State of New Mexico Energy, Minerals and Natural Resources Department

Dylan M. Fuge, Director

Oil Conservation Division

Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Todd E. Leahy, JD, Ph.D Deputy Cabinet Secretary

Ms. Lisa Youngblood lisa_youngblood@eogresources.com

Administrative Order NSP - 2163

ADMINISTRATIVE NON-STANDARD HORIZONTAL SPACING UNIT

EOG Resources, Inc. [OGRID 7377]

Inga 33 Federal Com Well No. 611H [API No. 30-025-51571] Inga 33 Federal Com Well No. 612H [API No. 30-025-51572] Inga 33 Federal Com Well No. 613H [API No. 30-025-PENDING] Inga 33 Federal Com Well No. 614H [API No. 30-025-PENDING] S/2 Section 33, T23S, R32E and All Section 04, T24S R32E, Lea County

Reference is made to your application received on July 19th, 2023.

You have requested approval of a non-standard horizontal spacing unit to be included in your proposed horizontal spacing unit, as follows:

Proposed Increased Horizontal Spacing Unit:

Description	Acres	Pool	Pool Code
S/2 of Section 33, T23S, R32E	958.48	Mesa Verde; Bone Spring	96229
All of Section 04, T24S, R32E			

You have requested an exception pursuant to Rule 19.15.16.15(A)(3) NMAC, to approve a nonstandard horizontal spacing unit consisting of the entire area described above as the horizontal spacing unit. The proposed horizontal spacing unit does not consist of a quarter - quarter section or equivalent in both sections, as required by Rule 19.15.16.15(B)(1) NMAC.

We understand that you are seeking this exception for an allowance to create a non-standard horizontal spacing unit, comprised of the Proposed Horizontal Spacing Unit referenced above within Lea County, New Mexico.

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all adjoining units which are to be being included.

You have requested this non-standard horizontal spacing unit in order to minimize surface disturbance and to promote efficient well spacing within the Bone Spring formation. Thereby,

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preventing waste underlying the S/2 of Section 33, T23S, R32E and all of Section 04, T24S, R32R, all while protecting correlative rights within the referenced Horizontal Spacing Unit.

Pursuant to the authority conferred by Division Rule 19.15.16.15(B)(5) NMAC, the abovedescribed **non-standard horizontal spacing unit is hereby approved**. Further, the Applicant may add additional wells to the horizontal spacing unit. The additional well(s) shall be designated to the same horizontal spacing unit and pool/formation. Submit a Change of Plans to the OCD's permitting website. Once submitted, email the Action ID number to the following email address: <u>ocd.engineer@emnrd.nm.gov</u> of notice for additional wells.

General Provisions

The above approvals are subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DYLANM. FÜGE DIRECTOR DMF/lrl

Date: 8/13/23

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State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

CONDITIONS

Operator:	OGRID:
EOG RESOURCES INC	7377
P.O. Box 2267	Action Number:
Midland, TX 79702	251850
	Action Type:
	[IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created	Condition	Condition
By		Date
llowe	None	8/14/2023

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Action 251850