

NSL

Initial

Amended

Application

Received: 04/08/19

This application is placed in file for record. It MAY or MAY NOT have been reviewed to be determined Administratively Complete

NSL-7869

[Amended]

Revised March 23, 2017

PHEL 1909249764

RECEIVED: 04/08/19	REVIEWER: LRL	TYPE: NSL	APP NO: APR 08 2019 PM 01:53
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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:** Python 36 State Com No. 703H Well**API:** 30-025-45696**Pool:** Upper Wolfcamp**Pool Code:** 98180

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**2) NOTIFICATION REQUIRED TO:** Check those which apply.A. ☒ Offset operators or lease holdersB. ☐ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☒ Notification and/or concurrent approval by SLOE. ☐ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☒ For all of the above, proof of notification or publication is attached, and/or,H. ☐ No notice required**FOR OCD ONLY**☐ Notice Complete☐ Application
Content
Complete

- 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.

Adam G. Rankin

Print or Type Name

Signature

April 8, 2019

Date

505-988-4421

Phone Number

AGRankin@hollandhart.com

e-mail Address

HOLLAND & HART LLP



Adam G. Rankin
Associate

Phone (505) 954-7294

Fax (505) 983-6043

AGRankin@hollandhart.com

April 8, 2019

VIA HAND DELIVERY

APR 08 2019 PM 01:53

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

Re: AMENDED Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Python 36 State Com No. 703H Well in the W/2 W/2 of Section 36, Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

Dear Mr. Wade:

EOG Resources, Inc. (OGRID No. 7377) seeks administrative approval of an unorthodox well location for its **Python 36 State Com No. 703H Well** (API No. 30-025-45696) to be completed within the WC-025 G-09 S253309P; Upper Wolfcamp Pool (98180) underlying the W/2 W/2 of Section 36, Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico. This well will be drilled from a surface location 546 feet from the south line and 1,716 feet from the west line (Unit N) of Section 36. The upper most perforation will be located 100 feet from the south line and 1,255 feet from the west line (Unit M) of Section 36 and the lower most perforation will be 100 feet from the north line and 1,255 feet from the west line (Unit D) of Section 36. Since this acreage is governed by the Division's statewide rules, the completed interval for this well will be unorthodox because it is closer than 330 feet to the eastern boundary of the spacing unit. Approval of the unorthodox completed interval will allow EOG to use their preferred well spacing plan for horizontal wells in this area and thereby prevent waste. Δ 65'

Exhibit A is a revised Well Location and Acreage Dedication Plat (Form C-102), which shows that the completed interval of the proposed **Python 36 State Com No. 703H Well** encroaches on the drilling and spacing unit to the east.

Exhibit B is a land plat for Section 36 that shows the proposed **Python 36 State Com No. 703H Well** in relation to adjoining units and existing wells in Section 36. This exhibit also shows EOG's well spacing pattern for the subject area.



Exhibit C is a certification of the ownership identifying the affected parties in the E/2 W/2 of Section 36, the drilling and spacing unit to the east. Each of the parties listed on Exhibit C have been provided notice of this amended application by certified mail.

Exhibit D is an updated statement from an engineer confirming that EOG's requested unorthodox location is necessary to optimize well spacing, thereby preventing waste.

Your attention to this matter is appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "AG Rankin".

Adam G. Rankin

ATTORNEY FOR EOG RESOURCES, INC.

HOLLAND & HART LLP



Adam G. Rankin

Associate

Phone (505) 954-7294

Fax (505) 983-6043

AGRankin@hollandhart.com

April 8, 2019

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO AFFECTED PARTIES

Re: AMENDED Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Python 36 State Com No. 703H Well in the W/2 W/2 of Section 36, Township 24 South, Range 32 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:

Charles Moran
EOG Resources, Inc.
(432) 686-3684
Charles_Moran@eogresources.com

Sincerely,

Adam G. Rankin
ATTORNEY FOR EOG RESOURCES, INC.

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
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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name PYTHON 36 STATE COM			⁶ Well Number 703H
⁷ GRID No.		⁸ Operator Name EOG RESOURCES, INC.			⁹ Elevation 3559'

¹⁰Surface Location

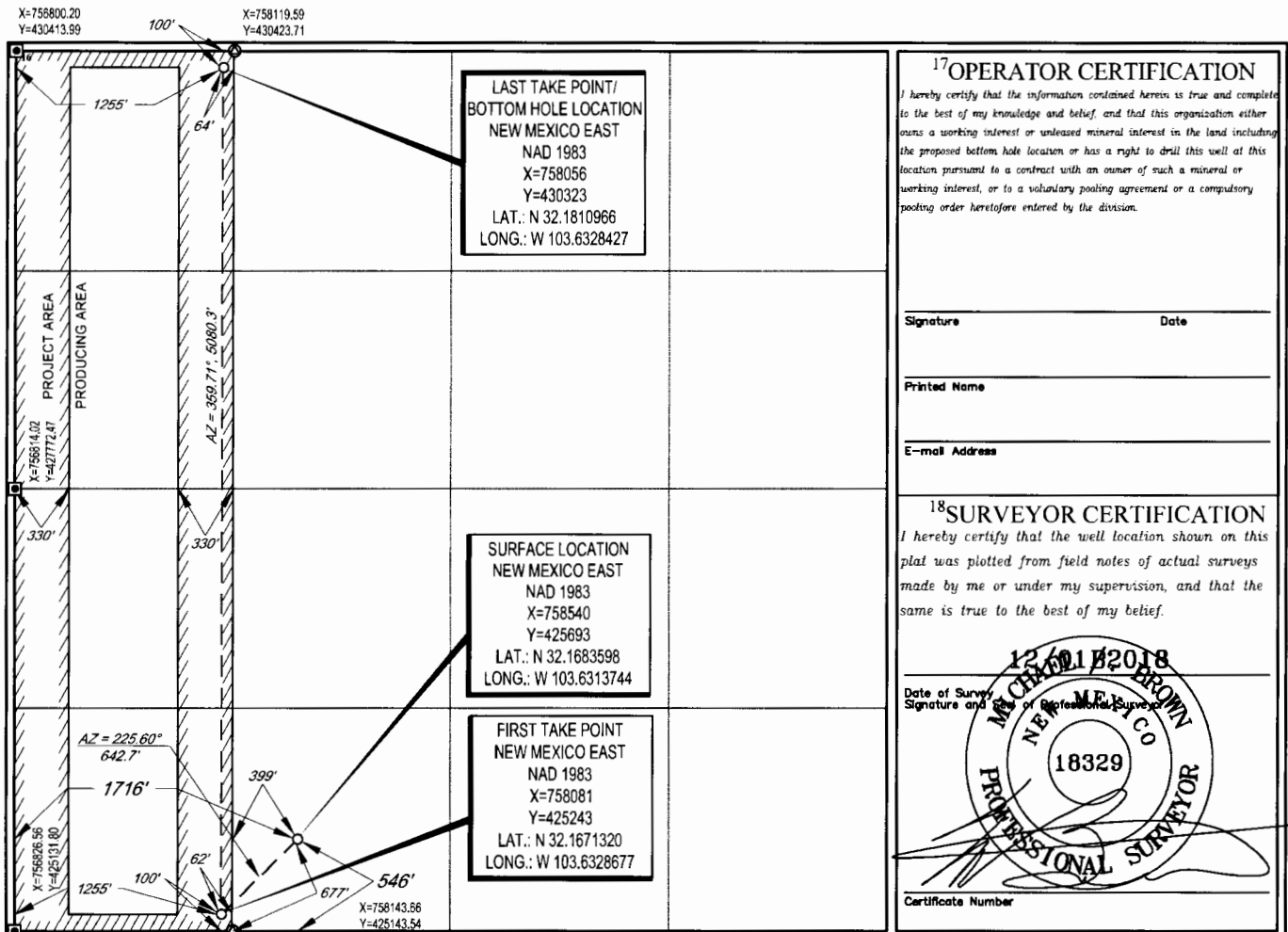
UL or lot no. N	Section 36	Township 24-S	Range 32-E	Lot Idn -	Feet from the 546'	North/South line SOUTH	Feet from the 1716'	East/West line WEST	County LEA
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¹¹Bottom Hole Location If Different From Surface

UL or lot no. D	Section 36	Township 24-S	Range 32-E	Lot Idn -	Feet from the 100'	North/South line NORTH	Feet from the 1255'	East/West line WEST	County LEA
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¹² Dedicated Acres 160.00	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.



¹⁷OPERATOR 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 to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

¹⁸SURVEYOR 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 _____ Signature _____

12/01/2018
NEW MEXICO
18329
PROFESSIONAL SURVEYOR
Certificate Number _____

T-24-S, R-32-E, LEA COUNTY

UNORTHODOX LOCATION APPLICATION

PYTHON 36 STATE COM # 703H



HZ SPACING UNIT
FOR PROPOSED WELL



AFFECTED PARTIES



WOLFCAMP

PROPOSED WELL
EXISTING WELL

BONE SPRING

PROPOSED WELL
EXISTING WELL

EXHIBIT B



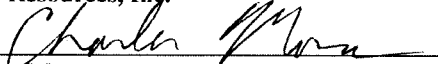
5509 Champions Dr., Midland, Texas 79706
Phone: (432) 686-3600 Fax: (432) 686-3773

Certification of Ownership

I have reviewed the ownership of the oil and gas leasehold in Section 36, T24S-R32E, Lea County, New Mexico, for purposes of the unorthodox location for EOG Resources, Inc.'s Python 36 State Com #703H in the W/2W/2 of Section 36. As of this date below, the affected parties are:

EOG Resources, Inc. 5509 Champions Drive Midland, Texas 79706
Sharbro Energy, LLC Attention: Land Manager P. O. Box 840 Artesia, New Mexico 88211-0840
Oxy Y-1 Company Attn: Permian Land Manager – New Mexico P. O. Box 4294 Houston, Texas 77210-4294
Oxy USA, Inc. Attn: Permian Land Manager – New Mexico P. O. Box 4294 Houston, Texas 77210-4294
New Mexico State Land Office P. O. Box 1148 Santa Fe, New Mexico 87504

EOG Resources, Inc.


Charles Moran
Land Advisor
March 12, 2019

energy opportunity growth

EXHIBIT C



April 5, 2019

Re: EOG Resources, Inc. NSL Application
Python 36 State Com #703H (Well)
W/2W/2 Sec. 36, T24S-R32E
Lea County, New Mexico

To Whom it may concern:

After further reviewing the distance between wells in the development plan for the Wolfcamp formation as well as the location of the existing wells in Section 36-T24S-R32E, EOG has adjusted the development plan for the section and believes the new non-standard location for the 703H is necessary to develop the Wolfcamp resource in an economic fashion. Based on current Wolfcamp wells in Section 36-T24S-R32E, placing the well at this location prevents completion energy distribution to be skewed into a region of lower pressure caused by offset depletion, negatively impacting well's production. Granting the exception will allow for more total production from the section and more efficient development of the asset therefore protecting correlative rights.

Sincerely

EOG Resources, Inc.

Matt Mason
Reservoir Engineer I

energy opportunity growth

EXHIBIT D

8

NSL-7869

EOG Resources INC.; Python 36 State Com Well No. 703H; 025-45696

POOL: W. Wood, W. C. [#98180]

A = 40 S.B. = 330'

3/22 →
4/8 → 4/29

HSU: W2 W2 SEC 36; A = 160 Acres

Michael Feldewert

OCD Permitting

Home OCD Only Land Searches Land Details

Section : 36-24S-32E

Type: Normal

Total Acres: 640

County: Lea (25)

CTP 13L

D (D) State 1 State 2 (25) 40	C (C) State 1 State 2 (25) 40	B (B) State 1 State 2 (25) 40	A (A) State 1 State 2 (25) 40
E (E) State 1 State 2 (25) 40	F (F) State 1 State 2 (25) 40	G (G) State 1 State 2 (25) 40	H (H) State 1 State 2 (25) 40
L (L) State 1 State 2 (25) 40	K (K) State 1 State 2 (25) 40	J (J) State 1 State 2 (25) 40	I (I) State 1 State 2 (25) 40
M (M) State 1 State 2 (25) 40	N (N) State 1 State 2 (25) 40	O (O) State 1 State 2 (25) 40	P (P) State 1 State 2 (25) 40

PTP

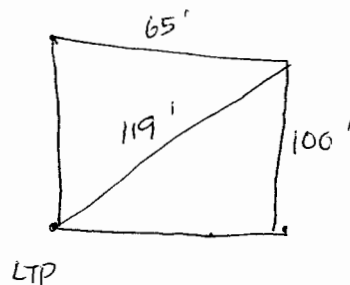
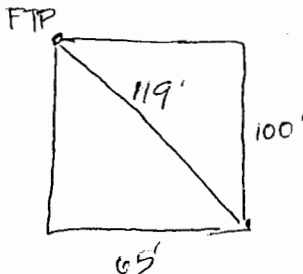
S.L. = 546' FSL & 1716' FWL "N"

FTP = 100' FSL & 1255' FWL "M" Δ220' Δ65'

LTP = 100' FNL & 1255' FWL "D" Δ220' Δ65'

B.L. = 100' FNL & 1255' FWL "D"

1255



via e-mail
04/05 Informal they are to Amend Application.
suspend.