

DATE IN 5/13/16	SUSPENSE	ENGINEER LRL	LOGGED IN 5/17/16	TYPE NSL	APP NO. PLEL-1613746222
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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]

NSL-7424

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD

EOG RESOURCES INC. (7377)
 LOMAS ROJAS 26 STATE COM #706H
 API # 30-025-43219

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 _____

2016 MAY 13 P 3:38
 RECEIVED OGD

[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

POBL: WC 025-G09 9253336D
 Upper Wolfcamp (98094)

[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

Jordan L. Kessler
 Signature

Attorney
 Title

jlkessler@hollandhart.com
 e-mail Address

5/13/16
 Date



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

May 13, 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 MAY 13 P 3:33

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Lomas Rojas 26 State Com No. 706H Well in the E/2 W/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. 706H 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 807 feet from the North line and 1,776 feet from the West line (Unit C) of Section 26. The upper most perforation will be located 330 feet from North line and 1,499 feet from the West line (Unit C) and the lower most perforation will be 330 feet from the South line and 1,499 feet from the West line of Section 26 (Unit N). 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. 706H 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. 706H 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. ☐

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 W/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,



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

EOG RESOURCES, INC.

LOMAS ROJAS 26 STATE COM #706H UNORTHODOX LOCATION NOTICE TRACT PLAT
TOWNSHIP 25 SOUTH RANGE 33 EAST, LEA COUNTY, NM

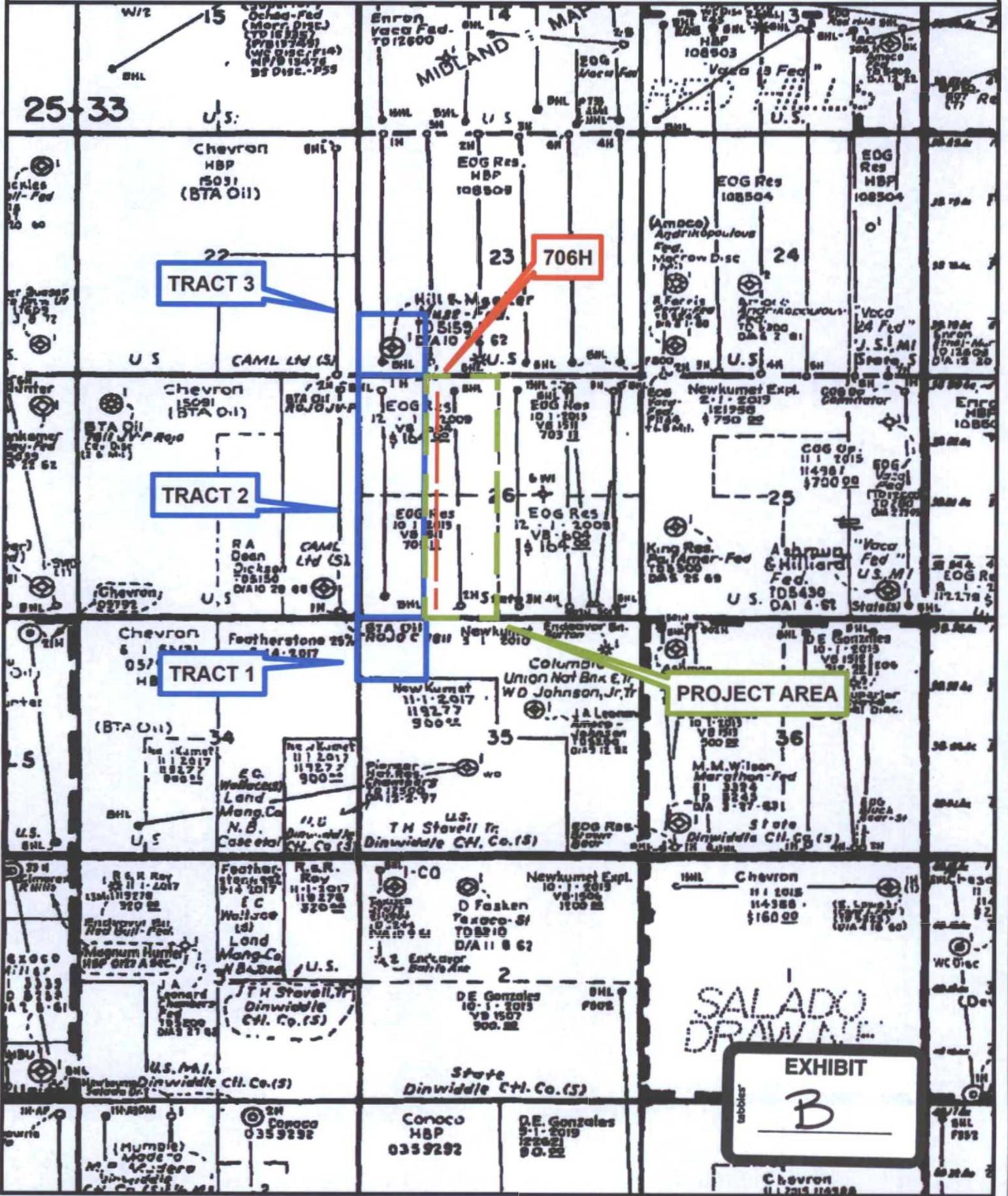


Exhibit C

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

Concho Oil & Gas LLC
600 West Illinois Ave.
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

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

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

HOLLAND & HART



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

May 13, 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 Lomas Rojas 26 State Com No. 706H Well in the E/2 W/2 of Section 26, 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. O

Lowe, Leonard, EMNRD

From: Jordan L. Kessler <JLKessler@hollandhart.com>
Sent: Friday, May 13, 2016 4:14 PM
To: McMillan, Michael, EMNRD; Lowe, Leonard, EMNRD
Subject: EOG - Lomas Rojas 706H Well
Attachments: 2710_001.pdf

Hi Mike and Leonard,

Attached is the application filed today on behalf of EOG with a copy of the green cards sent to all interest owners.

Thanks,
Jordan

7015 3010 0001 8827 4179

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<input type="checkbox"/> Certified Mail Restricted Delivery	\$ _____
<input type="checkbox"/> Adult Signature Required	\$ _____
<input type="checkbox"/> Adult Signature Restricted Delivery	\$ _____

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

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions



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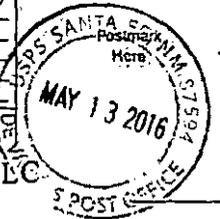
Extra Services & Fees (check box, add fee as appropriate)

<input checked="" type="checkbox"/> Return Receipt (hardcopy)	\$ <u>2.80</u>
<input type="checkbox"/> Return Receipt (electronic)	\$ _____
<input type="checkbox"/> Certified Mail Restricted Delivery	\$ _____
<input type="checkbox"/> Adult Signature Required	\$ _____
<input type="checkbox"/> Adult Signature Restricted Delivery	\$ _____

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

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions



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<input type="checkbox"/> Certified Mail Restricted Delivery	\$ _____
<input type="checkbox"/> Adult Signature Required	\$ _____
<input type="checkbox"/> Adult Signature Restricted Delivery	\$ _____

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Bradley S. Bates
 101 Blackberry Court
 Midland, TX 79705

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<input type="checkbox"/> Return Receipt (electronic)	\$ _____
<input type="checkbox"/> Certified Mail Restricted Delivery	\$ _____
<input type="checkbox"/> Adult Signature Required	\$ _____
<input checked="" type="checkbox"/> Adult Signature Restricted Delivery	\$ _____

Postage
 \$ _____

COG Operating LLC
 600 W. Illinois Ave.
 Midland, TX 79701

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 SANTA FE, NM 87504
 Postmark Here
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for instructions

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<input type="checkbox"/> Return Receipt (electronic)	\$	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$	
<input type="checkbox"/> Adult Signature Required	\$	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$	
Postage	\$	



Concho Oil & Gas LLC
600 West Illinois Ave.
Midland, TX 79701

for instructions

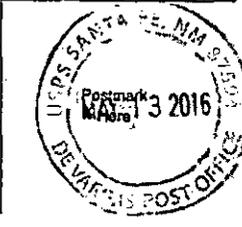
7015 1520 0002 0436 7294

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<input checked="" type="checkbox"/> Return Receipt (hardcopy)	\$	240
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<input type="checkbox"/> Certified Mail Restricted Delivery	\$	
<input type="checkbox"/> Adult Signature Required	\$	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$	
Postage	\$	



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

for instructions

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<input type="checkbox"/> Certified Mail Restricted Delivery	\$ _____
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<input type="checkbox"/> Adult Signature Restricted Delivery	\$ _____



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

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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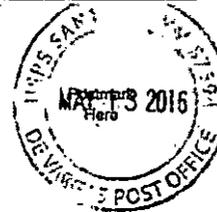
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<input type="checkbox"/> Return Receipt (electronic)	\$ 0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$ _____
<input type="checkbox"/> Adult Signature Required	\$ _____
<input type="checkbox"/> Adult Signature Restricted Delivery	\$ _____



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

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Thursday, June 09, 2016 3:16 PM
To: 'Jordan L. Kessler'
Cc: McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD; Jones, William V, EMNRD; Brown, Maxey G, EMNRD; Kautz, Paul, EMNRD; lisa@rwbyram.com; Holm, Anchor E.; Martin, Ed
Subject: NSL - 7424 _Lomas Rojas 26 State Com Well No. 706 H_26 25S 33E, Lea County
Importance: High

Ms. Jordan Kessler,

The following permits has been issued and will soon be available on the Division's web site:
<http://ocdimage.emnrd.state.nm.us/imaging/WellFileCriteria.aspx>

NSL-7424

EOG Resources, Inc.

API: 30-025-43219

WELL: Lomas Rojas 26 State Com Well No. 706H, Lea County

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/>