State of New Mexico Energy, Minerals and Natural Resources Department

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October 12, 2021

Ms. Kaitlyn A. Luck kaluck@hollandhart.com

NON-STANDARD LOCATION

Administrative Order NSL-8212

EOG Resource, Inc. [OGRID 7377] Thrasher 33 Federal Com Well No. 708H API No. 30-025-48397

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	200 FSL & 1650 FEL	O	33	24S	34E	Lea
First Take Point	100 FSL & 1002 FEL	P	33	24S	34E	Lea
Last Take Point	108 FNL & 1002 FEL	A	28	24S	34E	Lea
Terminus	100 FNL & 985 FEL	A	28	24S	34E	Lea

Proposed Horizontal Units

Description	Acres	Pool	Pool Code
E/2 E/2 of Section 33	320	Wildcat; Upper Wolfcamp	98092
E/2 E/2 of Section 28			

Reference is made to your application received on September 9th, 2021.

You have requested to drill this horizontal well at an unorthodox oil 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.

This well's completed interval is as close as 318 feet to the western edge of the horizontal spacing unit. Encroachment will impact the following tracts.

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

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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.

Division understands you are seeking this unorthodox location as your preferred well spacing plan for horizontal wells within the Wolfcamp formation underlying E/2 E/2 of section 33 and the E/2 E/2 of section 28. Therefore, preventing waste of resources.

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.

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 Division deems necessary.



AES/lrl

cc: State Land Office – Oil, Gas, and Minerals Division