

P.O. Box 2267, Midland, Texas 79702 Phone: (432) 686-3600 Fax: (432) 686-3773

30-015-31235

February 21, 2018

Bureau of Land Management Carlsbad Field Office 620 E. Greene St. Carlsbad, New Mexico 88220-6292

State of New Mexico Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87504

Re: Phantom Draw Federal Exploratory Unit Serial No. NMNM 71013X 2018 Plan of Development Eddy County, New Mexico EOG Resources, Inc. Contract K0010525

Gentlemen:

EOG Resources, Inc. (EOG), as Unit Operator of the Phantom Draw Federal Exploratory Unit (PDFEU), hereby submits for your approval, our 2018 Plan of Development.

Items included are as follows: Planned 2018 operations, previous year operations, current status of all wells within the unit, and production graphs for each productive reservoir. Also attached is a current map, showing respectively the unit's: structural and geologic interpretations, participating area boundaries, wells, flow-lines, and roads.

It is understood that approval of this plan does not approve the work covered by the plan. Individual approval is still required for such items as APD's/ROW's/etc.

Any modifications or additions to this Plan of Development will be filed as supplements to the plan.

Sincerely,

Gary S. Barker Landman

2018 Planned Operations:

Drilling -

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At this time, EOG does not plan any new drill wells in the PDFEU.

Completions -

At this time, EOG does not plan any new drill wells in the PDFEU.

Plug Back -

At this time, EOG does not plan any plug backs in the PDFEU.

Conversion -

At this time, EOG does not plan any conversions in the PDFEU.

Abandonment -

None

Other surface disturbing operations -

None

Previous Year Operations (2017):

Drilling -

EOG did not drill any new wells in the PDFEU in 2017.

Completions –

EOG did not complete any wells in the PDFEU in 2017.

Plug Back-

EOG did not plug back any wells in the PDFEU in 2017.

Conversion –

EOG did not complete any conversions in the PDFEU in 2017.

Abandonment -

None

Other surface disturbing operations -

None

Status of all Wells within the Unit:

WELL NAME & NUMBER	API NUMBER	COMP DATE	ZONE	STATUS
Phantom Draw Fed Unit #4	3001531235	10/7/2000	Wolfcamp	Flowing

Production Graphs:

See Attachments

Map of structural and geologic interpretations, participating area boundaries, wells, flowlines, and roads:

See Attachment

The working interest owners have been provided a copy of this 2018 Plan of Development. EOG Resources, Inc. and the working interest owners believe that all current Phantom Draw Federal Exploratory Unit obligations have been satisfied.

In accordance with Section 10 of the Phantom Draw Federal Exploratory Unit Agreement, please signify your approval of the 2018 Plan of Development by executing in the signature block below. Please return one approved copy to EOG Resources, Inc. at the letterhead address.

Should you have any questions or comments in this regard, please contact me at 432-686-3637.

Bureau of Land Management

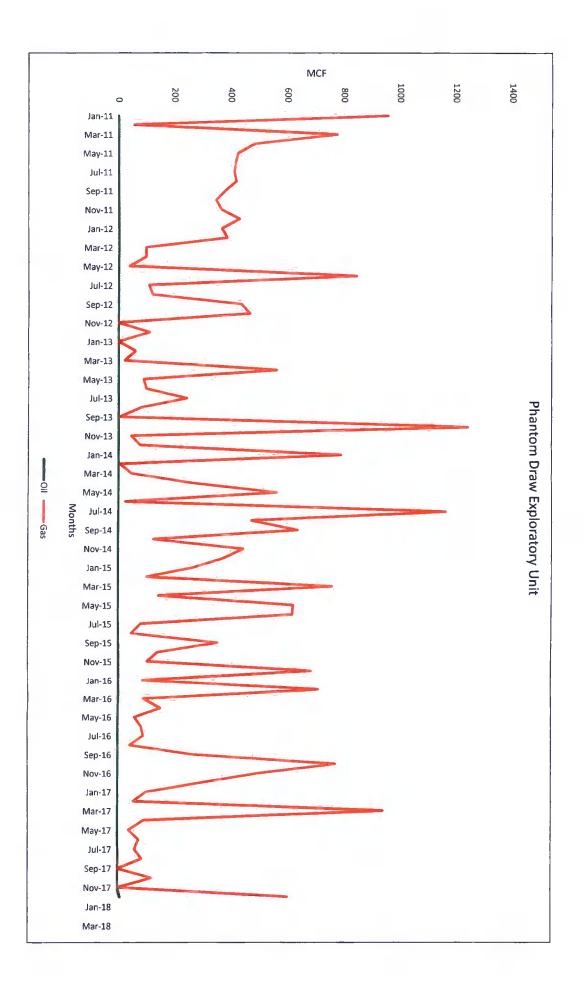
Date

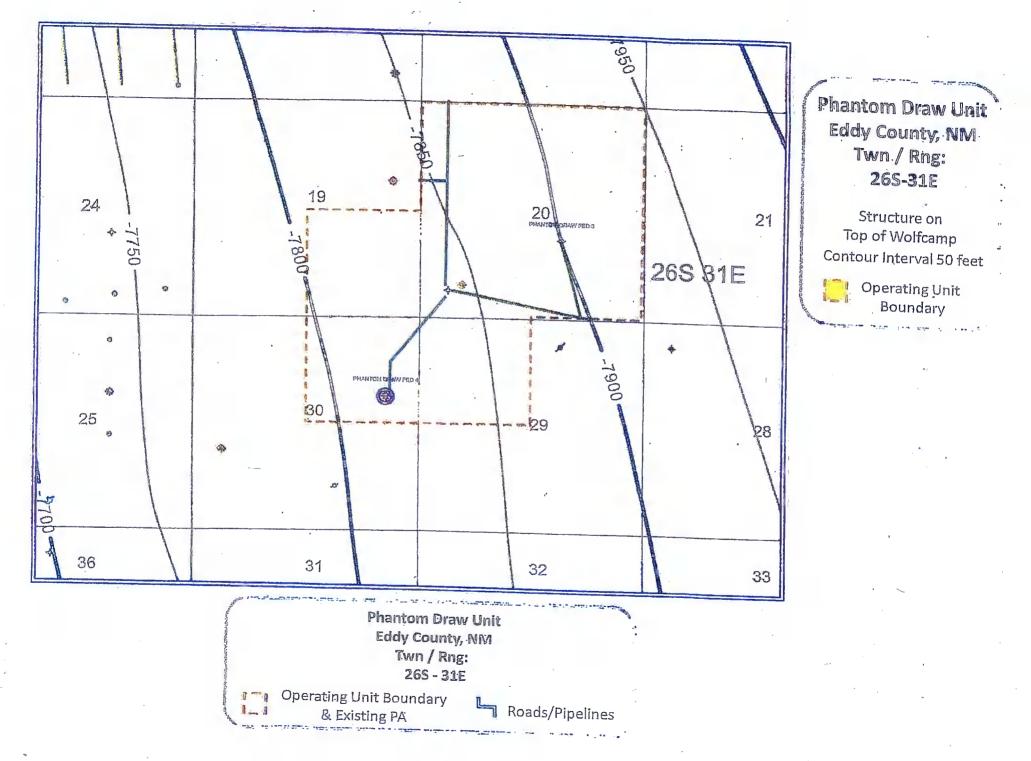
New Mexico Oil Conservation Division

Date

The foregoing approvals are for the 2018 Plan of Development for the Phantom Draw Federal Exploratory Unit, Eddy County, New Mexico.

cc: Mountain Home Oil Company 4505 Meadowlark Midland, Texas 79707 Attn: Ken Gray





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