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

TI	HIS CHECKLIST IS MA	ANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS
Applic	[DHC-Down [PC-Poo	WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE 3: Indard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication] Inhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] Indicate Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] INTERPORT OF THE REQUIRE PROVIDED IN THE REQUIRE PROVIDED IN THE REQUIRE PROVIDED IN THE PROVIDED IN THE REQUIRE PROVIDED IN THE REQUIRE PROVIDED IN THE PROVIDED IN THE REQUIRE PROVIDED IN THE PROVIDED
		[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase] ified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]
[1]	TYPE OF AP	PLICATION - Check Those Which Apply for [A] Location - Spacing Unit - Simultaneous Dedication NSL NSP SD One Only for [B] or [C]
	Check [B]	One Only for [B] or [C] Commingling - Storage - Measurement DHC CTB PLC PC OLS OLM Injection - Disposal - Pressure Increase - Enhanced Oil Recovery WFX PMX SWD IPI EOR PPR
	[C]	Injection - Disposal - Pressure Increase - Enhanced Oil Recovery WFX PMX SWD IPI EOR PPR
	[D]	Other: Specify N
[2]	NOTIFICATI [A]	ON REQUIRED TO: - Check Those Which Apply, or Does Not Apply Werking, Royalty or Overriding Royalty Interest Owners Frazier 34
	[B]	Offset Operators, Leaseholders or Surface Owner
	[C]	7 0 0 7
	[D]	Application is One Which Requires Published Legal Notice Trist - Draw Notification and/or Concurrent Approval by BLM or SLO U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office Some Spainy, & Some Spainy, &
	[E]	For all of the above, Proof of Notification or Publication is Attached, and/or,
	[F]	Waivers are Attached
[3]		CURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE ATION INDICATED ABOVE.
	val is accurate ar	FION: I hereby certify that the information submitted with this application for administrative and complete to the best of my knowledge. I also understand that no action will be taken on this quired information and notifications are submitted to the Division.
	Note: an L. Kessler or Type Name	Statement must be completed by an individual with managerial and/or supervisory capacity. Attorney Title Date
		l ilkessler@hollandhart.com

e-mail Address



Jordan L. Kessler Associate Phone (505) 988-4421 Fax (505) 983-6043 JLKessler@hollandhart.com

February 9, 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 OCD

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Frazier 34 State Com #504H Well to be completed in Section 27, Township 24 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 **Frazier 34 State Com #504H Well** to be completed within the Triste Draw; Bone Spring, East Pool (96682) underlying Section 27, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico. This well will be drilled from a surface location 250 feet from the North line and 2140 feet from the East line (Unit B) of Section 34. The upper most perforation will be 330 feet from the East line of Section 27 (Unit O) and the lower most perforation will be 330 feet from the North line and 2315 feet from the East line of Section 27 (Unit B). 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. Approval of the unorthodox completed interval will allow for efficient well spacing in Section 27, prevent waste of a productive reservoir and improve well performance.

Exhibit A is the Well Location and Acreage Dedication Plat (Form C-102), which shows that the completed interval of the proposed **Frazier 34 State #504H Well** encroaches on the spacing and proration unit to the Northwest, West and Southwest.

Exhibit B is a land plat for Section 27 and the surrounding sections that shows the proposed **Frazier 34 State Com #504H** Well in relation to adjoining units and existing wells.



EOG is the sole operator of the spacing units affected by the encroachment to the West and Southwest. Murchison Oil & Gas, Inc. is the only party affected by the encroachment to the Northwest. Murchison Oil & Gas has been provided a copy of this application and all attachments by certified mail, and has been advised that if they have an objection it must be filed in writing with the division within 20 days from the date the division receives this application. A courtesy copy of this application has been provided to the New Mexico State Land Office.

Your attention to this matter is appreciated.

Sincerely,

Jordan L. Kessler

ATTORNEY FOR EOG RESOURCES, INC.

cc: New Mexico State Land Office P.O. Box 1148 Santa Fe, NM 87501

> Murchison Oil & Gas, Inc. Legacy Tower One 7520 Dallas Parkway, Suite 1400 Plano, TX 75024

<u>District I</u>
 1625 N. French Dr., Hobbs, NM \$8240
 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., Sante Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

737

State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Sante Fe, NM 87505

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

AMENDED REPORT

3496

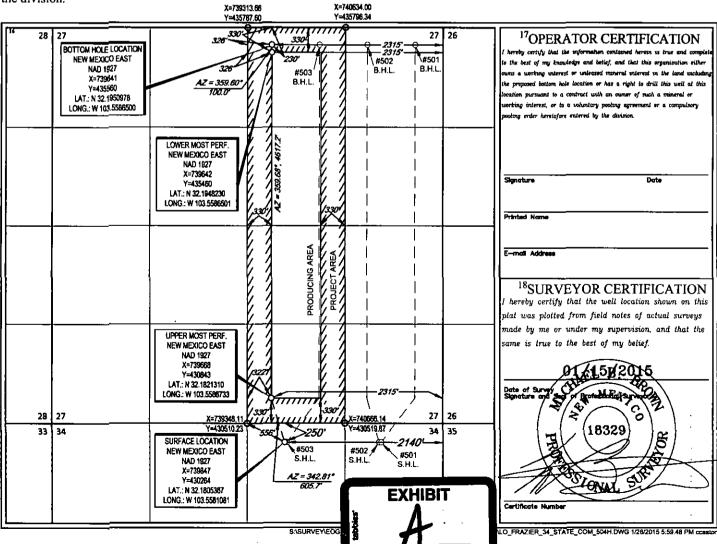
WELL LOCATION AND ACKEAGE DEDICATION PLAT									
^t API Numb		² Pool Code	³ Pool Name						
30-02-5-4	2384	96682	Trist & Durai	Bones	Pring Gast				
⁴ Property Code	,	⁵ P ₁	operty Name		6Well Number				
		FRAZIER	34 STATE COM		#504H				
OGRID No.		⁸ O ₁	perator Name		Elevation				

10 Surface Location UL or let no. Range Feet from the North/South line Feet from the East/West line County Section Township Let Ida 250' 2140' 24-S 33-E NORTH EAST LEA В 34

EOG RESOURCES, INC.

UL or lot no.	Section 27	Township 24-S	Range 33-E	Lot Ida	Feet from the 230'	North/South line NORTH	Feet from the 2315'	East/West line EAST	County LEA
¹² Dedicated Acres 160.00	¹³ Joint or 1	infill ¹⁴ Co	onsolidation Co	le ¹³ Ordo	er No.				

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.



MOCASING US EOG Resources, Inc. Frazier 34 State Com #504H **Non-Standard Location Notice Plat** (etal) Murchison Jackson Ul to,13,910 MOSSECHAPARTAL MILLG-5168. U.S., MI tote **Notice Tract 1** MT (loy (5) BHL OBHL letal EOG Res. 2010 : H8P 647 19858 11 35 [at al EOG Res. HBC 10 1-2014 LG 4558 EOU Res. 2/11 VB-1743 og Res. HBC N/2 \$1,104.87 Frazier 34 State BC Com #504H 28 **Notice Tract 2** ite Dra **Project Area** 105400 4558 15M 16 EOG Res. 2000 "Triste Drow Fed. 598 00 U.S. IH SHL it etc. EQG Res. **Notice Tract 3** eta! EOG Res. 7378 19858 riste Dr. - st. " 13 Mil.

EXHIBIT B



Jordan L. Kessler Associate Phone (505) 988-4421 Fax (505) 983-6043 JLKessler@hollandhart.com

February 9, 2015

<u>VIA CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

TO: AFFECTED PARTIES

عتثره

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Frazier 34 State Com #504H Well to be completed in Section 27,

Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico.

To Whom It May Concern:

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,

Jbrdan L. Kessler

ATTORNEY FOR EOG RESOURCES, INC.