unit) were assigned to different pools:

Driver 14 Fed Com 504H (30-025-48821) [5150] BELL LAKE; BONE SPRING, NORTH Driver 14 Fed Com 203H (30-025-49026) Brinninstool, Bone Spring

Thanks! Jordan

Jordan Kessler

Senior Regulatory Advisor



125 Lincoln Avenue, Suite 213 Santa Fe, NM 87501 Mobile: (432) 488-6108 Office: (575) 748-4158 jordan_kessler@eogresources.com

From:	Jordan Kessler
To:	Lowe, Leonard, EMNRD
Subject:	[EXTERNAL] FW: Clarification on NSL application for Driver 14 Federal Com Well No. 101H
Date:	Friday, October 14, 2022 12:15:08 PM
Attachments:	RE EXTERNAL Pool question.msg

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Hi Leonard, apparently since I submitted the NSL applications and last spoke with Paul, the spacing unit has been designated into one pool instead of two, the BELL LAKE;BONE SPRING, NORTH [5150] (please see attached email from Paul Kautz). Do you want me to still submit a C-102 showing the pool? Since the Division changed it, I'm not sure where this leaves us.

Thanks,

Jordan

From: Lowe, Leonard, EMNRD <Leonard.Lowe@emnrd.nm.gov>
Sent: Thursday, October 13, 2022 2:20 PM
To: Jordan Kessler <Jordan_Kessler@eogresources.com>
Subject: Clarification on NSL application for Driver 14 Federal Com Well No. 101H

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Ms. Kessler,

Per our conversation on this topic. Could EOG send me the following for this Well's NSL application.

- 1. A new C-102, as noted in the application. Distinguish the specific location of the well's Horizontal Spacing Unit in reference to the different pool/formation it wants to produce from.
- 2. Exhibit B, no worries. I know we talked about this. Don't worry about it.

Do you know where this well is in the C-103 update?

Leonard R. Lowe

Engineering Bureau OCD - EMNRD 5200 Oakland Ave. NE Albuquerque, N.M. 87113 C: 505-930-6717 http://www.emnrd.state.nm.us/ocd/

District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III

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

District IV 1220 S. St Francis Dr., Santa Fe, NM 87505 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

COMMENTS

Operator:	OGRID:
EOG RESOURCES INC	7377
P.O. Box 2267	Action Number:
Midland, TX 79702	143851
	Action Type:
	[UF-NSL] Non-Standard Location (NSL)

COMMENTS

Created By	l Comment	Comment Date
llowe	Change of plans to change well name from No. 203H to No. 101H (09/15/22)	9/16/2022

COMMENTS

Page 17 of 18

Action 143851

District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III

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

District IV 1220 S. St Francis Dr., Santa Fe, NM 87505 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

CONDITIONS

Operator:	OGRID:
EOG RESOURCES INC	7377
P.O. Box 2267	Action Number:
Midland, TX 79702	143851
	Action Type:
	[UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	NSL - 8440 is approved. The approved Order can be retrieved at the following OCD website link. https://ocdimage.emnrd.nm.gov/imaging/AEOrderCriteria.aspx	9/16/2022

Page 18 of 18

Action 143851