

ID NO. 349563

NSL - 8766

Revised March 23, 2017

RECEIVED: 05/30/24	REVIEWER:	TYPE:	APP NO: pLEL2415728753
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: EOG Resources Inc. **OGRID Number:** 7377
Well Name: Neptune 10 State Com 706H **API:** 30-025-52983
Pool: WC-025 G-09 S243310P; Upper Wolfcamp **Pool Code:** 98135

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
 A. Location – Spacing Unit – Simultaneous Dedication
 NSL NSP (PROJECT AREA) NSP (PRORATION UNIT) SD
- B. Check one only for [I] or [II]
 [I] Commingling – Storage – Measurement
 DHC CTB PLC PC OLS OLM
 [II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

FOR OCD ONLY	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
 A. Offset operators or lease holders
 B. Royalty, overriding royalty owners, revenue owners
 C. Application requires published notice
 D. Notification and/or concurrent approval by SLO
 E. Notification and/or concurrent approval by BLM
 F. Surface owner
 G. For all of the above, proof of notification or publication is attached, and/or,
 H. No notice required

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Lisa Youngblood

Print or Type Name

Lisa Youngblood

Signature

05/31/2024
Date

432-247-6331
Phone Number

lisa_youngblood@eogresources.com
e-mail Address



Lisa Youngblood
Phone: (432) 247-6331
Email: lisa_youngblood@eogresources.com

May 31, 2024

VIA ONLINE FILING

Dylan Fuge, OCD 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 Neptune 10 State Com 706H well dedicated to the E2 of Section 10 and E2 of Section 3, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico.

Dear Director Fuge,

EOG Resources, Inc. (OGRID No. 7377) seeks administrative approval of an unorthodox well location for its Neptune 10 State Com 706H well (API No. 30-025-52983). The spacing unit dedicated to the well is comprised of the E2 of Section 10 and E2 Section 3, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico and is within the WC-025 G-09 S243310P: Upper Wolfcamp (98135). The horizontal spacing unit for the well is approximately 640.13 acres and does not include proximity tracts.

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

- The surface location is located 1640 feet from the South line, 1501 feet from the East line (Unit J) of Section 10,
- The bottom hole location is located 100 feet from the North line, 2400 feet from the East line (Lot 2) of Section 3,
- The first take point is located 100 feet from the South line, 2400 feet from the East line (Unit O) of Section 10,
- The last take point is located 100 feet from the North line, 2400 feet from the East line (Lot 2) of Section 3.

The acreage is governed by the Division's statewide rules. The proposed completed interval is unorthodox because it will be closer than 330 feet to the eastern boundary. It encroaches on the spacing units in the W2 of Section 10 and W2 of Section 3. Approval of the unorthodox location

will allow EOG to use its preferred well spacing plan for horizontal wells, which will prevent waste.

Exhibit A is the C-102 showing the location of the proposed well, including the proposed unorthodox, completed interval. The proposed completed interval encroaches on the spacing unit/tracts to the west.

Exhibit B is a plat that shows the Neptune 10 State Com 706H well in relation to the adjoining spacing units/tracts to the west.

Exhibit C is a certification from the landman indicating that he has reviewed the tracts affected by this request. Exhibit C includes a list of the affected parties and **Exhibit D** provides 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 E is a statement from a petroleum engineer providing justification for the requested non-standard location.

Thank you for your attention to this matter.

Very truly yours,



Lisa Youngblood
Regulatory Specialist

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

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office
 AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-52983	Pool Code 98135	Pool Name WC-025 G-09 S243310P: Upper Wolfcamp
Property Code 313956	Property Name NEPTUNE 10 STATE COM	Well Number 706H
OGRID No. 7377	Operator Name EOG RESOURCES, INC.	Elevation 3604'

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	10	24-S	33-E	-	1640'	SOUTH	1501'	EAST	LEA

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
2	3	24-S	33-E	-	100'	NORTH	2400'	EAST	LEA

Dedicated Acres 640.13	Joint or Infill	Consolidated Code	Order No. PENDING COM AGREEMENT
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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.

T-24-S, R-33-E SECTION 3
LOT 1 - 40.05 ACRES
LOT 2 - 40.08 ACRES
LOT 3 - 40.10 ACRES
LOT 4 - 40.13 ACRES

SURFACE LOCATION (SHL)
NEW MEXICO EAST
NAD 1983
X=781543 Y=448049
LAT.: N 32.2293744
LONG.: W 103.5565157
NAD 1927
X=740359 Y=447990
LAT.: N 32.2292504
LONG.: W 103.5560375
1640' FSL 1501' FEL

KICK OFF POINT (KOP)
NEW MEXICO EAST
NAD 1983
X=780657 Y=446453
LAT.: N 32.2250055
LONG.: W 103.5594188
NAD 1927
X=739473 Y=446394
LAT.: N 32.2248816
LONG.: W 103.5589409
50' FSL 2400' FEL

UPPER MOST PERF. (UMP)
NEW MEXICO EAST
NAD 1983
X=780657 Y=446503
LAT.: N 32.2251430
LONG.: W 103.5594190
NAD 1927
X=739473 Y=446444
LAT.: N 32.2250190
LONG.: W 103.5589410
100' FSL 2400' FEL

LOWER MOST PERF. (LMP) BOTTOM HOLE LOCATION (BHL)
NEW MEXICO EAST
NAD 1983
X=780580 Y=456861
LAT.: N 32.2536166
LONG.: W 103.5594275
NAD 1927
X=739396 Y=456802
LAT.: N 32.2534928
LONG.: W 103.5589479
100' FNL 2400' FEL

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 released 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 voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Lisa Youngblood 5/30/2024
Signature Date

Lisa Youngblood
Print Name

lisa_youngblood@eogresources.com
E-mail Address

SURVEYORS CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.
05/15/2024
Date of Survey
Signature and Seal of Professional Surveyor:

RAMON DOMINGUEZ
NEW MEXICO
24508
PROFESSIONAL SURVEYOR

5/23/2024 1:14:40 PM

Exhibit A

EXHIBIT B
NEPTUNE 10 STATE COM
E2 of Section 3 & 10, T24S-R33E
LEA COUNTY, NM

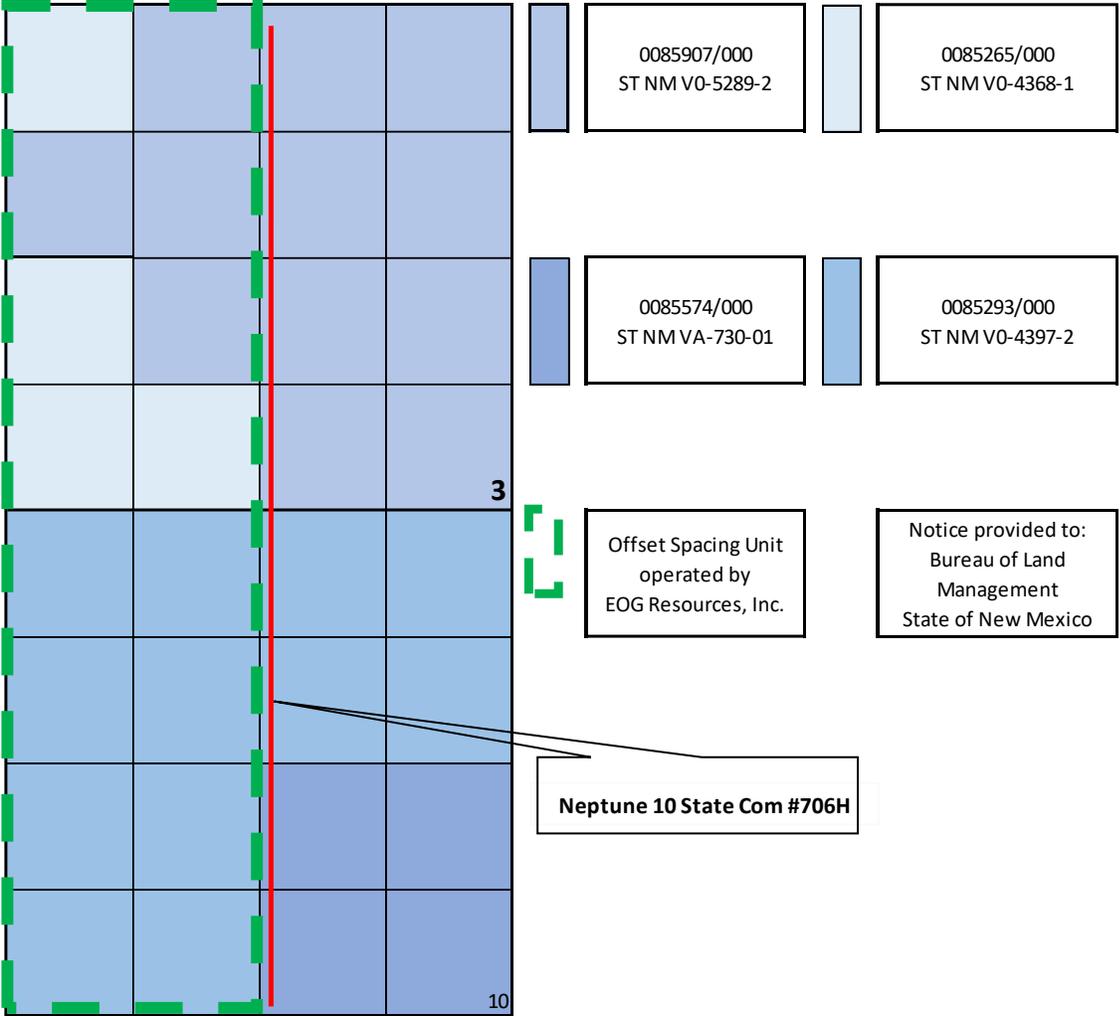


Exhibit B



P.O. Box 2267, Midland, Texas 79702
Phone: (432) 686-3600 Fax: (432) 686-3773

May 28, 2024

Certification of Ownership

I have reviewed the ownership of the oil and gas leasehold in Section 3 & 10, Township 24 South, Range 33 East, Lea County, New Mexico, for purposes of the unorthodox location for EOG's Neptune 10 State Com #706H well located in the E/2 of Section 3 & E2 of Section 10 Township 24 South, Range 33 East. As of the date of this letter, the affected parties are:

1. EOG Resources, Inc.
5509 Champions Dr.
Midland, TX 79706
2. Devon Energy Production Company, LP
333 West Sheridan Avenue
Oklahoma City, OK 73102
3. New Mexico State Land Office
P.O Box 1148
Sante Fe, NM 87504

Sincerely,

A handwritten signature in blue ink, appearing to read "Daniel Koury", written over a horizontal line.

Daniel Koury
Senior Landman

Exhibit C

Notice List for Neptune 10 State Com Non-Standard Location
EOG Resources, Inc.
Notice List

New Mexico Oil Conservation Division
Attn: Mr. Leonard Lowe
1220 South St. Francis Drive
Santa Fe, NM 87505
Via NMOCD Online

New Mexico State Land Office
Attn: Baylen Lamkin
PO Box 1148
Santa Fe, NM 87504-1148
9589 0710 5270 0345 2806 07

EOG Resources, Inc.
5509 Champions Dr.
Midland, TX 79706

Devon Energy Production Company LP
333 West Sheridan Avenue
Oklahoma City, OK 73102
9589 0710 527 0345 2805 91

Exhibit D



Lisa Youngblood
Phone: (432) 247-6331
Email: lisa_youngblood@eogresources.com

April 23, 2024

VIA CERTIFIED MAIL

TO: AFFECTED PARTIES

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Neptune 10 State Com 706H well dedicated to the E2 of Section 10 and E2 of Section 3, Township 24 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:

Daniel Koury
EOG Resources, Inc.
(432) 686-3713
Daniel_Koury@eogresources.com

Very truly yours,

A handwritten signature in black ink that reads "Lisa Youngblood".

Lisa Youngblood
Regulatory Specialist



EOG Resources, Inc.
5509 Champions Drive
Midland, TX 79706
(432) 686-3600

P.O. Box 2267
Midland, TX 79702

May 29, 2024

RE: EOG Resources NSL Application
Neptune 10 State Com #706H

To Whom It May Concern:

A non-standard location is necessary to develop the Wolfcamp Clastics formation in this section efficiently and in an economic manner. A non-standard location optimizes pressures related to the completion and production drawdown of the wells and is expected to yield a higher ultimate recovery than a standard location, thereby preventing waste and protecting correlative rights.

Sincerely,

EOG Resources, Inc.

Anthony Small

Anthony Small
Reservoir Engineer

Exhibit E

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
 Action 349563

COMMENTS

Operator: EOG RESOURCES INC 5509 Champions Drive Midland, TX 79706	OGRID: 7377
	Action Number: 349563
	Action Type: [UF-NSL] Non-Standard Location (NSL)

COMMENTS

Created By	Comment	Comment Date
llowe	an NSP may be required. Larger HSU is being sought. 06/11/24	6/11/2024

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

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 811 S. First St., Artesia, NM 88210
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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 349563

CONDITIONS

Operator: EOG RESOURCES INC 5509 Champions Drive Midland, TX 79706	OGRID: 7377
	Action Number: 349563
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	6/3/2024