State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham

Governor

Sarah Cottrell Propst Cabinet Secretary Adrienne E. Sandoval, Director Oil Conservation Division



Todd E. Leahy, JD, PhD Deputy Cabinet Secretary

Ms. Jordan Kessler jordan kessler@eogresources.com

NON-STANDARD LOCATION

Administrative Order NSL-8411

EOG Resource, INC. [OGRID 7377] Ruthless 11 Federal Com Well No. 722H API No. 30-025-50462

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	562 FNL & 1614 FWL	С	11	25S	32E	Lea
First Take Point	100 FNL & 2590 FWL	C	11	25S	32E	Lea
Last Take Point/	100 FSL & 2590 FWL	N	14	25S	32E	Lea
Terminus						

Proposed Horizontal Units

Description	Acres	Pool	Pool Code	
W/2 of Section 11	640	Wildcat; Upper Wolfcamp	98180	
W/2 of Section 14				

Reference is made to your application received on July 26th, 2022.

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 50 feet to the eastern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 11, encroachment to the E/2 Section 14, encroachment to the E/2

Administrative Order NSL-8411 EOG Resources, INC. Page 2 of 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.

Division understands you are seeking this unorthodox location as your preferred well spacing plan for horizontal wells, which will prevent waste within the Wolfcamp formation underlying W/2 of section 11 and the W/2 of section 14.

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 Division deems necessary.



Date: 9/02/2022

AES/lrl