



P.O. Box 2267, Midland, Texas 79702
Phone: (432) 848-9133

Certified Mail-Return Receipt

November 4, 2019

New Mexico Oil Conservation Division
Attn: Mr. Leonard Lowe
1220 South St. Francis
Santa Fe, NM 87505
Via: Leonard.Lowe@state.nm.us

Re: Notification and Verification of a Standard Well Location for the Adder
31 State 743H (30-025-46445), Section 31, T24S, R33E, Lea County, NM

Dear Mr. Lowe:

Included with this letter are the following documents demonstrating that the above referenced well has been drilled at a standard oil well location:

- C-102 Plat dated October 17, 2019, showing the proposed location of the Adder State 743H;
- An "Area of Common Ownership Plat" separately showing the spacing units for each well; and
- A Certification of Ownership demonstrating the outlined area on the plat is comprised of two state leases, with uniform ownership.

19.15.16.15.C(7) NMAC provides that in area of common ownership (here, a single federal lease) the setback requirements only apply to the outer boundary of the area of uniform ownership, not the spacing unit within the area of uniform ownership. Since the area to the east towards which each of these wells encroach is within the documented "area of common ownership," these well are at a standard location and approval of a non-standard location for the well is not necessary.

Please place this Notification and Verification of a Standard Well Location in the well file for Adder 31 State 743H (30-025-46445).

Respectfully submitted,

EOG Resources, Inc.


Sarah Mitchell
Regulatory Contractor

CC: Mr. Paul Kautz, NMOCD- District 1

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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 August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-	² Pool Code 98180	³ Pool Name WC-025 G-09 S253309P; Upper Wolfcamp
⁴ Property Code 325728	⁵ Property Name ADDER 31 STATE	⁶ Well Number #743H
⁷ OGRID No. 7377	⁸ Operator Name EOG RESOURCES, INC.	⁹ Elevation 3502'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	31	24-S	33-E	-	251'	SOUTH	2089'	EAST	LEA

¹¹Bottom 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
B	31	24-S	33-E	-	100'	NORTH	2588'	EAST	LEA

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.

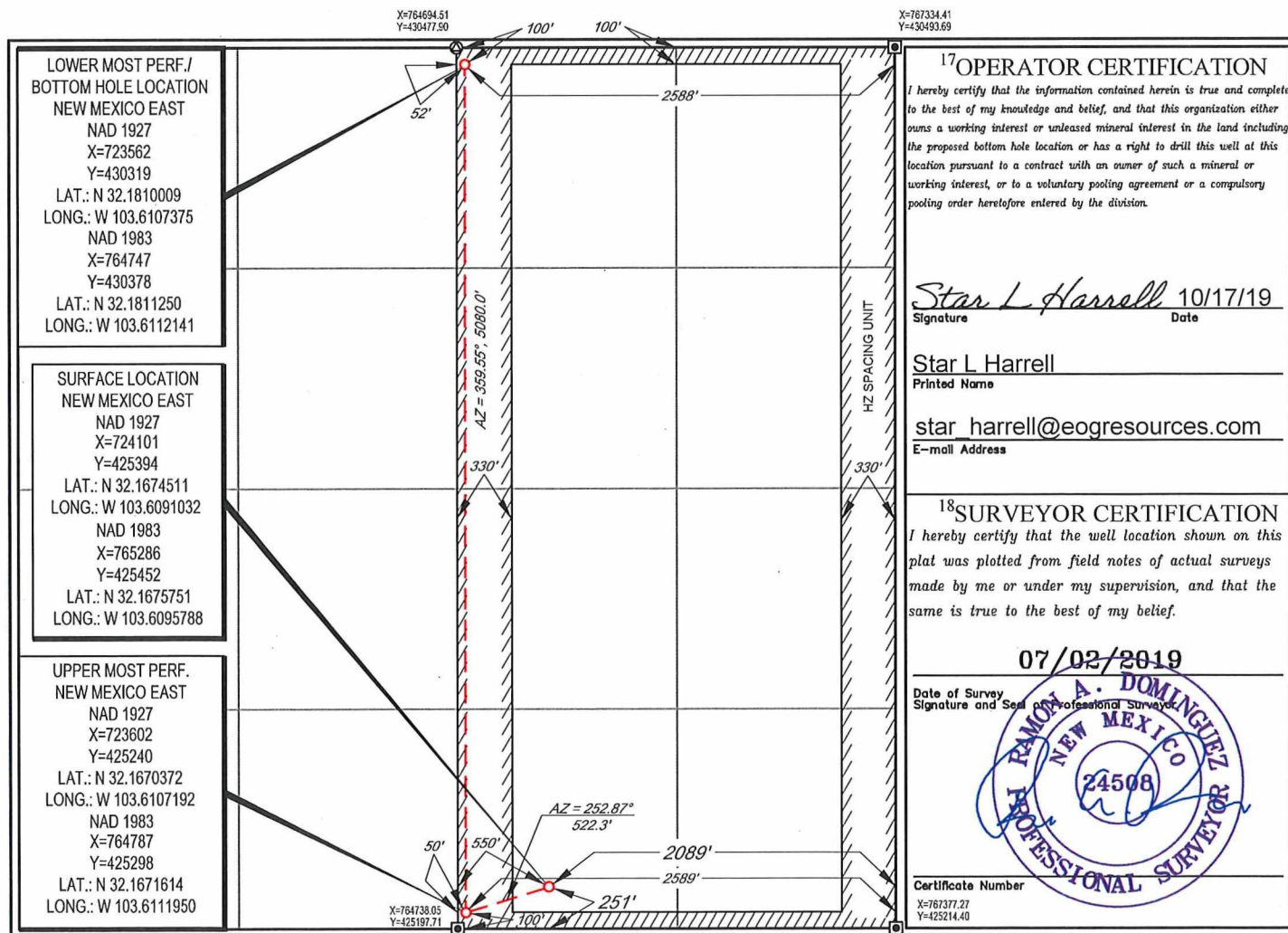
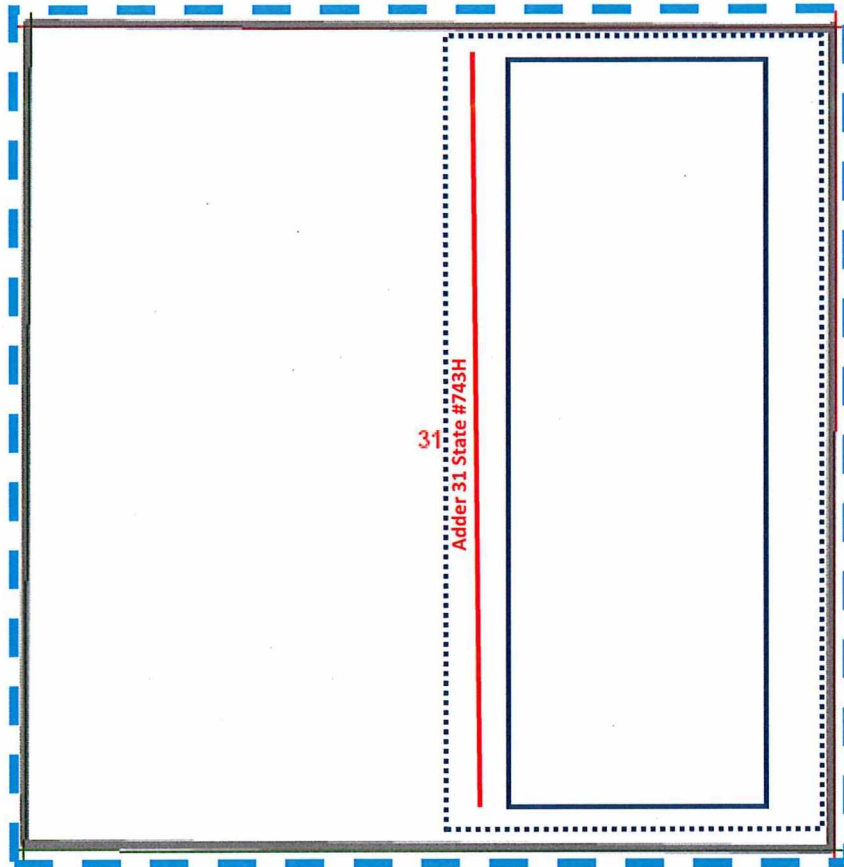




EXHIBIT 4
AREA OF COMMON OWNERSHIP
SECTIONS 31
TOWNSHIP 24S , RANGE 33E
LEA COUNTY, NEW MEXICO



AREA OF COMMON OWNERSHIP



SETBACK BOUNDARY



UNIT BOUNDARY

Certification of Ownership

I have reviewed the ownership of the oil and gas leasehold (State Oil & Gas Lease ST NM VB-1185-1 covering Section 31: W2 and leasehold (State of New Mexico Oil & Gas Lease ST NM VB-1193-1) covering Section 31: E2, both in Township 24S, Range 33E, Lea County, New Mexico, for purposes of identifying an "area of common ownership" as set forth in NMAC 19.15.16.15.B(8) and C(7). As of this date below, the ownership in the above described leases and lands is identical ownership as defined in 19.15.12.7 B. NMAC.

EOG Resources, Inc.



Chris Leyendecker

Landman

October 16th, 2019