

July 2, 2007

HAND-DELIVERED

Mark E. Fesmire, P. E.
Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

RECEIVED

Re: Application of EOG Resources, Inc. for Administrative Approval of the Simultaneous Dedication of the N/2 of Section 28, Township 17 South, Range 24 East, N.M.P.M., Eddy County, New Mexico to its proposed Trinity A 28 State Well No. 1H and the existing Trinity A 28 State Well No. 2H.

Dear Mr. Fesmire:

EOG Resources, Inc. is the operator of a standard 320-acre spacing unit in the Collins Ranch-Wolfcamp Gas Pool (Pool Code 75010) comprised of the N/2 of Section 28, Township 17 South, Range 24 East, N.M.P.M., Eddy County, New Mexico. This spacing unit is dedicated to EOG's Trinity A 28 State Well No. 2H which has been horizontally drilled and produces from the Wolfcamp formation.

EOG seeks administrative approval of the simultaneous dedication of this standard 320-acre gas spacing unit to the following two horizontal gas wells:

- A. the existing TRINITY A 28 STATE Well No. 2H (API No. 30-015-35659) horizontally drilled from a surface location 1880 feet from the North line and 660 feet from the East line to a proposed end point or bottomhole location 1880 feet from the North line and 660 feet from the West line of said Section 28; and
- B. the proposed TRINITY A 28 STATE Well No. 1H (API No. 30-015 35680) to be horizontally drilled from a surface location 760 feet from the North line and 660 feet from the East line to a proposed end point or bottomhole location 760 feet from the North line and 660 feet from the West line of said Section 28.



Both the penetration point and the bottomhole location for the Trinity A 28 State Well No. 2H are at a standard location in the Wolfcamp formation pursuant to Division Rules 104.C (2) (a) and 111.A (7). EOG now intends to horizontally drill and complete its proposed Trinity A 28 State Well No. 1H to be drilled to the targeted subsurface endpoint or bottomhole location 760 feet from the North line and 660 feet from the West line (Unit D) of Section 28. EOG proposes to drill this well in compliance with the setback requirements of Division Rules 104.C(2)(b) and 111.A(7) for deep gas wells in southeast New Mexico.

Attached hereto as **Exhibit A** is a copy of Division Form C-102 for this well that shows the proposed surface and bottomhole location of the well.

Exhibit B is a map of offset operators around the spacing unit in Section 28. **Exhibit C** is a list of affected parties as defined by Division Rules. As required by Rule 1210, a copy of this application (with attachments) has been sent to those affected parties in accordance with Rule 1207(A)(5) and they have been advised that if they have an objection to this application it must be filed in writing with the Division's Santa Fe office within twenty days from the date this notice was sent.

The simultaneous dedication of the N/2 of said Section 28 to the Trinity A 28 State Well Nos. 1H and 2H will afford EOG the opportunity to efficiently produce the Wolfcamp formation under this spacing unit. EOG's proposed simultaneous dedication of these wells does not exceed the number of wells allowed by Division Rule for this spacing unit.

Your attention to this application is appreciated.

Sincerely,

Ocean Munds-Dry

Attorney for EOG Resources, Inc.

ean Munds-12

Enclosures

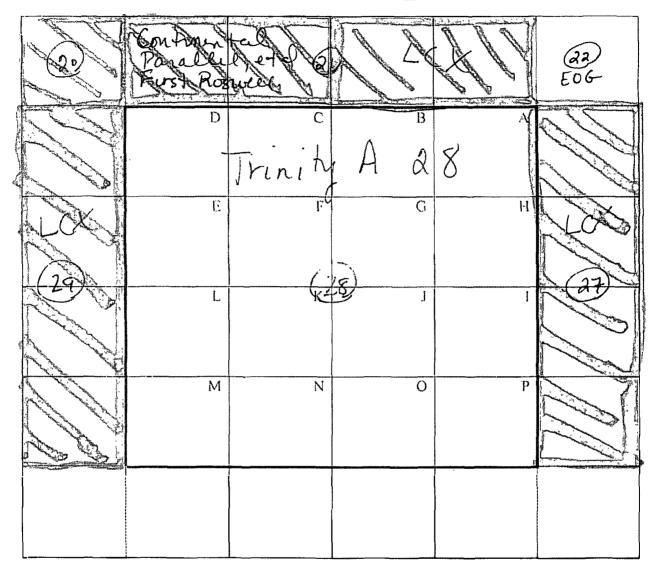
District I State of New Mexico Form C-102 1625 N. French Dr., Hobbs, NM 88240 Energy, Minerals & Natural Resources Department Revised October 12, 2005 District II Submit to Appropriate District Office 1301 W. Grand Avenue, Artesia, NM 88210 OIL CONSERVATION DIVISION District III State Lease- 4 Copies 1220 South St. Francis Dr. 1000 Rio Brazos Rd., Aztac, NM 87410 Fee Lease-3 Copies District IV Santa Fe. NM 87505 1220 S. St. Francis Dr., Santa Fe, NM 87505 ☐ AMENDED REPORT WELL LOCATION AND ACREAGE DEDICATION PLAT API Number 30-015- 35680 COLLINS RANCH; WOLFCAMP (GAS) 75010 Property Code Property Name Wall Number 36534 TRINITY "A" 28 STATE 1HOperator Name OCRED No. Elevation 7377 EOG RESOURCES, INC. 3791' Surface Location UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County 17 SOUTH 28 24 EAST, N.M.P.M. NORTH 780' 660' EAST **EDDY** Bottom Hole Location If Different From Surface Lot kin Feet from the North/South line Feet from the UL or lot no. Section Township East/West line County 17 SOUTH 28 24 EAST. N.M.P.M. 760' NORTH WEST **EDDY** 660' Consolidation Code Dedicated Acres Joint or Infill Order No. 320 No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the OPERATOR CERTIFICATION PROJECT AREA I hereby certify that the information contained herein is true and complete to the best of my knowledge and 660 belief, and that this organization GRID AZ = 269'59' either owns a working interest or unleased mineral interest in the land 3975.2 including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the divisions PRODUCING AREA Signature Donny G. Glanton Printed Name BOTTOM HOLE LOCATION NEW MEXICO EAST NAD 1927 Y=659041.5 X=418133.0 SURFACE LOCATION
NEW MEDICO EAST
NAD 1927
Y=659042.7
X=422106.2 SURVEYOR CERTIFICATION I hereby certify that the well-location shown on this path was prilling from field notes of second surveys (hade be me or under not supplicate and the same is true, and correct to the LAT.: N 32.8115099' LONG.: W 104.5997982 LAT.: N 32.8115401' ONG: W 104.5868595' 15079 Date of Signature Professional Certificate Nighber 15079

EXHIBIT

WO# 070529WL-a (JL)

District (State of New Mexico Form C-102 1625 N. French Dr., Hobbs, NM 88240 Revised October 12, 2005 Energy, Minerals & Natural Resources Department District # Submit to Appropriate District Office 1301 W. Grand Avenue, Artesia, NM 88210 OIL CONSERVATION DIVISION State Lease- 4 Copies District III 1220 South St. Francis Dr. 1000 Rio Brazos Rd., Aztec, NM 87410 Fee Lease-3 Copies District M Santa Fe, NM 87505 1220 S. St. Francis Dr., Santa Fe, NM 87505 AMENDED REPORT WELL LOCATION AND ACREAGE DEDICATION PLAT API Number Pool Code 30.015-35659 COLLINS RANCH: WOLFCAMP (GAS) 75010 **Property Code Property Name** Well Number TRINITY "A" 28 STATE 36534 2HOperator Name OCRID No. Elevation 7377 EOG RESOURCES, INC. 3782' Surface Location Lot Idn Feet from the North/South line Feet from the UL or lot no. Section Township Range East/West line County H 28 17 SOUTH 24 EAST, N.M.P.M. 1880" NORTH EAST **EDDY** 660' Bottom Hole Location If Different From Surface UL or lot no. Section Township Lot Idn Feet from the North/South line Feet from the East/West line County 28 17 SOUTH 24 EAST, N.M.P.M. NORTH 1880' 880' WEST **EDDY** Joint or Infill Consolidation Code Dedicated Acres Order No. 320 No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the PROJECT AREA OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and PRODUCING AREA belief, and that this organization either owns a working interest or unleased mineral interest in the land 88 including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. CRID AZ = 269°59' 3975.1° 660 660 Mosamundamanana quandamanananana quanta q 6/6/2007 Signature Donny G. Glanton lannuumuunikulunuumikuumkuumkuumuumuumuumuu uuunuunundi Printed Name BOTTOM HOLE LOCATION NEW MEXICO EAST NAO 1927 Y=657921.5 X=418130.9 SURFACE LOCATION NEW MEXICO EAST NAD 1927 Y=657922.7 X=422106.1 SURVEYOR CERTIFICATION rtip that the well location inschiol will plate from the plates from the property make by any substriking and inations are included in the inations and inations and inations are inations and inations and inations are inationally and inations and inations are inations and inations are inationally and inations and inations are inationally and inationally are inati I hereby certify LAT.: N 32.8084314° LONG.: W 104.5997956° LAT.: N 32.8084618' LONG.: W 104.5868576' Signature Professional Certificate Nymber WO# 070529WL-b (A)

offsets in Section 28



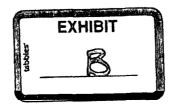


Exhibit C

Application of EOG Resources, Inc. Simultaneous Dedication of N/2 of Section 28, Township 17 South, Range 24 East, NMPM Eddy County, New Mexico

LCX Energy, LLC 101 N. Marenfeld Suite 200 Midland, Texas 79701

Continental Land Resources, LLC P.O. Box 2691 Roswell, NM 88202

Capstone Oil & Gas Company P.O. Box 10187 Midland, Texas 79702

Parallel Petroleum Post Office Box 10587 Midland, TX 79702

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

CMW Interests, Inc. 24 Smith Road, Suite 405 Midland, Texas 79705

First Roswell Co. P.O. Box 1797 Roswell, New Mexico 88202