

DATE IN 1/22/16	SUSPENSE	ENGINEER MAM	LOGGED IN 2/17/2016	TYPE NSL	APP NO. PMA1604838701
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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.

Jordan L. Kessler
 Print or Type Name

Signature

Attorney

Title

jlkessler@hollandhart.com

e-mail Address

Date

- NSL 7387
 - EOG Resources, Inc
 7377
 - well
 - BLACK BEAR 36
 STATE #7014
 2016 JAN 22 P 4: 13
 RECEIVED OCD
 3025-
 43006
 P001
 - WL-025 G09
 S 253336 D
 UPPLEWOLF CAMP
 98094



January 22, 2016

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 OGD
2016 JAN 22 PM 4:13

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Black Bear 36 State No. 701H Well in the W/2 E/2 of Section 36, 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 **Black Bear 36 State No. 701H Well** to be completed within the WC-025 G-09 S253336D; Upper Wolfcamp Pool (Pool Code 98094) underlying Section 36, Township 25 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 2,128 feet from the East line (Unit B) of Section 36. The upper most perforation will be located 330 feet from North line and 2,445 feet from the East line (Unit B) and the lower most perforation will be 330 feet from the South line and 2,445 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, northwestern, and southwestern 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 **Black Bear 36 State No. 701H Well** encroaches on the spacing and proration units to the West, Northwest, and Southwest.

Exhibit B is a land plat for Section 36 and the surrounding sections that shows the proposed **Black Bear 36 State No. 701H Well** in relation to adjoining units and existing wells.



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 lease covering the E/2 W/2 of Section 36. 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 "J. 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., 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

API Number 30-025-43006	Pool Code 98094	Pool Name WC-025 G-09 S253336D; Upper Wolfcamp
Property Code 38965	Property Name BLACK BEAR 36 STATE	Well Number #701H
OGRID No. 7377	Operator Name EOG RESOURCES, INC.	Elevation 3334'

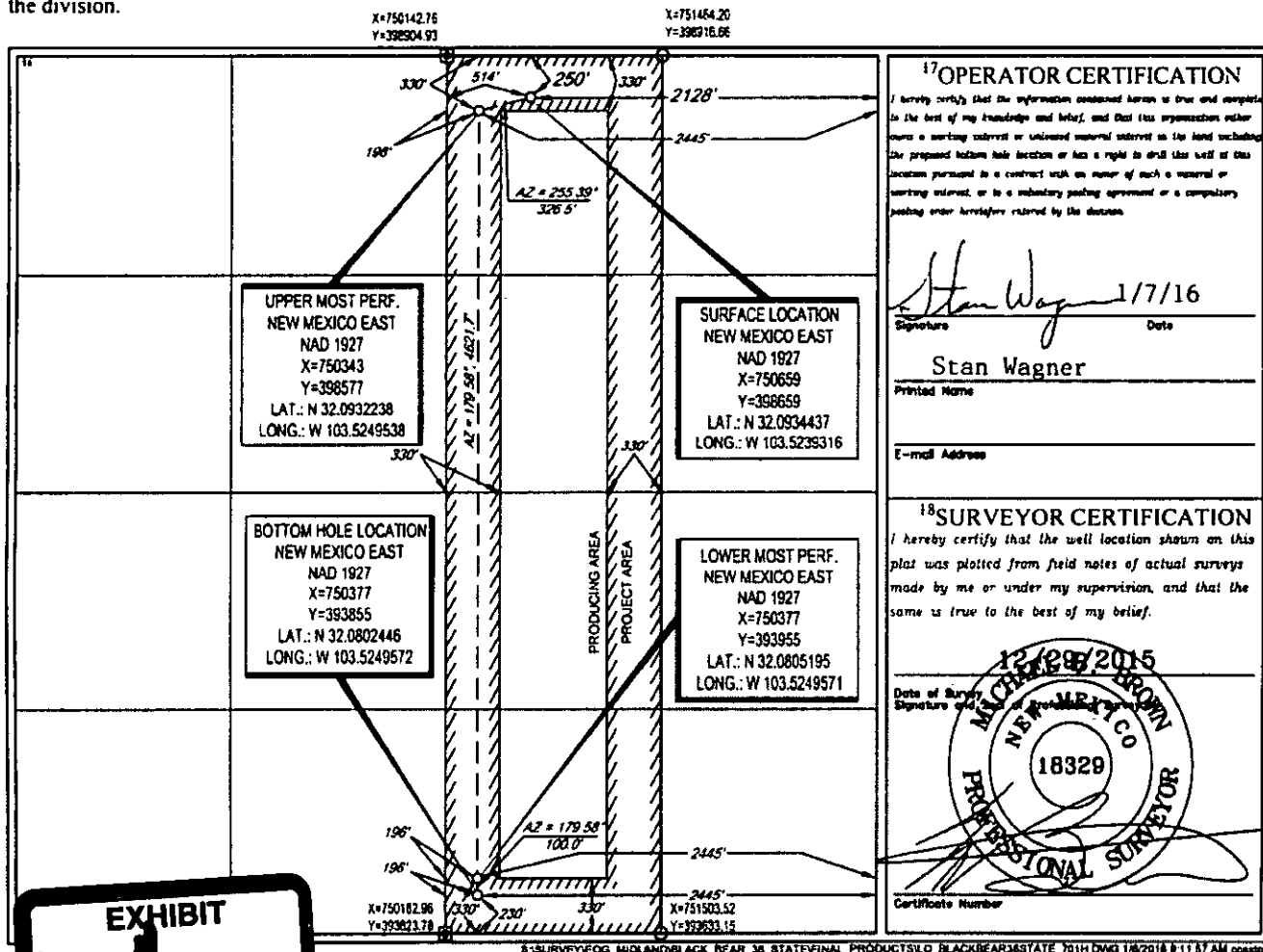
10 Surface Location

1/1, or lot no.	Section	Township	Range	Lot 1da	Feet from the	North/South line	Feet from the	East/West line	County
B	36	25-S	33-E	-	250'	NORTH	2128'	EAST	LEA

1/1, or lot no.	Section	Township	Range	Lot 1da	Feet from the	North/South line	Feet from the	East/West line	County
0	36	25-S	33-E	-	230'	SOUTH	2445'	EAST	LEA

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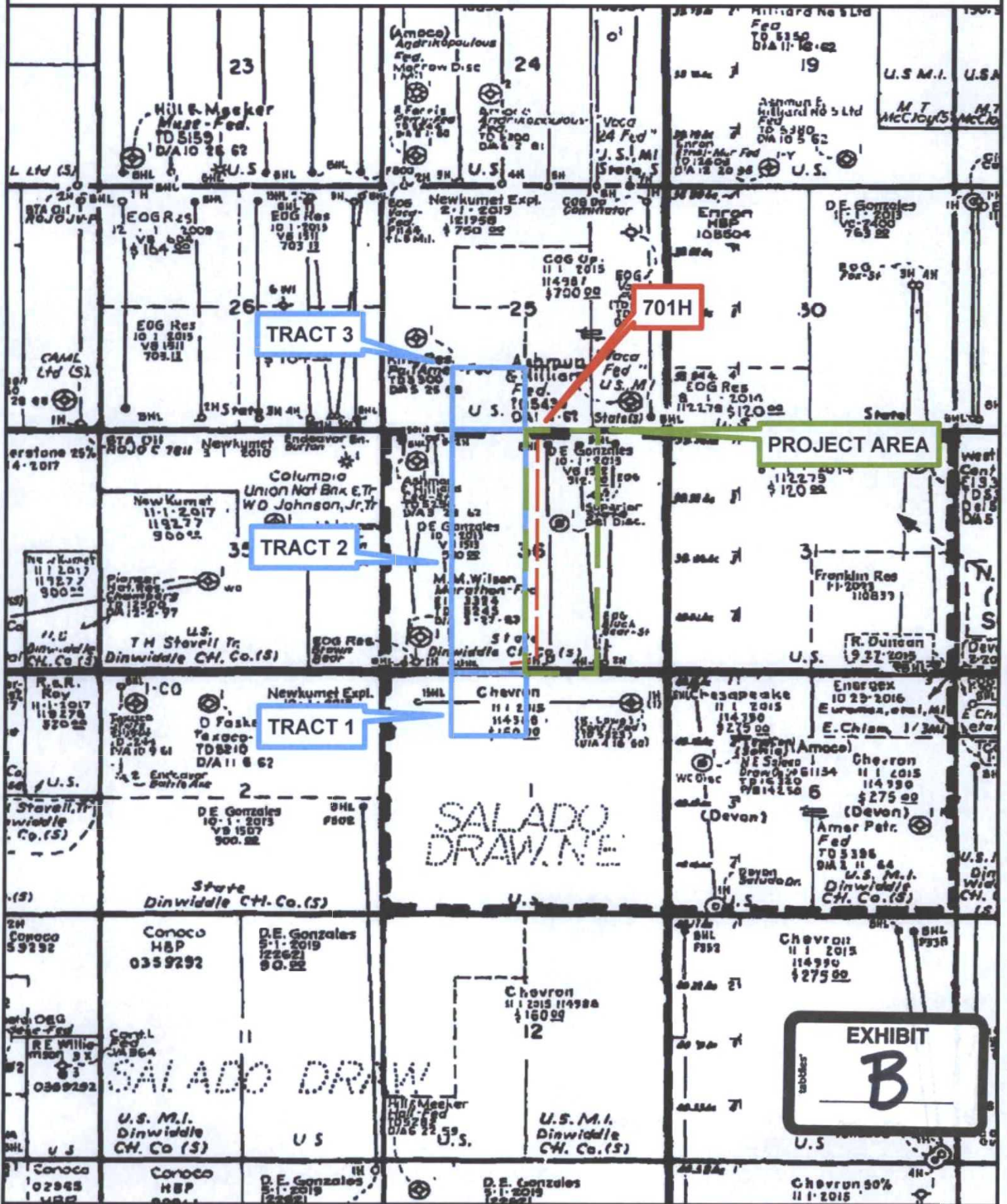
No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



JAN 14 2016

EOG RESOURCES, INC.

BLACK BEAR 36 STATE #701H UNORTHODOX LOCATION NOTICE TRACT PLAT TOWNSHIPS 25 & 26 SOUTH RANGE 33 EAST, LEA COUNTY, NM



EXHIBIT

B

Exhibit C

Chevron USA, Inc.
1400 Smith St.
Houston, TX 77002

Devon Energy Production, LP
333 W. Sheridan Ave.
Oklahoma City, OK 73102

Endeavor Energy Resources, LP
a Texas limited partnership
110 N. Marienfeld, Ste. #200
Midland, TX 79701

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

Bradley S. Bates
101 Blackberry Court
Midland, TX 79705

WBA Resources, Ltd.
a Texas limited partnership
110 W. Louisiana, Ste. #300
Midland, TX 79701

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

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

Newkumet Exploration, Inc.
Box 11330
Midland, TX 79702

Petras Energy, LP
Box 4127
Midland, TX 79704

HOLLAND & HART^{LLP}



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

January 22, 2016

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 Black Bear 36 State No. 701H Well in the W/2 E/2 of Section 36, Township 25 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:

Paul Boland
EOG Resources, Inc.
(432) 686-3666
Paul_Boland@eogresources.com

Sincerely,

Jordan L. Kessler
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. ☉