

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

APPLICATION OF EOG RESOURCES FOR APPROVAL OF A 472-ACRE NON-STANDARD PROJECT AREA COMPRISED OF ACREAGE SUBJECT TO A PROPOSED COMMUNITIZATION AGREEMENT, LEA COUNTY, NEW MEXICO.

CASE NO. 15584

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.
Midland, TX 79706

APPLICANT'S ATTORNEY

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APPLICANT'S STATEMENT OF CASE

EOG seeks an order approving an approximately 472-acre non-standard project area in the Wolfcamp formation comprised of acreage subject to a proposed Communitization Agreement covering the W/2 of Section 25 and the NW/4 (W/2 equivalent) of irregular Section 36, Township 26 South, Range 33 East, NMPM Lea County, New Mexico. EOG is the only working interest owner in a federal lease

covering the W/2 of Section 25 and a state lease covering the NW/4 (W/2 equivalent) of irregular Section 36, which borders the State of Texas.

EOG has drilled and is ready to complete the following horizontal wells in the WC-025 G-09 S263327G; Upper Wolfcamp pool (Pool Code 98097) underlying the subject acreage:

- The Endurance 36 State Com #701H (30-025-42984) and #704H (30-025-43015) in the W/2 W/2 of Section 26 and the W/2 NW/4 of irregular Section 36; and
- The Endurance 36 State Com #705H (30-025-43227) and #706H (30-025-432281) in the E/2 W/2 of Section 26 and the E/2 NW/4 of irregular Section 36.

This drilling program has resulted in development of each of the 40-acre tracts comprising the proposed non-standard project area.

EOG seeks to minimize surface disturbance by consolidating facilities and commingling production from existing and future wells in the subject area. The New Mexico State Land Office and the BLM has informed EOG that they will approve a Communitization Agreement covering all of the subject acreage. However, in order to dedicate the existing wells to the acreage subject to the proposed Communitization Agreement, EOG requires approval from the Division to treat the subject acreage as a single project area.

Pursuant to Rule 19.15.16.15.E, EOG has provided notice of this application to the affected persons in the 40-acre spacing units located in the State of New Mexico that adjoin the proposed 472-acre project area.

APPLICANT'S PROPOSED EVIDENCE

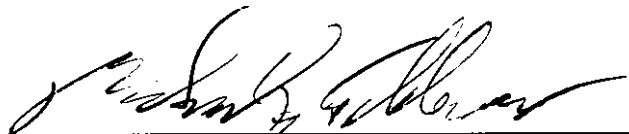
WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Paul Boland Petroleum Landman	Approx. 10 minutes	Approx. 5
Lauren Storm Petroleum Geologist	Approx. 10 minutes	Approx. 3

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART, LLP



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