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DATE IN SUSPENSE	ENGNEER	LOGGEDIN	TYPE	

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

	IS CHECKLIST IS MA	NDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE	
мрриса	[NSL-Non-Stan [DHC-Down [PC-Poo	; dard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication] hole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] of Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase] ified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]	
[1]	[A]	PLICATION - Check Those Which Apply for [A] Location - Spacing Unit - Simultaneous Dedication NSL NSP SD One Only for [B] or [C] Commingling - Storage - Measurement DHC DHC CTB PLC PC OLS Injection - Disposal - Pressure Increase - Enhanced Oil Recovery WFX PMX SWD IPI Cother: Specify	
[2]	NOTIFICATI [A] [B] [C] [D] [E] [F]	 ON REQUIRED TO: - Check Those Which Apply, or Does Not Apply Working, Royalty or Overriding Royalty Interest Owners Offset Operators, Leaseholders or Surface Owner Application is One Which Requires Published Legal Notice Notification and/or Concurrent Approval by BLM or SLO U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office For all of the above, Proof of Notification or Publication is Attached, and/or, Waivers are Attached 	
[3]		CURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE TION 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 Munde-Dry	attorney	
Print or Type Name	Signature	Title	Date
		omundsdageh	,lland hart.com

					1
DATE IN SUSPENS	E ENGNEER	LOGGED	N TYPE	APP NO.	

ABOVE THIS LINE FOR DMSION 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

- [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] Discrimination 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,

[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.

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Ocean Munds-Dry	Ocean Munde- Dry	attorney	
Print or Type Name	Signature	Title	Date
		omundsdageh	olland hart.com



Ocean Munds-Dry omundsdry@hollandhart.com

July 2, 2007

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

- RECEIVED
- Re: Application of EOG Resources, Inc. for Administrative Approval of the Simultaneous Dedication of the N/2 of Section 28, Township 17 South, Range 24 East, N.M.P.M., Eddy County, New Mexico to its proposed Trinity A 28 State Well No. 1H and the existing Trinity A 28 State Well No. 2H.

Dear Mr. Fesmire:

EOG Resources, Inc. is the operator of a standard 320-acre spacing unit in the Collins Ranch-Wolfcamp Gas Pool (**Pool Code 75010**) comprised of the N/2 of Section 28, Township 17 South, Range 24 East, N.M.P.M., Eddy County, New Mexico. This spacing unit is dedicated to EOG's Trinity A 28 State Well No. 2H which has been horizontally drilled and produces from the Wolfcamp formation.

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

- A. the existing TRINITY A 28 STATE Well No. 2H (API No. 30-015-35659) horizontally drilled from a surface location 1880 feet from the North line and 660 feet from the East line to a proposed end point or bottomhole location 1880 feet from the North line and 660 feet from the West line of said Section 28; and
- B. the proposed TRINITY A 28 STATE Well No. 1H (API No. 30-015 35680) to be horizontally drilled from a surface location 760 feet from the North line and 660 feet from the East line to a proposed end point or bottomhole location 760 feet from the North line and 660 feet from the West line of said Section 28.

Administrative Application Page 2



Both the penetration point and the bottomhole location for the Trinity A 28 State Well No. 2H 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 Trinity A 28 State Well No. 1H to be drilled to the targeted subsurface endpoint or bottomhole location 760 feet from the North line and 660 feet from the West line (Unit D) of Section 28. 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 <u>**Exhibit** A</u> is a copy of Division Form C-102 for this well that shows the proposed surface and bottomhole location of the well.

Exhibit B is a map of offset operators around the spacing unit in Section 28. **Exhibit C** is a list of affected parties as defined by Division Rules. As required by Rule 1210, a copy of this application (with attachments) has been sent to those affected parties in accordance with Rule 1207(A)(5) and they have been advised that if they have an objection to this application it must be filed in writing with the Division's Santa Fe office within twenty days from the date this notice was sent.

The simultaneous dedication of the N/2 of said Section 28 to the Trinity A 28 State 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,

cen Mund - Dy

Ocean Munds-Dry Attorney for EOG Resources, Inc.



Ocean Munds-Dry Associate omundsdry@hollandhart.com

July 2, 2007

<u>CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

AFFECTED INTEREST OWNERS

Re: Application of EOG Resources, Inc., for simultaneous dedication, Eddy County, New Mexico.

Ladies and Gentlemen:

This letter is to advise you that EOG Resources, Inc. has filed the enclosed application with the New Mexico Oil Conservation Division seeking the simultaneous dedication of the proposed Trinity A 28 State Well No. 1H and the existing Trinity A 28 State Well No. 2H to the N/2 of Section 28, Township 17 South, Range 24 East, NMPM, Eddy County, New Mexico.

As an owner of an interest that may be affected by the proposed well, you may object to this application. Objections must be filed in writing within twenty days from this date at the Division's Santa Fe office that is located at 1220 South Saint Francis Drive, Santa Fe, New Mexico. 87505. If no objection is received within this twenty-day period, this application for an unorthodox well location may be approved.

Very truly yours,

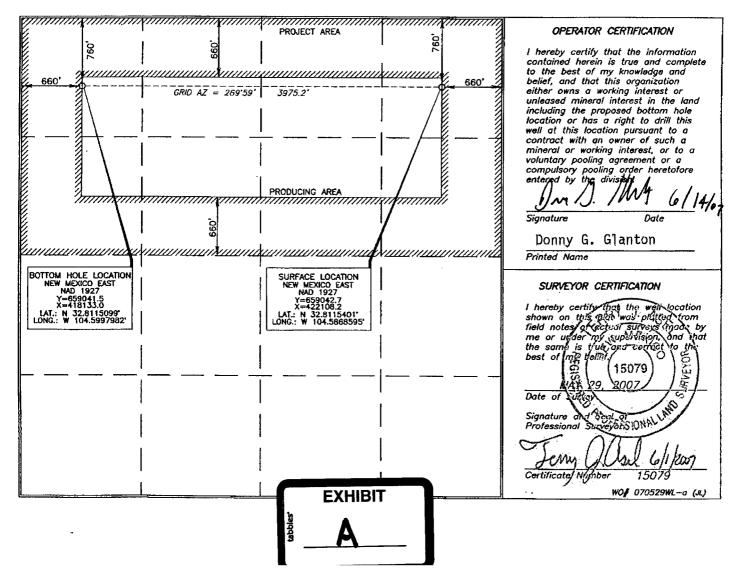
Ocean Munds-Dry ATTORNEY FOR EOG RESOURCES, INC.

District 1 State of New Mexico Form C-102 1625 N. French Dr., Hobbs, NM 88240 Revised October 12, 2005 Energy, Minerals & Natural Resources Department District It Submit to Appropriate District Office 1301 W. Grand Avenue, Artesia, NM 88210 OIL CONSERVATION DIVISION State Lease- 4 Copies District III 1220 South St. Francis Dr. 1000 Rio Brazos Rd., Ažtec, NM 87410 Fee Lease-3 Copies District IV Santa Fe, NM 87505 1220 S. St. Francis Dr., Santa Fe, NM 87505 AMENDED REPORT WELL LOCATION AND ACREAGE DEDICATION PLAT API Number Pool Code Pool Name 30-015- 35680 75010 COLLINS RANCH; WOLFCAMP (GAS)

Ind

Pro 365	perty Coc 34	le			TRINITY	Property "A"		E		Well Number 1H		
	OCRD No. Operator Name 7377 EOG RESOURCES, INC.									Elevation 3791'		
					Şu	irface	Location					
UL or lot no.	Section	Township		R	ange	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
A	28	17 SOUT	I 24	EAST,	N. M. P. M.		760'	NORTH	660'	EAST	EDDY	
	·			Botton	n Hole Loc	ation	lf Differen	t From Sur	face			
H. or lot no.	Section	Township		Ro	ange	Lot idn	Feet from the	North/South line	Feet from the	East/West line	County	
D	28	17 SOUT	I 24	EAST,	N. M. P. M.		760'	NORTH	660'	WEST	EDDY	
Dedicated 320	Acres	Joint or Infill	Consolida	tion Code	Order No.			L	I		<u>-</u>	

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.

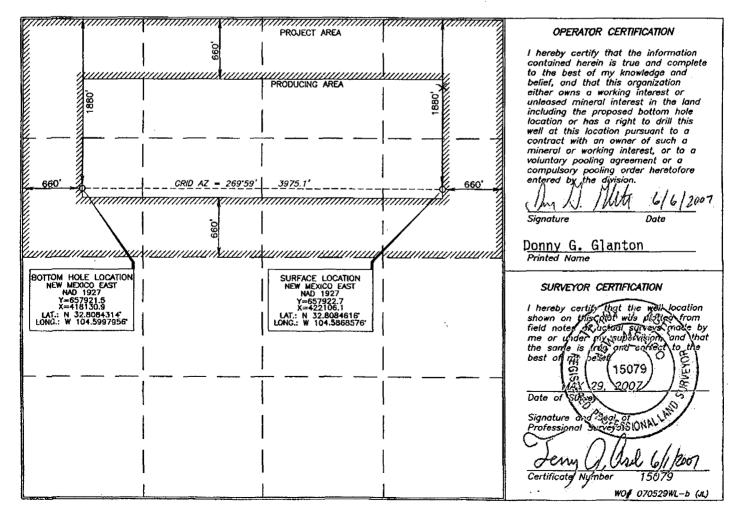


District 1625 N. French Dr., Hobbs, NM 88240 District II Er 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Sonta Fe, NM 87505	nergy, Minerals & Natur OIL CONSERVA 1220 South S Santa Fe	ATION DIVISION St. Francis Dr.	nent Submit	to App	Form C-102 ised October 12, 2005 propriate District Office State Lease- 4 Copies Fee Lease- 3 Copies AMENDED REPORT
	WELL LOCATION AND AC	REAGE DEDICATION PL	AT		
API Number	Pool Code		Pool Name		
30-015-35-659	75010	COLLINS RANCH;	WOLFCAMP	(GAS)	

-									Well Number 2H	
OG	RID No.		Operator Name Elevation							
7377 EOG RESOURCES, INC. 3782'								3782'		
				Su	rface	Location				
UL or lot no.	Section	Township	Ran	je	Lot idn	Feet from the	North/South line	Feet from the	East/West line	County
H	28	17 SOUTH	24 EAST, 1	N. M. P. M.		1880'	NORTH	660'	EAST	EDDY
			Bottom	Hole Loco	ation	lf Differen	t From Sur	face		
IL or lot no.	Section	Township	Rang	je – – –	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	28	17 SOUTH	24 EAST, 1	N. M. P. M.	}	1880'	NORTH	660'	WEST	EDDY
Dedicated	Acres	Joint or Infill	Consolidation Code	Order No.		L		I		

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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.



OFFSETS IN SECTION $\underline{28}$

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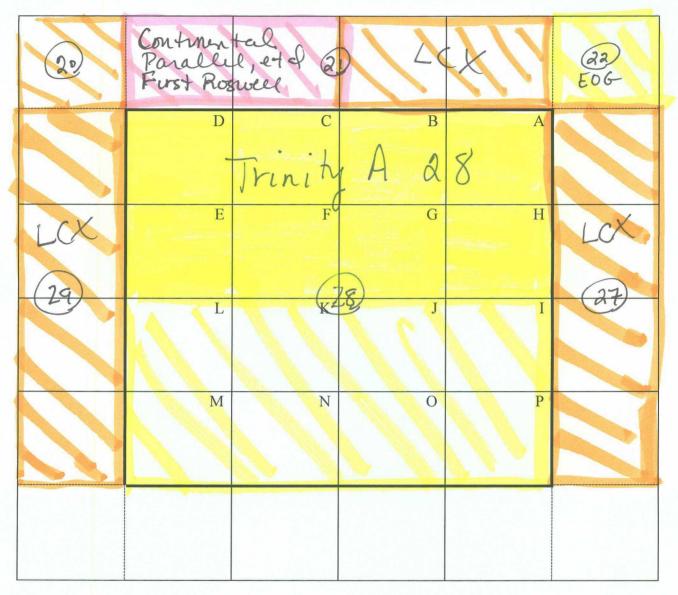




Exhibit C

Application of EOG Resources, Inc. Simultaneous Dedication of N/2 of Section 28, Township 17 South, Range 24 East, NMPM Eddy County, New Mexico

LCX Energy, LLC 101 N. Marenfeld Suite 200 Midland, Texas 79701

. .

Continental Land Resources, LLC P.O. Box 2691 Roswell, NM 88202

Capstone Oil & Gas Company P.O. Box 10187 Midland, Texas 79702

Parallel Petroleum Post Office Box 10587 Midland, TX 79702

Elger Exploration, Inc. P.O. Box 2623 Midland, Texas 79702-2623

CMW Interests, Inc. 24 Smith Road, Suite 405 Midland, Texas 79705

First Roswell Co. P.O. Box 1797 Roswell, New Mexico 88202



Ocean Munds-Dry omundsdry@hollandhart.com

July 2, 2007

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 N/2 of Section 28, Township 17 South, Range 24 East, N.M.P.M., Eddy County, New Mexico to its proposed Trinity A 28 State Well No. 1H and the existing Trinity A 28 State Well No. 2H.

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

- A. the existing TRINITY A 28 STATE Well No. 2H (API No. 30-015-35659) horizontally drilled from a surface location 1880 feet from the North line and 660 feet from the East line to a proposed end point or bottomhole location 1880 feet from the North line and 660 feet from the West line of said Section 28; and
- B. the proposed TRINITY A 28 STATE Well No. 1H (API No. 30-015 35680) to be horizontally drilled from a surface location 760 feet from the North line and 660 feet from the East line to a proposed end point or bottomhole location 760 feet from the North line and 660 feet from the West line of said Section 28.

Administrative Application Page 2



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Your attention to this application is appreciated.

Sincerely,

cen Mundy - 121

Ocean Munds-Dry Attorney for EOG Resources, Inc.



Ocean Munds-Dry Associate omundsdry@hollandhart.com

July 2, 2007

<u>CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

AFFECTED INTEREST OWNERS

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Very truly yours,

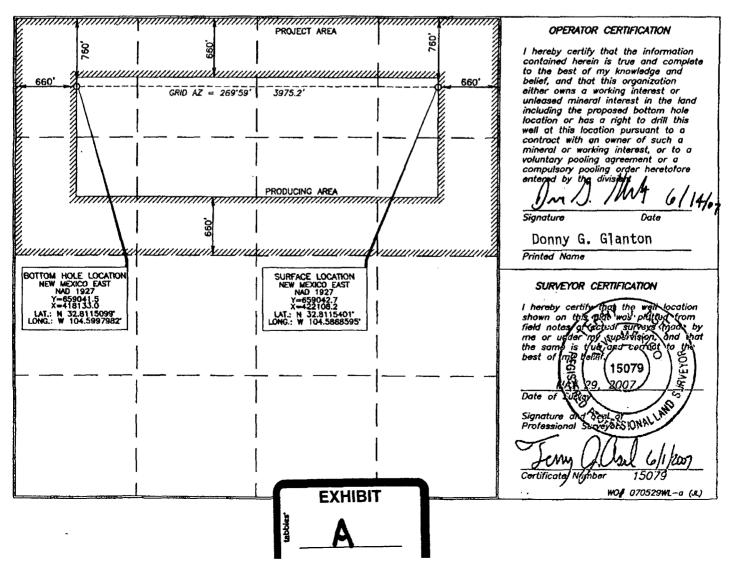
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Ocean Munds-Dry ATTORNEY FOR EOG RESOURCES, INC.

District II 1301 W. G District II 1000 Rio I District IV	kand Ave Brazos R	mue, Arti d., Aztec	, NM 88240 osia, NM 882 ; NM 87410 into Fe, NM i	10 87505		erals & No OIL CONSE 1220 Sout Santa I	atural RVAT h St. Fe, N	ION DIVISIO Francis [M 87505		Submit	to Approp Sto Fe	d Octobe priate Dis ite Lease	orm C-102 r 12, 2005 strict Office → 4 Copies - 3 Copies REPORT
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30-015	30-015-35680 75010 COLLINS RANCH; WOLFCAMP (GAS)							GAS)					
Property Code Property Name Weil Number								eli Number					
	534 TRINITY "A" 28 STATE 1H							1H					
0	OCRID No. Operator Name Elevation								Elevation				
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						Sur	face	Location					
UL or lot no.	Section	T	ownship	1	Ran				North/South line	Feet from the	East/Wes	t line	County
A	28	17	SOUTH	24	EAST, I	N. M. P. M.		760'	NORTH	660'	EA	ST	EDDY
					Bottom	Hole Loco	ition	If Differen	t From Sur	face	<u> </u>		•=
UL or lat no.	Section	T	ownship	1	Rang				North/South line		East/Wes	t line	County
D	28	17	SOUTH	24	EAST, I	N. M. P. M.		760'	NORTH	660'	WE	ST	EDDY
Dedicated 320	Acres	Joint	or infill	Consolido	ation Code	Order No.	<u> </u>			<u> </u>		······	L

<u>к</u> . . .

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.



District II 1301 W. C District IX 1000 Rio District IV	1625 N. French Dr., Hobbs, NM 88240 Energy, Minerals & Natural Resources Department District II Energy, Minerals & Natural Resources Department 1301 W. Grand Avenue, Artesia, NM 88210 OiL CONSERVATION DIVISION District IN 1220 South St. Francis Dr., District IV Santa Fe, NM 87505								ent Submit	to Approp Sta Fa	d Octobe priate Dis nte Lease	rm C-102 r 12, 2005 trict Office - 4 Copies - 3 Copies REPORT	
·	WELL LOCATION AND ACREAGE DEDICATION PLAT												
API Number Pool Code Poot Name 30.015-35659 75010 COLLINS RANCH; WOLFCAMP (GAS)													
Property Code Property Name								·	We	1 Number			
365	34					TRINITY	"A"	28 STAT	Е				2H
1	OGRID No. Operator Name Elevation												
7377						EOG RES	SOUR	CES, INC	<i>C</i>			3	3782'
						Sur	face	Location					
UL or lot no.	. Section	To	ownship		Ra	nge	Lot idn	Feet from the	North/South line	Feet from the	East/Wes	t line	County
H	28	17	SOUTH	24	EAST,	N. M. P. M.		1880'	NORTH	660'	EA	ST	EDDY
					Bottom	Hole Loco	ition	lf Differen	t From Sur	face			
UL or lot no.	. Section	To	winship			nge			North/South line		East/Wes	t line	County
E	28	17	SOUTH	24	EAST,	N.M.P.M.		1880'	NORTH	660'	WE	ST	EDDY
Dedicated	d Acres	Joint	or Infill	Consolide	ation Code	Order No.				·			
320													
No allowa	hla will	ho or	minned to	this or	molation	until all inter	acto h	ave been ee	peolidated or	a and stand	and unit h	an haan	approved by the

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.

ymmnym L	PROJE	CT AREA		OPERATOR CERTIFICATION
			con to	ereby certify that the information tained herein is true and complete the best of my knowledge and ef, and that this organization
		ING AREA	eith unle incli incli incli incli incli well min well com min volu	er, one that and operating interest or eased mineral interest in the land uding the proposed bottom hole attion or has a right to drill this at this location pursuant to a tract with an owner of such a eral or working interest, or to a ntary pooling order heretofore pulsory pooling order heretofore erad by the division.
<u> </u>	<u></u>			n J. MUT 6/6/2007 nature Date
			Don	ny G. Glanton ted Name
BOTTOM HOLE LOCATION NEW MEXICO EAST Y=657931.5 X=418130.9 LAT.: N 32.8084314* LONC.: W 104.5997956*	NEW N Y= LAT.: N	CE LOCATION MEXICO EAST 40 1927 457922.7 422108.1 1 32.8084616 1 104.5868576	I he shoi field me the best	SURVEYOR CERTIFICATION maby certify that the well location when on this choir will plater from notes deligned suffrage make by or under present suffrage make by or under present suffrage to the of the patient of the patient the patient of the patient patient of the patient of the patient of the patient patient of the patient of the patien
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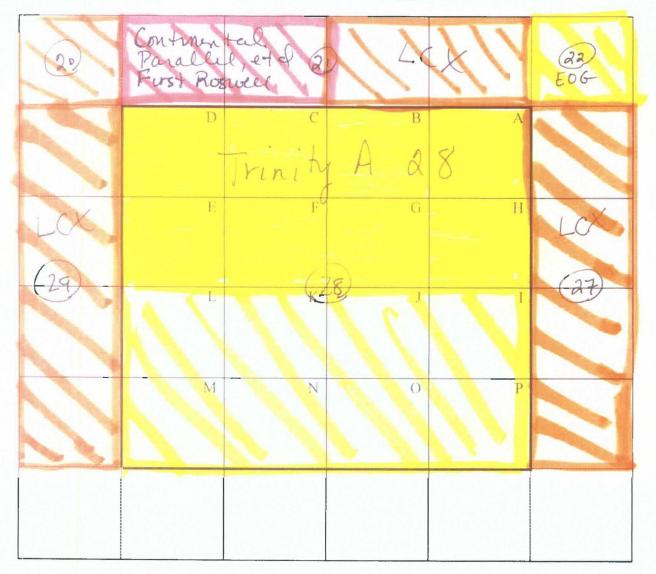




Exhibit C

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LCX Energy, LLC 101 N. Marenfeld Suite 200 Midland, Texas 79701

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