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

IN THE MATTER OF THE APPLICATION OF EOG RESOURCES, INC. FOR A NON-STANDARD SPACING AND PRORATION UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.



PRE-HEARING STATEMENT

This pre-hearing statement in submitted by applicant as required by the Oil Conservation Division.

APPEARANCES

<u>APPLICANT</u>

APPLICANT'S ATTORNEY

EOG Resources, Inc.

Michael H. Feldewert Adam G. Rankin Holland & Hart, LLP Post Office Box 2208 Santa Fe, New Mexico 87504-2208 (505) 988-4421 (505) 983-6043 Facsimile

OPPONENT

OPPONENT'S ATTORNEY

None at this time.

APPLICANT'S STATEMENT OF CASE

EOG Resources, Inc. ("EOG") seeks an order (1) creating a non-standard 160-acre, more or less, spacing and proration unit comprised of the S/2 S/2 of Section 1, Township 18 South, Range 29 East, NMPM, Eddy County, New Mexico; and (2) pooling all mineral interests in the Bone Spring formation underlying this acreage to

form a 160-acre, more or less, project area in this formation. EOG proposes to dedicate the above-referenced spacing and proration unit as the project area for its Sand Tank "1" Fed Com 3H Well, which was horizontally drilled from a surface location 560 feet from the South line and 240 feet from the East line (Unit P) to a bottom hole location 660 feet from the South line and 330 feet from the West line (Unit M) of Section 1. The completed interval for this well will be at a standard location as required by the rules.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Dan McCright, Petroleum Landman	Approx. 15 mins.	Approx. 4
Bill Morris, Petroleum Geologist	Approx. 15 mins.	Approx. 4

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART, LLP

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