

DATE IN <u>06/06/13</u>	SUSPENSE	ENGINEER <u>DB</u>	LOGGED IN <u>06/10/2013</u>	TYPE <u>NSL</u>	APP NO. <u>AX11316156282</u>
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ABOVE THIS LINE FOR DIVISION USE ONLY

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



PRG1321061371

6837

**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

**Application Acronyms:**

- [NSL-Non-Standard Location]** **[NSP-Non-Standard Proration Unit]** **[SD-Simultaneous Dedication]**
- [DHC-Downhole Commingling]** **[CTB-Lease Commingling]** **[PLC-Pool/Lease Commingling]**
- [PC-Pool Commingling]** **[OLS - Off-Lease Storage]** **[OLM-Off-Lease Measurement]**
- [WFX-Waterflood Expansion]** **[PMX-Pressure Maintenance Expansion]**
- [SWD-Salt Water Disposal]** **[IPI-Injection Pressure Increase]**
- [EOR-Qualified Enhanced Oil Recovery Certification]** **[PPR-Positive Production Response]**

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication  
 NSL  NSP  SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement  
 DHC  CTB  PLC  PC  OLS  OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX  PMX  SWD  IPI  EOR  PPR
- [D] Other: Specify \_\_\_\_\_

*API Pending*  
*EOG Resources*  
*Fox 30 2t Com #4H*

*S30 T25s R34e*  
*S31 T25s R34e*

014-1-9-100-100  
 100-100-100-100

- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or **Does Not Apply**
- [A]  Working, Royalty or Overriding Royalty Interest Owners
- [B]  Offset Operators, Leaseholders or Surface Owner
- [C]  Application is One Which Requires Published Legal Notice
- [D]  Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F]  Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **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.

Adam A. Rankin [Signature] Attorney 6/6/13  
 Print or Type Name Signature Title Date  
agrankin@hollandhart.com  
 e-mail Address

HOLLAND & HART<sup>LLP</sup>



**Adam G. Rankin**  
Phone 505-988-4421  
Fax 505-983-6043  
[agrarkin@hollandhart.com](mailto:agrarkin@hollandhart.com)

June 6, 2013

**VIA HAND DELIVERY**

Jami Bailey  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

RECEIVED  
JUN 10 2013  
10:40 AM  
NEW MEXICO DEPARTMENT OF ENERGY,  
MINERALS AND NATURAL RESOURCES

**Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its FOX 30 STATE COM 4H Well to be located in Sections 30 and 31, Township 25 South, Range 34 East, N.M.P.M., Lea County, New Mexico.**

Dear Ms. Bailey:

EOG Resources, Inc. (OGRID No. 7377) hereby seeks administrative approval pursuant to the provisions of Division Rule 19.15.15.13 NMAC for an unorthodox well location for its **Fox 30 State Com 4H Well** to be located in Section 30 and 31, Township 25 South, Range 34 East, N.M.P.M., Lea County, New Mexico. The proposed well is to be drilled horizontally at a surface location in 2140 feet from the North line of Section 30 with the first perforation in the completed interval at a location 101 feet south of the north boundary of the project area. The last perforation in this proposed well will be 330 feet from the South line and 360 feet from the East line of said Section 31. A 480-acre project area has been dedicated to this horizontal well comprised of the SE/4 of Section 30 and the E/2 of Section 31.

**Exhibit A** is a land plat for Section 30 and 31 and surrounding sections that shows the proposed non-standard location of the **Fox 30 State Com 4H Well** in relation to adjoining units and existing wells. This location is unorthodox because the formation under this acreage is governed by Order No. R-10109-B which provides for wells to be located no closer than 330 feet to the outer boundary of the spacing unit. The location of this well will be unorthodox because the uppermost perforation is 101 feet south of the north boundary line of the project area for engineering reasons, and is, therefore, unorthodox under Order No. R-10108-B.

**Exhibit B** is the Well Location and Acreage Dedication Plat (Form C-102), which shows that the proposed **Fox 30 State Com 4H Well** encroaches on the spacing and proration units to the North and Northeast.

**Holland & Hart LLP**

Phone [505] 988-4421 Fax [505] 983-6043 [www.hollandhart.com](http://www.hollandhart.com)

110 North Guadalupe Suite 1 Santa Fe, NM 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Billings Boise Boulder Cheyenne Colorado Springs Denver Denver Tech Center Jackson Hole Salt Lake City Santa Fe Washington, D.C. ☻

HOLLAND & HART<sup>LLP</sup>



Pursuant to 19.15.4.12(A)(2)(c) NMAC, affected parties are those toward whom the non-standard location encroaches. Here, the proposed first perforations encroach on the spacing and proration units to the North and Northeast. The operator of the affected spacing and proration units is EOG Resources Inc., the applicant for this non-standard location. EOG Resources Inc. owns 100 percent of the working interest being encroached upon to the North and Northeast. Accordingly, no other parties require notice under 19.15.4.9.2(b) NMAC.

Your attention to this application is appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read 'A. Rankin', with a large, stylized initial 'A'.

Adam G. Rankin

**ATTORNEY FOR EOG RESOURCES, INC.**

Enclosures



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 Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
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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.  
Sante Fe, NM 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-41244	<sup>2</sup> Pool Code 97900	<sup>3</sup> Pool Name Red Hills - Upper BS Shale
<sup>4</sup> Property Code 39982	<sup>5</sup> Property Name FOX 30 STATE COM	
<sup>6</sup> Well Number #4H	<sup>7</sup> Operator Name EOG RESOURCES, INC.	<sup>8</sup> Elevation 3327'
<sup>9</sup> OGRID No. 7377		

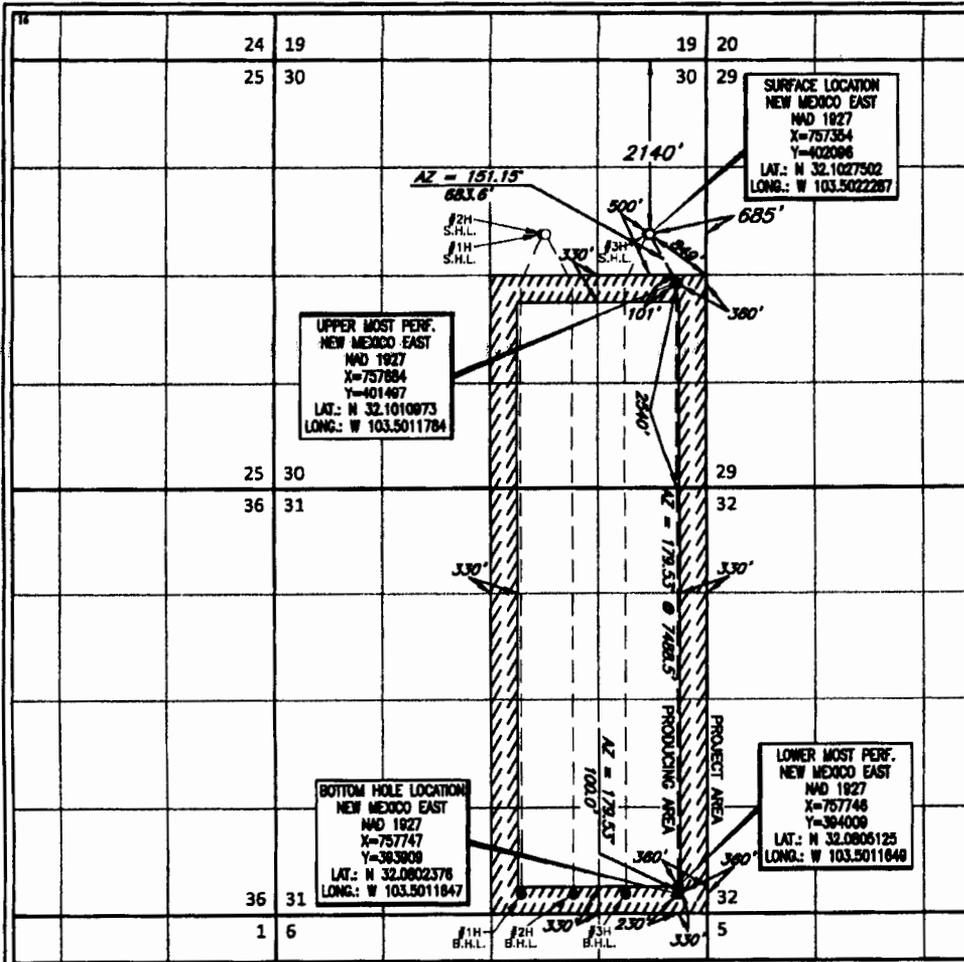
<sup>10</sup>Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	30	25-S	34-E	-	2140'	NORTH	685'	EAST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	31	25-S	34-E	-	230'	SOUTH	360'	EAST	LEA

<sup>11</sup> Dedicated Acres	<sup>12</sup> Joint or Infill	<sup>13</sup> Consolidation Code	<sup>14</sup> Order No.
-------------------------------	-------------------------------	----------------------------------	-------------------------

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.



<sup>17</sup>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 is a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Printed Name \_\_\_\_\_

E-mail Address \_\_\_\_\_

<sup>18</sup>SURVEYOR 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 to the best of my belief.

Date of Survey: 7/20/12  
Signature: [Signature]  
Professional Surveyor: MICHAEL BROWN, 18329

Certificate Number \_\_\_\_\_

EXHIBIT  
B



**Brooks, David K., EMNRD**

---

**From:** Brooks, David K., EMNRD  
**Sent:** Monday, July 01, 2013 5:17 PM  
**To:** agrankin@hollandhart.com  
**Cc:** Kautz, Paul, EMNRD  
**Subject:** EOG Resources - Fox 30 State Com #4H; NSL Application

Good evening, Adam

The NSL application received on June 6 for this well designates a 480-acre project area comprising the SE/4 of Section 30 and the E/2 of Section 31. Presumably this is premised on the well's being located in the Red Hills Bone Spring, which has 80-acre spacing. But it has been assigned to the Red Hills – Upper Bone Spring Shale, which, so far as I can ascertain, is spaced on 40 acres per statewide rules.

Thus it would seem we need a new C-102 dedicating a 240-acre project area.

Sincerely

David K. Brooks

## Brooks, David K., EMNRD

---

**From:** Adam Rankin <AGRankin@hollandhart.com>  
**Sent:** Thursday, July 18, 2013 4:08 PM  
**To:** Brooks, David K., EMNRD  
**Cc:** Kautz, Paul, EMNRD; Goetze, Phillip, EMNRD; Michael Feldewert  
**Subject:** RE: EOG Resources - Fox 30 State Com #4H; NSL Application  
**Attachments:** ECOPLY\_2015-HP\_SMTP\_via\_LDAP\_07-17-2013\_16-18-50.pdf

Dear David,

Attached please find a PDF of the revised C-102 plats for the proposed Fox 30 State Com 3H and 4H wells, as requested. The revised C-102s reflect that the acreage dedicated to the 3H and 4H wells has been reduced to 240 acres, rather than 480 acre as originally proposed. Because EOG is 100% working interest in the proposed spacing unit to the west, no additional notice is required.

After you have had an opportunity to review, please let me know if you have any further questions regarding this application.

Very best,  
Adam

**Adam G. Rankin**  
Holland & Hart LLP  
110 North Guadalupe Suite 1  
P.O. Box 2208  
Santa Fe, NM 87504  
Office: (505) 988-4421  
Direct: (505) 954-7294  
Cell: (505) 570-0377  
Fax (505) 983-6043  
E-mail: [agrarkin@hollandhart.com](mailto:agrarkin@hollandhart.com)  
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HOLLAND&HART 

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---

**From:** Brooks, David K., EMNRD [<mailto:david.brooks@state.nm.us>]  
**Sent:** Monday, July 01, 2013 5:17 PM  
**To:** Adam Rankin  
**Cc:** Kautz, Paul, EMNRD  
**Subject:** EOG Resources - Fox 30 State Com #4H; NSL Application

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Thus it would seem we need a new C-102 dedicating a 240-acre project area.

Sincerely

David K. Brooks

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Revised August 1, 2011  
Submit one copy to appropriate  
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name	
<sup>4</sup> Property Code		<sup>5</sup> Property Name <b>FOX 30 STATE COM</b>			<sup>6</sup> Well Number <b>#4H</b>
<sup>7</sup> GRID No.		<sup>8</sup> Operator Name <b>EOG RESOURCES, INC.</b>			<sup>9</sup> Elevation <b>3327'</b>

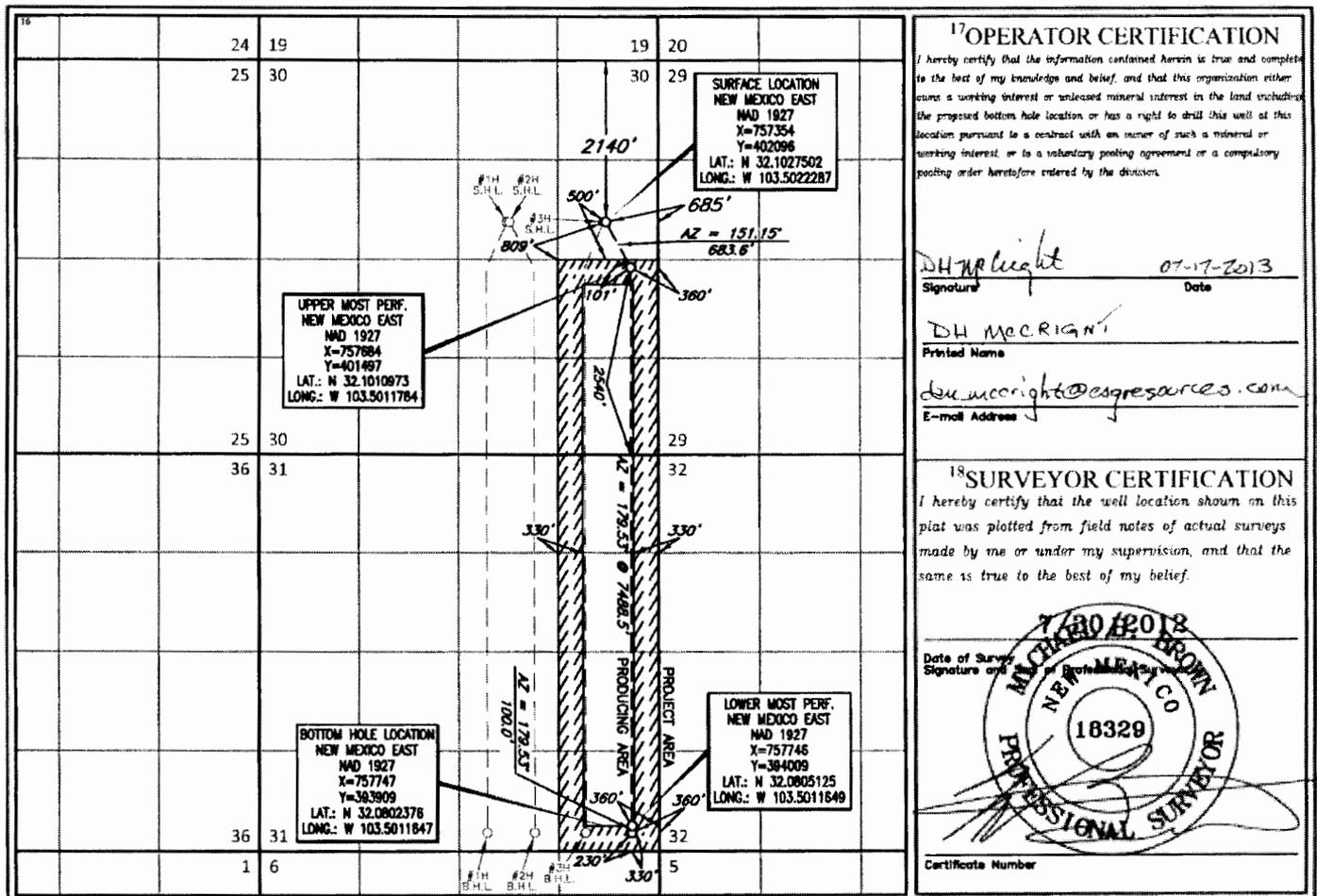
<sup>10</sup>Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>H</b>	<b>30</b>	<b>25-S</b>	<b>34-E</b>	<b>-</b>	<b>2140'</b>	<b>NORTH</b>	<b>685'</b>	<b>EAST</b>	<b>LEA</b>

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>P</b>	<b>31</b>	<b>25-S</b>	<b>34-E</b>	<b>-</b>	<b>230'</b>	<b>SOUTH</b>	<b>360'</b>	<b>EAST</b>	<b>LEA</b>

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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*DH McCRIGHT* 07-17-2013  
Signature Date  
**DH McCRIGHT**  
Printed Name  
*dmcwright@egoresources.com*  
E-mail Address

<sup>18</sup>SURVEYOR 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 to the best of my belief.

7/30/2013  
Date of Survey  
*M. CHASE BROWN*  
Signature  
**M. CHASE BROWN**  
NEW MEXICO PROFESSIONAL SURVEYOR  
18329

Certificate Number

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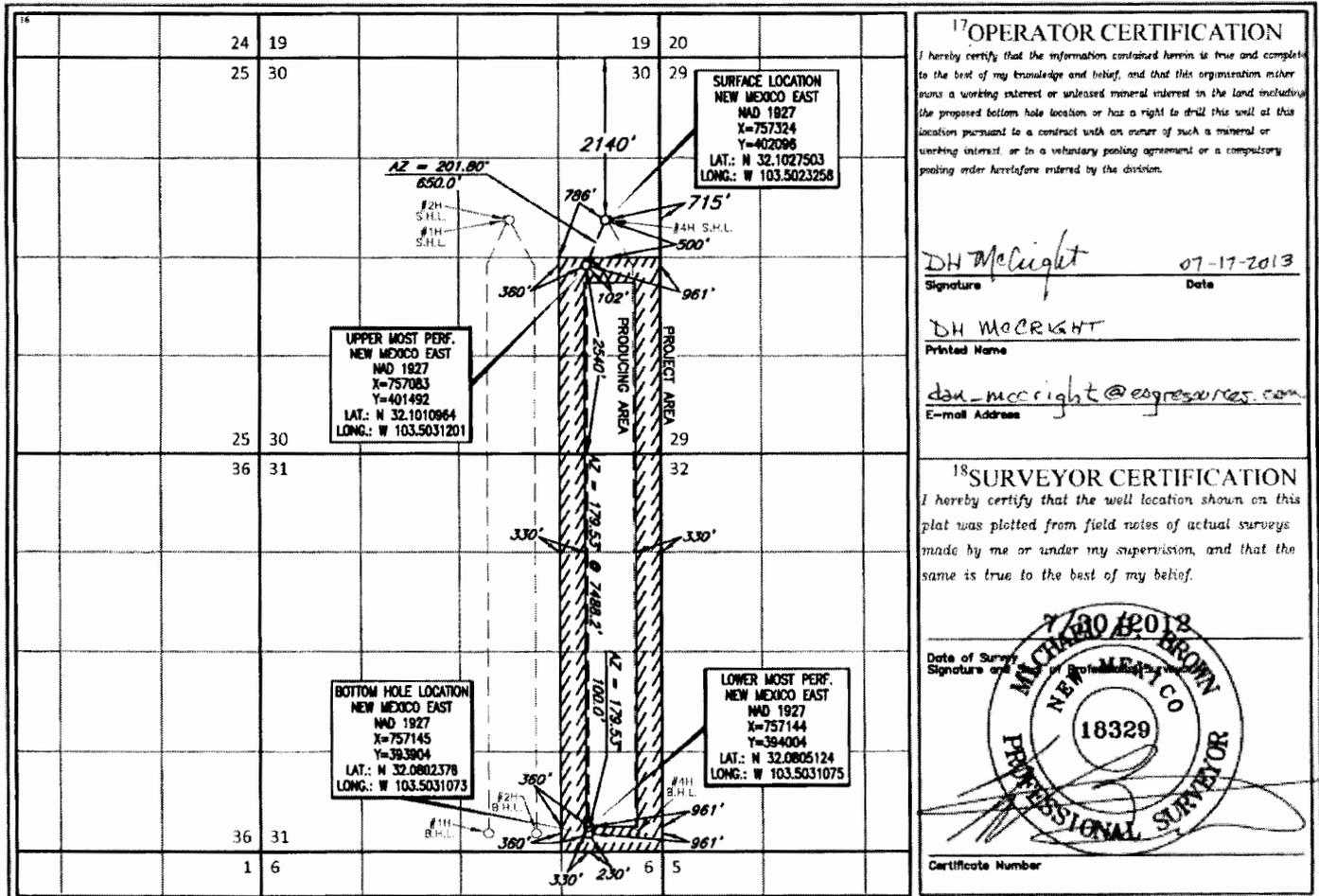
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## Brooks, David K., EMNRD

---

**From:** Adam Rankin <AGRankin@hollandhart.com>  
**Sent:** Wednesday, July 24, 2013 6:13 PM  
**To:** Goetze, Phillip, EMNRD; Brooks, David K., EMNRD  
**Cc:** Kautz, Paul, EMNRD; Michael Feldewert  
**Subject:** RE: EOG Resources - Fox 30 State Com #4H; NSL Application  
**Attachments:** ECOFY\_2015-HP\_SMTF\_via\_LDAP\_07-17-2013\_16-18-50.pdf

David and Phillip,

With respect to EGO's Fox 3H and 4H NSL applications, EOG has an expiring lease on August 31, 2013, and is preparing its rig to drill these wells. If it is possible, we would very much appreciate your review of the revised plats at your earliest convenience so NSL Orders may be entered. I believe that the revised plats address the spacing unit/project area issues raised by David in his July 1 email, below.

As I mentioned below, EOG owns 100% working interest, so no additional notice is necessary under the rules.

Please advise if you have any questions. I very much appreciate your attention to this matter.

Best,  
Adam

---

**From:** Adam Rankin  
**Sent:** Thursday, July 18, 2013 4:08 PM  
**To:** 'Brooks, David K., EMNRD'  
**Cc:** Kautz, Paul, EMNRD; 'Goetze, Phillip, EMNRD'; Michael Feldewert  
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