State of New Mexico Energy, Minerals and Natural Resources Department

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NON-STANDARD LOCATION

Administrative Order NSL - 8472

EOG RESOURCES, INC. [OGRID 7377] Stark 33 Federal Com Well No. 725H API No. 30-015-48602

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	500 FSL & 1799 FWL	N	33	25S	30E	Eddy
First Take Point	330 FNL & 1790 FWL	\mathbf{C}	4	26S	30E	Eddy
Last Take Point/	100 FSL & 1790 FWL	N	9	26S	30E	Eddy
Terminus						

Proposed Horizontal Gas Units

<u>Description</u>	Acres	Pool	Pool Code
E/2 of Section 5	1280	Purple Sage; Wolfcamp (GAS)	98220
E/2 of Section 8			
W/2 of Section 4			
W/2 of Section 9			

Reference is made to your application received on November 2nd, 2022.

You have requested to complete this horizontal well as a gas well described above in the referenced pool or formation. This well is governed by special rules, R-14262, for the Purple Sage; Wolfcamp (Gas) Pool and provides for 320-acre units, with wells located at least 330 feet from a unit outer boundary.

This well's completed interval is as close as 100 feet to the southern edge of the horizontal spacing unit. Encroachment will impact the following tract.

Section 16, encroachment to the NW/4

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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 Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all adjoining units towards which the proposed location encroaches.

Division understands you are seeking this unorthodox location to achieve ultimate recovery and to reduce the waste of resources within the Wolfcamp formation underlying the spacing unit located E/2 of Section 5, E/2 of Section 8, W/2 of Section 4, and the W/2 of Section 9.

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 Subsection B of 19.15.15.13 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: 12/05/2022

AES/lrl