

DATE IN 12/23/2014	SUSPENSE	ENGINEER MAN	LOGGED IN 12/23/2014	TYPE NSL	APP NO DMA1436338337
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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

Date

e-mail Address

- NSL 7221
 - EDGE Resources, Inc
 7377

RECEIVED OGD
 2014 DEC 23 P 3:50

well

- DATA 36546
 701H

30-025-42316

P201

- WC-025G-09
 52433615
 APPEN WORK CAMP
 98092



December 23, 2014

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 OCD
2014 DEC 23 PM 3:50

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Dragon 36 State 701H well in the W/2E/2 of Section 36, Township 24 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 **Dragon 36 State 701H Well** to be completed in the Wildcat Upper Wolfcamp Oil Pool (Pool Code 98092) underlying Section 36, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico. As reflected on **Exhibit A**, this well will be drilled from a surface location 578 feet from the North line and 2038 feet from the East line of Section 36. The upper most perforation will be located 330 feet from the North line and 1615 feet from the East line (Unit B) and the lower most perforation will be 330 feet from the South line and 1615 feet from the East line (Unit O) of Section 36. 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 encroaches on the spacing units to the Northeast, East and Southeast of Section 36. Approval of the unorthodox completed interval will allow for efficient well spacing and prevent the potential waste of a productive portion of the reservoir.

Exhibit B is a land plat for Section 36 and the surrounding sections that shows the spacing unit and project area for the proposed well and the leases in the spacing units to the Northeast, East and Southeast.

Exhibit C is a list of the parties affected by the encroachment to the Northeast and Southeast. Each of these parties have been provided notice of this application by certified mail. EOG is the sole owner and operator of the state lease covering Section 36. Accordingly, a copy of this application has also been provided to the New Mexico State Land Office.



Your attention to this matter is appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael H. Feldewert".

Michael H. Feldewert

ATTORNEY FOR EOG RESOURCES, INC.

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

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 30-025-42316	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name DRAGON 36 STATE	⁶ Well Number #701H
⁷ OGRID No.	⁸ Operator Name EOG RESOURCES, INC.	⁹ Elevation 3507'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	36	24-S	33-E	-	578'	NORTH	2038'	EAST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	36	24-S	33-E	-	230'	SOUTH	1615'	EAST	LEA

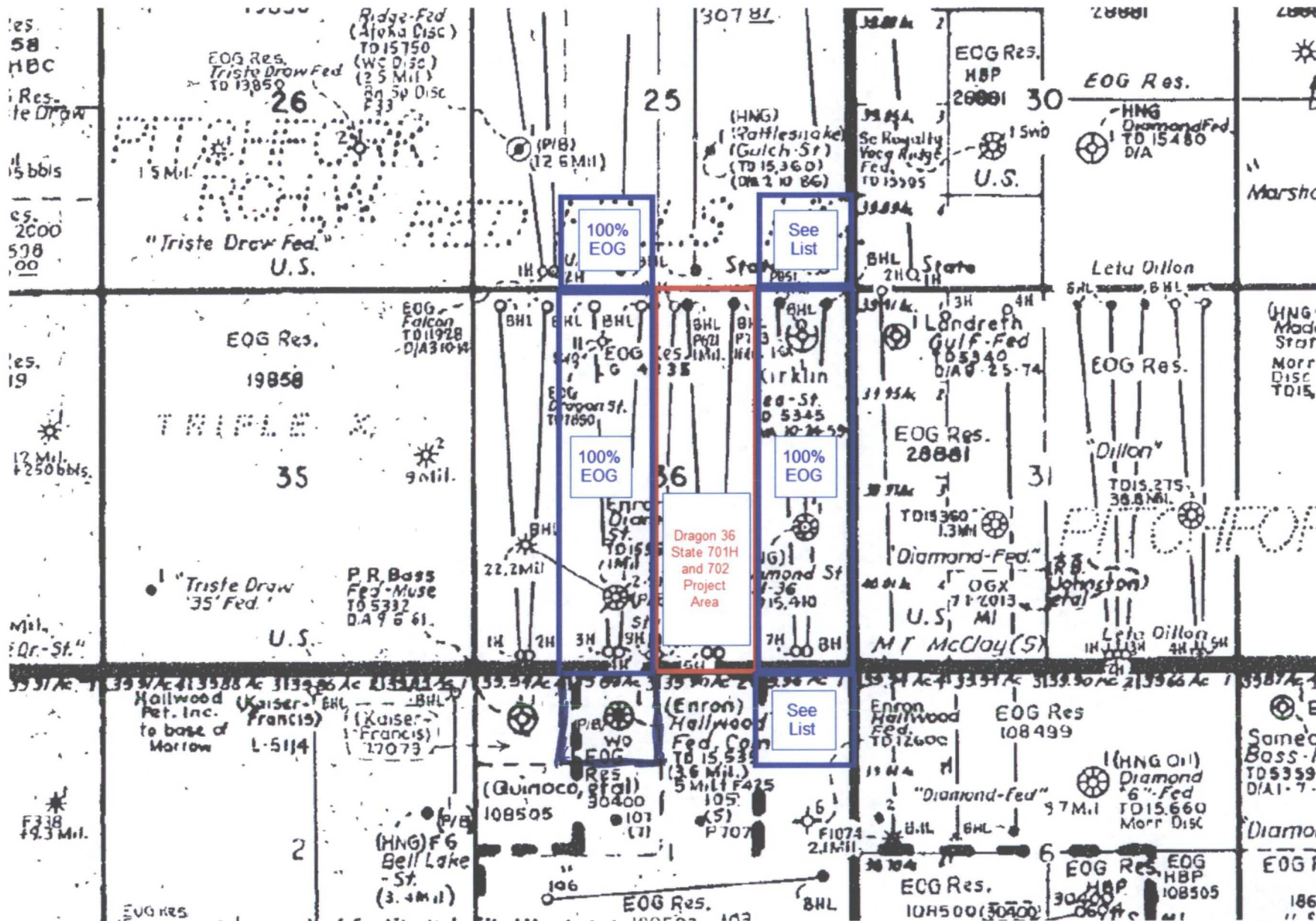
¹² Dedicated Acres 160.00	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p>¹⁶</p> <p>SURFACE LOCATION NEW MEXICO EAST NAD 1927 X=750521 Y=430002 LAT.: N 32.1796010 LONG.: W 103.5236183</p> <p>UPPER MOST PERF. NEW MEXICO EAST NAD 1927 X=750942 Y=430252 LAT.: N 32.1802790 LONG.: W 103.5222512</p> <p>LOWER MOST PERF. NEW MEXICO EAST NAD 1927 X=750977 Y=425635 LAT.: N 32.1675862 LONG.: W 103.5222501</p> <p>BOTTOM HOLE LOCATION NEW MEXICO EAST NAD 1927 X=750978 Y=425535 LAT.: N 32.1673113 LONG.: W 103.5222501</p>		<p>¹⁷OPERATOR CERTIFICATION</p> <p>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.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p> <p>¹⁸SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Date of Survey 10/03/2014 Signature and Seal of Professional Surveyor </p> <p>Certificate Number _____</p>
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EXHIBIT

A



EXHIBIT

B

Exhibit C

**Notification List for Application for approval of an unorthodox well location for the
Dragon 36 State 701H Well**

Roden Associates, Ltd.
2603 Augusta Drive, Ste. 740
Houston, TX 77057
Attn: Ben Kinney

Roden Participants, Ltd.
2603 Augusta Drive, Ste. 740
Houston, TX 77057
Attn: Ben Kinney

Syghan, LP
111 Congress Ave., Ste. 1050
Austin, TX 78791

Judith A. West
P.O. Box 1948
Cullman, AL 35056

Endeavor Energy Resources, LP
110 N. Marienfeld, Ste. 200
Midland, TX 79701

Kaiser-Francis Oil Company
6733 S. Yale
Tulsa, OK 74136

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210
Attn: Chuck Moran

HOLLAND & HART^{LLP}



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

December 23, 2014

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 Dragon 36 State 701H well in the W/2E/2 of Section 36, 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:

Matthew Phillips
EOG Resources, Inc.
T 432-686-3649
Matthew_Phillips@eogresources.com

Sincerely,

Michael H. Feldewert
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. ☎

McMillan, Michael, EMNRD

From: Kautz, Paul, EMNRD
Sent: Monday, December 29, 2014 1:25 PM
To: McMillan, Michael, EMNRD
Subject: RE: EOG Resources 36 State 701 H and 702H pool code

WC-025 G-09 S243336I;UPPER WOLFCAMP [98092]

General Pool Information [Edit](#)

Effective Date: 01/01/1900

Status: Active

Type: Oil

Order Details

OCD Order Number:

Region: S

Spacing Details

Oil Well Spacing: 40

Gas Well Spacing: 0

Pool Area:

Orthodox Well Location

Feet from the End Line: 330

Feet from the Side Line: 330

Feet from the Nearest Well: 0

Feet from the Q/Q Line: 330

Limits & Percentages

Top Unit Allowable: 410

Casinghead Gas Limit: 820

Gas Oil Limit: 2000

Depth Bracket: 12999

Prorated Gas: No

Acre Basis Percentage: 100.00

Delivery Basis Percentage: 0.00

Simultaneous Dedication Allowed: Y

Comments [Add Comment](#)

From: McMillan, Michael, EMNRD
Sent: Monday, December 29, 2014 10:55 AM
To: Kautz, Paul, EMNRD
Subject: EOG Resources 36 State 701 H and 702H pool code

Paul:

Can you tell me the pool for the EOG Resources 36 State 701 H and 702 H wells?

Dragon 701H Project Area; W/2 E/2 36 24S33E API 30-025-42316

Dragon 702H Project Area; W/2 E/2 36 24S33E API 30-025-42317

The application for both has the Wildcat upper Wolfcamp Oil (Pool code 98092).

But I cannot find this pool in RBDMS.

Thank you and happy new year