

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- 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

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 _____

[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, WCH

- [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.

Jordan L. Kessler
Print or Type Name

Signature

Jordan L. Kessler

Attorney
Title

jlkessler@hollandhart.com
e-mail Address

Date

5/17/15

- NSL 7297
EOG Resources, Inc
7377

RECEIVED OCD
2015 MAY 12 P 4: 30

Pool
- W2-25 G-09
5253336Djuppen
WULFCamp
98094
- Brown Bear 36
State 703H
30-025-42-535



May 12, 2015

VIA HAND DELIVERY

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

RECEIVED OGD
2015 MAY 12 P 4: 30

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Brown Bear 36 State No. 703H Well in the E/2 W/2 of Section 36, Township 25 South, Range 33 East, N.M.P.M., Lea County, New Mexico.

Dear Mr. Catanach:

EOG Resources, Inc. (OGRID No. 7377) seeks administrative approval of an unorthodox well location for its **Brown Bear 36 State No. 703H Well** to be completed within the WC-025 G-09 S253336D; Upper Wolfcamp (Pool Code 98094) underlying Section 36, Township 25 South, Range 33 East, N.M.P.M., Lea County, New Mexico. This well will be drilled from a surface location 245 feet from the South line and 1409 feet from the West line (Unit N) of Section 36. The upper most perforation will be located 330 feet from South North line and 1394 feet from the West line (Unit N) of Section 36 and the lower most perforation will be 330 feet from the North line and 1394 feet from the West line of Section 36 (Unit C). Since this acreage is governed by the Division's statewide rules which provides for wells to be located no closer than 330 feet to the outer boundary of the spacing unit, the completed interval for this well will be unorthodox because it is closer than 330 feet to the western boundary of the project area. Approval of the unorthodox completed interval will allow for efficient spacing of horizontal wells and thereby prevent waste.

Exhibit A is the Well Location and Acreage Dedication Plat (Form C-102), which shows that the completed interval of the proposed **Brown Bear 36 State No. 703H Well** encroaches on the spacing and proration units to the Southwest, West, and Northwest.

Exhibit B is a land plat for Section 36 and the surrounding sections that shows the proposed **Brown Bear 36 State No. 703H Well** in relation to adjoining units and existing wells.



Exhibit C is a list of the parties affected by the encroachment to the Southwest, West, and Northwest. Each of these parties have been provided notice of this application by certified mail. EOG is the sole operator and mineral lessee of the state lease covering Section 36. Accordingly, there are no affected parties by the encroachment to the West. Nonetheless, a copy of this application has been provided to the New Mexico State Land Office and the Bureau of Land Management.

Your attention to this matter is appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "Jordan L. Kessler".

Jordan L. Kessler

ATTORNEY FOR EOG RESOURCES, INC.

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

Bureau of Land Management
620 E. Green Street
Carlsbad, NM 88220

Exhibit C

COG Operating, LLC
600 W. Illinois Ave.
Midland, TX 79701

Chevron USA, Inc.
1400 Smith St.
Houston, TX 77002

Devon Energy Production, LP
333 W. Sheridan Ave.
Oklahoma City, OK 73102

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

Bureau of Land Management
620 E. Green Street
Carlsbad, NM 88220

HOLLAND & HART^{LLP}



Jordan L. Kessler
Associate

Phone (505) 988-4421

Fax (505) 983-6043

jlkessler@hollandhart.com

May 12, 2015

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO AFFECTED PARTIES

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Brown Bear 36 State No. 703H Well in the E/2 W/2 of Section 36, Township 25 South, Range 33 East, N.M.P.M., 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:

Paul Boland
EOG Resources, Inc.
(432) 686-3666
Paul_Boland@eogresources.com

Sincerely,

Jordan L. Kessler
ATTORNEY FOR EOG RESOURCES, INC.

Holland & Hart LLP

Phone [505] 988-4421 Fax [505] 983-6043 www.hollandhart.com

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

Aspen Boulder Carson City Colorado Springs Denver Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C. ☐