

31. May. 07 DATE IN	5/31/07 SUSPENSE	D. Catarach ENGINEER	04. June. 07 LOGGED IN	SD TYPE	PCLP0715535591 APP NO.
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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



2007 MAY 31

2007/17

ADMINISTRATIVE APPLICATION CHECKLIST

PM

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.

Ocean Munds-Dry Ocean Munds-Dry attorney 5/30/07
Print or Type Name Signature Title Date
omundsdry@hollandhart.com
e-mail Address



May 31, 2007

*Undertaken***HAND-DELIVERED**

Mark E. Fesmire, P. E.
Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application of EOG Resources, Inc. for Administrative Approval of the Simultaneous Dedication of the south 320 acres of Irregular Section 2, Township 16 South, Range 24 East, N.M.P.M., Eddy County, New Mexico to its proposed Gila C 2 Fed Com Well No. 2H and the existing Gila C 2 Fee Com Well No. 1H.

Dear Mr. Fesmire:

EOG Resources, Inc. is the operator of a standard 320-acre spacing unit in the West Cottonwood Creek-Wolfcamp Gas Pool (**Pool Code 75260**) comprised of the south 320 acres of Irregular Section 2, Township 16 South, Range 24 East, N.M.P.M., Eddy County, New Mexico. This spacing unit is dedicated to EOG's Gila C 2 Fee Com No. 1H which has been horizontally drilled and produces from the Wolfcamp formation.

EOG seeks administrative approval of the simultaneous dedication of this standard 320-acre gas spacing unit to the following two horizontal gas wells:

- A. the existing GILA C 2 FEE COM Well No. 1H (API No. 30-015-35567) horizontally drilled from a surface location 2,392 feet from the South line and 288 feet from the East line to an end point or bottom hole location 1,880 feet from the South line and 660 feet from the West line of said Section 2; and
- B. the proposed GILA C 2 FED COM Well No. 2H (API No. 30-015 -35185) to be horizontally drilled from a surface location 504 feet from the South line and 196 feet from the East line to a proposed end point or bottomhole location 760 feet from the South line and 660 feet from the West line of said Section 2.



Both the penetration point and the bottomhole location for the Gila C 2 Fee Com Well No. 1H are at a standard location in the Wolfcamp formation pursuant to Division Rules 104.C (2) (a) and 111.A (7). EOG now intends to horizontally drill and complete its proposed Gila C 2 Fed Com Well No. 2H to be drilled to the targeted subsurface end-point or bottomhole location 760 feet from the South line and 660 feet from the West line (Unit M) of Section 2. EOG proposes to drill this well in compliance with the setback requirements of Division Rules 104.C(2)(b) and 111.A(7) for deep gas wells in southeast New Mexico.

Attached hereto as Exhibit A is a copy of Division Form C-102 for this well that shows the proposed surface and bottomhole location of the well.

As shown on Exhibit B EOG is the only offset operator around the spacing unit in Section 2. In addition, working interest ownership is common in the offsetting spacing units. Therefore, there are no affected parties as defined by Division rules.

The simultaneous dedication of the south 320 acres of said Section 2 to the Gila C 2 Fee/Fed Com Well Nos. 1H and 2H will afford EOG the opportunity to efficiently produce the Wolfcamp formation under this spacing unit. EOG's proposed simultaneous dedication of these wells does not exceed the number of wells allowed by Division Rule for this spacing unit.

Your attention to this application is appreciated.

Sincerely,

Ocean Munds-Dry
Attorney for EOG Resources, Inc.

Enclosures

cc: Donny Glanton, EOG
OCD - Artesia

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 October 12, 2005
Submit to Appropriate District Office
State Lease- 4 Copies
Fee Lease- 3 Copies

AMENDED REPORT

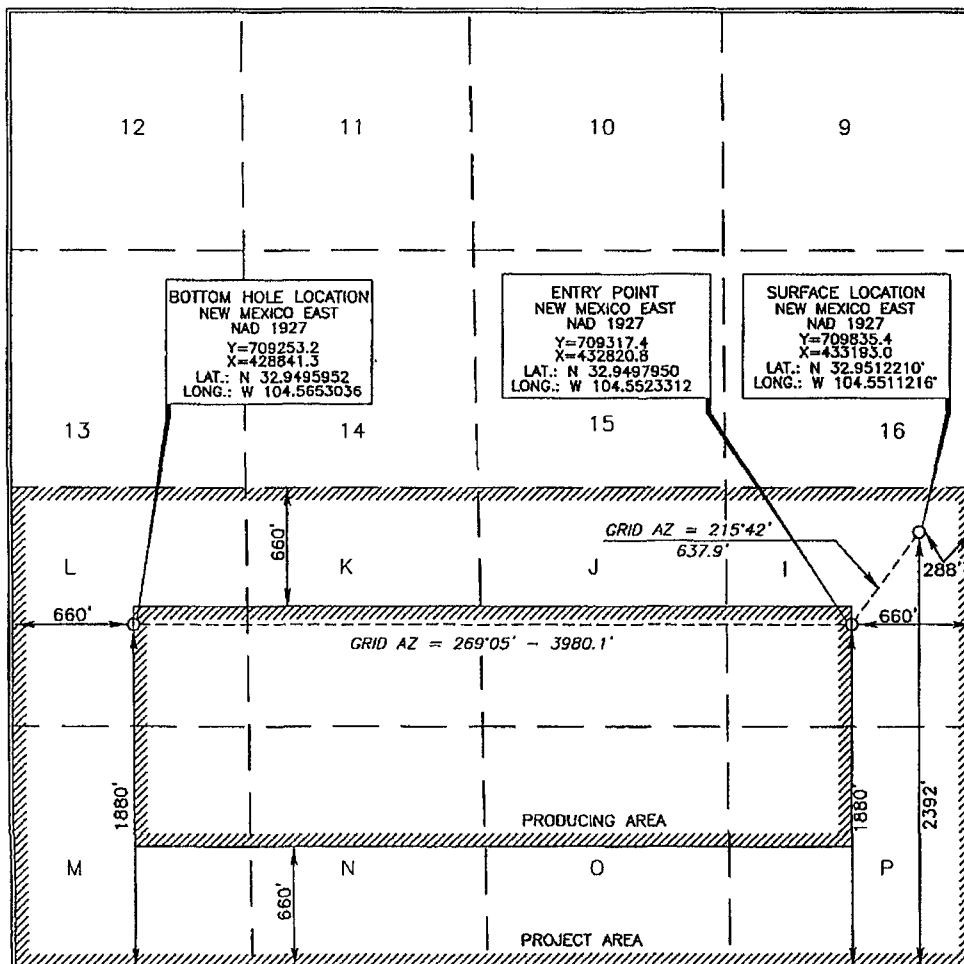
API Number 30-015-35567	Pool Code 75260	Pool Name COTTONWOOD CREEK: WC, WEST (GAS)
Property Code 36469	Property Name GILA "C" 2 FEE COM	Well Number 1H
OGRID No. 7377	Operator Name EOG RESOURCES, INC.	Elevation 3558'

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<i>I</i>	<i>2</i>	<i>16 SOUTH</i>	<i>24 EAST, N.M.P.M.</i>		<i>2392'</i>	<i>SOUTH</i>	<i>288'</i>	<i>EAST</i>	<i>EDDY</i>

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	2	16 SOUTH	24 EAST, N.M.P.M.		1880'	SOUTH	660'	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			

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.



OPERATOR 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 Jim D. Mith Date 4/25/07

Donny G. Glanton
Printed Name

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes, or actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

APRIL 19, 2007
Date of Survey

Signature and Seal of Professional Surveyor

Terry G. Asel 4/23/07
Certificate Number 15079

WO# 070419WL (JL)

EXHIBIT A

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

L-06-06
9/05/06
Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease-4 Copies
Fee Lease-3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-35185	Pool Code 75260	Pool Name COTTONWOOD CREEK; WC, WEST (GAS)
Property Code	Property Name GILA "C" 2 FED COM	Well Number 2H
OGRID No. 7377	Operator Name EOG RESOURCES, INC.	Elevation 3557'

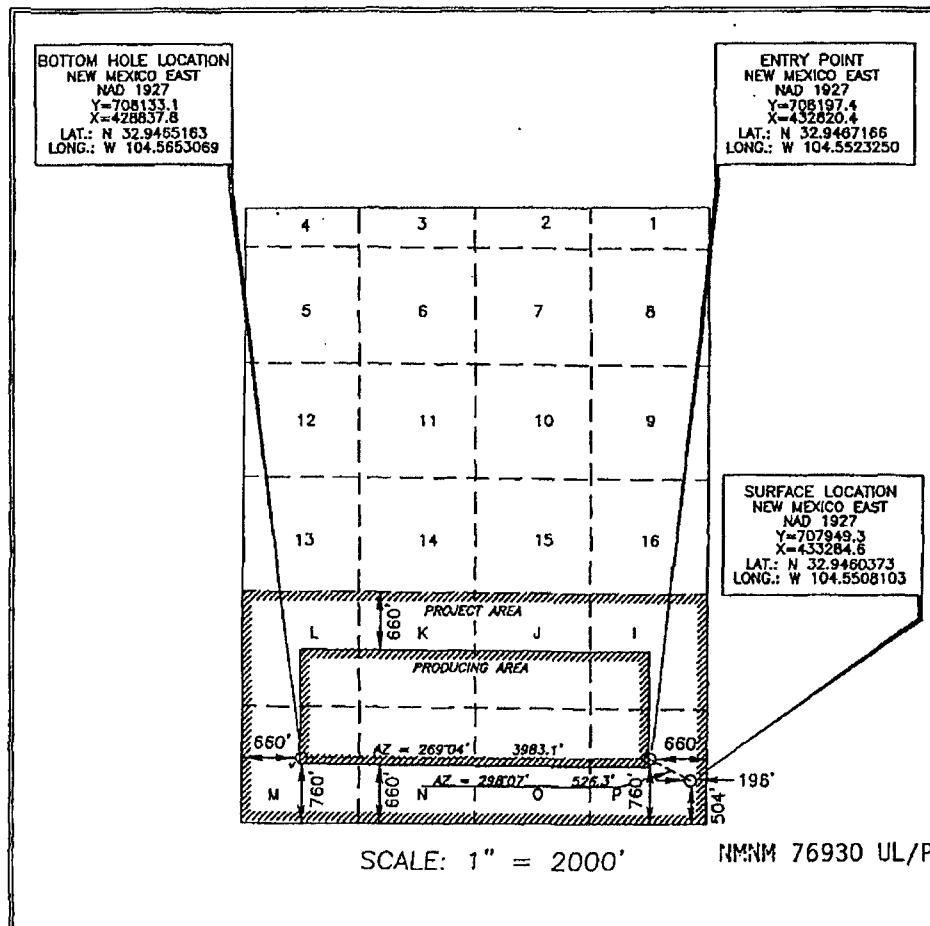
Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	2	16 SOUTH	24 EAST, N.M.P.M.		504	SOUTH	196	EAST	EDDY

Bottom 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
M	2	16 SOUTH	24 EAST, N.M.P.M.		760	SOUTH	660	WEST	EDDY
Dedicated Acres 320		Joint or Infill	Consolidation Code	Order 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.



OPERATOR 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.

Donny G. Glanton 8/15/06
Signature Date

Donny G. Glanton
Printed Name

SURVEYOR 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 and correct to the best of my belief.

JULY 25, 2006
Date of Survey

Signature and Seal of Professional Surveyor

Terry J. Noel 7/3/06
Certificate Number 15079

WOF 060725WL-E (UL)

OFFSETS IN SECTION 2

	D	C	B	A	
	E	F	G	H	
③	L	K ②	J	I ①	
	M	N	O	P	
⑩		⑪		⑫	

Gila CZ