

10/28/2014 DATE IN	SUSPENSE	MAM ENGINEER	10/29/2014 LOGGED IN	NSL TYPE	PMAM1430236035 APP NO
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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



### 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,

- [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.

MICHAEL H. FELDEWERT

Print or Type Name

Signature

ATTORNEY

Title

mfeldewert@hollandhart.com

e-mail Address

Date

10/28/14

- NSL 7195  
 - EOG Resources  
 7377

W 11 27  
 Ophelia 703H  
 30-025-42045

2014 OCT 28 P 4:26

RECEIVED OGD

PO 01

- WL-025 G-09  
 5263327G

UPPER WORKAMP  
 98097



October 28, 2014

**VIA HAND DELIVERY**

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

RECEIVED OGD  
2014 OCT 28 PM 4:26

**Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Ophelia 27 #703H Well in Sections 22 and 27, Township 26 South, Range 33 East, N.M.P.M., Lea County, New Mexico.**

Dear Ms. Bailey:

EOG Resources, Inc. (OGRID No. 7377) seeks administrative approval of an unorthodox well location for its **Ophelia 27 #703H Well** (API No. 30-025-42045) to be completed as a wildcat oil well in the Wolfcamp formation underlying the W/2 SE/4 of Section 22 and the W/2 NE/4 of Section 27, Township 26 South, Range 33 East, N.M.P.M., Lea County, New Mexico. This well has been drilled from a surface location in the SW/4 NE/4 (Unit G) of Section 27 to a bottom hole location in the NW/4 SE/4 (Unit J) of Section 22. The upper most perforation of the well is 2310 feet from the North line and 1620 feet from the East line of Section 27 and the lower most perforation is 2310 feet from the South line and 1620 feet from the East line of Section 22.

This well was originally permitted as a gas well in the Wolfcamp formation under Pool Code 98066. However Paul Kautz in the Division's district office has recently requested that EOG re-permit this well as an oil well in an undesignated oil pool in the Wolfcamp formation. As a result, this well is now subject to the Division's statewide rules for oil wells (which requires wells to be located no closer than 330 feet to the outer boundary of the spacing unit) and the completed interval now encroaches on the eastern boundary of the newly dedicated 160-acre spacing unit. Approval of this nonstandard location is necessary due to the Division's change in the pool designation for this well.

**Exhibit A** is the new Well Location and Acreage Dedication Plat (Form C-102) that EOG intends to file with the Division as an amendment to the existing filed plat. It shows that the completed interval of the proposed Ophelia 27 #703H Well now encroaches on the 40-acre spacing and proration units to the Southeast, East and Northeast.

**Exhibit B** is a land plat for Sections 22 and 27 that shows the proposed Ophelia 27 #703H Well in relation to adjoining units and existing wells. ConocoPhillips Company is the only party affected by the encroachment to the Northeast and has been provided notice of this application by certified mail. There are no affected parties for the encroachment to the East since EOG is the sole operator of the lease and ownership is common with the adjoining spacing units to the East. EOG is also the sole operator and owns all of the working interest in the federal lease governing the S/2 of Section 27. As a result, notice of this application has been provided to the Bureau of Land Management for the encroachment to the Southeast.

Your attention to this matter is appreciated.

Sincerely,



Michael H. Feldewert  
**ATTORNEY FOR EOG RESOURCES, INC.**

MHF

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

ConocoPhillips Company  
ATTN: Permian Land Manager  
600 N. Dairy Ashford Rd.  
Houston, TX 77079

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 Brazza 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

<sup>1</sup> API Number <b>30-025-42045</b>		<sup>2</sup> Pool Code	<sup>3</sup> Pool Name
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>OPHELIA 27</b>		<sup>6</sup> Well Number <b>#703H</b>
<sup>7</sup> OGRID No. <b>7377</b>	<sup>8</sup> Operator Name <b>EOG RESOURCES, INC.</b>		<sup>9</sup> Elevation <b>3282'</b>

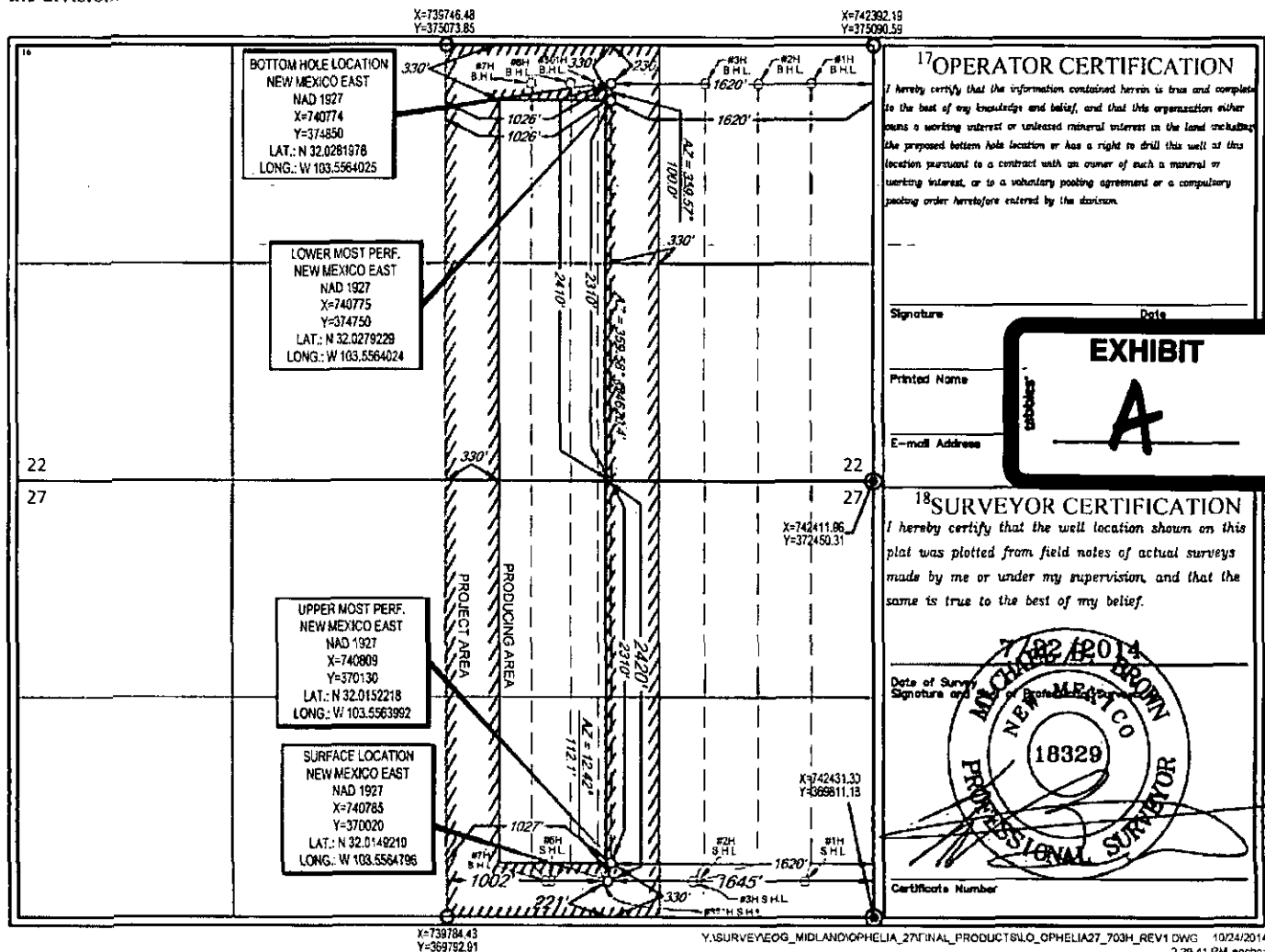
<sup>10</sup>Surface Location

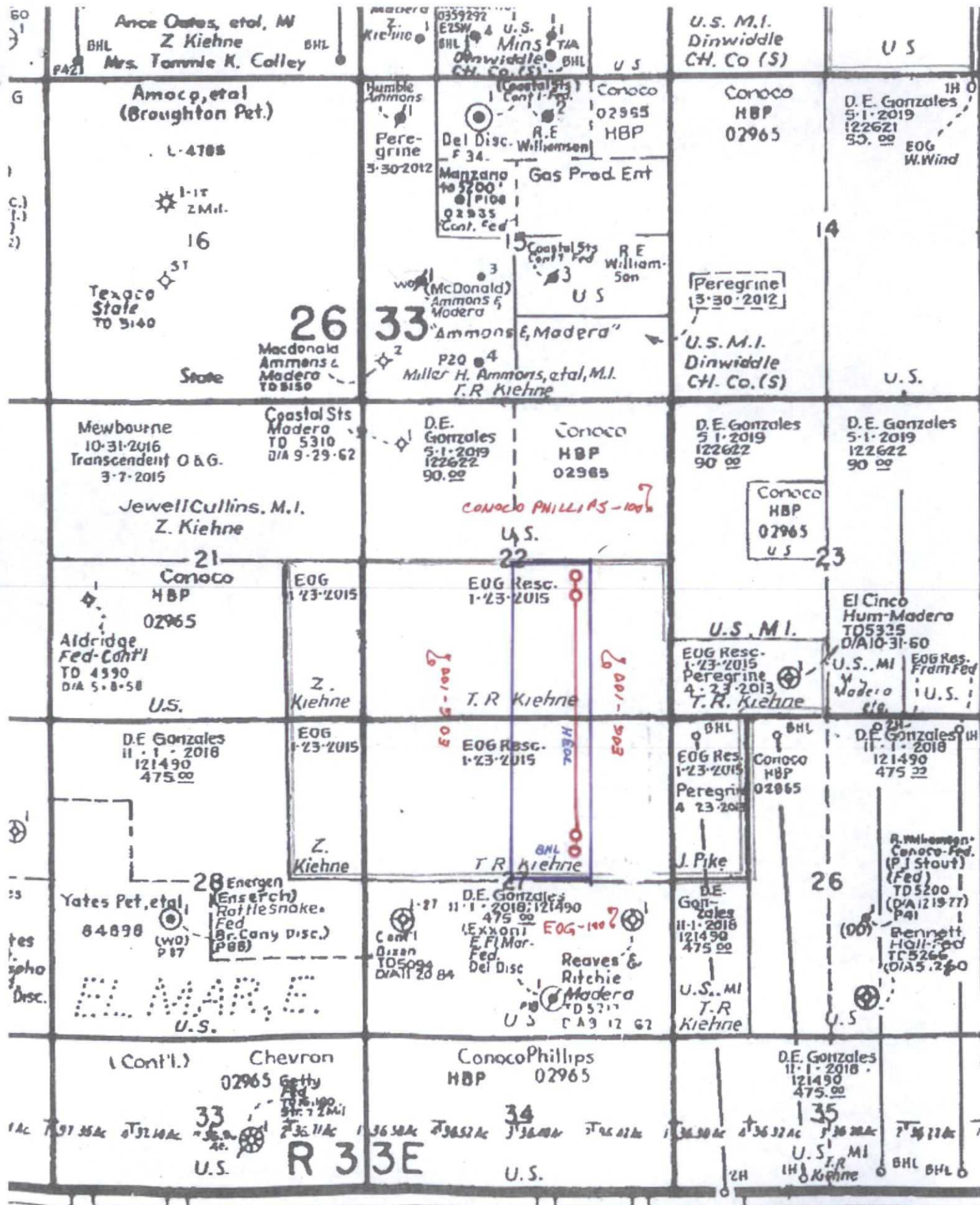
TL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>G</b>	<b>27</b>	<b>26-S</b>	<b>33-E</b>	<b>-</b>	<b>2420'</b>	<b>NORTH</b>	<b>1645'</b>	<b>EAST</b>	<b>LEA</b>

TL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>J</b>	<b>22</b>	<b>26-S</b>	<b>33-E</b>	<b>-</b>	<b>2410'</b>	<b>SOUTH</b>	<b>1620'</b>	<b>EAST</b>	<b>LEA</b>

<sup>11</sup> Dedicated Acres <b>160.00</b>	<sup>12</sup> Joint or Infill	<sup>13</sup> Consolidation Code	<sup>14</sup> 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.





**HOLLAND & HART**



**Michael H. Feldewert**  
Recognized Specialist in the Area of  
Natural Resources - Oil and Gas Law -  
New Mexico Board of Legal Specialization  
mfeldewert@hollandhart.com

October 28, 2014

**VIA CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

ConocoPhillips Company  
ATTN: Permian Land Manager  
600 N. Dairy Ashford Rd.  
Houston, TX 77079

**Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Ophelia 27 #703H Well in Sections 22 and 27, Township 26 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:

Dan McCright  
EOG Resources, Inc.  
T 432-686-3741  
dan\_mccright@eogresources.com

Sincerely,

Michael H. Feldewert  
ATTORNEY FOR EOG RESOURCES, INC.

**Holland & Hart**

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.

**McMillan, Michael, EMNRD**

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**From:** Kautz, Paul, EMNRD  
**Sent:** Wednesday, October 29, 2014 10:11 AM  
**To:** McMillan, Michael, EMNRD  
**Cc:** Goetze, Phillip, EMNRD; Dawson, Scott, EMNRD  
**Subject:** RE: EOG Resource, Inc. Ophelia 27 703H API 30-025-42045 Wolfcamp Oil Pool designation

Mike

WC-025 G-09 S263327G;UPPER WOLFCAMP [98097]

Paul

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**From:** McMillan, Michael, EMNRD  
**Sent:** Wednesday, October 29, 2014 9:53 AM  
**To:** Kautz, Paul, EMNRD  
**Cc:** Goetze, Phillip, EMNRD; Dawson, Scott, EMNRD  
**Subject:** EOG Resource, Inc. Ophelia 27 703H API 30-025-42045 Wolfcamp Oil Pool designation

Paul:  
Can you give me a pool designation for the EOG Resource, Inc. Ophelia 27 703H. API 30-025-42045. Wolfcamp Oil.  
Surface 2420 FNL 1645 FEL Sec 27 26S 33E  
Penetration 2310 FNL 1620 FEL Sec 27 26S 33E  
Final Perf 2410 FSL 1620 FEL Sec 22 26S 33E

Mike