

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

**APPLICATION OF EOG RESOURCES, INC.
FOR TWO NON-STANDARD SPACING AND
PRORATION UNITS AND COMPULSORY POOLING,
AND APPROVAL OF AN UNORTHODOX WELL LOCATION,
LEA COUNTY, NEW MEXICO.**

CASE NOS. 15346 AND 15347

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by EOG Resources, Inc. ("EOG") as required by the Oil Conservation Division Rule 19.15.4.13.B.

APPEARANCES

APPLICANT

EOG Resources, Inc.
5509 Champions Dr.
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APPLICANT'S ATTORNEY

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APPLICANT'S STATEMENT OF CASE

EOG seeks an order (1) creating two 160-acre spacing and proration unit comprised of the W/2 W/2 and E/2 W/2 of Section 10, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico; (2) pooling all mineral interests in the Wolfcamp formation (WC-025 G-09 S253402N (98116)) underlying this acreage; and (3) approving an unorthodox well location for its **Osprey 10 No. 701H Well**.

EOG proposes to dedicate the non-standard spacing and proration unit located in the W/2 W/2 of Section 10 as the project area for its proposed **Osprey 10 No. 701H Well** (API No. 30-025-42383), which will be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) to a bottom hole location in SW/4 SW/4 (Unit M) of Section 10. The completed interval for this well will commence 330 feet from the North line, 1060 feet from the West line (Unit D) to a location 330 feet from the South line, 1060 feet from the West line (Unit M). The proposed **Osprey 10 No. 701H Well** will be unorthodox because the completed interval for this well will be closer than 330 feet to the unit boundary as required by Rule 19.15.15.9(A). Specifically, it encroaches on the spacing and proration units to the Northeast, East, and Southeast of Section 10.

EOG proposes to dedicate the non-standard spacing and proration unit located in the E/2 W/2 of Section 10 as the project area for its proposed **Osprey 10 No. 702H** (API No. 30-025-42382), which will be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) to a bottom hole location in SE/4 SW/4 (Unit N) of Section 10. The completed interval for this well will commence and remain within the 330-foot standard offset required by the Statewide Rules set forth in 19.15.15 NMAC.

APPLICANT'S PROPOSED EVIDENCE


WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Matthew Phillips, Petroleum Landman	Approx. 10 minutes	Approx. 5
Keith Trasko, Petroleum Geologist	Approx. 10 minutes	Approx. 4

PROCEDURAL MATTERS

EOG requests that Cases 15346 and 15347 be consolidated for hearing.

Respectfully submitted,

HOLLAND & HART, LLP

A handwritten signature in black ink, appearing to read "Michael H. Feldewert", is written over a horizontal line.

Michael H. Feldewert

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