

NSL

Initial

Application

RECEIVED: 01/21/21	REVIEWER: LRL	TYPE: NSL	APP NO: pLEL2102239311
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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: <u>EOG Resources, Inc.</u>	OGRID Number: <u>7377</u>
Well Name: <u>Frazier 27 State Com #206H Well</u>	API: <u>30-025-46780</u>
Pool: <u>Triste Draw; Bone Spring, East pool</u>	Pool Code: <u>96682</u>

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

Notice Complete

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.

Kaitlyn A. Luck
Date

Print or Type Name

Signature

1/21/2021
Date

505-954-7286
Phone Number

kaluck@hollandhart.com
e-mail Address



January 21, 2021

VIA ONLINE FILING

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

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Frazier 27 State Com #206H Well in the E/2 of Sections 27 and 24, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico.

Dear Ms. Sandoval:

EOG Resources, Inc. (OGRID No. 7377) seeks administrative approval of an unorthodox well location for its **Frazier 27 State Com #206H Well** (API No. 30-025-46780) to be completed within the Triste Draw; Bone Spring, East Pool [96682], underlying the E/2 of Sections 27 and 24, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico.

This well is to be drilled and completed at a surface location 559 feet from the north line and 2220 feet from the west line (Unit C) of Section 27. The *first take point* is located 100 feet from the north line and 2591 feet from the east line (Unit B) of Section 27, and the *last take point* is located 100 feet from the south line and 2589 feet from the east line (Unit O) of Section 34. 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 the standard offsets to the western 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.

Exhibit A includes a Form C-102 and an as-drilled plat, showing the completed interval of the proposed **Frazier 27 State Com #206H Well** encroaches on the spacing unit/tracts to the west in the E/2 W/2 of Sections 27 and 34.

Exhibit B is a plat for Sections 27 and 34 that shows the proposed **Frazier 27 State Com #206H Well** in relation to adjoining spacing unit to the west.

Ownership is diverse between the subject spacing unit and the affected spacing unit to the west. **Exhibit C** is a landman statement indicating the New Mexico State Land Office is the only “affected party” and proof that a copy of this application with all attachments has been sent by certified mail to each affected party advising that any objections 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 needed exception.

Your attention to this matter is appreciated.

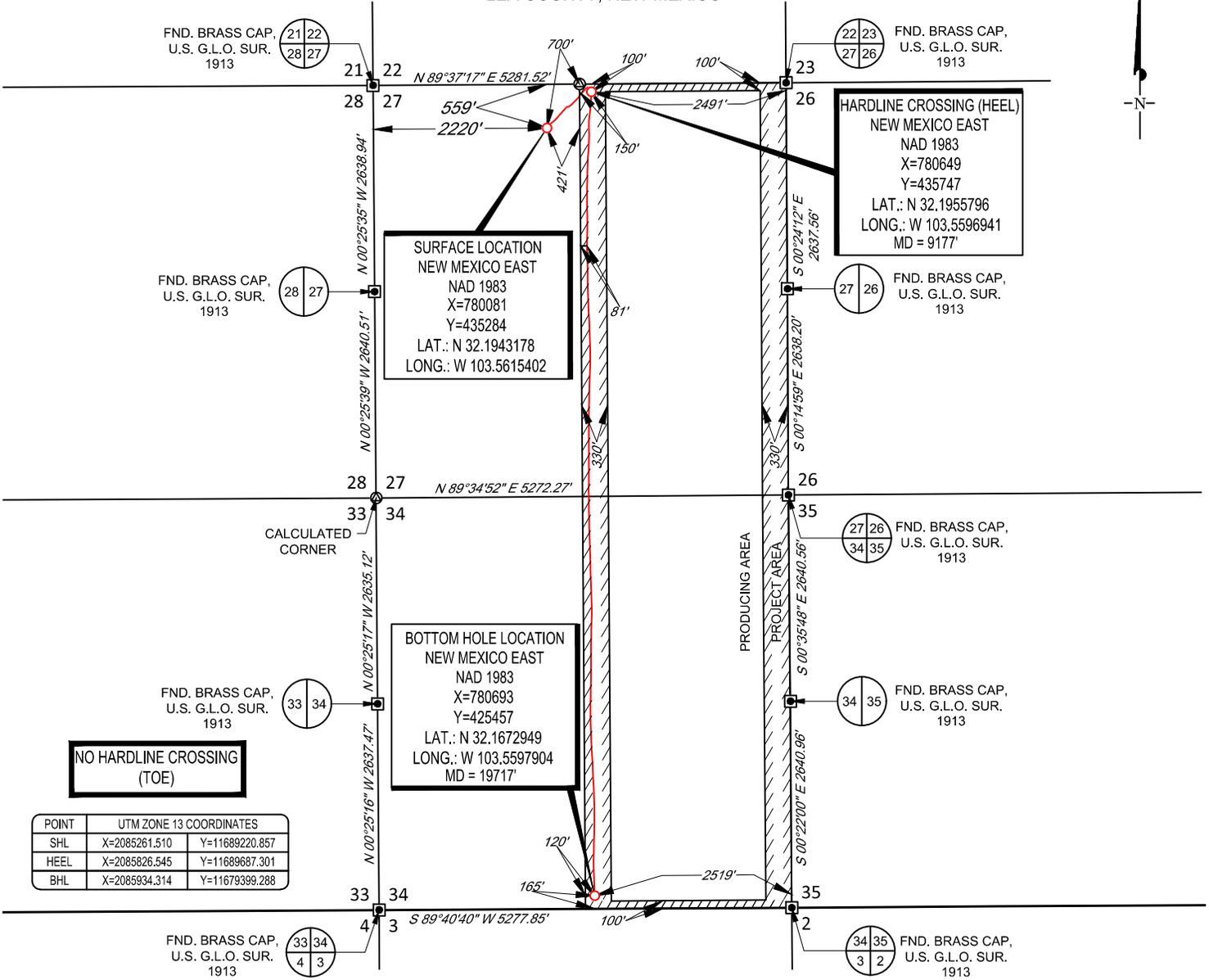
Sincerely,

A handwritten signature in blue ink, appearing to read "Kaitlyn A. Luck", is written over a horizontal line.

Kaitlyn A. Luck
ATTORNEY FOR EOG RESOURCES, INC.

SCALE: 1" = 2000'
 0' 1000' 2000'

SECTION 27, TOWNSHIP 24-S, RANGE 33-E, N.M.P.M.
 LEA COUNTY, NEW MEXICO



SURFACE LOCATION
 NEW MEXICO EAST
 NAD 1983
 X=780081
 Y=435284
 LAT.: N 32.1943178
 LONG.: W 103.5615402

BOTTOM HOLE LOCATION
 NEW MEXICO EAST
 NAD 1983
 X=780693
 Y=425457
 LAT.: N 32.1672949
 LONG.: W 103.5597904
 MD = 19717'

HARDLINE CROSSING (HEEL)
 NEW MEXICO EAST
 NAD 1983
 X=780649
 Y=435747
 LAT.: N 32.1955796
 LONG.: W 103.5596941
 MD = 9177'

NO HARDLINE CROSSING (TOE)

POINT	UTM ZONE 13 COORDINATES	
SHL	X=2085261.510	Y=11689220.857
HEEL	X=2085826.545	Y=11689687.301
BHL	X=2085934.314	Y=11679399.288

LEASE NAME & WELL NO.: FRAZIER 27 STATE COM #206H
 SECTION 27 TWP 24-S RGE 33-E SURVEY N.M.P.M.
 COUNTY LEA STATE NM ELEVATION 3517'
 DESCRIPTION 559' FNL & 2220' FWL

**INTERNAL
 PRE-COMPLETION
 PLAT**



1400 EVERMAN PARKWAY, Ste. 146 • FT. WORTH, TEXAS 76140
 TELEPHONE: (817) 744-7512 • FAX (817) 744-7554
 2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705
 TELEPHONE: (432) 682-1653 OR (800) 767-1653 • FAX (432) 682-1743
 WWW.TOPOGRAPHIC.COM

Ramon A. Dominguez, P.S. No. 24508
 JANUARY 04, 2021



FRAZIER 27 STATE COM #206H PRE-COMPLETION	REVISION:
DATE: 01/04/2021	
FILE: C:\FRAZIER_27_STATE_COM_206H	
DRAWN BY: MML	
SHEET: 1 OF 1	

NOTES:
 1. ORIGINAL DOCUMENT SIZE: 8.5" X 11"
 2. ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREIN ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM 1983, EAST ZONE, U.S. SURVEY FEET.
 3. THIS WELL LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY EOG RESOURCES, INC. THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.



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

January 14, 2020

Certification of Ownership

I have reviewed the ownership of the oil and gas leasehold in Sections 27 and 34-24S-33E, Lea County, New Mexico, for purposes of the unorthodox location for EOG's Frazier 27 State Com #206H well located in the NW/4NE/4 of Section 27-24S-33E. As of the date of this letter, the affected parties are:

1. EOG Resources, Inc.
5509 Champions Dr.
Midland, TX 79706
2. New Mexico State Land Office
P.O. Box 1148
Santa Fe, NM 87504

Sincerely,

EOG Resources, Inc.

A handwritten signature in black ink, appearing to read "Reece Cook", written over a horizontal line.

Reece Cook
Senior Landman

EXHIBIT C



Kaitlyn A. Luck
Phone (505) 954-7286
kaluck@hollandhart.com

January 21, 2021

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

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

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Frazier 27 State Com #206H Well in the E/2 of Sections 27 and 24, Township 24 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:

Reece Cook
EOG Resources, Inc.
(432) 848-9216
reece_cook@eogresources.com

Sincerely,

Kaitlyn A. Luck
ATTORNEY FOR EOG RESOURCES, INC.



Shipment Confirmation Acceptance Notice

A. Mailer Action

Note to Mailer: The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

EOG - Frazier 206H NSL

Shipment Date: 01/21/2021

Shipped From:

Name: HOLLAND & HART LLP (1)

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

Type of Mail	Volume
Priority Mail Express®*	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	1
Total	1

*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

B. USPS Action

Note to RSS Clerk:

1. Home screen > Mailing/Shipping > More
2. Select Shipment Confirm
3. Scan or enter the barcode/label number from PS Form 5630
4. Confirm the volume count message by selecting Yes or No
5. Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail.
Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0026 4820 49



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

January 14, 2021

Re: EOG Resources NSL Application
Frazier 27 State Com #206H

To whom it may concern:

A non-standard location is necessary to develop the Bonespring formation, specifically the Upper Leonard B, 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,

A handwritten signature in black ink that reads "Marielle Spinks".

EOG Resources
Marielle Spinks
Reservoir Engineer

EXHIBIT D

From: [Lowe, Leonard, EMNRD](#)
To: [Kaitlyn A. Luck](#)
Subject: RE: NSL application EOG - Frazier Well No. 206H
Date: Tuesday, January 26, 2021 4:39:00 PM
Attachments: [image001.png](#)

Thank you Ms. Luck.

From: Kaitlyn A. Luck <KALuck@hollandhart.com>
Sent: Tuesday, January 26, 2021 1:29 PM
To: Lowe, Leonard, EMNRD <Leonard.Lowe@state.nm.us>
Subject: [EXT] RE: NSL application EOG - Frazier Well No. 206H

Mr. Lowe, here's my answers to your questions, let me know if I can help with anything else:

1. Correct.
2. The Upper Leonard is a geologic reference that EOG uses in this formation.
3. This well is located in the same spacing unit as the Frazier 203H well, which is a proximity tract well, creating an enlarged spacing unit and no NSP is required. **If you could note this in the NSL application, that would be helpful. Additional further inquiries could develop.**

Thanks,

Kaitlyn

Kaitlyn A. Luck – Associate | Holland & Hart LLP | (o) 505.954.7286 (m) 361.648.1973

From: Lowe, Leonard, EMNRD <Leonard.Lowe@state.nm.us>
Sent: Tuesday, January 26, 2021 10:35 AM
To: Kaitlyn A. Luck <KALuck@hollandhart.com>
Subject: NSL application EOG - Frazier Well No. 206H

External Email

Ms. Kaitlyn Luck,

In review of your application in the subject above, a few inquiries.

1. EOG is the only Operator in the affected tract. SLO is the only W.I., correct?
2. On page 11 of your application. There is reference to the "Upper Leonard B", is this in error? What reference is this to?

January 14, 2021

Re: EOG Resources NSL Application
Frazier 27 State Com #206H

To whom it may concern:

A non-standard location is necessary to develop the Bonespring formation, specifically the Upper Leonard B, 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
Marielle Spinks
Reservoir Engineer

3. The pool code No. is 96682, this is for Oil: 40 acre spacing unit with 330 feet set backs. The HSU you are seeking is 640 for this well. This well needs an NSP. Correct?

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/oed/>