

NSL-7788

Revised March 23, 2017

PLEL1833032734

RECEIVED: 11/21/18	REVIEWER: LRL	TYPE: NSL	APP NO: NOV 21 2018 14:05:02
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & 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

Applicant: EOG Resources, Inc.	OGRID Number: 7377
Well Name: Caravan 28 State Com No. 701H Well	API: Pending
Pool: WC-025 G-09 S2433361; Upper Wolfcamp Pool	Pool Code: 98092

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
- A. Location - Spacing Unit - Simultaneous Dedication
 NSL NSP (PROJECT AREA) NSP (PRORATION UNIT) SD
- B. Check one only for [I] or [II]
- [I] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
- [II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
- A. Offset operators or lease holders
 B. Royalty, overriding royalty owners, revenue owners
 C. Application requires published notice
 D. Notification and/or concurrent approval by SLO
 E. Notification and/or concurrent approval by BLM
 F. Surface owner
 G. For all of the above, proof of notification or publication is attached, and/or,
 H. No notice required

FOR OCD ONLY	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

3) **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

November 21, 2018

Date

505-988-4421

Phone Number

jlkessler@hollandhart.com

e-mail Address



November 21, 2018

VIA HAND DELIVERY

Heather Riley
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

NOV 21 2018 10:03

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Caravan 28 State Com No. 701H Well in the E/2W/2 of Sections 28 and 33, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico.

Dear Ms. Riley:

EOG Resources, Inc. (OGRID No. 7377) seeks administrative approval of an unorthodox well location for its **Caravan 28 State Com No. 701H Well** (API No. Pending) to be completed within the WC-025 G-09 S2433361; Upper Wolfcamp Pool (Pool Code 98092) underlying the E/2W/2 of Sections 28 and 33, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico. This well will be drilled from a surface location 546 feet from the north line and 2,153 feet from the west line (Unit C) of Section 28. The upper most perforation will be located 100 feet from the north line and 2,490 feet from the west line (Unit C) of Section 28 and the lower most perforation will be 100 feet from the south line and 2,490 feet from the west line (Unit N) of Section 33. Since this acreage is governed by the Division's statewide rules, the completed interval for this well will be unorthodox because it is approximately 150 feet to the eastern boundary of the spacing unit. Approval of the unorthodox completed interval will allow EOG to use their preferred well spacing plan for horizontal wells in this area and thereby prevent waste.

Exhibit A is a Well Location and Acreage Dedication Plat (Form C-102), which shows that the completed interval of the proposed **Caravan 28 State Com No. 701H Well** encroaches on the tracts to the east. This well has not yet been drilled.

Exhibit B is a land plat for Sections 28 and 33 and the surrounding sections that shows the proposed **Caravan 28 State Com No. 701H Well** in relation to adjoining units and existing wells. This exhibit also shows EOG's well spacing pattern for the subject area.

Exhibit C is a list of the parties affected by the encroachment to the East. The W/2E/2 and the E/2W/2 of Sections 28 and 33 are covered by a joint operating agreement. However, ownership is diverse between the subject spacing unit and the tracts to the East. Each of the parties listed on

HOLLAND & HART^{LLP}



Exhibit C have been provided notice of this application by certified mail. A copy of this application has been provided to the State Land Office.

Exhibit D is a statement from an engineer confirming that EOG's requested unorthodox location is necessary to optimize well spacing, thereby preventing waste.

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 87504-1148

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		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name CARAVAN 28 STATE COM			⁶ Well Number #701H
⁷ OGRID No.		⁸ Operator Name EOG RESOURCES, INC.			⁹ Elevation 3519'

¹⁰Surface Location

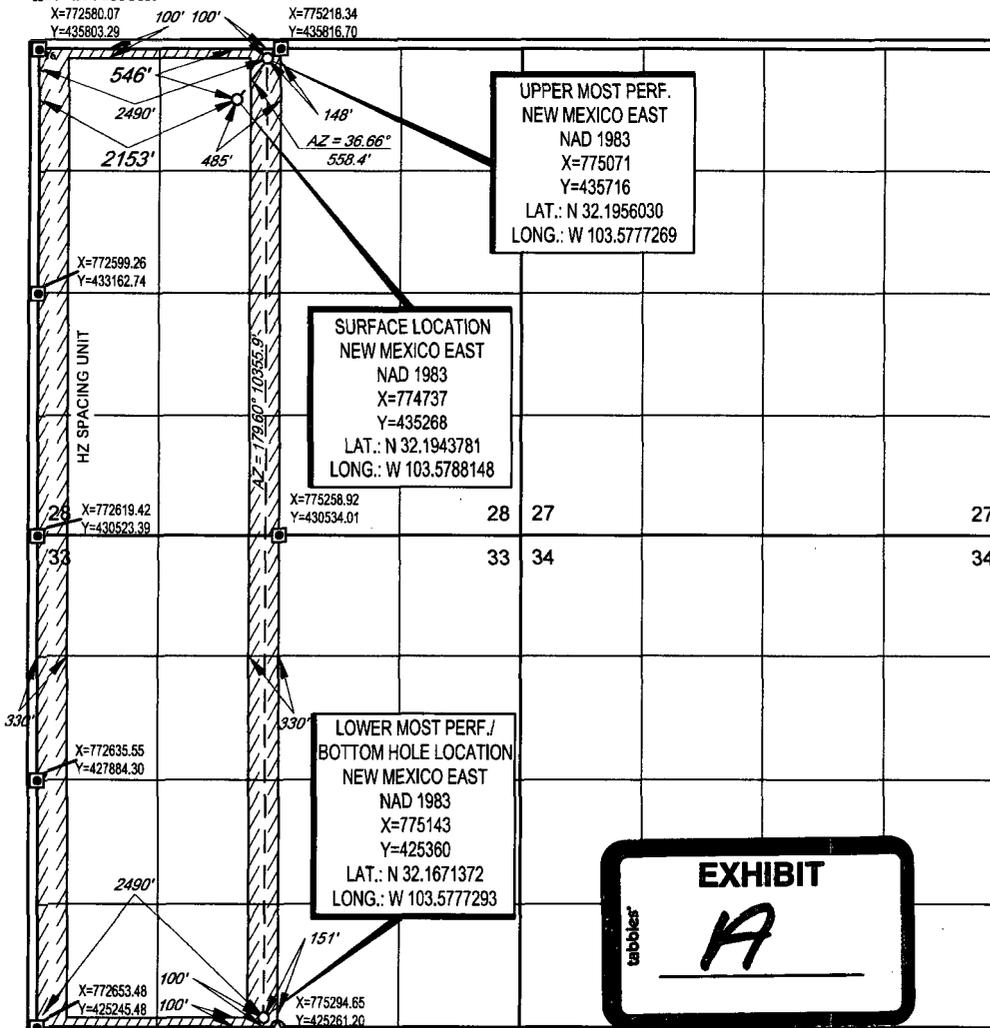
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	28	24-S	33-E	-	546'	NORTH	2153'	WEST	LEA

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	33	24-S	33-E	-	100'	SOUTH	2490'	WEST	LEA

¹² Dedicated Acres 640	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.

11/01/2018
Date of Survey
Signature and Seal of Professional Surveyor
MICHAEL B. BROWN
NEW MEXICO
18329
PROFESSIONAL SURVEYOR

Certificate Number _____

EXHIBIT
A

T24S-R33E



EXHIBIT C

Murchison Oil and Gas, Inc.
Attention: Eric Buddenbohn, Land Manager
7520 Dallas Parkway, Suite 1400
Plano, TX 75024

Highland (Texas) Energy Company
Attention: Steve Burr
7557 Rambler Road, Suite 918
Dallas, TX 75231

VEI Partners, L.P.
Attention: Austin Adams
201 Foch Street
Forth Worth, TX 76107

MEC Petroleum Corp.
Attention: Marion Causey
P. O. Box 11265
Midland, TX 79702

Tap Rock Resources, LLC
Attention: Land Manager
602 Park Point Drive, Suite 200
Golden, CO 80401

Sharbro Energy, LLC
Attention: Elizabeth Baker
P. O. Box 840
Artesia, NM 88211-0840

Vladin, LLC
Attention: Jim Ball
105 S. 4th Street
Artesia, NM 88210

Oxy Y-1 Company
Attention: John Schnieder, Team Lease Lead
P. O. Box 4294
Houston, TX 77210-4291

Saguaro Resources, Inc.
Attention:
5705 Pinehurst
Farmington, NM 87402

CEMOF AIV, L.P.
Attention: Arleen Spangler
520 Madison Avenue, 38th Floor

Newe York, NY 10022

CEMOF-A AIV, L.P.
Attention: Arleen Spangler
520 Madison Avenue, 38th Floor
Newe York, NY 10022

Carlyle Energy Mezzanine Opportunities Fund-
Q, L.P.
Attention: Arleen Spangler
520 Madison Avenue, 38th Floor
Newe York, NY 10022

CEMOF Coinvestment, L.P.
Attention: Arleen Spangler
520 Madison Avenue, 38th Floor
Newe York, NY 10022

New Mexico State Land Office
Attention: Commissioner of Public Lands
P. O. Box 1148
Santa Fe, NM 87504



November 19, 2018

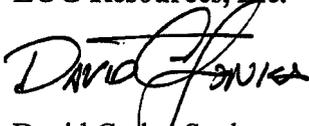
Re: EOG Resources, Inc. NSL Application
Caravan 28 State Com #701H (herein "Well")
W/2 Sec. 28 & 33, T24S-R33E
Lea County, New Mexico

To whom it may concern:

Based on current wells in Section 28 & 33-T24S-R33E and anticipated wells, EOG believes the non-standard location is necessary to develop the Wolfcamp resources in an economic fashion. Placing the Well at this location avoids negative impacts to the Well's production associated with completion energy being lost to a region of lower pressure caused by offset depletion. Granting the exception will allow for more total production from the section and more efficient development of the asset, therefore protecting correlative rights.

Sincerely

EOG Resources, Inc.



David Carlos Sonka
Reservoir Engineer II





Jordan L. Kessler
Associate
Phone (505) 954-7286
Fax (505) 983-6043
JLKessler@hollandhart.com

November 21, 2018

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 Caravan 28 State Com No. 701H Well in the E/2W/2 of Sections 28 and 33, 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:

Charles Moran
EOG Resources, Inc.
(432) 686-3684
Charles_Moran@eogresources.com

Sincerely,

Jordan L. Kessler
ATTORNEY FOR EOG RESOURCES, INC.

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Wednesday, December 12, 2018 4:43 PM
To: 'Jordan L. Kessler'
Cc: Brown, Maxey G, EMNRD; Kautz, Paul, EMNRD; 'lisa@rwbyram.com'; Jones, William V, EMNRD; McMillan, Michael, EMNRD; Dawson, Scott, EMNRD; Goetze, Phillip, EMNRD; Martin, Ed; Holm, Anchor E.
Subject: APPROVED NSL-7788_EOG Resources, Inc._Caravan 28 State Com Well No. 701H_SEC 28 24S 33E
Importance: High

Ms. Jordan L. Kessler,

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

NSL-7788

EOG Resources, Inc.

API #: 30-025-PENDING

WELL: Caravan 28 State Com Well No. 701H

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

Cell: 505-930-6717

Fax: 505-476-3462

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

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