

**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
COMPULSORY POOLING AND
HORIZONTAL DRILLING, EDDY
COUNTY, NEW MEXICO.**

CASE NO. 13982

AFFIDAVIT OF CARL A. SCHELLINGER

STATE OF NEW MEXICO)
) ss.
COUNTY OF CHAVES)

I, Carl A. Schellinger, being first duly sworn on oath, states as follows:

1. My name is Carl A. Schellinger. I reside in Roswell, New Mexico. I am an independent landman and have been working with EOG Resources, Inc. ("EOG") with regard to the status of the lands in Irregular Section 4, Township 16 South, Range 25 East, NMPM, Eddy County, New Mexico.

2. EOG seeks an order pooling certain interest owners in the a non-standard 224.56-acre spacing unit in the Wolfcamp formation, Cottonwood Creek-Wolfcamp Gas Pool, comprised of Lots 1 through 8 of Irregular Section 4.

3. EOG owns a working interest in this non-standard spacing unit comprised of Lots 1 through 8 of Irregular Section 4 and has dedicated this spacing unit to its Meramec "A" 4 Fee Well No. 1H to be drilled as a horizontal well from a surface location 918 feet from the North line and 200 feet from the East line (Lot 8) and then drilled in a westerly direction in the Wolfcamp formation to a terminus at a standard bottom hole location 898 feet from the North line and 660 feet from the West line (Lot 5) of Irregular Section 4. Attachment A is a plat of the subject lands showing the proposed spacing unit and the well location.

4. The proposed spacing unit consists of 224.56 acres of fee. Attachment B sets out the nature and percentage of the ownership interests in the subject spacing unit

5. All mineral owners in the project area have voluntarily agreed to pool their interests except for Mr. William F. Lawless the owner of an undivided 1/2 mineral interest in Lots 1 and 8 and the East 631 feet of Lots 2 and 7 of the subject spacing unit. This represents an 18.567420733% interest in the spacing unit. This application has

been instituted solely to pool the working interest of Mr. Lawless in this spacing unit.

6. EOG has conducted a diligent effort to reach a voluntary agreement for the inclusion of Mr. Lawless' lands in the subject spacing unit. On behalf of McBride Oil and Gas Corporation, a participant with EOG under the proration unit, I was able to obtain a lease from Mr. Lawless's sister, Ms. Kathy A. Lawless McCullough, who owns the other 1/2 mineral interest. I also tried to obtain a lease from Mr. Lawless. When Mr. Lawless indicated that he may want to join in the well, I furnished him a copy of our authorization for expenditure ("AFE"). He later indicated he would enter into an agreement with EOG/McBride whereby he would be in the same position as would be awarded by the OCD in a force pooling action. A Joint Operating Agreement and letter agreement to accomplish this request was prepared. The documents were delivered to Mr. Lawless's attorney, Mr. Derek V. Larson at Sutin, Thayer & Browne, P.C. in Albuquerque.

7. By letter dated July 23, 2007, Mr. Larson informed me that Mr. Lawless had decided not to join the well, and instead preferred that his interest be force pooled. Attachment C is a copy of that letter.

8. EOG was subsequently contacted by Mr. Larson, who directed that all correspondence concerning this compulsory pooling application be directed to him and not to Mr. Lawless.

9. Following receipt of EOG's Pre-Hearing Statement, Mr. Larson contacted EOG and advised that Mr. Lawless did not oppose the pooling application and would not appear at the September 6, 2007 Examiner Hearing on this application.

10. EOG requests that these interests be pooled and EOG Resources, Inc. be designated operator of the well and the non-standard spacing unit/ project area.

11. EOG proposes overhead charges (combined fixed rates) of \$4500 per month while drilling and \$450 per month while producing.

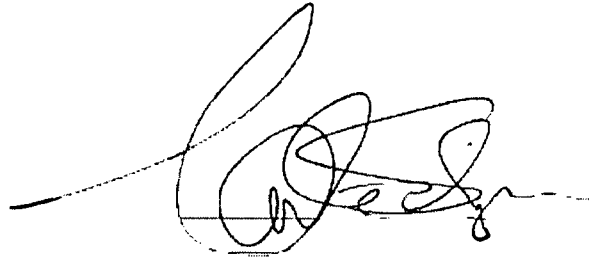
12. Attachment D is a copy of the AFE for this well.

13. Attachment E is an affidavit of publication showing notice of this hearing was given pursuant to Division rules.

14. Approval of this application will avoid the drilling of unnecessary wells, will prevent waste, will protect correlative rights, and allow EOG and the other interest owners in Lots 1 through 8 of Irregular Section 4 an opportunity to obtain their just and fair share of the oil and gas under the subject lands.

FURTHER AFFIANT SAYETH NOT

[signature on next page]



SUBSCRIBED AND SWORN before me on this 4th day of September, 2007 by Carl A. Schellinger.



Patricia L. Pruitt
Notary Public

My Commission Expires:
June 18, 2009

3758425_1.DOC

District I
1825 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

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		Pool Code		Pool Name		
Property Code		Property Name MERAMEC "A" 4 FEE				Well Number 1H
OGRID No.		Operator Name EOG RESOURCES, INC.				Elevation 3483'

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
8	4	16 SOUTH	25 EAST, N.M.P.M.		918'	NORTH	200'	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
5	4	16 SOUTH	25 EAST, N.M.P.M.		898'	NORTH	680'	WEST	EDDY
Dedicated Acres		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.

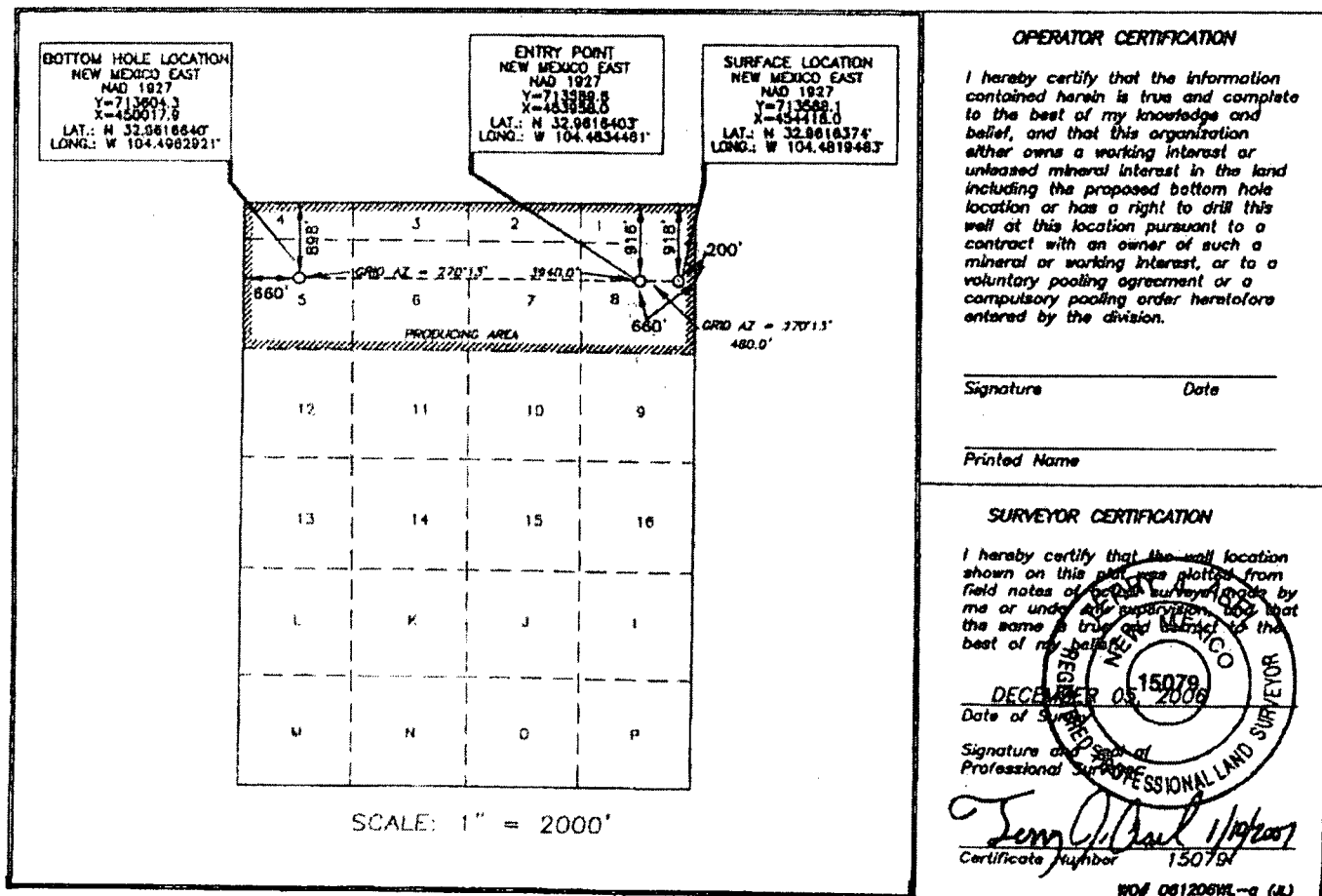


EXHIBIT "A"

Attached to and made a part of that certain Operating Agreement dated July 1 2007, by and between
EOG Resources, Inc. and LCX Energy, LLC et al, as Non-Operators.

1. DESCRIPTION OF LANDS SUBJECT TO THIS AGREEMENT:

Lots 1-8, Section 4, Township 16 South, Range 25 East, containing 224.56 acres,
Eddy County, New Mexico

2. RESTRICTIONS, IF ANY, AS TO DEPTHS, FORMATIONS, OR SUBSTANCES;

From the surface of the earth down to 200' below the stratigraphic equivalent of the shale marker
found at a depth of 4,918' as identified by the Schlumberger Compensated Neutron Density Log
for the Mesa Petroleum Co., Catclaw State No. 1 Well, located 1980' FNL and 1980' FEL of
Section 31, Township 17 South, Range 24 East, N.M.P.M., Eddy County, New Mexico.

3. PARTIES TO THIS AGREEMENT:

EOG Resources, Inc.
Attention: Rick Lanning
P. O. Box 2267
Midland, Texas 79702

Telephone: 432/686-3730
Fax: 432/686-3773

LCX Energy, LLC
Attention: Larry L. Schulz
110 N. Marienfeld, Suite 200
Midland, Texas 79702-14412

Telephone: 432/262-4042
Fax: 432/687-5874

Capstone Oil & Gas Company, LP
Attention: Dale Douglas
P. O. Box 10187
Midland, Texas 79702

Telephone: 432/682-5565
Fax: 432/682-4498

CMW Interests, Inc.
Attention: Mark Wheeler
24 Smith Road #405
Midland, Texas 79705

Telephone: 432/349-6267
Fax: 432/224-1065

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

Telephone: 432/687-2623
Fax: 432/682-4498

McBride Oil & Gas Corporation
Attention: Carl Schellinger
P. O. Box 447
Roswell, New Mexico 88202-0447

Telephone: 505/_____
Fax: 505/_____

4. PERCENTAGES OR FRACTIONAL INTEREST OF PARTIES TO THIS AGREEMENT:

OWNER	WORKING INTEREST
EOG Resources, Inc.	47.2245725%
LCX Energy, LLC	21.1856519%
Capstone Oil & Gas Company, LP	03.1155371%
CMW Interests, Inc.	00.3115537%
Elger Exploration, Inc.	00.3115537%
McBride Oil & Gas Corporation	27.8511311%

5. **OIL AND GAS LEASES AND/OR OIL AND GAS INTERESTS SUBJECT TO THIS AGREEMENT CONTRIBUTED BY EOG RESOURCES, INC.**

1. EOG Lease No. 88088-004
Date: July 13, 2004
Lessor: C. Leo Graves, dealing in his sole and separate property
Lessee: Chalfant Properties, Inc.
Recorded: Eddy County Records Book 562, page 0429
Lands Covered: Township 16 South, Range 25 East, NMPM
Section 04: West 29.23 acres of Lots 2 and 7
Among other lands not subject in this agreement
2. EOG Lease No. 88088-005
Date: July 13, 2004
Lessor: Toby B. Graves, dealing in his sole and separate property
Lessee: Chalfant Properties, Inc.
Recorded: Eddy County Records Book 561, page 0143
Lands Covered: Township 16 South, Range 25 East, NMPM
Section 04: West 29.23 acres of Lots 2 and 7
Among other lands not subject in this agreement
3. EOG Lease No. 88088-006
Date: July 13, 2004
Lessor: Patsy Graves Hampton, dealing in her sole and separate property
Lessee: Chalfant Properties, Inc.
Recorded: Eddy County Records Book 562, page 0425.
Lands Covered: Township 16 South, Range 25 East, NMPM
Section 04: West 29.23 acres of Lots 2 and 7
Among other lands not subject in this agreement
4. EOG Lease No. 88688-001
Date: May 7, 2004
Lessor: Double L Farms, a partnership
Lessee: Chalfant Properties, Inc.
Recorded: Eddy County Records Book 556, page 0801 and as amended and recorded in Eddy County Records Book 568, page 0057
Lands Covered: Township 16 South, Range 25 East, NMPM
Section 04: Lots 3, 4, 5, 6
Among other lands not subject in this agreement

7. **OIL AND GAS LEASES AND/OR OIL AND GAS INTERESTS SUBJECT TO THIS AGREEMENT CONTRIBUTED BY LCX Energy, LLC, CAPSTONE OIL & GAS COMPANY, LP, CMW INTERESTS, INC. AND ELGER EXPLORATION, INC.**

1. Date: April 14, 2004
- Lessor: Roy Ingram Company, Inc, and Roy E. Ingram, Individually and as Agent and Attorney-In-Fact for Alma Ingram
- Lessee: Shaw Interests, Inc.
- Recorded: Eddy County Records Book 554, page 798
- Lands Covered: Township 16 South, Range 25 East, NMPM
 Section 04: Lots 3, 4, 5 and 6
 Among other lands not subject in this agreement

8. **OIL AND GAS LEASES AND/OR OIL AND GAS INTERESTS SUBJECT TO THIS AGREEMENT CONTRIBUTED BY McBRIDE OIL & GAS CORPORATION.**

1. Date: October 14, 2004
- Lessor: Kathy A. Lawless McCullough, dealing in her separate property
- Lessee: McBride Oil & Gas Corporation
- Recorded: Eddy County Records Book 581, page 604
- Lands Covered: Township 16 South, Range 25 East , NMPM
 Section 04: Lots 1 and 8 and East 631 feet of Lots 2 and 7, containing
 83.39 acres, more or less.
 Among other lands not subject in this agreement

SUTIN THAYER & BROWNE
A PROFESSIONAL CORPORATION
LAWYERS

IRWIN S. MOISE (1906-1984)
LEWIS R. SUTIN (1908-1992)
FRANKLIN JONES (1919-1994)
RAYMOND W. SCHOWERS (1948-1995)
GRAHAM BROWNE (1935-2003)
MICHAEL G. SUTIN (OF COUNSEL)
BENJAMIN ALLISON
C. SHANNON BACON
PAUL BARDACKE
JAMES E. BRISTOL III
ANNE P. BROWNE
SUZANNE WOOD BRUCKNER
CRISTY J. CARBON-GAUL
MARK CHAIKEN
SUSAN G. CHAPPELL
MARIA MONTOKA CHAVEZ
SAUL COHEN

MICHAEL J. GOLDEN
GAIL GOTTLIEB
ANDREA R. GUENDELMAN
SUSAN M. HAPKA
HELEN HECHT
JAY D. HERTZ
ROBERT G. HEYMAN
CHRISTOPHER A. HOLLAND
HENRY A. KELLY
KERRY KIERNAN
PETER S. KIERST
RACHEL S. KING
ANDREW P. KNIGHT
TWILA B. LARKIN
DEREK V. LARSON
C. JOSEPH LENNIHAN

STEVAN DOUGLAS LOONEY
ELIZABETH J. MEDINA
VICTOR P. MONTOKA
JEAN C. MOORE
SARITA NAIR
MICHELLE K. OSTRYE
JAY D. ROSENBLUM
FRANK C. SALAZAR
RONALD SEGEL
RAY SHOLLENBARGER
ANDREW J. SIMONS
JEANNE Y. SOHN
TRAVIS R. STEELE
NORMAN S. THAYER
BENJAMIN E. THOMAS
CHRISTINA S. WEST

TWO PARK SQUARE
6565 AMERICAS PARKWAY, N.E.
ALBUQUERQUE, NEW MEXICO 87110
POST OFFICE BOX 1945
ALBUQUERQUE, NEW MEXICO 87103
505-883-2500
FAX 505-888-8585

317 PASEO DE PERALTA
SANTA FE, NEW MEXICO 87501
POST OFFICE BOX 2187
SANTA FE, NEW MEXICO 87504
505-988-5521
FAX 505-982-5297

WWW.SUTINFIRM.COM

July 23, 2007

Via U.S. Mail

Carl A. Schellinger
McBride Oil and Gas Corporation
P.O. Box 447
Roswell, NM 87202-0447

JUL 25 2007

CARL SCHELLINGER
OIL PROPERTIES


Meramec A 4 Fee #1H

Dear Mr. Schellinger:

It was a pleasure speaking with you today regarding the proposed Meramec A 4 Fee #1H well. After considering the form of Joint Operating Agreement proposed by EOG, Mr. Lawless has decided not to join in said agreement and prefers, instead, to follow New Mexico's compulsory pooling procedure. You may forward a copy of the application and all other correspondence related thereto to my attention at the address listed above.

Very truly yours,

SUTIN, THAYER & BROWNE
A Professional Corporation

By 
Derek V. Larson
Albuquerque Office

DVL:tlis
1002200.doc
cc: William Lawless

Scanned

ATTACHMENT C



MIDLAND

Printed: 08/19/2007

AFE No.	103547	Original
Property No.	043036-000	
EOG W.L.(BCP)	47.2245725%	(ACP)47.2245725%
EOG AFE Amt:	(Drig)	\$477,346
	(Completion)	\$440,558
	Total Cost	\$917,904

AFE Type : DEVELOPMENT DRILLING	AFE Name : MERAMEC A 4 FEE #1H D&C	AFE Date : 04/18/2007	Budget Year : 2007
Reg. Lease No. :	Prospect Name : THAMES	TVD / MD : 9000 / 9000	Begin Date :
Location : Section 4-T18S-R25E, 918 FNL & 200 FEL BN(LATERAL #1): Section 4-T18S-R25E, 888 FNL & 660 FWL		Formation :	DD&A Field :
Operator : EOG RESOURCES, INC	County & State : EDDY NEW MEXICO	Field : COTTONWOOD CREEK	Water Depth :
AFE Description : Meramec A 4 Fee #1H D&C a vertical hole to KOP and then drilling a 4,000' lateral in the Wolfcamp. Funds include 12 days to reach TD and two days to run and cement the 5-1/2" production casing.			Product : GAS Days : 0 / 0

DESCRIPTION	SUB ACT	DRILLING	COMPLETION	TOTAL
ACCESS LOCATION,ROADS & SURVEY	401	150,000	2,500	152,500
RIG MOVE	402	85,000	0	85,000
DAY WORK COST 12 / 2 DAYS @ \$18,500 / \$18,500	404	222,000	37,000	259,000
BLTS & BHA	405	65,000	6,000	71,000
FUEL 12 / 2 DAYS @ \$2,200 / \$2,200	406	26,400	4,400	30,800
WATER	407	20,000	32,000	52,000
MUD & CHEMICALS	408	60,000	0	60,000
CEMENTING & SERVICE	409	40,000	65,000	105,000
COMP-OPEN HOLE LOGGING & TEST	411	0	11,500	11,500
MUD LOGGING 11 DAYS @ \$950	412	10,500	0	10,500
COMP-PERFORATING	413	0	50,000	50,000
COMP-STIMULATION	414	0	335,000	335,000
TRANSPORTATION	415	15,000	15,000	30,000
DRILLING OVERHEAD 14 / 10 DAYS @ \$250 / \$200	416	3,500	2,000	5,500
EQUIPMENT RENTAL	417	85,000	25,000	110,000
COMP-COMPLETION RIG 7 DAYS @ \$3,500	418	0	24,500	24,500
OTHER DRILLING EXPENSE	419	16,000	20,000	36,000
ENVIRONMENTAL & SAFETY CHARGES	421	4,000	1,500	5,500
DIRECTIONAL DRILLING 8 DAYS @ \$10,500	422	84,500	0	84,500
SUPERVISION 16 / 15 DAYS @ \$1,300 / \$1,000	424	20,800	15,000	35,800
COMMUNICATIONS 14 DAYS @ \$150	431	2,100	0	2,100
TUBULAR INSPECTION/HANDLING	436	25,000	0	25,000
COMP-SPECIALTY SERVICES	441	0	20,000	20,000
WIRELINE SERVICES	442	10,000	5,500	15,500
DISPOSAL COSTS	447	10,000	20,000	30,000
TITLE OPINION-DRILL SITE	453	10,000	5,000	15,000
TOTAL INTANGIBLES		\$974,800	\$696,900	\$1,671,700

	UOM	QTY	SIZE	GRADE	RATE			
SURFACE CASING	FEET	1,000	8.825	J-55	24.00	102	24,000	0
COMP-PRODUCTION CASING	FEET	9,000	5.5	N-80	14.00	104	0	126,000
COMP-TUBING			2.375	L80		106	0	30,000
WELLHEAD EQUIPMENT						107	12,000	12,000
COMP-FLOW LINES						108	0	25,000
COMP-VALVES & FITTINGS						110	0	10,000
COMP-OTHER EQUIPMENT						116	0	23,000
COMP-CONSTRUCTION COST						122	0	10,000
TOTAL TANGIBLES							\$36,000	\$236,000
TOTAL COST							\$1,010,800	\$932,900
								\$1,943,700

By	Date	By	Date
By	Date	By	Date
JOINT OPERATOR APPROVAL			
Firm	By	Title	Date

**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
COMPULSORY POOLING AND
HORIZONTAL DRILLING, EDDY
COUNTY, NEW MEXICO.**

CASE NO. 13982

AFFIDAVIT

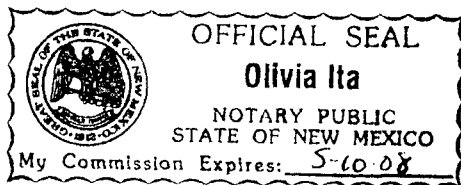
STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

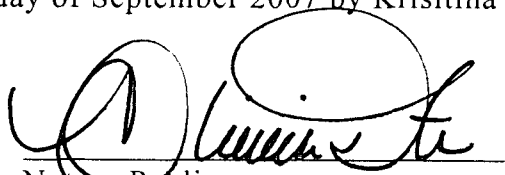
Kristina Martinez, attorney in fact and authorized representative of EOG Resources, Inc., the applicant herein, being first duly sworn, upon oath, states that the attached letter providing notice in the above-referenced application was mailed to Mr. William F. Lawless, owner of the undivided 1/2 mineral interest in Lots 1 and 8 and the East 631 feet of Lots 2 and 7 of the subject spacing unit. Mr. Lawless was advised that as an owner of an interest that may be affected by this application, he was permitted to appear and present testimony at the September 6, 2007 hearing on the application.



Kristina Martinez

SUBSCRIBED AND SWORN to before me this 5th day of September 2007 by Krisitina Martinez.





Notary Public

My Commission Expires: 5-10-08

HOLLAND & HART LLP



William F. Carr
wcarr@hollandhart.com

August 10, 2007

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. William F. Lawless
c/o Derek V. Larson
Sutin, Thayer & Browne
Post Office Box 1945
Albuquerque, New Mexico 87103-1945

Re: Application of EOG Resources, Inc. for compulsory pooling and horizontal drilling, Lots 1-8 of irregular Section 4, Township 16 South, Range 25 East, NMPM, 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 an order compulsory pooling a previously approved 224.56-acre non-standard spacing and proration unit comprised of Lots 1-8 of irregular Section 4, Township 16 South, Range 25 East, NMPM Eddy County, New Mexico for the purpose of drilling its Meramec "A" 4 Fee Well No. 1H as a horizontal well from a surface location 918 feet from the North line and 200 feet from the East line (Lot 8) and in a westerly direction in the Wolfcamp formation to a terminus at a standard bottom hole location 898 feet from the North line and 660 feet from the West line (Lot 5) of irregular section 4.

This application has been set for hearing before a Division Examiner at 8:15 AM on September 6, 2007. The hearing will be held in Porter Hall in the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 1208.B to file a Pre-Hearing Statement with the Oil Conservation Division's Santa Fe office, four days in advance of a scheduled hearing, but at least on the Thursday preceding the hearing. This statement must include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

Very truly yours,

William F. Carr
Attorney for BP America Production Company

Holland & Hart LLP

Phone [505] 988-4421 Fax [505] 983-6043 www.hollandhart.com

110 North Guadalupe Suite 1 Santa Fe, NM 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208

Denver Aspen Boulder Colorado Springs Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Salt Lake City Santa Fe Washington, D.C. ☪

Affidavit of Publication

NO. 19873

STATE OF NEW MEXICO

County of Eddy:

GARY D. SCOTT being duly

sworn, says: That he is the PUBLISHER of The

Artesia Daily Press, a daily newspaper of general circulation, published in English at Artesia, said county and county and state, and that the here to attached

Legal Notice

was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for

1 Consecutive week/days on the same

day as follows:

First Publication August 10, 2007

Second Publication

Third Publication

Fourth Publication

Fifth Publication

Subscribed and sworn to before me this

31st Day August 2007

Amanda K. Lamb

Notary Public, Eddy County, New Mexico

My Commission expires April 5, 2011

NOTICE OF PUBLICATION STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION SANTA FE, NEW MEXICO

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on September 6, 2007, in the Oil Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appoint for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact: Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by August 27, 2007. Public documents including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed.

STATE OF NEW MEXICO TO:

All named parties and persons having any right, title, interest or claim in the following cases and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

CASE 13982:

Application of EOG Resources, Inc. for compulsory pooling and horizontal drilling, Eddy County, New Mexico. Applicant in the above-styled cause

seeks an order pooling

all mineral interests in the Wolfcamp formation, Cottonwood Creek-Wolfcamp Gas Pool, in Lots 1-8 of Irregular Section 4, Township 16 South, Range 25 East, N.M.P.M., Eddy County, New Mexico, in a non-standard 224.56-acre spacing unit / project area for a horizontal well. Said unit is to be dedicated to its Meramec "A" 4 Fee Well No. 1H to be horizontally drilled from a surface location 918 feet from the North line and 200 feet from the East Line (Lot 8) and then drilled in a westerly direction in the Wolfcamp formation to a terminus at a standard bottom hole location 898 feet from the North line and 660 feet from the West line (Lot 5) of Irregular Section 4. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of EOG Resources, Inc. as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 8 miles northwest of Artesia, New Mexico. Given under the Seal of the State of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this 8th day of August 2007.

STATE OF NEW
MEXICO

OIL CONSERVATION
DIVISION

Mark E. Fesmire, P.E.,
Director

Published in the Artesia Daily Press, Artesia, N.M. August 10, 2007.

Legal 19873

U.S. Postal Service[™]
CERTIFIED MAIL[™] RECEIPT
(Domestic Mail Only, No Insurance Coverage Provided)

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Postage	\$ 97
Certified Fee	2.65
Return Receipt Fee (Endorsement Required)	2.15
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.77

Mr. Williams F. Lawless

c/o Derek V. Larson
 SUTIN, THAYER & BROWNE
 A Professional Corporation
 Post Office Box 1945
 Albuquerque, New Mexico 87103-1945

PS

SENDER: COMPLETE THIS SECTION

- 1. Article Addressed to:
- 2. Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- 3. Print your name and address on the reverse so that we can return the card to you.
- 4. Attach this card to the back of the mailpiece, or on the front if space permits.

Mr. Williams F. Lawless
 c/o Derek V. Larson
 SUTIN, THAYER & BROWNE
 A Professional Corporation
 Post Office Box 1945
 Albuquerque, New Mexico 87103-1945

2. Article Number
(Transfer from service label)

7006 2760 0001 6392 0834

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature	<input type="checkbox"/> Agent
B. Received by (Printed Name)	<input type="checkbox"/> Addressee
C. Date of Delivery	
D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	

3. Service Type	<input type="checkbox"/> Express Mail
<input checked="" type="checkbox"/> Certified Mail	<input type="checkbox"/> Registered
<input type="checkbox"/> Insured Mail	<input type="checkbox"/> Return Receipt for Merchandise
<input type="checkbox"/> C.O.D.	

4. Restricted Delivery? (Extra Fee)	<input type="checkbox"/> Yes
-------------------------------------	------------------------------