

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

NSL - 7383
 API# 30-025-42971
 EOG RESOURCES (7377)
 LUMAS ROJAS 26 STATE
 COM NO 709
 H
 WC-025-6
 09825333
 P
 UPPER
 WOLFCAMP
 (98094)

2015 DEC 29 P 2:14
 RECEIVED OGD

[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.

Jordan Kessler Jordan K. Kessler attorney 12/29/15
 Print or Type Name Signature Title Date
 j.kessler@hollandhart.com
 e-mail Address

HOLLAND & HART LLP



Jordan L. Kessler

Associate

Phone (505) 988-4421

Fax (505) 983-6043

jlkessler@hollandhart.com

December 29, 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 OOD
2015 DEC 29 P. 2:18

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Lomas Rojas 26 State Com No. 704H Well in the W/2 E/2 of Section 26, Township 25 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 **Lomas Rojas 26 State Com No. 704H Well** to be completed within the WC-025 G-09 S253336D; Upper Wolfcamp Pool (Pool Code 98094) underlying Section 26, Township 25 South, Range 33 East, N.M.P.M., Lea County, New Mexico. This well will be drilled from a surface location 721 feet from the North line and 2,015 feet from the East line (Unit B) of Section 26. The upper most perforation will be located 330 feet from North line and 2,571 feet from the East line (Unit B) and the lower most perforation will be 330 feet from the South line and 2,570 feet from the East line of Section 26 (Unit O). 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 because it is closer than 330 feet to the western, southwestern, and northwestern boundaries of the project area. Approval of the unorthodox completed interval will allow for efficient spacing of horizontal wells and thereby prevent waste.

Exhibit A is a draft Well Location and Acreage Dedication Plat (Form C-102), which shows that the completed interval of the proposed **Lomas Rojas 26 State Com No. 704H Well** encroaches on the spacing and proration units to the West, Northwest, and Southwest.

Exhibit B is a land plat for Section 26 and the surrounding sections that shows the proposed **Lomas Rojas 26 State Com No. 704H Well** in relation to adjoining units and existing wells.

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. ☏

HOLLAND & HART^{LLP}



Exhibit C is a list of the parties affected by the encroachment to the West, Northwest, and Southwest. Each of these parties have been provided notice of this application by certified mail. EOG is the sole operator and mineral lessee of the state leases covering the E/2 W/2 of Section 26. Accordingly, there are no parties affected by the encroachment to the West. Nonetheless, a copy of this application has been provided to the New Mexico State Land Office and the Bureau of Land Management-Carlsbad Field Office.

Your attention to this matter is appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jordan L. Kessler'.

Jordan L. Kessler

ATTORNEY FOR EOG RESOURCES, INC.

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

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

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., Sante 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.
Sante 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 LOMAS ROJAS 26 STATE COM			⁶ Well Number #704H
⁷ GRID No.		⁸ Operator Name EOG RESOURCES, INC.			⁹ Elevation 3345'

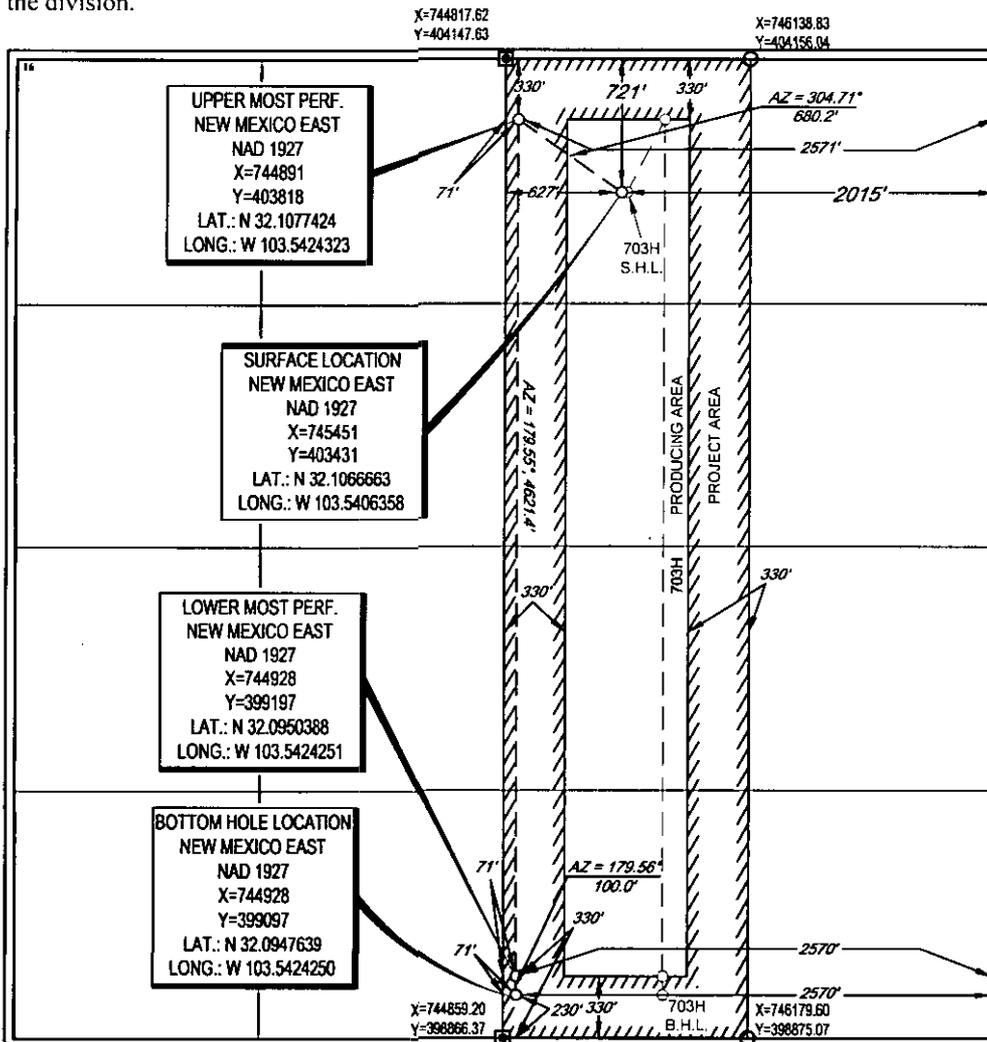
¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	26	25-S	33-E	-	721'	NORTH	2015'	EAST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	26	25-S	33-E	-	230'	SOUTH	2570'	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.



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: **09/10/2015**
Signature and Seal of Professional Surveyor:
MICHAEL BROWN
NEW MEXICO
PROFESSIONAL SURVEYOR
18329

Certificate Number _____

EXHIBIT
A

EOG RESOURCES, INC.

LOMAS ROJAS 26 STATE COM #704H UNORTHODOX LOCATION NOTICE TRACT PLAT
TOWNSHIP 25 SOUTH RANGE 33 EAST, LEA COUNTY, NM

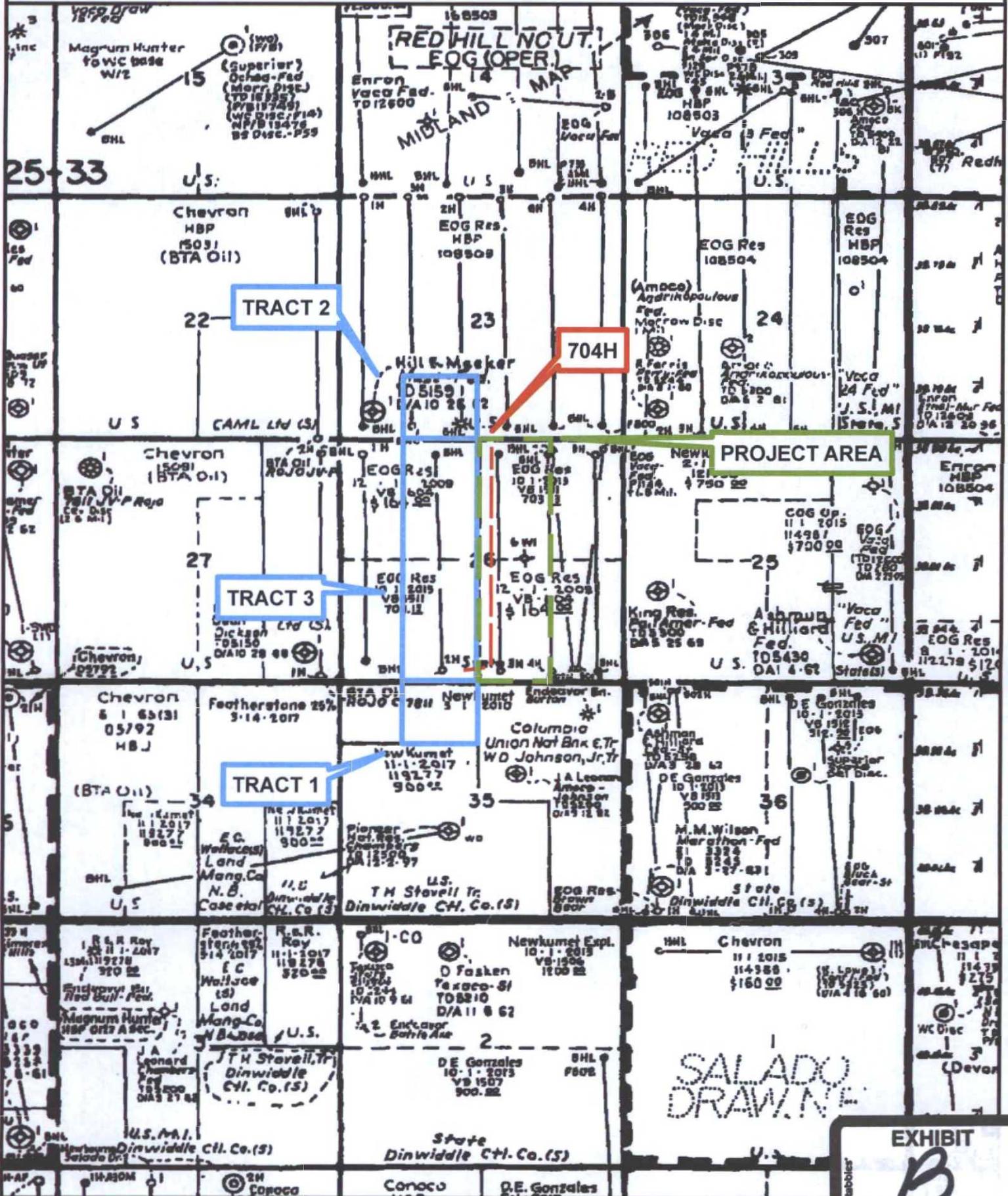


EXHIBIT
B

Exhibit C

Yates Petroleum Corporation
105 S. 4th Street
Artesia, NM 88210

COG Operating, LLC
a Delaware limited liability company
600 W. Illinois Ave.
Midland, TX 79701

Bradley S. Bates
101 Blackberry Court
Midland, TX 79705

Sagebrush Interests, LLC
2450 Fondren
Ste. #112
Houston, TX 77063

RSC Resources, LP
a Texas limited partnership
6824 Island Circle
Midland, TX 79707



Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Monday, February 08, 2016 4:51 PM
To: 'jlkessles@hollandhart.com'
Cc: McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD; Jones, William V, EMNRD; Brown, Maxey G, EMNRD; Kautz, Paul, EMNRD; 'scaffey@blm.gov'; 'jstovall@blm.gov'; Holm, Anchor E.; Martin, Ed; Jones, William V, EMNRD
Subject: NSL - 7383_EOG Resources, INC. Lomas Rojas 26 State Com No. 704H_SEC 26 25S 33E
Importance: High

Ms. Jordan L. Kessler,

The following permit has been issued and will soon be scanned along with the application and will be available on the Division's web site.

NSL-7383

API # 30-025-42971

EOG Resources, INC. Lomas Rojas 26 State Com No. 704H

LOCATED: B SECTION 26 TWN 25S RNG 33E

The Order may be viewed on our website:

<http://ocdimage.emnrd.state.nm.us/imaging/default.aspx>

Leonard Lowe

Engineering Bureau

Oil Conservation Division

Energy Minerals and Natural Resources Department

1220 South St. Frances

Santa Fe, New Mexico 87004

Office: 505-476-3492

Fax: 505-476-3462

E-mail: leonard.lowe@state.nm.us

Website: <http://www.emnrd.state.nm.us/ocd/>