State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Melanie Kenderdine Cabinent Secretary - Designate

Ben Shelton Deputy Secretary (Acting) **Gerasimos "Gerry" Razatos** Division Director (Acting) Oil Conservation Division



Shea Bailey sbailey@eogresources.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL – 8851

EOG Resources, Inc. [OGRID 7377] Stonewall 28 Federal Com Well No. 105H API No. 30-025-47903

Reference is made to your application received on December 23rd, 2024.

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	275 FNL & 1558 FEL	В	28	24S	34E	Lea
First Take Point	100 FNL & 1250 FEL	А	28	24S	34E	Lea
Last Take Point/	100 FSL & 1250 FEL	Р	33	24S	34E	Lea
Terminus						

Proposed Horizontal Units

Description	Acres	Pool	Pool Code
E/2 E/2 Section 28	320	Red Hills; Bone Spring, North	96434
E/2 E/2 Section 33			

You have requested to drill this horizontal well at an unorthodox well location described above in the referenced pool or formation. 19.15.16.15(B)(1)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal **oil** well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal well's completed interval penetrates, each of which consists of a governmental quarter - quarter section or equivalent. 19.15.16.15(C)(1)(a) NMAC governs the distance in the horizontal plane from any point in the completed interval to any outer boundary of the horizontal spacing unit, measured along a line perpendicular to the completed interval or to the tangent thereof, shall be a minimum of 330 feet for an **oil** well. 19.15.16.15(C)(1)(b) NMAC governs the first and last take point of a horizontal

Administrative Order NSL – 8851 EOG Resources, Inc. Page 2 of 2

well shall be no closer than 100 feet in the horizontal plane, to any outer boundary of the horizontal spacing unit.

The request to deviate from an orthodox location has met all requirements of 19.15.16.15 (C)(5)(a) NMAC. It is understood that you are seeking this exception in order to create a non-standard location, comprised of Take Points referenced above, within the described Horizontal Spacing Unit.

This well's completed interval is as close as 70 feet to the western edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 28, encroachment to the W/2 E/2 Section 33, encroachment to the W/2 E/2

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in 19.15.2.7(A)(8) NMAC, in all adjoining units towards which the proposed location encroaches.

The Division understands you are seeking this unorthodox location as your preferred well spacing plan for horizontal wells, which will prevent waste within the Bone Spring formation underlying the E/2 E/2 of Section 28 and E/2 E/2 of Section 33, thereby protecting the correlative rights and the disposition of waste resulting from oil and gas operations.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

Per 19.15.15.13 (B) NMAC, Division approves this unorthodox location.

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, to place this well into production.

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as the Division deems necessary.

GERASIMOS RAZATOS DIRECTOR (ACTING) GR/lrl

Date: _2/6/2025

Rec

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[II] Injection – Disposal – Pressure Increase – Enhanced (WFX PMX SWD IPI EOR	OLM Oil Recovery PPR <u>FOR OCD ONLY</u>
 NOTIFICATION REQUIRED TO: Check those which apply. A. Offset operators or lease holders B. Royalty, overriding royalty owners, revenue owners C. Application requires published notice D. Notification and/or concurrent approval by SLO E. Notification and/or concurrent approval by BLM F. Surface owner G. For all of the above, proof of notification or publication H. No notice required 	Notice Complete
CERTIFICATION: I hereby certify that the information submitted administrative approval is accurate and complete to the best understand that no action will be taken on this application un notifications are submitted to the Division.	t of my knowledge. I also
Note: Statement must be completed by an individual with manager	ial and/or supervisory capacity.
hea Bailey Date	9/2024

432-214-9797

Phone Number

sbailey1@eogresources.com e-mail Address

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<u>Shea Bailey</u> Signature Released to Imaging: 2/10/2025 9:08:06 AM



Shea Bailey Phone: (432) 214-9797 Email: sbailey1@eogresources.com

F gego dgt'3;, 2024

VIA ONLINE FILING

Cevkpi ''QEF 'F ktgevqt'' Qkrl'Eqpugtxcvkqp''F kxkukqp'' P gy ''O gzkeq''F gr ctvo gpv'qh''Gpgti {.''O kpgtcnı.''cpf ''P cwtcrl'T guqwtegu 3442''Uqwj ''Uv0Htcpeku'F tkxg Ucpvc''Hg.''P gy ''O gzkeq'': 9727

Re:Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Stonewall 28 Fed Com 105H well dedicated to the E2E2 of Section 28 and E2E2 of Section 33, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico.

Dear'Cevkpi 'Fktgevqt,

EOG Resources, Inc. (OGRID No. 7377) seeks administrative approval of an unorthodox well location for its Uxqpgy cml4: "Hgf "Eqo "327J well (API No. 30-025-76266)" (sundry pending with the BLM) (hqto cm{ " npqy p" cu" Uxqpgy cml 4: "Hgf " Eqo " 728J). The spacing unit dedicated to the well is comprised of the E2E2 of Section 4: and E2E2 Section 55, Township 46 South, Range 56 East, NMPM, Ngc County, New Mexico and is within the Tgf "J km; Bone Spring, Pqtyj (; 8656). The horizontal spacing unit for the well is approximately 542 acres and does not include proximity tracts.

This well has not yet been drilled. It is proposed to be drilled as follows:

- The <u>surface location</u> is located 497 feet from the North line, 377: feet from the" East line (Unit B) of Section 4: ,
- The <u>bottom hole location</u> is located 100 feet from the South line, 3472 feet from" the Geuvline (Unit R) of Section 55,
- The <u>first take point</u> is located 100 feet from the North line, 3472 feet from the" West line (Unit C) of Section 4: ,
- The <u>last take point</u> is located 100 feet from the South line, 3472 feet from the 'Gcuv line (Unit R+of Section 55.

The acreage is governed by the Division's statewide rules. The proposed completed interval is unorthodox because it will be closer than 330 feet to the y guygtp boundary. It encroaches on the spacing units in the W2E2 of Section 4: and W2E2 of Section 55. Approval of the unorthodox location

will allow EOG to use its preferred well spacing plan for horizontal wells, which will prevent waste.

Exhibit A includes the C-102 showing the location of the proposed well, including the proposed unorthodox, completed interval. The proposed completed interval encroaches on the spacing unit/tracts to the west. The third and forth pages of Exhibit A show the original approved APD for the Stonewall 28 Fed Com 105H well, including the original name of the well (Stonewall 28 Fed Com 506H)

Exhibit B is a plat that shows the Stonewall 28 Fed Com 105H well in relation to the adjoining spacing units/tracts to the west.

Exhibit C is a certification from the landman indicating that he has reviewed the tracts affected by this request. Exhibit C includes a list of the affected parties and **Exhibit D** provides proof that a copy of this application, including exhibits, was mailed to each affected party. This notice advises affected parties that any objection must be filed in writing with the Division within 20 days from the date the Division receives the application.

Exhibit E is a statement from a petroleum engineer providing justification for the requested non-standard location. Thank you for your attention to this matter.

Very truly yours,

Shea Bailey

Shea Bailey Regulatory Administrator

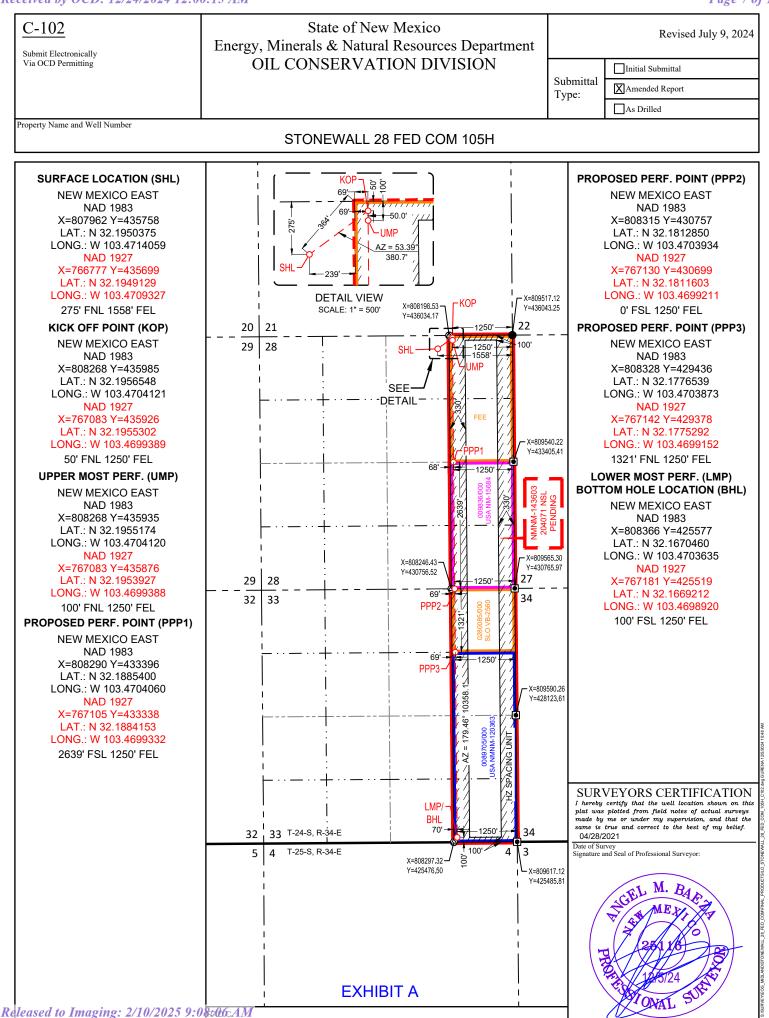
Page 6 of 15

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C-102					State of New ls & Natura		Department		Revis	ed July 9, 2024
Submit Electronically Via OCD Permitting OIL CONSERVAT						ION DIVIS	SION		Initial Submittal	
							Submittal Type:	Amended Report		
								51	As Drilled	
		W	ELL LC	CATIO	N AND AC	REAGE DE	EDICATION	PLAT		
API Number 30-025-5	4044			434	Pool N		ls; Bone Sprin	g, North		
Property Code 321477			Property Name	S	STONEWALI	_ 28 FED CC	DM			105H
					URCES, INC. Ground Level Elevation 3491'					
Surface Owner:	State KFee	Tribal Federal				Mineral Owner:	State 🗙 Fee 🗌 Tribal 🗴	Federal		
					Surface	Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude		Longitude	County
В	28	24-S	34-E	-	275' N	1558' E	N 32.19503	75 W 1	03.4714059	LEA
						le Location				
UL or lot no.	Section	Township	Range	Lot Idn		Feet from the E/W	Latitude		Longitude	County
P	33	24-S	34-E	-	100' S	1250' E	N 32.16704	60 W 1	03.4703635	LEA
Dedicated Acres	Infill or Dof	ining Well Defin	ing Well ADI			Overlapping Spacing	Unit (Y/N)	Consolida	red Code	
320		-	-	'5		Overlapping Spacing Unit (Y/N) Consolidated Code				
					N C Well Setbacks are under Common Ownership: Yes XNo					
Order Numbers	INIVIINIVI-14	43003 204	UTINOL	PENDING		1	ider Common Ownersnip		0	
L III L					Kick Off P		T		x	<u> </u>
UL or lot no.	Section	Township	Range	Lot Idn		Feet from the E/W			Longitude	County
A	28	24-S	34-E	-	50' N	1250' E	N 32.19565	48 1 1 1	03.4704121	LEA
					First Take I	Point (FTP)				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude		Longitude	County
A 28 24-S 34-E - 100' N				1250' E	N 32.19551	74 W 1	03.4704120	LEA		
					Last Take I	Point (LTP)				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude		Longitude	County
Р	33	24-S	34-E	-	100' S	1250' E	N 32.16704	60 W 1	03.4703635	LEA
Unitized Area or A		Intrest REEMENT		Spacing Unity	Type	al Vertical	Ground F	Floor Elevation	3516'	
		FICATION	ained herein	is true and	complete to the		RS CERTIFICAT		this all and another	d from field
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pooling order	heretofore ent	ered by the di l well, I furthe	vision.	-				(7 251 VA	0
received The o unleased mine	consent of at eral interest i he well's com	least one lessed in each tract (pleted interval	e or owner of in the target	a working in pool or forma					125/24	A CONTRACTOR
A	la Mc	Conne		1	2/16/2024				PONAL 9	50.
Signature V KAYLA	MCCON	NELL	Date			Signature and Seal of	of Professional Surveyor	Dat	e	
Print Name KAYLA E-mail Address	MCCON	NELL@E	OGRESO	URCES.C	СОМ	Certificate Number	Date of	Survey 04/28/2021		
						1	1			

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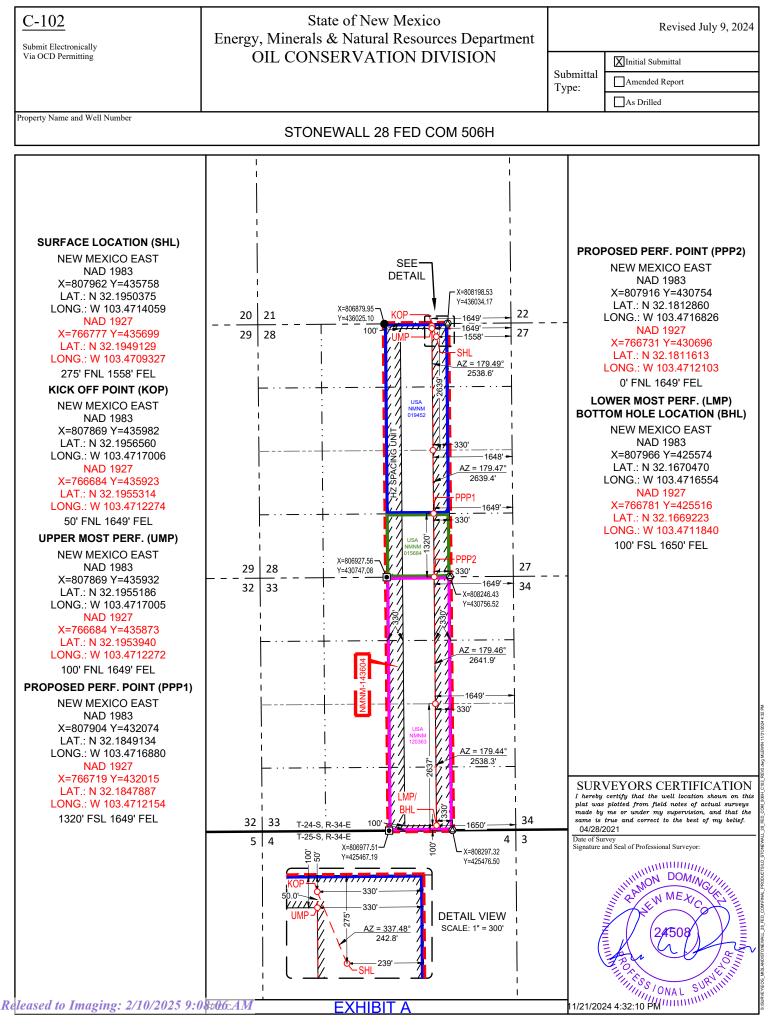
Page 7 of 15

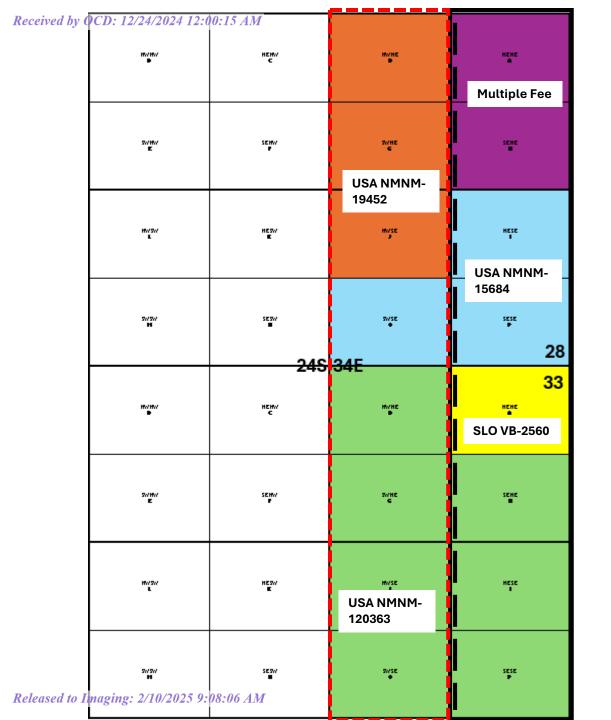


Page 8 of 15

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<u>C-102</u>			Energy		State of Nev ls & Natura	v Mexico l Resources	Departme	ent		Revis	ed July 9, 2024
	a OCD Permitting OIL CONSERVAT						1			XInitial Submittal	
									ubmittal	Amended Report	
								1	ype:	As Drilled	
		N AND AC	REAGE DI	EDICATI	ION PI	AT					
API Number			Pool Code		Pool N	ame					
30-025-				6434		Red Hi	lls; Bone S	spring, i	North		
Property Code 321477			Property Name	Ś	STONEWAL	L 28 FED CC	ОМ				506H
OGRID No. Operator Name EOG RESO						DURCES, INC. Ground Level Elevation 3490'					
Surface Owner:	State X Fee	Tribal 🗌 Federal				Mineral Owner:	State Fee T	Tribal 🗙 Fed	eral		
					Surface	Location					
UL or lot no.	Section	Township	Range	Lot Idn		Feet from the E/W	Latit	ude		Longitude	County
В	28	24-S	33-E	-	275' N	1558' E	N 32.19	950375	W 10	03.4714059	LEA
					Bottom Ho	le Location					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latit	ude		Longitude	County
0	33	24-S	33-E	-	100' S	1650' E	N 32.16	670470	W 10	03.4716554	LEA
						-					
Dedicated Acres		ining Well Defin	-			Overlapping Spacing			Consolidate		
320.00 INFILL 30-025-44926					N C						
Order Numbers		NMNM-	143604			Well Setbacks are ur	nder Common Ow	vnership:	Yes No		
					Kick Off P	oint (KOP)					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latit			Longitude	County
В	28	24-S	33-E	-	50' N	1649' E	N 32.19	956560	W 10	03.4717006	LEA
					First Take	Point (FTP)					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latit	ude		Longitude	County
B 28 24-S 33-E - 100' N				1649' E	N 32.19	955186	W 10	03.4717005	LEA		
					Last Take]	Point (LTP)					
UL or lot no.	Section	Township	Range	Lot Idn		Feet from the E/W	Latit	Latitude L		Longitude	County
0	33 24-S 33-E - 100'S				100' S	1650' E	N 32.16	670470	W 10	03.4716554	LEA
Unitized Area or A				Spacing Unity	Type	al Vertical	G	round Floor	Elevation	3515'	
	OM AGR	EEMENI								3313	
I hereby certi best of my kn that this orga in the land in well at this lu or unleased m	iowledge and nization eithe ncluding the ocation pursu vineral interes	iformation con belief; and, if er owns a wori proposed botton ant to a contro st, or to a voli	the well is a cing interest n hole location act with an o intary pooling	i vertical or or unleased i n or has a ri wner of a wo	complete to the directional well, nineral interest ght to drill this rking interest r a compulsory	SURVEYOF I hereby certify notes of actual is true and cor	that the well	l location	shown m	Wig plat, was plotte supervision, and	d from field that the same
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Signature			Date			Signature and Seal	of Professional S	urveyor	Date		
Star L Harre	ell					Certificate Number		Date of Surv	ev		
star_harrell(@eogresou	irces.com				Service Fumber			28/2021		
						1					

EXHIBIT A

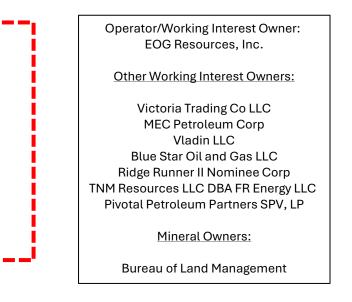




Stonewall 28 Fed Com #105H E2E2 of Sections 28 and 33, T24S, R34E, Lea County, NM

Stonewall 28 Fed Com Spacing Unit

Well: Stonewall 28 Fed Com #105H





November, 2024

Certification of Ownership

I have reviewed the ownership of the oil and gas leasehold in Sections 28 and 33-24S-34E, Lea County, New Mexico, for purposes of the unorthodox location for EOG's Stonewall 28 Fed Com #105H well located in the E2E2 of Sections 28 and 33-24S-34E. As of the date of this letter, the affected parties are:

- 1. EOG Resources, Inc. 5509 Champions Dr. Midland, TX 79706
- Bureau of Land Management 301 Dinosaur Tr. Santa Fe, NM 87508
- Victoria Trading Co. LLC PO BOX 1077 Edinburg, TX 78540
- 4. MEC Petroleum Corp PO BOX 11265 Midland, TX 79702
- 5. Vladin, LLC PO BOX 100 Artesia, NM 88211
- Blue Star Oil and Gas LLC PO Box 100 Artesia, NM 88211
- Ridge Runner II Nominee Corp 20405 State Highway 249, Suite 820 Houston, TX 77070

Sincerely,

EOG Resources, Inc.

James Barwis SR. Landman

- TNM Resources, LLC DBA FR Energy LLC 1106 Witte Rd. Suite 400 Houston, TX 77055
- Pivotal Petroleum Partners SPV, LP 2021 McKinney Ave, Suite 1250 Dallas, TX 75201

EXHIBIT C

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NSL Application for Stonewall 28 Fed Com 105H EOG Resources, Inc. EXHIBIT A- Notice List

Bureau of Land Management 301 Dinosaur Tr. Santa Fe, NM 87508

Ridge Runner II Nominee Corp 20405 State Highway 249, Suite 820 Houston, TX 77070

TNM Resources, LLC DBA FR Energy LLC 1106 Witte Rd. Suite 400 Houston, TX 77055

Pivotal Petroleum Partners SPV, LP 2021 McKinney Ave, Suite 1250 Dallas, TX 75201

EOG Resources, Inc. P O BOX 4362 HOUSTON,TX 77210-4362 Victoria Trading Co. LLC PO BOX 1077 Edinburg, TX 78540

MEC Petroleum Corp PO BOX 11265 Midland, TX 79702

Vladin, LLC PO BOX 100 Artesia, NM 88211

Blue Star Oil and Gas LLC PO Box 100 Artesia, NM 88211

Copies of this application were mailed to the following individuals, companies, and organizations on or before

Shea Bailey Shea Bailey

Shea Bailey ^{*D*} EOG Resources, Inc.

Exhibit D



Shea Bailey Phone: (432) 214-9797 Email: Shea_Bailey@eogresources.com

December 19, 2024

VIA CERTIFIED MAIL

TO: AFFECTED PARTIES

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Stonewall 28 Fed Com 105H well dedicated to the E2E2 of Section 28 and E2E2 of Section 33, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico.

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date with the applicant and the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

James Barwis EOG Resources, Inc. (432) 425-1204 James Barwis@eogresources.com

Very truly yours,

Shea Bailey

Shea Bailey Regulatory Administrator



November 27, 2024

Re: EOG Resources NSL Application Stonewall 28 Fed Com #105H

To whom it may concern:

A non-standard location is necessary to develop the Bone Spring formation, specifically the Avalon, in this section efficiently and in an economic manner. A non-standard location optimizes pressures related to the completion and production drawdown of the wells and is expected to yield a higher ultimate recovery than a standard location, thereby preventing waste and protecting correlative rights.

Sincerely,

Harrison Perin

EOG Resources Harrison Perrin Reservoir Engineer

EXHIBIT E

Released to Imaging: 2/10/2025 9:08:06 AM

Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

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
5509 Champions Drive	Action Number:
Midland, TX 79706	414812
	Action Type:
	[UF-NSL] Non-Standard Location (NSL)
CONDITIONS	

Created By	Condition	Condition Date
llowe	None	12/27/2024

- ----

Action 414812